

2023 Budget Overview

Proposed 2023 City Budgets

February 2, 2023

Agenda

- Financial Overview

- Proposed 2023 Budgets
 - Capital
 - Operating
 - Special Projects
 - Water-Wastewater (Operating and Capital)

- Next Steps

Financial Overview

... have grown by ... in 200...

over the ... other

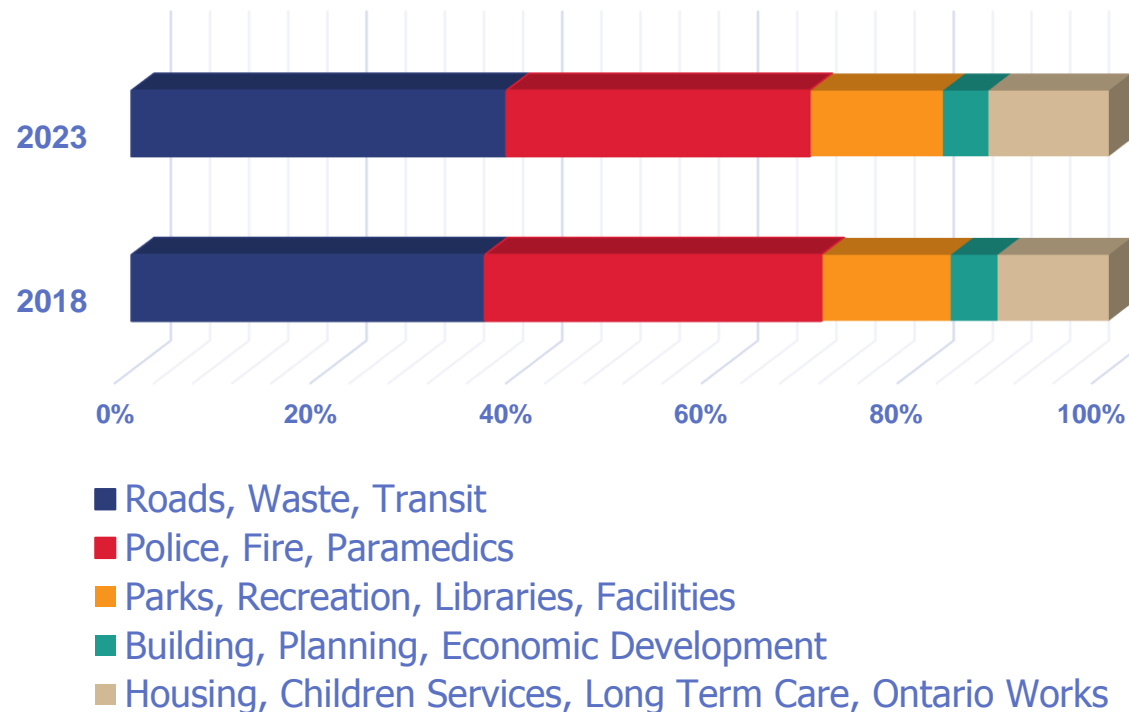


Financial Overview

Financial Overview

Operating Budget: 2018-2023

The City has provided a consistent level of 200+ services throughout recent history in an effective manner.



Financial Overview

Operating Budget Highlights: 2018-2023

- Introduced the Special Projects Budget to provide transparency on non-capital related one-time expenditures.
- Introduced rate stabilization reserves to stabilize tax levy increases.
- Partnered with Peterborough County on shared services.
- Adopted 2022 and proposed 2023 general tax increases of 3% follow the Long-Term Financial Plan developed in 2022, despite significant inflationary pressures.
- Introduced the Empower Program to streamline and enhance our services post-pandemic.

Financial Overview

Capital Budget Highlights: 2018-2022

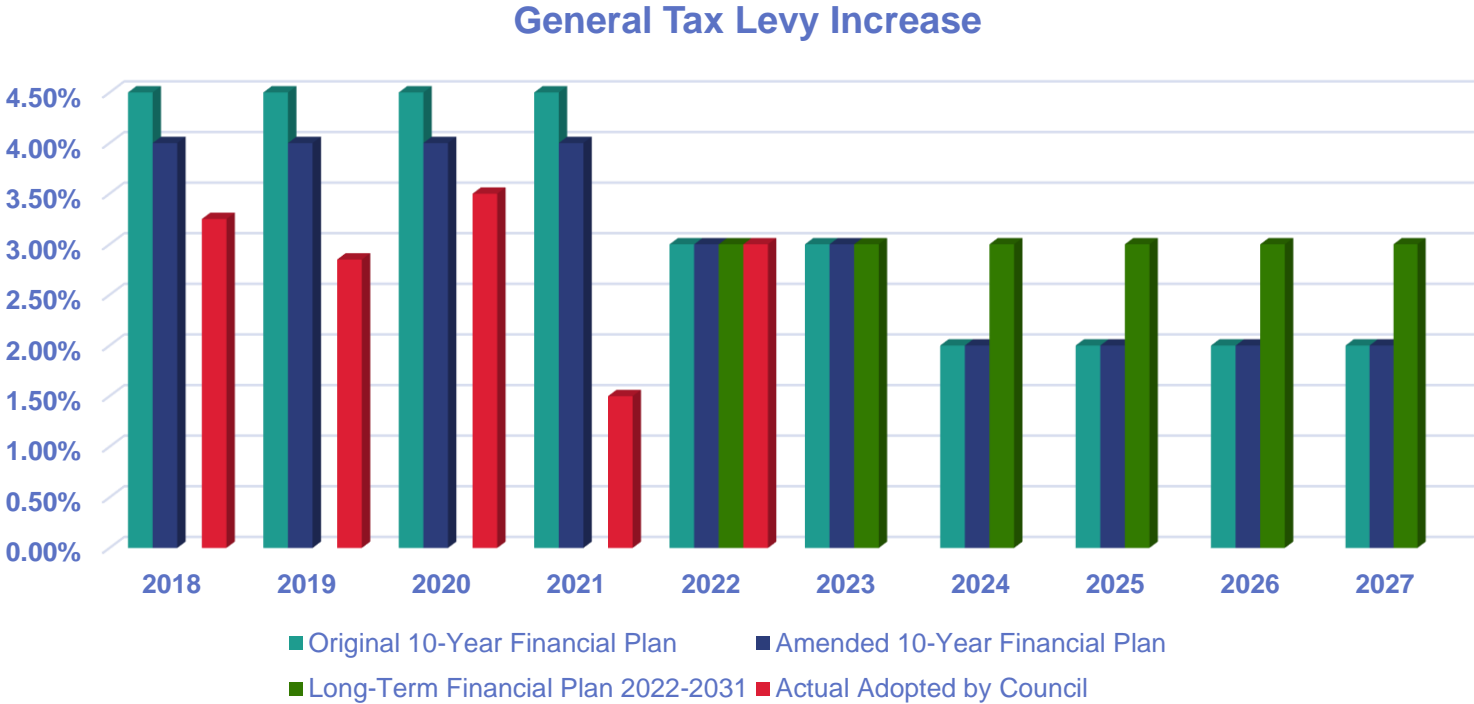
- Investment of more than \$160 million in the rehabilitation, replacement, construction and acquisition of municipal assets.
- Revitalization of three downtown areas: Lindsay, Fenelon Falls and Omemee.
- Construction of the Mariposa Fire Station and Logie Park, and expansion of Bobcaygeon Beach Park.
- Reconstruction, rehabilitation or resurfacing of nearly 680 km of roads.

