

# 2026 Operating Budget Launch

## 2026 Operating Budget Overview

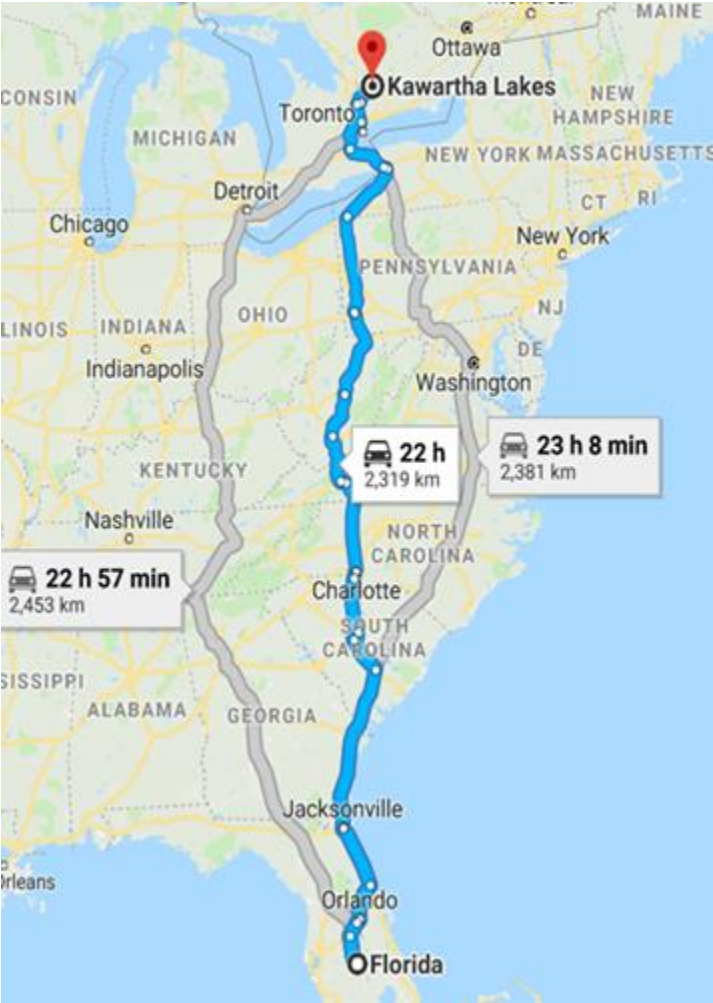
September 16, 2025



# Agenda

1. Financial Overview
2. Strong Mayor Legislation
3. Mayoral Directives
4. Budget Schedule
5. Revenue Tools
6. Preliminary Budget Overview
7. Transfers to Reserve

