

The Corporation of the City of Kawartha Lakes
Minutes
Budget Committee Meeting

Monday, October 6, 2025

9:00 A.M.

Council Chambers

City Hall

26 Francis Street, Lindsay, Ontario K9V 5R8

Members:

Deputy Mayor Charlie McDonald

Councillor Tracy Richardson

Councillor Dan Joyce

Councillor Pat Warren

1. Call to Order

Chair Deputy Mayor McDonald called the meeting to order at 9:00 a.m. Councillors Tracy Richardson, Dan Joyce and Pat Warren were in attendance in Council Chambers. Chief Administrative Officer R. Taylor, Director of Corporate Services S. Beukeboom, Director of Engineering J. Rojas, Manager of Corporate Assets A. Found, and Executive Assistant to Mayor and Council C. Ellison were also in attendance in Council Chambers. Supervisor of Budget and Financial Planning J. Hood attended via Zoom.

2. Administrative Business

2.1 Adoption of Agenda

Item 4.1 **Mayoral Memo** to be moved after Item 5.2.

BC2025-34

Moved By Councillor Warren

Seconded By Councillor Richardson

That the Agenda for the Budget Committee Meeting of October 6, 2025, be adopted as amended.

Carried

2.2 Declaration of Pecuniary Interest

There were no declarations of pecuniary interest disclosed.

2.3 Adoption of Minutes from Previous Meeting

BC2025-35

Moved By Councillor Joyce

Seconded By Councillor Richardson

That the Minutes of the Budget Committee Meeting of Tuesday, September 30, 2025, be received and adopted.

Carried

3. Deputations

There were no deputations.

Note: Items 5.1 and 5.2 were moved up on the Agenda.

5. New Business

5.1 BC2025-07.5.1

Police Services Budget Presentation

Kirk Robertson, Police Chief

Chief Robertson presented the Kawartha Lakes Police Services Budget. He provided an overview of the pressures on the 2026 Budget, which the Board approved at a 10.23% increase. A new 3-year contract was negotiated for this year through to 2027, so salaries and benefits make up 8.66% of the increase. This also includes funding to cover the Crisis mental health nurse, which has traditionally been funded through a grant. For 2025 and for 2026, this funding has been more unstable in terms of whether, or when, it is sent through. Rather than rely on funding that may or may not continue, the Board opted to add this cost to the operating budget as a permanent line item. The salaries line also includes funding for one addition recruit to begin next May and the creation of a Staff-sergeant position at the end of next year.

The other significant pressure is newly-mandated training for Mental Health Crisis Response for all police officers. There is specialized Virtual Reality equipment needed in order to comply with this new training, and this accounts for an addition 0.9% of the budget increase. Lastly, there are capital and operating increases in order to replace an end-of-life cruiser and to update and expand the CCTV system. Cruisers have continually increased in cost since 2022 (at which time the cost was \$46K). The base cost is now over \$60K plus the cost of outfitting it with equipment, making a new cruiser come in at around \$80,000.00.

The total 2026 Budget for the Kawartha Lakes Police Services is \$13,684,975.00.

BC2025-36

Moved By Councillor Joyce

Seconded By Councillor Warren

That the Kawartha Lakes Police Services Budget Presentation be received.

Carried

5.2 BC2025-07.5.2

Otonabee Conservation Budget Presentation

Janette Smith, Chief Administrative Officer

Janette Smith presented the 2026 Budget for Otonabee Conservation Authority. The Authority spans multiple municipalities, and the City contributes a small percentage to the overall budget. The Board approved a 7.4% increase for 2026, representing an additional \$115,000.00 to be covered by 8 municipalities. The entire additional increase is to do capital needs, as the Authority has been able to find efficiencies in the Operating Budget for 2026. The City's contribution to their Budget is \$11,149.00, an addition \$776 over 2025.

The Capital Reserve has minimal funds and part of the capital increase is to begin building that reserve again with a \$15,000 infusion. The remainder of the capital increase will fund the decommissioning of a number of end-of-life assets, improving safety and efficiency. Another goal for 2026 is to identify more KPIs in terms of both governance and programs.

The total budget for Otonabee Conservation is \$1,652,767.00, of which the City's apportionment is \$11,149.00.

