

2021 Budget Overview

Special Council Meeting

January 26, 2021

Agenda

- 2019 Surplus
- 2020 Financial Outlook and the pandemic
- 2021 City Budgets
 - Capital
 - Operating
 - Special Projects
 - Water and Wastewater (Operating and Capital)



2019 Surplus

2019 Surplus

- The City recognized a \$3 million surplus at the end of 2019
- Council meeting of September 15, 2020 Council approved transferring the 2019 surplus to a contingency reserve
- Special Council meeting of December 1, 2020 Council further directed that the \$3 million be used for the purpose of funding community, economic, and corporate pandemic recovery initiatives

2019 Surplus

- To date, Council has approved the use of the \$3 million 2019 surplus for:
 - Reconstruction of Colborne Street, Fenelon Falls \$1,800,386
 - Replacement and Upgrade of Boat Launches: Head Lake, Elliott Falls, and Coulson Park \$115,000
 - 50/50 Community Program \$80,000
- This leaves approximately \$1 million in funding available for further pandemic recovery initiatives
- Two additional initiatives will be presented to Council January 28



2020 Budget

2020 Financial Overview

- The Province declared a State of Emergency related to the pandemic on March 17, 2020
- In response to that State of Emergency, and a subsequent local state of emergency declaration, the City suspended all non-essential services temporarily
- June 2020, Council provided staff to target a zero deficit at year end

2020 Financial Overview

- To date, the City has received +/- \$5.8 million in pandemic relief from upper levels of government
- Note the above funding is to cover all pandemic related costs / lost revenue for 2020 and 2021
- The 2020 impact of the pandemic for the City is in excess of \$5 million
- Staff are anticipating a similar result for 2021, depending on the duration
- City is anticipating additional targeted support (ie Long Term Care and Paramedics)



2021 Proposed Budget



2021 Budget

Operating

- Ongoing delivery of 200+ day to day services

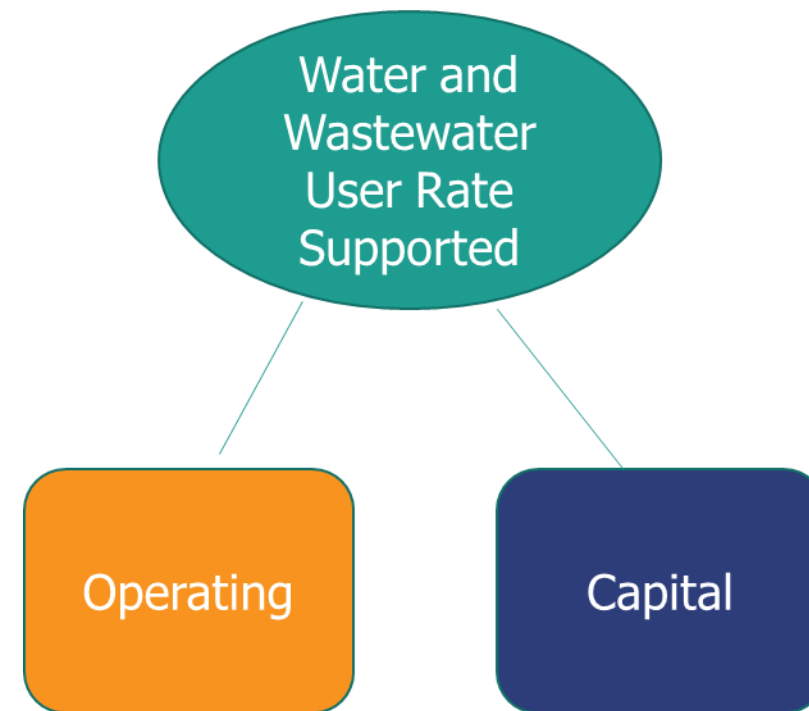
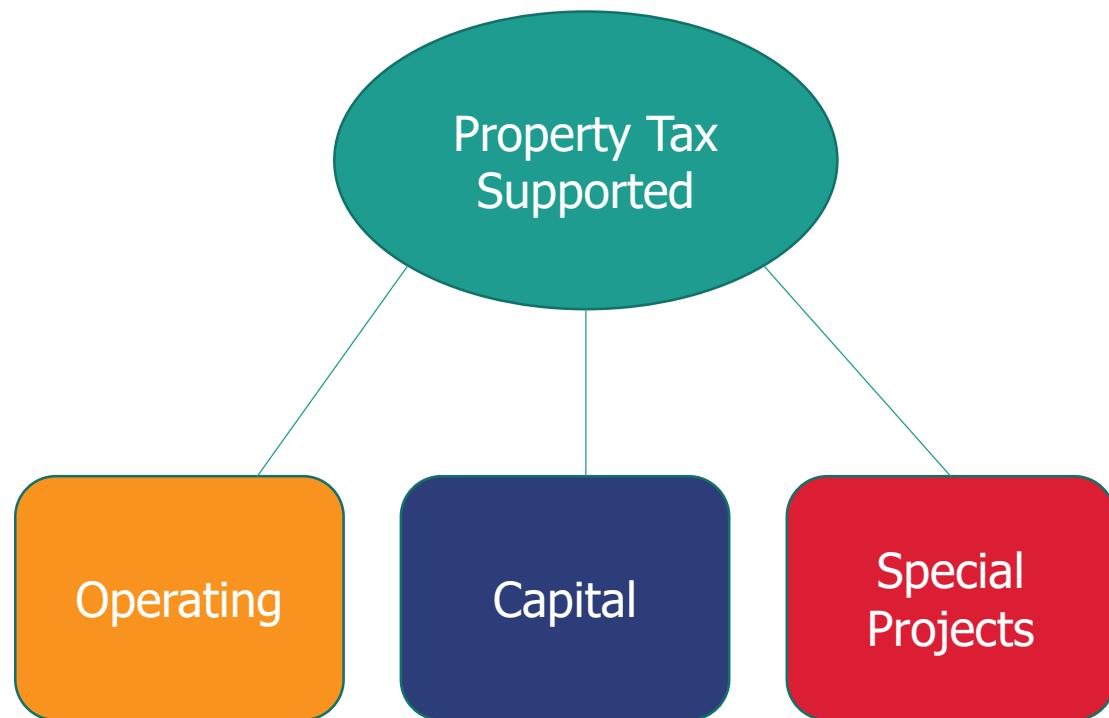
Capital