# 1. Financial Overview Geographic Disparity



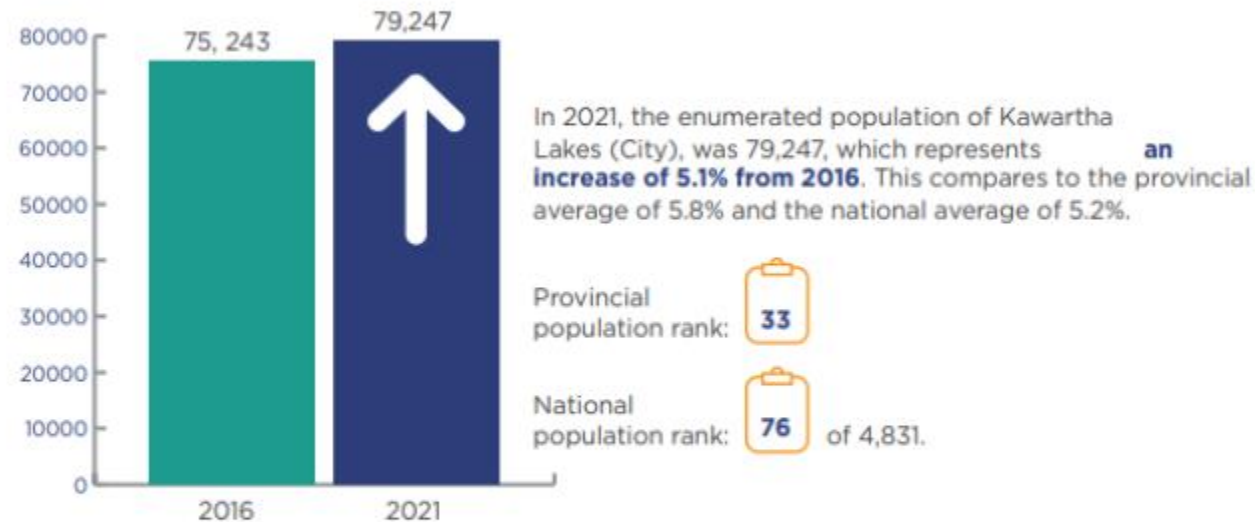
CKL road network >  
5,300 Lane km

Location (City of)	Population	Population Density	Road Intensity (houses/lane km)
Toronto	2.8 Million	4,428/km <sup>2</sup>	80
Peterborough	83,651	1,292/km <sup>2</sup>	37
CKL	79,247	26/km <sup>2</sup>	7

# 1. Financial Overview Planning for Growth

## Kawartha Lakes Population

(as per Statistics Canada Population 2021 and 2016 censuses and chart)



The land area of Kawartha Lakes (City) is **3,033.66 square kilometres** and the population density was **26.1 people per square kilometre**.



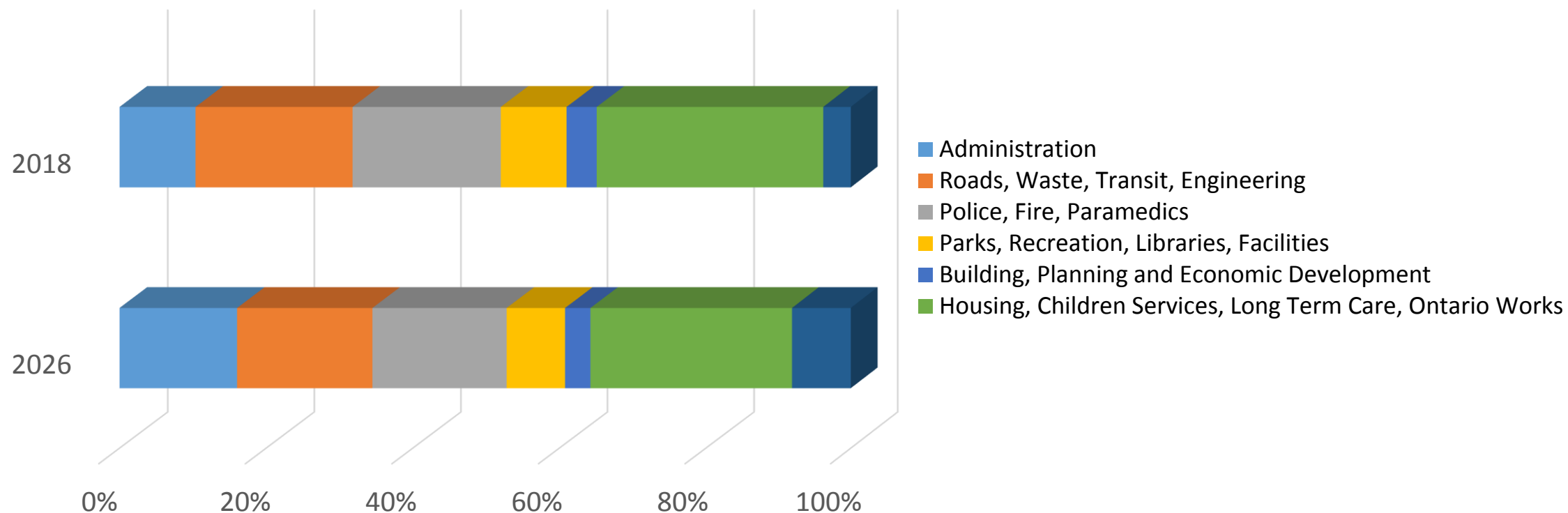
In 2021, there were **32,708 private dwellings** occupied in Kawartha Lakes (City), which represent an **increase of 5.2%** from 2016.

