

Regional Municipality of Waterloo

Strategic Planning and Budget Sub-committee Agenda



Date: Wednesday, October 2, 2024
Regular Session: 9:00 a.m.
Location: 99 Regina St. Waterloo, Room 508

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	
4.1 2025 Plan and Budget For Information.	2
5. Reports	
5.1 CAO-24-004, 2025 Budget Update For Information.	22
6. Closed Session	
Recommended Motion:	
That a closed meeting of the Strategic Planning and Budget Sub-Committee be held on October 2, 2024 immediately following this motion in accordance with Section 239 of the “Municipal Act, 2001”, for the purposes of considering the following subject matters:	
1. personal matters about identifiable individuals and labour relations related to potential budget options	
7. Motion to Reconvene into Open Session	
Recommended Motion:	
That the Strategic Planning and Budget Sub-Committee reconvene into Open Session.	
8. Other Business	
9. Adjourn	
Recommended Motion:	
That the meeting adjourn at x:xx x.m.	



Plan and Budget 2025

Direction provided by A&F Committee on June 4, 2024

At the June 4th Administration and Finance Committee meeting, the following direction was provided to staff with regards to development of the 2025 Plan and & Budget:

- Regional Council direct staff to return with a budget that has less than an 8 per-cent tax rate increase, prioritizing potential funding reductions in areas that should be funded by higher levels of government
- Regional Council direct staff to compile a comprehensive review of funding provided by the Region to external organizations and conduct analysis on whether it matches a strategic priority area within the Region of Waterloo's Strategic Plan, Growing With Care
- Regional Council direct staff to conduct a priority ranking of funding provided by the Region to external parties under each of the Region of Waterloo's Strategic Plan, Growing With Care pillars; Homes for All, Climate Aligned Growth, Equitable Services and Opportunities, and a Resilient and Future Ready Organization
- That staff provide a review of all services currently baked into the base budget and provide information on what is legislatively mandated for the region to provide
- That staff also report back on areas of overlap between regional and area municipalities services
- Further, that Staff conduct a comprehensive review of the Region's administrative expenses, and what could be done differently operationally

Strategic Plan and Budget Sub-Committee Schedule

Date	Draft agenda topics
August 14	Overview of the process, timeline and agenda topics
August 28	Review of funding provided by the Region to external organizations, how each stream fits in the Region's Strategic Plan, and areas of overlap between regional and area municipalities' services
September 11	Review of: <ul style="list-style-type: none"> • Services in the base budget and information on what is legislatively mandated for the Region to provide. • The Region's administrative expenses, and what could be done differently operationally including an overview changes underway and benchmarking results.
October 2	Review options, with evaluations against objectives in the Strategic Plan, to achieve a budget that has less than an 8 per-cent tax rate increase, including: <ul style="list-style-type: none"> • Potential service adjustment options • Review of service expansion requests being proposed for 2025

Today's Purpose

To review:

1. Receive a 2025 Budget Update
2. Review options to get to a less than 8 per-cent levy impact
 - What's included and moving forward (base budget, annualizations of previous expansions in key areas, capital program impacts to operating)
3. Material in response to requests for information from previous Strategic Plan and Budget Sub-Committee meetings
 - KPMG Recommendations Update
 - Update on other comparator tax projections

2025 Plan and Budget Update

- Made significant investment to progress Growing with Care in 2024
 - Expanding affordable housing, support those experiencing homelessness, and investments to drive economic growth and opportunities.
 - Expanding and maintain paramedic services, investments in children's services, seniors' services, funding for youth programs and services
 - Growing our transit network, providing safe water and supporting waste management.
 - Modernizing service delivery through data and technology, ensuring long-term financial sustainability, and supporting employee wellbeing.
- 2025 budget projections include this work and the annualization of important previous expansions
- Staff assessed options for required service expansions (opportunities for investments) to maintain pace of growth
- Options to achieve a 2025 budget of a less than 8 per-cent tax increase come with varying risks to the community and essential services they rely upon.

Reducing Budget Pressures

- Achieved \$41.6 Million in efficiency savings over the past five years
- Some highlights of recent operational efficiencies are:
 - Leveraging digital solutions, including implementation of Chatbot and Interactive Virtual Agent (IVA), and digital queue technology to respond to 360,000+ annual calls
 - Adoption and utilization of business solutions, including automation and improvements to streamline workflows and processes.
 - Improved data integration, visualization and analytics to support decision-making, innovation and continuous improvement
 - New service delivery models, including optimizing Regional office space needs, multiple Paramedic Services innovations (e.g., Fit2Sit, Alternative Care Pathways).

Significant 2025 Operating Budget Impacts

- Impact of base budget assumptions – to keep doing what we are doing (adjustments for inflation, cost escalation, funding changes, user fee revenues)
- Impact of decisions made through the 2024 approved budget (annualization of service expansions and removal of one-time funding)
- Impact of approvals subsequent to 2024 budget approval
- Impact of new initiatives and service expansions

Impact of decisions made through the 2024 approved budget

- Annualization of Service Expansions (\$3.5M) including:
 - Paramedic Services Master Plan Implementation
 - Transit Services: Bus Network Service Expansion, Light Trail Transit, UPASS Program, Urban Mobility Plus
- Removal of one-time Tax Stabilization Reserve funding for the Plan to End Chronic Homelessness (\$3.2M)
- Removal of temporary Tax Stabilization Reserve funding associated with fuel price phase-in (\$1.9M)

Impact of approvals subsequent to 2024 budget approval

- Approval of grant funding in excess of the approved budget (\$0.5M)
- Debt servicing costs for land acquisitions approved in-year (\$3.4M)
- Funding strategy for the waste management collection contract renewal in 2026 (\$7.0M)

Impact of new initiatives and service expansions

- Housing Services (\$7.1M): Plan to End Chronic Homelessness and staff resources
- Transit Services (\$3.8M): Core Network Growth, Customer Driven Demand-Response Operational Adjustments, Mobility Plus Services and support staff
- Paramedic Services (\$0.8M): Master Plan Expansion and Staffing Relief Rate
- Transportation (\$0.5M): Traffic System Management, Operations and Communications resources
- Other requests including Waste Management resources for new cart collection program, support staff (Legal, Finance, ITS, Facilities), Business Continuity Planning resources

DRAFT 2025 Tax Supported Operating Budget with Expansions

Regional Property Tax Levy (excl. Police)	\$M	% Levy	June 11 report (COR-CFN-24-011)
2024 property tax levy	\$517.8		
Draft 2025 base budget property tax levy	\$577.8		
Expansion Requests	\$14.2		
Tax levy change	\$74.2	14.3%	\$76.8 / 14.8%
DRAFT Property tax impact (estimated assessment growth of 1.75%)		12.4%	12.8%

Options for a less than 8 per cent tax levy increase

Deferring all Proposed Expansions for 2025 - risks and impact

- Deferring proposed required expansions, reducing and/or eliminating service levels
- 2025 potential expansion deferrals include:
 - Implementation of the Plan to End Chronic Homelessness
 - Further expansion of Transit beyond annualization of existing expansions
 - Implementations of the Paramedic Services master plan beyond annualization of existing expansions
 - Mitigating cybersecurity breaches through maintenance and update of Region's devices
 - And more


2025 Tax Supported Operating Budget – Status of DRAFT Base Budget

Regional Property Tax Levy (excl. Police)	\$M	% Levy
2024 property tax levy	\$517.8	
Draft 2025 base budget property tax levy	\$577.8	
Tax levy change	\$60.0	11.6%
DRAFT Preliminary property tax impact (estimated assessment growth of 1.75%)		9.7%

Preliminary 2025 Tax Supported Operating Budget Status

At the June 4th Administrative and Finance Committee meeting, the following direction was provided to staff with regards to development of the 2025 Plan and Budget:

- “Regional Council direct staff to return with a budget that has **less than an 8 per-cent tax rate increase**, prioritizing potential funding reductions in areas that should be funded by higher levels of government”

% Change in property taxes*	Incremental reductions required	Cumulative decrease
9.7% (current base budget)		
9.0%	\$3.47M	\$3.47M
 8.0%	\$5.27M	\$8.74M

