

2022 Budget Overview

Special Council Meeting

December 7, 2021



Water and Wastewater Budget

Water and Wastewater Operating Budget Overview

Water and Wastewater Business Units

User Rate Budget Receives support:
Public Works

Operations Management
Engineering and Corporate Assets
Capital planning / construction,
Asset Management, Capacity,
Service Connections

Corporate Services

Revenue and Taxation,
Purchasing, IT, HR



Safe Drinking Water Act, 2002

- The purposes of this Act are as follows:
 1. To recognize that the people of Ontario are entitled to expect their drinking water to be safe.
 2. To provide for the protection of human health and the prevention of drinking water health hazards through the control and regulation of drinking water systems and drinking water testing. 2002, c. 32, s. 1.

Kawartha Lakes Facilities

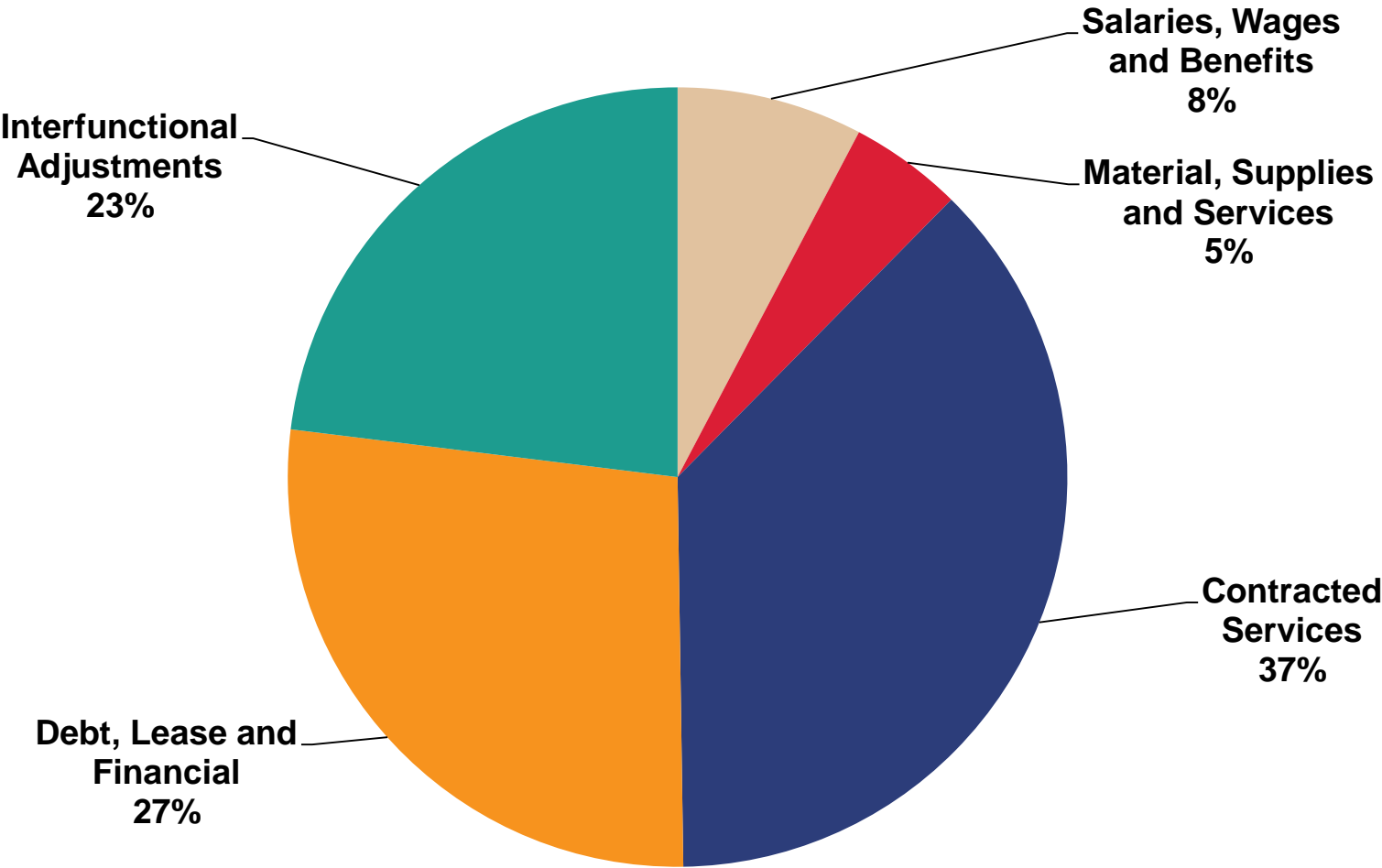
- 21 Drinking Water Systems
 - 6 surface water, 15 groundwater
 - Treatment (3 City, 18 Contract)
 - Distribution (21 City)
- 6 Wastewater Systems
 - Treatment (6 Contract)
 - Collection (6 City)
- 36 Community Wells



