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

Members Absent: J. Mitchell and J. Wideman

T. Galloway gave opening remarks. He advised that a public input session will be held on December 11th and that an additional public input meeting will be scheduled in early January. He also stated that final budget approval will occur on January 15, 2014.

DELEGATIONS

a) Mary Jane Patterson, Executive Director and Dave Blake, Business Development Manager from REEP Green Solutions provided a presentation to the Committee regarding their Annual Report and a 2014 budget request; a copy of the presentation is appended to the original minutes. They outlined the benefits of the services and programs offered to local residents. They encouraged the Region to continue the partnership with REEP and advised that they are reducing their financial support request by 10% to $49,000. They responded to Committee inquiries about the impact of reduced funding.

b) Uwe Kretschmann, Cambridge, addressed the Committee with general comments about the 2014 budget; a copy of his submission is attached to the original minutes. His primary concern is job creation activities and he stated that he doesn’t believe that the function of the property tax base is to support job creation activities.

* J. Haalboom joined the meeting at 6:31 p.m.

c) Harald Drewitz, Citizen’s Tax Watch Centre, addressed the Committee regarding the Waterloo Regional Police Service (WRPS) budget and the general tax increase; a copy of his submission is appended to the original minutes. He suggested that any tax increase be no higher than 1.5% and he made additional suggestions related to the WRPS budget and Regional staffing budgets. He suggested that the Light Rail Transit project be postponed until population growth and the Regional budget can support it.

* T. Cowan left the meeting at 6:47 p.m.

d) Pat Singleton and June Anderson, Cambridge Self Help Food Bank, addressed the Committee on the issue of Discretionary Benefits; a copy of their submissions are appended to the original minutes. They provided an overview of the services offered and their operating model. They stated that members have been impacted by reduced benefits previously offered through discretionary benefits, that the need exceeds the funding
available, and they provided testimonials. P. Singleton responded to a Committee inquiry about the impact on the program since the 2008 economic recession.

* T. Cowan returned to the meeting at 6:52 p.m.

e) Peter Durksen, Breslau, shared his views and concerns regarding pensions and tax Impact; a copy of his submission is appended to the original minutes. He expressed his concerns with increased property tax rates, provincial arbitration legislation and the disparity between income and pension levels. He made recommendations for property tax rates and budget reductions.

The Committee advised that area mayors have made efforts to lobby for changes to the arbitration legislation.

f) Lori Prospero, Owl Child Care Services of Ontario, appeared before the Committee on the issue of reductions to fee subsidies for child care services. She outlined her views on maintaining affordable licensed child care for lower-income families and her concern about waitlists. She summarized the benefits of quality child care and shared testimonials from families with children.

g) Clarence Borutski, Cambridge, shared his concerns with the recycling and waste collection programs in the Region. He provided suggestions about how the program could be improved.

T. Galloway suggested that staff arrange to meet with Mr. Borutski to discuss the recycling program and he advised that some changes to the Regional recycling program won't be implemented until approximately 2015.

h) Dan Graham, Kitchener, addressed the Committee regarding the 2014 Regional Budget. He stated that he believes Regional Council has invested well for all the amenities that are available in the Region. He encouraged Councillors to consider the needs of the average taxpayers and those less fortunate and to keep the tax rate as close to the rate of inflation as possible.

i) Earle Ellis shared his personal experiences and that of others who are living without a permanent home. He summarized the challenges faced by people who are homeless and made suggestions about how the Region could provide assistance.

j) Catherine Copp, Board Chair, K-W Symphony, spoke to the Committee regarding arts and culture funding and extended her appreciation to the Region of Waterloo for past support. She outlined the various programs offered by the organization, the benefits to the community and requested that Councillors consider providing funding similar to the previous year.

