

# BUDGET 2023

## Municipality of Middlesex Centre

Draft Budget - December 7, 2022



# About this Document

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## ABOUT THIS DOCUMENT

### Acknowledgements

Middlesex Centre undertook a major revision of the content contained in the annual budget book in 2022 and continued refining the materials for this year. This update was to reflect the best practices for transparency in government budgeting as outlined through the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award Program.

Staff called on research by MTE Consultants and BMA Management Consulting Inc. to provide background to inform the budget development. We thank these firms for the services they have provided Middlesex Centre over the years.

Developing the budget is a significant undertaking that involved many Middlesex Centre Members of Council and staff. Thanks and appreciation are extended to the following their efforts in 2023:

#### Budget Working Group

- Deputy Mayor John Brennan
- Councillor Hugh Aerts
- Michael Di Lullo, CAO
- Tiffany Farrell, Director of Corporate Services
- Melissa Kopal, Manager of Finance
- Scott Mairs, Director of Community Services
- Rob Cascaden, Director of Public Works and Engineering

- Arnie Marsman, Director of Building Services, CBO
- Colin Toth, Director of Emergency Services, Fire Chief
- Sean Miller, Financial Analyst
- Andrew Giesen, Transportation Manager
- Eric Joudrey, Water & Wastewater Operations Manager
- James Hutson, Municipal Clerk
- Justin Fidler, Community Services Operations Manager

#### Budget Book Preparation

- Tiffany Farrell, Director of Corporate Services
- Sean Miller, Financial Analyst
- Heather Kepran, Communications Specialist



# About this Document

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## Release Dates

To increase the time available for Council and the public to review specific sections of the budget, this document was released in two stages, as follows:

- Draft Version
  - Presented to Council at their December 7, 2022, and December 14, 2022, meeting.
  - Posted on the municipal website on November 30, 2022, for the public to view.
- Final Draft Version
  - Presented to Council at their January 11, 2023, meeting.

The final version of the budget was posted to the municipal website on January 12, 2023.

## Accessibility

If you require this document or any of the enclosed charts and tables in an alternative format, please contact Middlesex Centre at:

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Website: [middlesexcentre.ca](http://middlesexcentre.ca)



# About this Document

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## Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Municipality of Middlesex Centre, Ontario, for its Annual Budget for the fiscal year beginning January 01, 2022. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

### *Distinguished Budget Presentation Award*

PRESENTED TO

**MUNICIPALITY OF MIDDLESEX CENTRE  
Ontario**

For the Fiscal Year Beginning

**January 01, 2022**

*Christopher P. Morill*

Executive Director





# Executive Summary

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## EXECUTIVE SUMMARY

Middlesex Centre's 2023 Budget reflects our vision as a municipality — to be a thriving, progressive and welcoming community that honours our rural roots and embraces our natural spaces. It reflects our organizational commitment to be collaborative, transparent, innovative and accountable, providing a financially responsible level of service to the community.

The municipality is required by provincial law (Municipal Act, Section 291) to balance its operating budget each year. To balance the budget, the municipality can either increase its revenue stream through raised property taxes and fees; or manage expenses through adapting or reducing the cost of programs and services. The 2023 budget is balanced, however, to accomplish this, staff are recommending utilizing \$420,000 from the Tax Rate Stabilization Reserve Fund.

### Developing the Budget

In preparing this year's budget, staff were mindful of the financial implications posed by the current economic climate to the municipality and to our residents and businesses. Our priority was to maintain the service and infrastructure excellence residents and businesses expect while controlling our new spending. We also looked to increase our funding to reserve funds to assist in covering capital costs.

As you look through the budget, you'll see the municipality's planned capital (infrastructure) work for 2023, and the costs associated with the day-to-day operation of the organization. These were reviewed with the public through a survey in the

summer of 2022 to ensure staff were on the right-track in setting their goals and objectives.

The budget is focused on the delivery of core municipal services while respectfully balancing the needs of our urban and rural residents.

The goals of the budget are to:

- Deliver a fiscally responsible budget, while maintaining a sustainable financial position for the municipality
- Continue analysis on reducing costs and creating more efficient processes
- Build municipal reserve funds
- Priority focus on funding efforts in 2023 to address infrastructure deficit
- Implement the priorities in the Strategic Plan
  - Engaged Community
  - Balanced Growth
  - Vibrant Local Economy
  - Sustainable Infrastructure and Services
  - Responsive Municipal Government

Key priorities and issues considered during development of the budget included:

- Enhancing transparency, accountability and incorporating public feedback gathered through the budget survey and other municipal outreach initiatives



# Executive Summary

- Managing the competing priorities of providing new services with public desire for low tax increases
- Ramifications of the continued delayed in the Property Tax Reassessment
- Residential building activity and growth pressures, and the effects of the economic downturn on building activities
- Aging infrastructure and closing the infrastructure gap
- Community-wide effects of the economic downturn
- Unpredictability of provincial and federal funding
- Challenges posed by COVID-19
- Inflationary pressures
- Service level enhancements
- Procurement supply challenges
- External legislative requirements, most notably the potential implications of the Province's More Home Built Faster Act (currently Bill 23)
- Capital projects carry forward costs

A further consideration was that under Provincial legislation, municipal budgets must balance – municipalities are not permitted to be in a deficit situation.

Considering these goals, priorities and issues, the budget working group comprising members of Council and staff worked through a six-month budget development process. Through their efforts and many iterations, they developed a responsible, fiscally prudent budget for 2023.

## Budget Summary

### **The 2023 Middlesex Centre budget is \$70.2 million.**

This compares to \$65.2 million in 2022.

The budget is split into operating and capital costs.

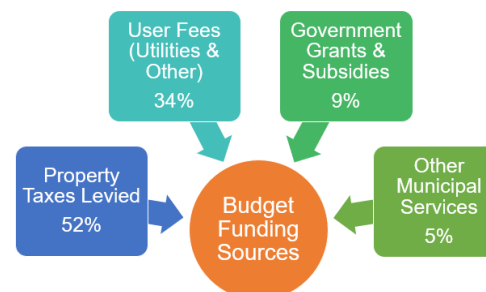
The operating budget looks at the day-to-day expenditures of the municipality. This includes wages, utilities, supplies, fuel and insurance, among other costs. Much like household bills, these costs increase with inflation – an increase that is outside of the control of the municipality.

- **2023 Operating Costs = \$43,973,223**  
(2022: \$40,247,520)

The capital budget looks at new big investments by the municipality, and the costs of rehabilitating or replacing current municipal assets.

- **2023 Capital Costs = \$26,239,581**  
(2022: \$25,924,268)

The budget is funded from several sources. In 2023, revenues will come from property taxes (52%), user fees (34%), grants and subsidies (9%), other municipal services (5%) and other sources (5%).



# Executive Summary

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Additionally, the budget will draw on funds that have been set aside in the municipality's reserves and reserve funds. These funds are set aside in each budget for known or probable expenses to help smooth out the costs over many years.

- **2023 Transfers from Reserve Funds = \$22,716,167**  
(2022: \$23,549,759) \*  
\*All reserve funds, including Water, Wastewater, Stormwater, Building and Development Charges

It is important to note that the operating budget includes transfers back into reserve funds for use in future:

- **2023 Transfers to Reserve Funds = \$15,378,168**  
(2022: \$12,666,542) \*  
\*All reserve funds, including Water, Wastewater, Stormwater, Building and Development Charges

Compared to 2022, the net operating budget increase is \$580,561, or 2.70%. When we include the increase to transfer to reserve funds of \$741,757, this amount increases to \$1,322,318, resulting in the amount to be raised by property taxes, the **tax levy, of 6.16%**

The tax rate is calculated by dividing the tax levy required by the total municipal property assessment.

- **2023 Tax Rate Increase = 2.50%**  
(2022: 2.76%)

*NOTE: The final draft of the 2022 was intended to be approved with one notable change, to use \$125,000 from the Tax Rate Stabilization Reserve. These funds were to be used to reduce the overall residential tax rate from 2.76% to 2.16%. However, due to a clerical error in 2022, this reduction did not occur in the final signed by-laws. At their meeting on November 2, 2022, Council directed staff to reduce the 2023 tax rate increase by 0.6% (as per resolution #2022-*

*283). The original proposed tax rate increase was 3.1%, with the reduction of 0.6% (funded from the Tax Rate Stabilization Reserve Fund) the resulting increase in the tax rate is 2.5%.*

Within the recommended 2.50% tax rate increase, we have the fundamental building blocks of a well-considered municipal budget. There are no service level cuts, and we are prioritizing good asset and reserve fund management. The 2023 budget addresses increasing costs due to inflation, maintains the current level of services and allows for much needed infrastructure construction and repair.

## Other Municipal Rates and Fees

In addition to property taxes, Middlesex Centre collects fees for utilities (water, wastewater and stormwater), waste and recycling, and user fees for permits, licenses, recreation and other services.

- The Municipal Fees By-law sets the fees for everything from building permits to public skating. The by-law for 2023 will be approved by Council on December 7, 2022, with some fees seeing increases. Where fees were increased, they were set to reflect the cost of delivering the service or to align with the cost of neighbouring municipalities.
- In a response to Bluewater Recycling Association (BRA) rate increases for garbage and recycling for 2023 at 6.9% on waste and 5.04% on recycling, the waste bin fees are increasing by approximately 5%.



# Executive Summary

- Water rates are remaining unchanged for 2023, however rates associated with wastewater and stormwater are increasing by 4% and 3% respectfully. These rates were approved by Council at their meeting on December 7, 2022. As a result, average users will see an annual increase of about \$40.44 on their water bill.

**Table: Annual Combined Fees for Water, Wastewater and Stormwater, 2023**

Annual Water Usage (m <sup>3</sup> )	2022	2023	\$ Increase	% Increase
96	\$1,263.00	\$1,290.84	\$27.84	2.20%
180	\$1,828.32	\$1,868.76	\$40.44	2.21%
360	\$3,039.72	\$3,170.16	\$67.44	2.22%
Stormwater Only	\$188.16	\$193.80	\$5.64	3.00%

## Impact on Rate Payers

Taken together, increasing taxes and other municipal rates and fees will result in an additional cost of \$109.44 for the average residential property and \$45.00 for the average farm property in 2023.

**Table: Implications for Average Residential Property Owner assessed at \$400,000**

Municipal Fees	Annual Change (\$)
Change in Municipal Property Tax	63.00
Change in Water, Wastewater and Stormwater Fees*	40.44
Change in Waste Management Fees	6.00
Change in User Fees	will vary by resident
<b>Total Change – Middlesex Centre</b>	<b>109.44</b>

*\*Based on usage of 180 m<sup>3</sup> of water per year*

**Table: Implications for Average Farm Property Owner assessed at \$1 million**

Municipal Fees	Annual Change (\$)
Change in Farm Property Tax	39
Change in Waste Management Fees	6.00
Change in User Fees	will vary by resident
<b>Total Change – Middlesex Centre</b>	<b>45.00</b>

It is important to note that these changes are associated with Middlesex Centre only – they do not include rate increases that may come from the County of Middlesex or the local school boards.





# Executive Summary

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## Monitoring Expenditures throughout the Year

Throughout the year, staff closely monitor the budget-to-actual spending to ensure that the municipality is on track to sustain current levels of service and respond to the budgetary pressures associated with continued growth and prosperity. Within the confines of the budget, staff will continue to work to reduce costs wherever possible to deliver the most efficient and effective services to residents and local businesses.



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# Middlesex Centre: Community Profile

## MIDDLESEX CENTRE: COMMUNITY PROFILE

The Municipality of Middlesex Centre is a growing community of 18,928 located near the City of London, Ontario.<sup>1</sup> Home to the settlement areas of Arva, Delaware, Ilderton and Kilworth/Komoka, the municipality maintains a strong agricultural base. With a mix of rural charm and urban amenities, Middlesex Centre is a thriving, progressive and welcoming municipality.

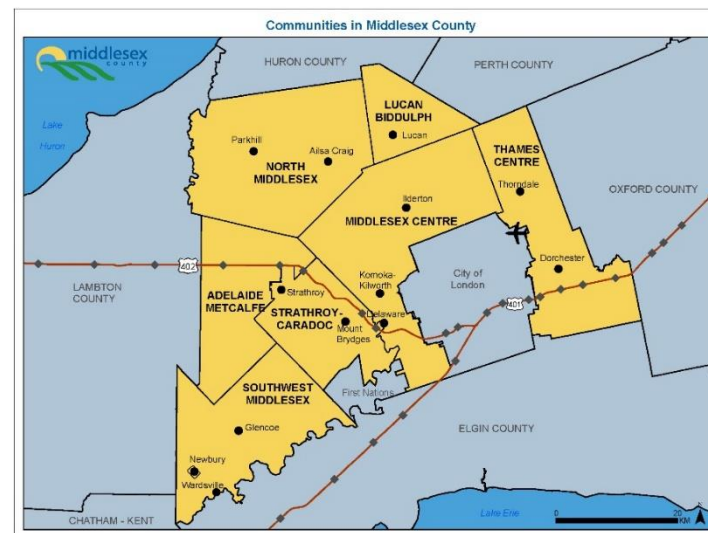
Middlesex Centre was formed on January 1, 1998, with the amalgamation of the former townships of Delaware, Lobo, and London.

### Located in the Centre of it All

Located to the west and north of the City of London, Middlesex Centre is conveniently positioned half-way between Toronto and the US border in Windsor/Detroit or Sarnia/Port Huron. The community has quick access to Highways 401 and 402, as well as regional highways 3, 4 and 7, for transportation and consumer needs.

Middlesex Centre offers residents the best of both worlds – a small town sense of community and easy access to big city amenities in London. Residents routinely cite Middlesex Centre's rural heritage and natural setting as reasons for living in the community.

**Figure: Map of Middlesex County (Map courtesy of the County of Middlesex)**



While maintaining its rural roots, Middlesex Centre is home to growing towns and villages, including:

- The urban settlement areas of Ilderton and Komoka-Kilworth;
- The community settlement areas of Arva and Delaware; and
- The hamlets of Ballymote, Birr, Bryanston, Denfield, Lobo, Melrose, and Poplar Hill-Coldstream.

<sup>1</sup> Statistics Canada, 2021 Census of Population.

# Middlesex Centre: Community Profile

## Demographics: Our Population

*Note: Unless otherwise noted, all data in this section is from the 2022 Municipal Study, prepared by BMA Management Consulting Inc. In some cases, information is presented against a group of municipalities that are considered good comparators in terms of population, growth pattern, land area, and proximity to a major centre. These comparators are taken from the Organization Review, prepared by Blackline Consulting, 2022/2023.*

### Population

Middlesex Centre has a total population of 18,928 (2021). Over the period of 2016 to 2021, the population grew by 9.7%. Between 2011 and 2016, the population grew by 4.7%.

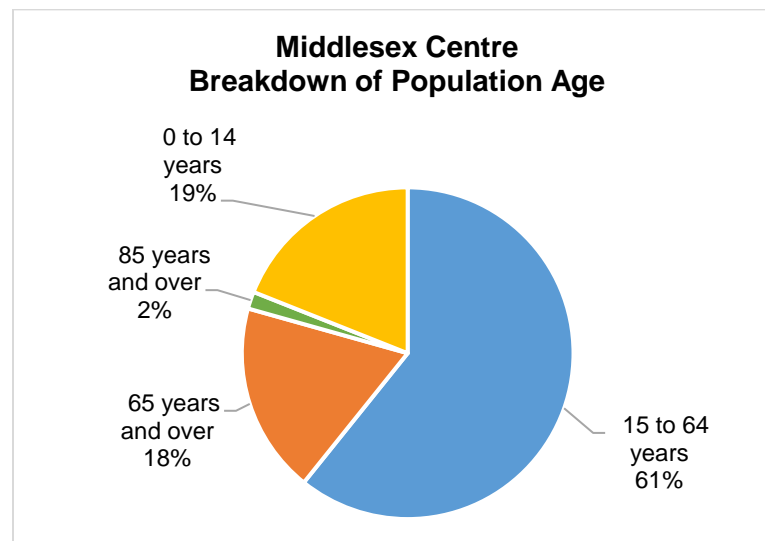
The population is expected to rise to between 26,600 (low scenario) to 35,500 (high scenario) by 2046, with a medium scenario population estimate of 32,700 (Middlesex Centre: Growth Management Study Technical Report, Watson & Associates Economists. Ltd., 2021).

The overall breakdown of Middlesex Centre's population from the 2021 Census follows. Of note:

- Average age of the population is 41.6 (Statistics Canada)
- Median age of the population is 43.6 (Statistics Canada)
- Middlesex Centre's population is also getting older. The share of population age 55+ age steadily increased from 25% in 2001 to 36% in 2016 (as above, Watson & Associates Economists. Ltd., 2021).

<sup>2</sup> Information in this section is from Statistics Canada, 2021 Census of Population.

**Figure: Population by Age, (Middlesex Centre 2021 Census Subdivision)**



### Housing and Households

Middlesex Centre is home to 6,845 private dwellings, of which 6,695 are usually occupied by residents.<sup>2</sup> Of these dwellings, 90.6% are single-detached houses and 3.2% are row houses, with all other dwelling types making up the difference.

Most residents live in homes they own (89.8%), and most residents have lived in their home for over five years (67.2%).

The average household size is 2.8 people, and the average size of census families is 3. The average number of children in census families with children is 1.9.

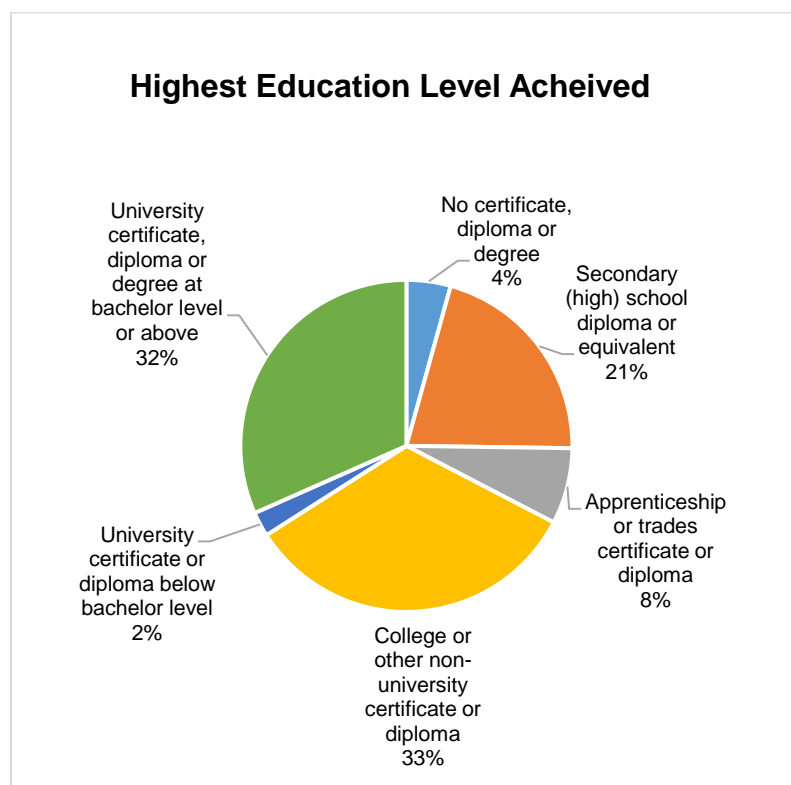


# Middlesex Centre: Community Profile

## Education

Middlesex Centre residents are highly educated, as indicated in the Statistics Canada data for 2016 census. Close to 75% of the working age population has training or degrees beyond high school, compared to 65.4% across the County.

**Figure: Highest Education Level Achieved for the Population aged 25 to 64 years, Middlesex Centre 2016 Census Subdivision**



## Income

Middlesex Centre is ranked “high” for average household income in our geographic region (Southwestern Ontario). In fact, Middlesex Centre has the highest average household income of all municipalities in the region. The range was \$78,125 in Windsor to \$150,201 for Middlesex Centre, considerably higher than the next highest, Lakeshore, at \$134,727. (Note only the standard comparator group is shown in the table below.)

**Table: Estimated Average Household Income, 2022**

Municipality	Estimated Average Household Income
Essex Township	\$97,377
Lincoln Township	\$123,124
Pelham	\$138,099
Springwater Township	\$162,099
Strathroy-Caradoc	\$95,924
Thorold	\$92,043
<b>Middlesex Centre</b>	<b>\$150,201</b>



# Middlesex Centre: Community Profile

## Land Area

Middlesex Centre is a predominantly rural municipality in Middlesex County, spread out over an area of 588 square kilometres. It is perhaps not surprising that Middlesex Centre is ranked as having a “low” population density.

**Table: Land Area and Population Density, 2022**

Municipality	Land Area (sq km)	2022 Population Density per sq km	Density Ranking
Essex Township	278	80	Mid
Lincoln Township	163	166	Mid
Pelham	126	151	Mid
Springwater Township	536	43	Low
Strathroy-Caradoc	271	94	Mid
Thorold	83	306	Mid
<b>Middlesex Centre</b>	<b>588</b>	<b>32</b>	<b>Low</b>

## Local Economy

Middlesex Centre’s economy is rooted in agriculture, with a variety of farmers, food producers and food processors located in the municipality. Tourism, manufacturing, and small businesses are other key sectors.

➔ For more information on economic development in Middlesex Centre, visit [middlesexcentre.ca/services/residents/economic-development](https://middlesexcentre.ca/services/residents/economic-development)

## Local Community

Middlesex Centre offers a range of community services and amenities to local residents, including parks, arena, community centres and more. Other services offered in the community or nearby include elementary and secondary schools, health care clinics, post offices, social services among others. The latter are offered by a range of providers, including other levels of government and local community agencies.

Community organizations offer a broad range of opportunities for residents to engage in recreational activities including sports and social events.

➔ For more information on Middlesex Centre services, including recreation, tourism and amenities, visit [middlesexcentre.ca](https://middlesexcentre.ca)





# Municipality of Middlesex Centre: Organizational Profile

## MUNICIPALITY OF MIDDLESEX CENTRE: ORGANIZATIONAL PROFILE

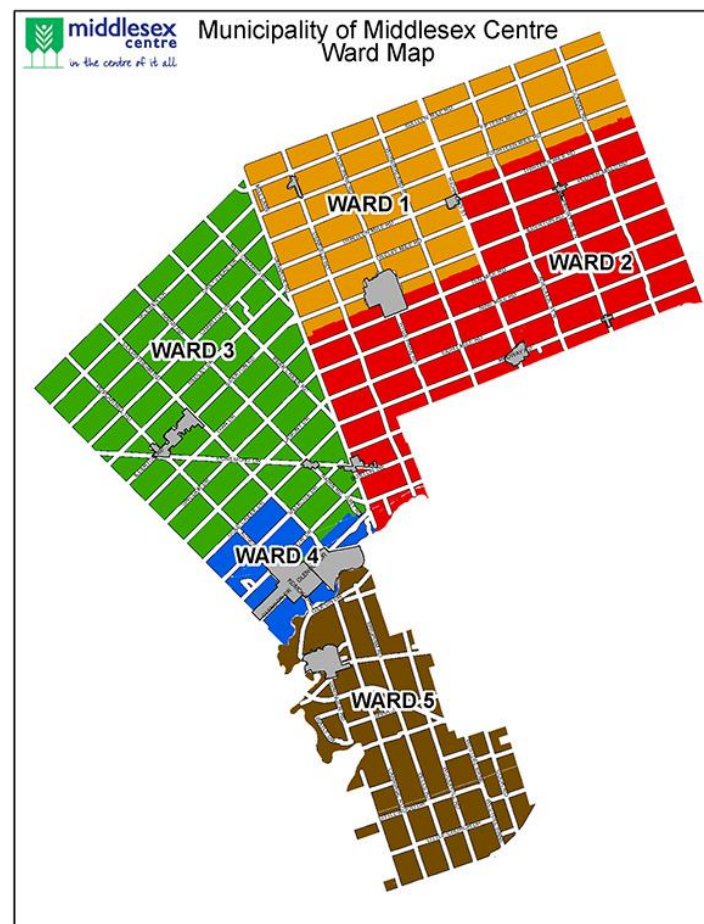
The Municipality of Middlesex Centre is governed by a seven-member elected Council:

- Mayor (elected at large)
  - Mayor Aina DeViet
- Deputy Mayor (elected at large):
  - Deputy Mayor John Brennan
- Five Ward Councillors (one elected per ward)
  - Councillor Debbie Heffernan, Ward 1
  - Councilor Wayne Shipley, Ward 2
  - Councillor Hugh Aerts, Ward 3
  - Councillor Sue Cates, Ward 4
  - Councillor Frank Berze, Ward 5

Council typically meets twice a month, on the first and third Wednesdays. Meetings are open to the public, and members of the public can attend in-person or virtually/online. Meetings are broadcast on the Middlesex Centre YouTube channel.

→ For more information on Middlesex Centre Council Meetings, visit [middlesexcentre.ca/council-meetings](https://middlesexcentre.ca/council-meetings)

Figure: Middlesex Centre Ward Map



# Municipality of Middlesex Centre: Organizational Profile

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Middlesex Centre employs about 93 staff (including full-time, part-time and contract), and an additional 121 paid-on call firefighters.

Headed by Chief Administrative Officer Michael Di Lullo, these professional staff provide services to residents including but not limited to:

- Roads, sidewalks and traffic management
- Water and wastewater services
- Stormwater management
- Recreational amenities including arenas, parks, trails, and community centres
- Building permits and inspections
- Development services
- Economic development
- By-law enforcement
- Legislative services such as marriages, commissioner of oaths and lottery licensing
- Fire and emergency services

Other public-facing services are administered under contract, including:

- Waste management and recycling (Bluewater Recycling Association)
- Planning services (County of Middlesex)
- Policing (OPP)

Some services are administered with partners, including:

- Conservation Authorities
- School Boards
- Ilderton Medical Clinic

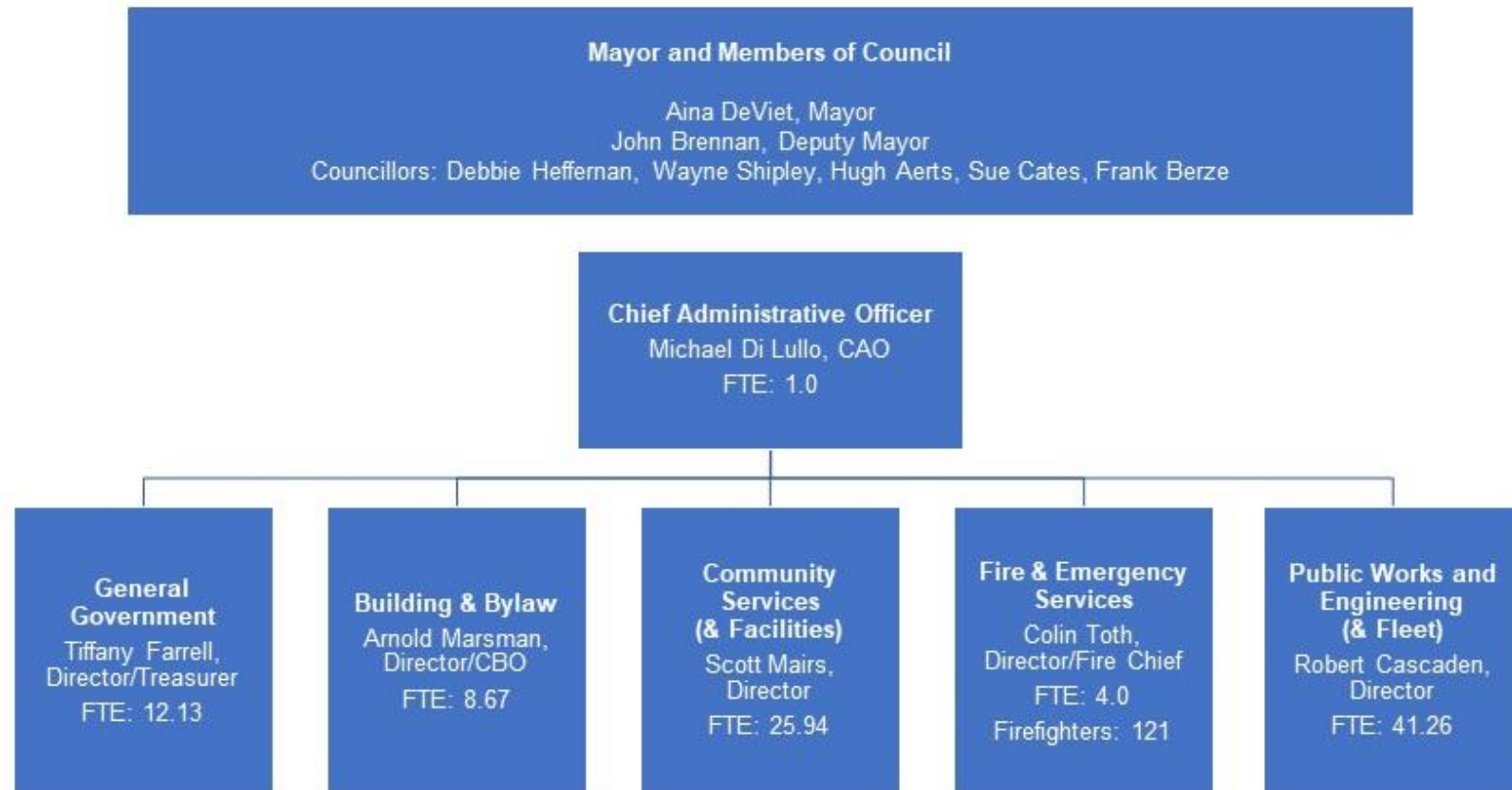
➔ **For details on these and other services provided by Middlesex Centre to residents and businesses, visit [middlesexcentre.ca/services](https://middlesexcentre.ca/services)**



# Municipality of Middlesex Centre: Organizational Profile

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## Municipal Organization Chart



In 2023, Middlesex Centre staff complement will include 93 Full-Time Equivalent (FTEs) across all departments. Additionally, there are 7 Members of Council (part-time) and 121 paid-on-call firefighters.

# Municipality of Middlesex Centre: Organizational Profile

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## Strategic Plan



Early in 2021, Council approved a new Strategic Plan for Middlesex Centre. Developed in consultation with the community, this plan reflects the input of residents, businesses and organizations.

**Vision:** A thriving, progressive and welcoming community that honours our rural roots and embraces our natural spaces

**Mission:** To deliver the highest standard in municipal services in a sustainable, professional and innovative manner

### Values:

- **Respect:** We are an open, courteous and inclusive workplace that values and celebrates the varied backgrounds and experiences of our community. We ensure every resident can participate in our community and engage with our municipal government.
- **Cooperation:** We work in a spirit of trust, collaboration and partnership across departments and with our community to achieve our shared goals.
- **Innovation:** We embrace innovation to improve our delivery of services. We take initiative and are flexible and creative in anticipating and adapting to changing conditions.
- **Integrity:** We take accountability for our actions and deliver what we promise. We are truthful and honest in how we do our job. We inspire public confidence and trust in our municipal government.

### Strategic Priorities:

- Engaged Community
- Balanced Growth
- Vibrant Local Economy
- Sustainable Infrastructure and Services
- Responsive Municipal Government

## Implementing the Priorities of the Strategic Plan

Implementing the Strategic Plan priorities requires they are properly planned, staffed and funded.

In early 2021, after the Strategic Plan was approved by Council, the senior leadership team came together to map out a high-level five-year work plan to ensure the objectives would be achieved. This work plan was revisited as the 2023 budget was developed, with department heads linking the deliverables identified for 2023 with budget priorities. This is shown in the budget as “2023 Strategic Goals” for each department.

As might be expected, unanticipated opportunities (partnerships, funding, etc.) and budgetary challenges have played into the annual department goals, but each still reflect the priorities in the Strategic Plan.

With 2021 being the first year for the plan, reporting against performance metrics in earlier budgets was not possible, however staff made their best effort to reflect success against the Strategic Plan priorities. This is shown as “2022 Strategic Achievements” for each department.





# Municipality of Middlesex Centre: Organizational Profile

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## The Budget as a Strategic Plan Deliverable

The process of developing the budget and the final budget itself directly supports:

- Responsive Government - Objective 5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery
    - By sharing information and gathering input, continuing our timely and effective communication to the public.
    - By reviewing and enhancing our processes
  - Sustainable Infrastructure and Services - Objective 4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure
    - By progressively updating our asset management plan and building the reserve funds for the timely repair/replacement of our assets, and expanding our current practice of making annual reserve fund contributions toward the cost of projected asset management expenditures
    - By communicating our approach to capital projects and communicating clearly with the public on capital spending priorities in terms of costs, benefits, funding sources and timing.
  - Responsive Government - Objective 5.1 – Enhance Customer Service
    - By expanding opportunities for digital and on-line services.
  - Responsive Government - Objective 5.2 – Foster a culture of mutual trust and respect within Council and between Council and staff
    - By reinforcing a common purpose among Council members and promoting teamwork between Council and staff.
  - Sustainable Infrastructure and Services - Objective 4.1 – Improve safety for road users
    - By addressing road safety challenges and implementing existing traffic calming policies on Middlesex Centre roads.
    - Work collaboratively with Middlesex County to implement safety improvements in the Glendon Drive corridor.
  - Sustainable Infrastructure and Services - Objective 4.2 – Expand existing services in accordance with the pace of new development, and apply a financial sustainability lens to all municipal services and programs
    - By analyzing and projecting the operating cost impacts of new residential development.
- ➔ Review the full Middlesex Centre Strategic Plan at [middlesexcentre.ca/stratplan](https://middlesexcentre.ca/stratplan)
- ➔ Annual Strategic Plan Progress Reports for 2021 and 2022 are available at [middlesexcentre.ca/stratplan](https://middlesexcentre.ca/stratplan)

# Considerations in Developing the Budget

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## CONSIDERATIONS IN DEVELOPING THE BUDGET

This budget reflects our priorities as a community — to support an inclusive, innovative, and accountable Middlesex Centre that provides a financially responsible level of service to the community.

It is focused on the delivery of core municipal services for residents and businesses, while managing to respectfully balance the needs of our urban and rural residents.

### Budget Goals

- Delivery of a fiscally responsible budget, while maintaining a sustainable financial position for the municipality
- Continue analysis on reducing costs and creating more efficient processes
- Build municipal reserve funds
- Priority focus on funding efforts in 2023 to address infrastructure deficit
- Implement the priorities in the Strategic Plan

### Key Factors – Priorities and Issues

Staff and Council need to balance the needs and wants of the taxpayers with legislative requirements and funding constraints.

There are a number of factors which the municipality has control over, such as enhancing service levels. There are also a number of factors which the municipality has little or no

control over, such as the rate of inflation, reliance on other organizations, and various standards that the municipality must meet. All factors may have significant impact on which services are provided and at what level. This section outlines these factors.

Many of the priorities and issues that drive the 2023 budget are similar to those in the prior years, however, 2023 has unique challenges related to the delay in reassessment in property taxes until 2024 at the earliest, service level enhancements, the economic downturn, and increasing inflationary pressures. Inflation is reaching levels not seen in many years, and with limited revenue earning opportunities the municipality has to do more with less to ensure the budget is balanced.

### Enhancing Transparency and Accountability: Incorporating Public Feedback

In developing the 2023 budget, staff invited comments and ideas from residents (see the Supplemental Information for details on the budget development process). Of note was the annual budget survey, which ran June 30-August 8, 2022, and was advertised through a media release, social media, the residents' e-newsletter, the municipal office sign and the website. Three hundred and forty-five people responded to the survey. This was a higher response than in past years.



# Considerations in Developing the Budget

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Key takeaways from the budget survey:

- Most people rated their municipal services as high importance and a high satisfaction
- Desire to limit / control growth
- Traffic / road safety concerns
- Desire to taxes and municipal spending low
- Desire for more parks and recreation (programs and facilities) options
- Desire for lower the water rates

## ***Incorporating Public Input into the Budget***

Staff have taken into consideration the concerns of the residents with respect to keeping costs low and ensuring tax rates and water rates are maintained to a reasonable level.

For the 2023 budget, staff will be utilizing the Tax Rate Stabilization reserve fund to lower the required tax rate increase.

Additionally, staff have recommended a 0% increase to the water rates for 2023.

→ **For more information on the budget survey, including full results, visit [middlesexcentre.ca/budget2023](https://middlesexcentre.ca/budget2023)**

## **Competing Priorities**

Middlesex Centre is a community of diverse citizens, rooted in rural and urban traditions, united through involvement, cooperation, and mutual respect. The municipal budget is a key policy and planning document that outlines our municipality's priorities for services, programs and infrastructure. Setting the budget is a balancing act between often competing priorities – providing the high level of services that residents deserve and expect versus what we can afford.

When contemplating changing service levels, the likely corresponding increase to the municipal tax rate and the impact on residents must be considered. Generally speaking, enhanced or new service levels require an increase in municipal taxes to fund the initiative. While this may satisfy those residents who requested the new/enhanced service levels and they may be willing to accept the associated increase in property taxation, there may be those who believe the current services (or even lower) are adequate and are not in favour of increasing service levels due to the increased costs.

Balancing service level increases and the municipal budget can be challenging. Middlesex Centre helps balance this by engaging and educating the public. Factors that are considered include results from Master Plan studies, governance decisions, impacts of changing legislation, community surveys and review of the average household income in Middlesex Centre to determine affordability.



# Considerations in Developing the Budget

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## Property Tax Assessment

In Ontario, property assessments are updated on a four-year assessment cycle. In 2016, MPAC updated the assessed values of Ontario's more than five million properties to reflect the legislated valuation day of January 1, 2016. Assessments updated for the 2016 base year were in effect for 2017-2020 property tax years.

An increase in current value assessment means that the market value of a property has increased from one assessment cycle to another, as would be expected in any growing economy. An increase in assessment does not necessarily translate to an increase in taxes for residents nor property tax revenue for the municipality.

Significant increases in assessment values puts less pressure on the municipal tax rate, and lower assessment increases puts higher pressure on the municipal tax rate. It is important to note that assessment increases result from two different factors: assessment increases from reassessment on existing buildings and properties, and assessment increases from new construction activity.

## Reassessment

As mentioned above, historically reassessment of existing buildings and properties occurs every four years. Decreases in assessments are written-off 100% in the first year of the assessment cycle. Then assessment increases occur equally at 25% per year over a four-year period. Although this type of assessment increase puts less pressure on the municipal tax rate, the total municipal tax paid by the taxpayer may not be higher each year.

Reassessment is intended to reflect actual changes in the local real estate market that have occurred since the last valuation date.

*Current assessment based on January 1, 2016, fully phased-in values*

Reassessment related value changes will not necessarily affect overall municipal revenue because tax rates must be restated. These changes will affect the distribution of the tax burden among taxpayers and groups of taxpayers as rates of change vary.

By phasing in assessment increases, taxpayers are somewhat insulated from market volatility by delaying or mitigating the rate of assessment change that might be experienced in a reassessment year.

The property tax assessment value for the 2021, 2022 and 2023 tax years will remain unchanged. The Government of Ontario has made the decision to not change property assessments as they believe this will provide stability for property taxpayers and municipalities. The valuation date that was used in 2022 (January 1, 2016) will remain in effect.

Therefore, assessed market values from January 2016 will remain the benchmark for apportioning the municipal property tax burden for the 2023 tax year. That is to say, the tax base year will be at least seven years old before it is replaced. Long delays in updating assessments have historically created inequities in taxation. The decision to delay is projected to produce significant tax shifts when new assessments are finally in place.

The major concern would be the gap between valuation dates. Depending on the state of things, this could easily produce tax

# Considerations in Developing the Budget

shifts and swings such as those experienced when the Province first moved to Current Value Assessment in 1998.

In addition to the future concerns, the continued delay of reassessment poses significant risks to the municipality and our taxpayers due to the magnified implications of appeals and challenges.

## ***New Construction Activity***

Assessment increases from new construction activity puts less pressure on the tax rate and lowers the total municipal tax paid by existing taxpayers. This is why it is important to increase the municipality's assessment from new construction. However, there is a balance to be made between increase assessment from growth and increase costs related to growth.

## ***Assessment Mix***

Assessment composition provides an understanding of the mix of assessment. Middlesex Centre has a high proportion of farmland assessment and residential assessment. Middlesex Centre's proportion of commercial and industrial assessment is low. This over reliance on residential and farm assessment can affect affordability. Middlesex Centre's weighted assessment base per capita is low. This is the result of lower commercial and industrial assessment and higher farming assessment, which is discounted to 25% of the residential rate.

Generally, a municipality's net operating costs (expenditure increase net of the associated growth in assessment) to service residential development is higher than the net operating cost of servicing commercial or industrial

development. The ideal condition is to have sufficient commercial and industrial development to offset the net increase in operating costs associated with residential development. Non-residential development is desirable in terms of developing a strong assessment base upon which to raise taxes and in providing employment opportunities.

Over the past five years, residential/non-residential construction activity (on dollar value of construction) has been primarily in the residential sector.

Middlesex Centre lacks industrial and commercial properties and therefore the majority of the assessment base is made up of residential and farm properties. This means that the majority of the tax burden is paid for by the residential property owners.

**Table: Property Class Assessment Values, 2023**

Property Class	Assessment (\$)	Percentage (%)
Residential	2,755,768,993	57.29
Farm	1,619,447,340	33.67
Pipeline	126,162,000	2.62
Commercial	166,116,367	3.45
Exempt	111,071,800	2.31
Industrial	15,606,000	0.32
Other	16,194,200	0.37
<b>Total Assessment</b>	<b>\$4,810,366,700</b>	<b>100</b>



# Considerations in Developing the Budget

## Phantom Assessment

The total municipal tax levy which is used to fund the municipality's operations and capital/reserve funds contributions (excluding water, wastewater, stormwater and building services) is determined from a simple formula:

$$\text{Total Municipal Levy} = \text{Assessment Value} \times \text{Municipal Tax Rate}$$

What happens when the municipal budget is based on information that may not be correct, or to be more specific, based on phantom assessment?

This is occurring each year at Middlesex Centre with some farm properties. When the roll is returned by MPAC (the assessment used to calculate the assessment value), historically it has contained multiple properties that have been identified as Residential (RT) properties, however they are actually Farm (FT) properties, which are taxed at 25% of the Residential tax rate.

During the year, municipal staff process numerous Farm Tax Incentive Program applications (tax incentive approval), converting these properties back to farm properties from residential. This results in large "adjustments" of taxes. In the 2023 budget, municipal staff have accounted for an estimated amount.

The financial impact shows the expected property tax income lost due to phantom assessment where the affected properties begin the year at RT and are changed to FT during the year lowering their expected property tax.

**Table: Phantom Assessment, 2021, 2022 and 2023**

Tax Year	2023	2022	2021
# of Affected Properties	Unknown	32	25
Assessment Value (\$)	Unknown	25,441,700	21,524,700
Residential Rate (\$)	Unknown	159,404	132,012
Farm Rate (\$)	Unknown	39,851	33,003
Financial Impact (\$)	120,000	119,553	99,009

*\*Budgeted \$120,000 for write offs in 2023 related to phantom assessment. Reports from MPAC are outstanding until December 2022.*

## Residential Building Activity / Growth Pressures

Middlesex Centre is a growing community. The building activity in the municipality has been steadily increasing over the past five years. This has resulted in increases in assessment from new construction activity which have benefited the municipal budget. However, this has also come at a cost to the municipality to manage the growth.

Increased growth has resulted in increased operating costs. Specifically, the need for more employees to assist in managing the growth. There are additional internal costs to support the growing community, which may be higher than the increases resulting from assessment each year. The municipality is working towards finding a financially sustainable strategy to managing the increased demands due to growth. In 2022-23, staff are working with two of our neighbouring municipalities and a consultant to complete an organizational





# Considerations in Developing the Budget

review to develop a strategy for managing the operating costs and pressures of growth.

Additionally, new growth requires new infrastructure. Some of this new infrastructure is paid for by Development Charges (discussed in more detail later in this package) and some is paid from the tax levy as it will benefit existing taxpayers.

**Table: Comparison of Building Construction Activity, 2021**

Municipality	% Res. 2021	% Non-Res. 2021	2021 Building Permit Value Per Capita
Strathroy-Caradoc	84%	16%	\$3,876
Essex	66%	34%	\$3,742
Lincoln	44%	56%	\$6,766
Pelham	78%	22%	\$6,953
Springwater	81%	19%	\$6,255
Thorold	89%	11%	\$8,424
<b>Middlesex Centre</b>	<b>82%</b>	<b>18%</b>	<b>\$12,850</b>

*Note: Middlesex Centre's cost per capita is higher due to the cost of the building permit value (that, the value of the house or what resident's permit is for) is high in Middlesex Centre.*

## Aging Infrastructure and Closing the Infrastructure Gap

The municipality has capital assets with a total replacement value of \$706,289,770. As the municipality continues to grow and existing infrastructure continues to age, the amount of infrastructure that needs to be replaced continues to grow, and with it our infrastructure gap. The municipality's aging infrastructure needs repair and ongoing maintenance. It is important to ensure that there are sufficient annual contributions to capital and capital related reserve funds to cover the cost of infrastructure replacement, essentially closing our infrastructure gap over time.

The municipality's goals and objectives with respect to asset management are identified in the municipality's Strategic Asset Management Policy. A major theme within that policy is for the municipality's physical assets to be managed in a manner that will support the sustainable provision of municipal services to residents. Through the implementation of the asset management plan, the municipality's practice should evolve to provide services at levels proposed within this document.

Moreover, infrastructure and other capital assets should be maintained at condition levels that provide a safe and functional environment for the municipality's residents. The asset management plan and the progress with respect to its implementation will be evaluated based on the municipality's ability to meet these goals and objectives.

The annual lifecycle funding target is estimated at \$17.58 million. In comparison, the municipality budgeted to contribute approximately \$14.3 million towards capital-related needs in 2023. Included in this are budgeted contributions to capital-related reserve funds and reliable and long-term federal and



# Considerations in Developing the Budget

provincial government grants. The sum of these components is the amount of funding the municipality contributed in 2023 to the provision of capital-related needs.

The difference between the annual lifecycle funding target and current annual contribution is referred to as the lifecycle funding gap and indicates that the municipality is currently underfunding its infrastructure by approximately \$3.28 million annually.

To address the gap, Middlesex Centre is contributing more money to capital related reserve funds annually. In 2023, an additional \$1,000,000 above 2022 values was contributed to tax levy supported capital reserve funds, including the roads capital reserve fund and the general vehicles and equipment reserve fund.

The municipality is dependent upon maintaining healthy capital reserve funds in order to provide the remainder of the required lifecycle funding over the forecast period. This requires the municipality to proactively increase amounts being transferred to capital reserve funds during each annual budget process.

One measure of the age of our municipal infrastructure is the Total Asset Consumption Ratio, as calculated by BMA Municipal Study, 2022. This indicator estimates the useful life left in a municipality's capital assets.

It is calculated by dividing the total accumulated amortization by the total gross cost of capital assets. The Ministry of Municipal Affairs and Housing considers a rate of 25% or under to be relatively new, 26% – 50% to be moderately new,

51% – 75% to be moderately old, and over 75% to be old. Middlesex Centre's capital assets are considered moderately new.

**Table: Total Asset Consumption Ratio, 2016 to 2021**

Year	Middlesex Centre Total Asset Consumption Ratio
2016	32.1%
2017	32.6%
2018	33.7%
2019	34.1%
2020	34.7%
2021	35.9%

## Economic Downturn

Middlesex Centre is not immune to the economic downturn being experienced in Canada and around the world as a result of the COVID-19 pandemic and its financial impacts.

As a municipality, we are limited in our revenue options to respond to this challenge. In Ontario, municipalities are referred to as 'creatures of the Province,' as they exist and are empowered only through legislation granted to them from the provincial government.<sup>3</sup> In Ontario, all 444 municipalities except the City of Toronto are governed by the Municipal Act, which dictates how they can govern themselves and the resources at their disposal to provide value to residents.

<sup>3</sup> Much of the information in this section is based on: Challinor, A., McKay, R. and Dessanti, C. (2021). *Better Budgets: Bolstering the Fiscal Resilience of Ontario's Municipalities*. Ontario Chamber of

Commerce. <https://occ.ca/wp-content/uploads/Better-Budgets-Bolstering-the-Fiscal-Resilience-of-Ontarios-Municipalities.pdf>



# Considerations in Developing the Budget

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Municipalities funding options are limited – they can draw on reserve funds, increase property taxes, increase user fees or adjust services all in the name of economic stabilization. The more restricted a government is in its ability to alter fiscal policy in response to changing circumstances, the more vulnerable they are to economic fluctuations. We would need to see policy change by higher orders of government to alter how municipalities respond to changes in the economy. Historically, municipalities' responsibilities and demands for spending had been increasing, but revenue streams remained stagnant. If local economies are to remain limber, municipalities must have the ability to dynamically support them as they see fit.

This challenge is now more important than ever. Changes in the economy have placed tremendous strain on local government finances. Many municipalities will have difficulties making ends meet in 2023.

Both municipalities and businesses are struggling to cover costs, and this will continue through the projected economic downturn.

Municipalities need to act and prepare for an economic downturn beforehand it happens as this is the best way to minimize service impacts and keep Middlesex Centre going through the lean times.

When the economy is on a downward trend, this typically impacts government revenues for non-discretionary services and the ability of a community to pay their expenses (which includes utility and property tax bills).

In addition to revenue, there are also opportunities for the municipality to minimize costs. Middlesex Centre has been completing multiple service delivery reviews over the past few

years that will assist in the preparation and review of expenditures and increase the efficiency of our operations.

In times like these, municipalities rely on property taxes and user fees to meet our financial obligations and to ensure we have the financial liquidity to meet the needs of residents and businesses who rely on us. When these revenue streams are not enough, Municipality's will draw upon their operating reserve funds to assist in funding operations.

Finally, the municipality will continue with communications to the public on this matter.

## Unpredictability of Provincial and Federal Funding

Municipalities are taking on growing responsibilities each and every year. Some of these increasing responsibilities include:

- Climate change mitigation and adaptation. This includes responding to more frequent and severe flood events and improving infrastructure resiliency, while taking concrete action to reduce greenhouse gas emissions at the local level.
- Asset Management requirements under O. Reg. 588/17
- COVID-19 response
- Potential elimination of development fees due to extensive changes to the Planning Act

And yet, the revenue tools available to meet these challenges are limited and access to new sources of revenues is controlled by provincial governments or must be applied for as a grant. Even the process of applying for grants is time

# Considerations in Developing the Budget

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consuming and at times the municipality struggles to have the staff capacity to complete.

There are some grants that the municipality receives annually that the community can rely on to support the overall funding strategy. Having predictable funding to municipalities is imperative for proper financial planning.

Annually the municipality receives:

- Ontario Municipal Partnership Fund
- Canada Community Benefit Fund
- Ontario Community Infrastructure Fund

Having access to more predictable and stable funding would assist municipalities in becoming financial sustainable.

## COVID-19 Challenges

Ontario's Declared Emergency and Stay-at-Home Order related to the COVID-19 pandemic ended on June 2, 2021, however the impacts of the COVID-19 pandemic are still influencing the way the municipality operates.

The municipality's operations have changed significantly in the aftermath of the crisis and the negative financial impacts to the world and local economies.

Locally, the aftermath of the pandemic is still creating financial challenges for the municipality:

- Increase in material and manufacturing costs
- Increase in project delays
- Supply issues

Middlesex Centre has been relying on our capital reserve funds and funding opportunities from other levels of government to mitigate these issues.

## Inflationary Pressures

Inflation is commonly defined as the general increase in prices for goods and services in an economy over a period of time. The Consumer Price Index (CPI) is used as an indicator of the changes in consumer prices and is tracked and circulated monthly by the Bank of Canada. In September 2022, CPI rose 6.9% on a year-over-year basis. Typically, municipal costs of goods trend higher than the general CPI rate.

Annual inflationary increases generally increase the cost to “do business.” This is similar to annual increases consumers experience for groceries. These are the increased costs of delivering the same service or program to residents.

### *What are the municipality's inflationary cost pressures?*

- Wages and benefits represent a large portion of the municipal budget. In 2023, the cost-of-living increase applied to wages was 2.5%, with a general increase for benefits of 9%.
- Bluewater Recycling Association rate increases for garbage and recycling at 6.9% and 5.04% respectively.
- Increase cost of utility bills for municipally owned buildings and facilities – to keep the water running, building heated and lights on.
- Maintenance and fuel for our vehicle and equipment fleet; we maintain over 138 fleet assets including fire trucks, snowplows, community services trucks, ice resurfacers



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and building and by-law fleet. We need to keep these in good working order to deliver service to the community. It is being projected that the cost of fuel could remain at the 2022 levels of \$1.89/litre for gasoline and \$2.12/litre for diesel. A combination of rising oil prices, the state of the Canadian dollar, provincial taxes and the federal government's Clean Fuel Standard, which came into effect Dec. 1, 2022, could result in these increased fuel costs being here to stay.

- Many of the construction materials and supplies used by the municipality rise in price at a generally higher rate than household items. The construction costs normally increase along with the CPI, which rose to 15.6% on a year-over-year basis in the third quarter of 2022.
- Increased pressure due to rise in costs for contracted services such as waste haulage, garbage and recycling and software licensing.
- Market prices for insurance have been increasing at a higher than most general goods and services at a 15% projected increase for 2023.

## *How does Middlesex Centre mitigate inflationary pressures?*

Like a business, the municipality looks within with a focus on cost containment and continuous improvement to find ways to do more with less resources. Examples of successful initiatives in 2022 that are lowering the inflationary pressure on the budget include:

- Departmental efficiency targets through the 2022 budget development, and continuing into 2023
- Continued energy efficiency initiatives that are mitigating utility cost increases
- Investing in innovation and digital modernization like Microsoft 365, new phone system, Cloudpermit (planning and development software) and Univerus Sport & Recreation Program (facility booking software)
- Review of the municipal telecommunication costs
- Youth employment and Seniors grants
- New sensors for waste receptacles for monitoring and better use of resources
- Annual user fee and rate revenues review completed
- Assessment base management review completed on exempt properties

## Service Level Enhancements

With every service enhancement, there is a corresponding cost that has to be funded from an increase in the municipal tax levy. Some major proposed service level enhancements that have been identified are as follows:

- Master Plans – The municipality has scheduled or planned to contract several master plans relating to various areas or services such as transportation and water, wastewater and stormwater services in 2022 and 2023. These plans may recommend various levels of service enhancements which in order to implement would require both significant capital and ongoing annual operational funding.
- New Programing – As a result of the municipality's Community Services Master Plan in 2022, the municipality





# Considerations in Developing the Budget

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launched recreational programming in 2022 and plans to enhance it for 2023. The costs include salaries and benefits for an employee and subcontract costs. The program operated at a loss for 2022 with plans to be fully or partially offset by user fees in 2023, however there is a risk of having a significant loss again in 2023 which the municipality would be responsible for the salaries and benefits costs at a minimum.

