

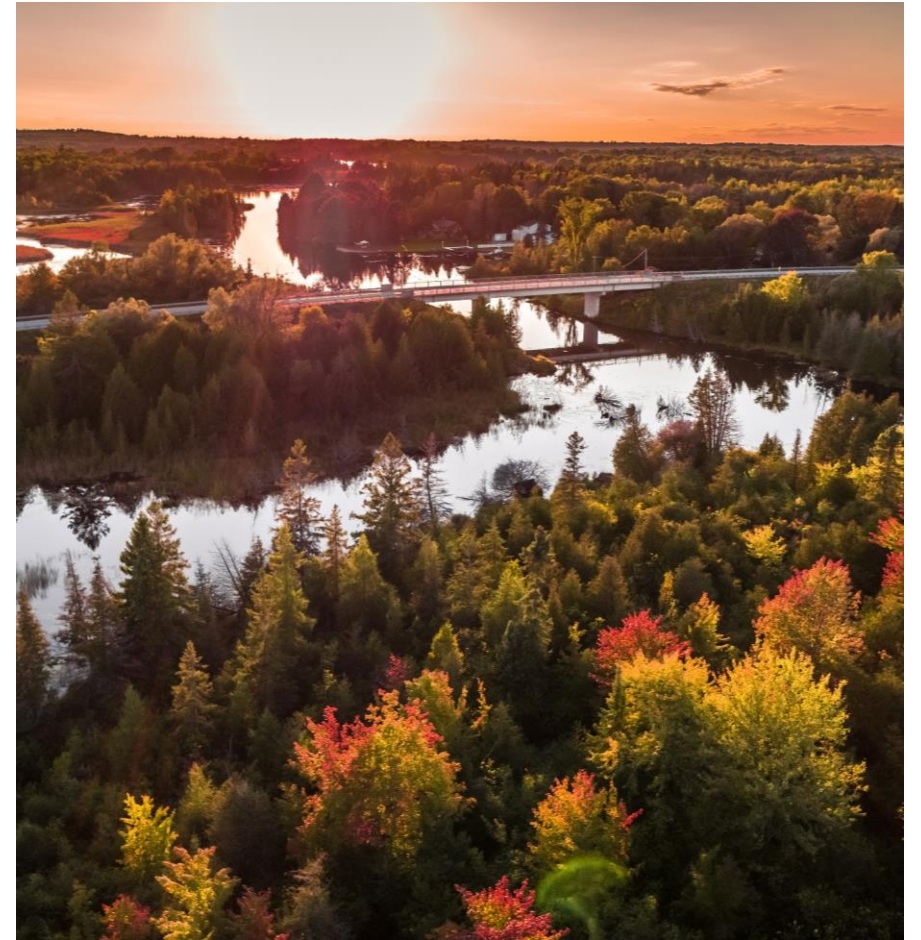
2025 Budgets

Public Council Meeting
Budget Presentation

November 12, 2024

Topics

1. Budget Process
2. Budget Overview
3. Water and Wastewater Budget
4. Tax Supported Capital Budget
5. Tax Supported Special Projects Budget
6. Tax Supported Operating Budget
7. Agencies, Boards and Committees
8. Reserves
9. Next Steps



2025 Budget Process



Complete

Complete

Complete

2025 Budget Process Continued

Proposed

- Mayor considers Draft Budgets and may opt to make changes

Oct/Nov
2024

We are here

Proposed

- Mayor presents Proposed Budgets to Council and Public; presentations from community groups, delegations from public, correspondence

November
12, 2024

Proposed

- Presentations of Mayor's Proposed Budget to Council, delegations and correspondence from public. Council has 30 days to amend Mayor's Proposed Budget

November
26, 27, 28
2024

2025 Budget Process Continued



November
2024

November
2024

December
2024

Strong Mayor Powers

Legislation – Part VI.1 of Municipal Act, 2001, O. Reg 530/22

- Mayor must present a budget by February 1, 2025, otherwise it will be Council's responsibility
- Upon receipt, Council will have 30 days to amend the Mayor's Proposed Budgets by majority vote
- Mayor will have 10 days to veto any amendments passed by Council
- Council will have 15 days to override the Mayoral Veto with a two third majority
- Conflict of interest rules still apply to the Mayor (and Council), and a Mayoral Veto is prohibited on any specific matter where this is in effect

How to view the Mayor's Proposed 2025 Budget

www.kawarthalakes.ca/budget

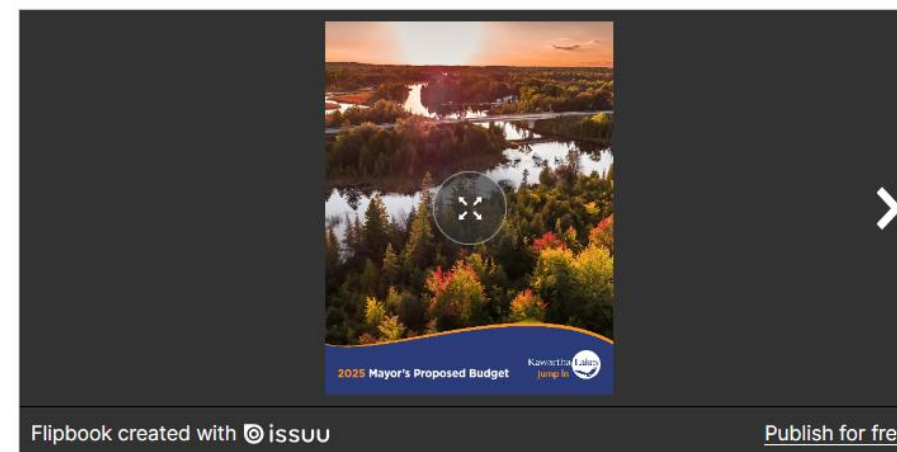
Learn more on Jump In, Kawartha Lakes

www.jumpinkawarthalakes.ca/2025budget

View a hard copy at a
Municipal Service Centre upon request.

The Mayor has proposed the 2025 Budget as shown below.

Download Mayor's Proposed 2025 Budget in PDF.