- One time in nature
- Results in the creation of or improvement to an asset

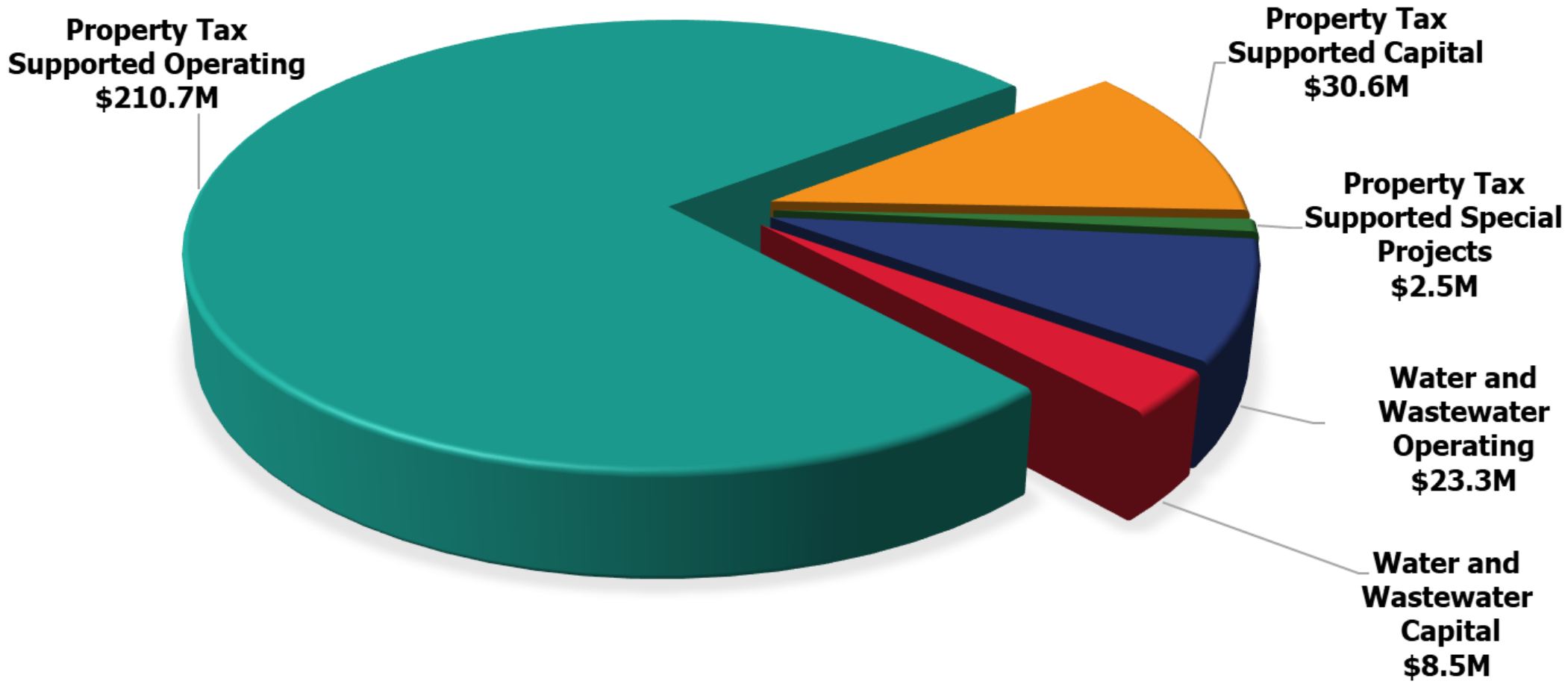
Special Projects

- One time in nature
- Does not result in the creation of or improvement to an asset

