



# 2024 Operating Budget Responses to Council Questions

December 5, 2023

**General Questions**

Page	Original Question	Revised Question	Councillor(s)	Response
General		What innovative instruments exist/have been considered/are available to fund budget items?	Perry	One instrument the City uses extensively is to invest excess funds in investments. The Municipal Act requires a conservative investment policy, which allows the investment of funds in very secure instruments. The increase in interest rates has benefitted the operating budget as a financing source.
General		When will the actual OMPF statement of actual funds be released?	Richardson	The OMPF was announced October 20, 2023. City to receive \$7,555,200 for 2024 as compared to \$7,638,000 in 2023 - an \$82,800 reduction. Staff anticipated an increase and budgeted \$8,038,000, resulting in an overall decrease of \$482,800 and adjusted in the Proposed Budget
General		Please provide details on how debenture(s) may be used to fund budget items.	Perry	The Municipal Act permits a municipality to debenture finance for capital projects. Utilizing debt to fund general operations is not permitted. The City does utilize a \$15 Million RBC bank overdraft, but it is rarely utilized. Staff manage cash flow and short-term investments are available if additional cash flow is needed. Staff are currently working on a debt policy, but in the past there has been conservative debenture funding to capital assets with a useful life greater than 10 years. Once debenture funding is received it is then included in the operating budget as an expense to carry the debenture principal and interest payments, in corporate items and through the KLH HC Budget, which is funded directly by the City and the County of Haliburton.
General		No Federal Grant money recorded for the 2024 draft budget?	Richardson	In past years the Federal Gas Tax Grant of approx. \$4.9 Million was included in the Revenues. This matched a corresponding Transfer to Obligatory Fund (page 82 of Budget Book) that transferred funds to the Federal Gas Tax Reserve Fund. In 2024, these two lines are zero. The previous inclusion in Revenue and Expenses was not consistent with formal accounting treatment.
General 69		<p>Increase of \$9,374,566 in Salary, Wages and Benefits. This is a good increase to retain, attract and train employees. Do we feel that this increase for the 2024 budget will right size or align the overall scenario with Employees on the pay scale?</p> <p>So many hires? Maybe we should be doing a core services review again? I would like staff to be specific regarding new hires</p>	<p>Richardson</p> <p>Warren</p>	<p>This increase to overall salary, wages and benefits reflects committed costs/increases through collective agreements, market adjustments, and new staff needs. The City's LTFP includes a staffing plan to finance the right sizing of the staff complement to meet the increasing and growing work demand.</p> <p>This staffing plan was paused during the pandemic for several years, and 2024 is the return to adhering to the plan in an affordable and sustainable manner to meet the current demands and preparing for the City's growth needs.</p>

69		Professional Fees – With this money, is it cheaper to contract out than to hire people?	McDonald	A combination of professional/contracted services and staff to deliver and support all City services is necessary and required. Departments are constantly monitoring and reviewing cost/benefit and scope of work and service delivery needed.
69		Employer Paid Benefits – when I was in the private sector the benefit cost was approx. \$5K per employee. At KL it is over \$25K per employee – why the vast difference?	Joyce	Employer paid benefits include the employer portion of the legislated deduction such as Canada Pension Plan and Employment Insurance. In addition, this includes the cost of Employer Health Tax. These deductions would be similar to all businesses, whether they be municipal or profit oriented. The City has additional costs given they provide a pension plan called OMERS where the City matches the employee portion. Finally, the City also provides a comprehensive Group Benefit Plan for prescriptions, dental, life insurance, Short and Long Term Disability premiums and accidental death. Everything except Group Benefits is dependent on wages. Group Benefits only differ in whether the coverage is family or single. The biggest expense in the Employer Benefit line would be Group Benefits.
General 77		Please explain in more depth the commonly used term: Interfunctional adjustments. There are \$1.5 Million of these	Ashmore	Page 77 of the Budget includes a detailed definition of interfunctional adjustments. There are two major types of interfunctional adjustments: 1) reserve transfers and 2) corporate expense reallocations to maximize grant funds. Reserve transfers are internal to the City. Transfers to reserves are included in the operating budget as an expense. Total reserve transfers amount to \$26.7 Million. Another category involves internal charges that allocate corporate expenses to grant funded areas to maximize the grants. Departments that are grant funded include Paramedic, Ontario Works and Child Care. These interfunctional adjustments net to zero when the City's KLH HC budget is considered for \$1.5M of expenses are allocated. In prior years transfers between the operating fund and capital in relation to wages pertaining to capital projects. However, in 2024 we realigned these accounts with wages rather than showing them as interfunctional adjustments to reflect the wage accounts expensed more accurately for the operating budget.

