



Regional Municipality of Waterloo

Budget Committee

Public Input Minutes

Wednesday, January 21, 2015

6:05 p.m.

Regional Council Chambers

150 Frederick Street, 2nd Floor, Kitchener

Present were: Chair S. Strickland, L. Armstrong, D. Craig, S. Foxton, T. Galloway, D. Jaworsky, H. Jowett, K. Kiefer, K. Redman, J. Nowak, K. Seiling, S. Shantz, B. Vrbanovic and W. Wettlaufer

Members absent: G. Lorentz and J. Mitchell

Chair S. Strickland provided introductory remarks regarding the purpose of the meeting and thanked the delegations for participating in the 2015 Regional Budget Review process.

Declarations of Pecuniary Interest Under “The Municipal Conflict Of Interest Act”

None declared.

Delegations

a) Harald Drewitz, Kitchener, addressed the Committee and provided his written [submission](#); a copy is appended to the original minutes. He expressed his concern with the historic property tax rate increases compared with the rate of inflation over the last two (2) terms of Regional Council, specifically noting that Regional staff salaries and police services wages are not in line with the wages of local residents. He expressed his support for the third-party service review that is currently underway and for the creation of the Waterloo Region Economic Development Corporation. He stated his concern about the dissolution of the Out of the Cold program and the implementation delays with the provincially-created social assistance management system.

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Mr. Drewitz responded to Committee questions regarding the current economic status of the Region and the impact of the Bank of Canada interest rates announcement on local residents.

b) Uwe Kretschmann, Cambridge, addressed the Committee Re: Waste Management Review; his written submission was part of the meeting agenda. He expressed his concerns about the Region's perception of its role and function as it relates to economic development. He noted his support for the initiative to review Regional operations but stated that the Corporation's philosophy also requires a review. He summarized his views on growth assessment, the Regional airport operations and the capital budget. He advocated for reduced government and more benefits for the low-income population of the Region.

c) Marilyn Scott, Chair, Region of Waterloo Arts Fund, provided [a presentation](#) to the Committee Re: Arts and Culture Funding; a copy of her presentation and her speaking notes are attached to the original minutes. She provided an overview of the Arts Fund. She summarized 2014 applications and grants data, noting that the requests far exceed the annual budget and that more than \$2 million in grants have been allocated since 2002. She stated that the Arts Fund budget was reduced in the 2014 budget and she requested that Regional Council restore funding and increase the per capita funding to 45 cents in 2015. She concluded her presentation by highlighting the benefits of supporting local arts with a sampling of a variety of projects granted.

d) Mary Ann Wasilka, Kitchener, expressed her continuing concern with Grand River Transit (GRT) fare rates, specifically for lower-income residents. She requested that the rates for Transit for Reduced Income Program (TRIP) passes be the same as the monthly passes for post-secondary students. She also requested that Regional staff provide her with assistance and direction in preparing a referendum question for the next municipal election. She advised that she believes anyone in receipt of a Goods and Services Tax (GST) benefit cheque should receive a free GRT pass; her referendum question would address this issue.

S. Strickland advised M. Wasilka that there is specific provincial legislation related to referendum questions on municipal election ballots and the Clerk's Office will follow-up with her to provide direction.

e) John Shortreed, Waterloo, addressed the Committee regarding its transit plan; a copy of [his presentation](#) is appended to the original minutes. He expressed his concern that the Region's transit plan isn't on target and that the Region's ridership forecasts are too high and the local cost estimates are too low. He suggested that Council seek more information from staff to make informed decisions. He expressed his concern that there

are insufficient funds in the 2015 Transit Reserve Fund to cover the annual payments to GrandLinq.

S. Strickland advised that the Region will be revisiting the GRT Business Plan and will be discussing the ridership and revenue data.

S. Strickland called for additional delegations; none came forward.

Adjourn

Moved by K. Kiefer

Seconded by L. Armstrong

That the meeting adjourn at 7:00 p.m.

Carried

Committee Chair, S. Strickland

Committee Clerk, S. Natolochny

PRESENTATION TO REGIONAL COUNCIL JANUARY 21, 2015 @ 6:00PM.

PUBLIC INPUT SESSION FOR PROPOSED 2015 BUDGET INCREASE

Good Evening!

Final JAN. 20, 2015

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.

On Saturday, September 13, 2014, The WR Record published an excellent analytical article written by Record reporter Jeff Outhit, comparing the property tax increases for the current and previous terms of WR Council along with the rate of inflation for these two time periods. If one compares apples to apples and not apples to oranges, the rate of increase was at least 50% higher than inflation. This does not include the water rate increases that the Region passes on to the local municipalities which was at least a 150 – 200% increase above the rate of inflation. These increases came at time when the biggest financial meltdown took place in North America and I dare say the world, in 80 years. To this day, our North American economies have still not completely recovered from this shock. In the past few months, I suggest we all know what is happening to the price of crude oil. Although this is great news for us consumers at the pumps, it is really NOT that great in terms of the whole economic picture for our country, our province nor for our region. I say this because quite a number of manufacturers here in Ontario do build equipment used in the oil fields and refurbish same. Also, with youth unemployment being very high in Ontario and most of Canada, Alberta and Saskatchewan have provided some relief for this age group. Many young people in Ontario have moved out there to start their careers.