2021 Budget



2021 Proposed Budget: \$275.6M





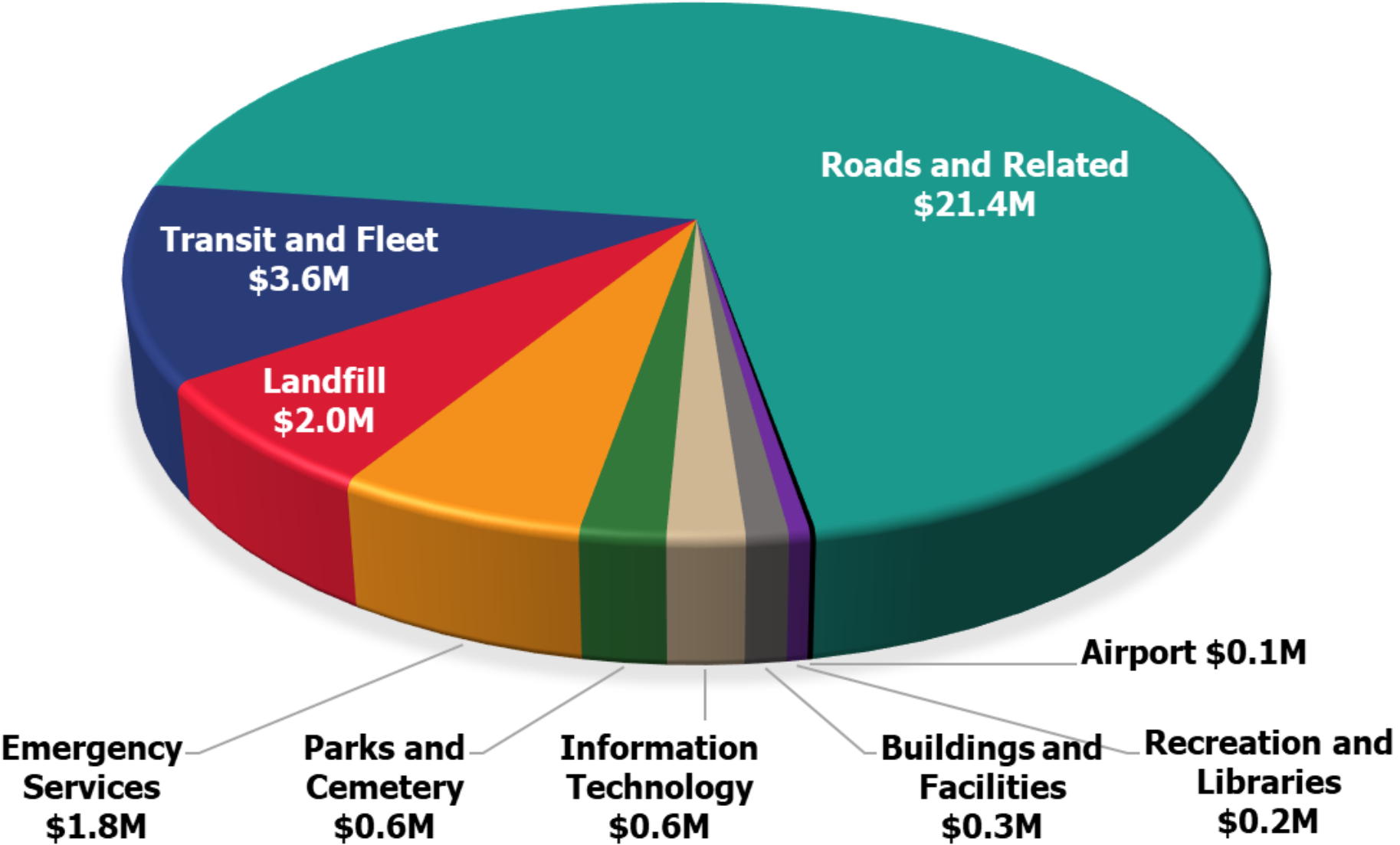
Capital Budget



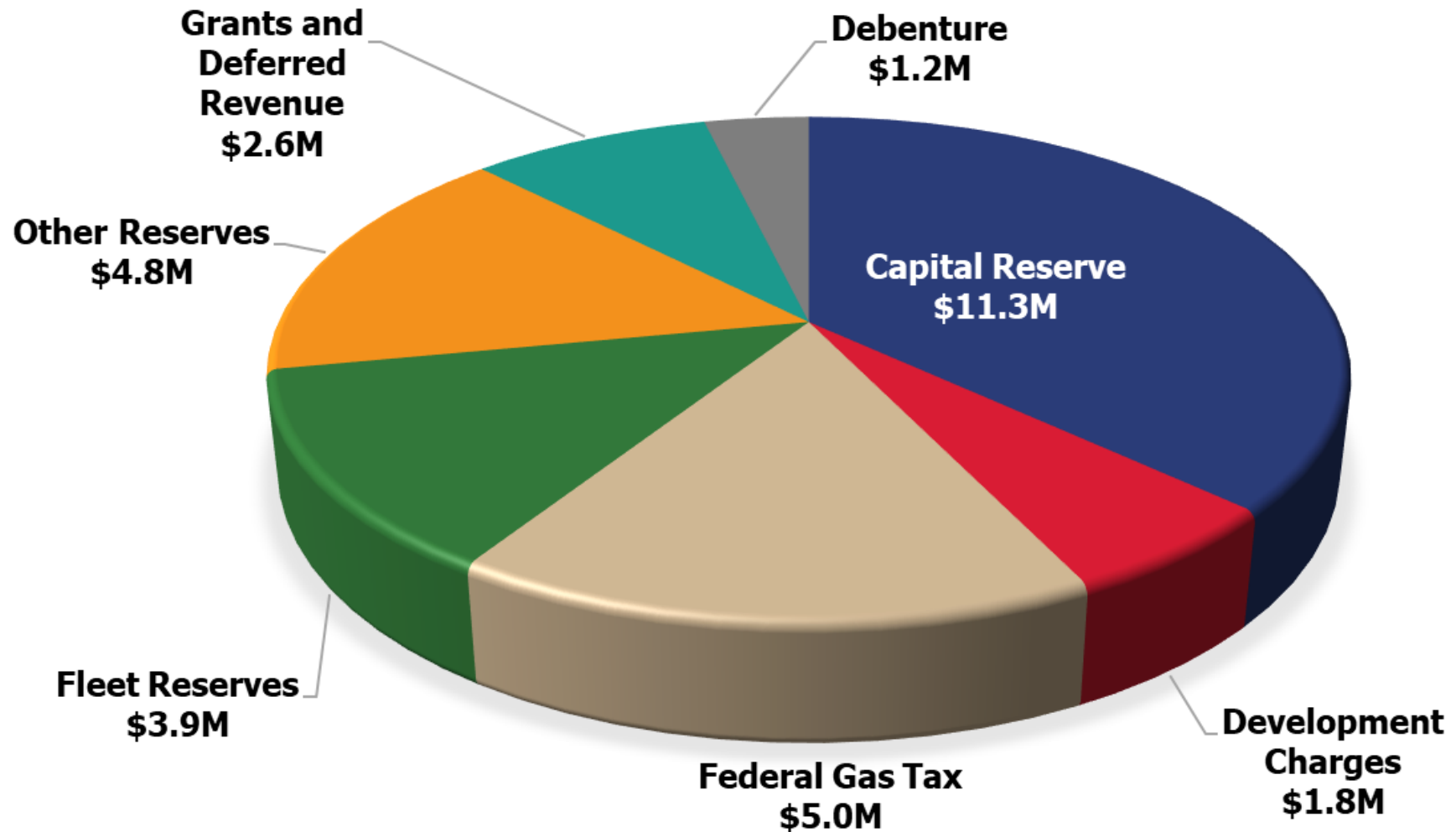
2021 Approved Capital Budget

- Due to the pandemic, a number of 2020 capital projects were deferred
- Many of these projects commenced in late 2020 with anticipated completion in 2021
- With several projects still outstanding, and the uncertainty of the continued impact of the pandemic on the City's financial and human resources, a smaller than usual capital program was approved

2021 Approved Capital Budget: \$30.6M



2021 Approved Capital Budget



2021 Approved Capital Budget

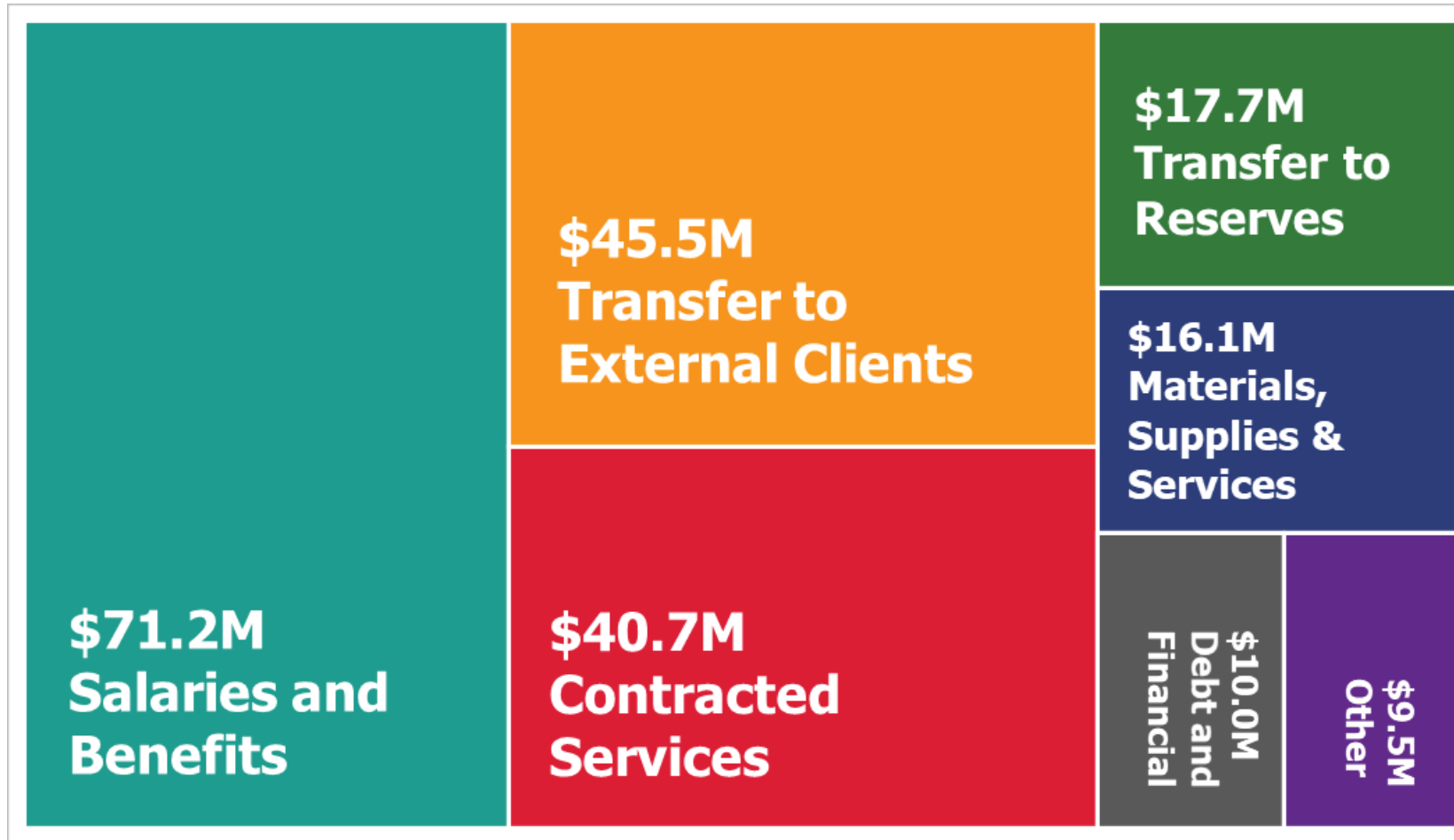
- The Capital budget was approved on December 1, 2020
- Highlights of the budget include:
 - Reconstruction or resurfacing of 122 km of roads
 - Kent Street reconstruction continuation
 - Fenelon Falls downtown reconstruction