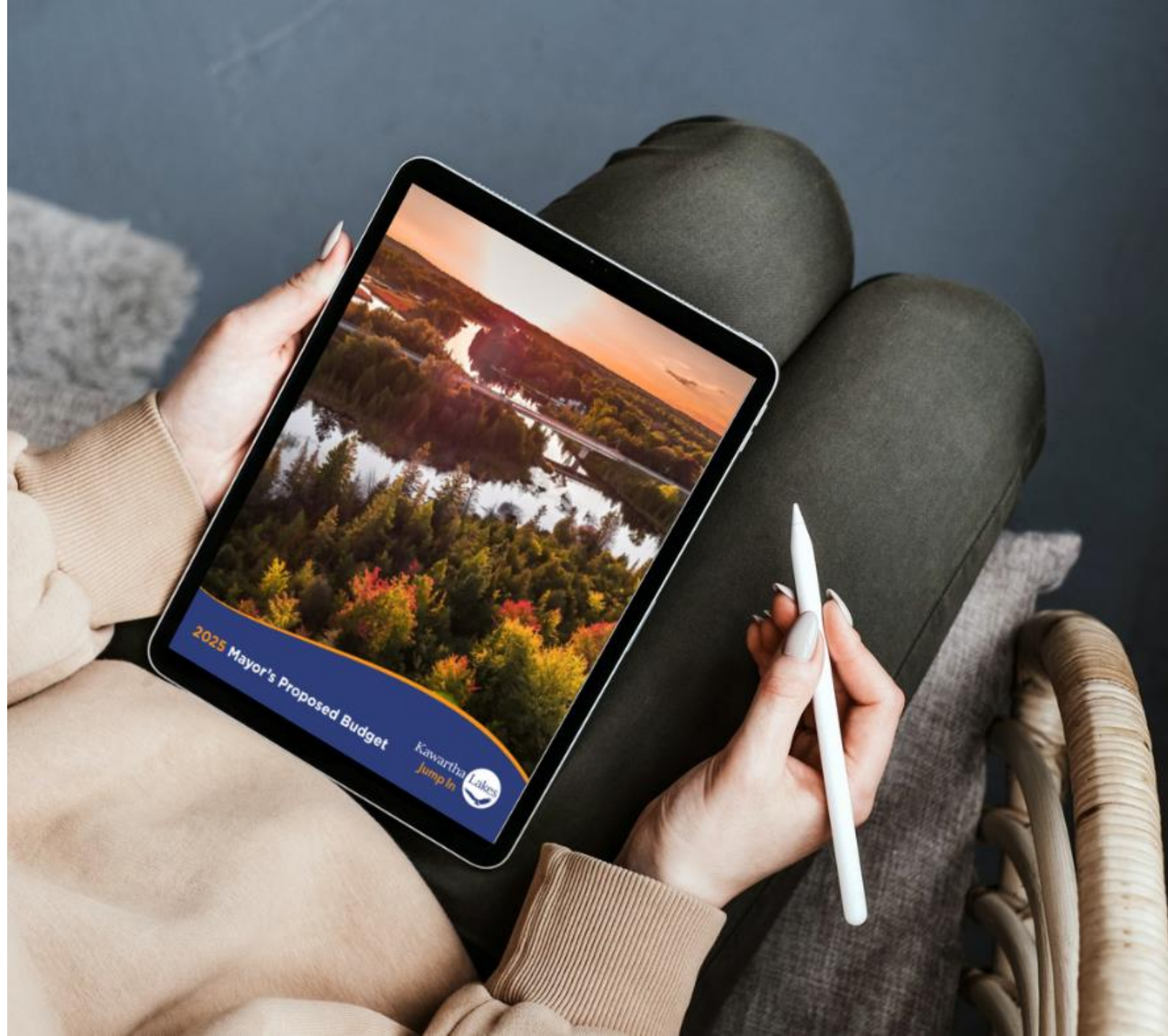


Budget Overview

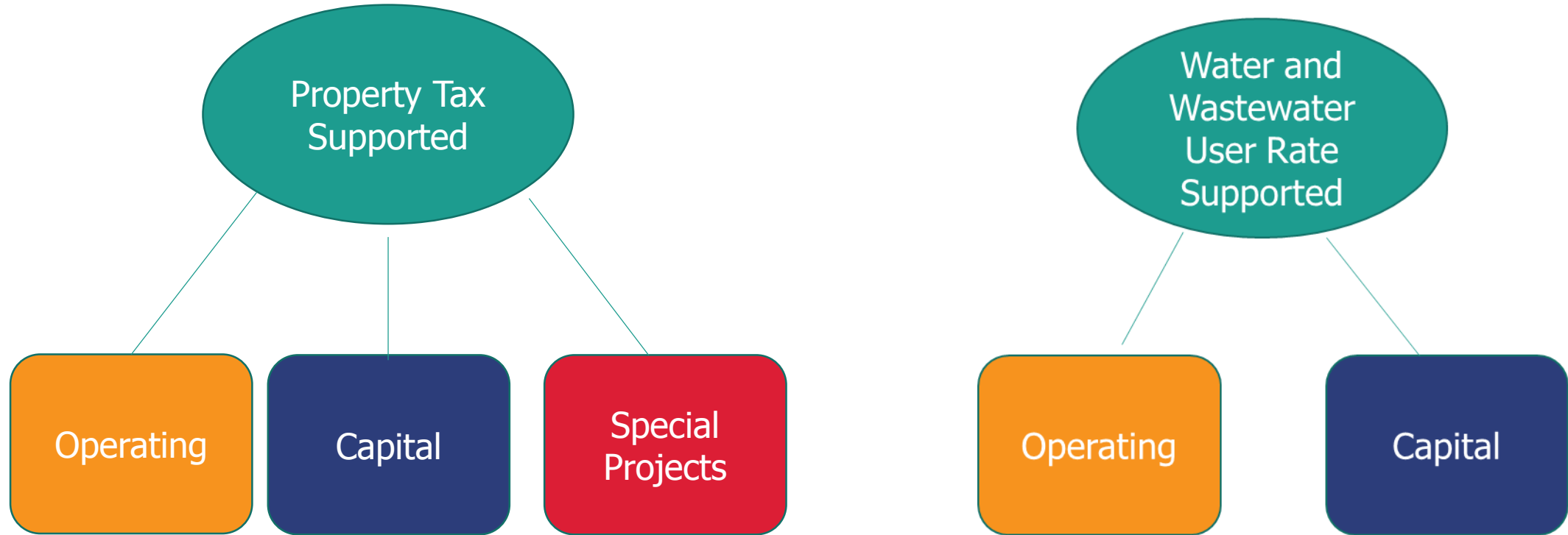


Video series

1. Budget process overview
2. Where does the money come from
3. How are tax dollars spent



Overview 2025 Budget Funding Sources



2. 2024 to 2027 Strategic Priorities



- Strategic Plan is City's roadmap
- Annual Budget aligned to Strategic goals and actions
- For the complete Strategic Plan, please visit www.kawarthalakes.ca/strategicplan

2. 2025 Budget Alignment to Long Term Financial plan (LTFP)

City is advancing several LTFP goals:

- ✓ Continuing to build up Asset Management Reserve (\$17.4 Million)
- ✓ Continuing to address backlog of deferred capital needs
- ✓ Reducing reliance on debt for State of Good Repair assets
- ✓ Prepare for Growth
- ✓ Continual Review of Service Level Definition

2. Priorities and Highlights

- Keeping taxes affordable
- Enhancing **community safety** and emergency services
- Investment in health and well-being
- Growth benefits all
- Unprecedented Capital Budget for a growing community



Budget bottom line

1. Water and Wastewater Budget

- 3% user fee increase in adherence to Water-Wastewater Rate Study
(users of municipal water-wastewater only)

2. Operating budget (all property owners)

- 7.2% tax increase
 - 3.5% for general operations
 - 2.2% to address unanticipated pressures in police services,
 - 1.5% for continued support of the dedicated capital levy

3. Updates to the Long Term Financial (LTFP) Plan Coming 2025

- 2025 budget will be final interim budget based on 2022 LTFP, as previously planned 3% tax increase no longer financially sustainable

Budget Bottom line Continued

- OMPF funding increase of \$427,000 to a total of \$8.4 million
- This refines 2025 Budget down to 6.9% from 7.2%