2031 Provincial growth targets:  
**6500** housing units  
100,000 populace

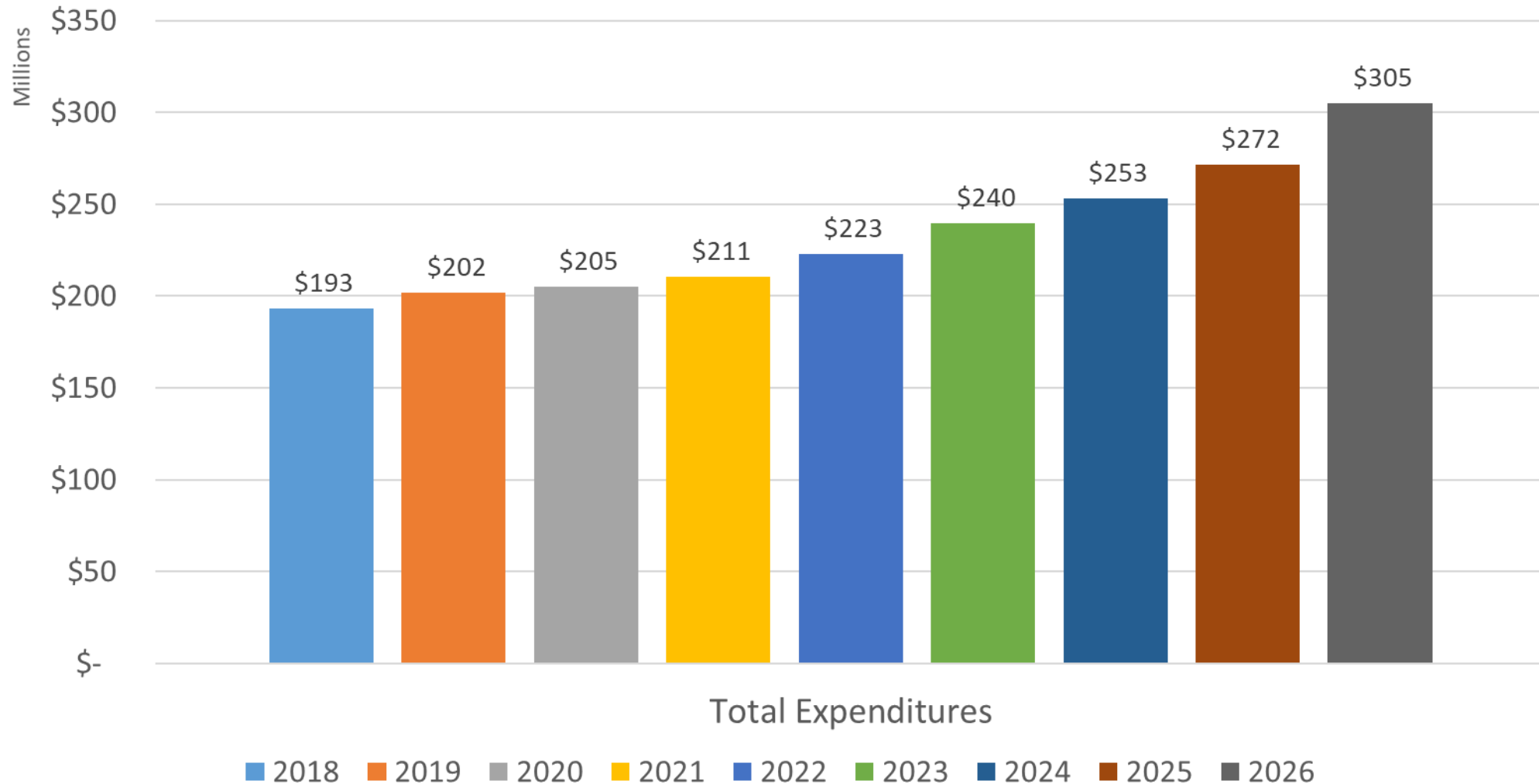
# 1. Financial Overview

## Operating Budget: 2018-2026

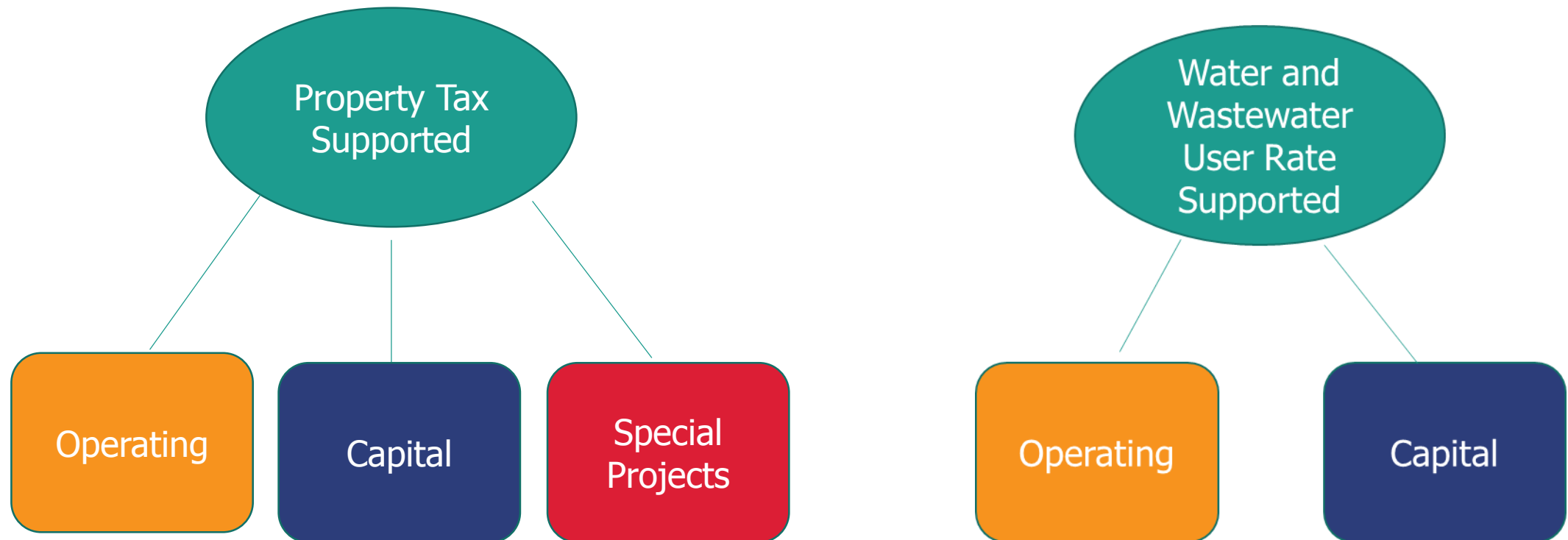
City provided consistent 200+ services in recent history in effective manner



# 1. Trend of Operating Expenditures 2018 -2026



# 1. 2025 Budget Funding Sources



## 2. Strong Mayor Legislation

- Part V1.1 of Municipal Act
- Propose annual budget subject to Council amendments, a Mayoral veto and a Council override process;
  - Budget shall be prepared on or before February 1. If not, Council shall prepare and adopt the budget



### 3. 2025 Mayoral Directives

- 02-2025 Establish Budget Committee
- 03-2025 Appoint Budget Committee Members
- 04-2025 Advance Approval for 2026 Capital and Special Project Budget items (Early Starts)

## 4. 2026 Budget Schedule

Date	Action
<b>September 16, 2025, 10:00am</b>	Budget Overview and Wage Impact
<b>September 18, 2025, 10:00am-2:00pm</b>	Budget Committee Meeting Department presentations: Corporate Services, Community Services External Agencies and Boards of Council: Kawartha Conservation and Otonabee Conservation
<b>September 25, 2025, 10:00am-12:00pm</b>	Department presentations: Chief Administrative Office, Engineering and Corporate Assets External Agencies & Boards of Council: Kawartha Lakes Police Services
<b>September 29, 2025, 1:00pm-4:00pm</b>	Department presentation: Development Services, Public Works External Agencies & Boards of Council: Kawartha Lakes Public Library, Lindsay Downtown BIA
<b>September 30, 2025, 1:00pm-4:00pm</b>	Department presentations: Paramedic Services, Fire Services, Human Services, Victoria Manor
<b>October 6, 2025, 9:00am</b>	Presentations on Capital Budget, Special Projects Budget, Water Wastewater Budget
<b>October 8, 2025, 9:00am-12:00pm</b>	Budget Committee Deliberations
<b>October 9, 2025, 9:00am-12:00pm (if needed)</b>	Budget Committee Deliberations
<b>November 12, 2025, 7pm</b>	Public Budget Meeting
<b>November 25, 2025, 10:00am</b>	Presentations of the Mayor's Budget to Council for deliberation
<b>November 26, 2025, 1:00pm (if needed)</b>	Presentations of the Mayor's Budget to Council for deliberation