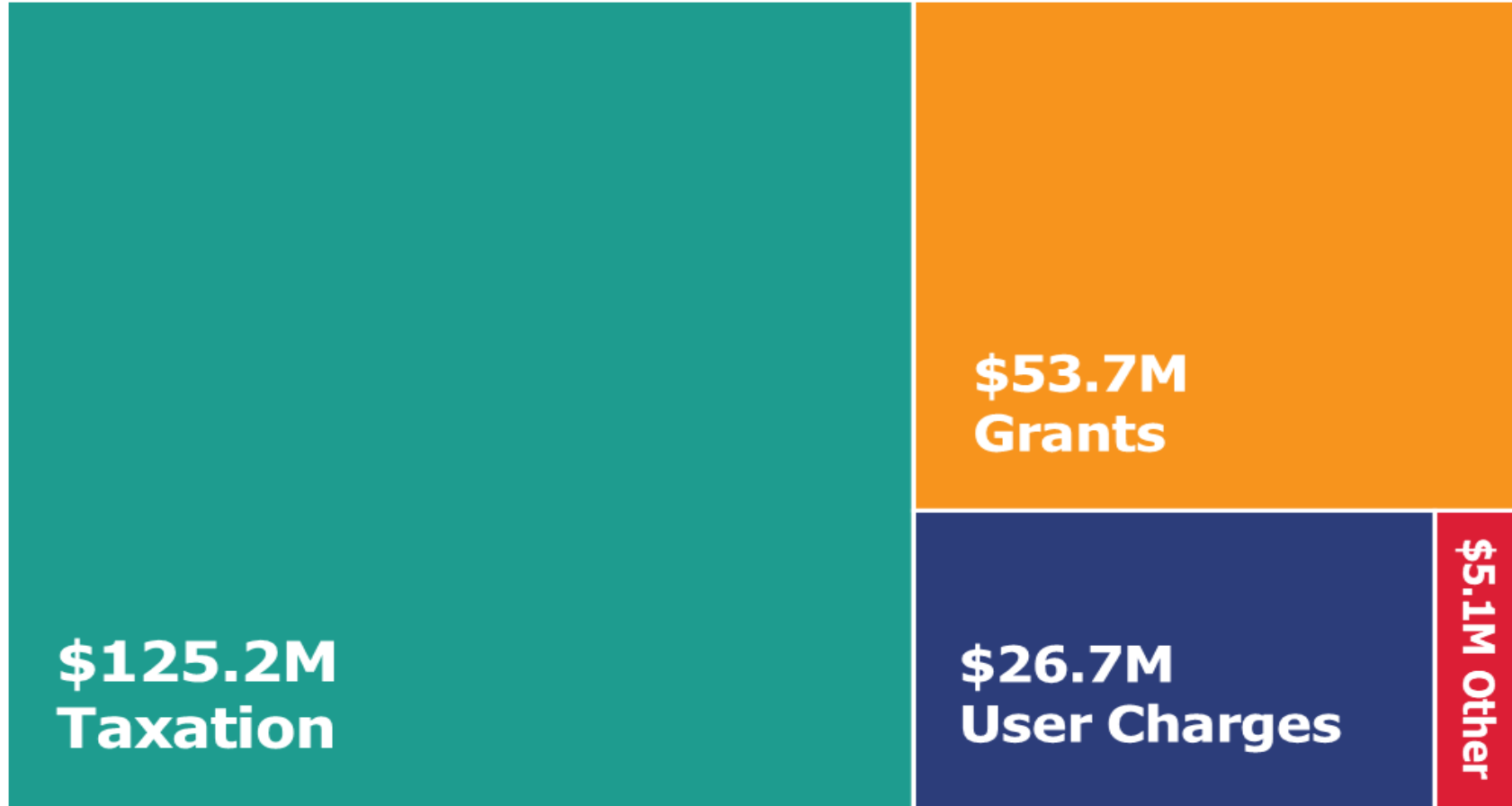


Proposed Operating Budget

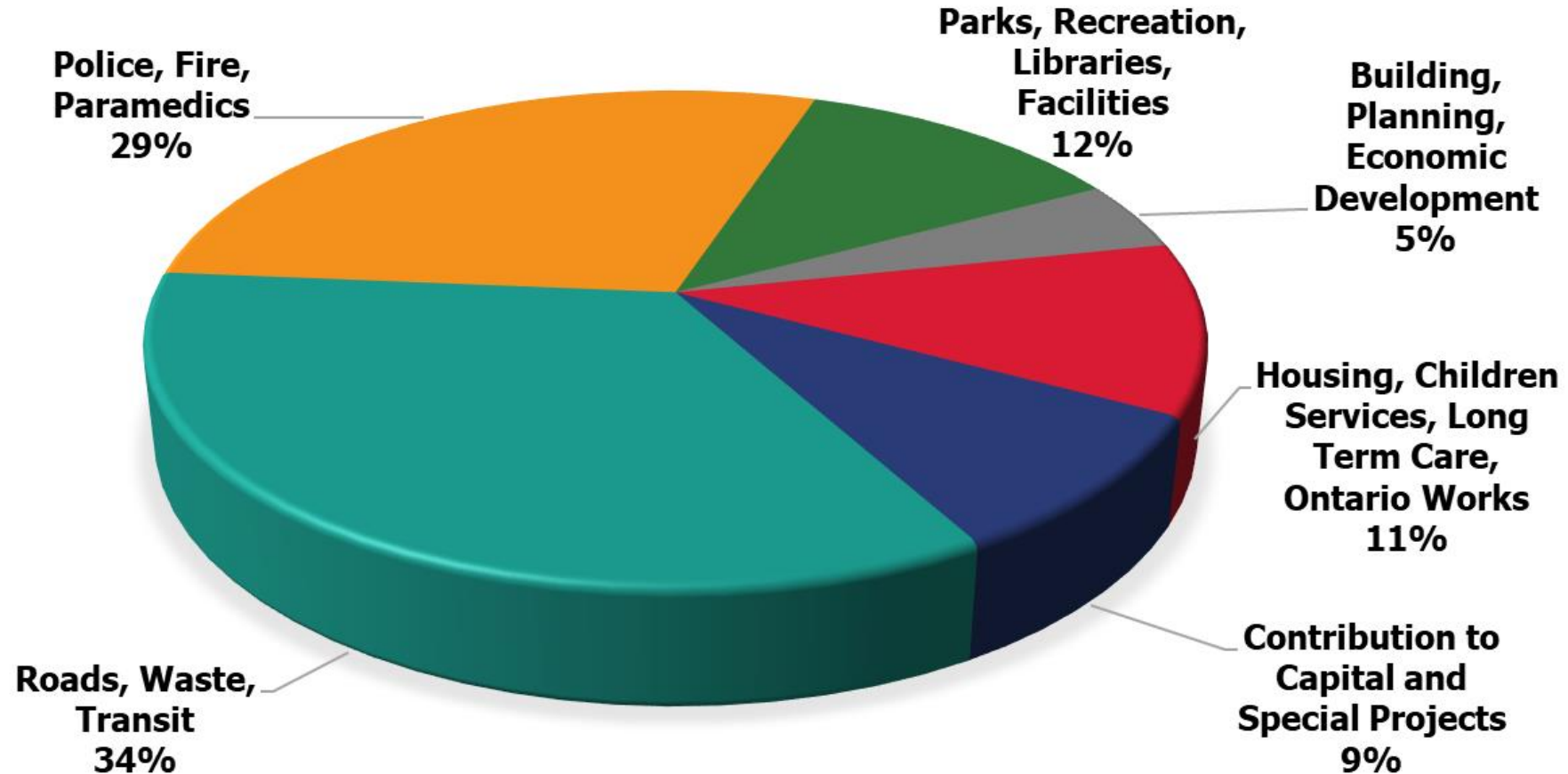
2021 Operating Budget - Expenses



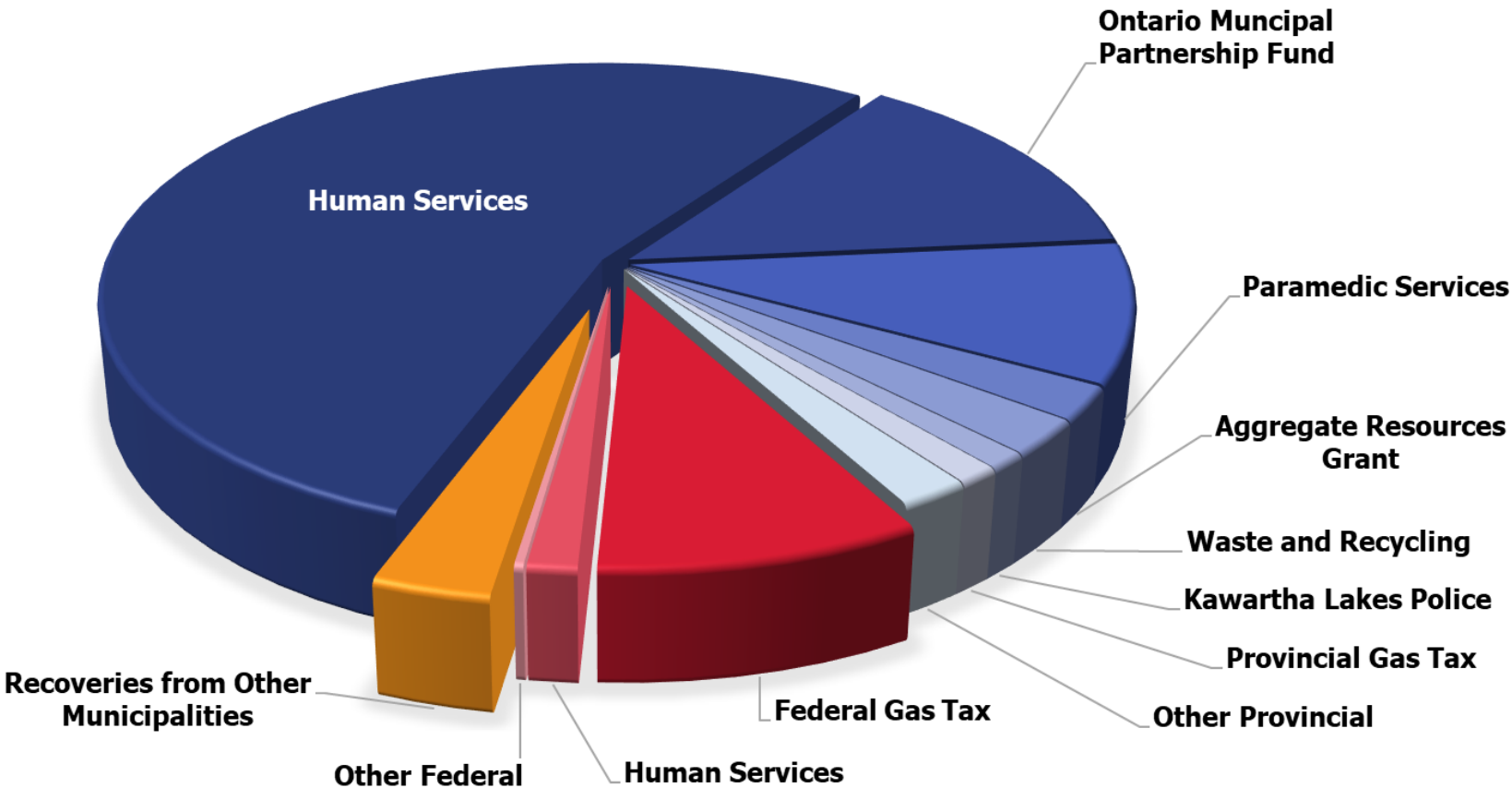
2021 Operating Budget - Revenue



Where Does \$125.2M in Tax Dollars Go?



Grant Funding: \$53.7M



Provincial	86%
Federal	11%
Other Municipalities	3%

2021 Operating Budget

Key drivers impacting the budget

Increased Expenditures:

Salaries and Benefits	\$2.1M
Waste management	\$1.5M
Victoria Manor	\$0.8M
Winter Control	\$0.5M
HKPR Health Unit	\$0.4M

Reduced Revenues:

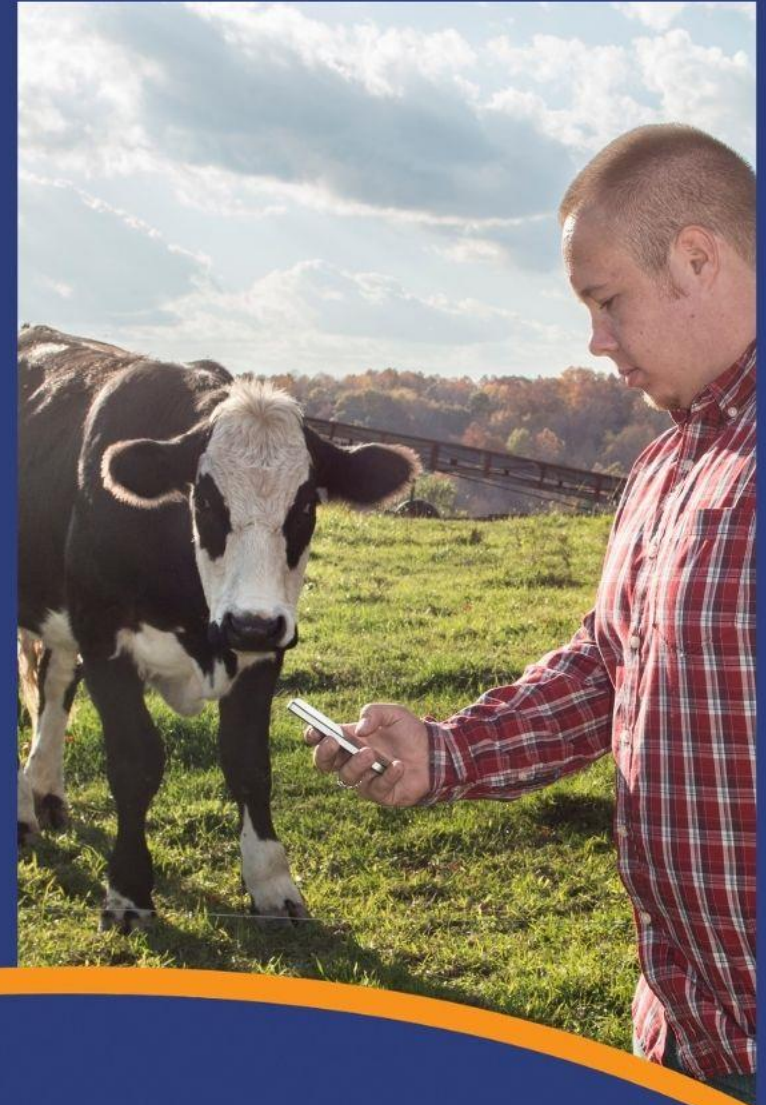
Investment Income	\$0.6M
