



# Budget 2024

Municipality of Middlesex Centre

Draft Budget – November 15, 2023

# 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 2023 and continues refining the materials each year. We strive to put forward a budget that meets the best practices for transparency in government budgeting as outlined through the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award Program.

Staff calls 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 involves many Middlesex Centre Members of Council and staff. Thanks and appreciation are extended to the following their efforts in 2024:

#### Budget Working Group

- Councillor Frank Berze
- Councillor Sue Cates
- Michael Di Lullo, CAO
- Tiffany Farrell, Director of Corporate Services
- Melissa Kopal, Manager of Finance
- Sean Miller, Financial Analyst
- Heather Kepran, Manager of Strategic Communications

- James Hutson, Manager of Legislative Services & Municipal Clerk
- Arnie Marsman, Director of Building Services, CBO
- Scott Mairs, Director of Community Services
- Justin Fidler, Manager of Community Services
- Kent Ferguson, Community Services Operations Supervisor
- Colin Toth, Director of Emergency Services, Fire Chief
- Scott Roper, Deputy Fire Chief
- Rob Cascaden, Director of Public Works & Engineering
- Andrew Giesen, Manager of Transportation
- Eric Joudrey, Manager of Environmental Services
- Aubrey Guevarra-Jongsma, Asset Management Coordinator

#### Budget Book Preparation

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



# About this Document

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## Assumptions

For the purposes of this budget document, in general all monetary figures are rounded to the nearest dollar, and all other numbers are rounded to the nearest decimal as appropriate.

## 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
  - Capital budget to be presented to Council at their November 1, 2023, meeting.
  - Operating budget to be presented to Council at their November 15, 2023, meeting.
- Final Draft Version
  - Final draft budget to be presented to Council for their consideration at their December 20, 2023, meeting.

Versions of the budget are posted to the municipal website as they become available.

## 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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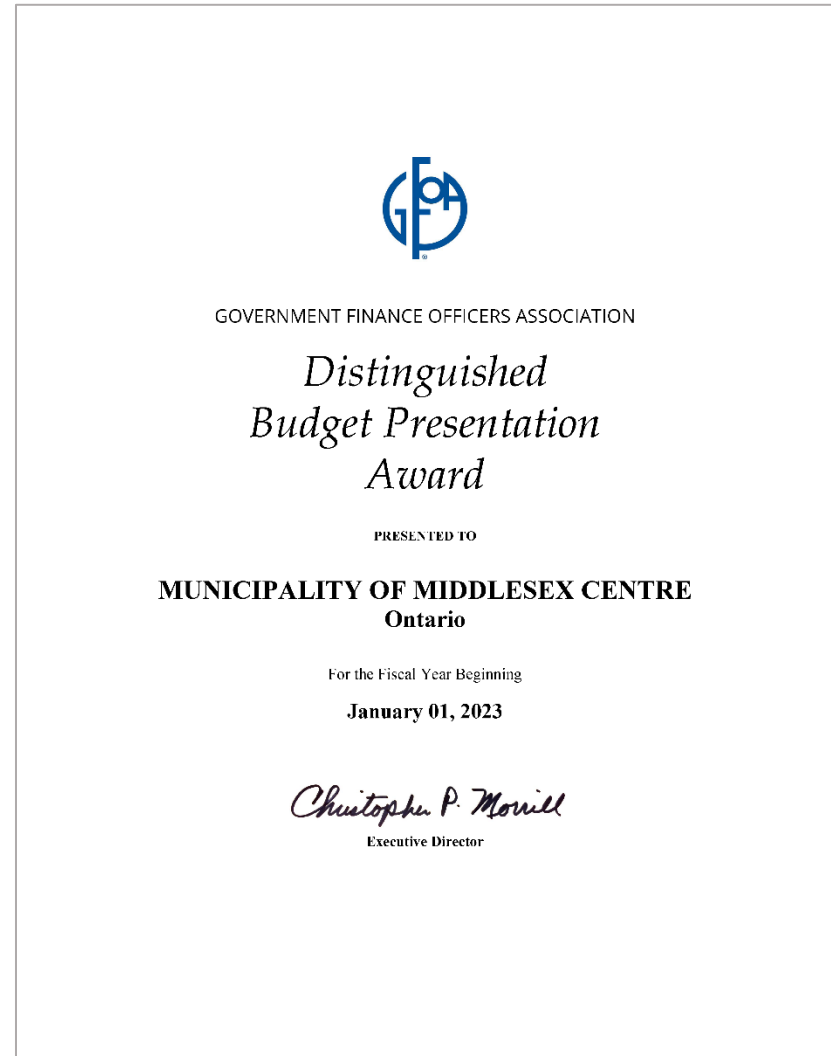
# About this Document

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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, 2023. 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.



# Executive Summary

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## EXECUTIVE SUMMARY

Middlesex Centre's 2024 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.

### 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 2024, 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 2023 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
- Put a priority focus on funding efforts in 2024 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
- 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





# Executive Summary

- Aging infrastructure and closing the infrastructure gap
- Community-wide effects of the economic downturn
- Unpredictability of provincial and federal funding
- 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 2024.

## Budget Summary

**The 2024 Middlesex Centre budget is \$79.93 million.**

This compares to \$70.26 million in 2023.

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,

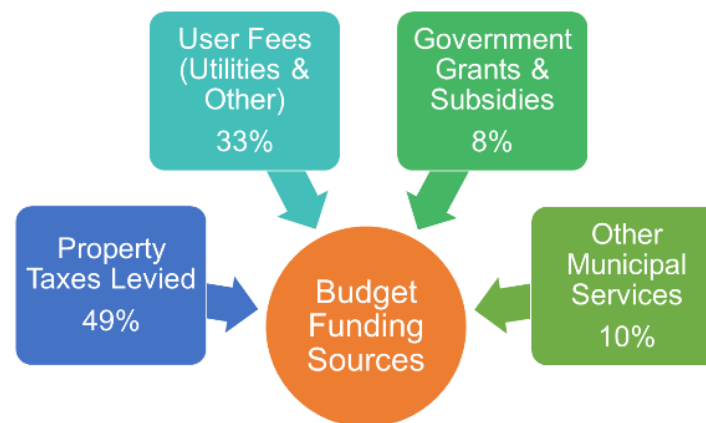
these costs increase with inflation – an increase that is outside of the control of the municipality.

