

MEDIA RELEASE: Friday, April 8, 2011, 4:30 p.m.

## REGIONAL MUNICIPALITY OF WATERLOO ADMINISTRATION AND FINANCE COMMITTEE AGENDA

Tuesday, April 12, 2011

11:30 a.m.

(Time is approximate; meeting follows Closed Session)

Regional Council Chamber

150 Frederick Street, Kitchener, Ontario

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1. **MOTION TO RECONVENE INTO OPEN SESSION**
  2. **DECLARATIONS OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT OF INTEREST ACT**
  3. **DELEGATIONS**
  4. **REPORTS – Finance**
    - a) [F-11-019](#), Investment Position at December 31, 2010 + [Appendix 1](#) 1
    - b) [F-11-020](#), 2011 Tax [Ratios](#) 5
    - c) [F-11-021](#), Periodic [Financial Report](#) for the Year Ended December 31, 2010 11

**REPORTS – Human Resources**

    - d) [CA-HR-11-005](#), Addition to Human Resources [Policy Manual](#) 17

**REPORTS – Corporate Resources**

    - e) [CR-RS-11-020](#), Disposal of Easement Interest, Columbia Street East, City of Waterloo 23
  5. **INFORMATION/CORRESPONDENCE**
  6. **OTHER BUSINESS**
    - a) Council Enquiries and Requests for Information [Tracking Sheet](#) 26
  7. **NEXT MEETING – May 3, 2011**
  8. **ADJOURN**



**REGION OF WATERLOO**  
**FINANCE DEPARTMENT**  
**Treasury Services Division**

**TO:** Chair T. Galloway and Members of the Administration and Finance Committee  
**DATE:** April 12, 2011 **FILE CODE:** F12-20  
**SUBJECT:** **INVESTMENT POSITION AT DECEMBER 31, 2010**

**RECOMMENDATION:**

For Information

**SUMMARY:**

This report describes the Region's investment position at December 31, 2010. The portfolio, which had a value of \$329.7 million at that date, was held in eligible investments of various terms. The annualized average yield on the portfolio to December 31<sup>st</sup> was 4.01% and the portfolio was in compliance with the General Investment Policy throughout the year and on December 31<sup>st</sup>.

**REPORT:**

The Region's general investment portfolio is comprised of reserves, reserve funds and operating funds. Provincial regulations establish the type of investments the Region can hold while the Region's General Investment Policy establishes limits for the allowable investments. The Region's portfolio is currently comprised of holdings ranging from daily money market instruments to long term bonds and debentures. The total book value of the holdings at December 31, 2011 was \$329.7 million while the annualized average yield to that date is 4.01%. This compares to a book value of \$307.7 million at December 31, 2009 and an annualized average yield of 3.95%. The higher annualized yield for 2010 is due to higher short term interest rates in 2010.

The investments at December 31, 2010 are summarized by term (based on earliest applicable call dates) as follows:

<b>Term</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Yields *</b>
Short term (< 1 year, including cash)	\$ 134.5 m	40.8 %	0.42% - 7.34%
Medium term (1 to 5 years)	111.4 m	33.8 %	2.95% - 6.70%
Long term (> 5 years)	83.8 m	25.4 %	3.91% - 8.60%
<b>Total</b>	<b>\$ 329.7 m</b>	<b>100.0 %</b>	<b>4.01% **</b>

\* Yields for individual holdings vary based on the timing of purchase and the issuer.

\*\* Annualized average yield to December 31, 2010.

The largest cumulative investment holdings at December 31<sup>st</sup> were with the Toronto Dominion Bank (TD) for \$115 million or 35% of the portfolio. This included TD general investment funds, essentially cash holdings, of \$98.7 million (29.94% of the portfolio) and TD bonds of \$16.3 million (4.94% of the portfolio). Other significant holdings include:

- Province of Ontario for \$25.8 million (7.81% of the portfolio);
- Royal Bank for \$23.1 million (6.99% of the portfolio);

- Bank of Montreal for \$21.7 million (5.58% of the portfolio);
- CIBC for \$20.3 million (6.16% of the portfolio);
- Region of Waterloo for \$18.9 million (5.74% of the portfolio);
- Region of York for \$18.6 million (5.65% of the portfolio);
- Province of New Brunswick for \$16.6 million (5.04% of the portfolio).

The large holdings at TD are required to fund daily operations and anticipated payments for capital construction and other pending obligations. Additionally, net property tax expenditures generally average \$30 million per month and operational funds were required at year end to cover expenses between January 1 and April 1, 2011. The Region does not receive any property tax revenue from the Area Municipalities until April 1<sup>st</sup>. The balance in the Region's general account is essentially nil by March 31<sup>st</sup>. The rates the Region receives from TD on its cash holdings are slightly higher than short term rates offered by other financial institutions and T-bill rates. In addition, holdings at TD are completely liquid which aligns with the principles of the Region's General Investment Policy of minimizing risk, maintaining liquidity and achieving yield.

The policy limits for bank investment funds and Province of Ontario bonds are each 50% while the limit for Schedule I bank bonds in total is 35% (increased from 25% per Report F-10-063 dated June 22, 2010). At December 31<sup>st</sup>, 28.04% of the portfolio was held in bank bonds as the investment returns on bank bonds has been higher than federal and provincial bonds for most of the year. The limits for certain provinces such as New Brunswick and for individual Schedule I banks are both 10%.

The investment portfolio has been in compliance with the Region's Consolidated Investment Policy throughout the year and at December 31, 2010 as demonstrated on Appendix 1. The Region did not purchase any of its own debentures nor did it dispose of any Region of Waterloo debentures in 2010.

#### **CORPORATE STRATEGIC PLAN:**

Service Excellence is one of the Focus Areas of the Corporate Strategic Plan and one of the objectives within this focus area is to ensure all Regional programs and services are responsive, efficient, effective and accountable to the public.

#### **FINANCIAL IMPLICATIONS:**

The Bank of Canada target rate was 0.25% at the start of 2010 increasing steadily during the third quarter of 2010 to 1.00% in September where it remained for the balance of the year. Global economic recovery is proceeding as expected while economic recovery in Canada is proceeding slightly faster than expected. The Bank has announced that it will continue to maintain the target rate at 1.00% to provide continued monetary stimulus consistent with achieving the 2% inflation target. The next rate setting is scheduled for April 13<sup>th</sup>. Continued low interest rates and a pattern of increased expenditures in the early part of the year will impact the Region's portfolio through decreased interest income and interest income attributable to the tax levy. Interest income attributable to the tax levy is approximately \$1,500,000 less than budget for 2010 and the 2011 budget has been partially adjusted to reflect the reduced interest income. Staff are reviewing the timing of debenture issues and financing for capital projects to assist with cash flow.

**OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE:** Nil

**ATTACHMENTS:**

Appendix 1 – Portfolio Compliance with the Investment Policy at December 31, 2010

**PREPARED BY:** *T. Alpaugh*, Manager, Treasury Services  
*A. Hinchberger*, Director of Financial Services, Treasury & Tax Policy

**APPROVED BY:** *L. Ryan*, Chief Financial Officer

**REGIONAL MUNICIPALITY OF WATERLOO**  
**PORTFOLIO COMPLIANCE WITH THE INVESTMENT POLICY AT December 31, 2010**

Appendix 1

F-11-019

SECURITY DESCRIPTION	Portfolio Amount	%	Policy Limitation Per Issuer	Maximum Per Issuer	Policy Limitation Per Category	Maximum Per Category
<b>FEDERAL</b>						
Government of Canada	\$ -	0.00%	\$ 164,830,360	50.00%	\$ 164,830,360	50.00%
Crown Corporations (Farm Credit)	\$ 1,052,145	0.32%	\$ 164,830,360	50.00%	\$ 164,830,360	50.00%
<b>PROVINCIAL</b>						
Ontario	\$ 25,755,267	7.81%	\$ 164,830,360	50.00%	\$ 164,830,360	50.00%
British Columbia	\$ 8,107,594	2.46%	\$ 82,415,180	25.00%	\$ 82,415,180	25.00%
Alberta Cap Fin Auth	\$ 3,046,106	0.92%	\$ 82,415,180	25.00%	\$ 82,415,180	25.00%
Nova Scotia	\$ 2,075,334	0.63%	\$ 32,966,072	10.00%		
Manitoba	\$ 9,950,445	3.02%	\$ 32,966,072	10.00%		
New Brunswick	\$ 16,616,759	5.04%	\$ 32,966,072	10.00%		
Newfoundland	\$ 2,740,736	0.83%	\$ 32,966,072	10.00%		
Total Other Provincials	\$ 31,383,274	8.89%			\$ 82,415,180	25.00%
<b>SCHEDULE I BANKS</b>						
TD/Canada Trust	\$ 16,300,265	4.94%	\$ 32,966,072	10.00%		
CIBC	\$ 20,300,650	6.16%	\$ 32,966,072	10.00%		
Bank of Nova Scotia	\$ 11,076,145	3.36%	\$ 32,966,072	10.00%		
Bank of Montreal	\$ 21,691,152	6.58%	\$ 32,966,072	10.00%		
Royal Bank	\$ 23,052,397	6.99%	\$ 32,966,072	10.00%		
Total Schedule I Banks	\$ 92,420,608	28.04%			\$ 115,381,252	35.00%
<b>SCHEDULE II BANKS</b>						
Total Schedule II Banks	\$ -	0.00%			\$ 32,966,072	10.00%
<b>MUNICIPAL</b>						
Regional Municipality of Waterloo	\$ 18,910,188	5.74%	\$ 164,830,360	50.00%	\$ 164,830,360	50.00%
Regional Municipality of Niagara	\$ 3,429,177	1.04%	\$ 32,966,072	10.00%		
City of Toronto	\$ 10,042,529	3.05%	\$ 32,966,072	10.00%		
City of Hamilton	\$ 2,992,461	0.91%	\$ 32,966,072	10.00%		
City of Windsor	\$ 1,997,662	0.61%	\$ 32,966,072	10.00%		
City of Guelph	\$ 2,349,369	0.71%	\$ 32,966,072	10.00%		
Region of Halton	\$ 1,574,095	0.48%	\$ 32,966,072	10.00%		
Region of York	\$ 18,620,697	5.65%	\$ 32,966,072	10.00%		
City of London	\$ 1,749,676	0.53%	\$ 32,966,072	10.00%		
City of Regina	\$ 500,000	0.15%	\$ 32,966,072	10.00%		
BC Mun Finance Authority	\$ 5,508,663	1.67%	\$ 32,966,072	10.00%		
Total Other Municipalities	\$ 48,764,330	14.79%			\$ 82,415,180	25.00%
<b>INVESTMENT FUNDS</b>						
One Investment Fund	\$ 1,132,068	0.34%	\$ 164,830,360	50.00%	\$ 164,830,360	50.00%
UBS - Cash Management Fund	\$ 379,794	0.12%	\$ 82,415,180	25.00%	\$ 82,415,180	25.00%
Total Investment Funds	\$ 1,511,862	0.46%				
General Bank Funds (TD)	\$ 98,709,346	29.94%	\$ 164,830,360	50.00%	\$ 164,830,360	50.00%
<b>TOTAL PORTFOLIO</b>	<b>\$ 329,660,720</b>	<b>100%</b>				

Each bond has been verified to comply with the Region's General Portfolio Investment Policy at the time of purchase.  
 Amendments to General Portfolio Investment Policy approved by council June 30, 2010 (F10-063).  
 Investments at end of reporting period are in compliance with investment policy.

**REGION OF WATERLOO****FINANCE DEPARTMENT  
Financial Services Division**

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**TO:** Chair T. Galloway and Members of the Administration and Finance Committee**DATE:** April 12, 2011 **FILE CODE:** F22-20**SUBJECT:** 2011 TAX RATIOS

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**RECOMMENDATION:**

THAT the Regional Municipality of Waterloo establish the following tax ratios for the 2011 property tax year:

Residential	1.0000
New Multi-residential	1.0000
Multi-residential	1.9500
Commercial	1.9500
Industrial	1.9500
Pipelines	1.1613
Farm	0.2500
Managed Forests	0.2500

AND THAT the necessary tax ratio and tax rate by-laws for 2011 be introduced at the April 20<sup>th</sup> Regional Council meeting;

AND FURTHER THAT the Area Municipalities be notified accordingly.

**SUMMARY:**

Under the Municipal Act, the Regional Municipality of Waterloo is required to pass a by-law to establish its tax ratios on an annual basis even if the ratios do not change from year to year. As part of the 2006 tax ratio review, Regional Council approved, in principle, a long term tax ratio strategy to reduce the multi-residential and industrial tax ratios to 1.95, equal to the tax ratio for the commercial class over the years 2006 to 2010 subject to the annual tax ratio and tax capping review. The strategy was completed in 2010. This report recommends that the Region establish its 2011 tax ratios at the same level as those approved for 2010. Although the Region has until April 30<sup>th</sup> to establish tax ratios and tax rates for 2011, early passage of the tax ratios assists with the 2011 capping program and final tax billing for the non-capped property classes.

**REPORT:**Tax Ratios

Tax ratios determine the municipal tax burden for the various property classes relative to that of the residential class. The residential class is the "benchmark" class with an established tax ratio of 1.00 and all other property class ratios are expressed in relation to the residential ratio. The Region's ability to adjust tax ratios and redistribute the tax burden between the property classes is limited by the "fairness ranges" established by the Province. In general, legislation does not allow municipalities to move tax ratios away from the fairness ranges. Tax ratio adjustments can only be made if the ratios move towards the fairness ranges although exceptions have been made for

reassessment years. Tax ratios established by the Region also apply to the area municipalities. A history of the Region's tax ratios and the fairness ranges are shown below.