Financial Overview

Property Tax: 2018-2027

At 2.82% per annum, the average general tax increase over 2018-2022 has been less than planned.

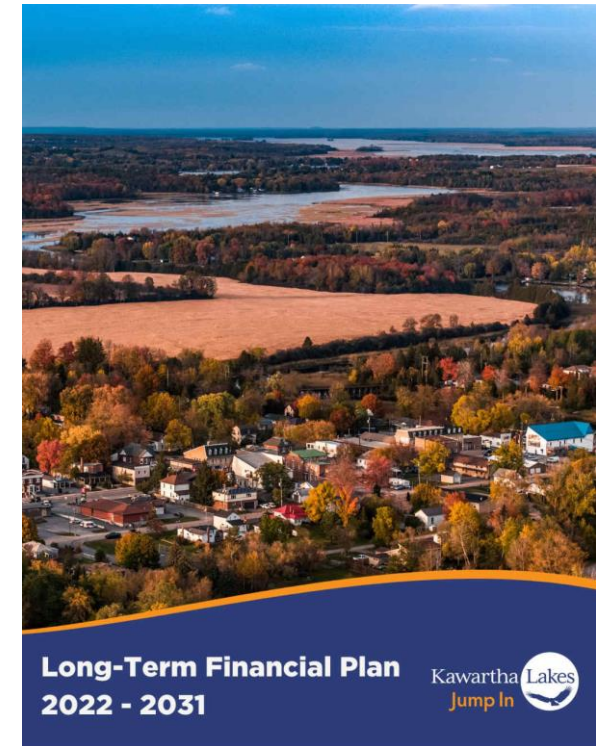
This and the graph exclude the special tax increases of 1.5% per annum over 2022-2031 for the newly adopted dedicated capital levy.



Financial Overview

Long-Term Financial Plan

- The Long-Term Financial Plan (LTFP) is a strategic document designed to guide budgets.
 - Translates legislated requirements, master plans and other Council direction into forecasted expenditures and financing.
 - Provides context for decision-making with regard for long-term impacts.
 - Taking service levels as given, sets out a path for financial sustainability with regard for ratepayer affordability.

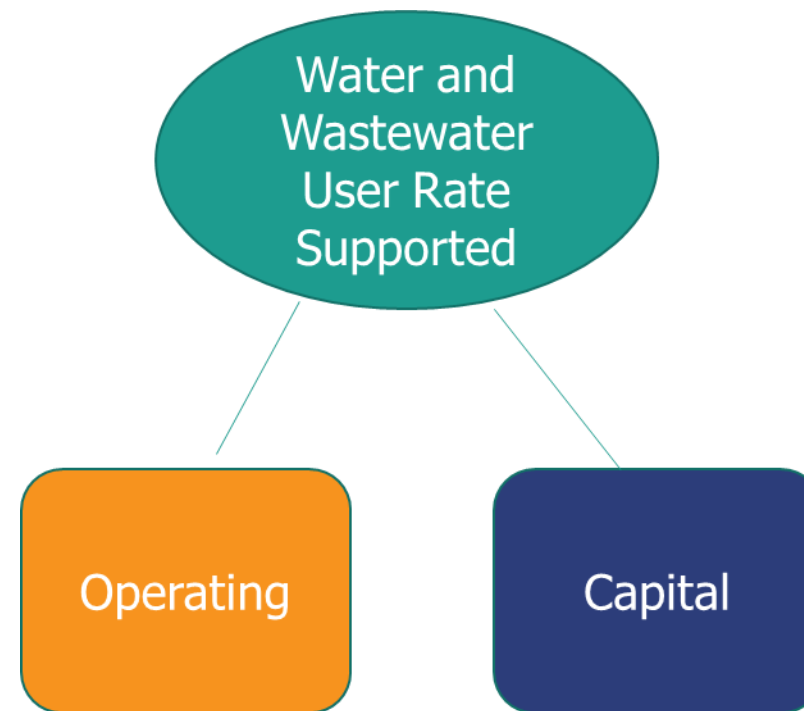
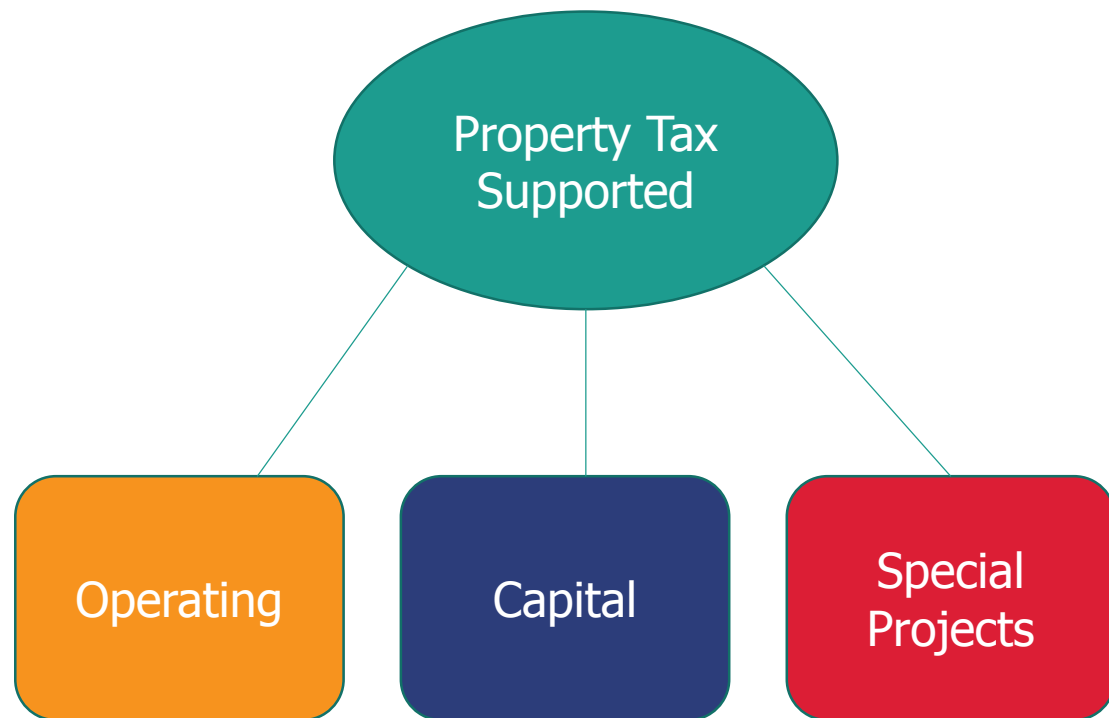