- **2024 Operating Costs = \$49,300,886**  
(2023: \$43,871,181)

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

- **2024 Capital Costs = \$30,626,375**  
(2023: \$26,389,581)

The budget is funded from several sources. In 2024, revenues will come from property taxes (49%), user fees (33%), grants and subsidies (8%) and other sources (10%).



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.



# Executive Summary

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- **2024 Transfers from Reserve Funds = \$31,662,955**  
(2023: \$22,816,167) \*

\*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:

- **2024 Transfers to Reserve Funds = \$17,199,410**  
(2023: \$15,276,126) \*

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

Compared to 2023, the net operating budget increase is \$1,445,650, resulting in the amount to be raised by property taxes, the **tax levy, of 6.34%**

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

- **2024 Tax Rate Increase = 3.22%**  
(2023: 2.50%)

Within the recommended 3.22% 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 2024 budget addresses increasing costs due to inflation, maintains the current level of services and allows for much needed infrastructure construction and repair.

## *A Note on the Tax Rate Stabilization Reserve Fund*

The municipality is required under the Ontario Municipal Act, S. 291, to balance its operating budget each year. To balance the budget, the municipality can either increase its revenue through raised property taxes and fees or manage expenses

through adapting or reducing the cost of programs and services. The 2024 budget is balanced, however, to accomplish this staff are recommending using \$405,000 from the Tax Rate Stabilization Reserve Fund. Using reserve funds to balance the operating budget is not recommended nor a continuous solution to balance the budget. However, in 2023, staff are expecting a surplus in property tax revenue related to an increase in supplemental and omitted assessment billings resulting from increased growth over what was anticipated. Staff will be recommending transferring this surplus into the Tax Rate Stabilization at the end 2023, to be used to balance the 2024 budget.

## 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 was approved by Council on November 15, 2023, 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.
- This year, water rates are increasing by 1%, wastewater 4%, and stormwater by 2.5%. These rates were approved by Council at their meeting on November 15, 2023. As a result, average users will see an annual increase of about \$49.44 on their water bill.



# Executive Summary

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

Annual Water Usage (m <sup>3</sup> )	2023	2024	\$ Increase	% Increase
96	\$1,291.44	\$1,324.92	\$33.48	2.59%
180	\$1,869.36	\$1,918.80	\$49.44	2.64%
360	\$3,107.76	\$3,191.40	\$83.64	2.69%
Stormwater Only	\$193.80	\$198.60	\$4.80	2.48%

## Impact on Rate Payers

Taken together, increasing taxes and other municipal rates and fees will result in an additional cost of \$132.44 for the average residential property and \$52.00 for the average farm property in 2024.

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

Municipal Fees	Annual Change (\$)
Change in Municipal Property Tax	83.00
Change in Water, Wastewater and Stormwater Fees*	49.44
Change in Waste Management Fees	0.00
Change in User Fees	will vary by resident
<b>Total Change – Middlesex Centre</b>	<b>\$132.44</b>

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

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

Municipal Fees	Annual Change (\$)
Change in Farm Property Tax	52.00
Change in Waste Management Fees	0.00
Change in User Fees	will vary by resident
<b>Total Change – Middlesex Centre</b>	<b>52.00</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.

## 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.

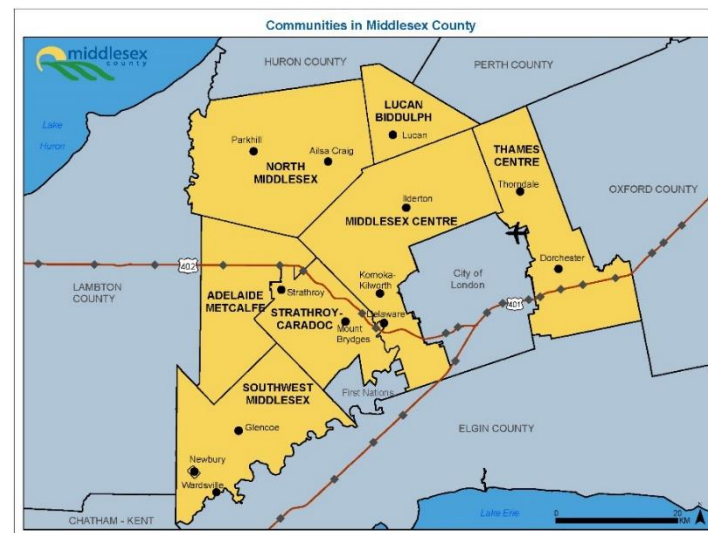
Middlesex Centre was formed on January 1, 1998, with the amalgamation of the former townships of Delaware, Lobo, and London.

### 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 2023 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%.

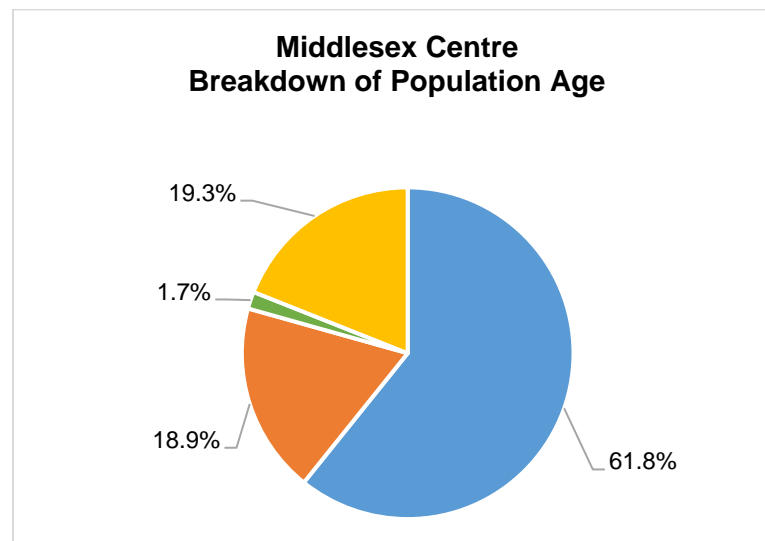
The population is expected to rise to between 26,600 (low scenario) to 35,500 (high scenario) by 2046, with a medium scenario population estimate of 32,700 (Middlesex Centre: Growth Management Study Technical Report, Watson & Associates Economists. Ltd., 2021).

