

**Regional Municipality of Waterloo
Administration and Finance Committee
Addendum Agenda**



Date: Tuesday, August 9, 2022
Regular Session: 12:00 p.m.
Location: 150 Frederick Street, Kitchener, Ontario

Should you require an alternative format please contact the Regional Clerk at Tel.: 519-575-4400,
TTY: 519-575-4605, or regionalclerk@regionofwaterloo.ca

Pages

1. **Call to Order**
2. **Land Acknowledgement**
3. **Declarations of Pecuniary Interest under the “Municipal Conflict of Interest Act”**
4. **Presentations**
5. **Delegations**
 - 5.1. **Sean Campbell, Executive Director, Union Co-operative**
re: Municipal Capital Facility Property Tax Exemption for 475-477
Lancaster Street West, Kitchener
6. **Consent Agenda Items**

Items on the Consent Agenda can be approved in one motion of Committee to save time. Prior to the motion being voted on, any member of Committee may request that one or more of the items be removed from the Consent Agenda and voted on separately.
7. **Request to Remove Items from Consent Agenda**
8. **Motion to Approve Items or Receive for Information**

Recommended Motion:
That the Consent Agenda items be received for information and approved.

 - 8.1. **Strategic Focus – Responsive and Engaging Public Service**
 - 8.1.1. COR-TRY-22-78, Quarterly Summary of Tenders/Quotations, Requests for Proposals and Consultant Selections Approved by the Chief Administrative Officer
For Information. 4
 - 8.1.2. COR-TRY-22-80, Living Wage Employer Implementation Framework 8

Recommended Motion:
That the Regional Municipality of Waterloo approve the Living

Wage Implementation Framework as set out in Report COR-TRY-22-80 dated August 9, 2022.

- 8.1.3. COR-TRY-22-79, Investment Position at June 30, 2022 For Information. 11

9. Regular Agenda Items

9.1. Strategic Focus – Responsive and Engaging Public Service

- 9.1.1. PDL-CUL-22-04, Grant Administration Policy 17

Recommended Motion:

That the Regional Municipality of Waterloo approve the Grant Administration Policy as set out in report PDL-CUL-22-04 dated August 9, 2022.

- 9.1.2. PDL-CAS-22-06, Electronic Meeting Guidelines 29

Recommended Motion:

That the Regional Municipality of Waterloo approve Option ___ as guidelines for Regional Councillors when participating in Regional Council and Committee meetings as outlined in report PDL-CAS-22-06, dated August 9, 2022;

That the Regional Clerk be directed to include the guidelines in a future modernized procedural by-law;

That the Regional Clerk be authorized to prepare procedures for members of the public to continue to participate in Regional Council and Committee meetings electronically;

That staff be directed to reopen Regional Council Chambers to the public on October 4, 2022 and to provide delegations with the ongoing option to participate electronically or in person; and

That the Regional Clerk, on the advice of Health and Safety staff, be authorized to mandate electronic participation, or establish other health and safety requirements for in person participation, at future meetings.

- 9.1.3. CAO-SPL-22-05/COR-CFN-22-23, 2022 Mid-Year Update 34

Recommended Motion:

That the Regional Municipality of Waterloo take the following action with respect to the 2022 Mid-Year Update as set out in report CAO-SPL-22-05/COR-CFN-22-23 dated August 9, 2022:

- a. Receive the 2022 Mid-Year Update that shows

implementation and financial progress towards delivery on the Region's Annual Business Plan, in support of achieving the vision set out by Council in the Strategic Plan 2019-2023; and

- b. Amend the 2022 Tax Supported Capital Budget and 2023-2031 Capital Forecast for various capital projects as set out in Appendix C.

- 9.1.4. COR-SPL-22-06, 2023 Plan and Budget Community Engagement Update Report (Staff Presentation) For Information.

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10. Information/Correspondence

11. Other Business

12. Next Meeting- September 6, 2022

***13. Motion to go into Closed Session**

Recommended Motion:

That a closed meeting of the Planning and Works and Administration and Finance Committees be held on Tuesday, August 9, 2022, immediately following the Administration and Finance Committee meeting electronically, in accordance with Section 239 of the "Municipal Act, 2001", for the purposes of considering the following subject matters:

- 1. Commercial information supplied in confidence; and
- 2. Labour relations.

14. Adjourn

Recommended Motion:

That the meeting adjourn at __:__ p.m.

Region of Waterloo

Corporate Services

Treasury Services (Procurement)

To: Chair Helen Jowett and Members of the Administration and Finance Committee

Meeting Date: August 9, 2022

Report Title: Quarterly Summary of Tenders/Quotations, Requests for Proposals and Consultant Selections Approved by the Chief Administrative Officer

1. Recommendation:

For Information

2. Purpose / Issue:

To provide Council with the details of the tenders/quotations, proposals and consultant proposals awarded by the Chief Administrative Officer (CAO) under authority of the Purchasing By-law from April 1, 2022 to June 30, 2022. The format and content of this report will be updated for the Q3 reporting period to align with recent changes to the Purchasing By-law that came into effect on July 1, 2022.

3. Strategic Plan:

Award of these contracts meets the 2019-2023 Corporate Strategic Plan objective to ensure regional programs and services are efficient, effective and provide value for money under Strategic Focus Area 5, Responsive and Engaging Government Services.

4. Report Highlights:

The criteria for CAO approval during this reporting period are set out below:

- Administrative awards of tenders between \$150,001 and \$1,000,000 can occur if the following criteria are met: a minimum of three compliant bids are received, award to the lowest bidder, and the bid amount is within budget.
- For proposals between \$150,001 and \$1,000,000, the criteria to enable an administrative award are that the proposal is compliant, that it best meets the criteria as established, that at least three compliant proposals are submitted, and price is within budget.

- For consultant proposals between \$150,001 and \$500,000, the criteria to enable an administrative award are that the proposal is compliant, that it best meets the criteria as established, and the price is within budget.
- The Chief Administrative Officer By-law #20-027 (as amended) allows for the CAO to award tenders and RFPs when Council is not in session providing that the terms of the Purchasing By-law have been followed.

5. **Background:**

The Region's Purchasing By-law authorizes the Region's CAO to award certain tenders, Request for Proposals (RFPs) and Consultant Proposals based on specified criteria.

Administrative awards allow for an efficient and timely procurement process. A summary report is submitted on a quarterly basis to the Administration and Finance Committee outlining all tenders, RFPs and consultant proposals approved by the Chief Administrative Officer.

6. **Area Municipality Communication and Public/Stakeholder Engagement:**

Nil

7. **Financial Implications:**

All awards are consistent with the procurement by-law, including sufficient funding in the approved operating and/or capital budgets, as applicable.

8. **Conclusion / Next Steps:**

Nil

9. **Attachments / Links:**

[Appendix 1: CAO Tender/Quotation Awards](#)

[Appendix 2: CAO Proposal Awards](#)

[Appendix 3: CAO Request for Consultant Proposal Awards](#)

Prepared By: Tina Reay, Supervisor, Procurement

Reviewed By: Cathy Deschamps, Director, Treasury Services/Deputy Treasurer

Approved By: Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer

Appendix 1: CAO Tender/Quotation Awards

Tender/Quotation Number & Name	Successful Bidder Company Name	Tender Price (Excludes HST)
T2022-112 Preston WWTP Scum Chamber Upgrades 395 Montrose Street South Cambridge, Ontario	Finnbilt General Contracting Limited	\$371,594.00
T2022-140 Waterloo Region Housing Window Replacements Phase Two – Sunnydale Ave (Under PQ2022-06)	JASS Construction	\$519,600.54
T2022-144 Waterloo WWTP Blower Building Expansion Joint Repairs	Algoma Contractors Inc.	\$294,000.00
T2022-157 Phase 2 -Tender B WRH Bathroom Renovations (Under PQ2020-08)	Joe Pace & Sons Contracting Inc.	\$963,620.00

Appendix 2: CAO Proposal Awards

Proposal Number & Name	Successful Bidder Company Name	Proposal Price (Excludes HST)
Supply of Customer Contact Centre Solution	Unity Connected Solutions	\$787,200.00
P2022-11 Promotional Material & Supplies for Various Program Areas (for a two year term)	Promotional Source Corporation Brymark Promotions Inc. Incredible Novelties Inc. Note: The contract will be split between all three (3) vendors based on the nature of the work and the vendor's ability to meet the timelines.	\$250,000 (\$125,000 per year)

Appendix 3: CAO Request for Consultant Proposal Awards

Consultant Proposal Number & Name	Successful Bidder Company Name	Proposal Price (Excludes HST)
C2022-07 Preston WWTP UV Replacement	CIMA Canada Inc.	\$171,700.00
C2022-04 Building Condition Assessments for Community Housing	WalterFedy	\$407,508.00
C2022-01 Hespeler Well Field Hydrogeological Investigation	Golder Associates Ltd.	\$323,808.00
C2022-09 Building Condition Assessments for Waterloo Region Housing	McIntosh Perry Consulting Engineers Ltd.	\$447,600.00
C2022-02 Stage 2 Hidden Valley Raw Water Reservoir and Travelling Screens Feasibility Study and Upgrades Plan	CIMA Canada Inc.	\$403,258.00

Region of Waterloo

Corporate Services

Treasury Services

To: Chair Helen Jowett and Members of the Administration & Finance Committee

Meeting Date: August 9, 2022

Report Title: Living Wage Employer Implementation Framework

1. Recommendation:

That the Regional Municipality of Waterloo approve the Living Wage Implementation Framework as set out in Report COR-TRY-22-80 dated August 9, 2022.

2. Purpose / Issue:

In November 2021, Regional Council directed staff to develop a Living Wage Employer Implementation Plan. This report identifies the required steps and recommended timing to achieve this designation.

3. Strategic Plan:

Meets the 2019-2023 Corporate Strategic Plan Objective of Responsive and Engaging Public Service; Healthy and Safe Communities; and Our People.

4. Report Highlights:

- The Living Wage quantum in Waterloo Region was increased to \$17.20 per hour in November 2021 from \$16.35 per hour.
- The Region will submit an application to Ontario Living Wage and complete an expression of interest.
- Implementation will require changes to the Region's bid documents and purchase order terms and conditions for vendors to commit to paying all non-student employees working at Regional facilities a Living Wage.
- Effective January 1, 2023 the Region will be a Living Wage employer and any new procurements would be required to comply.
- A mechanism will need to be established to ensure vendor compliance.
- A legal opinion will be requested with regard to existing contracts that are in

place for “inherited positions” that may be impacted by this change, such as cleaning and security services.

- Procurement and Corporate Communications staff will create a public education program to encourage other employers across the Region to adopt a Living Wage Policy.

5. Background:

The living wage is calculated as the hourly rate at which a household can meet its basic needs, once government transfers have been added to the family’s income (such as the Canada Child Benefit) and deductions have been subtracted (such as income taxes and Employment Insurance premiums). The Living Wage for Waterloo Region is \$17.20 per hour and was last updated in November 2021. The rate is recalculated biannually.