- OMERS has expanded their program to include all non-full-time employees as of January 1, 2023. This change will remove the current eligibility requirement for non-full-time employees to join the retirement plan so that all non-full-time employees may elect to join the plan at any time. This change is effective January 1, 2023, and has an estimated impact to Middlesex Centre of \$43,495.

## External Legislative Requirements

The municipality is required to follow legislation, and each year there seems to be additional legislative requirements. Many of these new requirements come at an additional cost to the municipality, specifically around staff time in learning and training on these changes and implementation costs.

- New Mandatory Policies for **Right to Disconnect (Bill 27, Working for Workers Act)** and **Electronic Monitoring in the Workplace (Bill 88, Working for Workers Act)** – may result in financial considerations respecting costs of application, primarily around costs related to monitoring.
- **Bill 3, Strong Mayors, Building Homes Act, 2022.** This bill would provide special powers to the mayor that are both legislative, political, and administrative in nature. At

this time, no impact on Middlesex Centre, however staff continue to monitor.

- **Bill 109, More Homes, More Choice Act.** Although enacted in 2019, the ramifications of the bill with respect to municipal finances will be felt in 2023 and onward as it relates to Municipal programs and services provided at the request of a municipality (with municipal funding through an MOU/agreement). The new municipal – Conservation Authority (CA) funding framework will take effect for the CA 2024 budgets.
- **Bill 93, Getting Ontario Connected Act, 2022.** This legislation sets out required service standards to ensure municipalities provide timely responses to right-of-way permits for high-speed internet infrastructure deployment, including 10 business days to respond to right-of-way permits with distances of up to 30kms and 15 business days to respond with distances of 30kms or more.
- **Ontario Regulation 406/19 (On-site and excess soil management)** This legislation will result in increased testing and administrative requirements for construction projects. The impacts of this will mainly be identified in capital projects.

## ***Bill 23: More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-2023***

Of particular note is Bill 23. Released by the Province on October 25, 2022, the **More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-2023** proposes transformative action to build 1.5 million homes over the next 10 years. This legislation builds on previous policies and tools





# Considerations in Developing the Budget

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that reflect recommendations from the Housing Affordability Task Force Report and builds on More Homes, More Choice and the More Homes for Everyone Plan. Currently feedback is being sought on the changes proposed under the legislation and associated regulations.

Additionally, various housing and land use policy reviews – including a housing-focused policy review of **A Place to Grow and the Provincial Policy Statement**, with a theme of supporting rural and northern housing – are being undertaken to identify and remove barriers to getting more homes built. There are multiple initiatives being planned. The following will have an impact on the municipality financially:

- **Freezing, Reducing and Exempting fees for Building Attainable, Affordable, and Non-Profit Housing.** Government charges and fees significantly impact the cost of housing – adding up to nearly \$200,000 to the overall cost of building a home. The Government of Ontario is proposing changes to the Planning Act, the Development Charges Act and the Conservation Authorities Act to freeze, reduce, and exempt fees to spur the supply of new home construction. This includes ensuring affordable, and inclusionary zoning units, select attainable housing units, as well as non-profit housing developments are exempt from municipal development charges, parkland dedication levies, and community benefits charges. Rental construction would also have reduced development charges and conservation authority fees for development permits and proposals would be temporarily frozen. Ontario is also undertaking a review of all other fees levied by provincial ministries, boards, agencies, and commissions to determine what impact they may have on

the cost of housing with the intent of further reducing, if not eliminating these fees altogether.

- **Promoting Fairness to Support Affordable and Other Rental Housing.** Currently, property tax assessments for affordable rental housing are established using the same basis as regular market rental properties. The Government of Ontario will explore potential refinements to the assessment methodology used to assess affordable rental housing so that it better reflects the reduced rents that are received by these housing providers. In addition, Ontario will consult with municipalities on potential approaches to reduce the current property tax burden on multi-residential apartment buildings in the province.

Bill 23 includes amendments to various Acts including the Municipal Act, 2001, Development Charges Act, 1997, Planning Act, 1990, and more. Below is a brief summary of some of the proposed changes as it pertains to municipal finance (as outlined by the Municipal Finance Officers' Association of Ontario).

## *Development Charges Act, 1997*

- Further definitions on affordable housing, attainable housing, and rental housing development.
- Removing housing services as an eligible service that can be included in development charges (DC).
- DC exemptions for the creation of affordable residential units and attainable housing units, for non-profit housing developments, and for inclusionary zoning residential units.
  - Includes DC exemptions for one additional residential unit (or 1% of existing units) in an existing residential building; as well as up to three residential units on an



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existing residential property (may be within the existing home or within an ancillary unit).

- Removes some eligible capital costs that can be recouped through development charges:
  - The cost of DC background studies will be ineligible.
  - The cost of studies to determine the capital costs land, building, facilities, etc. will be ineligible.
- Mandatory 5-year phase in of DC rates in by-laws, retroactive to June 1, 2022.
  - Year 1 (80%), Year 2 (85%), Year 3 (90%), Year 4 (95%), Year 5 (100%)
- DC by-laws expire 10 years after they come into force (previously 5 years).
- DCs for rental housing development is reduced based on the number of bedrooms:
  - 3+ bedrooms have a 25% reduction in DCs, 2 bedrooms has a 20% reduction, and 1 bedroom has a 15% reduction.
- Imposing a maximum interest rate for DC deferrals.
- Municipalities must spend or allocate 60% of reserve fund balances for water, wastewater, and road DCs (and other DC services as prescribed).

## *Planning Act, 1990*

- Land valuation for community benefits charges (CBC) are adjusted to exclude existing development.
- Parkland dedication conveyance has been amended to 1 hectare per 600 units.

- Parkland dedication cash-in-lieu has been amended to 1 hectare per 1000 units.
- Parkland dedication rates frozen at time of zoning/site plan.
- Exemption from parkland dedication for affordable units.
- Municipalities must spend or allocate 60% of parkland dedication funds (in special accounts).

Based on some of the policy changes proposed, there is likely a detrimental financial impact if fees are to be reduced or exempt altogether. This information will be further reviewed by staff; however, because there are not many planning applications on the horizon focused on affordable housing for Middlesex Centre the cost impact is expected to be minimal in the short-term. More concerning is reduction in Development Charges based on the type of applications received.

As noted in correspondence from the Association of Municipalities of Ontario (AMO), Bill 23 proposes to exempt developers who build affordable, inclusionary zoning and select attainable housing units from paying development charges, parkland dedication fees, and community benefit charges. The Bill also includes several additional changes, including reductions in costs associated with rental residential construction and changes to the method for determining development charges, amongst others.

The cumulative impact of proposed changes to municipal fees and charges is significant and contrary to the widely accepted concept that growth should pay for growth. It largely places the burden of carrying the costs associated with development onto Middlesex Centre and existing residents/taxpayers.



# Considerations in Developing the Budget

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## Capital Project Carried Forward

As the municipality prepares a cash-based budget, projects being carried forward from one year to another can cause a cash flow issues. At Middlesex Centre, the majority of capital projects are funded from reserve funds, and therefore if the project is carried forward from one year to the next or for a period of time, the funding remains in the associated reserve fund until it is spent.

Each year, capital projects are carried forward for a number of reasons:

- Projects that span multiple years and have multiple components (design, construction)
- Deferral of projects due to contractor/municipal staff capacity
- Deferral due to change (increase) in project costs
- Waiting on other governmental approvals to proceed with a project

Projects being carried forward into 2023 are valued at \$9,142,359 (2022 - \$12,876,013).

Projects being carried forward have already received Council's approval.



# Changes and Improvements to the Budget

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## CHANGES AND IMPROVEMENTS TO THE BUDGET

Middlesex Centre continues to work to improve and refine the municipal budget.

### *Changes Incorporated into the 2023 Budget*

- Proposed multi-year capital budget with project commitments along with cash flow forecasting projected for 2023-2027
- Long-term reserve fund requirements for tax levy supported assets that aligns with the municipal Asset Management Plan (AMP)
- Developed long-term reserve fund requirements for water assets that aligns with the AMP
- Aligned Financial Strategy with Development Charge Study amendment 2021
- Aligned Financial Strategy with AMP
- Managed capital commitments with cash flows (five year projected) including debt financing
- Considered short-term and long-term impacts of budgetary decisions
- Aligned Financial Strategy, operating projects and capital projects with Strategic Plan

### *Ongoing Improvements*

- Council approval of multi-year capital and operating project commitments along with cash flow forecasting projected for 2024-2026 capital budget
- Develop long-term reserve fund requirements that aligns with the municipal AMP for Wastewater and Stormwater supported assets
- Refine the Financial Strategy and set financial policy



# Budget Summary

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## BUDGET SUMMARY

### The Big Picture

- 6.16% Tax Levy Increase (2022: 5.77%)
- 2.50% Tax Rate Increase (2022: 2.76%)
- \$43,973,223 in Operating Costs (2022: \$40,247,520)
- \$26,239,581 in Capital Projects (2022: \$25,924,268)\*\*
- \$70,212,804 Total Municipal Budget (2022: \$66,171,788 million)\*\*
- \$15,378,168 Transfers to Reserve Funds (2022: \$12,666,546) \*
- \$22,716,167 Transfers from Reserve Funds (2022: \$23,549,759) \*

*\*Includes all reserve funds, including Water, Wastewater, Stormwater, Building and Development Charges*

*\*\*The total amount of capital projects in 2022 is different than the original budgeted figure due to budget amendments throughout 2022.*

### Operating Budget

Middlesex Centre's operating budget covers the day-to-day expenses of running the municipality. Many of these costs are similar to the bills residents have at home – electricity, phone/internet, minor repairs and upkeep, and so on. Also included in the operating budget is the cost of staffing.

The operating budget focusses on delivering the consistent, reliable services that residents and businesses expect from their municipality. From clean drinking water to the roads to emergency services to the playgrounds, the municipal operating budget ensures the funds are available for the services residents rely on every day.

The financial decisions we make today are critical to the long-term sustainability of our municipality. The 2023 budget reflects corporate strategic plans and the needs of the community. During the 2023 budget process, staff worked diligently to ensure sufficient operating funding is available to deliver efficient services and good value for tax dollars.



# Budget Summary

## Operating Budget Revenue

Middlesex Centre, like most Ontario municipalities, uses a variety of revenue and funding sources to pay for a wide range of services. Revenue sources include:

- **Property Taxes** – Largest source of municipal revenue, this is calculated by applying the municipal tax rate by the property assessment as determined by MPAC.
- **Grants from Federal and Provincial Governments (transfers)** – The municipality receives grants from the provincial and federal governments on an annual basis. These grants are budgeted based on information received by the governments. If the information is not received prior to the budget being passed, staff budget based on a five-year historical trend. The 2023 budget includes the following grants:
  - Ontario Municipal Partnership Fund (OMPF)
  - Ontario Community Infrastructure Fund (OCIF)
  - Canada Community-Building Fund
- **User Fees – General** (revenue from services such as recreation, planning applications, building permits, etc.). These fees are paid for by the specific user or group of

users, including visitors and non-residents, rather than property owners through the municipal tax base.

- **User Fees – Water, Wastewater and Stormwater Rates** (funded directly by users) – Water consumption and wastewater usage charges are based on how much water property uses. Consumption is measured by the water meter. The stormwater user fee is a flat fee set by council each year.
- **Other** miscellaneous revenues such as permits and licenses

Using a variety of revenue sources ensures tax fairness based on an understanding of who benefits from the services being delivered: an individual user (a public skating enthusiast) or a group (motorists who park in downtown areas) versus a large portion of the population (residents that rely on emergency services). Fully funding all of these services through the tax levy would significantly increase property taxes for individuals who may never enjoy these specific services.

Additionally, the funding received by government grants and transfers makes up only a small part of the municipal budget, which is important to ensure the municipality can operate on its own without reliance on other levels of government.

**Table: Operating Budget Revenue by Revenue Type for 2022 with 3-year Comparison**

Revenue Type	2023 Dollar (\$)	2023 Percentage	2022 Dollar (\$)	2022 Percentage	2021 Dollar (\$)	2021 Percentage
Property Taxes Levied	22,799,129	52%	21,476,811	53%	20,187,005	55%
User Fees (Utilities & Other)	14,896,784	34%	13,634,042	34%	12,090,025	33%
Government Grants & Subsidies	3,908,983	9%	3,079,666	8%	2,198,186	6%
Other Municipal Services	2,368,327	5%	2,057,001	5%	2,161,222	6%
<b>TOTAL</b>	<b>43,973,223</b>	<b>100%</b>	<b>\$40,247,520</b>	<b>100%</b>	<b>\$36,636,438</b>	<b>100%</b>





# Budget Summary

## Operating Budget Expenses

**The total annual operating expense budget is \$43,973,223.**

Ten expenditure categories account for 90% of the operating budget. These costs are presented in the table below. Note that the majority of the transfer to reserve funds are for capital projects.

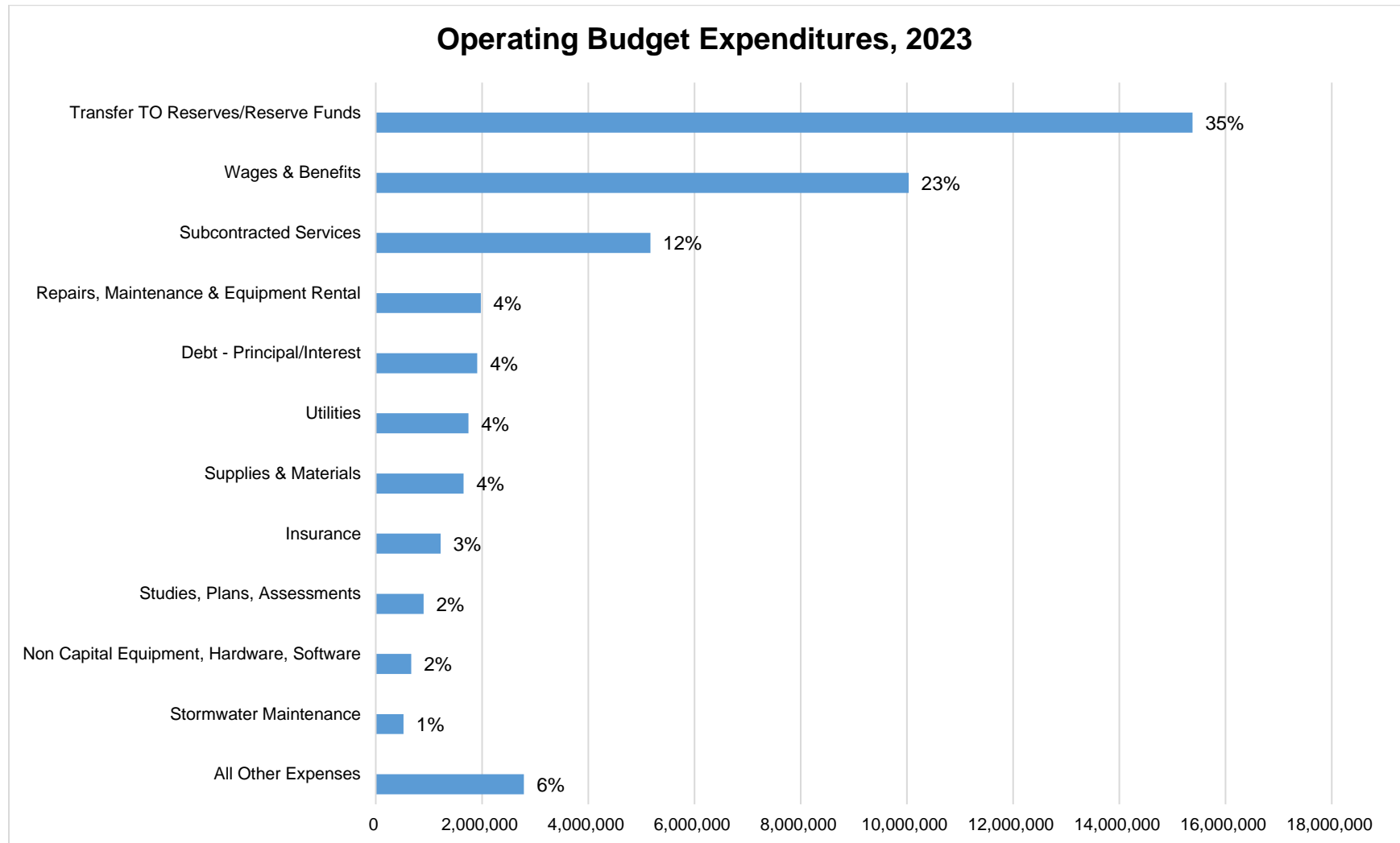
**Table: Top 10 Operating Expenses with 3-year Comparison**

Operating Expenditures	2023 Dollar (\$)	2023 Percentage	2022 Dollar (\$)	2022 Percentage	2021 Dollar (\$)	202 Percentage
Transfer to Reserves/Reserve Funds	15,378,168	35.0%	12,666,546	31.5%	10,636,196	26.9%
Wages & Benefits	10,033,323	22.8%	9,356,289	23.2%	8,676,946	23.0%
Subcontracted Services	5,170,957	11.8%	4,995,448	12.4%	4,818,237	13.2%
Repairs, Maintenance & Equipment Rental	1,975,895	4.5%	1,878,724	4.7%	1,196,956	4.6%
Debt - Principal/Interest	1,911,196	4.3%	1,952,570	4.9%	1,983,761	5.5%
Utilities	1,745,782	4.0%	1,750,947	4.4%	1,109,269	4.7%
Supplies & Materials	1,652,803	3.8%	1,653,326	4.1%	1,079,237	5.4%
Insurance	1,220,070	2.8%	1,120,238	2.8%	900,158	1.9%
Studies, Plans, Assessments	901,462	2.1%	876,775	2.2%	847,070	1.2%
Non-Capital Equipment, Hardware, Software	669,049	1.5%	614,327	1.7%	394,851	1.1%
<b>Total</b>	<b>40,658,704</b>	<b>92.5%</b>	<b>36,865,189</b>	<b>91.9%</b>	<b>31,642,681</b>	<b>87.4%</b>



# Budget Summary

Figure: Operating Budget by Expenditure



# Budget Summary

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## Items of Note

Two items of note: Transfer to reserve funds and staffing account for just under 57.8% of the operating budget.

## Reserve Funds

These funds act as a savings account, to set funds aside for cyclic costs like elections and for planned capital costs.

Notable Reserve Funds changes for 2023 include:

- Additional \$1,000,000 transferred to reserve funds in 2023 to build these balances to cover capital asset requirements as outlined in the municipality's asset management plan

## Salaries & Benefits

These funds cover the costs of having municipal staff deliver services. We use a zero-based budgeting model, meaning that each year we build the budget starting at zero, and look at the costs associated with each staff position. The 2023 budget includes an allowance for an overall increase of approximately 3.0 full time equivalent employees. Additional staff resources are recommended to facilitate desired service level enhancements and/or increased workloads.

Notable salary and benefits changes for 2023 include:

- a salary cost of living increase of 2.5%
- pay-grid step increases of 4%, with 38 full-time employees eligible for increases
- new or modified staff positions:
  - Public Works & Engineering – Manager of Planning and Development
  - Corporate Services – Deputy Clerk
  - Fire and Emergency Services – Deputy Fire Chief
- Increase in overall benefits over prior year of 9%:
  - OMERS Non-full-time expansion (January 1, 2023) - \$43,495
  - New positions noted above
  - Health and dental benefits cost increases of 5%



# Budget Summary

The total cost of operations by department for 2023 is presented in the chart below.

**Table: Total Operating Expense Budget by Department with 3-year Comparison**

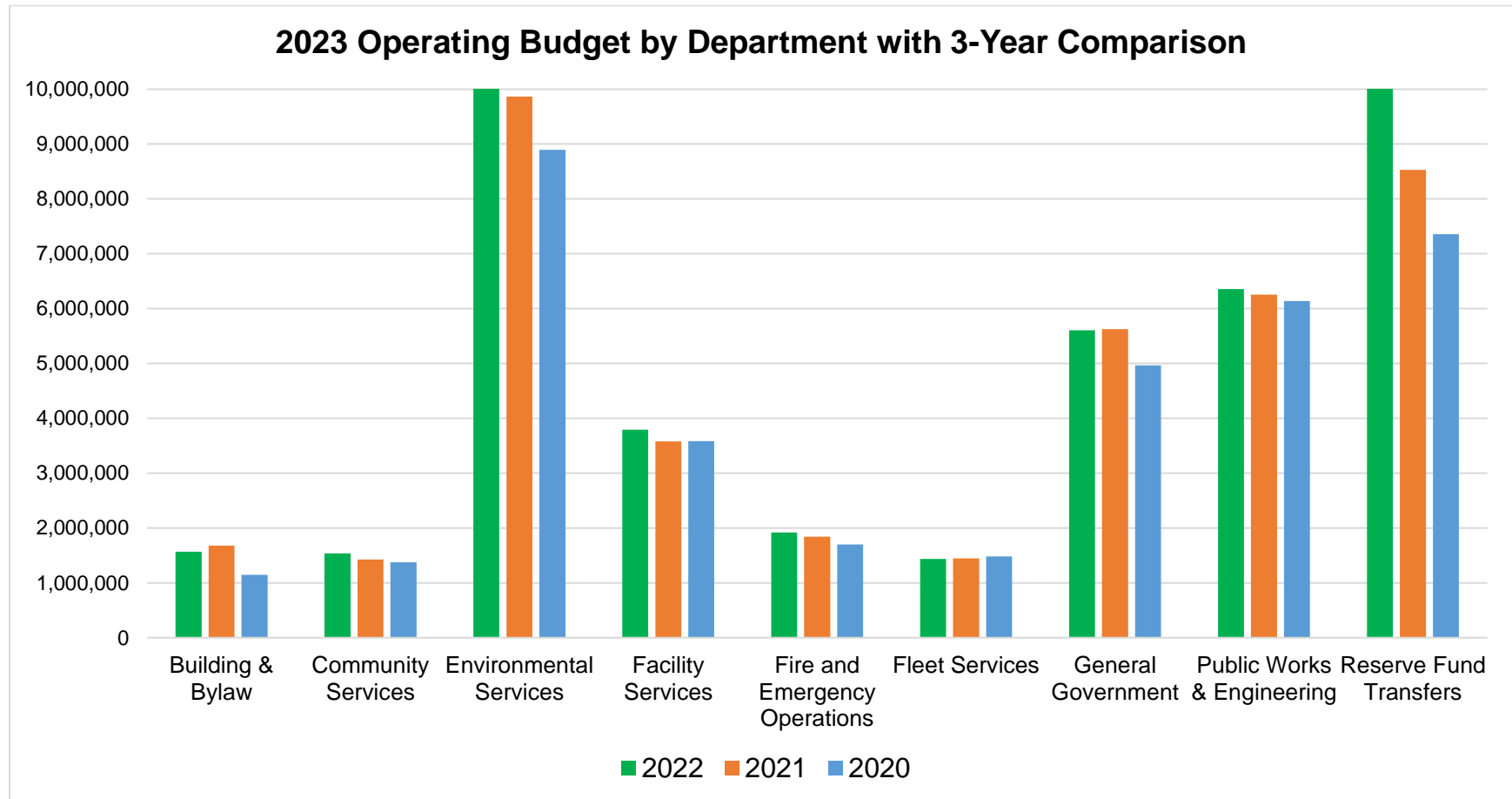
Department	2023 Total Operating Budget (\$)	2022 Total Operating Budget (\$)	2021 Total Operating Budget (\$)
Building & Bylaw	1,567,279	1,680,262	1,146,742
Community Services	1,539,619	1,425,595	1,372,967
Environmental Services	10,831,052	9,864,234	8,894,922
Facility Services	3,791,766	3,576,746	3,582,750
Fire and Emergency Operations	1,918,800	1,843,272	1,700,175
Fleet Services	1,434,968	1,447,273	1,484,034
General Government	5,607,433	5,625,593	4,963,730
Reserve Fund Transfers	10,925,640	8,530,416	7,355,016
Public Works & Engineering	6,356,668	6,254,129	6,136,101
<b>Grand Total</b>	<b>43,973,223</b>	<b>40,247,520</b>	<b>36,636,438</b>

*Note that the Reserve Fund Transfers percentage does not include user fee generated reserve funds such as water, wastewater, stormwater and building.*



# Budget Summary

Figure: 2023 Operating Budget by Department with 3-year comparison



# Budget Summary

**Table: Operating Revenue and Expense Summary, Year-over-Year**

	2023 Budget			2022 Budget			Year over Year Change			
Department	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenue	Expenses	Taxes	% Change
<b>Building &amp; Bylaw</b>										
Animal Control	4,500	43,441	38,941	4,460	42,528	38,068	40	913	873	2.3%
Building	1,414,850	1,414,850	0	1,523,200	1,523,200	0	(108,350)	(108,350)	0	0.0%
By-Law	17,500	108,988	91,488	17,900	114,533	96,633	(400)	(5,546)	(5,146)	-5.3%
<b>Building &amp; Bylaw Total</b>	<b>1,436,850</b>	<b>1,567,279</b>	<b>130,429</b>	<b>1,545,560</b>	<b>1,680,262</b>	<b>134,702</b>	<b>(108,710)</b>	<b>(112,983)</b>	<b>(4,273)</b>	<b>-3.2%</b>
<b>Community Services</b>										
Administration	5,000	860,255	855,255	5,000	848,018	843,018	0	12,237	12,237	1.5%
Parks & Open Space	109,750	679,364	569,614	105,723	577,576	471,853	4,027	101,788	97,761	20.7%
<b>Community Services Total</b>	<b>114,750</b>	<b>1,539,619</b>	<b>1,424,869</b>	<b>110,723</b>	<b>1,425,595</b>	<b>1,314,872</b>	<b>4,027</b>	<b>114,024</b>	<b>109,997</b>	<b>8.4%</b>
<b>Environmental Services</b>										
Stormwater	1,191,579	1,191,579	0	1,079,088	1,079,088	0	112,492	112,492	0	0.0%
Waste Management	1,181,850	1,499,162	317,312	1,055,200	1,381,818	326,618	126,650	117,344	(9,306)	-2.8%
Wastewater	4,059,176	4,059,176	0	3,609,607	3,609,607	0	449,568	449,568	0	0.0%
Water	4,081,135	4,081,135	0	3,793,721	3,793,721	0	287,414	287,414	0	0.0%
<b>Environmental Services Total</b>	<b>10,513,740</b>	<b>10,831,052</b>	<b>317,312</b>	<b>9,537,616</b>	<b>9,864,234</b>	<b>326,618</b>	<b>976,124</b>	<b>966,818</b>	<b>(9,306)</b>	<b>-2.8%</b>
<b>Facility Services</b>										
Administration	0	16,500	16,500	0	15,000	15,000	0	1,500	1,500	10.0%
Arenas	2,027,849	2,609,222	581,373	1,856,598	2,522,611	666,013	171,251	86,611	(84,640)	-12.7%
Community Centres	95,350	314,840	219,490	52,350	291,920	239,570	43,000	22,920	(20,080)	-8.4%
Fire Halls	0	137,041	137,041	0	99,134	99,134	0	37,907	37,907	38.2%
Leased Properties	236,344	236,344	0	238,539	238,539	0	(2,195)	(2,195)	0	0.0%
Libraries	51,798	53,422	1,624	48,419	45,493	(2,926)	3,379	7,929	4,550	-155.5%
Municipal Office	0	140,637	140,637	0	139,659	139,659	0	977	977	0.7%
PWE Operations Centres	0	283,761	283,761	0	224,390	224,390	0	59,371	59,371	26.5%
<b>Facility Services Total</b>	<b>2,411,341</b>	<b>3,791,766</b>	<b>1,380,425</b>	<b>2,195,906</b>	<b>3,576,746</b>	<b>1,380,840</b>	<b>3,379</b>	<b>68,277</b>	<b>64,898</b>	<b>4.7%</b>





# Budget Summary

	2023 Budget			2022 Budget			Year over Year Change			
Department	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenue	Expenses	Taxes	% Change
<b>Fire and Emergency Operations</b>										
Emergency Operations	0	7,450	7,450	0	4,950	4,950	0	2,500	2,500	50.5%
Fire Administration	12,200	696,646	684,446	69,300	602,185	532,885	(57,100)	94,461	151,561	28.4%
Fire Operations	69,000	1,078,178	1,009,178	77,000	1,106,118	1,029,118	(8,000)	(27,940)	(19,940)	-1.9%
Fire Prevention	59,000	115,326	56,326	60,000	112,018	52,018	(1,000)	3,308	4,308	8.3%
Special Operations	0	21,200	21,200		18,000	18,000	0	3,200	3,200	17.8%
<b>Fire and Emergency Operations Total</b>	<b>140,200</b>	<b>1,918,800</b>	<b>1,778,600</b>	<b>206,300</b>	<b>1,843,272</b>	<b>1,636,972</b>	<b>(66,100)</b>	<b>75,528</b>	<b>141,628</b>	<b>8.7%</b>
<b>Fleet Services</b>										
Fleet Administration	49,480	347,118	297,638	45,841	321,321	275,480	3,639	25,797	22,158	8.0%
Building Fleet	0	9,550	9,550	0	8,006	8,006	0	1,544	1,544	19.3%
Community Services Fleet	0	119,500	119,500	0	139,463	139,463	0	(19,963)	(19,963)	-14.3%
Environmental Services Fleet	0	20,000	20,000	0	37,835	37,835	0	(17,835)	(17,835)	-47.1%
Fire Fleet	30,000	91,250	61,250	30,000	120,897	90,897	0	(29,647)	(29,647)	-32.6%
PWE Transportation Fleet	0	847,550	847,550	0	819,752	819,752	0	27,798	27,798	3.4%
<b>Fleet Services Total</b>	<b>79,480</b>	<b>1,434,968</b>	<b>1,355,488</b>	<b>75,841</b>	<b>1,447,273</b>	<b>1,371,433</b>	<b>3,639</b>	<b>(12,306)</b>	<b>(15,945)</b>	<b>-1.2%</b>
<b>General Government</b>										
Cemeteries	1,250	16,935	15,685	2,250	16,935	14,685	(1,000)	0	1,000	6.8%
Conservation Authorities	0	354,175	354,175	0	346,030	346,030	0	8,145	8,145	2.4%
Council	0	243,113	243,113	0	237,588	237,588	0	5,525	5,525	2.3%
COVID-19	0	4,000	4,000	0	75,850	75,850	0	(71,850)	(71,850)	-94.7%
Economic Development	0	75,648	75,648	0	74,328	74,328	0	1,320	1,320	1.8%
General Administration	2,676,576	2,626,130	(50,446)	2,804,962	2,559,387	(245,575)	(128,386)	66,743	195,129	-79.5%
Policing	0	2,287,431	2,287,431	0	2,315,475	2,315,475	0	(28,044)	(28,044)	-1.2%
Reserve Fund Transfers	3,215,883	10,925,640	7,709,757	1,562,416	8,530,416	6,968,000	1,653,467	2,395,224	741,757	10.6%
<b>General Government Total</b>	<b>5,893,709</b>	<b>16,533,073</b>	<b>10,639,364</b>	<b>4,369,628</b>	<b>14,156,009</b>	<b>9,786,381</b>	<b>1,524,081</b>	<b>2,377,064</b>	<b>852,983</b>	<b>8.7%</b>



# Budget Summary

	2023 Budget			2022 Budget			Year over Year Change			
Department	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenue	Expenses	Taxes	% Change
<b>Public Works &amp; Engineering</b>										
Administration	149,824	1,588,680	1,438,855	204,743	1,523,016	1,318,273	(54,919)	65,663	120,582	9.1%
Drainage	69,500	148,443	78,943	68,000	137,727	69,727	1,500	10,716	9,216	13.2%
Municipal Drainage	37,357	37,357	0	33,275	33,275	0	4,082	4,082	0	0.0%
Planning	270,322	500,765	230,444	359,600	397,663	38,063	(89,278)	103,102	192,380	505.4%
Tile Drainage	14,022	14,022	0	20,516	20,516	0	(6,494)	(6,494)	0	0.0%
Transportation	43,000	4,067,401	4,024,401	43,000	4,141,931	4,098,931	0	(74,530)	(74,530)	-1.8%
<b>Public Works &amp; Engineering Total</b>	<b>584,025</b>	<b>6,356,668</b>	<b>5,772,643</b>	<b>729,135</b>	<b>6,254,129</b>	<b>5,524,994</b>	<b>(145,110)</b>	<b>102,538</b>	<b>247,648</b>	<b>4.5%</b>
<b>Grand Total</b>	<b>21,174,094</b>	<b>43,973,223</b>	<b>22,799,130</b>	<b>18,770,708</b>	<b>40,247,520</b>	<b>21,476,811</b>	<b>2,403,386</b>	<b>3,725,704</b>	<b>1,322,318</b>	<b>6.2%</b>

# Budget Summary

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## Capital Budget

Middlesex Centre's capital budget covers large infrastructure and other long-term projects. The municipality presents a five-year capital budget and forecast to fund the assets that support the delivery of services to the community. How our capital assets, projects, programs of work, and funding relate is complex and understanding these relationships is key to developing an efficient and effective capital budget.

The financial decisions we make today are critical to the long-term sustainability of our municipality. The 2023 budget reflects corporate strategic plans and the needs of the community.

The capital budget is the municipality's plan to purchase, build, maintain, repair, and replace assets including infrastructure. Capital assets also directly and indirectly impact the municipality's operating budget as funds are needed to cover day-to-day operating expenses associated with the asset.

There are five main sources of funding for Middlesex Centre's capital projects: reserve funds, debt financing, development charges, donations, and grants. Projects can receive funding from a single source, but many of the projects are funded through multiple sources.

Municipal staff are faced with the challenge of balancing the needs of the community against the resources and funding sources available. To assist in the development of the budget, capital projects have been grouped into three categories:

1. Asset Management related capital projects
2. Growth related capital projects
3. Service-level changes, improvements, or efficiency improvements capital projects

# Budget Summary

**Table: Summary of Recommended Capital Projects by Department**

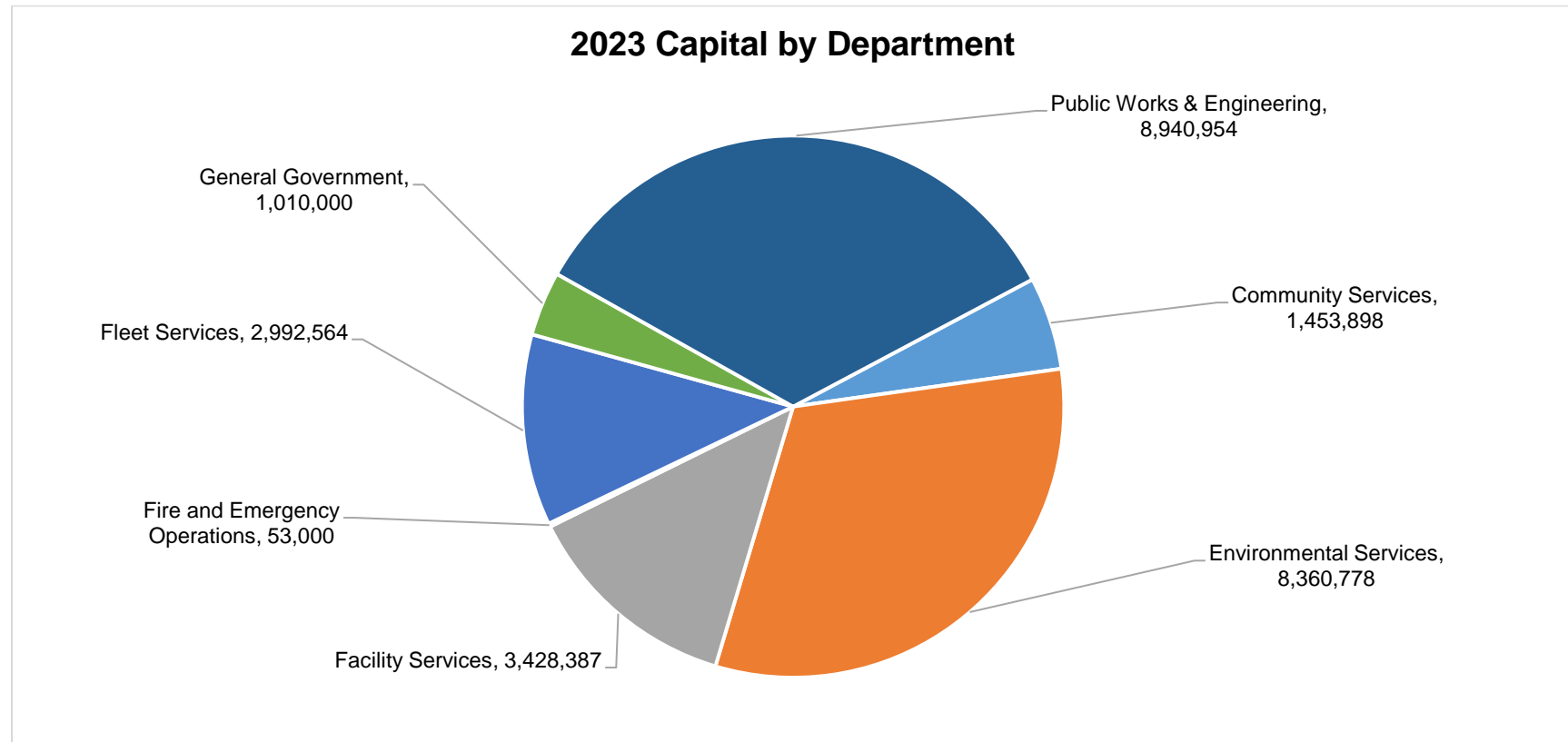
Department	2023	2022	2021
Community Services	1,453,898	1,368,588	1,866,000
Environmental Services:			
Stormwater	906,915	2,289,525	1,625,000
Wastewater	3,158,602	4,830,987	4,242,601
Water	4,295,261	2,176,232	3,370,235
Facility Services	3,428,387	853,742	691,000
Fire and Emergency Operations	53,000	275,000	65,600
Fleet Services	2,992,564	2,826,765	951,000
General Government	1,010,000	1,024,240	1,084,400
Public Works & Engineering	8,940,954	10,279,189	6,833,000
<b>Total</b>	<b>26,239,581</b>	<b>25,924,268</b>	<b>20,728,836</b>

*Note: Change in presentation from 2021 to 2022 and beyond as Fleet Services are being shown separately in 2022 and beyond rather than being included in departmental budgets.*



# Budget Summary

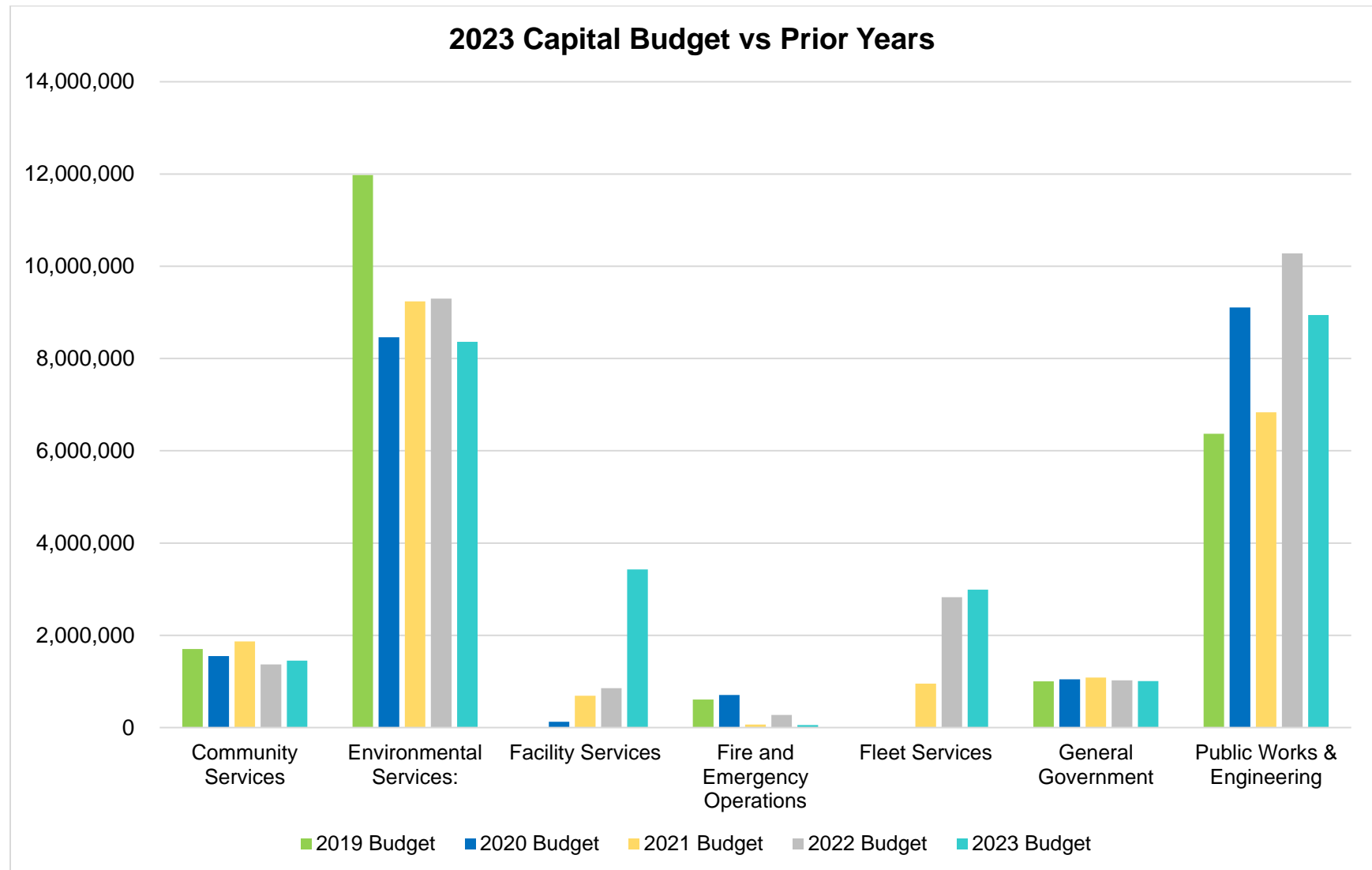
Figure: Capital Budget by Department



*Note: Includes 2022 carryover and new projects for 2023*

# Budget Summary

Figure: Capital Budget by Department – Comparison with Previous Years



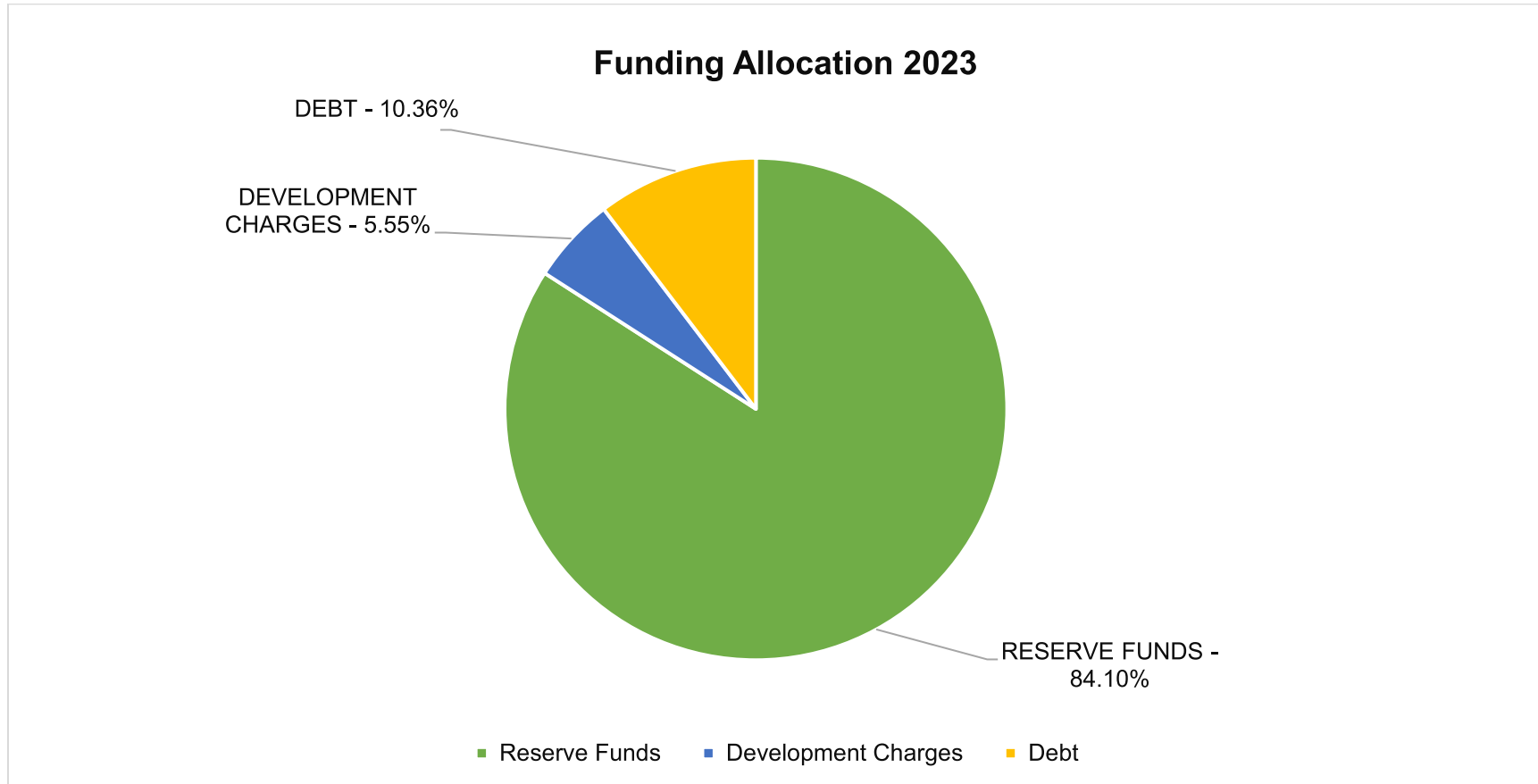
*Note: Fleet displayed as separate department starting in 2022*



# Budget Summary

## Funding Capital Projects

Figure: Breakdown of Capital Funding Sources



*Note: Additional information on each of these funding sources is presented later in the budget.*

# Budget Summary

**Table: Funding of Capital Projects, Reserve Fund Breakdown**

Funding Source	Proposed 2023	% 2023 Allocation	Total 2022	% 2022 Allocation
Build Middlesex Centre Reserve Fund	1,122,912	4.28%	\$ 1,154,475	5.54%
Building Department Reserve Fund	150,000	0.57%	\$ -	0.00%
Buildings & Facilities Reserve Fund	4,102,072	15.63%	\$ 1,025,542	4.92%
Delaware Hydro Reserve Fund	-	0.00%	\$ 60,000	0.29%
Development Charges	1,455,741	5.55%	-	0.00%
Fire Vehicles & Equipment Reserve Fund	57,000	0.22%	\$ 281,000	1.35%
CCBF Reserve Fund	742,500	2.83%	\$ 1,900,000	9.12%
General Vehicles & Equipment Reserve Fund	2,516,064	9.59%	\$ 1,727,750	8.30%
Ilderton Lions Park Reserve Fund	-	0.00%	\$ -	0.00%
Medical Centre Reserve Fund	155,000	0.59%	\$ 27,500	0.13%
Modernization Reserve Fund	10,000	0.04%	\$ 24,240	0.12%
OCIF Reserve Fund	1,607,500	6.13%	\$ 1,135,000	5.45%
Roads Capital Reserve Fund	4,443,454	16.93%	\$ 6,194,195	29.74%
Stormwater Capital Reserve Fund	291,915	1.11%	\$ 1,789,525	8.59%
Wastewater Capital Reserve Fund	3,019,412	11.51%	\$ 3,812,904	18.31%
Water Capital Reserve Fund	3,848,511	14.67%	\$ 1,694,732	8.14%
Debt	2,717,500	10.36%	-	0.00%
<b>TOTAL</b>	<b>26,239,581</b>	<b>100.00%</b>	<b>\$ 20,826,863</b>	<b>100%</b>

*Note: A detailed list of Reserve Funds can be found in the Supplemental Information.*



# Budget Summary

## Five-Year Capital Budget

**Table: 5-Year Capital Expenditures by Department, Summary**

Department	2023	2024	2025	2026	2027	Total 5-Year Forecast
Community Services	1,453,898	3,173,600	645,000	249,000	212,900	5,734,398
Environmental Services	8,360,778	10,654,307	9,326,210	4,711,685	4,720,500	37,773,480
Facility Services	3,428,387	6,910,430	15,588,850	14,695,700	706,400	41,329,767
Fire and Emergency Operations	53,000	60,000	70,000	65,000	95,000	343,000
Fleet Services	2,992,564	3,683,000	5,800,000	3,875,000	3,015,000	19,365,564
General Government	1,010,000	0	0	0	0	1,010,000
Public Works & Engineering	8,940,954	13,879,500	12,964,824	9,790,100	9,562,000	55,137,378
<b>Grand Total</b>	<b>26,239,581</b>	<b>38,360,837</b>	<b>44,394,884</b>	<b>33,386,485</b>	<b>18,311,800</b>	<b>160,693,586</b>



# Budget Summary

**Table: 5-Year Capital Expenditures by Department, Detail**

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
<b>Community Services</b>									
<b>Parks &amp; Open Space</b>									
<b>Buildings &amp; Fixtures:</b>									
Poplar Hill Park - Accessible Washroom Upgrades	Building & Facility	0	76,685	76,685	0	0	0	0	76,685
Komoka Park-Replace Playground	Building & Facility	0	220,000	220,000	0	0	0	0	220,000
Westbrook Park - Replace Shade Structure	Building & Facility	0	0	0	15,000	0	0	0	15,000
Heritage Park - Replace Shade Structure	Building & Facility	0	0	0	15,000	0	0	0	15,000
Heritage Park - LED Lighting Upgrade	Building & Facility	0	0	0	28,500	0	0	0	28,500
Komoka Park - Improve outfield fence for safety reasons	Building & Facility	0	0	0	80,000	0	0	0	80,000
Weldon Park - Renovate Electrical Storage Shed	Building & Facility	0	0	0	42,000	0	0	0	42,000
Coldstream Storage Shed - Roof Replacement	Building & Facility	0	0	0	0	55,000	0	0	55,000
Weldon Park- Replace Jr. Playground	Building & Facility	0	0	0	0	50,000	0	0	50,000
Komoka Park - Irrigation of back soccer fields	Building & Facility	0	0	0	0	110,000	0	0	110,000
Poplar Hill Park - UV Filtration System	Building & Facility	0	0	0	0	0	6,000	0	6,000
Poplar Hill Park- Baseball Diamond Backstop and Fence	Building & Facility	0	0	0	0	0	28,000	0	28,000
Komoka Park - Irrigation of Front baseball diamond	Building & Facility	0	0	0	0	0	110,000	0	110,000
Poplar Hill Park - replace siding on grandstand and washroom buildings	Building & Facility	0	0	0	0	0	0	27,900	27,900
Komoka Park - refinish tennis court and replace nets/posts	Building & Facility	0	0	0	0	0	0	35,000	35,000
<b>Buildings &amp; Fixtures Total</b>		<b>0</b>	<b>296,685</b>	<b>296,685</b>	<b>180,500</b>	<b>215,000</b>	<b>144,000</b>	<b>62,900</b>	<b>899,085</b>
<b>Land Improvements:</b>									
Clear Skies Primary Trail	DC	215,000	0	215,000	0	0	0	0	215,000
Kilworth Optimist - Tridon Park Development (Phase 1)	DC	61,834	0	61,834	0	0	0	0	61,834



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Komoka Civic Square Design	Multiple	147,200	0	147,200	0	0	0	0	147,200
Clear Skies Secondary Trail	DC	172,679	0	172,679	0	0	0	0	172,679
Weldon Park - Tennis Court improvements	Building & Facility	0	105,000	105,000	0	0	0	0	105,000
Weldon Park-6 Disc Golf Stations	Building & Facility	0	15,000	15,000	0	0	0	0	15,000
Denfield Park- Asphalt Parking Lot	Building & Facility	0	85,500	85,500	0	0	0	0	85,500
Heritage Park- Asphalt to Pavilion/Barn	Building & Facility	0	35,000	35,000	0	0	0	0	35,000
Poplar Hill Park- Multi Surface re-surfacing and new lines and nets	Building & Facility	0	0	0	15,000	0	0	0	15,000
Poplar Hill Park - Diamond Backstop and Fence- Clay Diamond	Building & Facility	0	0	0	28,000	0	0	0	28,000
Denfield Park-Replace Diamond Backstop	Building & Facility	0	0	0	18,500	0	0	0	18,500
Delaware Municipal Park Enclose Dugouts	Building & Facility	0	0	0	15,000	0	0	0	15,000
Delaware Lions Park- Irrigate Ball Diamond	Building & Facility	0	0	0	55,000	0	0	0	55,000
Komoka Park - Front soccer field turf and irrigation improvements	Building & Facility	0	0	0	100,000	0	0	0	100,000
Weldon Park - Ball Diamond backstop replacement	Building & Facility	0	0	0	19,500	0	0	0	19,500
Weldon Park - Remove Chips and Dust and change to clay	Building & Facility	0	0	0	70,000	0	0	0	70,000
Deerhaven Park - Tennis Court Lighting	Building & Facility	0	0	0	60,000	0	0	0	60,000
Weldon Park - Replace Main Diamond Infield	Building & Facility	0	0	0	55,000	0	0	0	55,000
Komoka Civic Square Construction	Multiple	0	0	0	1,500,000	0	0	0	1,500,000
Edgewater Trail	DC	0	0	0	0	0	0	150,000	150,000
Brantam Park Development	DC	0	0	0	160,000	0	0	0	160,000
Westbrook Park - Multi Purpose Court Resurfacing	Building & Facility	0	0	0	15,000	0	0	0	15,000
Heritage Park- Convert Stone Dust Diamond to Clay	Building & Facility	0	0	0	40,000	0	0	0	40,000
Construction of 4 pickleball Courts (south)	Building & Facility	0	0	0	150,000	0	0	0	150,000
Bryanston School Property-Tennis Court Resurfacing + Lines + Nets	Building & Facility	0	0	0	95,000	0	0	0	95,000



