

Media Release: Friday February 1, 2019, 4:30 p.m.

Regional Municipality of Waterloo

Budget Committee

Agenda

Wednesday February 6, 2019

Closed Session 2:00 p.m. (Waterloo County Room)

Open Session 3:00 p.m.

Regional Council Chambers

150 Frederick Street, 2nd Floor, Kitchener

1. Motion to go into Closed Session

That a closed meeting of the Budget Committee and Council be held on Wednesday, February 6, 2019 at 2:00 p.m. in the Waterloo County Room in accordance with Section 239 of the “Municipal Act, 2001,” for the purposes of considering the following subject matters:

- a) receiving of advice that is subject to solicitor-client privilege related to interpretation of statutory provisions
- b) proposed or pending litigation and receiving of advice that is subject to solicitor-client privilege related to an agreement
- c) labour relations
- d) receiving of advice that is subject to solicitor-client privilege and negotiations related to proposed or pending disposition of land in the City of Kitchener

2. Motion to Reconvene into Open Session

3. Declarations of Pecuniary Interest under the “Municipal Conflict of Interest Act”

4. Opening Remarks (S. Strickland)

5. Presentation (C. Dyer)**6. 2019 Budget Update**

COR-FSD-19-08, 2019 User Rate Budget Approval and 2019 Tax Supported Budget Amendments

Page 3**Recommendations:**

- 2019 User Rate Budget and Rate Recommendations: Water Supply and Wastewater Treatment ([Appendix A](#))

Page 14

- 2019 User Rate Budget and Rate Recommendations: Water Distribution and Wastewater Collection ([Appendix B](#))

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- Recommended amendments to the Preliminary 2019-2028 Tax Supported Capital Program ([Appendix C](#))

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- Recommended amendments to the Preliminary 2019 Tax Supported Operating Budget ([Appendix D](#))

Page 17**7. Information Papers**

- [Public Transit](#)

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- [Public Engagement Feedback](#)

Page 29**8. Presentation - Waterloo Regional Police Service (WRPS) 2019 Budget****9. Other Business****10. Next Meeting – February 19, 2019****11. Adjourn**



Report: COR-FSD-19-08

Region of Waterloo
Corporate Services
Financial Services and Development Financing

To: Chair Sean Strickland and Members of Budget Committee

Date: February 6, 2019 **File Code:** F05-30

Subject: 2019 User Rate Budget Approval and 2019 Tax Supported Budget Amendments

Recommendations:

As set out in Appendix A, B, C, and D.

Summary:

The February 6, 2019 meeting is the third of four scheduled Budget Committee meetings for the purposes of reviewing and approving the 2019 Region of Waterloo Budget.

Staff recommend that Budget Committee approve the 2019 User Rate operating budgets and 2019-2028 capital budgets and forecasts, inclusive of user rate increases of 2.9% for water supply and 6.9% for wastewater treatment effective January 1, 2019. Retail water distribution and wastewater collection rates are recommended to increase by 7.9% and 4.9% respectively effective March 1, 2019. The monthly service charges for customers in Wellesley and North Dumfries are recommended to increase to \$10/month for retail water distribution and \$8/month for retail wastewater collection, also effective March 1, 2019. The staff recommendations are set out in Appendix A and B.

Housekeeping amendments to the 2019-2028 Tax Supported Capital Program for one Waste Management capital project and for two tender award reports from the January 16, 2019 Council meeting are set out in Appendix C.

A number of adjustments to the preliminary 2019 Tax Supported operating budget are recommended which, if approved, would reduce the 2019 regional property tax levy by \$1.83 million. On the expenditure side, reductions are proposed for fuel budgets (net \$358,000) due to recent fuel price reductions, electricity budgets (\$838,000) based on updated utility rate estimates, the provision for downtown core RDC exemptions (\$75,000) based on updated building permit and cost estimates, and the Sunnyside Home operating budget (housekeeping - \$96,000). Staff have also reviewed preliminary 2018 year-end results for various non-tax revenues and recommend increasing 2019 revenue budgets for Waterloo Region Housing rent (\$150,000), Waste Management Resource Productivity and Resource Authority (RPRA) funding (\$200,000), Seniors' Services program and resident fee revenue (\$20,000), and regional child care centre parent fees (\$96,700). The staff recommendations covering all of these items are set out in Appendix D.

On January 16, 2019 the Police Services Board approved the Waterloo Regional Police (WRPS) 2019 operating budget and 2019-2028 tax supported capital program. The 2019 property tax levy for WRPS is \$169,534,406, which is a levy increase of 5.2% and results in a regional tax rate increase of 1%. Representatives from the WRPS will be at the February 6, 2019 meeting to present their budget.

Report:

The objectives of the third 2019 Budget Committee meeting are to:

1. Approve the Region's 2019 User Rate Operating Budgets and the 2019-2028 User Rate Capital Programs;
2. Provide Committee members with new information with respect to the 2019 Tax Supported Operating Budget and 2019-2028 Capital Program;
3. Consider adjustments to the 2019 Operating Budget and 2019-2028 Capital Program;
4. Receive a presentation from the Waterloo Regional Police Service regarding its 2019 budget; and
5. Provide an opportunity for Committee to make final requests for information in advance of 2019 Tax Supported Budget Approval on February 19, 2019.

Details of proposed 2019 Operating Budgets and 2019-2028 Capital Programs for both User Rates and Property Tax Supported Program areas were provided at previous meetings in the form of the 2019 Preliminary Program Budget document, the 2019 Budget Issue Paper package, Budget Information Papers and staff reports, and through

staff presentations at Budget Committee. Additional information papers are included on this agenda.

1. 2019 User Rate Budgets and 2019-2028 User Rate Capital Program

The 2019 Water and Wastewater Operating Budgets and 10 year Capital programs were presented to Budget Committee for consideration at the December 11, 2018 and January 16, 2019 Budget Committee meetings. To recap the proposal, revenue requirements for wholesale and retail user rate programs for 2019 are outlined in the following tables:

User Rate revenue requirements (\$millions)

Wholesale Programs	2018 Budget	2019 Budget	% change
Water Supply net operating expenditure	\$34.2	\$33.6	
Water Supply contribution to capital reserve	21.7	24.0	
Total Water Supply	55.9	57.6	3.0%
Wastewater Treatment net operating expenditure	37.3	40.7	
Wastewater Treatment contribution to capital reserve	35.2	36.0	
Total Wastewater Treatment	72.5	76.7	5.8%

Retail Programs	2018 Budget	2019 Budget	% change
Water Distribution net operating budget	2.1	2.1	
Water Distribution contribution to capital reserve	0.4	0.4	
Total Water Distribution	2.5	2.5	1.3%
Wastewater Collection net operating budget	1.1	1.2	
Wastewater Collection contribution to capital reserve	0.2	0.2	
Total Wastewater Collection	1.3	1.4	7.8%

The following tables compare proposed 2019 rate increases to 2018 approved rate increases and the original forecast for 2019 based on the 2018 water and wastewater rate models:

User Rates	2018 approved user rate increase	Projected 2019 user rate increase from 2018 forecast	Recommended 2019 user rate increase
Water supply	1.9%	2.9%	2.9%
Wastewater treatment	7.9%	6.9%	6.9%
Water distribution	7.9%	7.9%	7.9%
Wastewater collection	5.9%	4.9%	4.9%

Retail Monthly Service Charge	2018 approved monthly service charge	Projected 2019 monthly service charge from 2018 forecast	Recommended 2019 monthly service charge
Water distribution	\$9.00	\$10.00	\$10.00
Wastewater collection	\$7.00	\$8.00	\$8.00

Staff recommend that Budget Committee approve the 2019 User Rate operating budgets and 2019-2028 capital budgets and forecasts, inclusive of user rate increases of 2.9% for water supply and 6.9% for wastewater treatment effective January 1, 2019 and increases of 7.9% for water distribution and 4.9% for wastewater collection effective March 1, 2019. The monthly service charges for customers in Wellesley and North Dumfries are recommended to increase by \$1/month each to \$10/month for retail water distribution and \$8/month for retail wastewater collection. The staff recommendations for the 2019 User Rate budgets are set out in Appendix A and B of this report.

2. 2019-2028 Tax Supported Capital Program Amendments

On January 16, 2019 Council approved two tender reports that require housekeeping amendments to the 2019-2028 capital program, as follows:

- COR-TRY-19-08 P2018-13 Transit Coaches: the procurement of 12 transit coaches was approved through this report. The preliminary 2019-2028 GRT Ten Year Capital Program includes \$6,864,000 for the 12 replacement bus funded from a combination of federal/provincial grants (\$5,011,000) and the GRT bus replacement reserve (\$1,853,000). As the purchase will not be eligible for Investing in Canada Infrastructure Program (ICIP) funding, it was recommended that the net cost be funded from the GRT Bus Replacement Reserve and the 2019-2028 capital program be amended accordingly.
- COR-TRY-19-24 Hybrid Aerial Truck: the procurement of one hybrid aerial truck was approved through this report. The preliminary 2019-2028 Transportation Ten

Year Capital Program includes \$240,000 for the replacement of this hybrid truck and an additional \$72,600 is required, all funded from the Corporate Fleet Replacement Reserve. Sufficient funds are available in this reserve to accommodate the increased cost and it is recommended that the 2019-2028 Capital Program be amended accordingly.

