



REPORT TO COUNCIL

Meeting Date: 18/04/2023

Report Number: 2023-FIN-005

Presented by: Lloyd Crocker

Department: Corporate Services

REPORT TITLE

2023 Final Municipal Budget Update

RECOMMENDATION(S)

BE IT RESOLVED THAT Report Number 2023-FIN-005 entitled “**2023 Final Municipal Budget Update**” be received for information;

AND THAT Council for The Corporation of The Town of Kirkland Lake hereby approve the final 2023 Budget as presented;

AND FINALLY THAT the appropriate By-Laws relating to the 2023 Budget be presented for three readings on April 18, 2023.

INTRODUCTION

The final 2023 Budget deliberations took place at a Special Meeting of Council held on Tuesday, April 11, 2023. The Treasurer was directed to make the amendments as ratified by Council, and to present the final 2023 Budget for approval.

DISCUSSION

As explained early in the budget process, some line items were incorrectly exported from our excel budget to our new budget software. Treasury has made several line-item changes to the operating budget to correct these issues which will be verbally identified by the Treasurer during the summarization of the final Budget. It should be noted that these changes did affect the amount of the surplus/deficit of a few of the operating budget departments, however, the overall bottom line of the operating budget remained unchanged.

The amendments identified from Council’s direction at its Special Meeting on April 11th have been processed resulting in a reduction of approximately \$106,000.00 to the Tax Levy required for the 2023 Budget (Attachment 1. A,B,C). The Tax Levy decreased from

\$11,980,196.00 as presented in the tabled 2023 Budget on March 21, 2023 to \$11,873,777.00 in the final 2023 Budget presentation.

The final 2023 Budget includes a 3.6% municipal Tax Rate increase. The proposed municipal tax rate has decreased from the tabled budget on March 21st which included a municipal tax rate of 4.35%.

Projections for the Town of Kirkland Lake's 2023 Reserves will be presented at a future Meeting of Council.

OTHER ALTERNATIVES CONSIDERED

Not Recommended.

Council has undertaken to pursue an accountable and transparent budget review process, including public consultation, and has undertaken to direct the Treasurer to present a final 2023 Budget stemming from several amendments.

Should Council wish to make further amendments to the 2023 Budget, a deferral of the passage of the 2023 Budget would be required in order to meet statutory notice provisions, to allow the Mayor to call a special meeting to allow for Council to further deliberate those amendments, and for Administration to append to those requests.

Delays in the approval of the 2023 Budget may cause strain and economic hardship for the operation of the municipality.

FINANCIAL CONSIDERATIONS

The overall Operating portion of the 2023 Budget amounts to \$18,153,148.00 with a 2023 Tax Levy at \$11,873,777.00. The final 2023 Budget includes a 3.6% Municipal Tax Rate increase and includes the use of Reserves and Reserve Funds in the sum of approximately \$2.38 million dollars to help fund some of the operating pressures and capital projects. The final Capital portion of the 2023 Budget amounts to \$5,186,160.00.

ALIGNMENT TO STRATEGIC PRIORITIES

Strategic Priorities: Efficiency, Transparency

Goals: Achieve Sustainable Operational Excellence, Provide Outstanding Service

Objectives: Aim for Financial Sustainability, Better Management of Capital Assets, Implement Sustainable Service Delivery

ACCESSIBILITY CONSIDERATIONS

Not Applicable.

CONCLUSION

Council has directed the Treasurer to present a final 2023 Budget for approval on April 18, 2023. The final 2023 Budget includes a 3.6% increase to the Municipal Tax Rate for 2023.