All non-student Regional employees are paid more than the Living Wage. Access to a living wage is a key social determinant of health that contributes to improved resident health and wellbeing, and as an upstream approach, has the potential to reduce the need for utilization of other health and social services. While all non-student Regional employees currently receive a living wage, being a Living Wage employer increases access to a living wage for contracted service providers, and demonstrates leadership in improving access to a living wage for local residents. More income means healthier lives for residents, and reduces utilization of health, social, and justice services later in life.

6. Area Municipality Communication and Public/Stakeholder Engagement:

Regional staff have spoken to a number of vendors that would be impacted by the implementation of a Living Wage and most conversations were positive. There is some concern of equality between contracted staff working at other locations and potential impact to or loss of other clients if there is a need to increase for all staff to create the equality. Loss of other contracts could result in significant financial impacts for some service contractors.

7. Financial Implications:

Staff have estimated the incremental cost for affected service contracts is in the area of \$525,000 to \$630,000 annually. The impacted service contracts include janitorial, mats, indoor plant maintenance, carpet cleaning, and cafeteria services.

8. Conclusion / Next Steps:

Staff will complete the necessary forms and expression of interest for Living Wage Ontario. Staff will then update procurement bid documents and purchase order terms and conditions and obtain a legal opinion regarding “inherited positions”. The Region

expects to become a Living Wage employer effective January 1, 2023. Staff will work with Corporate Communications to develop a strategy to educate and encourage other regional employers to become Living Wage employers.

9. Attachments: None.

Prepared By: Lisa Evans, Manager, Procurement/Chief Purchasing Officer

Reviewed By: Cathy Deschamps, Director, Treasury Services/Deputy Treasurer

Approved By: Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer

Region of Waterloo

Corporate Services

Treasury Services

To: Chair Helen Jowett and Members of the Administration & Finance Committee

Meeting Date: August 9, 2022

Report Title: Investment Position at June 30, 2022

1. Recommendation:

For information.

2. Purpose / Issue:

To report on the Region's investment position as at June 30, 2022.

3. Strategic Plan:

The Region's prudent use of investment maturity laddering and regular monitoring of cash flow supports the Corporate Strategic Plan's Responsive and Engaging Public Service Focus Area Strategic Objective 5.4: Ensure the Region provides value for money and long term financial sustainability.

4. Report Highlights:

- The Bank of Canada has increased its target rate four times in 2022, and has signaled that further increases are planned.
- Investment balances are increasing in alignment with modest increases in reserves and reserve funds. Short term rate increases will result in increased investment income to be attributed to reserves and reserve funds.
- The impact of capital cost inflation on the Region's capital program and capital reserves will be significant, and staff will continue to pursue options for maximizing yield while ensuring the preservation of the Region's capital.
- Cash flow balances are healthy and staff do not predict any cash flow issues in the near future.

5. Background:

Governance: Investing activities are governed by Section 418 of the Municipal

Act, Ontario Regulation 438/97 and the Region's Consolidated Investment Policy. Provincial regulations establish the type of investments that may be acquired and held by municipalities and the Region's Consolidated Investment Policy establishes limits for allowable investments. Investments are verified to comply with the Region's Consolidated Investment Policy at the time of purchase.

The Region maintains two separate portfolios: The Region's General Portfolio is comprised of reserves, reserve funds and operating funds. General Portfolio investments are currently comprised of holdings ranging from high interest savings accounts to long-term bank and government bonds and debentures. The Sinking Fund Portfolio is comprised of cash and investments acquired for the purpose of retiring Regional sinking fund debentures upon maturity. Sinking Fund debentures are characterized by the entire principal amount maturing at the end of the term. Annual contributions are made from the Region's operating budget to the Sinking Fund which, along with interest earned, will be sufficient to retire these debentures upon maturity.

Portfolio summaries as at June 30, 2022:

General Portfolio (\$ M)	2020	2021	2022
Cash balances	\$213.6	\$259.8	\$282.3
Investment balances	149.4	197.0	236.0
Total Book Value	\$363.0	\$456.8	\$518.3
Annualized average rate of return (investments only)	2.60%	2.19%	2.06%
Annualized average rate of return (total portfolio)	2.30%	1.41%	1.82%

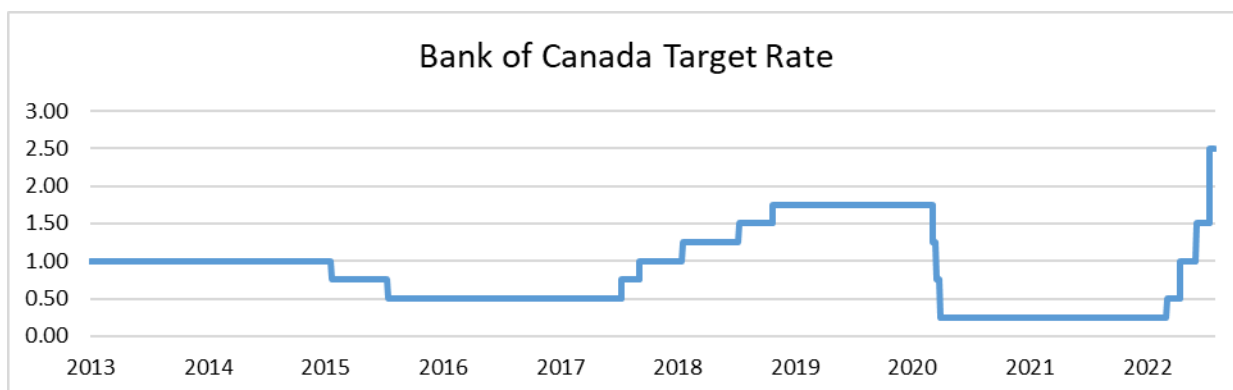
General portfolio notes: Cash flow balances are healthy and staff do not predict any cash flow issues in the near future. The investment balance is increasing in alignment with modest increases in reserves and reserve funds. Short term rate increases will result in increased investment income to be attributed to reserves and reserve funds. Longer term rates have not increased to the same extent. The impact of capital cost inflation on capital reserves will be significant, and staff will continue to pursue options for maximizing yield while ensuring the preservation of the Region's capital. Information on the General Investment portfolio holdings is set out in Appendix A.

Sinking Fund Portfolio (\$ M)	2020	2021	2022
Cash balances	\$8.0	\$5.1	\$0.1
Investment balances	49.2	52.8	56.4
Total Book Value	\$57.2	\$57.9	\$56.5
Annualized average rate of return (investments only)	3.70%	3.19%	3.18%
Annualized average rate of return (total portfolio)	3.34%	3.01%	3.14%

Sinking Fund portfolio notes: In-year contributions to reserves were promptly invested leading to lower cash balance at the end of June 2022. Interest rate increases allowed staff to purchase investments that were above required rate of return to meet future sinking fund retirements. Information on the Sinking Fund portfolio holdings is set out in Appendix B.

Commentary on 2022 mid year holdings and results:

Fluctuations in interest rates have a direct impact on the rate of return on the Region's investment portfolios. The Bank of Canada has increased its target rate four times in 2022, and has signaled that further increases are planned.



These increases have an immediate impact on the Region's cash holdings causing the total portfolio rate of returns to increase almost immediately. Staff monitor cash flow levels closely and utilize short-term investments to maximize the interest earned on cash holdings. The investments portion of the portfolios shows a more gradual increase as staff purchase higher yielding investments to offset some of the lower yielding options that were available over the last two years.

General portfolio balances fluctuate due to the timing of cash inflows and outflows for both operating and capital programs. Cash balances at mid-year 2022 increased over 2021 mainly due to the pre-financing of certain capital projects in Spring 2022 to reduce interest rate risk on debt and the receipt of Investing in Canada Infrastructure Program (ICIP) payments for capital project work completed in 2021.

Sinking Fund portfolio value decreased compared to prior years as a result of sinking fund debenture maturities of \$8.9 million and \$9.4 million in 2020 and 2021 respectively. There are \$242 million of sinking fund debentures outstanding which mature in 2032-2033 and 2042-2044.

Investment/Disposal of Own Securities: During the first 6 months of 2022, the Region did not invest in any of its own securities in either fund and none have matured.

6. Area Municipality Communication and Public/Stakeholder Engagement:

Nil.

7. Financial Implications:

Nil.

8. Conclusion / Next Steps:

Housekeeping amendments to the Region's Consolidated Investment Policy approved by Council in June (COR-TRY-22-55) became effective on July 1, 2022 and will be reflected in the next investment policy report.

9. Attachments:

[Appendix A: General Investment Portfolio at June 30, 2022](#)

[Appendix B: Sinking Fund Portfolio at June 30, 2022](#)

Prepared By: Lori McDonald, Financial Analyst

Tricia Alpaugh, Manager, Treasury Services

Reviewed By: Cathy Deschamps, Director, Treasury Services/Deputy Treasurer

Approved By: Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer

Appendix A – General Investment Portfolio at June 30, 2022

(Alternate formats available upon request)

This table summarizes the General Investment holdings classified by eligible investments:

Investment Policy Category	Portfolio Amount	%	Maximum Per Issuer	Maximum Per Category
Provincials				
Ontario	\$ 7,921,382	3%	50%	50%
Alberta	\$ 12,296,511	5%	25%	25%
Other Provincials				
Manitoba	\$ 11,108,326	5%	15%	
New Brunswick	3,010,772	1%	15%	
Newfoundland	11,294,617	5%	15%	
Saskatchewan	2,003,722	1%	15%	
Total Other Provincials	\$ 27,417,437	12%		40%
Schedule I Banks				
Bank of Montreal	21,152,378	9%	12%	
Bank of Nova Scotia	19,289,618	8%	12%	
CIBC	24,333,417	10%	12%	
Laurentian Bank	15,000,000	6%	12%	
National Bank	12,000,000	5%	12%	
Royal Bank	18,235,756	8%	12%	
Total Schedule I Banks	\$ 110,011,169	47%		50%
Municipal				
Region of Waterloo	\$ 7,333,408	3%	50%	50%
Other Municipalities				
BC Mun Finance Authority	\$ 2,446,868	1%	10%	
City of Guelph	5,523,654	2%	10%	
City of Montreal	3,010,142	1%	10%	
City of Quebec	5,084,739	2%	10%	
City of Toronto	3,986,066	2%	10%	
City of Vancouver	1,989,752	1%	10%	
County of Wellington	6,976,042	3%	10%	
Region of Niagara	19,785,556	8%	10%	
Region of Peel	2,998,266	1%	10%	
Region of York	3,993,151	2%	10%	
Total Other Municipalities	\$ 55,794,236	24%		35%
Total Bond Investments	\$ 220,774,144	94%		
Investment Funds				
ONE Government Bond Portfolio	14,708,873	6%	50%	50%
ONE Canadian Equity Portfolio	529,642	0.2%	10%	10%
Total Investment Funds	\$ 15,238,515	6%		
Total Investment Portfolio	\$ 236,012,660	100%		
Cash and Cash Equivalents	\$ 282,265,931			
Total Portfolio	\$ 518,278,591			