1% change in property taxes = \$5.3M

* Estimated assessment growth of 1.75%



Closed Session

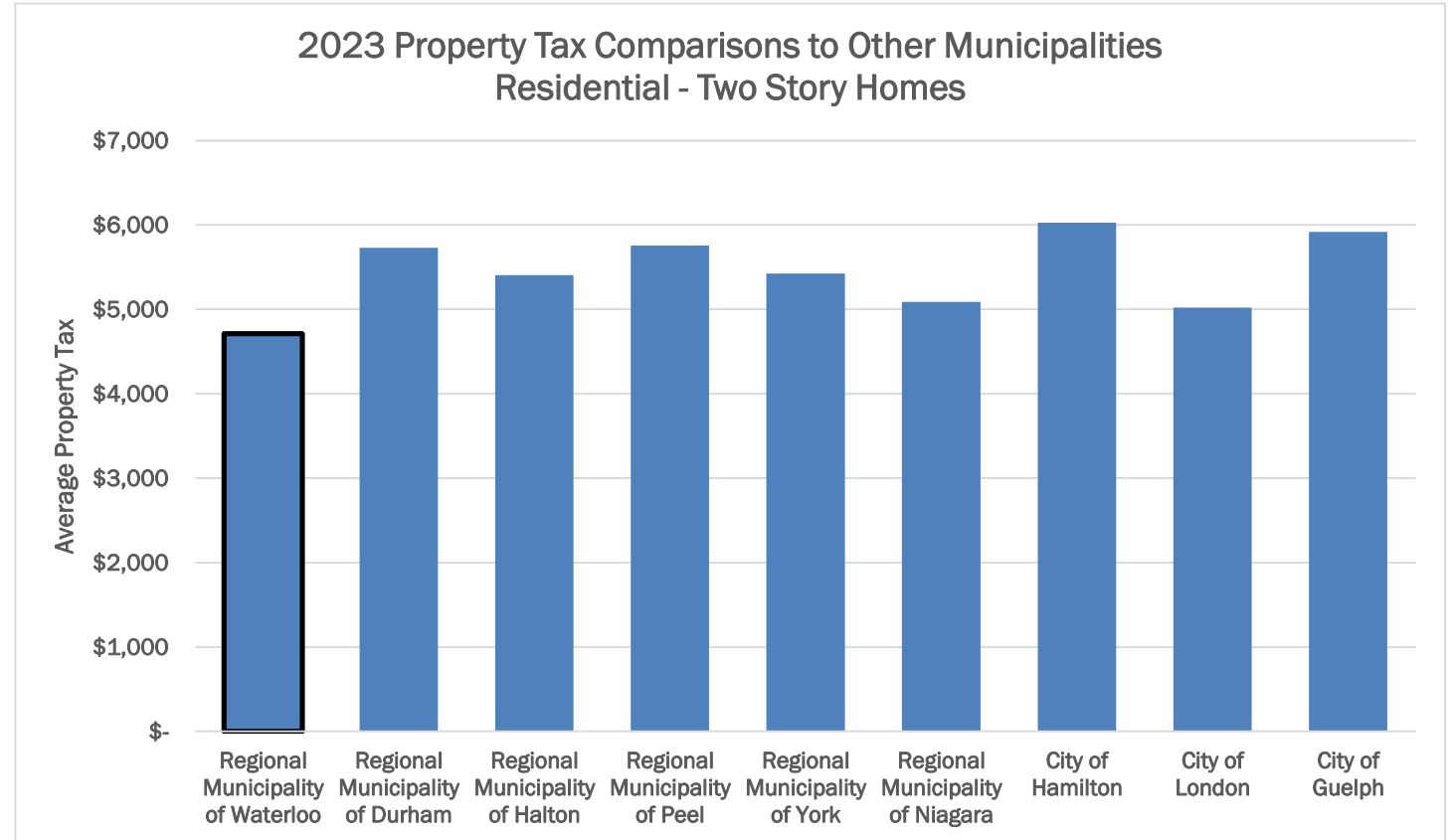
Open session - resume

KPMG Recommendation Update

- Progress has been made in response to the 2019 KPMG Service Review. A few highlights:
 - 5 Region operated child-care centres were closed, a savings of \$6.8M in annual operating and avoidance of \$615K in annual capital expenses
 - Process review of the administration of Housing, resulting in administrative efficiencies and better support to applicants
 - Review of Regional Fleet Utilization identified opportunities and savings through alternate service delivery models and fewer vehicles and equipment
 - The Waterloo Region Crime Prevention Council ended in 2022. Region Council endorsed new Community Safety and Wellbeing Plan.
 - And more...

Regional Tax Comparators

Region/City	Two Storey Home
Regional Municipality of Waterloo	\$ 4,710
Regional Municipality of Durham	5,731
Regional Municipality of Halton	5,404
Regional Municipality of Peel	5,757
Regional Municipality of York	5,423
Regional Municipality of Niagara	5,087
City of Hamilton	6,027
City of London	5,020
City of Guelph	5,917



Data from the 2023 BMA Study
Municipal tax information provided by BMA Management Consulting Inc.

Next Steps

- The Strategic Planning and Budget Sub-committee may choose to develop recommendations regarding the content of this review to present to the Strategic Planning and Budget Committee in October 2024.

Date	Strategic Planning and Budget Committee
October 16	Budget process overview
October 30	Detailed budget review
November 1	Carry-over if needed
November 6	Public Input #1, Detailed budget review
November 7	Carry-over if needed
November 20	Police Services budget
November 27	Public Input #2, Operating and Capital Program Review and Follow ups
December 2	Deadline for submission of Councillor motions
December 11	Final Budget Day

Chief Administrative Officer

CAO

To: Strategic Planning and Budget Committee Sub-Committee

Meeting Date: October 2, 2024

Report Title: 2025 Budget Update

1. Recommendation

For information.

2. Purpose / Issue:

To provide the 2025 Plan and Budget Sub Committee with a preliminary 2025 budget update and summary information regarding options to meet the Council guideline of a less than 8 per-cent tax levy increase.

The report also provides draft options for service enhancements to meet community and operational imperatives and responds to sub-committee's previous information requests regarding updates on the 2019 KPMG recommendations and comparator tax levy data.

3. Strategic Plan:

This report supports the Resilient and Future Ready strategic priority to ensure fiscal accountability and transparency in service delivery as we work toward achieving our goals within the Growing with Care priorities of Homes for All, Climate Aligned Growth, Equitable Services and Opportunities, and Resilient and Future Ready Organization.

4. Report Highlights:

- The Region is working diligently build a 2025 Plan and Budget that keeps pace with unprecedented community growth, responds to complex social, political, and technological challenges, while balancing organizational resilience and affordability for residents.
- Over recent years, Council set in motion a series of impactful strategic decisions and service expansions to achieve progress toward its Growing with Care corporate strategy. Continuing this critical work in a measured and sustainable way is central to creating the 2025 Plan and budget that continues to deliver essential services to residents.
- In June 2024, Council directed staff to develop budget options to build a 2025 Plan and Budget with a less than 8 per-cent tax levy increase. Staff continue to work through the details of those options, assessing the potential risks and

liabilities of delaying implementation of critical service enhancements, identifying options for service reductions or options for service elimination.

- Staff are in the process of finalizing the 2025 operating budget and 2025-2034 capital program which will be presented to the Strategic Planning and Budget Committee later in October. Based on preliminary results, the 2025 operating budget is in line with the projection made thorough report COR-CFN-24-011, dated June 4, 2024, in which staff projected a tax rate increase in the range of 12%-13%.
- The main drivers of the 2025 budget relate to inflation and cost escalation, adjustments to revenues and funding, annualization of 2024 service expansions, removal of temporary funding, impacts of in-year approvals and continued service expansions.
- Reducing budget pressures is a critical strategy staff work hard to achieve. Staff continue to leverage opportunities to maximize business operations that produce efficiencies, avoid future cost escalation and improve services and resident experience.
- A summary of this work was provided in Report CAO-24-001, dated September 11, 2024, including examples of:
 - Leveraging digital solutions to enable residents' easier access to information, self-serve options and improved opportunities to engage with the Region
 - Adoption and utilization of business solutions that optimize business processes and workflows
 - Technologies that improve employee collaboration, streamline processes for Councillor business, meetings and information flow
 - Improved data integration, visualization and analytics for decision support
 - New service delivery models that maximize existing staff capacity, curtail future costs to respond effectively to increasing service demands
 - Focus on energy efficiency
- Staff have also provided an update on the progress made to date in response to opportunities identified in KPMG's 2019 service review [Appendix A]. Since 2020, further efficiencies have been implemented through a variety of actions including adjusting or eliminating specific services and programs, improving processes and administrative efficiencies, adjusting user fee programs to ensure appropriate return on investment, and upgrading to more efficient or cost-effective tools, technology and fleet. See Appendix A for a full update.

5. Background:

- At the June 4, 2024 Administration and Finance Committee, Regional Council directed staff to return with a budget that has a less than an 8 per-cent tax rate increase, prioritizing potential funding reductions in areas that should be funded by higher levels of government.

- As Council prepares for the 2025 plan and budget process, there is a desire to balance investments that respond to the rapid pace of growth and delivering services residents rely on and can afford.
- Through report COR-CFN-24-011, dated June 4, 2024, staff provided a preliminary preview of the 2025 tax supported operating budget projecting a tax increase in the range of 12-13% for Regional Services (excluding Police). The current draft operating budget position is in line with this original estimate. The current draft operating budget which is still being finalized, including proposed service expansions, indicates a 12.4% change in property taxes for 2025, taking into account an estimated 1.75% assessment growth. Projected increases can be categorized in one of four categories:
 - Base budget adjustments – adjustments for inflation and cost escalation as well as revenue and subsidy adjustments and debt servicing costs for capital projects and additional funding requirements for capital asset renewal, approved tax increment grants and discretionary development charge exemptions.
 - Annualization of 2024 decisions – including annualization of service expansions and removal of one-time funding approved on a temporary basis.
 - Post-2024 budget approval – approval of grant funding in excess of the approved budget, debt servicing costs for land acquisitions approved in-year and the funding strategy for the waste management collection contract renewal in 2026.
 - Anticipated service expansions – continuation of master and business plan investments in areas such as transit, paramedic services and further implementation of the Plan to End Chronic Homelessness.
- Although fiscal and economic pressures present a challenging context to grow services, it is still imperative that staff continue to assess and identify areas of strategic and operational opportunity and need so that Council can make informed decisions during the Plan and Budget process.
- A few highlights of recommended opportunities and investments for 2025 are described below, with a full summary provided in Appendix B.
- **Homes for All:** Waterloo Region continues to face a chronic shortage of affordable housing, many residents continue to face housing and economic precarity and homelessness continues to impact a growing number of residents who are often impacted by other challenges including mental health, addictions, discrimination and marginalization. Investment opportunities include:
 - Investing in the implementation of the Plan to End Chronic Homelessness. Recommended 2025 investments in this area will make housing more affordable and sustainable through 75 new PATHS Rent supplements, with 15 dedicated to youth.
 - Additional resources to deliver programs that support quality of life of vulnerable households at risk of losing their tenancies. These affordable

housing programs support almost 60 housing providers, ensure that capital repair programs can be overseen effectively and implemented to manage risk, enhance energy programs and improve quality of life for residents.

