



Region of Waterloo

MEMBERS OF REGIONAL COUNCIL

MEMORANDUM

To: Chair Ken Seiling & Regional Councillors

From: Regional Rob Deutschmann

Subject: 2014 Budget Proposal

Date: January 13, 2014

Highlights of proposal:

- Total tax rate increase (Region of Waterloo and Police Services) at 2.0%
- Significantly fewer cuts to services.
- Greater reduction in RTMP contribution using Staff Option C. Requires 1 extra year at 1.0% in 2019.
- Discretionary benefits increased to \$1,000,000.
- A reduction of 20 staff through attrition. This represents a less than 1% reduction in labour force. The annual savings is approximately \$1.6million. The first year savings reflects an estimate for the transition.
- Roads Rehab Reserve contribution reduced by \$750,000.
- Additional \$200,000 to Police Services Board budget. Could be applied to IT Reserve.
- Apply \$340,000 from the remaining interest in the Hospital Reserve Fund with the balance of \$840,000 transferred to the Capital Levy Reserve Fund.

The average residential property assessed at \$281,000 would pay an additional:

2.00% - \$34.80

1.79% - \$31.15

If Regional Council adopted a tax rate increase of 2.5%, that would provide an additional \$2,126,342. A number of proposed cuts and reserve contribution reductions could be avoided.

At 2.5% the average residential property would pay \$43.50. That is a \$12.35 increase over the Committee Chair's proposal.

Staff Budget**2.64****Proposed Scenario Reductions:**

Reduce RTMP contribution by .50% (Staff Option C)	1,800,000	0.42
Increase Waste management estimate	850,000	0.20
Reduce 100% Children's Services contribution	850,000	0.20
Reduce new Capital Reserve Fund contribution	<u>250,000</u>	<u>0.06</u>
Total:	<u>3,750,000</u>	<u>0.88</u>

Appendix E reductions:

1. Seasonal weed inspector		
2. Community Sustainability Grant		
3. Corporate Sustainability Fund		
4. Ride n' Park		
5. Finance Co-op Student		
7. Finance position		
10. RDC Grants		
11. Cultural sites staffing		
12. GO Shuttle		
13. GRT Service Rationalizations	831,000	
14. Roads Rehab Reserve	1,254,369	
15. Reduce Roads Rehab Reserve	750,000	
16. Close Rural Transfer Stations		
17. Multi residential rebate		
18. Drywall Diversion	67,500	
19. Ban on Pallets	19,300	
20. Rapid Risk Factor Surveillance System		
23. CHPI staffing costs		
28. Ground Maintenance		
29. Food Services wages		
30. Summer Student coverage		
31. Public Art Reserve Fund		
32. Operating Contingency		
34. Per capita grant		
35. 5% reduction WRHF and WRAF		
36. Hospital Reserve Fund	<u>0</u>	
Total Appendix E reductions:	<u>2,922,169</u>	<u>0.69</u>

Additional Deductions:

20 staff reduction through attrition - estimated savings in Year 1	600,000	0.14
Hospital Reserve Fund - interest Total remaining is 1.18 million - transfer \$880,000 to Capital Levy Reserve Fund	<u>340,000</u>	<u>0.08</u>

Total Additional Deductions:	<u>940,000</u>	<u>0.22</u>	
Total All Deductions			1.79
Proposed Scenario Add Ins			
Rural Emergency Response Unit	190,000	0.05	
Waste Transfer (Woolwich) Saturday			
Discretionary Benefits	1,000,000	0.24	
REEP (from water utility)	<u>50,000</u>	<u>0.00</u>	
Total Proposed Scenario Add Ins:	<u>1,240,000</u>	<u>0.29</u>	<u>0.29</u>
Region of Waterloo tax rate increase			<u>1.14</u>
Police Services Board - include \$200,000			<u>0.86</u>
Tax Rate			<u>2.00</u>