Appendix B – Sinking Fund Portfolio at June 30, 2022

(Alternate formats available upon request)

This table summarizes the Sinking Fund holdings classified by eligible investments:

Investment Policy Category	Portfolio Amount	%	Maximum Per Issuer	Maximum Per Category
Provincial				
Ontario	\$ 15,655,302	28%	50%	50%
Other Provincials				
Manitoba	\$ 6,320,597	11%	15%	
Newfoundland	5,021,271	9%	15%	
New Brunswick	3,378,361	6%	15%	
Quebec	3,274,373	6%	15%	
Nova Scotia Power (Provincially Backed)	\$ 1,698,588	3%	15%	
Total Other Provincials	\$ 19,693,189	35%		40%
Schedule I Banks				
CIBC	\$ 6,157,987	11%	12%	
Bank of Nova Scotia	6,463,616	11%	12%	
Bank of Montreal	5,665,582	10%	12%	
Total Schedule I Banks	\$ 18,287,185	32%		50%
Total Bond Investments	\$ 53,635,676	95%		
Investment Funds				
ONE Canadian Equity Portfolio	2,750,872	5%	20%	20%
Total Investments Funds	\$ 2,750,872	5%		
Total Investment Portfolio	\$ 56,386,548			
Cash and Cash Equivalents	80,366			
Total Portfolio	\$ 56,466,915			

Region of Waterloo
Planning, Development and Legislative Services
Culture Services

To: Chair Helen Jowett and Members of the Administration & Finance Committee

Meeting Date: August 9, 2022

Report Title: Grant Administration Policy Review

1. Recommendation:

That the Regional Municipality of Waterloo approve the Grant Administration Policy as set out in report PDL-CUL-22-04 dated August 9, 2022.

2. Purpose / Issue:

To establish a corporate Grant Administration Policy for the Region of Waterloo to guide discretionary grant funding across the organization.

3. Strategic Plan:

Responsive and Engaging Public Service

4. Report Highlights:

- The Region of Waterloo Grant Administration Policy establishes a clear definition of a grant that will help guide when this policy will be applied (as opposed to other financial contribution models). It also sets out procedures that guide the administration of grants through all stages of the grant life cycle, including the creation of a new grant program and communicating their outcomes.
- Staff, Council and the community will have a common understanding of what a grant is, when and how they can be used, updated and adjusted to meet Council priorities and community needs.
- The policy creates a framework that will support transparency and accountability, while allowing the necessary flexibility for innovative and responsive approaches to grant funding, targeted at addressing strategic priorities.
- Through conversations with the community, staff know that grant funding programs can often be opaque, cumbersome and difficult to access. This policy creates space for grant program design to be customized to meet the needs of

the community, while ensuring accountability for public funds.

- This policy was created as part of the corporate review of grant funding processes. The policy will guide the review and evaluation of existing grant programs, and the development of new programs. Grant programs will incorporate an open call for eligible applications, clear decision making criteria and processes and revised accountability measures that align with the grant policy. Programs will be designed to ensure that current grant recipients are not precluded from the 2023 grant application processes.
- Key features of the policy include:
 - Grants should be allocated through defined programs.
 - New programs can be created to address emerging strategic priorities.
 - Programs should be customized to meet targeted needs within a basic administrative structure.
 - Programs are approved by Council.
 - Programs are administered by program areas.
 - Programs should be evaluated on a regular basis.

5. Background:

Municipalities have the power to provide grants under the Municipal Act. The Region of Waterloo has been providing grant funding since its inception in 1972. Grants are an important tool for municipalities to foster partnerships in the community. The Region's population is growing and its needs are changing, and the Region's granting processes need to be suitably responsive.

In 2019, KPMG recommended that Discretionary Grants to Other Organizations be reviewed. In 2020, staff reviewed individual discretionary grant allocations in terms of their alignment with the Region's mandate and strategic priorities. Though individual grant allocations supported work that aligned with strategic priorities, where funding was allocated outside of formally defined grant programs, there continued to be confusion in the community on how to access grant funding and an increasing number of community groups delegated directly to Council for support.

On December 8, 2021, Council passed a motion that directed staff to create a committee comprised of members of Council and staff to develop a grant policy that will:

- establish a clear definition of a grant and will guide the administration of grants through all stages of the grant administration life cycle; and

- develop grant programs that will incorporate an open call for eligible applications, updated decision making criteria and processes and revised accountability measures that align with the grant policy and not preclude current grant recipients from the 2023 grant application process.

The Committee met several times between April and July and identified a number of questions that needed to be answered within two key areas:

1. **Current Grant Programs:**

- Are the grant programs currently administered by the Region relevant and do they follow grant administration best practices?
- The Region currently allocates annual funding to several historically funded organizations after programs have been repealed. How can a new grant program be developed to fund these and other equally deserving recipients through open, transparent processes?

2. **New Grant Programs:**

- **Un-funded Community needs:** The Region receives requests for support outside of grant funding programs, should programs be created to support these community needs?
- **Council-identified Funds:** Council has set funding aside for specific purposes. How can we create clear processes around them to ensure transparent stewardship and governance of funds?

The grant review process aims to reset grant funding to establish robust systems to ensure community partners know what support is available, how to access that support and how decisions are made. Council will also be better supported in their stewardship of funds to address strategic objectives.

Grant review is one piece of the puzzle as staff explore how governments and the not-for-profit sector can improve their working relationship to better meet the community's needs. The Region uses many tools (e.g. rebates, sponsorship, fee-for-service) to support the work of not-for-profit organizations for the benefit of the community. However, the grant review process only addressed establishing processes for grant funding.

6. **Area Municipality Communication and Public/Stakeholder Engagement:**

Area Municipality Communication: Regional staff consulted with staff from the City of Cambridge, the City of Kitchener and the City of Waterloo about their grant programs and current granting processes.

Staff also undertook a broad scan of other grant policies and administrative practices of municipalities across the country.

Public/Stakeholder Engagement: Regional staff met with staff from the Kitchener Waterloo Community Foundation, the Lyle S. Hallman Foundation and the United Way to understand their current processes as well as innovative and emerging granting practices.

7. Financial Implications:

Nil

8. Conclusion / Next Steps:

Once Council approves the Grant Administration Policy, staff will review current grant programs against the approved policy and bring recommended changes to Council for approval through separate reports, as well as guidelines for any proposed new grant programs.

9. Attachments:

[Appendix A: Region of Waterloo Grant Administration Policy](#)

Prepared By: Helen Chimirri-Russell, Director, Cultural Services

Reviewed By: Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer

Approved By: Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer

Appendix A

August 2022

REGION OF WATERLOO GRANT ADMINISTRATION POLICY

Policy Statement: The Region of Waterloo provides grants that assist organizations or individuals in their effort to support the Region's mandate and strategic vision to create an inclusive, thriving and sustainable region of connected rural and urban communities with global reach, fostering opportunities for current and future generations.

Purpose: This policy establishes practise in the administration of grant programs to ensure accountability, transparency, effective oversight and reporting of outcomes achieved.

This policy ensures that Regional staff who administer grants are performing necessary steps during the life cycle of the grant, including the creation of new grant programs and the evaluation of existing programs.

Definition of a Grant

- A grant is a legal instrument that results in the transfer of money from the Region to the public in order to support a public purpose. Grants have:
 - Defined criteria for who can apply, and for what purposes the funds can be used.
 - A defined intake process.
 - Defined decision-making criteria and approval process.
 - A requirement that recipients sign an agreement and account for funds.
 - No expectation of return or repayment (as long as the terms and conditions of the grant are met).

For clarity, definitions of various types of financial transactions are provided in Attachment I.

Operating Details

The Region of Waterloo provides a broad range of grants to the public each year through a variety of grant programs. These grant programs are designed to serve a variety of purposes that further the Region's strategic priorities. It is acknowledged that grants are only one of the tools the Region can use to help it achieve its strategic objectives.

All grants at the Region of Waterloo must be administered in accordance with this policy.

1. Grants should, wherever possible, be allocated through a defined Grant Program. Regional Council may occasionally award a grant outside of a formal program. The **Responding to Community Funding Requests Procedure (Attachment IV)** should be followed.
2. Grant programs will be reviewed and endorsed by each term of Council during the Strategic Planning process.
3. New grant programs can be created to meet emerging strategic priorities by following the **Creating a New Grant Program Procedure (Attachment III)**. Ideally, new programs will come forward as part of the Plan and Budget process.
4. Each grant program has a program guideline document that outlines the purpose, objective, eligibility criteria, decision-making processes, and reporting requirements of each grant award.
5. All Grant Programs and associated Program Guidelines, as well as any changes thereto, must be approved by Council.
6. All Grant Program Guidelines must adhere to the criteria and administration process outlined in **Attachment II Grant Administration Cycle**
7. Grant Programs are administered by program areas, in accordance with approved guidelines.
8. All grant programs will be evaluated on a regular basis.
9. Grant program budgets will be determined as part of the annual Plan and Budget Process.

Responsibilities

Responsibilities under this policy are as follows:

- Council is responsible for approving program guidelines and the amount provided for each Grant Program.
- Program area staff are responsible for designing and administering grant programs that are within their program budgets.
- Corporate Finance will provide guidance on the applicability of this policy to a given situation or proposed payment to a recipient.
- Internal Audit may conduct reviews, assessments or audits to ensure compliance with this policy.

Legislative and Administrative Authorities

Section 107(1) of the Municipal Act:

Despite any provision of this or any other Act relating to the giving of grants or

aid by a municipality, subject to section 106, a municipality may make grants, on such terms as to security and otherwise as the Council considers appropriate, to any person, group or body, including a fund, within or outside the boundaries of the municipality for any purpose that Council considers to be in the interest of the municipality. (2001, c. 25, s. 107 (1))

Associated Procedures

- 1. ATTACHMENT I DEFINITIONS OF OTHER CONTRIBUTIONS NOT COVERED BY THIS POLICY**
- 2. ATTACHMENT II GRANT ADMINISTRATION CYCLE**
- 3. ATTACHMENT III Procedure – Creating a New Grant Program**
- 4. ATTACHMENT IV Procedure – Dealing with a Grant Request outside of formal grant program**
- 5. ATTACHMENT V Procedure – Discontinuing a Grant Program**

ATTACHMENT I**DEFINITIONS OF OTHER CONTRIBUTIONS NOT COVERED BY THIS POLICY**

- **Flow-Through:** The Region administers process, but does not set the eligibility criteria.
- **Arm's Length Grants:** Payments to third party agencies that are responsible for administering the grant awards to residents on behalf of the Region. In these arrangements, the grantor/grantee relationship exists between the agency and the resident, and not between the Region and the resident.
- **Sponsorship:** A contribution of funds to an eligible organization in return for an identified promotional return to the Region.
- **Donation:** A contribution with no terms or conditions imposed on the recipient or external party and no expectation of reporting or return.
- **Fee-for-Service:** A contribution where the Region receives a good or service directly in return. There is a clear expectation that the recipient will ensure a specific service is delivered in the community.
- **Rebate:** A reimbursement to a recipient for an expense as per a Region incentive program (a program established to encourage certain behaviours to achieve a specific objective). Funding is given to the recipient after an initial outlay.
- **Incentives:** The Region puts a program in place to motivate a certain action.
- **Investment:** A contribution with the expectation of a financial return.
- **Loan:** A contribution with the expectation to be repaid in the future.