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Off Leash Dog Park (north)	Building & Facility	0	0	0	50,000	0	0	0	50,000
Poplar Hill Park- Asphalt Roadway by pavilion	Building & Facility	0	0	0	0	45,000	0	0	45,000
Westbrook Park- Splashpad Upgrades	Building & Facility	0	0	0	0	25,000	0	0	25,000
Heritage Park Splash Pad Upgrades	Building & Facility	0	0	0	0	25,000	0	0	25,000
Bryanston Park/School - Ball Diamond Improvements	Building & Facility	0	0	0	0	105,000	0	0	105,000
Clear Skies Park	DC	0	0	0	232,400	0	0	0	232,400
Deerhaven Park- Repaint Tennis Court	Building & Facility	0	0	0	0	30,000	0	0	30,000
Construction of 4 Pickleball Courts (north)	Building & Facility	0	0	0	0	150,000	0	0	150,000
Off Leash Dog Park (south)	Building & Facility	0	0	0	0	50,000	0	0	50,000
Bryanston Park/School - Resurface Tennis Court + New Nets	Building & Facility	0	0	0	0	0	105,000	0	105,000
<b>Land Improvements Total</b>		<b>596,713</b>	<b>240,500</b>	<b>837,213</b>	<b>2,678,400</b>	<b>430,000</b>	<b>105,000</b>	<b>150,000</b>	<b>4,200,613</b>
<b>Other Equipment:</b>									
Westbrook Park- Replace Play Equipment	Building & Facility	75,000	25,000	100,000	0	0	0	0	100,000
Meadowcreek Park - Replace Playground	Building & Facility	0	180,000	180,000	0	0	0	0	180,000
Heritage Park - Backstop and 3rd base line fence Upgrade on Main Diamond	Building & Facility	0	40,000	40,000	0	0	0	0	40,000
Denfield Park - Replace Bleachers	Building & Facility	0	0	0	24,000	0	0	0	24,000
Delaware Municipal Park - Replace Bleachers	Building & Facility	0	0	0	24,000	0	0	0	24,000
Weldon Park - Replace Backstop on Main Diamond	Building & Facility	0	0	0	25,000	0	0	0	25,000
Timberwalk Park	Multiple	0	0	0	241,700	0	0	0	241,700
<b>Other Equipment Total</b>		<b>75,000</b>	<b>245,000</b>	<b>320,000</b>	<b>314,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>634,700</b>
<b>Parks &amp; Open Space Division Total</b>		<b>671,713</b>	<b>782,185</b>	<b>1,453,898</b>	<b>3,173,600</b>	<b>645,000</b>	<b>249,000</b>	<b>212,900</b>	<b>5,734,398</b>
<b>Community Services Department Total</b>		<b>671,713</b>	<b>782,185</b>	<b>1,453,898</b>	<b>3,173,600</b>	<b>645,000</b>	<b>249,000</b>	<b>212,900</b>	<b>5,734,398</b>





# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
<b>Environmental Services</b>									
<b>Stormwater</b>									
<b>Stormsewer Infrastructure:</b>									
Delaware Municipal Drain Replacement	Storm Water	0	0	0	0	97,110	0	0	97,110
Komoka Drain No. 1 - SWM pond	Debt	450,000	60,000	510,000	3,750,000	0	0	0	4,260,000
Komoka Drain No.3 - Union Ave. Branch	Storm Water	233,000	0	233,000	0	0	0	0	233,000
King/George Street Reconstruction	Storm Water	23,915	0	23,915	0	370,875	0	0	394,790
Future projects from the Delaware SWM Master Plan	Storm Water	0	0	0	0	500,000	500,000	500,000	1,500,000
Melrose Stormwater System - Relocate Drainage Systems	Storm Water	0	35,000	35,000	376,250	0	0	0	411,250
10125 Oxbow Dr Phase 1 - Stormwater	Roads Capital	0	105,000	105,000	0	0	0	0	105,000
<b>Stormsewer Infrastructure Total</b>		<b>706,915</b>	<b>200,000</b>	<b>906,915</b>	<b>4,126,250</b>	<b>967,985</b>	<b>500,000</b>	<b>500,000</b>	<b>7,001,150</b>
<b>Stormwater Division Total</b>		<b>706,915</b>	<b>200,000</b>	<b>906,915</b>	<b>4,126,250</b>	<b>967,985</b>	<b>500,000</b>	<b>500,000</b>	<b>7,001,150</b>
<b>Wastewater</b>									
<b>Other Equipment:</b>									
SCADA Replacement	Wastewater	112,882	37,118	150,000	150,000	75,000	75,000	75,000	525,000
<b>Other Equipment Total</b>		<b>112,882</b>	<b>37,118</b>	<b>150,000</b>	<b>150,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>525,000</b>
<b>Wastewater Facilities:</b>									
Demolishing of the Kilworth WWTP	Multiple	125,000	0	125,000	0	0	0	0	125,000
Ilderton Treatment Capacity Upgrades	Wastewater	337,650	0	337,650	130,000	3,110,000	3,110,000	0	6,687,650
Komoka - Upgrade Pumping Station	Multiple	60,000	30,000	90,000	938,000	0	0	0	1,028,000
Arva WWTP - New Facility	DC	0	0	0	0	0	0	4,000,000	4,000,000
Komoka WWTP - Filter Upgrades	Wastewater	190,994	0	190,994	1,535,000	0	0	0	1,725,994
Komoka WWTP - Aeration, Blower and HVAC Improvements	Wastewater	470,000	309,700	779,700	0	0	0	0	779,700
Vertical Wastewater Systems Facilities Improvements	Wastewater	0	15,038	15,038	0	0	0	0	15,038
Influent channel flow monitoring design	Wastewater	201,250	94,250	295,500	0	0	0	0	295,500
Wastewater Submersible Pump Replacement and Rebuild	Wastewater	0	15,000	15,000	0	0	0	0	15,000



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Vertical Wastewater Systems Facilities Improvements	Wastewater	0	60,000	60,000	60,000	60,000	60,000	0	240,000
Ilderton Pump Station #3 Process and Equipment Improvements	Wastewater	0	535,920	535,920	0	0	0	0	535,920
<b>Wastewater Facilities Total</b>		<b>1,384,894</b>	<b>1,059,908</b>	<b>2,444,802</b>	<b>2,663,000</b>	<b>3,170,000</b>	<b>3,170,000</b>	<b>4,000,000</b>	<b>15,447,802</b>
<b>Wastewater Facility Equipment:</b>									
Wastewater Pump Station Equipment Improvement	Wastewater	0	75,000	75,000	75,000	75,000	0	0	225,000
Komoka Wastewater Treatment Plant Schedule C Environmental Assessment	Wastewater	0	0	0	300,000	0	0	0	300,000
Ilderton WWTP Sand Filter Sand Replacement	Wastewater	0	150,000	150,000	0	0	0	0	150,000
Dissolved Oxygen Sensor Upgrades	Wastewater	0	68,800	68,800	0	0	0	0	68,800
Wastewater Pump Station Equipment Improvements	Wastewater	0	0	0	0	0	75,000	0	75,000
<b>Wastewater Facility Equipment Total</b>		<b>0</b>	<b>293,800</b>	<b>293,800</b>	<b>375,000</b>	<b>75,000</b>	<b>75,000</b>	<b>0</b>	<b>818,800</b>
<b>Wastewater Mains:</b>									
Komoka Road Forcemain Replacement	Multiple	120,000	0	120,000	1,720,000	0	0	0	1,840,000
Design Komoka WWTP - Headworks	Multiple	0	0	0	200,000	3,450,000	0	0	3,650,000
Servicing of Tunks Lane (1 of 2)	Wastewater	100,000	0	100,000	0	0	0	0	100,000
Horizontal Wastewater System Rehabilitation	Wastewater	0	50,000	50,000	50,000	50,000	50,000	0	200,000
<b>Wastewater Mains Total</b>		<b>220,000</b>	<b>50,000</b>	<b>270,000</b>	<b>1,970,000</b>	<b>3,500,000</b>	<b>50,000</b>	<b>0</b>	<b>5,790,000</b>
<b>Wastewater Division Total</b>		<b>1,717,776</b>	<b>1,440,826</b>	<b>3,158,602</b>	<b>5,158,000</b>	<b>6,820,000</b>	<b>3,370,000</b>	<b>4,075,000</b>	<b>22,581,602</b>
<b>Water</b>									
<b>Other Equipment:</b>									
SCADA Replacement (2 of 2)	Water	122,882	27,118	150,000	150,000	75,000	75,000	75,000	525,000
Birr Equipment Improvements	Water	34,604	0	34,604	0	0	0	0	34,604
Birr Equipment Improvements	Water	0	0	0	86,250	9,375	11,718	0	107,343
<b>Other Equipment Total</b>		<b>157,485</b>	<b>27,118</b>	<b>184,604</b>	<b>236,250</b>	<b>84,375</b>	<b>86,718</b>	<b>75,000</b>	<b>666,947</b>
<b>Wastewater Facilities:</b>									
Melrose Equipment Improvements	Water	60,000	0	60,000	0	0	0	0	60,000
<b>Wastewater Facilities Total</b>		<b>60,000</b>	<b>0</b>	<b>60,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,000</b>



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
<b>Water Facilities:</b>									
Arva Water Plant Upgrades	Water	37,300	0	37,300	0	0	0	0	37,300
Well Maintenance	Water	7,307	0	7,307	10,307	0	10,307	0	27,921
Water Facilities - Process Mechanical Improvements	Water	0	150,000	150,000	80,000	18,800	15,450	3,500	267,750
Instrumentation & Control, electrical generator and ATS	Water	113,000	37,000	150,000	245,500	17,500	12,210	0	425,210
Building Mechanical, Structural & Site Work	Water	0	187,300	187,300	38,000	24,500	17,000	17,000	283,800
Water Facilities Improvements	Water	0	50,000	50,000	50,000	50,000	50,000	50,000	250,000
Vertical Water System Improvements	Water	0	0	0	150,000	0	150,000	0	300,000
<b>Water Facilities Total</b>		<b>157,607</b>	<b>424,300</b>	<b>581,907</b>	<b>573,807</b>	<b>110,800</b>	<b>254,967</b>	<b>70,500</b>	<b>1,591,981</b>
<b>Water Mains:</b>									
Arva Water main replacement & twinning	Water	0	0	0	0	913,050	0	0	913,050
Melrose Lake Huron Primary Water Supply Connection	Water	93,750	2,720,000	2,813,750	0	0	0	0	2,813,750
Delaware Water Supply Interconnection Phase 2	Multiple	125,000	0	125,000	0	0	0	0	125,000
Servicing of Tunks Lane (2 of 2)	Water	60,000	0	60,000	0	0	0	0	60,000
Longwood Road Watermain Extension	Delaware Hydro Reserve Fund	0	0	0	60,000	0	0	0	60,000
Glendon Drive Watermain Twinning	DC	440,000	0	440,000	0	0	0	0	440,000
King/George - Street Reconstruction	Water	0	30,000	30,000	0	430,000	0	0	460,000
Linear Watermain Replacement	Water	0	0	0	500,000	0	500,000	0	1,000,000
<b>Water Mains Total</b>		<b>718,750</b>	<b>2,750,000</b>	<b>3,468,750</b>	<b>560,000</b>	<b>1,343,050</b>	<b>500,000</b>	<b>0</b>	<b>5,871,800</b>
<b>Water Division Total</b>		<b>1,093,842</b>	<b>3,201,418</b>		<b>1,370,057</b>	<b>1,538,225</b>	<b>841,685</b>	<b>145,500</b>	<b>8,190,728</b>
<b>Environmental Services Department Total</b>		<b>3,518,533</b>	<b>4,842,245</b>	<b>8,360,778</b>	<b>10,654,307</b>	<b>9,326,210</b>	<b>4,711,685</b>	<b>4,720,500</b>	<b>37,773,480</b>
<b>Facility Services</b>									
<b>Arenas</b>									
<b>Buildings &amp; Fixtures:</b>									
Wellness Centre Rink Shielding for Players Benches	Building & Facility	0	16,500	16,500	0	0	0	0	16,500



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Wellness Centre - Library Carpet Replacement	Building & Facility	0	25,000	25,000	0	0	0	0	25,000
Wellness Centre - Lighting Retrofit Phase 1	Building & Facility	0	0	0	50,000	0	0	0	50,000
Wellness Centre - Replace Change Room Sinks & Counters	Building & Facility	0	0	0	37,200	0	0	0	37,200
Wellness Centre - Replace Front Sliding Doors	Building & Facility	0	0	0	25,000	0	0	0	25,000
Ilderton Arena - Dressing Room HVAC	Building & Facility	0	0	0	68,850	0	0	0	68,850
Ilderton Arena-Facility Lighting Replacement	Building & Facility	0	0	0	150,000	0	0	0	150,000
Komoka Wellness Centre- General - Storage Shed for Parks Equipment	Building & Facility	0	0	0	150,000	0	0	0	150,000
Wellness Centre - Building Automation Upgrades	Building & Facility	0	0	0	65,000	0	0	0	65,000
Wellness Centre HVAC unit replacement	Building & Facility	0	0	0	45,000	52,500	48,700	68,500	214,700
Ilderton Recreation Facility Construction	Multiple	0	0	0	1,750,000	12,950,000	12,593,000	0	27,293,000
Wellness Centre - Rink - rink board kick strip replacement Can 2024 Coors 2025	Building & Facility	0	0	0	21,500	21,500	0	0	43,000
Wellness Centre - Air Quality Monitoring System	Building & Facility	0	0	0	25,000	0	0	0	25,000
Komoka Wellness Centre-Hockey Goal Frame - New Set	Building & Facility	0	0	0	0	4,500	0	0	4,500
Komoka Wellness Centre-Lighting Retrofit- Phase 2	Building & Facility	0	0	0	0	120,000	0	0	120,000
Komoka Wellness Centre-Gym HVAC Replacement	Building & Facility	0	0	0	0	110,000	0	0	110,000
Ilderton Arena - Lobby Renovation	Building & Facility	0	0	0	0	1,500,000	0	0	1,500,000
Ilderton Arena- First Floor Furnace	Building & Facility	0	0	0	0	8,600	0	0	8,600
Ilderton Arena-Hockey Goal Frame Replacement	Building & Facility	0	0	0	0	5,250	0	0	5,250
Wellness Centre - Refrigeration plant generator	Building & Facility	0	0	0	0	225,000	0	0	225,000
Ilderton Arena - Rebuild comp # 3 and replace motor	Building & Facility	0	0	0	0	22,500	0	0	22,500
Wellness Centre - Lobby Furniture Re-Fresh	Building & Facility	0	0	0	0	10,000	0	0	10,000
Wellness Centre Canadian Pad Sound System Replacement	Building & Facility	0	0	0	0	100,000	0	0	100,000



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Komoka Wellness Centre - Reseal South Facing Windows	Building & Facility	0	0	0	0	10,000	0	0	10,000
Komoka Wellness Centre- Refrigerant Cooling Tower Replacement	Building & Facility	0	0	0	0	0	140,000	0	140,000
Komoka Wellness Centre- Replace Outdoor Digital Sign	Building & Facility	0	0	0	0	0	28,500	0	28,500
Komoka Wellness Centre-Splashpad Improvements	Building & Facility	0	0	0	0	0	35,000	0	35,000
Ilderton Arena- Hydronic Heating Boiler	Building & Facility	0	0	0	0	0	11,500	0	11,500
KWC - Build Indoor Snow Melting Pit Inside Ice Resurfacer Room	Building & Facility	0	0	0	0	0	250,000	0	250,000
Wellness Centre - Replace cooling tower	Building & Facility	0	0	0	0	0	172,000	0	172,000
Wellness Centre - Replace Library + YMCA roof	Building & Facility	0	0	0	0	0	0	350,000	350,000
Wellness Centre - Replace Arid-Ice dehumidifier	Building & Facility	0	0	0	0	0	0	165,000	165,000
Wellness Centre - Replace ride on scrubber	General Vehicles & Equipment	0	0	0	0	0	0	19,500	19,500
Wellness Centre - replace floor scrubber	General Vehicles & Equipment	0	0	0	0	0	0	19,500	19,500
<b>Buildings &amp; Fixtures Total</b>		<b>0</b>	<b>41,500</b>	<b>41,500</b>	<b>2,387,550</b>	<b>15,139,850</b>	<b>13,278,700</b>	<b>6 2 2 , 5 0 0</b>	<b>31,470,100</b>
<b>Other Equipment:</b>									
Wellness Centre Cooling Tower Rebuild	Building & Facility	0	25,000	25,000	0	0	0	0	25,000
Wellness Centre - Compressor 3 Replacement	Building & Facility	0	29,000	29,000	0	0	0	0	29,000
Ilderton Arena - Rebuild Compressor #1 and replace motor	Building & Facility	0	18,600	18,600	0	0	0	0	18,600
Ilderton Arena - Brine Pipe Replacement	Building & Facility	0	10,500	10,500	0	0	0	0	10,500
Ilderton Arena - Replace Brine Pump & Motor	Building & Facility	0	12,500	12,500	0	0	0	0	12,500
Ilderton Arena - Replace Floor Scrubber	General Vehicles & Equipment	0	9,750	9,750	0	0	0	0	9,750
Komoka Wellness Centre-Playground spinner stage 2 net and install	Building & Facility	0	15,000	15,000	0	0	0	0	15,000
Wellness Centre - Replace Sound System on Coors Pad	Building & Facility	0	0	0	60,000	0	0	0	60,000
Wellness Centre - Plate & Frame Heat Exchange	Building & Facility	0	0	0	32,500	0	0	0	32,500



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Wellness Centre - YMCA Improvements	Building & Facility	0	0	0	75,000	0	0	0	75,000
Ilderton Arena - Rebuild Compressor #2 and replace motor	Building & Facility	0	0	0	22,500	0	0	0	22,500
Ilderton Arena - Replace Cooling Tower	Building & Facility	0	0	0	100,000	0	0	0	100,000
Ilderton Arena - New Rink Boards and Glass	Building & Facility	0	0	0	400,000	0	0	0	400,000
Ilderton Arena - Replace main Rink Chiller	Building & Facility	0	0	0	100,000	0	0	0	100,000
Ilderton Arena - Header Replacement	Building & Facility	0	0	0	75,000	0	0	0	75,000
<b>Other Equipment Total</b>		<b>0</b>	<b>120,350</b>	<b>120,350</b>	<b>865,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>985,350</b>
<b>Arenas Division Total</b>		<b>0</b>	<b>161,850</b>	<b>161,850</b>	<b>3,252,550</b>	<b>15,139,850</b>	<b>13,278,700</b>	<b>6 2 2 , 5 0 0</b>	<b>32,455,450</b>
<b>Community Centres</b>									
<b>Buildings &amp; Fixtures:</b>									
Komoka Community Centre - Bar Fridge Replacement	Building & Facility	0	6,500	6,500	0	0	0	0	6,500
Komoka Community Centre - Washroom Accessibility Upgrades	Building & Facility	0	85,000	85,000	0	0	0	0	85,000
Komoka Community Centre - HVAC replacement with heat pumps (main hall)	Building & Facility	0	125,000	125,000	0	0	0	0	125,000
Ilderton Community Centre Automatic Door	Building & Facility	0	24,500	24,500	0	0	0	0	24,500
Bryanston Community Centre - HVAC Condensing Unit	Building & Facility	0	6,850	6,850	0	0	0	0	6,850
Bryanston Community Centre - New Furnace	Building & Facility	0	6,800	6,800	0	0	0	0	6,800
Delaware Community Centre - Replace Lennox Rooftop Units	Building & Facility	0	60,000	60,000	0	0	0	0	60,000
Delaware Community Centre-OPP/Archives exterior entrance door + Atrium	Building & Facility	0	12,500	12,500	0	0	0	0	12,500
Komoka Community Centre-Replace Rear Exterior Kitchen Door	Building & Facility	0	6,000	6,000	0	0	0	0	6,000
Komoka Community Centre-Replace Upper and Lower Roof	Building & Facility	0	0	0	450,000	0	0	0	450,000
Delaware Community Centre - Upgrade Lighting	Building & Facility	0	0	0	75,000	0	0	0	75,000
Komoka Community Centre - meeting room flooring	Building & Facility	0	0	0	5,400	0	0	0	5,400



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Coldstream Community Centre - Kitchen Upgrades	Building & Facility	0	0	0	38,500	0	0	0	38,500
Ilderton Community Centre - HVAC Replacement	Building & Facility	0	0	0	45,000	0	0	0	45,000
Bryanston Community Centre - Paint Interior Walls	Building & Facility	0	0	0	10,000	0	0	0	10,000
Delaware Community Centre Replace Rooftop Exhaust Fans	Building & Facility	0	0	0	12,500	0	0	0	12,500
Komoka Community Centre-Lighting Retrofit utilizing Save on Energy Grants	Building & Facility	0	0	0	20,000	0	0	0	20,000
Komoka Community Centre-Main Hall Flooring Replacement	Building & Facility	0	0	0	45,000	0	0	0	45,000
Komoka Community Centre-Mens and Ladies Washroom Improvements	Building & Facility	0	0	0	82,500	0	0	0	82,500
Komoka Community Centre - replace library flooring	Building & Facility	0	0	0	5,400	0	0	0	5,400
Delaware Community Centre - Lighting Update in Facility - Phase 2	Building & Facility	0	0	0	0	75,000	0	0	75,000
Komoka Community Centre-Lighting Upgrade - Entire Facility	Building & Facility	0	0	0	0	65,000	0	0	65,000
Bryanston Community Centre - Floor Scrubber Replacement	General Vehicles & Equipment	0	0	0	0	9,000	0	0	9,000
Delaware Community Centre- Upper Roof Replacement	Building & Facility	0	0	0	0	0	190,000	0	190,000
Delaware Community Centre - Upper sloped roof replacement	Building & Facility	0	0	0	0	0	175,000	0	175,000
Bryanston Community Centre- Bar Fridge/Cooler	Building & Facility	0	0	0	0	0	4,500	0	4,500
Ilderton Community Centre - Sound system replacement	Building & Facility	0	0	0	0	0	0	8,900	8,900
<b>Buildings &amp; Fixtures Total</b>		<b>0</b>	<b>333,150</b>	<b>333,150</b>	<b>789,300</b>	<b>149,000</b>	<b>369,500</b>	<b>8,900</b>	<b>1,649,850</b>
<b>Land Improvements:</b>									
Komoka Community Centre - Re-Asphalt Parking Lot	Building & Facility	0	0	0	185,000	0	0	0	185,000
Delaware Community Centre-Lower Parking Lot-Security Gate Arm	Building & Facility	0	0	0	0	35,000	0	0	35,000
Ilderton Community Centre - Resurface asphalt parking lot and service entrance.	Building & Facility	0	0	0	0	160,000	0	0	160,000
<b>Land Improvements Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>185,000</b>	<b>195,000</b>	<b>0</b>	<b>0</b>	<b>380,000</b>





# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
<b>Other Equipment:</b>									
Komoka Community Centre Floor Scrubber Replacement	General Vehicles & Equipment	0	9,750	9,750	0	0	0	0	9,750
Coldstream Community Centre - Replace Floor Scrubber	General Vehicles & Equipment	0	9,000	9,000	0	0	0	0	9,000
Delaware Community Centre - Replace Floor Scrubber	General Vehicles & Equipment	0	0	0	9,500	0	0	0	9,500
Ilderton Community Centre - Floor Scrubber	General Vehicles & Equipment	0	0	0	9,000	0	0	0	9,000
<b>Other Equipment Total</b>		<b>0</b>	<b>18,750</b>	<b>18,750</b>	<b>18,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37,250</b>
<b>Community Centres Division Total</b>		<b>0</b>	<b>351,900</b>	<b>351,900</b>	<b>992,800</b>	<b>344,000</b>	<b>369,500</b>	<b>8,900</b>	<b>2,067,100</b>
<b>Fire Halls</b>									
<b>Buildings &amp; Fixtures:</b>									
Arva Firehall - Replace Farmco Air Compressor	Building & Facility	0	0	0	7,500	0	0	0	7,500
Arva Fire Station - Radiant Heat in Apparatus Bays	Building & Facility	0	0	0	14,000	0	0	0	14,000
Ilderton Fire Station - Replace VCT Flooring	Building & Facility	0	0	0	0	10,000	0	0	10,000
Ilderton Firehall- Replace Radiant Heaters	Building & Facility	0	0	0	0	7,500	0	0	7,500
Arva Firehall-Replace read west overhead door	Building & Facility	0	0	0	0	15,000	0	0	15,000
Coldstream Firehall-Irrigation for front lawn area and flower beds	Building & Facility	0	0	0	0	30,000	0	0	30,000
Additional Facility Space (2 additional vehicle bays)	Multiple	0	0	0	0	0	830,000	0	830,000
Arva Firehall-Replace Roof	Building & Facility	0	0	0	0	0	85,000	0	85,000
Coldstream Fire Station - replace washing machine	Building & Facility	0	0	0	0	0	0	2,100	2,100
Coldstream Fire Hall - replace water softener system	Building & Facility	0	0	0	0	0	0	12,500	12,500
Ilderton Firehall - replace washing machine	Building & Facility	0	0	0	0	0	0	2,100	2,100
Arva Firehall - Replace washing machine	Building & Facility	0	0	0	0	0	0	2,100	2,100
Arva Firehall - replace siding	Building & Facility	0	0	0	0	0	0	24,500	24,500
Bryanston Firehall - replace radiant tube heaters	Building & Facility	0	0	0	0	0	0	23,500	23,500



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Ilderton Fire Hall - replace air compressor	Building & Facility	0	0	0	0	0	0	8,200	8,200
<b>Buildings &amp; Fixtures Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>21,500</b>	<b>62,500</b>	<b>915,000</b>	<b>75,000</b>	<b>1,074,000</b>
<b>Fire Halls Division Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>21,500</b>	<b>62,500</b>	<b>915,000</b>	<b>75,000</b>	<b>1,074,000</b>
<b>Leased Properties</b>									
<b>Buildings &amp; Fixtures:</b>									
Bryanston School-Replace Hydrotherm Boiler	Building & Facility	0	0	0	92,202	0	0	0	92,202
Ilderton Medical Centre - Emergency generator supply and install	Medical Centre Reserve Fund	0	125,000	125,000	0	0	0	0	125,000
Ilderton Medical Centre - Replace Roof Top Unit #1	Medical Centre Reserve Fund	0	30,000	30,000	0	0	0	0	30,000
Ilderton Medical Centre-Replace Roof Top Unit	Medical Centre Reserve Fund	0	0	0	30,000	0	0	0	30,000
Bryanston Park/School - Roof Replacement	Building & Facility	0	0	0	200,000	0	0	0	200,000
Bryanston School- Replace Hot Water Tanks	Building & Facility	0	0	0	17,500	0	0	0	17,500
Bryanston School Property-New Roof over Gymnasium	Building & Facility	0	0	0	100,000	0	0	0	100,000
Bryanston School Property-New Windows on all Classrooms	Building & Facility	0	0	0	60,000	0	0	0	60,000
Ilderton Medical Centre - Replace Roof Top Unit (Staggered replacement)	Medical Centre Reserve Fund	0	0	0	0	30,000	0	0	30,000
<b>Buildings &amp; Fixtures Total</b>		<b>0</b>	<b>155,000</b>	<b>155,000</b>	<b>499,702</b>	<b>30,000</b>	<b>0</b>	<b>0</b>	<b>684,702</b>
<b>Land Improvements:</b>									
Bryanston School - Asphalt Parking Lot	Building & Facility	0	0	0	195,000	0	0	0	195,000
<b>Land Improvements Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>195,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>195,000</b>
<b>Leased Properties Division Total</b>		<b>0</b>	<b>155,000</b>	<b>155,000</b>	<b>694,702</b>	<b>30,000</b>	<b>0</b>	<b>0</b>	<b>879,702</b>
<b>Libraries</b>									
<b>Buildings &amp; Fixtures:</b>									
Delaware Library - Flooring Replacement	Building & Facility	0	15,000	15,000	0	0	0	0	15,000
Coldstream Library - New Entrance Doors	Building & Facility	0	0	0	12,500	0	0	0	12,500
Coldstream Library - New Accessible Ramp	Building & Facility	0	0	0	15,000	0	0	0	15,000



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Coldstream Library-New Washroom Fixtures + flooring	Building & Facility	0	0	0	17,500	0	0	0	17,500
Delaware Library- Condensin unit replacement	Building & Facility	0	0	0	5,000	0	0	0	5,000
Coldstream Library-New Awnings over front and rear doors	Building & Facility	0	0	0	0	10,000	0	0	10,000
Coldstream Library - New Water Heater	Building & Facility	0	0	0	0	2,500	0	0	2,500
Ilderton Library Replace South Facing Windows	Building & Facility	0	0	0	0	0	7,500	0	7,500
<b>Buildings &amp; Fixtures Total</b>		<b>0</b>	<b>15,000</b>	<b>15,000</b>	<b>50,000</b>	<b>12,500</b>	<b>7,500</b>	<b>0</b>	<b>85,000</b>
<b>Libraries Division Total</b>		<b>0</b>	<b>15,000</b>	<b>15,000</b>	<b>50,000</b>	<b>12,500</b>	<b>7,500</b>	<b>0</b>	<b>85,000</b>
<b>Municipal Office</b>									
<b>Buildings &amp; Fixtures:</b>									
Municipal Office HVAC- West Office Area	Building & Facility	45,000	0	45,000	0	0	0	0	45,000
Municipal Office- Consulting for Detailed Design for Renovations	Building & Facility	0	161,637	161,637	53,878	0	0	0	215,515
Municipal Office Renovations/Construction	Building & Facility	0	2,500,000	2,500,000	1,800,000	0	0	0	4,300,000
Coldstream Community Centre Water Softener System Replacement	Building & Facility	0	15,000	15,000	0	0	0	0	15,000
<b>Buildings &amp; Fixtures Total</b>		<b>45,000</b>	<b>2,676,637</b>	<b>2,721,637</b>	<b>1,853,878</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,575,515</b>
<b>Municipal Office Division Total</b>		<b>45,000</b>	<b>2,676,637</b>	<b>2,721,637</b>	<b>1,853,878</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,575,515</b>
<b>PWE Operations Centres</b>									
<b>Buildings &amp; Fixtures:</b>									
Delaware PWE-HVAC Install for Sign Printer Room	Building & Facility	0	11,500	11,500	0	0	0	0	11,500
Delaware PWE - replace 3 o/h door operators	Building & Facility	0	11,500	11,500	0	0	0	0	11,500
Denfield PWE - Replace Ceiling Tiles Admin area	Building & Facility	0	0	0	18,000	0	0	0	18,000
Delaware PWE - Air Quality Monitoring System	Building & Facility	0	0	0	12,500	0	0	0	12,500
Denfield PWE - replace 4 o/h door openers	Building & Facility	0	0	0	14,500	0	0	0	14,500
<b>Buildings &amp; Fixtures Total</b>		<b>0</b>	<b>23,000</b>	<b>23,000</b>	<b>45,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>68,000</b>



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
<b>Other Equipment:</b>									
Denfield PWE Gas Pump System	Building & Facility	0	0	0	0	0	125,000	0	125,000
<b>Other Equipment Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>125,000</b>	<b>0</b>	<b>125,000</b>
<b>PWE Operations Centres Division Total</b>		<b>0</b>	<b>23,000</b>	<b>23,000</b>	<b>45,000</b>	<b>0</b>	<b>125,000</b>	<b>0</b>	<b>193,000</b>
<b>Facility Services Department Total</b>		<b>45,000</b>	<b>3,383,387</b>	<b>3,428,387</b>	<b>6,910,430</b>	<b>15,588,850</b>	<b>14,695,700</b>	<b>706,400</b>	<b>41,329,767</b>
<b>Fire and Emergency Operations</b>									
<b>Fire Operations</b>									
<b>Other Equipment:</b>									
SCBA and Accessories	Fire Vehicles & Equipment	0	15,000	15,000	0	0	0	0	15,000
Personal Protective Equipment (PPE)	Fire Vehicles & Equipment	0	38,000	38,000	0	0	0	0	38,000
Hose and Hose Accessories	Fire Vehicles & Equipment	0	0	0	35,000	0	0	0	35,000
Decon and Rehab Shelter	Fire Vehicles & Equipment	0	0	0	25,000	0	0	0	25,000
Extrication Equipment	Fire Vehicles & Equipment	0	0	0	0	70,000	0	0	70,000
Personal Protective Equipment (PPE)	Fire Vehicles & Equipment	0	0	0	0	0	45,000	0	45,000
SCBA and Accessories	Fire Vehicles & Equipment	0	0	0	0	0	20,000	0	20,000
Extrication Equipment	Fire Vehicles & Equipment	0	0	0	0	0	0	75,000	75,000
Hose and Hose Accessories	Fire Vehicles & Equipment	0	0	0	0	0	0	20,000	20,000
<b>Other Equipment Total</b>		<b>0</b>	<b>53,000</b>	<b>53,000</b>	<b>60,000</b>	<b>70,000</b>	<b>65,000</b>	<b>95,000</b>	<b>343,000</b>
<b>Fire Operations Division Total</b>		<b>0</b>	<b>53,000</b>	<b>53,000</b>	<b>60,000</b>	<b>70,000</b>	<b>65,000</b>	<b>95,000</b>	<b>343,000</b>
<b>Fire and Emergency Operations Department Total</b>		<b>0</b>	<b>53,000</b>	<b>53,000</b>	<b>60,000</b>	<b>70,000</b>	<b>65,000</b>	<b>95,000</b>	<b>343,000</b>



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
<b>Fleet Services</b>									
<b>Building Fleet</b>									
<b>Vehicles &amp; Machinery:</b>									
Replacement Vehicle	Building Department Reserve Fund	0	50,000	50,000	0	0	0	0	50,000
Replacement Vehicle	Building Department Reserve Fund	0	50,000	50,000	0	0	0	0	50,000
Replacement Vehicle	Building Department Reserve Fund	0	50,000	50,000	0	0	0	0	50,000
New Vehicle	Building Department Reserve Fund	0	0	0	0	60,000	0	0	60,000
<b>Vehicles &amp; Machinery Total</b>		<b>0</b>	<b>150,000</b>	<b>150,000</b>	<b>0</b>	<b>60,000</b>	<b>0</b>	<b>0</b>	<b>210,000</b>
<b>Building Fleet Division Total</b>		<b>0</b>	<b>150,000</b>	<b>150,000</b>	<b>0</b>	<b>60,000</b>	<b>0</b>	<b>0</b>	<b>210,000</b>
<b>Community Services Fleet</b>									
<b>Other Equipment:</b>									
Attachments for John Deere Front Mount	General Vehicles & Equipment	0	22,500	22,500	0	0	0	0	22,500
New Fast Ice Resurfacer system	General Vehicles & Equipment	0	25,000	25,000	0	0	0	0	25,000
Small Engine Equipment	General Vehicles & Equipment	0	6,000	6,000	0	0	0	0	6,000
Replacement Scissor Lift	General Vehicles & Equipment	0	0	0	30,000	0	0	0	30,000
New Self-Propelled Ice Painter	General Vehicles & Equipment	0	0	0	12,500	0	0	0	12,500
Small Engine Equipment	General Vehicles & Equipment	0	0	0	6,000	0	0	0	6,000
Replacement Dump Trailer	General Vehicles & Equipment	0	0	0	0	20,000	0	0	20,000
New Towable Mulcher	General Vehicles & Equipment	0	0	0	0	10,000	0	0	10,000
Small Engine Equipment	General Vehicles & Equipment	0	0	0	0	6,000	0	0	6,000
New Diamond Groomer	General Vehicles & Equipment	0	0	0	0	0	15,000	0	15,000



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Small Engine Equipment	General Vehicles & Equipment	0	0	0	0	0	6,000	0	6,000
Small Engine Equipment	General Vehicles & Equipment	0	0	0	0	0	0	6,000	6,000
<b>Other Equipment Total</b>		<b>0</b>	<b>53,500</b>	<b>53,500</b>	<b>48,500</b>	<b>36,000</b>	<b>21,000</b>	<b>6,000</b>	<b>165,000</b>
<b>Vehicles &amp; Machinery:</b>									
Replacement Dump Trailer	General Vehicles & Equipment	0	17,500	17,500	0	0	0	0	17,500
Replacement Zero Turn Mower	General Vehicles & Equipment	0	30,000	30,000	0	0	0	0	30,000
Transfer Building dept vehicle	General Vehicles & Equipment	0	15,000	15,000	0	0	0	0	15,000
New 18' -20' Float Trailer	DC	0	0	0	17,500	0	0	0	17,500
Replacement Ice Edger	General Vehicles & Equipment	0	0	0	8,000	0	0	0	8,000
New Zero Turn Mower	DC	0	0	0	30,000	0	0	0	30,000
Replacement Van	General Vehicles & Equipment	0	0	0	50,000	0	0	0	50,000
New 1/2 Ton Truck	DC	0	0	0	65,000	0	0	0	65,000
Replacement Trailer	General Vehicles & Equipment	0	0	0	0	25,000	0	0	25,000
Replacement Drum Roller	General Vehicles & Equipment	0	0	0	0	15,000	0	0	15,000
Replacement Diamond Groomer	General Vehicles & Equipment	0	0	0	0	20,000	0	0	20,000
Replacement Ice Resurfacer	General Vehicles & Equipment	0	0	0	0	150,000	0	0	150,000
New Zero Turn Mower	DC	0	0	0	0	30,000	0	0	30,000
Replacement 1/2 Ton Pickup Truck	General Vehicles & Equipment	0	0	0	0	60,000	0	0	60,000
Replacement 1/2 Ton Pickup Truck	General Vehicles & Equipment	0	0	0	0	60,000	0	0	60,000
Replacement 1/2 Ton Pickup Truck	General Vehicles & Equipment	0	0	0	0	60,000	0	0	60,000
Replacement 3/4 Ton Pickup Truck	General Vehicles & Equipment	0	0	0	0	80,000	0	0	80,000
New 1/2 Ton Truck	DC	0	0	0	0	65,000	0	0	65,000
Ilderton Arena- New Electric Ice Resurfacer	General Vehicles & Equipment	0	0	0	0	0	160,000	0	160,000



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Replacement Mower	General Vehicles & Equipment	0	0	0	0	0	20,000	0	20,000
<b>Vehicles &amp; Machinery Total</b>		<b>0</b>	<b>62,500</b>	<b>62,500</b>	<b>170,500</b>	<b>565,000</b>	<b>180,000</b>	<b>0</b>	<b>978,000</b>
<b>Community Services Fleet Division Total</b>		<b>0</b>	<b>116,000</b>	<b>116,000</b>	<b>219,000</b>	<b>601,000</b>	<b>201,000</b>	<b>6,000</b>	<b>1,143,000</b>
<b>Environmental Services Fleet</b>									
<b>Other Equipment:</b>									
Small Engine Equipment	Water	0	6,000	6,000	0	0	0	0	6,000
Small Engine Equipment	Water	0	0	0	6,000	0	0	0	6,000
Small Engine Equipment	Wastewater	0	0	0	0	6,000	0	0	6,000
Small Engine Equipment	Wastewater	0	0	0	0	0	6,000	0	6,000
Small Engine Equipment	Wastewater	0	0	0	0	0	0	6,000	6,000
<b>Other Equipment Total</b>		<b>0</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>	<b>30,000</b>
<b>Vehicles &amp; Machinery:</b>									
Transfer Building dept vehicle	Wastewater	0	15,000	15,000	0	0	0	0	15,000
Replacement Cargo Trailer	Water	0	0	0	30,000	0	0	0	30,000
Replacement 1/2 Ton Pickup Truck	Wastewater	0	0	0	0	60,000	0	0	60,000
Replacement 1 Ton Truck	Water	0	0	0	0	0	150,000	0	150,000
<b>Vehicles &amp; Machinery Total</b>		<b>0</b>	<b>15,000</b>	<b>15,000</b>	<b>30,000</b>	<b>60,000</b>	<b>150,000</b>	<b>0</b>	<b>255,000</b>
<b>Environmental Services Fleet Division Total</b>		<b>0</b>	<b>21,000</b>	<b>21,000</b>	<b>36,000</b>	<b>66,000</b>	<b>156,000</b>	<b>6,000</b>	<b>285,000</b>
<b>Fire Fleet</b>									
<b>Emergency Vehicles:</b>									
New 1/2 Ton Truck - Deputy Fire Chief	DC	0	0	0	65,000	0	0	0	65,000
Replacement Pumper/Tanker for Arva	Fire Vehicles & Equipment	0	0	0	700,000	0	0	0	700,000
Replacement Pumper/Tanker for Ilderton	Fire Vehicles & Equipment	0	0	0	0	725,000	0	0	725,000
New Aerial Fire Truck (100 ft)	DC	0	0	0	0	1,450,000	0	0	1,450,000
<b>Emergency Vehicles Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>765,000</b>	<b>2,175,000</b>	<b>0</b>	<b>0</b>	<b>2,940,000</b>





# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
<b>Other Equipment:</b>									
Small Engine Equipment	Fire Vehicles & Equipment	0	4,000	4,000	0	0	0	0	4,000
Small Engine Equipment	Fire Vehicles & Equipment	0	0	0	2,000	0	0	0	2,000
Small Engine Equipment	Fire Vehicles & Equipment	0	0	0	0	2,000	0	0	2,000
Small Engine Equipment	Fire Vehicles & Equipment	0	0	0	0	0	2,000	0	2,000
Small Engine Equipment	Fire Vehicles & Equipment	0	0	0	0	0	0	2,000	2,000
<b>Other Equipment Total</b>		<b>0</b>	<b>4,000</b>	<b>4,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>12,000</b>
<b>Vehicles &amp; Machinery:</b>									
Replacement Delaware Engine	Fire Vehicles & Equipment	0	0	0	0	0	700,000	0	700,000
Replacement Coldstream Rescue	Fire Vehicles & Equipment	0	0	0	0	0	0	500,000	500,000
<b>Vehicles &amp; Machinery Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>700,000</b>	<b>500,000</b>	<b>1,200,000</b>
<b>Fire Fleet Division Total</b>		<b>0</b>	<b>4,000</b>	<b>4,000</b>	<b>767,000</b>	<b>2,177,000</b>	<b>702,000</b>	<b>502,000</b>	<b>4,152,000</b>
<b>PWE Transportation Fleet</b>									
<b>Other Equipment:</b>									
Small Engine Equipment	General Vehicles & Equipment	0	6,000	6,000	0	0	0	0	6,000
Sand Bagging Machine	General Vehicles & Equipment	0	0	0	50,000	0	0	0	50,000
Small Engine Equipment	General Vehicles & Equipment	0	0	0	6,000	0	0	0	6,000
Small Engine Equipment	General Vehicles & Equipment	0	0	0	0	6,000	0	0	6,000
Small Engine Equipment	General Vehicles & Equipment	0	0	0	0	0	6,000	0	6,000
Small Engine Equipment	General Vehicles & Equipment	0	0	0	0	0	0	6,000	6,000
<b>Other Equipment Total</b>		<b>0</b>	<b>6,000</b>	<b>6,000</b>	<b>56,000</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>	<b>80,000</b>
<b>Vehicles &amp; Machinery:</b>									
Replacement Tandem Truck	General Vehicles & Equipment	380,000	71,905	451,905	0	0	0	0	451,905
New 1 Ton Truck	DC	140,000	0	140,000	0	0	0	0	140,000



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Replacement Grader	General Vehicles & Equipment	485,000	0	485,000	0	0	0	0	485,000
Replacement Grader - Toromont CAT	General Vehicles & Equipment	518,659	0	518,659	0	0	0	0	518,659
Replacement Roadside Mower	General Vehicles & Equipment	30,000	0	30,000	0	0	0	0	30,000
New Guardrail Mower	General Vehicles & Equipment	30,000	0	30,000	0	0	0	0	30,000
Replacement 1/2-ton truck	General Vehicles & Equipment	0	65,000	65,000	0	0	0	0	65,000
Replacement Plow Truck	General Vehicles & Equipment	0	550,000	550,000	0	0	0	0	550,000
New Mini Excavator	DC	0	190,000	190,000	0	0	0	0	190,000
Replacement Rubber Tire Roller	General Vehicles & Equipment	0	235,000	235,000	0	0	0	0	235,000
New Street Sweeper	DC	0	0	0	450,000	0	0	0	450,000
Replacement 1 Ton Truck	General Vehicles & Equipment	0	0	0	145,000	0	0	0	145,000
Replacement 1/2 Ton Pickup Truck	General Vehicles & Equipment	0	0	0	65,000	0	0	0	65,000
Replacement 1/2 Ton Pickup Truck	General Vehicles & Equipment	0	0	0	65,000	0	0	0	65,000
Replacement 1/2 Ton Pickup Truck	General Vehicles & Equipment	0	0	0	65,000	0	0	0	65,000
New Roll Off Hydro Seeder	Multiple	0	0	0	115,000	0	0	0	115,000
New Compact Track Loader & Attachments	DC	0	0	0	185,000	0	0	0	185,000
New Crack Sealing and Roadway Maintenance Equipment	DC	0	0	0	385,000	0	0	0	385,000
New Zero Turn Mower	Multiple	0	0	0	30,000	0	0	0	30,000
New Topsoil & Sand Screener	DC	0	0	0	325,000	0	0	0	325,000
Replacement Loader	General Vehicles & Equipment	0	0	0	475,000	0	0	0	475,000
New 55 Ton Float Trailer	DC	0	0	0	165,000	0	0	0	165,000
New Brush Chipper	General Vehicles & Equipment	0	0	0	135,000	0	0	0	135,000
New Tandem Truck	DC	0	0	0	0	550,000	0	0	550,000
Replacement Tandem Truck	General Vehicles & Equipment	0	0	0	0	400,000	0	0	400,000



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Replacement Single Axle Truck	General Vehicles & Equipment	0	0	0	0	300,000	0	0	300,000
Replacement Grader	General Vehicles & Equipment	0	0	0	0	550,000	0	0	550,000
New Roll Off Water & Anti Icing Tank	Multiple	0	0	0	0	75,000	0	0	75,000
New Sidewalk Plow	DC	0	0	0	0	235,000	0	0	235,000
Replacement Loader	General Vehicles & Equipment	0	0	0	0	475,000	0	0	475,000
Replacement Brush Chipper	General Vehicles & Equipment	0	0	0	0	140,000	0	0	140,000
New Tank Trailer	DC	0	0	0	0	165,000	0	0	165,000
New Hydro Vacuum Truck	DC	0	0	0	0	0	575,000	0	575,000
Replacement Tandem Truck	General Vehicles & Equipment	0	0	0	0	0	500,000	0	500,000
Replacement Single Axle Truck	General Vehicles & Equipment	0	0	0	0	0	325,000	0	325,000
Replacement Single Axle Truck	General Vehicles & Equipment	0	0	0	0	0	325,000	0	325,000
Replacement 1 Ton Truck	General Vehicles & Equipment	0	0	0	0	0	175,000	0	175,000
Replacement Vehicle	General Vehicles & Equipment	0	0	0	0	0	60,000	0	60,000
Replacement Grader	General Vehicles & Equipment	0	0	0	0	0	575,000	0	575,000
Replacement Backhoe	General Vehicles & Equipment	0	0	0	0	0	275,000	0	275,000
Replacement Tri-Axle Truck	General Vehicles & Equipment	0	0	0	0	0	0	650,000	650,000
Replacement 1 Ton Truck	General Vehicles & Equipment	0	0	0	0	0	0	175,000	175,000
Replacement 1/2 Ton Truck	General Vehicles & Equipment	0	0	0	0	0	0	75,000	75,000
Replacement 1/2 Ton Truck	General Vehicles & Equipment	0	0	0	0	0	0	75,000	75,000
Replacement Highway Tractor	General Vehicles & Equipment	0	0	0	0	0	0	400,000	400,000
New Highway Traffic Line Marker	DC	0	0	0	0	0	0	550,000	550,000
Replacement Sidewalk Plow	General Vehicles & Equipment	0	0	0	0	0	0	275,000	275,000
New Forklift	General Vehicles & Equipment	0	0	0	0	0	0	45,000	45,000



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Replacement Steel Drum Roller	General Vehicles & Equipment	0	0	0	0	0	0	250,000	250,000
<b>Vehicles &amp; Machinery Total</b>		<b>1,583,659</b>	<b>1,111,905</b>	<b>2,695,564</b>	<b>2,605,000</b>	<b>2,890,000</b>	<b>2,810,000</b>	<b>2,495,000</b>	<b>13,495,564</b>
<b>PWE Transportation Fleet Division Total</b>		<b>1,583,659</b>	<b>1,117,905</b>	<b>2,701,564</b>	<b>2,661,000</b>	<b>2,896,000</b>	<b>2,816,000</b>	<b>2,501,000</b>	<b>13,575,564</b>
<b>Fleet Services Department Total</b>		<b>1,583,659</b>	<b>1,408,905</b>	<b>2,992,564</b>	<b>3,683,000</b>	<b>5,800,000</b>	<b>3,875,000</b>	<b>3,015,000</b>	<b>19,365,564</b>
<b>General Government</b>									
<b>General Administration</b>									
<b>Land:</b>									
Industrial Land Purchase	Build Middlesex Centre	1,000,000	0	1,000,000	0	0	0	0	1,000,000
<b>Land Total</b>		<b>1,000,000</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000,000</b>
<b>Other Equipment:</b>									
Municipal Office Phone System	Modernization	10,000	0	10,000	0	0	0	0	10,000
<b>Other Equipment Total</b>		<b>10,000</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,000</b>
<b>General Administration Division Total</b>		<b>1,010,000</b>	<b>0</b>	<b>1,010,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,010,000</b>
<b>General Government Department Total</b>		<b>1,010,000</b>	<b>0</b>	<b>1,010,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,010,000</b>
<b>Public Works &amp; Engineering</b>									
<b>Transportation</b>									
<b>Asphalt Sidewalks:</b>									
Sidewalk Expansion and Replacement	Roads Capital	0	0	0	0	0	0	375,000	375,000
<b>Asphalt Sidewalks Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>375,000</b>	<b>375,000</b>
<b>Bridges &amp; Culverts:</b>									
Replace Superstructure on Bridge B-124	CCBF	150,000	0	150,000	0	0	0	0	150,000
Replace Superstructure on Bridge B-146	CCBF	150,000	0	150,000	0	0	0	0	150,000
Rehabilitate Bridge B-530	OCIF	0	50,000	50,000	315,000	0	0	0	365,000
Rehabilitate Bridge B-301	CCBF	0	357,500	357,500	0	0	0	0	357,500
Rehabilitate Bridge B-505	OCIF	0	140,000	140,000	0	0	0	0	140,000



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Waterproof & Pave Bridge B-108	OCIF	0	20,000	20,000	130,000	0	0	0	150,000
B-314 Bridge Repairs	Roads Capital	0	187,500	187,500	0	0	0	0	187,500
Replace Culvert C-558	OCIF	0	42,500	42,500	270,000	0	0	0	312,500
B-120 Bridge Repairs	OCIF	0	40,000	40,000	250,000	0	0	0	290,000
Replace Culvert C-156	CCBF	0	42,500	42,500	270,000	0	0	0	312,500
Replace Culvert C-563	CCBF	0	42,500	42,500	270,000	0	0	0	312,500
Rehabilitate Bridge B-529	OCIF	0	165,000	165,000	1,095,000	0	0	0	1,260,000
Repair Bridge B-526	OCIF	0	0	0	167,000	0	0	0	167,000
Replace Culvert C-153	OCIF	0	0	0	40,000	250,000	0	0	290,000
Replace Culvert C-159	CCBF	0	0	0	42,500	270,000	0	0	312,500
Replace Culvert C-566	OCIF	0	0	0	50,000	310,000	0	0	360,000
Waterproof & Pave Bridge B-130	CCBF	0	0	0	0	15,000	75,000	0	90,000
Waterproof & Pave Bridge B-512	Roads Capital	0	0	0	0	190,000	0	0	190,000
Rehabilitate Bridge B-537	CCBF	0	0	0	0	29,000	185,000	0	214,000
Repair Bridge B-113	CCBF	0	0	0	0	155,000	0	0	155,000
Rehabilitate Bridge B-140	CCBF	0	0	0	0	29,000	180,000	0	209,000
Repair Bridge B-528	OCIF	0	0	0	0	179,000	0	0	179,000
Replace Culvert C-155	CCBF	0	0	0	0	39,000	260,000	0	299,000
Replace Culvert C-560	OCIF	0	0	0	0	33,000	220,000	0	253,000
Repair Bridge B-139	OCIF	0	0	0	0	0	31,000	205,000	236,000
Replace Bridge B-132	OCIF	0	0	0	0	0	180,000	1,200,000	1,380,000
Replace Culvert C-102	CCBF	0	0	0	0	0	0	50,000	50,000
Repair Bridge B-517	OCIF	0	0	0	0	0	0	33,000	33,000
Replace Culvert C-547	OCIF	0	0	0	0	0	0	44,000	44,000
<b>Bridges &amp; Culverts Total</b>		<b>300,000</b>	<b>1,087,500</b>	<b>1,387,500</b>	<b>2,899,500</b>	<b>1,499,000</b>	<b>1,131,000</b>	<b>1,532,000</b>	<b>8,449,000</b>
<b>Concrete Sidewalks:</b>									
Sidewalk Expansion	Roads Capital	0	167,500	167,500	0	0	0	0	167,500



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Sidewalk Expansion	Roads Capital	0	0	0	150,000	0	0	0	150,000
Sidewalk Expansion	Roads Capital	0	0	0	0	150,000	0	0	150,000
Sidewalk Expansion	Roads Capital	0	0	0	0	0	150,000	0	150,000
Sidewalk Expansion	Roads Capital	0	0	0	0	0	0	150,000	150,000
<b>Concrete Sidewalks Total</b>		<b>0</b>	<b>167,500</b>	<b>167,500</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>767,500</b>
<b>Land Improvements:</b>									
Commuter Parking Lots	Roads Capital	0	0	0	100,000	0	0	0	100,000
<b>Land Improvements Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>
<b>Roads:</b>									
Garden Avenue / Wellington Road Reconstruction	Roads Capital	365,068	0	365,068	0	0	0	0	365,068
Old River Road (Glendon Dr to Pulham Rd)	Debt	1,050,000	1,157,500	2,207,500	3,150,000	200,000	0	0	5,557,500
Martin Road Reconstruction (Wellington to Harris)	Roads Capital	0	90,000	90,000	0	0	0	0	90,000
Coldstream Road Realignment	Roads Capital	100,000	0	100,000	0	0	0	0	100,000
Amiens Road CN Overpass Drainage Improvements	Roads Capital	40,000	15,000	55,000	0	0	0	0	55,000
Asphalt Resurfacing	OCIF	0	1,150,000	1,150,000	0	0	0	0	1,150,000
Tar & Chip Resurfacing	Roads Capital	0	600,000	600,000	0	0	0	0	600,000
Hyde Park Road Reconstruction (15 Mile Road to 13 Mile Road)	Roads Capital	0	1,900,000	1,900,000	0	0	0	0	1,900,000
King and George Street Reconstruction	Multiple	0	50,000	50,000	0	550,000	0	0	600,000
Glendon Drive and Jeffries Intersection Improvements	Roads Capital	0	325,000	325,000	0	0	0	0	325,000
Oxbow Drive Resurfacing	Roads Capital	0	50,000	50,000	0	0	0	0	50,000
10125 Oxbow Dr Phase 1 - Transportation	Roads Capital	0	35,000	35,000	0	0	0	0	35,000
Hot Mix Resurfacing	Roads Capital	0	0	0	1,175,000	0	0	0	1,175,000
Tar & Chip Resurfacing	Roads Capital	0	0	0	610,000	0	0	0	610,000
Vanneck Road Reconstruction (Sunningdale Road and Egremont Drive)	OCIF	0	0	0	600,000	0	0	0	600,000
Carriage Road Reconstruction	Roads Capital	0	0	0	1,070,000	0	0	0	1,070,000
Westbrook Drive Reconstruction (Stephen Moore to Kilworth Park Drive)	Multiple	0	0	0	1,725,000	0	0	0	1,725,000