One other housekeeping amendment relates to the 2019-2028 Waste Management Capital Program. Project 01160 Waterloo Landfill Roads Construction will no longer be completed in 2019 and as such it is recommended that this project be deferred to 2020. Staff recommend adjusting the 2019-2028 Waste Management capital program to defer project 01160 from 2019-2022 to 2020-2023 as follows:

(\$thousands)	2019	2020	2021	2022	2023	Subtotal 2019- 2023
Current 01160 Waterloo Landfill - Roads Construction	\$1,678	\$500	\$1,206	\$1,520	\$0	\$4,904
Proposed 01160 Waterloo Landfill - Roads Construction	0	1,678	500	1,206	1,520	4,904
Incremental Difference	\$1,678	(\$1,178)	\$706	\$314	(\$1,520)	\$0

The recommendations to amend the 2019 Tax Supported Capital Program for the above three items are set out in Appendix C.

3. 2019 Tax Supported Budget Update and Adjustments

Since the January 16, 2019 Budget Committee meeting staff have identified a number of proposed property tax supported budget adjustments. These are described in detail in the following sections and the staff recommendations to amend the 2019 Tax Supported Operating Budget are set out in Appendix D.

a. Expenditure budgets

- **Electricity rates**

Electricity rates were not as high as anticipated in 2018. Most of the difference relates to a reduction in 'global adjustment' and debt retirement

charges. Staff have revisited electricity budgets and recommend the following reductions to 2019 electricity budgets:

Program Area	Adjustment to electricity budget
Housing properties	(\$100,000)
Regional buildings	(\$388,000)
Traffic and street lighting	(\$300,000)
Airport runway lighting	(\$50,000)
Subtotal	(\$838,000)

- **Fuel prices**

At the time of development of the 2019 preliminary budget in October, world oil prices were in the range of \$73/barrel and the Region's cost of fuel (diesel and unleaded) exceeded 2018 budgeted prices considerably. As a result, staff set a 2019 budgeted price per litre of \$1.03 for both diesel and unleaded. World oil prices fell dramatically during December but have since rebounded somewhat. The following chart compares the Region's periodic price per litre of diesel and unleaded to world oil prices and the Region's 2018 and 2019 budget:

Fuel type	2018 budget price	October highest price	2019 prelim budget price	December lowest price	Current price
Crude oil (\$/barrel)	n.a.	\$76	n.a.	\$43	\$53
Diesel (\$/litre)	\$0.92	\$1.11	\$1.03	\$0.90	\$0.93
Gasoline (\$/litre)	\$0.95	\$1.08	\$1.03	\$0.84	\$0.85

World oil prices are projected to be in the \$60/barrel range in 2019. As such, it is reasonable to assume the average price of fuel in 2019 will be slightly higher than current levels, but may not reach pre-October 2018 levels.

A council-approved fuel price strategy has been put in place following the fall in world oil prices from over \$100/barrel to briefly below \$30/barrel. The strategy provides for a portion of the net savings to fall to the property tax levy and a portion of the savings be repurposed as a transfer to equipment

replacement reserves to reduce future borrowing requirements. The impact of the fuel strategy, since its implementation in 2014 has been to avoid \$3.5 million in debt issuance, thereby avoiding \$420,000 in annual debt servicing costs and \$708,000 in total interest charges. The strategy was initially removed for 2019 (with fuel prices set at \$1.03/litre). The following table outlines options for restoring the fuel price strategy in the 2019 budget at various levels of budgeted fuel prices from the level currently in the preliminary 2019 base budget of \$1.03/L for both fuel types:

Budget Price Scenario		Savings	Proposed Strategy		Future Budget Savings	
			50%	50%	Avoided Annual Debt Servicing	Ten Year Total Interest Savings
Diesel Gasoline		Region Excluding Police	Tax levy	Contribution to capital		
\$1.00	\$0.95	(\$368,000)	(\$184,000)	(\$184,000)	(\$21,024)	(\$26,236)
\$0.97	\$0.92	(\$716,000)	(\$358,000)	(\$358,000)	(\$40,905)	(\$51,046)
\$0.95	\$0.90	(\$949,000)	(\$475,000)	(\$474,000)	(\$54,159)	(\$67,587)

Staff recommend setting the 2019 budgeted price of diesel at \$0.97/L and the price of gasoline at \$0.92/L. At this level, the total savings are \$716,000 which would be split between a reduction in the 2019 property tax levy (\$358,000) and the addition of transfers to the bus and fuel equipment replacement reserves (\$358,000). This approach would enable future fuel prices to increase to approximately \$1/litre for diesel and \$0.97/litre for gasoline before an increase in the overall fuel budget would be required.

- **Downtown core RDC exemptions**

As described in staff report COR-FSD-17-33 Downtown Core Regional Development Charge Exemptions Funding Strategy dated November 22, 2017, the expiry of downtown core Regional Development Charge (RDC) exemptions in Kitchener and Cambridge in early 2019 is expected to result in an increased number of building permit applications made before the February 28 deadline. Accordingly, Council approved a funding strategy whereby the cost of exemptions incurred in 2017, 2018 and early 2019 (above funding available in the current year operating budget) would be funded over a period of ten years in order to better match the timing of development activity. Exemption funding is provided through both the tax supported and user rate operating budgets.

Previous estimates put the total amount of exemptions to be funded in the \$45 to \$69 million range which would require an additional \$2.2 million in annual tax supported funding to fund the Transportation component of these exemptions over the ten year period. Accordingly, an incremental budget provision of approximately one third, i.e., \$750,000 was added to the tax supported operating budget in 2018 and to the preliminary 2019 budget.

Staff have reviewed recent RDC exemption application activity and estimate that the total cost of exemptions could be at the lower end of the estimated range. As such, staff propose that a modest 2019 budget reduction can be made and recommend that the preliminary 2019 provision of \$750,000 be reduced by \$75,000 to \$675,000.

- **Sunnyside Home**

A housekeeping adjustment is required to reflect updated 2019 cost estimates for Sunnyside Home (\$96,000 levy reduction).

b. Revenue budgets

- **Housing rent revenue**

The preliminary 2019 budget for housing rents collected from rent-geared-to-income clients was set at \$14.4 million. Based on 2018 actual housing rent received of \$14.543 million, staff recommend increasing the 2019 Waterloo Region Housing rent revenue budget by \$150,000.

- **Waste Management Resource Productivity and Resource Authority (RPRA) funding**

The preliminary 2019 budget for RPRA funding was set at \$3,850,000. Based on 2018 actual RPRA funding received of \$4.1 million, staff recommend increasing anticipated 2019 RPRA funding by \$200,000.

- **Seniors' program and resident fees**

The preliminary 2019 budget for resident fees at Sunnyside Home, including fees for drop in programs, was set at \$6,459,400. Actual 2018 fees received, including certain one-time revenues from 2017, was \$6,535,000. Staff recommend increasing Seniors' Services program and resident fees budget by \$20,000.

- **Child Care Centre parent fees**

Actual parent fees received at regionally operated child care centres exceeded budget estimates in 2018 by \$239,000. During 2018, Council approved a reduction in parent fees effective July 1, 2018 as a result of additional 100% provincial expansion funding received under the previous provincial government. Following a review of actual parent fees received in 2018, staff recommend increasing the 2019 parent fee budget by \$96,700.

4. 2019 Budget Issue Papers

A number of service expansions in the form of budget issue papers are proposed for 2019. Some budget issue papers relate to program expansions as set out in master plans and business plans, while others address legislative/safety related concerns or insufficient staffing levels required to maintain the current level of service.

Proposed 2019 budget issue papers have a total tax supported budget impact of \$9.7 million: a 2019 property tax levy of \$6.3 million (tax rate impact of 1.20%) and annualization of \$3.4 million in 2020 (tax rate impact estimated to be 0.64%) as summarized by program in the table below:

**Tax Levy Impact of 2019 Budget Issue Papers
(in \$thousands)**

	2019	Annualization in 2020	Total net cost
Public Transit	\$3,294	\$1,082	\$4,376
Paramedic Services	479	409	888
Seniors Services	286	95	381
Housing	633	611	1,244
Transportation	509	748	1,257
Information Technology	556	166	722
Other	549	256	805
Total	\$6,306	\$3,367	\$9,673
Tax Rate Impact	1.20%	0.64%	1.84%

A summary listing of proposed 2019 Budget Issue Papers has been included in Appendix E.

5. 2019 Waterloo Regional Police Service (WRPS) budget

On January 16, 2019 the Police Services Board approved the 2019 WRPS budget with a property tax levy of \$169,534,406 which is a levy increase of 5.2% and results in a tax rate increase of 1.00%. The impact to the average household valued at \$333,800 in 2018 is an increase of \$19.79. Representatives from the WRPS will be at the February 6, 2019 meeting to present their budget.

6. 2019 Revised Operating Budget Position

An updated 2019 Tax Supported Budget Continuity inclusive of aforementioned staff recommendations, proposed 2019 budget issue papers, and the Waterloo Regional Police Service budget is provided in the following table:

	Tax Levy (\$thousands)	Tax Impact
Regional tax supported base budget position (as of January 16, 2019)	\$369,656	1.85%
Expenditure adjustments – Feb.6, 2019	(1,367)	-0.26%
Revenue adjustments – Feb. 6, 2019	(467)	-0.09%
Subtotal Regional tax supported base budget position, February 6, 2019	\$367,822	1.50%
Proposed 2019 budget issue papers	6,309	1.20%
Waterloo Regional Police Service budget	169,534	1.00%
Total tax supported budget position, February 6, 2019	\$543,665	3.70%

Note – total figures may not add as stated due to rounding

A 3.7% tax increase would add approximately \$73 to the Regional tax bill for a residential property assessed at \$333,800 in 2018.

