

Plan and Budget 2026

# growing with care



November 18, 2025



Region of Waterloo

# Goals for Today


1. 2026 Operating Expenses & Annual Business Plan Presentation
  - Major changes and service adjustments included in draft budget
  - User Fees and Charges (including User Rates for Water/Wastewater)
2. Capital Budget Presentation **if time allows**
  - Overview of the Capital Program
  - Major changes/adjustments to Capital Program
4. Public Input Meeting # 1: Council Chambers 6:00PM
5. Grand River Conservation Authority Presentation- November 19th

Reminder: Today is an opportunity to deliberate and ask questions - no decisions are expected. Question breaks will happen through the day. Any larger questions will be held for follow up responses on December 3<sup>rd</sup>.

# Nov 18 and 19: Supporting Materials

- Main Report Preview of Preliminary 2026 Plan and Budget (Report # COR-CFN-25-022)
    - November 18 Presentation
    - November 19 Presentation
    - Appendix A Draft 2026 Strategic Initiatives (Annual Business Plan)
    - Appendix B FTE Business Cases
    - Appendix C New Service Adjustment
1. Preliminary 2026 Budget Book
  2. 2026 User Fees and Charges (Report # COR-CFN-25-020)

# Committee Meetings

Date and Time	Purpose
<b>October 22, 2025</b> 1:00 – 4:00 p.m.	Plan and Budget Overview – Setting the Stage
 <b>November 18, 2025</b> 9:00 a.m. – 4:00 p.m.	Detailed Budget Review: Operating and Capital Review Day
<b>November 19, 2025</b> 9:00 a.m. – 4:00 p.m.	Grand River Conservation Authority Presentation Detailed Budget Review: Operating and Capital Review Day
<b>November 26, 2025</b> 1:00 – 4:00 p.m.	Police Budget Presentation
<b>December 3, 2025</b> 9:00 a.m. – 5:00 p.m. (Dec 4 carry over)	Operating and Capital Review: Responses to Councillor Requests for Information and Additional Follow ups
<b>December 16, 2025</b> 9:00 a.m. – 5:00 p.m.	Final Budget Day: Operating Budget, Capital Program and User Fees and Charges



# 2026 Service Overview

# Homes for All

## Housing Services

**10,000** on housing waitlist

**1,036** Affordable housing units in development



**\$178M** net expenditure in Housing & Homelessness

## Addressing Homelessness



**8%**

decrease in overall homelessness since anchor investment in PECH

**21** PECH actions in progress

## Build Waterloo Region



**30**

acres of region owned land for mix-use development

**\$6M** net expenditure

## ROW International Airport



**\$390M**

in total economic output

Supporting **20+** local aerospace startups

## Employment and Income Support

**10,951** Ontario works caseload with 18,000+ beneficiaries

**11%** average caseload increased by over 1,000 cases or 11%



## Senior Services



**200**

people served by Community Alzheimer Program monthly

**240** people receiving homemaking support to maintain housing

# Where we go next: 2026 Plan Highlights



Addressing Homelessness



Building Affordable Homes



Land Development and Infrastructure Readiness



Waterloo Region Housing Revitalization



Enhancing Employment Supports



Assembling Industrial and Employment Land



Planning long-term for YKF



Future planning for Senior's Services and Sunnyside Campus

# Equitable Services and Opportunities

## Transportation Networks & Road Safety

**2,200km**

Lanes for cars & bicycles



**540**

**Intersections**

Will have Miovision Cameras

## Cultural Experiences



**119,430**

Library visits in 2024

**18,654**

Museum visits in 2025

**\$10.7M** Gross Expenditure

## Equitable Transit & MobilityPLUS



**147,000**

MobilityPLUS ridership  
Q1-Q3 in 2025

## Public Health & Paramedics



**~4% increase**

In 911 calls

**93%**

Student vaccination rate

**\$76.9M** Gross Expenditure

## Reconciliation, Equity & Accessibility

**\$12.18M**

distributed and **141** initiatives  
supported through Upstream Fund



**4**

CSWP Priorities

## Children's Services

**76,889**

Visits to EarlyON in 2024

**18,921**

CWELCC spaces

**\$246.6M** Gross Expenditure



# Where we go next: 2026 Plan Highlights



New Child Care Spaces



Improving Accessibility



Pilot Rural Traffic Calming



Capital Program Prioritization



Expanding Community Paramedicine



Improving Prenatal and Child Health Outcomes



Land Stewardship with First Nations



Reopening of Doon

# Climate Aligned Growth

## Asset Management

**\$11.3B**

Infrastructure assets value



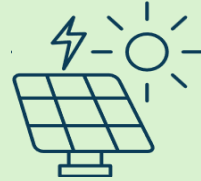
**84%**

of assets in good repair

**16%**

of assets nearing end of life

## Climate Adaptation and Mitigation



**1,560,000 kWh**

Generated through solar panels so far, generating **\$662,000** in revenue

## Transit Services

**16.7M**

2025 YTD ridership



**109,000**

daily GRT boardings

**707,000**

YTD service hours

## Emergency Management



**39**

Incidents/emergencies monitored or responded to by the Emergency Management Office from Jan-Oct

## Waste and Wastewater

**125M** litres of water supplied per day

**155M** litres of wastewater treated per day



**4%**

sustained increase in water use attributed to population growth

## Waste Management

Curbside collection service for **161,000** single-family homes, duplexes, and 3-to-6-unit buildings, as well as **8,500** multi-family units and townhouse complexes



**\$80M** Net Expenditure

# Where we go next: 2026 Plan Highlights



Advancing Corporate Climate Action Plan



Climate Adaptation and Mitigation Planning



Implementing the GRT Business Plan



Planning for our Long-term Water Supply, Wastewater Treatment and Waste Management Needs



Construction on Kitchener Central Transit Hub



Integrated Mobility Planning



Improving resiliency of transportation infrastructure



Sustaining our Regional Forests

# Resilient and Future Ready Organization

## Facilities and Fleet Management

Oversees

**7.4M ft<sup>2</sup>**

of buildings delivering  
Regional services and  
providing Waterloo Region  
Housing



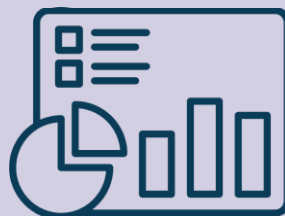
**22%**

increase in call outs from 2023-2024

## Leveraging Data and Technology for improvement

Opportunities exist in technology, AI and advanced data analysis

**~270**



Digital services on  
Regional websites,  
including online  
applications, request  
forms and more

## Human Resources and a Focus on REDI



**701**

courses available with  
75% of employees  
taking at least one  
course

**36** REDI org plan actions in progress

## Critical and Resilient Services



**2,500+** hours of cyber  
security training  
completed by staff  
in 2024

**865**

Regional services assessed to  
ensure continuity of critical  
services during emergencies

## Organizational Excellence and Efficiency

**\$82.8M** capital funding shortfall for  
renewal



**\$41M**

in efficiency savings  
plus an additional  
\$4.2M in 2026

## Resident Experience and Community Engagement

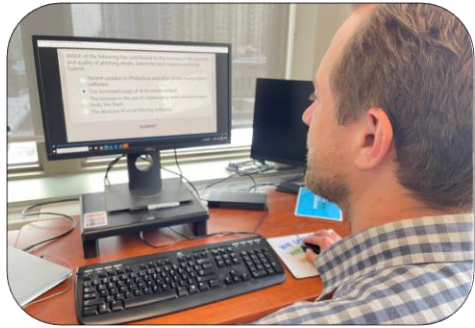
**20,950** EngageWR  
subscribers

Social media comments  
doubled to **10,784** in  
Q3

**238** delegations since Nov 2024



# Where we go next: 2026 Plan Highlights



Implementing Operational Efficiencies



Expanding Digital Services



Modernizing data Analytics and Technology



Employee Growth, Development, and Wellbeing



Enhancing Respectful Workplace Programs



Strengthening Financial Management Practices



Embedding REDI



Cyber Security and Contingency Planning



# Annual Business Plan Questions



# Financial Overview

# Budget Guideline

(as approved by Administration and Finance Committee, May 6, 2025)

The Administration and Finance Committee recommends as follows:

WHEREAS residents and taxpayers across the region are facing significant financial pressures due to the rising cost of living, including housing, food, fuel, and other essential expenses;

AND WHEREAS affordability remains a top concern for many households and businesses within our community;

AND WHEREAS ongoing economic uncertainty, including the impact of tariffs and global market instability, continues to place additional strain on local businesses and consumers;

AND WHEREAS Regional Council has a responsibility to balance the delivery of essential services with fiscal prudence and affordability for taxpayers;

**THEREFORE BE IT RESOLVED THAT Regional Council direct staff to prepare and present a draft 2026 budget for all regional services (i.e., excluding police), that limits the increase in the portion of the tax levy which is attributed to all regional services to no more than 5%, while maintaining vital services and seeking efficiencies wherever possible.**

# Meeting the 5% Guide – An Affordable Plan and Budget

Focus on  
Affordability

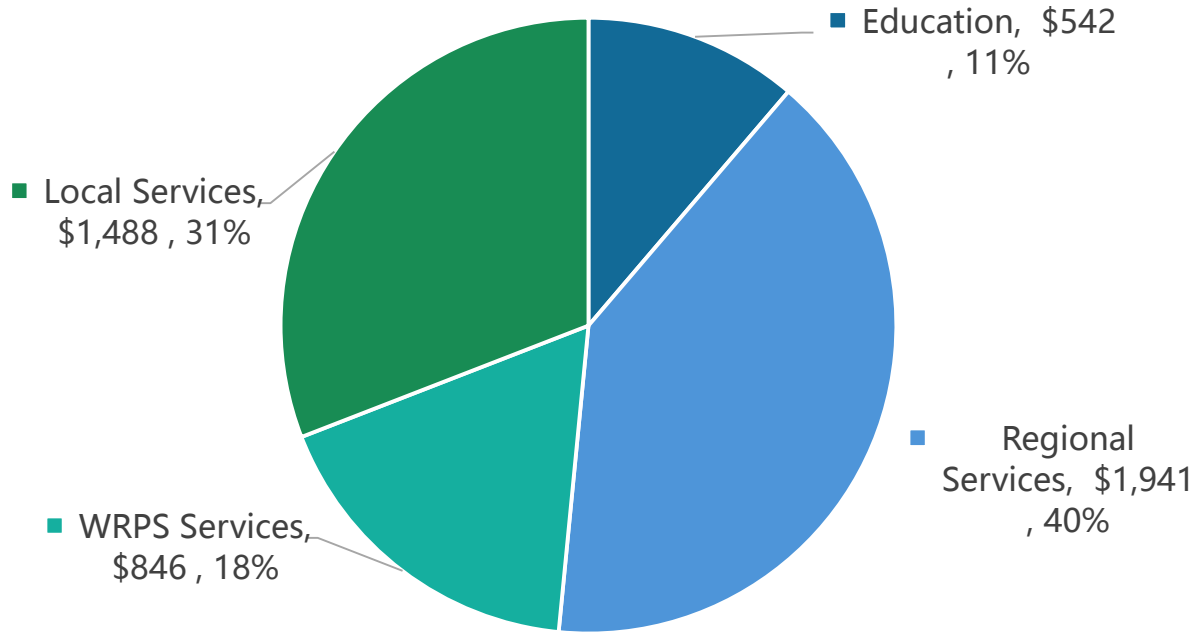
Maintains  
Service  
Quality

Tackles top  
of mind  
Challenges

Manages  
costs, finds  
efficiencies

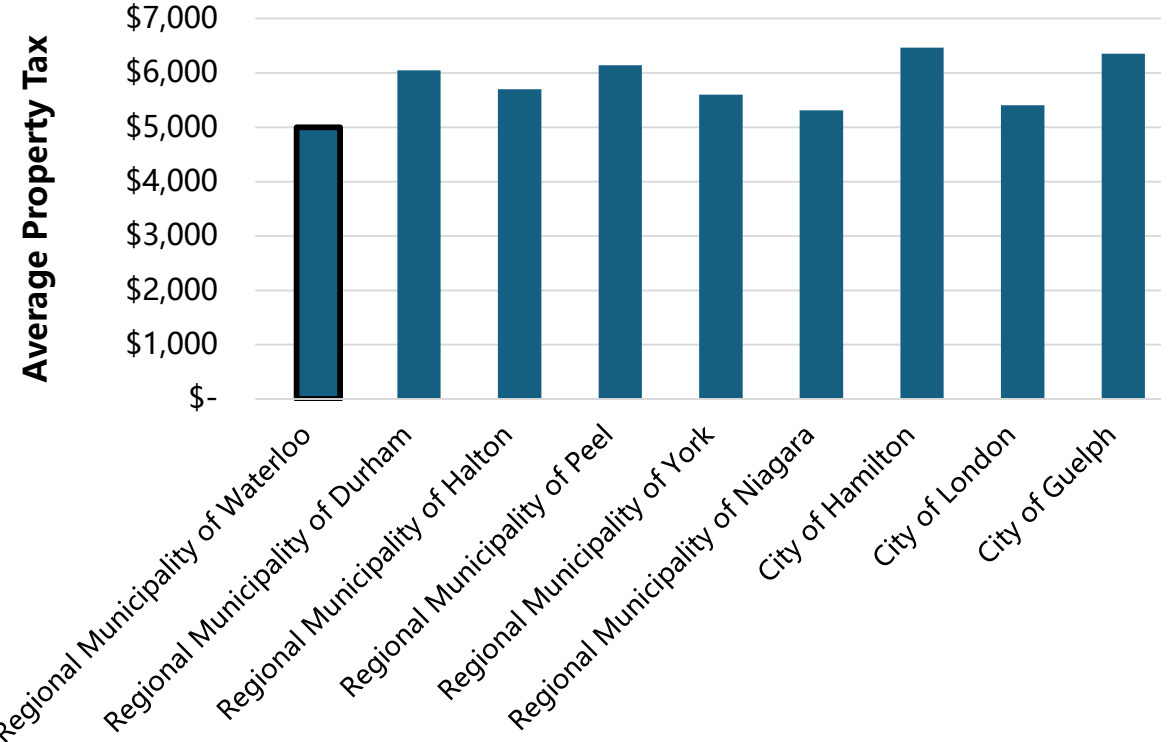
# Property Tax Education

Regional Municipality of Waterloo  
2025 Average Residential Property Tax Bill



Of property tax paid on average 40% goes to regional services covered in this budget process