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
Hyde Park Road Reconstruction (Elginfield Road to 15 Mile Road)	Roads Capital	0	0	0	1,900,000	0	0	0	1,900,000
Electric Vehicle Charging Stations	General Vehicles & Equipment	0	0	0	60,000	0	0	0	60,000
Hot Mix Resurfacing	OCIF	0	0	0	0	1,200,000	0	0	1,200,000
Tar & Chip Resurfacing	Roads Capital	0	0	0	0	620,000	0	0	620,000
Wonderland Road Reconstruction (Ilderton Road to 13 Mile)	Roads Capital	0	0	0	0	1,975,000	0	0	1,975,000
Old River Road and Glendon Drive Intersection Realignment	Debt	0	0	0	0	507,000	0	0	507,000
Glendon Drive Widening (2-4 lanes)	Multiple	0	0	0	0	4,993,824	0	0	4,993,824
Carriage Road Reconstruction	Roads Capital	0	0	0	0	700,000	0	0	700,000
Glendon Drive and Kilworth Park Drive	Roads Capital	0	0	0	0	50,000	0	0	50,000
Hot Mix Resurfacing	OCIF	0	0	0	0	0	1,250,000	0	1,250,000
Tar & Chip Resurfacing	Roads Capital	0	0	0	0	0	630,000	0	630,000
Gravel Road Conversion	Roads Capital	0	0	0	0	0	400,000	0	400,000
Wonderland Road Reconstruction (13 Mile to 15 Mile)	Roads Capital	0	0	0	0	0	1,975,000	0	1,975,000
Cul-De-Sac Construction	Roads Capital	0	0	0	0	0	75,000	0	75,000
Poplar Hill Stormwater Easement	Roads Capital	0	0	0	0	0	30,000	0	30,000
Oxbow Drive W. Urban	Multiple	0	0	0	0	0	448,300	0	448,300
Oxbow Drive East Rural upgrade	Multiple	0	0	0	0	0	2,959,000	0	2,959,000
Oxbow Drive W. Rural	Multiple	0	0	0	0	0	191,800	0	191,800
Hot Mix Resurfacing	OCIF	0	0	0	0	0	0	1,300,000	1,300,000
Tar & Chip Resurfacing	Roads Capital	0	0	0	0	0	0	630,000	630,000
Gravel Road Conversion	Roads Capital	0	0	0	0	0	0	400,000	400,000
Wonderland Road Reconstruction (15 Mile to Elginfield)	Roads Capital	0	0	0	0	0	0	1,975,000	1,975,000
Coldstream Road Reconstruction	Roads Capital	0	0	0	0	0	0	2,000,000	2,000,000
Reconstruct Oxbow Drive Narin Road to Vanneck Road	Multiple	0	0	0	0	0	0	650,000	650,000
<b>Roads Total</b>		<b>1,555,068</b>	<b>5,372,500</b>	<b>6,927,568</b>	<b>10,290,000</b>	<b>10,795,824</b>	<b>7,959,100</b>	<b>6,955,000</b>	<b>42,927,492</b>



# Budget Summary

Department / Project	Financing Source	Carry Forward 2022	2023	Carry Forward + 2023 Total	2024	2025	2026	2027	Total
<b>Streetlighting:</b>									
Melrose Street Light Pole Replacement	Roads Capital	458,386	0	458,386	0	0	0	0	458,386
Street Light Expansion	Roads Capital	0	0	0	440,000	0	0	0	440,000
Street Light Expansion	Roads Capital	0	0	0	0	520,000	0	0	520,000
Street Light Expansion	Roads Capital	0	0	0	0	0	550,000	0	550,000
Street Light Expansion	Roads Capital	0	0	0	0	0	0	550,000	550,000
<b>Streetlighting Total</b>		<b>458,386</b>	<b>0</b>	<b>458,386</b>	<b>440,000</b>	<b>520,000</b>	<b>550,000</b>	<b>550,000</b>	<b>2,518,386</b>
<b>Transportation Division Total</b>		<b>2,313,454</b>	<b>6,627,500</b>	<b>8,940,954</b>	<b>13,879,500</b>	<b>12,964,824</b>	<b>9,790,100</b>	<b>9,562,000</b>	<b>55,137,378</b>
<b>Public Works &amp; Engineering Department Total</b>		<b>2,313,454</b>	<b>6,627,500</b>	<b>8,940,954</b>	<b>13,879,500</b>	<b>12,964,824</b>	<b>9,790,100</b>	<b>9,562,000</b>	<b>55,137,378</b>
<b>Capital Budget Total</b>		<b>9,142,359</b>	<b>17,097,221</b>	<b>26,239,581</b>	<b>38,360,837</b>	<b>44,394,884</b>	<b>33,386,485</b>	<b>18,311,800</b>	<b>160,693,586</b>



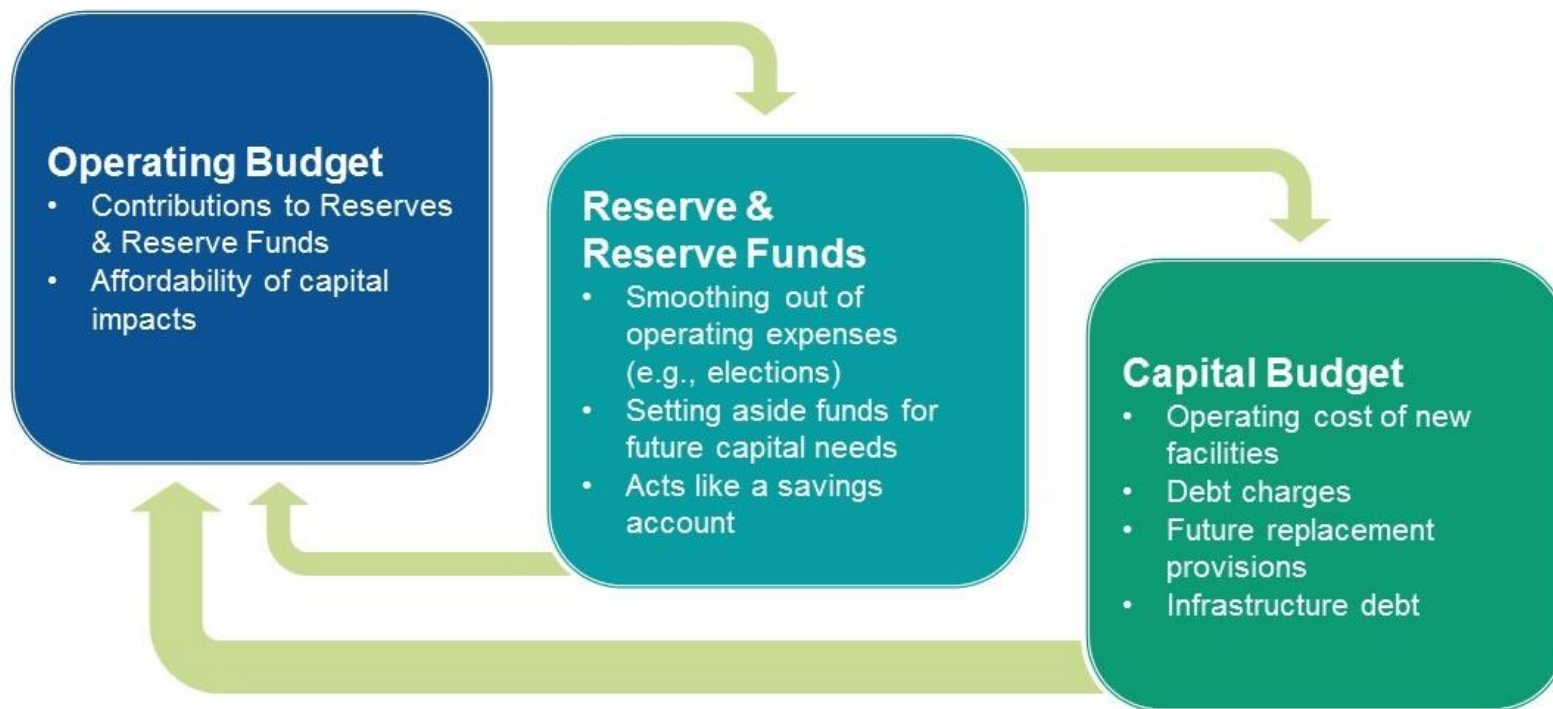
# Budget Summary

## Combined Operating and Capital Budget

Connecting the capital and operating budgets forms the total 2023 balanced budget. Reserves and reserve funds are used to link the budgets, with savings in these funds used to smooth out operating expenses and set money aside for future capital needs.

Note that a detailed discussion of reserve fund balances is presented later in the budget.

**Figure: Illustration of the Relationship between the Capital and Operating Budgets, Capital Assets, Projects and Funding Sources**



# Budget Summary

## Revenue and Expenditure Summary

**Table: Total Revenue and Expenditure Summary, Operating and Capital Budget**

	2023 Budget			2022 Budget			Change in Taxes Raised	
Department	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	\$	%
<b>Building &amp; Bylaw</b>								
Animal Control	4,500	43,441	38,941	4,460	42,528	38,068	873	2.3%
Building	1,414,850	1,414,850	0	1,523,200	1,523,200	0	0	0.0%
By-Law	17,500	108,988	91,488	17,900	114,533	96,633	(5,146)	-5.3%
<b>Building &amp; Bylaw Total</b>	<b>1,436,850</b>	<b>1,567,279</b>	<b>130,429</b>	<b>1,545,560</b>	<b>1,680,262</b>	<b>134,702</b>	<b>(4,273)</b>	<b>-3.2%</b>
<b>Community Services</b>								
Administration	5,000	860,255	855,255	5,000	848,018	843,018	12,237	1.5%
Parks & Open Space	1,563,648	2,133,262	569,614	1,474,311	1,946,164	471,853	97,761	20.7%
<b>Community Services Total</b>	<b>1,568,648</b>	<b>2,993,517</b>	<b>1,424,869</b>	<b>1,329,311</b>	<b>2,644,183</b>	<b>1,314,872</b>	<b>109,997</b>	<b>8.4%</b>
<b>Environmental Services</b>								
Stormwater	2,098,494	2,098,494	0	3,368,613	3,368,613	0	0	0.0%
Waste Management	1,181,850	1,499,162	317,312	1,055,200	1,381,818	326,618	(9,306)	-2.8%
Wastewater	7,217,778	7,217,778	0	8,440,594	8,440,594	0	(0)	0.0%
Water	8,376,396	8,376,396	0	5,969,953	5,969,953	0	(0)	0.0%
<b>Environmental Services Total</b>	<b>18,874,518</b>	<b>19,191,830</b>	<b>317,312</b>	<b>18,834,360</b>	<b>19,160,978</b>	<b>326,618</b>	<b>(9,306)</b>	<b>-2.8%</b>
<b>Facility Services</b>								
Administration	0	16,500	16,500	0	15,000	15,000	1,500	10.0%
Arenas	2,189,699	2,771,072	581,373	2,117,938	2,783,951	666,013	(84,640)	-12.7%
Community Centres	447,250	666,740	219,490	85,150	324,720	239,570	(20,080)	-8.4%
Fire Halls	0	137,041	137,041	6,500	105,634	99,134	37,907	38.2%
Leased Properties	391,344	391,344	0	313,241	313,241	0	(0)	-38.0%
Libraries	66,798	68,422	1,624	69,919	66,993	(2,926)	4,550	-155.5%
Municipal Office	2,721,637	2,862,274	140,637	145,000	284,659	139,659	977	0.7%
PWE Operations Centres	23,000	306,761	283,761	311,900	536,290	224,390	59,371	26.5%
<b>Facility Services Total</b>	<b>5,839,728</b>	<b>7,220,153</b>	<b>1,380,425</b>	<b>3,049,648</b>	<b>4,430,488</b>	<b>1,380,840</b>	<b>(416)</b>	<b>0.0%</b>
<b>Fire and Emergency Operations</b>								
Emergency Operations	53,000	60,450	7,450	0	4,950	4,950	2,500	50.5%
Fire Administration	12,200	696,646	684,446	69,300	602,185	532,885	151,561	28.4%



# Budget Summary

	2023 Budget			2022 Budget			Change in Taxes Raised	
Department	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	\$	%
Fire Operations	69,000	1,078,178	1,009,178	352,000	1,381,118	1,029,118	(19,940)	-1.9%
Fire Prevention	59,000	115,326	56,326	60,000	112,018	52,018	4,308	8.3%
Special Operations	0	21,200	21,200		18,000	18,000	3,200	17.8%
<b>Fire and Emergency Operations Total</b>	<b>193,200</b>	<b>1,971,800</b>	<b>1,778,600</b>	<b>481,300</b>	<b>2,118,272</b>	<b>1,636,972</b>	<b>141,628</b>	<b>8.7%</b>
<b>Fleet Services</b>								
Administration Fleet	49,480	347,118	297,638	45,841	321,321	275,480	22,158	8.0%
Building Fleet	150,000	159,550	9,550	0	8,006	8,006	1,544	19.3%
Community Services Fleet	116,000	235,500	119,500	391,750	531,213	139,463	(19,963)	-14.3%
Environmental Services Fleet	21,000	41,000	20,000	153,500	191,335	37,835	(17,835)	-47.1%
Fire Fleet	34,000	95,250	61,250	36,000	126,897	90,897	(29,647)	-32.6%
PWE Transportation Fleet	2,701,564	3,549,114	847,550	1,476,000	2,295,752	819,752	27,798	3.4%
<b>Fleet Services Total</b>	<b>3,072,044</b>	<b>4,427,532</b>	<b>1,355,488</b>	<b>2,103,091</b>	<b>3,474,523</b>	<b>1,371,433</b>	<b>(15,945)</b>	<b>-1.2%</b>
<b>General Government</b>								
Cemeteries	1,250	16,935	15,685	2,250	16,935	14,685	1,000	6.8%
Conservation Authorities	0	354,175	354,175	0	346,030	346,030	8,145	2.4%
Council	0	243,113	243,113	0	237,588	237,588	5,525	2.3%
COVID-19	0	4,000	4,000	0	75,850	75,850	(71,850)	-94.7%
Economic Development	0	75,648	75,648	0	74,328	74,328	1,320	1.8%
General Administration	3,686,576	3,636,130	(50,446)	3,829,202	3,583,627	(245,575)	195,129	-79.5%
Policing	0	2,287,431	2,287,431	0	2,315,475	2,315,475	(28,044)	-1.2%
Reserve Fund Transfers	3,215,883	10,925,640	7,709,757	1,562,416	8,530,416	6,968,000	741,757	10.6%
<b>General Government Total</b>	<b>6,903,709</b>	<b>17,543,073</b>	<b>10,639,364</b>	<b>5,393,868</b>	<b>15,180,249</b>	<b>9,786,381</b>	<b>852,983</b>	<b>8.7%</b>
<b>Public Works &amp; Engineering</b>								
Administration	149,824	1,588,680	1,438,855	204,743	1,523,016	1,318,273	120,582	9.1%
Drainage	69,500	148,443	78,943	68,000	137,727	69,727	9,216	13.2%
Municipal Drainage	37,357	37,357	0	33,275	33,275	0	0	0.0%
Planning	270,322	500,765	230,444	359,600	397,663	38,063	192,380	505.4%
Tile Drainage	14,022	14,022	0	20,516	20,516	0	0	0.0%
Transportation	8,983,954	13,008,355	4,024,401	11,121,704	15,220,635	4,098,931	(74,530)	-1.8%
<b>Public Works &amp; Engineering Total</b>	<b>9,524,979</b>	<b>15,297,622</b>	<b>5,772,643</b>	<b>11,008,324</b>	<b>16,533,318</b>	<b>5,524,994</b>	<b>247,648</b>	<b>4.5%</b>
<b>Grand Total</b>	<b>47,413,675</b>	<b>70,212,804</b>	<b>22,799,130</b>	<b>44,694,976</b>	<b>66,171,788</b>	<b>21,476,811</b>	<b>1,322,318</b>	<b>6.16%</b>



# Budget Summary

## Budget Implications for Rate Payers

### Tax Rate

*The 2023 tax rate increase is 2.50% (2022 – 2.76%).*

It is calculated by dividing the tax levy required by the total municipal property assessment. At this rate, there are no service level cuts, and we are prioritizing good asset and reserve fund management.

### Property Assessment

Property assessment is the basis upon which municipalities raise taxes. A strong assessment base is critical to a municipality's ability to generate revenues.

Municipal Property Assessment Corporation (MPAC) will deliver the 2023 final assessment to Middlesex Centre by mid-December 2022.

### 2020 Assessment Updated Postponed for Third Year

As part of the Ontario Government's Fall Economic and Fiscal Update, the Province announced their decision to postpone the 2020 Assessment Update. Property taxes for 2023 will continue to be based on the fully phased-in January 1, 2016, current value assessments.

This means property assessment for the 2023 property tax year will be the same as the 2020 tax year, unless there have been changes to the property, for example:

- Change to the property such as an addition, new construction, or renovation.

- MPAC assessed a structure on the property for the first time.
- There was a change to the property's classification.
- All or part of the property no longer qualifies as farmland, conservation land or managed forests.
- All or part of the property no longer qualifies to be tax exempt.

The budget mentioned the Government's decision to postpone the Assessment Update but did not provide a future date for the next reassessment.

In response to concerns about the property tax burden on small businesses, the Province provided municipalities with the flexibility to target property tax relief to small businesses. The decision to implement this program lies with the County of Middlesex as the upper tier municipality.

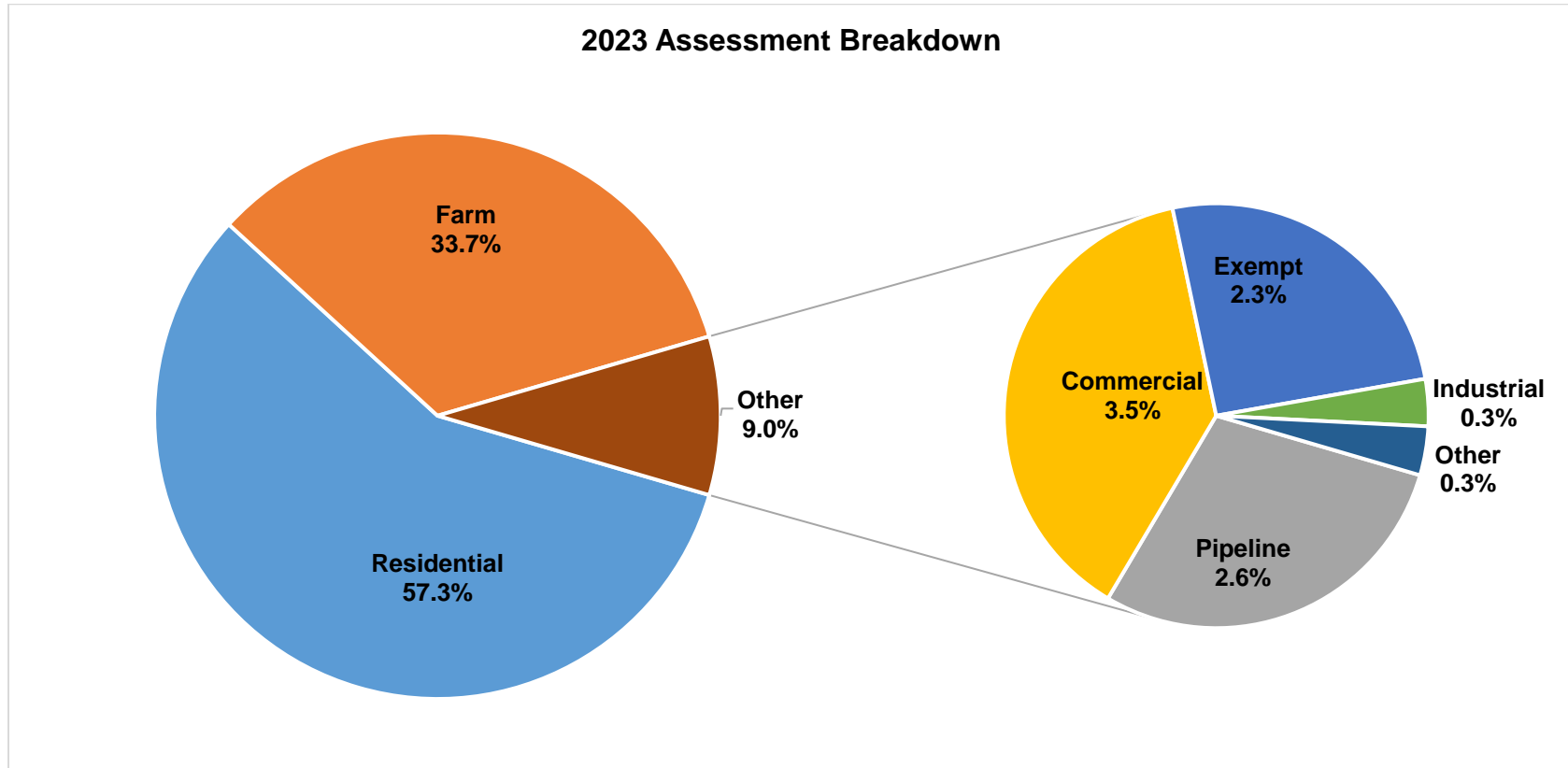
**Table: Total Tax Assessment Value by Property Class, 2023**

Property Class	Assessment (\$)
Residential	2,755,768,993
Farm	1,619,447,340
Pipeline	126,162,000
Commercial	166,116,367
Exempt	111,071,800
Industrial	15,606,000
Other	16,194,200
<b>Total Assessment</b>	<b>\$4,810,366,700</b>



# Budget Summary

Figure: Assessment Breakdown



# Budget Summary

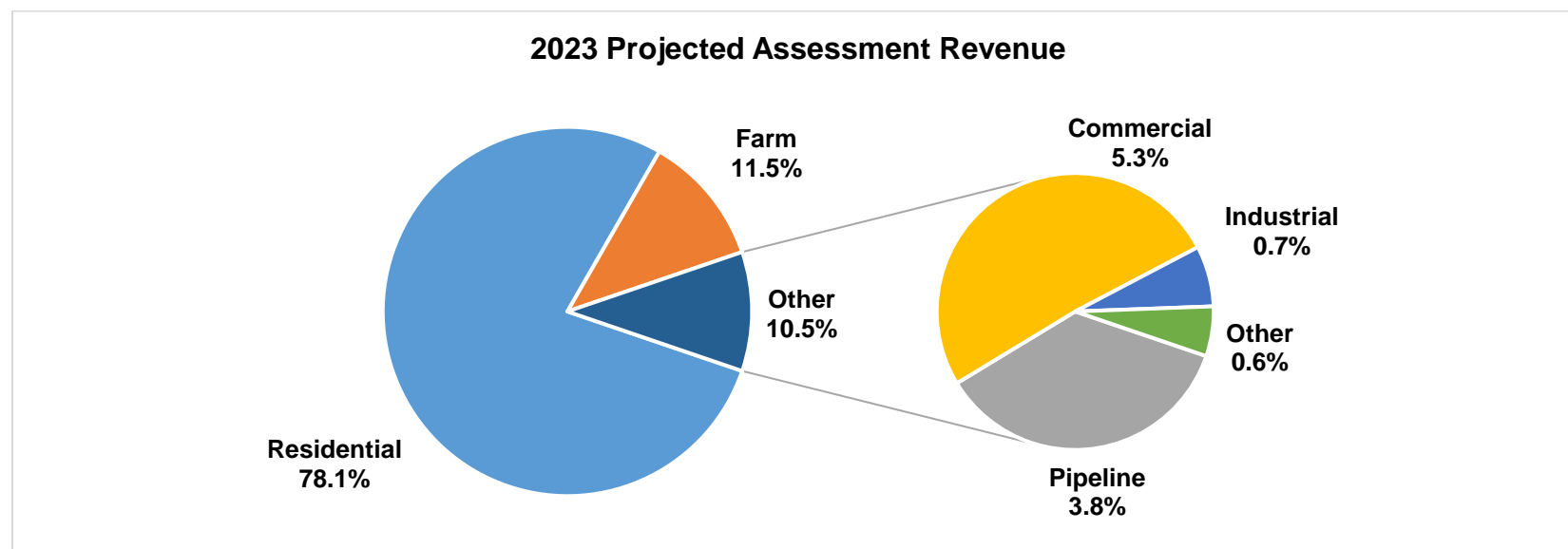
## Tax Revenue from All Property Types

**Table: Total Municipal Tax Revenue for 2023 with 3-year Comparison**

Property Type	2023 (\$)	2022 (\$)	2021 (\$)
Residential	17,800,759	16,618,948	15,518,359
Farm	2,615,377	2,557,074	2,493,530
Pipeline	860,229	837,744	813,654
Commercial	1,214,883	939,352	935,238
Industrial	169,174	157,878	127,284
Other	138,707	365,816	298,939
<b>Total Assessment Revenue</b>	<b>22,799,129</b>	<b>21,476,811</b>	<b>20,187,004</b>

*The total municipal tax revenue is calculated using actual assessment provided by MPAC and the calculated residential rate.*

**Figure: Sources of Projected Assessment Revenue**



# Budget Summary

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## *What is the residential tax impact?*

For the average Middlesex Centre residential homeowner, municipal taxes will increase by \$63 in 2023 (excluding the education tax and Middlesex County taxes).

It is important to note that there were no re-assessment increases in 2023. Your property assessment will be the same as it was in 2020, unless you had a change to your property that was being assessed such as a new home, new addition, etc.

**Table: Average Residential Tax Rate and Assessment Increases, with 3-year Comparison**

<b>Tax Rate/Assessment</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>Notes</b>
Average Residential Property Assessment (as determined by MPAC)	<b>\$400,000</b>	\$400,000	\$400,000	Assessment values are determined by MPAC. They have not changed over this period owing to COVID-19.
Middlesex Centre Property Tax (based on tax levy approved by Council)	<b>\$2,584</b>	\$2,521	\$2,453	This is the Middlesex Centre portion of taxes only. Middlesex Centre also collects taxes on behalf of Middlesex County and the school boards.
Change over Previous Year	<b>+\$63</b>	+\$68	+\$36	Middlesex Centre will have a 2.5% tax rate increase in 2023, compared to 2.76% in 2022



# Budget Summary

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## *What is the farm tax impact?*

For the average Middlesex Centre farm owner, municipal taxes will increase by \$39 in 2023 (excluding the education tax and Middlesex County taxes).

It is important to note that there were no re-assessment increases in 2023. Your property assessment will be the same as it was in 2020, unless you had a change to your property that was being assessed such as new home, addition, etc.

**Table: Average Farm Tax Rate and Assessment Increases, with 3-year Comparison**

<b>Tax Rate/Assessment</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>Notes</b>
Average Farm Property Assessment (as determined by MPAC)	<b>\$1,000,000</b>	\$1,000,000	\$1,000,000	Assessment values are determined by MPAC. They have not changed over this period owing to COVID-19.
Middlesex Centre Property Tax (based on tax levy approved by Council)	<b>\$1,615</b>	\$1,576	\$1,533	This is the Middlesex Centre portion of taxes only. Middlesex Centre also collects taxes on behalf of Middlesex County and the school boards.
Change over Previous Year	<b>+\$39</b>	+\$43	+\$22	Middlesex Centre will have a 2.5% tax rate increase in 2023, compared to 2.76% in 2022.





# Budget Summary

## Water, Wastewater and Stormwater Fees

Water, wastewater and stormwater functions are self-funded. Drinking Water systems must financially support themselves; this is a requirement of O. Reg, 453/7. The self-funding of the wastewater and stormwater systems is a municipal decision but not currently required by regulation.

Municipal utility rates are based on the amount of funding needed to operate Middlesex Centre's water, wastewater, and stormwater systems. All costs associated with operating water and wastewater systems are entirely funded by the users and therefore are not supported by property taxes.

- The municipality funds water and wastewater through a user-fee program. Water consumption and wastewater usage charges are based on how much water you use. Consumption is measured by the water meter measuring flow entering the building plumbing system.
- The municipality also funds stormwater management through a user-fee program. The stormwater user fee appears on monthly utility bills.

The municipality calculates the budgeted revenue for water, wastewater and stormwater by multiplying the rate as determined in the annual Water, Wastewater and Stormwater Rates By-law by the current consumption, adding in additional revenue for the projected future properties due to growth.

Water rates are remaining unchanged for 2023, however rates associated with wastewater and stormwater are increasing by 4% and 3% respectfully. These rates were approved by Council at their meeting on December 7, 2022.

**Table: Annual Combined Fees for Water, Wastewater and Stormwater, 2023**

Annual Water Usage (m <sup>3</sup> )	2022	2023	\$ Increase	% Increase
96	\$1,263.00	\$1,290.84	\$27.84	2.20%
180	\$1,828.32	\$1,868.76	\$40.44	2.21%
360	\$3,039.72	\$3,170.16	\$67.44	2.22%
Stormwater Only	\$188.16	\$193.80	\$5.64	3.00%

Middlesex Centre continues to be challenged with funding the water and wastewater systems with relatively fewer customers to share these costs. Middlesex Centre is committed to keeping costs as low as possible, with only minor increases since 2016. However, recent study has determined that Middlesex Centre is underfunded for future lifecycle replacements (primarily for wastewater and stormwater). Future increases may be established after a more in-depth long-range financial plan for wastewater and stormwater is completed.

➔ **More information on water, wastewater and stormwater rates is available at**  
[middlesexcentre.ca/water](http://middlesexcentre.ca/water)



# Budget Summary

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## Waste Management Fees

Waste and recycling services are provided for the municipality by Bluewater Recycling Association.

Middlesex Centre has a user pay program for waste and recycling. Those who produce the least waste pay the least. This is an excellent opportunity for residents to reduce, reuse and recycle as much as they can. Residents pay for the size of waste bin their household requires.

Waste bins come in three sizes. The annual cost is associated with the size of bin selected. The rates are changing by approximately 5% for 2023.

Waste Bin Charges, 2023:

- Small Bin: \$126
- Medium Bin: \$234
- Large Bin: \$341

Recycling bins come in two sizes, medium and large. There is no charge for these bins.

The municipality calculates the budgeted revenue for waste management by multiplying the rate as determined in the contract with the third-party provider by the current waste bin amounts, adding in additional revenue for the projected future properties to growth.

➔ More information on waste management fees is available at [middlesexcentre.ca/waste](https://middlesexcentre.ca/waste)

## Municipal Fees Charges (User Fees)

User fees are charged by municipalities to recover a portion of the costs for services, including recreation program fees, facility rental fees, building permits and more.

These fees are paid for by the specific user or group of users, including visitors and non-residents, rather than property owners through the municipal tax base.

User fees ensure tax fairness based on an understanding of who benefits from the services being delivered: an individual user (a public skating enthusiast) or a group (motorists who park in downtown areas) versus a large portion (or all) of the population (residents that rely on emergency services).

Fully funding these services through the tax levy would significantly increase property taxes for individuals who may never enjoy these specific services.

User fees ensure we maintain adequate service levels comparable to other municipalities and meet user expectations by balancing affordability with demand for services.

Council approves a list of user fees each year through the fees and charges by-law. Fees are reviewed to ensure they are offsetting the cost of providing the service as well as aligning to the fees of neighbouring communities.

➔ Fees are updated at the end of each year for the following year at [middlesexcentre.ca/rates-and-fees](https://middlesexcentre.ca/rates-and-fees)



# Budget Summary

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## The Bottom Line – Impact on Rate Payers

**Table: Implications for Average Residential Property Owner assessed at \$400,000**

Municipal Fees	Annual Change (\$)
Change in Municipal Property Tax	63.00
Change in Water, Wastewater and Stormwater Fees*	40.44
Change in Waste Management Fees	6.00
Change in User Fees	will vary by resident
<b>Total Change – Middlesex Centre</b>	<b>109.44</b>

*\*Based on usage of 180 m<sup>3</sup> of water per year*

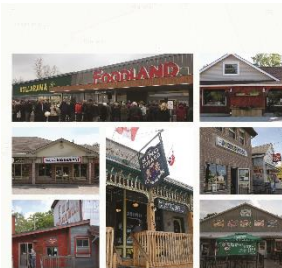
**Table: Implications for Average Farm Property Owner assessed at \$1 million**

Municipal Fees	Annual Change (\$)
Change in Farm Property Tax	39.00
Change in Waste Management Fees	6.00
Change in User Fees	will vary by resident
<b>Total Change – Middlesex Centre</b>	<b>45.00</b>

It is important to note that these changes are associated with Middlesex Centre only – they do not include rate increases that may come from the County of Middlesex or the local school boards.

# General Government

## GENERAL GOVERNMENT



Community Improvement Plan  
Municipality of Middlesex Centre



### About General Government

General Government includes the Office of the CAO, the Office of the Clerk, and Corporate Services.

General Government's role is one of service to council, residents, and municipal departments and staff.

- The Office of the CAO provides leadership to the entire municipal organization and directs strategic initiatives and economic development.
- The Office of the Clerk coordinates meetings of Council, manages public notices for planning and other matters, oversees records management for the organization and oversees the legislative services offered by the municipality, including marriage licences and civil wedding ceremonies, commissioner of oaths, and lottery licences.

- Corporate Services manages, coordinates and delivers core customer service, communications, information technology (in partnership with Middlesex County), human resources, and financial services for the municipality. Notably financial management covers a wide range of functions from day-to-day invoicing to asset management planning.

Corporate Services support and assist other departments to deliver high quality programs and services.



# General Government

## Staffing

Figure(s): Organizational Charts for General Government – Office of the CAO and Corporate Services

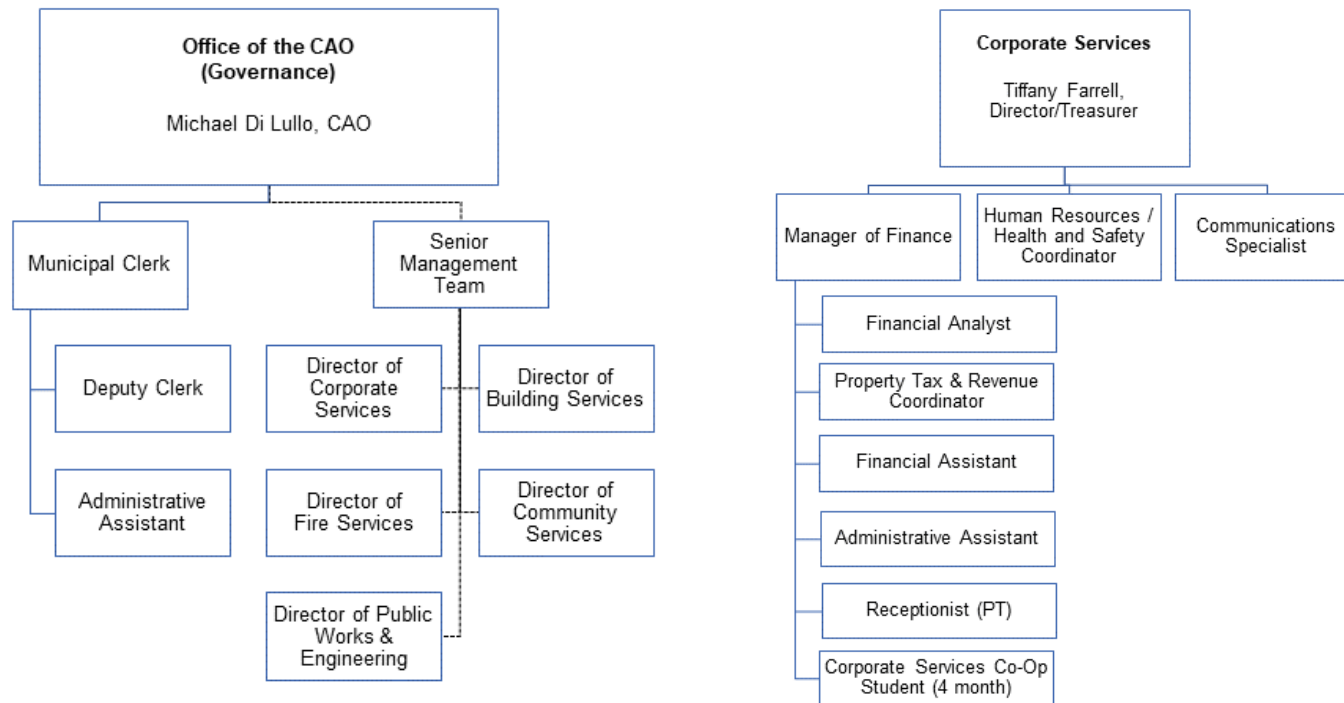


Table: General Government Staffing Resources

Divisions	2021	2022	2023 FTEs
General Administration	12.13	12.13	13.13
<b>Staffing Total</b>	<b>11.20</b>	<b>11.20</b>	<b>13.13</b>
PLUS - Members of Council	7 (part-time)	7 (part-time)	7 (part-time)

# General Government

## 2022 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's General Governance staff delivered a variety of services in 2022 including:

- Held 26 council meetings in 2022
- Issued 43 marriage licenses, conducted 7 marriage ceremonies and issued 23 lottery licenses (to November 10, 2022)
- Commissioned 104 documents, including planning applications (to November 10, 2022)
- Kept residents informed through the municipal website and social media (website: 132,781 users and 855,405 page views in 201,169 sessions in 2021)
- Published monthly (12) full-page "Municipal Minute" Middlesex Centre updates in the Middlesex Banner newspaper and roll-out similar monthly page in local "Villager" publications mid-year
- Published monthly (12) Middlesex Centre e-newsletters to residents that have signed up for that service (1,852 as of November 2022).
- Hosted a virtual Mayors Town Hall in April 2022
- Issued 67,290 water bills, 15,985 property tax bills, 716 supplemental and omitted property tax bills
- Administered 27 severances which resulted in 101 new lots
- \$753,763 earned in supplemental residential tax revenue in 2022 compared to \$513,327 earned in 2021
- Completed 63 tax adjustments
- Processed 300 new meter installs and 390 final reads
- Processed over 104,000 tax and water bill payments and 4,100 vendor payments annually
- Responded to 21,096 customer calls, 10,071 emails and 2,280 walk-ins at the front counter
- Hired 35 team members (January 1 to November 14, 2022), via 33 job postings and several promotions in Fire Services and Transportation
- Coordinated staff training, with 1,156 HR Downloads courses completed
- Completed Physical Demand Analysis for Facility Operators
- Continued increase in liquidity as evident by the increase in the cash ratio, which indicates how much cash and liquid investments could be available to cover current obligations.
- Revised the records inventory project, with progress made on the physical records located at the Municipal Office. This multi-year project will continue in 2023.

**Table: Liquidity Indicator (Cash Ratio), 2018 to 2021**

Liquidity Indicator	2021	2020	2019	2018
Cash Ratio	6.72:1	2.71:1	1.62:1	1.21:1



# General Government

- Completed 99 by-laws to November 10, 2022, including new election sign by-law, a restricted acts delegated authority by-law, and a division fence cost sharing by-law.
- Updated or implemented numerous corporate policies, including long term and short-term disability, expense, sick leave, right to disconnect, diversity equity and inclusion policy, vacation and the electronic monitoring policy

**Table: 2022 Strategic Accomplishments for General Governance: Corporate Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Reserve Contributions for Asset Management	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	<b>Completed in 2022</b> <ul style="list-style-type: none"> <li>Increase in liquidity in reserve funds by \$1,000,000</li> <li>Increase in affordability of capital projects as noted in reserve fund projections</li> </ul>	\$ 1,000,000 By-Law 2021-117
New Municipal Phone System	2021-2023	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<b>Completed in 2022</b> <ul style="list-style-type: none"> <li>New phone system implemented in most municipal workplaces</li> <li>Staff working from home can answer the calls on their computer in real time, vs people leaving a message and having a call back, increase customer service response.</li> <li>All phone systems across the municipality are all linked and on the same platform</li> </ul>	\$ 24,240





# General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Monthly “Middlesex Centre” page in local papers and magazines	2022-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<b>Completed in 2022</b> <ul style="list-style-type: none"> <li>Diversified channels used to communicate with residents</li> <li>Residents have indicated they have seen the page through surveys (tag-along question), therefore reaching more residents.</li> </ul>	\$ 6,000
Questica Open Book implementation	2022	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<b>Completed in 2022</b> <ul style="list-style-type: none"> <li>Increase in transparency with publishing information on website in real time</li> <li>Publish 100% of the operating and capital budget details online</li> </ul>	Internal staff time Included in the Questica software license of \$19,500
Partnership with the Canadian Centre for Diversity and Inclusion for training	2022-2023	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<b>Completed in 2022</b> <ul style="list-style-type: none"> <li>Increased the percentage of employees who are advancing equity and inclusion in their work in the categories specified in the equity and inclusion lens</li> <li>Policy created</li> <li>Internal training phase 1 complete</li> </ul>	\$ 3,000
Donation to Archives	2021-2026	Strat Plan 1 - Engaged Community	1.3 - Celebrate our rural and agricultural heritage	<b>Completed in 2022</b> <ul style="list-style-type: none"> <li>Increase in documents/items in the archives for the public to view</li> </ul>	\$ 5,000





# General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Physical Demand Analysis	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<b>Completed in 2022</b>  ▪ Complete analysis on two positions, improving job requirement documentation.	\$ 5,000
Website Enhancements	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<b>Completed in 2022</b>  ▪ Increase in the number of transactions on the web each year from 2021-2026	\$ 5,000
Learning portal in HRIS system - training	2022-2026	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<b>Completed in 2022</b>  ▪ Increase documentation and tracking of number of courses completed by employees	\$ 5,000
Microsoft Teams Corporate Wide implementation - Office 365	2022	Strat Plan 5 – Responsive Municipal Government	5.1 Enhance Customer service	<b>Completed in 2022</b>  ▪ Decrease staff time with software issues by 2% on Microsoft Teams platform due to efficiency with using Microsoft teams for departmental communications	\$15,000

# General Government

**Table: 2022 Strategic Accomplishments for General Governance: Office of the CAO**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Industrial Land Purchase	2021-2023	Strat Plan 3 – Vibrant Local Economy	3.2 - Ensure that appropriate sites are available for commercial and industrial businesses	<b><i>Not Completed in 2022</i></b> <ul style="list-style-type: none"> <li>Improve assessment mix in municipality by 2%</li> <li>NOTE: not completed in 2021 and 2022, carried forward to 2023 pending master service completion</li> </ul>	\$1,000,000
Expansion of the Community Improvement Plan: <ul style="list-style-type: none"> <li>to support the revitalization of the settlement areas throughout Middlesex Centre</li> <li>to expand the range of incentives offered to businesses and landowners</li> </ul>	2021-2026	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	<b><i>Completed in 2022</i></b> <ul style="list-style-type: none"> <li>Increased access to the Community Improvement Plan to include 100% of the business community</li> <li>Increased in the building façade condition assessment for businesses that received grants</li> <li>Satisfaction survey noting business satisfied with the support during pandemic</li> </ul>	\$30,000
Manager Training through University of Waterloo	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<b><i>Completed in 2022</i></b> <ul style="list-style-type: none"> <li>Increase manager skills in understanding leadership and management</li> <li>Improve manager/staff working relationships as evaluated by the employee satisfaction surveys</li> </ul>	\$5,000



# General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Official Plan Review (OPR)	2021-2022	Strat Plan 2 – Balanced Growth	2.2 - Manage the pace of new residential development and encourage complementary amenities	<b>Completed in 2022</b> <ul style="list-style-type: none"> <li>Public involvement in the review process (note: Middlesex Centre's portion of the OPR process concluded in the spring; these numbers are for 2022 only): <ul style="list-style-type: none"> <li>Held one statutory public meeting (open to the public, 16 written submissions)</li> <li>Issued 3 updates to OPR e-mailing list (173 registrants)</li> </ul> </li> <li>Open and Transparent Process: <ul style="list-style-type: none"> <li>Ensured all documents, presentations, etc. were made available on the municipal website in a timely fashion</li> </ul> </li> </ul>	\$60,000

**Table: 2022 Strategic Accomplishments for General Governance: Office of the Clerk**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Cloudpermit Launch for development and planning review	2022-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<b>Not Completed in 2022</b> <ul style="list-style-type: none"> <li>Decrease in the time it takes to complete a development and planning application</li> <li>NOTE: not completed in 2021 and 2022, carried forward to 2023</li> </ul>	\$15,000

# General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Municipal and School Board Election	2022	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<b>Completed in 2022</b> <ul style="list-style-type: none"> <li>Increased election materials published by additional social media posts over 2018</li> </ul>	\$47,100

## 2023 Strategic Goals

**Table: 2023 Strategic Goals for General Governance: Corporate Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Donation to Archives	2021-2026	Strat Plan 1 - Engaged Community	1.3 - Celebrate our rural and agricultural heritage	<ul style="list-style-type: none"> <li>Increase in documents/items in the archives for the public to view.</li> </ul>	\$ 5,000
Organizational Review	2022-2023	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	<ul style="list-style-type: none"> <li>Increase in employee retention</li> <li>Increase in customer satisfaction</li> </ul>	\$ 90,000 This is 100% grant funded
Customer Service Modernization Service Delivery and Policy	2022-2023	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> <li>Increase in customer satisfaction</li> <li>Decrease in wait times for customers calling in</li> </ul>	\$ 75,000 This is 100% grant funded



# General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Reserve Contributions for Asset Management	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	<ul style="list-style-type: none"> <li>▪ Increase in liquidity</li> <li>▪ Increase in affordability of capital projects</li> </ul>	\$ 1,000,000
Questica performance measures implementation	2022	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> <li>▪ Tie in ten performance measures in the budgeting software</li> </ul>	Staff time, included in the annual software license of \$ 19,500
Long-Range Financial Plan - Operating	2023	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	<ul style="list-style-type: none"> <li>▪ Asset Health Score - Measures asset health to Council's approved level of service.</li> <li>▪ Reduction in growth related risk - Measures the amount of debt risk that has been mitigated through revenue or expenditure management</li> <li>▪ Reliance on external funding - Measures external funding and grants as a percentage of the municipality's total revenue</li> </ul>	\$ 25,000
Website Enhancements	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> <li>▪ Increase in the number of transactions on the web each year</li> </ul>	\$ 5,000

# General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Corporate Communications Plan	2023	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<ul style="list-style-type: none"> <li>Completion of Plan (with metrics to be determined within plan)</li> </ul>	Completed in-house
25 year anniversary event	2023	Strat Plan 1 – Engaged Community	1.3 – Enhance the vitality of our villages	<ul style="list-style-type: none"> <li>20% of the municipality's population attends one of the events</li> </ul>	\$25,000

**Table: 2023 Strategic Goals for General Governance: Office of the CAO**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Zoning By-law	2022-2023	Strat Plan 2 – Balanced Growth	2.2 - Manage the pace of new residential development and encourage complementary amenities	<ul style="list-style-type: none"> <li>Decreased number of zoning bylaw amendments</li> <li>Incorporate a higher intensity and complex development, and to create clear parameters to inform the granting of variances or provide direction to Direct Control Zone regulations in specific cases where standard zones are not appropriate</li> </ul>	\$25,000
Industrial Land Purchase	2021-2023	Strat Plan 3 – Vibrant Local Economy	3.2 - Ensure that appropriate sites are available for commercial and industrial businesses	<ul style="list-style-type: none"> <li>Improve Assessment mix in municipality by 2%</li> </ul>	\$1,000,000



# General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Middlesex Centre Day – 25 <sup>th</sup> Anniversary	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>▪ Have more than 500 people attend the event</li> </ul>	\$4,000
Community Improvement Plan: <ul style="list-style-type: none"> <li>▪ to support the revitalization of the settlement areas throughout Middlesex Centre</li> <li>▪ to expand the range of incentives offered</li> </ul>	2021-2026	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	<ul style="list-style-type: none"> <li>▪ Increase in the Building façade condition assessment for businesses that received grants.</li> <li>▪ Increase in the assessment value of the properties who received funding</li> <li>▪ Survey noting business satisfied with the support during pandemic</li> </ul>	\$30,000
Strategic Plan Refresh	2023	All Strat Plan Priorities	All Strat Plan Objectives	<ul style="list-style-type: none"> <li>▪ Ensure new Council members understand the Strategic plan</li> </ul>	Completed In-House

**Table: 2023 Strategic Goals for General Governance: Office of the Clerk**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Cloudpermit Launch for development and planning review	2023	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>▪ Decrease in the time it takes to complete a development and planning application</li> </ul>	\$15,000



# General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Significant Event Guide and Associated Revenue	2022-2026	Strat Plan 1 - Engaged Community	1.1 - Support community organizations and opportunities for volunteer involvement in the community	<ul style="list-style-type: none"> <li>Improvement of process, reduction in days spent by resident and staff by 2 days</li> </ul>	\$300
DocuSign	2022-2026	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> <li>Number of documents completed electronically.</li> <li>Savings of staff time by 5%</li> </ul>	\$10,000





# General Government

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## Departmental Budget Highlights

### Trends/Issues

- Impact of the lack of commercial and industrial assessments in the assessment mix
- Continued decrease in the revenue collected through the Provincial Offences Act (POA)
- Rising interest rates which have a positive impact on our investments in high interest savings accounts, however negative impact on borrowing rates for capital projects that are debt funded
- Requirement of more detailed governmental reporting for grants and annual reports
- Legislative changes as referenced above under key factors – priorities and issues
- Development and administration of risk management for new and expanded services
- Balancing the need for efficient technology solutions in a cost-effective manner
- Managing cybersecurity corporate-wide and new requirements annually (examples: multi factor authentication and privileged access managing tool (PAM))
- Expanding on various software packages and programs that will create efficient throughout various departments
- Managing the internal costs of a growing municipality with the pressures of additional customer service and services while maintaining costs low
- Increase in insurance costs province wide
- Additional workforce automation in the budgeting process with the implementation of Questica and the different budgeting features and in Insurance, WSIB and AODA vendor compliance (documentation and tracking).

### Service Level Changes

- \$1,000,000 increase in the contribution to Reserve Funds to align with the municipality's Asset Management Plan for tax levy supported capital projects. This is needed for the continued improvement and rehabilitation of our capital assets. This initiative cannot be completed without increasing the annual contribution to capital.
- Implementing the recommendations from the 2021 Information Technology Master Plan through 2022-2026
- Continued improvement to the municipality's Human Resource Information System. Addition of a learning support module in 2022 and planned implementation of the performance management module in 2023.
- Increased communications and engagement with the public through an additional insert in the Villager magazines in different settlement areas.
- Completion of a Customer Service Delivery Review, which was grant funded, in 2022-2023, with possible recommendations for changes in 2023 and beyond.
- Completion of an Organization Delivery Review, which was grant funded, in 2022-2023, with possible recommendations for changes in 2023 and beyond.



# General Government

## Operating Budget Details

General Government has 37.6% of total operating costs. However, of the 37.6%, transfers to reserve funds accounts for 24.8% and general government only accounts for only 12.8% of operating costs.

**Table: Operating Expense Budget for General Government by Cost Centre**

Department	Division	Cost Centre	Total
General Government	Cemeteries		16,935
	Conservation Authorities	Ausable Bayfield	117,048
		Kettle Creek	17,609
		Lower Thames	31,019
		St. Clair	59,492
		Upper Thames	129,007
	Conservation Authorities Total		354,175
	Council		243,113
	COVID-19		4,000
	Economic Development		75,648
	General Administration		2,626,130
	Policing		2,287,431
	Reserve Fund Transfers		10,925,640
<b>General Government Total</b>			<b>16,533,073</b>

# General Government

## Capital Budget Details

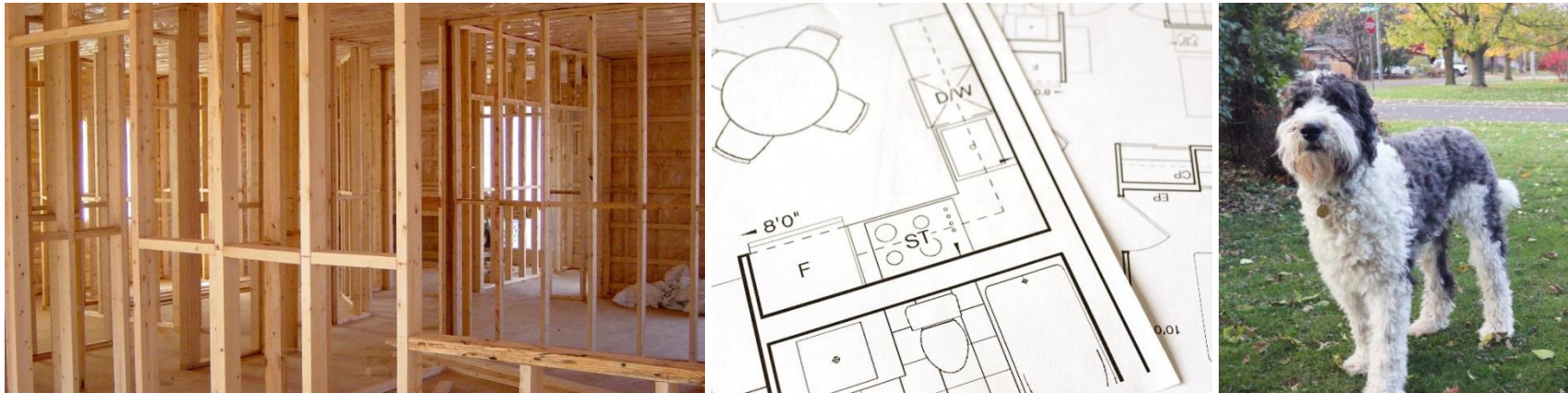
**Table: Capital Budget for General Government by Cost Centre and Project**

General Government	Carry Forward 2022 (\$)	2023 (\$)	Total (\$)
<b>General Administration</b>			
<b>Land:</b>			
Industrial Land Purchase	1,000,000	0	1,000,000
<b>Land Total</b>	<b>1,000,000</b>	<b>0</b>	<b>1,000,000</b>
<b>Other Equipment:</b>			
Municipal Office Phone System	10,000	0	10,000
<b>Other Equipment Total</b>	<b>10,000</b>	<b>0</b>	<b>10,000</b>
<b>General Government Department Total</b>	<b>1,010,000</b>	<b>0</b>	<b>1,010,000</b>



# Building & By-law Services

## BUILDING & BY-LAW SERVICES



### About Building & By-law Services

Building & By-law Services ensures that new and renovated homes and businesses are built to current standards. They issue building permits for residential, institutional, commercial, agricultural and industrial buildings, septic systems, pools and signs. They also oversee municipal by-law enforcement and source water protection.

Since 2002, Building Division has been in a service agreement with the Township of Lucan Biddulph. In 2021, this agreement was expanded to include the municipalities of North Middlesex, Adelaide Metcalfe and Southwest Middlesex. In 2021, three additional building inspectors and an administrative assistant were added to building division due to the increase in building permit activity and the new service agreements.

