

2025 Changes to Operating Budget

Description	Change from 2024 Budget (\$000s)	Change from 2024 Budget (%)
Maintain Current Service Levels	14,736	2.2%
Efficiencies and Cost Savings	(1,275)	(0.2%)
Assessment Growth		(0.6%)
Normal Operations	13,462	1.4%
New Initiatives	12,547	1.8%
Capital Infrastructure & Debt Repayment Levy	20,460	3.0%
Public Safety Fire Program	6,820	1.0%
Proposed Budget Change	53,288	7.2%

Normal Operations

The cost to continue normal operations requires an increase of \$13.5 million, or 1.4 per cent, after factoring in a reduction for assessment growth of 0.6 per cent.

Maintain Current Service Levels

The first item considered when developing the operating budget each year is the cost to maintain current service levels. These costs include things like labour, materials, and software licences, and are often offset by program fees, transit fares and other revenue. In order to maintain existing services at current levels, the City must address continually increasing costs. Costs to maintain current service levels in 2025 contribute \$14.7 million or 2.2 per cent to the City's net operating budget increase.

Efficiencies and Cost Savings

Each year, City staff are challenged to reduce costs by identifying efficiencies and streamlining processes through continuous improvement. For the 2025 Budget, staff have identified \$1.3 million in savings – equivalent to reducing the City's net costs by about 0.2 per cent.

Assessment Growth

Assessment growth is the percentage by which the sum of all assessed property values has changed over the past year. A positive number has the effect of reducing the year-over-year budget percentage increase as a higher-value property tax base yields more property tax dollars. An estimated assessment growth of 0.6 per cent has been applied in 2025, which lowers the overall tax increase by that amount.

New Initiatives

Each year, the City carefully and systematically invests in new initiatives to advance on its strategic objectives. Throughout this document, references are made to a type of document called a Budget Request (BR). This is the document used by service areas to propose new initiatives, request additional resources to deliver service, or propose changes to staffing levels. The BR allows staff to work across divisional