Region of Waterloo

Proposed 2017
Budget Issue Papers

November 16, 2016

Region of Waterloo

2017 Budget Issue Papers ($ thousands)

Staff Recommended Priority Sequence

Page #	Dept/Div	Description	Annualized Levy Impact	2017 operating budget impact: Property taxes	2017 operating budget impact: Reserves Capital User rates Other	2017-2026 capital plan impact Sources of funding: Property taxes	RDC	Grants Subsidy	User rates
	NO LEVY IMPACT								
1	COR/Facilities Management	Addition of 1 permanent Maintenance Reliability Planning Supervisor to support the implementation of the Asset Management Plan (AMP) and ongoing preventative maintenance efforts that will be required in the AMP; funded from operational savings.							
4	COR/Financial Services	Addition of 1 permanent Financial Systems Technical resource funded through a reallocation from the consulting budget							
6	HRC/Compensation & Talent Management	Convert 2 temporary full-time positions (Talent Acquisition Assistant and Job Evaluation Analyst) to permanent to address increasing workload. Both positions are currently funded in the levy.							
10	TES/Water Services	Addition of 1 temporary Junior SCADA/Process operator and 1 temporary Water Analyst for four years to bridge training requirements due to significant retirements forecasted			$199				
13	CSD/Children's Services	Temporary resources at Children's Centres required to comply with legislative requirements on an interim basis while developing a permanent solution.			$464				
16	CSD/Children's Services	Addition of 1 temporary Family Centre Coordinator for the Elmira facility to assist tenant partners in colocating to the facility in order to deliver a variety of services using a "hub" approach.			$163				
19	CSD/Employment & Income Support	Expansion of services offered at 235 King Street to include Ontario Works Direct Services				$650			
	LEVY IMPACT								
21	PHE/Paramedic Services	Implementation of Paramedic Services master plan (2017 impacts)	$1,574	$815	$815	$730			
28	PHE/Paramedic Services	Construction of North Operations & Fleet Centre for Paramedic Services	$913			$14,880	$3,120		
32	CSD/Seniors' Services	Addition of 2.4 permanent Personal Support Workers (PSWs) to monitor and prevent critical incidents related to admission of residents with dementia and other complex behaviours.	$164	$126					
36	TES/Transit Services	Implementation of GRT business plan (2017 impacts) Priority Bundle 1	$1,370	$797		$866	$184	$1,050	
47	Corporate Financial	Capital Program Financing	$750	$750					
52	TES/Waste Management	Waste Management debt reduction strategy	$1,764	$601					

Region of Waterloo
2017 Budget Issue Papers ($ thousands)
Staff Recommended Priority Sequence

Page #	Dept/Div	Description	Annualized Levy Impact	2017 operating budget impact: Property taxes	2017 operating budget impact: Reserves Capital User rates Other	2017-2026 capital plan impact, Sources of funding: Property taxes	RDC	Grants Subsidy	User rates
55	PDL/Community Planning	Collecting Workplace Count data biennially (instead of every five years) to improve the reliability of information and monitor sector trends	$58	$58					
59	CSD/Children's Services	Expanded capacity at New Elmira Children's Centre (phased-in)	$412	$400					
62	COR/Information Technology Services	Addition of 1 permanent Programmer Analyst to address increasing workload volumes (as identified in 2015 BIP)	$116	$87					
36	TES/Transit Services	Implementation of GRT business plan (2017 impacts) Priority Bundle 2	$1,825	$725		$1,836	$414	$2,250	
65	PDL/Cultural Services	Improve Museum exhibits	$135	$135					
36	TES/Transit Services	Implementation of GRT business plan (2017 impacts) Priority Bundle 3	$1,448	$490		$1,020	$230	$1,250	
68	CSD/Seniors' Services	Addition of Social Work resources at Sunnyside Home	$41	$41					
72	TES/Transit Services	TDM Business Plan - replace Ecomobility funding for Travelwise program	$77	$77					
76	PDL/Cultural Services	Public Art funding strategy phased in over two years	$100	$50					
80	TES/Transit Services	Expansion of Route 21 Service - Woolwich Township	$76	$26					
83	TES/Transit Services	Continuation of Wilmot township contract service (pilot ends in 2017)	$120	$90					
85	PDL/Community Planning	Research and Stewardship partnership with *'rare'* for five years	$50	$50					
87	Regional Chair/Council	Community Innovation Grant	$50	$50					
	Subtotal		**$11,043**	**$5,368**	**$1,641**	**$19,982**	**$3,948**	**$4,550**	**$0**

2017 Budget Issue Papers ($ thousands)
Operating Impacts & Capital Financing Summary

	Annualized Levy Impact	2017 Budget Impact ($000s), Operating: Property taxes	Operating: Reserves/ Capital/ Other	Capital: Property taxes	RDC	Grants & Subsidies	User Rates
Contemplated Budget Issue Papers total	**$11,043**	**$5,368**	**$1,641**	**$19,982**	**$3,948**	**$4,550**	**$0**
2017 incremental levy impact	$5,368						
2018 incremental levy impact	$4,767						
2019 incremental levy impact	$853						
2020 incremental levy impact	$55						
Subtotal	$11,043						
Capital Financing:							
Debentures				$18,602	$3,948	$4,550	
Reserves				$1,380			
Subtotal				**$19,982**	**$3,948**	**$4,550**	**$0**

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Facilities Maintenance Planning Position
Corporate Services – Facilities and Fleet Management
Strategic Plan Focus Area 5 Responsive and Engaging Government Services
Strategic Objective or Action Ensure regional programs and services are efficient, effective and provide value for money.

Brief Description of Request

This request is for the addition of one permanent Facilities Maintenance Planning Supervisor position to support the implementation of the Asset Management Program and ongoing preventative maintenance efforts required by the program. The position will be funded from operational cost savings.

Justification/Rationale

A Facilities Maintenance Planning Supervisor position is proposed that will take responsibility for maintenance planning and reliability analysis using Lucity, the new corporate Work Management System. This new position will also develop building and maintenance standards and optimize processes to achieve operational efficiencies and reduce costs. A goal of this position is to identify and implement improvements that allow Facilities to deliver established service levels across an increasing building portfolio without the need for future significant maintenance staff increases.

This role will generate sufficient efficiencies to pay for itself in the first year and with further savings beyond. This has been validated through a pilot completed in 2016 on one Regional building where the building preventative maintenance (PM) program was updated and improved and a performance review completed on critical building systems. This work, completed with the help of a consultant, resulted in a reduction of over 400 hours of maintenance work, recommendations for low-cost energy efficiency improvements of 5 to10%, and improvements to the performance and effective life of critical equipment through recommissioning and improved maintenance practices.

This new role will complete similar reviews of equipment and maintenance practices on an ongoing basis to achieve continuous improvement and will supervise a small team of existing staff to implement asset management best practices related to building maintenance. This will include the development of risk-based maintenance strategies and workplans and the optimization of preventative and predictive maintenance programs to extend the life of assets and minimize lifecycle costs. This will be made possible with data collected in the new Lucity Work Management System. Further annual savings and performance improvements will be realized with continued efforts and at a fraction of the cost of the consulting services used today.

One of the key benefits of this position will be more formalized maintenance planning to better utilize available resources. The 2011 Facilities Maintenance and Operations program review resulted in a change to the business model to taking responsibility for the full life cycle management of approximately 800 Region-owned buildings. While minimum maintenance requirements are met in Region-owned buildings, maintenance service expectations are increasing, as is the desire to optimize maintenance resources and reduce costs, achieving “more with less.” Continuing to meet progressively more strict regulation also results in increased maintenance efforts.

Implications of Not Approving

Maintenance work will continue to grow as a result of increasing legislation, responsibilities, building areas and service expectations. With that growth and without additional resources dedicated to finding efficiencies and developing processes, maintenance costs will increase with significant maintenance staff growth or service levels will decrease.

Without consistent maintenance practices, standards and work plans, it will be increasingly difficult to ensure that safety and other regulatory requirements are met within buildings.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Salary & Benefits	$92	$31	$0	$0	$ 123
Office costs	7	3	0	0	10
Operational Cost Savings	(99)	(34)	0	0	(133)
Total On-going Operating Expenditures	**$0**	**$0**	**$0**	**$0**	**$0**
Net Regional Levy	**$0**	**$0**	**$0**	**$0**	**$0**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Maintenance Planning Supervisor	1.0	0.0	0.0	0.0
Total Staffing Impact	1.0	0.0	0.0	0.0

Performance Measures

	2011	2012	2013	2014	2015
Maintenance cost ($) per sq. foot (office bldgs.)	2.03	2.62	3.56	2.70	2.65
Completed maintenance work orders	29,132	29,020	27,061	33,205	33,185

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Financial Systems Technical Resource
Corporate Services
Strategic Plan Focus Area 5 Responsive and Engaging Government Services
Strategic Objective or Action Ensure regional programs and services are efficient, effective and provide value for money.

Brief Description of Request

Over the next few years various enhancements are required to the Corporate Financial Information Systems. These include upgrading the current version of Oracle Financial since it will no longer be supported, optimization of Oracle Financials, Accounts payable imaging, coordination between asset management and financial systems, automation of p-card approvals, automation of employee expenses and improvements to Oracle Financials reporting. These system improvements will be leveraged to achieve future operational efficiencies. In the past the Region hired Oracle Financial consultants for system upgrades. In most cases Oracle provided competent consultants that had worked on previous Regional projects which provided good results and continuity. More recent personnel changes at Oracle have resulted in substandard performance on a few projects. The proposal is to reduce the consulting budget to fund a permanent position that will have knowledge of the Region and implement the system projects in co-ordination with departmental staff and existing Financial Services.

Justification/Rationale

Having an internal permanent resource which is more familiar with regional staff, processes and software will improve efficiency, rather than hiring a consultant for each project.

Implications of Not Approving

Continuing with Oracle Consultants would be required which cost approximately $3,000/day.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Salaries and benefits	$85	$28	$0	$0	$113
Reduced consulting	(86)	(28)	0	0	(114)
Training Costs	1	0	0	0	1
Total On-going Operating Expenditures	**$0**	**$0**	**$0**	**$0**	**$0**
Revenues					
Total Operating Revenue	**$0**	**$0**	**$0**	**$0**	**$0**
Net Regional Levy	**$0**	**$0**	**$0**	**$0**	**$0**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Financial Business System Analyst	1.0	0.0	0.0	0.0
Total Staffing Impact	**1.0**	**0.0**	**0.0**	**0.0**

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Job Evaluation Analyst and Talent Management Assistant
Human Resources & Citizen Service
Strategic Plan Focus Area 5 Responsive and Engaging Government Services
Strategic Objective or Action Attract, support and retain skilled, engaged and diverse employees.

Brief Description of Request

To convert two existing temporary full-time positions (Job Evaluation Analyst and Talent Management Assistant) to permanent full-time positions. Both positions support the timely filling of vacancies which ensures that there is continuity of service to staff and clients and consistent compensation across all Unions and in the Management/Management Support Group. This will ensure the Region continues to meet its obligations under the Pay Equity Act and its eight collective agreements, and ensures tasks relating to employee compensation and recruitment are completed in a responsible and timely fashion.

Justification/Rationale

Talent Management Assistant: Talent Management and Employee Services provides innovative solutions, guidance and support to managers and employees including benefits administration, recruitment, selection, workplace investigations and return to work administration and wellness programming. This support includes recruitment strategies to ensure that there is skilled and knowledgeable staff to deliver programs and services. This division also designs and implements processes and procedures to facilitate reorganizations, program reviews and the redesign of organization structures including job function analysis, reporting structures, job descriptions and change management support.

There has been a consistent increase in the number of recruitment activities that required the addition of a Talent Management Assistant to manage the administrative workload associated with our competition process. This position is accountable for initiating, posting, applicant tracking, interview preparation, offer letter creation, onboarding of new employees and closing files to ensure compliance with processes. The speed with which the Region recruits is important to ensure that vacancies do not remain empty for long periods which can lead to gaps in service to citizens. These gaps in critical positions such as in Employment and Income Services can leave people in vulnerable situations such as being without income and subject to hardship. With current retirement demographics the turnover rates on positions is increasing and sometimes with short notice. The TM Assistant supports innovative recruitment solutions to maintain service.

Job Evaluation Analyst: The Employee Relations division maintains responsibility for interpretation and guidance on Collective Agreements as well as Human Resource Policies and Employment legislation. The Job Evaluation Analyst position is responsible for integral components of the recruitment process with the evaluation of jobs to ensure consistent application of job evaluation principles in accordance with the Job Evaluation plans for all Unions as well as Management/Management Support staff. In addition, the job descriptions are pivotal in creating the job postings to ensure that recruitment of positions reflects bona fide job requirements that ensure integrity in the role as well as transparency for candidates. As noted in the Talent Management Assistant position above, retirements are creating increased workload due to employee turnover. Prior to being able to commence recruitment, the evaluation of a position and creation of a posting occurs with a Job Evaluation Analyst. In addition, supporting recruitment activities, the Region's collaborative commitment to job evaluation is entrenched in several collective agreements. This process increases the level of scrutiny on the process and the deft handling of potentially contentious situations. Additionally, as a result of a number of divisional/departmental reorganizations post ReNew in 2014, there are both increased obligations (and scrutiny) arising from our Union stakeholders of the Job Evaluation process, the ongoing creation of new positions, the updating of job descriptions upon retirements/exits, ongoing maintenance reviews, and Job Evaluation of both union and non-union positions to ensure compliance with the "Pay Equity Act*"* and our collective agreements, Compensation Services expects to see no less of a demand for service. This resource is essential to allow the Region to continue to meet its obligations under the *Pay Equity Act* and our eight collective agreements. The Compensation Services team requires this continued resource to ensure that each of the above tasks are completed in a responsible and timely fashion.

Implications of Not Approving

Talent Management Assistant: Fewer resources would mean delays in hiring which create operational issues due to gaps in staffing. In certain critical areas this can cause service disruptions to individuals in vulnerable situations and create public perception issues. In addition, stretched resources could create errors in processing of offer letters and on boarding which could incur liability if inaccurate information is entered into the system or in the hiring documentation. It further limits the ability to audit processes and systems in the hiring process to catch any errors or omissions that could confer liability on the Corporation if they were not checked. As the introductory face for new employees, the appropriate information and on boarding responsibilities are critical to get new employee relationships off to a positive start, fewer resources may create issues for incoming employees that take time and additional effort to resolve rather than getting them right in the first instance.