2022 Proposed Water and Wastewater Operating Budget



2022 User Rate Operating Budget
% Expenditures by Category



2021 Operations Highlights

- Successes:
 - Successfully maintained QMS Accreditation
 - Updated the WWW Services By-law
 - Transition of operations for of the Manilla and Sonya DWSs (additional Operator for 2022)
 - Support for Capital projects – filter media replacement, multiple watermain replacements

2022 Proposed Water and Wastewater Operating Budget

- The WWW Operating Budget is comprised of:
 - Day to day operational costs
 - Debenture Repayment
 - Contributions to Reserves to fund the Capital budget
 - Revenues from Users



2022 Direction and Pressures

- Direction:
 - Minor supporting contract renewals (chemicals and operational)
 - Assess and continue implementation sewer surcharge program
 - Focus on public education – commercial systems (grease)
 - Capital project execution
- Pressure:
 - Debenture Principle and Interest
 - CPI for Operational Contract
 - Capital – increased PM costs and Infrastructure Requirements

2022 Proposed Water & Wastewater Budget

- Watson and Associates were retained in 2020 to complete a 10 year water and wastewater rate study and financial plan
- This plan was adopted by Council in March 2021
- The 2022 budget has been prepared in alignment with this plan and proposes a 3% increase

Water and Wastewater Capital Budget Overview

Capital Projects

Proposed 2022 Water-Wastewater Capital Expenditure Summary by Capital Program			
Capital Program	Replacement & Upgrade	Growth-Related	Total
Water Treatment	3,345,000	-	3,345,000
Wastewater Treatment	1,200,000	-	1,200,000
Water Distribution and Wastewater Collection	4,279,403	781,597	5,061,000
Studies and Special Projects	85,000	-	85,000
Total	8,909,403	781,597	9,691,000

Capital Projects

Proposed 2022 Water-Wastewater Capital Financing Summary by Source	
Source	Amount
Water Reserve	2,797,408
Water DC Reserve	319,592
Water Debenture	2,220,000
Sewage Reserve	2,911,995
Sewage DC Reserve	462,005
Sewage Debenture	980,000
Total	9,691,000



Special Projects Budget

2022 Proposed Special Projects Budget

- The special projects budget was created during this term of Council to increase transparency of studies, plans, and other non-capital one-time expenditures.
- The Special Projects budget previous included budgets for annual maintenance and repair items.
- Commencing in 2022, these items have been moved back to the Operating Budget.