Table 1: History of Region of Waterloo Tax Ratios

Property Class	1998 – 2000	2001-02	2003	2004-05	2006	2007	2008	2009	2010	Fairness Ranges
Residential	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	--
New Multi-Res	n/a	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	--
Multi-Res	3.2146	2.7400	2.5250	2.5800	2.3400	2.2400	2.1500	2.0500	1.9500	1.0 to 1.0
Commercial	2.0148	1.9800	1.8910	1.9500	1.9500	1.9500	1.9500	1.9500	1.9500	0.6 to 1.0
Industrial	3.2175	2.6300	2.5730	2.6100	2.6100	2.4500	2.2800	2.1000	1.9500	0.6 to 1.0
Farm	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	--
Mgd. Forest	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	--
Pipeline	1.1613	1.1613	1.1613	1.1613	1.1613	1.1613	1.1613	1.1613	1.1613	0.6 to 0.7

It is important to note that reductions to any of the ratios for the multi-residential, commercial and industrial and pipeline classes do not increase the ratios for the other classes but such reductions do increase the amount of taxes to be collected from the other classes. **The use of tax ratios to redistribute the taxes among the classes does not change the total amount of taxes collected.**

#### Tax Ratios as a Tax Tool

Tax ratios are used as a "tax tool" to change the distribution of taxes among the property classes. Tax ratio changes can be used to ensure that there are no capping shortfalls, better align the Region's existing ratios or align with provincial averages, adjust the tax burden for the various property classes or offset reassessment impacts.

Reductions in tax ratios for the capped classes can be used to reduce capping costs and ensure that the capping costs can be funded from within the class. Funding capping shortfalls from within the class is a key element of the annual capping program as capping shortfalls, including the education portion, must be funded by the Region and the Area Municipalities.

The Region's tax ratios, particularly the multi-residential (MR) ratio, were among some of the higher ratios in the province since the inception of tax ratios. Reductions in certain tax ratios can move the Region's ratios towards provincial averages and can reduce the tax burden for that class. Reductions in the MR and industrial tax ratios over the past 5 years have moved the Region's ratios from the higher end towards the average. For 2010, the Region's MR and industrial ratios were lower than the provincial average while the commercial ratio was above the average. Appendix 1 shows the 2010 tax ratios for various municipalities in Ontario including the Region's upper tier and single tier comparators.

By changing the tax ratio for a particular class, the Region can change the distribution of taxes among the property classes and offset the impacts of a reassessment. Reductions in tax ratios would be used to offset reassessments where there has been a shift onto a particular class while increases in ratios would be used to counter reassessments where there has been a shift of taxation off of a particular class provided the ratio adjustments are in accordance with provincial legislation as noted above. Year 2011 is the third year of a province-wide four year phase-in of assessment increases. Just as the reassessment and phase-in for the first two years (2009 and 2010) did not require any mitigating tax ratio changes, the third year of the phase-in does not require any changes either.

### Reassessment Phase-In Impacts for 2011

A province-wide reassessment was conducted during 2008 for the 2009 taxation year with properties valued as of January 1, 2008. The preceding reassessment had been done in 2005 for the 2006 tax year with properties valued as of January 1, 2005. Reassessments planned for the 2007 and 2008 taxation years were cancelled. Given the extended time between the two reassessments, the Province adopted a four (4) year phase-in program effective 2009 for all property classes. Under this program, assessment increases are being phased-in over 4 years (2009-2012) while assessment decreases were effective immediately in 2009.

Reassessments can impact tax bills in two ways. Shifts within a property class (market value changes) and shifts between property classes. The impact to taxpayers for shifts within property classes depends on the change in the assessed value for their property relative to the average for the class. If the assessed value has increased by more than the average, the taxpayer will likely see an increase in taxes. Conversely, if the assessed value has increased by less than the average, the taxpayer is likely to see a decrease in taxes. Shifts between classes will occur if the total assessed value for the various property classes increase or decrease at different rates in a reassessment or phase-in year. Table 2 shows, by property class, the change in assessed value and resultant shift in taxation arising from the third year of the assessment phase-in.

Table 2: 2011 Reassessment Phase-in – Shifts Between Classes

Property Class	Assessed Value Change	Shift in Taxation
Residential	4.97%	(0.24%)
New Multi-Res	4.45%	(0.73%)
Multi-Residential	4.38%	(0.79%)
Commercial	6.20%	0.93%
Industrial	5.74%	0.50%
Farm	7.64%	2.30%
Pipelines	3.46%	(1.67%)
Managed Forest	8.82%	3.43%

The shift between the property classes resulting from the third year of the phase-in mirror those for the first and second years. The phase-in results in shifts in taxation from the residential, multi-residential and pipeline classes to the commercial, industrial, farm and managed property classes. The impact to the residential class is a reduction of 0.24% for the Regional portion of the tax bill. This equates to a reduction of approximately \$3.55 for an average residential property (2010 value of \$225,000). The impact of the reassessment phase-in provides some offset to the 2011 tax rate impact.

The Area Treasurers group is currently reviewing the value of the average residential property to be used for tax impacts in 2011. The methodology of adjusting the average residential property value by reassessment or phase-in impacts has resulted in a difference between the actual average residential value in the region and the average residential value used in tax impact calculations. A report updating the average residential property value is planned for Administration and Finance Committee in May.

It is important to note that like tax ratio changes, reassessments and phase-ins do not generate additional taxes or change the amount of taxes collected. Reassessments simply redistribute the tax burden between property classes and between property owners.



### Current Tax Ratios and Tax Ratio Strategy

As part of the 2006 tax ratio review, the Region initiated its long term tax ratio strategy with a reduction in its MR tax ratio. The ratio reduction was required to offset the impacts of the 2006 reassessment and to ensure that there was no capping shortfall for 2006. In addition, the reduction in the MR ratio brought it closer to the provincial average and to that of its comparators. The reduction was also a move towards tax equity for the residential and MR classes as identified by local Municipal Property Assessment Corporation (MPAC) staff. MPAC staff noted that when MR apartment property is converted to residential property, the value generally doubles. This implied that a tax ratio of 2.00 for the MR class was a reasonable level for tax equity. The lower MR tax ratio also reduced the tax ratio gap between MR properties and properties in the class for new multi-residential development which has a tax ratio of 1.00. The Region was required to establish the new MR property class with a tax ratio of 1.00 in order to receive senior level of government funding for new affordable housing. Equalizing the MR and new MR tax ratios at 1.00 would increase average regional taxes for a residential property by 3.8% (based on 2010 assessment). Area municipal impacts would be additional.

At that time, Council also recognized the need for a longer term tax ratio strategy based on tax equity. Tax equity for the multi-residential and residential classes appeared to be achieved with a MR tax ratio of 2.00 while tax equity for the commercial and industrial classes would be achieved with a common ratio. Consequently, Council approved in principle a long term tax ratio strategy which resulted in a ratio of 1.95 for the commercial, industrial and multi-residential classes over the following four years from 2007 through 2010.

The difference in the tax ratios for the commercial and industrial classes is generally historical due to higher business occupancy taxes for industry under the previous assessment and taxation system. However, commercial and industrial operations are both businesses and with the 1998 elimination of the business occupancy tax, there is no real rationale to tax these classes differently. Closing the gap between these two ratios resulted in greater equity within the business community and having the same ratio for both classes resolved the issue of how research and development and "high tech" properties are classified and assessed and provided efficiencies for MPAC in dealing with classification issues. During the same time, the Province was taking the same approach by establishing a common education tax rate for both the commercial and industrial classes.