Corporate Strategic Plan:

The annual budget incorporates numerous initiatives set out in the Corporate Strategic Plan.

Financial Implications:

A 1% change in the 2019 tax rate results in a \$19.79 annual change to the average residential property owner, based on a house assessed at \$333,800 in 2018. A 1% tax rate increase generates an additional \$5.2 million in tax revenue. The following table outlines the tax impacts of the current budget position inclusive of budget issue papers and the WRPS budget on the average Regional property:

Property taxes for average residential property (\$333,800 CVA)

	Region	Police	Total
2018	\$1,359	\$620	\$1,979
2019	\$1,413	\$640	\$2,053
\$ change	\$53	\$20	\$73
% change	3.94%	3.19%	3.70%
2019 tax rate impact	2.70%	1.00%	3.70%

Note – total figures may not add due to rounding

The actual tax rate impact will differ across the area municipalities in the Region. This is due to the fact that while the net cost of most programs and services is levied in a uniform manner on all properties in the seven area municipalities, there are limited exceptions where service costs (conventional and Mobility Plus transit, rapid transit, and library) are area rated to specific municipalities, as set out in Appendix F.

Other Department Consultations/Concurrence:

All departments and the Waterloo Regional Police Service are involved in the development of the Region of Waterloo Budget.

Attachments:

Appendix A – 2019 User Rate Budget and Rate Recommendations: Water Supply and Wastewater Treatment

Appendix B – 2019 User Rate Budget and Rate Recommendations: Water Distribution and Wastewater Collection

Appendix C – Recommended amendments to the Preliminary 2019-2028 Tax Supported Capital Program

Appendix D - Recommended amendments to the Preliminary 2019 Tax Supported Operating Budget

Appendix E – 2019 Proposed Budget Issue Paper Summary

Appendix F – Property Tax Levy Distribution

Prepared By: Cheryl Braan, Manager of Corporate Budgets

Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer

Approved By: Mike Murray, Chief Administrative Officer

Appendix A

2019 User Rate Budget and Rate Recommendations Water Supply and Wastewater Treatment

That the Regional Municipality of Waterloo take the following action with respect to the 2019 wholesale Water Supply and Wastewater Treatment operating budgets and 2019-2028 capital programs as set out in report COR-FSD-19-08.

Water Supply

Approve the 2019 Water Supply Operating Budget inclusive of the Budget Issue Papers on pages 9 and 11 of the Budget Issue Paper package; as submitted on December 11, 2018;

Approve the 2019 Water Supply Capital Budget and the 2020-2028 Water Supply Capital Forecast, subject to final adjustments for 2018 carry-forwards; and

Approve a Regional Wholesale Water Rate of \$1.0749 per cubic metre effective January 1, 2019 and introduce the necessary by-law.

Wastewater Treatment

Approve the 2019 Wastewater Treatment Operating Budget as submitted on December 11, 2018;

Approve the 2019 Wastewater Treatment Capital Budget and the 2020-2028 Wastewater Treatment Capital Forecast as amended, subject to final adjustments for 2018 carry-forwards; and

Approve a Regional Wholesale Wastewater Rate of \$1.2561 per cubic metre effective January 1, 2019 and introduce the necessary by-law.

Appendix B

2019 User Rate Budget and Rate Recommendations Water Distribution and Wastewater Collection
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That the Regional Municipality of Waterloo take the following action with respect to the 2019 Water Distribution and Wastewater Collection budget and rate recommendations for customers in Wellesley and North Dumfries as set out in report COR-FSD-19-08.

Water Distribution

Approve the 2019 Water Distribution Operating Budget as submitted on December 11, 2018;

Approve the 2019 Water Distribution Capital Budget and the 2020-2028 Water Distribution Capital Forecast, subject to final adjustments for 2018 carry-forwards;

Approve a Retail Water Rate of \$2.99 per cubic metre effective March 1st, 2019 and introduce the necessary by-law; and

Approve a monthly maintenance fee of \$10.00 per account for the customers connected to the Retail Water Distribution System effective March 1st, 2019 and introduce the necessary by-law.

Wastewater Collection

Approve the 2019 Wastewater Collection Operating Budget as submitted on December 11, 2018;

Approve the 2019 Wastewater Collection Capital Budget and the 2020-2028 Wastewater Collection Capital Forecast, subject to final adjustments for 2018 carry-forwards;

Approve a Retail Wastewater Rate of \$2.23 per cubic metre effective March 1st, 2019 and introduce the necessary by-law;

Approve a monthly maintenance fee of \$8.00 per account for the customers connected to the Retail Wastewater Collection System effective March 1st, 2019 and introduce the necessary by-law; and

Approve an increase of 9.9% effective March 1st, 2019 to the flat annual rate applied to every owner of a property in the Township of Wellesley and the Township of North Dumfries that is connected to the Regional wastewater collection system but is not connected to the Regional water distribution system, and introduce the necessary by-law.

Appendix C

Recommended amendments to the Preliminary 2019-2028 Tax Supported Capital Program

That the Regional Municipality of Waterloo take the following action with respect to the 2019-2028 Tax Supported Capital Program as set out in Report COR-FSD-19-08 dated February 6, 2019:

1. Amend the 2019-2028 Grand River Transit Capital Program to incorporate \$6,864,000 in funding from the GRT Bus Replacement Reserve for the procurement of 12 transit coaches in 2019 (project 66025) as set out in report COR-TRY-19-08 dated January 16, 2019;
2. Amend the 2019-2028 Transportation Capital Program to increase the cost of Project #06054 Transportation – Fleet Replacements by \$72,600 for the procurement of one hybrid aerial truck funded from the Corporate Fleet Replacement Reserve as set out in report COR-TRY-19-07 dated January 16, 2019; and
3. Amend the 2019-2028 Waste Management Capital Program to defer project 01160 Waterloo Landfill – Road Construction from 2019-2022 to 2020-2023.

Appendix D

Recommended amendments to the Preliminary 2019 Tax Supported Operating Budget

That the Regional Municipality of Waterloo take the following action with respect to the 2019 Tax Supported Operating Budget as set out in Report COR-FSD-19-08 dated February 6, 2019:

1. Reduce the 2019 budget for fuel by \$716,000 and increase the contribution to the bus replacement reserve and fuel equipment replacement reserve by \$310,000 and \$48,000 respectively, for a net 2019 property tax levy reduction of \$358,000;
2. Reduce the 2019 budget for electricity across Regional divisions by \$838,000;
3. Reduce the 2019 budget provision for the funding of downtown core Regional Development Charge exemptions by \$75,000;
4. Approve a housekeeping reduction to the 2019 Seniors' Services expenditure budget of \$96,000;
5. Increase the 2019 budget for Housing rent revenue by \$150,000;
6. Increase the 2019 budget for Resource Productivity and Resource Authority (RPRA) funding for Waste Management by \$200,000;
7. Increase the 2019 budget for Sunnyside program and resident revenue by \$20,000;
and
8. Increase the 2019 budget for Child Care parent fee revenue by \$96,700.

Appendix E – Proposed 2019 Budget Issue Papers (\$thousands)

Page#	Dept/Div	Description	Annualized Levy Impact	2019 operating budget impact		2019-2028 capital plan impact	
				Property taxes	Reserves Capital User rates Subsidies Other	Tax supported reserves and debt	RDC reserves and debt
NO LEVY IMPACT							
1	COR/Facilities Management	Project management and additional facility maintenance staff			\$179		
5	PDL/Provincial Offences Court	POA Prosecution and Administrative staff			\$192		
9	TES/Water Services	Water Source Protection Plan			\$65		
11	TES/Water Services	Supervisory staff for maintenance and programs					
LEVY IMPACT							
14	CSD/Seniors' Services	Personal Support Workers (Nights)	\$270	\$203			
17	CSD/Seniors' Services	Personal Support Workers (1:1 HINF)	\$111	\$83	\$399		
20	PHE/Paramedic Services	Implementation of Paramedic Master Plan (Year 3) (Bundle 1)	\$517	\$286	\$287	\$582	
30	TES/Transit Services	Implementation of GRT Business Plan (Year 2) (Bundle 1)	\$2,153	\$1,907	\$135		
38	TES/Transit Services	Conestoga College Upass	\$885	\$619	\$49	\$643	\$378
42	TES/Transit Services	MobilityPLUS Business Plan Implementation (Year 2)	\$354	\$144	\$4	\$59	
20	PHE/Paramedic Services	Implementation of Paramedic Master Plan (Year 3) (Bundle 2)	\$371	\$193	\$194	\$114	
45	COR/ITS	Network infrastructure security and support	\$238	\$157			
48	COR/Facilities Management	Convert 1 FTE from temporary to permanent for implementation of the Facilities safety management system	\$117	\$98	\$19		
52	CSD/Housing	Increased Housing Stability System supports (Bundle 1)	\$620	\$321			
57	COR/ITS	Corporate technology project delivery	\$365	\$219			
60	TES/Transportation	Add 2 signal maintenance positions and 1 signal technician	\$307	\$263		\$65	
65	TES/Transportation	Add 1 FTE for Corridor Management	\$106	\$76			