* R. Kelterborn left the meeting at 7:50 p.m.

k) Chris Klein, TriTAG, commended staff for maintaining the ION initiative and suggested that there are other opportunities for transit network changes. In response to a Committee inquiry, he stated that staff is aware of his suggestion and he will be meeting with them in the future.

T. Galloway advised that there will be other opportunities for public input on the 2014 Regional budget. He called for delegations from the audience; no one came forward.
ADJOURN

MOVED by L. Armstrong
SECONDED by S. Strickland

THAT the meeting adjourn at 7:57 p.m.

CARRIED

COMMITTEE CHAIR, T. Galloway

COMMITTEE CLERK, S. Natolochny
Region contribution is 30% of Core Funding for REEP Green Solutions.

- Regional Funding: $55,000
- Other Core Funding: $185,000
Strategic Objective 1.2: reduce greenhouse gas emissions and work to improve air quality

Cumulative Tonnes of CO$_2$ Reduced from 1999 to 2012*

Note: There were few follow-up evaluations done in the early years of the program, which made it difficult to assess results during that time.
Strategic Objective 2.3:
support a diverse, innovative and globally competitive economy

$41 million dollars injected into the Regional Economy from Homeowner retrofits
Strategic Objective 2.1: Encourage compact, livable urban and rural settlement form

Strategic Objective 2.1.2: Promote intensification and re-urbanization within existing urban areas

REEP House for Sustainable Living
Strategic Objective 1.2 Reduce greenhouse gas emissions and work to improve air quality

Strategic Objective 4.1 : Healthy and Inclusive Communities : Work Collaboratively to Reduce Poverty

**Home Assistance Program** – Delivered Region-wide
Strategic Action 1.2.2

Assist in development and implementation of a Community Greenhouse Gas (GHG) Action Plan and Reduction Target

Waterloo Region Community GHG Emissions by Source (2010)

- Residential Energy: 40%
- Industrial, Commercial, Institutional Energy: 32%
- Transportation: 22%
- Agriculture: 5%
- Waste: 1%

Total Emissions = 3,613,870 tonnes CO₂e
Strategic Objective 1.4:

protect the quality and the quantity of our drinking water sources
Energy Efficiency + Water Stewardship: The Next Wave

RAIN in 2014

Local Improvement Charge Financing

REEP Corporate Partnership Program

Climate Action WR Implementation Plan

REEP House ongoing development
Region receives a $13 return for every $1 invested in REEP

- **Strategic Objectives addressed**
  - Reduce GreenHouse Gas Emissions
  - Support a diverse, innovative and globally competitive economy
  - Encourage compact, livable urban and rural settlement form
  - Promote urban intensification and reurbanization within exiting urban areas
  - Work collaboratively to reduce poverty
  - Assist in development and implementation of a Community GHG action plan and reduction target
  - Protect the quality and quantity of our drinking water sources
Summary

• 14 year funding relationship

• Challenging budget year in 2014

• REEP reduces request by 10% to $49,500
Thanks to Our Local Partners

REEP’s programs and services are made possible thanks to our core funders:

- Region of Waterloo
- Waterloo North Hydro
- City of Kitchener
- City of Cambridge
Regional presentation 2013

Mr. Chairperson, members of council...

The decision, by regional council, to discontinue the capital contributions to the local hospitals is an excellent introduction to the budget presentation I would like to make tonight.

The fundamental issue contributing to the ever increasing monetary requirements at the regional, as well as the local council level, is the ever increasing proliferation of services and participation in areas over and beyond the fundamental responsibilities of any local and regional council.

What then are the fundamental services regional council is required to provide, either through the regional act or the provincial transfer of services past or present. The short list would include the provision of save 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. There are other areas of responsibilities, which, for reasons of brevity, I will not list. Let me assure you that I am aware of them, but they do not represent major current or capital expenditure requirements if they are managed effectively.

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 reason I consider them to be job creation activities, is, that they are not direct revenue sources for council.

The most obvious are the airport, the tourism and the communitieh budgets.

