

REPORT TO COUNTY COUNCIL

2024 Business Plans and Budget

To: Warden and Members of County Council

From: Director of Corporate Services

RECOMMENDATION

1. That the 2024 Draft Business Plan and Budget be received for discussion purposes.

REPORT HIGHLIGHTS

- 2024 County general levy \$81.6 million – 15.3% increase over 2023
- 2024 Library levy \$5.2 million – 21.8% increase over 2023
- 2024 Court Security Grant levy – \$82,936 – 707.1% increase from 2023
- \$104.1 million financed capital plan – 23.8% increase over 2023
- 17 new initiatives to advance the Strategic Plan
- \$59.4 million contributions to capital reserves for Asset Management purposes

IMPLEMENTATION POINTS

The proposed schedule for presentations of draft 2024 business plans and budgets is set out in Table 1.

Table 1 – 2024 Budget Meeting Schedule

Budget Meeting	Date	Time	
Special Council Meeting 1	Wednesday, November 15, 2023	9:30am - 2:30pm	
Special Council Meeting 2	Wednesday, November 29, 2023	9:30am - 2:30pm	
Regular Council Meeting	Wednesday, December 13, 2023	9:30am -	*

* Budget meeting falls on a regular Council meeting date.

Special Council meetings have been scheduled with a goal to adopt the 2024 Business Plans and Budget on **Wednesday, December 13, 2023** at the regular scheduled Council meeting. The budget by-law will be presented at the following the regular meeting of Council scheduled for January 10, 2024.

The Senior Management Team will present the business plans and budgets as outlined in Table 2.

Table 2 – 2024 Budget Meeting Objectives

Wednesday, November 15, 2023 – Special Meeting
Process overview/Budget Summary
Capital budget
Departmental budgets
Wednesday, November 29, 2023 – Special Meeting
Departmental budgets continued
Council discussion and deliberations
Wednesday, December 13, 2023 – Regular Council Meeting
Final deliberations and consideration of amending motions

Budget deliberations are planned to take place during an open session of Council to allow Council the opportunity to present motions to facilitate the budget approval process. These motions may resolve, but not necessarily limited to the following, or may be variations of the following:

That Oxford County 2024 Business Plans be adopted as amended;

- 1. And further, that Oxford County Council approves the 2024 Budget with a general purpose levy of \$_____;**
- 2. And further, that Oxford County Council approves a 2024 special levy for Library purposes in the amount of \$_____, levied against all area municipalities with the exception of the City of Woodstock;**
- 3. And further, that Oxford County Council approves a 2024 special levy to fund a Woodstock Police Services Grant for court security and prisoner transportation services in the amount of \$_____, levied against all area municipalities with the exception of the City of Woodstock;**
- 4. And further, that Oxford County Council approves the following 2024 grant requests, totalling \$_____:**

5. And further, that following grant requests, totalling \$ _____, be funded under the Oxford County Youth Initiatives grant of \$ _____:
6. And further, that a by-law to adopt the 2024 water and wastewater rates as set out in Report CS 2023-XX effective January 1, 2024, be presented to Council for enactment at their regular meeting scheduled for January 10, 2024;
7. And further, that a by-law to adopt the estimated expenditures for the year 2024 as set out in Report CS 2023-XX__ be presented to Council for enactment at their regular meeting scheduled for January 10, 2024;
8. And further, that staff be authorized to proceed with implementing the incremental full-time equivalent positions as presented in the Full-time Equivalent Plan as part of the 2024 Preliminary Budget Information and further explained in Report No. CS (CS) 2023-42.

Financial Impact

The financial impacts as presented in this report are reflected in more detail in the 2024 Draft Business Plan and Budget attached as Attachment 1.

Communications




The release of the Draft 2024 Business Plan and Budget, and information about how residents can stay informed throughout the budget process, will be promoted through media channels, social media and the County website. Residents will be invited to watch special budget meetings online as they are taking place. After each special budget meeting, presentations and video recordings will be posted on the County website and promoted through social media. Residents will also have the option to ask a question through *Speak Up, Oxford!* over the course of the budget deliberation process.

2023-2026 STRATEGIC PLAN

Oxford County Council approved the *2023-2026 Strategic Plan* on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council's vision of "Working together for a healthy, vibrant, and sustainable future." These pillars are: (1) *Promoting community vitality*, (2) *Enhancing environmental sustainability*, and (3) *Fostering progressive government*.