ATTACHMENT II

GRANT ADMINISTRATION CYCLE

Grant Administration Stage	Grant Administration Step
Pre-Award	Public Notice of Grant: The public is made aware of the Grant in advance of the established deadline.
	Application Submission: Grant applicants submit applications and supporting material by defined deadline.
Selection and Approval	Assessment of Applications and recommendations: Grant applications are assessed for eligibility and recipients are selected in accordance with documented criteria.
	Approval of Grant Recommendations: Approvals are documented and made within established guidelines.
Grant Agreement and Payment	Grant Agreements Signed: Grant agreements are signed by the appropriate parties before the Grant period begins.
	Payment Authorization and release of funds: Authorization for the payment and release of grant funds will be in accordance with program guidelines and will be documented.
Performance Monitoring	Compliance Monitoring: Grant recipient's compliance to the terms and conditions of the Grant Agreement is monitored.
	Final Report review: Comparison of Grant Results against Grant objectives and/or corporate goals are documented.
	Close-out: Completed grants are finalized and closed out, including year-end financial reporting.
Communication and Records Management	Retention of Key Documents: Key documents related to the grant is retained by the program area.
	Communication of Program Outcomes: Program area reports on the outcomes of the Grant Program to Council and stakeholders annually.

ATTACHMENT III Procedure – Creating a new Grant Program

1. Members of Council or staff identify a gap where a grant program could help to meet a strategic goal leading into the annual plan and budget process.
 - a. Staff undertake a scoping exercise to assess the need for and feasibility of the proposed program. This could include an environmental scan of supports in place from other levels of government and funding organizations, a review of programs in other jurisdictions that could be adapted and engage the target audience.
2. Staff Develop grant program guidelines that outline:
 - a. The purpose of the program. This can include objectives, goals, expected results and relationship to the Region's Strategic Plan.
 - b. Who can apply and what they can apply for (for example eligibility criteria for applicants and, projects or an outline of eligible grant cap amounts).
 - c. When and how people can express interest in the program (for example application deadlines, and submission criteria).
 - d. How applications will be considered (for example assessment criteria, grant calculation parameters, who is responsible for assessing the application and how they will make recommendations for approval).
 - e. How grant recommendations are approved (for example, who has final approval of grant awards and whether there is an appeals process).
 - f. Expectations of the grant recipients, for example terms and conditions. What applicants need to communicate when their grant is complete (for example reporting requirements).
3. Staff identify a budget and a funding source for the grant program.
4. Staff bring the guidelines to Council for approval.
5. Staff launch the new grant stream and administer the process as outlined in the guidelines.
6. Staff evaluate the program and bring recommendations for revision to Council, as necessary, for approval.

ATTACHMENT IV Procedure – Dealing with a Grant Request Outside of Formal Grant Program

1. A member of the community approaches staff or Council to request grant funding for a specific purpose.
2. The request is forwarded to the relevant program area to assess whether the request fits the criteria for an existing grant program.
 - a. If it meets criteria, staff directs the community member towards the grant program guidelines.
 - b. If it does not meet criteria, staff gather additional information.
3. Staff prepare a report for Council approval outlining:
 - a. The scope of the request.
 - b. Whether the request is within the purview of the Region.
 - c. Alignment with the Region's strategic plan.
 - d. Previous funding history.
 - e. A recommendation: to take no action; to consider creating a new funding program; or for a funding amount with a funding source.
4. Council considers the request and background information and passes a motion.

ATTACHMENT V Procedure – Discontinuing a Grant Program

From time to time, it may be necessary to discontinue a grant program. Through the regular evaluation of grant programs, it may become evident that a grant program has served its intended purpose, or the grant program no longer aligns with the strategic priorities.

1. Staff bring a report to Council outlining the rationale for discontinuing the grant program, including a timeline for its discontinuation.
2. If Council approve the recommendation, staff will develop a communication strategy to inform stakeholders, including previous grant recipients.

Region of Waterloo
Planning, Development, and Legislative Services
Council and Administrative Services

To: Chair Jowett and Members of the Administration and Finance Committee

Meeting Date: August 9, 2022

Report Title: Electronic Meeting Guidelines

1. Recommendation:

That the Regional Municipality of Waterloo approve Option ___ as guidelines for Regional Councillors when participating in Regional Council and Committee meetings as outlined in report PDL-CAS-22-06, dated August 9, 2022;

That the Regional Clerk be directed to include the guidelines in a future modernized procedural by-law;

That the Regional Clerk be authorized to prepare procedures for members of the public to continue to participate in Regional Council and Committee meetings electronically;

That staff be directed to reopen Regional Council Chambers to the public on October 4, 2022 and to provide delegations with the ongoing option to participate electronically or in person; and

That the Regional Clerk, on the advice of Health and Safety staff, be authorized to mandate electronic participation, or establish other health and safety requirements for in person participation, at future meetings.

2. Purpose / Issue:

The purpose of this report is to approve guidelines for ongoing electronic meetings including electronic participation by Regional Councillors in Regional Council and Committee meetings.

3. Strategic Plan:

This report supports Strategic Focus Area #5, Responsive and Engaging Public Service.

4. Report Highlights:

- Regional Council has been running hybrid meetings since the summer of

2020. The ability to participate electronically has been beneficial to some delegations, and consultants. Staff are planning to continue to offer an electronic meeting option going forward.

- As Covid restrictions are removed, Council needs to determine when to reopen Council Chambers to the public and what, if any, limitations it wishes to place on Members of Council participating electronically in the future.

5. Background:

Prior to the pandemic, the *Municipal Act* had strict limits on electronic participation by Councillors, and the Region's procedural by-law did not allow for Councillors to participate electronically. At the outset of the pandemic, the province amended the *Act*, and on March 24, 2020 Regional Council amended the procedural by-law, to allow for Members of Council to participate electronically due to the Covid-19 pandemic. Since the summer of 2020, Regional Council has successfully been holding hybrid meetings, with some Councillors and staff safely participating from Council Chambers and others remotely. With the removal of Covid-19 restrictions, it is necessary to decide on the future of electronic participation for Members of Council, the public, and staff.

Members of Council

In order to ensure physical distancing throughout the pandemic, there have been no limitations on Councillors participating electronically. Councillors that wished to participate in person only needed to inform the Clerk's office prior to the meeting to ensure that technology was arranged in Chambers. Staff have prepared three options for Council to consider regarding the ongoing electronic participation by Members of Council.

Option 1 – No restrictions on ongoing electronic participation

- Members of Council shall be permitted to participate electronically in Standing Committee and Council Meetings. A member who wishes to participate electronically, shall provide the Clerk with reasonable notice that they will be participating electronically.

Option 2 - Ongoing electronic participation permitted for limited reasons

- In-person participation shall be the default for Members of Council for Standing Committee and Council Meetings to allow for physical convening and dialogue. Limited exceptions to in-person participation shall be permitted for:
 - travelling for Regional or Area Municipal business,
 - illness or infirmity,

- health and safety, or
- emergency or special Council meetings.
- A Member who qualifies for one the listed exemptions to participate in a meeting electronically, shall provide the Clerk with reasonable notice that they will be participating electronically. If unable to provide the required notice then the Chair of the meeting must approve the electronic participation

Option 3 – Resume in person participation for all meetings

- Members of Council shall be in person for all Standing Committee and Council meetings

Staff and Consultants

Having staff participate in meetings electronically has improved efficiency. When staff are not required to be present in Chambers for the duration of a meeting, staff are able to answer questions from Council when needed, but are also able to work on other issues when Council is discussing other reports. Permitting consultants to participate electronically allows for cost savings by not requiring them to travel.

However, staff recognize that in many situations, there is a benefit to having staff and consultants appear in person to present to Council. Given that the benefits of a consultant or specific staff person being present in Chambers for a given issue will vary, the appropriate Commissioner will determine, on a case-by-case basis, where they will participate from.

Members of the Public

Council Chambers has been closed to the public during the pandemic. However, Members of the public have continued to be engaged. More delegations appeared in both 2020 and 2021 than 2018 and 2019; and 18 of the 20 most watched webcasts occurring since the start of the pandemic.

Some delegations have noted that they appreciate the ability to be at home while waiting for their turn to speak, and not having to be in Chambers has improved flexibility for many including parents during evening meetings. However, the reliance on technology has served as a barrier for some. Staff have worked with delegations by holding test sessions prior to meetings and opening Regional spaces to ensure that individuals who were unfamiliar with the meeting software, or those without access to technology were still able to participate.

Staff will continue to webcast all Council and Standing Committee meetings. However, given that appearing electronically is beneficial to some delegations but a barrier to others, staff are recommending that delegates be given the ongoing option to participate electronically, and that Council Chambers be reopened to the public for the Standing Committee meetings October 4, 2022.

Ongoing Safety

Throughout the pandemic, it has been necessary to be flexible in order to respond to rapidly changing case numbers and medical guidance. In order to maintain safety it may be necessary to implement health and safety measures in the Council Chambers, such as capacity limits or masking, or revert to a virtual meeting for most, or all, participants. Staff will continue to monitor the situation and are recommending that the Regional Clerk, upon the advice of corporate Health and Safety staff, be authorized to implement health and safety measures in the Council Chamber if deemed necessary.

6. Area Municipality Communication and Public/Stakeholder Engagement:

Area Municipality Communication:

Staff have been in regular contact with the area municipal Clerk's throughout the pandemic on options related to electronic and hybrid meetings. Each municipality's current status is as follows:

- Cambridge: remaining fully electronic until technology upgrades are completed.
- Kitchener: implementing a 1-year pilot project that allows Councillors to participate electronically when travelling for Municipal business, illness or infirmity, parental and caregiving requirement, or health and safety reasons.
- North Dumfries: hybrid meetings with Councillors allowed to participate electronically for official business, illness, or health and safety. Councillors are also given 3 personal days per calendar year to be used to connect remotely to non-consecutive regularly scheduled meetings.
- Waterloo: remaining fully electronic until technology upgrades are complete.
- Wellesley: In-person participation is the default for Members of Council but Members of Council may attend electronically with 12 hours notice to the Clerk.
- Wilmot: remaining fully electronic until technology upgrades are complete.
- Woolwich: hybrid meetings with no restrictions on Councillor's participating electronically.

Public/Stakeholder Engagement:

No formal public engagement has taken place. However, staff have received feedback from delegations throughout the pandemic regarding their experiences with delegating electronically.

7. Financial Implications:

Supporting hybrid meetings requires more staff support from the Clerk's Office, than meetings that are fully in person. This has been covered within the Council and Administrative Services Budget since 2020 and is sustainable within the existing

operating budget.

