

# **The Corporation of the City of Kawartha Lakes**

## **Agenda**

### **Special Council Meeting**

**CC2021-04**

**Tuesday, February 16, 2021**

**Commencing at 1:00 p.m. - Electronic Participation**

**Council Chambers**

**City Hall**

**26 Francis Street, Lindsay, Ontario K9V 5R8**

#### **Members:**

**Mayor Andy Letham**

**Deputy Mayor Patrick O'Reilly**

**Councillor Ron Ashmore**

**Councillor Pat Dunn**

**Councillor Doug Elmslie**

**Councillor Tracy Richardson**

**Councillor Kathleen Seymour-Fagan**

**Councillor Andrew Veale**

**Councillor Emmett Yeo**

**Note: This will be an electronic participation meeting and public access to Council Chambers will not be available. Please visit the City of Kawartha Lakes YouTube Channel at <https://www.youtube.com/c/CityofKawarthaLakes> to view the proceedings.**

**Accessible formats and communication supports are available upon request. The City of Kawartha Lakes is committed to accessibility for persons with disabilities. Please contact [AgendaItems@kawarthalakes.ca](mailto:AgendaItems@kawarthalakes.ca) if you have an accessible accommodation request.**

|      |   |         |
|------|---|---------|
| 1.   | <b>Call to Order</b>  |         |
| 2.   | <b>Adoption of Agenda</b>   |         |
| 3.   | <b>Disclosure of Pecuniary Interest</b>   |         |
| 4.   | <b>Correspondence</b>   |         |
| 4.1. | CC2021-04.4.1   | 5 - 6   |
|      | <b>Correspondence Regarding the School Year Budget for the Trillium Lakelands District School Board</b><br>David Morrison, Vice Chair, Trillium Lakelands District School Board   |         |
| 4.2. | CC2021-04.4.2   | 7 - 7   |
|      | <b>Correspondence Regarding the School Year Budget for the Peterborough, Northumberland and Clarington Catholic District School Board</b><br>David Bernier, Chair, Peterborough, Northumberland and Clarington Catholic District School Board |         |
| 4.3. | CC2021-04.4.3   | 8 - 11  |
|      | <b>Correspondence Regarding the Needle Exchange Program Offered by the Haliburton, Kawartha, Pine Ridge District Health Unit</b><br>Dr. Ian Gemmill, Acting Medical Officer of Health, Haliburton, Kawartha, Pine Ridge District Health Unit  |         |
| 4.4. | CC2021-04.4.4   | 12 - 20 |
|      | <b>Public Comments Submitted Through the "Jump-In" Platform on the 2021 Budget Process</b><br>As of February 10, 2021   |         |
| 5.   | CC2021-04.5   |         |
|      | <b>Tax Supported Capital Decision Units</b><br>Mayor Letham   |         |
| 5.1. | CC2020-04.5.1   |         |
|      | <b>Proposed Renovation and Mechanical Work at the Kawartha Lakes Police Services Building</b>   |         |

**That** the Police Services Building Evidence Room and Forensic Lab Project be approved in the amount of \$231,530 to be funded from the Capital Contingency Reserve.

**6. CC2021-04.6**

**Water and Wastewater 2021 Proposed Capital and Operating Budget Presentation**

Jennifer Stover, Director of Corporate Services

Bryan Robinson, Director of Public Works

Adam Found, Manager of Corporate Assets

**6.1. CC2021-04.6.1**

**Water and Wastewater Proposed 2021 Capital Budget**

Adam Found, Manager of Corporate Assets

(Refer to Page 165 of the 2021 Proposed Operating Budget)

**That** the 2021 Water and Wastewater Capital Budget be approved.

**6.2. CC2021-04.6.2**

**Water and Wastewater Proposed 2021 Operating Budget**

Bryan Robinson, Director of Public Works

(Refer to Page 159 of the 2021 Proposed Operating Budget)

**That** the 2021 Water and Wastewater Operating Budget be approved.

**7. CC2021-04.7**

**2021 Proposed Special Projects Budget**

Jennifer Stover, Director of Corporate Services

**7.1. CC2021-04.7.1**

**2021 Proposed Special Projects Budget**

(Refer to Page 169 of the 2021 Proposed Operating Budget)

**That** the 2021 Special Projects Budget be approved.

**7.2. CC2021-04.7.2**

**2021 Proposed Special Projects Budget - Decision Units**

Mayor Letham

**8. CC2021-04.8**

**2021 Proposed Operating Budget**

- 8.1. CC2021-04.8.1  
**2021 Proposed Tax Supported Decision Units**
- 8.2. CC2021-04.8.2  
**2021 Proposed Operating Budget**  
(Refer to Pages 11 to 158 of the 2021 Proposed Operating Budget)
9. **Reports**
- 9.1. CORP2021-005 21 - 26  
**2021 Tax Levy Supported Operating Budget**  
Jennifer Stover, Director of Corporate Services  
**That** Report CORP2021-005, **2021 Tax Levy Supported Operating Budget**, be received;  
**That** all uncommitted funding received under the Safe Restart Agreement be transferred to the Contingency Reserve to be used for the purpose of addressing operating shortfalls and municipal pandemic relief; and  
**That** Council approve the 2021 Tax Levy Supported Operating Budget.
10. **Confirming By-Law**
- 10.1. CC2021-04.10.1 27 - 27  
A By-law to Confirm the Proceedings of a Special Meeting of Council, Tuesday, February 16, 2021
11. **Adjournment**