Building Division is entirely self-funded by building permit fees.

#### *Permits:*

- At the end of the third quarter of 2022, Building Services had issued 584 building permits, with the total value of construction activity of \$137 million. These both fell short of 2021's pace and are more in line with previous years' totals (see accomplishments).

#### *Enforcement:*

- Investigated over 150 complaints pertaining to illegal dumping, illegal building, parking, zoning infractions, animal control, dogs at large and/or vicious, property/occupancy standards and fencing.



# Building & By-law Services

## Staffing

Figure: Building & By-law Services Organizational Chart

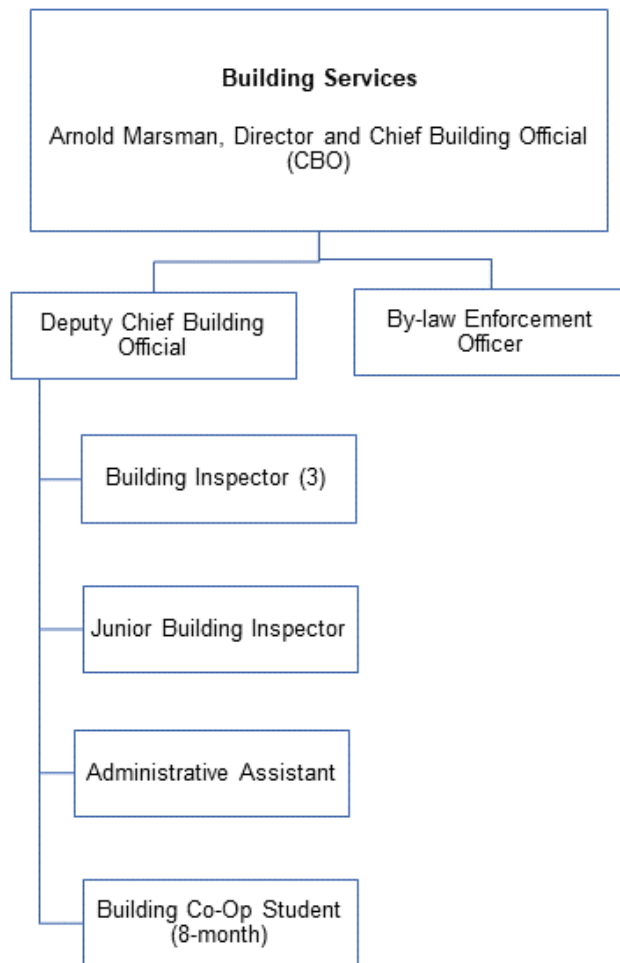


Table: Building Services Staffing Resources

Divisions	2021 FTEs	2022 FTEs	2023 FTEs
Building	6.67	7.67	7.67
By-law	0.75	0.75	0.75
Animal Control	0.25	0.25	0.25
<b>Staffing Total</b>	<b>7.67</b>	<b>8.67</b>	<b>8.67</b>

# Building & By-law Services

## 2022 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's Building & By-law staff delivered a variety of services in 2022 including:

- Hired a new building co-op student due to the building boom for Middlesex Centre.
- Undertook ongoing professional training / licensing renewal for team members. Training costs for all building services staff are approximately \$14,000.
- Continued improvements to the Cloudpermit system.
- Initiated our agreement with BSI Online for administering our backflow prevention program.
- Created an Accessory Building Brochure to assist the public in designing residential accessory buildings.
- Entered into a temporary agreement with the Municipality of Thames Centre for Chief Building Official services.
- Fully recovered the costs of the Building Division budget through permit fees and service agreement payments

**Table: 2022 Building Permit Activity to end of Third Quarter 2022 in Comparison to 2019-2021 Year Ends**

Year	Number of Building Permits Issued	Number of New Dwellings	Estimated Cost of Construction (\$)
2022 (Third quarter complete)	584	157	137,002,549
2021 Year End	836	349	257,387,115
2020 Year End	636	268	143,339,248
2019 Year End	545	159	101,000,000



# Building & By-law Services

**Table: 2022 Strategic Accomplishments Building & By-law Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Building Services - Municipal Partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> <li>▪ Maintained service levels by continuing to exceed provincial standards in building permit issuance during significant building boom</li> <li>▪ Issued 412 building permits for four other municipalities at end of third quarter 2022</li> <li>▪ Assist additional municipality (Thames Centre) with Chief Building Official Service Agreement</li> <li>▪ Hosted workshop for builders and developers</li> <li>▪ Member of AMO 'One Ontario' working group</li> <li>▪ Initiated backflow prevention program with BSI Online</li> <li>▪ Brought Mobile Food Truck By-law to Council for approval</li> <li>▪ Developed Accessory Building Brochure to assist public in designing accessory buildings</li> </ul>	\$346,000
Continued Implementation of Cloudpermit online building permit system	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>▪ Decrease in time it takes to submit information to MPAC for assessment. This information is now submitted as soon as the permit is issued – previously it was monthly or bimonthly.</li> </ul>	\$13,000

# Building & By-law Services

## 2023 Strategic Goals

**Table: 2023 Strategic Goals for Building & By-law Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Building Services - Municipal Partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> <li>▪ Maintain service levels by continuing to exceed provincial standards in building permit issuance</li> <li>▪ Host workshop for builders/developers</li> </ul>	\$346,000
Consider Cloudpermit for By-law Enforcement	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>▪ Investigate cost and benefits of Cloudpermit for by-law enforcement tracking and intake</li> </ul>	\$5,000
Implement AMPS, (Administrative Monetary Penalty System)	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>▪ Implementation of AMPS system</li> </ul>	no cost





# Building & By-law Services

## Departmental Budget Highlights

### Trends

- Ongoing professional training / licensing for our team members; training costs for all building services staff are approximately \$14,000
- Full cost recovery of Building Division budget to continue through building permit fees and service charges to municipal partners
- Tablets to be used by staff in field for better access to permit and inspection information in the field

### Service Levels

- Anticipated slight drop in demand for residential development in Middlesex Centre and throughout Middlesex County due to economic downturn
- Continuing to find efficiencies in providing building inspection services to our four partners in Middlesex County

## Operating Budget Details

Building & By-law Services has 3.6% of total operating costs.

**Table: Operating Budget for Building Services by Cost Centre**

Division	Cost Centre	Total
Animal Control		43,441
Building	Building Inspection – Middlesex Centre	1,064,873
	Building Inspection - Adelaide Metcalfe	62,406
	Building Inspection - Lucan Biddulph	72,335
	Building Inspection - North Middlesex	128,974
	Building Inspection - Southwest Middlesex	86,262
Building Total		1,414,850
By-Law		108,988
<b>Building &amp; Bylaw Total</b>		<b>1,567,279</b>

*Note: While there are no capital expenditures associated with Building & By-law Services for 2023, there are three vehicles to be purchased under Fleet Department – Building capital totaling \$150,000.*



# Community Services

## COMMUNITY SERVICES



### About Community Services

Community Services oversees the operation and management of parks and open space (trails, sport fields, playgrounds, and forestry), facility services and customer service/recreation. It also provides supports to minor sports, special events and community engagement.

Community Services maintains and is responsible for:

- 3 ice surfaces between 2 arenas
- 5 indoor community centres
- 19 parks
- 20 soccer fields
- 15 ball diamonds
- 16 tennis/pickleball courts
- 4 basketball courts
- 12 playgrounds
- 3 splash pads
- 2 skate parks
- 6 outdoor park pavilions
- 2 off-leash dog areas
- 78 hectares of parkland
- 6.4 km of trails



# Community Services

**Figure: Parks, Open Spaces, and Recreational Facilities in Middlesex Centre**

Parks and Open Spaces										
Park	Playground	Washrooms	Pavilion	Trail	Baseball	Basketball	Pickleball	Tennis	Soccer	Special Amenities
Bryanston School Property	•				•	•	•	•	•	
Caverhill Park (Komoka)	•			•						Tobogganing
Deerhaven Optimist Park (Ilderton)	•	•		•		•	•	•	•	Tobogganing
Delaware Lions Park					•		•	•	•	Skateboard Park Outdoor Ball Hockey Tobogganing
Delaware Municipal Park	•	•			•					Batting Cages
Denfield Park	•	•	•		•	•	•	•		
Douglas B. Weldon Park (Arva)	•	•	•	•	•		•	•		Dogs off Leash Area Tobogganing
Ilderton Heritage Park	•	•	•		•					Splash Pad Skateboard Park
Ilderton Rail Trail				•						Dogs off Leash Area
Junction Park (Ilderton)				•						Gazebo
Kilworth Optimist Park	•			•						
Kilworth River Flats				•						
Kilworth River's Edge				•						
Komoka Park	•	•	•	•	•	•	•	•	•	Ethan's Garden (Pollinator Garden)
Komoka Wellness Centre	•	•		•		•				Splash Pad
Meadowcreek Park (Ilderton)	•	•							•	
Pleasant Park (Delaware)									•	
Poplar Hill Park	•	•	•	•	•	•	•			Grandstand Historic Log House
Westbrook Park (Kilworth)	•	•			•	•	•	•	•	Splash Pad Tobogganing

## Arenas

Ilderton Arena

Komoka Wellness & Recreation Centre

## Community Centres

Bryanston Community Centre

Coldstream Community Centre

Delaware Community Centre

Ilderton Community Centre

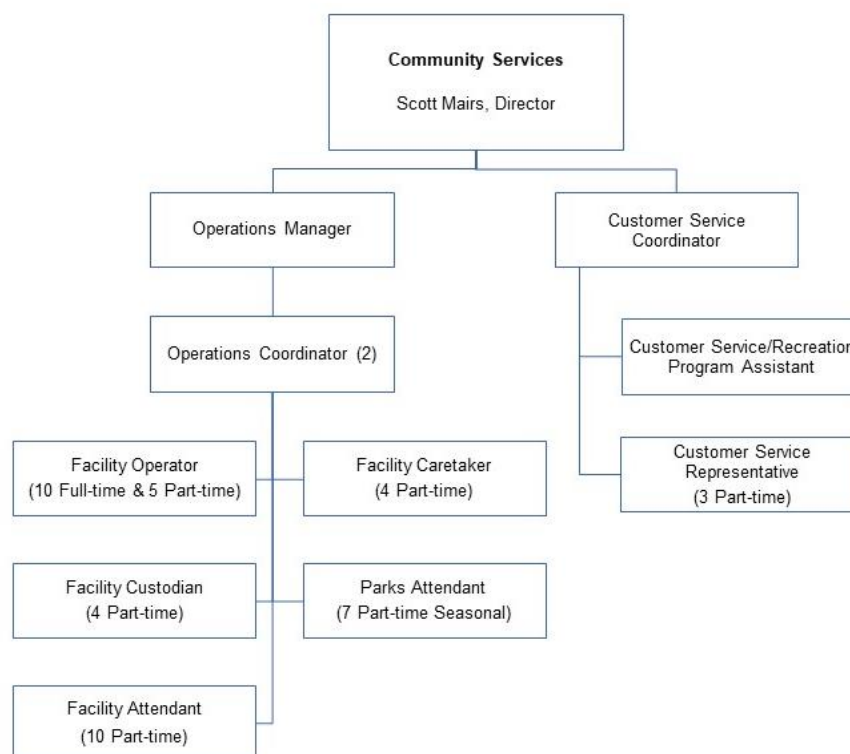
Komoka Community Centre



# Community Services

## Staffing

**Figure: Community Services Organizational Chart (includes Facility Services, which reports under the Director of Community Services)**



**Table: Community Services Staffing Resources (including Facility Services)**

	2021 FTEs	2022 FTEs	2023 FTEs
<b>Staffing Total</b>	<b>25.07</b>	<b>26.07</b>	<b>25.94</b>

*Note: FTEs for past years have been updated to properly reflect staffing levels.*

# Community Services

## 2022 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's Community Services staff delivered a variety of services in 2022 including:

- Operated successfully with anticipated decrease in revenues due to the impact of COVID-19 for ice rentals, community centres, playfields, concessions, advertising and YMCA shared surplus.
- Continued with the Invasive Species program designed to deal with the challenges of the Spongy Moths at a cost of \$35,000
- Installed a Security Gate for \$40,000 at Douglas B. Weldon Park
- Installed the new Denfield Park Playground Equipment for \$80,000
- Completed Field Irrigation improvements for \$75,000 at Komoka park
- Re-surfaced Westbrook Park Tennis Court for \$43,000
- Completed the Douglas B. Weldon Park Accessible Washroom Construction for \$300,000

**Table: 2022 Strategic Accomplishments for Community Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Spongy (LDD) Moth Strategy	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	▪ Completed an aerial spray of 101.81 acres identified	\$35,000
Ilderton Youth Centre	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	▪ Opened Ilderton Youth Centre ▪ Increased program opportunities to Ilderton Youth	Being completed in house.
Age Friendly Community Action Plan	2022-2031	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	▪ Developed plan, identifying key service delivery priorities and long-term strategies	\$43,000 (Grant Funded)



# Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Community Services Master Plan	2021-2026	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	▪ Developed plan, identifying key service delivery priorities and long-term strategies	Being completed in house.
Farmers Market Agreements	2022-2026	Strat Plan 1 - Engaged Community	1.3 - Celebrate our rural and agricultural heritage	▪ Completed of two agreements for each of the farmers markets	To be completed in house.

## 2023 Strategic Goals

**Table: 2023 Strategic Goals for Community Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Breakfast with Community Services	2022-2026	Strat Plan 1 - Engaged Community	1.1 - Support community organizations and opportunities for volunteer involvement in the community	▪ Register a minimum of 50 attendees from the community at large, user groups, minor sport and service clubs	\$1,500
Ilderton Arena Facility Task Force	2023-2026	Strat Plan 1 - Engaged Community	5.1 - Enhance customer service	▪ Identify a number of recommendations to continue advancing the project forward	To be completed in house.
Special Event Guidance Document	2022-2026	Strat Plan 1 - Engaged Community	5.1 - Enhance customer service	▪ Completion and launch of the document prior to spring 2022	To be completed in house.

# Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Rates & Fees Study	2023	Strat Plan 5 – Responsive Municipal Government	5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery	▪ Percentage increase of rates	To be completed in house.
Update Ice Allocation Policy	2023-2026	Strat Plan 1 - Engaged Community	5.1 - Enhance customer service	▪ Increase available prime time hours for youth	To be completed in house.

## Departmental Budget Highlights

### Trends/Issues

Specific trends impacting Community Services include:

- Increased vandalism in municipal parks and facilities
- Increased material and construction costs
- Increased demand for passive recreation amenities (trails, walking, cycling, pickleball, off leash areas)
- Increased demand for youth programming and older adult programming

### Service Level Changes

- Implementation of online facility and registration booking software
- Addition of youth programming in the Ilderton community
- Introduction of recreation programming activities managed in-house by municipal staff
- New partnerships (e.g., BGC London, Ilderton Minor Soccer Club, Optimist Club of Komoka-Kilworth)
- Initiatives coming out of the completion of the Community Service Master Plan Update and the Age Friendly Community Action Plan



# Community Services

## Operating Budget Details

Community Services has 3.5% of total operating costs.

**Table: Operating Budget for Community Services by Cost Centre**

Division	Cost Centre	Total
Administration		860,255
Parks & Open Space	Park - Arva Weldon	104,531
	Park - Bryanston Park	12,769
	Park - Community Landscape Features	17,496
	Park - Delaware Lions	41,339
	Park - Delaware Municipal	32,680
	Park - Delaware Pleasant	14,900
	Park - Delaware Tiffany	632
	Park - Denfield	39,743
	Park - Ilderton Heritage	70,524
	Park - Ilderton Junction	3,055
	Park - Ilderton Lions	12,000
	Park - Ilderton Meadowcreek	30,659
	Park - Ilderton Optimist	39,008
	Park - Kilworth Optimist	8,054
	Park - Kilworth River Flats	3,749
	Park - Kilworth Westbrook	59,344
	Park - Komoka	46,879
	Park - Komoka Caverhill	7,643
	Park - Poplar Hill	56,554
	Parks - Admin	29,317
	Recreation Programs	48,489
Parks & Open Space Total		679,364
<b>Community Services Total Operating Expenses</b>		<b>1,539,619</b>





# Community Services

## Capital Budget Details

Figure: Map of Community Services Capital Projects for 2023



# Community Services

**Table: Capital Budget for Community Services by Cost Centre and Project**

Department	Carry Forward 2022 (\$)	2023 (\$)	Total (\$)
<b>Community Services</b>			
<b>Parks &amp; Open Space</b>			
<b>Buildings &amp; Fixtures:</b>			
Komoka Park-Replace Playground	0	220,000	220,000
Poplar Hill Park - Accessible Washroom Upgrades	0	76,685	76,685
<b>Buildings &amp; Fixtures Total</b>	<b>0</b>	<b>296,685</b>	<b>296,685</b>
<b>Land Improvements:</b>			
Clear Skies Primary Trail	215,000	0	215,000
Clear Skies Secondary Trail	172,679	0	172,679
Denfield Park- Asphalt Parking Lot	0	85,500	85,500
Heritage Park- Asphalt to Pavilion/Barn	0	35,000	35,000
Kilworth Optimist - Tridon Park Development (Phase 1)	61,834	0	61,834
Komoka Civic Square Design	147,200	0	147,200
Weldon Park - Tennis Court improvements	0	105,000	105,000
Weldon Park-6 Disc Golf Stations	0	15,000	15,000
<b>Land Improvements Total</b>	<b>596,713</b>	<b>240,500</b>	<b>837,213</b>
<b>Other Equipment:</b>			
Heritage Park - Backstop and 3rd base line fence Upgrade on Main Diamond	0	40,000	40,000
Meadowcreek Park - Replace Playground	0	180,000	180,000
Westbrook Park- Replace Play Equipment	75,000	25,000	100,000
<b>Other Equipment Total</b>	<b>75,000</b>	<b>245,000</b>	<b>320,000</b>
<b>Community Services Department Total</b>	<b>671,713</b>	<b>782,185</b>	<b>1,453,898</b>



# Facility Services

## FACILITY SERVICES



### About Facility Services

Facility Services is a division under the Community Services Department that maintains and manages the municipality's building portfolio.

Facility Services manages and maintains the following:

- 2 municipal operations centres (Delaware and Denfield)
- 1 municipal administration office
- 2 arenas with 3 ice sheets (Komoka and Ilderton)
- 4 libraries (Komoka, Delaware, Ilderton and Coldstream)
- 5 community centres (Komoka, Coldstream, Delaware, Ilderton and Bryanston)
- 5 fire stations (Coldstream, Delaware, Ilderton, Arva and Bryanston)
- 1 medical centre (Ilderton)
- 1 leased property (Bryanston School – OPP Training Centre)

### Staffing

See the organizational chart for Community Services and Facility Services (jointly) under Community Services above.

# Facility Services

## 2022 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's Facility Services staff delivered a variety of capital projects in 2022, including:

- Ilderton Arena & Delaware Community Centre parking lot re-construction \$325,000
- Delaware Community Centre Lower Roof Replacement \$135,000
- Life Safety Improvements at Delaware Community Centre \$18,500
- Replace safeties on refrigeration plant at Wellness Centre \$15,000
- Paint administration wing at Denfield Operations Centre \$10,000
- Rebuild Ilderton Arena Compressors \$8,000
- Replace pump #5 at Wellness Centre \$4,900
- Ammonia Detection at Ilderton Arena \$4,500
- Completed \$80,000 in equipment and building repairs and maintenance at the Ilderton Arena.
- Completed \$35,100 in refrigeration plant upgrades at the Wellness Centre to repair safety related items and to improve efficiencies.

**Table: 2022 Strategic Accomplishments for Facility Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Launch of Univerus Sport & Recreation Program - recreational booking	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>▪ Streamline booking approach</li> <li>▪ Increase customer satisfaction</li> <li>▪ Decrease staff time on filing and speaking with residents by 5%</li> <li>▪ Complete 100% assessment and documentation of the end-to-end business needs in support of a common registration, booking and payment experience for municipal programs and services by 2022</li> </ul>	\$5,082



## Facility Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
YMCA Partnership Management Fee	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	▪ Increase number of people accessing fitness services	\$45,900

## 2023 Strategic Goals

**Table: 2023 Strategic Goals for Facility Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Develop long-term plan for the replacement of the Ilderton Arena & Curling Centre	2023-2027	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure.	▪ Completion of a feasibility study or sustainability plan.	\$25,000,000



# Facility Services

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## Departmental Budget Highlights

### Trends/Issues

- Labour shortages specifically in facility maintenance
- Increased insurance & utility costs
- Increased material costs
- Equipment & parts delays
- Climate change and the need for more sustainable facilities
- Investments in smart building technology

### Service Level Changes

- Increased building security
- New online work order management system (Asset Essentials)
- Increased cleaning and sanitization of facilities
- Evolving COVID Restrictions as required

### Capital Project Discussion

- Ilderton Recreation Facility is included in the 2023-2027 capital budget forecast. The total cost of the project is \$27,293,000. At this time, the municipality has been unsuccessful in securing a grant, therefore this project has been identified as debt funded. Total debt borrowing for the project from 2023-2026 is \$25,036,853 which is based on 92.1% of the total cost as 7.9% is paid for by Development Charges. Staff are reviewing alternatives as it relates to the future of the Ilderton Arena and will be bringing options to Council for consideration in the spring of 2023. Refer to the Debt section below for more information.



# Facility Services

## Operating Budget Details

Facility Services has 8.6% of total operating costs.

**Table: Operating Budget for Facility Services by Cost Centre**

Division	Cost Centre	Total
Administration		16,500
Arenas	Facility: Ilderton Arena	786,109
	Facility: Wellness Centre	1,823,113
Arenas Total		2,609,222
Community Centres	Facility: Bryanston Community Centre	34,280
	Facility: Coldstream Community Centre	43,601
	Facility: Delaware Community Centre	73,111
	Facility: Ilderton Community Centre	80,753
	Facility: Komoka Community Centre	83,095
Community Centres Total		314,840
Fire Halls	Facility: Arva Fire Hall	36,010
	Facility: Bryanston Fire Hall	17,855
	Facility: Coldstream Fire Hall	21,115
	Facility: Delaware Fire Hall	25,830
	Facility: Ilderton Fire Hall	36,232
Fire Halls Total		137,041
Leased Properties	Facility: Bryanston School	83,296
	Facility: Medical Clinic	153,048
Leased Properties Total		236,344
Libraries	Facility: Coldstream Library	9,110
	Facility: Delaware Library	11,319
	Facility: Ilderton Library	32,993
Libraries Total		53,422
Municipal Office		140,637
PWE Operations Centres	Facility: Delaware Operations Centre	119,809
	Facility: Denfield Operations Centre	163,952
PWE Operations Centres Total		283,761
<b>Total</b>		<b>3,791,766</b>



# Facility Services

## Capital Budget Details

Figure: Map of Facility Services Capital Projects for 2023





# Facility Services

**Table: Capital Budget for Facility Services by Cost Centre and Project**

Facility Services	Carry Forward 2022 (\$)	2023 (\$)	Total (\$)
<b>Arenas</b>			
<b>Buildings &amp; Fixtures:</b>			
Wellness Centre - Library Carpet Replacement	0	25,000	25,000
Wellness Centre Rink Shielding for Players Benches	0	16,500	16,500
<b>Buildings &amp; Fixtures Total</b>	<b>0</b>	<b>41,500</b>	<b>41,500</b>
<b>Other Equipment:</b>			
Ilderton Arena - Brine Pipe Replacement	0	10,500	10,500
Ilderton Arena - Rebuild Compressor #1 and replace motor	0	18,600	18,600
Ilderton Arena - Replace Brine Pump & Motor	0	12,500	12,500
Ilderton Arena - Replace Floor Scrubber	0	9,750	9,750
Komoka Wellness Centre-Playground spinner stage 2 net and install	0	15,000	15,000
Wellness Centre - Compressor 3 Replacement	0	29,000	29,000
Wellness Centre Cooling Tower Rebuild	0	25,000	25,000
<b>Other Equipment Total</b>	<b>0</b>	<b>120,350</b>	<b>120,350</b>
<b>Arenas Division Total</b>	<b>0</b>	<b>161,850</b>	<b>161,850</b>
<b>Community Centres</b>			
<b>Buildings &amp; Fixtures:</b>			
Bryanston Community Centre - HVAC Condensing Unit	0	6,850	6,850
Bryanston Community Centre - New Furnace	0	6,800	6,800
Delaware Community Centre - Replace Lennox Rooftop Units	0	60,000	60,000
Delaware Community Centre-OPP/Archives exterior entrance door + Atrium	0	12,500	12,500
Ilderton Community Centre Automatic Door	0	24,500	24,500
Komoka Community Centre - Bar Fridge Replacement	0	6,500	6,500
Komoka Community Centre - HVAC replacement with heat pumps (main hall)	0	125,000	125,000
Komoka Community Centre - Washroom Accessibility Upgrades	0	85,000	85,000
Komoka Community Centre-Replace Rear Exterior Kitchen Door	0	6,000	6,000
<b>Buildings &amp; Fixtures Total</b>	<b>0</b>	<b>333,150</b>	<b>333,150</b>
<b>Other Equipment:</b>			
Coldstream Community Centre - Replace Floor Scrubber	0	9,000	9,000
Komoka Community Centre Floor Scrubber Replacement	0	9,750	9,750
<b>Other Equipment Total</b>	<b>0</b>	<b>18,750</b>	<b>18,750</b>
<b>Community Centres Division Total</b>	<b>0</b>	<b>351,900</b>	<b>351,900</b>



# Facility Services

Facility Services	Carry Forward 2022 (\$)	2023 (\$)	Total (\$)
<b>Fire Halls</b>			
<b>Fire Halls Division Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Leased Properties</b>			
<b>Buildings &amp; Fixtures:</b>			
Ilderton Medical Centre - Emergency generator supply and install	0	125,000	125,000
Ilderton Medical Centre - Replace Roof Top Unit #1	0	30,000	30,000
<b>Buildings &amp; Fixtures Total</b>	<b>0</b>	<b>155,000</b>	<b>155,000</b>
<b>Leased Properties Division Total</b>	<b>0</b>	<b>155,000</b>	<b>155,000</b>
<b>Libraries</b>			
<b>Buildings &amp; Fixtures:</b>			
Delaware Library - Flooring Replacement	0	15,000	15,000
<b>Buildings &amp; Fixtures Total</b>	<b>0</b>	<b>15,000</b>	<b>15,000</b>
<b>Libraries Division Total</b>	<b>0</b>	<b>15,000</b>	<b>15,000</b>
<b>Municipal Office</b>			
<b>Buildings &amp; Fixtures:</b>			
Coldstream Community Centre Water Softener System Replacement	0	15,000	15,000
Municipal Office- Consulting for Detailed Design for Renovations	0	161,637	161,637
Municipal Office HVAC- West Office Area	45,000	0	45,000
Municipal Office Renovations/Construction	0	2,500,000	2,500,000
<b>Buildings &amp; Fixtures Total</b>	<b>45,000</b>	<b>2,676,637</b>	<b>2,721,637</b>
<b>Municipal Office Division Total</b>	<b>45,000</b>	<b>2,676,637</b>	<b>2,721,637</b>
<b>PWE Operations Centres</b>			
<b>Buildings &amp; Fixtures:</b>			
Delaware PWE - replace 3 o/h door operators	0	11,500	11,500
Delaware PWE-HVAC Install for Sign Printer Room	0	11,500	11,500
<b>Buildings &amp; Fixtures Total</b>	<b>0</b>	<b>23,000</b>	<b>23,000</b>
<b>PWE Operations Centres Division Total</b>	<b>0</b>	<b>23,000</b>	<b>23,000</b>
<b>Facility Services Department Total</b>	<b>45,000</b>	<b>3,383,387</b>	<b>3,428,387</b>



# Fire & Emergency Services

## FIRE & EMERGENCY SERVICES



### About Fire & Emergency Services

Middlesex Centre Fire Services (MCFS) offers a first line of emergency response, fire prevention, and investigative services to our local communities. Our professional paid-on-call firefighters, fire prevention officer and headquarters staff work out of five fire stations located across the municipality.

- **Fire Prevention and Investigation:** MCFS offers fire safety inspections on a request and a complaint basis on behalf of Middlesex Centre, Thames Centre and North Middlesex. As of mid-November 2022, fire prevention has conducted 244 inspections and 14 fire investigations.
- **Public Education:** By acquiring a grant, the department was able to shift public education delivery models, in part, to a virtual platform. Taking this into account, a number of new enhanced programs have been deployed and met with overwhelming success.
- **Emergency Response:** As of mid-November 2022, fire crews had responded to more than 400 calls. This includes fires, vehicle collisions, open air burning, technical rescue and requests for medical support.
- **Training:** Department level training has been modified to make training more conducive to firefighter's schedules. At a higher level, the development and partnership with the Fire Marshal's Office, shared fire certification training has evolved to be a regional training centre. This partnership encompasses Elgin, Middlesex and Oneida First Nations.
- **Apparatus:** 19 fire apparatus (vehicles) located in headquarters and five fire stations including engines, tankers, rescue units, an off-road vehicle, and a water rescue boat/rapid deployment craft (RDC).



# Fire & Emergency Services

## Staffing

Figure: Fire & Emergency Services Organizational Chart

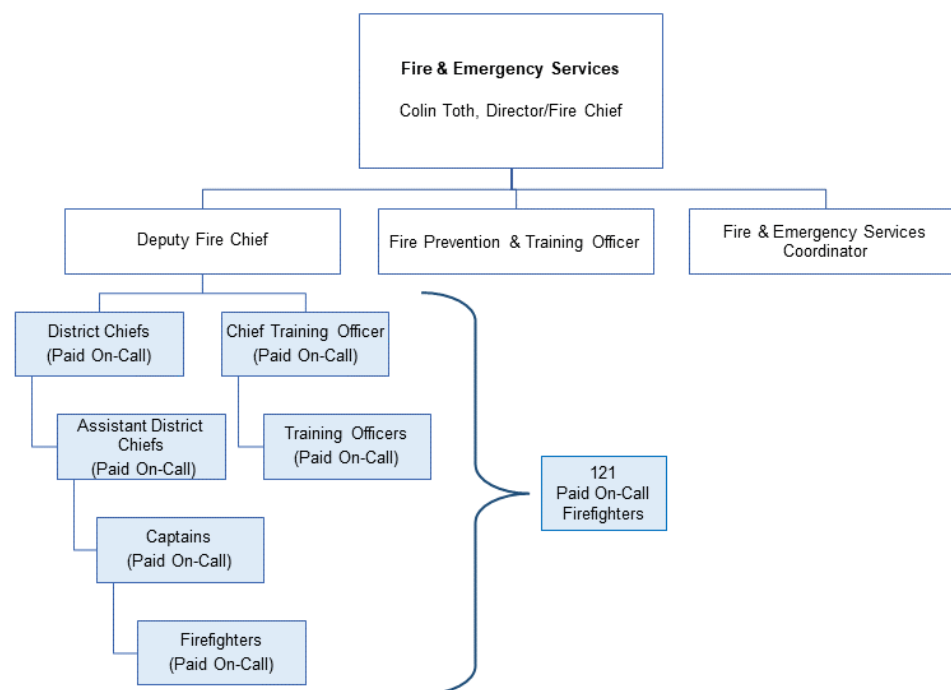


Table: Fire & Emergency Services Staffing Resources

Divisions	2021 FTEs	2022 FTEs	2023 FTEs
Fire Administration	2.00	2.00	3.00
Fire Prevention	1.00	1.00	1.00
<b>Staffing Total</b>	<b>3.00</b>	<b>3.00</b>	<b>4.00</b>
PLUS Fire Operations	114 Paid-On-Call Firefighters (including chiefs / training officers)	115 Paid-On-Call Firefighters (including chiefs / training officers)	121 Paid-On-Call Firefighters (including chiefs / training officers)

# Fire & Emergency Services

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## 2022 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's Fire & Emergency Services staff delivered a variety of services in 2022 including:

- Continuation of the Personal Protective Equipment (PPE) cyclical replacement program at \$60,000.
- Non-capital equipment including medical supplies, portable radios, pagers, base radios, ancillary equipment and the replacement of outdated tools in the amount of \$75,050.
- Ongoing training, including probationary firefighter and driver training, existing certification upkeep, and specific medical training at a cost of \$60,100.
- Enhanced training program in partnership with Elgin County, Oneida First Nations and the Ontario Fire Marshal's Office.
- Completion of the Fire Plan Master and Community Risk Assessment, which was 100% grant funded.
- Continued delivery of a Fire Prevention and Investigation program in support of two (2) neighboring municipalities producing an average revenue stream of approximately \$58,000 annually.
- Departmental shift in public education delivery models, in part, to a virtual platform.
- Engaging with neighboring municipalities to develop service agreements for the delivery of special operations teams such as high-angle rope, ice/water and off-road rescue services.
- Continued development and deployment of the new fire report and asset management system in partnership with Strathroy Dispatch and Fire Services.
- Acquired four significant Fire & Emergency Services grants which enhance and support multiple MCFS projects:
  - Modernization Grant for the Fire Master Plan,
  - Project Assist which provided free training materials,
  - Fire Marshall's Public Fire Safety Council Grant, and
  - Project Zero, which provided free smoke and carbon monoxide alarms for public distribution.



# Fire & Emergency Services

**Table: 2022 Strategic Accomplishments for Fire & Emergency Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Fire Prevention & Investigation Services - Municipal partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> <li>As of mid-November 2022, conducted 244 inspections and 14 fire investigations support of Middlesex Centre and two additional municipalities.</li> </ul>	\$60,000
Master Plan - Fire and Community Risk Assessment	2022	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	<ul style="list-style-type: none"> <li>Improvement of data required for growth to be included in Development Charge study 2023</li> </ul>	\$50,000 (100% grant funded)
Fire Operations - Municipal Partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> <li>Report Management System - Computer Aided Dispatch integration - partnership with Strathroy Fire, Police and Dispatch Centre</li> </ul>	\$20,000
Fire Services - Fire Underwriters Review	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>Five-year review by Fire Underwriters (FUS) and on completion, this organization provides an overall safety and efficiency rating for our municipality</li> </ul>	Completed in house



# Fire & Emergency Services

## 2023 Strategic Goals

**Table: 2023 Strategic Goals for Fire & Emergency Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Fire Prevention & Investigation Services - Municipal Partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> <li>Conduct fire inspections and investigations as required for both Middlesex Centre and other municipalities MCFS services</li> <li>Continued partnership with Fanshawe College at no cost</li> </ul>	\$59,000
Emergency Responder-Specific Wellness Program	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>Ensure firefighters well-being is maintained and addressed in an emergency responder, job-specific way.</li> </ul>	To be completed in house
Enhanced Incident Command and scene Management Models	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>Improving the current incident command model ensuring all stations are interoperable and functioning in a consistent and defensible fashion.</li> </ul>	To be completed in house



# Fire & Emergency Services

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## Departmental Budget Highlights

### Trends/Issues

- Rate of growth and current economic climate continues to affect call volume which has increased at a rate of approximately 10% over 2021. This equates to increased operating costs including wages, equipment requirements, training needs and maintenance.
- As requirements in the fire service continue to expand, new regulations are established to which we are required to adhere. Examples for 2022 include: Community Risk Assessment and training/certifications.
- Recruiting, retention and availability of firefighters persists to be challenging especially as growth continues.

### Service Level Changes

- Low angle rescue training upgraded to include high angle rescue techniques.





# Fire & Emergency Services

## Operating Budget Details

Fire & Emergency Services has 4.4% of total operating costs.

**Table: Operating Budget for Fire & Emergency Services by Cost Centre**

Division	Cost Centre	Total
Emergency Operations		7,450
Fire Administration		696,646
Fire Operations	Fire Hall - Arva	236,248
	Fire Hall - Bryanston	160,633
	Fire Hall - Coldstream	228,670
	Fire Hall - Delaware	244,370
	Fire Hall - Ilderton	208,257
Fire Operations Total		1,078,178
Fire Prevention	Fire Prevention	58,423
	Fire Prevention - North Middlesex	22,951
	Fire Prevention Thames Centre	33,952
Fire Prevention Total		115,326
Special Operations		21,200
<b>Total</b>		<b>1,918,800</b>



# Fire & Emergency Services

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## Capital Budget Details

**Table: Capital Budget for Fire & Emergency Services by Cost Centre and Project**

Fire and Emergency Operations	Carry Forward 2022 (\$)	2023 Budget (\$)	Total (\$)
<b>Fire Operations</b>			
<b>Other Equipment:</b>			
Personal Protective Equipment (PPE)	0	38,000	38,000
SCBA and Accessories	0	15,000	15,000
<b>Other Equipment Total</b>	<b>0</b>	<b>53,000</b>	<b>53,000</b>
<b>Fire and Emergency Operations Department Total</b>	<b>0</b>	<b>53,000</b>	<b>53,000</b>



# PUBLIC WORKS & ENGINEERING: TRANSPORTATION & ADMINISTRATION



## About PWE: Transportation & Administration

The transportation services offered under Public Works and Engineering (PWE) are critical to keeping Middlesex Centre moving. Staff manage a busy, year-round portfolio, including summer construction and winter maintenance.

PWE Transportation maintains:

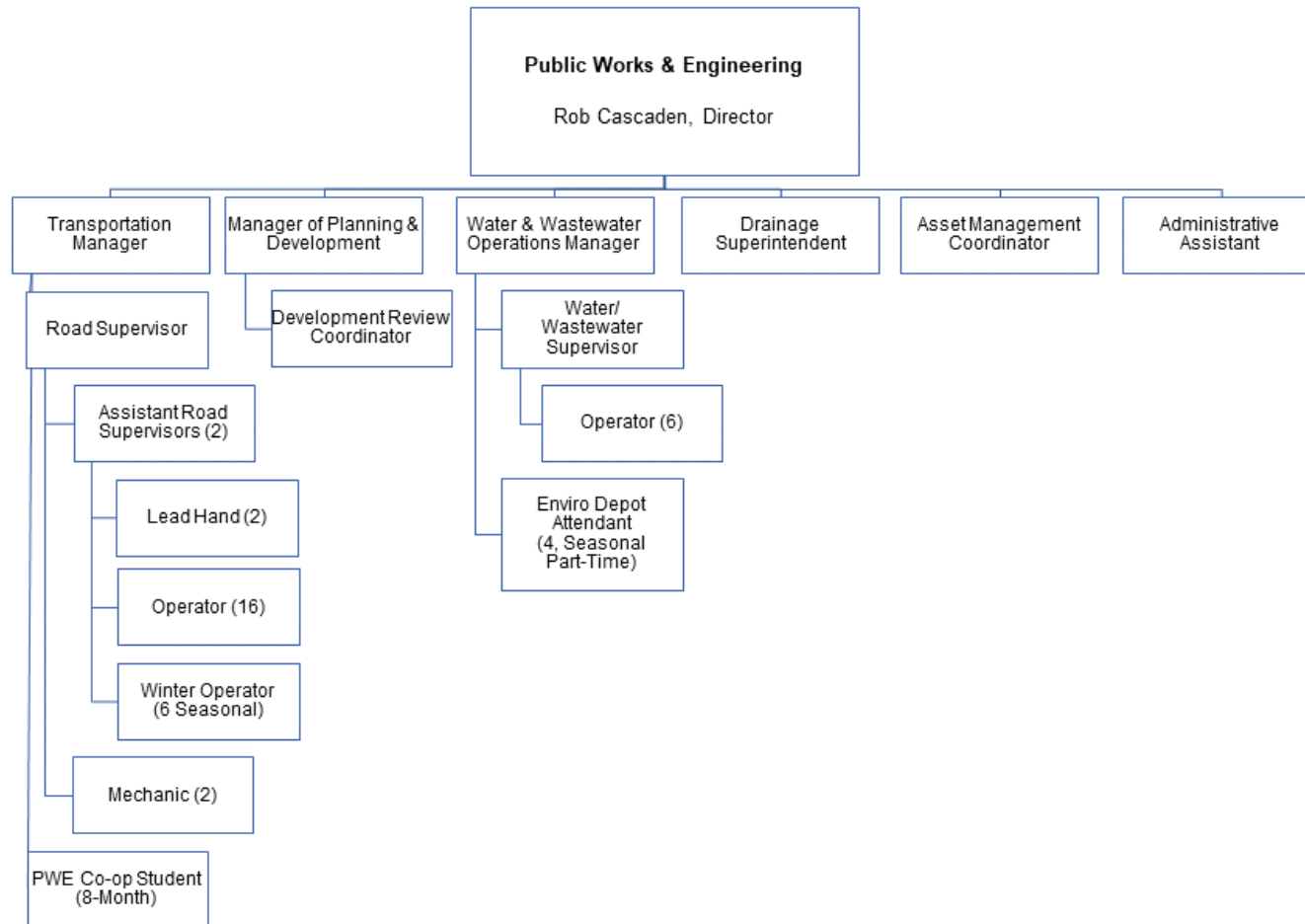
- 589 lane km of paved roads and 547 lane km of gravel roads
- 1,136 lane km of roads for winter maintenance
- 36 km of sidewalk
- 1,876 streetlights
- 1 traffic signal
- 1 pedestrian cross over
- 3 licensed aggregate pits
- 2,683 regulatory and warning signs
- 51 bridges, 75 large culverts (3m diameter or larger) and many smaller diameter culverts
- 2 municipal parking lots

PWE also provides engineering expertise, capital planning, and construction management for some capital projects and Middlesex Centre's water distribution systems and wastewater and stormwater collection systems (which are supported by user fees).

# Public Works & Engineering: Transportation & Administration

## Staffing

**Figure: Public Works and Engineering Organizational Chart (includes Transportation, Administration, Environmental Services and Fleet Services, which reports under the Director of Public Works and Engineering)**



# Public Works & Engineering: Transportation & Administration

**Table: PWE Staffing Resource: Includes Transportation, Administration, Environmental Services and Fleet Services**

Division	2021 FTEs	2022 FTEs	2023 FTEs
Administration (including Planning & Drainage)	4.67	5.67	6.67
Fleet	2.00	2.00	2.00
Transportation	24.33	24.33	24.33
Waste Management	0.27	0.27	0.27
Water & Wastewater	8.00	8.00	8.00
<b>Staffing Total</b>	<b>39.27</b>	<b>40.27</b>	<b>41.26</b>

*Note: FTEs for past years have been updated to properly reflect staffing levels.*

## 2022 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's PWE: Transportation & Administration staff delivered a variety of services in 2022 including:

- Road Needs Study completed for \$75,000
- Hired multiple subcontractors to complete a variety of projects. Specifically, subcontractors are brought in for items where we need additional seasonal capacity, do not have the required specialized equipment to complete components of a project/task, or where specialized experience is required; for example:
  - restoration measures such as seeding and planting, asphalt and concrete, spraying roadside ditches, guiderail installations, traffic sign retro-reflectivity, street lighting and traffic signal maintenance
- Completed Hardtop Patching, Resurfacing and Shoulder Maintenance at a cost of \$551,290. Approximately 32.5 km of centerline road length was resurfaced with tar and chip. Middlesex Centre has approximately 197 km of tar and chip surfaced roads.
- Completed loose top resurfacing, loose top grading and dust control at cost of \$655,224.
- Implementation of traffic calming measures in support of the Vision Zero campaign at a cost of \$30,000.
- Completed snow removal, sidewalk plowing, ice blading, winter patrols, snowplowing, sanding and salting at a cost of \$508,573 (Includes cost of materials and labour)
- Completed centerline marking for 2022
  - This includes line painting of stop bars within our settlement communities, crosswalks, edge lines and centerline of all rural surface treated and asphalt roads.



## Public Works & Engineering: Transportation & Administration

- This is typically completed in late fall following construction projects/tar and chip at approximately \$55,000.
- Reconstruction and Upgrading of Vanneck Road (Sinclair Drive Road to Medway Road) for \$1,350,000.
- Resurfacing of Coldstream Road, Delaware Street South, for \$1,100,000.
- Reconstruction and drainage improvements of Carriage Road from Gideon Drive to 800m south of Gideon Drive \$1,070,000.
- Replacement of two bridge superstructures for \$1,900,000.
- Melrose Street Light replacement for \$460,000.
- Micro Surfaced Arthur Street and Simcoe Crescent for \$45,000.
- Completed the reconstruction of portions of Garden Ave and Wellington Street in Delaware (other than final surface work for 2023).

**Table:–2022 Strategic Accomplishments for PWE: Transportation & Administration**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Road Safety - Traffic Calming	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.1 - Improve safety for road users	<ul style="list-style-type: none"> <li>▪ Decrease in speed related accidents</li> <li>▪ Decrease in speed related traffic tickets</li> <li>▪ Improve the safety of pedestrians and bicyclists</li> <li>▪ Decrease in complaints regarding excessive speed.</li> </ul>	\$30,000
Tree Planting	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>▪ Minimum of 25 new trees planted annually</li> </ul>	\$20,000

# Public Works & Engineering: Transportation & Administration

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Roads Needs Study 2022	2022	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	<ul style="list-style-type: none"> <li>▪ Tie to Asset Management Plan 2021: <ul style="list-style-type: none"> <li>○ Lane-kilometers of road type per square kilometer of land.</li> <li>○ Average PCI, weighted by centreline-kilometres</li> </ul> </li> <li>▪ Centreline-kilometres of HCB (High Class Bituminous (Asphalt)) and LCB (Low Class Bituminous (Tar &amp; Chip)) roads with PCI &lt; 40</li> </ul>	\$75,000
Asset Essentials Implementation	2022	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	<ul style="list-style-type: none"> <li>▪ Tie to Asset Management Plan 2021: <ul style="list-style-type: none"> <li>○ Completeness of asset inventory</li> <li>○ Accuracy of asset details</li> <li>○ Improvement of assets tied to budget process - increase from 2021</li> <li>○ Compliance with Ontario Regulation requirements for 2021</li> </ul> </li> </ul>	\$ 23,730
Asset Management Coordinator	2022	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	<ul style="list-style-type: none"> <li>▪ Tie to Asset Management Plan 2021: <ul style="list-style-type: none"> <li>○ Increase completeness of Assets Inventory</li> <li>○ Increase accuracy of Asset Details</li> <li>○ Improvement of assets tied to budget process - increase from 2021 percentage</li> </ul> </li> </ul>	\$90,501



# Public Works & Engineering: Transportation & Administration

## 2023 Strategic Goals

**Table: 2023 Strategic Goals for PWE: Transportation & Administration**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Master Plan - Transportation	2022-2023	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	<ul style="list-style-type: none"> <li>Improvement of data required for growth to be included in Development Charge study 2023</li> <li>Recommendations for improved road safety on existing roads</li> </ul>	\$125,000
Road Safety - Traffic Calming	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.1 - Improve safety for road users	<ul style="list-style-type: none"> <li>Decrease in speed related accidents</li> <li>Decrease in speed related traffic tickets</li> <li>Improves the safety of pedestrians and bicyclists</li> </ul>	\$30,000
Tree Planting	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>Minimum of 30 new trees planted annually</li> </ul>	\$20,000





# Public Works & Engineering: Transportation & Administration

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## Departmental Budget Highlights

### Trends/Issues

- Labour shortages with general contractors and subcontractors
- Difficulty in maintaining contract timelines
- Limited labour pool for seasonal operators
- Increased insurance costs
- Increased material costs, impacting all aspects
- Equipment & parts delays
- Climate change impact on built infrastructure

### Service Level Changes

- Improved tracking of assets replacements and conditions
- New online work order management system (Asset Essentials) commenced use in 2022
- Completion of Transportation Master Plan

### Capital Project Discussion

- Old River Road Project is being reviewed in 2022 and 2023 with new public information centers and staff are gathering further information on this project to present construction options to Council in the spring of 2023 before construction commences. At this time, the project costs Total \$6,064,500 from 2022-2025. If this project proceeds at this cost, it will be 100% funded by debt, which is paid for on the tax levy. This will result in an increase annually of approximately \$486,631 based on a 5% interest rate, requiring a tax rate increase of 2.27% to cover the debt payments alone. Refer to the debt section below for more information.
- The Komoka Drain No. 1 Stormwater management pond is currently identified as debt funded. However, staff will be funding this project internally in 2023 and will reevaluate the project costs and funding when completing the Stormwater long range financial plan. It is preferable to fund this project within the current stormwater reserve fund to avoid the additional interest costs of \$2,576,668.



# Public Works & Engineering: Transportation & Administration

## Operating Budget Details

Public Works & Engineering has 14.5% of total operating costs.

**Table: Operating Budget for PWE: Transportation & Administration by Cost Centre**

Division	Cost Centre	Total
Administration		1,588,680
Drainage		148,443
Municipal Drainage		37,357
Planning		500,765
Tile Drainage		14,022
Transportation	Adelaide Metcalfe Boundary Road Maintenance	3,000
	Bridge Maintenance	70,000
	Brush & Tree Removal	6,000
	Catchbasin Maintenance	5,000
	Cross Culvert Maintenance	25,000
	Curb & Gutter	7,500
	Cutting & Spraying	29,000
	Debris & Litter Pickup	3,000
	Ditching	5,000
	Guard Rails	25,000
	Hardtop Patching	60,000
	Hardtop Shoulder Maintenance	5,000
	Hardtop Sweeping	35,000
	Ice Blading	4,000
	Line Marking	63,250
	Loosetop Dust Control	290,000
	Loosetop Grading / Dragging	12,000
	Loosetop Resurfacing	330,000



## Public Works & Engineering: Transportation & Administration

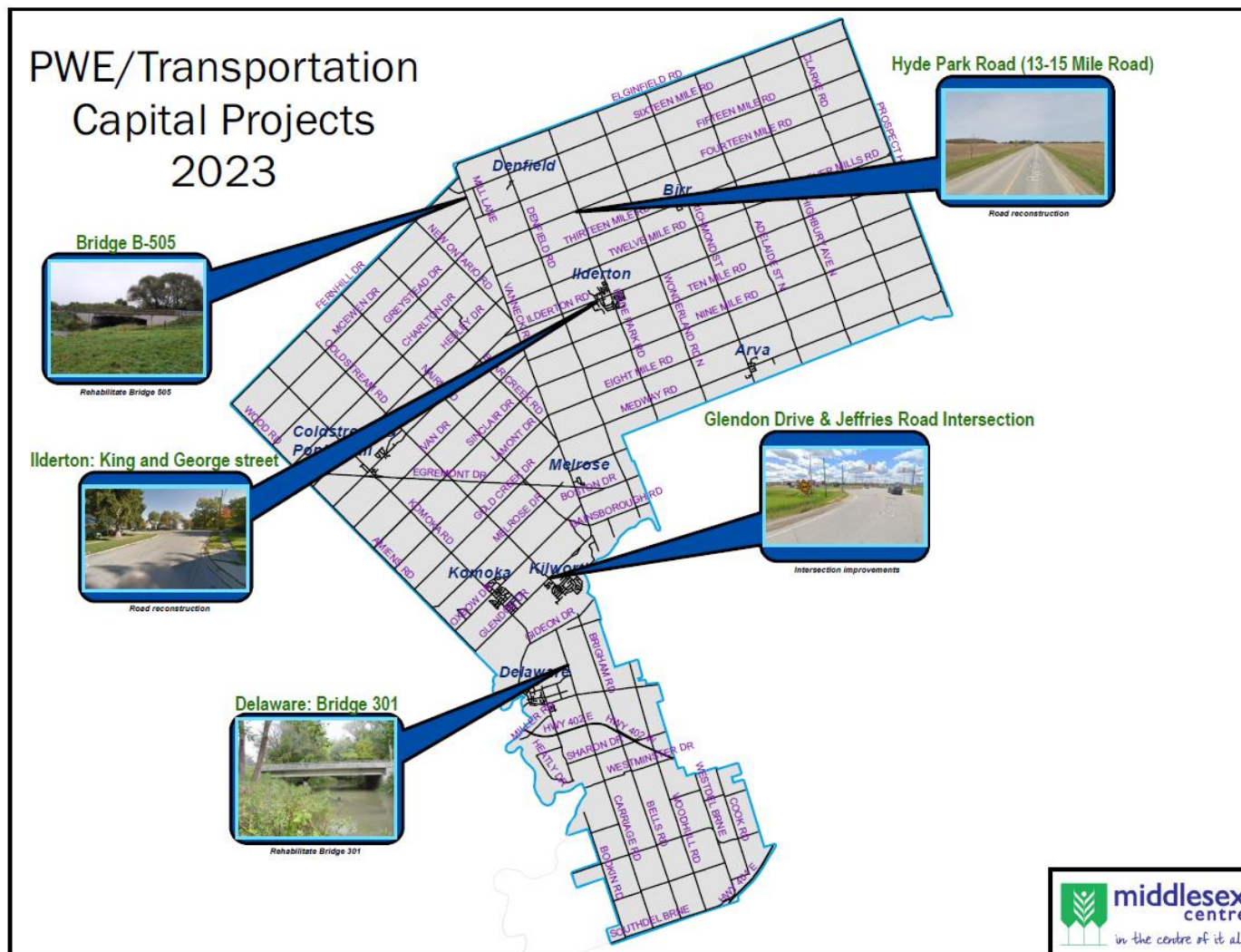
Division	Cost Centre	Total
	Municipal Drain Charges	410,000
	Municipal Parking Lot - Arva	1,000
	Municipal Parking Lot - Ilderton	1,000
	Pit #1 - Olalondo	25,275
	Pit #2 - Sunningdale Road Sand	2,600
	Pit #3 - Hokkanson	16,500
	PWE Operations	2,111,646
	Railroad Charges	10,500
	Sanding & Salting	210,000
	Sidewalks	10,000
	Slurry Seal & Rout and Seal	50,000
	Snow Plowing	30,000
	Sod Restoration	1,500
	Streetlighting	113,630
	Traffic Calming	25,000
	Traffic Counts	3,500
	Traffic Signal Maintenance	7,500
	Traffic Signs	35,000
	Tree Planting	25,000
Transportation Total		4,067,401
<b>Total</b>		<b>6,356,668</b>

*Note: \*Operation wages are budgeted in one account, PWE Operations account 01-3301 and will then be distributed to the other operation costs throughout the year as work is completed*

# Public Works & Engineering: Transportation & Administration

## Capital Budget Details

Figure: Map of PWE: Transportation Capital Projects for 2023



# Public Works & Engineering: Transportation & Administration

**Table: Capital Budget for PWE: Transportation & Administration by Cost Centre and Project**

Public Works & Engineering	Carry Forward 2022 (\$)	2023 Budget (\$)	Total (\$)
<b>Transportation</b>			
<b>Bridges &amp; Culverts:</b>			
B-120 Bridge Repairs	0	40,000	40,000
B-314 Bridge Repairs	0	187,500	187,500
Rehabilitate Bridge B-301	0	357,500	357,500
Rehabilitate Bridge B-505	0	140,000	140,000
Replace Culvert C-156	0	42,500	42,500
Replace Culvert C-558	0	42,500	42,500
Replace Culvert C-563	0	42,500	42,500
Replace Superstructure on Bridge B-124	150,000	0	150,000
Replace Superstructure on Bridge B-146	150,000	0	150,000
Waterproof & Pave Bridge B-108	0	20,000	20,000
<b>Bridges &amp; Culverts Total</b>	<b>300,000</b>	<b>1,087,500</b>	<b>1,387,500</b>
<b>Concrete Sidewalks:</b>			
Sidewalk Expansion	0	167,500	167,500
<b>Concrete Sidewalks Total</b>	<b>0</b>	<b>167,500</b>	<b>167,500</b>
<b>Roads:</b>			
Oxbow Dr. Reconstruction – Cost Sharing (Adjacent to 10125 Oxbow)	0	35,000	35,000
Amiens Road CN Overpass Drainage Improvements	40,000	15,000	55,000
Asphalt Resurfacing	0	1,150,000	1,150,000
Coldstream Road Realignment	100,000	0	100,000
Garden Avenue / Wellington Road Reconstruction	365,068	0	365,068
Glendon Drive and Jeffries Intersection Improvements	0	325,000	325,000
Hyde Park Road Reconstruction (15 Mile Road to 13 Mile Road)	0	1,900,000	1,900,000
King and George Street Reconstruction (Design)	0	50,000	50,000
Martin Road Reconstruction (Wellington to Harris) – Surface Asphalt	0	90,000	90,000
Old River Road (Glendon Dr to Pulham Rd)	1,050,000	1,157,500	2,207,500



## Public Works & Engineering: Transportation & Administration

Public Works & Engineering	Carry Forward 2022 (\$)	2023 Budget (\$)	Total (\$)
Oxbow Drive Resurfacing	0	50,000	50,000
Tar & Chip Resurfacing	0	600,000	600,000
<b>Roads Total</b>	<b>1,555,068</b>	<b>5,372,500</b>	<b>6,927,568</b>
<b>Streetlighting:</b>			
Melrose Street Light Pole Replacement	458,386	0	458,386
<b>Streetlighting Total</b>	<b>458,386</b>	<b>0</b>	<b>458,386</b>
<b>Public Works &amp; Engineering Department Total</b>	<b>2,313,454</b>	<b>6,627,500</b>	<b>8,940,954</b>



# PUBLIC WORKS & ENGINEERING: ENVIRONMENTAL SERVICES



## About PWE: Environmental Services

The water, wastewater and stormwater management services offered by Public Works and Engineering are critical to keeping Middlesex Centre's drinking water supply safe. They play a crucial role in protecting public and environmental health in the community.