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 aged 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.



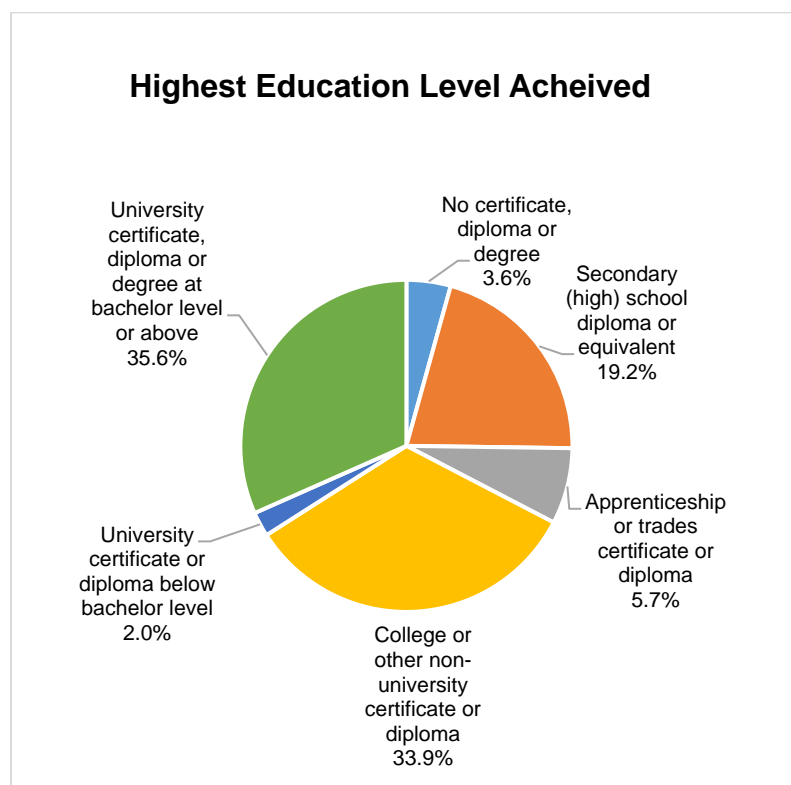


# Middlesex Centre: Community Profile

## Education

Middlesex Centre residents are highly educated, as indicated in the Statistics Canada data for 2021 census. Over 77% of the working age population has training or degrees beyond high school, compared to 67.7% across the County.

**Figure: Highest Education Level Achieved for the Population aged 25 to 64 years, Middlesex Centre 2021 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

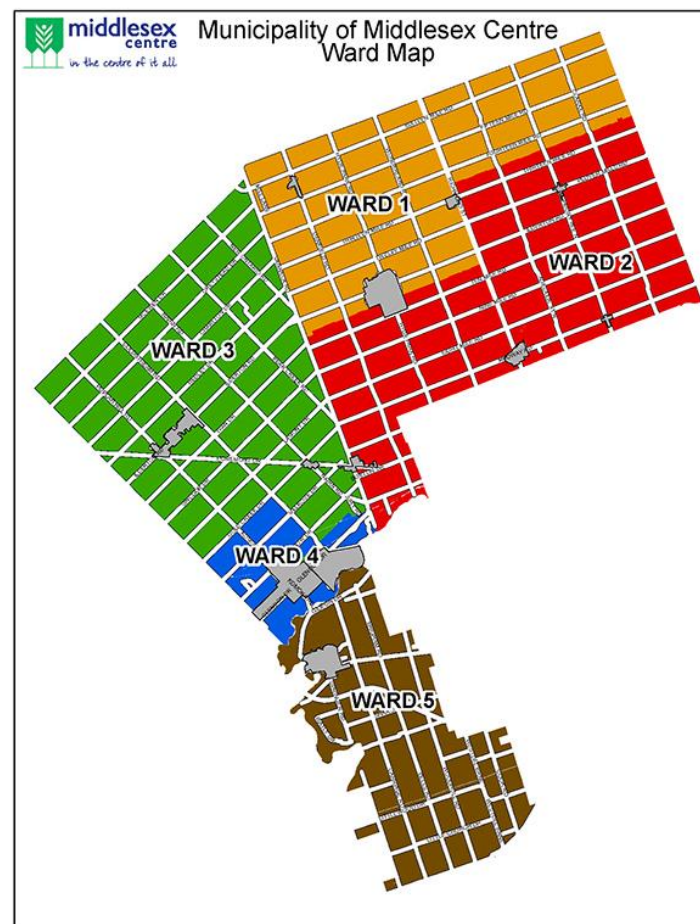
The Municipality of Middlesex Centre is governed by a seven-member elected Council:

- 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
  - Councillor 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 95 full-time equivalent staff (including full-time, part-time and contract), and an additional 122 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:

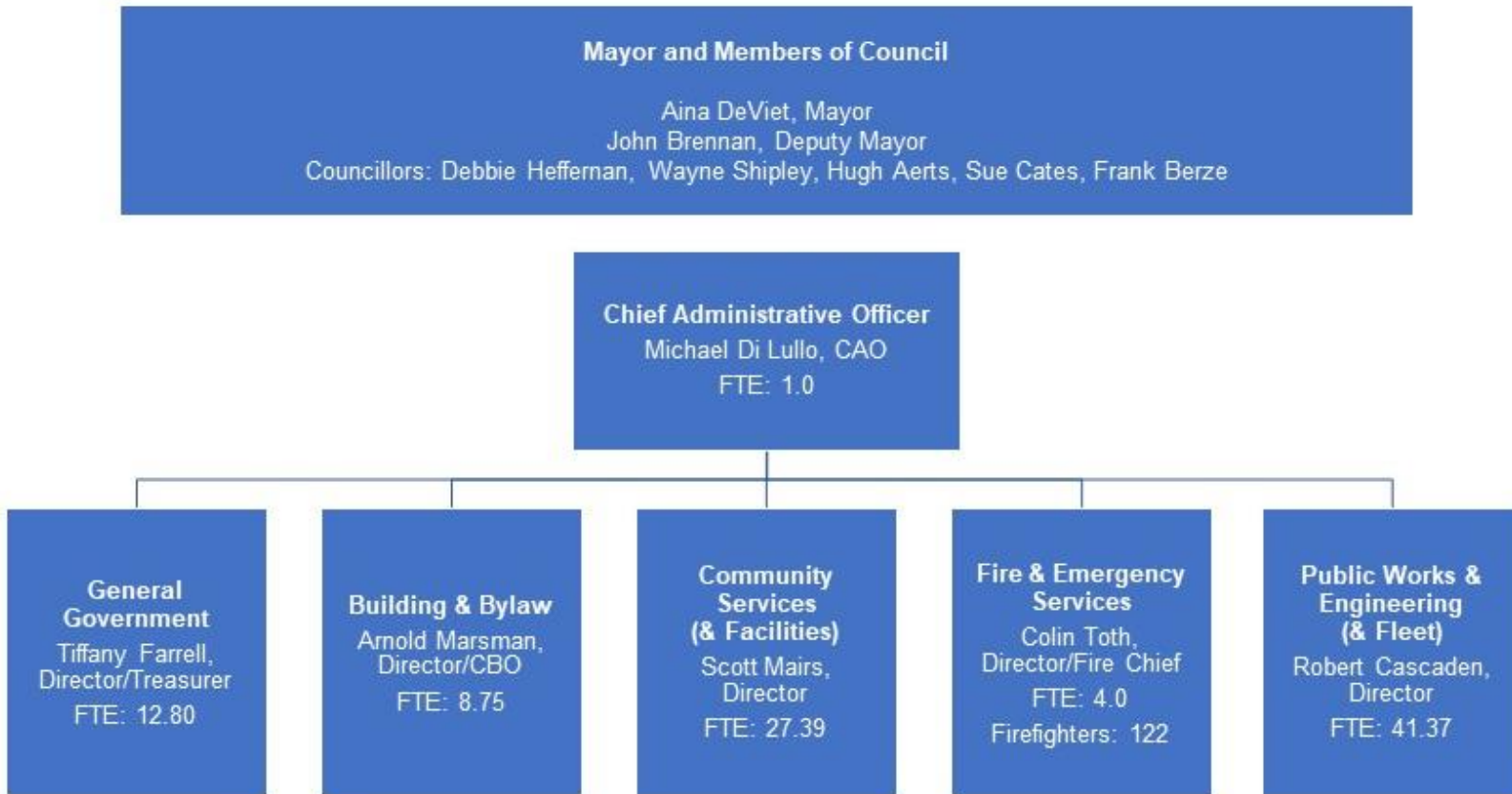
- Conservation Authorities
- School Boards
- Ilderton Medical Clinic

➔ **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

## Municipal Organization Chart



In 2024, Middlesex Centre staff complement will include 95.31 Full-Time Equivalent (FTEs) across all departments. Additionally, there are 7 Members of Council (part-time) and 122 paid-on-call firefighters.





# Municipality of Middlesex Centre: Organizational Profile

## 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 that 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 2024 budget was developed, with department heads linking the deliverables identified for 2024 with budget priorities. This is shown in the budget as “2024 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 reflects the priorities in the Strategic Plan.

## The Budget as a Strategic Plan Deliverable

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



# Municipality of Middlesex Centre: Organizational Profile

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- 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 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 2024 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 2024 budget are similar to those in the prior year's such as the continual delay in reassessment in property taxes until 2025 at the earliest, service level enhancements, the economic downturn, and increasing inflationary pressures. Inflation has reached levels in 2023 as 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 2024 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 July 14-August 15, 2023, and was advertised through social media, a tax bill insert, the residents' e-newsletter, the municipal office sign and the website. Three hundred and five people responded to the survey.

Key takeaways from the budget survey:

- Most people rated their municipal services as high importance and a high satisfaction



# Considerations in Developing the Budget

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- Desire to limit / control growth
- Traffic / road safety concerns, and the need for appropriate road and sidewalk maintenance (including snow plowing)
- Desire to keep 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 2024 budget, staff will be utilizing the Tax Rate Stabilization reserve fund to lower the required tax rate increase.

Additionally, staff have recommended a 1% increase to the water rates for 2024.

→ **For more information on the budget survey, including full results, visit [middlesexcentre.ca/budget2024](https://middlesexcentre.ca/budget2024)**

## **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

Historically, in Ontario, property assessments were updated on a four-year assessment cycle. An increase in current value assessment (your property 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 put 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.

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. MPAC has not completed an update to property assessments since 2016, which means that January 1, 2016, fully phased-in assessment valuations continue to be in effect for 2021-2024 property tax years

## 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, 2023 and 2024 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 2023 (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 2024 tax year. That is to say, the tax base year will be at least eight years old before it is replaced. Long delays in updating assessments have historically created inequities in taxation. The decision to delay is projected to





# Considerations in Developing the Budget

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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 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 for a period of time. This is why it is important to increase the municipality's assessment from new construction. However, there is a balance to be made between increased assessment from growth and increased costs related to growth, both now and in the future.

## ***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.



# Considerations in Developing the Budget

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

Property Class	Assessment (\$)	Percentage (%)
Residential	2,851,037,552	57.40%
Farm	1,642,432,581	33.06%
Pipeline	126,870,000	2.55%
Commercial	168,486,367	3.39%
Exempt	145,372,700	2.93%
Industrial	16,745,100	0.34%
Other	16,397,800	0.33%
<b>Total Assessment</b>	<b>\$4,967,342,100</b>	<b>100.00%</b>

## 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 2024 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, 2022, 2023 and 2024**

Tax Year	2024**	2023	2022
# of Affected Properties		29	32
Assessment Value (\$)		27,906,000	25,441,700
Residential Rate (\$)		175,868	159,404
Farm Rate (\$)		43,967	39,851
Financial Impact (\$)	130,000	131,901	119,553

*\*Budgeted \$130,000 for write offs in 2024 related to phantom assessment.*

*\*\*To be updated in the final version.*

## Residential Building Activity / Growth Pressures

Middlesex Centre is a growing community. The building activity in the municipality increased steadily from 2018 to

# Considerations in Developing the Budget

2022, with a slight dip in 2023. This is expected to continue into 2024, as interest rates remain high.