The recommendations in this report supports the following strategic goals.

Strategic Plan Pillars and Goals

PILLAR 1	PILLAR 2	PILLAR 3
		
Promoting community vitality	Enhancing environmental sustainability	Fostering progressive government
<p>Goal 1.1 – 100% Housed</p> <p>Goal 1.2 – Sustainable infrastructure and development</p> <p>Goal 1.3 – Community health, safety and well-being</p> <p>Goal 1.4 – Connected people and places</p>	<p>Goal 2.1 – Climate change mitigation and adaptation</p> <p>Goal 2.2 – Preserve and enhance our natural environment</p>	<p>Goal 3.1 – Continuous improvement and results-driven solutions</p> <p>Goal 3.2 – Collaborate with our partners and communities</p> <p>Goal 3.3 – Attract, retain and engage staff</p> <p>Goal 3.4 – Financial sustainability</p> <p>Goal 3.5 – Advocate for Oxford County</p>

See: [Oxford County 2023-2026 Strategic Plan](#)

DISCUSSION

Background

The 2024 Draft Budget proposes a levy requirement of \$81,604,262 for general purposes; a levy requirement of \$5,223,742 for library - benefitting seven of the eight Area Municipalities (excluding Woodstock); and, a special levy of \$82,936 for court security and prisoner transportation for seven of the eight Area Municipalities (excluding Woodstock) to fund a grant for the City of Woodstock. The 2024 proposed levies represent increases of 15.3% for general purposes, 21.8% for libraries, and an increase of 707.1% for court security and prisoner transportation.

Comments

Overview

The 2024 draft budget process begins with the preparation of business plans by each department. Finance staff then provides assistance to each department in developing the base budget reflecting non-discretionary adjustments to service levels approved by Council in the prior year. Staff then consider the goals and objectives proposed within their respective business plans and determine the following impacts: one-time items; service level impacts;

operating impacts of capital; and new initiatives that will affect the base budget. In addition to the foregoing are non-discretionary budget impacts, including changes in provincial funding.

Senior Management Team (SMT) then peer reviews the draft business plan and budget submissions of all departments, including proposed service level changes, FTE changes, new initiatives and their respective impacts on taxation.


Table 3 identifies the funding sources for the budget impacts that are included in the draft budget and how they impact the base budget. The illustration indicates that the base budget levy requirement represents a 5.0% increase over the prior year's levy. Although the year over year consumer price index increase as of September 2023 was 3.8%, there were seven months within the last 18 that met or exceeded 5% increases. Refer to pages 69 to 76 of the 2024 Draft Business Plan and Budget for more details on the table below.












Table 3 – 2024 Budget Impact Funding Sources (consolidated budget)

	Total	Reserves	Other	Rates	Taxation	Levy %
Levy/Rate increase over prior year				\$2,374,930	\$11,853,162	15.8%
Non-recurring	\$3,664,438	\$3,160,500	\$183,500	\$130,350	\$190,088	0.2%
Service Level	8,555,920	789,329	1,207,466	647,580	5,911,545	7.9%
New Initiatives	5,144,922	1,225,350	2,334,091	252,531	1,332,950	1.8%
Initiative Gapping	(1,128,323)	(741,600)	-	(78,551)	(308,172)	(0.4%)
In-year Approval/ Carryover	1,111,467	500,899	830,193	(40,000)	(179,625)	(0.3%)
Minor Capital	1,072,900	657,500	120,000	4,000	291,400	0.4%
Infrastructure Capital	8,671,000	6,240,000	1,754,500	-	676,500	0.9%
Budget Impacts	27,092,324	11,831,978	6,429,750	915,910	7,914,686	10.5%
Prior year non-recurring items and initiative gapping				115,575	220,066	0.3%
Base Budget increase				\$1,343,445	\$3,718,410	5.0%

Table 3 identifies the accumulative impact of New Initiatives proposed in the 2024 draft budget and the overall funding sources. Each of the New Initiatives as listed in Table 4 are further explained in the Draft 2024 Business Plan and Budget by page number.