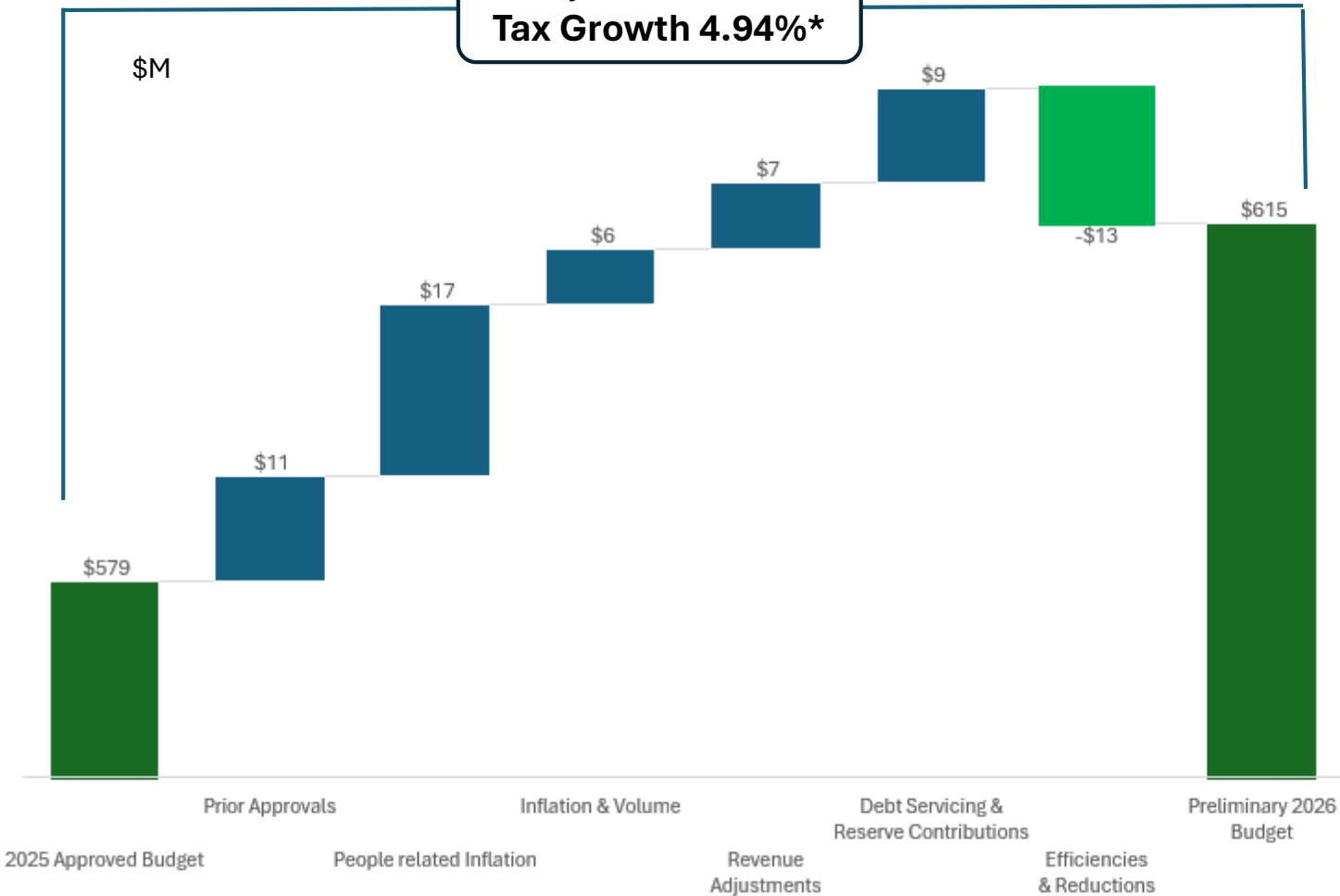
2024\* Property Tax Comparisons to Other Municipalities  
Residential - Two Story Homes



This chart shows a comparable basket of services (i.e. Region of Waterloo includes police and local services for all). We continue to come in below average property tax of comparable multi-tier and similar size single tier cities (\*2025 available post December)

# 2026 Preliminary Tax Supported Operating Budget

Levy Growth 6.15%  
Tax Growth 4.94%\*



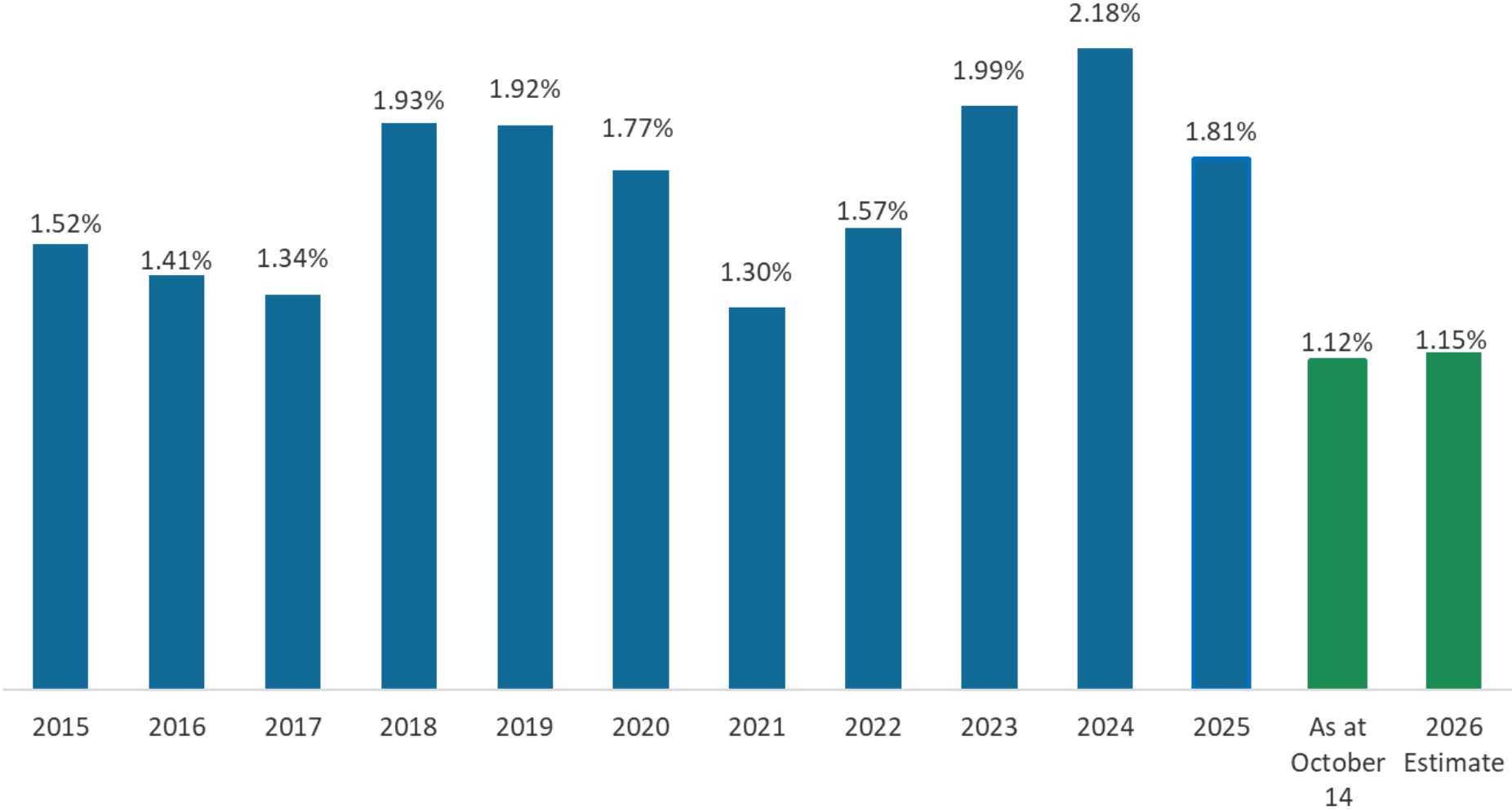
## Tax Levy Growth from 2025 to 2026 is driven by:

- Prior Approvals include annualization of 2025 approved budget expansions, waste collection contract, Doon village reopening, etc.
- People related inflation includes cost of living adjustments and benefit contract price increase (no change in benefits provided)
- Inflation aligned to either known contract pricing, or CPI/Construction price index as most appropriate. Volume would reflect alignment to actual experience (example: amount of fuel)
- Revenue adjustment includes reduction for transit, POA and airport – aligned to current experience; slightly offset by minor fee increases across the region
- Debt Servicing increase based on issued debt in 2025 and increasing capital reserve funding per pay as you go policy
- Efficiencies relate to managements diligence in providing the most effective service. Adjustments fall into either rightsizing services to demand, doing more with less or optimizing financial levers.

There are no service expansions proposed through the 2026 preliminary operating budget.

\*includes assessment growth assumption of 1.15%

# Regional Assessment Growth



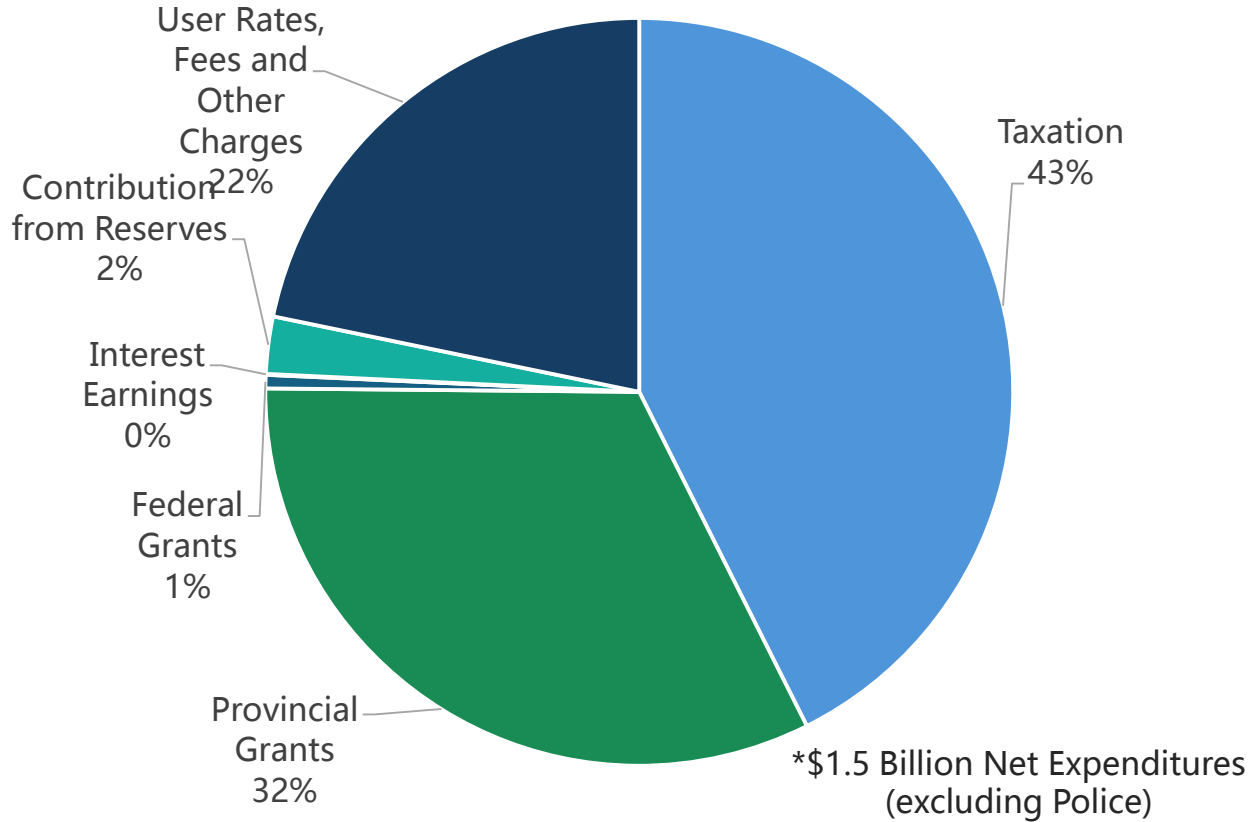
# 2025-26 Budget Change Highlights

1. **Targeted investment** to high needs
2. **Fully utilized all other funding sources** than levy
3. **Focus on efficiencies**, right-sizing service and financial strategies
4. **Slowed support services 1.7%**  
Corporate (IT), Corporate (Finance), HR, Resident Experience, Strategy and Communications, CAO Office
5. **Delayed investment** in important organization opportunities  
Digital service Transformation, Investment in changing workforce, talent and capabilities
6. **No service expansions** beyond what was approved in 2024-25

