

REPORT TO COUNTY COUNCIL

2025 Business Plans and Budget

To: Warden and Members of County Council

From: Director of Corporate Services

RECOMMENDATION

1. That the 2025 Draft Business Plan and Budget be received for discussion purposes.

REPORT HIGHLIGHTS

- 2025 County general levy \$93.0 million – 12.6% increase over 2024
 - average single family detached residential property tax bill increase of \$126 over 2024
- 2025 Library levy \$5.7 million – 10.0% increase over 2024
 - average single family detached residential property tax bill increase of \$10 over 2024
- 2025 Court Security Grant levy \$123,430 – 48.8% increase over 2024
 - average single family detached residential property tax bill increase of \$1 over 2024
- \$131.0 million financed capital plan – 26.5% increase over 2024
- 7 new initiatives to advance the Strategic Plan
- \$79.2 million in contributions to capital reserves for Asset Management purposes

IMPLEMENTATION POINTS

The proposed schedule for presentations of draft 2025 business plans and budgets is set out in Table 1.

Table 1 – 2025 Budget Meeting Schedule

Budget Meeting	Date	Time	
Special Council Meeting 1	Wednesday, November 20, 2024	9:30am - 2:30pm	
Special Council Meeting 2	Monday, November 25, 2024	9:30am - 2:30pm	
Regular Council Meeting	Wednesday, December 11, 2024	9:30am -	*

* Budget meeting falls on a regular Council meeting date.

Special Council meetings have been scheduled with a goal to adopt the 2025 Business Plans and Budget on **Wednesday, December 11, 2024** at the regular scheduled Council meeting. The budget by-law will be presented at the following the regular meeting of Council scheduled for January 8, 2025.

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

Table 2 – 2025 Budget Meeting Objectives

Wednesday, November 20, 2024 – Special Meeting
Process overview/Budget Summary
Capital budget
Departmental budgets
Monday, November 25, 2024 – Special Meeting
Departmental budgets continued
Council discussion and deliberations
Wednesday, December 11, 2024 – 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. Among the motions to be considered upon final approval of the business plans and budget are the following, subject to amendments as determined by Council:

That Oxford County 2025 Business Plans be adopted as amended;

1. **And further, that Oxford County Council approves the 2025 Budget with a general purpose levy of \$_____;**
2. **And further, that Oxford County Council approves a 2025 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 2025 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 a by-law to adopt the 2025 water and wastewater rates as set out in Report CS 2024-39 effective January 1, 2025, be presented to Council for enactment at their regular meeting scheduled for January 8, 2025;
5. And further, that a by-law to adopt the estimated expenditures for the year 2025 as set out in Report CS 2025-XX__ be presented to Council for enactment at their regular meeting scheduled for January 8, 2025;
6. 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 2025 Preliminary Budget Information and further explained in Report CS (CS) 2024-45.

Financial Impact

The financial impacts as presented in this report are reflected in more detail in the 2025 Draft Business Plan and Budget attached as Attachment 1.

Communications




The release of the Draft 2025 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 questions 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 recommendation 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 2025 Draft Budget proposes a levy requirement of \$92,960,410 for general purposes; a levy requirement of \$5,744,951 for library - benefitting seven of the eight Area Municipalities (excluding Woodstock); and a special levy of \$123,430 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 2025 proposed levies represent increases of 12.6% for general purposes, 10.0% for libraries, and an increase of 48.8% for court security and prisoner transportation.

Comments

Overview

The 2025 draft budget process begins with the preparation of business plans by each department. Finance staff assist 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 2.6% increase over the prior year's levy. Although the year over year consumer price index increase as of September 2024 was 1.6%, however there were 15 of the past 18 months where the CPI exceeded 2.6% increases. Pages 67 to 73 of the 2025 Draft Business Plan and Budget provide more details explaining the budget impacts.

Table 3 – 2025 Budget Impact Funding Sources (consolidated budget)

	Total	Reserves	Other	Rates	Taxation	Levy %
Levy/Rate increase over prior year				\$3,887,752	10,955,657	12.5%
New Initiatives	2,654,001	85,000	2,175,000	150,200	243,801	0.3%
One-time Items	4,266,000	3,417,522	251,500	351,348	245,630	0.3%
Service Level	2,560,478	294,464	253,055	170,303	1,842,656	2.1%
Capital Contribution	778,000	-	-	-	778,000	0.9%
Initiative Gapping	(1,295,539)	-	(1,130,000)	(18,950)	(146,589)	(0.2%)
In-year Approval/ Carryover	1,614,392	570,000	934,338	-	110,054	0.1%
Minor Capital/ Infrastructure	38,630,500	24,987,419	12,358,694	-	1,284,387	1.5%
Budget Impacts	49,207,832	29,354,405	14,842,587	652,901	4,357,939	5.0%
Prior year non-recurring items				161,240	(921,626)	(1.0%)
Prior year initiative gapping				(78,552)	305,899	0.3%
Development charge exemptions				(332,000)	4,959,500	5.6%
Base Budget increase				\$3,484,163	\$2,253,945	2.6%

The New Initiatives as listed in Table 4 are further explained in the Draft 2025 Business Plan and Budget by page number.