- A range of investments to improve WRH insurability, reduce risks and costs associated with escalating premiums through increased efforts to ensure all tenants have and keep insurance.
- Additional resources are needed to continue delivering targeted employment services for vulnerable and equity deserving individuals in the community.
- **Climate Aligned Growth:** Reducing our Green-house gas emissions and growing sustainably means building the critical infrastructure needed to support car-alternative transportation options and network improvements across our rapidly growing region. Investment opportunities include:
 - Recommended investments that make it easier and safer to walk, cycle, and use public transportation, as well as improvements to existing buildings and outdated infrastructure.
 - Investment in transit service improvements increases ridership, employment opportunities, improves equity, promotes transit – supportive sustainable development, unlocks affordable housing and reduces car dependent emission.
 - A number of investments in transportation services are being recommended as a result of growth and an increasing number of public calls for service and response (e.g., noise, red light cameras, wildlife crossings, roundabouts, and traffic signals). There is also a desire for increased community engagement and opportunities to improve communication with residents.
- **Equitable Services and Opportunities:** As the Region grows, the need for essential and equitable services that meet increasing community needs in paramedic services, public health, childcare, seniors care, employment, and immigrant and newcomer supports is also growing. Investment opportunities include:
 - Recommended investments that make services more inclusive, accessible, culturally safe and appropriate, not only in the services the Region directly provides, but also through community collaboration and partnerships.
 - Paramedic Services continues to experience high 911 call demand, offload delay pressures, and staffing challenges that lead to periods of zero or reduced resource availability. Investments recommended in 2025 are included in the Council approved PSV Master Plan.
 - Investments to meet the demands for the Canada-wide Early Learning and Child Care Program (CWELCC). Implementation of this

transformational program will make Home Child Care more affordable and equitable.

- **Resilient and Future Ready Organization:** Being fiscally sustainable requires maximizing available resources while continuing to provide quality services to residents, being resilient to cyber security threats and other risks to service-delivery. Investment opportunities include:
 - Reducing overtime costs at Sunnyside Home through hiring High Intensity Needs PSWs to fill shift vacancies. This approach supports staff to continue to provide exemplary care to residents.
 - Similarly, increasing the Region's Paramedic Services relief staff levels will reduce overtime costs, and align with other similar sized services in Ontario.
 - A number of expansions are being recommended to meet the Region's obligations under our MOU with the Ministry of the Attorney General. As well, lower cost Solicitor and Legal Assistant positions will replace current costly external legal counsel fees. Cost recovery is estimated to be approximately 50%.
 - Advancements in technology provide many opportunities for improving operational resilience and efficiencies, while also improving service to residents; however, cybersecurity risks are also increasing, putting strain on current systems and resources. Recommended investments to add IT staff and a cloud-based business continuity software program will help mitigate risks associated with cyber-attacks and inefficiencies associated with dated systems.
 - Additional emergency management support is being recommended to strengthen the Region's operational readiness and business continuity in the event of natural and person-made emergencies/disasters, which are continually increasing. Investing in business continuity has proven to reduce critical service downtime, create a focused operational redeployment plan, and significantly reduces financial loss in the wake of disaster response and recovery.

6. Communication and Engagement with Area Municipalities and the Public

Area Municipalities:

Staff continue to work with their Area Municipal colleagues in identifying needs and priorities across the Region. Through a table of strategy professionals, staff continue to share data and insights to better understand needs, risks, and pressures in service delivery for all residents.

Public:

The Region has completed robust engagement with communities across Waterloo Region to inform the Growing with Care strategic plan and many of the initiatives outlined in the draft 2025 Plan and Budget. Budget-specific engagement is underway and will be presented to the Plan and Budget Committee later this fall.

7. Financial Implications:

The Regional tax levy comprises an average of 57% of the residential property tax bill and 45% of the commercial/industrial tax bill. Total tax supported operating expenditure in 2024 exceeds \$1.3 billion with a Regional property tax levy of \$746 million, of which \$518 million (69%) is for direct Regional Services and \$228 million (31%) is for Police Services. A 1% change in total regional taxes (including Police) in 2025 equates to \$7.6 million, representing an increase of \$25 annually for a typical residence.

The current draft operating budget which is still being finalized, including proposed service expansions, indicates an approximate 12.4% change in property taxes for 2025, taking into account an estimated 1.75% assessment growth. A 1% change in the regional portion of the tax bill (excluding Police) in 2025 equates to \$5.3 million.

Staff are in the process of finalizing the 2025 operating budget and 2025-2034 capital program, including proposed service expansions and options to achieve the budget guideline, and will present preliminary budgets to the Strategic Planning and Budget Committee later in October.

8. Conclusion / Next Steps:

The Strategic Planning and Budget Sub-committee may choose to develop recommendations regarding the content of this review to present to the Strategic Planning and Budget Committee in October 2024.

9. Attachments:

Presentation: October 2 Strategic Planning and Budget Sub-Committee

Appendix A: Update on Actions Taken in Response to KPMG's 2019 Service Review

Appendix B: Summary of Recommended 2025 Opportunities and Investments

Prepared By: Van Vilaysinh, Manager Corporate Strategy and Strategic Initiatives

Christopher Wilson, Manager Corporate Budgets

Reviewed By: Jenny Smith, Director Corporate Strategy and Performance

Approved By: Connie MacDonald, Chief Communications and Strategy Officer

Appendix A: An Update on Actions Taken in Response to KPMG’s 2019 Service Review

August 2024

Service Review Opportunities without direct savings

Service Opportunity Title	Opportunity Description	Project Update and Key Milestones – as of November 2020	Project Update and Key Milestones – as of August 2024
Waterloo Crime Prevention Council (WRCPC)	Evaluate the need and service delivery approach for Crime Prevention Council services	<p>The design team, which consists of members of Waterloo Wellbeing and WR Crime Prevention Council, met at the end of September and determined that there is strong interest in a broader vision that encompasses the mandate of both organizations. There is currently a collaborative effort underway to map the common partners involved in Waterloo Wellbeing, WR Crime Prevention, Immigration Partnership and Children and Youth Planning Table.</p> <p>Significant milestones and target dates:</p> <ul style="list-style-type: none">- October - Holding 2 meetings to develop a common vision. Engaging a communications specialist to help clearly articulate the vision.	<ul style="list-style-type: none">• The Waterloo Region Crime Prevention program ended on April 30, 2022. Since then, Regional council has endorsed a new Community Safety and Wellbeing Plan and invested significantly in new community-based funds to support a safe and well Waterloo Region for all. These include the Upstream Fund and Community Capacity Building Fund. The Region also funded Community Justice Initiatives (CJI), to create a community-based justice centre. The agreement was to fund CJI began April 1, 2022, for 5 years, for an amount of \$575,000 annually. Effective August 2024, after evaluating work completed to date and in consideration of new initiatives including the Plan to End Chronic Homelessness, the

		<ul style="list-style-type: none"> - November - Presenting the common vision to Connectors Hub (Waterloo Wellbeing) and Crime Prevention Council for input and endorsement. - December – Presenting common vision to Chair Redman/ CAO for feedback - January- February – Engaging key stakeholders to ensure support for the vision. - March – Presenting to Regional Council for approval along with a proposed implementation plan. 	Upstream Fund and Community Safety and Wellbeing plan, the Region of Waterloo is no longer providing funding to CJI for this specific initiative as of December 31, 2024.
Social Development Services	Review the need for and service delivery approach for Social Development Services	<p>The review of the Social Development Programs was completed on October 1, 2020. Recommendations have been presented to the Departmental Leadership team.</p> <p>Significant milestones and target dates: Draft report is complete. The Review identified that all three Social Development Programs are providing cost-effective and efficient services that work “<i>upstream</i>” to support individuals and families who live in low income. This was demonstrated during COVID when each of these services continued to be delivered and, in fact, responded in very flexible ways to ensure that the needs of vulnerable individuals and families are met. Unless Council decides differently, we see no cost savings to be achieved given that these services are provided by agencies in the community. A key finding (not new) is that because the funding amounts do not change year over year, each agency is actually doing</p>	<p>A review was completed of the Social Development Programs between July – September 2024.</p> <p>These upstream programs show a strong alignment with the Regional Strategic Plan, particularly in the area of equitable services and opportunities. These programs continue to provide cost-effective support to individuals, families and children in the community who live in deep poverty. Delivery of these programs reduces housing and economic precarity for these individuals and families and diverts them from using more expensive services such as health, justice, and child protection. Since 2021, the demands on all three programs have sharply increased. In 2023 the programs serviced a combined 21,000 households including 2,518 families served through the Family Outreach Program, 17,213 households served through the Food Assistance Network and 1,803 households served through the Counselling</p>

		more with less on an ongoing basis. Community Services is not recommending any significant changes to program delivery or funding. They are well managed and evaluated and demonstrate that they are achieving the outcomes they are intended to achieve.	Collaborative. While the number of individuals and families served continues to increase, these programs continue to be funded the same amount year over year. The agencies end up supplementing the cost of the service with funding from other sources. Like in 2020, Community Services is not recommending any significant changes to program delivery or funding. They are well managed and evaluated and demonstrate that they are achieving the outcomes they are intended to achieve.
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Service Review Opportunities - Still in Progress

Service Opportunity Title	Opportunity Description	Project Update / Key Milestones / Financial and FTE Implications (if applicable) – Status as of November 2020	Project Update / Key Milestones / Financial and FTE Implications (if applicable) – Status as of August 2024
Region of Waterloo International Airport – Air Service & Business Development	Re-evaluate the business practices at the Region of Waterloo International Airport for greater operational efficiency and effectiveness and revenue generation	<p>The Office of Corporate Performance is currently leading a review of airport operations for efficiencies.</p> <p>Significant milestones and target dates: Formal recommendations and a draft action plan is expected to be presented by early December.</p>	With the addition of Flair airlines in 2020, focus has been on significant growth at the Airport, with many new policies and procedures that have been adapted as a result. The new Airport Master Plan is on track to be released by the end of 2024, and approved by Regional Council in early 2025.