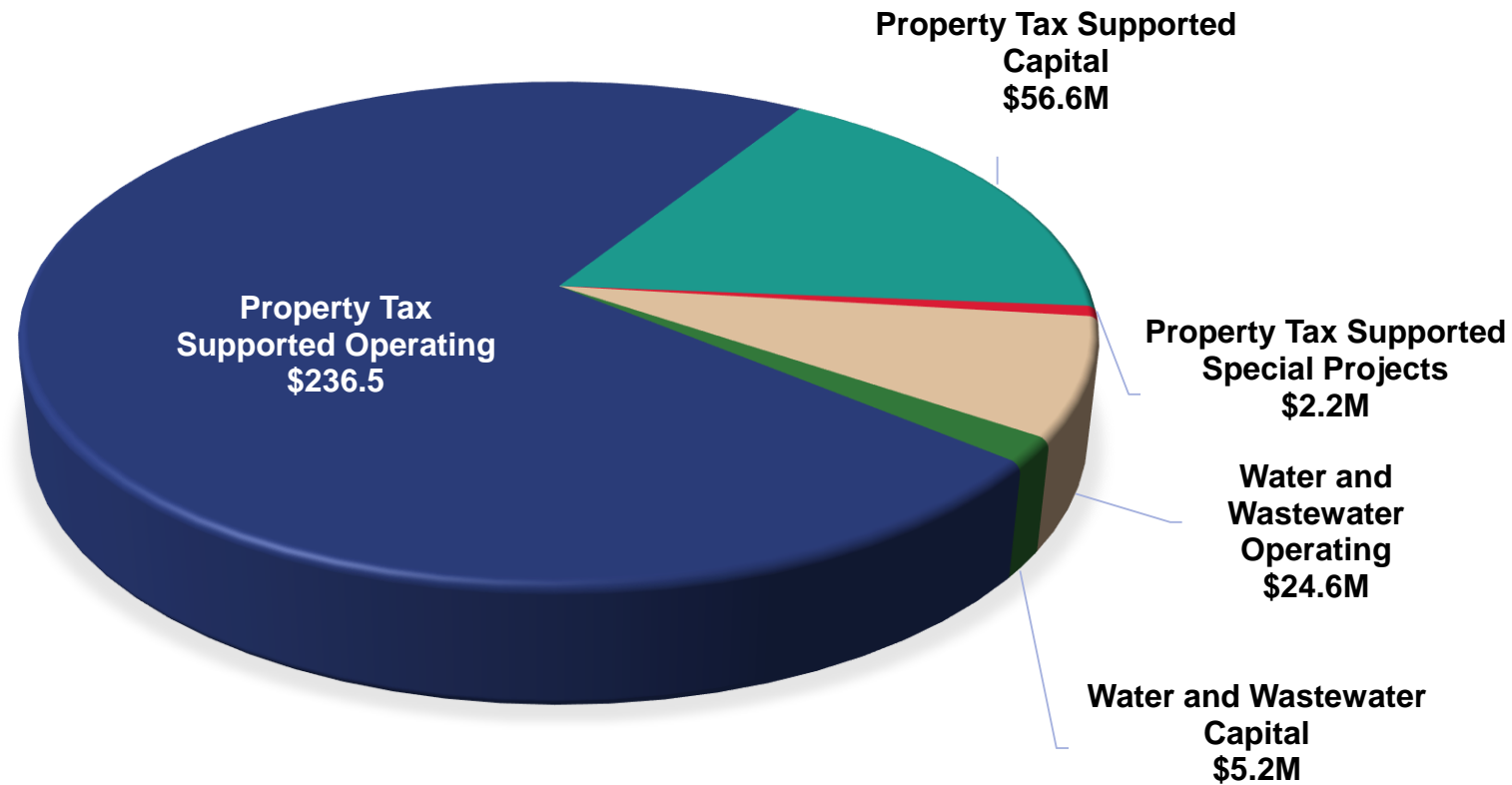
2023 Proposed Budget and Business Plan



2023 Budget



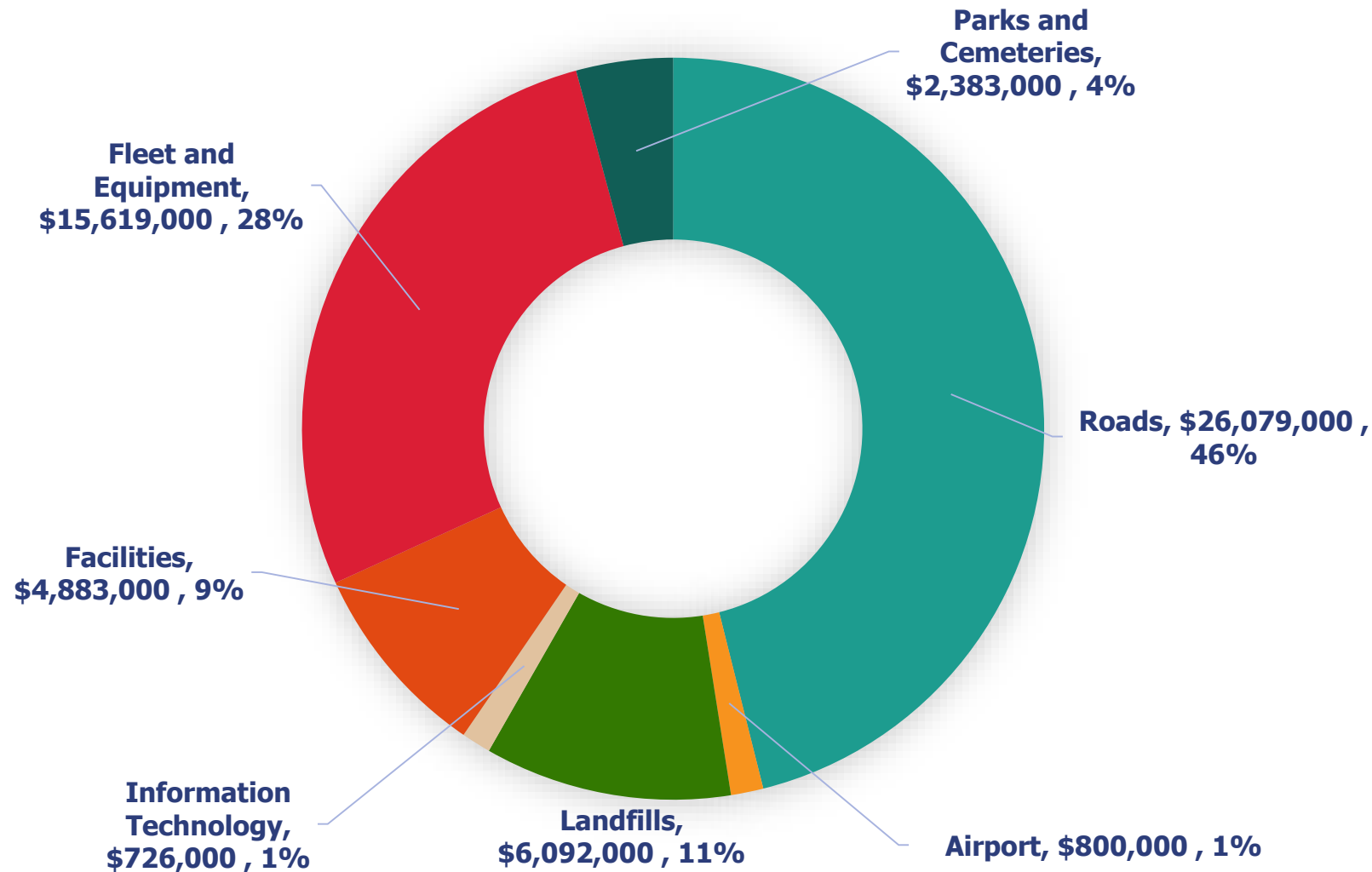
Proposed 2023 Budgets: \$325M



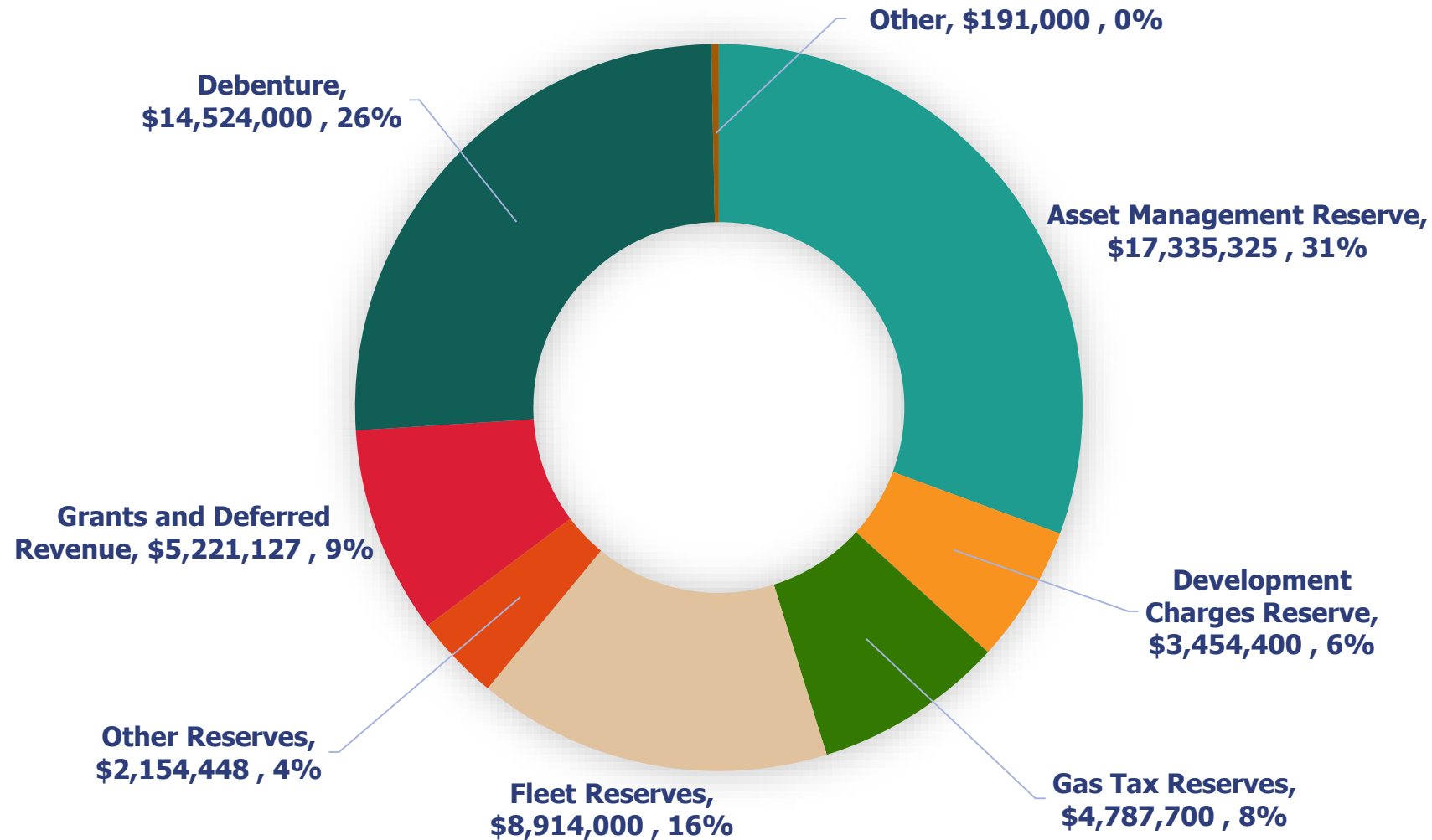


Capital Budget

Proposed 2023 Tax-Supported Capital Budget: \$56.6M in Expenditure



Proposed 2023 Tax-Supported Capital Budget: \$56.6M in Financing



Proposed 2023 Tax-Supported Capital Budget: Highlights

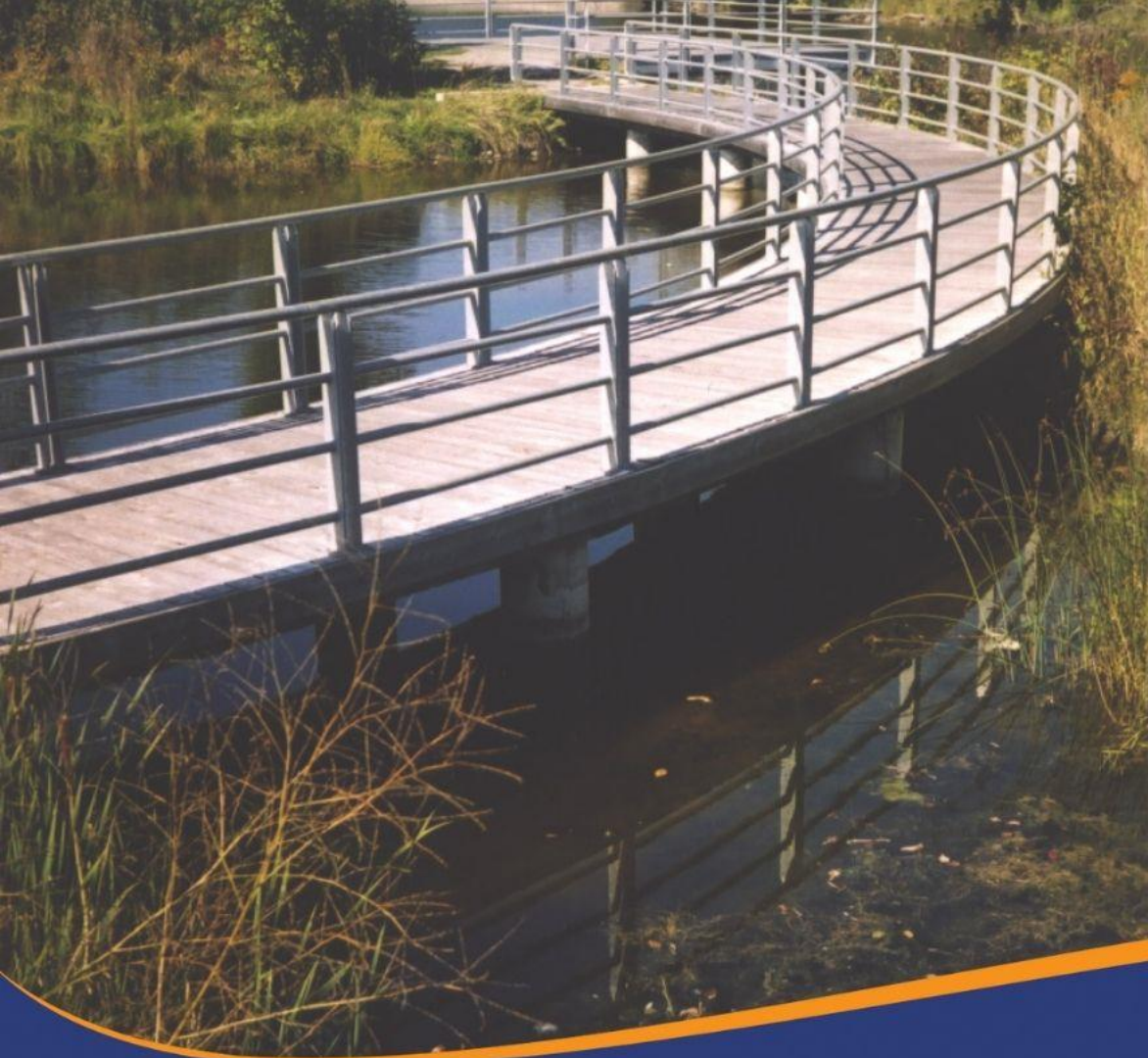
- Alignment with the Long-Term Financial Plan and with a continued focus on priority investments in roads.
- Significant step toward reducing the Fire fleet capital backlog.
- Grant-financed fleet acquisitions to support the Community Paramedic Program.
- Design of a new bridge over Ops #1 Drain (west Jennings Creek) to facilitate development in northwest Lindsay.
- Construction of a new cell at the Lindsay-Ops Landfill to ensure adequate landfiling capacity.
- Substantial one-time investment to address the Public Works fleet capital backlog.