Table 4 – 2025 New Initiatives

	New Initiative	Strategic Plan	Investment	Page
1	Thornton Wellfield Naturalization		\$2,278,301	105
2	Benchmark Traffic Data - Automated Speed Enforcement Program		\$75,000	130
3	Storm Sewer Closed-Circuit Television (CCTV) Inspection Program		\$45,000	131
4	Tillsonburg Watermain Swabbing and Sanitary De-rooting Program		\$126,000	185
5	Water Wastewater Electronic Logbooks		\$24,200	187
6	Council Chambers Technology Upgrades		\$65,000	251
7	Leadership Development and Succession Planning Programming		\$70,000	318

Capital Plans

The 2025 proposed capital plan expenditures amount to \$131.0 million compared to \$103.6 million in 2024. Of the \$131.0 million in capital projects \$16.3 million are carryover projects from 2024, \$12.1 million relates to projects being financed in a future year, with \$126.9 million representing new 2025 budget requests. Some project highlights include:

- Woodingford Lodge – Buildings – Renewal - **\$1,842,800**
- Housing - Buildings – Renewal - **\$2,371,500**
- Bridge and Culvert Rehabilitation / Replacement - Renewal - **\$7,740,000**
- SCADA Master Plan – Non-infrastructure solutions - **\$2,707,000**
- Tillsonburg Wastewater, Cranberry Rd extension – Expansion - **\$1,159,000**
- Ingersoll Wastewater, South West Industrial Park – Expansion - **\$6,806,000**
- Mt Elgin Wastewater, WWTP Expansion – Expansion - **\$1,820,000**
- Woodstock Wastewater, Lansdowne Pumping Station – Expansion - **\$4,220,000**
- Woodstock Water, North East Industrial Park – Expansion - **\$3,399,000**
- Ingersoll Water, Cast iron pipe replacement – Replacement - **\$1,750,000**

The 2024 Capital Plan, which includes multi-year and developer controlled projects, is expected to be 80.7% (65.0% in 2023) complete by December 31, 2024. The Plan projects any

unfinanced capital balance incurred by project that will be financed in a future year. 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 2025 Financed Capital Budget. The funding sources proposed for each capital project are also illustrated in the 2025 Capital Plan. See page 37 of the 2025 Draft Business Plan and Budget for more details.

The Long Term Capital Plan presents the planned projects for ten consecutive years beginning in 2025. 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 45 of the 2025 Draft Business Plan and Budget.

Development Charge Exemptions

The County continues to experience higher than normal population growth, including significant industrial growth. When combined with increased costs to service development areas, this has resulted in approximately \$5.5 million in development charge exemptions (\$1.9 million statutory and \$3.6 million non-statutory) with all development charge exemptions required to be funded by sources other than development charges. In addition to actual exemptions funded, \$0.06 million is contributed to growth reserves to aid in funding future exemptions.

In addition to increased growth that the County has been experiencing which is impacting a funding gap for development charge exemptions, the Province has recently legislated a number of new exemptions to incent development of more affordable residential units; residential intensification; second dwelling units in new residential buildings; and adding a second or third residential unit to an existing residence. Furthermore, Provincial legislation has previously, and continues, to provide industrial exemptions for building expansions by up to 50%. Over the years, the County has enhanced the provincial industrial statutory exemption to full development charge exemptions regardless of the size of the development. As previously mentioned, the County experienced significant industrial related growth in 2024 requiring increased County-related services that will have to be funded by other sources such as the levy, user fees or debt. Considering growth projections for the County over the next 10 year planning period in the County's recently adopted Development Charge Background Study, servicing growth related development exemptions will continue to remain close to those projected in the near term.

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 7.5%, of which Information Technology and Facilities has the most significant increases of \$412,521 and \$782,386 or 17.0% and 8.7% respectively, largely due to costs to support new initiatives and FTEs. The cumulative net increase of the remaining interdepartmental budgets amount to \$465,186 for an overall interdepartmental budget increase of \$1,660,093. More information regarding the interdepartmental charges can be found on page 77 of the 2025 Draft Business Plan and Budget.

Full-time Equivalent Analysis

The County’s full-time equivalent (FTE) staffing complement is proposed to increase by 21.9 FTEs in 2025, 3.9 of which are funded by grants for a total of 705.8 FTEs. The overall increase in FTEs is largely driven by a 4.0 FTE increase in Paramedic Services to address the staffing needs to meet the increased call volume and the Paramedicine program. Further details are explained in Table 5.