CONSULTATIONS

Town of Kirkland Lake Senior Management Team

ATTACHMENTS

Attachment 1 A – Operating Portion of 2023 Budget

Attachment 1 B – Capital Portion of the 2023 Budget

Attachment 1 C – Water & Wastewater Portion of the 2023 Budget

2023 Operating Budget 'Schedule A'

	2023 Budget	2022 Budget
Community Services		
Cemetery		
Revenues		
User Fees	165,931	137,831
Grants	4,200	5,988
Recoveries	10,000	
Other Revenue	600	440
Total Revenues	180,731	144,259
Expenditures		
Labour & Related	128,819	116,212
Materials & Supplies	22,190	17,460
Utilities	3,650	3,650
Admin & Other	10,178	10,635
Contracted Services	7,500	4,300
Interest & LTD Payments	3,000	3,400
Rents & Finance	3,400	
Total Expenditures	178,737	155,657
Surplus (Deficit)	1,994	(11,398)
Child Care		
Revenues		
Other Revenue	20,703	20,100
Total Revenues	20,703	20,100
Expenditures		
Labour & Related	3,724	3,353
Materials & Supplies	550	550
Admin & Other	3,283	3,283
Total Expenditures	7,557	7,186
Surplus (Deficit)	13,146	12,914

	2023 Budget	2022 Budget
Community Services (cont'd)		
Library		
Revenues		
User Fees	5,450	3,350
Grants	34,422	34,422
Donations	9,370	8,870
Recoveries	106	106
Other Revenue	11,954	11,304
Transfers		
Total Revenues	61,302	58,052
Expenditures		
Labour & Related	311,771	292,202
Materials & Supplies	43,954	40,024
Utilities	14,453	12,633
Admin & Other	11,197	15,297
Contracted Services	19,800	19,800
Interest & LTD Payments	90	90
Transfers		
Total Expenditures	401,265	380,046
Surplus (Deficit)	(339,963)	(321,994)
Museum		
Revenues		
User Fees	39,385	22,350
Grants	40,817	84,482
Donations	5,709	6,400
Recoveries	250	350
Other Revenue	850	400
Total Revenues	87,011	113,982
Expenditures		
Labour & Related	241,157	211,253
Materials & Supplies	32,470	56,580
Utilities	13,850	14,800
Admin & Other	32,791	38,459
Contracted Services	15,780	24,940
Interest & LTD Payments	2,000	1,300
Total Expenditures	338,048	347,332
Surplus (Deficit)	(251,037)	(233,350)

	2023 Budget	2022 Budget
Community Services (cont'd)		
Parks & Recreation		
Revenues		
User Fees	542,836	493,450
Grants	49,678	6,787
Donations		4,000
Recoveries	4,000	3,550
Other Revenue	8,667	8,742
Transfers		
Total Revenues	605,181	516,529
Expenditures		
Labour & Related	1,449,261	1,262,819
Materials & Supplies	217,686	195,147
Utilities	420,353	493,637
Admin & Other	199,924	198,174
Contracted Services	82,049	44,554
Interest & LTD Payments	916,856	916,356
Transfers		
Total Expenditures	3,286,129	3,110,687
Surplus (Deficit)	(2,680,948)	(2,594,158)
Total Community Services	3,256,808	3,147,986

	2023 Budget	2022 Budget
Corporate Services		
Administration/CAO/Clerk's Office		
Revenues		
User Fees	34,250	25,500
Grants		
Recoveries		
Other Revenue	1,000	1,000
Transfers	15,000	70,912
Total Revenues	50,250	97,412
Expenditures		
Labour & Related	635,132	501,813
Materials & Supplies	91,475	123,662
Utilities	23,271	25,500
Admin & Other	146,562	114,407
Contracted Services	83,000	72,436
Transfers		
Total Expenditures	979,440	837,818
Surplus (Deficit)	(929,190)	(740,406)
Human Resources		
Revenues		
Recoveries		
Total Revenues		
Expenditures		
Labour & Related	191,221	168,695
Materials & Supplies	30,505	20,000
Admin & Other	7,600	11,050
Contracted Services	1,500	65,000
Total Expenditures	230,826	264,745
Surplus (Deficit)	(230,826)	(264,745)

	2023 Budget	2022 Budget
Corporate Services (cont'd)		
Information Technology Systems		
Revenues		
Grants		61,750
Total Revenues		61,750
Expenditures		
Labour & Related	169,229	152,363
Materials & Supplies	18,500	8,000
Admin & Other	38,394	33,425
Contracted Services	163,200	132,950
Transfers		
Total Expenditures	389,323	326,738
Surplus (Deficit)	(389,323)	(264,988)
Procurement		
Expenditures		
Labour & Related	97,917	97,917
Materials & Supplies	1,200	1,170
Admin & Other	2,650	2,000
Total Expenditures	101,767	101,087
Surplus (Deficit)	(101,767)	(101,087)