Housing & Homelessness System Management	Conduct a process review regarding the administration of Housing and Homelessness System Management Services	<p>Housing Services has put forward options for maximizing efficiencies that can be repurposed for anticipated growth in how we deliver and fund emergency shelter services to the region's homeless residents and the need to create affordable housing options across the income spectrum.</p> <p>Significant milestones and target dates: Formal recommendations and a draft action plan are expected by December:</p> <ul style="list-style-type: none"> – Accelerate work already in progress to revise the back end policy, processes, and technology that support the application and waitlist management for access to community housing. – Pursue merger of current non-union positions to unionized positions 	An Attestation Model was piloted in 2020 for the community housing waitlist to reduce administrative work. The Model has since been updated to a Supportive Application Model where staff intentionally work with applicants with identified barriers to complete their applications within 6 months of applying. This model balances a reduction in administrative work with timely and targeted application support. The Affordable Housing Applicant Portal launched in 2023, allowing new applicants to apply directly on the portal website, which automates the application process and reduces administrative work related to data entry. Efficiencies in work/roles are actively considered as new technology is implemented.
Library Services	Evaluate alternative service delivery approaches for Library Services	<p>Steering Committee reviewing interim report and providing input to KPMG</p> <p>Significant milestones and target dates:</p> <ul style="list-style-type: none"> – October 22: Joint Township Council Meeting presented interim report, current state and next steps – December 2020: Final Report <p>Significant Changes could include governance, oversight and delivery of the library service based on recommendations of the most efficient and cost-effective model.</p>	Library staff liaised with Township staff to review service and programming overlap, and programming was aligned. An MOU on facility service levels was developed and adopted by the Library Committee, June 4, 2024 – currently being ratified by the Townships. Library governance was reviewed by a governance working group under the direction of the Library Committee. New terms of reference were approved at the August 14, 2024 meeting to establish new public, non-voting members on the committee, one from each Township – four (4) in total.

Fleet Management	Conduct Regional Fleet Utilization Study	<p>A report was presented to CLT September 30th regarding findings and potential savings opportunities.</p> <p>Significant milestones and target dates: Fleet Management has reviewed all low utilization vehicles in the organization and identified a number of opportunities both within program areas as well as across Division and Department boundaries. Staff are currently reviewing those opportunities with program areas to determine potential operational impacts. Examples include sharing landscaping equipment between program areas to reduce the overall equipment needs and considering opportunities for alternate service delivery models that would require fewer vehicles or equipment.</p> <p>The 2021 opportunities represent potential capital savings of \$2.6M to \$3.4M, annual reserve contribution savings of \$209K to \$270K and annual operating cost savings of \$180K to \$242K, some of which would be offset by costs for alternate modes of service delivery within specific program areas.</p>	<p>A. Explored opportunities for shared equipment such as:</p> <ul style="list-style-type: none"> • Single road grader shared between two yards vs. each yard having their own respective unit. • Shared/repurposed landscaping equipment between departments. <p>B. Installation of vehicle telematics for more concise utilization data to support the following:</p> <ul style="list-style-type: none"> • Tailored EV solutions based on actual usage vs. by vehicle type alone (critical in budding EV landscape as unit range evolves) • By-trip utilization – can another more cost-effective solution be used or possibly even eliminated? <p>C. “Right-sizing” of Fleet Assets by:</p> <ul style="list-style-type: none"> • Working with program areas to determine if another more cost-effective vehicle solution could be used in an application (SUV vs. full-sized van or pick-up, etc.) • Regional Fleet Pool/Unit Loaner program pending review. <p>D. Revamped 10-Year Capital Plan to better reflect current market landscape post-COVID due to longer lead times and increased costs as well as to account for EV transition.</p>
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Discretionary grants to other organizations	The Region provides funding support to community groups or external organizations.	Inventory of Grants has been created; being reviewed with related program staff as part of 2021 budget development meetings.	<p>Regional Council approved a new Grants Administration Policy in 2022. This administration policy ensures that grants align with existing and emerging strategic priorities, that their purpose, objective, eligibility criteria, decision making processes, and reporting requirements, are clearly and transparently outlined and can be applied as consistently as possible</p> <p>In June 2024, Regional Council directed staff to: compile a comprehensive review of funding provided by the Region to external organizations and conduct analysis on whether it matched a strategic priority within the Region of Waterloo’s Strategic Plan, Growing with Care. This review was completed and presented to the 2025 Plan and Budget Sub Committee on August 28, 2024.</p> <p>The 2025 Plan and Budget Subcommittee plan to take their recommendations following the review to the 2025 Plan and Budget Committee in the fall of 2024. The recommendations include amendments to the overarching Grant Administration Policy to further improve the process to administer grants.</p>

Service Review Opportunities with Actions and Budget Savings

Service Opportunity Title	Opportunity Description	Project Update / Key Milestones / Financial and FTE Implications (if applicable) – Status as of November 2020	Project Update / Key Milestones / Financial and FTE Implications (if applicable) – Status as of August 2024
Child Care Operations – Child Care Centres	Review the need for and the number of directly operated Child Care Centres	<p>KPMG’s review is complete.</p> <p>Significant milestones and target dates: Children’s Centres Review final report and Steering Committee recommendations went to the 2019 Service Review Steering Committee on October 27, 2020.</p> <p>The Steering Committee supports Option 4 - to close all 5 Region operated Children’s centres. This allows the Region to save \$6.8M (\$678K levy impact) in annual operating costs and to avoid \$615K in annual capital expenses. Remaining Ministry of Education funding will be invested into increased quality of care within the system and provide incentives for service providers. The Steering Committee directed staff to create a detailed implementation plan and a comprehensive communication plan to move forward should Council Approve.</p>	The directly operated child care centres were closed.

		This will impact 62 positions working within the Children's Centres.	
Museum Services	Re-evaluate the business model for Museums Services	<p>The Museum Review was completed in July</p> <p>Significant milestones and target dates: Implementation is currently underway. Major changes include:</p> <ul style="list-style-type: none"> – adjustments to staff schedule – alignment of service hours to customer demand – program changes focusing on return on investment <p>Estimated savings of \$532,000 are expected.</p>	<ul style="list-style-type: none"> • Over the past few years, funding for ROW museums has been reduced as part of cost-saving exercises to reduce tax-levy impact. • Program changes focusing on return on investment are on-going including expansions in summer camp programs for 2023 and 2024. • Restructuring of supervisory staff consolidated along with savings from the staffing plan. • Service hours increased slightly in July 2024, accommodated within the existing budget.
Waterloo Regional Housing – Maintenance & Asset Management	Explore the Region's service delivery model (in-house, outsourcing or a mix) to further enhance operational efficiencies in the maintenance of Waterloo Regional Housing Assets	<p>Facilities Management, in consultation with Corporate Performance and Human Resources has conducted a review of efficiency and savings opportunities within the Division.</p> <p>Significant milestones and target dates:</p> <ul style="list-style-type: none"> – Facilities Management, in consultation with Corporate Performance and Human Resources has identified efficiency and savings opportunities within the Division. 	<ul style="list-style-type: none"> • Transfer of two properties remaining under Region of Waterloo Community Housing Inc. (ROWCHI) to the Waterloo Region Housing (WRH) portfolio in 2023 achieved savings through operational efficiencies, avoiding higher mortgage financing costs, and reducing insurance and external audit fees. ROWCHI continues to exist as a shell company without properties in its envelope. Tenants residing at these properties experienced no changes from the property transfer.