Arena and hall revenue	\$0.2M
Transit fees	\$0.1M
Landfill tipping fees	\$0.1M

2021 Operating Budget

- The total budgeted tax levy increase is 3.84%



- This is not the increase residents will experience on their tax bill

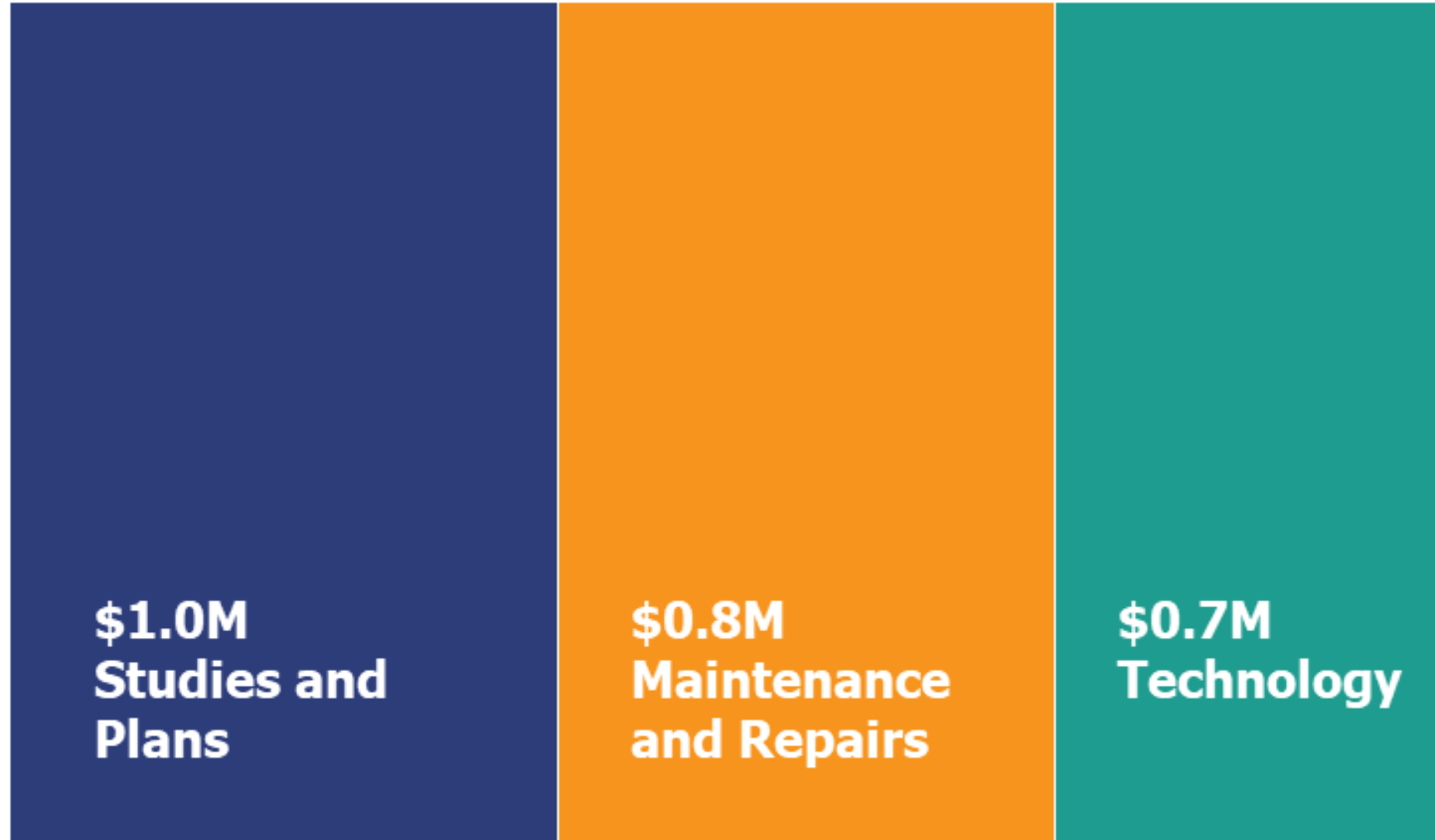


Proposed Special Projects

2021 Special Projects

- 2021 is the second year of the Special Projects budget
- Special projects are generally one-time in nature:
 - Plans and studies
 - Technology
 - Maintenance and Repairs
- These costs were previously included in the Operating Budget
- Commencing in 2020 Council directed staff to create a separate budget for transparency

