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

Members absent: C. Millar

MOTION TO RECONVENE INTO OPEN SESSION

MOVED by L. Armstrong
SECONDED by B. Halloran

THAT the meeting reconvene into Open Session.

CARRIED

DECLARATIONS OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT OF INTEREST ACT

None declared.

REQUEST TO REMOVE ITEMS FROM CONSENT AGENDA

No requests were made to remove items from the Consent agenda.

MOTION TO APPROVE ITEMS OR RECEIVE FOR INFORMATION

MOVED by R. Kelterborn
SECONDED by J. Mitchell

THAT the following items be approved:

- THAT the Regional Municipality of Waterloo approve the 2013 grants to Community Organizations as recommended by the Grants Committee and outlined in Report CC-13-001 and the attached Appendix 1, dated June 18, 2013.

- THAT The Regional Municipality of Waterloo amend the Purchasing By-law, effective July 2, 2013, pursuant to Report F-13-058, dated June 18, 2013.

- THAT the Regional Municipality of Waterloo approve the construction of an Emergency Medical Services Waiting Station at the Philipsburg roads yard property at an overall cost of $1,364,000 to be financed by the issuance of debentures for a term not to exceed twenty years, as outlined in report CR-FM-13-006/PH-13-023, dated June 18, 2013;
AND THAT the 2013 Capital Budget and 2014/2015 Capital Forecast for Emergency Medical Services be amended by transferring $222,000 from Project 82025 (Central Fleet Centre) to Project 82010 (Baden EMS Station), advancing $654,000 from 2015 to 2014 for Project 82010 (Baden EMS Station) and increasing Project 82010 (Baden EMS Station) by $150,000 gross and net as detailed in report CR-FM-13-006/PH-13-023, dated June 18, 2013.

- THAT the Regional Municipality of Waterloo enter into an agreement with the Corporation of the City of Waterloo, in the form attached to Report CR-RS-13-056/CR-FM-13-010, dated June 18, 2013 to extend an existing option to purchase a share of a parking structure owned by the City of Waterloo, and used by Regional employees.

AND THAT the following items be received for information:

- F-13-057, 2013 Annual Repayment Limit
- CR-FM-13-009, Reporting Requirements Under the Green Energy Act

CARRIED

REGULAR AGENDA RESUMES

REPORTS – FINANCE


Craig Dyer, Chief Financial Officer, provided introductory comments and advised that there are no significant variances with the exception of revenues in waste management where there are shortfalls in tipping fee revenues and in recycling material sales.

* R. Deutschmann joined the meeting at 2:17 p.m.
* J. Brewer joined the meeting at 2:18 p.m.
* T. Cowan joined the meeting at 2:19 p.m.

C. Dyer stated that staff will bring forward an additional report in August with data based on the first six (6) months of the year with projections for all program areas. The current report consists of early projections but the report to be presented in August will contain more complete projections and will provide options for Council consideration. In the interim, staff has been asked to be vigilant with discretionary spending and filling staffing vacancies.

In response to a Committee question about the opportunity to recoup revenues related to the industrial/commercial/institutional (ICI) tonnage and tipping fees and the long-term plan to address future impact, Jon Arsenault, Director, Waste Management, stated that this is unlikely due to the external market factors. He suggested that in moving forward, the Region needs to review its strategy and the Waste Management Master Plan with a focus on operational issues and efficiencies. C. Dyer added that additional details about the waste management operations, including how to offset the revenue reductions, will be included in the next report to the Committee.

* C. Zehr joined the meeting at 2:22 p.m.

Regional Chair Ken Seiling suggested that Council might wish to consider setting waste management up as a utility function, to increase public awareness of the costs related to waste management in the Region.
T. Galloway agreed that Regional Council will need to review and explore all options since the revenue reductions for waste management and assessments, as well as other factors, will have a major impact on the levy and the next round of budget planning. He suggested that monthly updates with key financial information and indicators be prepared for the Committee’s review, similar to the model used by the Waterloo Region Police Services (WRPS), so that Regional Council can regularly monitor trending and take appropriate actions.

D. Craig advised that he will be bringing forth a Notice of Motion to the upcoming Council meeting requesting a program by program budget review, as well as a complete review of capital projects.

The Committee commented on the information they are interested in reviewing on a monthly basis. C. Dyer reassured the Committee that data is regularly monitored and shared internally with affected staff. He stated that staff is happy to provide Council with financial reporting that suits their needs and preferred timeframes.

MOVED by T. Cowan
SECONDED by L. Armstrong


AND THAT staff be directed to submit an additional Periodic Financial Report to the Administration and Finance Committee on August 13, 2013 based on operating results to June 30, 2013.