## 5. Revenue Tools

- Municipal revenue tools regulated by Municipal Act include:
  - property taxes
  - fees and charges
  - investment income
  - special services/area ratings
  - development charges/reserve financing
- Ontario municipalities rely on property tax for approx 41% of revenue (MFOA municipal average)
- 2025 CKL was 58.6%

# 6. Preliminary Operating Budget Overview

Account	Preliminary Actuals		Proposed Budget		Budget Variance	Budget % Variance
	Actuals 2024	6/30/2025	Budget 2025	2026		
Revenue						
Tax Revenues	(146,672,165)	(170,393,976)	(158,625,492)	(173,904,074)	(15,278,582)	10%
Grants	(71,059,361)	(60,512,753)	(77,668,164)	(80,636,547)	(2,968,383)	4%
Recovery-Other Municipalities	(2,251,057)	(2,425,970)	(2,664,286)	(2,892,639)	(228,353)	9%
Other Revenues	(8,237,598)	(2,973,485)	(7,620,334)	(10,016,620)	(2,396,286)	31%
User Fees, Licenses and Fines	(25,074,832)	(16,151,024)	(23,936,363)	(24,157,400)	(221,037)	1%
Prior Years (Surplus) Deficit	(2,822,440)	1,139,474	0	0	0	
Total Revenue	(256,117,452)	(251,317,735)	(270,514,639)	(291,607,280)	(21,092,641)	8%
Expenses						
Salaries, Wages and Benefits	103,897,572	69,119,882	109,766,040	126,978,887	17,212,847	16%
Materials, Training, Services	20,404,602	14,785,399	20,736,577	21,678,309	941,732	5%
Contracted Services	35,953,080	51,614,388	32,327,818	37,023,587	4,695,769	15%
Rents and Insurance	4,474,521	3,951,232	4,385,239	4,551,704	166,465	4%
Interest on Long Term Debt	1,540,483	1,242,855	1,825,969	2,057,432	231,463	13%
Debt, Lease and Financial	8,249,301	6,981,713	8,799,097	8,738,701	(60,396)	(1%)
Transfer to External Clients	52,579,979	42,607,653	59,880,545	63,402,968	3,522,423	6%
Interfunctional Adjustments	2,546,550	3,844,886	3,532,820	4,440,839	908,019	26%
Transfer to/from Reserves	27,607,415	30,428,241	29,260,534	35,774,843	6,514,309	22%
Total Expenses	257,253,503	224,576,249	270,514,639	304,647,270	34,132,631	13%
	1,136,051	(26,741,486)	0	13,039,990	13,039,990	

# 6. Preliminary Budget Summary by Department

Department	Actual 2024	Budget 2025	2026 Budget	Change from 2025 Budget	% Increase Of Department
Summary Corporate Items	(133,354,608)	(142,029,500)	(151,356,392)	(9,326,892)	6.16%
Summary Mayor and Council	642,032	688,262	690,609	2,347	0.34%
Summary CAO	7,523,682	8,062,560	8,773,736	711,176	8.82%
Summary Community Services	12,662,975	13,079,350	16,214,132	3,134,782	23.97%
Summary Corporate Services	11,689,865	12,205,721	15,187,324	2,981,603	24.43%
Summary Development Services	4,436,534	4,077,461	6,201,341	2,123,880	52.09%
Summary Engineering and Corporate Assets	2,263,186	2,412,857	3,073,355	660,498	27.37%
Summary Emergency Services	19,902,005	19,365,529	22,784,918	3,419,389	17.66%
Summary Human Services	7,606,939	9,505,454	11,695,821	2,190,367	23.04%
Summary Public Works	39,386,825	41,461,262	46,652,016	5,190,754	12.52%
Summary Agencies, Boards & Committees	28,380,039	31,171,044	33,535,597	2,364,553	7.59%
<b>Total</b>	<b>1,139,474</b>	<b>-</b>	<b>13,452,457</b>	<b>13,452,457</b>	

## 6. 2026 Draft Budget Includes

- Contract expenditures increases
- Transfer to Reserves to build financial sustainability
- Attraction and Retention
- Transfer to External Clients