Let's look at WR. The citizen's ability to pay increases at a rate higher than the rate of inflation is getting more and more difficult. Most citizens wage increases are NOT higher than the rate of inflation. Canada Pension Plan and Old Age Security payment increases are also NOT higher than the rate of inflation! If one is fortunate enough to have a pension plan and even more fortunate to have an inflation escalator within the plan, that escalator is not higher than the rate of inflation. Even more concerning for people with low income, the increases within the Consumer Price Index for food and shelter is even higher than the overall CPI number making it even more difficult for these people and families to make ends meet. Having said all this and I hear councils wondering why attendance, therefore ticket sales, at music and arts events is down, the bottom line is pretty simple – most citizens have less and less discretionary income to spend!

I see the region is undertaking a review of its services by KPMG. Although your Audit Department and Audit Committee should do an Operational Review on a regular basis, I do think, once in a while it is good to have a 3rd party or an operational review undertaken by an independent body. I do suggest this not only becomes a report to discuss but that you councillors are willing to move the goal posts to dig deep into what is needed, what would be good to have and what is really nice to have. Just last week, I read about WLU's "Program Review" study. You might want to have a look at the guiding parameters for this study. While the questions will be different, the concept is the same. I trust you will also take into consideration the citizen's ability to pay!

I did make a presentation to the WR Police Services Board on Wednesday, January 7, 2015. Board Chair Galloway and a couple other councillors were there. Now that we have a majority government here in Ontario, I suggest WR councillors lobby the Provincial Government to get the "arbitration" awards for police more in line with what is happening in the "real" world! Matter of fact, I went one step further in this presentation in that I suggest the Province should look at the "Police Act" and ask themselves – do we really need these people with a "police" set of skills doing certain functions? E.g. Looking for a body at the Regional waste site on Erb Street. It is time to get out of the "roundabout of discussion", take a corrective direction and move forward up that road!

I am glad for the direction area municipalities and the Region is taking on Economic Development. I was also glad to read an article stating the Mayors of Cambridge, Kitchener and Waterloo want to work together. Yes, it is time to stop focusing on the north side of the 401 – shutdown your own Economic Development departments and work together “Region-wide” and eliminate duplication of services and therefore costs!

Out of the Cold – last but not least! WR had a very good thing going to help these vulnerable citizens. For many years, churches opened their facilities and many dedicated volunteers offered their services. Why is there only one church left doing this? I was at a CoK council meeting as several volunteers made their presentation stating how the Region or its Social Agencies did not listen nor did come to the church’s assistance, at the time volunteers needed these services. It does not help society if government has agencies whose personnel work during the day when their services are required during the evening and at night. Now we citizens will pay millions of more dollars and help less people. It just does not add up!

I appreciate the opportunity to present this to you this evening.

I will make myself available to meet with anyone of you, including staff to go into more details supporting the points I am making in this presentation. I will be glad to answer any questions.

Thank you for your time.

Harald Drewitz, CMA

Chairperson, Kitchener Tax Watch Group

RW 2015 BUDGET PUBLIC INPUT EVENING JANUARY 21 2015

region of waterloo



Region of Waterloo Arts Fund

- Regional Council created the Arts Fund in 2002.
- It was registered with the Province of Ontario as a non-profit, non-charitable Corporation in 2003.
- The 14 person board of directors of the Arts Fund are also members of the Corporation.
- Board members are elected to serve for a set limited term and are responsible for the due diligence of the Fund.

Region of Waterloo Arts Fund

- Two directors of the Board are ex officio:
The Regional Chair, and one other Councillor
- All other board members are volunteers from the arts community who *“through their past activities have demonstrated an understanding and commitment to the arts, and who live and/or work in the Region of Waterloo.”*

By-Law No. 1

Region of Waterloo Arts Fund

Chairs: 2002 – 2013

David B. Scott

Judith Stephens Wells

Bob Chodos

Eric Dewdney

Martin de Groot

Isabella Stefanescu

Region of Waterloo Arts Fund

Board Members:

Mary-Joy Aiken
Azam Aledah
Robin Bennett
Eric Bolton
Don Bourgeois
Isabel Cisterna
Scott Clevely
Malgorzata Cuber
Kim Denouden
Carol Duncan
Michael Duschenes

Gerald Eldred
Ron Green
Sasha Gruetzmacher
Jean Haalboom,
Councillor
Greg Hayton
Kim Jernigan
Dave Mansell
Mary Eileen McClear
Earl McCluskie
Pamela Mulloy

Ken Nakamura
Pam Patel
William Poole
Stephen Preece
Paul Pulford
Karen Redman,
Councillor
Rebecca Short
Denise Strong
Arlene Thomas
Jisca Wichers

Region of Waterloo Arts Fund

Direct Funding:

- The Arts Fund is the only fund in the region that awards grants **to individual** artists as well as arts organizations. This is significant and one of the hallmarks of the fund.
- Artists must live and/or work in Waterloo Region.