Ontario 

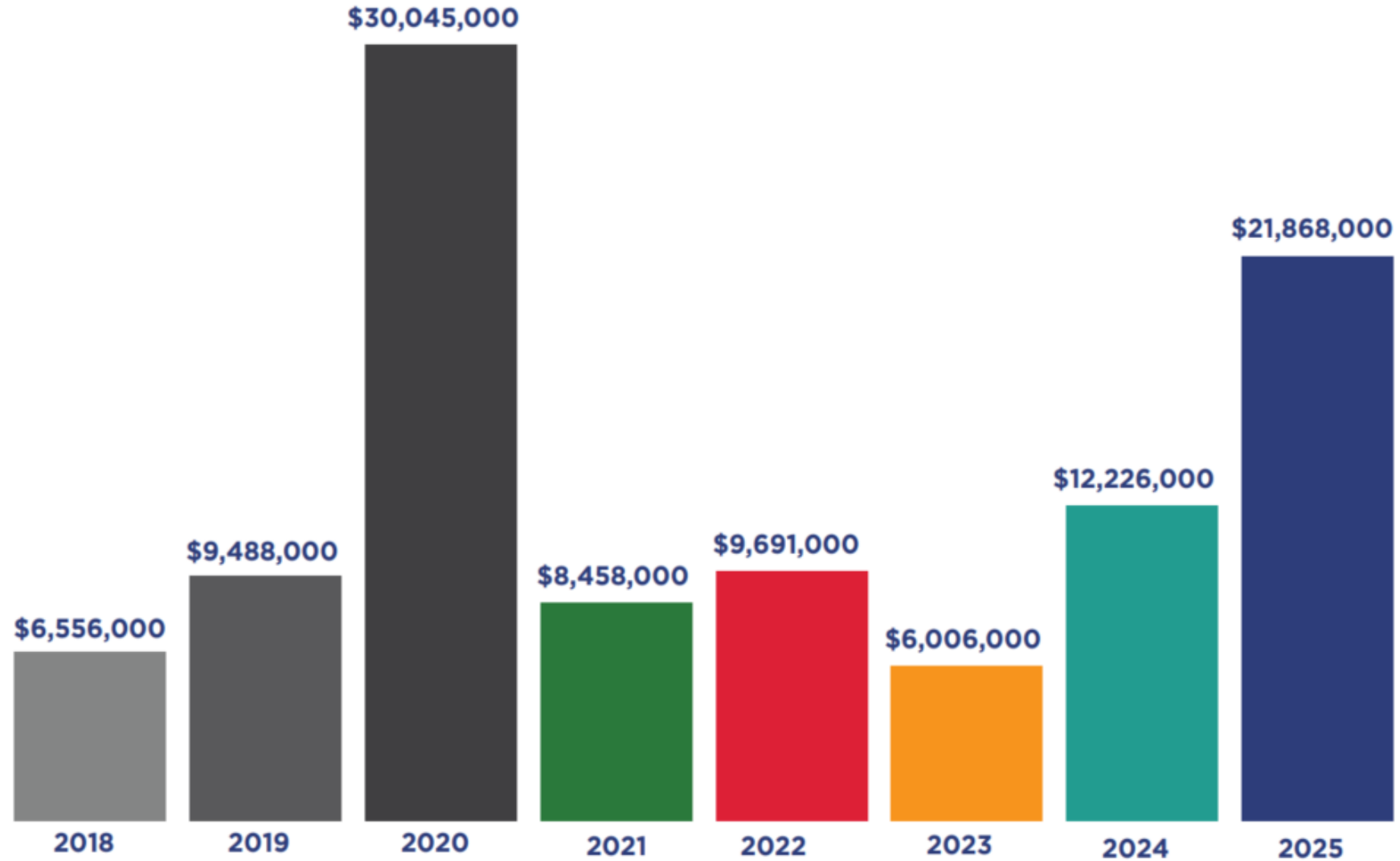
Water-Wastewater Budget



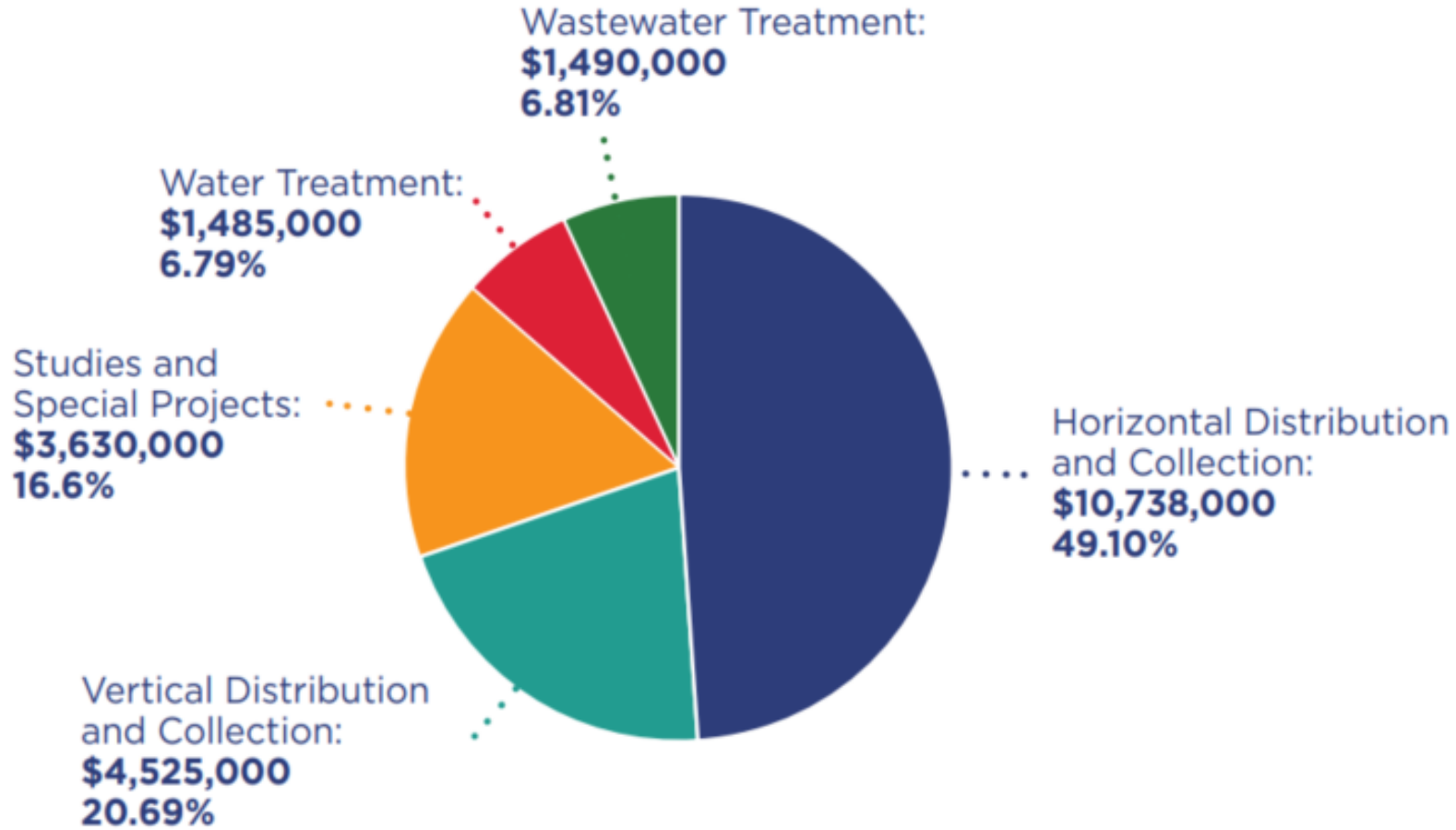
Proposed Water-Wastewater Capital Budget

Title	Expenditure	Water Reserve	Water DC Reserve	Water ICIP Grant	Sewage Reserve	Sewage DC Reserve	Sewage Debenture
Water Treatment	1,485,000	1,485,000	0	0	0	0	0
Wastewater Treatment	1,490,000	0	0	0	1,490,000	0	0
Vertical Distribution and Collection	4,525,000	300,000	0	0	225,000	4,000,000	0
Horizontal Distribution and Collection	10,738,000	1,630,240	2,380,160	1,237,600	312,200	1,356,800	3,821,000
Studies and Special Projects	3,630,000	868,800	0	0	1,761,200	1,000,000	0
Total	21,868,000	4,284,040	2,380,160	1,237,600	3,788,400	6,356,800	3,821,000

Water-Wastewater Capital Budget Trend

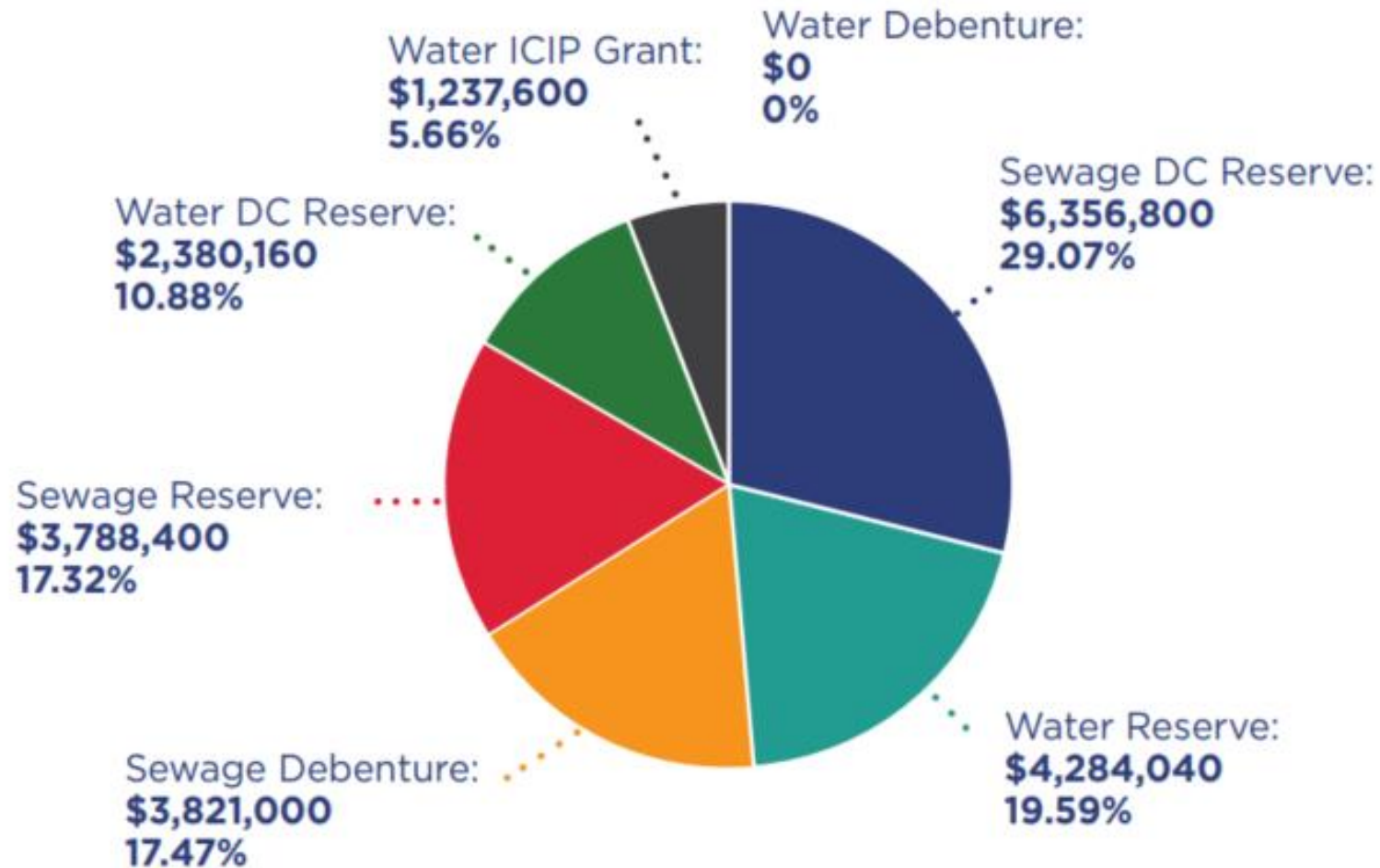


Proposed Water-Wastewater Capital Expenditure by Capital Program



Total 2025 Water-Wastewater Capital Expenditure: **\$21,868,000**

Proposed Water-Wastewater Capital Financing by Source



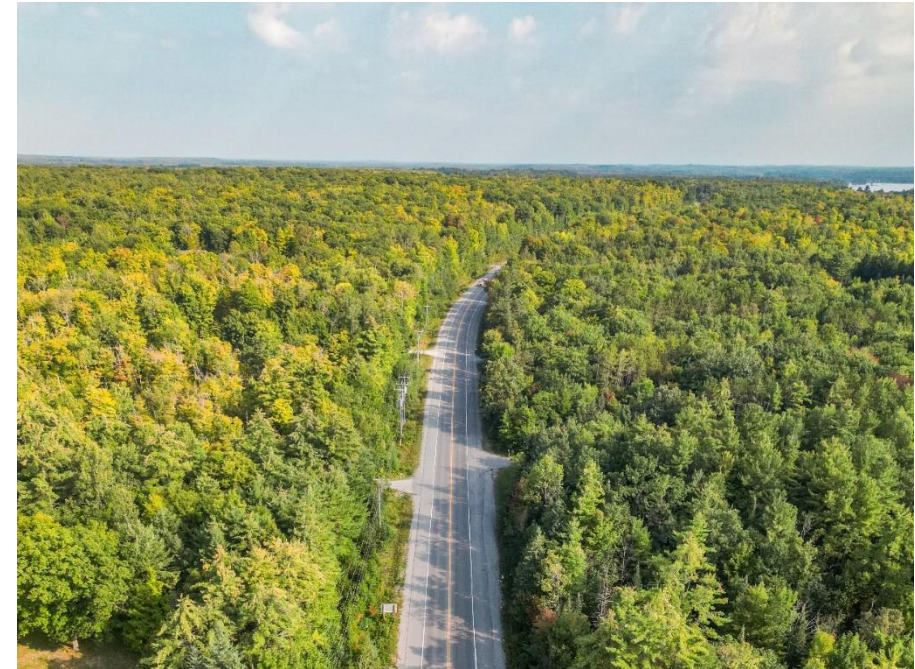
Total 2025 Water-Wastewater Capital Financing: **\$21,868,000**