8. Conclusion / Next Steps:

If the recommendation is approved, the Regional Clerk will incorporate the approved guidelines into a modernized procedural by-law that will be presented in September 2022. Staff will also work with Corporate Communications to ensure that the reopening of Council Chambers is communicated to the public.

9. Attachments / Links:

None.

Prepared By: Tim Brubacher, Deputy Clerk/Manager, Council Services

Reviewed By: Will Short, Regional Clerk/Director, Council and Administrative Services

Approved By: Rod Regier, Commissioner, Planning, Development & Legislative Services

Region of Waterloo

Corporate Communications & Strategy

Corporate Strategy & Performance

Corporate Services

Corporate Finance

To: Chair Helen Jowett and Members of the Administration & Finance Committee

Meeting Date: August 9, 2022

Report Title: 2022 Mid-Year Update

1. Recommendation:

That the Regional Municipality of Waterloo take the following action with respect to the 2022 Mid-Year Update as set out in report CAO-SPL-22-05/COR-CFN-22-23 dated August 9, 2022:

- a) Receive the 2022 Mid-Year Update that shows implementation and financial progress towards delivery on the Region’s Annual Business Plan, in support of achieving the vision set out by Council in the Strategic Plan 2019-2023; and
- b) Amend the 2022 Tax Supported Capital Budget and 2023-2031 Capital Forecast for various capital projects as set out in Appendix C.

2. Purpose / Issue:

This report provides a comprehensive update on progress towards achieving the Region’s Strategic Plan 2019-2023 objectives and how the financial plan and strategic investments are tracking relative to this performance. This report also provides:

- Updated 2022 year-end financial projections
- Federal and provincial funding allocations
- Spending estimates and proposed capital budget amendments with respect to significant capital projects

3. Strategic Plan:

The budget and financial reporting processes enable Council to achieve its Corporate Strategic Plan objectives by allocating appropriate resources to each focus area, adjusting where required to new opportunities and community need.

4. Report Highlights:

- The Region of Waterloo set an ambitious but fiscally sustainable Plan and Budget for 2022 that includes key service delivery and strategic initiatives to:
 - Accelerate affordable housing
 - Improve equity and advance Truth and Reconciliation
 - Grow the economy
 - Increase climate action
 - Improve community safety and wellbeing
 - Expand sustainable transportation
 - Modernize service and increase wellbeing for Regional staff
- Over the past 6 months, the organization has made progress on each of the above goals and focus areas of the Strategic Plan 2019-2023.
- Even with significant achievement, there are still challenges that the Region, its residents and businesses continue to face such as cost inflation, continued impacts of COVID-19, and community growth.
- Of the key initiatives highlighted in its 2022 annual business plan, the majority are on track or facing manageable deviation from plan. There are some areas that are earlier in their maturity than others, namely equity, climate action and digital transformation. These areas are demonstrating action, whilst focusing on building the longer-term foundations needed for complex transformation across all departments and divisions. These areas continue to focus on building core plans, skills and capacity, community partnerships, data infrastructure and sustainable funding.
- The organization continues to enhance its internal performance tracking and monitoring systems to enable improved outcomes for all residents and businesses. This process will also support the organization as it turns its attention to planning for 2023.
- Certain factors affecting the Region's financial position have improved since the Q1 report including lower fuel costs and increased non-tax revenues, which has resulted in an improved 2022 financial outlook for the Region.
- In June, the Region was projecting a 2022 Tax Supported Operating Budget shortfall in the range of \$4-\$6 million, primarily driven by escalating fuel prices, cost inflation and unbudgeted expenditures. Based on year-to-date financial results to the end of June, the Region is now projecting a net year-end position in line with the approved 2022 Tax Supported Operating Budget.
- Preliminary estimates for user rates indicate projected surpluses for both water (\$3.2 million) and wastewater (\$1.2 million), primarily driven by increased flows and revenue.

5. Background:

Updates to the 2022 Business Plan and the financial results that support this plan are presented in the following sections.

2022 Business Plan Update

a) Overall Strategic Plan Implementation Performance Update

Overall, the organization has performed well during the first 6 months of 2022 and is on track to achieve most strategic actions and initiatives in each of the six strategic priority areas. Some key highlights of the year so far have included the following:

b) Thriving Economy:

The Region collaboratively leads strategic economic development initiatives, supports the community stakeholders, and provides infrastructure necessary to attract talent and create the foundation for innovation and economic growth. Some highlights include:

- **Planning for the Future** – Working in collaboration with partners and community, critical work continues to ‘ready’ designated employment lands for investment. Over 450 ha of new employment lands are being added through the Regional Official Plan, which is further supported by a shovel-ready initiative to provide future investment opportunities in Waterloo Region.
- **Vital support to businesses** – Providing programs that support businesses in response to the extensive COVID-19 impact and associated economic structural shift. As part of the 2021 budget, Regional Council approved \$3 million over two years (\$2.0 m – 2021, and \$1.0 m – 2022) using 100% provincial funding. The program initially aimed to provide 5000 assessments to businesses across Waterloo Region. The Region and its partners have provided COVID-safe assessments and educational information to over 4139 businesses.
- **Airport expansion growing jobs and economy** - The Region of Waterloo International Airport has undergone impressive growth, not just in size and capacity, but in overall job opportunities and economic impact. The airport is currently recruiting additional airlines. The focus is on increasing flight volume with existing carriers and recruiting one additional carrier.
- **World Class Talent Attraction** - Work is underway to develop a world-class talent action plan to support Waterloo Region industries to attract, retain and train top talent. Over 100 talent discussions took place in early 2022 with Waterloo Region partners. A status report on the proposed plan was presented to the Economic Development Committee on July 19, 2022 (PDL-ECD-22-10).
- **Transit Connected Economy** - Beginning July 11, Grand River Transit (GRT) launched a new flexible transit option to serve the community of Breslau. In partnership with Metrolinx, the on-demand pilot project connects residents to key

destinations including schools, employment centres, and the GRT network with connections to GO Transit. For the first time, there will be a transit option for residents travelling to and from the Region of Waterloo International Airport and the Waterloo-Wellington Flight Centre. Route 79 Breslau will be offered free for customers to try until September 2, 2022.

c) Environment and Climate Action:

The Region plays a key role in managing urban and agricultural land use, protecting the natural environment and green spaces. The Region works in partnership with the community and area municipalities to reduce greenhouse gas emissions through innovative actions as well as prepare for the effects of climate change. Some highlights include:

- **TransformWR initiative** -The Region continues to work through the collaborative partnership to implement the TransformWR initiative. This ten-year plan will help the Region to transition from fossil fuels to clean energy. Work is ramping up across divisions and departments to build a corporate climate transformation and energy transition strategy. The data review and framework is planned to be compiled by the end of 2022. The full carbon budget, which will allocate the finite amount of carbon that the Region can spend from corporate operations while completing its energy transition (PDL-CPL-21-31) is expected to be available by mid-2023, with the full corporate climate and energy transition strategy compiled by the end of 2023.
- **Mitigating Climate Change Impact on the Community** - The Region of Waterloo and Wellington-Dufferin-Guelph Public Health in partnership with University of British Columbia developed the Climate Change and Health Vulnerability Assessment report issued in April 2022. It provides a valuable tool to Waterloo Region to inform evidence-based actions. Some of the focus areas within the assessment include extreme temperatures, extreme weather, air quality, ultraviolet radiation, food- and water-borne illnesses, vector-borne and zoonotic diseases, and mental health. This report guides the prioritization of planning interventions to reduce the negative outcomes of climate change, particularly in more vulnerable populations such as seniors and children.
- **Operating Technology and Infrastructure Transformation** – The Water Services project to upgrade the Water Operations technology to improve resiliency and water security is on schedule and budget in year 3 of 5. Work at 68 sites is complete with another 34 sites remaining.
- **Blue Box Program:** The Provincial transition of the Blue Box program from municipalities to producers of consumer goods is ongoing, the municipal negotiations with producers is about to begin.

d) Sustainable Transportation:

The Region continues to focus on offering more travel choices to residents and strives to ensure the transportation system is affordable and environmentally sustainable. The Region is enhancing facilities that make it safe, comfortable, and convenient to walk and cycle in our community. Improving public transportation will also reduce greenhouse gas emissions and decrease the impact of operations on the community. Some highlights included:

- **E-bus project progress** - Waterloo Region ordered the first six electric buses from Nova Bus to facilitate an electric bus pilot in spring 2023 with five additional electric buses to follow in 2024. The electric buses may be rolling down the streets in late spring or summer of 2023. Pilot implementation timeline depending on the final delivery schedule, and procuring and installing the chargers, which is currently in progress. If the pilot proves successful, the Region will reassess and make recommendations on purchasing hybrids and electric buses as range and reliability improves
- **The Region of Waterloo International Airport Expansion** - The Airport officially opened its newly constructed departures lounge on July 5, 2022. As the Airport is operating at six flights per day (compared to one flight previously), the new departures lounge will ensure the Airport has the capacity to accommodate the increasing number of travelers in a modern and welcoming space. Additional construction began in July 2022 with an anticipated completion date in spring 2023.
- **Automated Speed Enforcement Program (ASE)** - The Region's ASE program was launched in September 2021. Sixteen ASE sites have been approved and implemented. Speed data obtained from active ASE locations indicates that, the average travel speed of motorists has been reduced ranging between 1 km/h (2%) and 9 km/h (15%) with an overall average reduction of 5 km/h (9%). After the implementation of ASE, 67% of drivers were recorded travelling at or below the posted speed limit, representing a 63% increase in compliance with speed limits in school zones.
- **GRT Transition and Recovery Plan** – The Transit Service Plan includes restoration of university and college oriented services in September 2022 and January 2023 and the Cambridge network redesign in April 2023. COVID has increased staff turnover and has restricted GRT's ability to hire and train new bus operators. The Region continues to work towards phased restoration of services while managing this risk.

e) Healthy, Safe and Inclusive Communities:

The Region works with the community to provide quality services and programs and equitable access to contribute to a healthy, safe, and inclusive community. The Region

continues to improve child and youth wellbeing, population health, and affordable housing to enhance community safety and wellbeing. Some highlights include:

- **Equity Investment and Upstream Fund** – The new model provides an opportunity for the Region to develop community-centered approaches that create a vibrant, healthy, and safe Waterloo Region. This ambitious array of programs and services focus on collaboration, reducing silos and building partnerships between the organization and the community. Report CAO-EDI-22-03 provided a high-level summary of the investments and stories of impact. Staff continue to work on prioritizing the allocation of Equity Funds. To date, funds have been committed as follows;
 - Transit: Expansion of the Affordable Transit Pass (ATP) program
 - Investment of \$5M for Portable Rent Assistance Program with community-based navigators; affordable housing; and emergency shelter harm reduction supports
 - Health Equity: Investment of \$1.1M which includes the Public Health Mobile Team and community outreach program to plan, evaluate and offer accessible Public Health services

All the programs and services are specifically dedicated to supporting First Nations, Metis and Inuit, African, Caribbean, Black identifying, racialized and other communities facing systemic racism, discrimination and barriers.