		<ul style="list-style-type: none"> – Implementation will be focused on optimizing the use of contracted and in-house services as well as improving the efficiency and effectiveness of internal operations. – Examples include optimizing staff dispatching and bundling of service contracts. 	<ul style="list-style-type: none"> • Exploration of disposition and alternatives for single and semi-detached Waterloo Region Housing units is underway. • Facilities and Housing reached a service-level agreement in 2023. The agreement will be reviewed every two years to ensure cost-effectiveness, along with high property standards and tenant satisfaction.
Facilities Management Services	Explore the Region's service delivery model (in-house, outsourcing or a mix) to further enhance operational efficiencies in the maintenance and management of Regional buildings and properties	<p>Staff have also considered more significant changes to the Facilities Management Business model such as selling off existing buildings and contracting out all facilities management services. These approaches have long timelines for implementation and inconclusive evidence of savings potential based on the experience of other municipalities and levels of government.</p> <p>2021 Savings are estimated to be \$757,000. Further savings are expected for 2022 which may include reduction and/or repurposing of FTE's.</p>	<ul style="list-style-type: none"> • Service contract bundling is complete with intake of WRH service contracts complete, and monitoring of properties ongoing. Continual monitoring for additional service contract opportunities. • The change from client-focused building assignment to zone portfolio assignment has been completed for maintenance staff to optimize effort and increase efficiency. • Supervisors partnered to clients is complete. • Work order optimization (i.e., dispatch optimization) is still in progress, with the program selection complete, and integration and rollout in progress.
Multimedia Services– Graphic Design/Multimedia, Video, Printing	Review the Region's service delivery model (centralized vs decentralize operations, insource vs. outsourcing, or any combination) to further enhance operational	<p>The final analysis and recommendations are complete.</p> <p>Significant milestones and target dates: The final review has been completed. Significant changes include:</p>	Complete

	efficiencies and effectiveness in delivering multimedia services while still meeting the diverse organizational needs. This review will include all program areas that provide multimedia services including GRT and Waste Management.	<ul style="list-style-type: none"> – Centralization of Multimedia services into a single group – Avoid filling a currently vacant position – Insourcing of work to existing staff at a lower cost <p>Financial savings are estimated at approximately: \$125,000 which includes a reduction of 1 FTEs.</p>	
Specialized Public Transit – MobilityPLUS Operations	Review MobilityPLUS Operations	<p>MobilityPLUS Service Review consultant report completed in 2020.</p> <p>Significant milestones and target dates: Staff are implementing some internal facing and AODA compliance recommendations immediately. Many of the recommendations will impact customers and public consultation on those is recommended. Approximately 40 short, medium and long term recommendations focus on the following areas:</p> <ul style="list-style-type: none"> – Eligibility and Registration – Customer Service – Operations – Scheduling and Service Planning – Delivery Model – Organizational Design and Communication 	<p>Regional Council adopted a number of recommendations from the 2020 MobilityPLUS Service review in 2021 and 2022 including, but not limited to the following:</p> <p>Eligibility and Assessment:</p> <ul style="list-style-type: none"> • Expand types of customer eligibility categories to ease demand on door-to-door services by matching customer abilities to the appropriate GRT service • Make dialysis an eligibility category, which removed the then-current automatic eligibility for dialysis customers. <p>Operations & Service Delivery:</p> <ul style="list-style-type: none"> • Reduced trip pre-booking window from the current 28 days to a 7-day advance booking window for both casual and subscription trips to reduce the high volume of canceled trips.

		<p>The potential changes in policies, booking and service could result in savings as noted in the KPMG review. These changes would largely result in MobilityPLUS services being provided more efficiently. This would result in being able to reduce hours of service while maintaining the number of rides. This does not address the issue of the backlog or unfilled rides. Riders would be impacted unevenly (some feeling they have lost under the new approach while others have gained) which is why consultation is important.</p> <p>An alternative approach would be to maintain funding/resource levels but increase the number of available rides to address unfulfilled demand.</p> <p>Input from this Committee and Council is required on service level.</p> <p>COVID has also been impacting MobilityPLUS. The demand for service is reduced and drivers have been reassigned to bus cleaning. If there were changes to MobilityPLUS service it would still be necessary to clean the conventional buses.</p> <p>2021 budget estimated savings \$280,000. Pending the decision on service (above) further savings would be implemented in 2022.</p>	<ul style="list-style-type: none"> • Eliminated trip purpose for booking trips as this was an outdated practice and this change put GRT in alignment with the intent of AODA and most peers. This change allowed people who use MobilityPLUS to move freely regardless of their trip's intent. • Introduced a cap on the number of reoccurring trips (known as subscription trips) per timeslot. • Modified the cancellation policy to reduce the high number of trip cancellations. A two-hour advance notice (increased from one hour) offers GRT the opportunity to dynamically redeploy resources to deal with incidents and deliver more same-day trips. • Provided equity between group and individual booking. • Implemented online booking software and processes. • Provided customers with advanced notification of vehicle arrival to help reduce wait times by improving knowledge of arrival times. <p>Scheduling and Service Planning</p> <ul style="list-style-type: none"> • Reduced scheduling window. • Aligned vehicle service hours to demand. <p>Alignment of vehicle service hours to demand by time of day, weekday, and season will help GRT address high-unaccommodated rates, no-show volumes, and operational inefficiencies.</p>
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Appendix B - Summary of Recommended 2025 Opportunities and Investments

Homes for all								
Department	Division	Request Title	FTEs	2025 property tax levy impact	Annualized property tax levy impact	2025 Capital investment	2025-2028 Capital investment	Description and risk of not moving forward
Planning, Development & Legislative Services	Community Planning	Add an Engineering Review fee to our 2025 fee schedule to cover the costs of a Senior Engineer necessary for reviewing developments, protecting and coordinating regional infrastructure, and expediting housing approvals	1	\$134,000	\$178,000	\$ -	\$ -	- This new FTE (Senior Engineer) will address a gap in capacity within the Corridor Development Team necessary to fulfill development review responsibilities. This function was previously carried out in the Design and Construction team, however there is no longer capacity to fulfill this function. The role will create efficiencies in the development review process related to the protection and coordination of Regional infrastructure (Roads, signals, stormwater, etc.), resulting in faster approvals, including housing supply. Risks faced if this FTE is not approved include liability and risk to public safety associated with flooding on both private property and Regional roads.
		Revenue generated - Senior engineer		(\$134,000)	(\$178,000)	\$ -	\$ -	- New Regional Engineering Review Fee - of \$1,250, that would be applied in addition to regular fees where an engineering review fee is applicable. This would be relevant to most site plan applications and some additional planning applications. In 2023, the Region charged a review fee for 153 site plan applications. Based on the assumption that the Region will review the same number of site plans, and 80 -100% require a Regional Engineering Review the anticipated additional revenue could range from - \$152,500 - \$191,250.
Community Services	Employment and Income Support	Continue delivering targeted employment services for vulnerable and equity deserving individuals through the Employment Pilot project	5	\$222,378	\$296,504	\$ -	\$ -	- Funding to extend the Employment Pilot project as per Council direction by nine months to transition the program to a non-levy program at the Region of Waterloo. Early results of the Pilot are encouraging and will be brought forward to HSC Committee on October 8th. Not extending the Pilot by nine months will result in wind-down, lay-off of 5 FTEs, and fewer employment outcomes in the community. Expansion request: to keep 5 levy funded FTEs for period: Apr 1, 2024 - Mar 31, 2025.

Community Services	Housing Services	Improve WHR insurability, reduce risks and costs associated with escalating premiums through increased efforts to ensure all tenants have and keep tenant insurance	2	\$177,902	\$237,203	\$ -	\$ -	-In order to improve WRH insurability, and mitigate against future insurance premium increases, we need to put focused efforts into ensuring all our tenants have and keep tenant insurance. We are proposing a range of efforts to accomplish this understanding that only approximately 25% of our tenants are required in their lease to have tenant insurance. It is imperative that these additional risk management practices be implemented in order to mitigate against premium increases (\$380k in 2018 to \$1.2 million in 2024) and deductible costs (\$50k per incident) as experienced over the last 7 years, to minimize the losses being experienced (through risk mitigation and controls), and to maintain our insurer for this operation. Expansion request: 2 FTE's, starting April 1st to build out this program and develop necessary tenant relationships and program offerings throughout 2025.
Community Services	Housing Services	Investments to roll out the Plan to End Chronic Homelessness (PECH) through prioritized action	-	\$6,685,000	\$6,685,000	\$ -	\$ -	-The PECH funding, prioritization, and engagement strategy will come forward to CHS Committee on October 8th. Through consultations with the Co-Creator's of the PECH, staff have identified a prioritized list of investments for Council's consideration from 2025-2030 to reach functional zero chronic homelessness. Through the Plan & Budget process, Council will be provided the opportunity to review that list and deliberate on further investment decisions. An initial draft expansion of \$6.7 has been developed that includes investments in rent supplements, Indigenous-focused housing, sector stabilization, extreme weather responses, rental assistance, and contributions to capital reserves for a second Hybrid shelter.
Community Services	Housing Services	Providing vital supports to households at risk of losing their tenancies-1x Housing Asset Administrator; 1x Supervisor, Tenant Relations; and 1x Tenant Access Coordinator	3	\$252,573	\$394,432	\$ -	\$ -	- 1x Housing Asset Administrator-This portfolio is currently understaffed with only 1 FTE directly supporting 29 housing providers (over 3200 unit) and indirectly an additional 30 providers (approx. 2000 units). The requested FTE would ensure that capital repair programs (COCHI, BCAs, capital plans, preventative maintenance etc.) can be overseen effectively and implemented to manage risk, enhance energy programs and improve quality of life for residents. Given the current workload and the pending additional program needs we are not able to meet the program needs. 1x Supervisor, Tenant Relations- After a workload review of this position, it has been determined that on average current supervisors in this role are overcommitted by 25%. In order to meet the needs of staff, maintain services, and move improvement projects forward, an additional supervisor for this team is required. 1x Tenant Access Coordinator - Currently Housing Services supports over 700 households through its rent supplement programs. This program provides subsidies to households in the community through partnerships with private landlords. Currently there are no supports available to these households to maintain their tenancies if they face challenges. This position would be dedicated to providing support to any tenancies that are at risk – keeping residents in their homes.

