Regional Municipality of Waterloo
Budget Committee
Minutes

Wednesday, January 11, 2017
4:05 p.m.
Regional Council Chambers
150 Frederick Street, 2nd Floor, Kitchener


Declarations of Pecuniary Interest under the “Municipal Conflict Of Interest Act”

None declared.

Opening Remarks

Mike Murray, Chief Administrative Officer, provided opening comments, noting the following key messages:

- $2.9M in base budget savings resulted from thorough staff review
- Need for the Region to enhance long-term financial sustainability
- Avoid creating extra pressures on the 2018 budget
- Consider the value/benefit of program enhancements, as well as costs

Sean Strickland gave opening remarks, thanking staff for their exemplary work in preparing the 2017 budget. He stated that he believes that the Standing Committee Chairs’ budget proposals strike a balance between community needs and the costs of
providing services; a copy of the Committee Chairs’ budget proposals was distributed to all Councillors and staff present, and is appended to the original minutes.

**Budget Update**

Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer, provided a presentation to the Committee; a copy is appended to the original minutes.

He summarized the following:

- Links to Regional website information about the 2017 Budget Review
- The Order of Business for the 2017 Final Budget meeting
- Various 2017 Operating Budget recommended adjustments including: the Municipal Property Assessment Corporation (MPAC) fee; Payments-in-Lieu of Taxes (PILs); tax rebates; Provincial Offences Administration (POA) and Red Light Camera (RLC) revenues; PIL Expenditures on Regional Properties; and the Provincial subsidy for Case Mix Index (CMI) for Sunnyside Home
- Levy requirement for the Region of Waterloo Library budget
- Amendments to the proposed 2017-2026 Capital Plan

He provided an update on the current fuel rate and the impact on the Region’s Fuel Price Strategy, noting that the Region is currently buying fuel at above the budgeted rate. He summarized the factors which may impact the 2017 fuel prices. He stated that staff are not recommending any further adjustments to the fuel budget.

C. Dyer summarized the following Information Papers:

- Councillor Requests
- Region of Waterloo Library Budget
- Waterloo Regional Police Service Budget
- Fees and Charges By-law
- Municipal Budget Regulation
- Public Engagement Feedback

He provided a summary of the 2017 Budget Issue Papers (BIPs), noting that if Council approved all BIPs, the result would be a 3.15% tax rate increase, excluding Police. He stated that staff are not recommending the BIP for Grand River Transit (GRT) service for Route 21; Woolwich Township has submitted a motion to indicate that the Council is not supporting the costs for the route; a copy of the motion is appended to the original minutes. He added that a motion has also been submitted by the Township of Wilmot to advise that it supports the pilot transit service to New Hamburg (Route 77) on a permanent basis, beginning in April 2017, and approves the annual cost involved; a copy of the motion is appended to the original minutes.

2312249
COR-FSD-17-02, 2017 Budget Approval

S. Strickland introduced the motions, as noted in report COR-FSD-17-02, and advised the Committee of an additional motion related to the Case Mix Index (CMI) for Sunnyside Home.

Moved by K. Redman
Seconded by J. Nowak

That the Region of Waterloo take the following action with respect to the 2017 Tax Supported Operating Budget and the 2017-2026 Tax Supported Capital Program:

1. Approve an increase to the 2017 property tax levy of $80,513 for Municipal Property Assessment Corporation services;

2. Approve a decrease to the 2017 property tax levy of $300,000 to reflect increased Payments-in-Lieu of Taxes revenue;

3. Approve a decrease in the 2017 property tax levy of $100,000 to reflect a decrease in the provision for property tax rebates;

4. Approve a decrease in the 2017 property tax levy of $100,000 to reflect increased POA General revenue;

5. Approve the expenditure reallocation of $100,000 from the 2017 Transit operating budget to the 2017 Waste Management operating budget for payments in lieu of taxes;

6. Amend the 2017-2026 Transportation Capital Program to add a roundabout in the Township of Wellesley (Ament Line and Herrgott Road) in 2017 and 2018, at an estimated cost of $1,550,000 and financed through the issuance of tax supported debentures; and,

7. Approve an increase in Case Mix Index (CMI) Provincial subsidy revenue of $50,000 for Sunnyside Home.

Carried

Referrals from Standing Committees

Item Referred from Library Committee

Moved by L. Armstrong
Seconded by S. Shantz

2312249
That the Regional Municipality of Waterloo approve the following with regard to the Region of Waterloo Library Budget, as approved by the Library Committee on December 14, 2016 [PDL-LIB-16-16]:

a. the 2017 Library Operating Budget with a net levy of $2,758,753 (4.38%);

b. the 2017 Library Capital Budget; and

c. the 2018 - 2026 Library Capital Forecast.