Proposed 2023 Tax-Supported Capital Budget: Dedicated Capital Levy

- As part of the 2022 Budget, Council adopted a dedicated tax levy to support the Asset Management Reserve and thus capital sustainability.
- As per the Long-Term Financial Plan, the dedicated capital levy is financed by cumulative tax increases of 1.5% per annum over 2022-2031 (10 years).
- The planned 1.5% increase for 2023 equates to approximately **\$37** for the average household.





Special Projects Budget

Proposed 2023 Special Projects Budget

- The special projects budget was started in 2020 to house operating projects which should be budgeted and managed like capital projects.
- The special projects budget typically encompasses:
 - Studies, plans and strategies.
 - Ontario Land Tribunal appeals.
 - Other significant operating initiatives (e.g. software) which are one-time in nature but do not result in the acquisition or improvement of capital assets.

Proposed 2023 Special Projects Budget: \$2.16M in Expenditure and Financing

Expenditure

Uncapitalized
Improvements,
\$725,000 , 33%

Studies, Plans
and Strategies,
\$790,000 , 37%

IT and
Software,
\$294,000 , 14%

Ontario Land
Tribunal Appeals,
\$350,000 , 16%

Financing

Contingency
Reserve,
\$169,227 , 8%

Grants,
\$75,000 , 3%

Development
Charges
Reserve,
\$150,000 , 7%

Tax Levy,
\$1,764,773 ,
82%

Proposed 2023 Special Projects Budget: Highlights

- Implementation of the Next Generation 911 System
- Secondary Plan and Rural Zoning By-Law Appeals at the Ontario Land Tribunal
- Performance management software and by-law officer body cameras
- Parks and Recreation Strategic Plan