Table 5 – 2025 Proposed Full-time Equivalent Plan Changes




	County Levy	Library Levy	Water and Wastewater Rates	Grant	Total
2024 Approved FTE Plan					683.1
2024 Temporary FTE					(5.7)
2024 In-year FTE changes					6.5
2024 Base FTE Plan					683.9
Facilities	0.8	-	-	-	0.8
Engineering and Construction	3.0	-	-	-	3.0
Waste Management	1.0	-	-	-	1.0
Water and Wastewater	-	-	1.3	-	1.3
Community Services	-	-	-	0.7	0.7
Housing/Child Care	1.0	-	-	-	1.0
Woodingford Lodge	-	-	-	3.2	3.2
Information Services	1.0	-	-	-	1.0
Finance	2.0	-	-	-	2.0
Tourism	0.1	-	-	-	0.1
Strategic Communications	1.0	-	-	-	1.0
Paramedic Services	4.0	-	-	-	4.0
Oxford County Library	-	2.8	-	-	2.8
2025 Draft budget increase	13.9	2.8	1.3	3.9	21.9
Draft 2025 FTE Plan					705.8

Information regarding the 2025 FTE Plan can be found on page 74 of the attached 2025 Draft Business Plan and Budget.

Alignment with Strategic Plan

The strategic plan ensures alignment between Council priorities in the County’s corporate and departmental business plans and processes, and the County’s Business Plan and Budget. The 2025 Draft Business Plan and Budget demonstrates alignment to Council’s 2024-2026 Strategic Plan with 119 notable goals, initiatives and resource allocations to fulfill the respective strategic goals.

Table 6 – 2025 Budget Strategic Plan Alignment

Pillars of Focus		Business Plan Goal	New Initiatives	Staffing (FTE Reports)
	Promoting community vitality	31	-	1
	Enhancing environmental sustainability	14	3	-
	Fostering progressive government	50	5	15
Total		95	8	16

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 2025 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, 2025, providing an indication of availability for future funding sources – details available on page 78.

In the Budget Highlights section of the Draft Business Plan and Budget (page 22) is a graphic illustration of the capital contributions to reserves that are included in the 2025 budget - totalling \$79.2 million, an increase of \$19.1 million from 2024. 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 2025 to 2034, which is largely driven by the long term capital plan. Details available on page 83 indicate the County's projected debt jumps in 2029 from \$43.7 million to \$137.5 million as a result of the new Long-Term care facility provision, peaking at \$137.9 million in 2030. These projections are predicated on ongoing investment in accordance with our Asset Management Plan to most effectively fund our infrastructure needs.

Assessment

Property assessments for the 2025 property tax year will continue to be based on January 1, 2016 values. Following three consecutive postponements updates to the assessment, on March 26, 2024, the Ontario government announced, in the *2024 Ontario Budget: Building a Better Ontario ("2024 Budget")*, deferral of the province-wide reassessment of property values indefinitely.

Further analysis regarding tax revenue growth to be generated by 2024 assessment growth is presented under a Report CS 2024-43.

Library Board

The Oxford County Library Board's recommendation for the Library's 2025 levy is further explained under Report CS 2024-41.

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 expenditure for 2025 budget totals \$121.8 million, representing a \$29.3 million (31.7%) increase over 2024 approved budget. There is no impact on the County levy to fund these budgets. Further analysis regarding Water and Wastewater Rates is further explained under Report CS 2024-39.

Conservation Authorities

At the time of publishing this report, the Conservation Authorities' 2025 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 \$2.2 million with an increase of \$235,614 or 12.0% over the 2024 approved County budget – details on page 272.

The Conservation Authorities' 2025 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

On September 11, 2024, County Council approved *Grant Policy 6.26* for implementation during the 2025 Budget. Due to the late approval of this policy, timelines for this budget cycle will be

more condensed than in future budget years. Currently, grant applications are under review with the Grant Approval Committee. The 2025 Draft Budget includes an allocation of \$250,000, based on prior years' base budgets. Grant recipient awards will be detailed in the final budget package under Grant Details on page 271.

PSAB Budget

In accordance with Ontario Regulation 284/09 the 2025 Draft Business Plan and Budget is presented with a schedule in the PSAB format – see page 62 of the 2025 Draft Business Plan and Budget.

Budget Survey

An online survey was launched June 12, 2024 through a Speak Up, Oxford! engagement campaign for the 2025 Business Plan and Budget process. When the survey closed 1,136 responses were received. 62% of the respondents rated “value received for tax dollars” as fair or good. Specific areas where respondents requested “enhanced service levels” were related to Long-term Care, Child Care, and Housing.

The detailed survey results, including all responses, were presented to Council on September 25, 2024 through Report CS 2024-33. A summary of the survey highlights is also provided on page 9 of the 2024 Draft Business Plan and Budget.

Public Health

At the time of publishing this report, the Southwestern Public Health (SWPH) 2025 draft budget has not been received. The resulting estimated total levy for Southwestern Public Health is \$4.6 million – an overall \$217,302, or 5.0% increase from 2024 County approved budget.

The SWPH 2025 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%.

CONCLUSIONS

Included in the 2025 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 2025 Draft Budget information, including supplementary information provided to Council in electronic format, will be available for public access on the County's website at www.oxfordcounty.ca/2025budget.

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 – 2025 [Draft Business Plan and Budget](#)

Attachment 2 – 2025 Draft Business Plan and Budget Highlights Presentation