96		Where in the budget do we see where people sue the city for numerous reasons?	McDonald	These costs can be found under the Legal division, pages 96-100 of the budget book. This division includes the insurance area where the premium is paid (p.98), as well as any deductible on insurance claims. This area also includes legal fees paid by the Legal division. There is no accrual made of outstanding legal or insurance claims unless the outcome can be reasonably predicted, or the insurance company has indicated they will not cover a claim. In addition, the People Services division carries a legal fee budget and any liabilities for employee related payments
Reserves		Significant increase in transfers to reserves, what is direction of these reserves for the interfunctional adjustments?	Richardson	<p>The City's LTFP includes a strategy to strength the reserves. Report CORP 2023-024 page 5 and 6, includes the 2024 reserve summation.</p> <ul style="list-style-type: none"> <li>• \$14.7 Million to the Asset Management Reserve that funds the capital budget (increase of \$1 Million). The reserve is increased by the Infrastructure Levy each year.</li> <li>• \$5.2 Million to the general Fleet Reserve to fund the fleet capital budget (increase of \$300K from 2023)</li> <li>• \$1.9 Million to the Fire Fleet Reserve that funds the Fire Fleet Capital Budget (increase of \$400K)</li> <li>• \$500K to the Capital Contingency Reserve</li> <li>• \$400K to the General Contingency Reserve</li> <li>• \$500K to the Capital Reserve committed for Affordable Housing</li> </ul> <p>These reserve transfers are an integral component of the LTFP and financing of capital projects/tax rate stabilization into the future.</p>
Reserves		Significant increase in transfers to reserves, what is direction of these reserves for the interfunctional adjustments?	Richardson	This line item includes the increase in the transfer to the Asset Management Reserve. Each year this line item is increased by the 1.5% Infrastructure Levy, which is a factor of the overall tax levy that has increased by 3%.
Reserves		if an item is removed from a Reserve, does this mean it there	Perry	When a decision is made to not utilize reserve funding in a budget item, then it is returned to the reserve and available for future years.

		will be that much more for next year?		When an item is financed from a reserve, it will decrease the reserve and reflect as revenue in the current year budget. Any transfer of this type reduces the amount of the reserve available for other funding.
Reserves		Can an item funded by certain reserve be moved to another item(s) funded in the same Reserve?	Perry	If the reserves are non-obligatory, Council has the decision-making power, through council resolutions, to move items around between different reserve accounts. It should be cautioned that previous Council has committed some of these funds to specific uses and the budget is built around utilizing these amounts, so random movement of funds between reserves is not recommended. If the reserve is obligatory, like Development Charge Reserves or Legacy CHEST Reserves, Council does not have the power to move funds and the funds in those reserves can only be used according to the individual legislation around those obligatory reserves.
Reserves		Can costs be moved between Reserves? If so, which ones?	Perry	If this is asking whether costs can be funded by more than one reserve, then the answer is yes. However, all obligatory reserves have specific legislation around their use regarding expenditure eligibility.
Reserves 281-284		In the Reserves section at the end of the budget, what would the total be that we can apply to costs this year (excluding the CHEST funds)?	Perry	The list on pages 281-284 shows all the reserves and obligatory reserve funds in the City. As stated above, obligatory reserve funds are created through legislation and can only be used to finance eligible projects. Other reserves that would be considered obligatory reserve funds would be Former Municipal Reserves, Legacy CHEST funds and the DOOR Reserve. Therefore, technically Council has control over approximately \$38.8 Million in reserves. Staff caution that a lot of these reserves already have commitments and are an integral part of the LTFP.
Reserves 282		What is the DOOR reserve?	Warren	The DOOR reserve is formed from grant money received under the Developing Opportunities for Ontario Renters (DOOR). This reserve was established in 2008, using grant funds received in 2007. The funding was unconditional without specific guidelines or criteria, other than to assist with housing needs locally. In 2009, Council resolved to place the funding in a reserve and use it to support 40 households through a rent supplement program within newer affordable housing units. Council approved a 25-year rent supplement program. The remaining funds, after the rent supplement program, were used in 2020 to provide a grant for A Place Called Home's replacement project of their homeless shelter.
Reserves 283		Can the Dyke and Downy grants be spent out? Why is being used for operating?	Warren	This is a reserve that the City does not manage the investments, it is more like an endowment or a trust. The City receives interest payments on a quarterly basis and \$8,000 of interest income is transferred to the Forbert Pool operating area. Only the interest can be spent. The principal forms the investment and the interest earned is transferred to the City.
Reserves 283		Can transit gas tax reserve be used for initiatives in the	Warren	Transit Gas Tax funds are utilized for Operating or Capital initiatives related to Transit. The reserve funds can only be dedicated to Transit related initiatives in the

		Transportation Master Plan. Can gas tax be used for electrifying busses?		Transportation Master Plan. Transit Gas Tax Funds can be used to procure electric vehicles. The purpose of the program is to increase municipal transit ridership through expansion of public transportation, capital infrastructure and levels of services.
Reserves 283		Can 30,000 be used for early rollout of tree bylaw along with Federal gas tax	Warren	Council has directed a work plan for this Tree By Law in November 2023. This project does not meet the criteria of the Federal Gas Tax Reserve. There are 19 infrastructure categories for this grant, including: Water and wastewater, Waste, Roads and Bridges, airports, disaster mitigation, broadband, culture, tourism, sport, recreation, and fire halls.
Reserves 284		Are former municipal reserves earmarked for anything specific?	Warren	There are three former municipal reserves that include specific restrictions. See below for their uses: Bobcaygeon Verulam - H Wilkinson Library - used for the Bobcaygeon Library; Bobcaygeon Verulam - Dike and Downey Reserve - actually an investment that is not governed by the City - the City uses the investment income to fund the Forbert Pool operating budget; Somerville - Heritage Park - used for the Heritage Park in the Township of Somerville