Climate Aligned Growth								
Department	Division	Request Title	FTEs	2025 property tax levy impact	Annualized property tax levy impact	2025 Capital investment	2025-2028 Capital investment	Description and risk of not moving forward
Planning, Development & Legislative Services	Community Planning	Prevent significant delays in meeting corporate climate targets by adding a Climate and Sustainability Program Manager	1	\$126,618	\$147,642	\$ -	\$ -	-This new FTE (Program Manager, Climate and Sustainability) will partially address significant capacity gaps for the Climate and Sustainability Team and will help to advance critical climate initiatives committed to as part of the forthcoming Corporate Climate Action Plan (CorCAP) as well as the Climate Aligned Growth objectives in the Strategic Plan. This position will also provide strategic-level capacity for Council-endorsed strategies, including TransformWR and the Community Climate Adaptation Plan, both of which are extremely under-resourced. Risks faced if this FTE is not approved include significant delays in the implementation of corporate and community plans and a greater likelihood that corporate and community climate targets will not be met. If targets are not met, both the corporation and the community are exposed to greater financial and physical risks associated with extreme weather and lagging behind in the energy transition.
Engineering and Environmental Services	Design & Construction	Invest in the resources needed to delivery Water, Wastewater, and Waste Management Capital programs by funding 2 additional project managers through capital	2	\$ -	\$ -	\$ -	\$ -	-Additional resources are required to support the delivery of the Water, Wastewater and Waste Management Capital Programs. At current staffing levels, Environmental project managers will be above 100% committed, resulting in insufficient resources to deliver the Water, Wastewater and Waste Management Capital Programs as currently planned. These positions will be funded from capital with no levy impact.
Engineering and Environmental Services	Facilities and Fleet Management	Use capital to fund an energy student who will support climate related grant applications and data analysis	1	\$ -	\$ -	\$ -	\$ -	-The Energy student supports the energy team in reviewing and applying for grants and funding opportunities to support the Region's climate action initiatives. This work offsets the sometimes, costly, upgrades needed on buildings to support the Region's carbon goals. They help to analyze data from existing buildings to help determine actions for improvement or correction.
Engineering and Environmental Services	Waste Management	Invest in the temporary positions needed to implement the Council approved automated cart collection program (18 temporary for 18 months)	18	\$1,615,000	\$1,538,000	\$ -	\$ -	-Additional resources are required to plan, implement, and monitor the communication and roll-out of the new Council approved automated cart collection program that will commence in March 2026. The scope of the roll-out is significant and cannot be undertaken successfully with the existing resourcing complement while continuing to administer the existing waste collection contract. The transition to carts as the primary methodology of waste collection and the introduction of a 4-day collection schedule will require significant promotion, education and on the ground community outreach, beginning in 2025, as the changes will impact a minimum of 160,000 households across the Region.

Engineering and Environmental Services	Waste Management	Invest the permanent positions needed to implement the Council approved automated cart collection program (2 permanent)	2	\$174,000	\$218,000	\$ -	\$ -	- Additional resources are required to plan, implement, and monitor the communication and roll-out of the new downtown waste collection program. As downtowns are transformed into destinations, area municipalities are striving for a look and feel which using carts for waste collection can support. Downtown businesses will need to be supported through the change and on an ongoing basis to support compliance of the program and to support the businesses distinct needs.
Transportation Services	Transportation	Improve the transportation network through optimization and operational efficiency of traffic signals. Support the implementation of Miovision to improve traffic flow and support decision making by funding 3 Traffic Systems Management Analysts	3	\$335,257	\$383,439	\$ -	\$ -	-The industry standard is to have one analyst for every 50 traffic signals in order to design, operate, and maintain each signal to a reasonable standard. At present, each analyst at the Region of Waterloo is responsible for 105 traffic signals and this resourcing shortage makes puts pressure on the Region’s ability to ensure all of our traffic signals are designed and operating optimally. The implications of not approving the requested 3 new Traffic Systems Management Analyst FTEs are as follows: 1. The response rate to public inquiries will continue to decline as the number of inquiries continue to increase. For example, the 5-year average for public inquiries has been around 375 cases per year and this has been steadily climbing. 2. The Traffic Systems Management team will not be in a position to ensure that all traffic signals are operating as efficiently as possible, including provisions to pursue operational improvements required to achieve the mode share targets and the TransformWR climate goals, increase transportation safety for most vulnerable, make mobility more efficient and attractive for pedestrians, cyclists, and transit riders. For example, the Region is currently running Leading Pedestrian Intervals at 60 locations around the Region and is intending to expand to around 100 additional suitable locations. However, this work has been slowed by a lack of resources available to complete the design and implementation. Similar examples include other traffic signal improvements for pedestrians (such as increased walk times), cyclists (such as better responsiveness for approaching cyclists), and transit riders (such as more and better transit signal priority features). 3. The Region will not be in a position to fully leverage the Miovision Advanced Transportation Management System (ATMS) input into the planning and operational decision-making in the Region. The Region has committed to significant investment in the Miovision system which is a very powerful tool in helping staff ensure that traffic signals are operating in the most safe and efficient manner, essentially optimizing the extensive infrastructure investments the Region has already made. Without more staff resourcing available, the Traffic Systems team will continue to struggle to realize many of the powers of Miovision.

Transportation Services	Transportation	Enhance the productivity and efficiency of Transportation Operations by adding four students to the staffing compliment	1.3	\$20,004	\$20,004	\$	-	\$	-The proposal for 2025 aims to enhance the Region of Waterloo's Transportation Operations division's productivity and efficiency by adding four students to the staffing compliment. Two students will be assigned to the North Patrol Operations Yard and two students will be assigned to the South Patrol Operations Yard. The addition of the four students will play a crucial role in meeting the escalating maintenance responsibilities within Regional Right-of-ways. The students will be utilized to augment our operations teams and assist with general routine maintenance activities such as vegetation trimming, debris collection, and vehicle transferring. The students will also provide support for traffic control and complete minor asset inspections. The provision of students to complete low risk tasks, will allow the Region to optimize its existing technical expertise to higher risk duties such as ditch maintenance, guard rail inspection and maintenance, shoulder maintenance, etc.
Transportation Services	Transportation	Improve communications and engagement with the public on Regional Transportation services and initiatives by investing in a Transportation Communications Specialist	1	\$75,634	\$110,276	\$	-	\$	-The addition of 1 new Communications FTE is required to meet significant growth in calls for service and engagement regarding a growing transportation network. For example the new communications FTE will support the technical team as it responds to growing requests such as new noise walls, all way stops, red light cameras, pollinator gardens, wildlife crossings, new roundabouts, new traffic signals (and/or modifications to the existing infrastructure), new buggy lanes, connected bike infrastructure.
Transportation Services	Transportation	Invest in an Engineering Technologist for Corridor Management to keep pace with the processing of Municipal Consent and Work Permit applications that continue to increase as the Region experiences high growth	1	\$79,883	\$126,156	\$	-	\$	-The addition of 1 Corridor Technician is required to keep pace with the processing of Municipal Consent and Work Permit applications that continue to grow as the Region experiences high growth. In 2023, 1517 work permits and 361 municipal consent applications were processed by 5 staff (equates to 375 per person). However, current field inspection work related to work permits is only able to occur based on complaints. Service level expectations require 4 inspections per work permit to ensure approved work is captured and carried out as planned, which would equate to 5 visits per day, per staff. In order to maintain the current permit application processing service level, and to include necessary field visits, adding 1 staff would reduce the number of site visits to 4 per day per staff.
Transportation Services	Transit Services	Invest in critical Core Network improvements in response to growth in ridership and to reduce overloads system-wide: Core Network Growth Management	16	\$648,000	\$1,908,000	\$	-	\$	-Critical core network improvements in response to growth in ridership and reduce overloads system-wide (e.g., local and express network service and schedule consistent all-day, introduction of late evening service on weekends, matching 302 ION Bus to 301 ION LRT service and schedules all day, every day, all year.)
Transportation Services	Transit Services	Invest in Customer-Driven Demand-Responsive Operational Adjustments	15	\$599,000	\$1,762,000	\$	-	\$	-Starting in January 2025. Unprecedented ridership demands and major construction-related detours impact run-times, schedule adherence, and connections. In-year adjustments, such as adding more service on high demand routes experiencing overloads to respond to demands on system are now critical for effective customer service response and maintaining public trust in transit reliability.

Transportation Services	Transit Services	Improve Mobility Plus services including late night service	2	\$135,000	\$397,000	\$ -	\$ -	MobilityPLUS continues to see increasing demands for service. Continued investment is necessary to improve capacity to better meet the growing service demand, minimize unmet trips, improve customer experience, and strive to go beyond the requirements outlined in the Accessibility for Ontarians with Disabilities Act. Over the next five years, GRT is seeking to move towards a Family-of-Services (FOS) approach, which integrates existing services as well as potential new options, such as micro-transit. However, to integrate services, MobilityPLUS must have the technological capacity to support operations and service delivery.
Transportation Services	Transit Services	Increase the level of support staff in response to increased GRT ridership	24.34	\$2,413,565	\$3,203,439	\$ -	\$ -	With an increase in ridership and record numbers of customer inquiries, additional staff resources are needed to provide safe and efficient transit services. This expansion request includes necessary roles such as increased Auto Service Attendants, Operation Supervisors, a Security Investigator, and support for data analytics, customer service, system administration and other core supports needed to provide service.