Region of Waterloo Arts Fund

Peer Review Model:

- The people with the best expertise to review project proposals and discern which artistic projects are of highest quality and worthy of support are artists and individuals with extensive involvement in the arts and arts organizations.

Region of Waterloo Arts Fund

Process:

- Read the Criteria and Guidelines
- Stage 1: Submit the basics  what's the project?
If invited,
- Stage 2: Submit the details  with supporting documents and budget
- Final Report: Submit the results  a brief descriptive recap of the project and its impact, and of course the actual budget summary

Region of Waterloo Arts Fund

2014

136

Applications received

Region of Waterloo Arts Fund

2014

136

Applications received

\$960,870

Amount requested Stage 1

Region of Waterloo Arts Fund

2014

136	Applications received
\$960,870	Amount requested Stage 1
103	Invited to move to Stage 2

Region of Waterloo Arts Fund

2014

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Region of Waterloo Arts Fund

2014

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\$249,250	Approved and invested

Region of Waterloo Arts Fund

Investment?

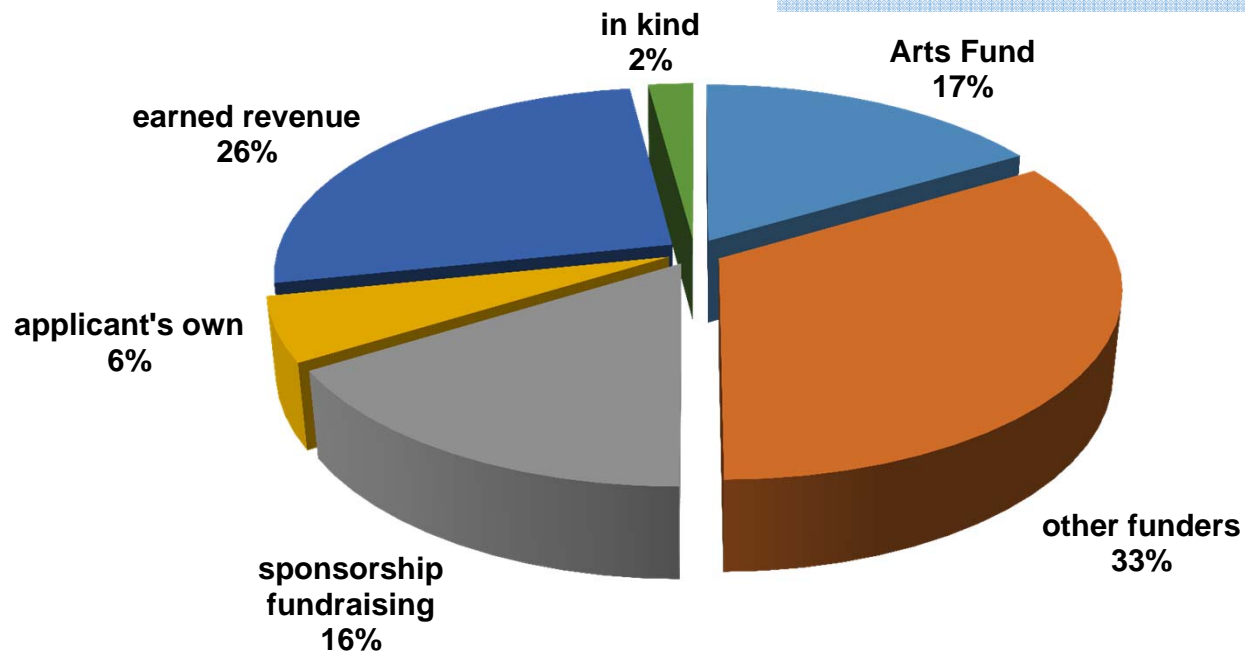
Arts Fund dollars work hard within the region. They have the ability to attract other funding:

- Municipal, provincial, federal
- Foundations and granting agencies
- Sponsorships and donations
- In-kind contributions
- Applicant contributions
- Crowdsourcing
- Earned revenue