Table 4 – 2024 New Initiatives

	New Initiative	Strategic Plan	Investment	Page
1	OCAB Space Optimization		\$60,000	109

	New Initiative	Strategic Plan	Investment	Page
2	Woodland Planter Attachment		\$4,600	114
3	Builterra Construction Inspection Software		\$13,850	126
4	Emergency Road Closed Trailers		\$37,600	137
5	Waste Management Heavy Equipment Loader		\$1,052,090	159
6	Sanitary Inflow and Infiltration Reduction		\$334,501	208
7	Office Renovations at 59 George Johnson Blvd Ingersoll		\$96,200	215
8	Forklift for George Johnson Blvd Ingersoll		\$66,530	218
9	Ingersoll WWTP: Construction of a Wastewater Treatment Foreperson Office		\$50,650	220
10	Homelessness Response Strategy		\$2,800,000	254
11	MealSuite - Food Management System (Woodstock)		\$35,401	286
12	Corporate Services – FOI Solutions		\$6,500	299
13	Customer Relationship Management Software		\$84,000	306

	New Initiative	Strategic Plan	Investment	Page
14	Payroll and Scheduling Software		\$283,000	331
15	Community Well-Being Survey		\$100,000	355
16	Library Technology Review		\$35,000	432
17	Library Facilities Plan		\$85,000	434

Capital Plans

The 2024 proposed capital plan expenditures amount to \$104.1 million compared to \$84.1 million in 2023. Of the \$104.1 million in capital projects \$7.5 million are carryover projects from 2023, \$10.1 million relates to prior projects being financed in 2024, with \$86.5 million representing new 2024 budget requests. Some project highlights include:

- Woodingford Lodge – Buildings – Renewal - **\$756,250**
- Housing - Buildings – Renewal - **\$1,722,650**
- Transitional Housing – Expansion - **\$2,100,000**
- Bridge and Culvert Rehabilitation / Replacement - Renewal - **\$14,495,000**
- SCADA Master Plan - Replacement and expansion - **\$530,000**
- Tillsonburg Wastewater, WWTP Upgrade – Expansion - **\$600,000**
- Drumbo Wastewater, WWTP Expansion – Expansion - **\$650,000**
- Woodstock Wastewater, Lansdowne Pumping Station – Expansion - **\$3,750,000**
- Woodstock Water, Bowerhill Booster Pumping Station – Expansion - **\$4,500,000**
- Ingersoll Water, Cast iron pipe replacement – Replacement - **\$1,225,000**

The 2023 Capital Plan, which includes multi-year and developer controlled projects, is expected to be 88.3% (70.0% in 2022) complete by year end. The Plan projects the unfinanced capital balance by project which represents the project expenses incurred, but not yet financed. In addition, the previous years' approved budget that has not yet been spent is added, as well as the requested budget for new and ongoing projects to arrive at the accumulated amount representing the 2024 Financed Capital Budget. The funding sources proposed for each capital project are also illustrated in the 2024 Capital Plan. See page 38 of the 2024 Draft Business Plan and Budget for more details.

The Long Term Capital Plan presents the planned projects for ten consecutive years beginning in 2024. The report also presents a year over year summary of the sources of funding for each of the respective capital budgets. Further details regarding the long term capital plan start on page 47 of the 2024 Draft Business Plan and Budget.

Interdepartmental Allocations

Interdepartmental allocations include Finance, Customer Service, Human Resources, Information Technology, Facilities and Fleet. The year over year increase in the overall interdepartmental charges is 11.8%, of which Finance and Human Resources has the most significant increases of \$626,082 and \$351,662 or 30.5% and 24.8% respectively, largely due to costs to support new initiatives and FTEs. The cumulative net increase of the remaining interdepartmental budgets amount to \$1,350,715 for an overall interdepartmental budget increase of \$2,328,459. More information regarding the interdepartmental charges can be found on page 80 of the 2024 Draft Business Plan and Budget .

Full-time Equivalent Analysis

The County’s full-time equivalent (FTE) staffing complement is proposed to increase by 41.1 FTEs in 2024, 11.0 of which are funded by grants for a total of 683.1 FTEs. The overall increase in FTEs is largely driven by an 11.4 FTE increase in Paramedic Services to address the staffing needs to meet the increased call volume and Paramedicine program. Further details are explained in Table 5.