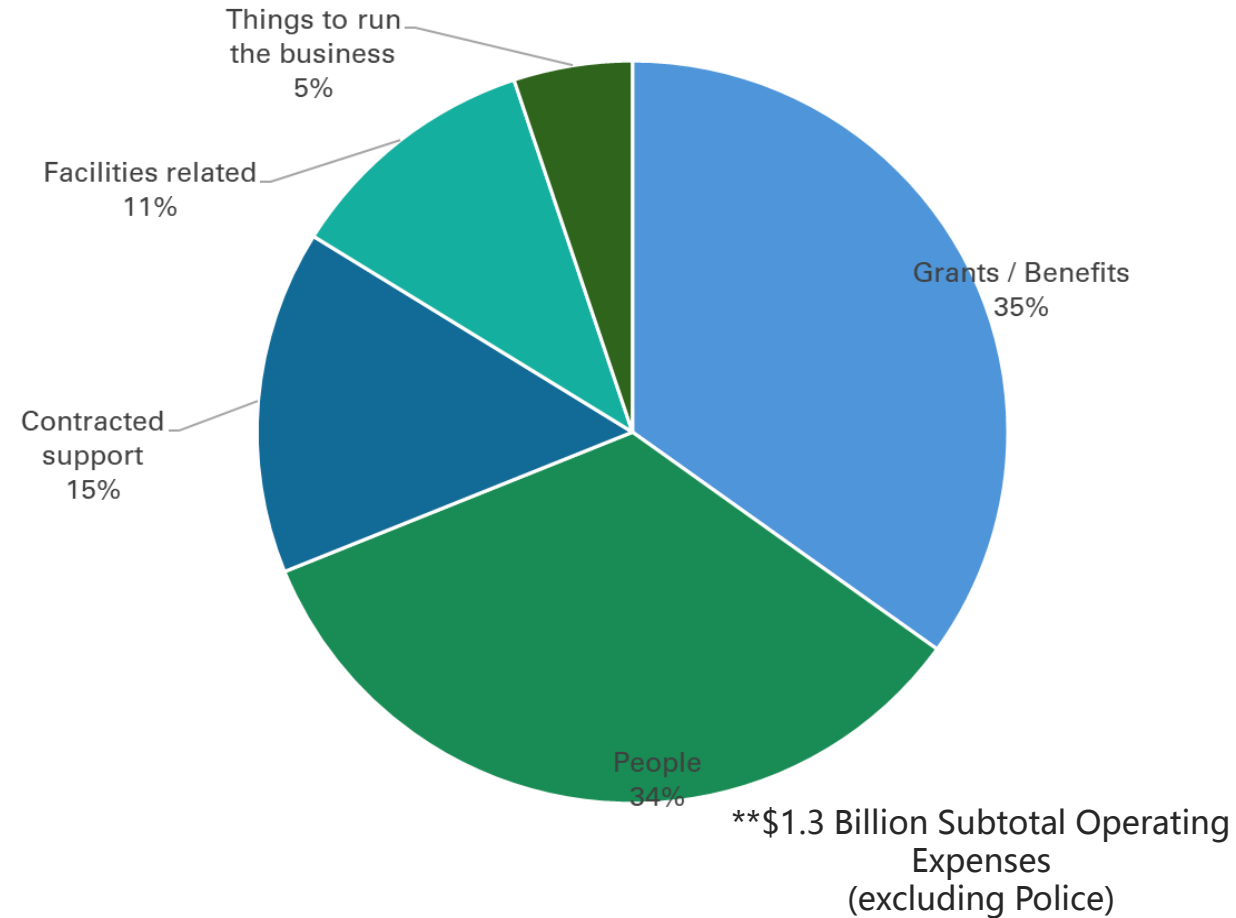
Department	Gross Expenditure \$M	Levy \$M Increase	Levy % increase	Main Drivers of Increase
Community Services	641	13	8	\$15M – increase in Housing investment; \$3M from homelessness, \$12M for Housing (\$5.5M new debt servicing, \$3.6M increased capital funding per pay as you go strategy, \$2.5M annualization of Kingscourt & Wilson)
Public Health & Paramedic Services	132	2.6	5.1	\$4.2M – annualization of 2025 paramedic expansions
Engineering & Environmental Services	354	5.8	8.9	\$7.9M – waste collection contract
Transportation	313	10	4.7	\$11M – Fare Revenue Decrease \$1M – Gas tax funding Decrease
Planning Development and Legislative Services	81	3	10	\$2M – PoA revenue Drop \$800K – Doon Reopening → Excluding those under 1% growth

# 2026 Preliminary Operating Budget

## Funding Sources\*



## Categories of Spend\*\*

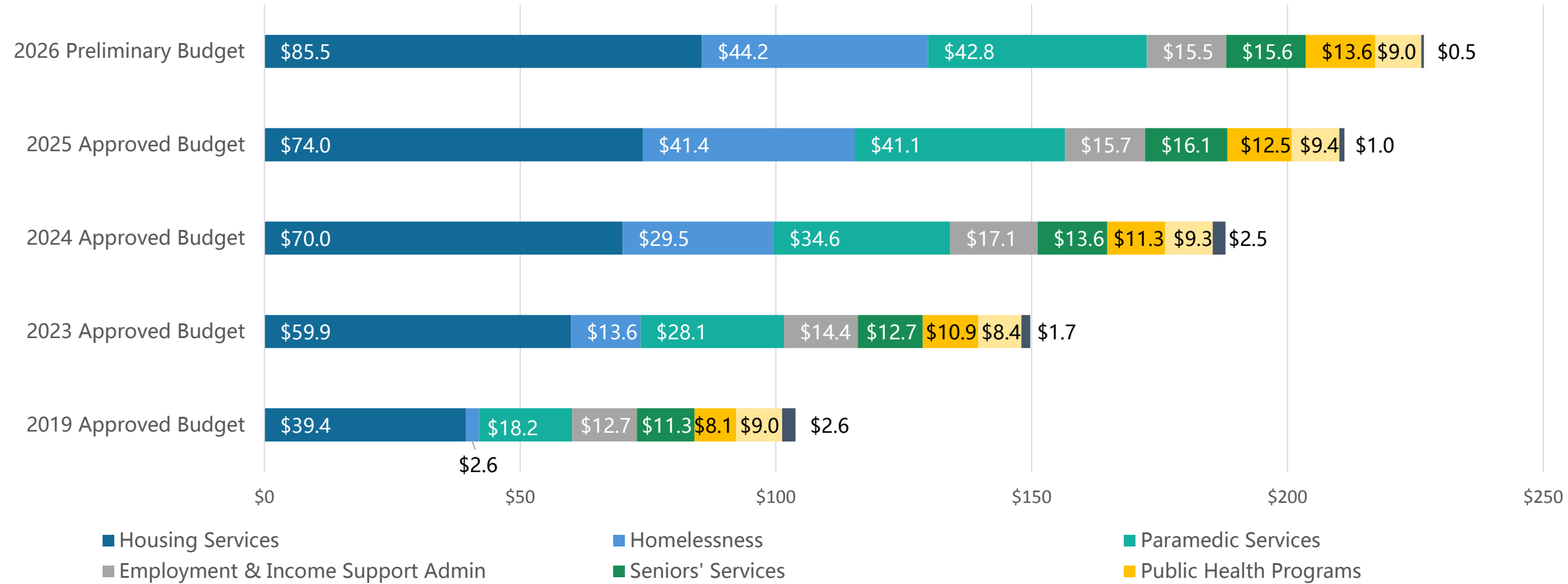


# Federal and Provincial Operations Funding by Program

(\$ millions)	2025 Budget	2026 Budget	Change	What Drove the Change	How Funding Works
Children's Services	214.0	220.8	6.8	Announcement – latest date or assumption made	Ministry Set, annual claim process
OW Allowances & Benefits	95.6	109.1	13.5	Case load size has increased significantly	Ministry funds 100% and a portion of discretionary benefits, monthly claim process
Paramedic Services	35.6	43.4	7.8	Land Ambulance Services increase from 50/50 cost shared model	Funded based on budget 50% for most, 100% for Community Paramedicine
Public Health Programs	34.1	31.1	(3.0)	Consumption Treatment Site funding ended 2025	Funded by program offered, annual claim process
Seniors' Services	30.4	31.0	0.6	Minor changes, mostly aligned to inflation	Ministry Set
Housing Services	29.3	27.8	(1.5)	Decreases in Non-Profit/Cooperative Program	Ministry Set
Employment & Income Support Admin	17.1	17.6	0.5	Announcement – latest date or assumption made	Funded by annual applications and Ministry set. 100% funding for employment program delivery
Transit Services	14.8	13.8	(1.0)	Transit Gas Tax alignment	Based on relative ridership across Ontario
Other Programs	3.3	2.1	(1.2)		
<b>Total</b>	<b>474.0</b>	<b>496.6</b>	<b>22.6</b>		

# Cost Shared Programs

2026 Preliminary Operating Budget Levy & Reserve Funding = \$227 million



# Budget Staff Complement

Department	YoY Change	2025 Approved Budget* Subtotal	2026 Preliminary Budget Subtotal
Community Services	(5.9)	812.3	806.4
Transportation Services	(18.7)	974.3	955.6
Engineering & Environmental Services	26.1	470.5	496.5
Planning, Development & Legislative Services	2.4	293.7	296.1
Public Health & Paramedic Services	(10.2)	684.0	673.8
Elected Offices	-	3.0	3.0
Office of the Chief Administrative Officer	1.0	11.0	12.0
Resident Experience, Strategy and Communications	-	53.2	53.2
Corporate Services	-	172.6	172.6
Human Resources	(5.6)	80.1	74.5
<b>Total Regional Complement</b>	<b>(11.0)</b>	<b>3,554.7</b>	<b>3,543.7</b>

- Changes in Full Time Equivalent (FTE) mainly driven by efficiencies
- Prior Council Approval for new Roles:
  - 18 Temporary FTE in Waste (2026 only)
  - 8 FTE for re-opening of Doon Village
- Administrative Update: All student roles previously hired are included in budget
- New Roles for discussion in this cycle: Ion2 (2), shelter maintenance (2), bus fare inspector (1) – See Appendix B of Report COR-CFN-022 for FTE Business Cases

# Major Non-Tax Revenues

(\$ millions)	2025 Budget	2026 Preliminary Budget	Budget Change
Wastewater treatment rate revenue	\$90.32	\$100.76	\$10.44
Water supply rate revenue	\$72.02	\$79.96	\$7.94
Public Transit fares	\$61.67	\$52.46	(\$9.21)
Housing rent	\$19.81	\$20.45	\$0.64
Municipal Speed Cameras*	\$10.40	\$16.12	\$5.72
Waste Management tipping fees	\$10.74	\$12.34	\$1.60
POA revenue	\$10.3	\$8.3	(\$2.00)
Airport operating revenues	\$9.23	\$7.95	(\$1.28)

\*Note that preliminary budget was prepared before legislation was enacted to end this program. On December 3rd we will bring forward to council an MSC update. No impact to tax levy is expected from this program.