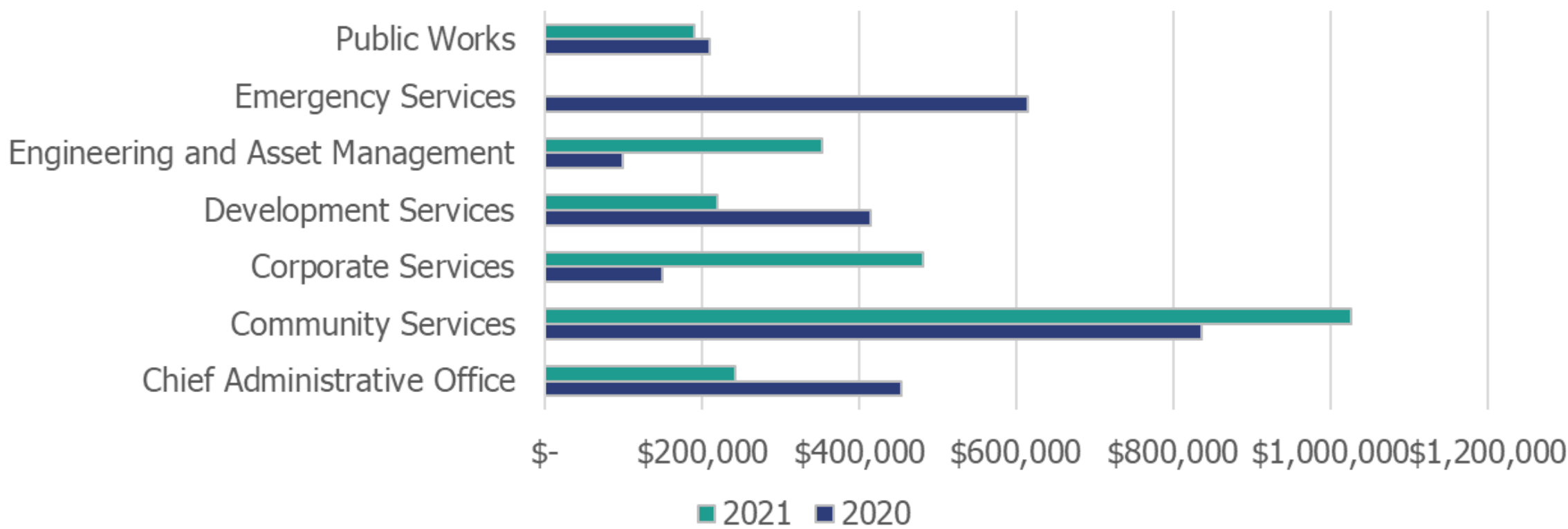
2021 Special Projects Expenses: \$2.5M



2021 Special Projects Revenue: \$2.5M



2021 Special Projects



2021 Special Project Budget

Highlights of the Special Project budget include:

- Continued investment in mobile broadband initiative with Eastern Ontario Rural Network (EORN)
- Technology and applications for enhanced efficiency
- Studies and Plans
- Ongoing repair and maintenance of facilities and parks