Table 5 – 2024 Proposed Full-time Equivalent Plan Changes

	County Levy	Library Levy	Water & Wastewater Rates	Grant	Total
2023 Approved FTE Plan					649.0
2023 Temporary FTE					(11.9)
2023 In-year FTE changes					4.9
2023 Base FTE Plan					642.0
Facilities	1.0	-	-	-	1.0
Engineering and Construction	1.0	-	-	-	1.0
Transportation Services	(0.2)	-	-	-	(0.2)
Waste Management	2.4	-	-	-	2.4
Water and Wastewater	-	-	2.0	-	2.0
Community Services	-	-	-	0.7	0.7
Housing	1.0	-	-	1.7	1.7
Woodingford Lodge	0.3	-	-	7.6	7.9
Customer Service	1.0	-	-	-	1.0
Information Technology	1.0	-	-	-	1.0
Finance	1.0	-	-	-	1.0
CAO Office	1.0	-	-	-	1.0

	County Levy	Library Levy	Water & Wastewater Rates	Grant	Total
Communications	0.7	-	-	-	0.7
Paramedic Services	9.4	-	-	-	9.4
Community Paramedicine	-	-	-	2.0	2.0
Human Resources	2.0	-	-	-	2.0
Community Planning	3.0	-	-	-	3.0
Oxford County Library	-	3.5	-	-	3.5
2024 Draft budget increase	24.6	3.5	2.0	11.0	41.1
Draft 2024 FTE Plan					683.1


Information regarding the 2024 FTE Plan can be found on page 77 of the attached 2024 Draft Business Plan and Budget .

Alignment with Strategic Plan

The strategic plan ensures alignment between Council priorities; the County’s corporate and departmental business plans and processes; and the County’s Business Plan and Budget. The 2024 Draft Business Plan and Budget demonstrates alignment to Council’s 2024-2026 Strategic Plan with 120 notable goals, initiatives and resource allocations to fulfill the respective strategic goals.

Table 6 – 2024 Budget Strategic Plan Alignment

Pillars of Focus	Business Plan Goal	New Initiatives	Staffing (FTE Reports)
 Promoting community vitality	30	3	4
 Enhancing environmental sustainability	11	1	1

 Fostering progressive government	39	13	18
Total	80	17	23

Five Year Projections

Five year forecasts have been prepared by each department taking into account any planned projects, foreseen changes to services as well as cost of living increases. These reports are incorporated into each department’s detailed budget summary of the 2024 Draft Business Plan and Budget.

Reserve Continuity Report

The reserve continuity schedule includes Reserve Policy target balances and projected surplus or shortfall balances for each reserve as of December 31, 2024, providing an indication of availability for future funding sources – details available on page 81.

In the Budget Highlights section of the Draft Business Plan and Budget (page 20) is a graphic illustration of the capital contributions to reserves that are included in the 2024 budget - totalling \$59.4 million, an increase of \$6.3 million from 2023. Capital contributions to reserve include interest revenues, capital grants, development charges and budget allocations funded by both property taxes and water and wastewater rates.

Debt Repayment

Future years’ debt requirement projections are incorporated with current debt obligations in the debt repayment schedule covering years 2024 to 2033, which is largely driven by the long term capital plan. Details available on page 86 indicate the County’s projected debt jumps in 2025 from \$40.6 million to \$50.3 million, peaking at \$78.8 million in 2031. These projections are predicated on ongoing investment in accordance with our Asset Management Plan to most effectively fund our infrastructure needs.

Assessment

As announced in the 2021 Fall Budget Statement published on November 4, 2021, the reassessment that was scheduled to be conducted for the 2021 tax year was postponed. On August 16, 2023, the Ontario government filed a regulation to amend the Assessment Act, extending the postponement of a province-wide reassessment through the end of the 2021-2024 assessment cycle. Property assessments for the 2023 and 2024 property tax years will continue to be based on fully phased-in January 1, 2016 current values.

Further analysis regarding tax shifts caused by assessment growth will be presented under a separate report.

Library Board

The Oxford County Library Board's recommendation for the Library's 2024 levy is further explained under Report CS 2023-40.

Conservation Authorities

At the time of publishing this report, the Conservation Authorities' 2024 draft budgets have not been received. For those Conservation Authorities who have not yet submitted draft budget figures, levies have been based on their historical average. The resulting estimated total levy for Conservation Authorities is \$1.7 million with an increase of \$50,496 or 3.0% over the 2023 approved County budget. New regulations with respect to recent changes to the Conservation Authorities Act will come into effect in 2024 which may result in budget impacts going forward.

The Conservation Authorities' 2024 draft budgets will be included on Council agendas as they are received. The Board meetings to consider the budgets are typically held in January and February of the budget year.