Job Evaluation Analyst: Without this additional resource, only one individual will exist to fulfill all Compensation review, Pay Equity and Job evaluation tasks. One person would be incapable of meeting the contractual obligations and workload in a timely fashion, accordingly significant back logs and delays would occur. Failing to appropriately and efficiently address the subject of employee compensation can lead to challenges in attracting and retaining talent at the Region. Delays in appropriately and efficiently addressing the job evaluation process can also lead to large retroactive payments that can be substantial in the case of multi incumbent positions. These additional costs are typically not budgeted for and may cause a review of staffing levels to meet the need until appropriate permanent financial mitigation strategies can be put into place. Inequitable results in compensation can cause delay and undermine the credibility in the process which can impede strong union management relations. Due to the contractual obligations conferred through the collective agreements, Union Representatives that are part of the Job Evaluation process must be able to represent the members adequately; time delays due to inadequate staffing can create additional workload for managers and Labour Relations Advisors to combat the negative perception of the process. In addition, delays can cause higher turnover rates as it impacts morale and people leave due to frustration or perceived lack of equity or engagement. Failure to adequately staff the Compensation area can also lead to staff seeking alternative restitution methods which may include Pay Equity challenges. While there may be no merit, grievances and challenges such as these incur additional legal expenses as well as create workload issues for managers to respond the issues.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Salaries & Benefits Permanent	$180	$0	$0	$0	$0
Salaries & Benefits Temporary	(180)	0	0	0	0
Total On-going Operating Expenditures	**$0**	**$0**	**$0**	**$0**	**$0**
Net Regional Levy	**$0**	**$0**	**$0**	**$0**	**$0**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Job Evaluation Analyst	1.0	0.0	0.0	0.0
Talent Management Assistant	1.0	0.0	0.0	0.0
Temporary Staff				
Job Evaluation Analyst	(1.0)	0.0	0.0	0.0
Talent Management Assistant	(1.0)	0.0	0.0	0.0
Total Staffing Impact	**0.0**	**0.0**	**0.0**	**0.0**

Council Decision

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Water Services Succession Planning
Transportation and Environmental Services
Strategic Plan Focus Area 5 Responsive and Engaging Government Services
Strategic Objective or Action Ensure regional programs and services are efficient, effective and provide value for money.

Brief Description of Request

Addition of 1 temporary Junior SCADA/Process operator and 1 temporary Water Analyst for four years to bridge training requirements and ensure the continuation of smooth operations resulting from significant upcoming retirements .

Justification/Rationale

i. Six SCADA/Process Operators could retire within the next 5 years. This is a highly trained group of 13 staff that operates a very complex water treatment system on a 24/7 basis. During the lengthy training period, the group is left shorthanded. Certification requirements for an Operator in Training (OIT) can take up to six years to become a fully qualified Class 4 Operator. To ensure continued smooth operation of the water system, a 4 year temporary junior operator position is recommended which would allow an operator(s) to be trained and work towards their certification. As retirements present themselves, this position will assist to provide orderly transitions. If a retirement occurs and a full time position becomes available, the candidate in the temporary position will be considered for the position. The vacated temporary position will be continued.

ii. The Systems group in water operations is also facing retirements in the next 5 years. In addition, a full replacement of the RPUs (Remote Programmable Unites) is required during this timeframe. Due to the age of the units, the system is no longer supported by the original supplier. This is a multi-year, $12 million project which requires a very high level of operational coordination. The recommended four year temporary positon would assist in this replacement while obtaining a high level of specialized technical training. The funding for the positon would come from the Water Capital Budget.

Implications of Not Approving

Water Operations would be negatively affected by the impact of upcoming retirements.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	2021
Expenditure					
1.0 FTE Junior SCADA Operator Salary & Benefits	$94	$0	$0	$0	$(94)
1.0 FTE Water Analyst Salary & Benefits	95	0	0	0	(95)
General Office Training costs	1	0	0	0	(1)
Office furniture and computer	9	(9)			
Total On-going Operating Expenditures	**$199**	**($9)**	**$0**	**$0**	**($190)**
Revenues					
User Rate revenue	$199	($9)	$0	$0	$190
Recovery from capital	(102)	7	0	0	(95)
Total Operating Revenue	**$97**	**($2)**	**$0**	**$0**	**$95**
Net Regional Levy	**$0**	**$0**	**$0**	**$0**	**$0**

Staff Requirements (FTE) (incremental number)	**2017**	**2018**	**2019**	**2020**	**2021**
Temporary Staff					
Junior SCADA/Process Operator – 4 years	1.0	0.0	0.0	0.0	(1.0)
Water Analyst, Tech Info Sys (Water) – 4 years	1.0	0.0	0.0	0.0	(1.0)
Total Staffing Impact	**2.0**	**0.0**	**0.0**	**0.0**	**(2.0)**

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Children's Centres' Staffing Model
Community Services
Strategic Plan Focus Area 4 Healthy, Safe and Inclusive Communities
Strategic Objective or Action Support early learning and child development.

Brief Description of Request

There has been a significant cumulative impact of several legislative changes over the past four years on the staffing resources required to operate the directly operated Children's Centres. More specifically, increased staffing resources are required as a result of legislative changes to the "Child Care and Early Years Act 2014," "Safe Drinking Water Act," Canadian Safety Standards for Playgrounds and Health and Safety Standards. In addition, increasing personal care needs of a younger age population are creating an additional resource requirement. Compounding the demand for resources, demand from clients for longer hours of care is impacting the current staffing model in the Children's Centres.

The staffing model in the Children's Centres has not been revised in over 10 years. In comparison to other child care centres the current staffing model is extremely lean and has resulted in heavy reliance on the casual part time pool to ensure proper coverage. This has resulted in over expenditures in the casual part time budget. This paper addresses the staffing needs for four of the Children's Centres; the additional costs related to the Elmira Children's Centre have been identified in a separate budget paper.

Justification/Rationale

A preliminary review undertaken during 2016 of the staffing requirements for the Children's Centres demonstrated increasing pressures in the staffing levels to continue to meet legislative requirements. In addition, to manage this pressure, a significant draw is being utilized on the casual part time pool in order to sustain legislative standards on a daily basis. Preliminary calculations are indicating that a more realistic staffing factor would be 1.5 FTE for each age group of children. Currently, the staffing factor is 1.3 FTE for each age group. In addition to the pressures of maintaining staff to child ratios throughout the day, many new and increased legislative requirements are impacting staff resources. A preliminary review of many of these changes has indicated that they do not require the skills of an Early Childhood Educator. It is recommended that a trial be completed to include a new type of position (housekeeping aide) in the Children's Centres which would alleviate some of the pressures and allow staff to keep their focus on the education of young children.

During this preliminary review it was revealed that an increase of 1 temporary full time child care teacher and 0.64 temporary part time housekeeping assistant for each centre, for a total of 6.6 FTE's, will be required over 2017 to maintain operating standards and legislated requirements.

A temporary approach is being recommended to allow time for a more detailed staffing model review to be completed in 2017. In addition, the review will allow for an evaluation of the staffing positions being utilized in 2017 to ensure best use of resources in the centre operation. Once the review of the staffing model has been completed in 2017, staff will update Council with the outcome of the review.

Implications of Not Approving

Without an increase in the staffing levels, the Children's Centres are at risk of non-compliance with legislative requirements putting staff and children at risk. Non-compliance can also result in termination or suspension of the operating license thereby reducing confidence in the services provided by the Region of Waterloo and impacting families' ability to access child care while working or attending school. Continuing to utilize the casual part time pool will result in continued over expenditures and impact the program's ability to provide consistent child care teachers for children which is an important factor of a high quality program.

Budget Requirements

One-Time Operating (annual amounts in thousands)	2017	2018	2019	2020	Four-year total
Expenditures					
Child Care Teacher	$330	$0	$0	$0	$330
Housekeeping Aide	134	0	0	0	134
Total One-time Operating Expenditures	**$464**	**$0**	**$0**	**$0**	**$464**
Revenues					
Provincial Grant	$464	$0	$0	$0	$464
Net Regional Levy	**$0**	**$0**	**$0**	**$0**	**$0**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Temporary Staff				
Child Care Teacher	4.0	(4.0)	0.0	0.0
Housekeeping Aide	2.6	(2.6)	0.0	0.0
Total Staffing Impact	**6.6**	**(6.6)**	**0.0**	**0.0**

Performance Measures

	2012	2013	2014	2015
Total investment per child in the municipality – Region of Waterloo	$509	$511	$515	NA
Average of Municipal Results	$643	$657	$647	NA
Source: Municipal Benchmarking Network Canada				

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

New Elmira Family Centre Hub Operating Costs
Community Services
Strategic Plan Focus Area 4 Healthy, Safe and Inclusive Communities
Strategic Objective or Action Support early learning and child development.

Brief Description of Request

The Family Centre Hub that is being co-constructed with the Elmira Children's Centre and Riverside Public School was designed as a space that will allow families to access a variety of services in one location. The site will open in early 2017. The intent of the Family Centre is to provide space for a number of service providers to locate on a permanent or part time basis and deliver a variety of services in a "hub" type approach.

At the present time a Community Advisory Committee comprised of service providers in Woolwich Township are providing input and guidance into the approach that will be taken at the new site. Through an expression of interest, 11 service providers have identified an interest in providing some level of service at the site. Of the 11 service providers who have expressed interest, 6 are Region of Waterloo services which have not used a physical location to provide services in Elmira to date. This is a new and unique approach to extend services into a rural community and will provide a model approach as the work begins on planning for additional hubs and Ontario Early Years Child and Family Centres.

Justification/Rationale

It is anticipated that the Family Centre will operate on a revenue neutral basis after the first year. During the first year of implementation it is acknowledged that a number of barriers might exist for service providers to co-locate without some type of financial support/incentive. Using funds provided from the former Best Start unconditional grant to offset operating costs and to hire a coordinator on a temporary basis for the first year will allow time to secure permanent tenant partners and establish a firm operating budget for the space. It is also uncertain how the new provincial funding related to hubs as well as Ontario Early Years Child and Family Centres may impact/benefit future operations in 2018.

This funding source will allow time for all of these factors to be considered and to find a permanent solution to operate the site. Sufficient funds remain in the Best Start Unconditional grant to fund these operational costs with no impact on the Regional tax levy.

Implications of Not Approving

It is unlikely that the hub could be implemented without this financial support. This would result in under utilized space in the new building and continued operating costs related to the space.

Budget Requirements

One-Time Operating (annual amounts in thousands)	2017	2018	2019	2020	Four-year total
Expenditures					
Coordinator	$95	$0	$0	$0	$95
Operating Expenses	75	0	0	0	75
Total One-time Operating Expenditures	**$170**	**$0**	**$0**	**$0**	**$170**
Revenues					
Best Start Unconditional Grant	$162	$0	$0	$0	$162
Rental	8	0	0	0	8
Net Regional Levy	**$0**	**$0**	**$0**	**$0**	**$0**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Temporary Staff				
Family Centre Coordinator	1.0	(1.0)	0.0	0.0
Total Staffing Impact	**1.0**	**(1.0)**	**0.0**	**0.0**

Council Decision

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Employment & Income Support Direct Services Team – 235 King Street, Kitchener
Community Services Division/Employment & Income Support
Strategic Plan Focus Area 4 Healthy, Safe & Inclusive Communities
Strategic Objective or Action Mobilize efforts to reduce poverty & the impacts it has on Waterloo Region residents.

Brief Description of Request

The Employment &Income Services (E&IS) Division currently delivers the Ontario Works (OW) program out of two offices: 150 Main Street, Cambridge and 99 Regina Street, Waterloo. A large portion of the caseload resides in Kitchener and as such the families and individuals have to travel to the Waterloo office for service. The E&IS Employment team and a team from Housing Services is currently located at 235 King Street, Kitchener. It is proposed that a Direct Services Team (OW) be added to this location by reconfiguring existing space.

Justification/Rationale

Currently, individuals and families that live in Kitchener and are receiving Ontario Works (OW) have to travel to the Waterloo office to receive service. A number of these families and individuals do not have a vehicle and rely on public transportation to get them to the office. With a large portion of the OW caseload residing in Kitchener the Employment & Income Support Division spends approximately $118,000 annually on transportation as bus tickets are provided to the individuals & families to get them to the Waterloo office. Renovating the current office at 235 King Street, Kitchener would allow the E&IS Division to add an OW team to that location which would be more convenient for the individuals & families that reside in Kitchener. It would also reduce transportation costs. Any savings would be redeployed to other EIS programs to support OW clients.

The co-location of a Direct Services team in Kitchener will increase customer service for the families and individuals that live in Kitchener as they would no longer need to travel to Waterloo. An estimated 6,400 Kitchener clients visit the Waterloo office two times a year and receive 4 bus tickets (2 per trip) which equates to an annual cost of $118,000. Moving direct services to 235 King Street could result in savings of some portion of this amount. The savings from the transportation costs would be redeployed to other E&IS priorities.

Implications of Not Approving

If the Kitchener office for Ontario Works is not approved, individuals & families in the Kitchener area would still have to travel to the Waterloo office to receive service and the transportation costs would continue to remain a large expense for the E&IS Division.

Budget Requirements

Capital (annual amounts in thousands)	**2017**	**2018**	**2019**	**2020**	**Four-year total**
Expenditures					
Construction and Renovation	$450	$85	$0	$0	$535
Moving	0	115	0	0	115
Total Capital Expenditures	**$450**	**$200**	**$0**	**$0**	**$650**
Sources of Funding					
Reserves	$450	$200	$0	$0	$650
Total Capital Financing	**$450**	**$200**	**$0**	**$0**	**$650**

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Paramedic Services Enhancement as per the Paramedic Services Master Plan (2017-2027)
Public Health & Emergency Services: Paramedic Services
Strategic Plan Focus Area 4 Promote and support healthy living and prevent disease and injury
Strategic Objective or Action Optimize Paramedic Services to improve service standards and response times by developing an updated Paramedic Services Master Plan.

Brief Description of Request

This request is in line with the first year (i.e. 2017) recommendations brought forth in the Paramedic Services Master Plan (2017-2027) (see PHE-PSV-16-05 dated October 4, 2016). These increases are required in order to meet ongoing growth in service demand. Region-wide response volume has grown by 50% over the last 10-year period and is expected to grow another 60% over the next 10 years. There has also been a corresponding deterioration in Region wide response times due to rapid response volume growth.

This request addresses the recommended Optimized Staffing Requirements combined with supports to Paramedic Services as recommended in the Paramedic Services Master Plan, and adopted in principle by Regional Council. The Master Plan resource and staffing enhancements are based on population growth and unit utilization projections, which were identified through data analysis during Master Plan projections. Resource enhancements are required as call volumes grow to maintain emergency response times in the response time target range and approved unit utilization range of 35% as well as ensuring availability of EMS resources at all times. This request also includes the additional resources as outlined in the Master Plan to accommodate the staffing and support or the additional resourcing based on detailed analysis.