**From:** David Morrison <  
**Date:** February 6, 2021 at 2:22:52 PM EST  
**To:** [critchie@kawarthalakes.ca](mailto:critchie@kawarthalakes.ca)  
**Cc:** Bruce Reain < >, Wes Hahn < >  
**Subject:** Re: Motion CR2021-078 request

February 6, 2021  
Dear Cathy Richie,

Thank you for your correspondence dated February 5<sup>th</sup> regarding the following motion that was passed at the City of Kawartha Lakes City Council meeting on February 2, 2021.

**CR2021-078**

**Moved by** Councillor Ashmore

**Seconded by** Councillor Yeo

*That staff request that each school board submit correspondence outlining their respective 2021 proposed budgets for consideration at the February 16<sup>th</sup> special council meeting.*

**CARRIED**

In response to your request I am happy to provide the following on behalf of Bruce Reain, Chairperson of the TLDSB and Wes Hahn, Director of Education for TLDSB.

In the Province of Ontario all school boards operate on a budget period that corresponds with the traditional school year. Our most recent operational budget therefore is for the 2020-2021 school year. As a provincially funded school board our budget information is posted publicly on our website and you are welcome to view it at <https://www.tldsb.ca/wp-content/uploads/2021/02/2020-2021-Board-Website.pdf>. The board's financial information is shared publicly on a regular basis through updates at board meetings, our board's annual report, as well as the financial statements and board profile found on the Ministry of Education's public website.

Our 2021-2022 school year budget will be developed this spring once we receive news of our funding allocation from the Ministry of Education. Barring any unforeseen challenges due to COVID-19, that 2021-2022 budget should be passed by the board of trustees in June.

Please feel free to use the link above to see an overview of our current 2020-2021 budget if that helps inform your discussions. If after a good look you have unanswered

questions you can call our office at 705-324-6776 and our staff will be happy to assist you.

Kind Regards,  
David Morrison  
Vice Chair,  
Trillium Lakelands DSB

cc Bruce Reain  
Chairperson,  
Trillium Lakelands DSB  
cc Wes Hahn  
Director of Education,  
Trillium Lakelands DSB



Peterborough Victoria  
Northumberland and Clarington  
Catholic District School Board

VISION

Achieving Excellence in Catholic Education  
LEARN • LEAD • SERVE

PETER L. ROACH  
CATHOLIC  
EDUCATION  
CENTRE

February 8, 2021

Cathie Ritchie  
City Clerk  
City of Kawartha Lakes  
Box 9000, 26 Francis Street  
Lindsay, ON K9V 5R8

Dear Ms Ritchie,

Thank you for your correspondence dated February 5, 2020. Please be advised that our fiscal period runs from September 1 to August 31st and thus overlaps calendar years. As such, our budget for September 2020 to August 2021 was approved in June of 2020 and summary information is posted on our website at: <https://www.pvnccdsb.on.ca/wp-content/uploads/2020/09/2020-2021-budget.pdf>

Funding information from the Ministry of Education with respect to preparing our 2021-22 budget has not yet been announced, and is not expected until April 2021. Completion and approval by the Board of Trustees is expected in late June 2021. The tax rate that is applied to residential and commercial property ratepayers is set annually by the Ministry of Education, and is not influenced by individual school board budgets.

Respectfully,

David Bernier  
Board Chairperson

DB/mk



February 4, 2021

City of Kawartha Lakes Council  
c/o Jane Pyle, Executive Assistant to the Chief Administrative Officer (via email [jpyle@kawarthalakes.ca](mailto:jpyle@kawarthalakes.ca))  
26 Francis Street, P.O. Box 9000  
Lindsay, ON K9V 4R5

Dear Members of Council for the City of Kawartha Lakes,

At your meeting held on February 2, 2021, some questions were asked by some councillors about the Needle Exchange Program during my presentation on the budget for HKPRDHU for 2021. To answer these questions, we are enclosing a summary of the programme, including the background, history, purpose and processes of the programme. We hope that it provides you with additional information that you may not have had an opportunity to seek during our brief time at your meeting. I should mention that, as a result of the questions at the Council's meeting, there also have been enquiries from the media, who have been provided with the same information.

If you have any questions, please do not hesitate to contact me at [igemmill@hkpr.on.ca](mailto:igemmill@hkpr.on.ca) or my assistant, Elizabeth Dickson, at [edickson@hkpr.on.ca](mailto:edickson@hkpr.on.ca).

With kind regards

A handwritten signature in black ink, appearing to read "Ian M. Gemmill".