The long term tax ratio strategy was completed in 2010 and the tax ratios for all three business classes (multi-residential, commercial and industrial) are all at 1.95. The common ratios approximates tax equity for the MR and residential classes as noted above and taxes both the commercial and industrial classes at the same rate for municipal purposes. Further, both multi-residential and commercial properties are businesses and both classes are assessed based on income so a tax ratio of 1.95 for the MR class is quite appropriate relative to the ratio for the commercial class. In addition to the tax equity impacts noted above, the strategy simplified the assessment classification process and eliminated the need for industrial properties to appeal for a class change; provided tax relief to the industrial sector; and provided simplicity for non-residential property owners. The strategy was accomplished with a minimal impact to the residential property of approximately 1.0% in each of the 5 years of the strategy for the Regional portion of the tax bill.

Given the successful implementation of the long term tax ratio strategy over the years 2006 to 2010 and current tax ratios that have established tax equity for the MR and residential classes and for the business classes, it is recommended that the 2011 tax ratios be set at the same level as 2010. The recommendation has been addressed with the Area Treasurers and they are in agreement.

### 2011 Capping Program

Capping program recommendations are currently being developed and it is anticipated that the recommended 2011 capping program will be presented to Administration and Finance Committee in May. The recommended tax ratios for 2011 are not expected to adversely impact capping for 2011.

### Next Steps

Once the 2011 tax ratios are approved, the Region and the Area Municipalities can pass their 2011 tax rate by-laws and Area Municipalities can prepare their final bills for the non-capped classes. The 2011 tax ratios can also be used to model the 2011 capping program.

### **CORPORATE STRATEGIC PLAN:**

The implementation of the Long Term Tax Ratio Strategy is one of the actions noted in Focus Area Two (Growth Management) of the Corporate Strategic Plan.

### **FINANCIAL IMPLICATIONS:**

Tax ratios determine the distribution of taxes between the property classes not the amount of taxes collected and tax ratio decisions by the Region impact the municipal portion of the tax bill including the area municipal share. Any tax ratio changes currently allowed under legislation would result in a shift of taxation onto the residential class and an increase in municipal taxes paid by the residential taxpayer. The recommended ratios for 2011, which are the same ratios established for 2010, do not result in any shifts of taxation between the property classes.

**OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE:** Nil

### **ATTACHMENTS:**

Appendix 1 – Comparison of 2010 Tax Ratios

**PREPARED BY:** *A. Hinchberger*, Director of Financial Services, Treasury & Tax Policy

**APPROVED BY:** *L. Ryan*, Chief Financial Officer

**COMPARISON OF 2010 TAX RATIOS – APPENDIX 1 (F-11-020)**

<b>Municipality</b>	<b>Multi-Residential</b>	<b>Commercial (Residual)</b>	<b>Industrial (Residual)</b>	<b>Industrial (Large)</b>
Barrie	1.0590	1.4331	1.5163	
Belleville	2.5102	1.9191	2.4000	
Brantford	2.1355	1.9360	2.8678	
Brockville	1.7800	1.9580	2.6276	
Bruce	1.0000	1.2331	1.7477	
Central Elgin	2.3458	1.6376	2.2251	2.8318
Chatham-Kent	2.1488	1.9671	2.4349	
Dufferin	2.6802	1.2200	2.1984	
Durham	1.8665	1.4500	2.2598	
Essex	1.9554	1.0820	1.9425	2.6861
Greater Sudbury	2.2088	2.0275	2.8594	3.2410
Grey	1.4412	1.3069	1.8582	
Guelph	2.4530	1.8400	2.6300	
Haldimand	2.3274	1.6929	2.3274	
Halton	2.2619	1.4565	2.3599	
Hamilton	2.7400	1.9800	3.2918	3.8601
Kawartha Lakes	1.9797	1.2775	1.2775	
Kingston	2.5473	1.9800	2.6300	
Lambton	2.4000	1.6402	2.0535	3.0122
London	2.1027	1.9800	2.6300	
Middlesex Centre	1.7697	1.1449	1.7451	
Mississauga	1.7788	1.4098	1.5708	
Muskoka	1.0000	1.1000	1.1000	
Niagara	2.0600	1.7586	2.6300	
North Bay	2.2054	1.8822	1.4000	
Northumberland	2.2160	1.5152	2.6300	
Orillia	1.6000	1.9800	1.9037	
Ottawa	1.7000	1.9421	2.6518	2.2772
Oxford	2.7400	1.9018	2.6300	
Peel (Brampton & Caledon)	1.7050	1.2971	1.4700	
Perth	1.8293	1.5463	2.4812	
Peterborough (City)	1.9472	1.7804	2.4604	
Prince Edward County	1.4402	1.1125	1.3895	
Quinte West	2.1300	1.5385	2.4460	2.6147
Sault Ste. Marie	1.2667	1.8097	2.3049	3.2843
Simcoe	1.6000	1.9800	1.9037	
St. Thomas	2.4987	1.9475	2.2281	2.6774
Stratford	2.1539	2.0359	3.1335	
Thunder Bay	2.7400	1.9527	2.4300	2.4650
Timmins	1.6816	1.7501	2.1783	2.7114
Toronto	3.3799	3.2500	3.4400	
Waterloo Region	1.9500	1.9500	1.9500	
Windsor	2.5122	1.9520	2.3635	3.1110
York	1.0000	1.1800	1.3575	
<b>Average</b>	2.0193	1.6985	2.2258	2.8977
<b>Lowest</b>	1.0000	1.0820	1.1000	2.2772
<b>Highest</b>	3.3799	3.2500	3.4400	3.8601
<b>Provincial Threshold</b>	2.7400	1.9800	2.6300	2.6300

Source: BMA Management Consulting Inc.



**REGION OF WATERLOO**  
**FINANCE DEPARTMENT**  
**Financial Services Division**

**Report: F-11-021**

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**TO:** Chair T. Galloway and Members of the Administration and Finance Committee  
**DATE:** April 12, 2011 **FILE CODE:** F11-30  
**SUBJECT:** **PERIODIC FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2010**

**RECOMMENDATION:**

For Information

**SUMMARY:** Nil

**REPORT:**

Regional Council has passed the Financial Management By-law (By-law 05-008) to establish the financial management framework for the Region. The By-law requires that a report to Administration and Finance Committee be prepared periodically on the Budget to Actual variances in appropriations under the Operating and Capital Budgets. This report covers the twelve months ended December 31, 2010.

For the full year ended December 31, 2010, the Region is reporting a surplus of \$8.28 million or 2.22% on net budget expenditures of \$373 million.

Staff from all departments has provided an explanation for significant variances which are included in this report.

**Operating Budget**

Appendix A includes the net budget, net actual, and variance (dollar and percentage) information for the 2010 Operating Budget appropriations. The net of all operating budget appropriations is the tax levy which is recovered through tax collections.

The majority of variances are positive for the full year 2010. Any negative variances which occurred were accommodated within these positive variances.

In reporting actual expenditures, all year end adjustments have been made to the general ledger accounts and the preliminary surplus for the year is \$8,284,962. This surplus represents 2.22% of the regional levy for 2010. The surplus is generated entirely by the \$8.4 million positive variance for supplementary taxes. Regional programs generally run on a breakeven basis. The 2010 surplus is preliminary and will not be finalized until the year end audit is complete and the audit results are presented to Audit Committee.

The corporate surplus, in accordance with the policy approved by Council, will be allocated as follows: \$600,000 to the Operating Budget, \$500,000 to the Roads Rehabilitation Reserve Fund, \$4,500,435 to the Tax Stabilization Reserve Fund and the balance (\$2,684,527) to the Capital Levy Reserve Fund. The 2010 surplus has been reduced by \$550,000 as a result of Council's decision to fund the noise abatement wall on Ira Needles Blvd.