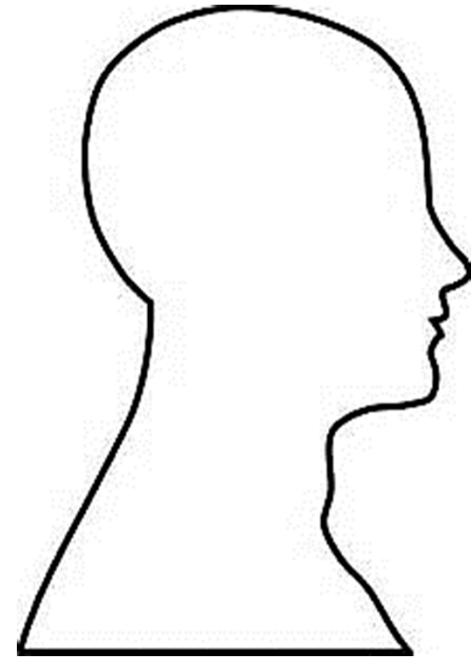
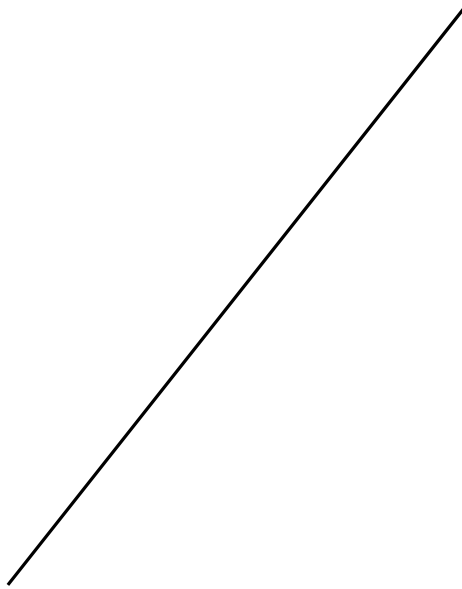
Region of Waterloo Arts Fund

Impact of Arts Fund

6 times
Arts Funding results in 6x impact
(not including the multiplier effect
in wider community)

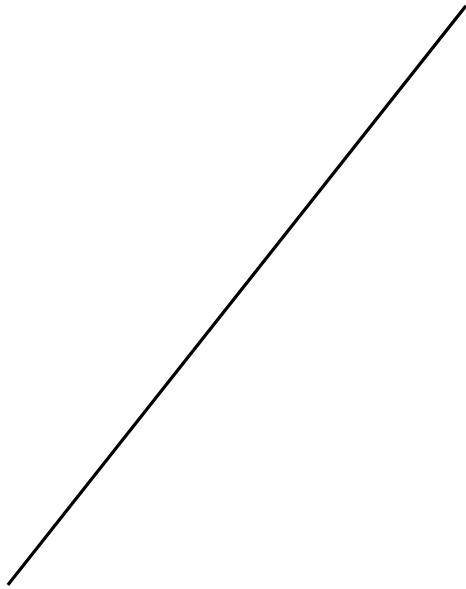


Region of Waterloo Arts Fund



40 cents per capita

Region of Waterloo Arts Fund



45 cents per capita

Region of Waterloo Arts Fund

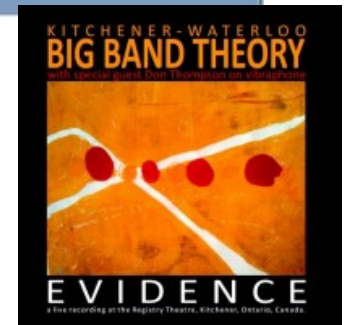
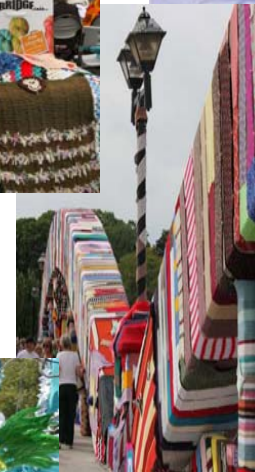
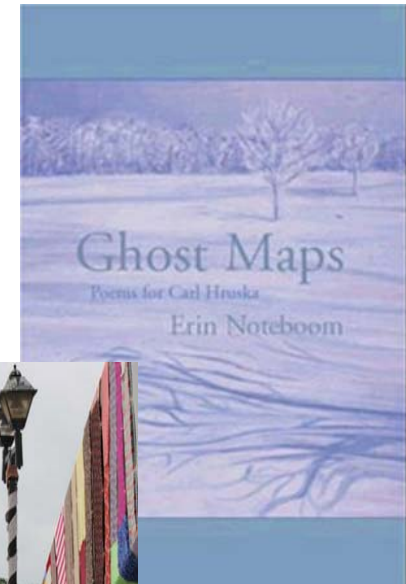
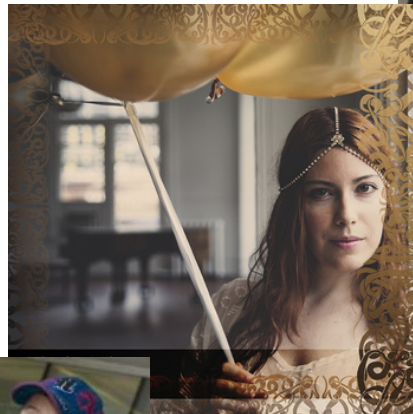
MAKE ART HAPPEN

Innovation Experimentation New Works
Groundbreaking

But a small sample of what was funded: films and documentaries, videos including animated productions, music both commissioned and recorded, literary and publishing projects, theatre performances and workshops, visual art exhibitions....