Ian M. Gemmill, BA, MD, CCFP, FCFP, FRCP(C)  
Acting Medical Officer of Health, Haliburton, Kawartha, Pine Ridge District Health Unit  
200 Rose Glen Road, Port Hope, Ontario L1A 3V6

Attachment

## PROTECTION · PROMOTION · PREVENTION

**HEAD OFFICE**  
200 Rose Glen Road  
Port Hope, Ontario L1A 3V6  
Phone · 1-866-888-4577  
Fax · 905-885-9551

**HALIBURTON OFFICE**  
Box 570  
191 Highland Street, Unit 301  
Haliburton, Ontario K0M 1S0  
Phone · 1-866-888-4577  
Fax · 705-457-1336

**LINDSAY OFFICE**  
108 Angeline Street South  
Lindsay, Ontario K9V 3L5  
Phone · 1-866-888-4577  
Fax · 705-324-0455



## Media Inquiry – Needle Exchange Program in CKL

- The presentation made on Tuesday (Feb. 3) to City of Kawartha Lakes council related to the 2021 budget request from the Haliburton, Kawartha, Pine Ridge District Health Unit (HKPRDHU). The presentation included examples of provincially-mandated programs that HKPRDHU must provide in the City of Kawartha Lakes, Haliburton County and Northumberland County. One of these programs is the Needle Exchange Program (NEP), which is mandated in the *Ontario Public Health Standards*.

### History of the Needle Exchange Program

- The NEP is not a new initiative in the region, as it has been offered in some form in the City of Kawartha Lakes for more than two decades. Currently, there is no plan to expand the existing needle exchange program in CKL to include a safe consumption site. COVID-19 has emphasized the need to ‘meet people where they are’ and through HKPRDHU’s partnership with other agencies – including the Peterborough AIDS Resource Network (PARN), Green Wood Coalition and the John Howard Society – our efforts have been enhanced to meet these needs. Peer networks of those who use the program have also been providing informal outreach to people facing barriers to access during the pandemic.
- The development of the local Needle Exchange Program dates back to 1997, when PARN and Trent University completed a research project entitled “*Developing a Response to the Emerging HIV Crisis*.” This research was specifically focused on creating a rural response to HIV infection as it related to injection drug use in the four counties of Peterborough, Victoria (now Kawartha Lakes), Northumberland and Haliburton. As a result, the Four Counties Needle Exchange Coalition was formed and operated between 1998 – 2007. Partner agencies involved in this coalition included PARN, Centre for Addiction and Mental Health, Women’s Health Care Centre (Peterborough Regional Health Centre), Elizabeth Fry Society, Four Counties Addiction Services Team, and the Peterborough County-City Health Unit. These agencies provided in-kind staffing hours and resources to ensure the effectiveness of this program.
- In 2006, the provincial government created the Ontario Harm Reduction Distribution Program (OHRDP). It mandates public health units – like HKPRDHU – to deliver needle exchange programs and provide the necessary equipment to prevent the spread of bloodborne infections such as HIV and Hepatitis C.

### How the Needle Exchange Program Works

- In the HKPR Health Unit region, the NEP is known as *Harm Reduction Works*. HKPRDHU delivers it in partnership with PARN. *Harm Reduction Works* aims to reduce the spread of bloodborne pathogens by providing a multi-site program that:
  - Supplies clean needles and other harm reduction equipment.
  - Provides safe disposal of used needles.
- *Harm Reduction Works* also provides education to clients about the safe use and disposal of needles and equipment, and provides referrals for treatment and health care.
- Each year, the local NEP reports more than 2,700 client interactions in the tri-county area (Haliburton, Kawartha Lakes and Northumberland).
- In 2019, the rate of needle returns (the number of needles going out versus the number of needles being returned) was 82 per cent in the HKPRDHU region. Currently, HKPRDHU does not have complete data for 2020, but expects that, due to agency closures during COVID-19, the rate of return will be affected.

- In City of Kawartha Lakes, the following sites operate as NEP locations:
  - Haliburton, Kawartha, Pine Ridge District Health Unit offices
  - OATC Lindsay
  - FourCAST
  - Remedy's RX on Kent
  - Canadian Mental Health Association (CMHA)
  - PARN (through its outreach program)

### **Harm Reduction – What it is, Why It Matters and How It Pays Off**

- The NEP in City of Kawartha Lakes is an example of a *harm reduction program*. Harm reduction programs are shown to be effective because they help to reduce the risk of more serious problems. Simple examples of harm reduction include: buckling up with a seatbelt, wearing a bike helmet, or putting on sunscreen to protect against sunburn.
- Harm reduction programs are part of a comprehensive approach (along with treatment, counselling, and support) to address substance use. It is an investment in saving health care and treatment costs over the long-run and in preventing the spread of serious diseases like HIV and Hepatitis B and C that can occur with sharing or reuse of equipment used to inject or to inhale drugs. It is a much safer and cost-effective option than people who use drugs putting themselves and others at risk by reusing equipment.
- Harm Reduction is part of an Ontario HIV strategy that has saved the Province a considerable amount in health care costs over the years. A [study from the Ontario HIV Treatment Network](#) determined that:
  - Each dollar invested in HIV prevention saves \$5 from being spent in the health care system
  - Between 1987 and 2011, 16,672 cases of HIV were averted, for an estimated saving of up to \$6.5 billion.
- Put another way, the cost of a full Harm Reduction Kit in Canada is around \$1 ([Source; Canadian Centre on Substance Abuse](#)). The average cost of treating someone living with HIV over their lifetime can be in the tens of thousands of dollars.