3. Mayor's Proposed Water and Wastewater Operating Budget



	Actual 2023	Budget 2024	2025 Budget	Change from 2024 Budget
Tax Revenues	(250,323)	(229,750)	(260,000)	(30,250)
Other Revenues	(2,484,943)	(1,640,176)	(1,661,144)	(20,968)
User Charges, Licenses and Fines	(23,822,957)	(24,101,690)	(25,523,414)	(1,421,724)
Total Revenues	(26,558,223)	(25,971,616)	(27,444,558)	(1,472,942)
Salaries, Wages and Benefits	1,694,548	2,307,750	2,522,036	214,286
Materials, Training and Services	1,480,640	1,478,940	1,524,300	45,360
Contracted Services	9,205,056	9,920,878	10,206,650	285,772
Interest on Long Term Debt	1,460,299	2,027,491	1,927,663	(99,828)
Debt, Lease and Financial	4,542,099	5,091,827	4,838,083	(253,744)
Interfunctional Adjustments	8,171,447	5,144,730	6,425,826	1,281,096
Total Expenses	26,554,089	25,971,616	27,444,558	1,472,942
Total Water and Wastewater Budget	(4,134)	-	-	-

4. Tax Supported Capital Budget



Capital Summary

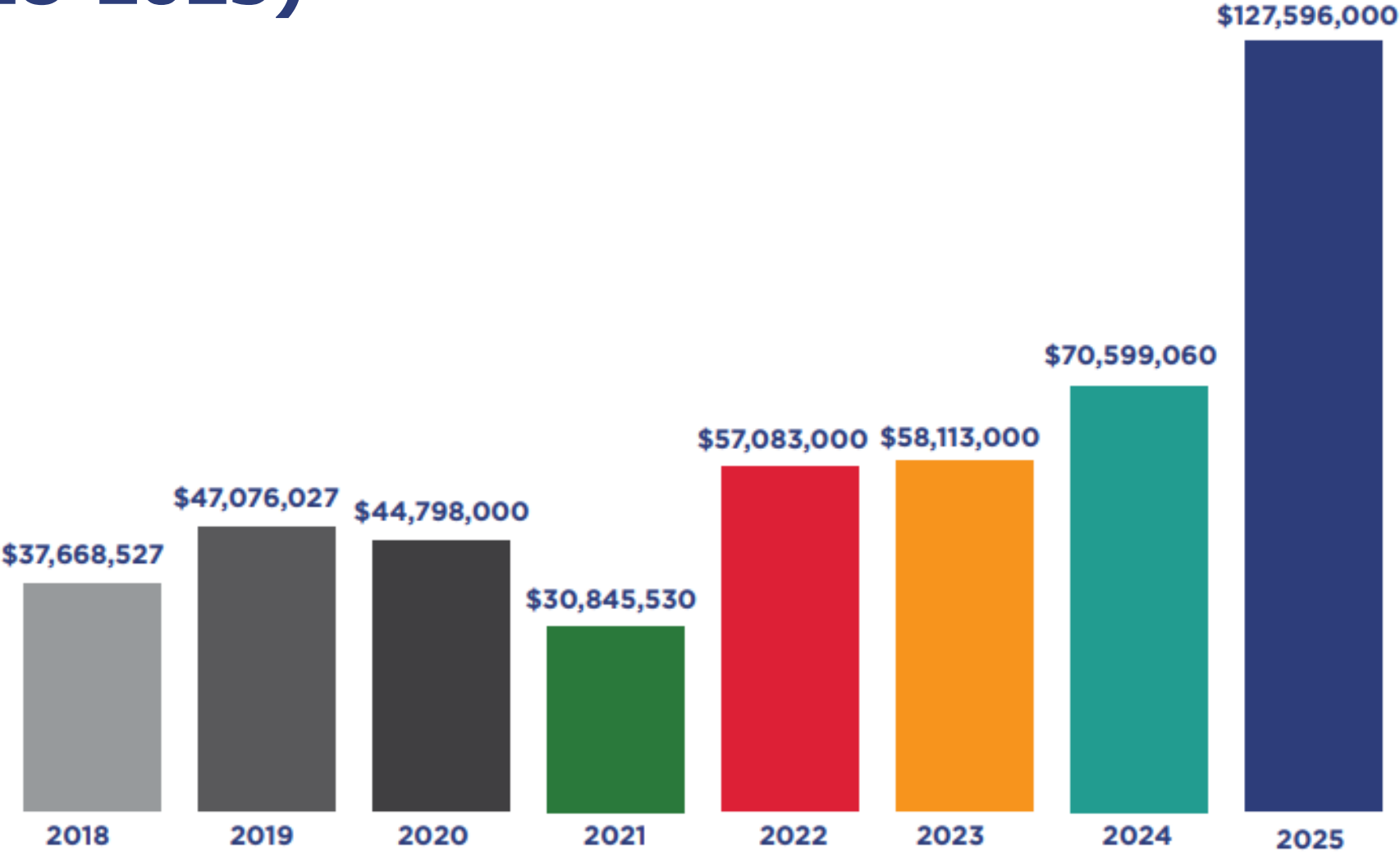
- Capital budget for a growing City
- \$128 million
- State of Good Repair Projects= \$68.9 Million



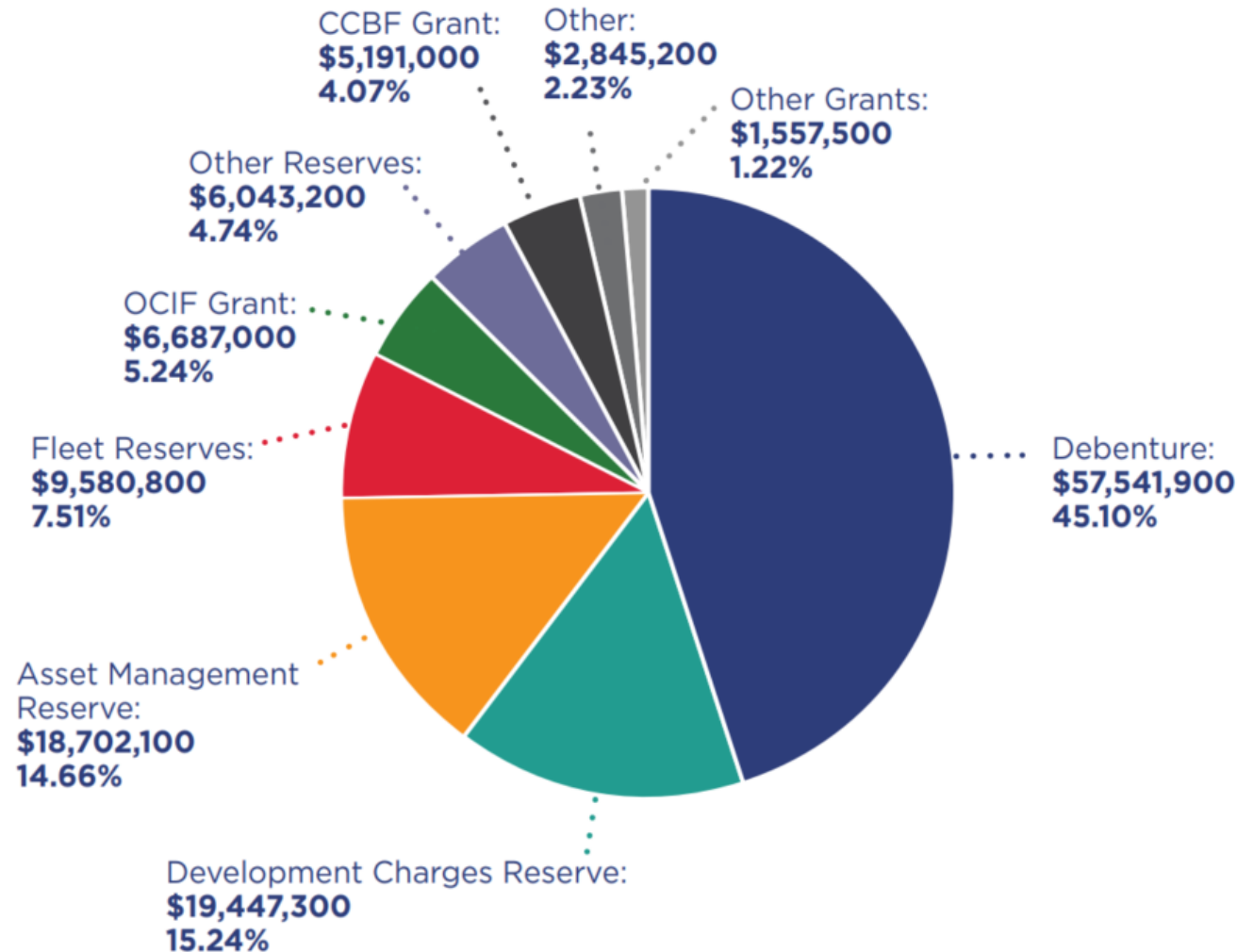
- Expansionary = \$58.7 Million projects