An Arts Fund Sampler

Performing Arts
Visual Arts
Literary Arts



KNIT CamBRIDGE

Sue Sturdy:

“We’ve had about 1,000 knitters donate pieces for KNIT CamBRIDGE,” she said. “We’ve got pieces from across Waterloo Region, Owen Sound, Toronto, B.C., the U.S. southwest and even New Zealand.”

The purpose of the project is to remind local residents of the city’s connection with the textile industry.

Cambridge Times
Ray Martin
September 8, 2010



Photo credit: Cambridge Times, Ray Martin

Opening Ceremonies Saturday, September 4th, 2010



Photo credit: Judee Richardson Schofield



A
GRAND
fabrication

Truth Tales & Art
of a Heritage River
by **JAX**

CAMBRIDGE
SCULPTURE
GARDEN
ON THE GRAND

FOR EUPHONOPEN
AND
IMPROVISATIONAL CHOIR

Signature

**PREMIERE
PERFORMANCE**

8:30PM, FRIDAY, AUGUST 15, 2014
ARTS MARKET, CIVIC SQUARE
KITCHENER CITY HALL

INTER ARTS
MATRIX





CAFKA

CONTEMPORARY ART FORUM
KITCHENER AND AREA





she haunts us still, Button Factory Arts

THEATRE DEVELOPMENT AND PERFORMANCE

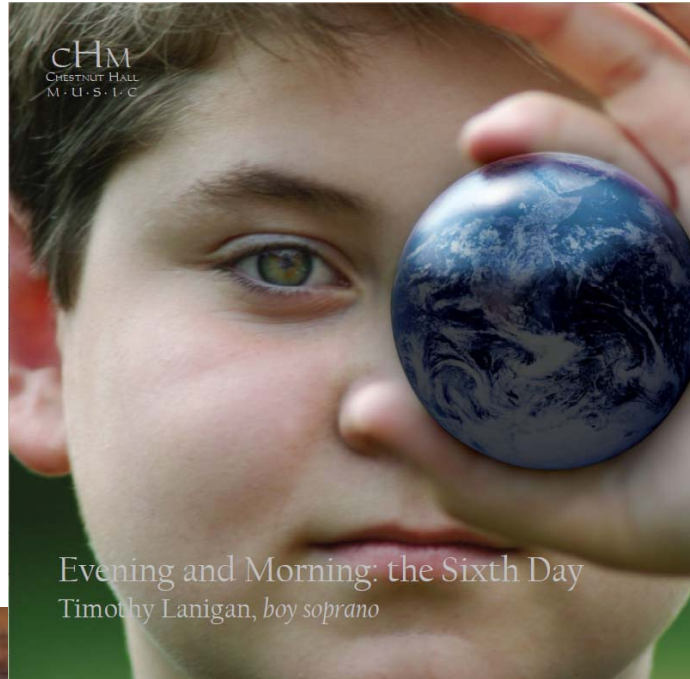




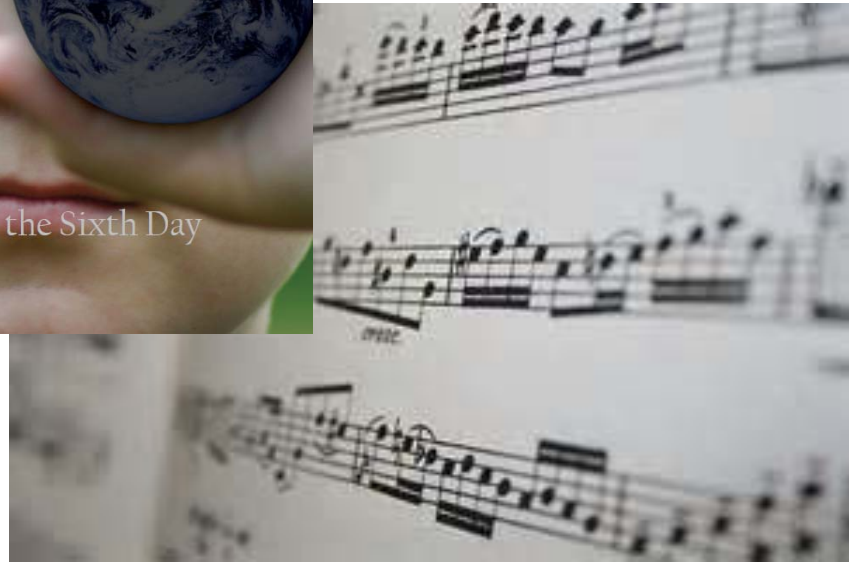
**NEW WORK CREATION AND DEVELOPMENT
PILOT PROJECTS
START UPS**

This Is My Drum
An MT Space production





RECORDINGS AND ORIGINAL COMPOSITIONS





EinsteinFest at Waterloo's Perimeter Institute 2005



Kultrun Festival
2014





LINK Picnic Festival,
Children's King and Queen Costumes
2013

**MAKE
ART
HAPPEN
2015**

region of waterloo
ARTS FUND

STAGE 1 DEADLINES:

Spring Application:
4 p.m. Friday, March 6, 2015

Fall Application:
4 p.m. Friday, September 4, 2015

ARTSFUND.ca

www.artsfund.ca



Chairman Strickland, Chairman Seiling, Councillors, Staff, ladies and gentlemen.

My name is Marilyn Scott, and as chair, I'm here to represent and speak on behalf of the Region of Waterloo Arts Fund.

Returning councillors will be familiar with the Arts Fund, but I'm happy to introduce the fund to those of you new to council. The purpose of the fund is to invest in the arts community and was created in 2002 by Regional Council to operate at arm's length to provide public funding to the performing, visual and literary arts.