### **NEP and Harm Reduction Efforts Protect Public Health**

- The philosophy behind NEPs is that providing clean needles, and other equipment, to people who use drugs does not enable or encourage drug use. Instead, it protects public health by reducing the transmission of these blood-borne infections. People who use the needle exchange program can be protected from the spread of serious diseases, while also having an opportunity to engage with health services in an understanding, non-judgmental way. Anyone can use or become addicted to drugs, regardless of job, income, education, social status, etc. Instead of stigmatizing people who use substances, supporting them through effective harm-reduction effort may lead to recovery, which is the most important goal of this approach.

- Providing clean needles and equipment through an NEP also allows service providers to connect with at-risk individuals. Health-care providers, including doctors, nurses, pharmacists, or harm reduction workers, can share treatment options, make referrals to other support services such as recovery programmes, or just listen to people's problems and point them in the right direction for help. Rather than showing them the door, harm reduction programs provide openings, options, and support to reduce harm until people who use drugs are ready to take further actions, such as recovery.
- In supplying new needles and equipment through NEPs, it's also essential to provide safe and proper disposal options. This part is done by letting people return or exchange their used needles at the NEP, and outside of program hours, promoting other locales for safe disposal such as the needle disposal kiosks. It ensures that more used needles are properly disposed and do not pose a risk to area residents.

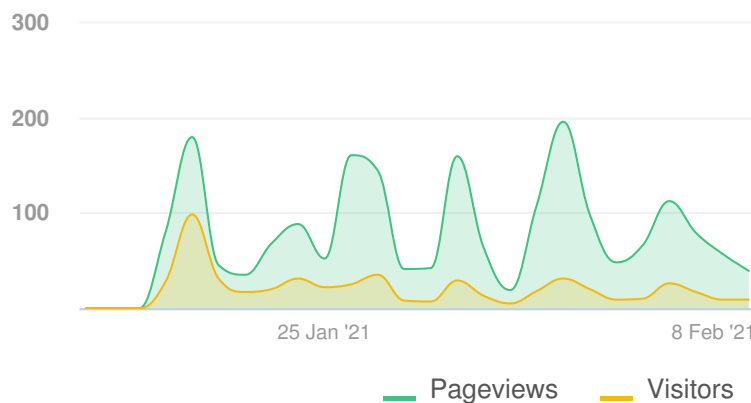
# Project Report

15 January 2021 - 09 February 2021

## Jump In Kawartha Lakes Budget 2021



### Visitors Summary

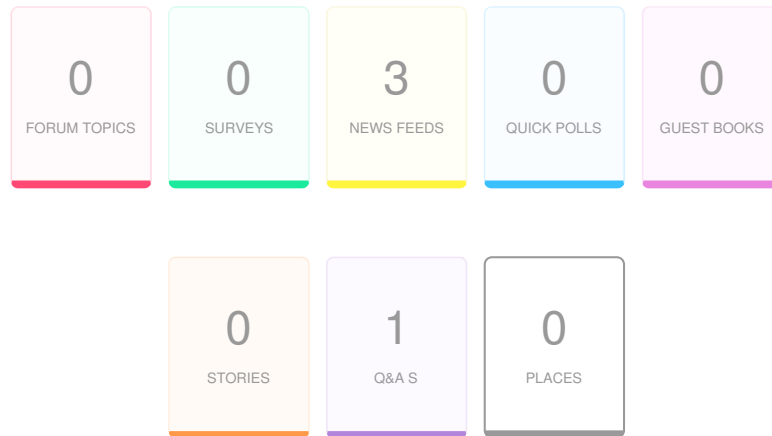


### Highlights

|                   |                      |                |
|-------------------|----------------------|----------------|
| TOTAL VISITS      | MAX VISITORS PER DAY |                |
| 582               | 98                   |                |
| NEW REGISTRATIONS |                      |                |
| 0                 |                      |                |
| ENGAGED VISITORS  | INFORMED VISITORS    | AWARE VISITORS |
| 9                 | 98                   | 434            |