Carried

Introduction of the Main Budget Motion

Moved by K. Seiling

Seconded by S. Foxton

That the Regional Municipality of Waterloo approve the 2017 Tax Supported Operating Budget with a property tax levy of $339,351,316 (3.15%) as amended, excluding Police Services and inclusive of the staff recommended Budget Issue Papers;

And That the Regional Municipality of Waterloo approve the 2017 Tax Supported Capital Budget and 2018-2026 Tax Supported Capital Forecast, as amended, excluding Police Services.

Councillors’ Resolutions

Moved by T. Galloway

Seconded by K. Kiefer

That the Regional Municipality of Waterloo approve an increase in POA general revenue of $300,000.

That the Regional Municipality of Waterloo approve an increase in Waste Management tipping fee revenue of $400,000.

That the Regional Municipality of Waterloo approve a reduction in the Transit bus replacement reserve contribution of $275,000.

That the Regional Municipality of Waterloo approve a reduction in the Airport capital reserve contribution of $254,000.

Carried
Moved by T. Galloway
Seconded by E. Clarke

That the Regional Municipality of Waterloo amend bundle 2 of the Implementation of the GRT business plan budget issue paper to fund the 2017 net cost of $725,000 from the Tax Stabilization Reserve Fund (TSRF); the 2018 net cost of $1,825,000 from the TSRF ($825,000) and operational savings resulting from redeployment of GRT service hours achieved through the launch of ION service in spring of 2018 ($1,000,000); and 2019 and future net costs fully funded from redeployed GRT service hours.

Carried

Eric Gillespie, Director, Transit Services, responded to Committee questions about the plans for improvements and the implementation plan for Route 205 in the southwestern Kitchener corridor, noting that the transit service implementation plan is in development and that the area improvements are planned for 2018.

Moved by T. Galloway
Seconded by H. Jowett

That the Regional Municipality of Waterloo remove bundle 3 of the Implementation of the GRT business plan budget issue paper with a 2017 net property tax reduction of $490,000 and direct staff to prepare an implementation plan for this service in advance of developing the 2018 budget.

Carried

J. Mitchell requested that the motion regarding childcare spaces at the New Elmira Children’s Centre be taken separately.

Moved by G. Lorentz
Seconded by S. Foxton

That the Regional Municipality of Waterloo remove the Capital Levy Reserve Fund budget issue paper with a 2017 net property tax reduction of $750,000.

That the Regional Municipality of Waterloo remove the Waste Management debt reduction strategy budget issue paper with a 2017 net property tax reduction of $601,000.

That the Regional Municipality of Waterloo remove the Biennial Workplace Count budget issue paper with a 2017 net property tax reduction of $58,000.

2312249
That the Regional Municipality of Waterloo reduce 2017 property tax levy funding of the TDM Program – Replace EcoMobility Funding for TravelWise Program budget issue paper by $38,500.

Carried

Lee Parent, Manager, Finance, responded to Committee questions regarding the savings breakdown for the proposed reduction in infant spaces and opening delay of the new Elmira Children’s Centre.

Sherry Phillips, Interim Director, Children’s Services, responded to Committee questions regarding the impact of the opening delay on families.

The Committee discussed the impact of the proposed reduced spaces and the option to add spaces in the future.

Moved by G. Lorentz

Seconded by S. Foxton

That the Regional Municipality of Waterloo amend the New Elmira Children’s Centre Expanded Capacity budget issue paper to reduce the number of infant spaces to six and delay opening to August, 2017, resulting in a 2017 net property tax levy savings of $133,000.

Carried

In response to concerns raised by a Committee member about the information presented on the matter of the Region’s idling policy, M. Murray stated that staff will bring back more information but the data won’t include police vehicles.

In response to comments made by a Committee member regarding funding of the paramedic services and the sustainability of reduced calls, Dr. Liana Nolan, Commissioner, Public Health/Medical Officer of Health, advised that staff report twice per year with the next report coming forward in March 2017; the matter can be reviewed at that time.

**Final 2017 Tax Supported Budget Resolutions**

**Regional Services Excluding Police Services**

The Main motion, as originally tabled, was amended to include the approved Councillors’/Chairs’ budget resolutions.

Moved by K. Seiling

2312249
Seconded by S. Foxton

1. That the Regional Municipality of Waterloo approve the 2017 Tax Supported Operating Budget with a property tax levy of $335,326,816 (2.31%), excluding Police Services, as amended by Budget Committee on December 14, 2016 and January 11, 2017.