## Corporate Items

Division	Page #	Line	Original Question from Councillor	Revised Question	Councillor	Response
	78	Federal Grants	Why are federal grants down so much?	Explanation on decrease in budgeted amount	Ashmore	<p>In past years, Federal Gas Tax Grant in this area was approx. \$4.9 Million. This was matched with a corresponding Transfer to Obligatory Fund (page 82 of Budget Book) that transferred funds to the Federal Gas Tax Reserve Fund. You will note the two lines are zero in the 2024 budget.</p> <p>The inclusion in revenue and expenses was not the correct accounting treatment, and the 2024 funds are allocated directly to the Reserve Fund without impacting the Operating Budget.</p>
	78	Interest Income	Where does all the excess interest go to, this applies to all of our currency including reserves	Explanation on investment interest and impact on revenues	Ashmore	<p>There are four different funds where money is invested to earn investment income.</p> <ol style="list-style-type: none"> <li>1) The General Fund, which accumulates in this line item, is used to fund the operating budget. Interest Is not added to Council reserves.</li> <li>2) The Reserve Fund investments earn interest, but all the interest is transferred to Obligatory Reserve Funds, as per various legislative authority.</li> <li>3) The Trust Fund investments earn interest, but all the interest is transferred to the individual trust funds.</li> <li>4) Kawartha Lakes Haliburton Housing Corporation investments earn interest, and this is used to fund the operating budget as well as increase funds in Capital reserves. City investments total \$88.3 Million in 2023.</li> </ol>

# CAO Department

Division	Page #	Line	Original Question from Councillor	Revised Question	Councillor	Response
Administration	93	Salaries and Wages	Is an additional records clerk essential at this time?	Explanation for the increase in staffing	Perry	Currently there are two Records Clerks. The current duties and workload of these Clerks has increased significantly in the past two years mostly due to the addition of Electronic Documents Records Management System (EDRMS) - their workload has effectively doubled. Currently the Record Clerks staff are responsible for physical management of all the City's corporate paper records, disposal of physical records, respond to records requests, EDRMS, disposal of electronic records management and training of records liaisons. The addition of one Clerk would assist greatly with additional work and backlog, while allowing for program advancement, implementation and corporate-wide training of Records and Archival Services.
Legal Services	98	Staff/Board Training & Expense	\$32K for training appears excessive. If we pare back to \$25K what are the implications?	Explanation for the budgeted amount  Implications in reducing budgeted amount	Joyce	Legal Services is a team of 16 employees. The budget of \$32k amounts to \$2k/ person. It is necessary for Legal Services employees to keep up to date with legislative and procedural changes.
Clerks	102	Professional Fees	Professional Fees – 40% increase due to inflation? Inflation was 6.9% last year and predicted to be 3.5% this year. Please explain why such a vast increase beyond "inflation"	Explanation for the increase in budgeted amount	Joyce	The increase in this budget item is due to costs associated with the Integrity Commissioner professional services. We anticipate a potential increase in this service.



Municipal Law Enforcement	104	Federal Grants	what was the \$64K grant and what happened to it (why not getting this now?)	Explanation in reduction in budgeted amount	Joyce	This is listed in the Municipal Law Enforcement and Licensing Division, as in 2019, CKL received \$278K in Federal Funding to support the legalization of cannabis for By-Law and Policy activity expenditures. A portion was applied annually to enforcement/education expenses incurred, up to 2023. At the end of 2023, the funding will be substantially utilized with only \$878 remaining (this is the amount of the 2024 grant listed).
Municipal Law Enforcement	106	Equipment Maintenance	71% increase – what does “amendment to business practices” mean?	Explanation for the increase in budgeted amount	Joyce	The \$40,000 increase on this line relates to the increase for the Cat and trap neuter pilot project. The allocation of this contract will be corrected in the financial reporting going forward.

# Fire Services

Division	Page	Line	Original Question from Councilor	Question	Councillor	Response
	114	Salaries and Wages	Can we get along with one hire?	Explanation for the increase in staffing	Warren	<p>Kawartha Lakes Fire Rescue Services current staffing/resource model fails to deploy four firefighters on most shifts at the urban/full-time Lindsay station. This failed deployment/resourcing model results in a significant response time lag for delivering four firefighters on scene to most Lindsay structure fires. The result is serious erosion in the capacity of Kawartha Lakes Fire Rescue Services to deliver a timely internal attack/rescue response that complies with NFPA guidelines. The recommendation in the Fire Service Modernization review was in the 2023 budget cycle to add four full-time firefighters to the Lindsay Station, creating a go forward staffing/scheduling model of "staff five to get four" across Lindsay's four platoons. The 2023 Budget addressed this and split the hiring over two years - two in 2023 and two in 2024</p>