Justification/Rationale

The Region of Waterloo Paramedic Services Division is undergoing transition to a more performance based system. The transition, which commenced about three years ago, supported by Regional senior administration and elected officials, includes emphasis on:

- Enhanced accountability
- Quality performance
- Effective and efficient delivery of the services
- Risk management, and
- Legislative compliance for certification as a land ambulance operator.

As part of the updated **Strategic Plan Section 4.0, Healthy, Safe and Inclusive Communities, subsection 4.4.2, Optimize Paramedic Services to improve standards and response times by developing an updated Master Plan**, Paramedic Services engaged APEX Pro Consulting to update and refresh our Master Plan.

The objectives of the Master Plan included, but were not limited to; (please refer to CSC Report PHE PSV 16-05 dated October 4, 2016 for detailed information)

1. To **comprehensively assess** the capabilities of the Paramedic Services
2. To inform **service planning** ensuring Paramedic care, at the right place and time.
3. To provide a forward-going **systematic approach** for the provision of Paramedic Services that:
4. To serve as a **strategic blueprint / objective basis** for Regional Council's deliberations in respect to the future needs of the Paramedic Services department.

EMS responses have increased by 30% since 2008. Response time performance has been managed through Council approved additional paramedic resources (five 12-hour ambulances and one ERU since 2008). Despite these additional resources, response times are on the rise - about 10 minutes (at the 80th percentile) in 2015, up from 9:29 in 2013. Unit Utilization (UU) is also on the rise, in fact, to over 41% in 2015, up from 37% in 2013.

With Regional Council's approval, 2 additional 12-hour ambulances were implemented in July 2016. Regardless, service performance is not expected to change significantly, due principally to the projected rapid rise in service demand to 47,000 vehicle responses by year end (up from 45,000 in 2015).

Population growth, and in particular, growth in seniors population (65+), are the principal drivers of service demand.

The Master Plan is predicated on population projections that align closely with the Moderate (Stretched) Forecast that Senior Management have recommended for Regional master planning and projecting increases at an average rate of 1.2% a year. This works out to an additional 10,000 persons every 1.5 years, reaching 648,000 persons by 2026, and 680,000 by 2031.

Experience shows that response time and Unit Utilization (UU) are directly related. Paramedic services that operate at high system-wide UU, typically have little or no capacity-in-reserve to address overlapping calls or external impediments (e.g., hospital offload delay), and their response times are relatively lengthy. This same experience also shows that it is undesirable to operate above a system-wide UU upper threshold of 40% for an extended period.

According to OMBI data, system-wide UU for most peer EMS services range from 25% to 40%. In comparison, ROW Paramedic Services operated at over 41% UU in 2015, up from 37% in 2013. Not unexpectedly, response time in 2015 was about 10 minutes (at the 80th percentile), up from 9:29 in 2013.

Despite the Paramedic Services best efforts, in 2015 the Service operated at or over capacity. The service experienced extensive periods of each day when the Service was in Code Yellow (3 or fewer ambulances are available to respond to the next call) and in Code Red (no ambulances are available / they all are tied up on calls) notwithstanding best efforts to align ambulance staffing to hourly variations in demand and service enhancements approved by Regional Council over the same time frames. Even with the two additional ambulances, UU for 2016 is projected to be 41%, and response time is projected to remain at 10 minutes (at the 80th percentile).

Despite recent investments, additional service enhancements will be needed going forward in response to ongoing rapid growth in service demand, which is anticipated to continue throughout the next decade.

Modifications to request based on new information:

Following the October 4, 2016 presentation of the Paramedic Services Master Plan (2017-2027), Council requested a revision in the forecast model using an assumption of offload delay occurring on the low end of the range rather than at the high end. The Information Paper in the November 16 package provides more details of this analysis.

Using a revised assumption of offload delay levels at the low end of the range, and cross-referencing actual UU values for January to the end of September, the recommendation has been modified from the addition of 4-12 hour shifts and 20 paramedics (PHE-PSV-16-05) to 3-12 hour shifts and 15 paramedics. The target UU remains at 35%, and will be monitored on an ongoing basis. The additional vehicle and staff request will be deferred to the 2018 budget.

Offload delay is volatile, fluctuating from year to year. Currently, the offload delay level is at the lowest level it has been in 4 years. Staff anticipate offload delay will continue to fluctuate within the range experienced over the last 4 years. Paramedic Services has no direct control over offload delay, and ongoing collaboration with the hospitals remains critical. The Ministry of Health and Long-term Care (MOHLTC) may also be considering discontinuing the Offload Nurse funding. Offload nurse funding has been an effective tool in mitigating the impact of Offload delay. A discontinuation of funding could increase the offload delay levels. Thus, the revised UU estimates have a degree of uncertainty attached to them based on the volatility and uncertainty in the actual offload delay levels that will occur.

Recommendations

In order to attain a 35% Unit Utilization as outlined in the Paramedic Services Master Plan (2017-2027) report the following resources are recommended;

1. Increase peak staffing to 24 ambulances (up from the current 21). This will add 3 additional 12-hour shifts and includes any equipment required to staff these requested ambulances funded from associated reserve funds.

2. To staff the 3 additional ambulance shifts, increase full-time paramedics to 130 FTE (up from the current 118), and increase part-time paramedics to 42.2 FTE (up from 39.2).

3. Given the Region’s emphasis on accountability, quality and risk management, the number of Operations Supervisors should be increased to a minimum of ten

4. This will enable shift coverage with a minimum of 2 Operations Supervisors round-the-clock, as per industry leading practices. This change will also result in a paramedics-to-Operations Supervisor ratio of 25:1.

5. Drawing from the Peel experience, we recommend that ROW introduce an “Operations Manager” position to deal explicitly with the unique challenges presented by a divisional (hub and spoke) mode of operations; also, to maintain divisional operations quality, accountability and risk management.

6. In consideration of the Region's emphasis on enhanced accountability, quality performance and risk management, we recommend that the staffing level for the Performance Standards function should be increased to 2 FTE, as per peer leading practices. For this purpose, we recommend recruitment of a Professional Standards Officer who will report to the Professional Standards Supervisor.

7. Introduce a "Community Liaison Officer" position. Key functions of this position will include PAD coordination, community education, and stakeholder engagement. The position will report to the Deputy Chief, Professional Standards.

8. 2 FTE Logistics position to accommodate increases in staffing and vehicle resources. This position will be required to ensure an operational readiness for vehicles and equipment as crews' book on for service.

Implications of Not Approving

Existing EMS resources continue to be fully utilized given the current call volume and demand. While past service enhancements approved by Council have slowed the slide of response time Region-wide, call volumes have grown by over 30% since 2008, due to growing and aging population. As a result, the current Region-wide response time trend shows deterioration in 2015.

Not approving will impact overall Region-wide response times in comparison with a scenario where resources are added, because call volume growth will not have been offset by additional resources. The Region's ability to meet the targets approved by Council in the Response Time Performance Plan will also be affected. The Region submits annual reports to the Ministry of Health and Long Term Care regarding its response time performance.

As per the Paramedic Services Master Plan (2017-2027) unit utilization rates will also continue to grow from the already high end rate of 41% which could lead to negative effects on patients and staff, as well as increases to Code Red and Yellows and may have a negative impact.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Staffing	$1,331	$1,418	$0	$0	$2,749
Supplies and Other Costs	299	100	0	0	399
Total On-going Operating Expenditures	**$1,630**	**$1,518**	**$0**	**$0**	**$3,148**
Revenues					
Provincial Subsidy		$815	$759		$1,574
Tax Stabilization Reserve Fund*	$815	(56)	(759)		0
Net Regional Levy	**$815**	**$759**	**$0**	**$0**	**$1,574**

*Provincial funding is received in the year following the change of service levels. The TSRF is used to bridge the timing difference between the when the service enhancement is implemented and when provincial subsidy is received. It is not a long term source of funding.

Capital (annual amounts in thousands)	2017	2018	2019	2020	Four-year total
Expenditures					
Ambulances (3)	$630	$0	$0	$0	$630
Emergency Response Unit	100	0	0	0	100
Total Capital Expenditure	**$730**	**$0**	**$0**	**$0**	**$730**
Sources of Funding					
Capital Levy Reserve Fund	**$730**	**$0**	**$0**	**$0**	**$730**
Total Capital Financing	**$730**	**$0**	**$0**	**$0**	**$730**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Paramedic staffing Primary Care Paramedic	15.0	0.0	0.0	0.0
Operations Supervisor	2.0	0.0	0.0	0.0
Professional Standards Officer	1.0	0.0	0.0	0.0
PAD Co-ordinator/ Community Liaison Officer	1.0	0.0	0.0	0.0
Logistics and Planning Technicians	2.0	0.0	0.0	0.0
Operations Manager	1.0	0.0	0.0	0.0
Total Staffing Impact	**22.0**	**0.0**	**0.0**	**0.0**

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Paramedic Services Enhancement - North Fleet Centre
Public Health & Emergency Services: Paramedic Services
Strategic Plan Focus Area 4 Promote and support healthy living and prevent disease and injury
Strategic Objective or Action Optimize Paramedic Services to improve service standards and response times by developing an updated Paramedic Services Master Plan.

Brief Description of Request

On October 4, 2016 Regional Council approved in principle the Paramedic Services Master Plan (2017-2027). This request addresses the recommended capital requirements to house and support the optimized staffing, supports and vehicles for Paramedic Services. This recommendation is complimentary to the Paramedic Services Master Plan Enhancement Budget Issue paper. The Master Plan capital requirements for the North Fleet Centre are based on the required number of vehicles to be staffed on a daily basis as well as accommodate all resources outlined in the Master Plan. Resource enhancements are required as call volumes grow to maintain emergency response times in the response time target range and approved unit utilization range of 35 % as well as ensuring availability of EMS resources at all times.

There is already a shortfall of available space to house current vehicles, which will only be compounded by adding the additional resources as recommended in the Master Plan detailed data analysis. It is imperative that vehicles and equipment be stored indoors in climate controlled environments as required by the Ambulance Service Review (ASR) program under the Emergency Health Services Branch of the Ministry of Health and Long Term Care. Failure to comply with these standards could jeopardize the Region's ability to obtain ASR certification to operate the ambulance service in future.

Justification/Rationale

As noted in the recently approved Paramedic Services Master Plan (2017-2027), the Region of Waterloo Paramedic Services Division is undergoing transition to a more performance based system.

In order to attain a 35% Unit Utilization as outlined in the Paramedic Services Master Plan 2017-2027 (see PHE-PSV- 16-05) it was recommended that a new headquarters and fleet centre be implemented in the near term, and be operational by year-end 2018.

In order to achieve the Unit Utilization outlined in the Paramedic Services Master Plan (2017-2027), the new headquarters and fleet centre should be housed in a building of about 40,000 to 43,000 sq. ft. This will provide capacity to house the following, in addition to the new fleet centre: Paramedic Services headquarters (which would be transferred from Maple grove), training facilities, and potentially a Regional Emergency Operations Centre (EOC).

Implications of Not Approving

Not approving the North Fleet Centre will affect the Region's ability to:

- implement the Paramedic Services Master Plan (2017-2027), approved in principle on October 4, 2016.
- meet the requirements for the next Ambulance Service Review (2019) to appropriately store vehicles and equipment
- meet the targets approved by Council in the Response Time Performance Plan. The Region submits annual reports to the Ministry of Health and Long Term Care regarding its response time performance.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Operating Costs	$0	$0	$260	$0	$260
Debt Servicing Costs	0	207	829	207	1,243
Lifecycle Provision			540		540
Total On-going Operating Expenditures	**$0**	**$207**	**$1,629**	**$0**	**$2,043**
Revenues					
Provincial Subsidy			$93	$766	$859
Tax Stabilization Reserve Fund *		$93	673	(711)	55
Development Charges	0	22	97	97	216
Net Regional Levy	**$0**	**$92**	**$766**	**$55**	**$913**

*Provincial funding is received in the year following the change of service levels. The Tax Stabilization Reserve Fund is used to bridge the timing difference between the when the service enhancement is implemented and when provincial subsidy is received. It is not a long term source of funding. By 2021, provincial funding will total $914,000 per year and no funding from the TSRF will be required.

Capital (annual amounts in thousands)	2017	2018	2019	2020	Four-year total
Expenditures					
North Fleet Centre/ Headquarters	$3,000	$12,000	$3,000	$0	$18,000
Total Capital Expenditures	**$3,000**	**$12,000**	**$3,000**	**$0**	**$18,000**
Sources of Funding					
Tax levy - debentures	$2,680	$10,600	$1,600		$14,880
Development charges - debentures	320	1,400	1,400		3,120
Total Capital Financing	**$3,000**	**$12,000**	**$3,000**	**$0**	**$18,000**

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Sunnyside Home Staffing Levels
Community Services Division
Strategic Plan Focus Area 4 Healthy, Safe and Inclusive Communities
Strategic Objective or Action Enhance community safety and crime prevention.

Brief Description of Request

Residents being admitted to long-term care have increasingly complex medical and psychosocial conditions. The majority of residents have been diagnosed with some degree of dementia and frequently present with challenging behaviours. The result of these behaviours is an increasing number of unsafe interactions including those with injuries, between residents. All such incidents must be reported to the Ministry of Health and Long-Term Care and to the Elder Abuse Response Team of Waterloo Regional Police. These incidents have increased from 3 in 2013 to 8 in 2016.

This issue paper seeks to increase the direct care staffing hours of Personal Support Workers by 2.4 FTE in the Special Care (dementia care) home areas at Sunnyside Home during the afternoon and evening when incidents typically occur.

Justification/Rationale

As homecare supports increase in the community, people are able to live at home for a longer period of time. As a result, those being admitted to long-term care are presenting with much more complex conditions than in the past.

In 2015, 63% of the residents living at Sunnyside Home had a diagnosis of dementia, while 79% of residents had a moderate to severe impairment in cognition. An overall behavioural symptoms indicator based on assessments submitted to the Canadian Institute of Health Information quarterly, shows that 49% of the residents at Sunnyside Home have high risk behavioural symptoms compared to the provincial average of

35.4%. These high risk behavioural symptoms have increased significantly over the past 3 years.

The following table identifies the number of critical incidents reported due to a resident to resident altercation:

Year	# of Critical Incidents
2013	3
2014	1
2015	5
2016 (est.)	8

It is essential that the risk of injury to other residents and staff be mitigated through the provision of adequate care and supervision. Critical Incident Reports are submitted to the Ministry of Health and Long-Term Care each time there is a resident to resident altercation in which there is an injury. Each of these incidents is also reported to the police through the Elder Abuse Response Team.