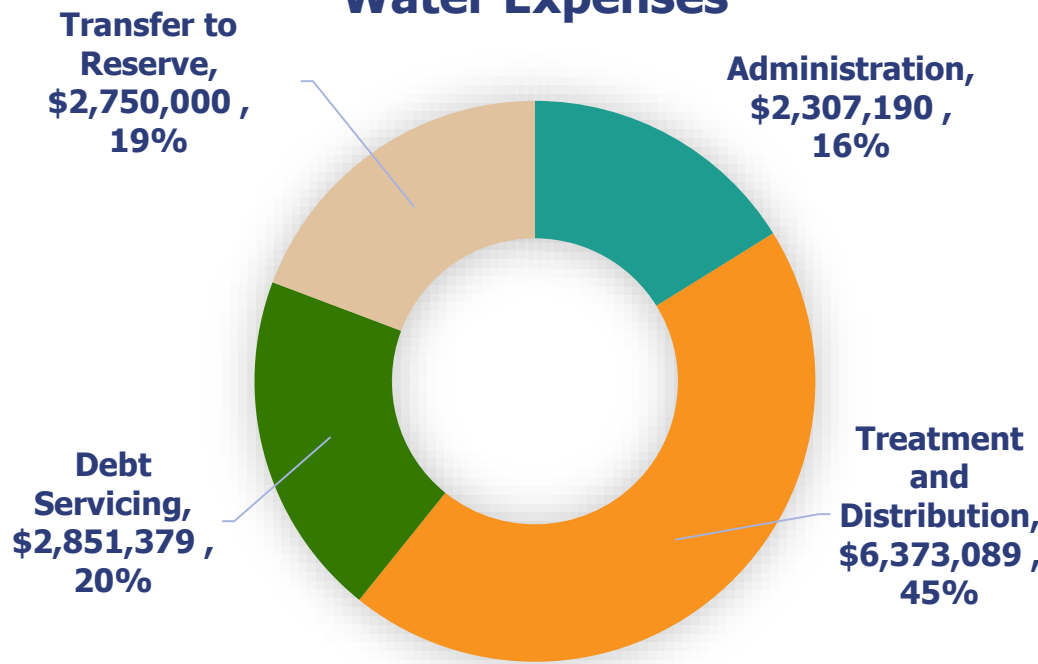




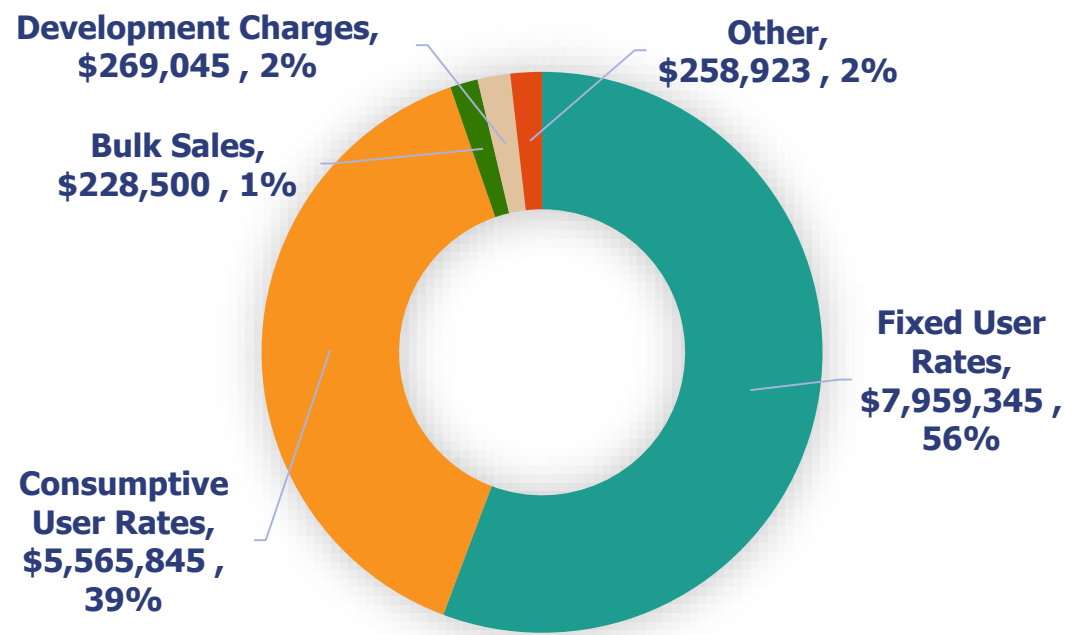
Water and Wastewater Budget

Proposed 2023 Water Operating Budget: \$14.3M

Water Expenses

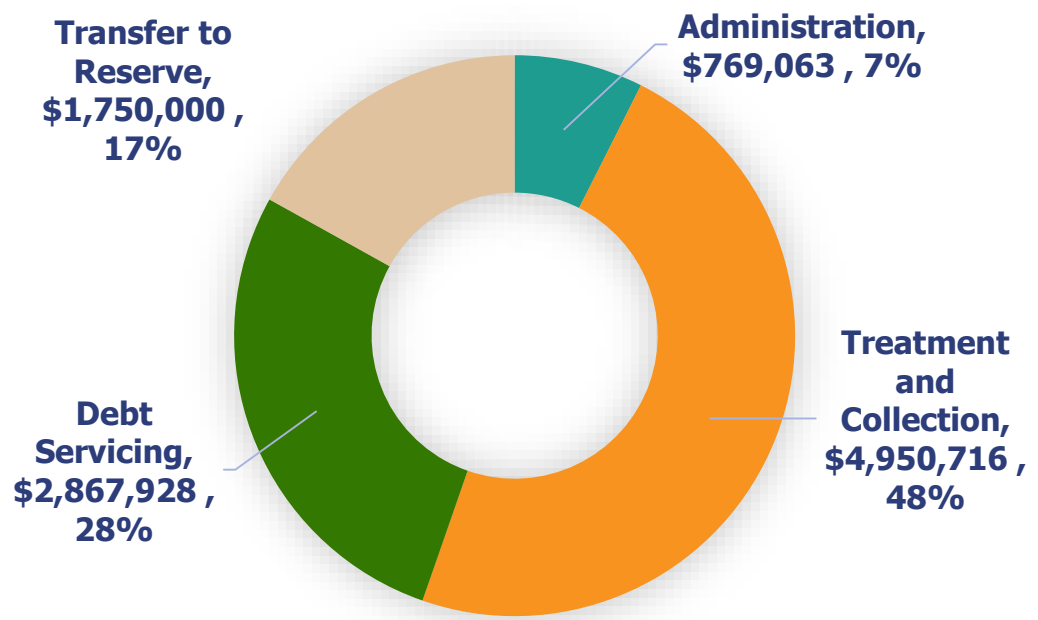


Water Revenue

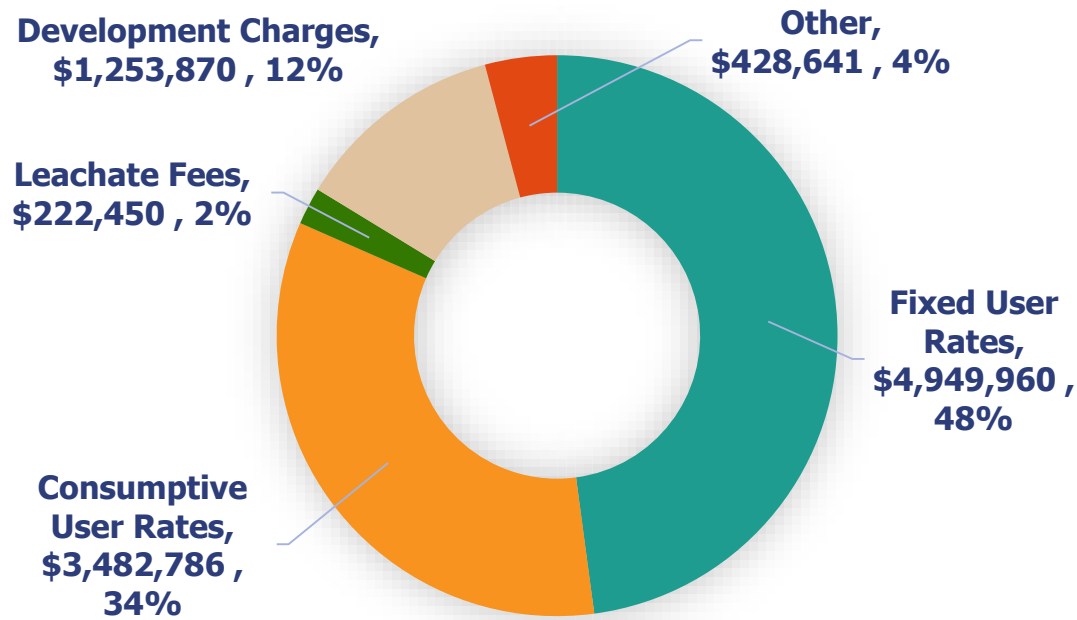


Proposed 2023 Wastewater Operating Budget: \$10.3M

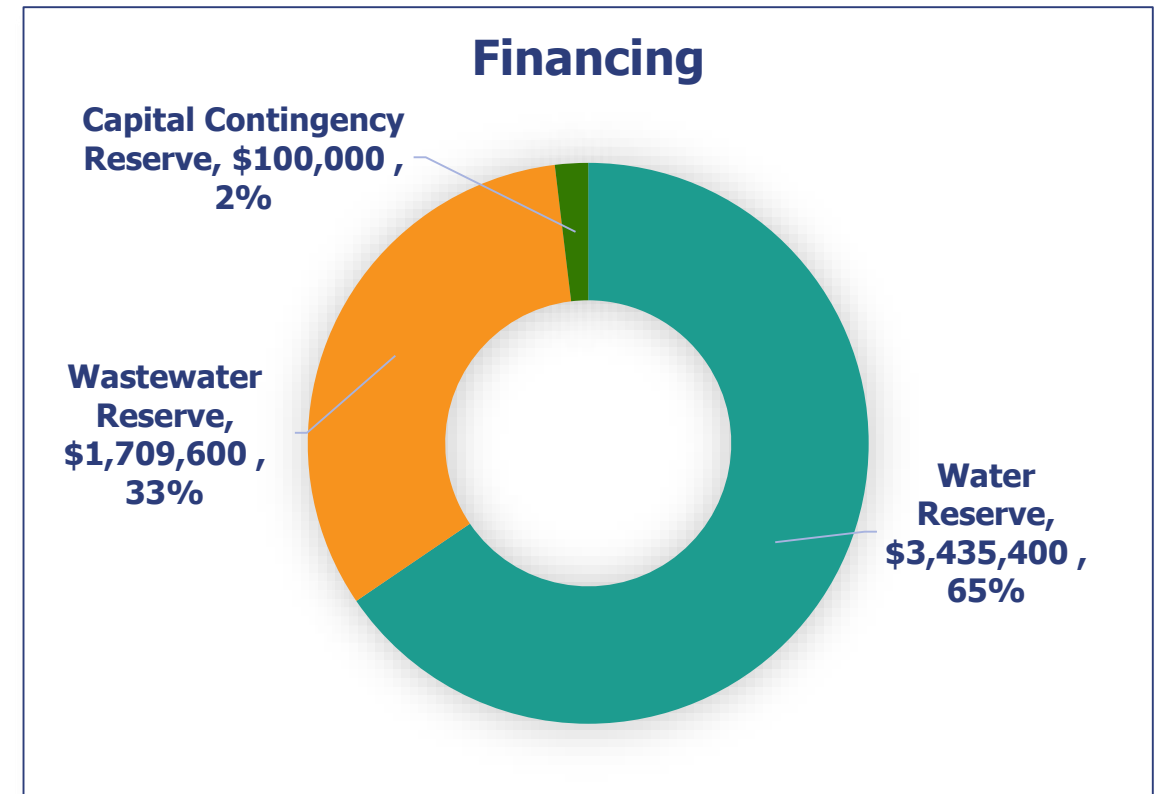
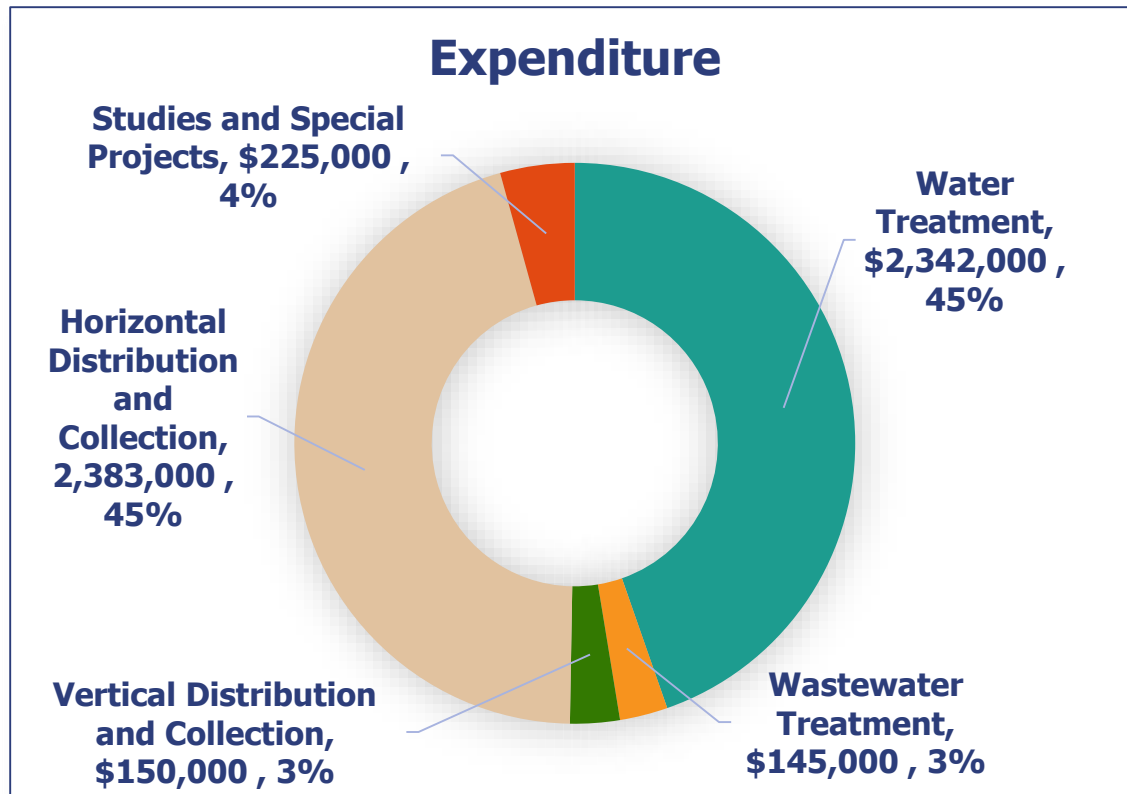
Wastewater Expenses