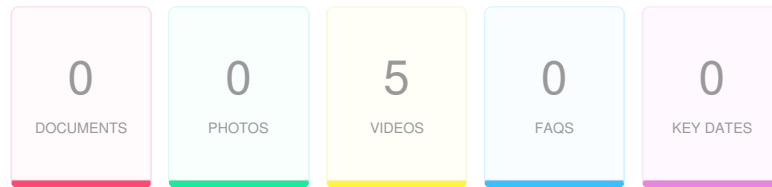
| Aware Participants              |  | 434          |  | Engaged Participants        |  | 9          |  |            |  |           |  |
|---------------------------------|--|--------------|--|-----------------------------|--|------------|--|------------|--|-----------|--|
| Aware Actions Performed         |  | Participants |  | Engaged Actions Performed   |  | Registered |  | Unverified |  | Anonymous |  |
| Visited a Project or Tool Page  |  | 434          |  |                             |  |            |  |            |  |           |  |
| Informed Participants           |  | 98           |  | Contributed on Forums       |  | 0          |  | 0          |  | 0         |  |
| Informed Actions Performed      |  | Participants |  | Participated in Surveys     |  | 0          |  | 0          |  | 0         |  |
| Viewed a video                  |  | 3            |  | Contributed to Newsfeeds    |  | 0          |  | 0          |  | 0         |  |
| Viewed a photo                  |  | 0            |  | Participated in Quick Polls |  | 0          |  | 0          |  | 0         |  |
| Downloaded a document           |  | 0            |  | Posted on Guestbooks        |  | 0          |  | 0          |  | 0         |  |
| Visited the Key Dates page      |  | 0            |  | Contributed to Stories      |  | 0          |  | 0          |  | 0         |  |
| Visited an FAQ list Page        |  | 0            |  | Asked Questions             |  | 8          |  | 1          |  | 0         |  |
| Visited Instagram Page          |  | 0            |  | Placed Pins on Places       |  | 0          |  | 0          |  | 0         |  |
| Visited Multiple Project Pages  |  | 90           |  | Contributed to Ideas        |  | 0          |  | 0          |  | 0         |  |
| Contributed to a tool (engaged) |  | 9            |  |                             |  |            |  |            |  |           |  |

## ENGAGEMENT TOOLS SUMMARY



| Tool Type | Engagement Tool Name   | Tool Status | Visitors | Contributors |            |           |
|-----------|--|-------------|----------|--------------|------------|-----------|
|           |  |             |          | Registered   | Unverified | Anonymous |
| Newsfeed  | Evening meeting brings Council and community together vir... | Published   | 17       | 0            | 0          | 0         |
| Newsfeed  | Jump In to the conversation about the 2021 budget            | Published   | 14       | 0            | 0          | 0         |
| Newsfeed  | Kawartha Lakes budget discussions continue with agency an... | Published   | 0        | 0            | 0          | 0         |
| Qanda     | Q&A  | Published   | 175      | 8            | 1          | 0         |

## INFORMATION WIDGET SUMMARY



| Widget Type | Engagement Tool Name   | Visitors | Views/Downloads |
|-------------|--|----------|-----------------|
| Video       | Update of 2019 year-end, 2020 forecast and 2021 Budget - June 9, 2020  | 2        | 2               |
| Video       | Proposed 2021 Tax-Supported Capital Budget - November 12, 2020         | 1        | 1               |
| Video       | Special Council Meeting - February 2, 2021 - Agency & Board Present... | 0        | 0               |
| Video       | Special Council Meeting - January 26, 2021 - 2021 Budget               | 0        | 0               |
| Video       | 2021 Budget Overview - October 6, 2020                                 | 0        | 0               |

## QANDA

### Q&A

|                     |                       |                         |
|---------------------|-----------------------|-------------------------|
| Visitors <b>175</b> | Contributors <b>9</b> | CONTRIBUTIONS <b>23</b> |
|---------------------|-----------------------|-------------------------|

Q

19 January 21

Since council has decided that downtown revitalizations are the most important way to stimulate the pandemic economy, why are you not doing Canal Street in Bobcaygeon ? Many tourists arrive in Bobcaygeon via watercraft at Canal Street ( not Bolton Street ). Thanks,

A

Publicly Answered

thanks for Jumping In to the conversation about the budget. That is a great question. Canal Street is currently on the capital projects list to undergo a reconstruction. The project is currently in the design phase awaiting the final concept from the consultant assigned. Canal Street reconstruction also requires a portion of land acquisition before construction can begin, which our Realty Services is currently working on. Details from the last public meeting are available on our website by visiting [www.kawarthalakes.ca/majorprojects](http://www.kawarthalakes.ca/majorprojects)

Q

19 January 21

Is there any funding for the Cultural Master Plan that was and to be implemented in 2020-2030? It seems weird that the City would create a Master Plan without actually providing any funding for it.

A

Publicly Answered

thank you for your question and for Jumping In to the conversation about the budget. The Cultural Master Plan is now being implemented through the Economic Development Program. This means funding is already incorporated in the operating budget. When actions in the plan require additional funding, Council makes those decisions during the yearly budget process.

## QANDA

### Q&A

Q

20 January 21

How much of taxes go to the school boards? How much goes to keeping up our roads? How much will taxes go up this year?

A

Publicly Answered

Hello and thank you for Jumping In to the conversation about the budget. To answer your questions, approximately 20% of taxes go to the school boards and approximately 35% of taxes is allocated to roads. It is difficult to provide the tax increase because the municipality doesn't have just one tax rate. There are several parts of the municipality that are "area rated". As an example, some residents pay taxes for Streetlights, and Parks, while others don't. The Fire and Police service that you receive also factors into the taxes you pay. Depending on where you live in the municipality, your tax increase will differ. The general tax levy that all residents pay is currently proposed at 2.84%. This may change however, as Council has not approved the budget.

Q

21 January 21

What is the budget for the mattress recycling at the Lindsay OPS landfill? Is the program still being implemented? Are there plans for other landfills in the Kawartha Lakes to provide a mattress recycling program?