It is recognized that a number of measures have already been implemented to mitigate these risks including

- Supports through provincially funded programs such as Behavioural Supports Ontario,
- Building up the expertise within the home to manage challenging behaviours,
- Psychogeriatric Consultants available to the Home for consultation, through the services of a Psychiatric Geriatrician, and
- Staff education on a gentle approach to those with dementia.

While these measures provide some level of assistance in managing behaviours, it is critical that more staff be actually present on the floor to provide care and to constantly supervise and monitor residents.

While the Case Mix Index, upon which the provincial funding formula is partially based, has risen each year to reflect increased resident acuity, provincial funding and resident co-payments have historically fallen short of the cost required to provide essential care to residents. Provincial funding is based on the previous year of acuity, causing the funding to be continually falling short of the current acuity needs. Regional funding enables Sunnyside Home to mitigate the risk of injury of both residents and staff and to provide quality care and services for Home residents.

Implications of Not Approving

Failure to provide an appropriate level of direct care staffing increases the risk of critical incidents and injury to residents and staff. Some of these incidents have been unwitnessed as staff members have been caring for residents in their rooms when the events occurred. Increasing the number of circulating staff is an important strategy in preventing injury and altercations.

As a leader in long-term care, Sunnyside Home has a reputation of providing exemplary care and services and serves as a model for other long-term care homes and community care providers. In its vision to enable adults to age with dignity and provide community leadership, Sunnyside supports the education of new practitioners by offering clinical placements for medical, nursing, recreation, social work and personal support workers. Only through the maintenance of a strong reputation, can the Region continue to foster these partnerships which enable excellent care and support the growing needs of seniors in Waterloo Region.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Staffing Cost	$126	$38	$0	$0	$164
Total On-going Operating Expenditures	**$126**	**$38**	**$0**	**$0**	**$164**
Net Regional Levy	**$126**	**$38**	**$0**	**$0**	**$164**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Personal Support Worker	2.4	0.0	0.0	0.0
Total Staffing Impact	**2.4**	**0.0**	**0.0**	**0.0**

Performance Measures

	2017	2018	2019	2020
Decrease in number of resident to resident critical incidents	Additional staffing hours as requested should reduce the likelihood of resident critical incidents from their current levels. However, the factors that contribute to these incidents are complex and cannot be accurately predicted. As such, definitive performance targets cannot be provided.			

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Grand River Transit Business Plan Implementation
Transportation & Environmental Services
Strategic Plan Focus Area 2 Sustainable Transportation
Strategic Objective or Action Create a public transportation network that is integrated, accessible, affordable and sustainable.

Brief Description of Request

Grand River Transit (GRT) is developing a Business Plan for 2017 to 2021 which outlines service improvements required for the Region to meet the approved Regional Transportation Master Plan (RTMP) ridership targets for 2021 and 2031 of 28 million and 53 million respectively.

Service priorities include completing the implementation of the iXpress network and realignment of local routes to integrate with ION LRT, improving frequency and hours of service on existing routes and extending service to growing areas.

Justification/Rationale

The 2017-2021 GRT Business Plan is currently being finalized to identify the transit network changes and service level improvements required over the next five years to attain the current RTMP transit ridership targets, support the Region Official Plan growth and urban intensification goals, and to achieve seamless integration of the ION LRT, ION BUS, iXpress and local bus services.

Proposed 2017 Service Improvements:

The proposed 2017 service improvements would increase frequency of service on overcrowded routes, introduce an additional iXpress line, improve schedule reliability on several routes and restore minimum levels of service on two routes. The proposed service improvements described below would contribute to ridership growth ahead of the ION launch.

1. Peak frequency improvements on four high-ridership routes would address passenger overcrowding and encourage ridership growth:
    - Service frequency would increase from 15 to 10 minutes on the 201 Fischer-Hallman iXpress and 202 University iXpress during weekday peak periods in the Fall, Winter and Spring.
    - Service frequency would increase from 30 to 15 minutes on Routes 10 and 110 which travel between Fairview Park Mall and Conestoga College during weekday peak periods in the Fall and Winter.
    - Service frequency would increase from 60 to 30 minutes on Route 10 during early morning and evening periods on Saturdays and during the midday on Sundays.
    - Route 110 service would operate during the spring and summer months (currently the route operates during Fall and Winter only).
2. Four routes in Waterloo would be revised to serve the new Transit Plaza roadway at the University of Waterloo: Routes 9, 13, 31, and 201 iXpress. These routes would then be integrated with the University of Waterloo ION station.
3. An additional bus and service hours are required to improve the schedule reliability of Route 56 Dunbar (which serves the Preston area), Route 75 Saginaw (which serves the Shades Mills area) and the 203 iXpress (which connects Cambridge Centre, Hespeler, Sportsworld and Conestoga College). All three routes serve the new Cambridge Centre transit passenger facility on Hespeler Road.
4. Midday service would be re-introduced on Routes 27 Chicopee and 57 Blair Road on weekdays in order to mitigate service reductions made in 2014. Previous ridership was above minimum performance targets on these two routes. This reinstatement of service would improve transit accessibility to Freeport Hospital in the summer months and to West Galt year-round.
5. The new 205 Ottawa iXpress route would provide an important missing link connecting east and west Kitchener, integrating with ION LRT at the Borden and Mill ION stations. Today, crosstown travel between east and west Kitchener on GRT requires travelling to Downtown Kitchener first, which adds considerable out-of-direction travel to riders not destined to the downtown. As well, there is no continuous route along Ottawa Street, a major corridor crossing the city with concentrations of employment and dense residential areas. This route would fill that gap in the transit network with a frequent, limited-stop express service.

The following table summarizes the magnitude of each route change that is proposed. The service improvements are listed generally in the priority for implementation. The 205 as a new route is listed as the lowest priority however there would be significant impacts from delayed implementation as outlined in the "Implications of Not Approving" section.

Priority Bundle	Route	Service Improvement	Date	2017 Hours	Annual Hours	2017 Cost ($000s)	Annual Cost ($000s)
1	56 Dunbar/75 Saginaw/203 iXpress	Increase running time to support route changes in conjunction with new Cambridge Centre terminal	Jan 2	4,016	4,016	$358	$358
	110 Express	Add 30 minute service during peak (spring/summer)	April 24	506	506	$45	$45
	9 Lakeshore/ 13 Laurelwood	Adjustment to accommodate new UW Transit Plaza	Sept 4	133	406	$12	$36
	27 Chicopee	Add 30 minute summer service during midday period	June 26	240	240	$21	$21
	10 Conestoga College	Increase midday frequency from 60 to 30 minutes Sunday & holidays	Sept 4	174	515	$16	$46
	10 Conestoga College	Increase frequency from 30 to 15 minutes during peak periods	Sept 4	897	1,794	$80	$160
	110 Express	Increase frequency from 30 to 15 minutes during peak periods	Sept 4	320	640	$28	$57
	10 Conestoga College	Increase morning and evening frequency from 60 to 30 minutes Saturday	Sept 4	111	338	$10	$30
	57 Blair	Add 30 minute service during midday period	Sept 4	405	1,255	$36	$112
			Sub-Totals	6,802	9,710	$606	$865
2	201 iXpress & 202 iXpress	Increase frequency from 15 to 10 minutes during peak periods	Sept 4	9,056	22,082	$806	$1,966
3	205 iXpress	New route	Sept 4	6,123	18,209	$545	$1,621
			Totals	**21,981**	**50,001**	**$1,957**	**$4,452**

Summary of Bundles

Priority Bundle	2017 ($'000s)			Annual ($'000s)		
	Cost	Revenue	Net Cost	Cost	Revenue	Net Cost
1	$ 606	$ 61	$ 545	$ 865	$ 153	$ 712
2	$ 806	$ 81	$ 725	$ 1,966	$ 347	$ 1,619
3	$ 545	$ 55	$ 490	$ 1,621	$ 287	$ 1,337
Total	$1,957	$ 197	$1,760	$ 4,452	$ 787	$ 3,665

Revenue generated by the improved service in 2017 and 2018 represents roughly 40% of the revenue that would be generated as the route service reaches a mature state over three years. In addition to the direct operating costs and revenues associated with proposed service improvements for existing routes, there are additional costs associated with initiatives that would need to be included in the implementation of any portion of the GRT business plan:

1. Alternative Service Delivery Pilot

In order to serve a number of existing built-up areas, new growth areas and seniors' facilities that are outside walking distance to conventional transit in a more cost-effective manner than fixed-route service, alternative service delivery options need to be considered. While there are a number of possible options such as community bus routes, home-to-hub, subsidized taxi or ridesharing that have been identified in the Business Plan, more detailed work needs to be done to determine how well any of these could be applied. As a result a pilot project is proposed in order to evaluate and apply alternative service delivery options. A consultant will be engaged to assist in the development and implementation of the pilot.

2. Marketing Strategy & Implementation Plan

Based on insights and recommendations generated from recent Audience Analysis and Brand Analysis, a strong actionable marketing strategy with tactical recommendations is being proposed within the GRT Business Plan. This requires an ongoing effort to improve the perception of transit and to create a greater awareness of the GRT master brand, programs and services, while increasing ridership year over year and ensuring customer loyalty. Pre and post ION LRT launch campaigns will be the central focus in 2017 and 2018. For the long-term marketing strategy to be successful an increased marketing investment is recommended. This investment will help build a stronger GRT organizational brand, better engage riders and promote travel mode conversion.

3. Intelligent Transportation Systems (ITS) Technology

GRT has a significant investment in ITS equipment and software on the buses, on the street and in the office. These systems provide a significant amount of information that helps monitor the system, assist in operational and planning decision-making, provide traveler information to customers and transit signal priority increases service reliability and attractiveness. The benefits include improved operational efficiency, enhanced service development and increased customer convenience. In order to maintain the system and make the most use of the investment, additional staffing resources are required to support existing and new software applications, and to manage and analyze complex data required for the comprehensive performance monitoring system.

Implications of Not Approving

The fundamental strategy of the RTMP is to implement additional transit service to avoid or defer a number of road projects that are costly and disruptive to implement. The RTMP concluded that not implementing the plan would result in the need to expand the road network by about 25 percent or add about 500 new lane kilometres (added to existing roads or by building new roads) within the urban areas. The RTMP reduces this need by about 40% (220 lane kilometres).

Not implementing the proposed transit service improvements would negatively affect ridership growth momentum, thereby increasing the risk of not achieving the RTMP transit modal share targets and broader objectives of creating a vibrant, environmentally and socially sustainable community. Not implementing proposed service improvements to the bus network would not maximize the ridership benefit provided by the high-capacity ION LRT.

Some of the route changes are required to maintain the operations of the system due to changes in the network from the new Cambridge Centre terminal and the UW Transit Plaza.

Without the Route 10 & 110 changes, the routes would continue to not meet customer demands on the routes that are causing overloads. Some customers have been left at stops due to the loads on the buses.

Without the Route 201 and 202 peak period frequency improvements, passenger overcrowding would continue, ridership growth potential on both the ION LRT and the overall system would be limited, and the added distance to serve University of Waterloo Transit Plaza would result in schedule adherence issues.

The Route 205 does not exist yet so its implementation could be delayed to 2018. However, without implementing the Route 205 along Ottawa Street in 2017, the route will not be able to develop ridership in anticipation of the ION implementation. The route will then need to be implemented in 2018 to integrate with ION, adding resource needs in 2018. Other route improvements in south-west Kitchener are contingent upon the 205 iXpress being operational and would be impacted if this is delayed.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	**2017**	**2018**	**2019**	**2020**	**Annualized**
Expenditure					
Service Operating Costs (in-year implementation)	$1,957	$0	$0	$0	$1,957
Service Operating Costs (annualization)	0	2,495	0	0	2,495
Marketing Program Costs	200	250	0	0	450
Alternative Service Delivery Pilot (in-year implementation)	60	0	0	0	60
Alternative Service Delivery Pilot (annualization)	0	80	0	0	80
Debt Servicing Costs	0	504	0	0	504
Total On-going Operating Expenditures	**$2,217**	**$3,329**	**$0**	**$0**	**$5,546**
Revenues					
Ridership fares	$197	$0	$0	$0	$197
Ridership fares (annualization)	0	590	0	0	590
RDC reserve – Debt Servicing Costs	0	92	0	0	92
Alternative Service Delivery Revenue (in-year)	8	0	0	0	8
Alternative Service Delivery Revenue (annualization)	0	16	0	0	16
Total Revenues	**$205**	**$698**	**$0**	**$0**	**$903**
Net Regional Levy	**$2,012**	**$2,631**	**$0**	**$0**	**$4,643**

Capital (annual amounts in thousands)	2017	2018	2019	2020	Four-year total
Expenditures					
Buses (18 buses)	$9,000	$0	$0	$0	$2,500
Terminal (Conestoga College)	100				100
Total Capital Expenditures	**$9,100**	**$0**	**$0**	**$0**	**$9,100**
Sources of Funding					
Grants, subsidies, recoveries	$4,550	$0	$0	$0	$4,550
Tax levy – debentures	3,722	0	0	0	3,722
Development charges - debentures	828	0	0	0	828
Total Capital Financing	**$9,100**	**$0**	**$0**	**$0**	**$9,100**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Transit Operators	28.0	0.0	0.0	0.0
Maintenance Staff	3.0	0.0	0.0	0.0
Technology Support Staff	2.0	0.0	0.0	0.0
Digital Specialist Support Staff	1.0	0.0	0.0	0.0
Temporary Staff				
Planner	1.0	(1.0)	0.0	0.0
Total Staffing Impact	**35.0**	**(1.0)**	**0.0**	**0.0**

Priority Bundle 1:

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Priority Bundle 1 operating	$606	$259			$865
Marketing Program Costs	200	250			450
Alternative Service Delivery pilot	60	80			140
Debt Servicing Costs (4 buses)		112			112
Subtotal On-going Operating Expenditures	**$866**	**$701**	**$0**	**$0**	**$1,567**
Revenues					
Priority Bundle 1	69	108			$177
RDC reserve – Debt Servicing Costs (offsets Priority Bundle 1)		20			20
Subtotal Revenues	**$69**	**$128**	**$0**	**$0**	**$197**
Net Priority Bundle 1	**$797**	**$613**	**$0**	**$0**	**$1,370**

Capital (annual amounts in thousands)	2017	2018	2019	2020	Four-year total
Expenditures					
Buses (4 buses)	$2,000	$0	$0	$0	$2,000
Terminal (Conestoga College)	100	0	0	0	100
Total Capital Expenditures	**$2,100**	**$0**	**$0**	**$0**	**$2,100**
Sources of Funding					
Grants, subsidies, recoveries	$1,050	$0	$0	$0	$1,050
Tax levy – debentures	866	0	0	0	866
Development charges - debentures	184	0	0	0	184
Total Capital Financing	**$2,100**	**$0**	**$0**	**$0**	**$2,100**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Transit Operators	6.0	0.0	0.0	0.0
Maintenance Staff	1.0	0.0	0.0	0.0
Technology Support Staff	2.0	0.0	0.0	0.0
Digital Specialist Support Staff	1.0	0.0	0.0	0.0
Temporary Staff				
Planner	1.0	(1.0)	0.0	0.0
Total Staffing Impact	**11.0**	**(1.0)**	**0.0**	**0.0**