Wastewater Revenue



Proposed 2023 Water-Wastewater Capital Budget: \$5.2M



Proposed 2023 Water-Wastewater Budget

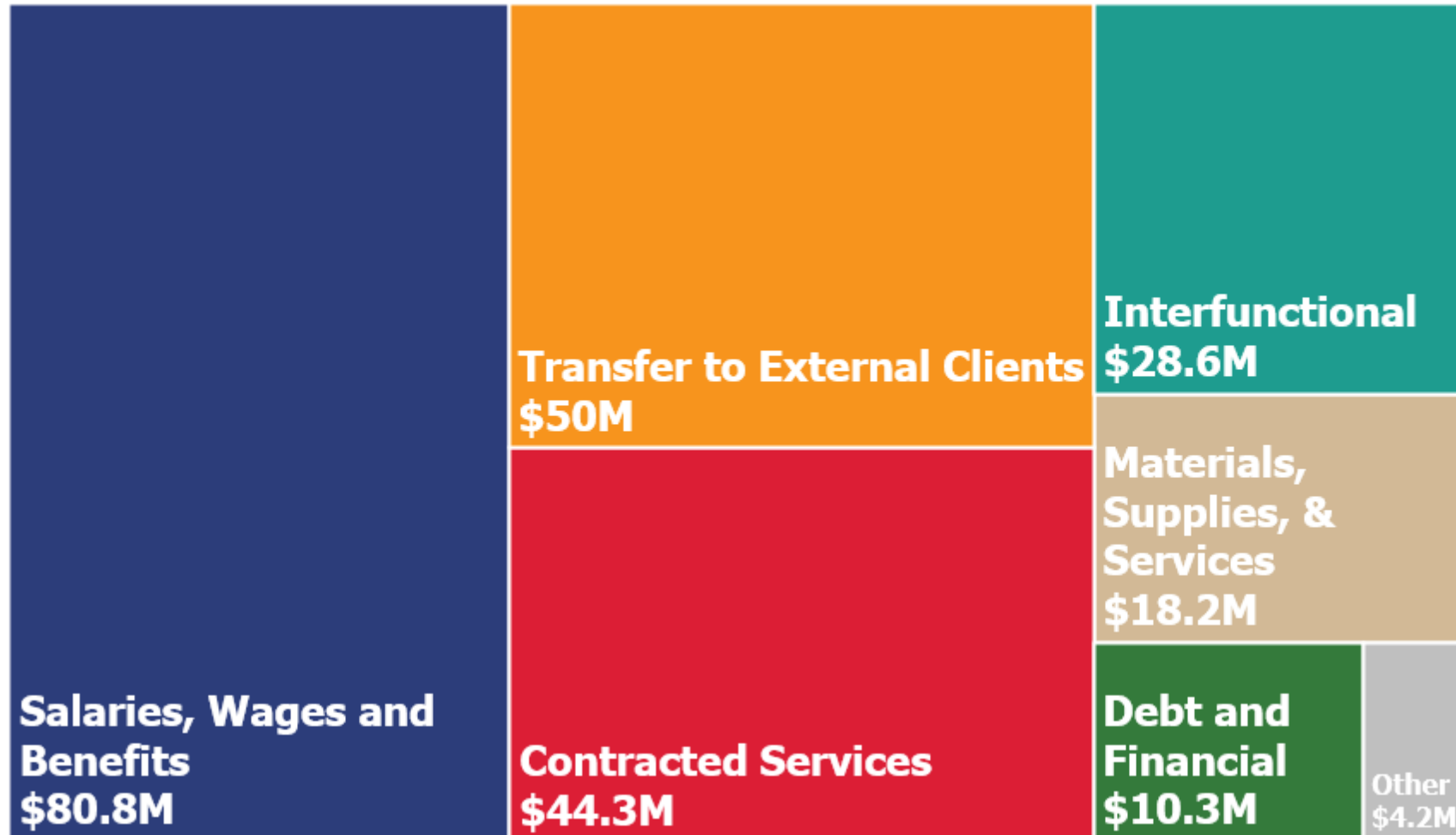
- Capital program is scaled back by about half to enable staff to catch up on existing water-wastewater capital projects.
 - Results in a water-wastewater debt holiday for 2023.
- Otherwise, the budget is aligned with the following:
 - Water-Wastewater Rate Study
 - Long-Term Financial Plan
- Accordingly, the proposed general user rate increase has been set to 3% for 2023.