Board volunteers have immersed themselves in the arts and bring with them the experience and skill sets that are so valuable to the work of the Arts Fund.

The fund benefitted from the leadership and contribution of the previous six board chairs. I am privileged to be chair no 7.

Nearly 30 volunteers have given their time and expertise to the mandate. We're pleased to welcome Councillor Redman and are serving notice that we plan to put her to work. A shout out of thanks as well to the administrative staff who assist us in so many ways.

There are numerous granting agencies and foundations throughout Waterloo Region, some of which will accept arts and culture requests for funding. But the Arts Fund is unique and purpose built from the outset to meet the needs of artists while keeping tabs on public tax dollars.

From its inception, the Arts Fund has evaluated applications employing a peer review model. Those with knowledge gained from experience, who are involved, and have expertise in one or more disciplines, are best placed to approve funding.

There are two opportunities annually to apply for funding: Spring and Fall. The process of applying is straight forward and cost effective, and is especially pitched to first time applicants. Stage 1 evaluation verifies the application meets at least the technical requirements, and if invited to Stage 2, the applicant must submit more information.

Let me share some statistics that illustrate the year just past for Spring and Fall rounds combined. They are very much an example of every year since the fund was established. However this year's *applications received* total is a high water mark. Doubtless that's the trend as well.

2014	
136	Applications received
\$960,870	Amount requested Stage 1
103	Invited to move to Stage 2
53	Projects funded
\$249,250	Approved and invested

Stage 1 is when the applicant spells out in general terms the nature of the project, **the big idea**, if you will.

An applicant has to be invited to Stage 2, at which point supporting documentation must be submitted, such as an expanded description, a track record, a plan of action or timeline, samples of previous work, and especially a detailed budget.