Appendix E – Proposed 2019 Budget Issue Papers (\$thousands) continued

Page#	Dept/Div	Description	Annualized Levy Impact	2019 operating budget impact		2019-2028 capital plan impact	
				Property taxes	Reserves Capital User rates Subsidies Other	Tax supported reserves and debt	RDC reserves and debt
68	COR/ITS	Asset Management systems implementation and ongoing support	\$119	\$78			
71	PDL/Economic Development	Funding for economic development initiatives	\$300	\$200			
75	PDL/Community Planning	Implementing Community Energy Investment Strategy Actions (Bundle 1 - residential project neutral campaign for 2 years)	\$58	\$58			
78	TES/Administration	Asset Management support technologist - Waste Management & Airport	\$93	\$79			
81	TES/Transportation	Add 1 FTE for Transportation Planning	\$116	\$101			
85	TES/Transportation	Add 1 FTE for Infrastructure Analysis	\$103	\$69			
88	TES/Waste Management	Conversion of temporary Regional collection inspector to permanent	\$87	\$66			
52	CSD/Housing	Increased Housing Stability System supports (Bundle 2)	\$624	\$312			
91	PDL/Community Planning	EvolvGreen	\$50	\$50			
94	PDL/Community Planning	Implementing Community Energy Investment Strategy Actions (Bundle 2 - feasibility studies for 4 years)	\$100	\$100			
30	TES/Transit Services	Implementation of GRT Business Plan (Year 2) (Bundle 2)	\$699	\$454	\$47		
96	TES/Transit Services	Transit Service to Woolwich	\$285	\$170	\$23	\$25	
100	TES/Transportation	Traffic signal technology (Bundle 1)	\$25			\$300	
100	TES/Transportation	Traffic signal technology (Bundle 2)	\$600			\$2,700	
	Subtotal		\$9,673	\$6,306	\$1,593	\$4,488	\$378

Appendix F – Property Tax Levy Distribution

Service	Net cost of service levied to municipalities denoted with ✓						
	Cambridge	Kitchener	Waterloo	N. Dumfries	Wellesley	Wilmot	Woolwich
Conventional GRT to Woolwich							✓
Conventional GRT to Wilmot						✓	
Urban Conventional GRT service	✓	✓	✓				
Urban GRT Mobility service	✓	✓	✓				
Rural GRT Mobility service				✓	✓	✓	✓
Rapid Transit	✓	✓	✓				
Library Services				✓	✓	✓	✓
All other Regional Services	✓	✓	✓	✓	✓	✓	✓
Police Services	✓	✓	✓	✓	✓	✓	✓



Region of Waterloo Budget Committee

2019 Budget

Information Paper

Public Transit

Budget Committee Date: February 6, 2019

At Budget Committee on January 16, 2019 staff were asked to report back on a number of Public Transit related items. This information paper provides an update on most of these items as well as information gathered to date on the recent provincial announcement regarding tuition fee reductions and the potential impact on the Grand River Transit (GRT) U-Pass Program.

1. Transit Fare Comparison

The GRT Business Plan assumed an average annual fare increase of 2.0% during the 2017 to 2021 period. **Appendix A** outlines GRT's fare structure with that of other comparable transit systems in Canada. The Region's cash fare, adult ticket price, and monthly pass are all below the median and average in Ontario.

2. Transit Ridership Sensitivity to Fare Increases

GRT customer price elasticity is generally such that a 1% change in price results in a 0.3% change in ridership. In an environment of service improvements, this decrease would be experienced simply as a minor reduction to the overall rate of ridership increase. Experience has also shown that elasticity may be higher when considering fare increases greater than 5%.

3. Bus Wrapping Advertising

In May 2018 staff provided Planning and Works Committee with information (TES-TRS-18-08 GRT Bus and ION Advertising) which outlined the terms and revenues of the current advertising contract for buses and the plans for ION Light Rail vehicles and station platforms.

In summary, the current bus advertising:

- expires May 31, 2019;
- generates approximately \$500,000 annually from exterior and interior bus advertisements; and,
- allows for the sale of advertising on up to five (5) fully wrapped transit buses each year and an unlimited number of single sided vinyl ads.

There have been several customer complaints regarding the use of perforated vinyl window coverings, since it obstructs the view and creates a darker environment inside the bus. There are also concerns that this type of advertising diminishes the GRT brand. It is estimated the revenue loss from eliminating these specialty vinyl products would be \$220,000 annually.

The preliminary 2019 operating budget for ION LRT includes an estimated \$67,000 for advertising revenue for interior vehicle and platform ad panels. This amount considers:

- The limited interior ad space on the Light Rail Vehicles;
- There are approximately 40 platform ad panel opportunities;
- There will be no advertisement on train exteriors as per Council's direction.

Staff are preparing a request for proposal (RFP) for advertising for release in late February. The RFP will require bidders to separate the revenue for specialty vinyl ads, which obstruct any part of the buses windows. This will exclude the back of the bus advertising space, where there are no windows. Regional Council will be provided the opportunity to review the financial implications of discontinuing these specialty vinyl advertisements at that time.

4. Budget Issue Paper: Route 21 Elmira

Background

In June 2018, Regional Council approved that Kiwanis Transit and Township of Woolwich could operate a community circulator transit pilot in Elmira from September 4, 2018 to March 1, 2019.

The pilot service operated by Kiwanis Transit circulates the Town of Elmira and connects with GRT Route 21 which travels between Elmira and Conestoga Mall station. Six and half hours of service are provided Monday to Friday and six hours of service are provided on Saturday. The pilot operates on a fixed-route and schedule providing 30 minute service.

During the first four months of the pilot service, an average of 48 riders used the service on a weekday and 20 riders on Saturday.

Service Delivery Options

Regional staff developed a Budget Issue Paper for transit service improvements in Woolwich including continuation of the pilot on a more permanent basis, operated as a BusPLUS service. GRT typically operates scheduled fixed-routes in low-demand areas using a contracted BusPLUS service.

At the request of Budget Committee, staff have developed an option for this budget issue paper whereby Kiwanis Transit would continue to operate the pilot until the end of 2019 at which time, the Region would issue a request for proposal to operate the service on a permanent basis starting in 2020.

Both service delivery options are operationally feasible and a comparison is described in the table below:

Comparison of Service Delivery Options

The following table outlines certain aspects of delivery of this service as contemplated in the budget issue paper (BusPLUS) or through Kiwanis Transit:

	Budget issue paper: Service provided through BusPLUS	Service delivery option through Kiwanis Transit
Vehicle Cost	The \$160,000 cost of a new low floor vehicle amortized over five years and maintenance are included in operating cost per hour	\$10,000 (purchased and retro-fitted used vehicle with lift). Maintenance is included in operating cost per hour.
Gross Annual Operating Cost	\$164,000 (2,121 service hours X \$77.28 per hour)	\$93,000 (2,088 service hours X \$44.60 per hour) based on current Kiwanis Transit schedule
Annual Revenue	\$14,000 from passenger fares	\$14,000 from community donations
Vehicle	Accessible Low Floor vehicle Capacity - 19 seats Branding - GRT and Voyago	Accessible using lift Capacity – 12 seats Branding – Elmira Community Bus

	Budget issue paper: Service provided through BusPLUS	Service delivery option through Kiwanis Transit
Fares	Regular GRT Fares; full transfer to rest of network. Installation of gravity fare box and EasyGO handheld validator to be implemented	Free (as a pilot and no easy integration of equipment); ultimately can use regular GRT fares once gravity farebox for cash fares and EasyGO handheld validator for pass and stored value is implemented.
Area Rating Impact	Area rated to Woolwich	Area rated to Woolwich
Access to Conventional Service	Transfer to Route 21(fare payment on BusPLUS)	Payment required on Route 21
Reduced demand on Kiwanis Specialized Services	Kiwanis Transit clients could use community fixed-route service instead of using Kiwanis Transit door to door service at higher cost per trip. GRT fare structure applies.	Kiwanis Transit clients could use community fixed-route service instead of using Kiwanis Transit door to door service at higher cost per trip.
Procurement Process	Existing contract with Voyago.	No existing contract with Kiwanis Transit for operating conventional transit routes. Contracted for 18 years for specialized services only. Amendment required.
Customer Information	Customer information integrated with GRT traveller information systems.	Kiwanis Transit provides customer information through Kiwanis Transit website, social media and information on bus stop signs. Not integrated with GRT traveller information systems.

5. UPass Program

On January 17 the Province announced an initiative to reduce tuition fees for Ontario post-secondary students. The Minister also announced a Student Choice Initiative through which every individual student in Ontario will be empowered to choose which student fees they want to pay and how that money will be allocated. Fees for essential campus health and safety initiatives will continue to be mandatory.

This initiative is being led by the Ministry of Training, Colleges and Universities (MTCU).

- On behalf of member organizations including GRT, the Ontario Public Transit Association (OPTA) contacted the Minister's office for additional information.
- Ministry Staff indicated that any existing UPass contracts would stand, however this has not been confirmed.
- This change will not require legislation as it is governed by MTCU guidelines on ancillary fees. MTCU will be figuring out what the basket of mandatory fees includes in time for the changes to come into force for September.
- OPTA feels based on initial discussions, there is an opportunity to preserve UPass programs as part of the "fees for essential campus health and safety initiatives".
- Ministry staff have asked if OPTA could survey members and Transit Services have provided information to OPTA regarding Upasses in the Region of Waterloo.