Let’s examine the airport first. The basic belief of council is that the airport represents a drawing card for industry. A manufacturer is more likely to locate in the region if we have an airport. So, let’s assume that we get an industry which employs 500 people and has its head office here. We then believe that 500 people buy a house and pay property tax as well as the region would collect part of the business assessment. So let’s crunch some numbers. The average residential property tax the region would collect per year is about $1500.00 dollars. Multiply that times 500 and you get $600,000.00 dollars. Add to that about $ one million in business tax and the total comes to 1.6 million in tax revenue. Now look at the annual tax payer subsidy of between $ two to $ four million dollars to operate the airport, and it becomes clear that it is a major white elephant.....and that’s not taking into consideration the $60-70 million in capital expenditures!

The tourism budget operates on a similar belief system. You belief that the millions in subsidies will attract the hotel industry to build hotels and thereby create jobs, although primarily minimum wage jobs. How many hotels do you think we need to offset the millions in subsidies?

The millions of dollars in subsidies to the tech sector operate on the same belief system. We will spawn new companies which will employ people and create property and business taxes to offset our investments. Notwithstanding the fact that the province and the federal governments are pumping millions of tax payer dollars into the same industries.

It is not the function of the property tax base to support job creation activities!
In addition, local and regional councils forgo millions in development charges to support downtown revitalisation schemes. The last report from the city of Cambridge indicates that $8 million dollars in one decade was lost in development charges. That was matched by the region. When we add the lost revenue from Kitchener and Waterloo to the total it will easily reach $40 million in lost development charges.

There is a fundamental dis-respect by all councils, including regional council, for the taxpayers. This dis-respect is epitomised by the recent report from the city of Kitchener which stated that the annual subsidy to the market has been reduced from as high as $600,000.00 dollars a year to $250,000.00 dollars a year.

The reason I bring this up is that the mayors and councillors who sit on local councils bring the same illogic to regional council and perpetuate unsustainable policy positions, from subsidising airlines to developers to the tech industry while cutting the basic services to the regional and local taxpayers.

To make the point perfectly clear, the subsidy to the airlines of $4 million dollars easily would pay to keep the weekly garbage pickup. Or to put it another way, if we stop the airline subsidy, it would off-set the $4 million dollar shortage in the waste management division.

Now let's look at the past ten year's revenue and tax increases.

The average assessment growth was 2% a year. In the current year a 1% tax increase at the current mill rate, will result in $4 million dollar revenue. To average everything out, let's say that a one percent tax increase did result in $3 million revenue, and a one percent in assessment growth did also generate $3 million in revenue.

The total spending increase over the past ten years then amounts to $120 million dollars.

This is not sustainable.

You subsidise the arts, minor sports and local social services. The reason you do so is to point out to people that the region can do so and we do not need local councils. The reason I say that is that you voluntarily take on such financial support since they are not regional organisations. Or better put they did not start out as regional organisations.

On the capital budget side you have approved a $3.3 billion ten year capital budget. Even if you approve only 20% of that total, with the current debt, the LRT and the 20%, you will reach $1 billion in debt by 2017. Let's just pray that we do not have an increase in the interest rate, or we will see major tax increases or major reductions in service levels, which go way beyond a reduction in grass cutting or a change in collecting waste every second week.

You are looking down a fiscal cliff.

Unless you make fundamental changes in your position relative to what services a regional council is to provide, the current budget deliberations will be considered quaint be future councils.
Good Evening!

To: Mr. Chairman  
Regional Chair  
Members of Regional Council

My name is Harald Drewitz, and I am a concerned citizen of this Region and have lived in Kitchener since 1968 and now am a Junior Senior.