	2023 Budget	2022 Budget
Corporate Services (cont'd)		
Treasury		
Revenues		
User Fees	20,000	20,000
Recoveries		
Other Revenue	430,000	410,000
Total Revenues	<u>450,000</u>	<u>430,000</u>
Expenditures		
Labour & Related	823,064	788,521
Materials & Supplies	21,000	14,500
Admin & Other	126,210	145,210
Contracted Services	59,400	35,000
Interest & LTD Payments	3,000	4,000
Transfers	(155,000)	(149,000)
Total Expenditures	<u>877,674</u>	<u>838,231</u>
Surplus (Deficit)	<u>(427,674)</u>	<u>(408,231)</u>
Mayor & Council		
Expenditures		
Labour & Related	157,909	158,767
Materials & Supplies	21,600	11,100
Admin & Other	19,651	9,885
Contracted Services		
Total Expenditures	<u>199,160</u>	<u>179,752</u>
Surplus (Deficit)	<u>(199,160)</u>	<u>(179,752)</u>
Health & Safety		
Expenditures		
Labour & Related	49,332	84,571
Materials & Supplies	6,100	4,800
Admin & Other	11,500	1,800
Total Expenditures	<u>66,932</u>	<u>91,171</u>
Surplus (Deficit)	<u>(66,932)</u>	<u>(91,171)</u>

	2023 Budget	2022 Budget
Corporate Services (cont'd)		
Policing		
Revenues		
Grants	61,000	81,000
Recoveries	12,000	8,698
Other Revenue	76,750	79,250
Total Revenues	149,750	168,948
Expenditures		
Labour & Related	18,677	19,050
Materials & Supplies	5,850	1,650
Utilities	19,050	22,220
Admin & Other	15,500	8,750
Contracted Services	2,790,877	2,726,325
Total Expenditures	2,849,954	2,777,995
Surplus (Deficit)	(2,700,204)	(2,609,047)
Total Corporate Services	5,045,076	4,659,427

	2023 Budget	2022 Budget
Development Services		
Airport		
Revenues		
User Fees	120,000	80,000
Recoveries	6,500	6,500
Other Revenue	8,100	7,500
Total Revenues	134,600	94,000
Expenditures		
Labour & Related	111,733	98,438
Materials & Supplies	101,470	62,170
Utilities	7,000	8,300
Admin & Other	34,234	28,564
Contracted Services	9,000	7,043
Interest & LTD Payments	500	1,000
Total Expenditures	263,937	205,515
Surplus (Deficit)	(129,337)	(111,515)
Animal Control		
Revenues		
User Fees	6,500	9,600
Total Revenues	6,500	9,600
Expenditures		
Materials & Supplies	1,700	1,500
Utilities	2,850	2,850
Admin & Other	755	750
Contracted Services	72,085	72,085
Total Expenditures	77,390	77,185
Surplus (Deficit)	(70,890)	(67,585)

	2023 Budget	2022 Budget
Development Services (cont'd)		
Building		
Revenues		
User Fees	107,100	155,000
Grants		
Recoveries	12,000	
Other Revenue	8,500	7,000
Transfers	65,000	
Total Revenues	192,600	162,000
Expenditures		
Labour & Related	191,153	189,516
Materials & Supplies	23,920	30,430
Admin & Other	36,970	26,408
Contracted Services	137,500	57,943
Transfers		
Total Expenditures	389,543	304,297
Surplus (Deficit)	(196,943)	(142,297)
Economic Development		
Revenues		
Grants	60,000	74,267
Recoveries	2,135	4,075
Other Revenue	73,202	137,222
Transfers	119,750	59,750
Total Revenues	255,087	275,314
Expenditures		
Labour & Related	126,112	173,159
Materials & Supplies	86,550	84,410
Admin & Other	22,885	19,780
Contracted Services	191,250	116,250
Interest & LTD Payments	73,202	137,222
Outside Charges		
Total Expenditures	499,999	530,821
Surplus (Deficit)	(244,912)	(255,507)