Middlesex Centre owns and operates water, wastewater and stormwater systems that operate 24 hours a day, 7 days a week

- 13 water facilities (wells, booster stations, towers and standpipes) for drinking water supplies, and conducts 450 microbiological water tests annually
- 86 km of watermains; 909 control valves; 432 fire hydrants; and 3,379 customer service connections

- 2 wastewater treatment plants, one in Ilderton and one in Komoka, and 8 wastewater pumping stations servicing 4 municipal wastewater collection systems
- 50 km of wastewater pipes
- 9 assumed stormwater management facilities
- 67 km of stormwater collection pipes

## Staffing

See the organizational chart for all of Public Works & Engineering under PWE: Transportation & Administration above.



# Public Works & Engineering: Environmental Services

## 2022 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's PWE: Environmental Services staff delivered a variety of services in 2022 including:

- Maintain service levels:
  - Management of water and wastewater treatment and distribution infrastructure through operator-controlled and automated processes, and schedule preventative maintenance of asset components
  - Protection of the environment through quality and quantity control of stormwater
- Completed Condition Assessment for wastewater at a cost of \$107,070
- Installed new software, specifically, new versions and software upgrades for programs used to monitor and maintain databases for regulatory and process data, at a total cost of \$17,500 for upgrades and maintenance service agreements
- Supported development through the commissioning of new watermain expansions.
- Completed the commissioning of the Delaware BPS and water supply interconnect from Komoka to Delaware

**Table: 2022 Strategic Accomplishments for PWE: Environmental Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
SCADA Roadmap	2022	Strat Plan 4 – Sustainable Infrastructure and Services	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"><li>▪ Evaluate current system to determine deficiencies</li><li>▪ Direction to improve performance to ensure reliability, responsiveness, cost effectiveness, security, and scalability.</li><li>▪ Increase completeness and accuracy of Assets Inventory</li></ul>	\$74,975





# Public Works & Engineering: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
DWQMS Accreditation	2022-2025			<ul style="list-style-type: none"> <li>Adhere to the framework for operating authority and owner of a drinking water system</li> <li>Accreditation by a third-party accreditation body that all requirements of the DWQMS are being maintained</li> </ul>	\$5,000
Operations staff computer tablets for in-field use by water operations	2022	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>Decrease in staff time for data input</li> </ul>	\$6,000
Wastewater Pump Station Condition Assessments	2022	Strat Plan 4 – Sustainable Infrastructure and Services	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> <li>Evaluate current system to determine deficiencies and direction for performance improvement and responsiveness</li> </ul>	\$107,070

## 2023 Strategic Goals

**Table: 2023 Strategic Goals for PWE: Environmental Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Master Plan - Wastewater	2022-2023	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	<ul style="list-style-type: none"> <li>Improvement of data required for growth to be included in Development Charge study 2023</li> <li>Establishing a road map for future upgrades and expansion</li> </ul>	\$166,915



## Public Works & Engineering: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Master Plan - Water	2022-2023	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	<ul style="list-style-type: none"> <li>Improvement of data required for growth to be included in Development Charge study 2023</li> <li>Establishing a road map for future upgrades and expansion</li> </ul>	\$166,915
Master Plan - Stormwater	2022-2023	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	<ul style="list-style-type: none"> <li>Improvement of data required for growth to be included in Development Charge study 2023</li> <li>Establishing a road map for future upgrades and expansion</li> </ul>	\$99,715
Wastewater and Stormwater Financial Plan	2023	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	<ul style="list-style-type: none"> <li>Establish a 10-year operations and capital forecast to allow a long-range rate projection including targets to reserve funds to allow for future asset upgrades and replacements as required to meet asset management objectives.</li> </ul>	\$15,000
Melrose Water System Interconnect	2022-2024	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure		\$2,813,750

# Public Works & Engineering: Environmental Services

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## Departmental Budget Highlights

### Trends/Issues

- Labour shortages with general contractors and subcontractors
- Difficulty in maintaining contract timelines
- Increased insurance costs and utility costs
- Increased material costs, impacting all aspects.
- Equipment and parts delays
- Climate change impact on built infrastructure and consideration in future design
- Calls for lower water, wastewater and stormwater rates from residents and businesses

### Service Level Changes

- Improved tracking of asset replacements and asset conditions
- New online work order management system (Asset Essentials) intended to come into use in 2022

### Capital Project Discussion

- Improvements to the SCADA (supervisory control and data acquisition) systems for our water and wastewater sites are included in the capital budget for 2022-2027 at \$1,050,000. Staff are in the process of completing and overall analysis and creation of a road map that will identify the actions required for upgrading the existing SCADA system over the next ten years. As this is in the beginning phases, staff have not included all possible capital costs in the 2023 budget forecast, and more information will be coming to council in 2023 with an update to the capital budget in future years.

# Public Works & Engineering: Environmental Services

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## Operating Budget Details

Environmental Services has 24.6% of total operating costs.

**Table: Operating Budget for Public Works & Engineering: Environmental Services by Cost Centre**

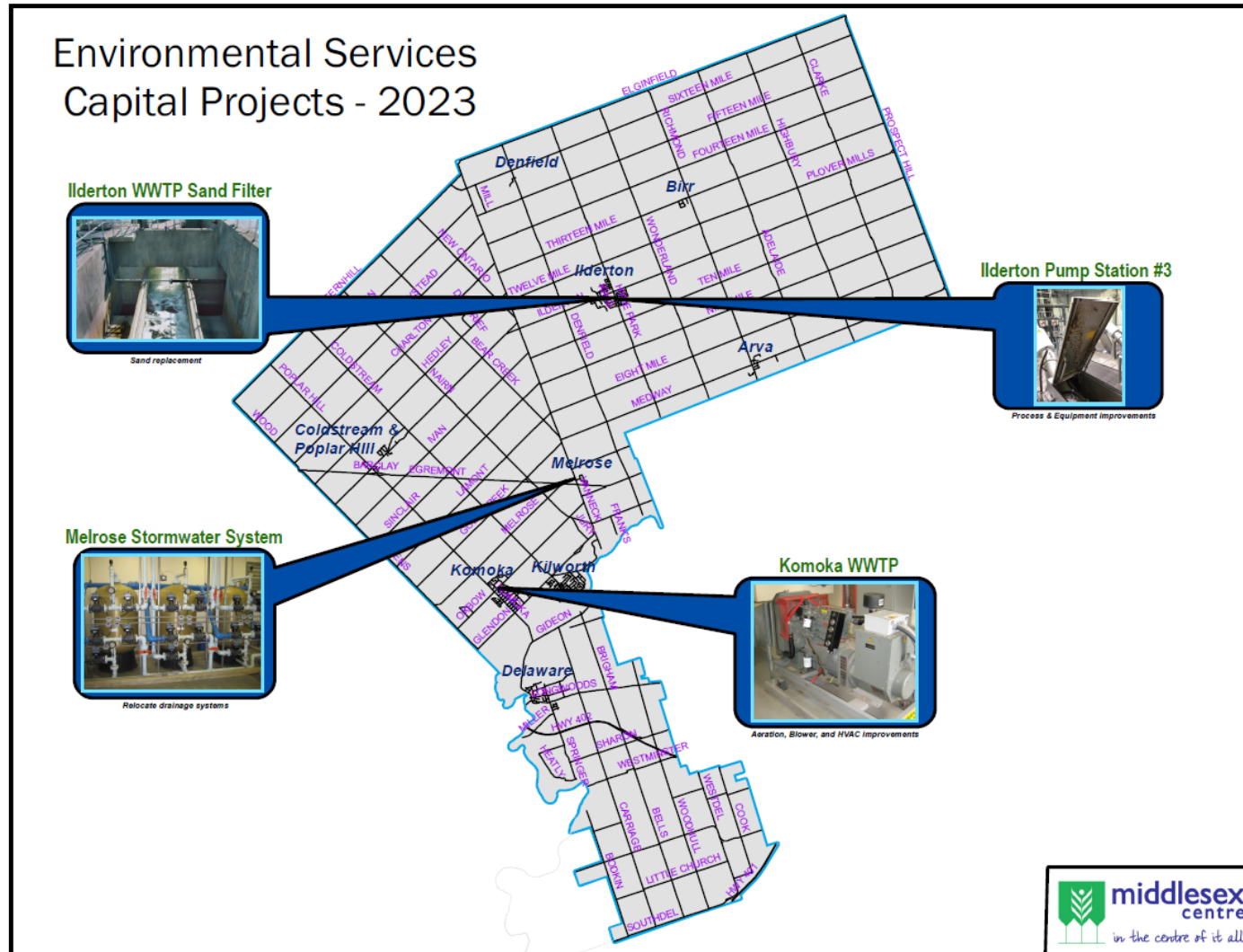
Division	Cost Centre	Total
Stormwater		1,191,579
Waste Management	Enviro Depots	83,095
	Garbage Collection	513,276
	Garbage Disposal	364,151
	Recycling	538,640
Waste Management Total		1,499,162
Wastewater		4,059,176
Water		4,081,135
Total		10,831,052



# Public Works & Engineering: Environmental Services

## Capital Budget Details

Figure: Map of Water, Wastewater and Stormwater Capital Projects



# Public Works & Engineering: Environmental Services

**Table: Capital Budget for Public Works & Engineering (Environmental Services) by Cost Centre and Project**

Environmental Services	2022 Carry Forward (\$)	2023 Budget (\$)	Total (\$)
<b>Stormwater</b>			
<b>Stormsewer Infrastructure:</b>			
King/George Street Reconstruction (Design)	23,915	0	23,915
10125 Oxbow Dr Phase 1 - Stormwater	0	105,000	105,000
Komoka Drain No. 1 - SWM pond	450,000	60,000	510,000
Komoka Drain No.3 - Union Ave. Branch	233,000	0	233,000
<b>Stormsewer Infrastructure Total</b>	<b>706,915</b>	<b>200,000</b>	<b>906,915</b>
<b>Stormwater Division Total</b>	<b>706,915</b>	<b>200,000</b>	<b>906,915</b>
<b>Wastewater</b>			
<b>Other Equipment:</b>			
SCADA Replacement	112,882	37,118	150,000
<b>Other Equipment Total</b>	<b>112,882</b>	<b>37,118</b>	<b>150,000</b>
<b>Wastewater Facilities:</b>			
Demolishing of the Kilworth WWTP	125,000	0	125,000
Ilderton Pump Station #3 Process and Equipment Improvements	0	535,920	535,920
Ilderton Treatment Capacity Upgrades	337,650	0	337,650
Influent channel flow monitoring design	201,250	94,250	295,500
Komoka WWTP - Aeration, Blower and HVAC Improvements	470,000	309,700	779,700
Vertical Wastewater Systems Facilities Improvements	0	75,038	75,038
Wastewater Submersible Pump Replacement and Rebuild	0	15,000	15,000
<b>Wastewater Facilities Total</b>	<b>1,384,894</b>	<b>1,059,908</b>	<b>2,444,802</b>
<b>Wastewater Facility Equipment:</b>			
Dissolved Oxygen Sensor Upgrades	0	68,800	68,800
Ilderton WWTP Sand Filter Sand Replacement	0	150,000	150,000
Wastewater Pump Station Equipment Improvement	0	75,000	75,000
<b>Wastewater Facility Equipment Total</b>	<b>0</b>	<b>293,800</b>	<b>293,800</b>
<b>Wastewater Mains:</b>			
Horizontal Wastewater System Rehabilitation	0	50,000	50,000
Komoka Road Forcemain Replacement	120,000	0	120,000
Servicing of Tunks Lane (1 of 2)	100,000	0	100,000



# Public Works & Engineering: Environmental Services

Environmental Services	2022 Carry Forward (\$)	2023 Budget (\$)	Total (\$)
<b>Wastewater Mains Total</b>	<b>220,000</b>	<b>50,000</b>	<b>270,000</b>
<b>Wastewater Division Total</b>	<b>1,717,776</b>	<b>1,440,826</b>	<b>3,158,602</b>
<b>Water</b>			
<b>Other Equipment:</b>			
Birr Equipment Improvements	34,604	0	34,604
SCADA Replacement (2 of 2)	122,882	27,118	150,000
<b>Other Equipment Total</b>	<b>157,485</b>	<b>27,118</b>	<b>184,604</b>
<b>Wastewater Facilities:</b>			
Melrose Equipment Improvements	60,000	0	60,000
<b>Wastewater Facilities Total</b>	<b>60,000</b>	<b>0</b>	<b>60,000</b>
<b>Water Facilities:</b>			
Arva Water Plant Upgrades	37,300	0	37,300
Building Mechanical, Structural & Site Work	0	187,300	187,300
Instrumentation & Control, electrical generator and ATS	113,000	37,000	150,000
Water Facilities - Process Mechanical Improvements	0	150,000	150,000
Water Facilities Improvements	0	50,000	50,000
Well Maintenance	7,307	0	7,307
<b>Water Facilities Total</b>	<b>157,607</b>	<b>424,300</b>	<b>581,907</b>
<b>Water Mains:</b>			
Delaware Water Supply Interconnection Phase 2	125,000	0	125,000
Glendon Drive Watermain Twinning	440,000	0	440,000
Melrose Lake Huron Primary Water Supply Connection	93,750	2,720,000	2,813,750
Servicing of Tunks Lane (2 of 2)	60,000	0	60,000
<b>Water Mains Total</b>	<b>718,750</b>	<b>2,750,000</b>	<b>3,468,750</b>
<b>Water Division Total</b>	<b>1,093,842</b>	<b>3,201,418</b>	<b>4,295,261</b>
<b>Environmental Services Department Total</b>	<b>3,518,533</b>	<b>4,842,245</b>	<b>8,360,778</b>



## Fleet Services

# FLEET SERVICES



## About Fleet Services

Fleet Services look after all of the municipality's vehicles – everything from snowplows to fire engines to ice resurfacers. The current municipal fleet of more than 90 vehicles includes:

- 2 fully electric and 2 hybrid vehicles
- 4 fire engines
- 5 fire tankers
- 6 rescue trucks
- 23 light-duty trucks and automobiles
- 4 medium-duty trucks
- 17 heavy-duty trucks
- 3 ice resurfacers
- numerous mowers, tractors, graders, etc.

## Staffing

See the organizational chart for all of Public Works & Engineering and Fleet Services under PWE: Transportation & Administration above.



# Fleet Services

## 2022 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's Fleet Services staff delivered a variety of services in 2022 including:

- Minimized outsourcing of repairs.
- Continued to prioritize repairs and needs of various departments to ensure all departments are well serviced.

**Table: 2022 Strategic Accomplishments for Fleet Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Tablets for in-field use for Asset Management	2022	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	▪ Decrease in staff time by 5% for data input	\$6,000

## Departmental Budget Highlights

### Trends/Issues

- **Fuel, oil, repairs and maintenance increases:** We have all seen the significant increase in fuel and oil prices over the course of 2022. Fortunately, this had been hedged for in our 2022 budget thus the 2023 budget for fuel and oil has not changed significantly. It is uncertain if there will be continued upward pressures on fuel prices, but we do not anticipate seeing the same increases that were experienced in 2023, the expectation is that costs will remain stable. The cost of parts in 2023 is anticipated to be higher than 2022 but an accurate projection is difficult with the market volatility.
- **Insurance increases:** Insurance is seeing a significant increase of nearly 15% due to the overall insurance market.



# Fleet Services

## Operating Budget Details

Fleet Services has 3.2% of total operating costs.

**Table: Operating Budget for Fleet Services by Cost Centre**

Division	Total
Administration Fleet	347,118
Building Fleet	9,550
Community Services Fleet	119,500
Environmental Services Fleet	20,000
Fire Fleet	91,250
PWE Transportation Fleet	847,550
<b>Fleet Operating Expense Total</b>	<b>1,434,968</b>

## Capital Budget Details

**Table: Capital Budget for Fleet Services by Cost Centre and Project**

Fleet Services	Carry Forward 2022 (\$)	2023 (\$)	Total (\$)
<b>Building Fleet</b>			
<b>Vehicles &amp; Machinery:</b>			
Replacement Vehicle	0	150,000	150,000
<b>Vehicles &amp; Machinery Total</b>	<b>0</b>	<b>150,000</b>	<b>150,000</b>
<b>Building Fleet Division Total</b>	<b>0</b>	<b>150,000</b>	<b>150,000</b>
<b>Community Services Fleet</b>			
<b>Other Equipment:</b>			
Attachments for John Deere Front Mount	0	22,500	22,500
New Fast Ice Resurfacer system	0	25,000	25,000



# Fleet Services

Fleet Services	Carry Forward 2022 (\$)	2023 (\$)	Total (\$)
Small Engine Equipment	0	6,000	6,000
<b>Other Equipment Total</b>	<b>0</b>	<b>53,500</b>	<b>53,500</b>
<b>Vehicles &amp; Machinery:</b>			
Replacement Dump Trailer	0	17,500	17,500
Replacement Zero Turn Mower	0	30,000	30,000
Transfer Building dept vehicle	0	15,000	15,000
<b>Vehicles &amp; Machinery Total</b>	<b>0</b>	<b>62,500</b>	<b>62,500</b>
<b>Community Services Fleet Division Total</b>	<b>0</b>	<b>116,000</b>	<b>116,000</b>
<b>Environmental Services Fleet</b>			
<b>Other Equipment:</b>			
Small Engine Equipment	0	6,000	6,000
<b>Other Equipment Total</b>	<b>0</b>	<b>6,000</b>	<b>6,000</b>
<b>Vehicles &amp; Machinery:</b>			
Transfer Building dept vehicle	0	15,000	15,000
<b>Vehicles &amp; Machinery Total</b>	<b>0</b>	<b>15,000</b>	<b>15,000</b>
<b>Environmental Services Fleet Division Total</b>	<b>0</b>	<b>21,000</b>	<b>21,000</b>
<b>Fire Fleet</b>			
<b>Other Equipment:</b>			
Small Engine Equipment	0	4,000	4,000
<b>Other Equipment Total</b>	<b>0</b>	<b>4,000</b>	<b>4,000</b>
<b>Fire Fleet Division Total</b>	<b>0</b>	<b>4,000</b>	<b>4,000</b>
<b>PWE Transportation Fleet</b>			
<b>Other Equipment:</b>			
Small Engine Equipment	0	6,000	6,000
<b>Other Equipment Total</b>	<b>0</b>	<b>6,000</b>	<b>6,000</b>
<b>Vehicles &amp; Machinery:</b>			
New 1 Ton Truck	140,000	0	140,000
New Guardrail Mower	30,000	0	30,000
New Mini Excavator	0	190,000	190,000
Replacement 1/2-ton truck	0	65,000	65,000



# Fleet Services

Fleet Services	Carry Forward 2022 (\$)	2023 (\$)	Total (\$)
Replacement Grader	485,000	0	485,000
Replacement Grader - Toromont CAT	518,659	0	518,659
Replacement Plow Truck	0	550,000	550,000
Replacement Roadside Mower	30,000	0	30,000
Replacement Rubber Tire Roller	0	235,000	235,000
Replacement Tandem Truck	380,000	71,905	451,905
<b>Vehicles &amp; Machinery Total</b>	<b>1,583,659</b>	<b>1,111,905</b>	<b>2,695,564</b>
<b>PWE Transportation Fleet Division Total</b>	<b>1,583,659</b>	<b>1,117,905</b>	<b>2,701,564</b>
<b>Fleet Services Department Total</b>	<b>1,583,659</b>	<b>1,408,905</b>	<b>2,992,564</b>



## ASSET MANAGEMENT

Asset Management is the coordinated activity of an organization to put a value on its assets. It is the balancing of costs, opportunities and risks against the how the assets should last and perform over their life cycle to achieve the municipality's organizational objectives.

The main objective of an asset management plan (AMP) is to use the municipality's best available information to develop a comprehensive long-term plan for capital assets. In addition, the plan should provide a sufficiently documented framework that will enable continuous improvement and updates of the plan to ensure its relevancy over the long term.

Middlesex Centre's AMP was completed and approved June 2021. It has been used to develop the 2022-2026 capital budget.

- The plan meets the requirements for O. Reg. 588/17.
- Significant improvements on condition data included.
- Focus is on reasonable funding levels needed to sustain current service levels, which has been built into the 2023 budget.

The AMP helps the municipality make the best possible decisions regarding the construction, operation, maintenance, renewal, replacement, expansion and disposal of infrastructure assets while minimizing risk and cost to taxpayers and maximizing service delivery.

The AMP integrates a number of business-specific infrastructure asset plans:

- Roadways
- Facilities and Buildings
- Parks and Land Improvements
- Stormwater Management
- Fleet and Equipment
- Structures Inventory Reports (Bridges and Culverts)

**Table: Middlesex Centre Asset Classes and Replacement Cost**

Asset Class	Replacement Value
Roads	\$135,130,374
Sidewalks and Street Lights	\$18,685,035
Bridges and Structural Culverts	\$117,864,041
Facilities	\$101,038,760
Water	\$77,067,633
Wastewater	\$125,629,211
Stormwater	\$110,653,607
Fleet	\$18,361,061
Equipment	\$1,860,048
Total	\$706,289,770

# Asset Management

## Asset Management Financing Strategy



One of our Asset Management goals is that the municipality's physical assets be managed in a manner that supports the sustainable provision of municipal services to residents. Through the implementation of the AMP, the municipality's practice should evolve to provide services at levels outlined in the plan. Moreover, infrastructure and other capital assets should be maintained at condition levels that provide a safe and functional environment for the municipality's residents. The AMP and progress with respect to its implementation are evaluated based on the municipality's ability to meet these goals and objectives.

The financing strategy outlines how the asset management strategy will be funded. The lifecycle management strategy illustrates the costs required to maintain expected levels of service at a sustainable level. Middlesex Centre's plan integrates both of these requirements into one strategy.

O. Reg. 588/17 requires a 10-year capital plan that forecasts the costs of implementing the lifecycle management strategy and the lifecycle activities required therein.

Various financing options, including reserve funds, debt, and grants were considered during the process of developing the financing strategy.

The lifecycle costs required to sustain established level of service targets are being recovered through several methods:

- Ontario Community Infrastructure Fund (OCIF) formula-based funding is identified for years in which the funding amount is known (2022). The 2022 level of OCIF funding is then maintained for the remaining years of the forecast, recognizing the OCIF as a stable and long-term funding source for capital projects.
- Canada Community Benefit Fund (CCBF) has been shown as a stable and long-term funding source for eligible capital projects. Annual funding estimates are based on the municipality's 2023 funding level as outlined in our agreement.
- The municipality will be dependent upon maintaining healthy capital reserve funds in order to provide the remainder of the required lifecycle funding over the forecast period. This will require the municipality to proactively increase amounts being transferred to these capital reserve funds during the annual budget process.
- Development charge funding has been shown in years where growth-related capital needs have been identified by the municipality. It has been assumed that the development charge reserve funds will have sufficient



# Asset Management

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balances to fully fund all growth-related capital expenditures in the years in which they arise.

- Debt financing is shown as required in years where significant capital needs are identified. Specifically, the forecast includes no debenture issuance over the forecast period.

This financing strategy has been developed to be fully funded, and therefore no funding shortfall has been identified over the next 10 years. However, this means that if identified grants are not received at expected amounts then shortfalls may present themselves. In such an event, the difference could be made up through increases to the tax levy/user rates over-and-above those presented hereafter.

It is noted that this fully funded financing strategy phases-in annual contributions towards capital such that the municipality reaches full lifecycle funding levels by 2030.

As noted throughout this document, our financing strategy is dependent on the municipality's reserve funds.

- Our strategy has been improved for the 2023 budget (tax levy supported and water assets)
- More work is needed on wastewater and stormwater financing strategy in 2023

There is a need for and benefit from further investment in order to protect, sustain, and maximize the use of Middlesex Centre's infrastructure assets.

- A number of strategies to "close the gap" have been considered/incorporated in the 2023 budget.

## Asset Management and Budget 2023

- 80% of all capital projects planned for 2023 were from the AMP
  - Example: Weldon Park - Tennis Court improvements - \$105,000
  - Example: Komoka Community Centre - Washroom Accessibility Upgrades - \$85,000
  - Example: Replacement Plow Truck - \$550,000
- 1.8% of the new projects planned for 2023 are growth related
  - Example: King and George Street Reconstruction Design - \$50,000
  - Example: New Mini Excavator - \$190,000
- 17.3% of the projects planned for 2023 are related to service level changes, improvements, or efficiency improvements (and combined other criteria, such as growth and AMP)
  - Example: Weldon Park-6 Disc Golf Stations - \$15,000
  - Example: Heritage Park- Asphalt to Pavilion/Barn - \$35,000
  - Example: Delaware PWE-HVAC Install for Sign Printer Room - \$11,500

➔ **Learn more about Asset Management at [middlesexcentre.ca/budget](https://middlesexcentre.ca/budget) under "Asset Management"**



# Asset Management

**Table: 2023 Capital Budget in relation to the Asset Management Plan**

Department	Project	2023 Budget (\$)	In AMP?	Why Not?	Current Condition
Community Services	22-7115 - Westbrook Park- Replace Play Equipment	25,000.00	Yes		Poor
Community Services	23-7101 - Poplar Hill Park - Accessible Washroom Upgrades	76,684.61	Yes		Poor
Community Services	23-7110 - Weldon Park - Tennis Court improvements	105,000.00	Yes		Very Poor/Critical
Community Services	23-7115 - Meadowcreek Park - Replace Playground	180,000.00	Yes		Fair
Community Services	23-7117 - Heritage Park - Backstop and 3rd base line fence Upgrade on Main Diamond	40,000.00	Yes		Good
Community Services	23-7118 - Komoka Park-Replace Playground	220,000.00	Yes		Fair
Community Services	23-7123 - Weldon Park-6 Disc Golf Stations	15,000.00	No	New addition – improvement to recreational services	
Community Services	23-7140 - Denfield Park- Asphalt Parking Lot	85,500.00	Yes		Fair
Community Services	23-7146 - Heritage Park- Asphalt to Pavilion/Barn	35,000.00	No	Improvement for AODA purposes	
Environmental Services	21-4106 - Komoka - Upgrade Pumping Station	30,000.00	Yes		Unknown
Environmental Services	21-4199 - SCADA Replacement	37,118.34	Yes		Unknown
Environmental Services	22-4103 - Komoka WWTP - Aeration, Blower and HVAC Improvements	309,700.00	Yes		Unknown
Environmental Services	22-4104 - Vertical Wastewater Systems Facilities Improvements	15,038.00	Yes		Unknown
Environmental Services	22-4107 - Influent channel flow monitoring design	94,250.00	Yes		Unknown
Environmental Services	23-4101 - Wastewater Submersible Pump Replacement and Rebuild	15,000.00	Yes		Unknown
Environmental Services	23-4105 - Wastewater Pump Station Equipment Improvement	75,000.00	Yes		Unknown



# Asset Management

Department	Project	2023 Budget (\$)	In AMP?	Why Not?	Current Condition
Environmental Services	23-4115 - Vertical Wastewater Systems Facilities Improvements	60,000.00	Yes		Unknown
Environmental Services	23-4117 - Horizontal Wastewater System Rehabilitation	50,000.00	Yes		Unknown
Environmental Services	23-4119 - Ilderton WWTP Sand Filter Sand Replacement	150,000.00	Yes		Unknown
Environmental Services	23-4121 - Dissolved Oxygen Sensor Upgrades	68,800.00	Yes		Unknown
Environmental Services	23-4123 - Ilderton Pump Station #3 Process and Equipment Improvements	535,920.00	Yes		Unknown
Environmental Services	21-4204 - Komoka Drain No. 1 - SWM pond	60,000.00	No	New addition - land acquisition	
Environmental Services	23-4201 - Melrose Stormwater System - Relocate Drainage Systems	35,000.00	No	Not part of O.Reg. 588/17	
Environmental Services	23-4239 - 10125 Oxbow Dr Phase 1 - Stormwater	105,000.00	No	New addition related to development	
Environmental Services	21-4302 - Melrose Lake Huron Primary Water Supply Connection	2,720,000.00	No	New connection to LHPWSS and decommissioning of well system	
Environmental Services	21-4399 - SCADA Replacement (2 of 2)	27,118.38	Yes		Unknown
Environmental Services	22-4306 - Water Facilities - Process Mechanical Improvements	150,000.00	Yes		Unknown
Environmental Services	22-4307 - Instrumentation & Control, electrical generator and ATS	37,000.00	Yes		Unknown
Environmental Services	23-4305 - Building Mechanical, Structural & Site Work	187,300.00	Yes		Unknown
Environmental Services	23-4319 - Water Facilities Improvements	50,000.00	Yes		Unknown
Environmental Services	23-4328 - King/George - Street Reconstruction	30,000.00	Yes		Poor
Facility Services	22-6101 - Municipal Office- Consulting for Detailed Design for Renovations	161,637.00	No	Improvements to the municipal office due to growth and AODA compliance.	

# Asset Management

Department	Project	2023 Budget (\$)	In AMP?	Why Not?	Current Condition
Facility Services	23-6103 - Municipal Office Renovations/Construction	2,500,000.00	No	Improvements to the municipal office due to growth and AODA compliance.	
Facility Services	23-6762 - Coldstream Community Centre Water Softener System Replacement	15,000.00	Yes		Fair
Facility Services	23-6106 - Ilderton Medical Centre - Emergency generator supply and install	125,000.00	No	New addition to improve efficiency of the building.	
Facility Services	24-6100 - Ilderton Medical Centre - Replace Roof Top Unit #1	30,000.00	Yes		Poor
Facility Services	23-6763 - Delaware PWE-HVAC Install for Sign Printer Room	11,500.00	No	New addition to support sign printer purchased in 2022.	
Facility Services	23-6767 - Delaware PWE - replace 3 o/h door operators	11,500.00	Yes		Good
Facility Services	23-6709 - Komoka Community Centre - Bar Fridge Replacement	6,500.00	Yes		Poor
Facility Services	23-6710 - Komoka Community Centre - Washroom Accessibility Upgrades	85,000.00	Yes		Poor
Facility Services	23-6711 - Komoka Community Centre Floor Scrubber Replacement	9,750.00	Yes		Poor
Facility Services	23-6715 - Coldstream Community Centre - Replace Floor Scrubber	9,000.00	Yes		Fair
Facility Services	23-6716 - Komoka Community Centre - HVAC replacement with heat pumps (main hall)	125,000.00	Yes		Very Poor/Critical
Facility Services	23-6717 - Ilderton Community Centre Automatic Door	24,500.00	Yes		Poor
Facility Services	23-6726 - Bryanston Community Centre - HVAC Condensing Unit	6,850.00	Yes		Poor
Facility Services	23-6727 - Bryanston Community Centre - New Furnace	6,800.00	Yes		Poor
Facility Services	23-6742 - Delaware Community Centre - Replace Lennox Rooftop Units	60,000.00	Yes		Good
Facility Services	23-6746 - Delaware Community Centre-OPP/Archives exterior entrance door + Atrium	12,500.00	Yes		Good



# Asset Management

Department	Project	2023 Budget (\$)	In AMP?	Why Not?	Current Condition
Facility Services	23-6748 - Komoka Community Centre-Replace Rear Exterior Kitchen Door	6,000.00	Yes		Poor
Facility Services	23-6702 - Wellness Centre Cooling Tower Rebuild	25,000.00	Yes		Fair
Facility Services	23-6704 - Wellness Centre Rink Shielding for Players Benches	16,500.00	Yes		Poor
Facility Services	23-6706 - Wellness Centre - Compressor 3 Replacement	29,000.00	Yes		Poor
Facility Services	23-6707 - Wellness Centre - Library Carpet Replacement	25,000.00	Yes		Fair
Facility Services	23-6719 - Ilderton Arena - Rebuild Compressor #1 and replace motor	18,600.00	Yes		Poor
Facility Services	23-6721 - Ilderton Arena - Brine Pipe Replacement	10,500.00	Yes		Poor
Facility Services	23-6723 - Ilderton Arena - Replace Brine Pump & Motor	12,500.00	Yes		Poor
Facility Services	23-6724 - Ilderton Arena - Replace Floor Scrubber	9,750.00	Yes		Fair
Facility Services	23-6756 - Komoka Wellness Centre-Playground spinner stage 2 net and install	15,000.00	Yes		Poor
Facility Services	23-6728 - Delaware Library - Flooring Replacement	15,000.00	Yes		Poor
Fire & Emergency Operations	23-2203 - SCBA and Accessories	15,000.00	No	Not part of O.Reg. 588/17, Fire Equipment	
Fire & Emergency Operations	23-2322 - Personal Protective Equipment (PPE)	38,000.00	No	Not part of O.Reg. 588/17, Fire Equipment	
Fleet Services	23-2270 - Small Engine Equipment	4,000.00	Yes		Unknown
Fleet Services	23-2508 - Replacement Vehicle	50,000.00	Yes		Very Good
Fleet Services	23-2509 - Replacement Vehicle	50,000.00	Yes		Very Good
Fleet Services	23-2510 - Replacement Vehicle	50,000.00	Yes		Fair
Fleet Services	22-3251 - Replacement Tandem Truck	71,905.00	Yes		Poor
Fleet Services	23-3255 - Replacement 1/2-ton truck	65,000.00	Yes		Poor
Fleet Services	23-3256 - Replacement Plow Truck	550,000.00	Yes		Poor
Fleet Services	23-3419 - New Mini Excavator	190,000.00	No	New addition to fleet due to growth	
Fleet Services	23-3623 - Replacement Rubber Tire Roller	235,000.00	Yes		Poor

# Asset Management

Department	Project	2023 Budget (\$)	In AMP?	Why Not?	Current Condition
Fleet Services	23-3700 - Small Engine Equipment	6,000.00	Yes		Unknown
Fleet Services	23-4351 - Transfer Building dept vehicle	15,000.00	Yes		Fair
Fleet Services	23-4700 - Small Engine Equipment	6,000.00	Yes		Unknown
Fleet Services	23-7200 - Replacement Dump Trailer	17,500.00	Yes		Good
Fleet Services	23-7224 - Attachments for John Deere Front Mount	22,500.00	No	New addition to fleet	
Fleet Services	23-7333 - Replacement Zero Turn Mower	30,000.00	Yes		Good
Fleet Services	23-7337 - New Fast Ice Resurfacer system	25,000.00	No	New addition to fleet	
Fleet Services	23-7407 - Transfer Building dept vehicle	15,000.00	Yes		Very Good
Fleet Services	23-7700 - Small Engine Equipment	6,000.00	Yes		Unknown
Public Works & Engineering	21-3137 - Old River Road (Glendon Dr to Pulham Rd)	1,157,500.00	Yes		Very Poor/Critical
Public Works & Engineering	21-3139 - Martin Road Reconstruction (Wellington to Harris)	90,000.00	Yes		Poor
Public Works & Engineering	22-3117 - Amiens Road CN Overpass Drainage Improvements	15,000.00	No	Improvements to be made, not part of AMP	
Public Works & Engineering	23-3101 - Asphalt Resurfacing	1,150,000.00	Yes		Very Poor/Critical
Public Works & Engineering	23-3102 - Tar & Chip Resurfacing	600,000.00	Yes		Very Poor/Critical
Public Works & Engineering	23-3104 - Sidewalk Expansion	167,500.00	No	New addition, increase in sidewalks in the Municipality	
Public Works & Engineering	23-3106 - Hyde Park Road Reconstruction (15 Mile Road to 13 Mile Road)	1,900,000.00	Yes		Very Poor/Critical
Public Works & Engineering	23-3109 - King and George Street Reconstruction	50,000.00	Yes		Very Poor/Critical
Public Works & Engineering	23-3111 - Glendon Drive and Jeffries Intersection Improvements	325,000.00	No	New addition due to growth	
Public Works & Engineering	23-3112 - Oxbow Drive Resurfacing	50,000.00	No	New addition due to growth	
Public Works & Engineering	23-3114 - Rehabilitate Bridge B-530	50,000.00	Yes		Fair

# Asset Management

Department	Project	2023 Budget (\$)	In AMP?	Why Not?	Current Condition
Public Works & Engineering	23-3117 - Rehabilitate Bridge B-301	357,500.00	Yes		Fair
Public Works & Engineering	23-3122 - Rehabilitate Bridge B-505	140,000.00	Yes		Fair
Public Works & Engineering	23-3123 - Water Proof & Pave Bridge B-108	20,000.00	Yes		Fair
Public Works & Engineering	23-3124 - B-314 Bridge Repairs	187,500.00	Yes		Fair
Public Works & Engineering	23-3125 - Replace Culvert C-558	42,500.00	Yes		Very Poor/Critical
Public Works & Engineering	23-3126 - B-120 Bridge Repairs	40,000.00	Yes		Fair
Public Works & Engineering	23-3127 - Replace Culvert C-156	42,500.00	Yes		Very Poor/Critical
Public Works & Engineering	23-3128 - Replace Culvert C-563	42,500.00	Yes		Very Poor/Critical
Public Works & Engineering	23-3129 - Rehabilitate Bridge B-529	165,000.00	Yes		Fair
Public Works & Engineering	23-3139 - 10125 Oxbow Dr Phase 1 - Transportation	35,000.00	No	New addition due to growth	
<b>TOTAL:</b>		<b>17,097,221.33</b>			



# Debt

## DEBT

As a municipality we can only incur debt to pay for large capital acquisitions – our day-to-day operations must be fully funded.

Borrowing is a way to finance capital projects and maintain major infrastructure over the longer term. Like most businesses, municipalities may borrow a portion of their capital requirements and pay it back over the life of the project being financed.

The Annual Repayment Limit (ARL) as prescribed by the Province of Ontario is 25% of own source revenue as described below. Our Municipal Debt Policy is more

conservative, allowing us to carry debt in amounts up to 17% of own source revenues.

Our borrowing as a percentage of own source review is presently at 9.85%. Overall, debt repayments account for 4.4% of the operating budget.

Staff have identified multiple projects over the next five years that may have to be financed by debt. These are discussed in more detail below.

➔ **Learn more about Debt at [middlesexcentre.ca/budget](https://middlesexcentre.ca/budget) under “Financial Reports”**

**Table: Debt Details: Outstanding Debt**

Description of Debt	Total Loan (\$)	Interest Rate	% DC Eligible	Maturity
Ilderton Medical Clinic – This debt borrowing was for the construction of the Ilderton Medical Clinic building.	311,419	0.00%	0%	2023
Kilworth Komoka Water Line – This debt borrowing was for the construction of a water line in Kilworth and Komoka.	3,142,193	3.72%	50%	2031
Denfield Operations Centre – This debt borrowing was for the construction of the road operations centre building in Denfield.	5,067,705	3.61%	18%	2032
Ilderton Timberwalk Pumping Station – This debt borrowing was for the construction of the pumping station in Ilderton.	1,097,583	4.00%	67%	2034

# Debt

Description of Debt	Total Loan (\$)	Interest Rate	% DC Eligible	Maturity
Roads & Street Light Upgrades – This debt borrowing was for the construction of some roads and the implementation of the LED streetlights program.	1,261,629	3.36%	0%	2037
Komoka Wastewater Treatment Facility Expansion – This debt borrowing was for construction to expand the Komoka Wastewater Treatment Facility	7,072,293	3.63%	70%	2038
Coldstream Fire Hall – This debt borrowing was for the construction of the Coldstream Fire Hall.	2,237,008	4.00%	0%	2038
Komoka Wellness Centre – This debt borrowing was for the construction of the building for the Wellness Centre.	5,546,814	3.69%	44%	2042
<b>Total</b>	<b>25,736,645</b>			

*Note: Debt details do not include municipal drain and tile drain loans.*

**Table: Debt Principal and Interest Details for 2023: Budget Impact**

Name	2023 Principal Payment (\$)	2023 Interest Payment (\$)	Total 2023 Payments (\$)	Remaining Principal (\$)
Ilderton Medical Clinic	31,142	-	31,142	-
Kilworth Komoka Water Line	224,442	73,039	297,481	1,795,539
Denfield Operations Centre	253,385	84,605	337,991	2,153,775
Ilderton Timberwalk Pumping Station	50,444	30,318	80,762	707,514
Roads & Street Light Upgrades	63,081	30,202	93,283	851,600
Komoka Wastewater Treatment Facility Expansion	344,990	191,004	535,993	5,002,354
Coldstream Fire Hall	87,637	75,892	163,529	1,831,458
Komoka Wellness Centre	184,894	134,741	319,635	3,512,983
<b>Total</b>	<b>1,240,016</b>	<b>619,801</b>	<b>1,859,817</b>	<b>15,855,222</b>

*Note: Debt details do not include municipal drain and tile drain loans.*

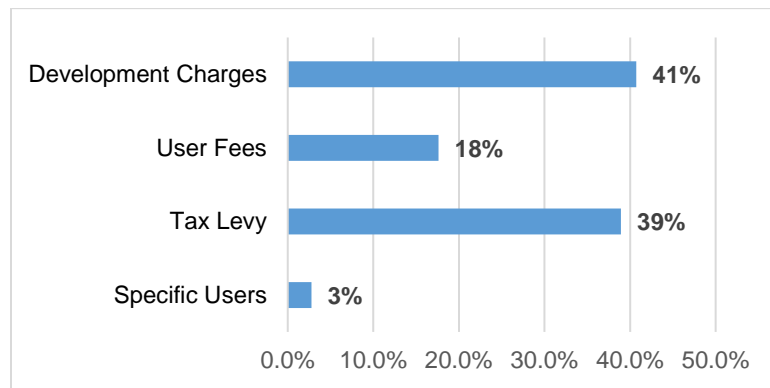


# Debt

## Debt Burden

While the municipal debt burden per household is high, it should be noted that this burden is not being paid entirely by taxpayers. Development charges, user fees and charges to specific users cover 62% of debt repayment costs.

**Figure: Distribution of Debt Burden for 2023**



## Bond Rating

The municipality does not have a bond rating. In 2022, staff investigated the options of obtaining a bond (credit rating). However, currently it is not affordable. The proposed cost for a credit rating is approximately \$36,000 with an annual subscription fee thereafter. As the municipality does not issue our own bonds, this is not required. The different credit ratings are outlined below:

## Annual Repayment Limit

The Annual Repayment Limit (ARL) calculation is prescribed by O. Reg. 403/02 under the Municipal Act, 2000. It sets out the maximum amount that a municipality can pay in principal and interest payments in the year for new long-term debt (and in annual payments for other financial commitments).

The ARL is established through a two-step process:

- **ONE:** The Ministry of Municipal Affairs determines each municipality's limit annually using a formula in the regulation based on the financial information supplied to the ministry by the municipality through a Financial Information Return (FIR). For most municipalities, the ARL is set at 25% of their annual "own-source" revenues (a ministry-determined amount which includes property taxes, user fees, and investment income) less their annual long-term debt servicing costs and annual payments for other long-term financial obligations.
- **TWO:** The ARL is updated by a municipality for each proposed borrowing. In greater detail, when a municipality proposes to undertake long-term borrowing (or other long-term financial obligation), the municipal treasurer is responsible for updating the limit issued by the ministry and for determining whether there is capacity for the proposed additional annual debt carrying costs within the municipality's ARL to undertake the planned borrowing.



# Debt

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## Debt Proposed for 2022 Carried Forward

Two projects were identified for debt financing for 2022, however due to timing the projects have been carried forward to 2023 and the borrowing will not occur until 2024 at the earliest:

### 1. Old River Road Project (Multi-Year Transportation Project)

- Old River Road including the section from Glendon Drive to Pulham Road and Glendon Drive Intersection Realignment
- Total debt borrowing for project from 2022-2025 is \$6,064,500 (2022 project costs were identified as \$3,999,500)
- Payments would occur in 2025/2026 once project is complete.
- Debt payments will be 100% funded by the tax levy over 20 years and will be approximately \$486,631 per year based on a 5% interest rate, requiring a tax rate increase of 2.27% to cover the debt payments.
- Total interest costs would be \$3,668,123.
- Interim financing will be borrowed from internal reserve funds or capital financing loan.

### 2. Komoka Drain No. 1 Stormwater Management (SWM) Pond (Multi-Year Stormwater Project)

- Total debt borrowing for project from 2022-2024 is \$4,260,000 (2022 project costs were identified as \$4,550,000)
- Payments would occur in 2024/2025 once project is complete.
- Debt payments will be 100% funded by the Stormwater Reserve Fund over 20 years and will be approximately \$341,833 per year based on a 5% interest rate, requiring an increase in the stormwater user fee to cover the debt payments
- Total interest costs would be \$2,576,668.
- Interim financing will be borrowed from internal reserve funds or capital financing loan.

These two projects would result in our borrowing as a percentage of own source revenues increasing to 10.45%.

## Debt Proposed for 2023-2027

Two additional projects have been identified for debt financing for 2023-2027 period; based on the timing the borrowing may not occur until 2025/2026. Additionally, staff will need to borrow to fund the negative cash balance in development charges which is outlined below.



# Debt

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## 3. Ilderton Recreation Facility (Ilderton Arena, 2023-2026)

- The total cost of the project is currently estimated at \$27,293,000
- Total debt borrowing for project from 2023-2026 is \$25,136,853 which is based on 92.1% of the total cost as 7.9% is paid for by Development Charges (2022 project costs were identified as \$23,848,520)
- Option A
  - Payments would occur in 2025/2026 once project is complete.
  - Debt payments will be 100% funded by the tax levy (as the 7.9% development charge portion is funded separately with development charge debt noted below) over 20 years, and will be approximately \$2,017,046 per year based on a 5% interest rate, requiring a tax rate increase of 9.39% to cover the debt payments
  - Total interest costs would be \$15,204,069.
- Option B
  - Payments would occur in 2025/2026 once project is complete.
  - Debt payments will be 100% funded by the tax levy (as the 7.9% development charge portion is funded separately with development charge debt noted below) over 40 years and will be approximately \$1,464,930 per year based on a 5% interest rate, requiring a tax rate increase of 6.82% to cover the debt payments.
  - Total interest costs would be \$33,460,330.

Note: for annual repayment purposes for the 2023 budget, staff have used the 20-year timeframe (Option A) for the debt payments.

## 4. Glendon Drive Widening (2-4 lanes) (Transportation Project 2025/2026)

- The total project costs are \$4,993,824. The total debt borrowing for project is \$4,993,824 (2022 project costs were identified as \$4,993,824), split 60% tax levy and 40% development charges.
- Payments would occur in 2025/2026 once project is complete.
- Debt payments that will be 100% funded by the tax levy is based on the 60% as noted above, or \$2,996,294 (as the 40% development charge portion is funded separately with development charge debt noted below) over 20 years and will be approximately \$240,430 per year based on a 5% interest rate, requiring a tax rate increase of 1.12% to cover the debt payments.
- Total interest costs would be \$1,812,314.

If all four of the projects above are approved, this would result in our borrowing as a percentage of own source revenues becoming 17.36% (using the 20-year time frame for the Ilderton Recreational Facility), which exceeds our internal Council-approved limit of 17%.



# Debt

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## 5. Development Charges

For many years, the development charge reserve fund balances have been in a negative position. This is due to the fact that the capital costs of the projects supported by debt are happening before the municipality is collecting the development charges from the developers. The municipality has had to obtain a line of credit to fund these projects since 2018. To continue to build the infrastructure needed for growth, the municipality has to borrow to keep up with the pace of development as the cash is not in the reserve funds to support these projects prior to their implementation.

- Total debt borrowing for cash shortfall in development charges is \$16,899,918 by 2027.
- Debt payments that will be 100% funded by development charges over 20 years and will be approximately \$1,356,093 per year based on a 5% interest rate (note this would be a capital financing loan, and payments would be made based on development charges collected overtime)
- Interest costs, over 20 years, would be \$10,221,945.

In addition to the four projects identified above, this borrowing would result in our borrowing as a percentage of own source revenues becoming 21.51%, which far exceeds our internal Council-approved limit of 17%.

## Debt Recommendation

Debt is borrowed money that needs to be paid back with interest at a later date. Municipal debt is not a revenue tool, but it can be an important capital financing tool. Long-term debt can be used to fund things like capital projects for

example, rehabilitating a bridge or constructing a water treatment facility.

Some reasons Middlesex Centre uses debt to finance projects include:

- Spreading the costs of capital projects over their useful lifecycles
- Limited internal and external financing sources
- Low interest rates or escalating project costs
- Unique capital investments in municipal infrastructure (projects not identified in the asset management plan)

With this information in mind, staff have concerns with the level of debt being identified as it impacts the municipality's future ability to borrow. There is a limit to the amount of debt a municipality can have, and there is also a limit to the amount of debt a municipality should have.

There are many factors municipalities need to consider before taking on debt.

- First, for Middlesex Centre is the growth the municipality is experiencing. For many years, the development charge reserve fund balances have been in a negative position. Therefore, to continue to build the infrastructure needed for growth, the municipality has to borrow to keep up with the pace of development as the cash is not in the reserve funds to support these projects. Although this debt is recoverable when the development charges are collected, it is still included in the ARL calculation and can limit other debt the municipality can obtain. The development charges have a cash flow issue, and the current economic downturn is making matters worse.

# Debt

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- Second, the municipality needs to ensure there are resources in place that we can rely on to fund unexpected items. Staff have been developing strategies to continue to fund our reserves for this reason, however, if the funds are insufficient the municipality may require debt to pay for urgent capital costs. If we borrow too much now, we may be restricted in borrowing when it is absolutely necessary. It is imperative that municipalities consider the possibility of urgent of future projects where public health and safety is a concern. We need to ensure that we have borrowing as an option in these cases.
- Third, interest rates are continuing to rise. Staff will be borrowing internally during this economic downturn period to ensure we are not committing to high interest rates over a long period of time when other options exist. However, borrowing internally is not a limitless option and can only be sustained in the short term. In the long term, the municipality will need to borrow externally, and this may be at a higher interest rate.

There are many capital projects identified in the 2023-2027 budget. Council may need to make tough decisions on whether to proceed with these items with an eye to potential serious financial consequences in the future. When looking at the projects identified over the next five years to be funded by debt, staff are not recommending they proceed with all identified projects based on the long-term financial implications.

Debt is one of several capital financing tools available to municipalities. When used responsibly, it can be a powerful tool to help finance long-term capital needs, however taking on too much debt could impact the level and quality of service provided by a municipality in future years.

# Development Charges

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## DEVELOPMENT CHARGES

Development charges are fees collected from developers at the time a building permit is issued. The fees help pay for the cost of infrastructure required to provide municipal services to new development, such as roads, water and sewer infrastructure, community centres and fire facilities.

Over the past four years, projects have been occurring earlier than the funding is coming in, and this will continue into 2023 and beyond resulting in a cash flow issue for Development Charges.

A Development Charge Study was completed July 2019 and by-law passed by Council at that time. The projects that can be funded by Development Charges were identified in that study.

Additionally, a Development Charge Amendment was completed fall 2021, and additional projects and adjustments have been included. All projects identified for Development Charge funding have been included and financed accordingly in the five-year capital plan 2023-2027.

The following services are covered under Middlesex Centre's Development Charges, as amended:

### *Municipal-wide Services*

- Roads;
- Public Works;
- Fire Protection;
- Parks and Recreation;
- Library; and
- Administration – Studies re

### *Area-Specific – Water and Sewer Service Areas*

- Water Services; and
- Wastewater Services

➔ **Learn more about Development Charges at [middlesexcentre.ca/development-charges](https://middlesexcentre.ca/development-charges)**



# Development Charges

**Table: Projected Development Charge Funding of Capital Projects**

Funding Source	2022	2023	2024	2025	2026	2027
Development Charges Funded Annually	\$1,207,901	\$247,840	\$4,155,920	\$10,405,930	\$5,570,007	\$5,122,500

*Notes: Projected Development Charge Funding for 2023-2027.*

**Table: Development Charge Projected Balances 2022-2027**

Reserve Name	2022	2023	2024	2025	2026	2027
Development Charges Reserve Fund	-\$2,423,081	-\$1,465,849	-\$4,416,697	-\$12,617,555	-\$15,982,490	-\$16,899,918

*Notes: Projected Development Charge Balances 2022-2027.*

*Assumptions: \$2,000,000 Development Charges collected annually for 2023 and 2024, \$3,000,000 Development Charges collected annually for 2025 and 2026, and \$5,000,000 Development Charges collected for 2027. Line of credit for underfunded Development Charges will be required in 2024.*



# Reserves and Reserve Funds

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## RESERVES AND RESERVE FUNDS

Reserves and reserve funds are critical to the long-term sustainability of the municipality.