Councillors recall I was present at the October 9, 2013 Budget Committee meeting. Our Tax Watch Group has listened and heard what the CAO and the CFO said and presented, along with your questions, comments, etc., around this horseshoe. Lately several of you have been quoted in the WR Record, making statements along the lines of this being a very difficult budget year. We have heard that said almost every year since 2009! After Regional Council gave the 2014 Budget increase guideline - as presented on Page 10 of the Oct. 9, 2013 hand-out, it states how Regional Staff responded, but we ask - why was the public not involved and asked for their input months ago? Without trying to sound too critical, we feel that we must point out that Regional Government is not an island unto itself. It is not making the tough decisions that the citizens of Waterloo Region face every day (ie where do we cut back in our spending in order to pay our mortgage/rent and have funds for groceries for a reasonable nutritious diet). Unfortunately, many citizens have even tougher decisions to make than I just stated. This Regional government doesn’t have a revenue problem; it has a spending problem. We are asking you to exhibit greater control over your spending.
We have several points we’d like you to take into consideration during your 2014 Budget deliberations:

1. Let’s look at the tax increase history of this council... As per an article and research reporter Jeff Outhit wrote on March 9, 2013, this council’s tax increases for 2011 – 2013 (i.e. 3 years), when comparing apples to apples, is approx. 11.9% (6.9 + approx. 5.0 Ontario Works upload). This is a 3.97% or approximately 4% increase on a yearly basis during a time when the CPI or inflation was not even an average of 2.0% per year. Again, after approximately four years after the biggest financial meltdown in 80 years, this Council almost continues to spend and increase taxes as if this event did NOT occur.

2. Fully one year after the Cities of Cambridge, Kitchener and Waterloo kept their 2013 Property Tax rate increases at NO HIGHER THAN 1.5%, we find it unbelievable that Regional Councillors would give a total rate increase goal/guideline of 2.8% to Regional Staff and the WR Police. This is completely unacceptable, especially when the rate of the CPI or inflation is lower in 2013 than it was in 2012. Remember, you are deliberating a 2014 Budget, not 2013, and reports presented to you by WR staff continue to show an even greater slowdown in our local economy than in the past several years. It really does seem that neither Regional Staff or Regional Council or both really do NOT understand what is happening in the real world. We respectfully suggest the target for 2014 should be no higher than 1.5%.

3. During my research for this evening’s presentation I found that from 1999 to June 28, 2013, the Region has increased staff from 1,260 to 2,681 people. To be fair, I need to add the FTE impact caused by Service Transfers would be a total of 484 people transferred, for a base employment level of 1,744. This results in a real increase of 937 people, or 53%. I will even be kinder! When I remove the people for which the “funding source” is not from the “direct” operational budget, i.e. removing 395 people, this still leaves an increase of 542 people or 31%. What were the service
improvements by adding these 542 people? We suggest that an 
increase of this size is intolerable and goes way beyond the 
community’s ability to pay. There needs to be a concerted effort to 
reduce the number of staff employed – through attrition, if possible 
– at the Region.

4. Mr. Chairman, as you know, our Tax Watch Group attended 
several Police Services Board meetings during calendar year 2013. 
The main reason we did so was because we listened and heard 
what the citizens in this community were saying about the 2013 
Police budget increase. As you, along with the Regional Chair and 
one other Regional Councillor know, I spoke at two of these 
meetings on behalf of our group. I tried to impress on the 
members of the Police Services Board the concerns expressed by 
the supporters of our Tax Watch Group and many other citizens 
that expressed outrage at the 2013 increase. We really expected 
that the Board would understand and accept these community 
concerns. Please let us remind you of a WR Record editorial dated 
Nov. 19, 2011, which stated, “Put the brakes on the police budget”. 
Another editorial dated April 5, 2013 stated, “Police budgets must 
be arrested”. In addition to this, there have been many news 
articles to the same effect, along with many letters to the editor. 
Regional Council has expressed that it wants to be known as being 
leaders and on the cutting edge of things. We agree with that 
philosophy, but we ask you now if it is not time for you take a 
leadership role to try to persuade the Province to change the 
antiquated arbitration law. The municipalities of Ontario have a 
right to expect that the Ontario government will respond to a 
legitimate concern. This Region should be “lobbying” changes to 
fairness and transparency of the arbitration process/law at the 
AMO( Assn. of Municipalities of Ontario) who are currently in 
discussions(Nov. 13 &14 with Former Justice, Mr. George 
Adams) to have the province create balanced interest arbitration. 
Is this Region doing this at the AMO? A 2014 Police Budget 
increase of 4.71%, in which Salaries and Wages and Employee 
Benefits go up by 4.97% is completely unacceptable. Our Tax 
Watch Group attended the Nov. 6, 2013 Police Services Board 
meeting, and were sadly disappointed that not one member of the 
board expressed concern about an increase of approximately $6.4 
M for 2014 over 2013. The main focus of the discussion was the
verage of Regional Council’s target in the amount of approximately $1.0M.