- **Strategic Investment in Affordable Housing:** Through the Building Better Futures Initiative, a total of 990 new homes have been supported for years 1 and 2, which is very close to the projected target of 1000 homes for 2022. This is an incredible achievement and an area of particular importance to communities across the region
- **Investing in Peer Health Workers:** Paying peer health workers a living wage allows them to meet their own needs as well as the individuals they are supporting. Thirteen neighbourhood and community organizations applied and met the criteria for the program that now pays 31 peer health workers a living wage. Many have been working in their neighbourhoods and communities as peer health workers. The Public Health peer workers are supporting the physical and social health of priority populations in the areas of health eating, physical activity, parenting, falls prevention, alcohol consumption and more.
- **Low-income Seniors Dental Care Program** – Public Health has successfully partnered with the Kitchener Downtown Community Health Centre (KDCHC) and Langs Community Health Centre in Cambridge to offer the publicly funded Ontario Low-income Seniors Dental Care Program to eligible adults 65 years of age and older. The program has also eliminated barriers by providing access to transportation and translation services.
- **New Community Paramedicine service** - In May 2022, Region of Waterloo Paramedic Services began providing in-home services to palliative care patients.

Since the program launched, 25 patients registered with Home and Community Care Services Waterloo Wellington (HCSS). This new service is part of a provincial pilot program involving 33 municipalities, announced in the spring of 2021. Frontline paramedic staff are trained to administer enrolled patients with some palliative medications. Patients who opt to be treated on-scene can be treated for symptoms such as pain, hallucinations, congested breathing, and nausea. This citizen-centred service enhancement improves the wellbeing of palliative care patients and their families and provides the additional benefit of reducing unnecessary transportation to the hospital and extended time in the emergency room.

f) **Responsive and Engaging Public Service:**

The Region strives to inspire public trust and confidence by engaging citizens and collaborating with community partners to foster open conversations about regional programs and services. The Region continues to attract, recruit, and retain skilled workforce that delivers excellent citizen-centered services to meet the diverse needs of the community. Some highlights include:

- **New Ways of Working** - The post pandemic working environment has dramatically changed for many employees. These trends toward hybrid working offers the Region many opportunities to improve employee experience while also optimizing the use of physical assets. Phase 1 of the Space Optimization Pilot has been completed and Phase 2 has commenced. Phase 2 will expand collaborative workspace, save over \$1 million a year and reduce our carbon footprint.
- **A Focus on Employee Value Proposition** – The Region has consolidated existing resources from multiple departments and divisions to establish a total rewards division with end-to-end accountability for design and administration of the Region’s compensation and benefit programs. A holistic view of total rewards is key to cost-efficient strategies that attract, support and retain skilled, engaged and diverse employees in the current war for talent.
Evolving Strategy to Attract Top Talent – Regional staff have created a new Talent Acquisition vision and model to ensure the Region continues to attract and recruit the best talent in an increasingly competitive market. Staff have focused on communication strategies, creating a positive candidate experience throughout the recruitment process, and utilizing social media platforms such as LinkedIn to advertise postings and engage potential candidates.

g) **Our People:**

- **Find Your Way to Wellbeing Campaign** – This comprehensive program successfully launched in early June 2022. The program embeds a focus on

mental health and resilience with targeted supports for high-risk front line employees. Multiple training sessions have been delivered with hundreds of staff attending skill building, resilience and coping sessions.

- **New Talent Management Program** – HR is working on the design and development phase of this new program in alignment with industry best practice. A pilot with Senior Leadership is being planned for the first quarter of 2023. To enable the organization to build a talent pipeline and leadership bench strength and create diverse, competition ready pools of internal candidates, this program will include performance calibration discussions, talent mapping, succession planning and 360 degree feedback assessments.
- **Hybrid Work Policy** - The Region's Ways of Working program continues to allow for hybrid work where aligned to the successful delivery of Regional services. Training and coaching sessions such as: Leading Change, Leading Intentionally and Leader-Coach have been delivered to support leaders in managing in this changing environment.
- **Building Our Future Workplace** - An organization-wide Building Our Future Workplace initiative continues to progress through the consultation phase of planning. The project team is establishing a process to gather insights about our current culture and co-designing our ideal culture to enable us to build the workplace of our future. Consultation is being planned in the second half of 2022.
- **HR Technology and Innovation** - Regional employees are utilizing modern and innovative technology solutions to digitalize and transform our work place by transitioning from 15-year-old disparate legacy systems. This includes the planned implementation of an enterprise human capital management system, which is fundamental to building the workplace of our future. It also includes use of artificial intelligence enabled chat bots to serve staff and candidates through the recruitment process.

Financial Update

This section provides an overview of financial performance in support of the 2022 Business Plan.

a) **The Region is projecting a net year-end financial position in line with the approved tax supported operating budget and surpluses for user rate budgets**

In June, through the Preliminary 2022 Financial Position Estimate report (CORS-CFN-21-17, dated June 7), the Region projected a 2022 Tax Supported Operating Budget shortfall in the range of \$4-\$6 million. Since this time, several factors affecting the Region's financial position have changed which has resulted in an improved 2022 financial outlook. Significant changes include lower fuel costs, increased non-tax revenues in Waste Management and Transit Services, and the use of the Tax Stabilization Reserve to fund Paramedic Services expansion costs. Based on year-to-

date financial results, the Region is now projecting a net year-end financial position in line with the 2022 Tax Supported Operating Budget (excluding Waterloo Regional Police Services). Preliminary estimates for user rates indicate projected surpluses for both water (\$3.2 million) and wastewater (\$1.2 million), primarily driven by increased flows and associated revenue. A summary of year-end estimates by program area is included in Appendix A.

b) Overview of significant projected variances and changes in estimates

Estimated year-end operating financial results, and changes from previous estimates, are highlighted as follows:

- Transit fare revenue projections have increased since the first quarter due to higher than expected ridership as Transit users return to pre-pandemic behaviours faster than anticipated. Revenues are expected to exceed budgeted levels by approximately \$3.6 million with ridership estimated at 88% of pre-pandemic levels for 2022.
- The year-end projection for Waste Management revenues has also increased since the first quarter, driven by significant recycling revenue due to strong market pricing. A year-end surplus of \$2.2 million is projected for Waste Management revenues, however prices in June were trending downward compared to those in May, and this downward trend seems likely to persist.
- Based on year-to-date results and current trends, non-tax revenue shortfalls are still being anticipated for Airport user fees (passenger volumes are estimated at 500,000 for 2022 vs the 782,000 budget estimate) and POA fine revenue, as previously reported. A component of these shortfalls is related to COVID-19 impacts, and unallocated Safe Restart Funding and Provincial COVID-19 Recovery Funding can be used to partially mitigate these shortfalls.
- Fuel prices have been decreasing since the preliminary year-end projection was prepared. At that time, the cost of fuel was approximately \$2.07/L for diesel and \$1.74/L for gasoline. Current prices are approximately \$1.62/L for diesel and \$1.54/L for gasoline. Although these prices are significantly higher than budgeted (\$1.06/L for diesel and \$1.08/L for gasoline), declining prices have resulted in a lower year-end estimated variances and have contributed to the improved year-end projection. Year-to-date fuel costs as compared to budget are outlined in Appendix D.
- The 2022 year-to-date Ontario Works monthly average caseload is 8,078, which has increased from the 2021 average of 7,693, but remains lower than the budgeted caseload size of 9,000 cases per month. This has resulted in reduced expenditures and corresponding offsetting revenues for client basic allowances & mandatory benefits (approximately \$9.6 million) as the program is funded 100% by the Province.
- For user rate budgets, preliminary estimates indicate projected surpluses for both

water (\$3.2 million) and wastewater (\$1.2 million), primarily driven by increased revenue.

c) Allocation of Unbudgeted Funding to Mitigate Operating Variances

The Region has identified uncommitted provincial funding that can be utilized to offset some of the above-noted variances. Uncommitted provincial gas tax funds from previous years in the amount of \$3.7 million are available to partially offset the GRT fuel related variance. In addition, Safe Restart Funding and Provincial COVID-19 Recovery Funding can be used to mitigate some of the ongoing COVID-19 impacts including non-tax revenue shortfalls and unbudgeted expenditures.

When the initial year-end projection was prepared, it was not assumed that the recently approved Paramedic Services expansion would be fully funded from the Tax Stabilization Reserve. The updated year-end projection includes reserve funding to cover 100% of these expenses in 2022, as approved by Regional Council.

The following table identifies how utilization of these unbudgeted funding sources affects the 2022 projected year-end position. Without this funding, the Region would be projecting a year-end deficit of approximately \$5.1 million.

Year End Projection & Funding (\$ thousands) Surplus / (Deficit)	Original estimate based on April 30 results	Revised estimate based on June 30 results
2022 Unadjusted Year End Projection	(\$9,900)	(\$5,135)
Unbudgeted funding to be utilized in 2022:		
Provincial Gas Tax	\$3,700	\$3,700
Provincial COVID-19 Funding	\$1,200	\$1,245
Tax Stabilization Reserve Funding for Paramedic Services Expansion	-	\$717
2022 Revised Year End Projection	(\$5,000)	\$527

d) Federal and Provincial Operating Funding

As outlined in the last periodic financial report (CAO-SPL-22-03/COR-CFN-22-10), there have been several funding announcements since approval of the Region's 2022 budget in December that provide additional support for the Region to assist with the ongoing financial impacts relating to COVID-19. Since this report, additional funding has been announced for Long Term Care, Community Support Services and Paramedic Services:

- **Long Term Care:**
 - \$1,210,545 for January to June 2022 COVID-19 containment funding
 - \$66,808 for 2022/23 fiscal year for infection control personnel
 - \$108,123 for 2022/23 fiscal year for minor capital
- **Community Support Services** - \$61,486 for January to March 2022 COVID-19 funding
- **Long Term Care & Community Support Services:**
 - \$579,951 for January to May 2022 PSS/PSW wage enhancement
 - \$221,456 for February/March 2022 temporary retention incentive for nurses
- **Paramedic Services** - \$270,227 for January to March 2022 (additional \$83,846 claimed, but top-up not yet announced). \$462,665 estimated for April to June 2022, but funding not yet announced.

e) The Region's capital program is proceeding as planned

Appendix B provides a summary of budget versus actual capital project spending by department, and captures all projects with amended 2022 budgets of \$1 million or more. Using this approach, approximately 85% of the capital budget is being captured in this summary. The capital program is progressing, and based on current spending estimates approximately 70% of the 2022 capital budget is anticipated to be spent.