Total Tax Supported Capital Budget (2018-2025)



Proposed 2025 Tax Supported Capital Financing



Total 2025 Capital Financing: **\$127,596,000**

Highlighted projects



4. Mayors Proposed Capital Projects Budget Summary



Title	Expenditure	Asset Mgt. Reserve	DC Reserve	Fleet Reserves	Other Reserves	CCBF Grant	OCIF Grant	Other Grants	Debenture	Other
Multiyear Capital Projects	39,100,000	1,425,000	7,660,000		572,500		420,000		29,022,500	
Bridges and Culverts	11,149,000	302,000	1,400,000			465,000	1,011,000		7,971,000	
Urban/Rural Reconstruction	19,182,000	1,133,000	7,694,400		67,000	1,576,000			8,499,400	212,200
Urban/Arterial Resurfacing	8,364,000	1,536,000			1,100,000	3,150,000				2,578,000
Rural Resurfacing	6,891,000	2,816,000					4,075,000			
Gravel Resurfacing	2,139,000	2,139,000								

4. Mayors Proposed Capital Projects Budget Summary



Title	Expenditure	Asset Mgt. Reserve	DC Reserve	Fleet Reserves	Other Reserves	CCBF Grant	OCIF Grant	Other Grants	Debenture	Other
Lifecycle Management	2,362,000	1,181,000					1,181,000			
Sidewalks	466,000	466,000								
Traffic Signals and Streetlights	1,175,000	185,000	990,000							
Parking Lots	140,000	31,900	108,100							
Airport Siteworks and Facilities	3,305,000	100,100	211,900		2,193,000				800,000	
Landfill Siteworks and Facilities	3,020,000	170,000							2,850,000	

4. Mayors Proposed Capital Projects Budget Summary



Title	Expenditure	Asset Mgt. Reserve	DC Reserve	Fleet Reserves	Other Reserves	CCBF Grant	OCIF Grant	Other Grants	Debenture	Other
Roads, Fleet and Transit Facilities	610,000	599,800			10,200					
Public Works Fleet	8,433,000		365,000	7,362,500	98,000			607,500		
Information Technology Systems	1,949,000	1,218,600			80,400			650,000		
Fire Facilities	1,528,000	1,528,000								
Fire Fleet and Equipment	6,382,000	691,700	20,300	2,193,000					3,477,000	
Paramedic Fleet and Equipment	588,000	128,600	120,000	25,300	14,100			300,000		
Police Fleet and Equipment	581,000	58,000	12,000		511,000					

4. Mayors Proposed Capital Projects Budget Summary



Title	Expenditure	Asset Mgt. Reserve	DC Reserve	Fleet Reserves	Other Reserves	CCBF Grant	OCIF Grant	Other Grants	Debenture	Other
Victoria Manor	728,000		5,400		722,600					
Administrative Facilities and Libraries	2,540,000	1,453,000			60,000				1,027,000	
Parks Siteworks and Facilities	3,302,000	841,800	860,200		550,000				995,000	55,000
Recreation Facilities	3,418,000	480,600			37,400				2,900,000	
Parks and Recreation Equipment	160,000	160,000								
Cemetery Siteworks and Facilities	84,000	57,000			27,000					
Total	127,596,000	18,702,100	19,447,300	9,580,800	6,043,200	5,191,000	6,687,000	1,557,500	57,541,900	2,845,200

Special Projects



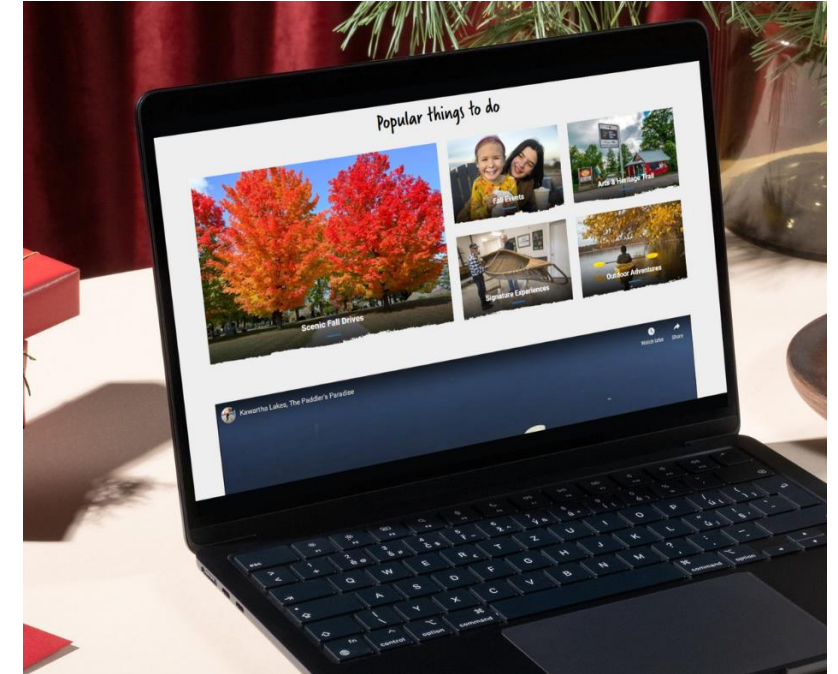
What is a Special Project

- Special projects budget initiated in 2020 to accommodate operating projects that take more than one year to complete
- Special projects typically encompass:
 - studies
 - plans
 - strategies
 - appeals and other significant operating initiatives that are one-time in nature and do not result in acquisition or improvement of capital assets
- 2025 transfer to Special Projects Reserve in this Operating Budget is \$3 Million

Special Project Highlights

- Redevelopment of City websites
- Solid Waste Environmental Assessment
- 25th Anniversary commemoration
- Enterprise software expansion
- Flood hazard mapping

Plans: Stormwater Master Plan, Library Master Plan, Parks Master Plan, Cultural Master Plan, Downtown Revitalization, Signage Strategy, Indigenous Relations Framework, Official Plan review, Commercial Lands Supply Study and more