## **Program Variances**

The variances reported in Appendix A under the “2010 Variance” column present the actual results for the Region for year end 2010. Further detail on significant variances is provided in the following notes:

### Note 1 – Corporate Resources

The favourable variance of \$179,785 is due to temporary gapping.

### Note 2 - Provincial Offences

The overall favourable variance of \$1,057,907 is due to higher than anticipated revenues for Red Light Camera of \$820,000 and collection revenues of \$45,000. In addition, there were lower than expected expenditures for adjudication fees, computer equipment and software and equipment rental.

### Note 3 – Waste Management

For 2010, there was an overall deficit of \$2,868,658. This was a result of lower revenues from the commercial tipping fees (economy driven) and recyclable materials (slower market price recovery) were partially offset by an unanticipated one-time cost recovery from Hydro One. Higher site security, property taxes, building and equipment maintenance costs, as well as collection and processing costs for garbage and diverted materials (primarily due to the HST and higher volumes) were off-set by lower contract costs for the hauling and processing of green bin waste and fuel consumption by the Waste Management fleet. The 2011 budget assumes a modest recovery of recycling materials and commercial tipping fees (2010 volume, with rate increase from \$70 to \$72/tonne).

### Note 4 – Transit

The 2010 surplus of \$739,624 was a result of significant savings in staffing costs due to continued improvements in manpower utilization in transit operations along with some gapping and fringe benefit savings. Staffing cost savings, where sustainable, have been factored into the 2011 GRT operating budget.

Ridership revenue exceeded plan by approximately 1.5%, however, vehicle maintenance and fuel costs were marginally overspent along with communication costs associated with GRT's Easy Go initiative.

### Note 5 – Transportation

The favourable variance of \$1,167,241 is due to lower than expected winter maintenance costs from the Cities of Cambridge, Kitchener and Waterloo. In addition, the Region's direct winter maintenance costs were lower than expected due to favourable winter weather.

### Note 6 – Airport

Overall, a surplus of \$236,399 was due to revenues exceeding budget as a result of the April 2010 fee increases and the additional Bearskin flights added subsequent to budget approval. In addition, \$188,000 expense savings were achieved due to service reductions and the mild winter.

Note 7 – Social Planning

Additional Ontario Works Administration funding received in December, coupled with staff vacancies resulted in a positive variance of \$111,511.

Note 8 – Seniors' Services

One time revenues for long term care operations, coupled with lower expenditures for supportive housing resulted in a favourable variance of \$256,418.

Note 9 – Income Support

At year end 2010, the overall negative variance for Income Support was \$9,255. Ontario Works expenditures exceeded the 2010 budget due to the current economic environment. The average monthly caseload of 8,551 cases exceeded the budgeted caseload of 6,400 cases. The Region's share of over expenditure on income support payments and benefits was \$4.43 million. In December 2010, the Province announced a one-time grant for its share of the costs related to the administration of the OW caseload. This resulted in a surplus in the Ontario Works Administration budget, which was applied to the Income Support Payments and Benefits. The balance of the shortfall was funded by a transfer of \$694,767 from the Tax Stabilization Reserve Fund (TSRF). The balance of the TSRF at year end was \$10 million.

Note 10 - Public Health

Under-expenditures in Vector Borne Disease Program and significant number of long term vacancies resulted in a positive variance of \$308,451.

Note 11 – Emergency Medical Services

EMS was over budget by \$220,855 due to staffing costs resulting from increased off load delays in the second half of 2010. In addition, vehicle maintenance and fuel costs were higher than budget.

Note 12 – Other Financial

The over expenditure of \$2,330,515 is due to continued significant reductions in net interest income and a funding allocation for a prior Council approval. The reduction in interest income is largely due to greater than anticipated expenditures and cash flow in the first three quarters of the year. A budget adjustment has been made for 2011 and staff are reviewing the timing of debenture issues and financing for capital projects to assist with cash flow. As part of the 2006 budget, Council approved one-third funding for the Brownfield Pilot program from surplus. The funding allocation was not done in 2006 as the funding was not required at that time. The approved funding allocation was booked during 2010 to ensure funds for the project are in place as expenditures and commitments are incurred.

Note 13 – Associated Agencies

The under expenditure of \$364,372 is due to lower than expected RDC exemptions. RDC exemptions for general services are included in the Economic Development program area.

Note 14 - Supplementary Taxes

Net Supplementary taxes, including capping adjustments, exceeded budget by \$8,357,034 and a budget adjustment has been made for 2011.

Note 15 – Payments in Lieu

Payments in lieu of taxes, which were finalized as part of the year end process, exceeded budget by \$502,789 due to increases in current value assessment for PIL properties, additional PIL properties and increased enrolments in the local universities and college. Staff will be reviewing PILs during the year to determine a sustainable budget adjustment for 2012.

Note 16 – Water Supply

The water supply user rate revenue is lower than anticipated due to overall decreased consumption. The variance in water supply user rate expenditures is due to a reduction in winter chemicals. The combined impact of these changes was the contribution to capital being \$2 million less than budget.

Note 17 – Waste Water Treatment

The wastewater treatment user rate revenue is lower than anticipated due to much drier winter conditions. The positive variance in wastewater expenditures is due to staffing vacancies and lower than anticipated costs for sludge disposal, maintenance and repairs. The combined impact of these changes was the contribution to capital being \$2 million less than budget.

**Capital Budget**

All capital projects are expected to be completed within budget. Capital projects which require approval for increases in funding were reported to Council either by special reports, mid-year capital reviews or when the tender was approved. The capital budget was under spent at year end as many projects were not able to be completed during the year and project funds were carried forward to 2011.

**CORPORATE STRATEGIC PLAN:**

The financial reporting process supports the Strategic Plan Focus Area 6 - Service Excellence: Foster a culture of citizen/customer service that is responsive to community needs.

**FINANCIAL IMPLICATIONS:**

For 2010, the Region posted an operating surplus of \$8.28 million. This surplus, in accordance with the policy approved by Council, will be allocated as \$600,000 to the Operating Budget, \$500,000 to the Roads Rehabilitation Reserve Fund, \$2,684,527 to the Capital Levy Reserve Fund and \$4,500,435 to the Tax Stabilization Reserve Fund. Over the next five years, surplus of \$2.6 million per year will be required to fund existing commitments of \$1.1 million and \$1.5 million to the TSRF to fund OW Caseload expenditures.

**OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE:**

All departments reviewed the financial information for the reporting period and provided input to Finance for inclusion in this report.