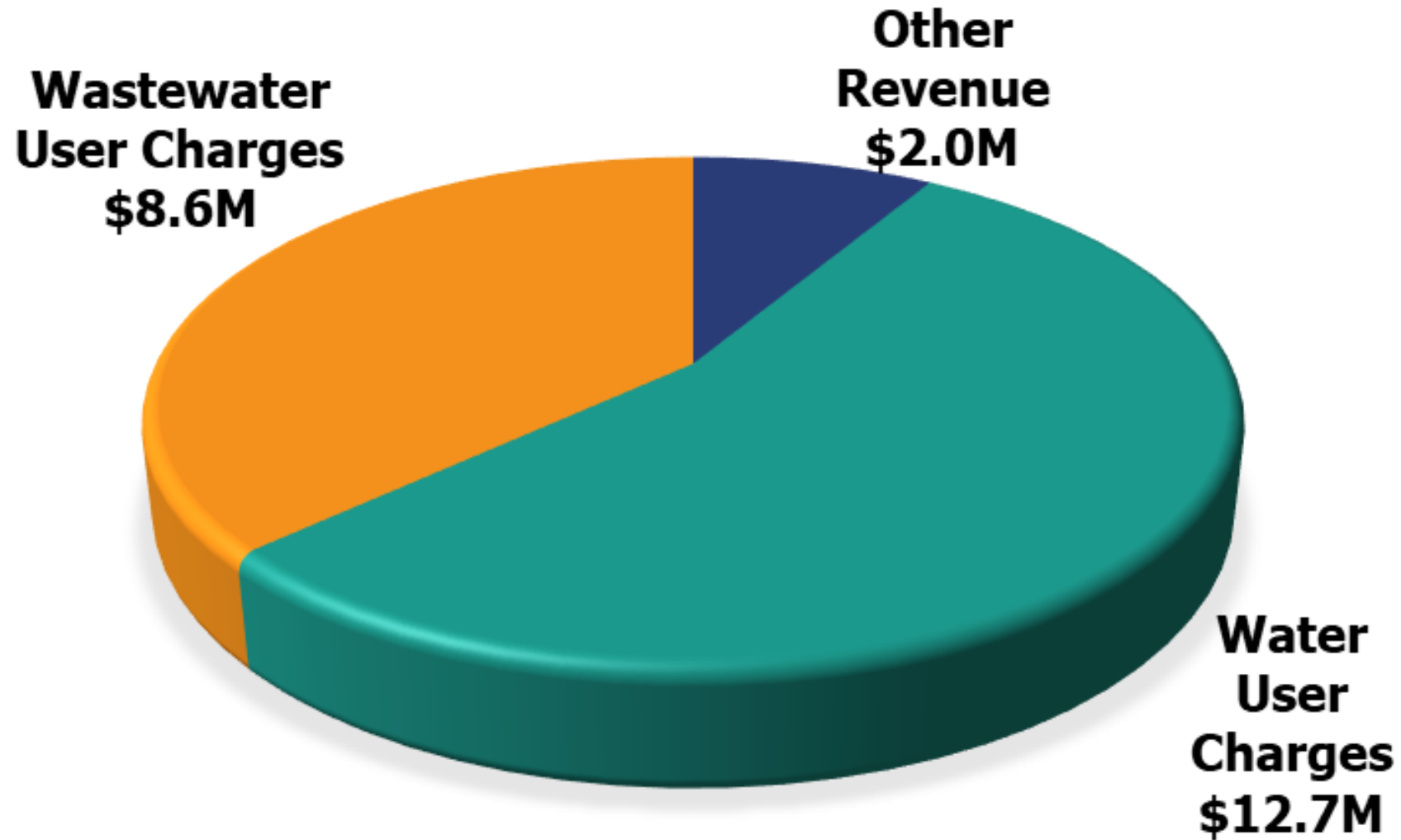


Water-Wastewater Budget

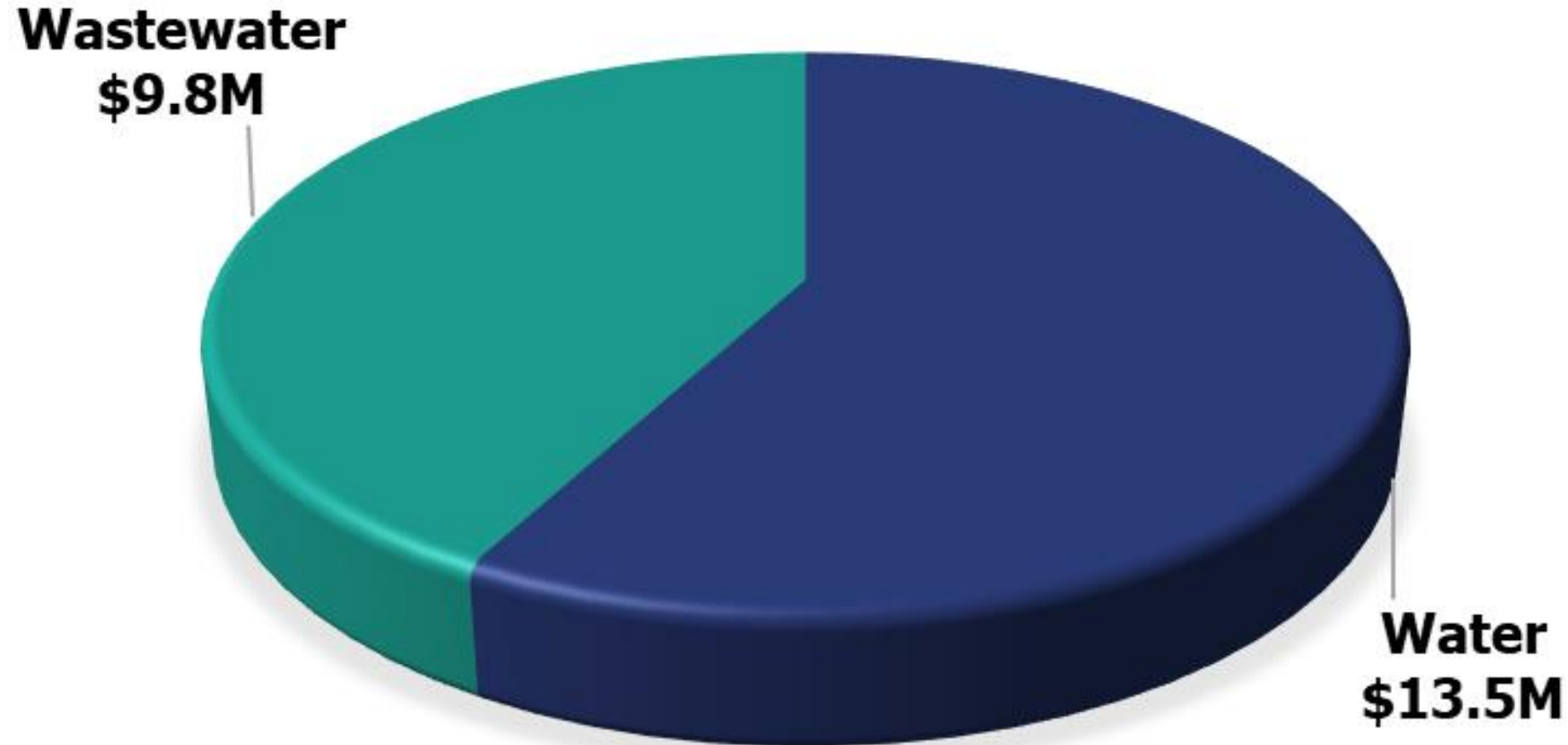
Kawartha Lakes
Jump In



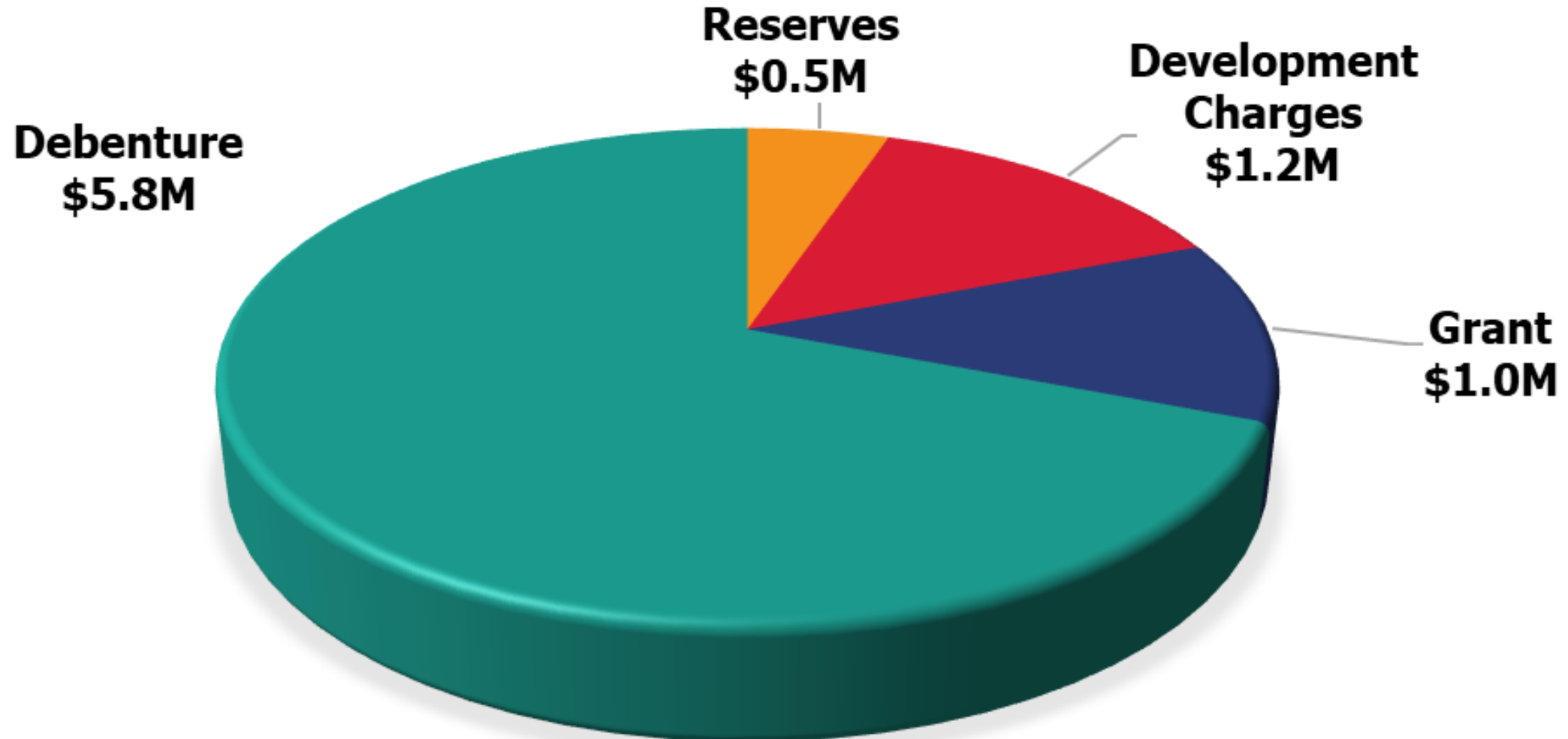
2021 Water & Wastewater Operating: \$23.3M