2. That the Regional Municipality of Waterloo approve the 2017 Tax Supported Capital Budget and 2018-2026 Tax Supported Capital Forecast, excluding Police Service, as amended by Budget Committee on December 14, 2016 and January 11, 2017.

   Carried, as amended

Moved by K. Seiling

Seconded by K. Redman

3. That the Regional Municipality of Waterloo repeal By-law Number 16-001 (as amended), being a By-law to Establish Fees and Charges for the Regional Municipality of Waterloo and that a new Fees and Charges By-law be passed including the new and adjusted fees and charges listed on the January 11, 2017 Budget Committee Agenda.

4. That the Regional Municipality of Waterloo adopt the Information Paper titled “Municipal Budget Regulation” included in the January 11, 2017 Budget Committee Agenda, as required by “Ontario Regulation 284/09”.

   Carried

Police Services

Moved by T. Galloway

Seconded by G. Lorentz

1. That the Regional Municipality of Waterloo approve the Waterloo Region Police Service 2017 Tax Supported Operating Budget with a property tax levy of $155,801,540 (0.64%) as recommended by the Police Services Board on January 11, 2017.

2. That the Regional Municipality of Waterloo approve the Waterloo Regional Police Service 2017 Tax Supported Capital Budget and 2018-2026 Tax Supported Capital Forecast as recommended by the Police Services Board on January 11, 2017.
Carried

**Adjourn**

Moved by K. Redman

Seconded by L. Armstrong

That the meeting adjourn at 5:25 p.m.

Carried

**Committee Chair**, S. Strickland

**Committee Clerk**, S. Natolochny
## Region of Waterloo
### 2017 Budget
#### COMMITTEE CHAIRS' PROPOSAL

<table>
<thead>
<tr>
<th>Description</th>
<th>Levy</th>
<th>Tax Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Regional services, base position January 11, 2017</td>
<td>333,934,873</td>
<td>2.02%</td>
</tr>
<tr>
<td>Staff recommended adjustment: Sunnyside CMI Provincial funding</td>
<td>(50,000)</td>
<td>-0.01%</td>
</tr>
<tr>
<td>Library budget adjustment, approved by Library Committee (December 14, 2016)</td>
<td>124,443</td>
<td>0.03%</td>
</tr>
<tr>
<td>Budget Issue Papers (revised)</td>
<td>5,342,000</td>
<td>1.12%</td>
</tr>
<tr>
<td><strong>Starting Direct Regional budget position, January 11, 2017 (Main Budget Motion)</strong></td>
<td><strong>339,351,316</strong></td>
<td><strong>3.15%</strong></td>
</tr>
</tbody>
</table>

#### Proposed adjustments
- **POA general revenue increase**: (300,000) -0.06%
- **Waste management tipping fee revenue increase**: (400,000) -0.08%
- **Reduce Transit bus replacement reserve contribution**: (275,000) -0.06%
- **Reduce Airport Capital reserve contribution**: (254,000) -0.05%
- **BIP pg 36 GRT bundle 2 (2017 funding from TSRF $725K; 2018 funding from TSRF $825K and redeployed GRT service hours $1m; fully funded from redeployed GRT service hours in 2019)**: (725,000) -0.15%
- **BIP pg 36 GRT bundle 3 (remove and staff to bring forward 2018 budget issue paper for spring 2018 implementation)**: (490,000) -0.10%
- **BIP pg 47 CLRF (remove)**: (750,000) -0.16%
- **BIP pg 52 Waste Management reserve contribution (remove)**: (601,000) -0.13%
- **BIP pg 55 Biennial workcounts (remove)**: (58,000) -0.01%
- **BIP pg 59 Expanded childcare service (revised)**: (133,000) -0.03%
- **BIP pg 72 Travelwise (reduce request by 50%)**: (38,500) -0.01%