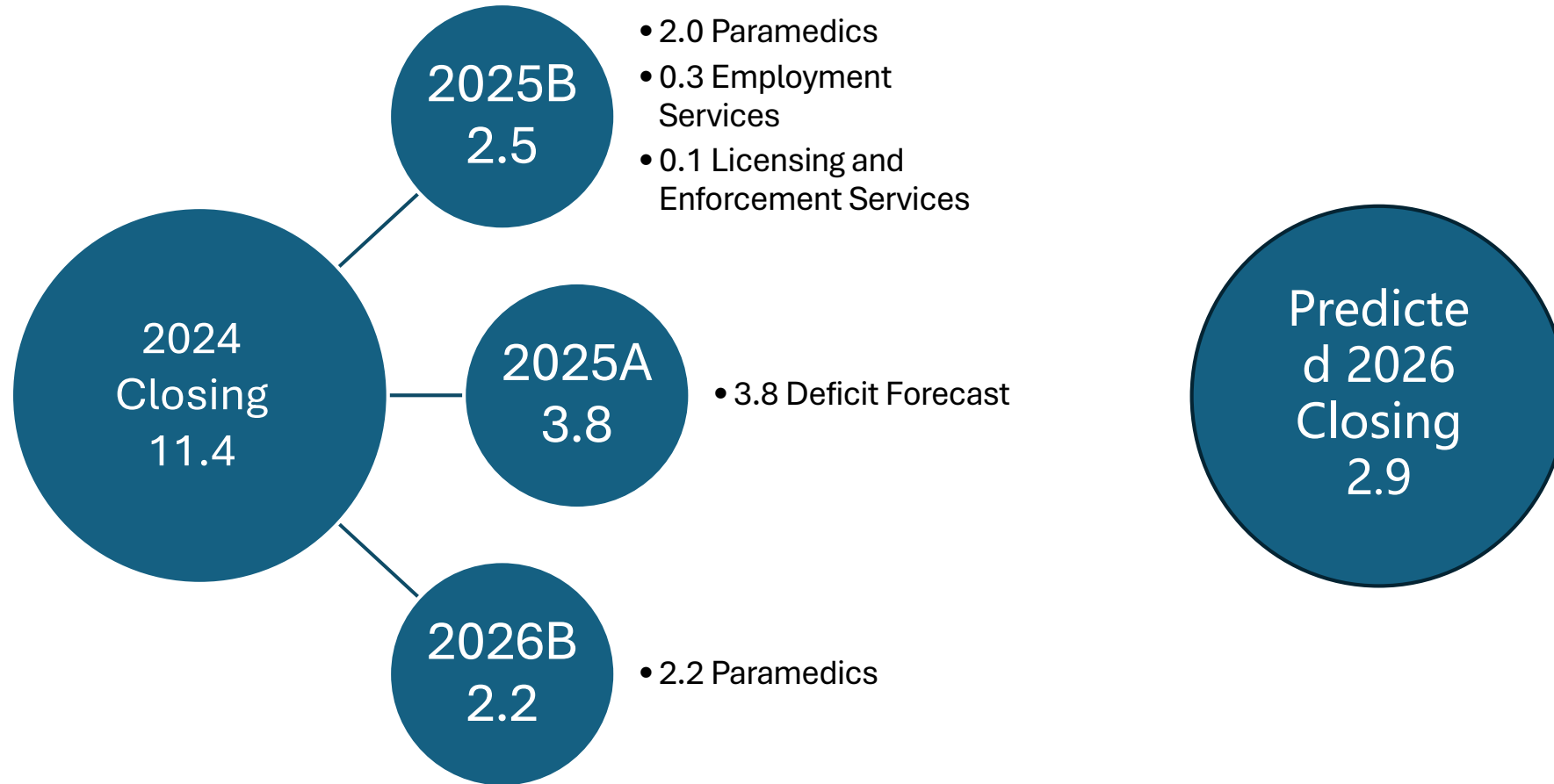
# Proposed Water and Wastewater volumetric rate change

	2025 approved user rate increase	2025 Rate Model - projected 2026 user rate increase	2026 Rate Model – current 2026 user rate increase (change)
Water supply	4.9%	5.9%	5.9% (0.0%)
Wastewater treatment	5.9%	5.9%	5.9% (0.0%)
Water distribution	3.9%	3.9%	3.9% (0.0%)
Wastewater collection	3.9%	4.9%	4.9% (0.0%)



# Tax Stabilization Reserve

\$ Million





# Financial Overview Questions



# Service Efficiencies and Adjustments

# Meeting the Guide: A robust and intensive process

1. Targets and **mandate to all** departments: 3%
2. **Prioritized community** needs
3. Service **Adjustment Categories:**
  - Working differently/efficiently for the same or similar outcome
  - Rightsizing/adjusting service to reflect changing demand/uptake
  - Leveraging financial strategies

# Criteria for Assessing Service Level Adjustments

**Strategic Impact:** If we made this reduction, what impact would it have on our ability to make progress on our Growing with Care Strategic Plan?

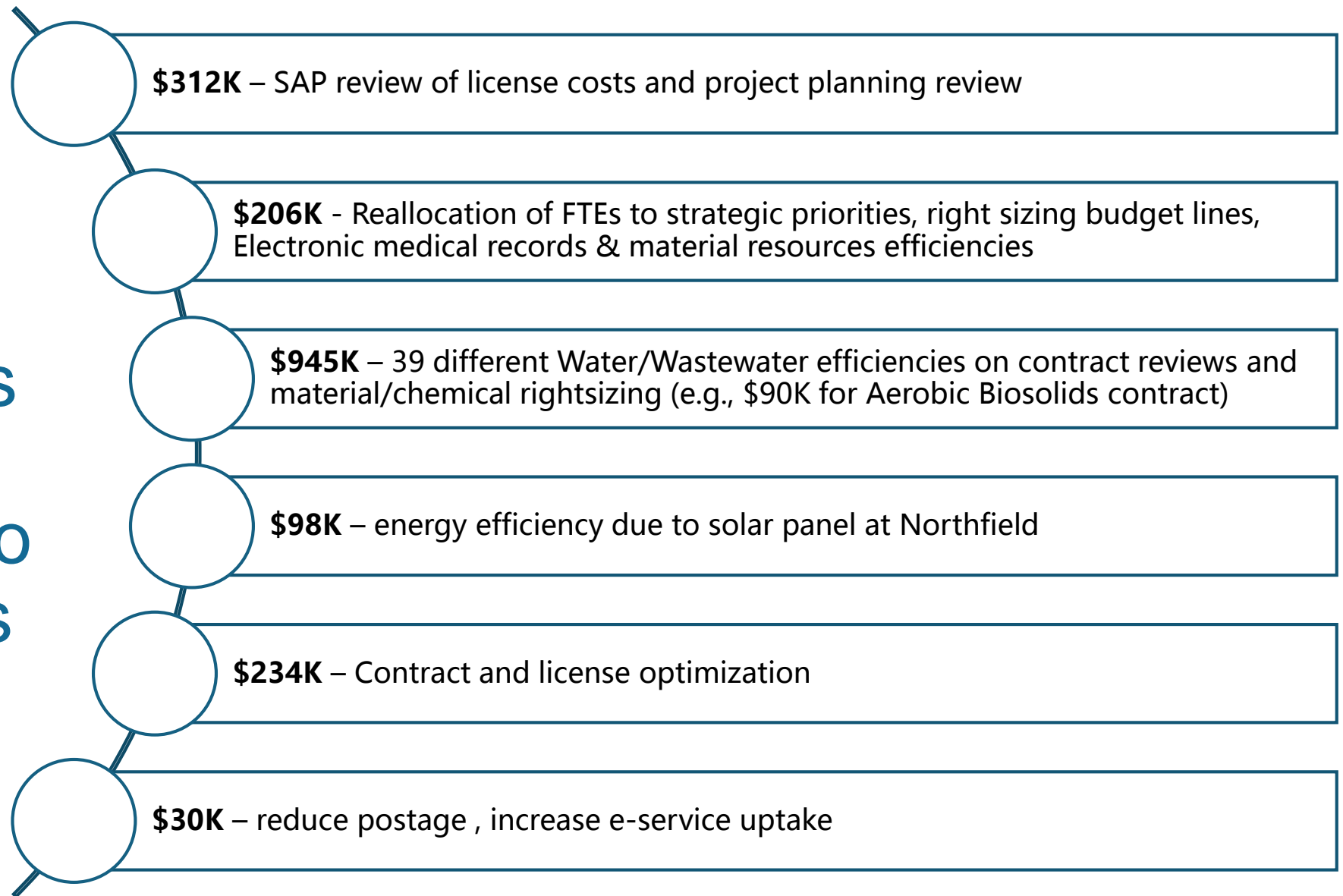
**Community and Resident Impact:** What would be the impact of this reduction on service users, residents or Waterloo Region more broadly?

**Organizational Impact:** What would the impact of this reduction be on the organization's ability to function effectively? (e.g. staff wellbeing/health/safety, reputation, critical business functions, IT systems and associated processes).

**Legislative/Regulatory Impact:** What is the likelihood that moving forward with this reduction would result in failing to meet a legislated standard or requirement (e.g. accreditation, compliance or legal obligation to provide a service/service level)?

**Financial Impact:** Will the reduction result in negative financial consequences that exceed the dollars and resources initially saved over the medium and longer term?