Staff have reviewed the progress of certain projects in the 2022-2031 capital program and have identified a number of projects requiring a reallocation of funding sources, advancement of budget and/or additional funding. A number of changes are recommended in the Transportation Capital Program primarily due to inflationary impacts for construction materials and labour, as well as market price increases for land. Overall, an increase of \$5,142,000 is recommended for certain Transportation capital projects, with this increase being funded through additional draws from Regional Development Charges (\$810,000), the Canada Community-Building Fund (\$180,000) and the Transportation Capital Reserve (\$4,152,000). As an offset, other projects within the Transportation Capital Plan are facing delays and spending will not occur as originally planned in 2022, providing the funding capacity required from these reserves to fund these increases. The final allocation between Transportation Capital Reserve and the Canada Community-Building Fund will be determined at year-end based upon eligible costs. A summary of recommended changes and explanations for the changes are included in Appendix C.

Staff also recommend accelerating \$1 million from 2023 for the Stage 2 LRT Planning project in order to reflect revised estimates of expenditure timelines, and accelerating \$60,000 from 2023 to advance some work relating to the next Development Charges Background Study immediately following the Regional Official Plan update to the fall of this year.

6. Area Municipality Communication and Public/Stakeholder Engagement:

Nil.

7. Financial Implications:

As noted throughout the report. Year-end surpluses/shortfalls will be allocated to or be funded from reserves in accordance with Council policy, unless otherwise directed by Council.

8. Conclusion / Next Steps:

Staff will provide Council with a third quarter update in November 2022. The most significant financial risks being monitored are cost inflation, fuel prices, various non-tax revenues, supplementary taxes and property tax write-offs, and capital cost escalation.

9. Attachments:

[Appendix A](#): Summary of Operating Budget Year End Estimates by Department

[Appendix B](#): Summary of Capital Program Year End Estimates

[Appendix C](#): Recommended Capital Budget Adjustments

[Appendix D](#): Fuel Prices

Prepared By: Nivine Henin, Lead Advisor, Corporate Strategy & Performance

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Cheryl Braan, Director, Corporate Finance

Approved By: Bruce Lauckner, Chief Administrative Officer

Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer

Appendix A

Summary of 2022 Operating Budget Year-End Estimates by Department

Tax Supported Operating Budget (\$ thousands)

Department / Program	Expenditure	Revenue	Net
Elected Office	(\$44)	\$-	(\$44)
Chief Administrator's Office	(295)	(130)	(425)
Corporate Services	(409)	(674)	(1,083)
Human Resources and Citizen Service	(729)	708	(20)
Planning, Development and Legislative Services	1,206	(4,059)	(2,853)
Transportation and Environmental Services	(6,938)	9,462	2,525
Community Services	6,231	(5,368)	863
Public Health and Emergency Services	4,837	(4,898)	(61)
Subtotal above	3,859	(4,958)	(1,099)
Waterloo Region Crime Prevention Council	-	-	-
Immigration Partnership Council	(4)	4	-
Associated Agencies	5	-	5
Corporate Financial	(294)	1,380	1,086
RDC Exemption Financing	-	-	-
Tax Write-offs and Rebates	-	-	-
Supplementary Taxes and PILs	-	535	535
Direct Regional Services	\$3,567	(\$3,040)	\$527

User Rates Operating Budget (\$ thousands)

Division	Expenditure	Revenue	Net
Water Supply	\$253	\$2,932	\$3,184
Wastewater Treatment	(29)	1,190	1,161
Water Distribution	(61)	(73)	(133)
Wastewater Collection	(90)	17	(73)
Total User Rates Budgets	\$73	\$4,066	\$4,139

Note: Positive variances indicate a surplus; negative variances indicate a shortfall.

Appendix B**Summary of Capital Program Year-End Spending Estimates (\$ thousands)**

Department / Division	Amended 2022 Budget	YTD Spent & Committed (June 30)	Estimated Spend to Yearend	Projected Yearend Variance
Corporate Services				
Facilities Management	\$44,644	\$5,577	\$10,189	\$34,455
Fleet Management	1,068	1,068	1,068	-
Planning, Development & Legislative Services				
Airport	41,049	29,829	26,624	14,425
Transportation & Environmental Services				
Transportation	131,347	60,860	90,875	39,472
Waste Management	15,566	25,712	14,347	1,219
Public Transit	110,493	53,791	84,882	25,611
Water Services	66,244	68,014	55,818	10,426
Wastewater Treatment	56,932	71,339	44,900	12,032
Community Services				
Housing Services	70,415	26,727	48,053	22,362
Seniors' Services	5,234	2,357	3,892	1,342
Public Health & Emergency Services				
Paramedic Services	2,525	3,633	761	1,764
Corporate Financial	1,000	-	1,000	-
Total	\$546,516	\$348,906	\$382,409	\$163,107

Appendix C: Recommended 2022 Capital Program Adjustments (\$ thousands)

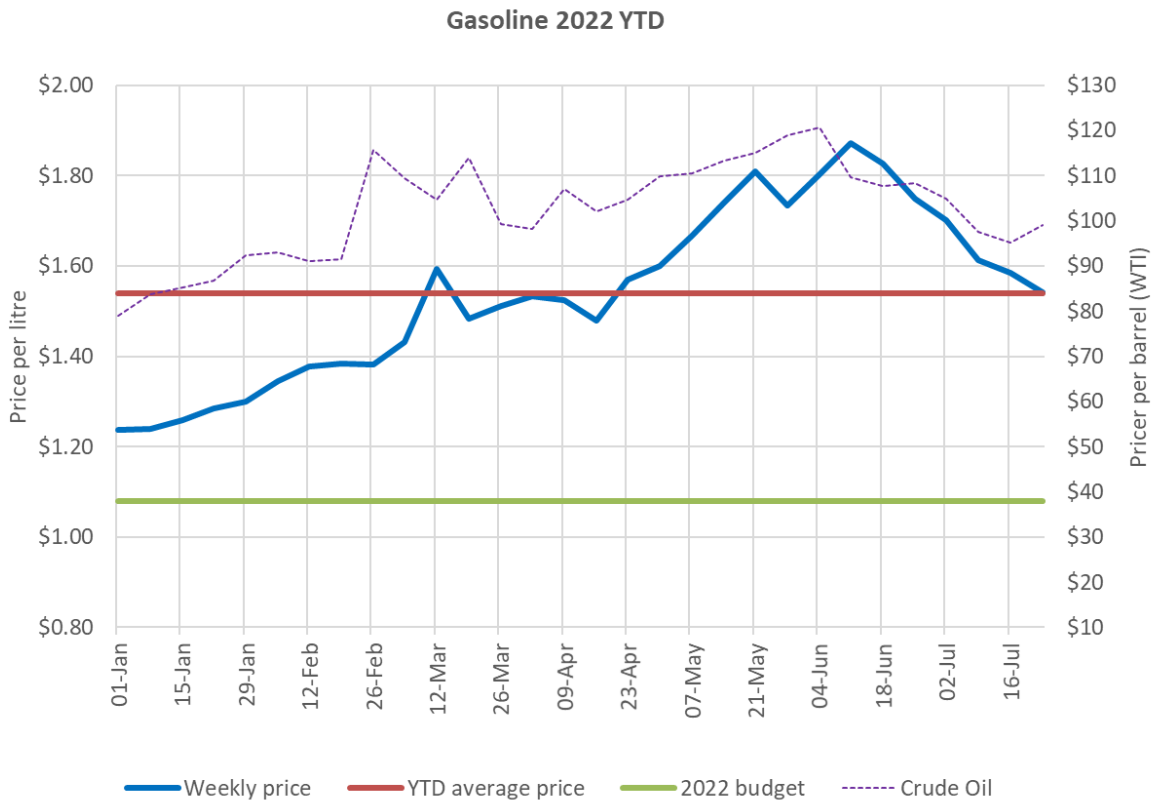
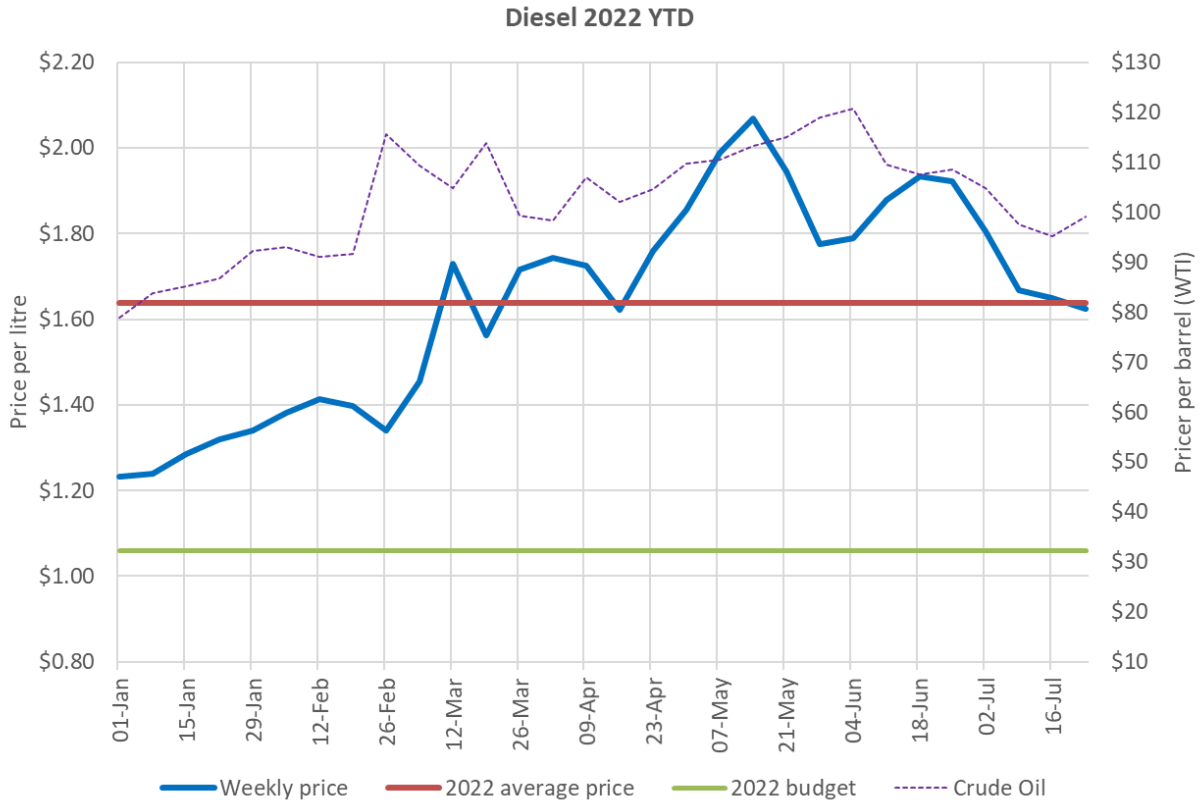
Capital Project	2022 Approved Budget	Recommended Change / Funding Source					2022 Amended Budget
		Expenditure adjustment	RDC Reserve	Transportation Capital Reserve	Canada Community Building Reserve Fund	Program Area Capital Reserve	
05384 King St, Bishop St to Dover St	\$560	\$75	\$ -	\$75	\$ -	\$ -	\$635
05489 Weber St, Forwell Creek Rd to Blythwood Rd	65	46	-	46	-	-	111
05494 King St, Central St to University Ave	1,230	1,401	-	1,401	-	-	2,631
05576 Bridge St W, Woolwich St to University Ave E	3,300	400	-	400	-	-	3,700
05603 Sawmill Rd/Hawkesville Rd, King St to Waterloo/St Jacobs Tracks	220	180	-	-	180	-	400
05654 Maryhill Road, 70m east of Notre Dame Ave. to Charles St. W.	80	95	-	95	-	-	175
05680 Ottawa St N, Lackner Blvd to HWY 7 EB Ramp	-	50	-	50	-	-	50
05697 Fairway Rd N, Briarmeadow Dr to King St	60	55	-	55	-	-	115
05933 Main St E, Franklin Blvd to Chalmers St & Dundas St, Briercrest Ave to Franklin Blvd	1,090	2,000	-	2,000	-	-	3,090