**Proposed Direct Regional budget position, January 11, 2017**: **335,326,816** 2.31%

**Waterloo Regional Police Service budget, approved by Police Services Board (January 11, 2017)**: **155,801,540** 0.64%

**Proposed 2017 Property Tax Levy, January 11, 2017**: **491,128,356** 2.95%
<table>
<thead>
<tr>
<th>Item</th>
<th>NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunnyside CMI prov funding</td>
<td>staff recommended January 11, 2017 (see presentation slide 13)</td>
</tr>
<tr>
<td>POA revenue increase</td>
<td>see pg 5 of todays agenda $610,500 surplus in 2016</td>
</tr>
<tr>
<td>Waste management revenue increase</td>
<td>revenues exceeded budget by $1,700,000 in 2016 ($800k increase already in base budget)</td>
</tr>
<tr>
<td>Transit bus replacement reserve</td>
<td>received $12 million from feds for buses</td>
</tr>
<tr>
<td>Airport Capital reserve</td>
<td>debt retirement from previous borrowing used to reduce taxes</td>
</tr>
<tr>
<td>BIP pg 36 GRT bundle 2</td>
<td>2017 funding from TSRF ($725K); 2018 funding from TSRF ($825K) and redeployed GRT service hours ($1m); fully funded from redeployed GRT service hours in 2019</td>
</tr>
<tr>
<td>BIP pg 36 GRT bundle 3</td>
<td>refer to 2018 budget</td>
</tr>
<tr>
<td>BIP pg 47 CLRF</td>
<td>no additional reserve contribution in 2017 (contribution currently $2,790,000)</td>
</tr>
<tr>
<td>BIP pg 52 waste management reserve</td>
<td>new contract savings used to reduce taxes rather than go in reserve</td>
</tr>
<tr>
<td>BIP pg 55 Biennial workcounts</td>
<td>workcounts every 5 years is sufficient</td>
</tr>
<tr>
<td>BIP 59 Expanded childcare service</td>
<td>fund 6 of 9 spots for and delay opening to August</td>
</tr>
<tr>
<td>BIP 72 Travelwise</td>
<td>replacement of one time federal grant (50%)</td>
</tr>
<tr>
<td>BIP pg 80 expansion route 21 Woolwich</td>
<td>not supported by Woolwich Township</td>
</tr>
</tbody>
</table>
2017 Budget
Key Messages

• Base budget has benefitted from $2.9m in savings ($10.5m over 5 years)

• Need to enhance long term financial sustainability:
  o Reduce reliance on debt for capital
  o Increase reserve balances
  o Maintain Aaa credit rating

• Avoid creating extra pressures on 2018 budget

• Consider VALUE/BENEFIT of program enhancements as well as costs
2017 Budget Update

Region of Waterloo

Presentation to Budget Committee

January 11, 2017
Links to Regional website

- Preliminary budget book:

- Budget Issue Papers:

- Committee agendas (staff report and information papers)
Today's order of business

Staff recommended budget adjustments

Main budget motion, incl. budget issue papers with no levy impact

Councillor motions: budget adjustments and issue papers

Approve operating and capital budgets for Region and Police

Approve fees and charges; adopt the Municipal Budget Regulations report
2017 Operating Budget
Recommended adjustments

- Municipal Property Assessment Corporation
- PIL revenue
- Tax rebates
- POA revenue
- PILs on Regional properties
- Provincial funding at Sunnyside Home
MPAC's updated 2017 cost = $6,621,980 (2.2% increase)

Current 2017 Budget Provision = $6,541,467

Staff recommends increasing the tax levy by the difference = $80,513
Payments-in-Lieu of taxes (PILs)

- PIL revenue estimated to be $6.9 million
- Current 2017 Budget Provision is $6.6 million
- Staff recommends increasing the PIL revenue budget by $300,000
Net supplementary taxes

**2016 and earlier**

- Historically net supplementary taxes have been a source of surplus
- Preliminary analysis suggests limited surplus in 2016 due to centralized property appeals for large banner stores, gravel pit appeals, property class changes from taxable to exempt

**2017 budget**

- ARB continues to work through a backlog of appeals
- First year of a re-assessment cycle
- Additional centralized property appeals for large banner stores
- Staff recommends no change to net supplementary tax revenue budget
Tax rebates

Vacant commercial and industrial units and charity rebates

Slightly less than budget in 2016

Similar trend in 2014 & 2015

Staff recommends a decrease of $100,000 in the provision for tax rebates

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016*</td>
<td>1,900,000</td>
<td>1,750,000</td>
<td>150,000</td>
</tr>
<tr>
<td>2015</td>
<td>1,900,000</td>
<td>1,741,000</td>
<td>159,000</td>
</tr>
<tr>
<td>2014</td>
<td>1,900,000</td>
<td>1,691,000</td>
<td>209,000</td>
</tr>
</tbody>
</table>

* preliminary
POA General Revenue

- 2016 revenue surplus of approximately $400K (several large fine collections)
- Large fine collections are sporadic and not sustainable
- 2017 base budget unchanged from 2016 levels
- Staff recommends increasing POA general revenue by $100,000