All departments  
achieved  
efficiencies – no  
service impacts  
\$4.2M



# 2026 Council Direction: Working differently/efficiently for same or similar outcome

Maintain overall service levels & outcomes for less



Prevent future costs



Unlock value and increase productivity



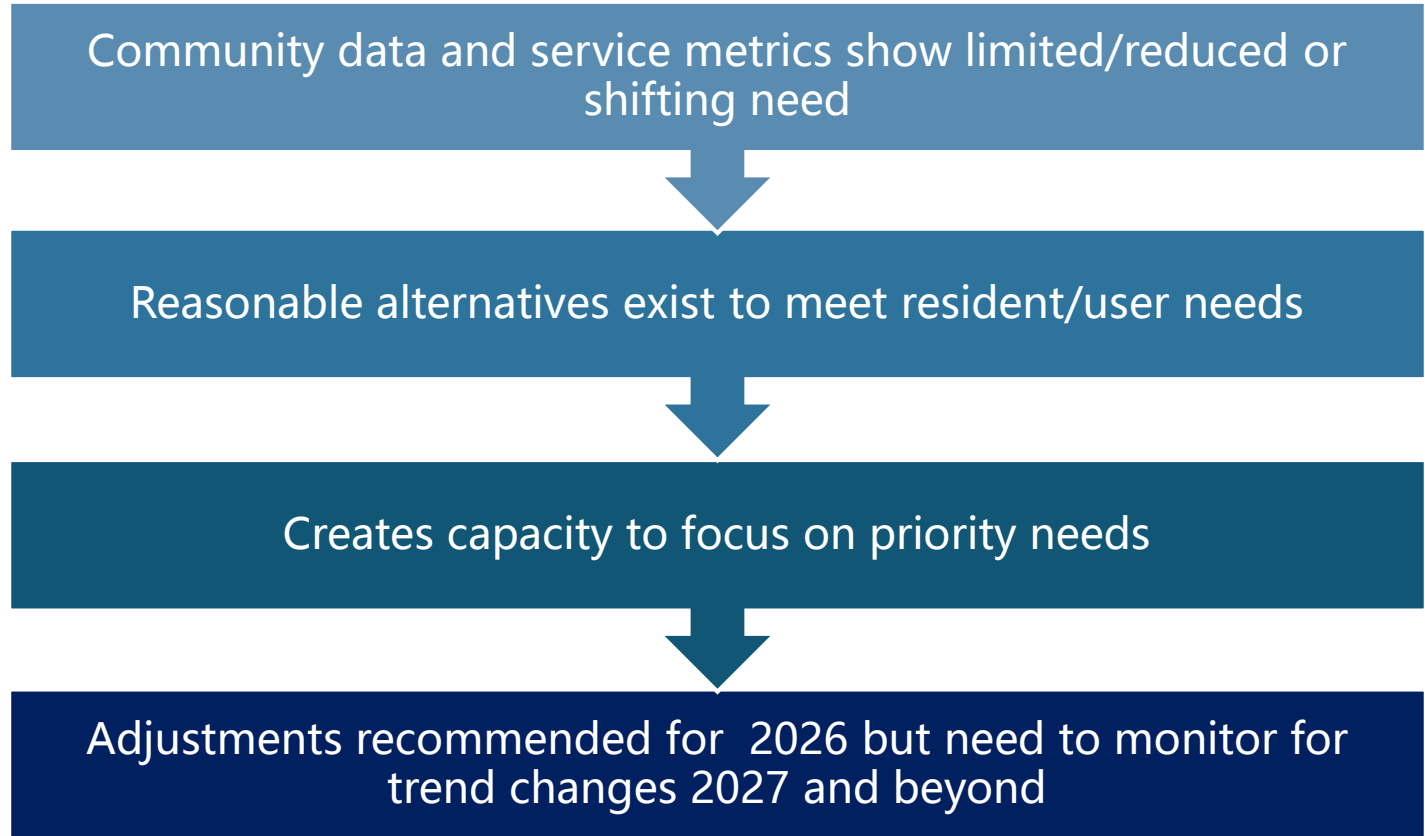
**Saved \$2.3M  
2026**

In addition to  
**\$41M+ saved** last several years  
**\$100M avoided**

# 2026 Council Direction: Working differently for same or similar outcome – low risk, minimal impacts

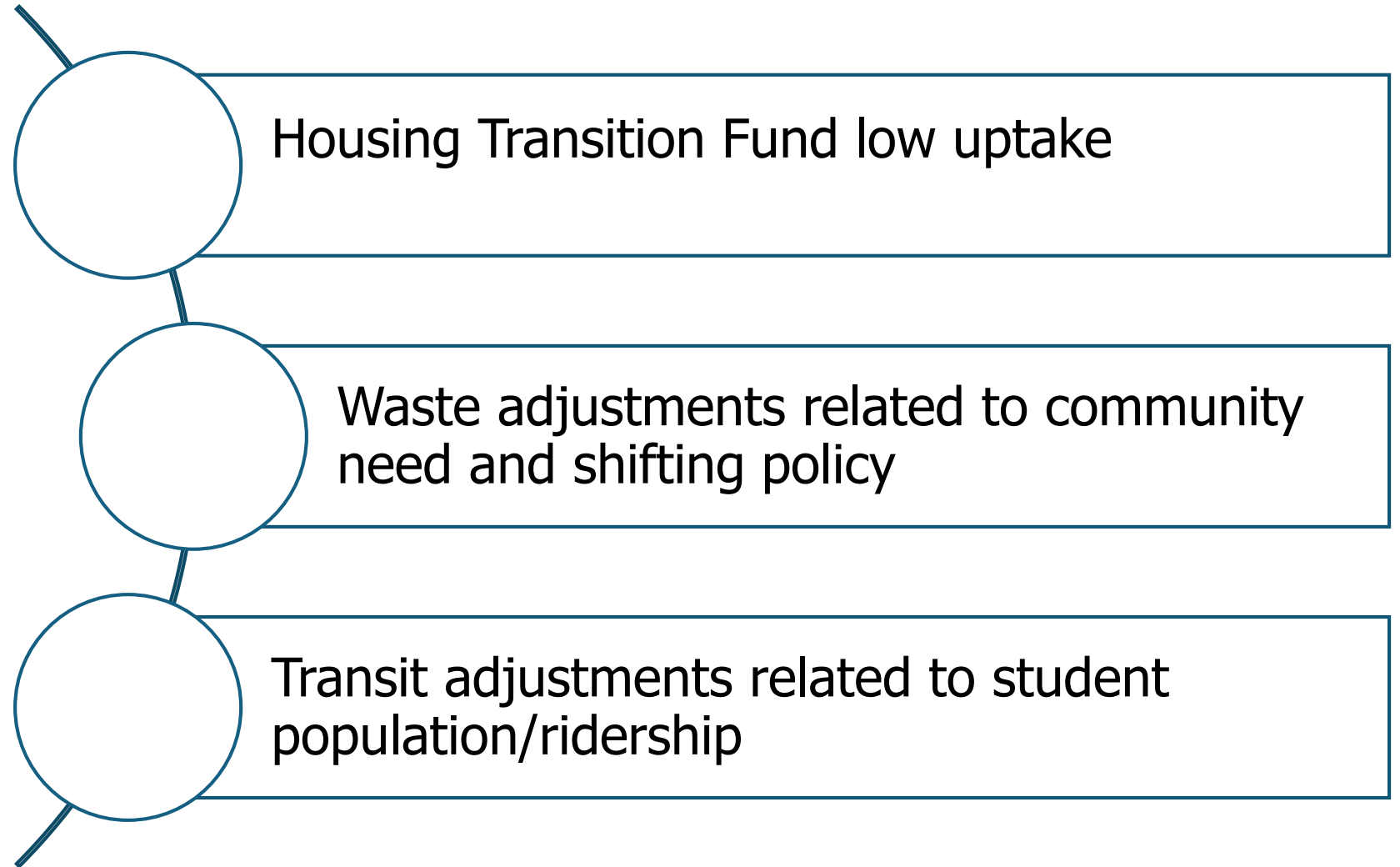
- **Reducing vacant positions:** In services experiencing changing need and/or making operational improvements
- **Organizational security:** Adjusting security services to more appropriate levels based on risk and need
- **Fleet:** Improved fleet practices by discontinuing retention of retired vehicles

# Rightsizing/adjusting service level: reflecting demand/need or uptake



**»»» Saved \$4M  
2026**

# Responding to a changing community need



# Leveraging Financial Strategies

Fully utilizing resources

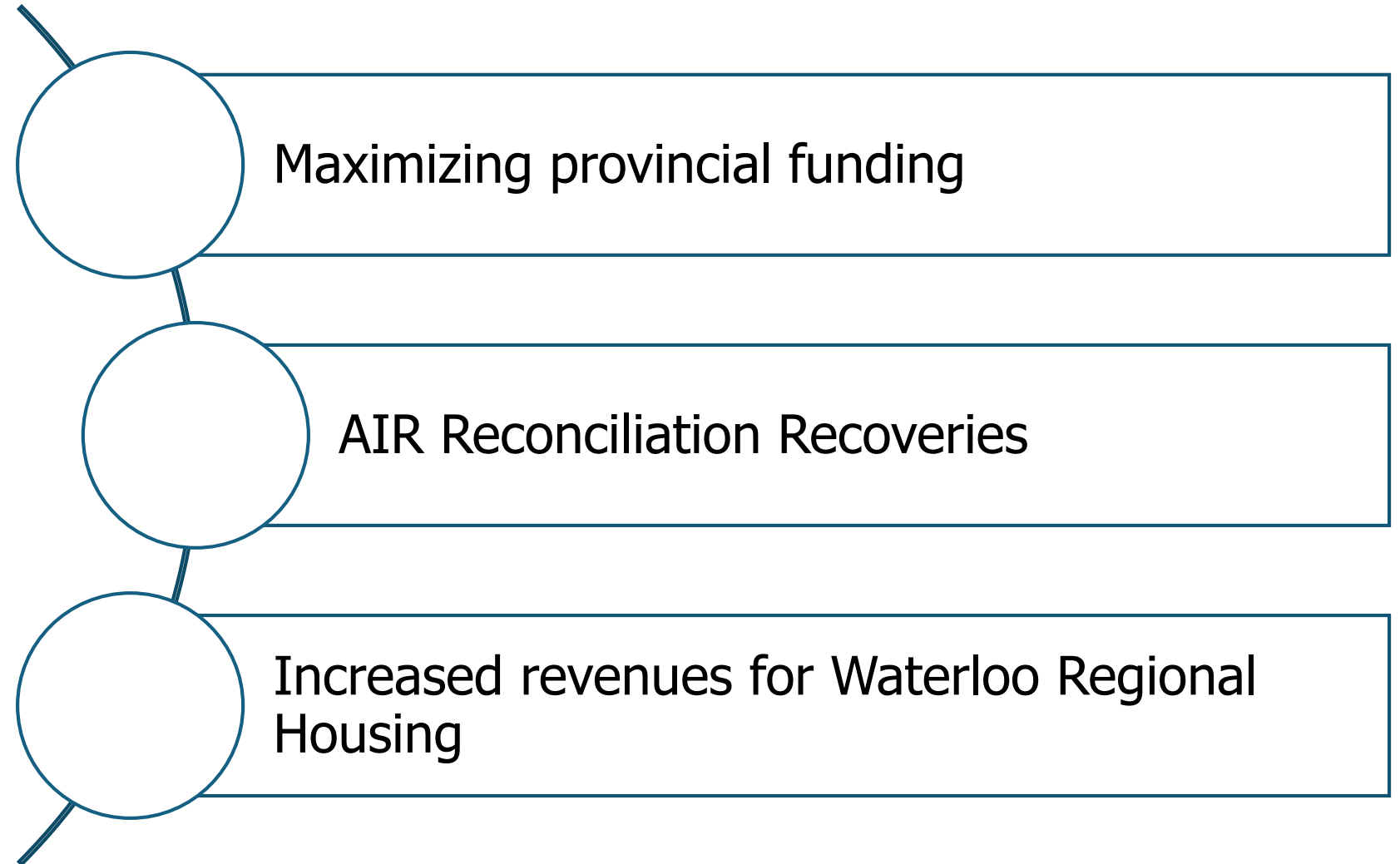
Ensuring accuracy

Bringing insight from actuals and forecasts to budget process



**Saved \$2M  
2026**

# Financial Strategies





# Efficiencies & Service Adjustments Questions



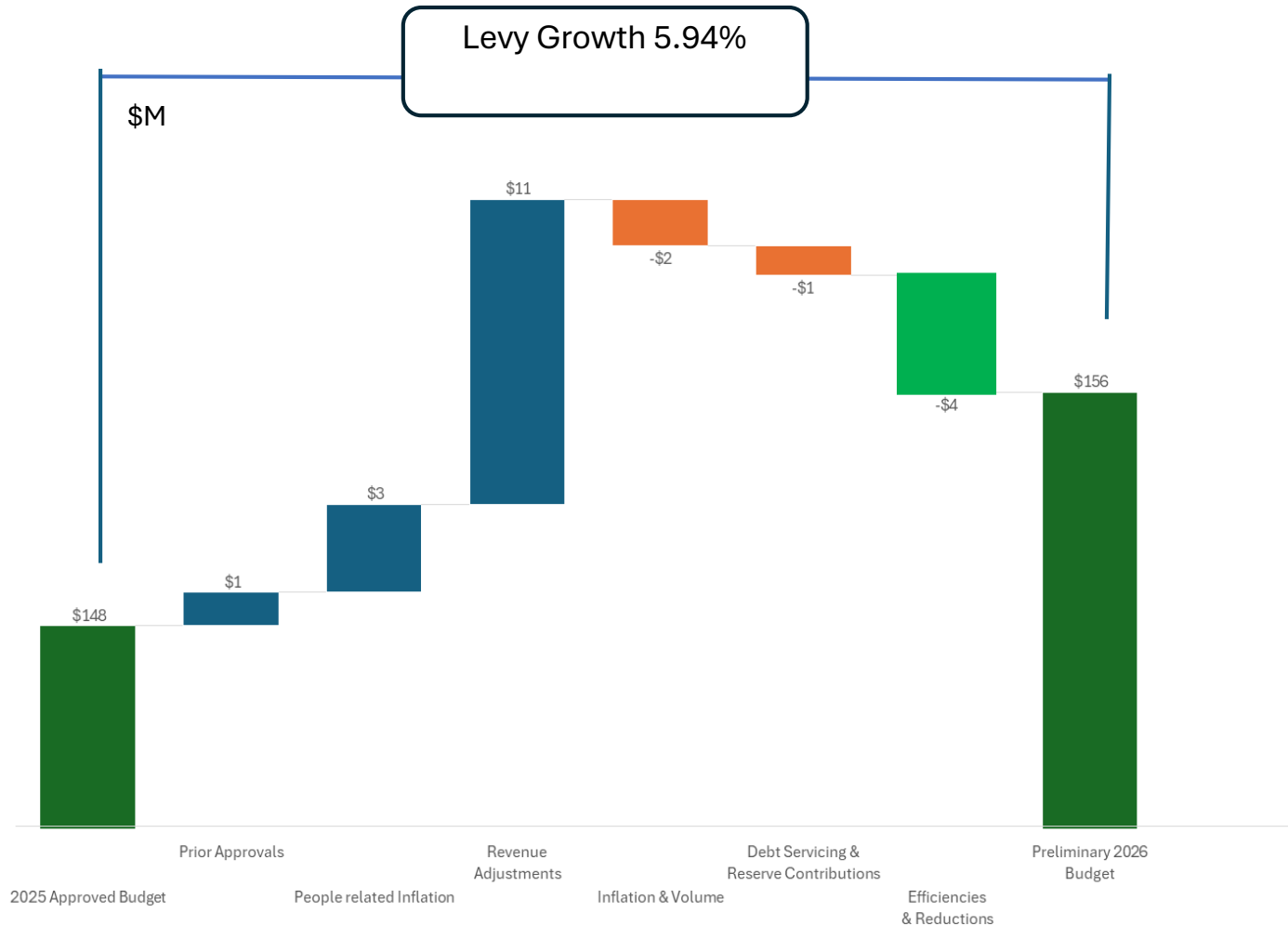
# Proposed Service Adjustments: Transit



# Transit Services Overview

- This year, Regional council approved the GRT Business Plan, which lays out transit investment priorities to increase speed and reliability of the service, provide more service to new areas and make transit easier to use.
- The GRT Business Plan looks at ways to diversify revenues and ridership while being flexible and responsible to changes in demand.
- The proposed 2026 Transit Services budget balances current ridership with affordability and the priorities of the GRT Business Plan.