In conclusion -- we would like to refer to another WR Record editorial dated Jan. 18, 2013. In the 2nd paragraph it states “the double-the-rate-of-inflation tax hike this $1.2 billion, just approved spending plan imposes will crank up pressure on taxpayers’ wallets.” Right now a 2.8% increase in the tax rate is approx. 155% higher than the estimated 2013 CPI increase of 1.1%. We are looking for further spending decreases in Regional Services of $4M, and further spending decreases of the 2014 Police Budget of $2M, for a total decrease of $6M.

Some members of our Tax Watch Group would be glad to meet with some councillors and Regional staff, at a mutually agreed to time, to in more detail, discuss where we are coming from.

We appreciate you giving us the opportunity to present our concerns to you this evening. Thank you for your time.

I will be glad to answer any questions.

Harald Drewitz, CMA
Chairperson, Kitchener Taxpayers
City Watch Spending Group
Presentation to Regional Council:

Thank you for allowing us to present some of our thoughts from a prospective of the Cambridge Self-Help Food Bank around the issue of Discretionary Benefits.

My name is June Anderson; I have worked at the Cambridge Self-Help Food for 15 years. I am currently the Spiritual Care Provider.

In the midst of the hard facts of budget figures I would like to tell you about some of the many riches of the Cambridge and North Dumfries Food Bank.

- One of our greatest resources is the fact that we are committed to assisting people that live in poverty in the Cambridge and North Dumfries area.

- As a non-profit we have the daily privilege of providing food to 32 agencies that in turn serve 100’s of people. For example, Trinity Community Table, serves over 100 meals Mon/Wed/Friday. A quote from one of their organizer’s, “We could not provide the lunches without the help of the CSFHB”.

- One of our finest resources or riches is our Co-Operative model of providing food. Briefly the co-op model works on the premise that people need ongoing support in acquiring food. With the co-op model consumers can contribute nine dollars per month and volunteer in the community or at the Food Bank four hours per month. This allows them to pick up food twice a month. This model actually extends food assistance when their emergency limited of 8 is used. We believe that this is a very empowering model. We are extremely proud of this model that has worked well for our clients for the past.

- The Cambridge Self-Help Food Bank boasts a very active Clothing distribution room, staffed by co-op members and community volunteers. For adults, children and infants this is and will become a very important resource in light of the cancellation of the clothing allowance.
Since the first round of cut to the Discretionary Benefits we have been diligent in listening to clients on how these cut backs have effected them. Each day we continue to see new clients that are seeking help because of the still present impact of the 2008 Great Recession.

Theresa came into the Food Bank one day and said, “last year I came to the Food Bank to make a donation this year I need to come to the Food Bank to get food. The implication: we are in a growth industry we see more people each day that would never have expected to find themselves without means to buy food.

Maureen: a grandmother, raising two grandchildren needed to take her grandchildren to the library to access a computer. She told her grandchildren she would not be able to because bus tickets each way would cost $9.00. She did not have $18.00. The implication: these children would not have the benefit of technology for their homework, setting them apart from their peers. The grandmother once again faced with a decision to provide bus fare or food.