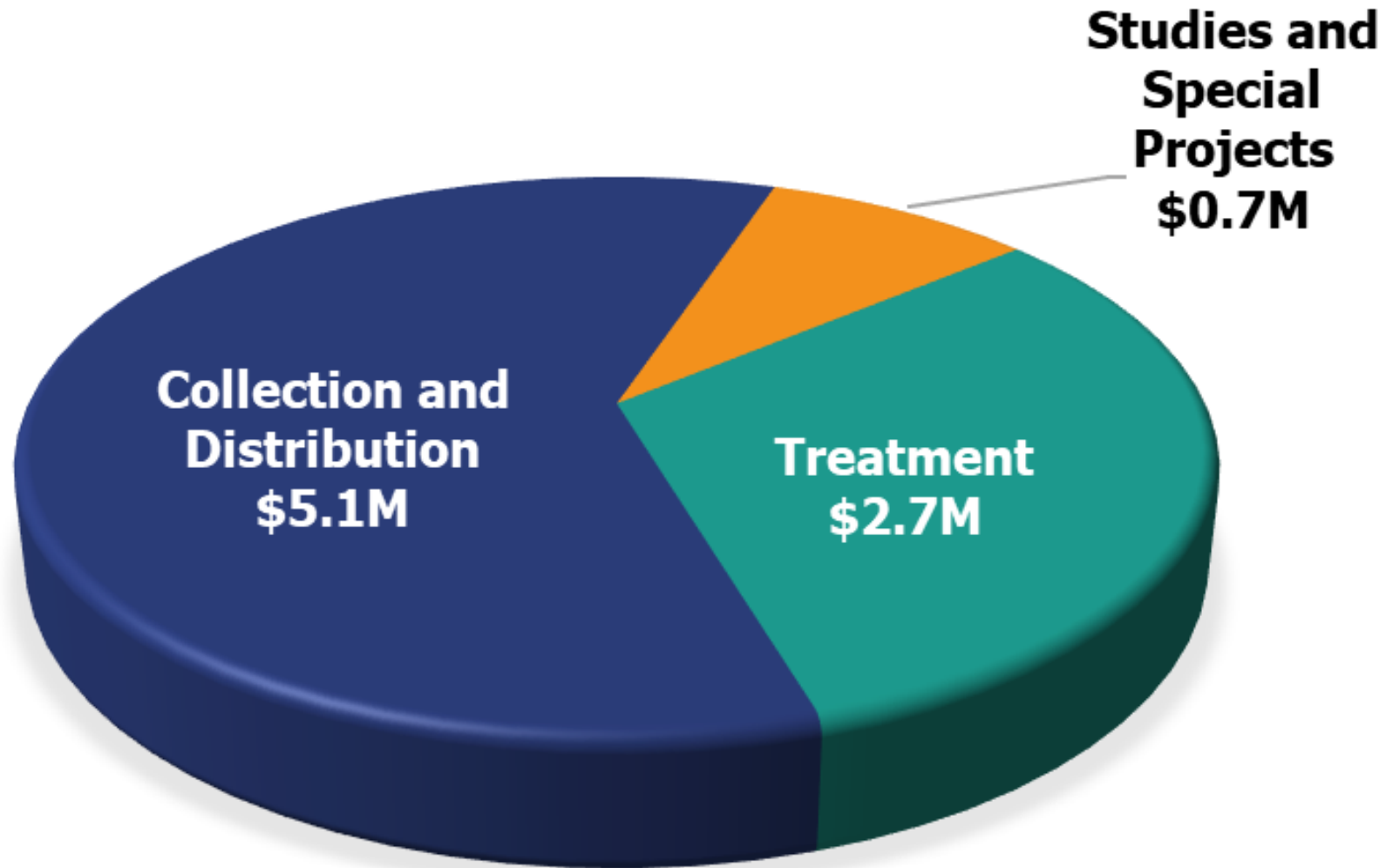
2021 Water & Wastewater Operating: \$23.3M



2021 Water & Wastewater Capital: \$8.5M



2021 Water & Wastewater Capital: \$8.5M



2021 Water & Wastewater

- Watson and Associates were retained in 2020 to complete a 10 year water and wastewater rate study and financial plan
- This plan is anticipated to be presented to Council in March, 2021
- The 2021 budget has been prepared in alignment with this plan and proposes a 3% increase

Next Steps

- February 2 Special Council meeting
 - Presentations from Agencies, Boards and Committees
 - Department budget overview presentations

- February 16 Special Council meeting
 - Budget deliberation and approval:
 - Operating
 - Special Project
 - Water and Wastewater Operating and Capital

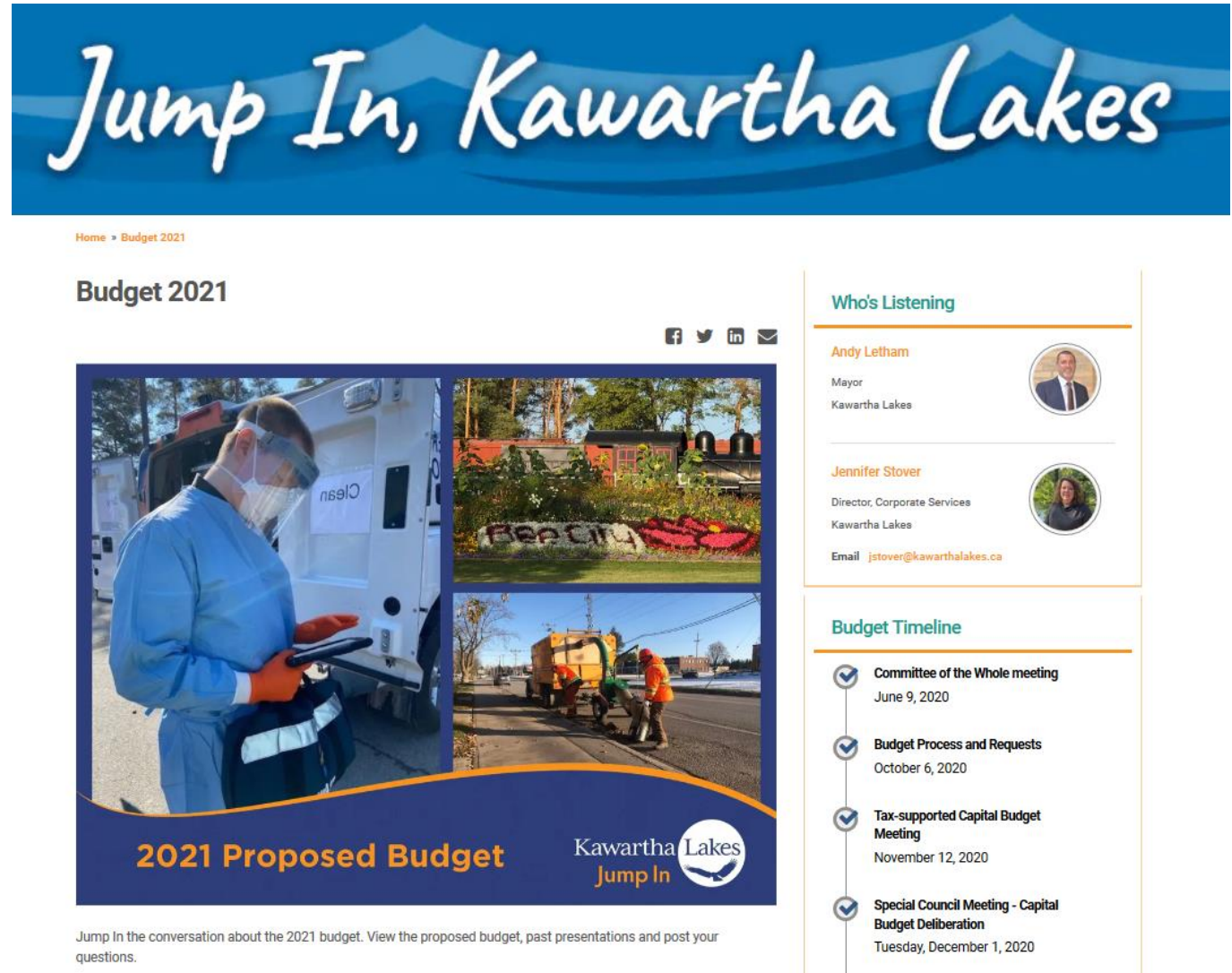
Follow along with the Budget Process

www.jumpinkawarthalakes.ca

- watch presentations
- read proposed budget
- ask your questions
- follow upcoming meetings

www.kawarthalakes.ca/budget

- history and timeline



Home » Budget 2021

Budget 2021

Who's Listening

Andy Letham
Mayor
Kawartha Lakes

Jennifer Stover
Director, Corporate Services
Kawartha Lakes
Email jstover@kawarthalakes.ca

Budget Timeline

- Committee of the Whole meeting
June 9, 2020
- Budget Process and Requests
October 6, 2020
- Tax-supported Capital Budget Meeting
November 12, 2020
- Special Council Meeting - Capital Budget Deliberation
Tuesday, December 1, 2020

2021 Proposed Budget

Kawartha Lakes
Jump In

Jump In the conversation about the 2021 budget. View the proposed budget, past presentations and post your questions.