# Corporate Services

Division	Page #	Line	Original Question from Councilor	Question	Councilor	Response
Administration	129	Salaries, Wages and Benefits	Corporate Services - ballooning staff needs. Four new hires in one year? Can we not hire one person/year and expand more slowly? However only \$53K increase in wages/salaries – does not make sense please explain.	Explanation for the increase in staffing.	Joyce	The 2024 budget includes two new positions in IT, two new positions in People Services and a new supervisor in Revenue and Taxation. These positions are required to address the work demands and the rapid growth the City is incurring. The reason Salaries Wages and Benefits only increased by \$52,958 was due to the WSIB realignment of costs to Fire (\$715,000), Paramedics (\$260,000) and Police (\$200,000) and a reduction to People Services wages and benefits.
Administration	130	Staff/Board Training & Expense	Training at \$17.5K for two people? Seems very excessive – please explain	Explanation for the budgeted amount	Joyce	This training is centralized for the Corporate Services department for general training needs. There are 82 staff in Corporate Services. There is training found in the individual divisions for their specific needs, but this line is more corporate overall staff training and to promote teamwork.
People Services	131	Salaries and Wages	Are the new equipment instructor and payroll administrator positions essential at this time? How has equipment use been trained and payroll done to date?	Explanation for the increase in staffing.	Perry	The new Equipment Instructor position is to address the inability to find qualified candidates for positions, such as Equipment Operators and Heavy Equipment Operators, arena staff, etc. These positions do not require a formal post-secondary education, but require specific skills not readily available in the marketplace, such as snow plow operation and use of road graders. This program will position the municipality to be able to better fill the required number of positions in the coming years. The Payroll position is required to provide qualified payroll and pension professionals to all divisions, which is currently not the case. Victoria Manor payroll does not have oversight by a payroll professional.
People Services	132	Training	I'm all for training but these are huge increases in a time when we need to keep things tight. Explain	Explanation for the increased budgeted amount	Joyce	Kawartha Lakes has a great deal of legislation to be applied by most positions--i.e. Health and Safety, human rights/DEI, accessibility, records management (MFIPPA). The focus for 2024 will be to refresh

			why such huge increases are absolutely necessary here.			legislative learning, new or changed technology and increased programming in leader skill development/enhancement.
Communications, Advertising and Marketing	135	Staff/Board Training & Expense	\$6.8K Training for three people. Can we not send one person to a conference per year and staff take turns?	Explanation for the budgeted amount?	Joyce	Approx. 50% is for two to three staff to attend annual conferences for learning and team development, the other 50% is for training and development. Two FTE-Digital marketing courses to improve division capacity and also two FTE taking legislated emergency information management training
Information Technology	137	Salaries and Wages	Are a new network analyst and IT/Business supervisor positions essential at this time?	Explanation for the increase in staffing.	Perry	A Business Relation Supervisor is essential to enhance the business/IT relationship and ensure business units have the tools to address their challenges, as well as enhance relationships and meet the IT requirements of business needs and/or identify efficiencies in work processes. Currently one supervisor is tasked with both the business relation and infrastructure side of IT. We need to right-size personnel to meet the ongoing and growing workload in IT. There are currently two FTE Business Analysts and the increase position is needed to manage the IT project side of the business needs. Implementation of projects would be improved and will aid in delivering projects faster and allowing current staff to focus on specific areas of responsibility. As users increase on the systems, technology support is required to complete their current job duties.
Treasury	141	Staff/Board Training & Expense	Training up by \$5K – what is the rationale for this increase?	Explanation for the budgeted amount?	Joyce	There are 16 employees in the Treasury department. There are two CPAs that are required to perform many hours of training to retain their designation. It requires about \$3,500 to attain the training for these two staff. The remainder of the training budget is split between 14 staff. All staff do not attend conferences together. Typically, two staff attend per conference. Treasury endeavours to attend other training sessions virtually to reduce the cost of accommodation and travel.
Revenue and Taxation	144	Salaries and Wages	Is a new tax and revenue supervisor essential at this time?	Explanation for the increase in staffing.	Perry	This position is essential to support increased workload within this division resulting from the City's growth in tax, utility and accounts receivable. The supervisor position will be leading various divisional projects, such as the replacement of tax/utility/cash receipting system, cash receipting modernization and remote water meter reading (Advanced metering infrastructure-AMI).

Strategy and Innovation	147			New strategy and innovation division, will they be working with all departments and will this help reduce consultant fees in other special project areas?	Richardson	Strategy and Innovation will work with all departments on process improvements and innovation projects. The consultants that are used in special project areas generally have specialized knowledge and expertise that is not available in house so they will still be required. Some cost-avoidance in lieu of external services will continue. This division is a restructure, rebrand and realignment of the Office of Strategy Management (OSM).
Strategy and Innovation	147	Salaries, Wages and Benefits	How is this different from communications? 5 staff in communications ....total  I still don't understand the relocating and job overview??  There are three new positions being proposed, correct? Please provide details of each.	Explanation for the increase in staffing.	Perry  Warren  Perry	This division does not have three new budgeted positions, the existing positions have been realigned to form this restructured and realigned division. Strategy and Innovation formerly was within the CAO department (Office of Strategy Management). The budget is shifting from CAO to Corporate Services. The remaining budget is captured from Corporate Services Admin.
Strategy and Innovation	148	Corporate Training	Combined "Training" for 3 people = \$39.5K. Is it more cost effective to hire highly trained individuals in this division	Explanation for the budgeted amount	Joyce	This training is not for the three Full Time Equivalent (FTE) in this division. This is a corporate wide training program for Lean/Continuous improvement training. The costs are centralized in this area.