Priority Bundle 2:

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Priority Bundle 2 operating	$806	$1,160			$1,966
Debt Servicing Costs (9 buses)		252			252
Subtotal On-going Operating Expenditures	**$806**	**$1,412**	**$0**	**$0**	**$2,218**
Revenues					
Priority Bundle 2	81	266			$347
RDC reserve – Debt Servicing Costs (offsets Priority Bundle 2)		46			46
Subtotal Revenues	**$81**	**$312**	**$0**	**$0**	**$393**
Net Priority Bundle 2	**$725**	**$1,100**			**$1,825**

Capital (annual amounts in thousands)	2017	2018	2019	2020	Four-year total
Expenditures					
Buses (9 buses)	$4,500	$0	$0	$0	$4,500
Total Capital Expenditures	**$4,500**	**$0**	**$0**	**$0**	**$4,500**
Sources of Funding					
Grants, subsidies, recoveries	$2,250	$0	$0	$0	$2,250
Tax levy – debentures	1,836	0	0	0	1,836
Development charges - debentures	414	0	0	0	414
Total Capital Financing	**$4,500**	**$0**	**$0**	**$0**	**$4,500**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Transit Operators	12.0	0.0	0.0	0.0
Maintenance Staff	2.0	0.0	0.0	0.0
Temporary Staff				
Total Staffing Impact	**14.0**	**0.0**	**0.0**	**0.0**

Priority Bundle 3:

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Priority Bundle 3 operating	$545	$1,076			$1,621
Debt Servicing Costs (5 buses)		140			140
Subtotal On-going Operating Expenditures	**$545**	**$1,216**	**$0**	**$0**	**$1,761**
Revenues					
Priority Bundle 3	55	232			$287
RDC reserve – Debt Servicing Costs (offsets Priority Bundle 3)		26			26
Subtotal Revenues	**$55**	**$258**	**$0**	**$0**	**$313**
Net Priority Bundle 3	**$490**	**$958**			**$1,448**

Capital (annual amounts in thousands)	2017	2018	2019	2020	Four-year total
Expenditures					
Buses (5 buses)	$2,500	$0	$0	$0	$2,500
Total Capital Expenditures	**$2,500**	**$0**	**$0**	**$0**	**$2,500**
Sources of Funding					
Grants, subsidies, recoveries	$1,250	$0	$0	$0	$1,250
Tax levy – debentures	1,020	0	0	0	1,020
Development charges - debentures	230	0	0	0	230
Total Capital Financing	**$2,500**	**$0**	**$0**	**$0**	**$2,500**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Transit Operators	10.0	0.0	0.0	0.0
Temporary Staff				
Total Staffing Impact	**10.0**	**0.0**	**0.0**	**0.0**

Performance Measures

	2012	2013	2014	2015
Revenue Service Hours per Capita (service area)	1.23	1.47	1.54	1.58
Ridership per capita (service area)	42.05	50.49	49.71	46.73
Annual Service Hours	624,018	640,620	669,408	687,560
Annual Ridership (millions)	21.3	22.0	21.5	20.3
easyGO Traveller Information Usage (millions)	5.408	5.361	4.916	5.309

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Capital Program Financing
Corporate Financial
Strategic Plan Focus Area 5 Responsive and Engaging Government Services
Strategic Objective or Action Ensure regional programs and services are efficient, effective and provide value for money.

Brief Description of Request

An increase in the annual Capital Levy Reserve Fund (CLRF) contribution is required to provide a source of financing for non debenturable capital projects, to provide stable funding for aging infrastructure; to avoid fluctuations in the operating budget and property tax levy, to reduce overall reliance on debt financing and to reduce future debt servicing costs. A detailed listing of 2017 capital projects proposed to be financed by the CLRF is provided in "Schedule A."

Justification/Rationale

The Region has two primary sources of funding for property tax-supported capital projects: pay-as-you-go financing through a capital levy and debenture financing.

With capital levy financing, an annual provision is included in the operating budget to finance capital projects. "Pay-as-you-go" financing is well suited to the replacement of capital assets and aging infrastructure, and avoids long term borrowing and debt servicing costs. In addition, capital budgets often include projects which cannot be debentured or for which debenture financing is undesirable. A CLRF contribution is also an effective means of avoiding fluctuations in the tax levy relating to capital works. In the absence of capital levy funding, some expenditure would have to be included on a one time basis in the operating budget resulting in year to year fluctuations in the tax levy.

With debenture financing, the Region issues debt to finance all or part of the costs of a capital project. This type of financing is typically utilized for significant capital investments and for new capital projects where no capital levy financing has been accumulated. Debt financing has the advantage of charging the cost of a project over the life of the asset to consumers in the tax base which is, in theory, increasing over time. This spreads the cost of municipal infrastructure over a larger base of taxpayers. The disadvantage of debenture financing is the cost to service the debt. For example, total interest paid on $1.0 million of debenture financing at 3.0% for ten years would be $172,000 a 17% premium versus the use of a capital levy.

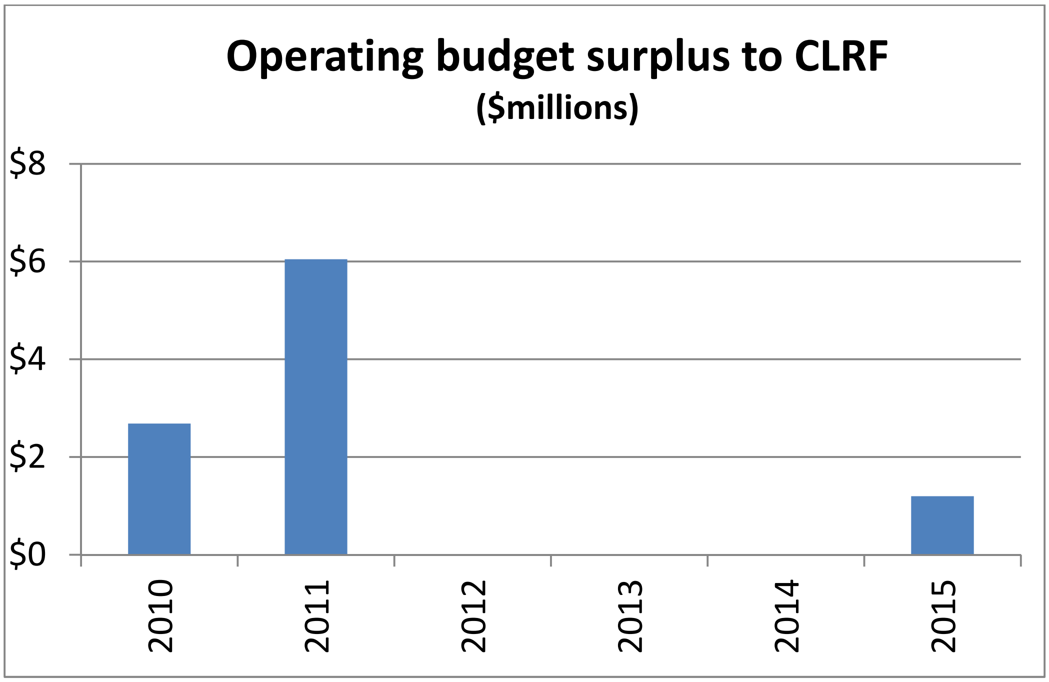
The Region's tax supported operating budget includes a transfer to the Capital Levy Reserve Fund. Increased transfers from the operating budget have been requested each year since 2007 and the requested and approved amounts are summarized in the table below.

Operating Budget Contributions to Capital Levy Reserve Fund ($000's)

Budget Year	Proposed Increase	Council Approval	Total Contribution from Operating Budget
2007	$1,000	$250	$250
2008	$750	$0	$250
2009	$750	$0	$250
2010	$750	$190	$440
2011	$390	$100	$540
2012	$365	$100	$640
2013	$380	$250	$890
2014	$750	$750	$1,640
2015	$750	$650	$2,290
2016	$750	$500	$2,790

Capital Levy Request

For a number of years, the operating budget surplus was the main source of funding for the Capital Levy Reserve Fund. However, several years of operating budget reductions across all departments have had the impact of reducing the Region's surplus. In addition, since 2010, the surplus has been used in part to replenish the Tax Stabilization Reserve Fund (TSRF), which is being used to fund additional Ontario Works caseload expenditures. As a result, the amount of surplus transferred to the CLRF has been minimal in recent years.



The current annual CLRF contribution is not sufficient to fund an adequate portion of the Region's capital plan. It is recommended that the annual capital levy reserve fund contribution be increased by $750,000 in 2017. This would provide some additional flexibility to fund smaller capital projects, make progress towards funding capital projects which can not be debentured and lessen the reliance on debt financing.

An increase in the annual Capital Levy Reserve Fund contribution has the following benefits:

1. Avoids tax levy fluctuations resulting from capital initiatives
2. Provides funding for projects that can not be debenture financed or where debt financing is not desirable
3. Reduces the reliance on debenture financing as a source of funding for aging infrastructure

4. Reduces or eliminates the impact of debt servicing on future budgets (cost avoidance)
5. Reduces the level of total Regional debt outstanding
6. Protects the Region's Aaa Credit Rating

Implications of Not Approving

If the additional capital levy funding is not approved, the Region will be without a sufficient, stable funding source for projects for aging infrastructure.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Capital Levy Reserve Fund Contribution	$750	$0	$0	$0	$750
Total On-going Operating Expenditures	**$750**	**$0**	**$0**	**$0**	**$750**
Net Regional Levy	**$750**	**$0**	**$0**	**$0**	**$750**

Performance Measures

Percentage of tax supported capital expenditures* funded by:	2012	2013	2014	2015	2016
Debentures	77%	71%	67%	57%	50%
Tax Levy and Other Reserves (excluding Development Charges)	14%	14%	23%	25%	29%
Capital Levy Reserve Fund	2%	1%	4%	4%	5%

* All levy areas except Police, Roads, and Rapid Transit

Council Decision

Schedule A – 2017 Capital Projects Financed by Capital Levy Reserve Fund

Capital Project	**Amount**
01015 Voice Radio Sets	158,500
42026 Collections Photography & Database	83,000
42029 Doon Visitor Infrastructure	57,000
42030 Restoration of Steam Engine	50,000
42039 Barn Repairs - Shantz	160,000
42042 Directional & Road Signage	179,000
42049 Exhibit Refurbishment	231,000
42050 Travelling Exhibit Development	450,000
42052 Audio visual equipment	100,000
43003 Collections and Database	134,000
43009 Wash House	13,000
43010 Grounds and Visitor Services	114,000
43012 Site Development	400,000
44006 Art hanging/exhibit system/frames	40,000
44007 Lighting	75,000
44008 Office / Kitchen refurbishment	10,000
70300 Schneider Haus Renewal	141,000
70400 McDougall Renewal	47,000
77042 Minor Program Capital Children's Services	21,000
77043 Telephone System Replacement	65,625
77044 Equipment/Furnishings Replacement (LTC)	400,000
82024 Vehicle New - Ambulance Master Plan	630,000
82028 Modems/Hardware - AVL/GPS System	132,000
82032 Vehicle New - ERU Master Plan	100,000
84005 Health Information Technology/Quality Assurance	324,000
90017 GIS System	189,600
90022 Facilities Equipment Replacement	9,000
90036 Community Centred Service Delivery	148,260
90046 Council Chambers Upgrades	78,000
90063 Telephone Systems Upgrade	360,000
90092 Licensing-Radio Replacement	26,500
90098 WREPNET Upgrades	250,000
90102 Facilities Business Systems	100,000
90117 Electronic Document Management System	100,000
90118 Critical Regional Systems Recovery	156,060
90154 Data Centre Mechanical & Electrical	100,000
90156 IT Infrastructure Replacement Electrical	100,000
90164 Master Accommodation Planning	220,000
90169 Asset Management Systems	600,000
95015 Diversity and Inclusion Initiative	71,817
99041 Strategy for Employee Engagement	36,407
99042 Employee Lifecycle Review	250,637
Total	**6,911,406**

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Waste Management Debt Reduction Strategy
Transportation and Environmental Services
Strategic Plan Focus Area 1 Thriving Economy
Strategic Objective or Action Plan for and provide the infrastructure and services necessary to create the foundation for economic success.

Brief Description of Request

There currently is no annual funding provision for Waste Management (WM) renewal capital projects. Through Report TES-WMS-16-03 dated April 12, 2016 with respect to the Curbside Waste Collection Policy Changes Implementation Plan, staff advised that a 2017 Budget Issue Paper will be submitted recommending that waste collection contract savings be repurposed as a source of funding for the WM Capital Program in order to reduce future borrowing requirements.

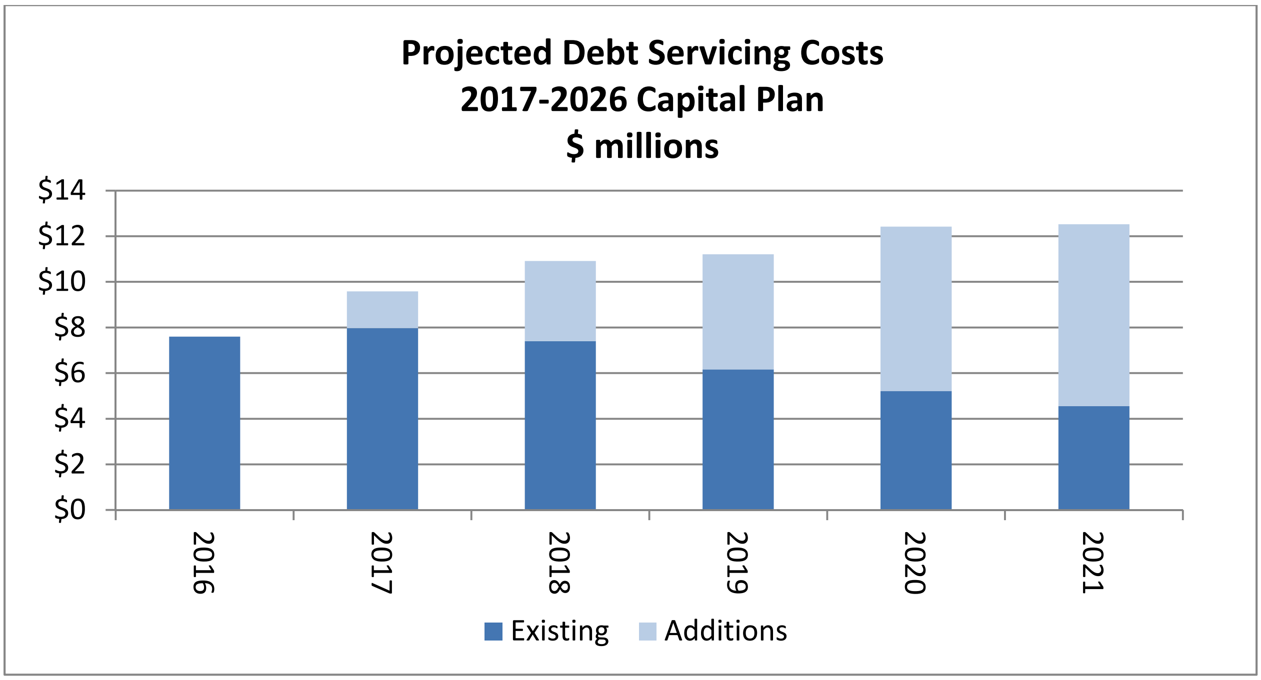
Justification/Rationale

Report COR-FSD-16-15 Capital Financing Principles dated June 14, 2016 outlined a number of initiatives underway designed to enhance the Region's long-term financial sustainability. These principles identify appropriate sources of funding and financing for capital works, based on the nature and magnitude of expenditures. One of the recommended principles is to finance vehicle and equipment replacement and asset renewal/lifecycle projects through reserves and current year revenues from property tax and user rate sources rather than through long term borrowing.