**ATTACHMENTS:** Appendix A – Periodic Financial Report

**PREPARED BY:** *L. Parent*, Manager, Financial Services

**APPROVED BY:** *L. Ryan*, Chief Financial Officer

**THE REGIONAL MUNICIPALITY OF WATERLOO**  
**PERIODIC FINANCIAL REPORT**  
For the year ended December 31, 2010

Appendix A

	2010 Budget	2010 Actual	2010 Variance	% Variance	Note
<b>TAX SUPPORTED PROGRAMS</b>					
<b>Elected Offices</b>	\$ 1,413,763	\$ 1,316,869	\$ 96,894	6.85%	
<b>General Support</b>					
Chief Administrative Officer	\$ 1,411,225	\$ 1,391,789	\$ 19,436	1.38%	
Finance	4,610,735	4,548,407	62,328	1.35%	
Human Resources	3,481,205	3,544,281	(63,076)	-1.81%	
Corporate Resources	15,909,654	15,729,869	179,785	1.13%	1
POA and Prosecution	(3,671,500)	(4,729,407)	1,057,907	-28.81%	2
Total Corporate Resources	\$ 12,238,154	\$ 11,000,462	\$ 1,237,692	10.11%	
Total General Support	\$ 21,741,319	\$ 20,484,939	\$ 1,256,380	5.78%	
<b>Planning, Housing and Community Services</b>					
Planning	\$ 5,229,480	\$ 5,144,967	\$ 84,513	1.62%	
Housing	31,652,985	31,652,985	-	0.00%	
Community Services	5,087,023	5,017,255	69,768	1.37%	
Total Planning, Housing, & Community Services	\$ 41,969,488	\$ 41,815,207	\$ 154,281	0.37%	
<b>Transportation and Environmental Services</b>					
Design & Construction and Administration	\$ 19,000	\$ (11,973)	\$ 30,973	163.02%	
Waste Management	22,480,336	25,348,994	(2,868,658)	-12.76%	3
Transit	44,402,314	43,662,990	739,324	1.67%	4
Engineering Planning Admin. & Construction	24,850,129	24,820,660	29,469	0.12%	
Transportation	18,543,802	17,376,561	1,167,241	6.29%	5
Airport	5,915,212	5,678,813	236,399	4.00%	6
Total Transportation & Environmental Services	\$ 116,210,793	\$ 116,876,045	\$ (665,252)	-0.57%	
<b>Social Services</b>					
Social Planning	\$ 3,601,025	\$ 3,489,474	\$ 111,551	3.10%	7
Senior's Services	7,118,413	6,861,995	256,418	3.60%	8
Children's Services	7,467,631	7,419,456	48,175	0.65%	
Ontario Works Admin	13,417,728	9,617,505	3,800,223	28.32%	9
Income Support Programs	19,482,993	23,646,698	(4,163,705)	-21.37%	9
Benefits and Social Assistance	2,004,000	2,344,540	(340,540)	-16.99%	9
Transfer from Tax Stabilization Reserve Fund		(694,767)	694,767		9
Total Social Services	\$ 53,091,790	\$ 52,684,901	\$ 406,889	0.77%	
<b>Public Health</b>					
Public Health	\$ 6,727,480	\$ 6,419,029	\$ 308,451	4.58%	10
Emergency Medical Services	8,753,142	8,973,997	(220,855)	-2.52%	11
Total Public Health	\$ 15,480,622	\$ 15,393,026	\$ 87,596	0.57%	
Other Financial	\$ 871,403	\$ 3,201,918	\$ (2,330,515)	-267.44%	12
Associated Agencies	7,458,120	7,093,748	364,372	4.89%	13
Crime Prevention Council	573,857	570,589	3,268	0.57%	
Arts, Culture and Community Organizations	1,062,000	1,054,184	7,816	0.74%	
<b>Total Direct Regional</b>	<b>\$ 259,873,155</b>	<b>\$ 260,491,426</b>	<b>\$ (618,271)</b>	<b>-0.24%</b>	
<b>POLICE</b>	\$ 113,439,168	\$ 113,395,759	\$ 43,409	0.04%	
<b>NET BEFORE TAX REVENUE</b>	<b>\$ 373,312,323</b>	<b>\$ 373,887,185</b>	<b>\$ (574,862)</b>	<b>-0.15%</b>	



**THE REGIONAL MUNICIPALITY OF WATERLOO**  
**PERIODIC FINANCIAL REPORT**  
For the year ended December 31, 2010

Appendix A

	2010 Budget	2010 Actual	2010 Variance	% Variance	Note
<b>TAX REVENUE</b>					
Tax Revenues	\$ 367,624,004	\$ 367,624,005	\$ 1	0.00%	
Supplementary Taxes	800,000	9,157,034	8,357,034	1044.63%	14
Appropriation from Reserves & Reserve Funds	600,000	600,000	-	0.00%	
Payment-in-Lieu	4,288,319	4,791,108	502,789	11.72%	15
<b>Total Tax Revenue</b>	<b>\$ 373,312,323</b>	<b>\$ 382,172,147</b>	<b>\$ 8,859,824</b>	<b>2.37%</b>	
<b>NET REGIONAL LEVY</b>	<b>\$ -</b>	<b>\$ 8,284,962</b>	<b>\$ 8,284,962</b>	<b>2.22%</b>	

**USER RATE SUPPORTED BUDGETS**

**WATER SUPPLY**

Expenses	\$ 30,024,660	\$ 29,649,927	\$ 374,733	1.25%	
Revenue	(43,301,324)	(40,890,692)	(2,410,632)	5.57%	
Contribution to/from Capital	13,276,664	11,240,765	2,035,899	15.33%	16
<b>Total Water Supply</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		

**WASTEWATER TREATMENT**

Expenses	\$ 26,371,999	\$ 25,083,533	\$ 1,288,466	4.89%	
Revenue	(44,238,775)	(40,971,141)	(3,267,634)	7.39%	
Contribution to/from Capital	17,866,776	15,887,608	1,979,168	11.08%	17
<b>Total Wastewater Treatment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		



**REGION OF WATERLOO**

**HUMAN RESOURCES DEPARTMENT  
Employee and Organizational Effectiveness Division**

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**TO:** Chair Tom Galloway and Members of the Administration and Finance Committee

**DATE:** April 12, 2011 **FILE CODE:** C04-50

**SUBJECT:** **ADDITION TO HUMAN RESOURCES POLICY MANUAL**

---

**RECOMMENDATION:**

THAT the Regional Municipality of Waterloo approve the policy statement for the following Human Resources policy:

*Regional Social Media Sites (HR I-38)*

**SUMMARY:**

NIL

**REPORT:**

In November of 1994, Regional Council approved the Human Resources Policy Manual. As new policies are developed or existing policy statements are revised, they are presented for approval.

The Region of Waterloo promotes the use of social media as a tool for delivering effective and accessible internal and external communication about Regional programs and services. The attached *Regional Social Media Sites HR Policy (HR I-38)* is a new policy which outlines the protocols for employees participating in social media in an official Regional capacity.

The policy defines the meaning of social media, when social media sites can be used, and the protocols for employees using these sites. It also provides guidelines for the Regional social media sites and the responsibilities of the Site Moderator.

Employees wishing to use social media sites are required to work within their programs/services to create specific goals and objectives for using the sites. The goals and objectives of the Regional social media site must be clearly defined and must not conflict with the Region's Mission, Vision and Values, policies or other stated program goals and objectives. Employees must have written approval from their Department Head and are required to attend mandatory training prior to creating a social media site.

The policy also reminds employees that they must comply with the Region's applicable HR policies while participating as a private individual on non-regional social media sites.

**CORPORATE STRATEGIC PLAN:**

Effective human resources policies contribute to the Region's strategic objective to recruit, retain and develop skilled, motivated and citizen-centred employees.