## Development Services

Division	Page #	Line	Original Question from Councilor	Question	Councilor	Response
	151	Organizational Chart		Where is the environmental position for HEP in the flow chart?	Warren	The position is being re-evaluated and the current organization chart requires a refinement to reflect accurately vs as a Planner II within the Policy Planning section.
Planning	153	User Charges, Licenses & Fines		Why is there a half-million-dollar difference from last year?	Smeaton	That amount is for end of July. We are still trending to meet the budgeted target.
Planning	154	Salaries and Wages	<p>This subtle increase seems odd considering we may need to substantially increase the salary of the Director position. Has this been accounted for elsewhere?</p> <p>Currently we have 5 vacant positions in the Planning Department, we have hired outside consultants to help execute applications. We have noticed an increase in completed applications, by using outside consultants are we saving or incurring costs in relation to staff wages?</p> <p>why not more new hires? I</p>	Explanation for the budgeted amount	<p>Smeaton</p> <p>Richardson</p> <p>Joyce</p>	2024 budget shows modest increase to overall planning salary, wages and benefits. There are no new net positions proposed for 2024. FTEs have been added through previous year budgets, with some vacancies remaining. Active recruitment continues ongoing. Target for 2024 is full staff complement. We have been funding through vacancy "gapping" contracted planning services in 2023 and will continue in 2024. We will assess ongoing best strategy/approaches to resource the workload and request additional resources/staffing when (if) needed.

			thought we are significantly behind and need more staff in this dept?			
Planning	154	Operating Materials & Supplies	\$1000.00 seems extremely low for Operating Materials and Supply for a Planning Division in a fast growing community. How does this work?	Explanation for the budgeted amount?	Smeaton	With an increased reliance on digital communication, our overhead costs continue to decrease. Many items that were previously mailed are now emailed, saving us on paper, envelopes, and postage. Therefore, the budget can be lowered.
Planning	154	Contracted Services	Why are we already well over the 2023 Budget? (113 percent) ( I see the 2024 contingency planning – but what happened?)	Explanation on 2023 Actuals	Smeaton	These are the actual costs related to the third-party planning consulting services, which are coming in higher than anticipated. Many applications are also more complex, which takes longer to process, hence the higher cost.
Economic Development	156	Grants	88 percent of the Grant budget has been spent at the end of Q3. Why is this? Continuing this conversation, why is the 2024 Grant projection significantly less (not more)?	Explanation on 2023 Actuals. Explanation on reduction on budget	Smeaton	In Q1 2023, the Skills Development Fund programs were in their final quarter. These were 100% funded projects with Fleming College and Trent University with significant budgets. Our applications to the next round of Skills Development Funding was not approved. This is the majority of the decrease.  There is also a timing challenge with when funding agreements are signed. Only signed agreement is included in the budget forecast. For example, we expect Kawartha Lakes Small Business Centre (KLSBC) funding to come, however we are yet to receive a signed agreement so it is not included in the budget but will show up in actuals. Grants are applied for throughout the year when they are available. The 2023 actuals are anticipated to be higher than what is shown here.
Economic Development	157	User Charges, Licenses & Fines	It reads as though only 17 percent of \$ 12, 500.00 has been used at the end Of Q3. Question 1 - Please explain. Question 2 – why would the	Explanation on 2023 Actuals. Explanation	Smeaton	This is revenue expected. In 2023, these revenues largely reflect the ticket sales for Farmfest, an event held in October and not yet shown. In the 2024 Budget, the increase is related to the Kawartha Choice FarmFresh program. It is a shared program with Peterborough

			2024 budget ask be tripled if we didn't even come close to using this year's projection?	on increased budget		EcDev (PKED). In the last few years, PKED has managed the program budget, but in 2024 Kawartha Lakes is managing the program budget and will receive income (recoveries) from PKED. Any projected income is offset by expenses (e.g. if a workshop is planned with ticket sales to cover costs but is not able to take place, then the associated expenses are not incurred).
Economic Development	158	Staff/Board Training & Expense	\$105K training for 11 people = \$9.5K per person – too excessive please explain	Explanation for the budgeted amount?	Smeaton	This line includes Committee/Task Force, professional dues, outbound business development training, staff mileage to deliver the program.
Economic Development	158	Postage, Printing, Office Supplies	Why is Postage/ Office Supplies going up almost 150%? (Double and a half)	Explanation for the increased budgeted amount?	Smeaton	It is to purchase display cases and archival supplies for the Curatorial Services program. This is a new program area that Council committed to growing over time.
Economic Development	158	Contracted Services	Contracted Services - (1) Why, if only half of last year's ask has been spent mid-October, is there a significant increase in this budget ask	Explanation on 2023 Actuals. Explanation on increased budget	Smeaton	The 2023 expenses are from the end of July; we are on track to meet targets. The additional funds are primarily the agreement with Innovation Cluster (\$20,000/annually for 3 years). This was agreed to after the 2023 budget process. This expense is offset by the Economic Development Reserve
Economic Development	158	Rents & Insurance Expenses	If only 13% of last year's budget has been spent, why would there be an ask for the same amount?	Explanation on 2023 Actuals. Explanation on budget amount	Smeaton	This covers rental for typically one event.
Economic Development	159	Interfunctional Adjustments	Please explain how this is \$1,250 (250% of \$500) already (with one quarter of the year left – so a possible \$400.00 more to year end) – has no ask for 2024.	Explanation on 2023 Actuals. Explanation on decreased budget	Smeaton	This line relates to the Skills Development Fund project, which concluded in March 2023. There are no further funds to this account.