## 6. LTFP Assumptions

- General Levy assumptions
  - 2.7% Growth
  - 5.0% Tax Increase per LTFP
  - 2.0% Capital Infrastructure Levy
- Supplementary taxes remained consistent overall until MPAC growth figures known
- 2.5% CPI for contract increases

## 7. Transfer to from Reserve

Reserve Transfers	2026	2025	Variance
Asset Management Reserve	21,140,421	17,395,710	3,744,711
Aggregate Resources	1,000,000	1,000,000	-
Capital Contingency - Affordable Housing	500,000	500,000	-
Capital Contingency - Paramedic HQ	200,000	200,000	-
Fleet Reserve - Public Works	6,765,942	6,301,501	464,441
Fleet Reserve - Fire	1,750,000	2,000,000	(250,000)
Special Projects Reserve	4,000,000	3,011,450	988,550
Stabilization Reserves	843,022	(1,343,507)	2,186,529
Elections Reserve	(197,755)	70,000	(267,755)
Building Reserve	(226,787)	125,380	(352,167)
	35,774,843	29,260,534	6,514,309



# Next Steps

- Budget Committee September meetings
- Develop Budget Strategy for Budget Committee October 8th and 9th deliberations
- Multi-faceted approach will include:
  - Budget reductions/refinements following Budget Committee presentations
  - Service Level options
  - Increased User Fees

# Questions?

# Overall Wage Impacts

## 2026 Operating Budget Overview

# Current Workforce Snapshot

**840**

FTE

Full-Time (FT)  
Positions

Core positions with standard FT hours providing essential services across all departments, including Victoria Manor

**130**

FTE  
(~300 workers)

Part Time  
(PT)/Seasonal  
Workforce

This represents our workforce in additional PT/seasonal roles, offering flexibility and meeting fluctuating operational demands

**93**

Kawartha Lakes  
Police

KLPS responsible for law enforcement, public safety, and emergency response within the community

**400**

Volunteer  
Firefighters

VFFs supporting fire services alongside career staff, enhancing emergency response capacity

**40**

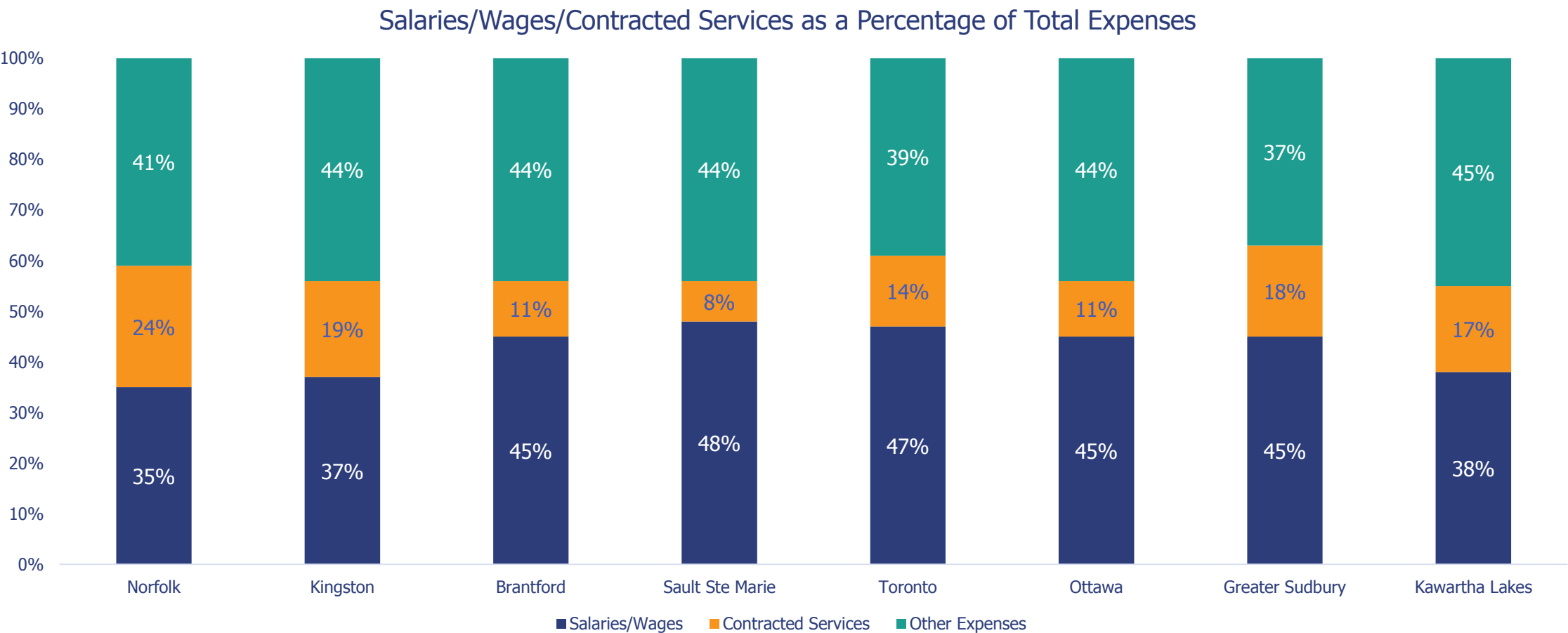
FTE  
(~120 per year)