**FINANCIAL IMPLICATIONS:**

NIL

**OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE:**


Consultation regarding the development of this policy has occurred with all departments, and the representatives of the various bargaining units.

**ATTACHMENTS**

Human Resources Policy: *Regional Social Media Sites (HR I-38)*

**PREPARED BY:** *Peggy Mellor*, Director, Employee & Organizational Effectiveness

**APPROVED BY:** *Penny Smiley*, Commissioner, Human Resources

 Region of Waterloo	<b>HUMAN RESOURCES POLICIES</b>	Section #	Policy #
		I	38
		Approval Date: NEW	Revision Date: March 2011
Title:	<b>REGIONAL SOCIAL MEDIA SITES</b>		
Applies To:	All Employees		

**POLICY STATEMENT:**

The Region of Waterloo promotes the use of social media as a tool for delivering effective and accessible internal and external communication about Regional programs and services.

**DEFINITIONS:**

**Social media** means - web-based technologies and sites and includes blogging, microblogging (twitter), photosharing (flickr), video sharing (YouTube), webcasting (blogtv), and networking (Linkedin, Facebook, wikis, discussion boards) which allow users to interact with each other by sharing information, opinions, knowledge and interests.

**OPERATING DETAILS:**

**Participation in Non-Regional Social Media Sites:**

This policy is intended to apply to work-related Regional social media activities. Employees are reminded; however, that they must comply with the Region’s applicable HR policies while participating as a private individual on non-regional social media sites.

**Participation in Regional Social Media Sites:**

The participation in social media by employees acting in an official Regional capacity should be viewed in the same way as participating in other media or public forums such as speaking at conferences.

Employees must have written approval from their Department Head prior to establishing a social media site on behalf of the Region and are required to attend mandatory training prior to creating a social media site.

Employees must use the “Communication Initiation and Approval Forms” to initiate a request to establish a social media site with their departmental communication representative (or discuss with a representative of corporate communications if the department does not have a departmental representative).

Employees wishing to use social media sites should work within their programs/services to

create specific goals and objectives for using the sites. These goals and objectives must be clearly defined and understood by the communicator, manager and director, and must not conflict with the Region's Mission, Vision and Values, policies, or other stated program goals and objectives, and are subject to change based on change or updates made to the Region's Mission, Vision, and Values, policies, goals and objectives.

Social media sites can be used for Regional programs and services for the following purposes:

- Raising awareness;
- Sharing information;
- Stimulating discussion;
- Encouraging public involvement and comment;
- Recruiting volunteers;
- Promoting Regional events, programs, and services;
- Increasing access to information for specific audience segments.

Priority should be given to social media projects that can provide information to the public in program/services areas that receive a high volume of public contact.

Employees who use social media tools are required to be aware of and comply with all laws of Ontario and Canada, and applicable Regional practices, policies, procedures and guidelines related to social media use. Employees should also have acquired a full understanding of the resources required to use them effectively.

Employees who post information to social media sites must ensure that all content is in keeping with Regional values, and does not violate Regional guidelines concerning the use of social media.

As a representative of the Region, employees are expected to support the policies, programs and decisions of the Region and not publicly criticize the Region or Regional partners including public agencies and other levels of government.

Employees posting confidential information and/or comments of an inappropriate nature to a social media site may be subject to discipline.

### **Employee Protocol for Regional Social Media Sites:**

On-line participation in a social media site must be job-related and fit into the employee's work schedule and duties. Employees will disclose their position with the Region when participating in a social media site.

Employee comments that are made in a social media site are permanently available for viewing and printing, and can be republished in other media without the employee's permission. Even content on a limited access (password protected) site, may be accessed by a wider audience than originally intended. As a result, employees must ensure that privacy, confidentiality, copyright and data protection laws are adhered to, and must not make comments that are considered defamatory or libelous.

Employees will not disclose information, make commitments or engage in activities on social media sites on behalf of the Region of Waterloo unless authorized by their Director to do so.

Employees will consult with Corporate Communications and the Region's legal department prior to using sound recordings, images or copyrighted materials on-line to ensure that the Region has the right to make lawful use of such information.

Employees will not give out personal details like home address and telephone numbers on a social media site.

In order to be effective when using a social media site it is important that employees listen to people's comments and avoid becoming defensive. Negative comments should be responded to using constructive feedback rather than censorship.

### **Guidelines for Regional Social Media Sites:**

Each site will have a staff person assigned as a site moderator who will monitor comments once each workday to ensure information is appropriate, respectful and true. Login and password information will be made accessible to program supervisors and staff responsible for monitoring the site. Sites will include only approved Region of Waterloo logos and program identifiers.

An appropriate disclaimer, or other terms and conditions, similar to the sample provided, ([see Docs #671395](#)), must be posted on any social media group or site prior to its use. Approval from the Region's legal department is required to ensure that the appropriate terms and conditions are included in the social media site.

In the event that social media is used as an open forum for discussion and could:

- Involve input from one or more Regional Councillor, or
- Be used as a means of discussing the undertakings of a Regional committee (either a formal standing committee or an advisory committee, or a Regionally affiliated board, agency or corporation),

then legal advice shall first be obtained from the Region's legal department to ensure that the discussion forum complies with the legal requirements for public engagement.

### **Site Moderator Responsibilities:**

The Site Moderator is responsible for:

- Correcting misinformation and ensuring content is up-to-date;
- Ensuring responses to wall posts and in-box messages and discussion comments are made within the week they are posted or received;
- Denying access to users who post inappropriate or offensive comments;
- Removing any post that is considered to be false, disrespectful, abusive, hateful, obscene, sexually oriented, threatening or invasive of someone else's privacy;
- Removing any commercial postings made by any company or business that has not received prior approval;

- Responding to any concern or objection concerning the site within 48 hours of receiving the communication;
- Closing/removing the site upon completion of its intended purpose, in keeping with the Region's Records Retention/Disposal Policy and the Information Retention Disposal Schedule – By-law 93-076.

**SEE ALSO:**

- The Communications Protocol (Approvals and Initiation Process)
- Code of Ethics & Conflict of Interest (I-8)
- Confidential Information (I-4)
- Public Criticism of Employer (I-31)
- Use of Info Technology Systems (I-6)
- Protection of Proprietary Information (I-29)
- Protection of Employee Personal Info (I-22)
- External Complaints (I-19)
- Interpersonal Conduct (I-14)
- Workplace Harassment Prevention (1-13)
- Workplace Violence Prevention (IV-15)
- Records Retention/Disposal Policy (By-law 93-076)
- Municipal Freedom of Information and Protection of Privacy Act

**FOR FURTHER INFORMATION PLEASE CONTACT:**

- Director, Employee Relations  
Human Resources
- Director, Corporate Communications  
Chief Administrator's Office



**REGION OF WATERLOO**

**CORPORATE RESOURCES  
Legal Services**

---

**TO:** Chair Tom Galloway and Members of the Administration and Finance Committee

**DATE:** April 12, 2011 **FILE CODE:**

**SUBJECT: DISPOSAL OF EASEMENT INTEREST, COLUMBIA STREET EAST, CITY OF WATERLOO**

---

**RECOMMENDATION:**

THAT the Regional Municipality of Waterloo declare the Region's existing easement interest in Part 6, Reference Plan 58R-16677, City of Waterloo as surplus and enter into such documentation as is required to release the Region's interest established by the easement in favour of the owner of the lands on which the easement is located, for \$1.00, subject to the Region's property disposition by-law and to the satisfaction of the Regional Solicitor, as detailed in Report CR-RS-11-020 dated April 12, 2011.