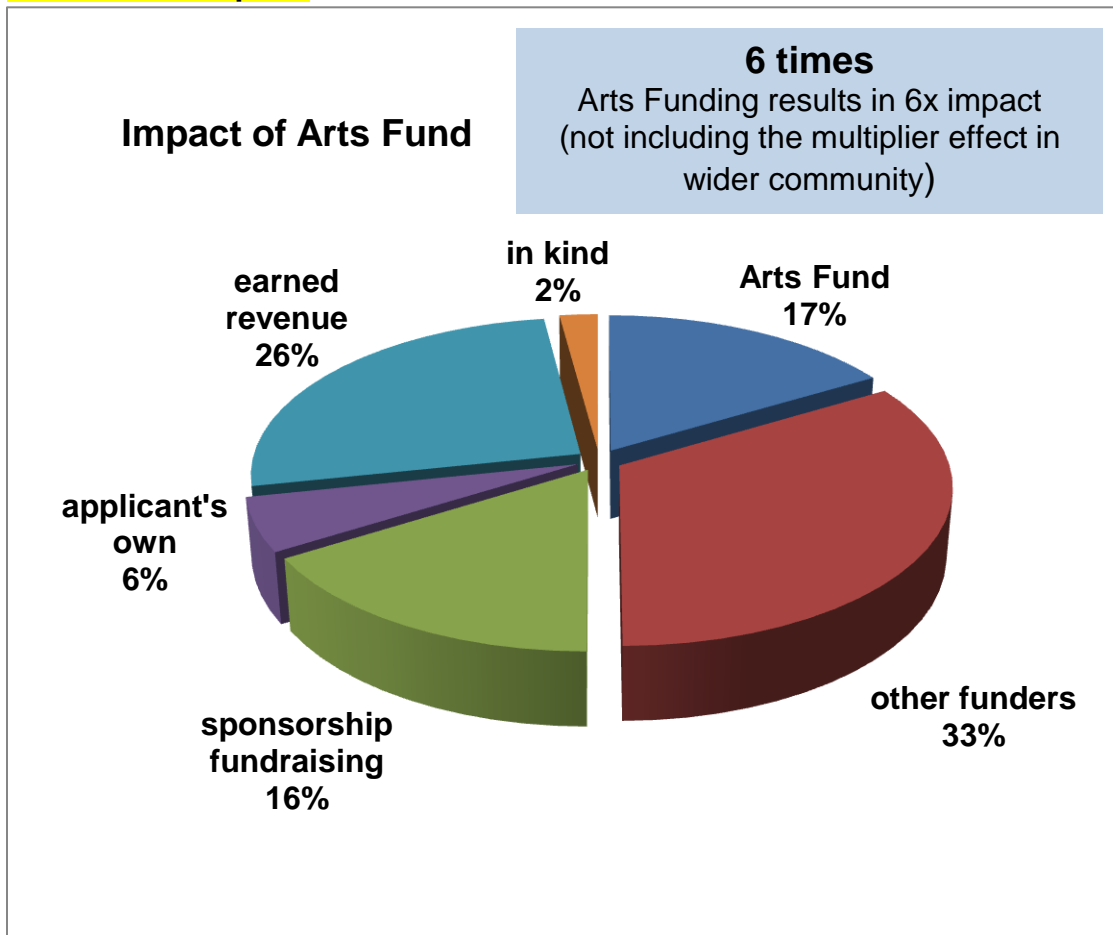
After Stage 2 evaluation, and approval, 53 projects were funded. Not every application meets the requirements and is fundable. But a good number of them are and a higher proportion of the applications we receive would certainly be funded if we had the resources to do so.

The requests for funding far exceeded the funds allotted to us - there is **always** more requested than there is available to meet the needs. Last year alone, the gap between requests and our ability to fund projects was over \$700k. Since the fund was established, \$2,310,748 has been invested in just under 500 projects.

Why does the Arts Fund qualify as **investing** in the community? Because every dollar that is granted to artists and arts organizations carries the potential to magnify the impact. Often the Arts Fund is the proving ground for other donors or agencies and on more than one occasion a grant has leveraged funding from these other sources.

The statistics, illustrated below, are extracted from the final reports from just 14 applications. But they represent everything we know about the impact the fund has in attracting other sources of investment. And these figures don't even include the spin-off effects of nearby businesses such as bars and restaurants, book stores, parking revenues, suppliers, service providers, insurance, professional advisers and so on.

A Six Times Impact:



When the fund was started, Regional council authorized 20 cents per capita. In 2006, that was increased to 30 cents per capita, and in 2008, was set at 40 cents per capita, where it remains for the 7th year. In fact last year, the Fund was reduced overall by 5% or just over \$12k.

For many artists applying to the Arts Fund, the smallest amounts of funding can make the difference between **go/no go** for a project. The funding that artists receive is out there circulating throughout the whole community, through the normal course of living, playing and working here as fellow citizens. That's tangible. The *intangible* is that the entire community benefits from a more vibrant, energized atmosphere and ensures that artists feel valued for the vital contribution they make by creating a unique sense of place.

People understand what the research and development arm of a company is – it's where new ideas are nurtured, and where the unconventional approach is expected and embraced. The Arts Fund supports innovation and challenges artists and the wider community to appreciate new artistic works. These grants make a real difference for

emerging artists and those in mid career looking to strike off in a new direction. The Arts Fund exists to Make Art Happen.

The fund is designed to support the performing, visual and literary arts. Within each of these categories is a diverse range of disciplines and specialities. Here's a very small sample of where the money goes...

Visual Arts

The Arts Fund invested in a grand idea of Sue Sturdy's: cover the Main Street bridge with knitting. The board considered the initial concept, was assured by the Stage 2 details, and the project was underway. The venture definitely sparked people's imagination. Knitters contributed locally and from as far away as New Zealand.

The bridge was decked out for the whole month of September, 2010 and drew hordes of people. The surrounding businesses reported an increase in traffic and spending, especially the hospitality industries, as visitors came from throughout the Region and far beyond.

Visual artists are making us stop and look by experimenting with leading edge technology, traditional materials and everyday objects fashioned in ways that allow us to see them with fresh eyes. Whether in galleries, pop-up exhibitions, outdoor murals, on screen as multi-media performance, or in public parks, art is there to expand the horizons of our mind.

Many of you are familiar with the regular and inspiring transformation that occurs in the public spaces throughout the region. CAFKA (Contemporary Art Forum Kitchener and Area) is just one example among many.