The 2017-2026 WM Capital program totals $129.9 million of which $106.9 million relates to program asset renewal works, and the program is almost entirely financed by the issuance of property tax supported debentures. This repurposing approach has the potential to reduce 10 year borrowing requirements for WM by approximately $18 million dollars. Total interest paid over ten years on borrowing $18 million at 3% would be $3.1 million, a 17% premium versus the use of a capital reserve and a “pay-as-you-go” strategy for funding capital renewal works.

Implications of Not Approving

The implication of not repurposing the collection contract savings, although offering short term reductions to the tax levy, is that the Waste Management Capital Program remains without a sustainable long term source of financing for important asset renewal works. Debt outstanding for Waste Management would continue to increase, as would future debt servicing costs, impacting successive operating budgets. The graph below shows a projection of Waste Management debt servicing costs, which are borne by the property tax levy, if no other source of funding if found to support the capital program.



Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Contribution to Waste Management capital reserve	$601	$1,076	$87	$0	$1,764
Total On-going Operating Expenditures	**$601**	**$1,076**	**$87**	**$0**	**$1,764**
Revenues					
Total Operating Revenue	**$0**	**$0**	**$0**	**$0**	**$0**
Net Regional Levy	**$601**	**$1,076**	**$87**	**$0**	**$1,764**

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Biennial Workplace Count
Planning Development and Legislative Services
Strategic Plan Focus Area 1 Thriving Economy
Strategic Objective or Action Support existing businesses and attract new employers and investments (to stay, growth, thrive and prosper).

Brief Description of Request

To undertake the Workplace Count date collection project on a biennial basis (every two years).

Justification/Rationale

Background

Understanding Waterloo Region's local business environment requires accurate and comprehensive data. The "Workplace Count" is a project in which summer students visit over 13,000 workplaces across the Region to gather data about the location, number of employees, size, and type of each workplace. The student team also inquire about business information, such as the sector that businesses serve, investment/expansion intentions, and whether they export to external markets. This information improves our knowledge of the characteristics of businesses in the region, provides a better understanding of employment levels in local workplaces, and contributes to many initiatives by the Region of Waterloo, including:

- Employment estimates and growth forecasts;
- Formulating planning policy;
- Input for local area planning studies and master plans;
- The creation of sector profiles;

- Understanding employment trends; and
- Understanding changes in Regional employment.

Specifically, recent uses of this data have included: estimating employment near ION stops, answering requests for information by prospective investors and existing businesses considering expansions through the Office of Economic Development, agri-food sector mapping, route planning for transit, informing the Community Energy Investment Strategy, and monitoring change in the Central Transit Corridor. There is no other source of detailed reliable business information to support these uses.

The collection of the Workplace Count data has been undertaken through collaboration with the Area Municipalities, and in conjunction with the Region of Waterloo Office of Economic Development.

Moving to a biennial survey

Currently, this data is collected only once every five years (through Workplace Count projects in 2011 and 2016). It is proposed that this data be updated on a biennial basis. Several benefits would be expected:

- Biennial updates will greatly improve the reliability of the information, as the data will be regularly checked, updated, and reviewed. Improved data is expected to translate into an increase the range of uses, and more users.
- More frequent data collection would allow us to monitor sector trends, particularly in industries that change rapidly like the tech sector, and in times of changing economic circumstances. The current refresh schedule of five years is not frequent enough to monitor the Region's quickly changing economy.
- A biennial employment survey would also result in cost efficiencies. Hardware and software purchasing costs are only incurred on a five-year basis; by re-using these resources for a biennial survey, the value of the investment is spread over five years. Further, the business community becomes more aware of the survey, which makes communication more efficient for both the field staff as well as businesses, which may increase participation.

Implications of Not Approving

If the biennial update of data is not approved, the Workplace Count project could continue to be undertaken on a 5-year basis, in cycle with the Census. The data would still have value as a "snapshot in time" of the state of local employment and business in the Region however; it would not be useful for monitoring trends in Waterloo Region's economy. The data quality in general would be lower, as biennial surveys are required to establish a consistent methodology and a solid baseline of data. While the data would remain sufficient for planning policy type uses, it would not adequately support many economic development initiatives of the Region's Office of Economic Development, the Waterloo Regional Economic Development Corporation, or Area Municipalities.

Budget Requirements

Since the project currently runs on a five-year cycle, the major purchases such as hardware and software are already included in the Regional budget. The additional cost of running the project on a biennial basis would primarily consist of six field staff (summer students) and a student coordinator. These student positions would commence the summer of 2018 which would be the first year of the biennial count. In order to have a constant levy impact, one-half of the cost of the count would be included in the budget starting in 2017. The funding would be transferred to a reserve in the years when the count is conducted (2017, 2019, 2020 etc.) and then used in the years when the count is conducted (2018, 2020, 2022 etc.).

On-Going Operating (incremental amounts in thousands)	**Year 1 (2017, 2019, 2021, etc.)**	**Year 2 (2018, 2020, 2022, etc.)**
Expenditure		
Staffing Costs	$0	$105
Software Annual Fee	0	11
Transfer to Reserves	58	0
Total On-going Operating Expenditures	**$58**	**$116**
Revenues		
Funding from Reserves	$0	$58
Net Regional Levy	**$58**	**$58**

Staff Requirements (FTE) (incremental number)	Year 1 (2017, 2019, 2021, etc.)	Year 2 (2018, 2020, 2022, etc.)
Temporary Staff		
Student "Place of Employment" Coordinator (1x18 weeks)	0.0	0.3
Student "Place of Employment" Surveyor (6x17 weeks)	0.0	2.0
Total Staffing Impact	**0.0**	**2.3**

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

New Elmira Children's Centre Expanded Capacity
Community Services
Strategic Plan Focus Area 4 Healthy, Safe and Inclusive Communities
Strategic Objective or Action Support early learning and child development

Brief Description of Request

The Elmira Children's Centre capital replacement project will be completed fall 2016. The Children's Centre is constructed in a co-location model with Riverside Public School and a Family Centre. The new facility will have increased capacity to provide full day spaces for infants, toddlers and preschool aged children. The current capacity is 31 children and the new capacity will be 61 children. A staggered approach is being recommended to support a gradual transition to the new space. The current enrollment and staff will move later this fall to allow the elementary school to begin operating first. Pending approval in 2017, a phased in approach to the expansion would follow. In 2017, staff for the infant classroom would start in mid-February, with the classroom, providing care for 9 infants, to open for March 1, 2017.

Justification/Rationale

The approach to expand with the infant classroom first is based on the number of infants on the wait list and the lack of licensed infant spaces in Elmira. Currently there are 12 infants waiting for care effective February 2017 with another 31 infants requiring care at later dates.

Phasing in the expansion would allow time for staff to adjust to the new space and the new infant age group.

The "Child Care and Early Years Act 2014" dictate the staffing ratios required for each age grouping of children during the full hours of operation at the centre. To align with the before and after school program which will be operated by the school board for 4-7 year olds and YMCA for 8-12 year olds the hours of operation for the centre will be 7 am to 6 pm. This allows families utilizing more than one service within the school hub to have consistent hours and allows for parents who may be commuting from Waterloo or outlying areas.

The Elmira Children's Centre is the only licensed child care program in Elmira for children under 4 years of age. Significant demand for licensed child care exists in Elmira. There are currently over 100 children on the wait list.

Implications of Not Approving

To not expand the current operating capacity and operating hours at the new site would result in poor public perception of the program and the Region and will result in increased operating costs, such as leasing, with no revenue sources. This is emphasized in a community where this is the only licensed child care centre and there are pressures for more care options for the under 4 populations. All three elementary schools are experiencing substantial demand for the 5-12 before and after school programs.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Salaries and Benefits	$387	$36	$0	$0	$423
Operating Costs	93	2	0	0	95
Total On-going Operating Expenditures	**$480**	**$38**	**$0**	**$0**	**$518**
Revenues					
Parent Full Fees	$80	$26	$0	$0	$106
Net Regional Levy	**$400**	**$12**	**$0**	**$0**	**$412**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Child Care Teacher	4.5	0.0	0.0	0.0
Housekeeping Aide	0.7	0.0	0.0	0.0
Total Staffing Impact	**5.2**	**0.0**	**0.0**	**0.0**

Performance Measure	2012	2013	2014	2015	2016 **
Total investment per child in the municipality – Region of Waterloo Source: Municipal Benchmarking Network Canada	$509	$511	$515	NA	NA
Total investment per child in the municipality - Average of Municipal Results Source: Municipal Benchmarking Network Canada	$643	$657	$647	NA	NA
Total Population Woolwich Township Source: Paramedic Services Master Plan	24,190	24,460	24,640	24,950	25,130
Total Children, 0 – 18 Source: Paramedic Services Master Plan	6,170	6,220	6,280	6,370	6,460
Percent of Children in Total Population (%) Source: Paramedic Services Master Plan	25.5	25.4	25.5	25.5	25.7

**Figures for 2016 are a projection

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Corporate IT Solutions - Administration and Support
Corporate Services - Information Technology Services
Strategic Plan Focus Area 5 Service Excellence - Deliver excellent and responsive services that inspire public trust
Strategic Objective or Action Ensure regional programs and services are efficient, effective and provide value for money.

Brief Description of Request

This request was originally submitted as a 2015 Budget Issue Paper (BIP) for the addition of one (1 FTE) Programmer Analyst in 2015 (already approved and hired) and a second one (1 FTE) in 2016. The original BIP included the request for a second position in 2016, however due to the transition of ITS Leadership the BIP for the second position was deferred until 2017. The purpose of the position is to ensure sustainable level of Information Technology Services (ITS) support for program area systems and new applications.

Justification/Rationale

Over the past number of years, the Region has seen a steady growth in adoption of technology. As Program Areas continue to adopt technical solutions to automate and enhance business process there is an increased demand on ITS. Each of these solutions has added to the overall inventory of systems which ITS supports; however, staff have not been consistently added to the ITS complement to ensure sufficient and sustainable levels of support. Although each project doesn't necessarily require additional staff, the sum of these projects has significant impact on the workload and available capacity of the Corporate IT Solutions group. This growing rate of adopting new systems is expected to continue for many years as the organization seeks leaner and more efficient modes of operation. Continuing to add new systems without addressing resource requirements within ITS is unsustainable and adds significant risk to stability and availability of existing systems.

The team within ITS which is responsible for the ongoing administration and support of systems has historically been working at over 80% operations activities, leaving less than 20% of their time available for assisting with new project requests. In order to maintain operational stability of Regional systems and meet the demand for new projects this split of activities needs to be 60% operations and 40% projects. This cannot be accomplished by repurposing existing positions as there is currently insufficient staff in aggregate to address all required activities.

The current disproportionate draw of resources to operational activities results in an ITS team consumed with maintaining existing systems with little capacity to meet the demonstrated and growing demand for new program area projects and initiatives. ITS will use the position identified in this request to focus on increasing the capacity for meeting current and new program area demands.

Implications of Not Approving

- Decrease in service levels and system availability
- Increased risk of disruption to program areas
- Decreased capacity to partner with the program areas to automate inefficient business process and add technology to enhance service offerings and customer experience.
- Insufficient staff within the Corporate IT Solutions area resulting in
    - an inability to properly cross train resources creating single points of failure
    - increase in overtime expectation on existing staff
    - increased overall cost to the Region
    - staff burnout and morale issues

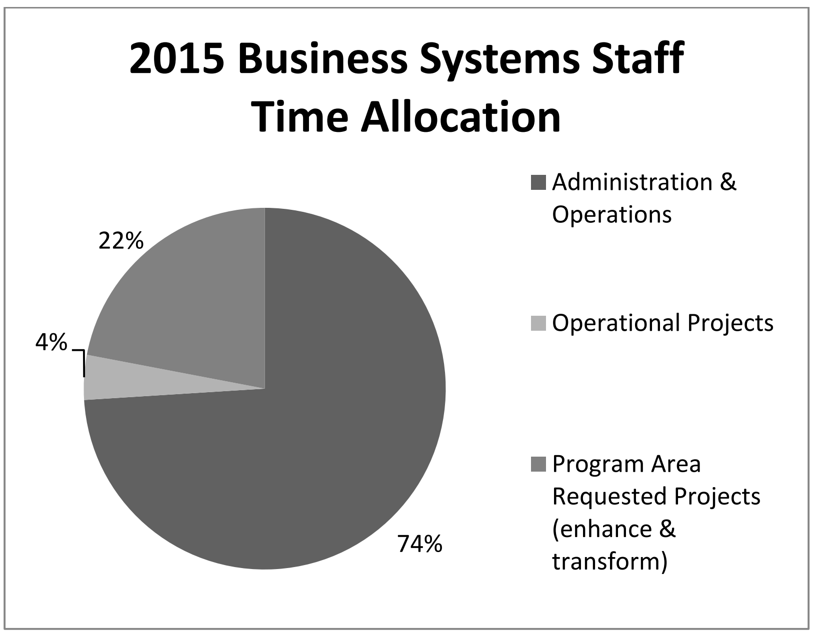
Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Salary and Benefits Programmer Analyst	$85	$29	$0	$0	$114
Office costs	2	0	0	0	2
Total On-going Operating Expenditures	**$87**	**$29**	**$0**	**$0**	**$116**
Regional Net Levy	**$87**	**$29**	**$0**	**$0**	**$116**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Programmer Analyst	1.0	0.0	0.0	0.0
Total Staffing Impact	**1.0**	**0.0**	**0.0**	**0.0**

Performance Measures

The chart below outlines the percentage of staff time dedicated to Administrative and Operational activities vs Projects. It also breaks down the projects into those that are more operational in nature (upgrades and patching of existing systems) as compared to net new Program Area Requested initiatives.



Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Improve Quality of Annual Temporary Exhibits at Waterloo Region Museum
Planning, Development and Legislative Services
Strategic Plan Focus Area 1 Enhance arts, culture and heritage opportunities to enrich the lives of residents and attract talent and visitors
Strategic Objective or Action Enhance arts, culture and heritage opportunities to enrich the lives of residents and attract talent and visitors.

Brief Description of Request

Increase operating budget for exhibits at the Waterloo Region Museum (WRM) to improve the quality of temporary exhibits, ensuring they are compelling and interactive enough to meet visitor/revenue targets.

Justification/Rationale

Based on experience gained since the museum opened in 2010, the annual exhibit plan has been streamlined to two exhibits per year in the temporary gallery, and turnover/maintenance of other exhibits throughout the building. A high quality travelling exhibit is brought in from another museum/science centre from February to April, and a locally-themed exhibit built in-house is installed from June to December.

However, the current exhibit plan is no longer sustainable given existing financial resources, due to the following issues:

- Rental of travelling exhibits from other museums/science centres has been adversely affected by the Canadian/US dollar exchange rate as all travelling exhibits are charged in US funds.
- There are a limited number of exhibits available that suit the relatively large temporary gallery space (5000 sq ft) and these mostly come from the US.
- Visitor expectations are for highly interactive exhibits and experiences. People

will select an alternate cultural or entertainment venue if the exhibit does not seem appealing, particularly for families.

- Travelling exhibits that meet the above criteria are, on average, are in the range of $150,000 to $200,000 USD. Exhibits created in-house that meet this criteria are approximately $150,000 CAD.

Maintaining the annual visitor attendance target of approximately 90,000 to 100,000 people is directly related to the quality and attraction of the exhibit program at the WRM. In 2015, with a travelling exhibit that did not have a strong excitement factor, visitor attendance and earned revenue (general admission, memberships, gift shop, food) dropped significantly. For example, admission plus membership revenue dropped about $50,000 from 2014 to 2015; and the average earned revenue per visitor dropped from $4.50-$5.50 in 2013/2014 to $2.97 in 2015.

The annual operating budget needed to maintain the current exhibit plan and provide an exciting, attractive annual temporary exhibit, is $440,000. This includes three components:

- Travelling exhibit: $200,000 USD = $260,000 CAD
  A temporary exhibit rented for a three month period during the winter months, including Family Day and March Break. Visitation tied to these exhibits can be between 25,000 to 30,000 people, with the possibility of even higher attendance if the exhibit theme and interactivity is highly desirable to the community
- In house exhibit: $150,000 CAD
  The planning and construction of a temporary exhibit created by WRM for a seven month period from June to December is $150,000. Visitation tied to in-house exhibits is more difficult to project because people visiting in the summer and fall months don't all access the WRM galleries
- Annual repairs and exhibit turnover: $30,000 CAD
  Creation and maintenance of long term and small exhibits throughout the building, e.g. Christie® Theatre exhibit cases

Total Cost of $440,000 or a shortfall of approximately $185,000 as compared to the draft 2017 budget of $255,000.

Implications of Not Approving

WRM would have to reassess and decrease attendance targets as well as reduce earned revenue in future operating budgets. Potentially, smaller travelling exhibits that use only a portion of the temporary gallery space would be booked, and lower quality/smaller exhibits would be built in-house. Alternatively, the temporary gallery would be left empty for part of the year.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Exhibit Budget	$185	$0	$0	$0	$185
Total On-going Operating Expenditures	**$185**	**$0**	**$0**	**$0**	**$185**
Revenues					
Admission Revenues	$50	$0	$0	$0	$50
Total Operating Revenue	**$50**	**$0**	**$0**	**$0**	**$50**
Net Regional Levy	**$135**	**$0**	**$0**	**$0**	**$135**

Performance Measures

	2013	2014	2015	2016
Earned revenue per visitor during January through April	$5.53	$4.58	$2.97	$3.76
General admission (number of visitors) during January through April	24,701	22,800	13,252	16,499
Exhibit title/theme	CIRCUS	Shipwreck (pirates and treasure)	Ocean Bound (groundwater)	In the Dark (nocturnal animals)

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Social Work Resources at Sunnyside Home
Community Services
Strategic Plan Focus Area 4 Healthy, Safe and Inclusive Communities
Strategic Objective or Action Promote and support healthy living and prevent disease and injury.

Brief Description of Request

The role of the Social Worker is to facilitate and manage the admission process, to provide psychosocial support to residents and families during and following the admission process and to provide clinical social work support to those with mental health diagnoses. Because of increases in resident turnover and acuity, and the long waitlist for Sunnyside Home, the Social Workers have not been meeting the requirements of the Long-Term Care Homes Act to review applications for new admissions within 5 days of submission. Requirements of the Local Health Integration Network (LHIN) to maintain occupancy of convalescent care above 95% and respite above 70% has been challenging to maintain with the current Social Worker complement due to the high turnover in these programs.

This is a request to increase Social Work hours by 0.4 full time equivalent staff for a total of 2.26 FTE.

Justification/Rationale

As homecare supports increase in the community, people are able to continue to live at home for a longer period of time. This has resulted in new residents to long-term care being much frailer and requiring more complex care than in the past. Because of this, the length of stay in the Home has decreased significantly. In 2015 the median length of stay decreased to 1.2 years (14 months) from 1.6 years in 2012. The percentage of residents who lived in the Home for one month or less has increased from 12.8% in 2012 to 21.2% in 2015.

Because of a shorter length of stay and in order to maintain the occupancy targets set by the Ministry and the LHIN, there has been an increase in number of admissions from 138 admissions in 2012 to 220 admissions in 2015. Sunnyside Home has been challenged to meet the occupancy goals that have been set as targets by the LHIN; in 2015 the occupancy for convalescent care reached 91% when the target was set at 95%; and the respite program occupancy was 68% with a target of 70%. Sunnyside Home has maintained the long-term care occupancy of reaching greater than 97% at 98.6%.

Sunnyside Home continues to maintain a significant waitlist for persons in the community waiting for admission. In 2015, there were 537 residents on average on Sunnyside Home's waitlist through the Community Care Access Centre. There are approximately 50 to 75 new admission applications received per month for review and acceptance to the waitlist. Over and above this waitlist, a new pressure facing LTC facilities is 67% of the admissions to long-term care beds are now admitted as a community crisis which bypasses anyone on the waitlist.

Because of the large number of applications and admissions, the Social Workers have not been able to keep up with the review of applications and are not able to meet the 5 day standard required by the Long-Term Care Homes Act for application review.

A significant amount of time is also required to provide support to newly admitted residents and their families, especially as many of them are being admitted under crisis circumstances. A majority of residents living at Sunnyside Home have a diagnosis of dementia (63%) and/or a diagnosis of mental health (11%), 49% of the residents at Sunnyside Home have high risk behavioural symptoms, and 79% have a moderate to severe impairment in cognition.

It is recognized that a number of measures have already been implemented over the past year to streamline the processes related to the admission functions such as making use of electronic methods of communication with the Community Care Access Centre and further streamlining is being planned using Lean and other methods. However, the increase in numbers of admissions and the complex needs of those being admitted and their families has not been offset by the streamlined approach.

Implications of Not Approving

If an increase in Social Work hours is not approved, there is a continued risk of not meeting the requirements of the LTC Homes Act in timely review of admissions to the waitlist. In addition, there will be delays in processing admissions resulting in occupancy not meeting the set targets by the Ministry and by the LHIN. When beds remain vacant, the needs of the community are not being fully met and people may need to wait longer than necessary to be offered an appropriate bed. This could also be reflected in hospital beds being occupied longer than necessary, preventing use of the hospital beds for those who need them. Finally, if the mandated occupancy targets are not achieved, the Region will received reduced subsidy from the Province of Ontario.

As a leader in long-term care, Sunnyside Home has a reputation of providing exemplary care and services and serves as a model for other long-term care homes and community care providers. Without an addition to the complement of Social Workers, another result may be less support available to new residents being admitted to Sunnyside Home, and their families, especially those who have been admitted as a crisis admission, potentially resulting in a decline of our reputation in the community.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Staffing Costs	$41	$0	$0	$0	$41
Total On-going Operating Expenditures	**$41**	$0	$0	$0	**$41**
Revenues					
Total Operating Revenue	**$0**	**$0**	**$0**	**$0**	**$0**
Net Regional Levy	**$41**	**$0**	**$0**	**$0**	**$41**

Staff Requirements (FTE) (incremental number)	2017	2018	2019	2020
Permanent Staff				
Social Worker	0.4	0.0	0.0	0.0
Total Staffing Impact	**0.4**	**0.0**	**0.0**	**0.0**

Performance Measures

	2017	2018
Goal of Occupancy rates of the three programs will be achieved	95% Convalescent Care 70% Respite Care	
Reduction in amount of time to process applications	25 days	10 days

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

TDM Program - Replace EcoMobility Funding for TravelWise Program
Transportation and Environmental Services – Transportation Demand Management
Strategic Plan Focus Area 2 Sustainable Transportation
Strategic Objective or Action Create a public transportation network that is integrated, accessible, affordable and sustainable.

Brief Description of Request

The TravelWise Transportation Management Association (TravelWise) was launched in 2012 as a public-private partnership where participating workplaces pay a membership fee to the Region in exchange for access to transportation demand management (TDM) services and tools. The cost to deliver the TravelWise program in 2016 is estimated to be $162,440. Program costs have been funded from budgeted member fees ($45,000), Transport Canada EcoMobility funding ($76,700), and the GRT TDM / TMA program budgets ($40,740).

The one-time Transport Canada EcoMobility grant has been fully utilized. This additional program funding allowed the Region to contract Sustainable Waterloo Region (SWR), including the equivalent of 1.5 full-time program coordinators, to provide frontline member support services, coordinate communications, and actively assist with membership growth since 2012.

In order to continue providing the current (2016) level of service to TravelWise members from 2017 onward, additional TravelWise program funding of $77,000 is required.

Justification/Rationale

In exchange for annual membership fees, TravelWise members' employees gain access to online carpool matching and trip logging software, discounted GRT Corporate Passes, and an Emergency Ride Home Reimbursement service. Member organizations also receive a suite of "Member Services". Member Services include annual reports on employee travel behaviours, employer recognition, annual on-site events to promote TravelWise services, and access to the member Working Group that shares information and resources on successful employer-led TDM programs.

Since 2012, the Region has contracted the not-for-profit organization Sustainable Waterloo Region (SWR) to provide cost-effective coordination and delivery of the TravelWise Member Services described above, as well as technical and frontline service support to members' employees and, most recently, assistance with membership growth.

The cost to deliver the TravelWise program in 2016 is estimated to be $162,440. These costs were funded from budgeted member fees ($45,000), Transport Canada EcoMobility funding ($76,700) and the GRT TDM / TMA program budgets ($40,740).

The Transport Canada grant was one-time funding and has been fully utilized. In order to continue providing the same level of service to TravelWise members from 2017 onward, additional TravelWise program funding of $77,000 is required. This additional funding will allow the Region to retain SWR, support the current (2016) level of service to members, and permit scalable growth up to 40 members.

TravelWise's current service model has played a key role in promoting transit use by offering employees of member organizations access to discounted GRT Corporate Passes (3, 6, 9, or 12-month terms). As of September 30 2016, 257 passes have been purchased with the majority being 12 month passes - illustrating user loyalty and generating approximately $161,383 in revenue for GRT. TravelWise (through SWR) also hosts transit-related on-site events such as Bus "n" Bike demonstrations, and has recently developed a prospective member outreach strategy for the ION and iXpress corridors. It is anticipated that TravelWise will continue to have a key role in attracting new transit customers as part of the GRT Business Plan's "Marketing Strategy & Implementation" strategies for employee engagement, digital and direct marketing, and promoting ION integration with GRT routes and services.

TravelWise's current service model also implements Regional Official Plan policies 3.C.1(b) and 3.C.1(c) respectively by providing TDM programs and services directly to employers and encouraging alternative modes of transportation. TravelWise also meets Policy Recommendations 7.2.1.1(e) of the Regional Transportation Master Plan, which recommends a region-wide guaranteed ride home program (i.e., Emergency Ride Home Reimbursement service).

Implications of Not Approving

Current (2016) program funding allowed the Region to contract SWR, including the equivalent of 1.5 full-time dedicated program coordinators, to provide member support services since 2012. Without the approval of additional TravelWise program funding to replace the loss of the EcoMobility grant, the current services contracted to SWR would be reduced or discontinued, negatively impacting the levels of service and perceived cost-benefit of the TravelWise program for current and prospective member organizations.

Current TravelWise Member Services contracted to SWR's dedicated TravelWise staff would need to be reduced in scope and frequency in order to be absorbed within the work plans of Regional TDM program staff (2.0 FTE). TravelWise members have previously reported that they use TravelWise's current services as an employee recruitment and retention tool and include these services in employee orientation packages (Report P-13-105). A reduction in frontline Member Services available to workplaces may deter current and interested organizations from participating in the program.

Similarly, TravelWise TMA members currently benefit from the central, coordinated administration and promotion of services by the Region and SWR. In exchange for the TravelWise member fee, each organization can provide their employees with TDM services without having to purchase, implement, promote, and maintain these services corporately. A reduction in frontline Member Services, or an increase in member fees to maintain current levels services, would negatively impact the cost-benefit of TravelWise TMA membership for current and interested organizations.

SWR is recognized as a local expert for engaging the business community around environmental issues like sustainable transportation. Loss of funding and the subsequent reduction and/or discontinuation of services contracted to SWR would restrict TravelWise's access to SWR's employer engagement and support expertise (e.g., reduction target setting and action planning), ongoing business outreach initiatives (e.g., cross-promotion of TravelWise with other employer initiatives like the Regional Sustainability Initiative), and skilled volunteer pool.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
TravelWise Program Costs Contribution	$77	$0	$0	$0	$77
Total On-going Operating Expenditures	**$77**	**$0**	**$0**	**$0**	**$77**
Revenues					
Total Operating Revenue	**$0**	**$0**	**$0**	**$0**	**$0**
Net Regional Levy	**$77**	**$0**	**$0**	**$0**	**$77**

Performance Measures

	2012	2013	2014	2015	2016 (As of Sept. 30)
TravelWise Member Organizations (Excluding Region of Waterloo)	13	17	25	26	26
Total Online GRT Corporate Pass Sales	83	122	199	229	257
Total Online GRT Annual Corporate Pass Revenue	$45,326	$75,595	$119,617	$151,950	$161,383
Registered users on GoTravelWise.ca (2014 Launch)	-	-	558	1,092	1,730

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Public Art Program Funding
Planning, Development and Legislative Services
Strategic Plan Focus Area 1 Thriving Economy
Strategic Objective or Action Develop a new policy and funding approach for Regional Public Art to help create additional Regional public art projects.