## Engineering and Corporate Assets

Division	Page #	Line	Original Question from Councilor	Question	Councilor	Response
	167	Salaries and Wages		The Supervisor positions for Development Engineering and Capital Project Management appear budgeted very low in terms of cost. Please provide details.	Perry	The supervisor positions are not budgeted for under Corporate Assets. They can be found under Development Engineering and Infrastructure, Design and Construction.
	167	Salaries and Wages		There has been a dramatic decrease in Salaries, wages a Benefits \$1,240,452 what is the explanation for change? The Org chart has new positions.	Richardson	There is no decrease in wages. The reallocation from interfunctional charges, previously reported under another category, have been moved to wages. The variance reflects the re-categorization for recoverable wages.
Administration	169	Salaries and Wages		How can more than all of the budget for Salaries etc. be used up if the year isn't finished?	Smeaton	Actuals are higher due to job evaluation changes that resulted in retroactive costs.
Administration	169	Staff/Board Training & Expense	Training of \$17,500 – for two people?; Page 172 = \$14.4K Training for 3 people?	Explanation for the budgeted amount?	Joyce	This budget is made up of multiple items - i.e. training, memberships, mileage, etc. These expenses are consolidated for all divisions, not just administration.
Administration	169	Professional Fees	If we've only spent 2% by mid-October, why would there be budgeting for the same amount this budget?	If we've only spent 2% by mid-October, why would there be budgeting for the same amount this budget?	Smeaton	Purchase Orders in the amount of approx. \$54K and have been committed. This is work related Studies and Design for future capital emplacement. Currently just over \$1,000 expended to date.  Work is well underway, and invoicing is anticipated to occur by Q4 2023.

Development Engineering	173	Salaries and Wages	Why is only 43% of the budget used up if we're already in October?	Explanation on 2023 Actuals	Smeaton	Actuals are low due to various staff vacancies. Q4 recruitment has been successful. Actuals will be on target for 2024. Actuals are as of July 31, 2023.
Technical Services	179	Salaries and Wages	0 to 6 people in one year?	Explanation for the increase in staffing.	Warren	Incorrectly listed in the staffing summary. 2023 total FT staff should have been 6.
Municipal Airport	183	General		General question of absolute need on every item? Wants versus needs	Warren	All items are needed to ensure adequate operation of the Airport.
Municipal Airport	183	Service Fees		Why would the Airport expect less service fees?	Smeaton	This relates to Airport Parking Fees and the reduction is to reflect actual revenues received.

## Public Works

Division	Page #	Line	Original Question from Councilor	Question	Councilor	Response
Municipal Airport	235	Salaries and wages		Why is there a need for 12 extra staff? We are "poised" for substantial growth but we have not entered that phase yet	Joyce	Proposed adjustments to PW staffing in 2024 as highlighted on Page 235 are as follows: Conversion of 10 students and 10 seasonal labourers to 10 full time labourer positions. These are not 10 new positions. There is a reallocation of existing resources to better meet operational demand and succession planning. The offset (reduction of hours) to this is shown at the top of the chart (although not highlighted). Increase of 1 Damage Prevention Technician to meet legislative demands. Increase in hours of transit drivers to meet planned expansion per master plan.
Administration	238	Staff/Board Training & Expense	Why does one person need a training budget of \$9.8? Please define and explain.	Explanation for the budgeted amount?	Joyce	The administration budget is for two staff (Director and EA to the Director) and includes training, professional dues, mileage and other related expenses. The increase in 2024 is related to the annual Staff appreciation program that has shifted to Departments to budget. This increase was partially offset by a reduction in other areas.
Roads Operations	241	Salaries and Wages	11 new positions with \$542,147 increase in salaries/wages, does this make us competitive for attracting and retention of public works road operation staff?	Explanation for the increase in staffing.	Richardson	The new positions in Public Works (PW) are to deliver operational programs as directed by Council or to meet legislated compliance. The cost increase in wages is to compensate the new positions in accordance with the current collective agreement. It does not relate to attraction and retention. Proposed adjustments to PW staffing in 2024, as highlighted on Page 235 are as follows: Conversion of 10 students and 10 seasonal labourers to 10 full time labourer positions. These are not 10 new positions. There is a reallocation of existing resources to better meet operational demand and succession planning. The offset (reduction of hours) to this is shown at the top of the chart (although not highlighted).

			12 new positions? Less student hours in 2024...! /3 from 2023		Warren	Increase of 1 Damage Prevention Technician to meet legislative demands. Increase in hours of transit drivers to meet planned expansion per master plan.
Roads Operations	242	Materials, Supplies & Services		Road Operations is seeing a heavy pressure in the 2024 budget. This is service related, and inflation related. Does this increase reflect level of service directed by Council or will change in service levels need to be addressed?	Richardson	The budget reflects a status quo delivery of service with the exception of one area--there is a reduction in the calcium chloride (dust control) budget due to the significant increase in cost. The cost reduction reflects a ~15% reduction in available application.
Roads Operations	242	Telephone & Office Services		Why is telephone and office expenses decreasing by \$73K - how is that possible?	Joyce	The GPS Tracking Systems were previously expensed to Roads and are now in Fleet. Refer to the increase in budget response in Fleet.
Solid Waste and Landfill Services	244	Provincial Grants		Blue Box Provincial Grants is \$732,608 what is the actual cost to the municipality to run?	Richardson	The annual cost of the recycling program varies based on the commodity values. The cost to the city above and beyond the grant has been as high as \$1.5M when commodity values dropped, and the city was forced to pay for disposal. When commodity values rebounded, it helps offset the cost of the program. With Council direction on producer responsibility, there will be additional changes through the transition period. At the end of the transition period, the city will continue to be responsible for Council determined service delivery for the ineligible sources.
Solid Waste and Landfill Services	245	Salaries and Wages	How has salaries/wages gone down, with same hours/staffing compliment across	Explanation for the increase in staffing.	Richardson	The 2024 wages are short 1920 hours. This error was identified and has been captured in Staff Refinements. 2024 wages are projected to be \$1.6M, which is still slightly below 2023 expectations that inadvertently included an additional 2616 part-time hours. 2023 should have been budgeted at \$1.5M