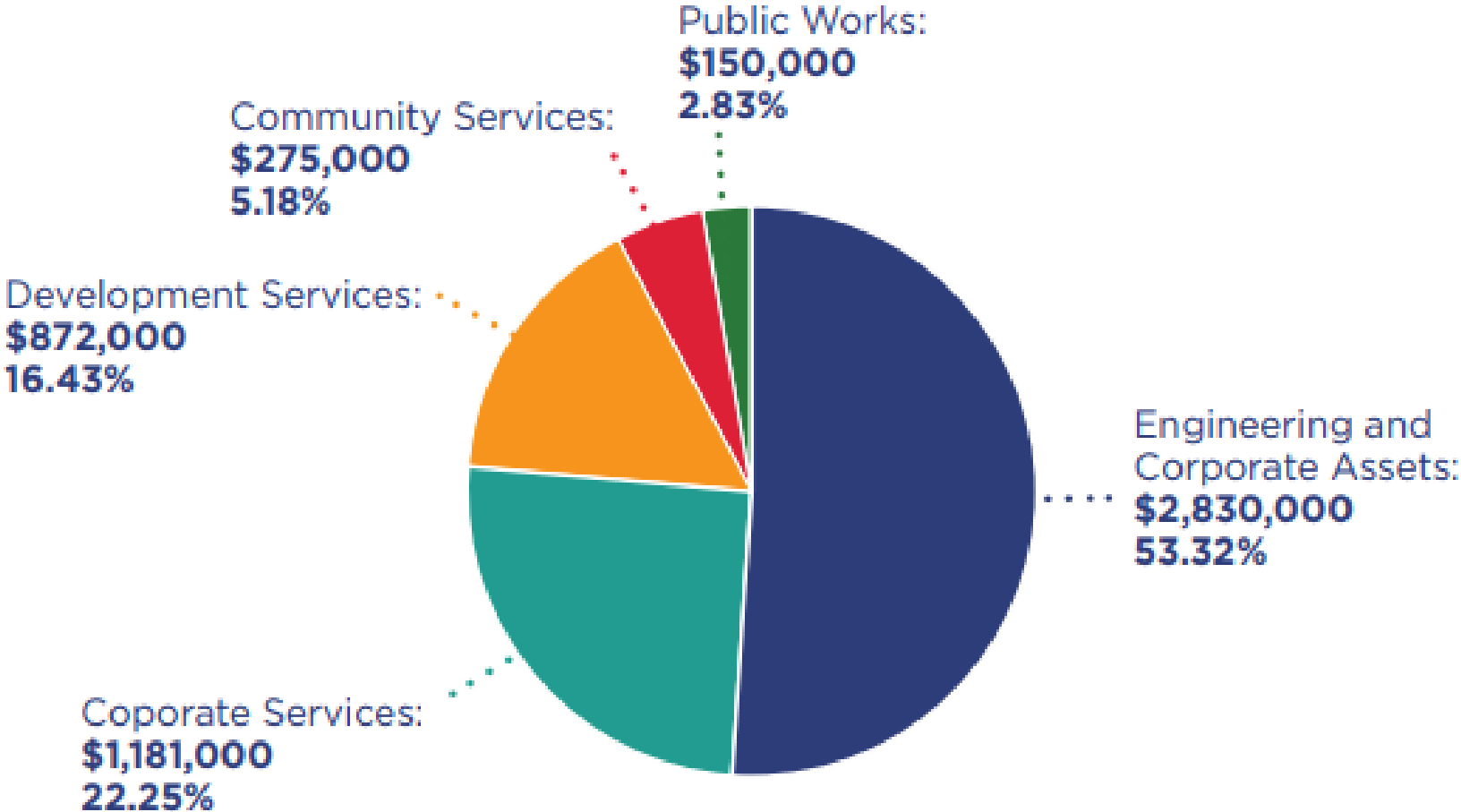


5. 2025 Special Projects Summary



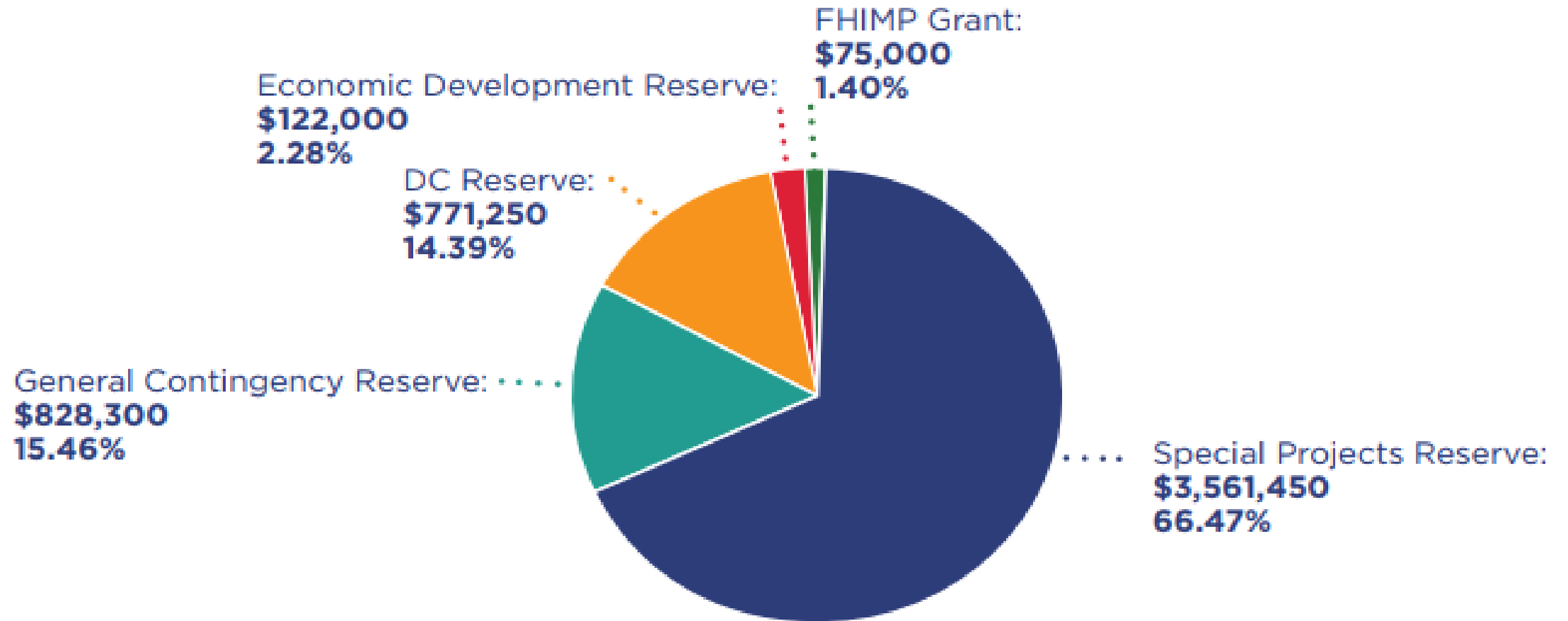
Department / Division	Special Projects Reserve	DC Reserve	General Contingency Reserve	Economic Development Reserve	FHIMP Grant	Total
Office of the CAO	50,000	0	0	0	0	50,000
Engineering and Corporate Assets	2,482,800	330,000	17,200	0	0	2,830,000
Public Works	150,000	0	0	0	0	150,000
Corporate Services	679,900	0	501,100	0	0	1,181,000
Community Services	68,750	206,250	0	0	0	275,000
Planning	0	235,000	310,000	0	75,000	620,000
Economic Development	130,000	0	0	122,000	0	252,000
Total	3,561,450	771,250	828,300	122,000	75,000	5,358,000

Proposed 2025 Special Projects by Department



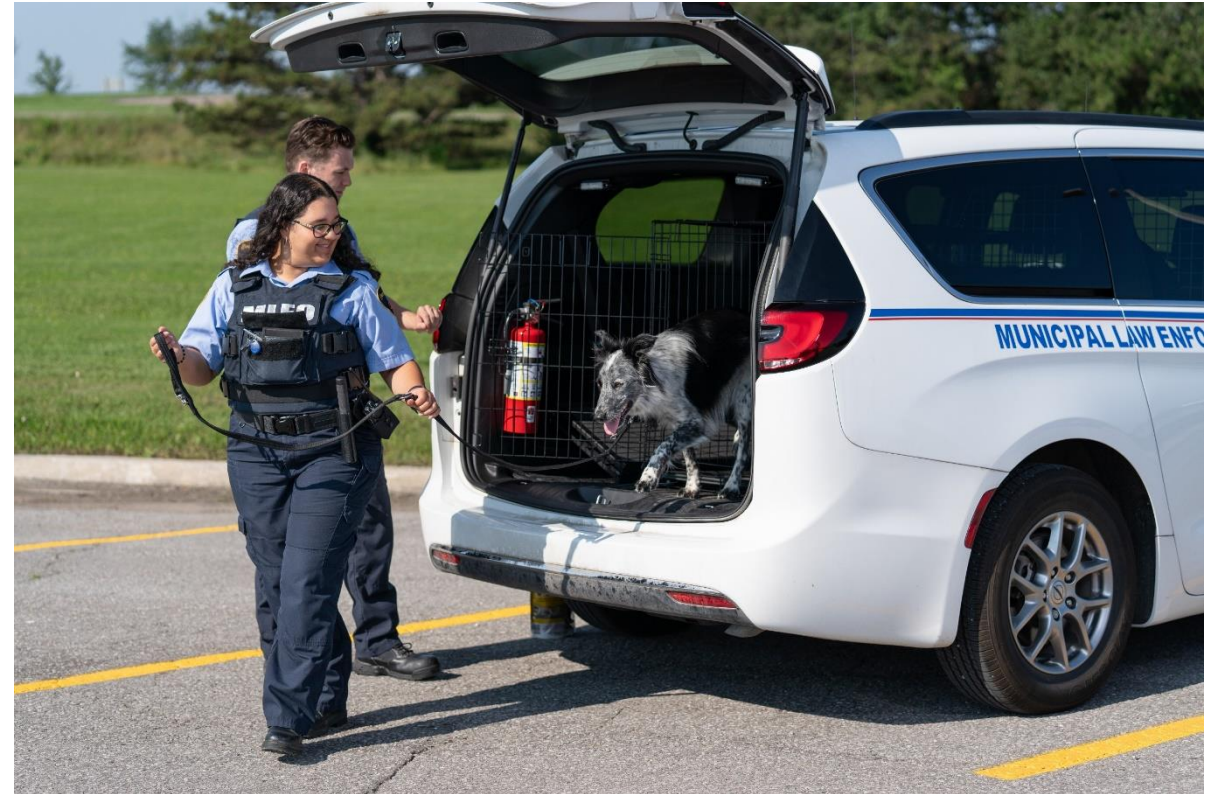
Total Proposed 2025 Special Projects Expenditure: **\$5,358,000**