A

Publicly Answered

Hi, thank you for Jumping in to the conversation about the budget. That is a great question. The mattress recycling program budget was \$76,500 in 2020. This is offset by the \$15 fee we charge for mattresses as well as savings in landfill space. The recycling program is still continuing and was made a permanent program by Council. We currently do not have the space to place a mattress trailer at the other landfill sites to collect and transport the mattresses for recycling, however any mattress that is collected by curbside pick up with a purchased mattress tag is recycled. So if you do not live near Lindsay you can use the curbside program and still have your mattress recycled.



## QANDA

### Q&A

Q

23 January 21

When will the City make provisions in the budget to allow for large recycling carts to be used by a single family residence.

A

Publicly Answered

Hi, thanks for jumping in to the conversation about the 2021 Budget. The use of large carts for residential recycling use was recently reviewed by Council. They provided direction to adhere to current cart size limitations identified in our By-Law. Council can revisit this decision at any time, but it would require renegotiating the current collection contracts in place causing significant additional costs to taxpayers. There would also be a substantial cost if everyone used them as they were originally intended for commercial and multi-residential use. Also, legislative changes are causing a transition of responsibility for managing waste to the producers. Recycling waste is currently scheduled to transition in 2024 within Kawartha Lakes. Until the full requirements and implications of those changes are known, Staff are not recommending any changes to our current program. Visit the Province of Ontario's website for more information.

Q

25 January 21

I understand the budget you are asking us to ask questions about is the operating budget but your only link is to the capital budget (already approved). Where is the link to the operating budget?

A

Publicly Answered

██████, thanks for your comments. If you look on the right hand side there is a column that says Important Links and Resources. There you will find the links to our proposed budgets, a link to our dedicated Budget webpage and more helpful resources related to this year's budget.

## QANDA

### Q&A

Q

25 January 21

Okay ... but why not just include the link to the budget in question to this page? It is misleading and super inconvenient to see only a link to the capital budget (already approved) on the main page and to have to hit two more links, with no direction that is what we should be looking at, in order to get to the data we need to ask meaningful questions. Also, it would get you better feedback if you asked KLTW to post the relevant link in their story about this too. Here is the relevant link for anyone who has got this far and wants to look at the budget these questions are supposed to address: <https://www.kawarthalakes.ca/en/municipal-services/resources/Budget-and-Finance/2021-Budget/2021-Proposed-Operating-Budget-Book.pdf>

A

Privately Answered

Hi, thanks for your comments. We have made some enhancements to this page as well as our budget page on our municipal website to make the documents easier to find and view. In addition, all the documents and links you provided are detailed in the Important Links and Resources section. Thanks for your feedback.

Q

25 January 21

Also, the link to the budget webpage you included in your answer only links to the capital budget too. Here is the one that needs to be readily available: <https://www.kawarthalakes.ca/en/municipal-services/resources/Budget-and-Finance/2021-Budget/2021-Proposed-Operating-Budget-Book.pdf>

A

Privately Answered

Thanks for your feedback.

## QANDA

### Q&A

Q

25 January 21

41% of the tax increase is attributable to wage and benefit increases. This is made up of a 2.6% increase in wages and an 8% increase in benefits. Can wages be frozen to reduce that, at least for non-union employees if contractually impossible for union staff (there is precedent in public service)? Why are benefits increasing so much? Can that be limited or deferred?

A

Publicly Answered

Hi, thanks for your question. Property Tax revenue is about 60% of the municipality's total revenue, and therefore not all employee related costs are supported by property taxes. The majority of municipal Staff are unionized and therefore the increase in salaries is contractual. Similarly, the increased benefit costs are statutory and/or contractual and also cannot be reduced.

Q

25 January 21

39% of the tax increase is attributable to an increase in contracting expense. Why is that and is it necessary? (ie is it providing more/better service or have contractors costs risen?) The total spent on contracting is almost \$41 million, how much could be saved if 50% of all contracts were converted to full-time employees? Can contracts be renegotiated or service levels be reduced to find savings?

A

Publicly Answered

Hi, thanks for your questions. The contracted services budget has increased by approximately \$2.7M. There are three key drivers to the municipality's contracted service requirements. Victoria Manor, the municipality's long term care facility is managed by a third party that specializes in that service. Curbside waste and recycling collection is an outsourced service. Roads Operations is primarily completed in-house however, there are select routes that are outsourced.

## QANDA

### Q&A

Q

25 January 21

There is a \$138k charge for IT software license increase. That seems pretty steep. Why was this not built into the ongoing cost associated with the software at acquisition? Is there a cheaper alternative?

A

Publicly Answered

Hi, thanks for your question. Annual fees for software licensing, maintenance and support increase due to a number of reasons including additional users, licenses or modules; full year support following partial year support; and , changes by the vendor to their rates or licensing model. Ongoing costs are built into the operating budget when software is acquired, but can increase in future years. Multi-year licensing, support and maintenance contracts are used where available but increases can happen when new contracts are arranged.