Dianne: Commented that she now only wears one hearing aid because batteries for two aids were too expensive. Implication: further isolation and increased noticeable disability.

Theresa, yes another Theresa actually Mother Theresa said: To paraphrase Mother Theresa “I think that there is a much greater poverty that exists when people lose hope and feel that each day they awake to deeper poverty.”
PRESENTATION TO REGIONAL COUNCIL

WE OFTEN SAY AT THE CSHFB THAT WE ARE MORE THAN A FOOD BANK AND THIS IS ONE OF THE REASONS WE CHOOSE TO SPEAK TO A NUMBER OF DISCRETIONARY DOLLAR ISSUES AS THEY IMPACT SO MANY OF OUR PARTICIPANTS.

- I WILL NOT BE SPEAKING TO THE EMERGENCY FOOD PROVISIONS PIECE OF THE DISCRETIONARY DOLLAR THIS EVENING, AS I AM PART OF THE GROUP WHO PROVIDE EMERGENCY FOOD HAMPERS AND OUR GROUP WILL BE PRESENTING AT ANOTHER DATE.

HOWEVER OUR EXPERIENCE HAS SHOWN US WHAT THE CAMBRIDGE & NORTH DUMRIES VITAL SIGNS REPORT STATES WHICH IS 8% OF CAMBRIDGE HOUSEHOLDS CONSUMED OR REDUCED THEIR FOOD INTAKE DUE TO INCOME AND AS WELL WE KNOW THAT LIMITED FOOD ACCESS AND LIMITED INCOME WITH WHICH TO BUY FOOD LEADS TO MULTIPLE RISK FACTORS FOR POOR HEALTH.

- LOIS – SINGLE MOM WITH TWO CHILDREN TOLD US IN THE SUMMER THAT SHE NEEDS TO MOVE BEFORE WINTER BECAUSE HER UTILITY BILLS ARE SO HIGH. THE WINDOWS NEED TO BE REPLACED AND SHE SAID THEY HEAT ONE ROOM AT A TIME DEPENDING ON WHICH ROOM THEY ARE IN.

AS WE LOOK AT THE ISSUE AROUND HOUSING AND LOIS’ STRUGGLE WE REALIZE THAT IF SHE STAYS IN THIS HOUSING
AND CANNOT PAY HER UTILITIES AND GETS INTO HYDRO ARREARS SHE THEN BECOMES AT RISK OF HOMELESSNESS

• I DON'T PRETEND TO KNOW THE ACTUAL COST OF A FUNERAL / ALTHOUGH I HAVE PAID FOR A COUPLE, BUT THIS I DO BELIEVE THAT WE NEED TO PROTECT TO THE BEST THAT WE CAN THE PROVISION OF (FUNERALS FOR THOSE IN OUR COMMUNITY WHO WOULD NOT OTHERWISE HAVE ONE)

A NUMBER OF YEARS AGO JUNE OUR SPIRITUAL CARE PROVIDER ASKED ME IF I WOULD DO A FUNERAL FOR HER AS SHE WOULD BE OUT OF THE COUNTRY. NOW I'VE BEEN A WELDER, A HEALTH CARE AIDE, DAY CARE PROVIDER BUT NEVER PRESIDED AT A FUNERAL

JUNE TAUGHT ME THE VALUE AND IMPORTANCE OF THIS LAST ACT WE COULD DO FOR SOMEONE - I CANNOT BEGIN TO TELL YOU WHAT IT MEANT TO SIT IN THAT CHAPEL AS THE LAST WORD OF THIS PERSON'S LIFE WAS SPOKEN.