Capital Project	2022 Approved Budget	Recommended Change / Funding Source					2022 Amended Budget
		Expenditure adjustment	RDC Reserve	Transportation Capital Reserve	Canada Community Building Reserve Fund	Program Area Capital Reserve	
07495 Lackner Blvd, Ottawa St to Victoria St	112	220	198	22	-	-	332
07617 King St. E., Freeport Bridge to Freeport Hospital Entrance	80	170	162	8	-	-	250
07284 New Dundee Rd at Robert Ferrie Dr	75	210	210	-	-	-	285
07558 Line 86 at Floradale Rd	90	160	160	-	-	-	250
07562 Northumberland St at Broom St	10	80	80	-	-	-	90
68030 Stage 2 LRT Planning	2,000	1,000	390	-	-	610	3,000
60005 RDC By Law Review	-	60	54	-	-	6	60
42072 Ken Seiling Waterloo Region Museum - Permeable Concrete for Sararas Hill and lower washrooms	-	150	-	-	-	150	150
Total Recommended Changes		\$6,352	\$1,254	\$4,152	\$180	\$766	

Project	Explanation for Change
05384 King St, Bishop St to Dover St	Additional costs are related primarily to sidewalk modifications to ensure compliance with AODA standards. A portion of the additional costs may be recovered from the contractor and/or the design consultant.
05489 Weber St, Forwell Creek Rd to Blythwood Rd	Additional costs related to underground infrastructure changes during construction.
05494 King St, Central St to University Ave	Additional costs including (i) extra work completed under contract, (ii) increased quantities including site preparation, earth management and temporary road restoration between stages of work, as well as (iii) scheduling changes.
05576 Bridge St W, Woolwich St to University Ave E	Contractor has indicated they will be progressing bridge works this year to avoid delays in 2023 which would result in additional overall costs and an additional construction year. The result is that the Region needs to advance funds from 2023.
05603 Sawmill Rd/Hawkesville Rd, King St to Waterloo/St Jacobs Tracks	Difference is a result of final invoicing with the Township.
05654 Maryhill Road, 70m east of Notre Dame Ave. to Charles St. W.	Additional bridge condition assessments and storm water management evaluations are required to prepare for design work.
05680 Ottawa St N, Lackner Blvd to HWY 7 EB Ramp	Additional budget required for minor trailing costs (overall project was \$9.5M).
05697 Fairway Rd N, Briar Meadow Dr to King St	Project construction was deferred to 2027/2028, however the goal is to still continue with design, approvals and preparation of property impact plans. The EA is underway and will require additional funds this year and a budget increase in 2023.
05933 Main St E, Franklin Blvd to Chalmers St & Dundas St, Briercrest Ave to Franklin Blvd	It is anticipated that the land costs will be higher than budgeted.
07495 Lackner Blvd, Ottawa St to Victoria St	It is estimated that additional costs will be incurred to accommodate the installation of 160m of railings as well as traffic signal hardware.
07617 King St. E., Freeport Bridge to Freeport Hospital Entrance	The project scope has increased due to the need for a retaining wall to protect water services facilities, the installation of railing system along top of the embankment, and drainage improvements by installing a storm sewer and outlet.

Project	Explanation for Change
07284 New Dundee Rd at Robert Ferrie Dr	Geotech is underway. Land and utilities were originally budgeted in 2023 and are ahead of schedule.
07558 Line 86 at Floradale Rd	Utility relocations and property acquisitions are being completed in 2022. There is additional funding in 2023.
07562 Northumberland St at Broom St	Additional costs are related primarily to sidewalk and driveway apron reconstruction to reduce driveway grades. A portion of the additional costs may be recovered from the contractor and/or the design consultant.
68030 Stage 2 LRT Planning	Advancement of budget from 2023 capital forecast to reflect the current estimate for timing of project expenditure.
60005 RDC By Law Review	Advancement of budget from 2023 capital forecast for procurement of a development charges consultant as the services are required sooner than originally planned. This project is funded from the RDC Admin Reserve Fund (90%) and the Financial Services Capital Reserve (10%).
42072 Permeable Concrete for Sararas Hill and lower washrooms	Advancement of budget from 2023 capital forecast to facilitate work in the fall of 2022 instead of the spring of 2023. Completing this work in the fall would provide better ground conditions for hardscaping as compared to the spring. The fall is a better time to complete this work at the Museum due to lower programming levels related to school programs. Design was completed ahead of schedule and work is ready for pricing. The project is funded from the Cultural Services Capital Reserve.

Appendix D – Fuel Prices



Region of Waterloo
CAO, Communications and Strategy
Human Resources and Citizen Service

To: Chair Helen Jowett and Members of the Administration & Finance Committee

Meeting Date: August 9, 2022

Report Title: 2023 Plan and Budget Community Engagement Update Report

1. Recommendation:

For Information.

2. Purpose / Issue:

To provide information to Committee regarding the community engagement and communications approach to support the 2023 Annual Plan and Budget process.

3. Strategic Plan:

The 2023 Plan and Budget Community Engagement and Communications strategy will support the Strategic Plan, specifically in the Responsive and Engaging Public Service focus areas, 5.1. Enhance opportunities for public engagement, input and involvement in Region of Waterloo Initiatives and 5.1. Provide excellent citizen centred service that enhance service satisfaction.

4. Report Highlights:

- The Region is guided by the 2019-2023 Strategic Plan. Each year the organization undergoes a comprehensive planning and budget process to calibrate its strategic initiatives, work plans and resources to priority areas. Community engagement is critical to ensure the Region's annual plan and budget reflect changing community need and aspiration.
- This is a particularly important year, as the organization welcomes a new Council in November and embarks on the development of a new Strategic Plan during 2023. In addition, the organization is in the midst of Digital Service Transformation. The Plan and Budget engagement will also leverage and support these key initiatives with quality data and insights from the community.
- The community engagement and communications approach for 2023 will

build on last year's plan [COR-CFN-21-34/CAO-SPL-21-01]. Last year staff increased the communications reach and overall participation in the process above previous years. There were also steps taken to enhance communications and engagement with community members facing the most barriers to participation. These were a step in the right direction; and this year is an opportunity to continue building on those efforts.

- This year is an important planning window for the organization and the Plan and Budget Process will leverage these opportunities to learn from the community about what matters most to them. Some examples of ongoing engagement include the renewal of the region's Economic Development Strategy, the Community Safety and Wellbeing Plan, the Regional Official Plan and the creation of the Region's first Digital Services Strategy, to name a few. Each of these initiatives offer important opportunities to engage with community about the things that matter most to them, and about ways to achieve our collective goals as a region.
- In addition, the Digital Service Strategy initiative currently underway will undertake a statistically robust Service Experience and Priorities survey that will provide important data to support organizational transformation and will provide important engagement data to inform the 2023 Plan and Budget.
- Two Plan and Budget public input sessions are planned during the Committee review period to provide members of the public an opportunity to appear directly before Plan & Budget Committee on issues that matter most to them. The tentative dates for these meetings are December 14, 2022 and January 11, 2023
- In addition to the main resident survey and public input sessions, there will also be on-line opportunities and invitations for written feedback available to community to participate.
- There will be a fulsome communications plan to support the engagement to share the Region's values and goals to help build a world-class community for all. This approach helps to build trust and provide the strategic context for the Plan and Budget, making it more relatable and accessible.

5. Background:

Successful community engagement relies upon successful communications that are relatable and accessible. While eliciting feedback from the community, the process also allows the opportunity to further tell the story of how the Region is helping build a world-class community where all residents can have a high quality of life through its Strategic Plan, and the budget as its driver.

The communications tactics to support the 2023 Plan and Budget engagement include:

- Region of Waterloo website communications
- News releases and media engagement
- Social media messaging
- YouTube video that highlights the story of the Plan and Budget
- Emails to stakeholders
- Email to over 8000 registered users of Engage Region of Waterloo

Service Experience Survey

The Digital Service Strategy initiative currently underway will undertake a statistically robust Service Experience and Priorities survey that will provide important data to support organizational transformation and will provide important engagement data to inform the 2023 Plan and Budget. This Service Experience and Priorities resident survey will explore:

- Successes and gaps in key Regional services
 - Resident engagement with the Region, preferences for involvement and satisfaction with level of engagement
 - Resident expectations in the digital experience with the Region
 - Resident perspectives on strategic directions for the Region
- A requirement of the survey will be to gather feedback from residents that are representative of selected demographic information, such as geography, age, gender, race/ethnicity and income.
 - The Service Experience and Priorities resident survey will be carried out over the summer and the results will be integrated into the Plan and Budget process.

6. Area Municipality Communication and Public/Stakeholder Engagement:

Area Municipality Communication:

The Community Engagement Plan will ensure that meaningful community engagement and communications to areas municipalities will occur throughout the process.

Public/Stakeholder Engagement:

The 2023 Plan and Budget Community Engagement and Communications strategy will provide meaningful opportunities for residents, businesses and partners to inform priorities for focus and improvement. The plan will build on the improved overall engagement that was accomplished last year. Specific steps were taken using an equity lens to enhance communications and engagement with community members

facing the most barriers to participation. This year's engagement will continue building on those efforts. Engagement will also incorporate input received through other planning such as the Regional Official Plan, Economic Development, the Community Safety and Wellbeing Plan and others.

7. Financial Implications:

The service experience survey is being funded through the provincial Audit and Accountability Fund as a foundational element to support the development of the Region's Digital Service Strategy. Other engagement costs are included in approved 2022 departmental budgets.

8. Conclusion / Next Steps:

The timelines for the 2023 Plan and Budget Community Engagement and Communications strategy implementation will align with the overall Plan and Budget timelines outlined in staff report CAO-SPL-22-04/COR-CFN-22-18 dated June 7, 2022. Currently staff are in the process of recruiting a consultant to implement the resident survey, and fieldwork for that survey will commence over the summer with results expected in time for budget deliberations with Council in November.

9. Attachments / Links:

None.

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Approved By: Connie MacDonald, Chief Strategy & Communications Officer