A brief summary of the current Upass program is below as well as information on the pending Upass program at Conestoga College. Staff await further direction from the Province and in the meantime are assessing the potential impacts and options.

Existing UPass Program

- GRT is a party to five UPass agreements at the moment. (The undergraduate and graduate student associations at WLU and UW plus Renison University/College)
- Four of the five agreements were supported by a referendum, with the exception being Renison University/College.
- All current agreements have a five-year term ending on August 31, 2020.
- The current fee per eligible student per term of enrollment agreed to by all parties is \$93.91. In September 2019 this will move to \$98.60.

- Annual UPass ridership (all programs): 6.05 million (29% of ridership)
- Annual UPass revenue (all programs): \$8.94 million (24% of passenger revenue)
- 2018 UPass volume: fall = 44,075; annual = 98,000

Pending UPass Program at Conestoga College

- Conestoga College has campuses in Kitchener, Waterloo and Cambridge.
- Students approved the program via referendum in fall 2018 (58%) at a price of up to \$137 per eligible student per term
- Student participation levels are expected to be approximately 13,500 per term/ 31,000 per year (lower enrollment in summers)
- Annual revenue is forecast to be \$4.2 million
- The Budget Issue Paper is found on page 38 of the budget issue paper package distributed on December 11, 2018.

Updated information will be provided to Budget Committee on February 19, 2019.

6. Regional Transportation Master Plan (RTMP) Funding Model Option

At the January 16, 2019 Budget Committee meeting, staff were asked to review options to implement the final 0.75% incremental funding provision for the RTMP funding strategy. The following table compares the current funding strategy model with an option to split the incremental provision over two years (e.g. 0.4% in 2019 and 0.4% in 2020):

RTMP Funding Model Options (\$millions)	Projected				
	2018	2019	2020	2021	2022
0.75% urban tax levy increase in 2019 (included in Preliminary 2019 Budget)					
Net Rapid Transit Operating Budget Surplus/(Shortfall)	\$3.2	(\$7.5)	(\$1.2)	\$1.1	\$3.1
Reserve Closing Balance	\$21.6	\$11.9	\$8.8	\$7.9	\$10.4
Alternate Scenario: 0.4% urban tax levy increase in 2019 and 0.4% in 2020					
Net Rapid Transit Operating Budget Surplus/(Shortfall)	\$3.2	(\$9.1)	(\$1.0)	\$1.4	\$3.4
Reserve Closing Balance	\$21.6	\$10.3	\$7.4	\$6.9	\$9.6

The tax levy impact of moving to a 0.4% increase in 2019 and 2020 is as follows:

Incremental tax levy impact (\$millions)		
	2019	2020
Recommendation (0.75% in 2019)	\$3.4	\$0.0
Alternate scenario (0.4% in 2019 & 2020)	\$1.8	\$1.8
Tax levy increase/(reduction)	(\$1.6)	\$1.8

A tax levy reduction of \$1.6 million in 2019 would reduce the tax impact by 0.3%.

While the impact on the closing reserve fund balance is modest, staff recommend completing the RTMP funding strategy in 2019 by approving the final 0.75% urban tax levy increase.

Appendix A – Transit Fare Comparison

2019 Fares in Comparable Ontario Municipalities							
Municipality	Cash Fare	Adult Ticket	Reduced Ticket	Adult Monthly Pass	Reduced Monthly Pass	2017 Average Fare	
York Region	\$ 4.00	\$ 3.75	\$ 2.35	\$ 150.00	\$ 63.00	\$ 3.09	
Durham Region	\$ 3.75	\$ 3.15	\$ 2.10	\$ 117.00	\$ 46.00	\$ 2.51	
Brampton	\$ 4.00	\$ 3.00	\$ 1.60	\$ 124.00	\$ 52.00	\$ 2.44	
Toronto	\$ 3.25	\$ 3.00	\$ 2.05	\$ 146.25	\$ 116.75	\$ 2.18	
Mississauga	\$ 3.75	\$ 3.00	\$ 2.00	\$ 130.00	\$ 61.00	\$ 2.07	
Windsor	\$ 3.25	\$ 3.00	\$ 2.05	\$ 146.25	\$ 116.75	\$ 1.98	
Hamilton	\$ 3.00	\$ 2.40	\$ 2.00	\$ 105.60	\$ 29.50	\$ 1.91	
Ottawa	\$ 3.50	\$ 3.45	\$ 2.60	\$ 116.50	\$ 44.50	\$ 1.90	
Sudbury	\$ 3.40	\$ 2.70	\$ 2.10	\$ 93.00	\$ 56.00	\$ 1.89	
GRT	\$ 3.25	\$ 2.76	\$ 2.40	\$ 86.00	\$ 73.00	\$ 1.69	
Thunder Bay	\$ 2.75	\$ 2.48	\$ 2.48	\$ 77.00	\$ 55.00	\$ 1.46	
London	\$ 2.75	\$ 1.90	\$ -	\$ 81.00	\$ -	\$ 1.37	
Median	\$ 3.33	\$ 3.00	\$ 2.08	\$ 116.75	\$ 55.50	\$ 1.95	
Ontario Average	\$ 3.29	\$ 2.79	\$ 2.00	\$ 101.71	\$ 55.71	\$ 2.11	
Note: Ontario Average includes all municipalities							
OUT OF PROVINCE							
Halifax	\$ 2.50	\$ 2.00	\$ 1.45	\$ 78.00	\$ 58.00	\$1.72	
Winnipeg	\$ 2.95	\$ 2.60	\$ 1.30	\$ 100.10	\$ 50.05	\$1.63	
Victoria	\$ 2.50	\$ 2.25	\$ 2.25	\$ 85.00	\$ 45.00	\$1.56	
Calgary	\$ 3.40	\$ 3.40	\$ 3.40	\$ 106.00	\$ 11.66	\$1.55	
Quebec City	\$ 3.50	\$ 3.05	\$ 2.55	\$ 88.50	\$ 56.15	\$1.51	
Montreal	\$ 3.25	\$ 2.80	\$ 1.70	\$ 85.00	\$ 51.00	\$1.48	
Edmonton	\$ 3.50	\$ 2.63	\$ 2.30	\$ 97.00	\$ 15.50	\$1.35	
Laval	\$ 3.25	\$ 2.88	\$ 2.00	\$ 95.00	\$ 57.00	\$1.17	
Out of Prov. Median	\$ 3.25	\$ 2.71	\$ 2.13	\$ 91.75	\$ 50.53	\$1.53	
Out of Prov. Average	\$ 3.11	\$ 2.70	\$ 2.12	\$ 91.83	\$ 43.05	\$1.50	



Region of Waterloo Budget Committee

2019 Budget

Information Paper

Public Engagement Feedback

Budget Committee Date: February, 6, 2019

The Region's public engagement process with respect to the 2019 budget includes two public input sessions at the January 16 and February 6 Budget Committee meetings and incorporates the use of an online feedback tool (Engage Region of Waterloo). The 2019 public engagement initiative is focussed on determining how the public values the proposed 2019 service enhancements. The online tool questionnaire is open from January 9 to February 8. A total of 434 responses (questionnaires completed) had been received by January 30. This information paper provides an overview of feedback results received to date.

The online tool was structured in a question and answer format and was designed to ask one value for money question for each proposed public facing service enhancement. For each service enhancement, participants were provided a brief description of the proposed service improvement and the relative cost to the average taxpayer and were asked whether the service provided good value to the community. Participants were asked to provide their responses according to a five point scale ranging from strongly disagree to strongly agree.

One additional question asked participants what their preference was with respect to possible increases to property taxes in order to maintain or increase service levels. A similar question was asked during previous budget processes.

Demographic information about where respondents live, age, how often they may use certain services and whether they are a homeowners or a renter was also collected.

Preliminary Results

Response rates were the highest for those in 26-39 years of age and 40-65 years of age (43%). It is also encouraging to note that respondents participated from all seven area municipalities within the Region.

The following tables outline some broad demographics of respondents to the online tool:

Age of Respondent	Cam	Kit	Wat	ND	Wel	Wil	Woo	outside Region blank	Subtotal		
18-25	2	13	10	0	0	1	0	0	1	27	6%
26-39	15	102	37	1	3	10	13	3	1	185	43%
40-64	26	81	51	5	6	7	7	4	1	188	43%
65+	5	14	6	0	0	3	1	0	0	29	7%
blank	0	0	2	0	0	0	0	0	3	5	1%
Subtotal	48	210	106	6	9	21	21	7	6	434	100%

Age of Respondent	Home-owner	Renter	Other	blank	Subtotal	
18-25	4	19	4	0	27	6%
26-39	149	31	5	0	185	43%
40-64	167	14	3	4	188	43%
65+	24	4	1	0	29	7%
blank	2	0	0	3	5	1%
Subtotal	346	68	13	7	434	100%

The following table provides the percentage of respondents that strongly agreed or agreed that the proposed service enhancement was good value to the community, the percentage that had no opinion, and the percentage that disagreed that the cost of a service area was good value:

Proposals summary*	Strongly Agree & Agree	Neither Agree nor Disagree	Strongly Disagree & Disagree	blank
Personal Support Workers for Sunnyside	75%	17%	8%	0%
Additional ambulances and paramedics	78%	12%	9%	0%
Add 25,000 service hours for GRT for additional routes/integrations	28%	25%	45%	2%
Add 10,000 service hours for GRT for service frequency	33%	27%	38%	2%
Conestoga College U-pass program	36%	25%	38%	1%
Specialized transit service in cities	66%	16%	17%	1%
Specialized transit service in townships	49%	19%	32%	0%
Improvements on route 21 to Elmira	32%	23%	45%	0%
More housing program supports, including overflow shelter beds	72%	13%	15%	1%
More housing program supports, including eviction prevention funding	61%	19%	18%	1%
Traffic signal operations resources	50%	26%	22%	1%
Traffic signal technology	57%	23%	19%	1%
Roads construction and utility permit support	57%	24%	18%	1%
Active transportation planning resources	59%	17%	24%	0%
Economic development funding	35%	33%	31%	1%
Residential Project Neutral Campaign funding	60%	21%	19%	1%
Community Energy Investment Strategy	67%	17%	15%	1%
EvolvGREEN funding	61%	21%	18%	1%

*Presented in the order in which the proposal question appeared in the questionnaire

The Region of Waterloo must balance the cost of delivering services with the amount that people are taxed. A final question asked respondents about a range of options regarding tax increases from whether they would be willing to pay more for improved or expanded services to reducing taxes and cutting services. Respondents were predominantly supportive of "increasing taxes enough to expand or improve services" (66%):

The Region of Waterloo must balance the cost of delivering services with the amount that people are taxed. Would you prefer the Region:	Subtotal	
Increase taxes enough to expand or improve services	285	66%
Increase taxes just enough to maintain existing services	60	14%
Not increase taxes and possibly reduce service levels	41	9%
Reduce taxes and cut services	22	5%
Don't know/not applicable	20	5%
blank	6	1%
Subtotal	434	100%

Appendix A

Seniors' Services

Sunnyside Home is facing an increasing need to provide more care to people with complex needs (such as Alzheimer's disease). Additionally the need for more 24 hour and end-of-life care is increasing. More Personal Support Workers (PSWs) are needed to meet these higher demands for care, and ensure the comfort and safety of residents around the clock. Once fully implemented, the additional PSWs would increase the annual property tax levy for Seniors' Services by \$381,000.

Hiring more Personal Support Workers to ensure comfort, safety and high quality around-the-clock care at Sunnyside Home at an annual cost of \$1.44 per average household is good value for the community.

Approximately 75% of respondents thus far agreed that the proposal to add Personal Support Workers at Sunnyside Home is good value to the community.

Have you or anyone in your extended family lived in a Long Term Care Home (also known as a nursing home) in the past two years (2017 or 2018)?

Response	Yes	No	blank	Subtotal	
Strongly agree	57	113	0	170	39%
Agree	37	118	1	156	36%
Neither agree nor disagree	13	59	1	73	17%
Disagree	2	12	1	15	3%
Strongly disagree	4	12	2	18	4%
blank	0	1	1	2	0%
	113	315	6	434	100%

Are you or anyone in your extended family planning to move to a Long Term Care Home in the next year?

Response	Yes	No	Maybe	blank	Subtotal	
Strongly agree	10	134	26	0	170	39%
Agree	10	130	16	0	156	36%
Neither agree nor disagree	0	59	13	1	73	17%
Disagree	0	10	4	1	15	3%
Strongly disagree	1	12	3	2	18	4%
blank	0	1	0	1	2	0%
	21	346	62	5	434	100%

Paramedic Services

Adding two ambulances and paramedics would improve ambulance response times and help make sure that there are enough vehicles and staff to respond to 9-1-1 calls as the population grows and ages. Once fully implemented, adding two ambulances, paramedics, and support staff would increase the annual property tax levy for Paramedic Services by \$888,000.

Adding ambulances, paramedics and support staff, to help improve ambulance response times, at an annual cost of \$3.35 per average household, is good value for the community.

Approximately 78% of respondents thus far agreed that the proposal to add Personal Support Workers at Sunnyside Home is good value to the community.

When did you or someone in your immediate family most recently require the use of an ambulance?

Response	within the past		over a		blank	Subtotal		
	6 month	months	year	ago never				
Strongly agree	27	33	22	67	59	0	208	48%
Agree	3	11	11	46	58	0	129	30%
Neither agree nor disagree	4	2	2	24	20	2	54	12%
Disagree	1	3	4	10	10	1	29	7%
Strongly disagree	0	1	2	3	6	0	12	2%
blank	0	0	0	1	0	1	2	0%
	35	50	41	151	153	4	434	100%







**Transit Services
Grand River Transit Business Plan**

The Grand River Transit (GRT) 2017-2021 Business Plan guides the planned improvements to the regional transit network and service levels over five years to work towards achieving the 2021 and 2031 ridership targets. The planned 2019 transit service improvements total 35,000 more service hours. It would include the addition of the 206 Coronation iXpress, supporting local routes in Cambridge and improved service levels on routes connecting with ION LRT (see the map <on the following page> that depicts proposed route changes that would be implemented subject to Council approval). Once fully implemented, adding 35,000 service hours would increase the annual property tax levy for Transit Services by \$2,852,000.

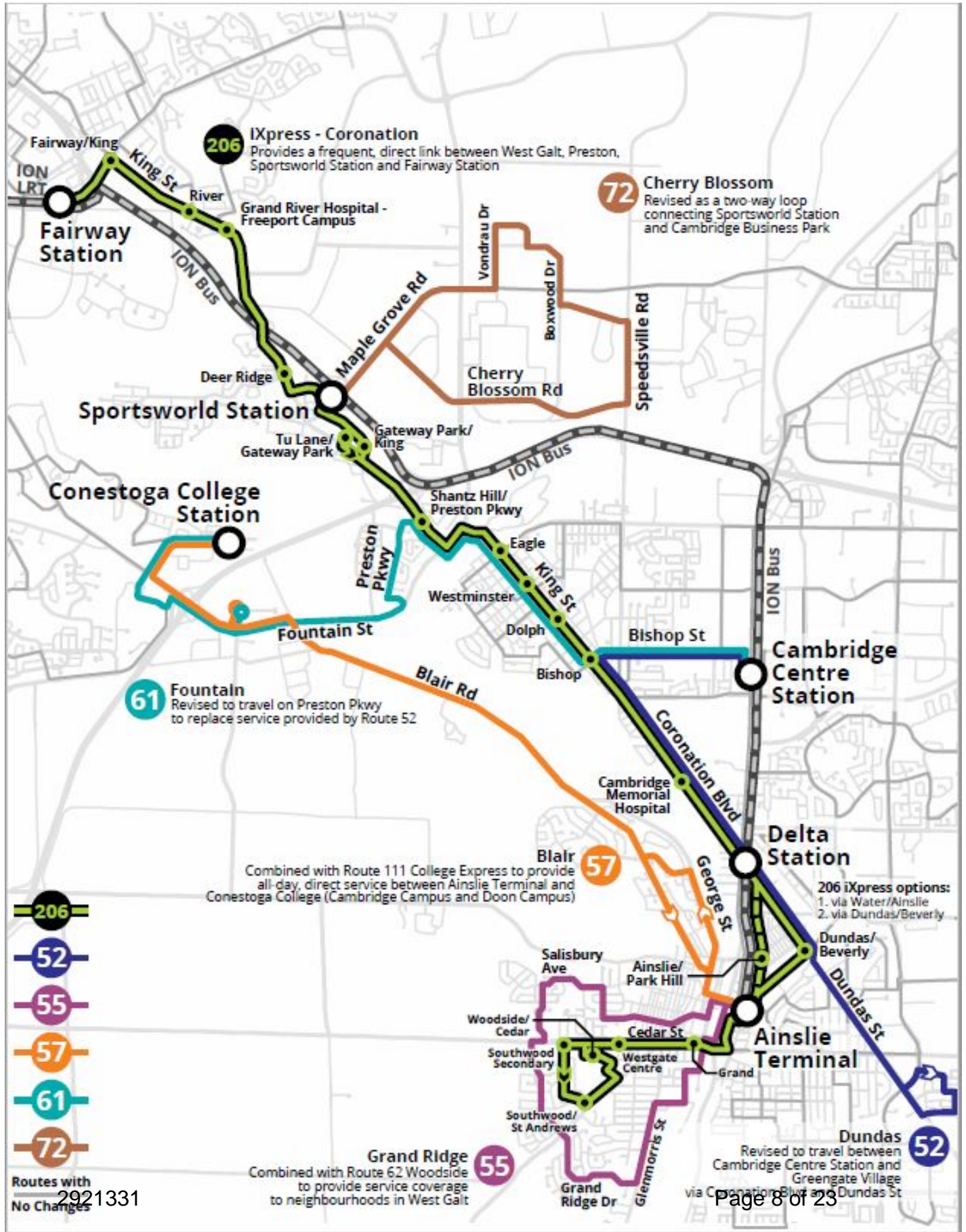
This proposal was split into two questions for feedback: service enhancements requiring an additional 25,000 annual service hours and service enhancements requiring an additional 10,000 annual service hours.

Adding 25,000 more service hours would provide for a new 206 Coronation iXpress route which integrates several local routes (including realignment of Routes 52, 61 and 72) as well as allow for the merging of Routes 55 and 62 in west Galt. These service hours, at an annual cost of \$9.38 per average household in Cambridge, Kitchener, and Waterloo provides good value to the community.