New construction activity has resulted in increases in assessment which benefit the municipal budget. However, this has also come at a cost to the municipality, as we have to manage the new 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 manage the increased demands due to growth. In 2023 staff completed an organizational review to develop a strategy for managing the operating costs and pressures of growth. The results of the review will be used to assist in managing these operating demands over the next twenty years.

Additionally, new growth requires new infrastructure. Some of this new infrastructure is paid for by Development Charges (discussed in more detail later) 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 \$958,052,134 (2023 - \$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, which is the difference between the asset's condition and the desired level of service for that asset. 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.



# Considerations in Developing the Budget

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The municipality's goals and objectives with respect to asset management are identified in the municipality's 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.

Based on our current Asset Management Plan approved in 2021, the annual lifecycle funding target is estimated at \$17.58 million. In comparison, the municipality budgeted to contribute approximately \$16.8 million towards capital-related needs in 2024. Included in this are budgeted contributions to capital-related reserve funds and reliable and long-term federal and provincial government grants. The sum of these components is the amount of funding the municipality contributed in 2024 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 \$0.78M annually.

To address the gap, Middlesex Centre is contributing more money to capital related reserve funds annually. In 2024, an additional \$1,000,000 above 2023 values was contributed to

tax levy supported capital reserve funds, including the roads capital reserve fund and the general vehicles and equipment reserve fund.

As you can see, the municipality is making progress on closing the infrastructure gap, however the above figures are based on the 2021 approved Asset Management Plan, and since that time, the economy has changed drastically with respect to the cost of capital due to supply chain issues and inflation. The original target of \$17.58 million is no longer accurate; it is undervalued. The costs to complete the majority of our capital projects in 2023 and 2024 and beyond are significantly more money than they were identified as in the approved asset management plan. The total replacement values of the municipality's assets have increased by 35.6%, and a new financial strategy is needed.

Staff are planning on updating the asset management plan in 2024 with new financial models. Once this data is obtained, there will be new targets in place and a new financing strategy will be developed that will assist in closing the infrastructure gap over the next ten years.

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, 2023. 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



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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, 2017 to 2021**

Year	Middlesex Centre Total Asset Consumption Ratio
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 other current events.

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,

<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>

which dictates how they can govern themselves and the resources at their disposal to provide value to residents.

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 2024. 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.



# Considerations in Developing the Budget

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).

**Table: Outstanding Balances Owed to the Municipality**

Accounts Receivable	Oct 31, 2023*	Dec 31, 2022	Dec 31, 2021
Utility Receivable	\$137,401	\$108,086	\$84,500
Taxes Receivable		\$1,596,783	\$1,001,438

*\*To be updated in the final version.*

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 have and will continue to 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, municipalities will draw upon their operating reserve funds to assist in funding operations, which Middlesex Centre has had to do for 2023 and 2024 to balance the budget.

## 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 weather events, such as flooding, 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
- 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 revenue is controlled by the provincial government or must be applied for as a grant. The process of applying for grants is time consuming and at times the municipality struggles to have the staff capacity to complete it.

There are some grants that the municipality receives annually that the community can rely on to support the overall funding strategy. The challenge is that although they have remained predictable, the amounts are variable and can change year over year. Having predictable funding for municipalities is imperative for proper financial planning.

Annually the municipality receives:

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





# Considerations in Developing the Budget

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

## 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 3.8% (2022- 6.9%) on a year-over-year basis. Typically, municipal costs of goods trend higher than the general CPI rate. Although the rate of inflation is decreasing, it is not yet at the Bank of Canada's target of 2%, which indicates we still have a way to go to stabilizing the economy.

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 2024, the cost-of-living increase applied to wages was 2.5%, and there was a general increase for the cost of providing benefits of 10%.
- 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 150 fleet assets including fire trucks, snowplows, community services trucks, ice re-surfacers

and building and by-law vehicles. 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 2023 levels of \$1.26/litre for gasoline and \$1.46/litre for diesel. The state of the Canadian dollar, provincial taxes and a planned increase in the Carbon Tax (21% carbon tax increase for gasoline and 23% increase for diesel in 2024) will 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 6.57% on a year-over-year basis in the third quarter of 2023.
- Increased pressure due to rise in costs for contracted services such as waste haulage and software licensing.

### *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 2024 that are lowering the inflationary pressure on the budget include:

- Departmental efficiency targets through the 2023 budget development, and continuing into 2024
- Continued energy efficiency initiatives that are mitigating utility cost increases
- Seeking grants wherever possible. As one example, in 2023 we received grant funding for playgrounds and recreation programs.



# Considerations in Developing the Budget

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- Undertaking annual user fee and rate revenues reviews
- With market prices for insurance increasing at approximately 15% each year for over three years, staff completed an RFP for insurance services in 2023 for 2024, and secured a new contract with no cuts to our insurance levels at a savings of \$341,765 or 28%

## 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.

A few recent legislative changes that may impact the municipal budget include:

- **Bill 97, *Helping Homebuyers, Protecting Tenant Acts, 2023 (Referred to Standing Committee)*** – This is the latest bill to support the Housing Supply Action Plan, and proposed amendments to several acts to protect tenants and streamline provincial land-use policy.
- **Bill 46, *Less Red Tape, Stronger Ontario Act, 2023 (Royal Assent)*** – This omnibus bill supports Ontario’s Fall 2022 Red Tape Reduction Package which includes 28 initiatives focused on supporting provincial supply chains and improving government services. The package includes providing more data and tools to municipalities to determine optimal Reduced Load Periods on roadways and improve supply chain efficiency.

- **Bill 85, *Building a Strong Ontario Act (Budget Measures), 2023 (Referred to Standing Committee)*** – This bill makes the legislative changes associated with the 2023 budget.
- **Bill 97, *Working for Workers Act*** – This bill proposes to amend the definition of “employment areas” in the Planning Act so that specified uses would no longer include business and economic uses.
- **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 funding framework will take effect for the conservation authorities’ 2024 budgets.