Equitable Services and Opportunities								
Department	Division	Request Title	FTEs	2025 property tax levy impact	Annualized property tax levy impact	2025 Capital investment	2025-2028 Capital investment	Description and risk of not moving forward
Community Services	Children's Services	Increase staffing resources needed to meet CWELCC's financial and accountability requirements and regional growth targets. No levy impact.	3	\$ -	\$ -	\$ -	\$ -	As the Consolidated Municipal Service Manager for Child Care, Children's Services is responsible for leading implementation of the Canada-wide Early Learning and Child Care (CWELCC) program in Waterloo Region. Funding to support this is expected to be \$209M in 2025. Additional staffing resources are needed to implement this transformational program in Home Child Care. The staffing resources for Children's Services Administration will be permanent and will ensure that ongoing financial, growth targets, and accountability requirements associated with CWELCC are met. The additional Home Child Care staff will support both prospective caregivers and families who are currently on waitlists to provide/access child care. Staffing resources will be funded through 100% Provincial funding, with no cost-share required and no impact to the Levy. This is based on the assumption that Provincial funding to support these expenses will be consistent with 2024 levels or will increase in 2025.
Planning, Development & Legislative Services	Council & Admin Services	Expansion of ASE program (No levy impact, revenue will offset the costs)	15	\$ -	\$ -	\$ -	\$ -	This expansion is for the continued implementation of the ASE Program as outlined in the detailed business case presented to Council. This is a major program to improve citizen, pedestrian, and the safety of children within the community by adjusting driver behaviours to reduce speeds and prevent major injuries. The program will self-finance and any extra revenue will go into safety programs. Staff are currently implementing the first stage of the plan.

Public Health & Paramedic Services	Health Protection and Investigation	Invest in 2 additional Public Health Inspectors (PHI) and 1 additional Information Assistant (IA) needed to address areas of high risk to the region and meet associated provincial regulatory requirements	3	\$82,189	\$109,585	\$ -	\$ -	<p>Additional Public Health Inspectors (PHIs) and Information Assistants (IAs) are required to meet Provincially mandated program requirements related to: Food Safety; Safe Water (drinking water and recreational); Rabies Control; Infection Prevention and Control, Communicable Disease Control and Outbreak Management; Health Hazard Response; Vector-Borne Diseases (e.g. West Nile Virus, Lyme Disease). To support the work of Inspectors, Information Assistants ensure accurate and efficient reporting into mandatory Provincial databases and ensure critical workflows are initiated, enabling inspectors to spend significantly more time in the field.</p> <p>As a result of significant increasing pressures (e.g. continual growth in the number of mandatory inspections and absorbing increased responsibilities following the pandemic), Public Health has implemented a risk-based prioritization framework to ensure existing resources are focused on higher risk inspections. Currently, The Region of Waterloo has the lowest number of inspectors per population when compared to other similarly sized health units. With continued growth in population and service demands, Public Health is approaching the threshold of not being able to address high risk areas moving forward.</p> <p>Given the very challenging fiscal climate, Public Health is requesting half of the recommended increase in Public Health Inspector and Information Assistant complement for 2025 budget; that is, 2.0 FTE of Public Health Inspectors and 1.0 FTE of Information Assistant.</p>
Public Health & Paramedic Services	Paramedic Services	Proceed with the addition of two 12-hour units (half of the Council approved 2025 PSV Master Plan expansion of four 12-hour units) - to address increasing 911 call demand, offload delay pressures, and staffing challenges that lead to periods of zero or reduced ambulance availability	16	\$356,833	\$1,220,726	\$903,740	\$903,740	<p>Paramedic Services continues to experience high 911 call demand, offload delay pressures, and staffing pressures such as occupational stress injuries that lead to periods of zero or reduced resource availability. Some metrics are starting to improve due to previous PSV Master Plan enhancements, but Code Reds/Yellows continue to create risk for the Region. Ongoing service enhancements are required to ensure that PSV can continue to meet increasing service demands. This service enhancement request recognizes the current fiscal and budgetary pressures but is not in line with the current Paramedic Services Master Plan high growth scenario that calls for four (4) 12-hour units to be added in 2025.</p>
Public Health & Paramedic Services	Paramedic Services	Increase the region's paramedic services relief levels to reduce overtime costs (resulting in net savings), and align with other similar sized services in Ontario - 8 FTE paramedic positions	8	\$495,498	\$580,158	\$ -	\$ -	<p>An analysis of the Paramedic Services 911 Deployment commitments compared to the multiple reasons for paramedics being absent from work shows that the current relief rate for Paramedic Services is incorrect. Increasing the PSV Relief Rate to 1.5 would result in a decrease in down staffing, a decrease in overtime costs, and put Region of Waterloo Paramedic Services' staffing relief rate more in line with that of other similar sized services in Ontario. With a calculated 65% Return on Investment, replacing consistently incurred overtime spend with these 8 additional FTE's would allow us to better reach our service targets while saving a net 646K on overtime costs (projected for 2024) in 2025.</p>

								The request is to add 8 FTE paramedic positions (4 PCP, 4 ACP) to get our 2024 master plan enhancement to the 1.5 relief rate.	
Community Services	Senior Services	Fund the municipal contributions required to increase the Homemaking and Nursing Services program as part of the provincial cost share program	-	\$25,000	\$25,000	\$	-	\$	-The HNSA program serves vulnerable adults, older adults and families to support independence and long-term housing stability. The HNSA program is legislated under the Homemakers and Nurses Services Act R.R.O. 1990, Regulation 634 Amended to O. Regulation 174/95. HNSA is a claims based discretionary program that is capped and cost-shared on an 80/20 basis between the province and municipalities. High demand and economic factors have resulted in higher fees for service contracts requiring the Region to reduce service hours to remain within budget. The province has committed to increase the funding target by \$100,000 to ensure program operates at full capacity. Funded through an 80/20 cost share, this service expansion request will support the municipal contribution of 20% which is required by the Province.
Community Services	Immigration Partnership	Increase staffing capacity to deliver the Immigration Partnership's regional strategy by 3.6 FTEs. No levy impact.	3.6	\$	-	\$	-	\$	-The Immigration Partnership requires increased staff capacity to deliver on the 2025-2030 regional strategy for building community through immigration. The additional FTEs will support the expanded work of this community partnership and provide employment equity to the Immigration Partnership's (mostly) racialized part time staff members.
Community Services	Seniors’ Services	Reduce overtime costs and keep both residents and staff safe at Sunnyside Home by funding the 5% of provincial cost share funds needed to hire High Intensity Needs PSWs to fill shift vacancies	8.5	\$36,673	\$36,673	\$	-	\$	-To keep both residents and staff safe, one on one staffing is regularly required for residents with high-risk behaviours, especially following a new admission. One on one staffing for behavioural management in long term care is eligible for provincial funding on a cost recovery basis through the Ministry of Long Term Care’s (MLTC), High Intensity Needs Funds (HINF). The Province funds 95% of the cost and the Region covers 5%. The backfill for 1:1 staff is not an eligible expense, and the expectation is that savings in overtime costs being incurred will offset this incremental cost. On average, Sunnyside Home could have 5 or more residents on one-to-one support at a time, requiring approximately 100 extra shifts to be scheduled per week. This takes away from the existing staff pool needed to fill regular vacancies in the home and results in increased overtime costs and some shifts being left open. The compounded impact of staff consistently being asked to work overtime or working short is that they are more likely to experience burnout. This ultimately has negative consequences for the residents, for the staff and for the Home. If not approved, staffing required for one-on-one care will continue to be accessed from the regular staff pool. This will lead to increased staff shortages, inability to fill regular shifts due to vacations or illness and increased overtime costs to maintain staffing levels.

Resilient and Future Ready Organization								
Department	Division	Request Title	FTEs	2025 property tax levy impact	Annualized property tax levy impact	2025 Capital investment	2025-2028 Capital investment	Description and risk of not moving forward
Corporate Services	Information Technology Services / Treasury / Corporate Finance	3 Co-op students to provide for capacity to support increased growth across the Region	3	\$82,855	\$130,228	\$ -	\$ -	-The addition of 3 student FTEs to the Corporate Services department supports the critical need for staff coverage during peak seasons and absences. These positions will improve service and reduce support wait times for all users of ITS and Accounts Payable and Receivable services. These positions also provide capacity to ensure permanent staff are available for urgently needed major projects and upgrades. Finally, these students provide the opportunity to partner with post-secondary institutions to create a pipeline of highly skilled and attractive candidates for future recruitments, especially in difficult to recruit technical positions. The implication of not approving this expansion includes continued degraded services for users, inadequate coverage in peak seasons, negative impacts on projects and upgrades, and continued challenges in recruitment.
Corporate Services	Information Technology Services	2 ITS Support Consultant (Help Desk) (R00883) to provide for capacity to support increased growth across the Region	2	\$141,531	\$213,247	\$ -	\$ -	-The addition of 2 FTEs to address the increased need for day-to-day end user technical support to secure, upgrade and provide ongoing maintenance & troubleshooting for all end user devices. Without this additional front line support users will experience periods of time where they cannot work while waiting for help from ITS. Without ensuring proper maintenance, user devices throughout the Region are at risk of being out of date, unpatched and unsupported from both a cyber security and usability perspective. One unsecured end user device can put the entire Region at risk. Lack of access to secure and supported end user devices will negatively impact service delivery across the Region.
Corporate Services	Treasury Services	1 Procurement - Procurement Specialist (R01115) to provide for capacity to support increased growth across the Region	1	\$62,479	\$124,959	\$ -	\$ -	-The addition of 1 FTE to support increased Procurement work as a result of growth across the Region (increased number of bids and tenders, pcards, resource/supplies purchases for staff and projects). The procurement team is operating above current capacity, having decreased by 2 FTEs over the past 10 years. Procurement has implemented operational efficiencies to increase capacity over this time; example a digitized bids and tender system and has ranked in the top 3rd of procurement costs amongst its MBN Canada Comparators. Without this additional FTE, service levels will decrease, divisions will experience longer turn around and award time for procurements for critical projects across the Region.
Corporate Services	Treasury Services	1 Finance Clerk II (Accounts Payable) (R00074) to provide for capacity to support increased growth across the Region	1	\$39,903	\$79,805	\$ -	\$ -	-The addition of 1 FTE to support increased Accounts Payable work as a result of growth across the Region resulting in increased number of payments and increased number of sensitive urgent requests. Team is operating above current capacity and over the past 10 years staff complement has decreased by 1 FTE in that time. The Accounts payable team is a targeted group for attack from cyber criminals and therefore needs additional capacity to support the additional rigor required to ensure all requests are legitimate, validated and approved to protect the Region from fraud.