• AT THE CAMBRIDGE FOOD BANK – WE ARE TRULY BLESSED TO BE IN A COMMUNITY THAT RESPONDS TO OUR APPEALS –

HOWEVER, THERE IS A SATURATION POINT AT WHICH PEOPLE ARE ABLE TO GIVE AND THE PEOPLE THAT HURT THE MOST ARE THE PEOPLE WE SERVE!
• SOMETHING WE NEED TO REMEMBER IS THAT THE 2013 EXPENDITURES ON DISCRETIONARY BENEFITS ARE NOT AN INDICATION OF LEVEL OF NEED IN THE COMMUNITY.

• KAREN ARMSTRONG IN HER WRITINGS OF CHALLENGE FOR COMPASSION TEACHES US THAT BECOMING A COMPASSIONATE HUMAN BEING IS A LIFE LONG PROJECT YET A JOURNEY FILLED WITH REWARDS.

• HER NINTH STEP OF THE 12 STEPS TO A COMPASSIONATE LIFE IS – CONCERN FOR EVERYBODY -

I WAS OUT WITH MY GRANDSON ON FRIDAY AND IN MEMORY OF A FRIEND WHOSE SON HAD PASSED AWAY WE WERE DOING A “PAY IT FORWARD” GESTURE

I WAS TELLING CAMERON ABOUT ONE OF MY SISTERS TELLING ME THAT YEARS AGO TRAVELERS WOULD LOOK FOR A HOUSE WITH A LIGHT IN THE WINDOW AND THIS WOULD GUIDE THEM TO A PLACE WHERE THEY WOULD FIND WARMTH, SAFETY AND QUITE OFTEN SOMETHING TO EAT.

• WHILE I AM AWARE THIS MAY SOUND A BIT SCHMALTZY I WOULD HOPE THERE ARE MANY LIGHTS IN THE WINDOWS ACROSS THE REGION

• I DON’T BEGIN TO KNOW HOW DIFFICULT THESE BUDGET DELIBERATIONS ARE AND WE THANK YOU FOR TAKING THE TIME TO HEAR US THIS EVENING.
Presentation to Region of Waterloo Council- Wed Nov 20 2013, by Peter Durksen

My concern is about the continually increasing property taxes in Waterloo Region and about the disparity in income and pensions.

A. By way of background, we are aware:
   - That Canada’s economy is stagnant – with a GDP increase of only 1.1% thus far in 2013
   - That the inflation rate is low, an average of 1.8% over each of the last 4 years, and only 0.9% thus far in 2013
   - That property taxes increases in the Region have been well above inflation
     For example, my average property tax increases over each of the past 4 years have been 5%, almost three times the rate of inflation.
   - That property taxes are determined by tax rate and assessment

   We also know:
   - That there are differing macro economic views on what actions should be taken during a sluggish economy; some advocate that gov’ts should cut back on spending while others suggest that gov’t’s should stimulate the economy by spending more.
   - Regardless of one’s macro economic philosophy, I submit that it is not the role of municipal gov’ts to increase spending for the purposes of stimulating the economy.

B. There are two matters that recently have become of increasing concern at the national, provincial, and municipal levels:
   1. Pensions:
      - It is widely believed that many workers in the private sector will have insufficient income in their retirement
      - It is a known fact that the pension plans for most gov’t workers, federal, prov, and municipal, are very generous, in some cases including full paid benefits in retirement
      - It is also known that most pension funds of gov’t employees have sizeable unfunded liabilities, which receive gov’t bailouts, which in turn are paid for from the income taxes of all people.
      Thus private sector workers are disadvantaged twice.

   2. Increasing gap between rich and the working poor:
      - The two-week series in the Globe and Mail refers to it as the “Wealth Paradox”.
        This wage gap is usually taken to mean the difference between private sector CEOs and their employees, where the pay ratio is frequently 300-400 to 1.