## ***Bill 23: More Homes Built Faster: Ontario’s Housing Supply Action Plan***

Of particular note is Bill 23. Released by the Province on October 25, 2022, and receiving Royal Assent on November 28, 2022, the **More Homes Built Faster: Ontario’s Housing Supply Action Plan** proposes transformative action to build 1.5 million homes by 2031. This legislation builds on previous policies and tools 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 the Municipality is still waiting on associated regulations related to this Bill.

Additionally, various housing and land use policy reviews – including a housing-focused policy review of **A Place to Grow**



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**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, inclusionary zoning units, and 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 changes as they pertain 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 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.



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- 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).
- DC for rental housing development is reduced based on the number of bedrooms:
  - 3+ bedrooms have a 25% reduction in DC, 2 bedrooms have 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 DC (and other DC services as prescribed).

## *Planning Act, 1990*

- 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 noted above, there is a detrimental financial impact if fees are to be reduced or exempt altogether. In addition, there are costs to the municipality to fund the exempted portion of the development charges.

Bill 23 is in place 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. All of these exemptions need to be funded by the taxpayers of the municipality.

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. In the 2024 budget, staff have estimated a \$3million impact to expenditures in the budget.

## **Capital Project Carried Forward**

As the municipality prepares a cash-based budget, projects being carried forward from one year to another can cause 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)



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- 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 2024 are valued at \$6,619,205 (2023 - \$9,192,359). Projects being carried forward have already received Council's approval.



# Enhancements to the Budget

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## ENHANCEMENTS TO THE BUDGET

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

### *Changes Incorporated into the 2024 Budget*

- Proposed multi-year capital budget with project commitments along with cash flow forecasting projected for 2024-2028
- 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*

- Update the municipality's AMP in 2024
- 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

### *Future Improvements under Consideration*

- Council approval of multi-year capital and operating project commitments along with cash flow forecasting projected for 2025-2026 capital budget





# Budget Summary

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## BUDGET SUMMARY

### The Big Picture

- 6.34% Tax Levy Increase (2023: 6.16%)
- 3.22% Tax Rate Increase (2023: 2.50%)
- \$49,300,886 in Operating Costs (2023: \$43,871,181)
- \$30,626,375 in Capital Projects (2023: \$26,739,581)
- \$79,927,261 Total Municipal Budget (2023: \$70,610,762)
- \$17,199,410 Transfers to Reserve Funds (2023: \$15,276,126) \*
- \$31,662,955 Transfers from Reserve Funds (2023: \$22,816,167) \*

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

### 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 2024 budget reflects corporate strategic plans and the needs of the community. During the 2024 budget process, staff worked diligently to ensure sufficient operating funding is available to deliver efficient services and good value for tax dollars.



# Budget Summary

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## 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 from the governments. If the information is not received prior to the budget being passed, staff plan based on a five-year historical trend. The 2024 budget includes the following grants:
  - Ontario Municipal Partnership Fund (OMPF)
  - Ontario Community Infrastructure Fund (OCIF)
  - Canada Community-Building Fund

More information on these grants is provided below.

- **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.