CARRIED

b) F-13-060, 2014 Budget Guidelines, Process and Timetable

T. Galloway advised that having Council establish budget guidelines is a new approach for the Region and that Committee Chairs have met with staff and endorse this direction.

C. Dyer provided a summary of staff activity to date with regards to the 2014 budget. He referred to the 2014 Tax Supported Operating Budget Mid-range Projection table and highlighted the projected 6% increase to the property tax levy required to maintain current service levels and programs, excluding police services. He summarized the key factors that will have an impact on the 2014 budget and provided the rationale for establishing 2014 budget guidelines. He stated that a 2.8% tax rate increase, including the WRPS, is being sought in 2014. He provided a summary of the budget process timeline, advising that it follows the same format as in previous years.

In response to a Committee question about the current status of discussions with the WRPS, C. Dyer advised that staff has been made aware of the report and received a copy of the report. T. Galloway clarified that the target guideline is a 2/3 and 1/3 split; 1.9% for direct Regional Services and 0.9% for police services.

In response to a Committee question regarding the impact of assessment growth on the 2014 budget guidelines, C. Dyer advised that the estimated assessment growth is 0.75% and has been applied equally across both target guidelines.

In response to a Committee inquiry about the potential impact on police service levels given the proposed 2014 police budget target, T. Galloway stated that the impact won’t be known until
October 2013 and he reminded the Committee that in 2010 and 2011, the tax rate for police services was less than 0.9% yet there were additional hires in each of those two years.

In response to a Committee comment about the value of the staff-prepared issue papers in light of the current fiscal climate, Mike Murray, Chief Administrative Officer, stated that new budget issue papers over the past few years have been minimal as staff are well aware of budget constraints. The budget issue papers that will be prepared are intended to give Council an awareness of the critical needs of the community.

The Committee provided comments about considering a tax rate aligned with the current Consumer Price Index (1.5%), hiring policies and in-depth analysis of program budgets.

MOVED by B. Halloran
SECONDED by J. Wideman

THAT the Regional Municipality of Waterloo take the following action with respect to the 2014 Budget:

1. Establish a 2014 Budget tax rate increase guideline for direct Regional Services in the range of 1.9%;

2. Request the Waterloo Region Police Services Board to prepare its 2014 Operating Budget based on a tax rate increase guideline in the range of 0.9%;

3. Approve the 2014 Budget timetable as set out in Schedule “B” to Report F-13-060, dated June 18, 2013;

4. Forward a copy of Report F-13-060, dated June 18, 2013 to the Waterloo Region Police Services Board.

CARRIED

REPORTS – CORPORATE RESOURCES

c) CR-FM-13-008, Solar Photovoltaic Renewal Energy Initiative Update, Recommended Actions and Allocation of Net Revenues

Gary Sosnoski, Commissioner, Corporate Resources, made introductory comments and summarized the report’s recommendations.

In response to a Committee question regarding having a third party estimate of the maintenance costs, Charles Allen, Manager, Facilities Engineering, responded that an analysis was done on the maintenance costs with the consultants involved in the design of the project. He stated that the warranty for the panels acquired through the Feed in Tariff (FIT) 1.0 program is for the full 30-year lifespan of the panels while the warranty for Net Metering Program would be for two-thirds of the lifespan of the panels.

S. Strickland requested that the last motion be taken separately since he doesn’t support asking the Provincial government to reinstate a program that was cancelled because it was costing taxpayers too much money. G. Sosnoski clarified that staff are taking exception to the process and the delay but is not asking the government to reinstate the program.

* J. Haalboom left the meeting at 2:55 p.m.
MOVED by G. Lorentz
SECONDED by J. Brewer

THAT the Regional Municipality of Waterloo approve the installation of solar photovoltaic panels under the Net Metering Program at the new GRT Strasburg Road Bus Maintenance Facility and at the new Waterloo Regional Police Service North Division, as outlined in report CR-FM-13-008, dated June 18, 2013;

AND THAT the net revenues from the solar photovoltaic renewable energy initiative be invested in further initiatives to reduce energy costs, as outlined in report CR-FM-13-008;

CARRIED

MOVED by C. Zehr
SECONDED by G. Lorentz

AND FURTHER THAT the Regional Chair be requested to send a letter to the Ontario Power Authority, copy MPP John Milloy and Minister of Energy Bob Chiarelli, in regard to the Region’s concerns with the FIT application process, as outlined in report CR-FM-13-008.

CARRIED
(S. Strickland opposed)

OTHER BUSINESS

Council Enquiries and Requests for Information Tracking List was received for information.

NEXT MEETING – August 13, 2013

ADJOURN

MOVED by B. Halloran
SECONDED by T. Cowan

THAT the meeting adjourn at 2:59 p.m.

CARRIED

COMMITTEE CHAIR, T. Galloway

COMMITTEE CLERK, S. Natolochny