Proposed 2025 Special Projects Financing by Source

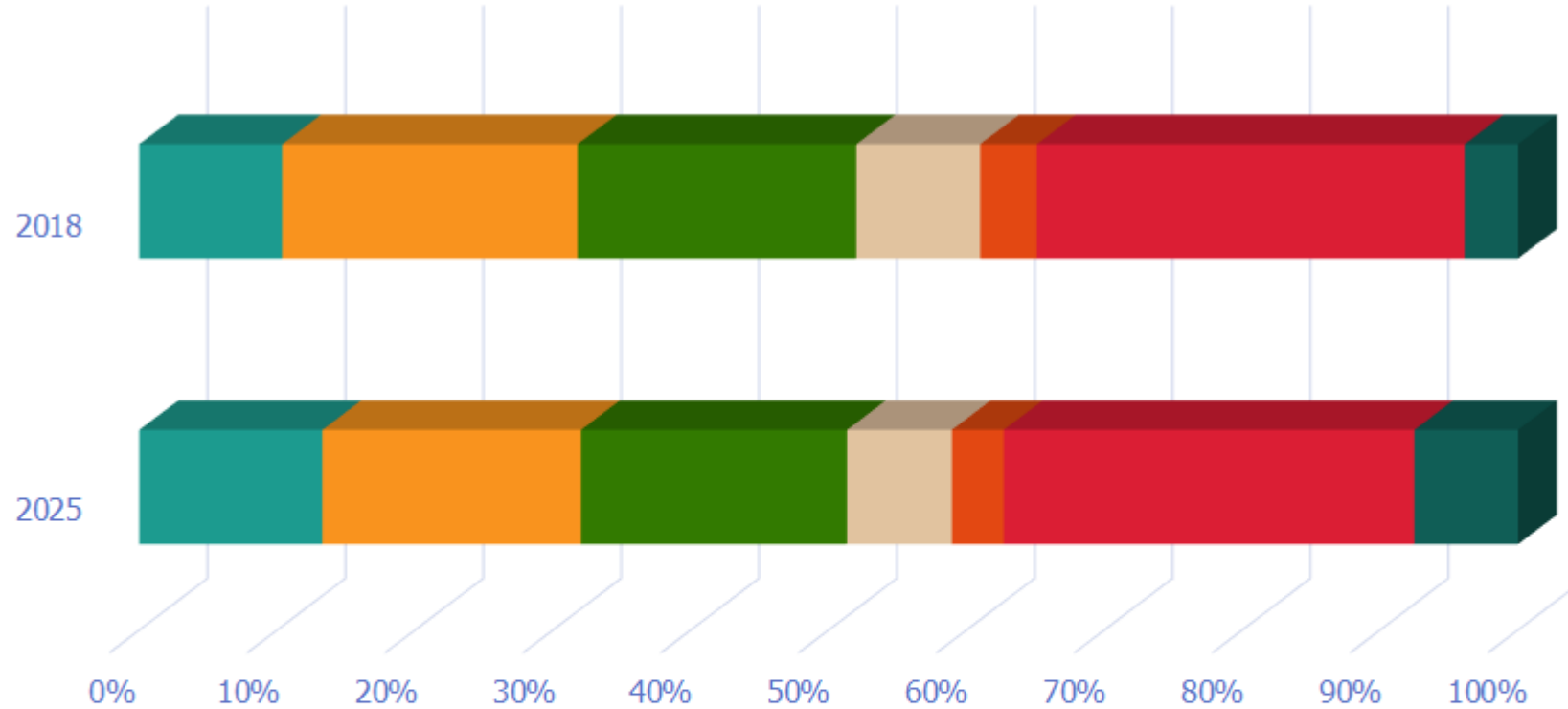


Total Proposed 2025 Special Projects Financing: **\$5,358,000**

Tax Supported Operating Budget



Overview Operating Budget 2018-2025

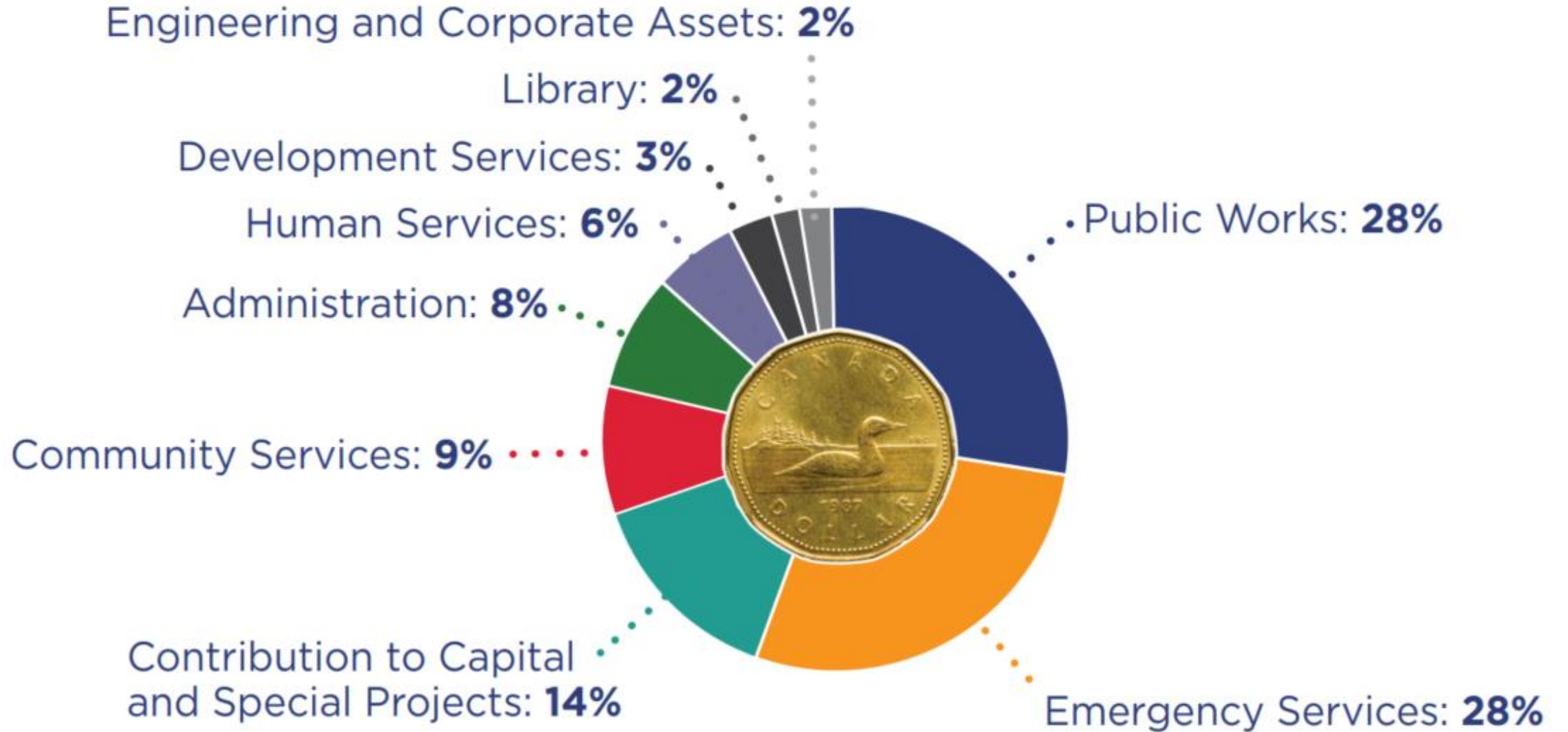


- Administration
- Roads, Waste, Transit, Engineering
- Police, Fire, Paramedics
- Parks, Recreation, Libraries, Facilities
- Building, Planning and Economic Development
- Housing, Children Services, Long Term Care, Ontario Works
- Capital and Special Projects Transfer

2025 Operating Budget

- Operating Budget relates to the day-to-day services provided by the Municipality
- Tax Assessment Growth budgeted at 2.7% and supplemental tax revenue has increased to \$3M
- Continue to support long-term strategy to build up reserves
- In preparation for growth, a commitment has been made to retaining, attracting and expanding our talent base
 - Gross salaries, wages and benefits forecasted to be \$109.7M
 - Represents 40% of overall Operating Budget