			the personal breakdown?			
Solid Waste and Landfill Services	246	Grounds Maintenance Contracted Services		Why can we not use in-house services from Community Services for grounds maintenance to save tax dollars?	Joyce	This alternative has been explored. All existing resources are at capacity. The volume of work required does not justify an incremental head count. In-house service provision of this task would also require an additional fleet/equipment budget resource.
Transit Services	252	Provincial Grants	Any provincial grants expected for the 2024 year?	Explanation for the decreased budgeted amount	Richardson	Expected operational grants have been included in the budget. There are no new funding sources anticipated at this time.
Transit Services	253	Staff/Board Training & Expense		How many hours does it take to fully train a transit driver? Did we try to hire someone who is already trained? What is the reason for this large increase in training?	Joyce	Transit recruitment has proven challenging. In order to meet service delivery needs, PW has budgeted for the potential of hiring transit drivers that do not have the needed licensing. The budget allowance is to provide training to obtain the necessary license to operate the City's transit fleet.
Transit Services	253	Telephone & Office Services	Why is there a 640% increase since 2022?	Explanation for the increased budgeted amount?	Joyce	In 2022, there was a decision to have IT pay for the licensing of the Consat software. The actual for 2022 would have been \$27,940, but the cost was shifted to IT. In 2023, there was an increase to the budget related to the installation of Consat hardware on new buses. With the delay in delivery of new buses, these costs will need to be available in 2024. The 2024 Budget increase is related to Consat telematics (transit tracking and management) upgrades and installation on new buses and expanded/replacement communication devices for buses. This budget will fluctuate year-to-year, depending on fleet replacement there may be warrant for the costs to be in a special project.
Fleet Service	249	Telephone & Office Services		How much did we pay for "GPS" under Roads in 2023? How much of an increase/decrease from 2023 to 2024 budget?	Joyce	GPS is no longer budgeted in Roads. The GPS infrastructure is a Fleet Asset. The capital procurement was led by Infrastructure Technology, supported by Fleet under a separate capital project. This budget line is to maintain and pay for service related to the GPS units installed. There are 603 GPS units installed on all equipment and trailers. The usage data compiled from this equipment will be invaluable to decision making moving forward.

Fleet Service	250	General Contracted Services	Explain increase in general contracted services at \$201,000 in the Fleet Department?	Explanation for the increased budgeted amount?	Richardson	The 2022 actual expenditure was \$2,327,524. The 2024 budget request is \$2,119,500. The proposed budget adjustment is a partial rightsizing. There are numerous factors contributing to the drastic increase in these costs. One significant factor is the pandemic impacts to supply chain, which has driven costs for parts and maintenance of fleet up significantly. Also, due to previous decisions to defer capital procurement and the delay in deliver of new equipment due to COVID, the city is forced to retain fleet longer than planned which drives up maintenance costs.
Fleet Service	250	Grounds Maintenance Contracted Services		Explain why we can't use in-house services from Community Services for grounds maintenance to save tax dollars?	Joyce	This alternative has been explored. All existing resources are at capacity. This service used to be performed by Fleet staff but was placing an undue burden on them (overtime) and detracted from core service. In-house service provision of this task would also require an additional fleet/equipment budget resource.

## Community Services

Division	Page #	Line	Original Question from Councilor	Question	Councilor	Response
	190	Overall Wages		How do we add 5 additional staff but only increase salaries by \$74K?	Joyce	Wages budgeted for some staff responsible for Capital related projects only, are now being directly budgeted for within the Capital Budget. The Department will absorb the new staffing expenditures through the current salaries budget recognizing that historic vacancy occurs in this area due to seasonal hiring challenges.
Customer Services	194	Licenses	What happened to license fees?	Explanation for the decreased budgeted amount?	Joyce	These revenues are for Animal Licenses and are now found in the MLEL Division (which is more appropriate as they oversee the program).
Building and Property	197	Restricted Amounts Earned	What is it meant by restricted amounts earned? Other Revenue (\$200,000) New Budget Line	Explanation for budgeted amount	Richardson	This line item represents funding, in the amount of \$200,000, from Pandemic Funding that is actually in the Contingency Reserve. We are financing a building condition assessment that will cost \$200,000 for various buildings to inform the Asset Management Plan. The city had a small amount of pandemic funding left in the reserve and it was decided this would be a good use for it. The net effect of this reserve transfer and the cost of the plan nets to zero.
Building and Property	198	Salaries and Wages	Same number of staff but reduced salaries by \$225K? Movement of capital wages doesn't make sense - Please explain	Explanation for the decrease budgeted amount?	Joyce	Three staff previously budgeted for in the Operating Budget are now funded fully from the Capital Budget.
Building and Property	198	Employee Paid benefits		Why if wages are down are benefits increasing by 44K?	Joyce	The Capital allocation only considers salaries. Employer paid benefits for all staff regardless of Capital or Operating related expenditure, resides in Operating.