Performing and Literary Arts

Theatre and storytelling lift words from the page and bring them to life. They're meant to provoke, inspire, comfort, amuse, enrage, and delight.

Waterloo Region is home to a thriving literary scene, with books and periodicals that reach an international audience, and receive national industry awards for their excellence.

There is a growing body of new music because of the Arts Fund: new recordings, new compositions, new collaborations.

The Arts Fund supports new works and start up projects that need time to incubate, to live with trial and error, to be reworked because they can be better the next time. Some applicants are only eligible for funding from other levels of government or private

foundations once they've established a track record. The Arts Fund can and does have a direct impact on the ability to leverage funding from other sources.

Operating funds, core programming and repeat elements are beyond the fund's mandate or finances. However, the Arts Fund occasionally is able to support new, innovative or exceptional features within a larger project or festival setting.

The LINK Picnic Festival, an annual celebration of African and Caribbean culture, received funding for two King and Queen Children's costumes. This was the first time the organizers were able to include such costumes in their traditional parade, both locally and as ambassadors beyond the region.

The Arts Fund welcomes testimonials, and as a result of receiving a grant, KW's Big Band Theory has posted a video on their website which I invite you to watch with me. I'm happy to report that the group has had airplay on JazzFM in Toronto which streams worldwide and are also submitting their new album, made possible by funding, to the Juno awards this spring.

You have samples of the new 2015 Arts Fund postcard just being distributed throughout the region. Please visit the website where there is considerably more information. I'll try to answer any questions should you have them.

Thank you for considering our request for restored funding, and better yet, let's invest another nickel which we'll put to very good use.

Is the Transit Plan on Target?

Difficult to tell from the budget documents but it appears (relative to original decision) - NO

1. Ridership and Revenue forecasts were high
2. Local Cost estimates were low

John Shortreed, 191 King Street South

Waterloo Ontario, mjshortreed@bell.net

Given the highest investment in the Region's History, it is suggested that councillors and public be provided with a summary including:

- The current (updated) plan from 2012 to 2031 for
 1. ridership,
 2. cost to implement LRT and expanded bus service
- The expected path from today to 2031 that lists for each year
 1. the annual ridership increase from 22 million to 53 million,
 2. the ION and expanded bus cost from \$114 (?) per average household today to ??? In 2031

2015 Budget for Transit Reserve Fund, as I understand it is:

- 2015 - Input
 - \$24,385,000 (page 165)
- 2015 - Outflow
 - 9,984,000 (page 160 Transit Services)
 - 8,892,000 (page 150 Rapid Transit Initiative)
 - 5,978,000 (page 148 Divisional Budget)
 - 24,864,000 TOTAL Outflow
- 2015 Rapid Transit Fund drawdown \$ 481,000 (Can't find the fund balance)

Comment – If the input to the Reserve Fund is all used up for today's operations, then it appears that there will not be sufficient funds to fund the annual \$44 million (plus inflation) payments to Grandlink in 2017???

My understanding of the transit costs in 2015

Item	2014 Budget	2015 Budget
Division (Headquarters?) (pg 148)	6,388,000	9,034,000
Rapid Transit Development Projects (pg 150)	??	12,440,000
Transit Services Operations (pg 160)	105,160,000	106,988,000
GRT Capital (pg 160)	??	25,353,000
Rapid Transit Reserve Fund (page 165)	18,678,000	24,385,000
Total Transit expenditure (not including Grandlink?)	130,226,000 plus????	189,200,000

Note – only accurate to the nearest 20-30 million due to lack of knowledge about budget breakdowns for 2014 and separation of Grandlink. For 2014 cost likely about 145 million including GRT capital

Comment – illustrates the difficulty of actually identifying costs of transit in Region

Revenue and Ridership Estimates

- In 2014 ridership fell by 0.2% from 2013
- In 2015 revenue is estimated to increase by 1% over budget estimate for 2014 or 1.2% over actual for 2014
- To meet the “transit plan ridership for 2031” every year requires a 5.4% increase over the year before
- The relative assumptions about ridership and revenue are not known and the current recovery of about 42% of operating costs from revenue are proposed to increase to 50%
- **However, the conclusion is clear that the ridership and revenue targets for the Grand Transit Plan will not be met in 2015, not even close, even allowing for the fact that only a part of the plan will be done**

Conclusions

- It is not possible to estimate transit costs within 10-20 million dollars for 2015, there needs to be a more detailed and focused summary for the biggest item in the budget
- The issue paper with its suggestion that the budget deviation for transit is just an additional million dollars extra in 2015 is unbelievable and provides council with no sense of reality
- The non discussion of the ridership and revenue shortfall is unacceptable given its magnitude and long term consequences
- To make a sensible informed decision on transit and to anticipate the future cost overruns and revenue shortfalls, council should have much more meaningful information

Pleased to answer questions