

# 2025 Budget Highlights

## Budget Summary

The City of Orillia's approved 2025 Budget levy consists of \$75.2 million in net operating expenditures and \$43.96 million in capital expenditures and results in a tax levy increase of 2.5%.

The 2025 Budget reflects Council's commitment to maintaining essential services while minimizing the impact on taxpayers. Through strategic cost-saving measures, operational efficiencies, and provincial relief, Council reduced the tax levy increase to 2.5% from 6.94%.

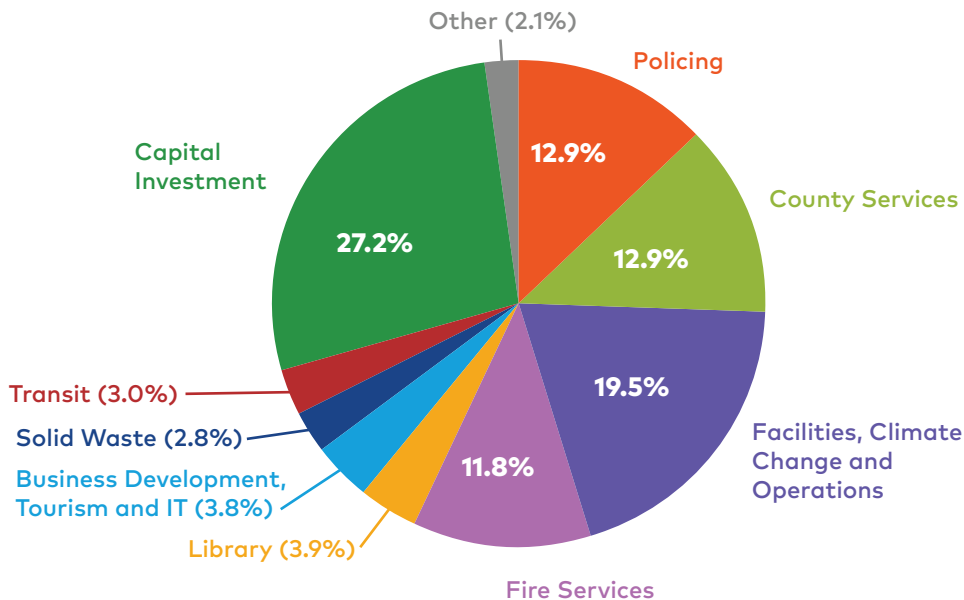
### City-Controlled Expenses - 0.27% Tax Levy Decrease

Despite substantial external financial pressures in 2025, Orillia Council and staff worked diligently to limit the City's portion of the tax levy increase for property owners while maintaining the high-quality services residents rely on.

### Service Contracts - 2.77% Tax Levy Increase

The majority of the tax levy increase stems from legislated external services provided by the Ontario Provincial Police and the County of Simcoe. These essential service costs, which include policing, social housing, and paramedics, have risen by \$2 million and represent 2.77% of the tax levy increase.

## Where Orillia's Taxes Go\*



\*Values are approximate at the time of publication.



“We recognize the cost of living has increased significantly for everyone and remain committed to being fiscally responsible to our residents while facing significant external pressures from legislated service costs. Despite these challenges, we have worked diligently to reduce the City's tax levy increase to 2.5% while continuing to provide the services that our community relies on.”

- MAYOR  
DON MCISAAC

**What does this mean for property owners?** A 2.5% increase equates to approximately \$33 for every \$100,000 in assessed property value.

# Net Operating Budget Highlights

The City of Orillia's approved 2025 Budget levy consists of \$75.2 million in net operating expenditures in order to support quality services for our community.

## DID YOU KNOW?

The 2025 Budget faced challenges due to rising costs from legislated services like policing. However, after advocacy by municipalities, the Province reduced policing costs, easing the tax levy increase.

During the 2025 Budget process, Council and staff worked to ease financial pressures by expanding revenue opportunities, controlling spending, and improving operational efficiency. To further reduce the City's share of the tax levy while maintaining service quality, Council approved the following measures:



Leveraging the Tax Rate Stabilization Reserve: **\$664,907.**



Transitioning some planted gardens to pollinator-friendly species: Saving **\$75,000** while supporting sustainability.



Temporarily redirecting contributions to the Affordable Housing Reserve: **\$325,000.**



Adjusting Waste Diversion Site hours: Saving **\$120,000** by focusing on peak-use times.



## Council Priorities

As part of the 2022 to 2026 Council term, Orillia Council identified the following priorities:

- Helping the community with things that matter such as physician recruitment, housing, roads infrastructure and services, protecting the City's natural beauty and implementing the Climate Change Action Plan.
- Business retention and expansion and arts and culture.
- Looking at ways to help our most vulnerable, such as those facing homelessness, mental health and the opioid crisis.
- Strengthening community participation/engagement through equity, diversity, inclusion and truth and reconciliation.