# 2026 Preliminary Transit Operating Budget

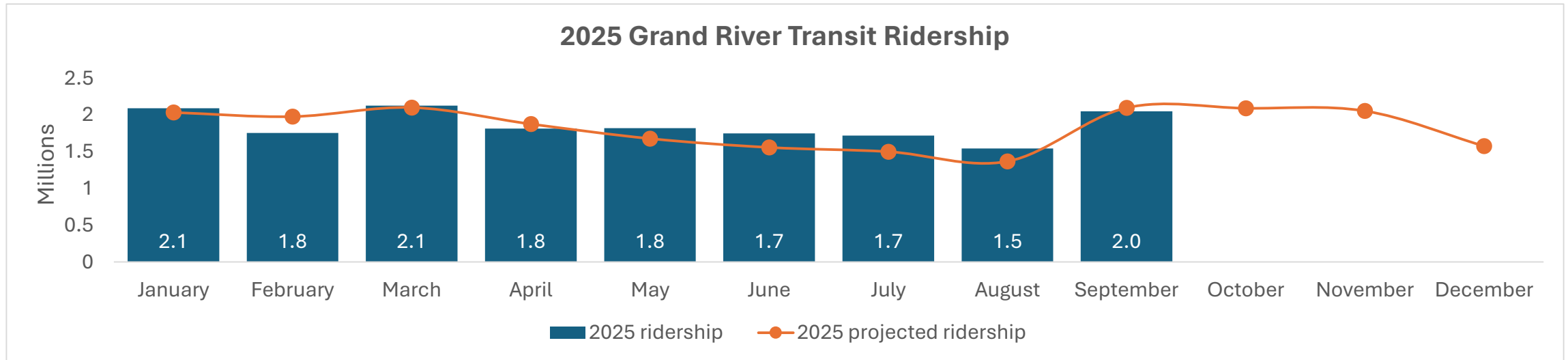


## Tax Levy Growth from 2025 to 2026 is driven by:

- Prior Approvals include annualization of 2025 approved budget expansions
- People related inflation includes cost of living adjustments and benefit contract price increase (no change in benefits provided)
- Inflation aligned to either known contract pricing, or CPI/Construction price index as most appropriate. The reduction primarily reflects lower projected fuel costs consistent with current market prices, adjustments in volumes to match budgeted service levels, and increased use of hybrid buses
- Revenue reduction to align with 2025 trends which are forecasted to continue in 2026. Reduction is due to decrease in student enrollment
- Debt Servicing cost reduction reflects retirement of certain Transit Service debentures, and declining debt servicing costs for the Grandlinq contract
- Efficiencies relate to managements diligence in providing the most effective service.

# Transit Services – Changes in ridership

- In 2025, GRT experienced declines in ridership and revenue due to federal immigration policies, leading to lower post-secondary student ridership.
- In response to changing ridership patterns, GRT made in-year adjustments which yielded \$1.37 million in operational savings.
- Ridership has started to stabilize and improve and has exceeded forecasts since April.
- New ways to buy fares on GRT Pay and new programs have helped spur ridership and new revenues.



# Transit Services – 2026 fares

## Service Description

- The proposed 2026 Transit Services budget does not include a general fare increase. Select increases are based on contractual agreements and to align pricing across programs.

## Service Adjustment and Cost Savings

- MobilityPLUS Taxi Coupon price increase of \$10 to \$40 per book (\$130k annualized revenue)
- 2-Ride fare card, used by agencies, price increase of \$1 to \$6 (\$90k annualized revenue)
- U-Pass price increase of 5% from \$124.91 to \$131.14 (maximum under contracts)

## Rationale for Service Adjustment

- Two-ride fare card price increase would align with stored value price of \$3 and cost recovery.
- MobilityPLUS Taxi Coupon increase to align with other transit agencies and cost recovery.

## Risks/Impacts

- Eligible agencies can choose to continue to purchase the two-ride product or save with single ticket options using GRT Pay.
- Taxi Coupon price increase will encourage use of existing MobilityPLUS fleet capacity instead of taxis

# Transit Services – Service changes

## Service Description

- GRT is planning to advance the GRT Business Plan with quick wins that improve transit coverage and speed, respond to customer needs, and diversify ridership.

## Service Adjustment and Cost Savings

- 2026 GRT service plan:
  - Speed and coverage improvements on Routes 206, 27, 14 and 36.
  - New / improved Township transit services with 80% provincial funding.
  - Service on Routes 9, 13, 19 and 30 will be reduced to every 30 minutes. Route 110 will be discontinued. Alternative, direct service and capacity exists on Route 10.
  - **Net savings:** \$2.75M annualized
- Customer Service Centres to close on Sundays and holidays (\$50k annualized savings)



# Transit Services – Service changes

## Rationale for Service Adjustment

- Routes 206, 27, 14, and 36 adjusted to serve new areas, increase speed, and respond to customers.
- Service reductions respond to decreased student ridership, changes in travel patterns, and maintain GRT's frequent transit network.
  - Route 110 ridership is down more than 50% this year.
  - Routes 9, 13, 19 and 30 are interlined and ridership is down up to 17%.
- Less in-person customer traffic on Sundays and holidays due to new online and mobile fare payment options and new fare vending machine locations.

## Risks/Impacts

- Minimal ridership impacts are anticipated.
- Less frequent service may result in longer wait times for some customers.
- Customers who prefer in-person customer service will experience reduced hours.



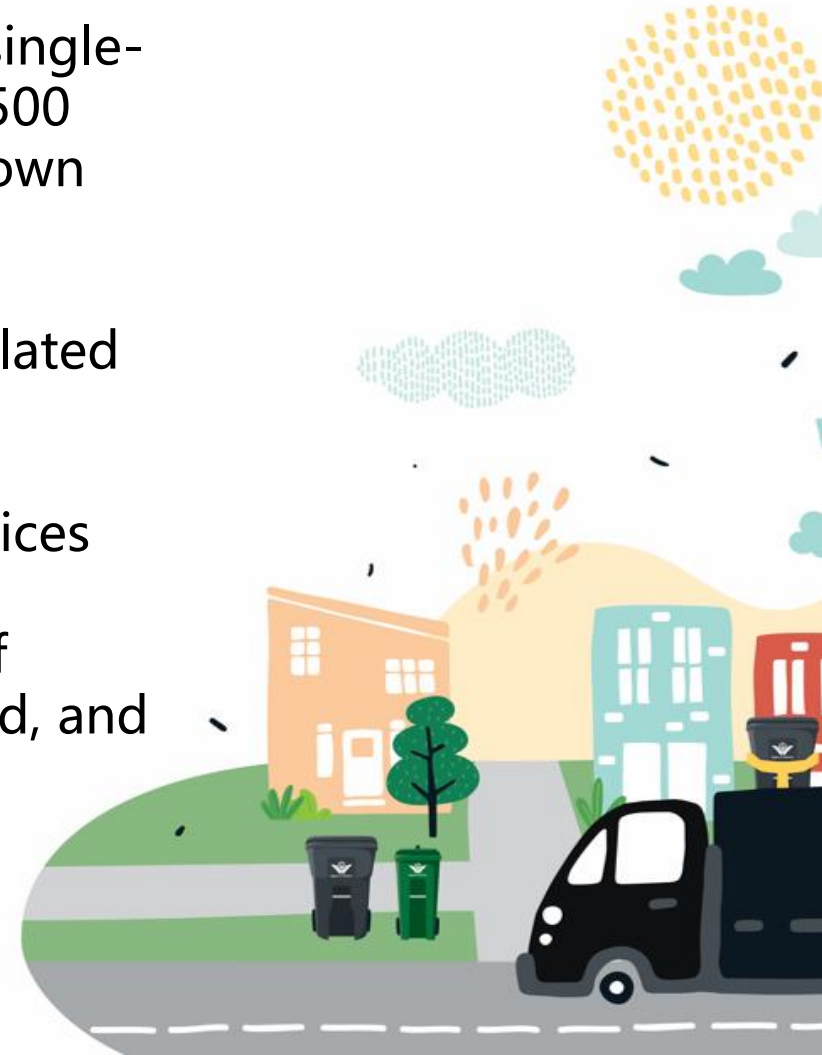
# Transit Questions



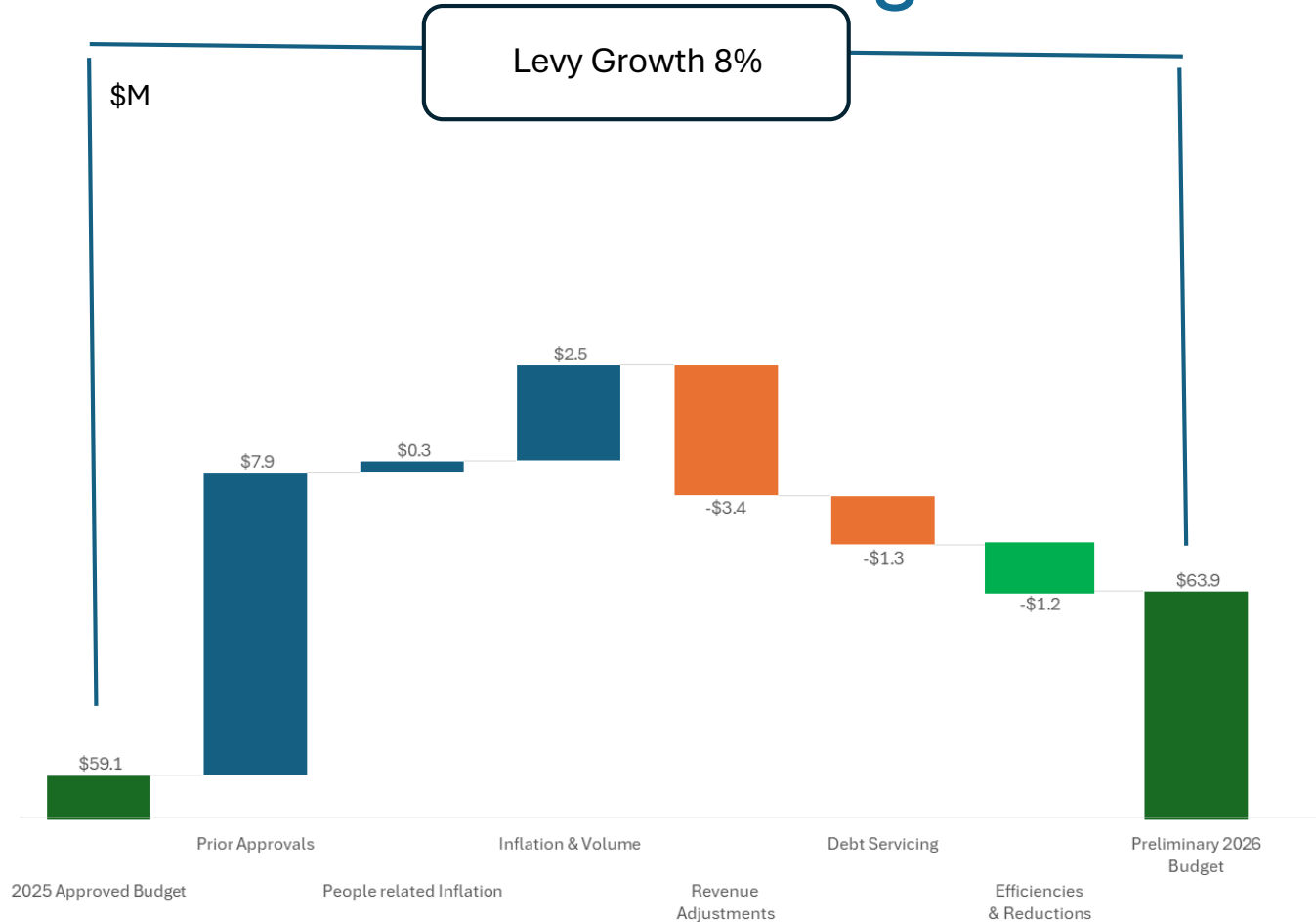
# Proposed Service Adjustments: Waste Management

# Waste Management Overview

- Manages waste collection and diversion programs for 161,000 single-family homes, duplexes, and 3-to-6-unit buildings, as well as 8,500 multi-family units and townhouse complexes, and 1,500 downtown businesses
- In 2024, handled approximately 8,500 customer service cases related to waste collection
- Manages the landfill, transfer stations, and public drop-off services
- Receives, transfers and processes waste. In 2024, 144,792 MT of garbage was landfilled, 30,451 MT of yard waste was composted, and 25,861 MT of organics was composted
- Monitors and operates former and current waste management sites, complying with environmental legislation and regulations



# Waste Management Financial Overview



## Tax Levy Growth from 2025 to 2026 is driven by:

- Prior Approvals include waste collection contract
- People related inflation includes cost of living adjustments and benefit contract price increase (no change in benefits provided)
- Inflation at 2% plus specific increases for waste hauling (volume) and blue box drop off
- Revenue adjustment includes all fees as recommended (\$1.9 million increase in revenue) and \$1.5 million from reserve to help offset impact of new collection contract
- Debt Servicing down \$1.2 million reflecting debt payments ending being higher than newly issued debt
- Efficiencies relate to managements diligence in providing the most effective service; covered on following slides

# Waste Management – Strategic Initiatives

- Service context: Challenges with increased cost of delivering curbside collection, finite landfill capacity, and on-going changes with policies and legislation
- Transforming waste services to cart-based collection for garbage and organics will:
  - Promote cleanliness
  - Enhances service and efficiency
  - Supports workforce stability
  - Improves worker safety
- Long Term Waste Management Strategy will chart the future of waste management with a focus on circular economy. The outcome is a higher diversion rate and lengthening the operating life of the landfill



# Waste Management Adjustments: Double Days-Contract Driven

## Service Description

- Currently the garbage bag limit is three bags. Double Days is a service where households who receive Region waste collection can set-out after certain holidays, double the amount of garbage (up to six bags) for free (no garbage tags are needed)

## Service Adjustment

- Double Days was not included the cart-based waste collection contract and will therefore discontinue effective March 2026
- To add this service would be approx. \$204,800 a year

## Rationale for Service Adjustment

- Only 12% of households use this service based on audits conducted
- Extra garbage bag tags are available for additional garbage

## Risks/Impacts

- Low risk of additional non-tagged bags set out

# Waste Management Adjustments: Bulky Item Collection

## Service Description

- Bulky item collection is currently a bi-weekly service where households who receive Region waste collection can set-out up to three large items (e.g., furniture, appliances, mattresses) on their garbage collection day