**SUMMARY:** Nil

**REPORT:**

On June 24, 2009, Regional Council approved, under Report CR-FM-09-016, the acquisition of a two acre parcel of land for the construction of the new Waterloo Regional Police Service (WRPS) North Division. This acquisition included an access easement over the adjacent property. The lands are located on the south-east corner of Weber Street North and Columbia Street East in the City of Waterloo and front onto Columbia Street.

As the new WRPS North Division site will have its own access to Columbia Street the easement the Region has over the entrance to 55 Columbia Street, being Part 6, on Reference Plan 58R-16677 and registered as Instrument Number WR511036 on December 18, 2009, will be released and the access reconfigured to be incorporated into the parking area of 55 Columbia Street. This easement was for a future shared, common use driveway (if required) and was transferred at no cost to the Region. The purpose of the easement was to facilitate the proposed severance of the Region's parcel by ensuring an access to Columbia Street. The value of such an easement is nominal as it would have little measurable impact on the value of the vendor's lands given that it was for mutual use and does not impact the vendor's proposed development. The release of the easement, if not required by the Region, was included in the negotiations when purchasing the WRPS North Division lands.

The Region's property disposition by-law requires that the disposal of surplus interest in land be advertised in the local newspaper. The release of easement as it affects the Owner's lands will be finalized only after all requirements of the Region's property disposition by-law are met. The Region will be responsible for all related costs of the release of easement, such as public notification and registration of documentation.

The subject lands are shown attached as Appendix "A".



**CORPORATE STRATEGIC PLAN:**

The recommendation does not directly fall under one or more of the objectives of the five focus areas; however, it does support the Region's Vision, Mission and Values in that it provides good citizen service.

**FINANCIAL IMPLICATIONS:**

Costs associated with the release of the easement is included within the approved \$18.8 million capital budget for the development and construction of the new North Division Facility.

**OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE:**

Planning, Housing and Community Services Department staff have been consulted in the preparation of this report.

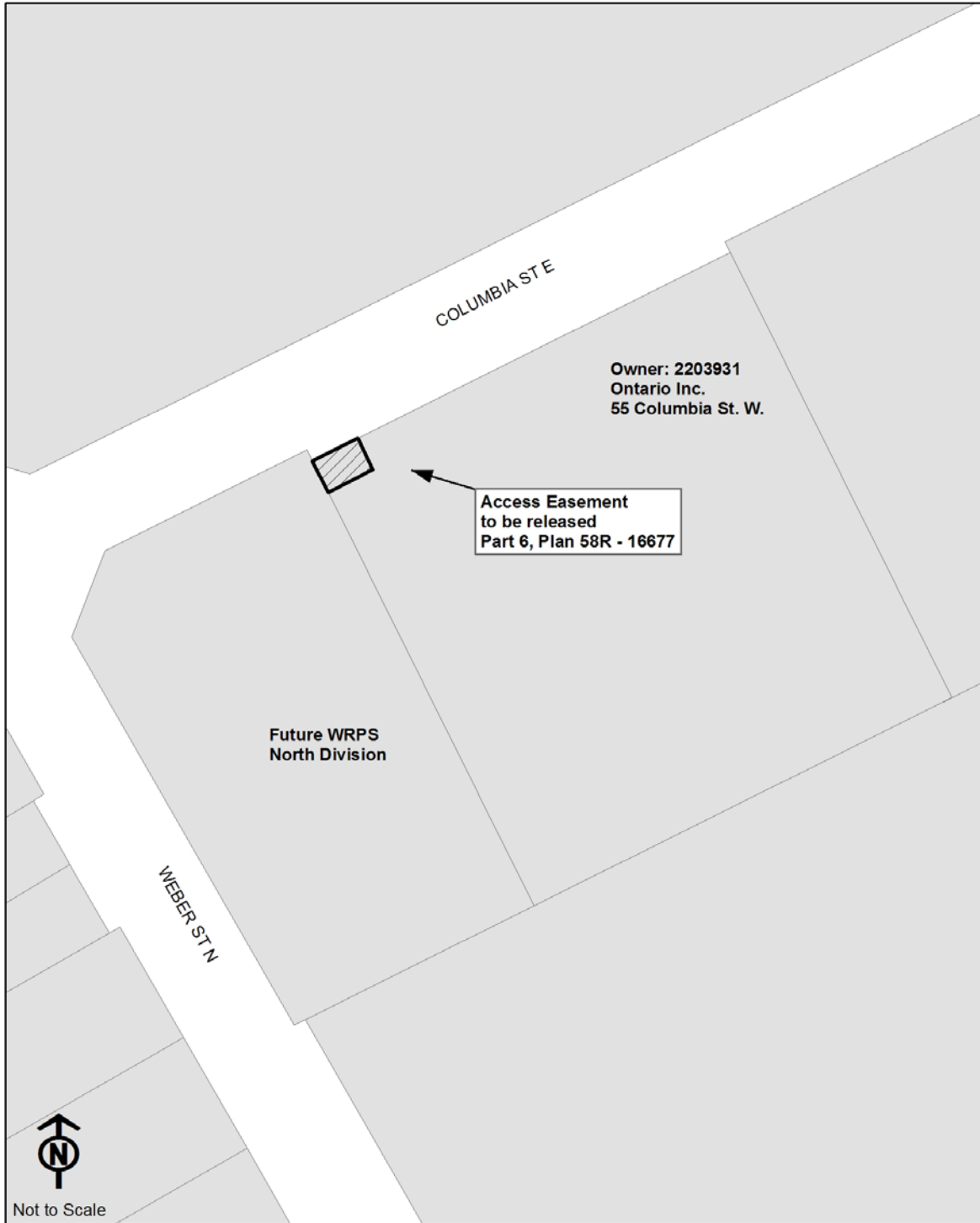
**ATTACHMENTS**

Appendix "A" – location map of lands.

**PREPARED BY:** *Joan Moore*, Property Agent

**APPROVED BY:** *Gary Sosnoski*, Commissioner of Corporate Resources

Appendix "A"



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**COUNCIL ENQUIRIES AND REQUESTS FOR INFORMATION****ADMINISTRATION AND FINANCE COMMITTEE**

<b>Meeting date</b>	<b>Requestor</b>	<b>Request</b>	<b>Assigned Department</b>	<b>Anticipated Response Date</b>
04-Mar-08	P&W	Best Value Bidding	Finance/Purchasing	Jan-2011
09-Dec-09	Budget Committee	Comparison of reserves, expenditures and debt-per-capita between Region and comparator municipalities	Finance	May-2011
26-Jan-10	Committee	Report on a policy related to development charge grants, exemptions and deferral requests, to include past history/practice, implications, and options.	Finance	May 2011
08-Jun-10	A&F	Review current funding for the tax increment grant program, with full range of funding options.	Finance	Spring 2011
23-Nov-10	A&F	Assess the application of the prequalification guidelines (both generals and sub contractors) and report back to A & F after one years experience	Finance	Nov-2011