	2023 Budget	2022 Budget
Development Services (cont'd)		
Planning		
Revenues		
User Fees	39,000	39,000
Transfers	161,500	
Total Revenues	200,500	39,000
Expenditures		
Labour & Related	294,777	280,702
Materials & Supplies	10,625	11,455
Admin & Other	13,350	11,290
Contracted Services	196,500	48,000
Total Expenditures	515,252	351,447
Surplus (Deficit)	(314,752)	(312,447)
Residential Development		
Revenues		
Other Revenue	200,000	200,000
Total Revenues	200,000	200,000
Expenditures		
Admin & Other	4,800	1,650
Total Expenditures	4,800	1,650
Surplus (Deficit)	195,200	198,350

	2023 Budget	2022 Budget
Development Services (cont'd)		
Waste		
Revenues		
User Fees	12,000	12,000
Recoveries	500,340	479,764
Total Revenues	512,340	491,764
Expenditures		
Labour & Related	165,752	152,487
Materials & Supplies	33,375	15,725
Admin & Other	8,337	7,937
Contracted Services	1,056,831	1,036,255
Interest & LTD Payments		
Transfers		
Total Expenditures	1,264,295	1,212,404
Surplus (Deficit)	(751,955)	(720,640)
Total Development Services	1,513,589	1,411,641

	2023 Budget	2022 Budget
Fire Services		
Fire Department		
Revenues		
Grants	3,000	
Recoveries	2,500	3,000
Other Revenue	500	500
Transfers	338,434	
Total Revenues	344,434	3,500
Expenditures		
Labour & Related	2,131,966	1,828,831
Materials & Supplies	93,050	89,750
Utilities	11,050	12,432
Admin & Other	89,417	92,661
Contracted Services	60,900	44,347
Transfers		
Total Expenditures	2,386,383	2,068,021
Surplus (Deficit)	(2,041,949)	(2,064,521)
Total Fire Services	2,041,949	2,064,521

	2023 Budget	2022 Budget
Teck Pioneer Residence		
Teck Pioneer Residence		
Revenues		
Grants	4,542,250	4,542,250
Donations	30,000	30,000
Recoveries	63,535	63,535
Other Revenue	3,507,136	3,507,136
Transfers	100,000	
Total Revenues	8,242,921	8,142,921
Expenditures		
Labour & Related	6,909,585	6,750,448
Materials & Supplies	862,318	857,318
Utilities	210,000	210,000
Admin & Other	66,134	66,134
Contracted Services	253,768	253,768
Interest & LTD Payments	554,160	554,260
Transfers	10,000	
Amortization		
Total Expenditures	8,865,965	8,691,928
Surplus (Deficit)	(623,044)	(549,007)
Total Teck Pioneer Residence	623,044	549,007

	2023 Budget	2022 Budget
Public Works		
Public Works		
Revenues		
Grants	4,200	9,000
Recoveries	20,758	20,758
Other Revenue		
Transfers	100,000	100,000
Total Revenues	124,958	129,758
Expenditures		
Labour & Related	1,728,644	1,830,322
Materials & Supplies	914,310	949,410
Utilities	68,500	72,500
Admin & Other	304,002	288,335
Contracted Services	468,000	448,200
Interest & LTD Payments	59,984	59,984
Rents & Finance	10,000	
Transfers		
Total Expenditures	3,553,440	3,648,751
Surplus (Deficit)	(3,428,482)	(3,518,993)
Street Lights		
Expenditures		
Labour & Related	1,250	1,250
Materials & Supplies	10,000	10,000
Utilities	52,000	52,000
Contracted Services	15,000	15,000
Interest & LTD Payments	0	59,860
Total Expenditures	78,250	138,110
Surplus (Deficit)	(78,250)	(138,110)
Total Public Works	3,506,732	3,657,103