## Service Adjustment and Cost Savings

- Decrease frequency of bulky item collection from bi-weekly to monthly effective March 2026
- Cost savings included in budget of approx. \$458,823

## Rationale for Service Adjustment

- Only 12% of households use this service based on audits conducted. Of the households observed, 67% placed only one item for collection

## Risks/Impacts

- Potential risk of bulky/large items set-out before collection day

# Waste Management Adjustments: Sani-Can Collection

## Service Description

- The sani-can service is where the Region's contractor collects public space litter containers for garbage in some area municipalities BIAs

## Service Adjustment and Cost Savings

- Removal of sani-can collection in Downtown BIAs effective March 2026
- Cost savings of approx. \$100,000 to \$150,000 a year (\$120,000 assumed in budget)

## Rationale for Service Adjustment

- Region currently collects 57 sani-can containers, in comparison to the 113 sani-cans area municipalities collect within their designated downtown areas
- Inconsistent service for area municipalities
- Sani-cans are owned by the area municipalities and are collected manually

## Risks/Impacts

- Potential impact on area municipalities

# Waste Management Adjustments: Public Drop Off Recycling

## Service Description

- Currently the Region operates two Waste Management Centres (Cambridge and Waterloo) where commercial and residential users can drop-off recycling for a fee
- Circular Materials offered to fund a small portion of the service effective January 1, 2026

## Service Adjustment

- Continue public drop-off of recycling at the Waste Management Sites effective January 1, 2026
- Proposal from Circular Materials with funding support of approx. \$58,000 a year
- Approx. cost of \$242,000/annually included in budget

## Rationale for Service Adjustment

- Accepting recycling at the drop-off ensures continuity in service for users of the Waste Management sites and encourages diversion of recyclables from the landfill

## Risks/Impacts

- Users may utilize private transfer stations instead
- Residents could take recycling to landfill

# Waste Management Adjustments: Increase Landfill Tipping Fees

## Service Description

- Currently the Region operates two Waste Management Centres (Cambridge and Waterloo) where commercial and residential users can drop-off waste (garbage, recycling, etc.) for a fee

## Service Adjustment

- Minimum fee per visit from \$12 to \$15
- General waste fee from \$102 to \$120 per MT
- Special handling load from \$204 to \$240 per MT
- Special handling asbestos load from \$385 to \$425 per MT
- Diversion (recycling, organics, yard waste) fee from \$51 to \$82.50 per MT

## Rationale for Service Adjustment

- Fees were determined based on a scan of other municipalities, local transfer station rates and increasing operational costs

## Risks/Impacts

- Users may utilize private transfer stations instead
- Could reduce the amount of waste entering the landfill, therefore extending its lifespan



# Waste Questions



# User Rates & Fees Proposed 2026 Adjustments

# User Rates and Fees

- Section 391 of the Municipal Act authorizes municipalities to establish and maintain a list of services subject to fees or charges
- Region of Waterloo has over 300 separate fees listed in Appendix A of report COR-CFN-25-020
- In general, the majority of these fees are attempting cost recovery to provide specific services by request
- Most fees have increased because of:
  - Inflation to keep pace with cost recovery,
  - Contractual requirement, or
  - Management recommendation

# User Rates and Fees – New Rates

## Cultural Services

- New fees for filming administration, room rental – general provisions, general admission groups and packing and prepping outgoing loans set by cost recovery and comparable to other municipalities.

## Transportation

- New fees for municipal consent application, inspection fee, freight rights agreement fee, rail permits, and work permits for lane, sidewalk, path and trail closures and road cut fees which have been set by partial cost recovery and to encourage the expeditious completion of work.
- Comparable with other municipalities

## Growth, Development and Sustainability Services

- A comprehensive review of Planning Act Application fees has been undertaken. Moderate increases to the Development Services fees are proposed. In other areas fees have been reduced or eliminated, and the proposed fee structure includes an ability to waive the Development Services fees should there be no Regional responsibility or interest associated with the application.

Note: fees listed in Appendix A of report COR-CFN-25-020

# User Rates and Fees – Key Fee Changes for Discussion

## Airport Services

- Increases for aircraft operating fees, passenger facilitation fee (\$7.50 to \$10.00/passenger)

## Transit Services – as covered in Transit Deep Dive

- U-Pass increase as per contract (from \$124.91 to \$131.14 or 5%),
- 2-Ride GRT EasyGo ticket increase (from \$5 to \$6 or 20%)
- MobilityPLUS Taxi Coupons – price increase (from \$30 to \$40 per \$60 taxi coupon book or 33%)
- Note: no change to single or monthly fares

## Waste Management – as covered in Waste Deep Dive

- Increases to minimum fee per visit to landfill (\$3, from \$12 to \$15; which is still below cost recovery),
- General refuse/garbage (up \$18 to \$120), (Increase relates to municipal comparators and local transfer stations)
- Special handling load (up \$36 to \$240), (Increase in operational costs)
- Asbestos (up \$40 to \$425), (Increase in operational costs)
- Recyclables/Diversion fee (up \$31.50 to \$82.50) (Relates to contractual and operational costs along with a scan of municipal comparators and local transfer stations)



# Rate Based Services: Water and Wastewater

# Region of Waterloo Water System Overview

Region of Waterloo has a very complex drinking water system with:

- 50 water treatment facilities
- 100+ wells
- 15 pumping stations
- 17 tanks and reservoirs
- Blended water supply: 80% groundwater, 20% surface water
- Two-tiered government structure (supply and distribution split) except in North Dumfries and Wellesley Townships
- Service ~700,000 residents and growing
- Large geographical area



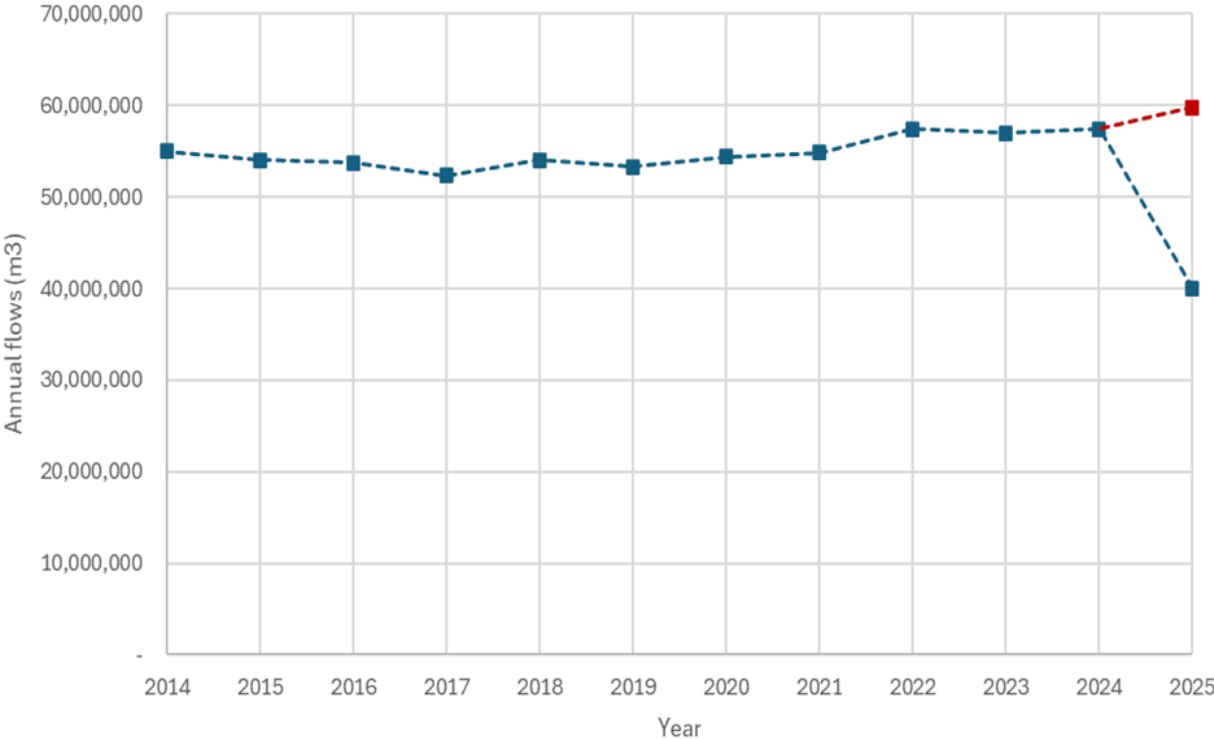


# Region of Waterloo Wastewater System Overview

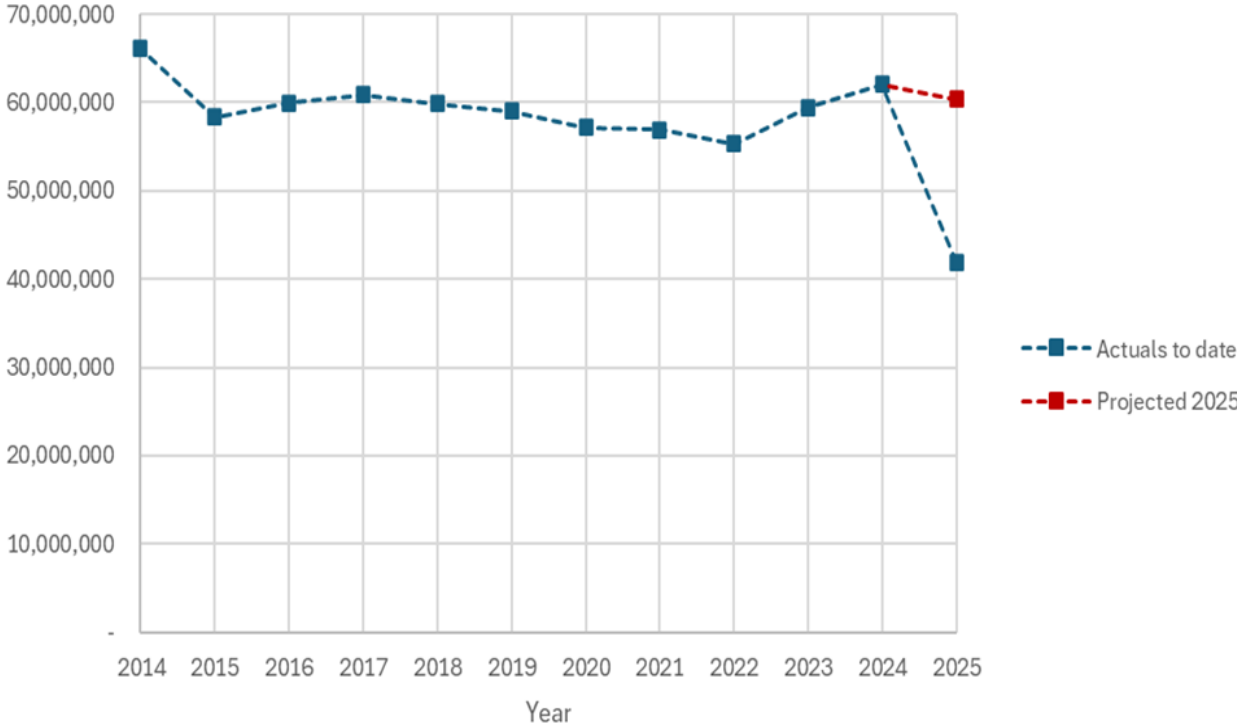
- 13 wastewater treatment plants
- 7 pumping stations
- 1 biosolids management facility
- Large geographic area
- Operated by the Ontario Clean Water Agency on behalf of the Region
- Facilities vary widely by:
  - size
  - efficiency
  - complexity
  - regulatory requirements
  - treatment capacity (range from 0.05 megalitres per day to 74 megalitres a day).