BC2025-37**Moved By** Councillor Richardson**Seconded By** Councillor Warren**That the Otonabee Conservation Budget Presentation** be received.**Carried****4. Correspondence****4.1 BC2025-07.4.1****Mayoral Memo 01-2025**

Mayor Elmslie

Mayor Elmslie spoke to his memo for the Budget Committee, outlining the pressures for next year's budgets. He reiterated the Long-Term Financial Plan that was approved by Council did not set the budget for this year, or any future year; it is a forecast that does not override the budget process for this Council or any future Council. He also set a target for the Committee to recommend a 4% increase, or less, plus the 2% Capital levy.

BC2025-38**Moved By** Councillor Richardson**Seconded By** Councillor Warren

That the Mayoral Memo 01-2025 be received.

Carried

5.3 BC2025-07.5.3

Proposed 2026 Special Projects, Water-wastewater, and Capital Budgets Presentation

Adam Found, Manager of Corporate Assets

Manager Found gave an overview of the Special Projects, Water and Wastewater, and Capital Projects Budgets, with each portion being received separately with the corresponding Budget Tables below.

5.3.1 BC2025-07.5.3.1

2026 Special Projects Budget

Adam Found, Manager of Corporate Assets

Manager Found gave an overview of the Special Projects Budget and provided some background as to the rationale for separating these projects out from the Operating Budget, where they used to be held. These projects are generally longer than one year in duration and are funded like Capital projects, but cannot be classified as Tangible Capital Assets because of their (usually) non-tangible nature. Many of the projects in this Budget are Plans and Studies, which can be quite expensive and are often carried out over several years. This Budget can also be quite volatile and the 2026 Budget sees a large increase in spending from 2024 and 2025.

The total Special Projects Budget is currently \$8,020,000.00.

BC2025-39

Moved By Councillor Joyce

Seconded By Councillor Warren

That the 2026 Special Projects Budget be received.

Carried

5.3.2 BC2025-07.5.3.2

2026 Water-Wastewater Capital Budget

Adam Found, Manager of Corporate Assets

Manager Found presented the 2026 Water and Wastewater Capital Budget. He began with some background in terms of terminology and the process for planning capital projects. The 2026 Budget is again much higher than 2025 or earlier years, which reflects ongoing capital cost inflation, which does not match the inflationary costs seen by households. The municipality's 'basket of goods' is very different in nature, and capital costs have not leveled off the way some other costs have. Many of the projects are growth-related and the costs are borne upfront; development charges will help recover those costs as the City experiences the growth that is anticipated.

The total Budget for the Proposed 2026 Water-wastewater Capital Budget is \$45,956,000.00.

BC2025-40

Moved By Councillor Richardson

Seconded By Councillor Joyce

That the 2026 Water-wastewater Budget be received.

Carried

Meeting Recessed at 11:39 a.m. and reconvened at 12:15 p.m.

After the recess, the committee continued discussion of the Special Projects Budget.

BC2025-41

Moved By Councillor Richardson

Seconded By Councillor Warren

That staff reduce the Special Projects Budget by \$912,000.00 to align with the increase in the Long-Term Financial Plan.

Carried

5.3.3 BC2025-07.5.3.3

2026 Tax-Supported Capital Budget

Adam Found, Manager of Corporate Assets

Manager Found presented the 2026 Tax-Supported Capital Budget. At a high level, \$59 million is being proposed for roads and bridges; \$47 million for facilities and siteworks, and just under \$20 million on fleet and equipment. There is still

heavy reliance on debenture as the City continues to grow the Asset Management Reserve - with the Capital Levy, the intent is to be able to only debenture long-term, high-cost projects, and self-fund through the reserve other capital projects by 2033. Part of the pressure on the 2026 Capital Budget is the attempt to eliminate previously deferred capital projects in the amount of \$32,605,000.00, which will leave approximately 30% of those deferred projects for future budgets through 2029. It was noted that deferring projects not only will increase the cost of that project, but could come with other unintended consequences such as non-compliance with legislation, increased risks in terms of safety or security, among other potential consequences. To eliminate the backlog of \$117,000,000.00 worth of capital projects by 2029 will be a significant achievement.

The total 2026 Tax-Supported Capital Budget is \$126,103,000.00.

BC2025-42

Moved By Councillor Warren

Seconded By Councillor Joyce

That the 2026 Tax-Supported Capital Budget be received.

Carried

6. Other Business

7. Adjournment

BC2025-43

Moved By Councillor Richardson

Seconded By Councillor Joyce

That the Meeting adjourn at 1:00 p.m.

Carried