Reserves and reserve funds allow us:

- to pay bills (liquidity)
- to cover liabilities and emergencies
- to plan for effective asset management (ensure funds are available to renew or replace assets)

If we do not adequately fund our reserves and reserve funds, we may face:

- cost increases (debt service costs, short-term borrowing costs, larger contingency budgets)
- reduction of capital works
- loss of flexibility to take advantage of opportunities
- liquidity problems

### Managing Reserves and Reserve Funds

Creation of Reserves and Reserve Funds:

- All new reserves and reserve funds are approved by Council.

Reserve and Reserve Funds Controls and Reporting:

- All movement to and from reserves and reserve funds are approved through the budget process.

- Large increases and decreases (over 10%) outside of the approved reserve and reserve fund policies are discussed with Council.
- Reserve Funds can fluctuate annually based on the projects that are being funded, therefore detailed reserve fund analysis is provided to council and discussed during the budget and financial statement reporting each year.
- Detailed reserve and reserve fund schedules are approved by council on a monthly basis. These schedules show balances and movements to and from the various reserves and reserve funds. All transfers are approved by the treasurer.

Capital Projects Financed from Reserves/Reserve Funds:

- All capital projects are included in the capital budget, which shows how they are funded. If there are any capital projects to occur throughout the year that were not included in the capital budget, they are approved by council. The report will show how the project is to be funded. There is also a five-year forecast, which shows how various projects are intended to be financed.

Reserves/Reserve Fund Borrowing:

- Any money that is borrowed internally from a reserve or reserve fund is charged interest and kept track of on a monthly basis until it is paid back to the appropriate reserve or reserve fund.





# Reserves and Reserve Funds

## How Reserves and Reserve Funds Work



### Established by Council or Province

Reserves and reserve funds are established by municipal councils through by-laws.

Provincial legislation can require municipalities to establish reserves for specific types of revenue.

*The Tax Rate Stabilization Reserve Fund; Water, Wastewater & Stormwater Reserve Funds; and Development Charges & Parkland Reserve Fund are a few of Middlesex Centre's reserves.*



### Strategy for Funding Programs and Projects

Reserves are typically part of an overall strategy for funding operating programs and projects.

These funds help offset unexpected expenses or revenue shortfalls.

Money in reserves can come from budget surpluses, property tax levies or other revenue.



### Flexible or Committed Funds

Reserve funds are either obligatory or discretionary.

Discretionary reserve funds are set by municipal councils for specific purposes. Councils can have flexibility to decide how the money is used.

Obligatory reserve funds are required by provincial statutes or contractual agreements and can only be used for their intended purpose.



### Tool for Long-term Financial Sustainability

Reserves and reserve funds are an important tool for a municipality's long-term financial sustainability.

Setting money aside for unavoidable events (like floods) and for capital projects (like road repairs) reduces the need for long-term borrowing or imposing sudden tax increases on current or future taxpayers.

- ➔ A list of all Middlesex Centre Reserve Funds and their purpose is presented in the Supplemental Information section of this document.
- ➔ Learn more about Reserves and Reserve Funds at [middlesexcentre.ca/budget](https://middlesexcentre.ca/budget) under “Long-Term Plans”

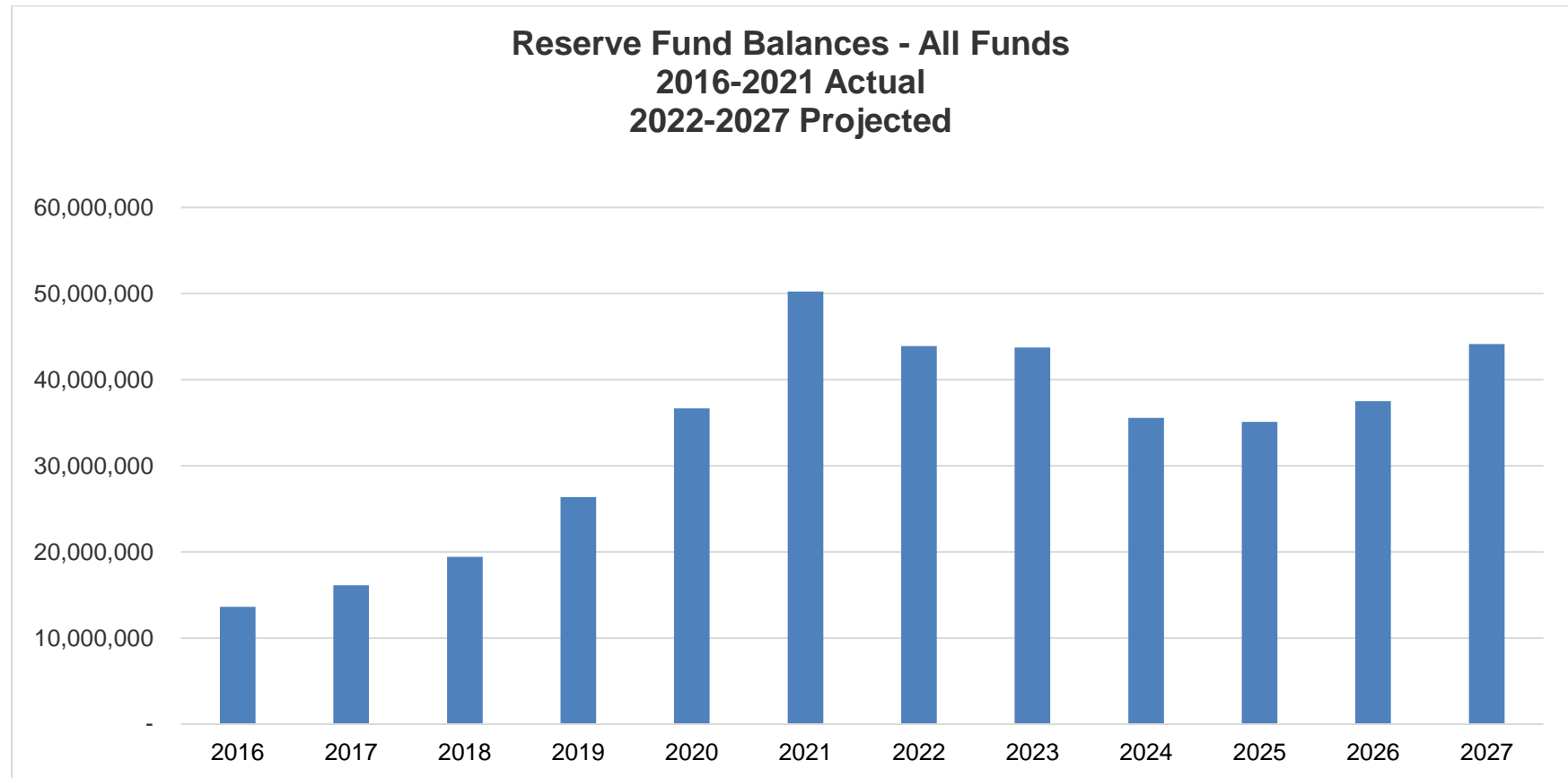




# Reserves and Reserve Funds

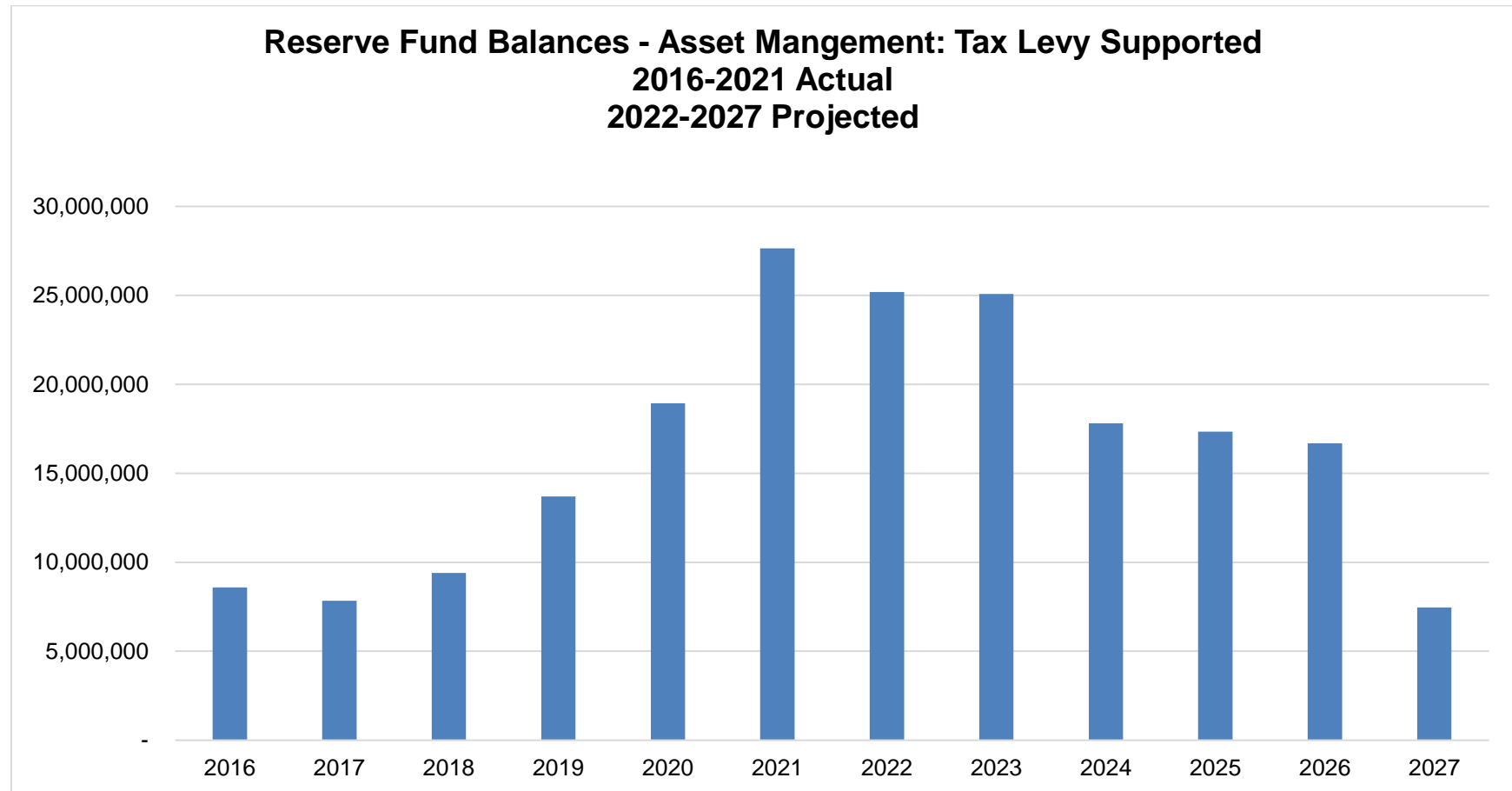
## Reserve Fund Balances

Figure: Reserve Funds Over Time – All Reserve Funds (includes operating and capital)



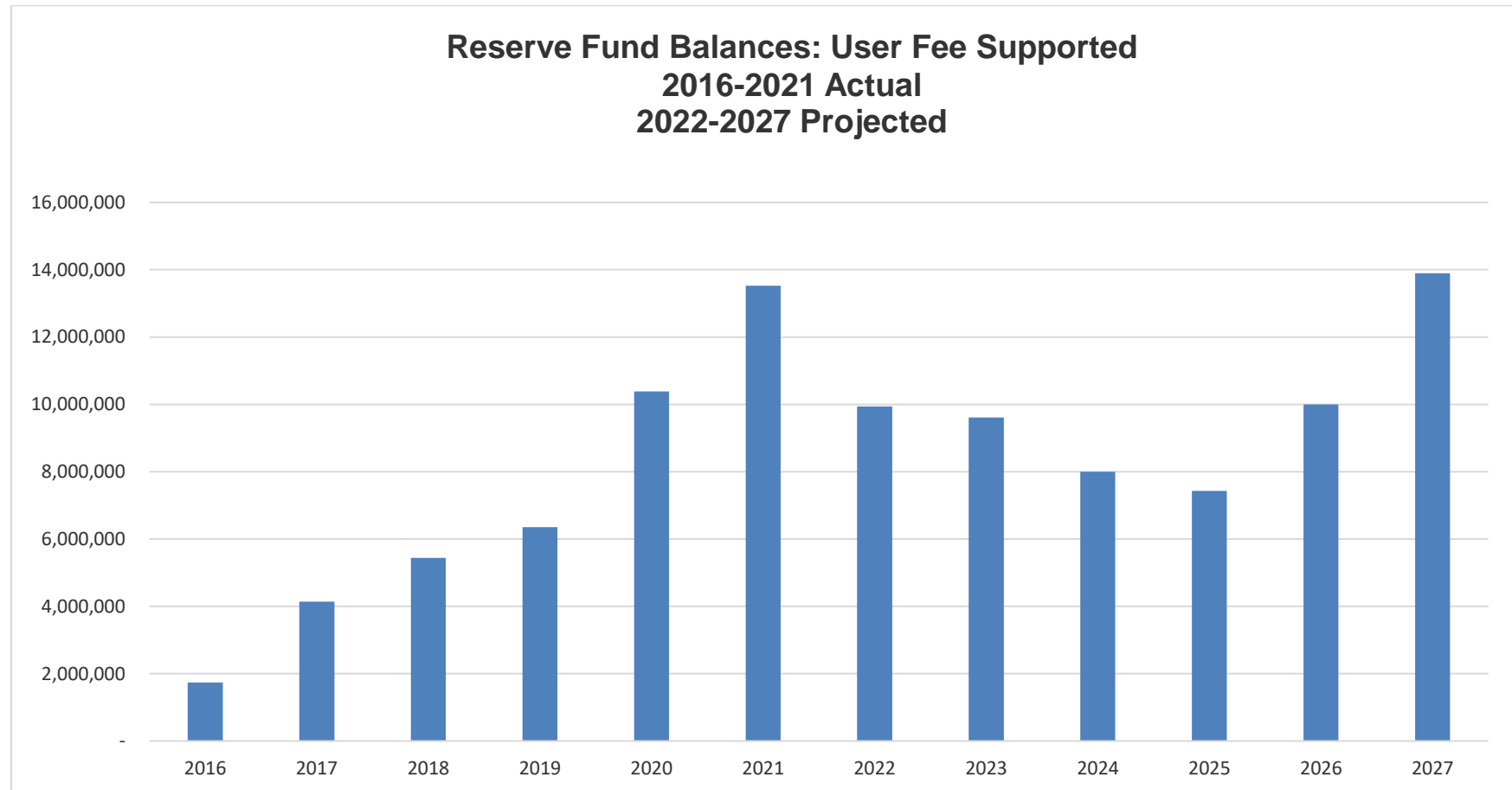
# Reserves and Reserve Funds

Figure: Reserve Funds Over Time – Asset Management: Tax Levy Supported (capital only)



# Reserves and Reserve Funds

Figure: Reserve Funds Over Time – Asset Management: User Fee Supported (Water, Wastewater and Stormwater only)



# Reserves and Reserve Funds

**Table: Middlesex Centre Reserve Fund Balances**

Reserve Name	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected	2024 Projected	2025 Projected	2026 Projected	2027 Projected
Cash-in-Lieu of Parking Reserve Fund	7,465	7,538	7,629	7,721	7,789	7,954	8,233	8,439	8,565	8,644	8,724
Delaware Hydro Reserve Fund	838,605	846,219	854,379	863,694	870,387	883,884	909,819	867,565	875,578	878,678	881,805
Insurance Claims Reserve Fund	355,068	357,194	441,787	497,052	540,586	552,024	571,345	585,628	594,413	599,911	605,460
Legal Reserve Fund				100,000	100,590	102,729	106,325	108,983	110,618	111,641	112,674
Fleet Reserve Fund					360,000	366,799	379,637	389,128	394,965	398,618	402,305
Election Reserve	-	-	15,000	30,222	45,545	1,012	16,573	32,362	47,848	(1,130)	13,860
Winter Maintenance Reserve Fund	310,175	311,861	365,594	369,680	372,950	380,880	394,211	404,066	410,127	413,921	417,750
Computer Replacement Reserve Fund	-	50,000	50,450	51,057	51,508	52,604	54,445	55,806	56,643	57,167	57,696
Future Roads Capital Reserve Fund	-	-	59,977	88,610	145,802	148,902	154,114	157,966	160,336	161,819	163,316
Modernization Reserve Fund	-	-	610,207	613,746	475,093	373,569	334,297	342,654	347,794	351,011	354,258
Employee Benefits Reserve Fund	194,908	213,005	233,429	256,462	289,124	305,228	326,261	344,668	359,838	373,166	386,618
Medical Centre Reserve Fund	63,509	97,269	129,447	189,804	249,824	292,527	344,399	389,618	430,446	499,411	569,015
Waste Management Reserve Fund	171,192	172,873	174,942	177,046	178,612	182,410	188,795	193,514	196,417	198,234	200,068



# Reserves and Reserve Funds

Reserve Name	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected	2024 Projected	2025 Projected	2026 Projected	2027 Projected
Gravel Pit Rehabilitation Reserve Fund	472,790	489,667	517,323	536,960	570,037	594,436	627,661	655,653	677,487	695,754	714,190
Buildings and Facilities Reserve Fund	847,186	1,861,023	3,154,462	5,435,307	7,498,576	10,193,999	8,390,834	4,292,445	3,063,982	3,094,943	4,645,272
Fire Vehicles and Equipment Reserve Fund	877,906	324,641	426,776	619,402	932,666	998,107	1,362,416	1,068,851	762,884	577,940	611,286
Fire Public Education Reserve Fund	87,751	96,807	140,080	141,696	142,950	138,989	143,854	147,450	149,662	151,046	152,444
General Vehicles and Equipment Reserve Fund	674,809	911,914	1,494,128	1,916,968	2,483,072	1,405,634	1,926,176	2,556,330	2,152,425	1,980,335	2,502,653
Build Middlesex Centre Reserve Fund	771,340	956,175	954,700	956,702	4,546,333	3,458,555	2,549,604	1,330,844	1,320,807	1,303,024	1,285,077
Ontario Community Infrastructure Fund (OCIF) Reserve Fund	-	-	281,174	674,566	53,356	396,552	939,289	161,487	256,022	641,503	(70,450)
Canada Community Building Fund (CCBF) Reserve Fund	323,346	54,425	1,009,825	447,139	1,166,959	138,468	(7,921)	(5,068)	29,126	(99,334)	421,017
Ilderton Lions Park Reserve Fund	36,080	53,238	53,875	66,575	79,208	93,106	108,785	667	677	684	690
Safe Restart Reserve Fund				80,000							
Poplar Hill Log Cabin Reserve Fund	36,080	6,473	6,550	6,629	6,688	6,830	7,069	7,246	7,355	7,423	7,491
Tax Rate Stabilization Reserve Fund	1,986,397	2,005,897	2,896,907	2,808,474	2,883,765	2,920,085	2,602,288	2,667,345	2,707,355	2,732,398	2,757,673
Building Department Reserve Fund	466,676	756,178	1,292,007	2,094,888	3,264,421	2,880,067	3,268,578	3,760,293	4,156,697	4,595,147	5,037,652



## Reserves and Reserve Funds

Reserve Name	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected	2024 Projected	2025 Projected	2026 Projected	2027 Projected
Administrative Support Reserve Fund	81,364	122,721	164,882	207,414	249,397	294,700	346,415	396,075	442,016	486,105	530,601
Road Capital Reserve Fund	3,396,628	4,296,640	4,677,363	7,057,672	9,148,592	6,802,299	8,071,357	6,648,141	7,937,863	7,300,028	7,460,053
Wastewater Capital Reserve Fund	1,021,700	1,806,189	1,633,870	3,737,968	4,828,587	2,491,349	2,865,422	290,316	(406,982)	993,311	2,876,758
Storm Water Capital Reserve Fund	1,121,214	1,372,687	1,954,441	2,184,393	3,086,468	1,731,961	2,228,259	2,727,715	2,600,646	2,924,702	3,251,755
Water Capital Reserve Fund	2,001,834	2,261,267	2,766,107	4,461,921	5,615,605	5,720,836	4,520,405	4,982,388	5,237,102	6,077,083	7,771,019
<b>Total Reserve Fund</b>	<b>16,144,024</b>	<b>19,431,901</b>	<b>26,367,311</b>	<b>36,679,767</b>	<b>50,244,487</b>	<b>43,916,497</b>	<b>43,738,941</b>	<b>35,568,575</b>	<b>35,088,711</b>	<b>37,513,184</b>	<b>44,128,730</b>

*Notes:*

*Assumes \$1,000,000 additional reserve fund transfer annually from 2023-2027 for tax supported asset management reserve funds.*

*Assumes a 4% increase in Wastewater Reserve Fund Transfers*

*Assumes transfers according to Water Financial Plan, 2021*



# Final Considerations

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## FINAL CONSIDERATIONS

### Ongoing Budget Monitoring

Monthly financial reports will be presented to Council which will explain budget variances to date and expected future budget variances for operating costs. Quarterly financial reports will be presented to Council which will explain budget variances to date and expected future budget variances for capital costs.

→ Budget monitoring information is available as part of each month's Council meeting agenda, and can be found at [middlesexcentre.ca/council-meetings](https://middlesexcentre.ca/council-meetings)

### Outstanding Items

There are still some outstanding items at this time:

- Ontario Community Infrastructure Funding (OCIF) has been announced; however, the municipal amount has not been released. Staff have budgeted the 2023 value at the same amount as 2022.
- Federal and Provincial grant opportunities have been announced and staff continues to actively pursue all viable grant opportunities to leverage wherever possible. No funding is confirmed and included in the 2023 budget, unless it has been confirmed.
- Final amounts from our conservation authorities
- A few reports from MPAC for 2023 used in some analysis for 2023 budget
- Bill 23 budget impacts related to Development Charge funding for 2023
- The final BMA Study



# SUPPLEMENTARY INFORMATION

## Basics of Municipal Budgeting

### What is a Budget?

Most of us think of a budget as a financial plan that sets out the planned expenditures and the means of financing, establishes spending limits on programs and services, and is the basis of financial decision-making.

But a budget is more than that. It is also a management document. It links to the municipality's strategic plan, asset management plan, and various studies like the development charges study. It also serves as a communications tool to inform and engage residents and the community about the work of the municipality.

In short, the budget is a key planning document in achieving the municipality's strategic priorities.

### A Balancing Act

Each year, municipalities are challenged with balancing the budget, as mandated by provincial legislation (*Municipal Act*).

While a municipality can incur debt to pay for large capital acquisitions, it cannot incur a deficit to fund day-to-day operations the same way senior levels of government can.

This is a key difference as it means that we must identify revenue sources to cover all anticipated expenditures.



### Funding the Budget

Municipalities use a variety of revenue / funding sources to pay for a wide range of services, including:

- Property taxes
- Grants from Federal and Provincial Governments
- User fees – General (revenue from services such as recreation, planning applications, building permits etc.)
- User Fees – Water, Wastewater and Stormwater rates (funded directly by users)
- Transfers from Municipal Reserve Funds – includes discretionary and obligatory (Development Charges)
- Debt Funding – not revenue source, but available to municipalities to fund capital projects
- Other miscellaneous revenues

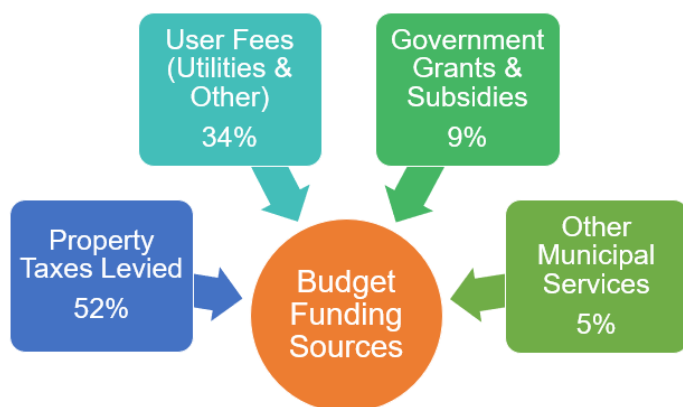
These can be summarized into four general categories: property taxes, grants and subsidies, user fees, and other sources.



# Supplementary Information

Part of Council's decision-making process each year is to determine what levels of funding for services should come from the various sources of revenue.

**Figure: 2023 Budget Funding Sources**



## Government Grants

The municipality receives grants from the Provincial and Federal government on an annual basis including:

- Ontario Municipal Partnership Fund (OMPF)
- Ontario Community Infrastructure Fund (OCIF)
- Canada Community-Building Fund (formerly Federal Gas Tax Fund)

Staff are constantly applying for any grant opportunity that becomes available during the year. In 2022, staff applied for 19 grants.

## User Fees

User fees are charged by municipalities to recover costs for services, including recreation program fees, facility rental fees, building permits and more.

- These fees are paid for by the specific user or group of users, including visitors and non-residents, rather than property owners through the municipal tax base.

User fees ensure tax fairness based on an understanding of who benefits from the services being delivered: an individual user (a public skating enthusiast) or a group (motorists who park in downtown areas) versus a large portion (or all) of the population (residents that rely on emergency services).

Fully funding these services through the tax levy would significantly increase property taxes for individuals who may never enjoy these specific services.

- User fees ensure that we maintain adequate service levels comparable to other municipalities and meet user expectations by balancing affordability with demand for services.

The municipality funds water and wastewater through a user-fee program.

- Water consumption and wastewater usage charges are based on how much water you use. Consumption is measured by the water meter.

The municipality also funds stormwater management through a user-fee program.

- The stormwater user fee appears on monthly utility bills.

## Supplementary Information

The water, wastewater and stormwater departments are self-funded. Water systems must financially support themselves; this is a requirement of Ontario Regulation 453/7.

### Expenditures

**Municipal expenditures** have two components: operating costs and capital costs. These are presented as components of the municipal budget.

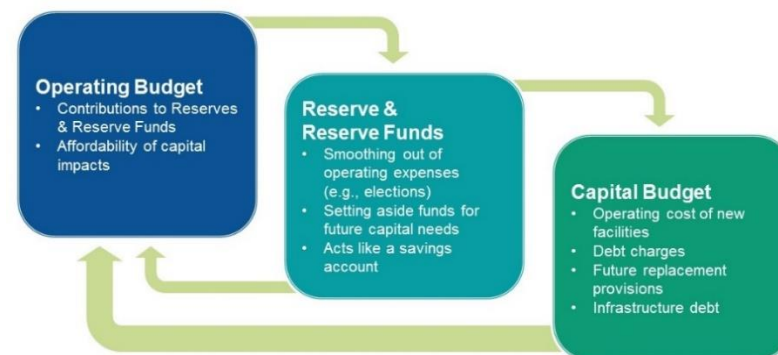
The **operating budget** looks at the day-to-day expenditures of the municipality. This includes wages, utilities, supplies, fuel and insurance, among other costs. Much like household bills, these costs increase with inflation – an increase that is outside of the control of the municipality.

The **capital budget** looks at new big investments by the municipality, and the costs of rehabilitating or replacing current municipal assets. Middlesex Centre has an **asset management plan** that lists all of the municipal assets, everything from roads to buildings to vehicles and equipment, their repair/replacement date and anticipated costs. This allows us to plan for these big-ticket expenditures much like homeowners save for a new roof or other major outlays.

Like other municipalities in Ontario, Middlesex Centre continues to struggle with closing the infrastructure gap that was identified in our 2013 Asset Management Plan and re-evaluated in our 2020 plan (approved June 2021). Maintaining and improving Middlesex Centre's municipal infrastructure requires ongoing investment. The municipality has and will continue to take advantage of any available federal and/or provincial funding to offset the costs associated with significant infrastructure projects.

In 2016, Middlesex Centre completed a **long-range financial plan** for operations and capital requirements; this plan ensures the sustainability of municipal services. A new plan will be completed in 2023.

The operating and capital budgets relate to one another, and funds flow between them.



### Understanding Municipal Taxes

Each year, Council approves the amount of expenditure required to support municipal services. From this amount, revenue sources other than property taxes, such as license fees, user fees and provincial and federal grants, are subtracted. The balance, called the **tax levy**, is the amount to be raised by property taxes.



## Supplementary Information

The **tax rate** is calculated by dividing the tax levy required by the total municipal property assessment value. Municipal property tax is then calculated by multiplying each property's assessed value and the Council-approved property tax rate.



Note that the independent, non-profit Municipal Property Assessment Corporation (MPAC) assesses the value of all the properties in Ontario. Municipal staff have no input on how property is valued.

### 2023 Assessment Update

As part of the Ontario Government's Fall Economic and Fiscal Update, the Minister of Finance, announced the Province's decision to postpone the 2020 Assessment Update for 2022 and 2023.

The Ontario Government has indicated that property assessments for the 2022 and 2023 property tax year will continue to be based on the fully phased-in January 1, 2016, current values. This means your property assessment for the 2023 property tax year will be the same as the 2020 tax year, unless there have been changes to your property, for example:

- There was a change to your property such as an addition, new construction or renovation.

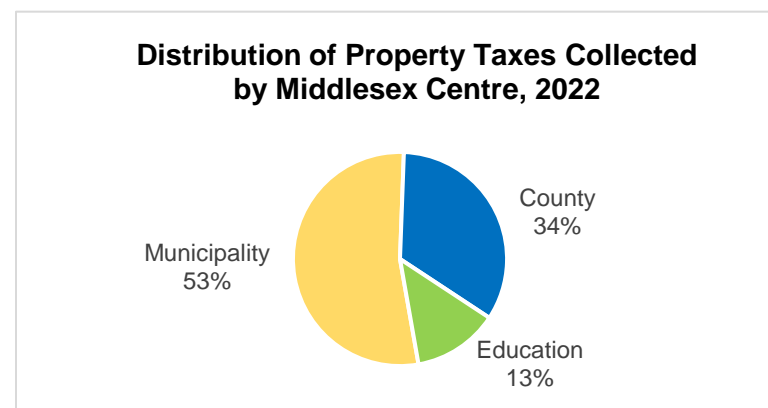
- We assessed a structure on your property for the first time.
- There was a change to your property's classification.
- All or part of your property no longer qualifies as farmland, conservation land or managed forests.
- All or part of your property no longer qualifies to be tax exempt.

### Distribution of Property Taxes Collected

The tax bill residents receive from Middlesex Centre includes:

- Municipal property tax (for services provided by Middlesex Centre)
- County of Middlesex tax levy
- Education levy

**Figure: Distribution of Property Taxes Collected by Middlesex Centre, 2022**



## Supplementary Information

While Middlesex Centre collects the county and education portion of the property taxes, it does not have influence on these rates, which are set by County Council and the Province of Ontario respectively. The municipality collects and forwards these amounts to the respective agencies.

### Share of Tax Revenues

It should be noted that for each dollar of taxes paid by Canadians, on average municipalities receive only 9 cents.<sup>4</sup>



### Budget Development Process

It takes many months to develop the Middlesex Centre budget.

Public engagement in the budget process starts when the budget development process begins in June.

- **Budget Webpage** – In June, staff created a dedicated Budget 2023 webpage ([middlesexcentre.ca/budget2023](http://middlesexcentre.ca/budget2023)) on the municipal website, with a link from the homepage. This page houses all of the budget documentation and information about ways to provide input.
- **Budget Survey** – In June, staff conducted a budget survey to gather feedback from the public. The survey ran June 30 – August 8, 2022, and was advertised through social media, the residents' e-newsletter, the municipal page in the Middlesex Banner, the municipal office sign and the website. Three hundred and forty-five people responded. The survey results were presented to council and posted to the website.
- **Public Outreach** – In November 2022, staff launched Open Book, which is linked with our website and provides real time data on the budget for residents to review.

Internally, the budget process begins with staff reviewing their department work plans and the Municipal Strategic Plan. From there, staff begin to outline their department's operating costs and capital requests.

<sup>4</sup> Association of Municipalities of Ontario (AMO). 2015. "What's next Ontario? Imagining a prosperous future for our communities." Accessed at [amo.on.ca](http://amo.on.ca) on November 17, 2020.

## Supplementary Information

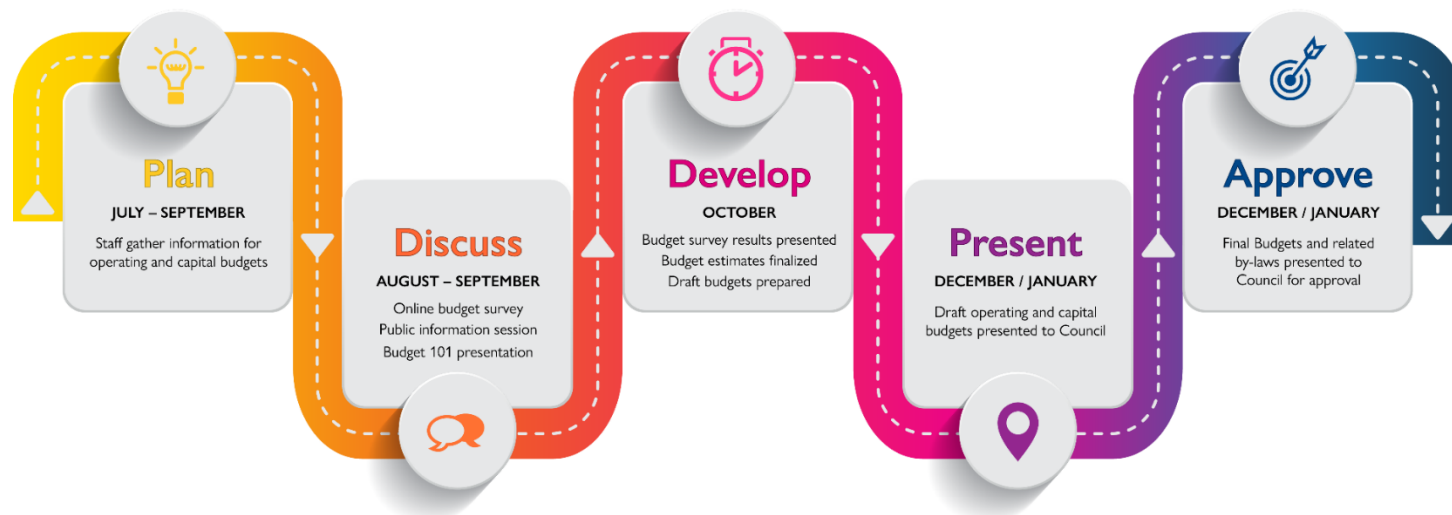
This information is then taken into consideration as the individual department budgets are consolidated and reviewed to determine funding (revenue) sources available and whether additional funds are required to meet the approved budget objectives.

During the fall, the senior management team and two members of Council form an ad hoc (temporary) budget working group. This group discusses the development of the budget in detail and completes a line-by-line budget review.

Once a consolidated and cohesive budget package has been completed, it is presented to Council for their review. The budget package presents the funding and priorities for the coming fiscal year. When the budget has met the approval of Council, a budget by-law is passed.

➔ For more information on the budget process, visit [middlesexcentre.ca/budget2023](https://middlesexcentre.ca/budget2023).

### Middlesex Centre BUDGET ROAD MAP 2023



# Supplementary Information

## Property Tax Rate Details

### Preliminary Assessments and Tax Rate Summary

**Table: Preliminary Assessments and Tax Rate**

RTQ	Description	Taxable 2023 Assessments	2023 Tax Rate	2022 Tax Rate	Y/Y Tax Rate Change	% Change	2022 Revenue (using 2023 tax rates)
CT	Commercial: Full	149,967,167	0.00739597	0.00721534	0.00018063	2.50%	1,109,152
CU	Commercial: Excess Land	727,000	0.00517718	0.00505074	0.00012644	2.50%	3,764
CF	Commercial PIL: Full	5,965,800	0.00739597	0.00721534	0.00018063	2.50%	44,123
CG	Commercial PIL: General	3,669,000	0.00739597	0.00721534	0.00018063	2.50%	27,136
CZ	Commercial PIL: General, Vacant Land	413,400	0.00517718	0.00505074	0.00012644	2.50%	2,140
CX	Commercial: Vacant Land	5,037,600	0.00517718	0.00505074	0.00012644	2.50%	26,081
XT	Commercial (New Construction): Full	-	0.00739597	0.00721534	0.00018063	2.50%	-
C0	Commercial New: Small Scale On-Farm Business 2	12,200	0.00739597	0.00721534	0.00018063	2.50%	90
C7	Commercial New: Small Scale On-Farm Business 1	50,000	0.00739597	0.00721534	0.00018063	2.50%	370
XU	Commercial (New Construction): Excess Land	-	0.00517718	0.00505074	0.00012644	2.50%	-
ST	Shopping Centre	229,200	0.00739597	0.00721534	0.00018063	2.50%	1,695
GT	Parking Lot/ Taxable: Full	45,000	0.00739597	0.00721534	0.00018063	2.50%	333
	Commercial	166,116,367					1,214,883
E-	Exempt	111,071,800	-	-	-	0.00%	-
FP	Farm PIL: Full, Taxable Tenant of Province	144,600	0.00161498	0.00157554	0.00003944	2.50%	234
FT	Farm	1,619,302,740	0.00161498	0.00157554	0.00003944	2.50%	2,615,143
	Farm	1,619,447,340					2,615,377



## Supplementary Information

RTQ	Description	Taxable 2023 Assessments	2023 Tax Rate	2022 Tax Rate	Y/Y Tax Rate Change	% Change	2022 Revenue (using 2023 tax rates)
IT	Industrial: Full	13,655,600	0.01127321	0.01099790	0.00027531	2.50%	153,942
IH	Industrial: Full, Shared PIL	238,300	0.01127321	0.01099790	0.00027531	2.50%	2,686
IU	Industrial: Excess Land	876,800	0.00732759	0.00714864	0.00017895	2.50%	6,425
IX	Industrial: Vacant Land	835,300	0.00732759	0.00714864	0.00017895	2.50%	6,121
JT	Industrial New	-	0.01127321	0.01099790	0.00027531	2.50%	-
	Industrial	15,606,000					169,174
MT	Multi-Residential	11,465,000	0.01143213	0.01115293	0.00027920	2.50%	131,069
PT	Pipeline	126,162,000	0.00681845	0.00665193	0.00016652	2.50%	860,229
R1	Residential: Farmland 1	523,000	0.00419895	0.00409640	0.00010255	2.50%	2,196
RL	Residential: Upper Tier & Education Only	18,000	-	-	-		-
RG	Residential PIL: General	503,000	0.00645992	0.00630216	0.00015776	2.50%	3,249
RT	Residential: Full	2,754,724,993	0.00645992	0.00630216	0.00015776	2.50%	17,795,313
	Residential	2,755,768,993					17,800,759
TT	Managed Forest	4,729,200	0.00161498	0.00157554	0.00003944	2.50%	7,638
WT	Railway Right-of-Way	-	-	-	-	0.00%	-
HF	Landfill PIL: Full	-	-	-	-	0.00%	-
UH	Utility Transmission/Distribution: Full, Shared PIL	-	-	-	-	0.00%	-
	<b>Total</b>	<b>4,810,366,700</b>					<b>22,799,129</b>



# Supplementary Information

## Municipal Tax Rates over Time

**Table: Municipal Tax Rate Increases over Time, 2013 to 2023**

Year	Residential Tax Rate Increase
2023	2.50%
2022	2.76%
2021	1.47%
2020	2.23%
2019	1.77%
2018	1.99%
2017	2.38%
2016	3.0%
2015	1.7%
2014	1.57%
2013	2.6%

**Table: Residential Property Tax Rates over Time, 2006 to 2022**

Residential Property Tax Rates 2006-2022					
Year	Municipal	County	School	Total	% Change
2006	0.00414647	0.00414074	0.00264000	0.01092721	-
2007	0.00465505	0.00407087	0.00264000	0.01136592	4.01%
2008	0.00511823	0.00400554	0.00264000	0.01176377	3.50%
2009	0.00487454	0.00391717	0.00252000	0.01131171	-3.84%
2010	0.00497203	0.00386042	0.00241000	0.01124245	-0.61%
2011	0.00509633	0.00386042	0.00231000	0.01126675	0.22%
2012	0.00509633	0.00386042	0.00221000	0.01116675	-0.89%
2013	0.00522886	0.00386042	0.00212000	0.01120928	0.38%
2014	0.00531112	0.00386042	0.00203000	0.01120154	-0.07%
2015	0.00540142	0.00387250	0.00195000	0.01122392	0.20%
2016	0.00556346	0.00387250	0.00188000	0.01131596	0.82%
2017	0.00569587	0.00387250	0.00179000	0.01135837	0.37%
2018	0.00580901	0.00387250	0.00170000	0.01138151	0.20%
2019	0.00591210	0.00387250	0.00161000	0.01139460	0.12%
2020	0.00604397	0.00391142	0.00153000	0.01148539	0.80%
2021	0.00613307	0.00397792	0.00153000	0.01164099	1.35%
2022	0.00630216	0.00397792	0.00153000	0.01181008	1.45%

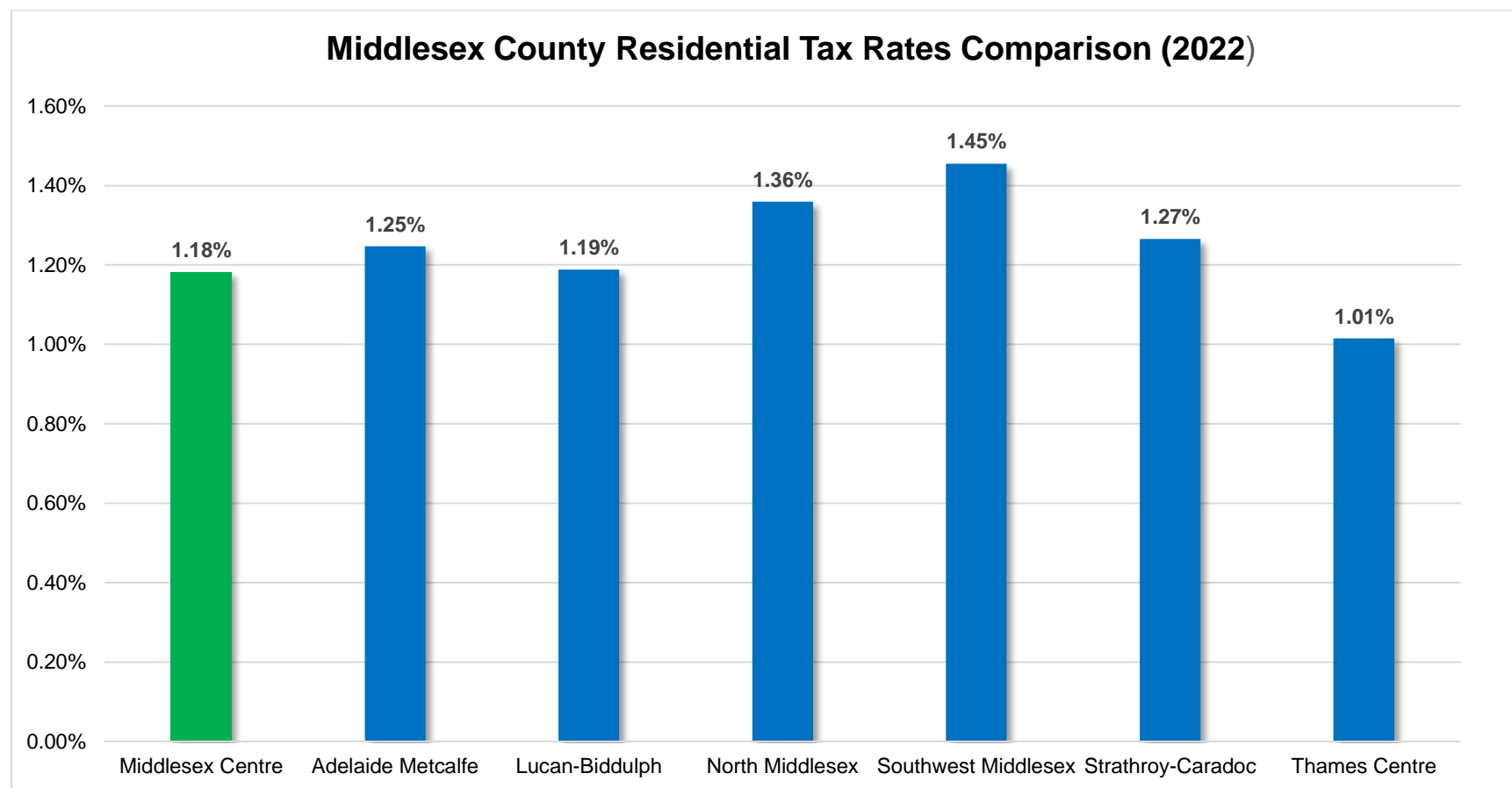




# Supplementary Information

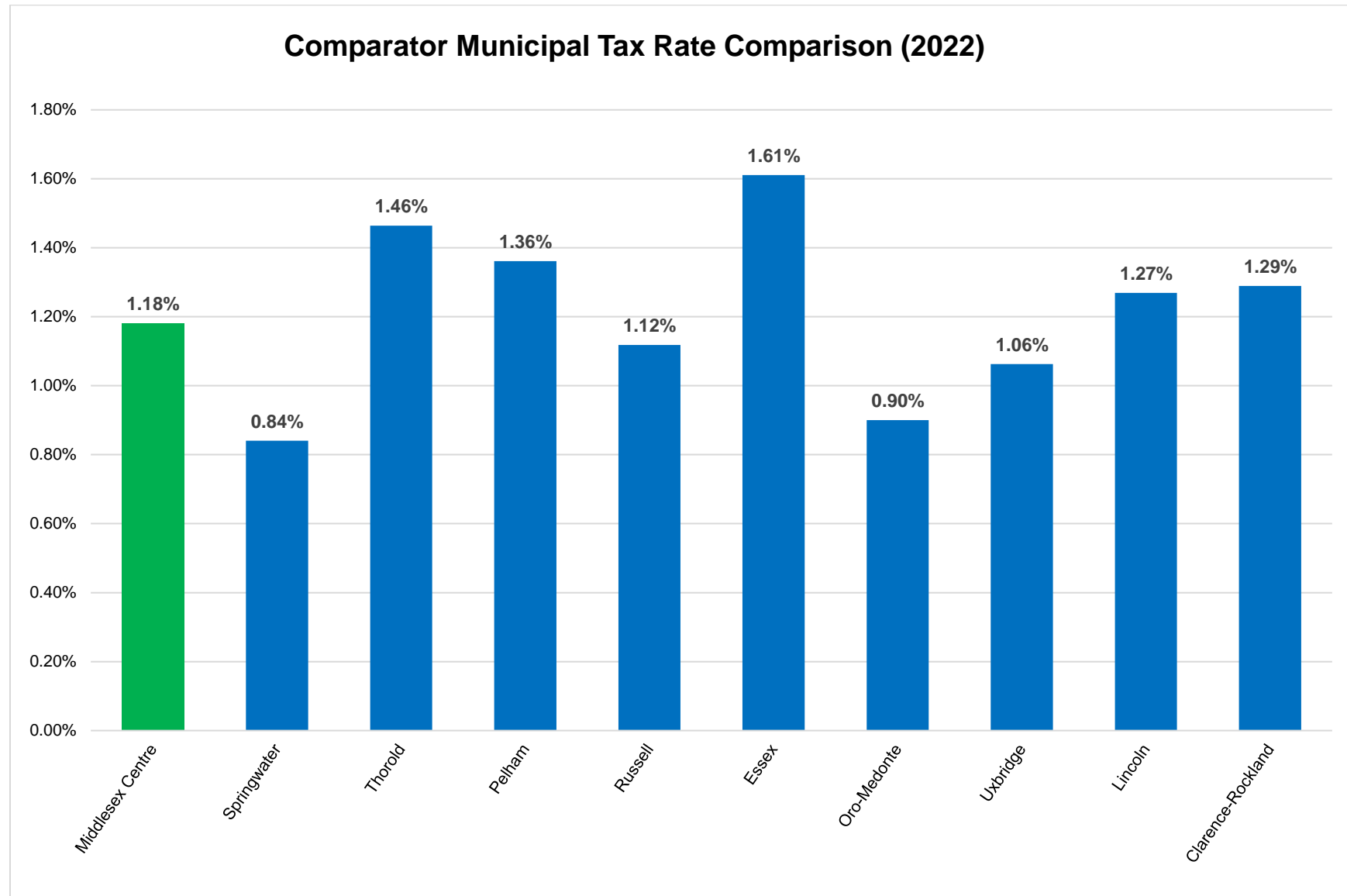
## Middlesex County Residential Tax Rate Comparison

Figure: Residential Tax Rate Comparison, Middlesex County, 2022



## Supplementary Information

Figure: Residential Tax Rate Comparison, Comparator Municipalities, 2022



# Supplementary Information

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## 2023 Operating LRFP Analysis

Long-range financial planning (LRFP) is used to identify future financial challenges and opportunities through financial forecasting and analysis, and then, based on that information, to devise strategies to achieve financial sustainability. Middlesex Centre's long range financial plan was approved by Council in 2016.

The plan created in 2016 was for 10 years. The projections include only the known, and do not include any contingency funding for unplanned, emergent, or other new capital financial demands not contained in existing municipal plans. The plan was built independently and did include the information from the asset management plan, development charge study and strategic plan, all documents completed post-2016. Therefore, since 2016, there have been many changes that drive the differences in projected increases/decreases to actual as noted below.

A LRFP is not a static document, as information changes and improves over time, and the strategies are implemented, the projections will change. Thus, the LRFP will require periodic updating, but it is an intentional, holistic way forward.

Long-term financial planning works best as part of an overall strategic plan. Middlesex Centre's Strategic Plan does not contain any specific financial strategies with the exception of asset management planning and planning for the cost of growth. Both of these items are discussed in detail in this report in their respective sections, asset management and development charges. Middlesex Centre does recognize the significance of LRFP in relation to achieving strategic goals as an overall concept and continues to support the development and monitoring of such plans. Having a plan in place assists the municipality in developing long-range financial strategies to fund elements and actions of the Strategic Plan.

Middlesex Centre had budgeted to have a new LRFP completed in 2022, however due to the delay in completing the master plans in public works and engineering, the LRFP has been moved to 2023 to ensure it contains the most accurate data. This new plan will incorporate other important documents that drive the municipality's direction.

➔ The LRFP is available at [middlesexcentre.ca/documents/long-range-financial-plan](https://middlesexcentre.ca/documents/long-range-financial-plan)

# Supplementary Information

**Table: 2023 Operating Budget: 2023 Budget Increase vs Long Range Financial Plan Forecasted Increase**

	2023 Budget (\$)	2022 Budget (\$)	\$ Variance
<b>Revenue</b>			
User Fees	3,131,609	2,799,557	332,052
Revenue Miscellaneous	714,891	689,736	25,155
OMPF Grant	1,170,600	1,291,800	(121,200)
Licence Permits	1,178,650	1,305,150	(126,500)
Supplementaries	376,000	357,000	19,000

2023 Budget	% Increase 2023 LFRP	% LFRP Variance	Notes
11.86%	2.00%	9.86%	<b>K</b>
3.65%	1.00%	2.65%	<b>A</b>
-9.38%	-5.00%	-4.38%	<b>B</b>
-9.69%	2.00%	-11.69%	<b>C</b>
5.32%	1.00%	4.32%	<b>D</b>

Expenditures	2023 Budget (\$)	2022 Budget (\$)	\$ Variance
Salaries & Benefits	9,081,081	8,462,053	619,028
Police Officers	2,287,431	2,315,475	(28,044)
Sub-Contract	2,693,048	2,512,530	180,518
Hydro	739,730	789,173	(49,443)
Insurance	1,139,300	1,048,062	91,238
Equipment Repairs & Maintenance	341,300	324,400	16,900
Building Repairs & Maintenance	368,750	258,050	110,700
Heating	123,560	95,286	28,274
Water	198,089	199,766	(1,677)
Office Supplies	45,110	46,504	(1,394)

2023 Budget	% Increase 2023 LFRP	% LFRP Variance	Notes
7.32%	6.00%	1.32%	<b>E</b>
-1.21%	3.00%	-4.21%	<b>F</b>
7.18%	3.00%	4.18%	<b>G</b>
-6.27%	4.00%	-10.27%	<b>M</b>
8.71%	3.00%	5.71%	<b>H</b>
5.21%	4.00%	1.21%	
42.90%	4.00%	38.90%	<b>I</b>
29.67%	3.50%	26.17%	<b>L</b>
-0.84%	3.50%	-4.34%	<b>M</b>
-3.00%	2.00%	-5.00%	<b>J</b>

*Note: The above is not a full listing of all the municipality's revenues and expenses. The purpose of this report is to highlight the larger categories. This analysis excludes water/wastewater and stormwater revenues and expenses.*



# Supplementary Information

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## Notes to the Table

- A- Large increase in Revenue Miscellaneous over prior year that exceeds the projected 1% is due to the following:
- Additional revenue streams have been budgeted for since 2016, including but not limited to; commission of oaths service, civil marriage ceremonies, administration fees, ownership changes fees, recreational programming, contracted snow plowing for subdivisions.
- B- Middlesex Centre has been receiving steady increases in OMPF funding annually since 2016, however the 2023 allocation from the Province to Middlesex Centre was significantly decreased from 2022, which aligns with what is happening province wide with this grant.
- C- Decrease in permit revenue due to expected decrease in building permits as a result of the economic downturn in the latter half of 2022 and into 2023.
- D- Supplementary property tax revenue is increasing substantially from what was planned in 2016 due to the building boom in Middlesex Centre. This revenue comes from growth and the increase in new homes being built in prior years.
- E- Salary & Benefits year-over-year increase due to an increase in new staff at Middlesex Centre, the cost-of-living increase of 2.5% and the estimated changes due to the pay grid review in 2023.
- F- As provided by the OPP.
- G- Sub-contract is over the estimated amount in 2023 due to the five master plans being completed.
- H- Insurance rates are expected to rise year over year seeing an anticipated increase of 15% for 2023. The increase in this analysis is only 8.71% as this is based on 2022 budget, and the 2022 actual came in less than what was budgeted. However, the increases are significantly higher than the anticipated LFRP increase of 6%. This is happening province wide in the industry.
- I- Building repairs and maintenance are expected to increase as the municipality has recently completed their updated asset management plan that includes capital and operating costs. Reviewing this plan for the budget, the municipality has noted additional repairs and maintenance items to be completed to ensure our assets are in proper condition. Additionally, inflationary increases in costs.
- J- Office supply costs have decreased over prior year due to increase in collaborative purchasing.
- K- User fees has increased over the projected amount due to growth. This growth directly impacts the revenue in our water, wastewater and stormwater accounts.
- L- Natural gas prices are expected to increase substantially in 2023.
- M- Review of budget in light of more energy and water conservation strategies for the municipality.



# Supplementary Information

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## Financial Key Performance Indicators

While financial statements offer a wealth of information, such reviews can be highly technical and difficult for many people. A new initiative for the municipality is to present more financial information to the public in an easy-to-understand format. Middlesex Centre completes an annual financial dashboard to help achieve this goal. The Municipality of Middlesex Centre's financial dashboard has been created to showcase the municipality's efforts towards accountability, openness and transparency regarding financial information.