Approximately 28% of respondents thus far agreed and 45% of respondents disagree that the proposal to add 25,000 service hours for new routes and route realignments is good value to the community. Approximately one quarter of respondents did not feel strongly one way or the other. Less than half of respondents (45%) indicated that they use transit services and support for this proposal was generally higher among transit users.

Do you use public transit:									
Response	a few times						Never blank	Subtotal	
	daily	weekly	monthly	a year					
Strongly agree		7	11	6	28	9	0	61	14%
Agree		7	5	5	20	22	0	59	14%
Neither agree nor disagree		5	3	6	32	63	0	109	25%
Disagree		4	4	7	26	79	0	120	28%
Strongly disagree		3	1	2	10	56	3	75	17%
blank		1	0	0	2	6	1	10	2%
		27	24	26	118	235	4	434	100%

2019 GRT Service Improvements Map



GRT Business Plan (continued)

An additional 10,000 service hours would provide for weekend and late evening service to Route 52, increasing Sunday service from 60 to 30 minute frequency on Route 55, full peak period 15 minute weekday service frequency on Route 61 and 30 minute midday service and evening service on combined Routes 57/111. Adding these service hours at an annual cost of \$3.04 per average household in Cambridge, Kitchener and Waterloo provides good value to the community.

Approximately 33% of respondents thus far agreed and 38% of respondents disagreed that the proposal to add 10,000 service hours to improve service frequency on certain routes is good value to the community. Approximately one quarter of respondents did not feel strongly one way or the other. Less than half of respondents (45%) indicated that they use transit services and support for this proposal was generally higher among transit users.

Response	Do you use public transit:							Subtotal	
	daily	weekly	monthly	a few times a year	never	blank			
Strongly agree	7	10	4	28	14	0	63	14%	
Agree	10	4	11	26	30	0	81	19%	
Neither agree nor disagree	5	6	2	32	73	0	118	27%	
Disagree	1	3	6	19	68	0	97	22%	
Strongly disagree	4	1	2	10	48	3	68	16%	
blank	0	0	1	3	2	1	7	2%	
	27	24	26	118	235	4	434	100%	

Conestoga College U-Pass

Conestoga College students have voted with 58 per cent in support of a student pass which allows for unlimited travel on GRT (Universal Pass – U-Pass). The U-Pass at Conestoga College, similar to the U-Pass programs at University of Waterloo and Wilfrid Laurier University would be valid for 12 months and each full-time college student would pay \$274 (two semesters of \$137) for unlimited use of transit services in a calendar year. Greater student transit use reduces campus parking demand and traffic congestion. The program would require an additional 15,225 annual service hours and would be implemented September 2019, subject to Regional Council approval. Providing the U-Pass program to Conestoga College students would increase the annual property tax levy for Transit Services by \$885,000.

An additional 15,225 service hours in Grand River Transit to implement the U-Pass program at Conestoga College at an annual cost of \$3.85 per average household in Cambridge, Kitchener, and Waterloo is good value to the community.

Approximately 36% of respondents thus far agreed and 38% of respondents disagreed that the proposal to implement the U-Pass program for Conestoga College students is good value to the community. Approximately one quarter of respondents did not feel strongly one way or the other. Less than half of respondents (45%) indicated that they use transit services and support for this proposal was generally higher among transit users.

Do you use public transit:

Response	Do you use public transit:						blank	Subtotal	
	daily	weekly	monthly	a few times a year	never				
Strongly agree	11	14	9	27	18	0	79	18%	
Agree	5	1	6	29	36	1	78	18%	
Neither agree nor disagree	7	4	4	24	68	0	107	25%	
Disagree	2	3	4	25	57	0	91	21%	
Strongly disagree	2	1	3	12	54	2	74	17%	
blank	0	1	0	1	2	1	5	1%	
	27	24	26	118	235	4	434	100%	

Specialized Transit

In June 2017, Council adopted the MobilityPLUS and Kiwanis Transit Five-Year Business Plan 2017-2021. The plan recommends to continue expanding specialized transit services to levels of comparable sized municipalities and to reduce the number of unaccommodated trips. Each expansion vehicle will accommodate approximately 6,000 rides annually. Once fully implemented, two additional vehicles would increase the annual property tax levy for Transit Services by \$354,000.

An additional expansion bus for MobilityPLUS service at an annual cost of \$0.81 per average household in Cambridge, Kitchener, and Waterloo is good value to the community.






Approximately 65% of respondents thus far agreed that the proposal to add one expansion vehicle for specialized transit in the urban service area is good value to the community.

Do you use public transit:											
Response	Respondents who live in the three cities							Live outside of the Region	blank	Subtotal	
	daily	weekly	monthly	a few times a year	never	blank					
Strongly agree		16	9	7	41	40	1	0	0	114	30%
Agree		6	11	9	30	71	0	5	2	134	36%
Neither agree nor disagree		1	1	6	20	37	0	0	0	65	16%
Disagree		2	0	3	6	14	0	2	1	28	8%
Strongly disagree		1	1	1	7	20	0	0	1	31	9%
blank		0	0	0	1	2	0	0	2	5	1%
		26	22	26	105	184	1	7	6	377	%
										100	

Specialized Transit (continued)

An additional expansion bus for Kiwanis service at an annual cost of \$4.77 per average household in North Dumfries, Wellesley, Wilmot and Woolwich is good value to the community.

Approximately 51% of respondents thus far agreed that the proposal to add one expansion vehicle for specialized transit in the rural service area is good value to the community.



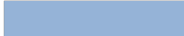


		Do you use public transit:								
		Respondents who live in the four townships								
Response		a few times					blank	Subtotal		
		daily	weekly	monthly	a year	never				
Strongly agree		1	1	0	2	6	0	10	18%	
Agree		0	0	0	3	15	0	18	31%	
Neither agree nor disagree		0	0	0	3	8	0	11	19%	
Disagree		0	0	0	1	3	0	4	7%	
Strongly disagree		0	0	0	3	11	0	14	25%	
blank		0	0	0	0	0	0	0	0%	
		1	1	0	12	43	0	57	100%	

Route 21 Elmira

To continue ridership growth on Route 21, it is proposed to increase the frequency of service from 60 to 30 minutes during the weekday midday and from 40 to 30 minutes on Saturday and extend Saturday service from 4 p.m. to 7:30 p.m. Continuing the pilot transit route through the town of Elmira would increase neighbourhood service coverage and connect customers with the current Route 21. Once fully implemented, these service enhancements would increase the annual property tax levy for Transit Services by \$285,000.

Increasing frequency on Route 21 and continuing the new transit route through the town of Elmira at an annual cost of \$20.84 per average household in Woolwich is good value to the community.

Approximately 32% of respondents thus far agreed and 46% of respondents disagreed that the proposal to improve service frequency and coverage of Route 21 in Woolwich is good value to the community. Almost one quarter of respondents did not feel strongly one way or the other. Less than half of respondents (45%) indicated that they use transit services. The total number of respondents who indicated they were from the township of Woolwich was quite small overall with a total of 22 individuals. With such a low number of total respondents, the results to this question are impacted such that each response generates approximately a 4.5% change in the percentage response rate.

		Do you use public transit:							
		Respondents who live in the Township of Woolwich							
Response		a few times						Subtotal	
		daily	weekly	monthly	a year	never	blank		
Strongly agree		0	1	0	2	1	0	4	18%
Agree		0	0	0	2	1	0	3	14%
Neither agree nor disagree		0	0	0	0	5	0	5	23%
Disagree		0	0	0	1	2	0	3	14%
Strongly disagree		1	0	0	3	3	0	7	32%
blank		0	0	0	0	0	0	0	0%
		1	1	0	8	12	0	22	100%

Housing Services

The Region is responsible for addressing local community housing pressures. There is significant pressure to help people find affordable housing and stay housed, particularly those with deep levels of need. The waiting list for affordable housing grew by 40 per cent in the last year. The shelter system has been under pressure as the demand for shelter space continues to increase (primarily from single men but more recently families as well). The waiting list for housing support dedicated to people experiencing chronic homelessness has remained between 250- 300 people over the last year (about 40 of whom are living outside). The Region's eviction prevention program is operated by Lutherwood and has been experiencing pressures as community needs continue to increase. Once fully implemented, providing for additional flexible winter shelter resources, rent assistance in times of need, and program staffing supports to meet demand and reduce waitlists would increase the annual property tax levy for Housing Services by \$1,244,000.

Serving 10 individuals with portable home-based supports, providing for 45 winter shelter overflow beds, and adding one additional staff resource at an annual cost of \$2.34 per average household is good value to the community.

Approximately 72% of respondents thus far agreed that the proposal to increase funding for portable home-based supports, including 45 winter shelter overflow beds is good value to the community.

Response	Age of Respondent					Subtotal	
	18-25	26-39	40-64	65+	blank		
Strongly agree	17	72	70	13	1	173	40%
Agree	7	66	57	7	1	138	32%
Neither agree nor disagree	2	19	29	5	0	55	13%
Disagree	0	18	18	1	1	38	9%
Strongly disagree	1	9	12	3	1	26	6%
blank	0	1	2	0	1	4	1%
	27	185	188	29	5	434	100%

Housing Services (continued)

Serving an additional 20 individuals with portable home-based supports and providing additional eviction prevention funding at an annual cost of \$2.36 per average household is good value to the community.

Approximately 61% of respondents thus far agreed that the proposal to increase funding for additional portable home-based supports, including eviction prevention funding is good value to the community.