	2023 Budget	2022 Budget
Outside Charges		
Temiskaming Health Unit		
Expenditures		
Outside Charges	386,304	375,052
Total Expenditures	386,304	375,052
Surplus (Deficit)	(386,304)	(375,052)
Ambulance		
Expenditures		
Outside Charges	861,153	844,268
Total Expenditures	861,153	844,268
Surplus (Deficit)	(861,153)	(844,268)
Social Housing		
Expenditures		
Outside Charges	506,394	496,465
Total Expenditures	506,394	496,465
Surplus (Deficit)	(506,394)	(496,465)
Ontario Works		
Expenditures		
Outside Charges	241,449	236,715
Total Expenditures	241,449	236,715
Surplus (Deficit)	(241,449)	(236,715)
Child Care		
Expenditures		
Outside Charges	57,321	56,197
Total Expenditures	57,321	56,197
Surplus (Deficit)	(57,321)	(56,197)
MPAC		
Expenditures		
Outside Charges	113,329	111,107
Total Expenditures	113,329	111,107
Surplus (Deficit)	(113,329)	(111,107)
Total Outside Charges	2,165,950	2,119,804

	2023 Budget	2022 Budget
Total Town Operating (Deficit)	(18,153,148)	(17,609,489)
Other Taxation	(203,525)	253,525
Ontario Municipal Partnership Fund	(6,226,600)	6,226,600
Other	(50,000)	50,000
(Deficit)	(11,673,023)	(11,079,364)
Unfunded Capital	(1,749,582)	(935,926)
(Deficit)	(13,422,605)	(12,015,290)
Transfers from Reserves	1,548,828	975,489
Tax Levy	(11,873,777)	(11,039,801)

2023 Capital Budget 'Schedule B'

PROJECT NAME	SERVICE AREA	2023 EXPENDITURE	GOV'T FUNDING	GAS TAX	OCIF	TAX LEVY	RESERVE FUNDS	OTHER	LEVEL	NOTES
Requested										
Front End Wheel Loader	Public Works	\$ 350,000						\$ 350,000	3	(6)
Compactors - Gravel	Public Works	45,792				45,792			3	
AODA Audible Systems - Station/ Tweedsmuir	Public Works	19,843				19,843			4	
Traffic Controller & Cabinet - Duncan	Public Works	24,422				24,422			3	
Culver Cleaning Tool	Public Works	8,141				8,141			1	
Asphalt Trailer & Roller Compactor	Public Works	99,725					99,725		3	(7)
Automated Pedestrian Crosswalk - Fed Public School	Public Works	23,914				23,914			3	
1 Pickup Truck/1 4WD SUV	Public Works	110,000					110,000		4	(1)
Drainage Issue - Balsam Avenue	Public Works	30,000					30,000		3	(7)
Concrete Mixer	Public Works	9,158					9,158		3	(1)
2yd Sander/Spreader (for pickup truck)	Public Works	11,194					11,194		3	(1)
Design - Full Reconstruction - Taylor Avenue	Public Works	96,584			96,584				3	
Asphalt Replacement Contract	Public Works	676,704		676,704					3	
Pelican Sweeper	Public Works	40,704					40,704		3	(1)
CHAR Infrastructure/Development	Development Services	1,034,201	914,682				119,519		3	(4)
Arena Sound System	Complex	28,472				28,472			3	
Baird #1 Ball Field Lighting	Community Services	21,165					21,165		3	(7)
Boiler #2 Repair	Community Services	55,968					55,968		3	(1)
Floor Scrubber (Complex)	Complex	10,942				10,942			3	
Infrastructure Upgrades	Complex	748,248	598,598				149,650		3	(7)
Animal Control Facilities	Development Services	13,588					13,588		3	(1)
OCWA - Filter 2 & 3 Rebuild Undrain System	Water	300,000		300,000					4	
OCWA - Intake Inspections	Water	15,000					15,000		4	(2)
OCWA - Vacuum Pump for Pulse Chamber	Water	5,000					5,000		3	(2)
OCWA - Supports for Backwash Return Piping	Water	9,000					9,000		3	(2)
OCWA - Chemical Pump and Parts	Water	21,000					21,000		3	(2)
OCWA - Replace Rotork Actuators in Plant	Water	25,000					25,000		4	(2)
OCWA - New Regulators for the Chlorine Gas System	Water	15,000					15,000		4	(2)
OCWA - Variable Freq Drive for Pump, New Regulators	Water	30,000					30,000		3	(2)
OCWA - Comfort Station Enhanced Bar Screen(2022)	Waste Water	162,000					162,000		4	(5) 2022
OCWA - Bowl Assembly for Centrifuge/Sludge	Waste Water	60,000					60,000		4	(5)
OCWA - Comfort Street Pump Maintenance, Impellor	Waste Water	35,000					35,000		3	(5)
OCWA - Tieriary Filter Motor & Cloth Replacement	Waste Water	16,000					16,000		4	(5)
OCWA - Drain and Inpect Direstors, Repairs to Tank	Waste Water	10,000					10,000		3	(5)
OCWA - Haul Sludge from Swastika Plant	Waste Water	42,000					42,000		4	(5)