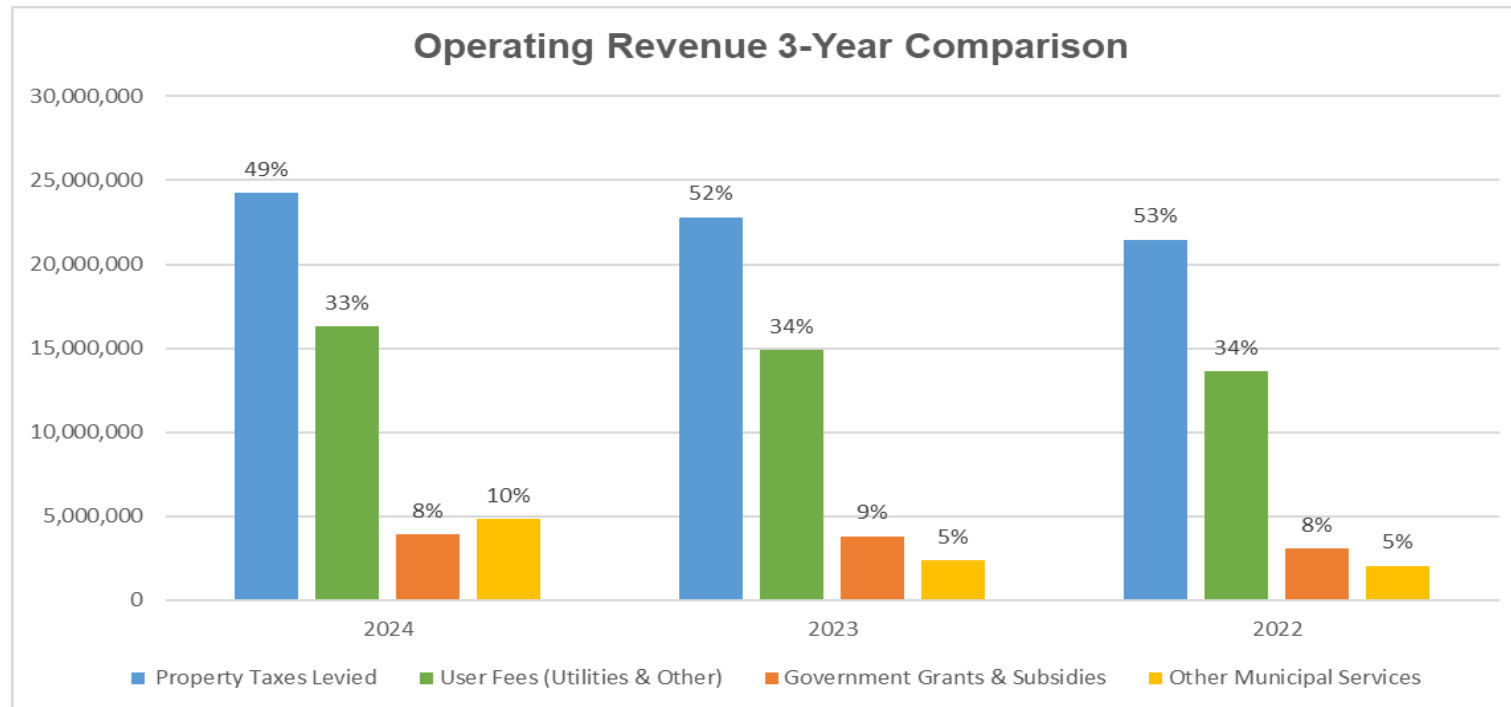


# Budget Summary

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

Revenue Type	2024 Dollar (\$)	2024 Percentage	2023 Dollar (\$)	2023 Percentage	2022 Dollar (\$)	2022 Percentage
Property Taxes Levied	24,244,779	49%	22,799,129	52%	21,476,811	53%
User Fees (Utilities & Other)	16,297,118	33%	14,896,784	34%	13,634,042	34%
Government Grants & Subsidies	3,944,641	8%	3,806,941	9%	3,079,666	8%
Other Municipal Services	4,814,348	10%	2,368,327	5%	2,057,001	5%
<b>TOTAL</b>	<b>49,300,886</b>	<b>100%</b>	<b>43,871,181</b>	<b>100%</b>	<b>\$40,247,520</b>	<b>100%</b>

**Figure: Operating Budget Revenue 3-Year Comparison**



# Budget Summary

## Government Grants

There are three grants that the municipality has continuously received from the provincial and federal governments over the past few years. The municipality relies on these grants to balance our budget:

- Canada Community-Building Fund – 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.
  - Money provided by this fund is primarily used to fund capital projects in Public Works & Engineering, specifically bridges and culverts.
- Ontario Community Infrastructure Fund (OCIF) – This grant is a formula-based grant based on a municipality’s asset management plan. It was launched in 2014 and provides funding to help small, rural and northern communities renew and rehabilitate critical infrastructure.
  - Money provided by this fund is primarily used to fund capital projects in Public Works & Engineering, specifically bridges and culverts.
- Ontario Municipal Partnership Fund (OMPF) – This is the Province's main general assistance grant to municipalities. The program primarily supports northern and rural municipalities across the province. Its objectives are to recognize the challenges of northern and rural municipalities, while targeting funding to those with more challenging fiscal circumstances; support areas with limited property assessment; and assist municipalities that are adjusting to year-over-year funding changes.
  - This fund is used in the operating budget to support all departments that are not self-funded.

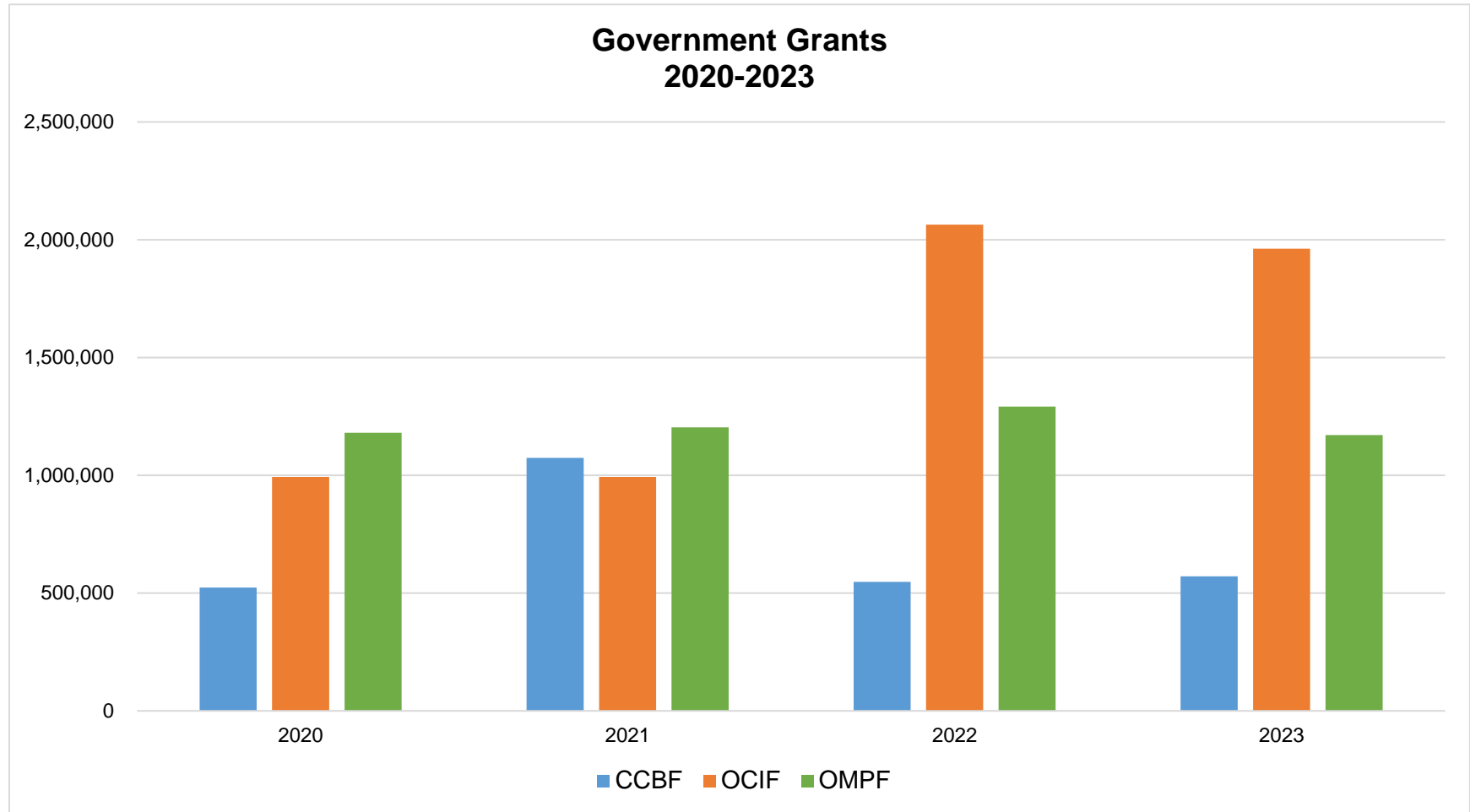
**Table: Government Grant Funding Summary**