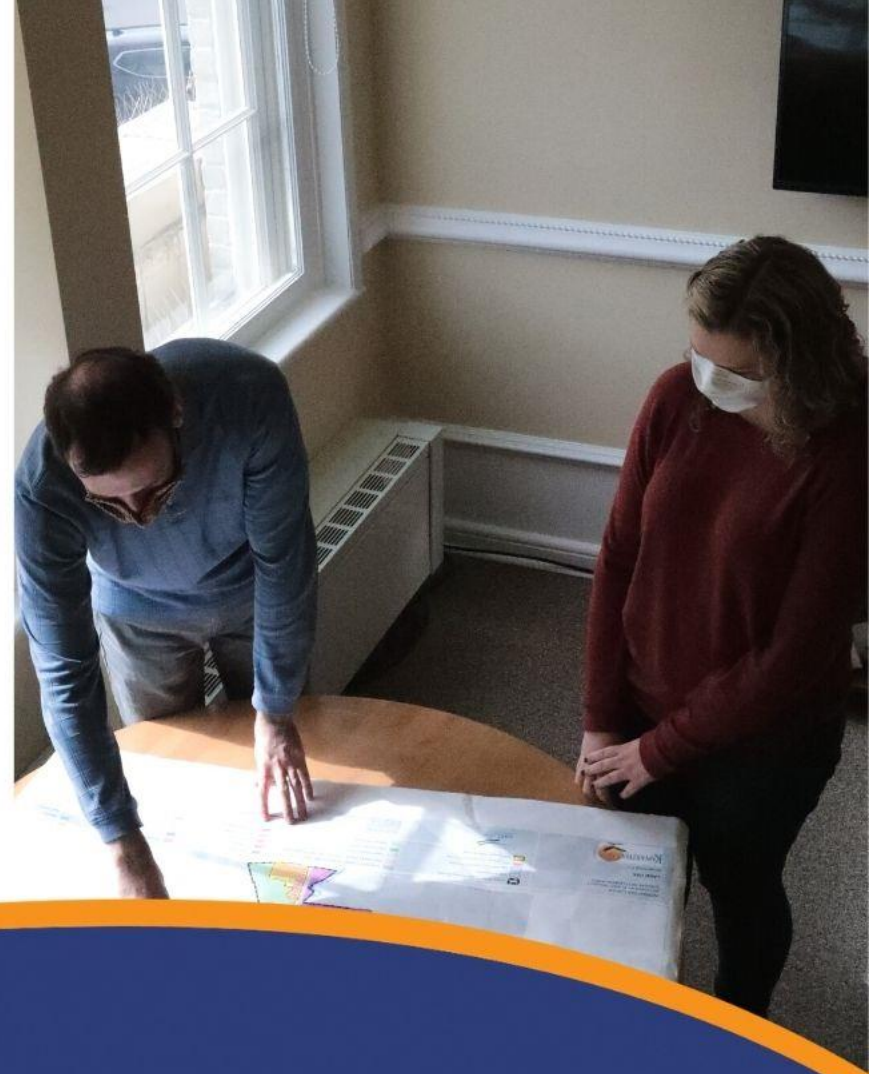
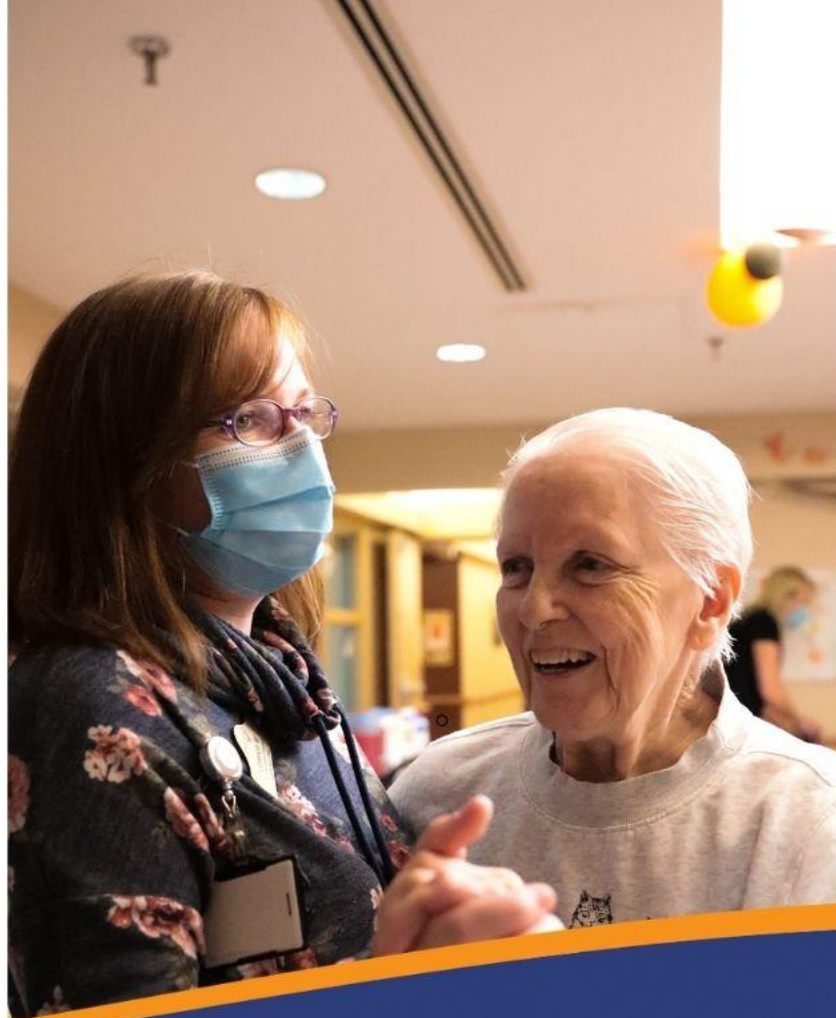
2022 Special Projects Budget