RLC Revenue

- 2016 revenue surplus of approximately $200K
- Transition to new agreement and camera upgrades likely to result in a service disruption of 1 month
- 2017 base budget increased by $50,000
- Staff recommends no further change to RLC revenue
The Assessment Act requires Payments-in-lieu of taxes for certain municipal properties (Water, Wastewater, Transit and Waste Management)

Assessment values for Waste Management properties have increased and assessment values for Transit properties have decreased

Staff recommends a reallocation of $100,000 from Transit to Waste Management for PIL expenditures
Note – tax impacts displayed as rounded; rounded figures may not add to total as precise figures are used for calculation purposes.
Case Mix Index (CMI) for Sunnyside Home

- The Province has announced CMI for 2017
- 2017 base budget developed using 2016 CMI
- Staff recommends an adjustment to provincial funding of $50,000 for 2017
• Property tax requirement = $2.8 million; levy increase of $144,976 (levy increase of 5.5%)
• Includes service enhancements approved by Library Committee Dec. 14/16 = $135,200
• Information paper on page 31 of the agenda
## Region of Waterloo Library Budget Summary

<table>
<thead>
<tr>
<th></th>
<th>2016 Approved Budget</th>
<th>2017 Budget Approved by Committee</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenditure</strong></td>
<td>$2,821,196</td>
<td>$2,953,874</td>
<td>$132,678</td>
<td>4.7%</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>207,419</td>
<td>195,121</td>
<td>($12,298)</td>
<td>(5.9%)</td>
</tr>
<tr>
<td><strong>Property Tax Requirement</strong></td>
<td>$2,613,777</td>
<td>$2,758,753</td>
<td>$144,976</td>
<td>5.5%</td>
</tr>
<tr>
<td><strong>Property Tax requirement included in 2017 Direct Regional Preliminary Budget</strong></td>
<td></td>
<td>$2,634,310</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Additional amount required in 2017 Regional Tax Supported Budget</strong></td>
<td></td>
<td>$124,443</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Tax Supported Operating Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>2017 Levy impact ($)</th>
<th>2017 Tax Rate Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional 2017 Property Tax Levy, December 14</td>
<td>$334,354,360</td>
<td>2.11%</td>
</tr>
<tr>
<td>Subtotal of staff recommended adjustments per report</td>
<td>(419,487)</td>
<td>(0.09%)</td>
</tr>
<tr>
<td>COR-FSD-17-02</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional subsidy revenue for Sunnyside Home (CMI)</td>
<td>(50,000)</td>
<td>(0.01%)</td>
</tr>
<tr>
<td>Referred from Library Committee: Final approval of 2017 Region of Waterloo Library Budget*</td>
<td>124,443</td>
<td>0.03%</td>
</tr>
<tr>
<td>Revised 2017 Property Tax Levy</td>
<td>$334,009,316</td>
<td>2.03%</td>
</tr>
</tbody>
</table>

Note –tax impacts displayed as rounded; rounded figures may not add to total as precise figures are used for calculation purposes
Proposed 2017-2026 capital plan amendment

| Addition of roundabout in the Township of Wellesley (capital cost of $1,550,000 in 2017 & 2018) | Funded from property tax levy and financed with debentures | 2019 tax levy impact will be approximately $182,000 |
Fuel Price Strategy

Weekly Diesel Price per Litre
Jan 9/16 to Jan 7/17

- Weekly price
- Avg 2016 price
- 2016 Budget price
- 2017 Preliminary Budget price
## Fuel Price Strategy

### Factors which impact 2017 fuel prices:

- Agreement among OPEC and non-OPEC oil producers to cut production
- Introduction of the Cap & Trade program January 1, 2017
- Uncertainty with respect to US government policy

### Prices effective January 7, 2017:

<table>
<thead>
<tr>
<th></th>
<th>Gasoline</th>
<th>Diesel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base fuel cost /L</td>
<td>$0.94</td>
<td>$0.90</td>
</tr>
<tr>
<td>Cap &amp; Trade /L</td>
<td>$0.04</td>
<td>$0.05</td>
</tr>
<tr>
<td>Total fuel cost /L under Cap &amp; Trade system</td>
<td>$0.98</td>
<td>$0.95</td>
</tr>
</tbody>
</table>