Students

Student workers contribute their skills across various departments, gaining valuable experience while supporting City operations

# Comparative Staffing Analysis

Based on 2024 Financial Information Return, Kawartha Lakes reflects lower share of expenses to salaries and wages than other single-tier municipalities, indicating a leaner staffing structure.



# Workforce Climate

## Market Reality

- Professional positions face intense competition in today's labour market
  - Engineering, Planning, and Finance professional premium salaries and have highly competitive employment markets
  - Licensed positions in long term care (RPNs, RNs) and paramedics also have tight labour market
- Recruitment of supervisory/management positions have seen improved hiring/retention outcomes following market wage adjustments

## Recruitment Metrics

- Average 20–25 vacant positions monthly
- Standard fill time: 5–8 weeks
- Professional roles experiencing longest vacancies; some critical roles (Sr. Eng Tech, Sr. Planner, Finance) remain open for four months to a year

# Strategic Staffing Investments

## Preparing for Growth and Sustainability

- Over 1,500 employees deliver local services residents rely on
- Unprecedented population and development growth is driving increased service demand
- Commitment to attracting, retaining, and expanding talent through affordable and sustainable investments

### Strengthening Capacity In:

- Growth readiness and response
- Affordable housing
- Emergency preparedness
- Community health, safety, and well-being
- Leveraging digital transformation

### Commitments:

- Newly ratified union contracts mean fair pay and workplace stability
- Reviewing compensation to align with 60<sup>th</sup> percentile of comparators
- Balanced approach: fiscal responsibility with competitive wages and benefits
- Ensures reliable municipal services amid growth pressures

# New Position Budget Impact

- New position allocation averaged 1% of gross operating budget over past two years, in alignment with target
- Post-pandemic recovery required accelerated staffing to address service backlogs and new community needs
- The long term financial plan forecasts a return to sustainable growth levels as we prioritize operational efficiency and modernizing technological solutions





# Corporate-wide trends and drivers

## Strategic staffing investments for 2026 and beyond



**Population Growth & Development:** Increased residential and commercial development is driving the need for expanded staffing across front-line and support functions.



**Legislation & Certification Requirements:** Changes in provincial regulations, particularly in Fire Services, Legal Services, and Public Works, are prompting the creation of new positions and restructuring of existing roles.



**Technology & Automation:** Advancements are reducing manual workloads in some areas while creating demand for specialized roles in IT, data analysis, and customer experience.



**Succession Planning & Leadership Development:** A consistent focus across departments on succession planning, mentorship, and preparing internal talent for leadership roles.



**Service Delivery Needs & Cultural Transformation:** New roles are being proposed to support service quality, staff engagement, and organizational modernization efforts.

# Departmental Highlights

## CAO's Office

**Summary:** Growth in responsibilities related to insurance, risk management, and grant-funded initiatives has created the need for additional administrative and leadership capacity

**Key Drivers:** Increased organizational risk and insurance demands; leadership development and succession planning; grant-funded program administration (short-term rental licensing)

### **New Positions Forecasted:**

- Administrative Assistant, MLEL
- Manager of Insurance and Risk Management

# Departmental Highlights

## Community Services

**Summary:** Reorganization is underway to strengthen customer experience, recreation programming, and maintenance oversight. Expanded supervisory and technical roles are required to meet service growth

**Key Drivers:** Population growth and program expansion; implementation of CRM tools; Forest Management Plan update and infrastructure delivery