# Water and Wastewater – 2025 Water & Wastewater Flows

Annual Water flows



Annual Wastewater flows



# Water Conservation

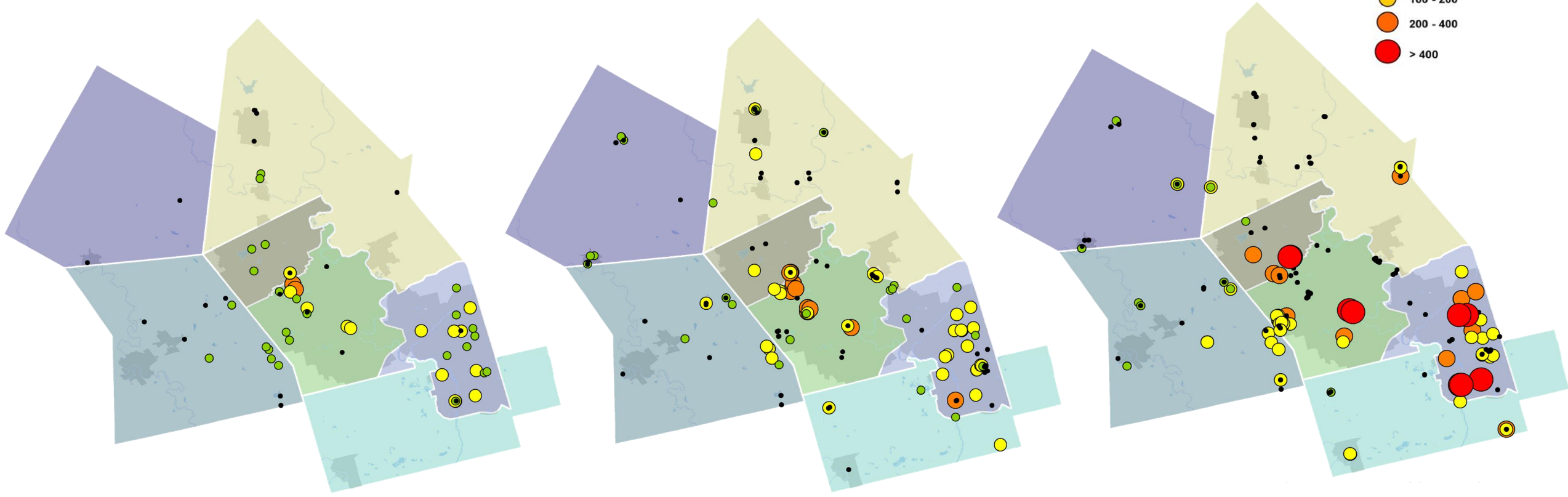
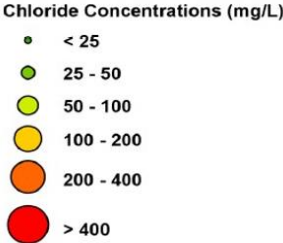
## Water Consumption per capita - Residential

Year	Conservation
2007	200 L/d
2015	185 L/d
2025	160L/d

## Water Savings from Industrial, Commercial, Institutional

Year	Conservation
2023	175.4 m3 per day
2024	378.1 m3 per day
2025	104.7 m3 per day

# Salt Concentration Increasing



1973

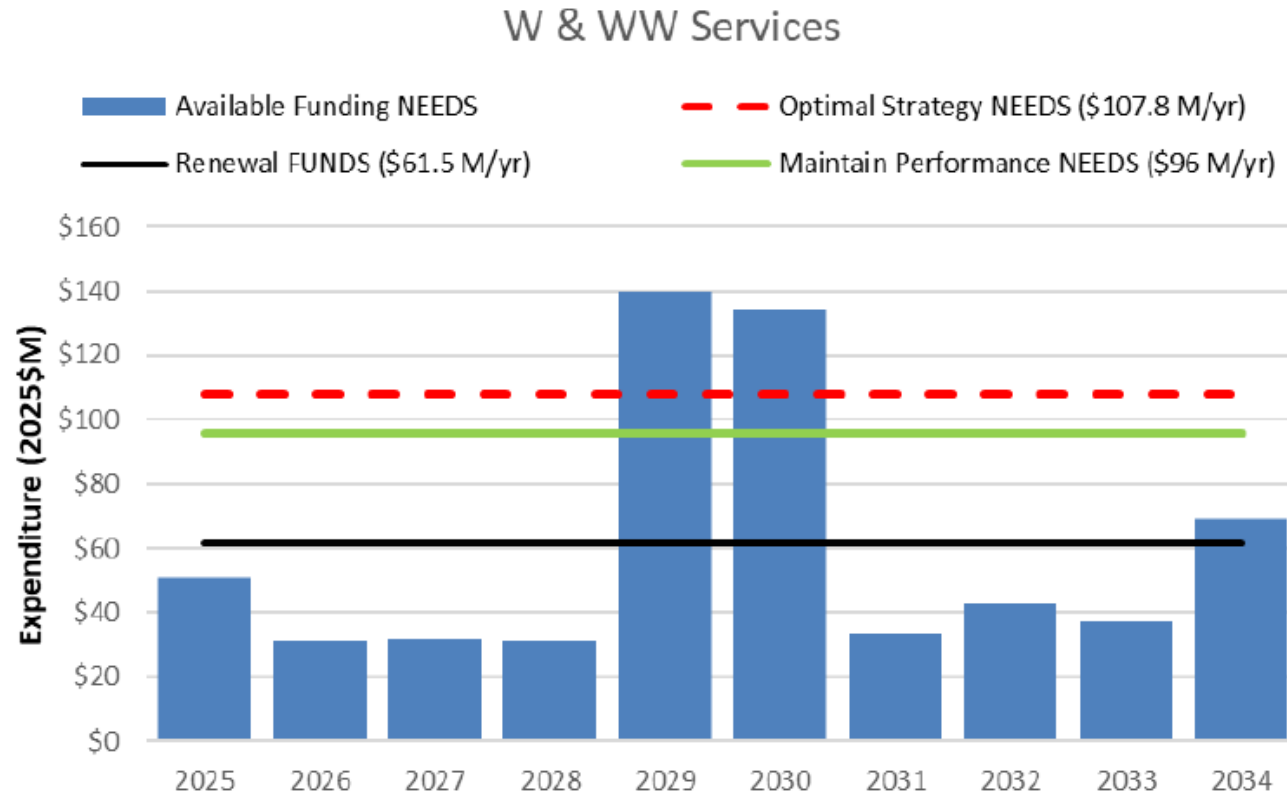
1994

2023

Chloride Concentrations (mg/L)

# Water and Wastewater Asset Management

Current Asset valuation in Water & Wastewater: \$4.7 Billion



# Water and Wastewater- Long Range Financial Plan

- The Region of Waterloo is issued a Municipal Drinking Water License (MDWL) by the Ministry of the Environment, Conservation and Parks every five years.
- It is a requirement of the Safe Drinking Water Act for municipalities to prepare a Long Range Financial Plan (LRFP) in accordance with O. Regulation 453/07.
- Legislation requires Council Approval of the LRFP by resolution
- The resolution must be submitted to the Ministry as part of the renewal application. (October 2025)
- The purpose of a LRFP is to ensure the drinking water systems are protected by being financially viable for years to come (recommendation from Justice O'Connor)

# Water and Wastewater Rate Recommendations and Next Steps

## Water Rates (recommendations from the Long-Range Financial Plan)

- 5.9% increase for 2026
- 7.0% increase year over year for the next 9 years
- Rates will address infrastructure renewal and growth needs
- The rates above assume no debt

## Wastewater Rates

- 5.9% increase in 2026
- 7.0% increase in 2027 and 2028
- 5.9% increase in 2029
- 3.9 % increase in 2030-2035
- These rates assume some debt will be required
- These rates will allow us to carry out our 10 year capital plan for critical wastewater infrastructure



# User Fee & Rate Related Questions

# Next Meeting: November 19

## 1. Public Input Meeting #1 Nov 18, 6PM

## 2. November 19, Capital Budget Review Day


Includes a Budget presentation from Grand River Conservation Authority

- Introduction to the Capital Budget
  - Approach to affordability
  - Capital program governance
  - Debt, RDCs, Reserves
- Overview of the Capital Program
- Capital Project Deep Dives

## 3. December 3, Responses to Councillor Requests for Information and Additional Follow Ups

- Public Input Meeting #2

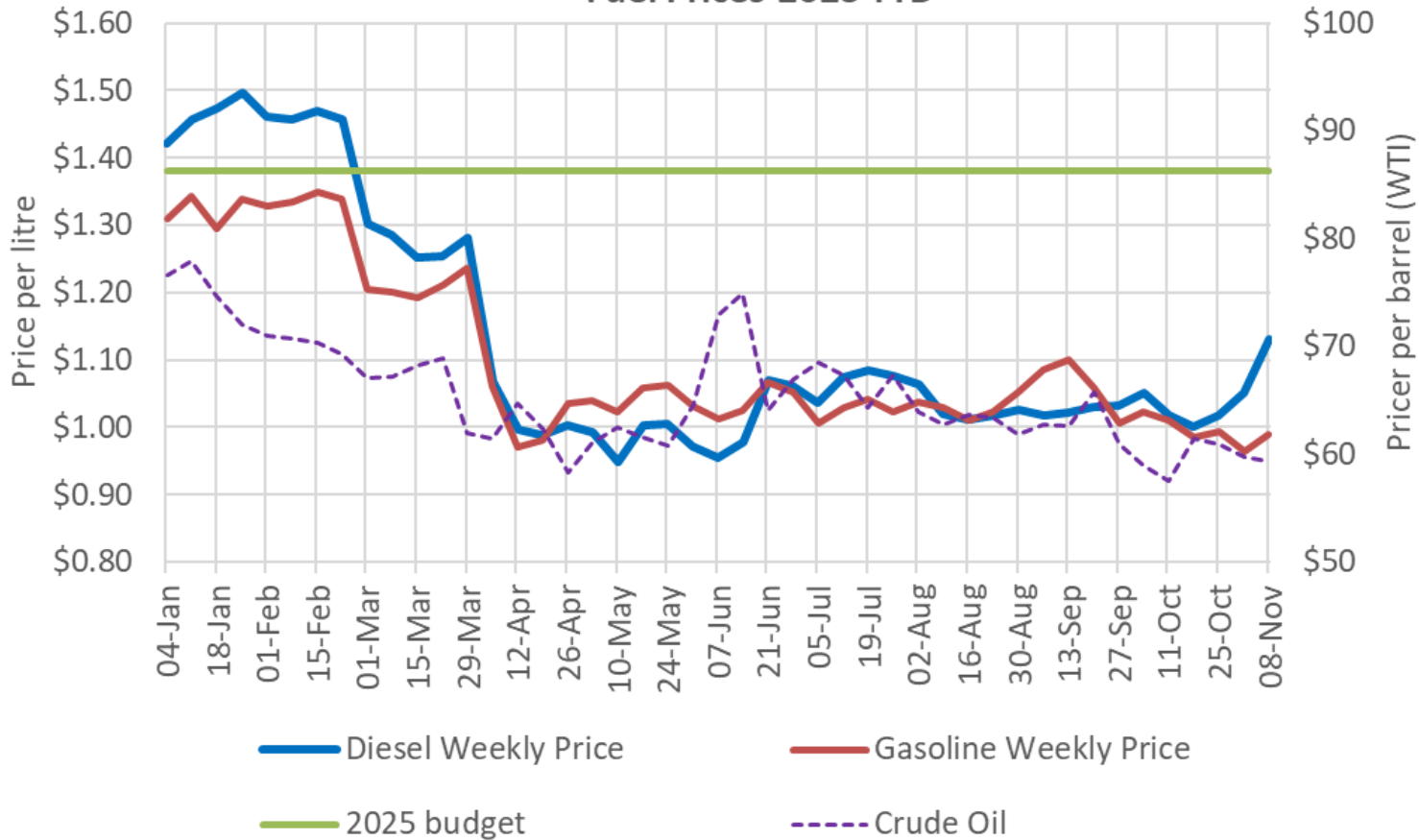
# Committee Meetings

Date and Time	Purpose
<b>October 22, 2025</b> 1:00 – 4:00 p.m.	Plan and Budget Overview – Setting the Stage
<b>November 18, 2025</b> 9:00 a.m. – 4:00 p.m.	Detailed Budget Review: Operating and Capital Review Day 1
 <b>November 19, 2025</b> 9:00 a.m. – 4:00 p.m.	Grand River Conservation Authority Presentation Detailed Budget Review: Operating and Capital Review Day 2
<b>November 26, 2025</b> 1:00 – 4:00 p.m.	Police Budget Presentation
<b>December 3, 2025</b> 9:00 a.m. – 5:00 p.m. (Dec 4 carry over)	Operating and Capital Review: Responses to Councillor Requests for Information and Additional Follow ups
<b>December 16, 2025</b> 9:00 a.m. – 5:00 p.m.	Final Budget Day: Operating Budget, Capital Program and User Fees and Charges



# Fuel Prices

Fuel Prices 2025 YTD



	Gasoline	Diesel
Current Price	\$1.00/L	\$1.13/L
2025 YTD Average Price	\$1.10/L	\$1.13/L
2025 Budgeted Price	\$1.38/L	\$1.38/L
<b>2026 preliminary budget</b>	<b>\$1.13/L</b>	<b>\$1.18/L</b>

# Water and Wastewater Rate Recommendations and Next Steps

## Water Rates (recommendations from the Long-Range Financial Plan)

Water Supply	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Rate Increase	5.9%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Rate (per m3)	\$ 1.3386	\$ 1.4323	\$ 1.5325	\$ 1.6398	\$ 1.7546	\$ 1.8774	\$ 2.0088	\$ 2.1495	\$ 2.2999	\$ 2.4609
Volume (million m3)	59.738	60.335	60.939	61.548	62.163	62.785	63.413	64.047	64.688	65.334

## Wastewater Rates

Wastewater Treatment	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Rate Increase	5.9%	7.0%	7.0%	5.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Rate (per m3)	\$ 1.6572	\$ 1.7732	\$ 1.8974	\$ 2.0093	\$ 2.0877	\$ 2.1691	\$ 2.2537	\$ 2.3416	\$ 2.4329	\$ 2.5278
Volume (million m3)	60.800	61.408	62.022	62.642	63.268	63.901	64.540	65.185	65.837	66.496