PROJECT NAME	SERVICE AREA	2023 EXPENDITURE	GOV'T FUNDING	GAS TAX	OCIF	TAX LEVY	RESERVE FUNDS	OTHER	LEVEL	NOTES
OCWA - Rebuild Influent Trough at Swastika Plant	Waste Water	12,000					12,000		4	(5)
Fencing - Water Treatment Plant	Water	130,013					130,013		4	(2)
Valmatic Air Release Valves	Water	8,383					8,383		4	(2)
HACH DR300 Colorimeter & 2100Q Turbidity Meter	Water	5,432					5,432		4	(2)
Belypak Transm for Vac Truck (lost)	Water	5,811					5,811		4	(2)
Elevator Modernization - Town Hall	Corporate Services	135,000					135,000		3	(3) (1)
Fire Alarm Upgrade - Police Station	Corporate Services	22,185					22,185		3	(1)
Backup Generator - Fire Hall	Fire	38,101					38,101		4	(3)
Self Contained Breathing Apparatus (5)	Fire	71,232					71,232		3	(1)
Aerial Firetruck	Fire	500,000						500,000	4	(6)
6 Radio/10 Pagers	Fire	13,738				13,738			3	
Bunker Gear	Fire	10,500				10,500			3	
Fire Hose	Fire	15,000				15,000			4	
Airport Runway Lighting - Emergency Repairs	Development Services	15,000					15,000		4	(1)
TOTAL RECOMMENDED		\$ 5,186,160	\$ 1,513,280	\$ 976,704	\$ 96,584	\$ 200,764	\$ 1,548,828	\$ 850,000		

Notes:	Levels:
(1) Lifecycle Replacement Reserve Fund	1 Low Priority
(2) Water Capital Projects Reserve Fund	2 Medium Priority
(3) \$59,000 Approved in 2022 Elevator	3 High Priority
(4) Archer Drive Reserve	4 Urgent Requirement or Replacement
(5) Waste Water Capital Projects Reserve Fund	
(6) Debt of Lease financing	
(7) Infrastructure Capital Reserve	

2023 Water and Wastewater Budget 'Schedule C'

	2023 Budget	2022 Budget
Water and Wastewater		
Water		
Revenues		
User Fees	2,586,623	2,544,067
Recoveries	57,678	57,678
Other Revenue	23,489	23,489
Transfers		
Total Revenues	2,667,790	2,625,234
Expenditures		
Labour & Related	558,260	521,378
Materials & Supplies	260,444	219,259
Utilities	384,697	390,605
Admin & Other	164,324	339,038
Contracted Services	715,161	581,164
Interest & LTD Payments	29,442	28,820
Rents & Finance		500
Transfers	84,420	84,420
Total Expenditures	2,196,748	2,165,184
Surplus (Deficit)	471,042	460,050

	2023 Budget	2022 Budget
Wastewater		
Revenues		
User Fees	1,881,317	1,817,697
Recoveries	4,841	4,841
Other Revenue	19,367	19,367
Total Revenues	1,905,525	1,841,905
Expenditures		
Labour & Related	228,560	324,015
Materials & Supplies	69,400	73,900
Utilities	427,500	412,428
Admin & Other	134,555	131,555
Contracted Services	636,953	498,009
Interest & LTD Payments	71,631	71,631
Transfers	64,580	64,580
Total Expenditures	1,633,179	1,576,118
Surplus (Deficit)	272,346	265,787
Total Water and Wastewater	743,388	725,837