**Staff recommend no further adjustment to fuel budgets**
<table>
<thead>
<tr>
<th>Description</th>
<th>BIP Pkg page no</th>
<th>Funding source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addition of 1 permanent Maintenance Reliability Planning</td>
<td>1</td>
<td>Operational savings</td>
</tr>
<tr>
<td>Addition of 1 permanent Financial Systems Technical resource</td>
<td>4</td>
<td>Repurposing of consulting budget</td>
</tr>
<tr>
<td>Convert 2 temporary full-time positions (Talent Acquisition Assistant and Job Evaluation Analyst)</td>
<td>6</td>
<td>Operating budget</td>
</tr>
<tr>
<td>Temporary resources at Children's Centres required to comply with legislative requirements</td>
<td>13</td>
<td>Provincial grant</td>
</tr>
<tr>
<td>Addition of 1 temporary Family Centre Coordinator for the Elmira facility</td>
<td>15</td>
<td>Best start unconditional grant</td>
</tr>
<tr>
<td>Expansion of services offered at 235 King Street to include Ontario Works Direct Services</td>
<td>19</td>
<td>Reserve</td>
</tr>
<tr>
<td>Description</td>
<td>BIP Pkg page #</td>
<td>2017 Impact</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>----------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Implementation of Paramedic Services master plan (2017 impacts)</td>
<td>21</td>
<td>$815</td>
</tr>
<tr>
<td>Construction of North Operations &amp; Fleet Centre for Paramedic Services</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Addition of 2.4 permanent Personal Support Workers (PSWs)</td>
<td>32</td>
<td>$126</td>
</tr>
<tr>
<td>Implementation of GRT business plan (2017 impacts)</td>
<td>36</td>
<td>$797</td>
</tr>
<tr>
<td>Priority Bundle 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Program Financing</td>
<td>47</td>
<td>$750</td>
</tr>
<tr>
<td>Waste Management debt reduction strategy</td>
<td>52</td>
<td>$601</td>
</tr>
<tr>
<td>Collecting Workplace Count data biennially (instead of every five years)</td>
<td>55</td>
<td>$58</td>
</tr>
<tr>
<td>Expanded capacity at New Elmira Children's Centre (phased-in)</td>
<td>59</td>
<td>$400</td>
</tr>
<tr>
<td>Addition of 1 permanent Programmer Analyst</td>
<td>62</td>
<td>$87</td>
</tr>
<tr>
<td>Implementation of GRT business plan (2017 impacts)</td>
<td>36</td>
<td>$725</td>
</tr>
<tr>
<td>Priority Bundle 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>BIP Pkg page #</td>
<td>2017 Impact</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>----------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Improve Museum exhibits</td>
<td>65</td>
<td>$135</td>
</tr>
<tr>
<td>Implementation of GRT business plan (2017 impacts) Priority Bundle 3</td>
<td>36</td>
<td>$490</td>
</tr>
<tr>
<td>Addition of Social Work resources at Sunnyside Home</td>
<td>68</td>
<td>$41</td>
</tr>
<tr>
<td>Replace Ecomobility funding for Travelwise program</td>
<td>72</td>
<td>$77</td>
</tr>
<tr>
<td>Public Art funding strategy phased in over two years</td>
<td>76</td>
<td>$50</td>
</tr>
<tr>
<td>Expansion of Route 21 Service – Woolwich Township</td>
<td>80</td>
<td>$26</td>
</tr>
<tr>
<td>Continuation of Wilmot township contract service (pilot ends in 2017)</td>
<td>83</td>
<td>$90</td>
</tr>
<tr>
<td>Research and Stewardship partnership with 'rare' for five years</td>
<td>85</td>
<td>$50</td>
</tr>
<tr>
<td>Community Innovation Grant</td>
<td>87</td>
<td>$50</td>
</tr>
<tr>
<td><strong>Revised Subtotal Proposed Budget Issue Papers</strong></td>
<td></td>
<td><strong>$5,342</strong></td>
</tr>
</tbody>
</table>
## Tax Supported Operating Budget

<table>
<thead>
<tr>
<th>Description</th>
<th>2017 Property Tax Levy ($thousands)</th>
<th>2017 Tax Rate Impact (note)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted 2017 Property Tax Levy – Direct Regional Programs</td>
<td>$334,009,316</td>
<td>2.03%</td>
</tr>
<tr>
<td>Proposed budget issue papers (revised)</td>
<td>$5,342,000</td>
<td>1.12%</td>
</tr>
<tr>
<td><strong>2017 Property Tax Levy including budget issue papers – Direct Regional Programs</strong></td>
<td><strong>$339,351,316</strong></td>
<td><strong>3.15%</strong></td>
</tr>
</tbody>
</table>

Note – tax impacts displayed as rounded; rounded figures may not add to total as precise figures are used for calculation purposes.
### Paramedic Services