Response	Age of Respondent					Subtotal	
	18-25	26-39	40-64	65+	blank		
Strongly agree	15	64	54	12	1	146	34%
Agree	7	53	50	7	2	119	27%
Neither agree nor disagree	3	33	43	5	0	84	19%
Disagree	1	24	23	1	0	49	11%
Strongly disagree	1	10	15	4	1	31	7%
blank	0	1	3	0	1	5	1%
	27	185	188	29	5	434	100%







Roads

Traffic Signal Network

Traffic signal operations are currently supported by 11 staff members. Traffic signal personnel are responsible for the maintenance of: over 500 traffic control signals; numerous surveillance cameras at roundabouts; intersection/warning flashers; 3000+ vehicle detection lanes; Paramedic/Transit Services signals; utility locates (10,340 in 2017); yearly installation of new/updated traffic signals; and soon the addition of the Light Rail Transit (LRT) traffic signals. The addition of two Signal Maintainers and one Signal Technician is proposed in order to continue covering daily maintenance of this infrastructure as well as 52 LRT intersections that will require more time-sensitive and on-demand attention to ensure that ION service is not interrupted. Once fully implemented, increasing Traffic Operations staffing resources by three positions plus related vehicle equipment would increase the annual property tax levy for Transportation (Roads) by \$307,000.

Adding three additional Traffic Signal staff positions and related vehicle equipment at an annual cost of \$1.16 per average household is good value to the community.

Approximately 50% of respondents thus far agreed that the proposal to increase Traffic signal resources is good value to the community.

Response		Subtotal	
Strongly agree		111	25%
Agree		108	25%
Neither agree nor disagree		115	26%
Disagree		63	15%
Strongly disagree		33	8%
blank		4	1%
		434	100%







Roads (continued)

Traffic Signal Technology

Advancements in traffic signal technology can now allow traffic signals to be re-calibrated once every 2.5 years versus the current five-year cycle. The potential benefits of more frequent signal calibration include reduced travel times and greenhouse gas emissions by reducing delays up to five per cent. Implementing a new traffic signal technology on the entire road network would require significant investment in capital funded by debt and thereby increase the annual property tax levy by \$625,000.

Implementing a new traffic signal technology on the full traffic signal system at an additional annual cost of \$2.36 per average household is good value to the community.

Approximately 57% of respondents thus far agreed that the proposal to implement a new traffic signal technology is good value to the community.

Response		Subtotal	
Strongly agree		145	33%
Agree		104	24%
Neither agree nor disagree		101	23%
Disagree		51	12%
Strongly disagree		30	7%
blank		3	1%
		434	100%







Roads (continued)

Construction and Utility Permits

Roads staff review and approve applications for permits to install sewers, water mains, gas lines, communication equipment and other municipal services within the Region’s road ways and boulevards. Roads staff also review and approve all applications for permits to carry out construction work within the Region’s road ways and boulevards. The timely and accurate processing of these applications is essential to keeping municipal and private construction projects on track and built safely while avoiding costly errors which may negatively impact road users. The Region is seeing increasing volumes of these applications in recent years and staffing levels in this program have not kept pace with the growth in the number of applications. In 2017, the number of applications doubled compared to the annual average number of applications in the years between 2010 and 2015. Target timelines are not being met and staff overtime is increasing annually. Once fully implemented, adding an Engineering Technologist to the program would increase the annual property tax levy for Roads by \$106,000.

Adding one Engineering technologist at an annual cost of \$0.40 per average household is good value to the community.

Approximately 56% of respondents thus far agreed that the proposal to add an Engineering Technologist is good value to the community.

Response		Subtotal	
Strongly agree		105	24%
Agree		141	32%
Neither agree nor disagree		105	24%
Disagree		43	10%
Strongly disagree		35	8%
blank		5	1%
		434	100%







Roads (continued)

Active Transportation

The Region’s long-range plans include adding more sidewalks and bike lanes to encourage more people to use “human-powered” ways of getting around. The work required to plan and build new bike lanes and sidewalks requires more staff time. There is currently not enough staff at the Region to meet this demand and an additional transportation planning engineer is required for these projects to proceed on time. Adding this staff position would increase the annual property tax levy by \$116,000.

Adding one staff position for active transportation planning at an annual cost of \$0.44 per average household is good value to the community.

Approximately 59% of respondents thus far agreed that the proposal to increase active transportation planning resources is good value to the community.

Response		Subtotal	
Strongly agree		142	33%
Agree		113	26%
Neither agree nor disagree		73	17%
Disagree		50	12%
Strongly disagree		54	12%
blank		2	0%
		434	100%

Economic Development

The Office of Regional Economic Development (ORED) receives requests to support strategic growth initiatives from different industry associations or economic development organizations. More than half of the requests received by ORED are one-time requests that have not been planned for. The remaining requests fluctuate in the level of financial support requested. Where possible, these events are supported from existing budgets. However, others such as Communitech’s True North conference require new funding. Once fully implemented, adding funding for ORED economic development initiatives would increase the annual property tax levy for Economic Development by \$300,000.

Providing new funding for economic development initiatives at an annual cost of \$1.13 per average household is good value to the community.

Approximately 35% of respondents thus far agreed and 31% of respondents disagreed that the proposal to increase funding for economic development initiatives is good value to the community. Approximately a third of respondents did not feel strongly one way or the other.

Response	Where do you live?										Subtotal	
	Cam	Kit	Wat	ND	Wel	Wil	Woo	Region	blank	outside		
Strongly agree	2	22	18	0	0	2	5	1	1		51	12%
Agree	10	52	27	3	2	2	3	3	0		102	23%
Neither agree nor disagree	20	76	26	3	3	6	5	3	1		143	33%
Disagree	9	37	26	0	1	8	3	0	0		84	19%
Strongly disagree	7	21	9	0	3	3	5	0	3		51	12%
blank	0	2	0	0	0	0	0	0	1		3	1%
	48	210	106	6	9	21	21	7	6		434	100%

Community Sustainability

Residential Project Neutral Campaign

As part of the Community Energy Investment Strategy, the Residential Project Neutral Program will help local homeowners to reduce energy costs and greenhouse gas (GHG) emissions. Funding the program would attract over \$200,000 in investment from project partners and increase the impact of current utility incentive and rebate programs. The program would improve residents' access to available incentives including households with lower income that may be eligible to receive financial support from the Ontario Energy Affordability Fund and Home Assistance Program. Adding funding for the Residential Project Neutral Program would increase the property tax levy in 2019 and 2020 by \$58,000.

Providing new funding for the Residential Project Neutral Campaign at an annual cost of \$0.22 per average household in 2019 and 2020 is good value to the community.

Approximately 60% of respondents thus far agreed that the proposal to provide funding for the Residential Project Neutral Campaign is good value to the community.

Response	Are you a:				Subtotal	
	Home-owner	Renter	Other	blank		
Strongly agree	102	26	5	0	133	31%
Agree	105	18	2	1	126	29%
Neither agree nor disagree	70	13	5	1	89	21%
Disagree	30	5	0	2	37	9%
Strongly disagree	36	5	1	2	44	10%
blank	3	1	0	1	5	1%
	346	68	13	7	434	100%

Community Sustainability (continued)

Community Energy Investment Strategy

The Community Energy Investment Strategy (CEIS) aims to advance larger scale innovative projects that improve Waterloo Region’s energy self-sufficiency by encouraging the use of locally available energy resources rather than importing them into the region such as solar or ground source heating. Local energy generation, distribution and storage projects can reduce energy costs, lower greenhouse gas (GHG) emissions and increase energy security. Other indirect benefits include keeping more energy dollars circulating in the local economy (i.e. through less energy imports) and job creation. Providing funding for this initiative would increase the property tax levy in 2019 - 2022 by \$100,000.

Providing funding in support of Local energy generation, distribution and storage projects at an annual cost of \$0.38 per average household in years 2019 – 2022 is good value to the community.

Approximately 67% of respondents thus far agreed that the proposal to provide funding for the Community Energy Investment Strategy is good value to the community.

Response	Are you a:				Subtotal	
	Home-owner	Renter	Other	blank		
Strongly agree	119	24	5	1	149	35%
Agree	109	27	2	2	140	32%
Neither agree nor disagree	59	10	4	0	73	17%
Disagree	22	4	1	1	28	6%
Strongly disagree	33	3	1	2	39	9%
blank	4	0	0	1	5	1%
	346	68	13	7	434	100%







Community Sustainability (continued)

EvolvGREEN

The EvolvGREEN online hub fosters innovation in the development of the clean tech (low carbon/environmental benefit) economy by bringing together university researchers and students, start-up clean tech companies, non-profit and for-profit entities, as well as government agencies. EvolvGREEN partners include Sustainable Waterloo Region, the Accelerator Centre, the City of Waterloo, University of Waterloo Institute for Sustainable Energy, and Wilfrid Laurier University. Providing an operating grant to support this ongoing work would increase the property tax levy for Community Planning in years 2019 - 2022 by \$50,000.

Providing an operating grant in support of the EvolvGREEN hub at an annual cost of \$0.19 per average household in years 2019 - 2022 is good value to the community.

Approximately 61% of respondents thus far agreed that the proposal to provide funding for the EvolvGREEN is good value to the community.

Response		Subtotal	
Strongly agree		146	34%
Agree		118	27%
Neither agree nor disagree		89	21%
Disagree		39	9%
Strongly disagree		38	9%
blank		4	1%
		434	100%