Grants

Community grants have been included in the 2024 Draft Budget based on the 2023 Approved budget and those grant requests received to date by Council for consideration during the 2024 budget deliberation process.

Local community agencies seeking grants in 2024 have all delegated before Council seeking the same request as the prior year with the exception of:

- Physician Recruitment requesting \$7,500, down \$22,500 from 2023;
- New request from Oxford Health Team of \$30,000; and
- New request from Ingersoll Pipe Band of \$10,000.

Total grants included in the 2024 Draft Budget is \$327,000 or 5.6% increase. Additional details can be found on page 38 of the 2024 Draft Business Plan and Budget .

PSAB Budget

In accordance with Ontario Regulation 284/09 the 2024 Draft Business Plan and Budget is presented with a schedule in the PSAB format – see page 64 of the 2024 Draft Business Plan and Budget .

Budget Survey

An online survey was launched June 14, 2023 through a Speak Up, Oxford! Engagement campaign for the 2024 Business Plan and Budget process. When the survey closed 1,009 responses were received. 68% rated the value received for tax dollars as fair or good. Specific areas where respondents requested enhanced service levels were related to Long-term Care, Paramedic Services, and Housing.

The detailed survey results, including all responses, were presented to Council on September 27, 2023 through Report CS 2023-31. A summary of the survey highlights is also provided on page 8 of the 2024 Draft Business Plan and Budget .

Safe Restart Agreement and Provincial COVID-19 Recovery Funding

On March 17, 2020, Ontario's Premier declared a provincial emergency through the authority granted under the *Emergency Management and Civil Protection Act* (EMCPA). Due to measures that had to be taken to mitigate the impact of this pandemic on our health and financial well-being, all levels of government, nationally and internationally stepped up to provide assistance. In consideration of all financial relief initiatives, protection of the overall supply chain is paramount in order to mitigate economic loss and secure successful recovery.

The 2023 year end projections includes a forecast closing balance of Safe Restart Agreement Reserve at \$2.6 million. Approved in the 2023 budget was a notice of motion to fund broadband initiative in the amount of \$1.4 million, utilizing the Federal Restart Funding which was not expended.

Considering the County's Broadband Expansion Reserve has a 2023 year-end balance of \$2.6 million, the 2024 Budget includes provisions to fund the one-time costs in NI 2024-10 (Homelessness Response) with Federal Restart funding, thereby reducing the carryover of the Broadband funding to \$0.25 million available in 2024. Based on the foregoing, the Federal Restart Funds would be fully spent by the end of 2024.

Public Health

At the time of publishing this report, the Southwestern Public Health (SWPH) 2024 draft budget has not been received. The resulting estimated total levy for Southwestern Public Health is \$3.3 million – an overall \$541,570 (19.4%) increase from 2023 County approved budget, or 5.0% from the 2023 actual (revised) levy.

The SWPH 2024 draft budget will be included on a Council agenda when it is received. Oxford proportionately shares the SWPH levy requirement with the City of St. Thomas and County of Elgin, with Oxford's portion being approximately 55%.

Rates Funded Budgets

Water and wastewater rates are funded most predominantly by user fees/rates, with the exception of capital funding received from senior levels of government and development charges. The total water and wastewater proposed budgets for 2024 totals \$92.5 million, representing a \$5.4 million (6.2%) increase over 2023 approved budget. There is no impact on the County levy to fund these budgets. Further analysis regarding Water and Wastewater Rates proposed will be presented under a separate report on November 18, 2023.

CONCLUSIONS

Included in the 2024 Draft Budget information package is an overview including a summary and outlook which provides a narrative synopsis of the draft budget that is before Council for consideration.

The County's Asset Management Plan provides valuable insight in preparing the five and ten-year capital forecasts, allowing more accurate planning for the associated reserve and debt financing requirements.

The 2024 Draft Budget information, including supplementary information provided to Council in electronic format, will be available for public access on the County's website at <https://speakup.oxfordcounty.ca/2024budget>

SIGNATURES

Report author:

Original signed by

Carolyn King, CPA, CA
Manager of Finance

Departmental approval:

Original signed by

Lynn S. Buchner, CPA, CGA
Director of Corporate Services

Approved for submission:

Original signed by

Benjamin R. Addley
Chief Administrative Officer

ATTACHMENTS

Attachment 1 – 2024 [Draft Business Plan and Budget \(link to document on County website\)](#)

Attachment 2 – 2024 Draft Business Plan and Budget Highlights Presentation