Where Tax Dollars Go

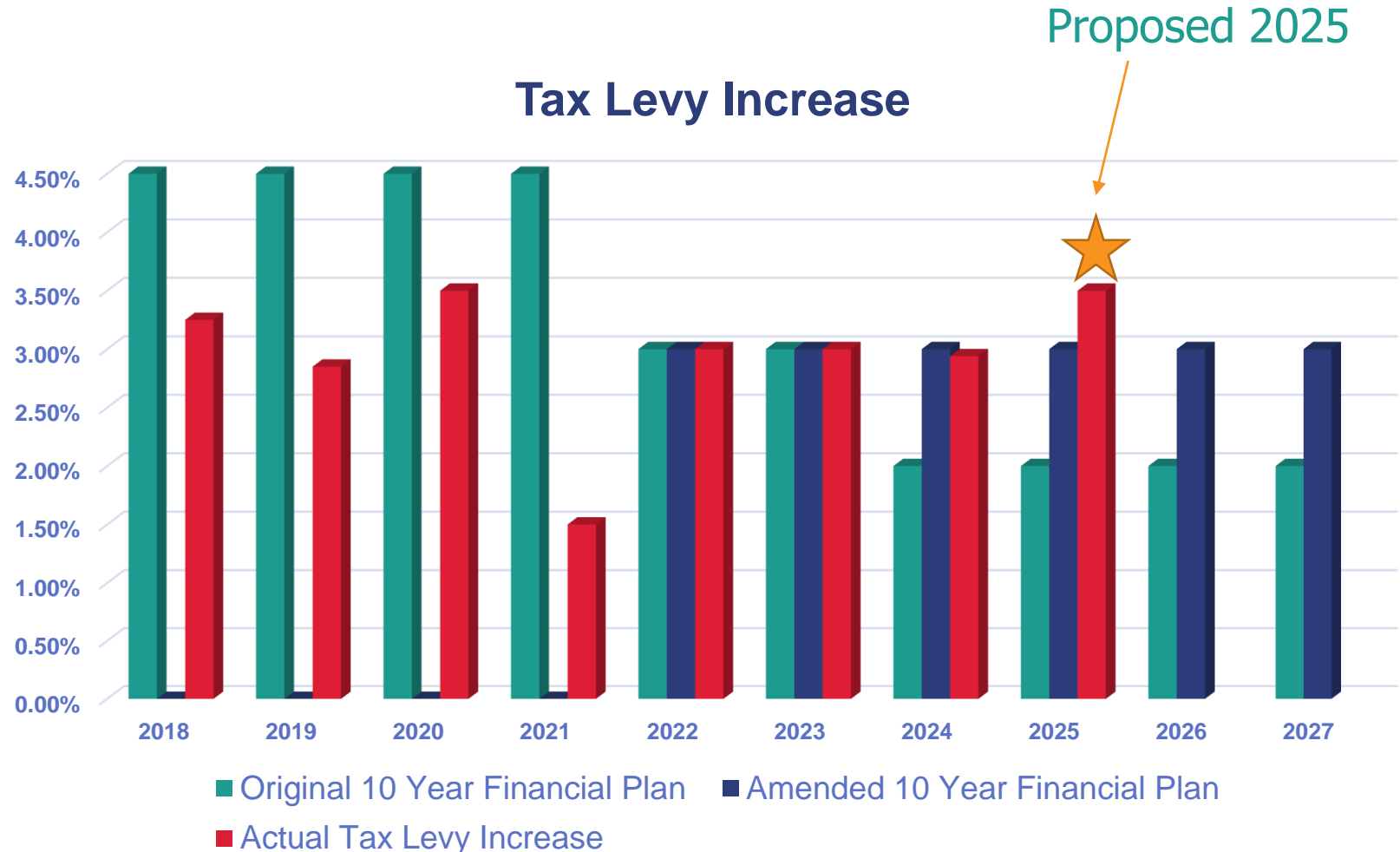


Financial Overview

Property Tax: 2018 to 2027

Cumulative general tax increase 2018 to 2024 has been 20.04% or average of 2.86% per annum*

*Not including 1.5% dedicated capital levy



Forecasted December 31, 2024 Debt Balance

Type of Debt	Balance
General Levy Debt	\$48,876,947
Water/Wastewater Debt	43,082,631
KLH HC Housing Debt	16,054,767
Development Charge Debt – Tax	15,822,145
Development Charge Debt – WWW	14,401,709
Tile Drain Debt – Grant	231,967
Total Debt	\$138,470,166

Additionally:
Previous approved debenture outstanding:
- \$39M for Tax
- \$12M for WWW

Debt Servicing Ratio (DSR)

City Revenue 2024 Budget	\$314 Million
DSR	10% = \$31.4 Million
2024 Debt Principal and Interest Payments	\$14.1 Million
2024 DSR Remaining	\$17.3 Million

\$17.3 Million of DSR = approx \$300 Million available debt room

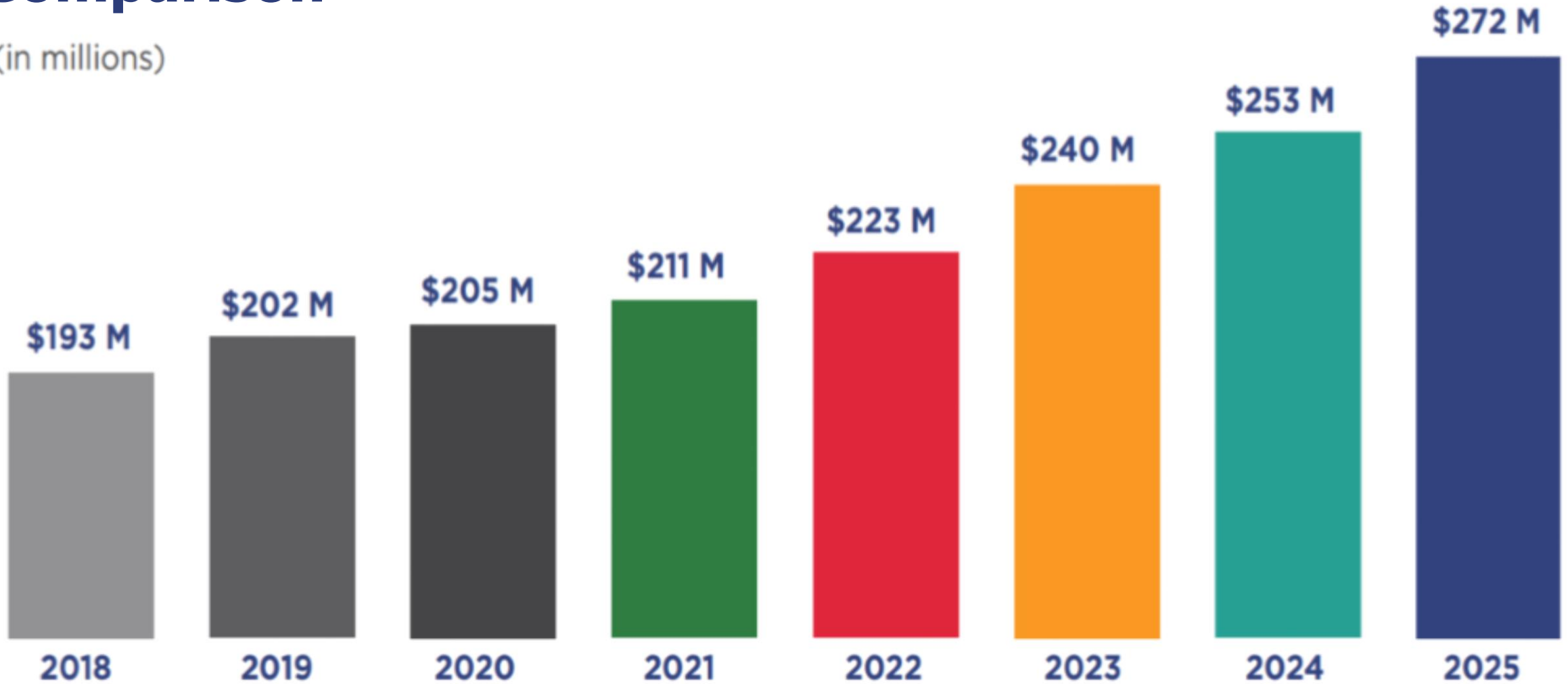
Financial Overview Debt

- Debt Strategy in progress and Council to approve policy Q2 2025
- Province prescribes City maximum amount of debt payments to incur – currently well within limit (ARL)
- City currently has \$138 million in debt to support its roughly \$4 billion in assets
- In context of a household, this would be equivalent of a home valued at \$700,000 having a mortgage of approximately \$24,300



2018 to 2025 Operating Expenditures Comparison

(in millions)



Agencies, Boards and Committees



Agencies, Boards and Committees

Agencies, Boards & Committees	Actual 2023	Budget 2024	2025 Budget	Change from 2024 Budget
Kawartha Lakes Haliburton Housing Corporation (KLHC)	2,778,131	3,222,589	3,960,004	737,415
Kawartha Lakes Police Services	9,677,850	10,266,219	12,283,677	2,017,458
Kawartha Lakes OPP	8,066,837	8,125,660	9,453,895	1,328,235
Kawartha Lakes Library	2,116,653	2,340,456	2,706,186	365,730
Conservation Authorities	1,489,295	1,584,535	1,655,724	71,189
Haliburton, Kawartha, Pine Ridge District Health Unit	2,328,524	2,444,955	2,518,304	73,349
Kawartha Lakes Health Care Initiative	76,804	117,643	121,172	3,529
Lindsay Downtown BIA	(40,876)	240,492	0	(240,492)
VON Canada0Ontario	105,735	123,843	127,558	3,715
Summary Agencies, Boards & Committees	26,598,953	26,846,792	28,466,392	32,826,520

Reserve Summary

Reserves – Forecasted to December 31, 2025 (in \$ Millions)



Reserves/Deferred Revenue Summary:	Balance 2024	2025 Contributions	Utilized in 2025 Operating	Utilized in 2025 Capital	Dec 31 2025
Infrastructure Reserves	25.67	34.50	0	(41.47)	18.70
Rate Reserves	10.96	4.00	(6.49)	(0.07)	8.40
Contingency Reserves	7.68	0.50	(1.69)	0	6.49
Obligatory Reserves	(7.29)	10.20	(1.76)	(25.30)	(24.15)
Legacy C.H.E.S.T. Fund Reserves	22.82	0	0	0	22.82
Other Reserves	1.28	0.21	0	0	1.49
Total Reserves/Deferred Revenue Summary	\$61.12	\$49.41	\$(9.94)	\$(66.84)	\$33.75

Next Steps

November 26 to 28 is Scheduled for Budget Deliberations

- Mayor to walk through Budget
- Councilor Amendments to Budget can be made in writing in advance by November 19 if known
- A template will be available for resolutions to:
 - Add a project
 - Remove a project
 - Amend a project
- If you have any Questions in terms of budget amendments, they can be submitted to staff by November 19 and staff will respond by November 22

Budget 2025 – learn more

1. Budget process overview
2. Where does the money come from
3. How are tax dollars spent
- Coming soon!**
4. Capital budget priorities – community safety and well being
5. Capital budget priorities – responsible growth
6. Budget 2025 – the bottom line



Video series

Visit

www.jumpinkawarthalakes.ca/2025budget
to view and learn more!