Through the 2025 budget process funding was approved to take action on these priorities including:

- Funding to community agencies such as Orillia and Area Physician Recruitment, Orillia Museum of Art and History, Sustainable Orillia, and more.
- Funding for the Opioid Crisis Community Connection Centre.
- Jarvis Street Reconstruction.
- Funding for a Community Food Strategy Coordinator.
- Extending the Housing Coordinator position to support affordable housing initiatives
- Annual sidewalk replacement and road resurfacing program.
- Funding for the Orillia Overnight Warming Centre.
- Pedestrian safety and traffic calming initiatives.

## Balancing User Fees with the Overall Tax Levy

As part of the 2025 Budget, Council reviewed user fees and rate-supported services like transit, parking, and water/wastewater to help ease pressure on the overall tax levy. To maintain and improve these essential services, changes to water, wastewater, and stormwater rates were approved to cover ongoing administrative, operating, and capital costs.

For the average residential household, these changes will result in an additional cost of approximately \$128 per year, ensuring the continued delivery of essential services while maintaining long-term sustainability.



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## Capital Budget Highlights

Orillia Council approved a capital budget of \$43.96 million, prioritizing the community's infrastructure needs. The 2025 Capital Budget includes more than 100 project investments funded from a variety of sources.

### FOCUSED INVESTMENTS

#### Jarvis Street Reconstruction (\$6.9 million)

This project involves the reconstruction of Jarvis Street from Lacie Street to Bay Street. The work includes replacing local watermains, sanitary sewers, storm sewers, and road and sidewalk reconstruction. Additionally, the project includes decommissioning aged water infrastructure in Couchiching Beach Park and reservicing all affected park buildings.

#### Transit Terminal Design (\$1.6 million)

This project is to initiate the design process to prepare for future construction of a Transit Terminal in downtown Orillia in 2027.

#### Foundry Park - Skatepark, Playground and Pickleball (\$2 million)

Council has authorized contributing \$2 million subject to a successful grant application for a new skatepark, playground and pickleball courts at Foundry Park, adjacent to the Orillia Recreation Centre. Pending grant success, design and construction would be anticipated for 2025 with the goal of being operational in 2026.

#### Fittons Road West Sewer Pumping Station (\$7.8 million)

This project involves retrofitting the existing sewer pumping station with new equipment and increasing capacity.

### Infrastructure Needs

Orillia Council put a high priority on investing in infrastructure needs, including improving roads and sidewalks, maintaining recreation and culture facilities, and investing in the City's fleet and equipment.

- Annual road resurfacing and sidewalk replacement (**\$3 million**).
- Terry Fox Circle improvements (**\$540,000**).
- Lightfoot Trail resurfacing and repair (**\$150,000**).
- City fleet replacement and improvements (**\$1.9 million**).
- Multi-Modal Master Plan update (**\$350,000**).
- Orillia Fire rescue boat replacement (**\$298,000**).

## Addressing Climate Change



**\$1.2 MILLION+ IN 2025 FUNDING**

To support the implementation of the City's adopted Climate Change Action Plan and Climate Change Adaptation Strategy, through the 2025 Budget process Orillia Council approved the following:

- Installation of LED lights across parks, sports fields, facilities and parking lots.
- Continuation of LED lighting upgrades at City facilities.
- Improving facility efficiency through replacement programs for HVAC, windows and doors, roofing, and insulation.
- Expanding community and corporate electric vehicle charging stations.
- Renewable energy and electrical capacity studies.
- Supporting Sustainable Orillia.
- Rotary Place retrofits.

For more information about the City's Climate Change Action Plan and Climate Change Adaptation Strategy, visit [orillia.ca/ClimateFuture](https://orillia.ca/ClimateFuture).



# Preparing for the Future

## 10-Year Capital Plan

The City of Orillia owns and maintains more than \$1 billion worth of assets (at current market value), including land, buildings, roads, water and sewer systems, and equipment. Planning for infrastructure maintenance is critical for the future and includes focusing on the infrastructure that supports the community.

The 10-Year Capital Plan is an important guiding document that assists in determining future requirements and cash flows. An equally important part of the capital program is a focus on strengthening reserves, which aid in funding capital investments while playing a dual role in long-term financial stability and flexibility to manage unexpected events or opportunities.

The 10-Year Capital Plan is valued at almost \$800 million, consisting of more than 650 capital projects.

More than \$382 million is planned to be invested in roads, sidewalks, street lighting and bridges over the next 10 years; that's nearly half of the total program.

### FUNDING RESERVES

**Reserves are one of the most important tools available to municipalities for achieving financial sustainability and flexibility.**



The City of Orillia's Capital and Reserve Forecast is a vital planning tool that ensures financial stability, supports infrastructure projects, and provides flexibility for unexpected needs. While efforts to strengthen reserves have made progress, rising costs, expanded projects, and price escalations are creating significant pressure.

To address this, the 2025 Budget includes increased reserve contributions by \$2 million, which must continue annually over the next decade to mitigate the infrastructure funding gap. Without these adjustments, the City would need to reduce capital investments. Staff have carefully prioritized projects to maintain service levels, but long-term sustainability will require balancing funding and investment needs.

## Contact Us

Get full details on the 2025 City of Orillia Budget online at [orillia.ca/budget](https://orillia.ca/budget).

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