## Council Report

---

**Report Number:** CORP2021-005  
**Meeting Date:** February 16, 2021  
**Title:** 2021 Tax Levy Supported Operating Budget  
**Author and Title:** Jennifer Stover, Director of Corporate Services

---

### Recommendation(s):

**That** Report CORP2021-005, **2021 Tax Levy Operating Budget**, be received;

**That** all uncommitted funding received under the Safe Restart agreement be transferred to the Contingency reserve to be used for the purpose of addressing operating shortfalls and municipal pandemic relief; and

**That** Council approve the 2021 Tax Levy Supported Operating Budget.

**Department Head:** \_\_\_\_\_

**Financial/Legal/HR/Other:** \_\_\_\_\_

**Chief Administrative Officer:** \_\_\_\_\_

## **Background:**

At the Council Meeting of February 2, 2021, Council adopted the following resolution:

CR2021-077

That Staff provide options to Council, at the February 16, 2201 Special Council Meeting, to fund a reduction in the proposed 2021 tax levy increase, as a one-time community pandemic relief, in a manner that would not negatively impact the City's long term financial plan.

This report addresses that direction.

## **Rationale:**

The City's 2021 operating budget was aligned to the approved "pre-pandemic" 2020 budget. The budget, as presented, includes a 3.84% tax levy increase.

Below are a list of options for Council's consideration in lowering the tax levy increase.

### **Special Projects Budget – optional reduction of 0.25%**

In March 2019, the City received \$725,000 one-time funding from the Province to support small and rural municipalities in their effort to "become more efficient and reduce expenditure growth in the longer term." To date, the City has spent \$425,000 of this funding on various information technology improvements and master / management plans.

The decision units for the Special Projects budget recommends that seven Information Technology projects be funded from the remaining \$300,000 of this grant. On the assumption that Council approves these decision units in the Special Projects budget, it has the impact of reducing the tax levy by 0.25%.

### **Area Tax Rates – optional reduction of 0.30%**

The City has area tax rates where levels of service are not consistent across the City. Any surplus in the area rate at year end gets transferred to a reserve specific to that area rate. Any deficit in the area rate is added to the tax levy for the following year. The area rate reserves are then used to stabilize any tax levy increase and/or fund capital projects in the following year.

The change in area rating currently included in the 2021 budget is as follows:

| <b>Area Rate</b> | <b>2020 Levy</b>  | <b>2021 Levy</b>  | <b>Difference</b> |
|------------------|-------------------|-------------------|-------------------|
| Fire Area A      | 2,131,675         | 2,620,417         | 488,742           |
| Fire Area C      | 2,407,966         | 2,523,286         | 115,320           |
| Transit          | 735,370           | 937,496           | 202,126           |
| Lindsay Parks    | 290,116           | 300,551           | 10,435            |
| Street lighting  | 423,717           | 636,750           | 213,033           |
| OPP              | 8,476,045         | 8,342,610         | (133,435)         |
| KL Police        | 8,075,040         | 8,199,306         | 124,266           |
| <b>Total</b>     | <b>23,660,416</b> | <b>22,539,929</b> | <b>1,020,487</b>  |

Staff are completing the 2020 year end financials in preparation for the audit. A surplus in four of the area rates is expected. As a result of the surplus, there is sufficient funds in the specific reserves to reduce the tax levy to 2020 levels in Fire Area C, Lindsay Parks, and KL Police. Staff are recommending that the Street lighting area rate be reduced by \$115,000. The above recommendations ensure that each reserve has a balance of at least \$100,000 to fund future initiatives.

Using the 2020 surplus to reduce the tax levy in these four area rates would result in a reduction of \$365,021, and have the impact of reducing the tax levy by 0.30%.

#### **Pandemic Related Budget Changes – optional reduction of 0.70%**

To date, the City has received \$5.8 million in funding from the upper levels of government under the Safe Restart agreement. These funds are to be used for the purpose of addressing operating shortfalls and municipal pandemic relief. Staff are recommending that these funds be transferred to the Contingency Reserve to ensure that these funds are used at the direction of Council.

Included in the proposed 2021 operating budget are increased expenses and/or reduced revenues directly related to the pandemic. Specifically, the budget for Victoria Manor includes \$541,489 of increased expenditures to assist the home in managing the effects of the pandemic.

At the time that the budget was prepared, the impacts that the pandemic would have on operations in 2021 was unknown. To be prudent, staff did include a provision for some lost revenue to arena, halls and transit. The Community Services revenue budget was reduced by \$205,214, and the transit budget by \$89,250 accordingly.

These pandemic related costs and lost revenues add an additional burden to the tax levy of \$835,953 for 2021.

The City has received \$5.8 million in funding to support 2020 and 2021 pressures stemming from the pandemic. Using the Safe Restart funds to offset these budget pressures would result in a reduction in the tax levy by 0.70%.

### **Library Services – optional reduction of 0.11%**

The Library's budget is increasing by \$131,423. Similar to area rating, the Library also has a reserve for the disposition of any surpluses. This reserve is used to cover any deficits and/or fund any library specific capital projects.