Brief Description of Request

A reinstatement and expansion of visible, consistent, annual funding for the Region's Public Art Program, first established in 2002 (Report No. CR-FM-02-009), but discontinued in 2014, in the amount of $100,000 per year, phased in over two years.

Justification/Rationale

The Region's Public Art Program was established in 2002 with two primary sources of funding: an annual contribution from the tax levy ($55,000 increased to $65,000); and a fixed amount from eligible capital works projects ($25,000 increased to $30,000). The annual funding for the program was discontinued by Council in 2014 as the Public Art Reserve Fund had accumulated in excess of $400,000. As anticipated, these funds are now all committed to the approved and planned public art projects, including the Former County Courthouse, ION Rapid Transit, Elmira Children's Centre, and the Waterloo Region Airport. There is a need for a source of annual funding to be re-established in order to maintain Council's ongoing commitment to public art in Regional spaces.

Funding in the amount of $100,000 per year would be sufficient to:

- continue commissioning one substantial artwork per year, with an option to save up over several years for a much larger piece
- cover administrative and maintenance costs for all of the pieces in the Region's collection

- and support the Region's ongoing temporary artwork installation program. Under the current policy and funding model, five major Regional building projects are planned within the next 10 years that would meet the criteria for the incorporation of public art (King/Victoria Transit Hub, Ainslie Transit Terminal, Waterloo Regional Police Central Division Improvements, Regional Curatorial Centre Expansion, and Landfill/Recycling Centre Upgrades). Without the addition of annual funding, only the currently approved amount of $30,000 from each of the capital budgets would be available, resulting in smaller scale or fewer artworks.

In addition, the Public Art Advisory Committee (PAAC) has discussed further developing the Region's Public Art program to consider opportunities for including public art at existing Regional buildings (such as 150 Main, 150 Frederick, and Regional housing), and to support partnership projects that would create Regionally significant public artworks located on non-Region owned public lands. Without an annual budget contribution there would be no funding for these initiatives.

The costing in the table below reflects phasing in the impacts of this request over two years. As approved in the Corporate Strategic Plan 2015-2018 (Action 1.3.3), Cultural Heritage staff intend to update and further develop the Region's Public Art program and policy in 2017; establishing the budget available to support the policy is an important first step. Components of the policy would include: mandate, potential projects/locations, program resource development, process improvements, funding, and opportunities for collaboration.

Implications of Not Approving

Without a consistent source of funding, the Region does not have sufficient funds to provide public art at the expected locations and at an appropriate scale. If the additional funding is not approved for the Public Art Program, future public artworks at Regional facilities will be smaller, fewer in number, or no longer commissioned. The alternative of funding the public art program fully through the capital budget of future building projects (estimated at $105,000 per project) was discussed, but has the following limitations:

- The funding stream would not be as visible and would be less effective in demonstrating a response to publically voiced support for program
- The funding would fluctuate with capital investment, resulting in a boom and bust workflow and irregular presence of Regional public art initiatives
- The funding would be tied to a specific building project or project area, rather than being available to be used on the highest priority Regional public art project

- There would be no opportunity to further develop the program to locate public art pieces more broadly across the Region or at Regional buildings without new construction.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Public Art Reserve Fund	$50	$50	$0	$0	$100
Total On-going Operating Expenditures	**$50**	**$50**	**$0**	**$0**	**$100**
Revenues					
Total Operating Revenue	**$0**	**$0**	**$0**	**$0**	**$0**
Net Regional Levy	**$50**	**$50**	**$0**	**$0**	**$100**

Performance Measures

	2014	2015	2016	2017	2018
Public Art Reserve Fund Balance (after planned / committed Public Art Projects and maintenance)	$406,000	$377,000	$91,000	$79,000	$67,000
Number of Regional Public Art Projects	12	13	14	22	23

Public Art Projects (planned/committed)

2014 - Former County Courthouse (*currently delayed)

2015 - Cambridge Centre Transit Terminal

2016 - ION, Elmira Children's Centre, Airport, Ainslie Terminal

The Public Art Reserve Fund has annual commitments of $12,000 for maintenance. Insufficient funds remain to match upcoming key projects such as the King/Victoria Hub etc.

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Transit Service in Woolwich – Route 21 expansion
Transportation and Environmental Services
Strategic Plan Focus Area 2 Sustainable Transportation
Strategic Objective or Action Create a public transportation network that is integrated, accessible, affordable and sustainable.

Brief Description of Request

As the first phase in improving the level of transit service to Woolwich Township, the Route 21 Elmira would have new service provided on weekday evenings and on Saturday evenings. Route 21 provides service connecting Elmira and St. Jacobs to the GRT terminal at Conestoga Mall. This service improvement has been requested by the township and the increase in net costs will be area rated to the Township of Woolwich.

Justification/Rationale

Regional staff have met several times over the past year with Woolwich Councillors, staff and local businesses to review the level of transit service provided in Woolwich Township. Feedback from the residents and businesses have indicated that additional services would be beneficial, allowing residents to travel at more time periods and in more areas and allow employees to access jobs more readily by transit.

Over the last few years, staff have received comments from residents requesting additional service for Route 21. Most of these requests specified additional service later into the evening.

Following meetings with Woolwich, transit staff provided a number of options for service improvements. These included Route 21 improvements such as evening service on weekdays and Saturdays, improved midday service on weekdays and Saturdays and Sunday service. A circulator route in Elmira would provide access to customers who are beyond the standard 450 m (5 minute) walk distance to transit. Finally, a number of options were developed for extending service into Breslau, including the airport area.

Woolwich has determined that based on the cost and potential impact, two proposed service expansions to Route 21 should be introduced in 2017 – weekday evening service and Saturday evening service. Future expansions would be considered for subsequent years.

Implications of Not Approving

Without these new services, the needs of Woolwich residents would continue to be underserved.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Service Operating Costs	$32	$63	$0	$0	$95
Total On-going Operating Expenditures	**$32**	**$63**	**$0**	**$0**	**$95**
Revenues					
Ridership fares	$6	$13	$0	$0	$19
Total Revenue	**$6**	**$13**	**$0**	**$0**	**$19**
Net Regional Levy	**$26**	**$50**	**$0**	**$0**	**$76**
• **Urban Service Area Allocation**	**$1**	**$2**	**$0**	**$0**	**$3**
• **Township Service Area Allocation**	**$25**	**$48**	**$0**	**$0**	**$73**

Performance Measures

	2012	2013	2014	2015
Route 21 Annual Ridership	107,465	112,611	119,221	119,649

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Wilmot Township Transit Service
Transportation & Environmental Services
Strategic Plan Focus Area 2 Sustainable Transportation
Strategic Objective or Action Create a public transportation network that is integrated, accessible, affordable and sustainable.

Brief Description of Request

The Route 77 Wilmot BusPLUS transit service was implemented on April 25, 2016 as a pilot project. It was funded by the MTO under a Community Transportation Pilot Grant Program. The pilot is funded until March 31, 2017; at that time for the route to continue in service, the Region will need to fund it. The net cost for this service will be area rated to the Township of Wilmot taxpayers.

Justification/Rationale

Since the route was launched in April, ridership has continued to grow with generally positive comments about the route. Most comments have been requests for service at additional times of the day or week. One of the concepts piloted with this route was flex routing whereby certain sections of the route were only served by request. This allows a larger area to be served than if the whole route was served on every trip. Since its inception, there has been an increasing usage of the flex sections of the route which is showing their viability.

Customer surveys have been conducted with generally positive feedback obtained. Requests included additional service in the midday, evening and weekend as well as new stop locations and schedule adjustments. If the route is continued, this feedback will be used to make adjustments to further improve the route. Additional service would require additional budget funds and would be reviewed in future years.

As the bulk of this route falls within the Township of Wilmot, the township has been asked for input on continuation of the route. This information will be available prior to a final decision on the route.

Implications of Not Approving

Without approval of funds, the existing pilot service will end on March 31, 2017 as no funding will be available to continue the service.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Service Operating Costs (in-year implementation)	$110	$37	$0	$0	$ 147
Total On-going Operating Expenditures	**$110**	**$37**	**$0**	**$0**	**$147**
Revenues					
Ridership fares	$20	$7	$0	$0	$27
Total Revenues	**$0**	**$7**	**$0**	**$0**	**$27**
Net Regional Levy	**$90**	**$30**	**$0**	**$0**	**$120**
• **Urban Service Area Allocation**	**$6**	**$2**	**$0**	**$0**	**$8**
• **Township Service Area Allocation**	**$84**	**$28**	**$0**	**$0**	**$112**

Performance Measures

Route 77 – Wilmot	May	June	July	August	September
Monthly Ridership	681	639	714	622	685
Daily Average Ridership	32.4	29	35.7	28.3	32.6
Flex Riders	51	64	98	117	141

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Collaborative Funding Arrangement with the *rare* Charitable Research Reserve
Planning, Development, and Legislative Services
Strategic Plan Focus Area 3 Environment and Sustainable Growth
Strategic Objective or Action Preserve, protect and enhance green space, agricultural and environmentally sensitive lands, and Regionally owned forests.

Brief Description of Request

Financial assistance to the ***rare*** Charitable Research Reserve over a five year trial period to fund activities complementing Regional environmental and stewardship initiatives such as research related to the monitoring and conservation of the Greenlands Network, stewardship on its own properties, and support for the work of a multi-property conservation land trust. This was detailed in Report PDL-CPL-16-34 (dated August 9, 2016).

The ***rare*** Charitable Research Reserve is a unique institution in Waterloo Region, if not in all of Ontario that combines high-level environmental research with outreach to citizens from all walks of life and stewardship of a land trust property at the heart of one of the Region's Environmentally Sensitive Landscapes.

This would support environmental activities and research at ***rare*** in a manner comparable to the Region's ongoing support to drinking water related research at the University of Waterloo.

Justification/Rationale

On August 17, 2016, Council passed the following resolution based on report PDL-CPL-16-34: that the Regional Municipality of Waterloo take the following actions with respect to the ***rare*** Charitable Research Reserve as detailed in Report PDL-CPL-16-34, dated August 9, 2016:

a) Endorse in principle, subject to annual Budget approval, providing financial assistance to the ***rare*** Charitable Research Reserve over a five year trial period to fund activities complementing Regional environmental and stewardship initiatives such as research related to the monitoring and conservation of the Greenlands Network, stewardship on its own properties, and support for the work of a multi-property conservation land trust; and
b) Direct staff to submit a budget issue paper for this initiative as part of the 2017 Budget process.

Implications of Not Approving

1. It would result in fewer resources available for ***rare*** to conduct Regionally-focused environmental research affecting Environmentally Sensitive Landscapes and other Regionally-designated natural heritage features.
2. It would hinder the deployment of the recently approved plans to develop a multi-property conservation land trust in Waterloo Region.

Budget Requirements

Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
Grant	$ 50	$0	$0	$0	$ 50
Total Operating Expenditure	**$ 50**	**$0**	**$0**	**$0**	**$ 50**
Revenue					
Total Operating Revenue	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Net Regional Levy	**$ 50**	**$0**	**$0**	**$0**	**$ 50**

Council Decision

Region of Waterloo

The Regional Municipality of Waterloo

2017 Budget – Major Budget Issue

Community Innovation Grant Program
Regional Chair and Council
Strategic Plan Focus Areas 1 - 4 Thriving Economy Sustainable Transportation Environment and Sustainable Growth Healthy, Safe and Inclusive Communities
Strategic Objective or Action The Strategic Plan Focus Area for the application intake would be determined each year and the application could align with any of the strategic objectives or actions for that Focus Area.

Brief Description of Request

The request is for the addition of $50,000 to the Region's operating budget for the establishment of a Community Innovation Grants Program.

On October 19, 2016, Regional Council approved in principle the establishment of a Community Innovation Grants (CIG) Program and approved the preparation of a budget issue paper for such. The purpose of the CIG Program is to provide one-time grants to support not-for-profit community organizations, partnerships, collaborations and/or networks in undertaking innovative projects that have good potential to lead to more effective, equitable and sustainable solutions that address existing and emerging needs in Waterloo Region and that will assist in achieving the Region of Waterloo's 2015-2018 Strategic Plan objectives.

Components of the CIG Program include:

- Annual budget of $50,000
- One-time grants of up to $50,000 would be provided to eligible not-for-profit organizations, partnerships, collaborations or networks for innovative projects

that support a specific Region of Waterloo Strategic Plan Focus Area.

- The Strategic Plan Focus Area for the application intake would be determined each year by Regional Council with input from staff.
- There would be one call for proposals each year after Council approval of the annual Regional budget.
- The funding is one-time but grant recipients would have up to 24 months to complete their project.

Justification/Rationale

Waterloo Region is an innovative, collaborative and creative community that has a long history of people and organizations coming together to build community and to address pressing social needs and deal with emerging issues. The CIG Program has potential to draw on this creative energy – to foster new collaborations and partnerships, to build on and strengthen existing ones and to find and develop new, more sustainable approaches to addressing social, health cultural, economic, environmental and other needs in Waterloo Region. It has the potential to strengthen the not-for-profit sector in our community.

Implications of Not Approving

The Region would risk missing opportunities to find new, more effective, accessible and sustainable ways (that rely less on government) to provide services and to help meet emerging or unmet needs in the community.

By not approving the CIG program, the Region may expect to continue to receive requests from not-for-profit community organizations for funding for ongoing general operations and other projects, with no specific reference to overall community need or the Region's Strategic Plan goals and objectives and for which there is no funding in the base budget. With its strong linkage to the Region's Strategic Plan, not approving the budget for CIG Program may result in a missed opportunity to engage the broader community in helping meet the Region's 2015-2018 Strategic Plan objectives.

Budget Requirements

On-Going Operating (incremental amounts in thousands)	2017	2018	2019	2020	Annualized
Expenditure					
CIG Allocation	$50	$0	$0	$0	$50
Total On-going Operating Expenditures	**$50**	**$0**	**$0**	**$0**	**$50**
Revenues					
Total Operating Revenue	**$0**	**$0**	**$0**	**$0**	**$0**
Net Regional Levy	**$50**	**$0**	**$0**	**$0**	**$50**

Council Decision