Expenses



Revenue





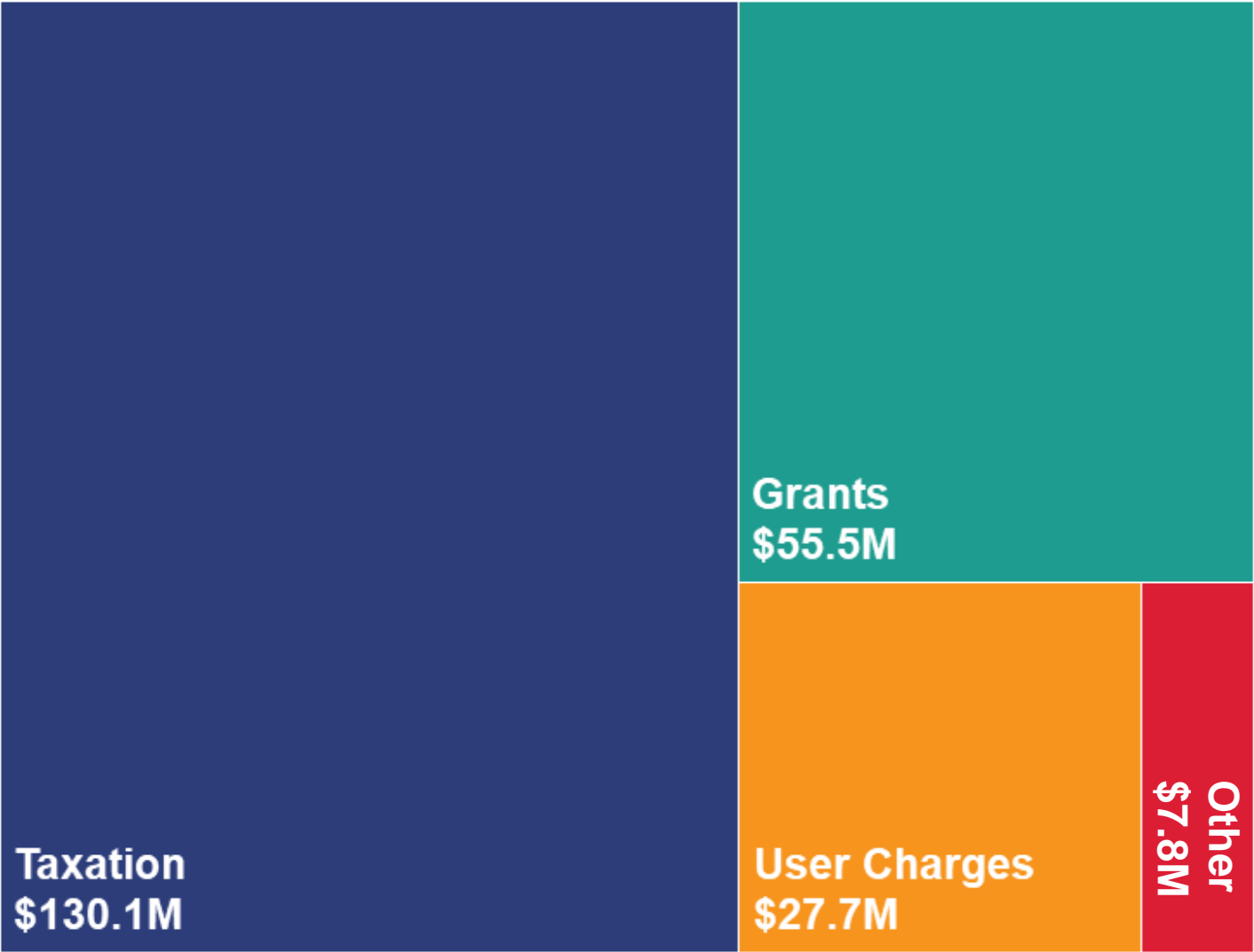
Operating Budget

2022 Proposed Operating Budget: \$221.1M Expenses



2022 Proposed Operating Budget: \$221.1M

Revenues



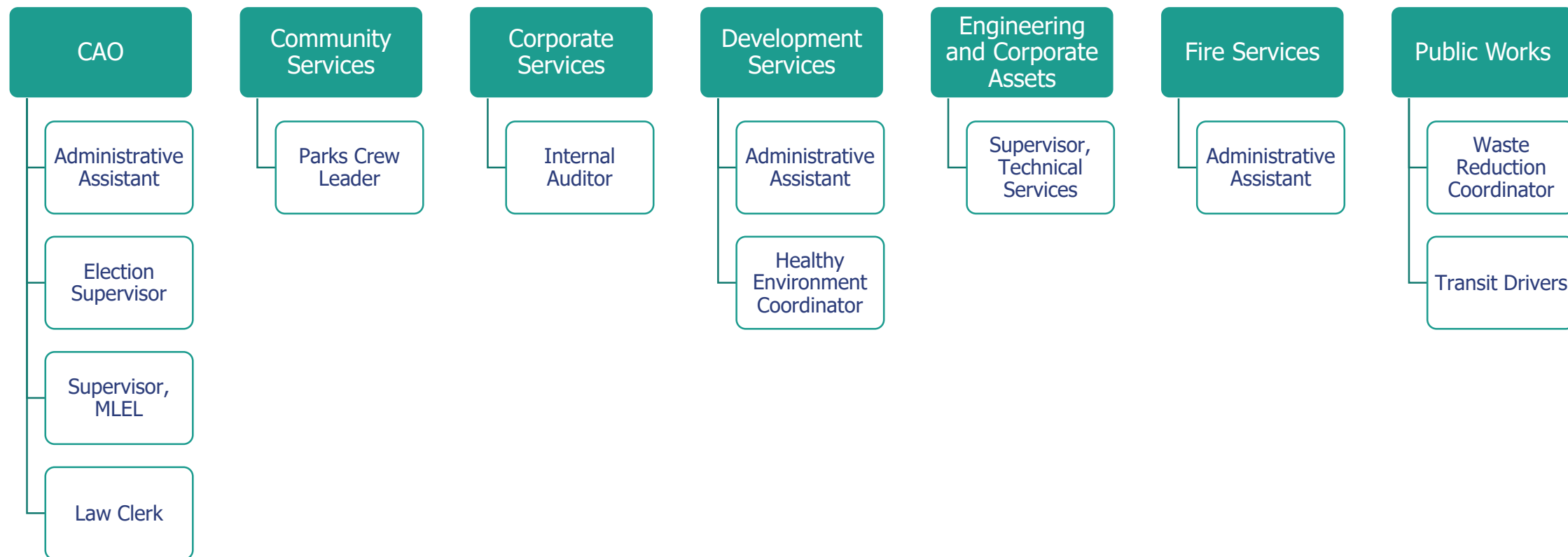
2022 Proposed Operating Budget

Key drivers impacting the budget

Salaries and Benefits	\$2.1M
New positions	\$1.4M
Culvert maintenance	\$0.6M
Debt payments	\$0.4M



2022 Proposed Staffing



Single Tier Municipality Staffing Comparison

Staffing as a Percentage of Revenue

1	Orillia	27.30%
2	Kawartha Lakes	31.13%
3	Kingston	32.13%
4	London	33.34%
5	Peterborough	35.11%
6	Ottawa	35.51%
7	Barrie	38.34%

8	Sudbury	40.56%
9	Hamilton	40.65%
10	Thunder Bay	40.98%
11	Sault Ste Marie	41.61%
12	Toronto	43.74%
13	North Bay	44.40%
14	Guelph	47.31%

2022 Proposed Operating Budget

- Operating budget requires an annual average tax levy contribution of 3% to maintain current programs and services
- Including the 2022 Approved Capital budget, the total proposed tax levy increase is 4.7%

2022 Budget: \$297.4M