      - At the municipal level I suggest that we focus on the difference between those at minimum wage of $10.25 (40 x 10.25 = 410, x 52 weeks = $21,320) and those on the sunshine list earning $100,000 or more, a “Nation of $100,000 Firefighters” as a recent Globe and Mail article was entitled.
        The low income earners obviously find it much more difficult to pay increased rents, or increased property taxes, and increased utility costs.
C. Suggested actions to reduce the tax burden:
1. Reduce property tax increases:
As stated by The Record editorial of Oct 4, 2013, tax increases should be kept below the rate of inflation,
I suggest ½ of the rate of inflation of the previous year.

Then in order to balance your budget, I suggest the following:

2. Reduce your expenses, by taking the following actions:
When you renew the contracts of your employees -
- Freeze the salaries of those making over a certain amount, for example over $65,000
- Set salary increases of those under 65,000 at ½ of previous year’s inflation rate
Taking those two actions would give immediate expense relief.
(Similar actions were taken in the 1990’s, and in a letter to Kathleen Wynne in Feb 2009, I offered to have my pension reduced by 10% if the provincial gov’t would implement a wage freeze. The then Minister of Education responded by increasing teachers wages by 3%)
- In addition, remove paid benefits from pension plans of new employees, and
- Remove retention pay clauses for new employees.

3. And most importantly, in collaboration with other municipalities,
   - Lobby the provincial gov’t to put a ceiling on arbitration awards at no more than ½ of the inflation rate. In addition,
   - Lobby the provincial gov’t to change the Labour Relations Board requirement that only those firms which employ unionized carpenters may bid on construction projects in the region.

You as municipal and regional councillors have a very difficult task, the salaries of your essential services employees are currently dictated by the arbitration boards in concert with unions. Your police services salaries will increase by 2.95 % in 2014, 3 times the rate of inflation (The Chronicle, Nov 13 2013)
Those arbitrated salaries influence the salaries that your non essential services employees expect.

While your task is difficult, you, as mayors, are reminded that you are the most influential people in your municipalities. More people voted for you than for any other person in your area.
The arbitration dictatorship of salaries in Ontario must be halted, if our province does not want to price itself out of world markets.
I am convinced that you can change the arbitration awards regulations.
If all 444 mayors in Ont individually, and in concert, lobby the provincial gov’t incessantly, you will be heard.
The public is counting on you to do what is right for our Region and for our province.
To: Chair Galloway and members of Budget Committee,

The Tri-Cities Transport Action Group believes that it is very important for the Region of Waterloo to continue on its present path of transit improvement. This requires investment, but not making that investment will be costlier in the medium and long term. Still, we recognize the difficult budget decisions that must be made. Therefore we commend staff for the recommendations before you, which have avoided cuts to investment that could jeopardize the momentum of, and confidence in, iON or iXpress.

While it can be disappointing to see proposed cuts to hours of operation and frequency on certain routes, we are heartened that route rationalization is a major consideration. We feel there are a number of other opportunities for change, similar to the kinds of network changes that have been made recently when iXpress routes are introduced.

We believe that it is possible to shift service patterns to rely on the more efficient iXpress style routes by reconfiguring and optimizing existing service hours rather than necessarily adding new hours. Straightening out and consolidating routes in the Grand River Transit network is efficiency that benefits both the budget and the competitiveness of the transit network as a whole.

We plan to bring our ideas to staff, but we do have one request to highlight, and that is to fill in the missing stops on 200 iXpress - specifically, locations along the route where iON will stop, but the iXpress bus does not. This would shift ridership from less efficient routes, like route 7, to more efficient iXpress service, and help build the ridership patterns that will support iON. In the same way an infill station was implemented at Victoria, we feel the direct budget impacts of filling in iXpress stops at locations such as Cedar, Allen, and Northfield do not have to be large.

It is our hope that changes for GRT are implemented which improve efficiency and help achieve budget goals through increased competitiveness and ridership. Thank you for your time, and for your consideration.

Regards,

Chris Klein
on behalf of TriTAG