# Human Services

Division	Page #	Line	Original Question from Councilor	Question	Councilor	Response
Administration	211	Contracted Services	Could details please be provided - \$685, 722 increase.	Explanation for the increase in budgeted amount	Smeaton	Majority is due to increase of contracted services at Victoria Manor Long Term Care Home (LTCH), with a year-over-year increase of \$664,955, including building maintenance and repair (~\$202K); agency professional fees (~\$423K); computer software maintenance (~\$15K) + snow removal (~\$25K). The remainder (\$21K) is for increases to maintain office locations in Lindsay and Haliburton (e.g. grounds maintenance, cleaning, building maintenance and repair).
Administration	211	Debt, Lease, Financial	What is costing the shift from \$14, 885 to \$77, 796?	Explanation for the increase in budgeted amount	Smeaton	This relates to Victoria Manor LTCH and an accumulation of outstanding resident accommodation fees.
Administration	214	Building Maintenance	What is the reason for the increase? It has almost doubled in 3 years?	Explanation for the increased budgeted amount?	Joyce	In 2021/22, majority of expenditures for main office building maintenance resided in the Community Services budget. Due to a transfer of these costs to Human Services in 2022, the actual expenditures are now allocated here.
Administration	214	Grounds Maintenance Contracted Services	What is the reason for the increase?	Explanation for the increased budgeted amount?	Joyce	This includes both grounds maintenance and contracted snow removal, both of which have increased. Snow removal contracted portion was fully expended to the Human Services Department budget in 2022, given the transfer from the Community Services Department.
Administration	214	Transfer to external Organization	Transfer to External Clients, \$4,686,525 is this offset with Grants for programming?	Is this offset with Grants for programming?	Richardson	Yes, the full amount in the Department "Transfer to External Clients" is based on the Service Funding Agreements for each Ministry for the provision of service delivery and transfer of funds to the Service Providers (e.g. Childcare Agencies, Housing Service Providers, Social Assistance Benefits).
Children's Services	221	Salaries and Wages	The increase in salaries, etc. do not appear to be	Explanation for the increase in staffing.	Perry	A position was approved in Q3 2023 that was 100% funded through the Canada-Wide Early Learning and Childcare

			specified (nor on page 223).			initiative. The increase in costs reflects this new position for 2024, of which will remain 100% funded.
Housing Services	225	Salaries and Wages	<p>Please provide details of the proposed four new positions – an increase of 26%. Are all of the positions essential at this time?</p> <p>Please provide details on the total requested for “investments in new positions”.</p>	Explanation for the increase in staffing.	Perry	<p>This line represents staffing for Kawartha Lakes-Haliburton Housing Corp (KLH HC). and Housing Services. In 2023, with 100% provincial funding, two Housing Services positions were added in Q3 and Q4, of which offset a corresponding increase in 2024. The remainder of the increase is for three new positions in 2024 for KLH HC. With the new Ada Graves Building (46 units) opening in 2024, an additional Building and Facilities Maintenance Staff is required, as well as a Crew Lead in-house, offset by a decrease in contracted services to manage move outs, damage restoration, work orders and inspections. The third position is a Compliance Officer to manage the demand for complex legal and regulatory work for serious tenant ramifications with the Landlord Tenant Board, lawsuits and arrears management within the Corporation.</p>
Victoria Manor	230	Professional Fees	33% increase in Professional Fees – please explain. Thanks!	Explanation for the increase in budgeted amount	Joyce Smeaton	<p>Given wage inequities within health care, along with the significant pandemic demands of staff over the past three years within the Long-Term Care sector, recruitment and retention of qualified staff across all operational areas has been very challenging. Efforts to maximize staffing and shifts at Victoria Manor continues to be a priority. However, to fill shifts, including weekends, afternoons and evenings and/or backfill sick leaves or vacancies, temporary agency staffing has been utilized. This enables the Long-Term Care Home (LTCH) to continue to operate and maintain appropriate staffing levels to ensure quality and continuity of care for residents – 24/7. In 2023, Sienna expended approximately \$745,000 in agency fees, with some of these expenses being offset in staff vacancies and savings in wage and benefit lines. For 2024, \$532,107 is budgeted for utilizing agency fees for Registered</p>

						Nurses (RNs); Registered Practical Nurses (RPNs) and Personal Support Workers (PSWs). Prior to COVID, this challenge did not exist at Victoria Manor. Continued monitoring is done on this locally, as well as provincially, as sustainable staffing levels and wage parity is needed within this sector to stabilize staffing challenges.
Victoria Manor	230	Building Maintenance		For the work totalling \$202,505 what are the specific of the work/projects and is the entire scope essential at this time?	Perry	This is not associated to Capital/Special Projects. This is for regular Building Maintenance and Repair for the operation of the LTCH and projected increase expenditure due to costing of contracted service increases. Expenditures include general building repairs, elevator maintenance, minor electrical upgrades, equipment repairs, fire system, generator, heating and air conditioning, painting, plumbing, window cleaning and supplies.
Victoria Manor	230	Grounds Maintenance Contracted Services	Why is there a 70% increase since 2001 and even a 37% increase over 2023 budget. Surely this can't be all inflationary costs?	Explanation for the increase in budgeted amount	Joyce	This does include the cost incurred for snow removal and landscaping of the grounds for the LTCH. Cost increase is due to increased cost in contracted services and actual utilization projected from 2022 and 2023.