



OAKVILLE

REPORT

Special Council

Meeting Date: December 5, 2024

FROM: Office of the Mayor

DATE: December 5, 2024

SUBJECT: Mayor Proposed 2025 Operating and Capital Budget to Create Environmental, Social, and Economic Sustainability in a Vibrant and Livable Community for All

LOCATION: Town Wide

WARD: Town-wide

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RECOMMENDATION:

That the Mayor's Proposed 2025 Operating and Capital Budget to Create Environmental, Social, and Economic Sustainability in a Vibrant and Livable Community for All, be received.

KEY FACTS:

The following are key points for consideration with respect to this report:

- The 2025 Budget is the second town budget prepared under the *Strong Mayors, Building Homes Act, 2022*. The Act assigns the powers and duties of the municipality with respect to proposing and adopting a budget to the head of council.
- With Council endorsement, the town's budget process and timelines shifted to provide more opportunities for public and Council input.
- On June 17, 2024, the Budget Committee endorsed the draft Head of Council Direction to Staff to prepare an operating budget with spending levels predicated on an overall tax levy increase of up to 4.00 per cent to accommodate priorities from the Council Strategic Plan and the continued use of Performance Based Program Based budgeting methodology to identify efficiencies. This was based on an estimated Halton Region budget of 3.6 per cent, included in the 4.00 per cent direction to Staff.
- The Halton Regional Police Service Board requested a 13.8 per cent increase to their proposed 2025 budget. The 13.8 per cent request is due mostly to labour contract pay and benefit increases, increases to the number of sworn officers and civilian staff, IT hardware/software expenditures and capital financing requirements.

- Halton Region’s 2025 budget increase rose from 3.6 per cent to 5.99 per cent as a result.
- The total tax increase for Oakville property taxpayers, including the recommendations from the Budget Committee, will be 4.84 per cent as of December 5, 2024.
- On December 11, 2024, Halton Region will be considering a motion to increase the Halton Regional Police Service Board funding to add additional police officers above the request of the Board. This would move the Region’s expected budget increase from 5.99% to 6.18%.
- If Regional Council approves the motion for more officers, the estimated total tax increase for property taxpayers in Oakville will be 4.91%. (Appendix A)

BACKGROUND:

The Mayor’s 2025 proposed budget preserves and enhances services and supports Council’s unanimously approved 2023-2026 Strategic Plan.

The 2025 Budget Committee recommended that the 2025 operating budget add the following items:

- Incorporate \$310,400 for the Oakville Public Library for the additional operating impacts of the Sixteen Mile Branch.
- Incorporate efficiencies of \$600,000 in projected savings to be realized over 2 years, funded by the Tax Stabilization Reserve.
- Incorporate \$85,000 for registered Care A Van users to provide the service at no cost to registered users.
- Incorporate \$60,000 for an increase to the Heritage Grant Program.

The Budget Committee also recommended that the 2025 capital budget incorporate the following items:

- Incorporate \$135,000 from the Capital Reserve for a Traffic Study in 2025 with Additional Streetscape Options for Bronte Road.

Including these items from the Budget Committee results in an estimated total property tax increase of 4.84 per cent or \$38.53 per \$100,000 in residential assessment for a total estimated increase to \$834.35 per \$100,000 assessment.

Residential Total Tax Impact				
	Share of Tax Bill	Tax Levy Increase	Tax Bill Increase	Impact per \$100,000
Town	43.1%	6.00%	2.58%	\$20.54
Education	19.2%	0.00%	0.00%	-
Region	37.7%	5.99%	2.26%	\$17.99
Total Tax Bill Increase			4.84%	\$38.53

Additionally, on December 11, Halton Region Council will consider a motion to further increase its funding to the police board for additional police officers. If it passes, the Town Budget overall tax increase will be 4.91 per cent or \$39.10 per \$100,000 in residential assessment for a total estimated increase to \$834.92 per \$100,000 assessment from \$795.82 in 2024.

COMMENT/OPTIONS:

Despite four years of inflationary pressures affecting municipalities across Canada, the Town of Oakville continues to keep the trend of tax increases at or below the trend of inflation.

The 2025 Mayor's budget proposes a 4.84 per cent overall property tax increase, greater than currently forecasted inflation for 2025 of 2.50%, however the Town's ability to keep the total tax increase at 1.5% during the 6.7% inflation of two years ago keeps the average tax increase for the last 18 years at or below the average inflation.

The Institute on Municipal Finance and Governance at the University of Toronto has ranked Oakville as the strongest financially among Ontario municipalities. Oakville's use of performance-based budgeting is recognized beyond its borders.

Bloomberg Philanthropies City Data Alliance recently praised and showcased internationally the Town's effective use of data-driven strategies and performance-based budgeting to optimize resource allocation.

The Mayor's Budget's overall tax increase of 4.84 per cent is the lowest increase when compared to neighboring municipalities.

Municipality	Proposed 2025 Overall Increase	Overall Increase per \$100,000 of assessment
Oakville	4.84%	\$38.53
Burlington	5.76%	\$52.91
Milton*	6.43%	\$49.87
Halton Hills*	6.52%	\$58.96
Guelph*	6.08%	\$80.23
Mississauga*	8.70%	\$82.36

*Estimated figures

Members of Council will be able to bring forward amendments to the Mayor's Budget on December 19, 2024, following public delegations that will be held on December 12, 2024.

By prioritizing fiscal responsibility, operational efficiency, and enhanced livability, Oakville remains well-prepared to face both future challenges and new opportunities.

CONSIDERATIONS:

(A) PUBLIC

More than 3,000 residents and Council participated in the development of Council's Strategic Plan and 2023-2026 Action Plan, which was approved by Council on July 11, 2023.

Members of the public can provide input by:

- Sharing with the respective Councillors.
- Email budget@oakville.ca
- Delegating to Council. In-person and virtual public delegations to Council on the proposed 2025 Budget will be held on December 12, 2024, and streamed online.

(B) FINANCIAL

The budget establishes the financing of the corporation for the 2025 fiscal year.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

All departments participate in the budget process. Climate change/action is a key priority of Council and embedded throughout programs and services as appropriate.

(D) COUNCIL STRATEGIC GOALS

The Town of Oakville Council Strategic Plan and 2023-2026 Action Plan guides Council's decision making and budget process for the 2023-2026 term of council.

(E) CLIMATE CHANGE/ACTION

The proposed budget incorporates climate change initiatives in alignment with the Council Strategic Plan and 2023-2026 Action Plan priority of Environmental Sustainability.

APPENDICES:

Appendix A – Operating and Capital Adjustments in Mayor's proposed 2025 Budget

Appendix B - [Town of Oakville Council Strategic Plan and 2023-2026 Action Plan](#)

Prepared and recommended by:
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Submitted by:
Mayor Rob Burton