



Media Release: Friday, January 16, 2015, 4:30 p.m.

Regional Municipality of Waterloo

Budget Public Input Meeting

Agenda

Wednesday, January 21, 2015

6:00 p.m.

Council Chambers, 2nd Floor

150 Frederick Street, Kitchener

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- 1. Declarations of Pecuniary Interest Under “The Municipal Conflict Of Interest Act”**
 - 2. Delegations**
 - a) Harald Drewitz, Kitchener, Re: 2015 Regional Budget
 - b) Uwe Kretschmann, Cambridge, Re: Waste Management Review 1
 - c) Marilyn Scott, Chair, Region of Waterloo Arts Fund, Re: Arts and Culture Funding
 - 3. Other Business**
 - 4. Adjourn**

Mr. Chairperson, member of the committee.

That you have invited a consulting firm to review your expenditure patterns is admirable.

However, unless you are willing to review your philosophical and financial commitments into policy areas which ought not to be the responsibility of local and regional councils, the review will be very narrow and subsequently will not achieve the monetary savings, you not only want, but need, in order to curtail the ever increasing revenue requirements.

In order to clarify the last statement, allow me to re-read two paragraphs from my 2013 budget presentation to you.

“What then are the fundamental services regional council is required to provide, either through the regional act or the transfer of services past or present?”

The short list would include the provision of safe drinking water, the treatment of sewage, waste management, the provision of an efficient and effective public transportation system, the construction and maintenance of our road system, policing, social housing and certain income replacement functions.

The areas of primary concern to me are, what I consider to be, job creation activities, or, as you are wont to do, is refer to them as investments.

The most obvious “ investments which fall into that category are the airport, the tourism budget and the investments in the technology sector through communitel and the technology triangle budgets which since have been consolidated.

In 2013 I gave you examples of how the investments, in fact, are not working.

The most disappointing aspect of the entire investment strategy is, that you have never produced any documentation which would or could support the strategy.

I firmly believe that the taxpayers of the region deserve better and you need to be far more diligent in assessing the success of any investment strategy beyond the simple verbal assurance that it is “ good for the region “!

What then is the impact on the regional budget, and by extension the taxpayer, either directly or indirectly, in the continued financing of the job creation policy?

The direct impact is the annual tax increases needed to support the current financial and capital expenditures required to maintain the policy.

The indirect impact, as one example, is the current debate over the imposition of a user fee for the weekly garbage pickup!

As I pointed out in my 2013 presentation, the subsidy to the regional airlines would easily cover the shortfall in the waste management division!

Therefore, it is absolutely clear, that the job creation strategies not only force you to increase taxes, but also forces you to saddle the taxpayers with new user fees and/or a reduction in service levels!

On the capital budget side, let me re-read you a paragraph from my 2013 submission:

“ You have approved a \$ 3.3 billion dollar capital forecast for the next ten years. { That budget was approved in 2010 }. Even if you approve only 20% of that \$ 3.3 billion, with the current debt and the LRT debt you will reach \$ one billion dollars in total debt by 2017.

In addition, what’s really annoying is the fact that you gathered millions in assessment growth over the last ten years and still increased taxes!

The total assessment increase and the tax increases over the past ten years amounted to a \$ 120 million spending increase at the region!

This is not sustainable!

Unless you make fundamental changes to your program structure, tax increases, program cuts and user fee increases are inevitable!

Uwe Kretschmann
(Budget Public Input Meeting – January 21, 2015)