### **New Positions Forecasted:**

- Supervisor of Customer Experience
- Supervisor, Aquatics & Wellness Programming
- Manager of Recreation & Community Partnerships
- Facility Projects Delivery Coordinator
- Arborist
- Urban Forester

# Departmental Highlights

## Corporate Services

**Summary:** Digital modernization, increasing project volume, and data-driven operations are driving demand for new roles across IT, Procurement, Communications, Strategy, and People Services

**Key Drivers:** Technology and digital transformation; higher demand for business analysis and service desk leadership; strategic planning and data utilization

### New Positions Forecasted:

- Administrative Assistant
- Communications and Engagement Officer
- Executive Trainer
- People Services Associate
- Strategy Specialist
- Senior Procurement Specialist
- Supervisor, IT Service Desk
- GIS Specialist
- IT Senior Business Analyst

# Departmental Highlights

## Development Services

**Summary:** Rising development activity and evolving legislative frameworks require additional planning, economic development, and administrative capacity

**Key Drivers:** Increased planning and development applications; legislative reform and process modernization; digital transformation of development workflows

### New Positions Forecasted:

- Administrative Assistant
- Planner
- Economic Development Student

# Departmental Highlights

## Engineering and Capital Assets

**Summary:** Capital program growth and municipal consent applications are increasing staffing pressures. Succession planning and mentorship are essential to long-term workforce sustainability

**Key Drivers:** Expanding capital budget and infrastructure program; municipal consent workload; workforce succession and knowledge transfer

### **New Positions Forecasted:**

- Engineering administration

# Departmental Highlights

## Fire Services

**Summary:** Urban intensification and legislative changes are driving the need for more full-time firefighters, trainers, and fire prevention capacity. Training infrastructure is also under consideration

**Key Drivers:** Legislative requirements; increased urban density (vertical growth); certification requirements and volunteer turnover mitigation

### **New Positions Forecasted:**

- Two Training Instructors
- Fire Prevention Inspector
- Emergency Vehicle Technician

# Departmental Highlights

## Human Services

**Summary:** Caseload growth and expected funding changes necessitate new frontline and managerial roles in housing, outreach, client services, and program delivery

**Key Drivers:** Population growth; rising caseloads and service demand; anticipated 2026 funding formula changes

### **New Positions Forecasted:**

- Outreach and Housing Assistance Worker
- Building Technician (Housing)
- Client Services Workers
- Manager of Finance & Administration
- Manager of Service Delivery



# Departmental Highlights

## Library Services

**Summary:** Expanded programming and facility growth have prompted the Library Board to approve new supervisory capacity in technical and support services

**Key Drivers:** Facility growth and new service points; program expansion; historic under-staffing of technical support

### **New Positions Forecasted:**

- Supervisor of Technical & Support Services

# Departmental Highlights

## Paramedic Services

**Summary:** Ongoing community growth and a new facility planned for 2028 are increasing staffing and technical support needs, particularly in logistics, training, and wellness oversight

**Key Drivers:** Community growth and ambulance additions; facility-based expansion (2028); scheduling automation and training needs

### **New Positions Forecasted:**

- Paramedic Logistics Support Technician
- Superintendent of Health & Wellness

# Departmental Highlights

## Public Works

**Summary:** Service area expansion, equipment growth, and new regulatory standards require additional operators, labourers, and enhanced leadership hours

**Key Drivers:** Expansion of development and service area; increased plow and fleet requirements; technology and regulatory compliance (e.g. patrol software)

### New Positions Forecasted:

- Equipment Operators
- Labourer
- Transit Driver(s) and Lead Hand premium
- Crew Lead, Waste Management
- Works Control Officer

# Departmental Highlights

Kawartha Lakes Police Service



**Key Drivers:** Community growth

**New Positions Forecasted:**

- Constable

# Personnel Budget Affordability Strategies

01

## Position Phasing

Deferring start dates of new positions to Q2 and Q3 to reduce first-year budget impact by approximately \$1M

02

## Strategic Gapping

Maintaining select vacant positions temporarily to offset wage pressures while ensuring service continuity

03

## Revenue Recovery

Leveraging grants, capital project allocations, and enhanced fees to recover portion of wage costs

04

## Contract Optimization

Reducing external contract expenses where new internal capacity can provide cost-effective alternatives