**Staff recommended – 15 paramedics**

<table>
<thead>
<tr>
<th>Implementation delay options</th>
<th>Staff impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start Date</td>
<td>2017</td>
</tr>
<tr>
<td>Jul 1, 2017</td>
<td>$815</td>
</tr>
<tr>
<td>Aug 1, 2017</td>
<td>734</td>
</tr>
<tr>
<td>Incremental change from Jul 1</td>
<td>(81)</td>
</tr>
<tr>
<td>Sep 1, 2017</td>
<td>653</td>
</tr>
<tr>
<td>Incremental change from Jul 1</td>
<td>(162)</td>
</tr>
</tbody>
</table>

**Note** – staff recommend the addition of 5 fewer paramedics than contemplated in the original master plan in consideration of declining trends in offload delays.
# Paramedic Services

## Original Master Plan – 20 paramedics

<table>
<thead>
<tr>
<th>Implementation delay options</th>
<th>Staff impact</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Paramedics</td>
</tr>
<tr>
<td><strong>Start Date</strong></td>
<td>2017</td>
</tr>
<tr>
<td>Jul 1, 2017</td>
<td>$1,011</td>
</tr>
<tr>
<td>Aug 1, 2017</td>
<td>903</td>
</tr>
<tr>
<td>Incremental change from Jul 1</td>
<td>(108)</td>
</tr>
<tr>
<td>Sep 1, 2017</td>
<td>796</td>
</tr>
<tr>
<td>Incremental change from Jul 1</td>
<td>(215)</td>
</tr>
</tbody>
</table>
Transit Services

• Expansion of route 21 to Woolwich (pg. 80)
  • The Township of Woolwich did not support the service expansion as proposed at their meeting in December, 2016 and have formally asked the Region to review the allocation of expenditures and revenues used in area rating calculations
  • Regional staff will be reviewing area rating calculations during 2017
  • Budget Committee should take no action on the budget issue paper today.
Promoting long term financial sustainability in the 2017 budget:

**Increased 'pay-as-you-go' financing:**
- Building lifecycle provision $1 million
- Bus replacement reserve $275,000 (repurposed 50% of 2017 debt servicing retirement savings)
- Airport capital reserve $254,000 (repurposed 50% 2017 debt servicing retirement savings)

**Proposed budget issue papers:**
- Waste Management capital reserve $601,000 (repurposed from waste collection contract savings)
- Capital Levy Reserve Fund $750,000
## Fees & Charges By-law (pg. 55)

<table>
<thead>
<tr>
<th>Program area</th>
<th>Nature of proposed changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities Management</td>
<td>New user fee at WRESTRC relating to use by Conestoga College</td>
</tr>
<tr>
<td>Airport</td>
<td>No new user fees, modest increases to a variety of fees</td>
</tr>
<tr>
<td>Legal Services</td>
<td>Increased fees relating to development and other agreements</td>
</tr>
<tr>
<td>Joseph Schneider House</td>
<td>New user fees relating to room rental</td>
</tr>
<tr>
<td>Library</td>
<td>Alignment of photocopy charges to other Regional programs, modest increase in reusable bags</td>
</tr>
<tr>
<td>Waste Management</td>
<td>New bag tag fee, increases to tipping, special handling, and recyclable loads</td>
</tr>
<tr>
<td>Grand River Transit</td>
<td>No new user fees, average fee increase of 3.0% on Transit fares</td>
</tr>
<tr>
<td>Seniors Services</td>
<td>No new user fees, modest increases to a variety of fees</td>
</tr>
<tr>
<td>Children’s Services</td>
<td>Fee increase in the range of 3.0% at all Regionally operated Child Care Centres</td>
</tr>
<tr>
<td>Public Health</td>
<td>No new user fees, modest increases to a variety of fees, including special event coverage</td>
</tr>
</tbody>
</table>
Focused on value for money of proposed service enhancements

Information provided for each Budget Issue Paper:

- A brief description of the benefits
- The total net levy impact
- A cost per average household
- A link to the full BIP

Respondents asked for their feedback according to a five point scale ranging from strongly agree to strongly disagree

A final question gathers feedback about balancing delivery of services with tax increases
<table>
<thead>
<tr>
<th>age range</th>
<th>Cambridge</th>
<th>Kitchener</th>
<th>Waterloo</th>
<th>Dumfries</th>
<th>North</th>
<th>Wellesley</th>
<th>Wilmot</th>
<th>Woolwich</th>
<th>no answer</th>
<th>subtotal</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-25</td>
<td>4</td>
<td>11</td>
<td>13</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>29</td>
</tr>
<tr>
<td>26-39</td>
<td>21</td>
<td>84</td>
<td>31</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>9</td>
<td>0</td>
<td>0</td>
<td>152</td>
</tr>
<tr>
<td>40-64</td>
<td>15</td>
<td>38</td>
<td>22</td>
<td>2</td>
<td>0</td>
<td>5</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>89</td>
</tr>
<tr>
<td>65+</td>
<td>0</td>
<td>4</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td>no answer given</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>subtotal</td>
<td>40</td>
<td>138</td>
<td>70</td>
<td>4</td>
<td>2</td>
<td>10</td>
<td>16</td>
<td>1</td>
<td>281</td>
<td></td>
</tr>
</tbody>
</table>
Summary of feedback