The financial dashboard brings together in one place some of the municipality's financial performance indicators that showcase the municipality's performance on an annual basis. The document displays the results in a way that residents can easily access and understand. The report is an important part of our work to build greater trust with the community. The financial dashboard demonstrates transparency and accountability and enhances public communication.

Additionally, the financial dashboard helps improve decision making. With better data comes better decisions. It also allows us to be more efficient and for better benchmarking, as with baseline data in place, over time we will be able to see trends, and respond accordingly. Finally, the financial dashboard promotes a culture of continuous improvement.

The annual financial dashboard provides a quick view of the municipality's position on a number of high-level financial measures including:

- Overall financial position
- Economic growth
- Reserves and assets conditions
- Debt

The dashboard also compares Middlesex Centre's results with the results of our comparators. Middlesex Centre has 10 comparator municipalities, however the results for all of them are not included in this report as the data is derived from the 2022 Municipal Study completed by BMA and not all municipalities participate. Middlesex Centre's comparator municipalities are selected based on the following criteria:

- similar in population
- similar rural and urban split
- geographical area (size)
- growth rate
- upper-tier and lower-tier organizational structure and responsibilities
- adjacent to a large urban centre



## Supplementary Information

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The municipalities selected as our comparators are:

- Clarence-Rockland
- Essex Township
- Lincoln Township<sup>5</sup>
- Oro-Medonte Township
- Pelham
- Russell
- Springwater Township
- Strathroy-Caradoc
- Thorold
- Uxbridge

Since Clarence-Rockland, Oro-Medonte, Russell and Uxbridge do not participate in the BMA study, they are not included in the analysis.

The following are some selected financial performance indicators. These are taken from the 2022 Municipal Study, prepared by BMA Management Consulting Inc.

→ Learn more about Middlesex Centre's financial performance at [middlesexcentre.ca/budget](https://middlesexcentre.ca/budget) under "Financial Reports"

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<sup>5</sup> At the time of writing, the 2022 Municipal Study by BMA, from which this section draws, did not contain data for Lincoln Township.

### Overall Financial Position

The overall financial position of the municipality is encouraging with a positive trend for the future. The municipality's assets (what the municipality owns) are growing at a faster rate than its liabilities (what the municipality owes) and the municipality can meet its debt obligations. The annual tax-based operating surplus does not include a provision for annual amortization. If this was included in the reporting to council, the municipality would be recording a material annual deficit on the tax side, since sufficient funds are currently not set aside in reserves for the replacement and maintenance of existing assets.

Long-term projections indicate there will be insufficient funding to replace important infrastructure (infrastructure gap), but innovative programs like the stormwater management fee and additional fees for services such as statement reprints and ownership changes assist in funding operations daily.

Our asset management plan provides recommendations for long-term funding for the capital budget.

### Measurement







This is measured using the following ratios:

- financial position per capita
- taxes receivable ratio
- rates coverage ratio

Staff are hopeful this information will be forthcoming and have left Lincoln Township (without data) in the charts for the time being.

# Supplementary Information

## Results

Measurement	2020 Results	2021 Results
Financial position per capita		
Taxes receivable ratio		
Rates coverage ratio		

**Table: Alignment with Strategic Priorities**

Strategic Alignment - Priority	Strategic Alignment - Objective	Strategic Alignment - Initiative
Strat Plan 4 – Sustainable Infrastructure and Services	4.3 – By communicating our approach to funding capital projects	Communicate clearly with public on capital spending priorities in terms of costs, benefits, funding sources and timing.

## Financial Position per Capita Comparison

The financial position per capita is an indicator of municipality's overall financial position (financial assets less liabilities) over time on a per capita basis. A positive balance indicates the municipality's ability to cover its debt obligations and that funds have been set aside for future sustainability. Middlesex Centre's financial position has been steadily improving over time and is one of the strongest in the group of comparators as noted below.

**Table: Financial Position per Capita Compared to Comparator Group (2017 to 2021). This table shows a comparison of a municipality's overall financial position (financial assets less liabilities) over time on a per capita basis.**

Municipality	2017 (\$ per capita)	2018 (\$ per capita)	2019 (\$ per capita)	2020 (\$ per capita)	2021 (\$ per capita)
Essex Township	1,261	1,689	2,174	2,362	2,424
Lincoln Township					
Middlesex Centre	-152	81	476	1,098	1,754
Pelham	-1,764	-2,296	-1,823	-1,012	-634
Springwater Township	649	595	625	617	744
Strathroy-Caradoc	832	1,167	1,377	1,500	1,644
Thorold	1,213	1,198	1,420	1,505	1,471





# Supplementary Information

## *Taxes Receivable as a Percentage of Taxes Levied*

The taxes receivable as a percentage of taxes levied ratio is a strong indicator of the strength of a local economy and the ability of residents to pay their annual taxes. Credit rating agencies consider over 8% a negative factor. If the percentage increases over time, it may indicate a decline in the municipality's economic health. Middlesex Centre's tax receivable as a percentage of taxes levied has been improving over time and there are no issues noted related to the municipality's economic health. Once again, Middlesex Centre's is one of the strongest in the group of comparators.

**Table: Middlesex Centre's Overall Taxes Receivable as a Percentage of Taxes Levied, 2017 to 2021, Compared to Comparator Group**

Municipality	2017	2018	2019	2020	2021
Essex Township	4.9%	3.5%	3.5%	4.0%	4.3%
Lincoln Township					
Middlesex Centre	5.1%	4.7%	3.5%	3.6%	2.4%
Pelham	5.5%	5.2%	4.9%	5.0%	4.2%
Springwater Township	8.6%	8.9%	8.3%	8.9%	6.8%
Strathroy-Caradoc	5.3%	4.0%	3.4%	3.3%	2.9%
Thorold	9.9%	8.9%	9.1%	9.2%	10.2%

## *Rates Coverage Ratio*

The rates coverage ratio provides a measure of the municipality's ability to cover its cost through its own source revenues. According to the Ministry of Municipal Affairs and Housing, a basic target is 40% to 60%; an intermediate target is 60% to 90%; and an advanced target is 90% or greater. Middlesex Centre has an advanced target and can easily cover our costs through our own source revenues. Additionally, Middlesex Centre's ratio has been increasing overtime. In 2020 the ratio was 115.1%. Once again, Middlesex Centre's is one of the strongest in our comparators group.

**Table: Rates Coverage Ratio, Compared to Comparator Group (2021)**

Municipality	2021
Essex Township	97.6%
Lincoln Township	
Middlesex Centre	116.8%
Pelham	98.0%
Springwater Township	93.9%
Strathroy- Caradoc	120.5%
Thorold	107.7%



# Supplementary Information

## Economic Factors





Balanced growth is one of the key priorities in the municipality's strategic plan. The municipality has experienced steady overall economic growth; however, non-residential growth is slower than residential growth. This trend improved in the last two years. Council had made economic development a top priority and staff and Council have increased the focus and resources spent in this area.

## Measurement

This is measured using the following ratios:

- assessment growth of tax base
- non-residential portion of the tax base (assessment)

## Results

Measurement	2022 Results	2023 Results
Assessment growth of tax base		
Non-residential portion of the tax base (assessment)		

**Table: Alignment with Strategic Priorities**

Strategic Alignment - Priority	Strategic Alignment - Objective	Strategic Alignment - Initiative
Strat Plan 2 – Balanced Growth	2.2 – Through the Official Plan Review and other means, manage the pace of new residential development and encourage the complementary availability of commercial, school, and public amenities	By working with development and commercial interests to meet the demand for commercial and employment activities as our population increases.

## Assessment Growth

Assessment growth is a measure of the economic health of the municipality, and a source of additional tax revenue that also indicates additional pressures on expenditures (operating and capital). There is no specific target, but the municipality should monitor the trend over time. Middlesex Centre has had a large increase in assessment growth since 2018.

# Supplementary Information

**Table: Middlesex Centre's Overall Assessment, by property class, 2018 to 2023**

Property Class	2018	2019	2020	2021	2022	2023
Residential	2,234,335,859	2,354,958,419	2,497,593,149	2,530,480,756	2,637,207,977	2,755,768,993
Farm	1,275,705,772	1,450,932,327	1,605,897,354	1,626,287,454	1,622,982,754	1,619,447,340
Pipeline	117,021,296	120,871,369	124,680,000	125,691,000	125,940,000	126,162,000
Commercial	86,872,067	119,444,601	134,691,897	134,759,590	131,736,669	166,116,367
Exempt	82,332,404	106,156,386	111,025,600	111,565,100	113,805,600	111,071,800
Industrial	11,866,966	11,669,837	12,449,900	12,500,900	14,968,500	15,606,000
Other	33,772,040	37,607,305	35,534,500	40,232,900	47,355,200	16,194,200
<b>Total</b>	<b>\$3,841,906,404</b>	<b>\$4,201,640,244</b>	<b>\$4,521,872,400</b>	<b>\$4,581,517,700</b>	<b>\$4,693,996,700</b>	<b>\$4,810,366,700</b>

## **Assessment Growth – Non-residential portion of the tax base**

The non-residential portion of the tax base (assessment) shows the composition of unweighted assessment over time. It indicates what percentage of assessment comes from the commercial and industrial component, which should grow proportionately over time. Ideally, the commercial and industrial components should grow proportionately over time. However, this is where Middlesex Centre struggles as these ratios are not growing proportionately over time. In 2023, there is a larger increase in commercial assessment and the industrial growth is in line with the residential growth.

**Table: Middlesex Centre's Overall Assessment increase for commercial, industrial and residential properties, 2019 to 2023**

Year	Commercial Growth (year over year)	Industrial Growth (year over year)	Residential Growth (year over year)
2019	37.49%	-1.66%	5.40%
2020	12.77%	6.68%	6.06%
2021	0.05%	0.41%	1.32%
2022	-2.24%	19.74%	4.22%
2023	26.10%	4.30%	4.50%

# Supplementary Information

## Reserve Levels and Assets







Reserves are a critical component of a municipality's long-term financial plan. Reserves offer liquidity which enhances the municipality's flexibility in addressing operating requirements and in permitting the municipality to temporarily fund capital projects internally, allowing it time to access debt markets and take advantage of favourable conditions. Three financial indicators have been included for tax reserves. In each case, the water and wastewater reserves and reserve funds have been excluded, as well as obligatory reserve funds.

### Measurement

This is measured using the following ratios:

- tax discretionary reserves as a % of own source revenues
- tax discretionary reserves per capita
- asset consumption ratio

### Results

Measurement	2021 Results	2022 Results
Tax Discretionary Reserves as a % of Own Source Revenues		
Tax Discretionary Reserves per Capita		
Asset Consumption Ratio		

**Table: Alignment with Strategic Priorities**

Strategic Alignment - Priority	Strategic Alignment - Objective	Strategic Alignment - Initiative
Strat Plan 4 – Sustainable Infrastructure and Services	4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	Develop and maintain a policy framework that brings together capital expenditure projections with management of discretionary and mandatory reserves and reserve funds, debt management and recovery of investment. Continue to update and fund our asset management plan and prioritize capital spending priorities based on that plan Expand our current practice of making annual reserve fund contributions toward the cost of projected asset management expenditures.



# Supplementary Information

## ***Tax Discretionary Reserves as a Percentage of Own Source Revenues***

Reserve funds provide stability to tax rates in the face of variable factors, provide funding for onetime expenses, make provisions for the replacement and/or acquisition of infrastructure and provide flexibility to manage debt levels to protect the municipality's financial position. This indicator shows the total value of funds held in reserves and reserve funds compared to a single year's own source revenue and is a strong indicator of financial stability. The higher the percentage the more financially stable the municipality is and has the flexibility to react to different factors as they occur.

**Table: Middlesex Centre's Tax Discretionary Reserves as a Percentage of our own Source Revenues, 2017 to 2021, Compared to Comparator Group**

Municipality	2017	2018	2019	2020	2021
Essex Township	200%	192%	208%	240%	242%
Lincoln Township					
Middlesex Centre	68%	73%	91%	111%	146%
Pelham	-6%	6%	18%	43%	55%
Springwater Township	80%	69%	69%	38%	77%
Strathroy-Caradoc	18%	29%	34%	34%	42%
Thorold	160%	154%	152%	141%	141%

## ***Total and Tax Discretionary Reserves per Capita***

This ratio provides the total tax discretionary reserves in relation to the population. Reserves offer liquidity which enhances the municipality's flexibility in addressing operating requirements and in permitting the municipality to temporarily fund capital projects internally, allowing it time to access debt markets and take advantage of favorable conditions. Middlesex Centre has a healthy total and tax reserve ratio per capita.

**Table: Total and Tax Discretionary Reserves per Capita, Compared to Comparator Group (2021).**

Municipality	Total Reserves per Capita	Tax Reserves per Capita
Essex Township	\$2,877	\$2,877
Lincoln Township		
Middlesex Centre	\$2,551	\$2,030
Pelham	\$727	\$547
Springwater Township	\$1,021	\$618
Strathroy- Caradoc	\$1,514	\$428
Thorold	\$2,003	\$1,414



# Supplementary Information

## Asset Consumption Ratio

This ratio seeks to highlight the aged condition of municipal assets and the potential asset replacement needs. A higher ratio may indicate significant replacement needs. However, if assets are renewed and replaced in accordance with an asset management plan a high ratio should not be a cause for concern. The Ministry of Municipal Affairs and Housing considers a ratio of 25% or under to be relatively new; 26% to 50% to be moderately new; 51% to 75% to be moderately old and over 75% to be old.

This ratio should stay consistent or improve over time, which would mean that new assets are created and/or assets are replaced at a quicker pace than existing assets are amortizing.

Asset consumption ratio is accumulated amortization expressed as a percentage of the historical cost of all assets. The higher the ratio, the higher the replacement need. Middlesex Centre's assets are considered moderately new.

**Table: Middlesex Centre's Overall Asset Consumption, 2017 to 2021, Compared to Comparator Group**

Municipality	2017	2018	2019	2020	2021
Essex Township	33.1%	35.1%	36.9%	38.2%	39.4%
Lincoln Township					
Middlesex Centre	32.6%	33.7%	34.1%	34.7%	35.9%
Pelham	43.7%	37.4%	39.1%	40.5%	40.6%
Springwater Township	35.2%	36.3%	37.7%	37.9%	39.4%
Strathroy-Caradoc	42.8%	43.8%	44.3%	45.1%	43.7%
Thorold	39.7%	40.5%	41.7%	38.2%	38.9%

## Debt

The Ministry of Municipal Affairs and Housing regulates the level of debt that may be incurred by municipalities, such that no more than 25% of the total Own Source Revenue can be used to service debt and other long-term obligations. Three financial indicators have been included for financial analysis.





The overall trend for tax-funded debt is improving since the municipality has shown discipline in minimizing additional debt issues, but it needs to stay the course. The municipality plans to continue fiscal discipline.

## Measurement

This is measured using the following ratios:

- debt outstanding per capita
- debt to reserve ratio

## Results

Measurement	2021 Results	2022 Results
Debt Outstanding per Capita		
Debt to Reserve Ratio		

# Supplementary Information

**Table: Alignment with Strategic Priorities**

Strategic Alignment - Priority	Strategic Alignment - Objective	Strategic Alignment - Initiative
Strat Plan 2 – Sustainable Infrastructure and Services	4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	Develop and maintain a policy framework that brings together capital expenditure projections with management of discretionary and mandatory reserves and reserve funds, debt management and recovery of investment.

## *Total Debt Outstanding per Capita*

This provides the debt outstanding per population. The trend should be decreasing over time as existing debt is paid off and the population grows. New debt issued should be less than existing debt that is paid off and should not exceed the rate of population growth. This debt per capita has been consistently improving throughout the years.

**Table: Middlesex Centre Total Debt Outstanding per Capita, 2021, Contrasted with that of the Comparator Group**

Municipality	Total Debt outstanding per Capita	Total less Water and Wastewater Debt Outstanding per Capita
Essex Township	\$804	\$613
Lincoln Township		
Middlesex Centre	\$926	\$489
Pelham	\$1,627	\$1,607
Springwater Township	\$127	\$127
Strathroy- Caradoc	\$137	\$86
Thorold	\$28	\$28

## *Debt to Reserve Ratio*

This measure reflects the amount of debt outstanding divided by a municipality's reserves and reserve funds. Debt funded by obligatory reserves (such as development-charges funded debt) and obligatory reserve balances are excluded from this calculation. A measure above 1.0 indicates that a municipality has more long-term debt than reserves. This indicator provides a measure for financial prudence by comparing total debt to the total reserve balances. Generally, the benchmark suggested by credit rating agencies for this ratio is 1:1 or in other words, debt should not exceed total reserve and reserve fund balances. A 1:1 ratio reflects that for every dollar of debt there is a dollar of reserves. This debt to reserve ratio has been consistently improving throughout the years.



# Supplementary Information

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**Table: Middlesex Centre's Debt to Reserve Ratio, 2017 to 2021,  
Compared to Comparator Group**

Municipality	2017	2018	2019	2020	2021
Essex Township	0.5	0.4	0.3	0.3	0.3
Lincoln Township					
Middlesex Centre	1.2	1.0	0.8	0.5	0.4
Pelham	16.4	10.2	6.3	3.3	2.2
Springwater Township	0.2	0.0	0.2	0.2	0.1
Strathroy-Caradoc	0.4	0.2	0.2	0.1	0.1
Thorold	0.0	0.0	0.0	0.0	0.0





# Supplementary Information

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## Accounting Principles

### Basis of Budgeting

The Municipality of Middlesex Centre prepares the annual budget using the cash basis.

Except as otherwise provided in this policy, Council has the sole authority for approving funding to operating programs and capital projects.

All decisions involving amendment of approved budgets require the approval of Council, following public notice as prescribed by the *Municipal Act*, 2001.

*Municipal Act, 2001, Section 291:*

*(1) Before adopting all or part of a budget under section 289 or 290, or amending such a budget, a municipality shall give public notice of its intention to adopt or amend the budget at a council meeting specified in the notice.*

The Municipality of Middlesex Centre prepares all financial information on an accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) as approved by the CPA Canadian Public Sector Accounting Handbook (PSA). This means that the transactions and events are recognized in the period in which the transactions and events occur.

The municipality does not include a budget for amortization or post-employment benefits expenses which is permitted under the Ontario Regulation 284/09 made under the *Municipal Act*, 2001.

The municipality is required by provincial law to balance its operating budget each year. To balance the budget, the

municipality can either: Increase its revenue stream through raised property taxes and fees; or manage expenses through adapting or reducing the cost of programs and services.

### Fund Accounting

Financial information is prepared in accordance with a fund structure which consists of an Operating Fund, Capital Fund and Reserve Funds.

A fund is defined as a segregation of assets and related liabilities that is administered as a separate accounting entity. Each fund has its own assets and debts and raises or is granted its own money for its own purposes and records its own expenditures.

Separate fund accounting provides an increased measure of control over the assets of the fund by ensuring the assets are not inadvertently utilized by another fund.

Capital Fund is used to record all capital expenditures as well as all financing of these capital expenditures; including long term borrowing, grant funding, development charges and reserve funds.

Operating Fund is used to record all revenues and resources that are not otherwise accounted for in another fund. Unrestricted revenues such as property taxes are recorded in the Operating Fund.

Reserve and Reserve Funds are established to record assets that have been segregated for a specific purpose.



# Supplementary Information

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## Preparation of Financial Information

### Preparation of Financial Statements

The Public Sector Accounting Board (PSAB) Handbook Sections PS1200 and PS3150 require that financial statements, including budgeted amounts on the statements are presented using the full accrual basis. Middlesex Centre is in full compliance with the requirements set forth by the PSAB of the Chartered Professional Accountants Canada (CPA) regarding the presentation of financial statements.

### Financial Information Return (FIR)

The Ministry of Municipal Affairs and Housing is responsible for establishing requirements for municipal accounting, financial reporting, municipal auditing and other matters related to the financial health of municipalities as set out in section 3 of the Municipal Affairs Act. Section 294(1) of the Municipal Act specifically states that each municipality will annually report on its financial affairs, accounts and transactions. This takes the form of the annual FIR.

## 2023 Budget Reconciliation for PSAB Adjustments

The PSAB Handbook requires that budget numbers be included in the statements using the same Basis of Accounting that is used for actual results. The issue facing municipalities is that municipal budgets have typically been prepared on a cash basis with the main focus being the determination of the tax levy required.

The requirements of O.Reg. 284/09 force reconciliation between the typical cash budget and the statements for those expenses noted above.

As a municipality, Middlesex Centre is required to follow the accounting standards established by the PSAB. With the introduction of tangible capital asset accounting in 2009, the new accounting standards do not require budgets to be prepared on a fully accrued basis. The municipality continues to prepare budgets on a modified accrual basis. This tax rate is based on annual cash requirements and therefore does not include the PSAB requirements around accrual accounting and accounting for “non-financial assets and liabilities.”

O.Reg. 284/09 requires that the municipality report on the impact of these excluded costs:

1. Amortization expense
2. Post-employment benefits expenses
3. Solid waste landfill closure and post-closure expenses

Before adopting a budget for the year that excludes any of the expenses listed above, Council must adopt the report by resolution.



## Supplementary Information

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The Municipality of Middlesex Centre's 2023 proposed budget and associated tax levy excludes the following:

1. Amortization expenses, estimated at \$7.78M, since amortization is a non-cash expense.
2. Post-employment benefits expense, estimated at \$6,772 (since this is a non-cash expense).
3. Solid waste landfill closure and post-closure expenses are zero as the municipality does not have responsibility for landfill sites.

### Estimated Impact of Future Benefit

Future benefit expense is generally related to the municipality's sick leave benefit plan, health and dental benefits for retired employees. There is no legislated authority requiring a municipality to fully fund these benefits. However, it is sound financial planning to do so where possible. The estimated amount for Middlesex Centre for 2023 is \$6,772.

### Estimated Impact of Excluded Amortization on Future Tangible Capital Asset (TCA) Funding Requirements

Amortization expense is an estimate of the consumption of future benefits from past investment in capital assets. It takes the asset's historical cost and spreads it evenly over the expected useful life of the asset. This amortization period can range from three years up to as many as 100 years

Depending on the nature of the asset, amortization does not take into account inflation, service upgrades or increase in

standards. Therefore, funding only for amortization will not provide sufficient funding for replacement in most cases.

Although there is no definitive answer on how much funding is required, the municipality has set a fiscally responsible path that should be adequate to fund its capital replacement needs.

Amortization does NOT deal with the issue of new capital requirements.

Amortization expense for 2023 is estimated at \$7.78M.

### Estimated Impact of Solid Waste Landfill Closure and Post-Closure Expenses

Solid waste landfill closure and post-closure expenses are zero as the municipality does not have responsibility for landfill sites.

### Estimate of the Change in Accumulated Surplus due to Excluded Expenses

The chart below starts with the 2023 surplus/(deficit) per the budget excluding reserve transfers, long term debt incurred, and other financing items included in the budget. Various PSAB adjustments are then required to arrive at the surplus to be reported for statement purposes.



# Supplementary Information

**Table: 2023 Proposed Budget – Cash Based**

	Value (\$)
Proposed Budget Tax Levy	22,799,130
Proposed Budget Revenues	47,413,675
Proposed Budget Expenditures	70,212,804
Surplus/(Deficit)	0
<b>Add Expenditures Excluded from Cash Based Budget</b>	
Post-employment benefits expense	(6,772)
Amortization expense	(7,781,846)
Exclusion impact on Accumulated Surplus/(Deficit)	(7,788,618)
<b>Remove Non PSAB Items from Cash Based Budget</b>	
Debenture Principal Repayments	1,283,233
Transfer to Reserve Funds	15,378,168
Contributions from Reserve Funds	(22,716,167)
Contributions from Development Charges	(2,787,042)
Funds from Debenture Issuances	(2,717,500)
Fixed Asset/TCA Expenditures	26,239,581
<b>Total Impact on 2021 Accumulated Surplus/(Deficit)</b>	<b>6,891,655</b>

Fixed asset purchases of \$26,239,581 documented above are higher than the amortization. This is positive as the municipality's assets are not declining at a faster rate than they are being replaced.

Budgeted amortization amounts are based on a projection of existing assets and the associated annual amortization charge. They do not include a projection for assets not yet in service or new assets that have not yet been recorded in the fixed asset sub-ledger.

Overall, amortization listed above has a major impact on the 2023 accumulated surplus amount. The amortization expense reduces the surplus amount and also reduces the net book value of the Tangible Capital Assets reported on the annual audited statement of financial position.



# Supplementary Information

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## Financial Policies

Middlesex Centre maintains a robust set of financial by-laws, policies and procedures (collectively referred to as “policies” here).

## Financial Management Policies

**Long-Range Financial Plan** – All departments will participate in the responsibility of meeting policy goals and ensure long-term financial health. Future service plans and program initiatives will be developed to reflect current policy directives, projected resources, and future service requirements.

**Drinking Water System Long-Range Financial Plan** – The municipality recognizes the need for a long-term financial planning process that assesses the financial implications of current and proposed policies as well as Council approved decisions in its water operations. The goal of this plan is to provide the municipality with a realistic and informed view of operating and capital expenditures needed over time to maintain the integrity and health of its physical infrastructure and to accommodate growth and new environmental standards.

**Strategic Asset Management Policy** – The purpose of this policy is to provide leadership in and commitment to the development and implementation of the municipality’s asset management program. It is intended to guide the consistent use of asset management across the organization, to facilitate logical and evidence-based decision-making for the management of municipal infrastructure assets and to

support the delivery of sustainable community services now and in the future

**Reserve and Reserve Fund Policy** – Adopted by the Reserve and Reserve Fund Policy by-law, this policy establishes consistent principles, standards and guidelines for the maintenance, management and accounting of reserves and reserve funds.

**Forecasts** – Five year forecast for capital expenditures will be prepared and updated on an annual basis. This will allow for advance preparation of any proposed service level and growth-related changes. This will also identify any trends and upcoming challenges. The municipality is required by provincial law to balance its operating budget each year. To balance the budget, the municipality can either: Increase its revenue stream through raised property taxes and fees; or. Manage expenses through adapting or reducing the cost of programs and services.

**Cash and Investments** – Cash and investment programs will be maintained in accordance with the municipality’s investment policy. Funds will be managed in a prudent manner with emphasis on adherence to statutory requirements, safety, liquidity, and yield in that order.

**Issuance of Debt** – The Municipality of Middlesex Centre recognizes the importance of having a written guiding principles for the approval, issuance and administration of Municipal debt, as well as meeting all of the related statutory requirements. The issuance of debt policy applies to all debt obtained on behalf of the municipality.

**Tangible Capital Asset Policy** – The purpose of this policy is to provide a framework for the Municipality of Middlesex Centre’s asset accounting processes in accordance with



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Generally Accepted Accounting Principles (GAAP) and pronouncements of the Public Sector Accounting Board (PSAB) specifically PS 3150.

## Revenue Policies

**Municipal Rates and Fees By-law** –Approved by Council annually, the rates and fees by-law sets out user fees and charges for various municipal goods and services. The fees are set to ensure that they are sufficient to recover all direct and indirect costs of service.

**Water, Wastewater and Stormwater Rates By-law** – Approved by Council annually, the Water, Wastewater and Stormwater rates by-law sets out user fees and charges to ensure that they are sufficient to recover all direct and indirect costs of service.

**Grants** – Revenue from grant funding will only be included in the operating budget if they are recurring grants that are not expected to be discontinued. As a result, nonrecurring grants will not be used to fund ongoing projects.

**Credit and Collections –Property Taxes**– The municipality will follow a consistent policy of collecting revenues to the limit of our ability. A rate of 1.25% per month will be charged on overdue tax accounts. If taxes are not paid within two years and an acceptable payment plan cannot be reached, properties will go to tax sale.

**Credit and Collections –General**– The municipality will follow a consistent policy of collecting revenues to the limit of our ability. A rate of 1.25% per month will be charged on overdue accounts.

**Credit and Collections –Utility** - The municipality will follow a consistent policy of collecting revenues to the limit of our ability. A rate of 5% will be charged on overdue accounts.

**Donation Policies and Procedures** – This policy and procedure provides general guidelines for receiving and accounting for donations that are gifts and for which an official income tax receipt will be issued. This policy does not supersede federal and provincial laws.

## Expenditure Policies

**Procurement Policy** – purchases will be made in accordance with the municipality's Procurement Policy.

**Council Grants** – The program exists to recognize the value of these groups to the well-being and growth of the community and in helping the municipality retain a strong community focus. Grant applications for funding up to \$5,000 are accepted from community organizations annually.

**Delaware Hydro Fund** – To provide procedures for approving expenditures, maintaining, reporting and auditing the Delaware Hydro Utility Proceeds Reserve Fund. Grant applications for funding up to 50% of the interest earned in the preceding year are accepted from community organizations located in Delaware annually.

**Invoice and Payment Processing Policy** - The purpose of this policy is to establish the responsibilities, controls, authorizations and procedures for the accurate and timely processing of supplier invoices and Middlesex Centre cheque requisitions.





# Supplementary Information

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## Financial Controls and Reporting Policies

**Cash Handling Policy** – This policy provides general guidelines for properly safeguarding, depositing and recording payments received by Middlesex Centre.

**Credit Card Policy** - The purpose of this policy is to provide guidelines for the use of Municipal credit cards and to ensure Council and staff are responsible and accountable in regard to Municipal credit card purchases.

**Expense Policy** - This policy outlines the procedures by which employees will be governed for reimbursements and expenses including but not limited to conferences, conventions, seminars, as well as business and business entertainment expenses either within the municipal limits or beyond; and provides for the associated compensation entitlements. This policy reinforces the municipality's commitment to financial accountability and the effective use of public funds.

**Fiscal Monitoring** – Monthly financial reports will be presented to Council which will explain budget variances to date and expected future budget variances for operating costs. Quarterly financial reports will be presented to Council which will explain budget variances to date and expected future budget variances for capital costs. The municipality is required by provincial law to balance its operating budget each year. To balance the budget, the municipality can either: Increase its revenue stream through raised property taxes and fees; or. Manage expenses through adapting or reducing the cost of programs and services.

**Internal Controls** – Financial systems will maintain internal controls to monitor revenues, expenditures, and program performance on an ongoing basis.

**Financial Statement Audit** – An external third-party auditor will perform an annual audit of the municipality's consolidated financial statements to ensure that they are consistent with Canadian Generally Accepted Accounting Principles (GAAP) and Public Sector Accounting Board (PSAB) standards.

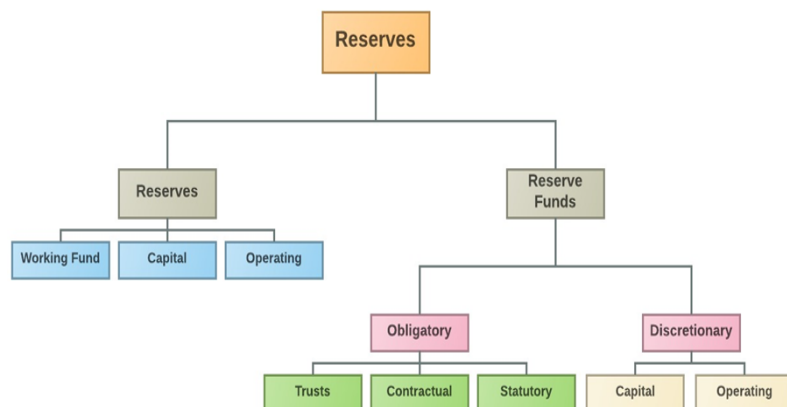
**Financial Information Return** – A Financial Information Return (FIR) will be submitted to the Ministry of Municipal Affairs and Housing (MMAH) on an annual basis. The information in the FIR will be consistent with the information in the audited financial statements.



# Supplementary Information

## Middlesex Centre Reserves and Reserve Funds

Figure: Hierarchy of Reserves and Reserve Funds



### Definitions for Reserves and Reserve Funds

**“Deferred Revenue”** means revenue that is considered a liability on the municipality’s financial statements until, over time, it becomes relevant to current operations, such as prepayment received for something that has not yet been provided. Deferred revenue is set aside in an obligatory reserve fund for a specific purpose by legislation, regulation, or agreement. Development charges and federal gasoline tax are examples of deferred revenue.

**“Discretionary Reserve Fund”** means reserve funds created at the discretion of Council whenever revenues are earmarked to finance future expenditures of a purpose

designated by Council. Revenues set aside for acquisition of fixed assets is an example of discretionary reserve funds.

**“Obligatory Reserve Fund”** means reserve funds that are required by legislation or agreement to be segregated from the municipality’s general revenues for a special purpose or for works to be undertaken on behalf of the contributors. These funds are classified in the financial statements as “Deferred Revenue”. Development Charges and Cash-Lieu-of Parkland are examples of obligatory reserve funds.

**“Reserve”** means an allocation from net revenue at the discretion of council, after the provision for all known expenditures, as part of an overall strategy for funding programs and projects that are set out in the annual budgets or budget forecasts and is authorized under the provisions set out in the Municipal Act. It has no reference to any specific assets and does not require the physical segregation of money or assets. Reserves are part of a revenue fund and therefore, do not earn interest on their own. Any earnings derived from the investment of reserves’ money are reported as revenue in the operating fund. Revenues set aside for working funds is an example of reserves.

**“Reserve Fund”** means a fund with assets which are segregated and restricted to meet the purpose of the reserve fund. It is based on a statutory requirement or defined liability payable in the future and is usually prescriptive as to the basis for collection and used of monies in the fund. All interest earnings derived from such funds must form part of the reserve fund. There are two types of reserve funds: obligatory reserve funds and discretionary reserve funds.



# Supplementary Information

**Table: List of Middlesex Centre Reserves and Reserve Funds**

Title	Type	Category	Purpose	Funding Source
Working Fund	Reserves	Working Fund	To assist in periods throughout the year when cash balances are low and there is a requirement to cover payments and expenses, before tax levies, grants and other revenues become available	Established annual operating budget contribution. Allocation of yearend surpluses.
Operating Project Carryforward	Reserves	Operating	To finance the completion in the current year of operating projects where funding was committed to in the prior year budget.	The amount of the commitment is carried forward from one budget year to the next, recognizing the timing difference between when the projects were budgeted in the annual estimates and when projects were started and completed.
Development Charges (DC) Reserve Fund	Reserve Funds: Obligatory	Statutory Development Charges Act Sections 33-36	Holding account(s) for levies from developers to be used for approved DC programs/ projects; roads; public works; fire protection, parks and recreation; library; administration; water; wastewater	DC collections and credits Interest earned
Cash-in-Lieu of Parkland Reserve Fund	Reserve Funds: Obligatory	Statutory Planning Act s.51.1 and s.53	In accordance with the Planning Act- this reserve is dedicated for the purchase and development of parkland in developing areas and redeveloping areas and/or support the upgrading of existing parks/facilities provided the need to upgrade is due to intensification of the surrounding neighborhood	Developer contributions received in lieu of land being conveyed to the municipality for parkland requirements as per Planning Act Interest earned

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Title	Type	Category	Purpose	Funding Source
Canada Community Building Reserve Fund (formerly Federal Gas Tax Reserve Fund)	Reserve Funds: Obligatory	Contractual Federal Transfer Payments	For infrastructure in accordance with the Federal Gas Tax Agreement. (Note: The Gas Tax was renamed to the Canada Community-Building Fund (CCBF) in 2021.)	Funding provided by the Government of Canada under the agreement signed with the Government of Ontario and the Association of Municipalities of Ontario (AMO, who calculates the allocation for each municipality). Interest earned.
Cash-in-Lieu of Parking Reserve Fund	Reserve Funds: Obligatory	Statutory Planning Act s.40	In accordance with the Planning Act- this reserve is dedicated to cover costs of the municipality maintaining parking for owner/occupants of a building that is required to provide and maintain parking facilities on the land but cannot and therefore exempt from providing or maintaining parking facilities.	Monies provided through an agreement with owner/occupant of a building that is exempt from providing or maintain parking facilities as per Planning Act. Interest earned
Building Department Reserve Fund (formerly the Cost Stabilization Reserve Fund)	Reserve Funds: Obligatory	Statutory Building Code Act O. Reg. 305-03	To offset cost of administration and enforcement of the Building Code when fee revenues are less than costs of delivering building services, to implement service enhancements and to purchase capital items required for the building department such as vehicles and equipment.	Yearend surpluses from Building and Inspection services net of year end deficits. Interest earned
Ilderton Lions Park Reserve Fund (Lions Club Fund)	Reserve Funds: Discretionary	Capital	To provide a source of funding for expenditures related to the purchase of capital assets as per Lions Club for the Ilderton Park	Funding through personal/corporate donations collected by the Lions Club and provided to the municipality. Interest earned
Poplar Hill Log Cabin Reserve Fund	Reserve Funds: Discretionary	Operating	To provide a source of funding for expenditures related to the maintenance of the Poplar Hill Log Cabin.	Funding through personal/corporate donations and grants. Interest earned

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Title	Type	Category	Purpose	Funding Source
Delaware Hydro Reserve Fund	Reserve Funds: Discretionary	Operating and Capital	This fund contains monies received from the sale of the former Delaware hydro utility. Unless otherwise approved by specific Council resolution or by- law and amendment made to this Policy statement, expenditures from the Fund shall be limited to 50% of the interest earned by the Fund in the previous year, for the Village of Delaware.	Interest earned
Employee Benefits Reserve Fund	Reserve Funds: Discretionary	Operating	To fund future employee costs with respect to employee benefits. To fund any deficits in the municipal administrative services benefit plan, employee benefit costs, any employee wellness or training programs.	Yearly surpluses in the Municipal administrative services only benefit plan and the unspent funding in the employee health care spending account. Interest earned
Medical Centre Reserve Fund	Reserve Funds: Discretionary	Capital and Operating	To fund major capital repairs or rehabilitation expenses associated with the Medical Centre	Funding through Medical Centre rental revenue Interest earned
Tax Rate Stabilization Reserve Fund	Reserve Funds: Discretionary	Operating	To fund tax revenue shortfalls, one-time expenditures, as well as other contingencies such as MPAC appeals	Established annual operating budget contribution. Allocation of yearend surpluses. Interest earned
Build Middlesex Centre Reserve Fund	Reserve Funds: Discretionary	Operating	To provide funding for municipal strategic investments. Funding will be made available for projects that have potential of increasing the assessment base. Eligible projects include downtown improvement projects in settlement areas, development of lands around the Wellness Centre, improvement of public lands, and strategies to locate businesses in the municipality.	Funding through municipal land sales (net proceeds of land sales in excess of Land Acquisition and disposal costs). Interest earned
Waste Management Reserve Fund	Reserve Funds: Discretionary	Capital	To fund major maintenance and replacement of waste management facilities and landfill rehabilitation.	Interest earned



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Title	Type	Category	Purpose	Funding Source
Gravel Pit Rehabilitation Reserve Fund	Reserve Funds: Discretionary	Operating	To fund the future rehabilitation and purchases of the gravel pits in the municipality	Funding through royalty received yearly on behalf of Aggregate Resources Trust, in addition to an established annual operating budget contribution. Interest earned
Computer Replacement Reserve Fund	Reserve Funds: Discretionary	Capital	To fund new and replacement equipment	Established annual operating budget contribution. Interest earned
Insurance Claims Reserve Fund	Reserve Funds: Discretionary	Operating	To provide contingency to accommodate annual fluctuations in cost of claims (deductibles) and premiums	Allocation based on fund usage and evidence of reasonably determined liability Established annual operating budget contribution Interest earned
Fire Vehicles and Equipment Reserve Fund	Reserve Funds: Discretionary	Capital	To fund replacement of fire vehicles and equipment	Established annual operating budget contribution calculated as the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation. Interest earned
Fire Public Education Reserve Fund	Reserve Funds: Discretionary	Operating	To fund operating costs of the Fire Department. Funding to be used for the following expenditures: public education program, training and fire vehicles and equipment.	Funded through revenue earned under the Fire Marque program. Interest earned
Buildings and Facilities Reserve Fund	Reserve Funds: Discretionary	Capital	To fund refurbishment, and replacement costs associated with Municipal Facilities	Established annual operating budget contribution calculated as the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation. Interest earned.



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Title	Type	Category	Purpose	Funding Source
Road Capital Reserve Fund	Reserve Funds: Discretionary	Capital	To fund refurbishment, rehabilitation and replacement costs associated with Bridges, culverts and roads infrastructure	Established annual operating budget contribution calculated as half the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation. Interest earned
General Vehicles and Equipment Reserve Fund	Reserve Funds: Discretionary	Capital	To fund the purchase of new and replacement costs associated with vehicles and equipment	Established annual operating budget contribution calculated as half the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation. Interest earned
Ontario Community Infrastructure Fund (OCIF) Reserve Fund	Reserve Funds: Discretionary	Contractual Provincial Transfer Payments	For infrastructure in accordance with the OCIF Agreement. Funds are not to be used for growth-related expansion projects.	Funding provided by the Province of Ontario under the agreement signed with the Government of Ontario Interest earned
Administrative Support Reserve Fund	Reserve Funds: Discretionary	Operating and Capital	To fund operational costs of the administrative functions provided at the municipality for other departments. Funds raised are to be used to upgrade or replace the municipal administration building.	Established annual operating budget contribution based on an allocation from other departments that are funded by specific user fees/permits. Interest earned
Winter Maintenance Reserve Fund	Reserve Funds: Discretionary	Operating	To fund winter maintenance in the event of a shortfall in the operating budget. The reserve fund aids in minimizing the financial implications resulting from extreme winter weather conditions.	Yearend surpluses from Transportation services net of year end deficits.

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Title	Type	Category	Purpose	Funding Source
Fleet Reserve Fund	Reserve Funds: Discretionary	Operating	To provide contingency to accommodate annual fluctuations in operational costs of fleet, such as fuel and repairs and maintenance. The Operating Reserve has two purposes, to fund one-time, emergency, or unanticipated expenditure requirements. The reserve can be used only after it is determined that the operating budget cannot fund the expenditure.	Allocation based on fund usage and evidence of reasonably determined liability. Established annual operating budget contribution if required and Interest earned.
Election Reserve Fund	Reserve Funds: Discretionary	Operating	To finance expenses related to elections avoiding disproportionate burden on levy in an election year	Established annual operating budget contribution Interest Earned
Wastewater Capital Reserve Fund	Reserve Funds: Discretionary	Capital and Operating	To fund maintenance and replacement of wastewater facilities and linear assets. It is also used to finance the non- growth component of new wastewater assets and has provided wastewater rate stabilization from year to year.	Funding is a result of surcharges on the wastewater user rate. In addition, any surplus in the wastewater annual operating budget has been contributed to supplement the reserve balance.
Water Capital Reserve Fund	Reserve Funds: Discretionary	Capital and Operating	To fund maintenance and replacement of water facilities and linear assets. It is also used to finance the non- growth component of new water assets and has provided water rate stabilization from year to year.	Funding is a result of surcharges on the water user rate. In addition, any surplus in the water annual operating budget has been contributed to supplement the reserve balance.
Storm Water Capital Reserve Fund	Reserve Funds: Discretionary	Capital and Operating	To fund maintenance and replacement of stormwater assets and municipal drains within settlement areas.	Funding is a result of surcharges on the stormwater user rate. In addition, any surplus in the stormwater annual operating budget has been contributed to supplement the reserve balance.
Future Roads Upgrades Reserve Fund	Reserve Funds: Discretionary	Capital	To fund refurbishment, rehabilitation and replacement costs associated with identifiable roads infrastructure	Established in consent requirements from time to time. Interest earned

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Title	Type	Category	Purpose	Funding Source
Modernization Reserve Fund	Reserve Funds: Discretionary	Operating and Capital	To fund projects that help modernize service delivery and reduce future costs.	Funding from the Provincial government in 2019.
Safe Restart Reserve Fund	Reserve Fund: Obligatory	Operating	In accordance with the Provincial government, this reserve fund is dedicated to cover the costs of the COVID-19 Pandemic.	Monies provided by the Provincial Government related to COVID-19. Interest earned

# Supplementary Information

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## Acronyms

ABCA – Ausable Bayfield Conservation Authority  
AMCTO – Association of Municipal Managers, Clerks and Treasurers of Ontario  
AMO – Association of Municipalities of Ontario  
AMP – Asset Management Plan  
AODA – Accessibility for Ontarians with Disabilities Act  
ARL – Annual Repayment Limit (Debt)  
BCI – Bridge Condition Index  
BRA – Bluewater Recycling Association  
CAO – Chief Administration Officer  
CCBF – Canada Community-Building Fund  
CICA – Canadian Institute of Chartered Accountants  
CPI – Consumer Price Index  
CPA – Chartered Professional Accountant  
CVA – Current Value Assessment  
DC – Development Charge  
FCM – Federation of Canadian Municipalities  
FIR – Financial Information Return  
FTE – Full-Time Equivalent Position  
GAAP – General Accepted Accounting Principles  
GFOA – Government Finance Officers Association  
HCB – High Class Bituminous (Asphalt),  
HR – Human Resources

IT – Information Technology  
KCCA – Kettle Creek Conservation Authority  
LCB – Low Class Bituminous (Tar & Chip)  
LRFP – Long Range Financial Plan  
LHPWSS – Lake Huron Primary Water Supply System  
LVTCA – Lower Thames Valley Conservation Authority  
MCFS – Middlesex Centre Fire Services  
MMAH – Ministry of Municipal Affairs and Housing  
MPAC – Municipal Property Assessment Corporation  
OCWA – Ontario Clean Water Agency  
OCIF – Ontario Community Infrastructure Fund  
OMERS – Ontario Municipal Employees Retirement System  
OMPF – Ontario Municipal Partnership Fund  
PCI – Pavement Condition Index  
PSA – Public Sector Accounting  
PSAB – Public Sector Accounting Board  
PTE – Part-Time Equivalent Position  
PWE – Public Works and Engineering  
SCADA – Supervisory control and data acquisition  
SCRCA – St. Clair Region Conservation Authority  
TCA – Tangible Capital Asset  
UTRCA – Upper Thames River Conservation Authority





# Supplementary Information

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## Glossary of Terms

**Accrual Basis of Accounting** – A method of accounting that recognizes revenue as earned and expenditures as incurred rather than waiting until cash is exchanged.

**Actual** – Actual (as opposed to budget) revenues and expenditures for the fiscal year indicated.

**Amortization** – The gradual reduction of the value of an asset or liability by some periodic amount. In the case of an asset, it involves expensing the cost of the item over its useful “life,” the time period over which it can be used.

**Assessment** – The Municipal Property Assessment Corporation (MPAC) is responsible for placing an assessment value on all properties in Ontario. In 1998, the Province of Ontario reformed the property assessment and taxation system in Ontario with the implementation of Current Value Assessment (CVA). The CVA of a property represents its estimated market value, or the amount the property would sell for in arms’ length, open market sale between a willing buyer and willing seller.

**Base Budget** – In simple terms, a reflection of the budget resources (financial, human and other) that are required to maintain service levels at the level provided in the previous year.

**Balanced Budget** – The municipality is required by provincial law to balance its operating budget each year. To balance the budget, the municipality can either: Increase its revenue stream through raised property taxes and fees; or. Manage expenses through adapting or reducing the cost of programs and services.

**Budget** – A financial plan for a given fiscal year showing revenues and expenditures for different funds of the municipality.

**Budgetary Basis** – This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: accrual, cash or modified accrual.

**Canada Community-Building Fund (CCBF)** – Formerly the Gas Tax. Funding provided by the Government of Canada as part of the New Deal for Cities and Communities. This Federal initiative is based on a long-term vision of sustainability for Canadian cities and communities, including four interdependent dimensions, economic, environmental, social and cultural. The program is intended to achieve results leading to cleaner air, cleaner water, and reduced greenhouse gas emissions.

**Capital Assets** – Represents assets like land, buildings, machinery, etc. whose benefits last several years.

**Capital Budget** – The budget that provides for funding of the municipality’s expenditures on capital assets, i.e., assets which provide benefits to the municipality over several years.

**Capital Expenditure** – Any significant expenditure incurred to acquire or improve land, buildings, engineering structures, machinery, and equipment. Normally has a benefit lasting beyond one year. Results in the acquisition or extension of the life of a fixed asset. Includes, but not limited to; vehicles, office furniture, construction projects, roads and bridges.

**Consumer Price Index (CPI)** – A statistical description of price levels provided by Statistics Canada. The index is used



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as a measure of the increase in the cost of living (i.e., economic inflation).

**Debenture** – A formal written obligation to repay specific sums on certain dates. In the case of a municipality, debentures are typically unsecured.

**Debt** – Any obligation for the payment of money. For Ontario municipalities, debt would normally consist of debentures as well as either notes or cash loans from financial institutions but could also include loans from reserves.

**Deferral** – The act of putting off until another time, or postponing.

**Deficit** – The excess of liabilities over assets, or expenditures over revenues, in a fund over an accounting period.

**Development Charges** – Development charges are fees collected from developers at the time a building permit to help pay for the cost of infrastructure required to provide municipal services to new development, such as roads, water and sewer infrastructure, community centres and fire facilities.

**Expenditure** – The disbursement of appropriated funds to purchase goods and/or services. Expenditures include current operating expenses that require the current or future use of net current assets, debt service, and capital outlays. This term designates the cost of goods delivered or services rendered, whether paid or unpaid, including expenses, provision for debt retirement not reported as a liability of the fund from which retired, and capital outlays.

**Fiscal Year** – Any period of 12 consecutive months designated as the budget year. The municipality's budget year begins January 1 and ends December 31.

**Fleet** – The vehicles and heavy equipment that can be ridden or driven that is operated in the municipality.

**Forecast** – The projection of revenues and expenditures for future years.

**Full-Time Equivalent Position (FTE)** – A measure of effective authorized positions, indicating the percentage of time a position or group of positions is funded. FTE takes into account the number of hours per week and portion of the year the position is funded.  $FTE = (\text{hours worked per week} / \text{total weekly hours}) \times (\text{months funded} / 12)$ . A year-around full-time position has an FTE of 1.00. A full-time position funded for 6 months (1/2 year) has an FTE of 0.50.

**Fund** – A set of interrelated accounts to record revenues, and expenditures associated with a specific purpose. A fund has its own revenues, expenditures, assets, liabilities, and equity (fund balance).

**Fund Balance** – A term used to express the equity (assets minus liabilities) of governmental fund types and trust funds. A fund balance is the excess of cumulative revenues and other sources of funds over cumulative expenditures and other uses of funds.

**Generally Accepted Accounting Principles (GAAP)** – Nationally-recognized uniform principles, standards and guidelines for financial accounting and reporting, governing the form and content of many financial statements of an entity. GAAP encompasses the conventions, rules, and procedures that define accepted accounting principles at a particular time, including both broad guidelines and detailed practices and procedures.



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**Grant** – A monetary contribution, typically from one level of government to another, as a means to lend support to a specific service, program or function.

**Growth / Volume Change** – In simple terms, an increase in budget resources (financial, human and other) resulting from an increase in municipality population, number of households or commercial properties. This increase is necessary to provide the same level of service that existed prior to growth / volume change.

**Inflation** – A rise in price levels caused by general economic activity and growth.

**Infrastructure** – The system of public works in the municipality, consisting of immovable physical assets, that delivers an essential public service (e.g., road network, water and wastewater systems, and lighting).

**Interest Income** – Revenue associated with the municipality's cash management activities of investing cash balances.

**Levy** – The amount of property tax, in dollars, which is paid by the municipality's taxpayers. To determine the key tax levy for a particular property, the property's assessment value is multiplied by the appropriate rate for the property's tax class.

**Liability** – A financial obligation of the municipality to others.

**Long-term Debt** – Debt that matures more than one year after it is issued.

**Long Range Financial Plan** – Long-range financial planning (LRFP) is used to identify future financial challenges and opportunities through financial forecasting and analysis, and then, based on that information, to devise strategies to achieve financial sustainability.

**Municipal Act** – Passed by the legislature in December 2001, the Act is designed to allow municipal leaders the autonomy, power and flexibility they need to chart their community's future in a meaningful way and react quickly to change.

**Ontario Municipal Employees Retirement System (OMERS)** – A defined benefit plan that provides pension benefits for the municipality's fulltime employees. Employees and employers normally make equal contributions to the plan. Some part-time employees also qualify for OMERS.

**Operating Budget** – The budget that provides the various departments with funding for their annual recurring operating costs (e.g., salaries, materials, and supplies, contracted services, utilities). Compared to the capital budget, items funded in the operating budget do not give rise to assets that are expected to provide benefits over several years.

**Per Capita** – A measurement of the proportion of some statistic to an individual resident determined by dividing the statistic by the current population.

**Property Tax** – An ad valorem (value-based) tax levied on real and personal property according to the property's assessed valuation and the tax rate.

**Public Sector Accounting Board (PSAB)** – The body of the Canadian Institute of Chartered Accountants (CICA) that issues recommendations and guidance with respect to matters of accounting in the public sector. Its aim is to improve the financial and performance information reported by governments and other public sector entities for the benefit of decision makers and other users of the information.

**Reserve** – A reserve is an allocation of accumulated net revenue. It has no reference to any specific assets and does



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not require the physical segregation of money or assets. Reserves are part of the revenue fund and, therefore, do not earn interest on their own, as in the case of reserve funds. Any earnings derived from investment of reserves' money are reported as revenue in the operating fund. Reserves are generally more flexible, as they are created by Council and can be amended if required.

**Reserve Fund** – Reserve fund assets are segregated and restricted to meet the purpose of the reserve fund. All earnings derived from such investments must form part of the reserve fund.

**Revenue** – Monies received from all sources (with exception of fund balances) that will be used to fund expenditures in a fiscal year.

**Service Level Change** – An addition of a new service, enhancement of existing service, deletion of existing service, or reduction of existing service. Service additions or enhancements generally result in additional funding required. Service level reductions or deletions generally result in less required funding.

**Stakeholders** – The person, group or organization that has direct or indirect stake in the municipality because it can affect or be affected by the municipality's actions, objectives and policies.

**Status Quo / Contractual Changes** – Budget changes resulting from inflation and contractual changes that do not change service levels offered by the municipality.

**Strategic Plan** – A document outlining long-term goals, critical issues, and action plans which will increase the organizations effectiveness in attaining its mission, priorities, goals and objectives.

**Surplus** – The excess of actual revenue over operating expenditures incurred during a budget period.

**Supplementary Taxes** – Property taxes collected on new assessment not previously identified by the Municipal Property Assessment Corporation (MPAC) within the current year.

**Tangible Capital Asset (TCA)** – Non-financial assets that have a lifespan that extends beyond an accounting period and is used on a continual basis by the municipality. Also known as "fixed asset."

**Tax Rate** – A percentage rate that is used to determine property tax levy to be paid by a particular taxpayer within the municipality. The rate for a property depends on its tax class, which in turn, depends on the type of property (residential, commercial, industrial, etc.). The rate is multiplied by the assessment to provide the tax levy. Rates are established by Council bylaw.

**User Fees & Service Charges** – Fees paid by individuals or organizations to the municipality for the use of municipality facilities (e.g., recreation fees) or for provision of municipal services (e.g., planning).