Page 176 of the 2021 budget book identifies that the proposed balance in the Library reserve, after funding the 2021 capital program is \$218,895. This forecasted balance excludes any contributions to the reserve resulting for the 2020 surplus.

Staff are expecting Library Services to have a 2020 surplus in excess of \$500,000 which would result in an overall reserve balance of more than \$700,000.

Using the 2020 surplus to reduce the Library tax levy requirement of \$131,423, would lower the tax levy increase by 0.11%.

### **Other Options**

On the assumption that Council concurs with all options above, the tax levy would be reduced from 3.84% to 2.48%. There are three other funding sources that Council could consider to lower the tax levy increase further.

The 2019 surplus of almost \$3M was directed by Council to be used for "the purpose of funding community, economic, and corporate pandemic recovery initiatives". There is approximately \$780,000 remaining of these funds that could be used to reduce the tax levy. To date these funds have been used for tangible initiatives in the community, and it is recommended that they continue to be used for that purpose. Staff are therefore not recommending this option.

The City is expecting a 2020 surplus. While the exact amount has yet to be confirmed, Council could give direction to dispose of some or all of the 2020 surplus to reduce the tax levy in 2021. Staff are not recommending this option either. Annually, there are pressures on both the operating and capital budget. The long term financial plan update will further identify these pressures and assist Council in determining the best use of these funds.



Finally, the City is in receipt of \$5.8 million of funding from the Safe Restart program. In addition to the \$835,953 noted above in direct pandemic related costs and lost revenue, the City is expecting further pandemic related pressures in 2021. The shut down to February 11<sup>th</sup> has already impacted revenues in excess of what was budgeted, and additional expenses continue to be monitored. These funds were provided to the City exactly for the purpose of containing costs and mitigating lost revenues, and therefore staff believe that this the most appropriate fund to support the 2021 budget.

### **Other Alternatives Considered:**

Should Council wish to enact any of the above options, the following resolutions could be considered.

That \$115,320 of the Fire Area C 2020 area rated surplus be allocated to the 2021 budget;

That \$10,435 of the Lindsay Parks 2020 area rated surplus be allocated to the 2021 budget;

That \$115,000 of the Street lighting 2020 area rated surplus be allocated to the 2021 budget;

That \$124,266 of the KL Police 2020 area rated surplus be allocated to the 2021 budget;

That \$835,953 of Safe Restart funding be allocated to the 2021 budget to offset pandemic related costs and reduced revenues;

That \$131,423 of the 2020 Library surplus be allocated to the 2021 budget;

**That** Council approve the 2021 budget with a tax levy increase of \_\_\_\_ and that the 2019 surplus / 2020 surplus / Safe Restart funding be used to support this direction.

### **Alignment to Strategic Priorities**

This report is in alignment with the 2020-2023 Kawartha Lakes Strategic Plan priorities of:

1. A Vibrant and Growing Economy
2. Good Government

### **Financial/Operation Impacts:**

Using one-time funding sources to reduce the tax levy has longer term effects on the City's financial planning. In determining the appropriate tax levy however there are other factors that must be considered. The economic impact of the pandemic on our community is a reality and the City's financial plan will need to adapt to these changing conditions.

For reference in determining the appropriate tax levy increase for 2021, a 1% tax levy increase is each to approximately \$1.2 million. A half of a percent is therefore equal to approximately \$600,000, and quarter of a percent approximately \$300,000.

### **Consultations:**

Senior Management Team  
Treasurer

**Department Head email: [jstover@kawarthalakes.ca](mailto:jstover@kawarthalakes.ca)**

**Department Head: Jennifer Stover, Director of Corporate Services**

# **The Corporation of the City of Kawartha Lakes**

## **By-law 2021-XXX**

### **A By-Law to Confirm the Proceedings of a Special Meeting of Council, Tuesday, February 16, 2021**

#### **Recitals**

1. The Municipal Act, 2001, S.O. 2001 c. 25 as amended, provides that the powers of a municipal corporation are exercised by its Council.
2. The Municipal Act, also provides that the Council's powers must be exercised by by-law.
3. For these reasons, the proceedings of the Council of The Corporation of the City of Kawartha Lakes at this meeting should be confirmed and adopted by by-law.

**Accordingly, the Council of The Corporation of the City of Kawartha Lakes enacts this By-law 2021-XXX.**

#### **Section 1.00: Confirmation**

- 1.01 The actions of the Council at the following meeting:

#### **Tuesday, February 16, 2021, Open Session, Special Council Meeting**

and each motion, resolution and other action passed or taken by the Council at that meeting is, except where prior approval of the Ontario Municipal Board is required, adopted, ratified and confirmed as if all such proceedings had been expressly embodied in this By-law.

- 1.02 The Mayor and the proper officials of the City are authorized and directed to do all things necessary to give effect to the actions of the Council referred to in Section 1.01 of this By-law. In addition, the Clerk is authorized and directed to affix the corporate seal to any documents which require it.

#### **Section 2.00: General**

- 2.01 This By-law shall come into force on the date it is finally passed.

By-law read a first, second and third time, and finally passed, this 16 day of February 2021.

---

Andy Letham, Mayor

---

Cathie Ritchie, City Clerk