• General agreement that most budget issues provide good value for money

• Strong support for Paramedic services master plan BIP (agree/strongly agree = 84%)

• Support for proposed Transit expansions in range of 45-50% (agree/strongly agree)

• Respondents were generally supportive of "increasing taxes enough to expand or improve services" (78%)
Waterloo Region Police Services

Preliminary budget presented to the PSB on Nov. 2/16

PSB requested further reductions be identified

PSB approved budget in principle on Dec. 7/16

Presentation to Budget Committee Dec. 14/16

PSB approved 2017 Budget on Jan. 11/17
• Property tax requirement = $155.8 million; a levy increase of $5.1 million (3.37%)
• Tax rate impact of 0.64%
• Information paper on page 44 of agenda
## Waterloo Regional Police Services Budget Summary ($millions)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017 Final Budget</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenditure</strong></td>
<td>$165.5</td>
<td>$170.9</td>
<td>$5.4</td>
<td>3.24%</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>14.8</td>
<td>15.1</td>
<td>0.3</td>
<td>1.92%</td>
</tr>
<tr>
<td><strong>Property Tax Requirement</strong></td>
<td>$150.7</td>
<td>$155.8</td>
<td>$5.1</td>
<td>3.37%</td>
</tr>
<tr>
<td><strong>Tax Rate Impact</strong></td>
<td>0.67%</td>
<td>0.64%</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>
Today's order of business

1. Approve fees and charges; adopt the Municipal Budget Regulations report
2. Approve operating and capital budgets for Region and Police
3. Councillor motions: budget adjustments and issue papers
4. Main budget motion, incl. budget issue papers with no levy impact
5. Staff recommended budget adjustments
### GRT bundle 2 - alternate funding strategy

<table>
<thead>
<tr>
<th></th>
<th>$000s</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Cost</strong></td>
<td>$725</td>
<td>$1,825</td>
<td>$1,825</td>
<td></td>
</tr>
<tr>
<td><strong>Funded from:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TSRF</strong></td>
<td>725</td>
<td>825</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Reallocated GRT service hours (post ION launch early 2018)</td>
<td>0</td>
<td>1,000</td>
<td>1,825</td>
<td></td>
</tr>
<tr>
<td>Additional levy impact</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
</tr>
</tbody>
</table>
January 9, 2017

Attn: Kris Fletcher
Regional Clerk
Region of Waterloo

RE: Resolution – Grand River Transit Route 21

Dear Ms. Fletcher,

This letter is to inform you that the Council of the Township of Woolwich passed the following resolution at the Council meeting held on December 19, 2016:

THAT the Council of the Township of Woolwich support the following recommendations:

1) THAT the Township of Woolwich support the implementation of Grand River Transit service improvements to Route 21 commencing September 2017 with no annual cost increase to the Regional tax levy of the Township of Woolwich.
2) THAT the Township of Woolwich request a review of the methodology related to the allocation of costs and revenue to the Township.
3) THAT the Township of Woolwich continues to work with the Region on the development of a Breslau GRT Bus Route.

Should you require any further information or clarification, please contact Raj Sian, Economic Development & Tourism Officer, by email rsian@woolwich.ca or by phone at 519-669-1647 ext. 6020.

Please accept this letter for information purposes only. Please forward any written responses to this letter to Valrie Hummel, Director, Council & Information Services/Clerk.

Yours truly,

[Signature]

Valrie Hummel
Municipal Clerk
Township of Woolwich

Cc. Craig Dyer, Commissioner Corporate Services & CFO

"Proudly remembering our past; Confidently embracing our future."
Corporation of the Township of Wilmot

Resolution # 2016-222

Date: December 5, 2016

Moved by: Councillor B. Fisher
Seconded by: Councillor J. Gerber

BE IT RESOLVED:

THAT the Township of Wilmot support the implementation of GRT transit service to New Hamburg (Route 77) on a permanent basis commencing April 2017 at an estimated annual cost of $112,000 which will be part of the Regional tax levy to the Township.

CARRIED.

Carried [x]

Defeated [ ]

Mayor