								Accounts Payable has looked for and implemented operational efficiencies to increase capacity over time, previously implemented a digitized accounts payable system and has ranked in the top 3rd of accounts payable costs amongst its MBN Canada Comparators. Without this additional FTE, service levels may decrease resulting in longer payment times for invoices and an increased risk of fraud.
HR	Labour Relations and Emergency Management	<p>Strengthen the Region's operational readiness and continuity in the event of natural disasters or cybercrime- 1 temporary (24-month) FTE Emergency Management and Business Continuity Specialist</p> <p>Implement a cloud-based business continuity software program to mitigate risks associated with cyber-attacks and inefficiencies associated with dated systems</p>	1	\$194,526	\$223,646	\$ -	\$ -	<p>-As the number of natural and person-made emergencies/disasters impacting Waterloo Region increase (i.e., weather emergencies, cybercrimes etc.), business continuity plans are needed to limit potential disruptions to the services the Region offers. Investing in business continuity has proven to reduce critical service downtime, provide a focused operational redeployment plan, and significantly reduce financial loss in the wake of disaster response and recovery. Current staffing resources cannot support the level of attention required for this program along with increased Emergency Management compliance and other legislative programming demands. Investment in a full-time resource ensures an ongoing operational state of readiness and organizational resilience by protecting critical assets, providing critical services, and supporting the community in times of potential crisis. This position is temporary for up to 24 months.</p> <p>The 2024 emergency management compliance exercise highlighted Regional services, including essential services, that are at risk of disruption in the event of a cyberattack. Regional business services are reliant on hundreds of software applications and vendors with decentralized technology, support teams and networks. This investment to update business continuity tools and move from an "on-prem" and paper-based system to a cloud-based business continuity software program is critical to ensuring quick collaboration across our diverse programs and teams, and readily available access to services, personnel integration, and real time data to facilitate response and recovery.</p>
Planning, Development & Legislative Services	Council & Admin Services	Hire 2 temporary bylaw officers to assist Licensing and Enforcement Services in response to the complexity and increased supports required for encampments - one year extension (contracts are due to expire in July 2025)	-	\$80,000	\$160,000	\$ -	\$ -	<p>-Two temporary bylaw officers were added to assist Licensing and Enforcement Services in recognition of the complexity and increased supports required for encampments. Risks of not extending the existing contracts include limiting the ability of the Region to meet core legislated and regulatory requirements for the following: licensing taxis, salvage yards and pawn shops, responding to waste complaints, Giant Hogweed, water usage enforcement, and other mandated duties directly related to public safety.</p>
Planning, Development & Legislative Services	POA Admin & Prosecutions	Meet Regional obligations under the MOU with the Ministry of the Attorney General and leverage all associated revenues by increasing Region's	2	\$199,000	\$199,000	\$ -	\$ -	<p>-The Court Clerk/Monitor (CC/M), is a critical position providing in-court support as a liaison to the presiding Justice of the Peace, maintaining decorum in the courtroom, arraigning and swearing in parties to the proceedings, as well as creating and certifying accurate and complete recordings of all court proceedings. Two additional CC/M are essential to enable the POA Court to continue to provide public facing critical, mandated and legislated in-court support services. Failure to provide legislated in-court support could result in failing to meet our obligations under the Memorandum of Understanding</p>

		compliment of Court Clerk's/Monitors by 2.0 FTEs							with the Ministry of the Attorney General, a significant reduction and loss of revenue, charges being dismissed due to delay arguments and loss of confidence in the justice system. Court cannot proceed unless a CC/M is physically in the courtroom.
		Increase the Region's compliment of Prosecutors by 1.0 FTE to meet our obligations under our MOU with the Ministry of the Attorney General and avoid a significant loss of revenue	1	\$115,057	\$150,392	\$	-	\$	-A complement of 5 Prosecutors is not sufficient to handle a growing full court schedule (two courts running daily). Although these resources have managed to date, due to increased judicial resources, the number of court appearances is expected to increase by up to 40 per cent and therefore additional prosecutors are required. Failure to provide adequate legislated in-court support could result in failing to meet our obligations under the Memorandum of Understanding with the Ministry of the Attorney General, a significant reduction and loss of revenue and charges being dismissed due to delay arguments.
		Increase the Region's compliment of Prosecutions Clerks by 1.0 FTE to meet our obligations under our MOU with the Ministry of the Attorney General and avoid a significant loss of revenue	1	\$69,530	\$91,863	\$	-	\$	- With a full court schedule for 2025 we anticipate the volume of charges for prosecution to substantially increase. This significant increase has a corresponding impact on the workload of the Prosecutions Clerks who maintain the files and have no additional capacity. Preparing and maintaining files has also become increasingly more complex for the existing complement of 3 Prosecutions Clerks. Failure to provide legislated in-court support could result in failing to meet our obligations under the Memorandum of Understanding with the Ministry of the Attorney General, a significant reduction and loss of revenue and charges being dismissed due to delay arguments.
		Fund operating cost increases needed to meet our obligations under our MOU with the Ministry of the Attorney General		\$61,500	\$61,500	\$	-	\$	-This expansion covers operating resources and administration fees necessary (crown prosecution fees, postage, NFDD, law society fees etc.) for expanding the Region's Prosecutor's Office to meet our obligations under our MOU with the Ministry of the Attorney General.
		Anticipated revenue at 80% collection rate		(\$2,062,824)	(\$2,062,824)	\$	-	\$	-
Engineering and Environmental Services	Facilities and Fleet Management	Support the addition of 1 Maintenance worker for Sunnyside Home offset by costs previously incurred through the use of external contractors	1	\$	-	\$	-	\$	-Spending to complete on demand painting and other maintenance activities around Sunnyside Home through contractors is \$135,000 annually and must be completed quickly to avoid vacancy losses as regulated by the Ministry. With the addition of a Maintenance Worker at Sunnyside these tasks can be completed by Regional staff at a lower rate and within Sunnyside's schedule. Costs for this additional staff person would be offset by lowering contractor costs for required to refresh residents’ rooms.
Engineering and Environmental Services	Facilities and Fleet Management	Support the addition of 1 Fleet Outfitter supporting WRPS and PSV offset by costs previously incurred through external sublet charges	1	\$	-	\$	-	\$	-This position will support vehicle decommissioning as vehicles are taken out of service. De-commissioning used to be completed by a 3rd party, but cost escalations have become unreasonable. Delays in de-commissioning also impact the recoverable value of the vehicle through auction. Costs for this position will be offset by reduced 3rd party sublet costs.

Engineering and Environmental Services	Facilities and Fleet Management	Accounts Assistant position for Facilities Management to ensure timely processing of invoices	1	\$86,000	\$86,000	\$ -	\$ -	- Even with efficiencies related to the AP imaging system implementation, additional capacity is required to ensure timely processing of invoices. Without an additional position, we would not process invoices on time for Finance to pay within the 30-day service level.
Engineering and Environmental Services	Facilities and Fleet Management	Invest in a management student to support Facilities Management Initiatives (funded by capital projects, no net levy impact)	1	\$ -	\$ -	\$ -	\$ -	- The Facilities Management student supports the accommodations coordinator role. This student helps ensure furniture related work orders are completed during holidays and supports the Facilities drawing management initiatives. The students ensures that the workorders continue to get completed during vacations and supports staff wellness by moving forward with work while others are off or busy.
Community Services	Seniors' Services	Invest in an Employee Wellness and Peer Support Program for Senior's Services staff	1	\$256,000	\$249,000	\$ -	\$ -	- Based on the successful model adopted in Paramedic Services, the proposed Employee Wellness and Peer Support Program seeks to support an organizational culture that promotes and protects the mental health of all team members, and improves workforce productivity, recruitment and retention. The Employee Wellbeing and Peer Support initiative is based on an evidence-based approach to support psychological safety in the workplace and in response to an alarming number of incidents of workplace violence, workplace injuries, race and gender-based harm and psychological stress/trauma. A review of disability claims and sick time demonstrates that spending on mental health has grown over the last few years, and it's not expected to slow down. This is indicative of trends in the health sector where psychological distress continues to remain prevalent among direct care health care workers, highlighting the need for ongoing and targeted supports to mitigate long-term mental health issues and the high organizational cost associated with it.
Planning, Development & Legislative Services	Legal Services	Reduce legal counsel costs by replacing more costly external legal consultation with an internal Real Estate/ Commercial Solicitor	1	\$114,528	\$149,592	\$ -	\$ -	- The Region currently incurs an average of \$800k per year on external legal counsel fees, with hourly rates ranging from \$400 to \$700. In contrast, the hourly rate for our internal solicitor is approximately \$110.
Planning, Development & Legislative Services	Legal Services	Reduce legal counsel costs by replacing costly external legal consultation with an internal Legal Assistant	1	\$83,865	\$108,404	\$ -	\$ -	

Total 2025 Proposed Service Expansions	193.4	\$14,079,956	\$19,364,047	\$1,717,126	\$2,148,558
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