Operating Budget

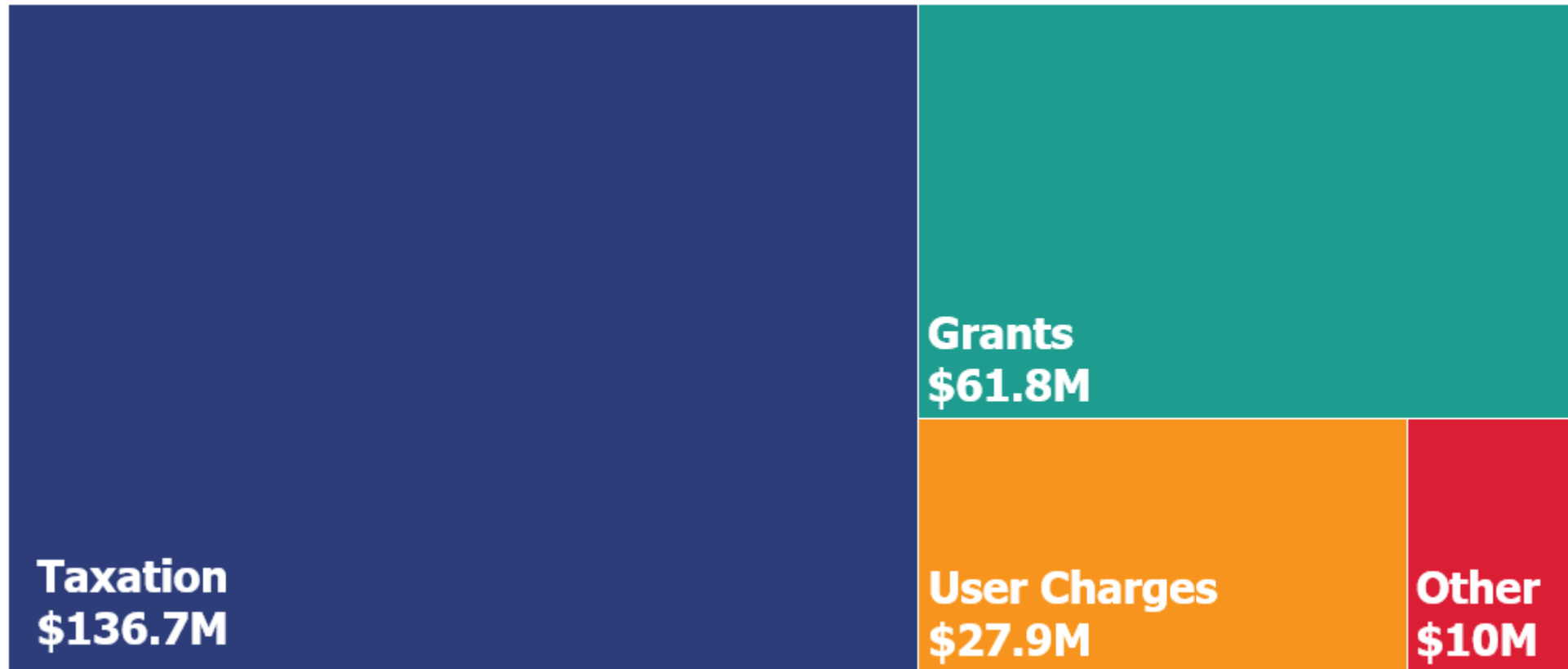
Proposed 2023 Operating Budget: \$236.5M

Expenses

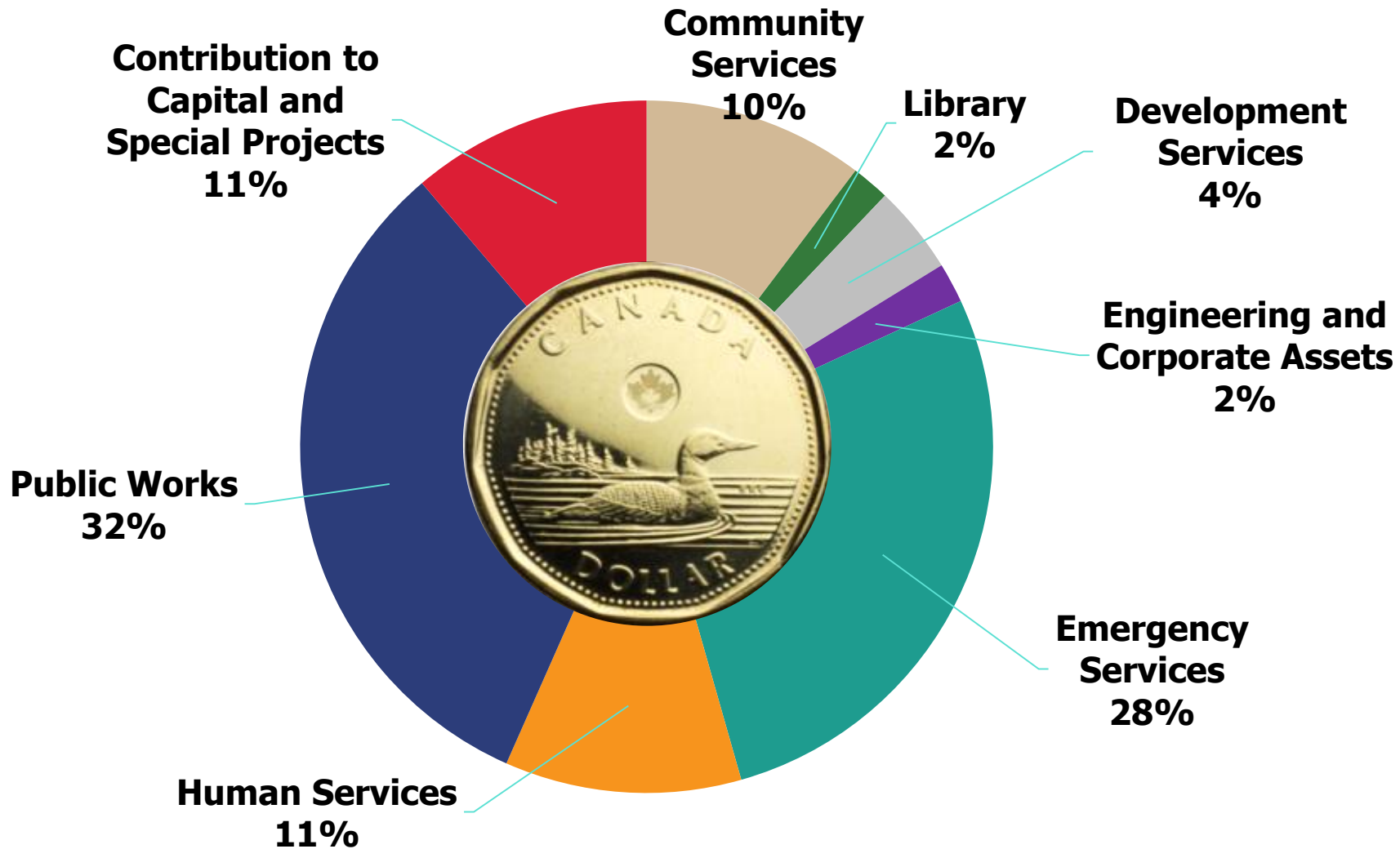


Proposed 2023 Operating Budget: \$236.5M

Revenues



Where Does \$136.7M in Tax Dollars Go?



Proposed 2023 Operating Budget Highlights and Key Pressures

- Aligned with the Long-Term Financial Plan:
 - Proposed general tax levy increase of 3.0%.
 - Proposed special tax increase of 1.5% for the dedicated capital levy.
- Manages ongoing inflationary pressures while building reserves and lessening reliance on one-time relief funding.
- Challenged by key financial pressures such as:
 - Salaries and benefits
 - New positions
 - Housing
 - Inflation in fuel and other prices

Next Steps

February 14 Special Council Meeting

Budget deliberation and approval

- Capital Budget

February 28 Special Council Meeting

Budget deliberation and approval

- Operating Budget
- Special Projects
- Water and Wastewater Operating and Capital

Follow and Engage with the 2023 Budget Process

kawarthalakes.ca/budget

Inventory of meetings, documents and upcoming dates

kawarthalakes.ca/subscribe

Subscribe to email alerts of meetings and budget news