Grant	2020	2021	2022	2023
CCBF	523,664	1,073,763	547,467	571,270
OCIF	992,950	992,950	2,064,113	1,962,071
OMPF	1,180,800	1,203,800	1,291,800	1,170,600
<b>Total</b>	<b>\$2,697,414</b>	<b>\$3,270,513</b>	<b>\$3,903,380</b>	<b>\$3,376,929</b>



# Budget Summary

Figure: Government Grant Funding Summary



# Budget Summary

## Operating Budget Expenses

**The total annual operating expense budget is \$49,300,866.**

Ten expenditure categories account for 93% 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**

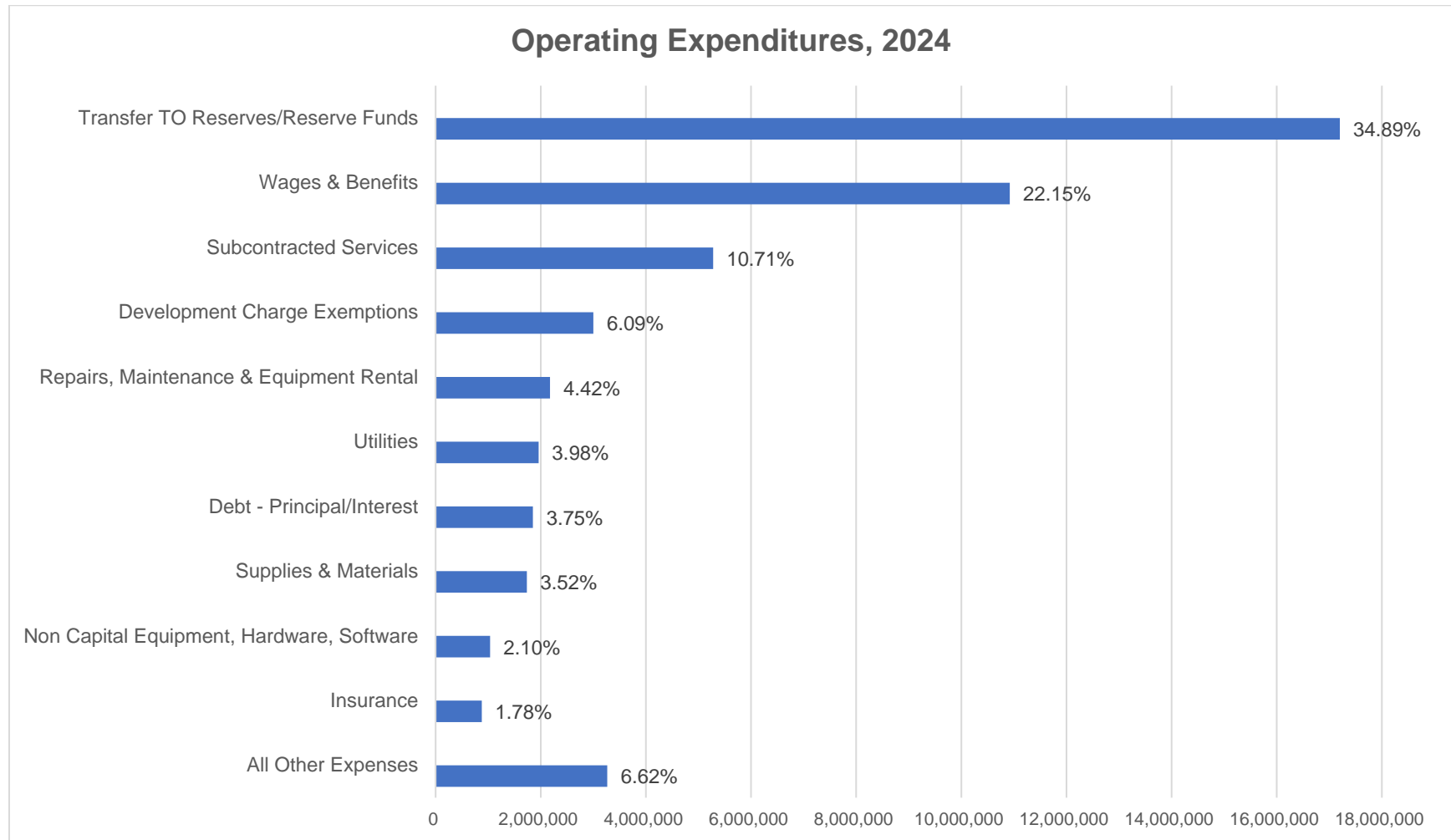
Operating Expenditures	2024 Dollar (\$)	2024 Percentage	2023 Dollar (\$)	2023 Percentage	2022 Dollar (\$)	2022 Percentage
Transfer TO Reserves/Reserve Funds	17,199,410	34.89%	15,276,126	34.82%	12,666,546	31.47%
Wages & Benefits	10,921,252	22.15%	10,033,323	22.87%	9,356,289	23.25%
Subcontracted Services	5,278,993	10.71%	5,170,957	11.79%	4,995,448	12.41%
Development Charge Exemptions	3,000,000	6.09%	-	-	-	-
Repairs, Maintenance & Equipment Rental	2,177,230	4.42%	1,975,895	4.5%	1,878,724	4.67%
Utilities	1,960,699	3.98%	1,745,782	3.98%	1,750,947	4.35%
Debt - Principal/Interest	1,849,195	3.75%	1,911,196	4.36%	1,952,570	4.85%
Supplies & Materials	1,735,140	3.52%	1,652,053	3.77%	1,653,326	4.11%
Non-Capital Equipment, Hardware, Software	1,035,523	2.1%	669,799	1.53%	614,327	1.53%
Insurance	878,305	1.78%	1,220,070	2.78%	1,120,238	2.78%
<b>TOTAL</b>	<b>46,035,747</b>	<b>93%</b>	<b>39,655,201</b>	<b>90%</b>	<b>35,988,415</b>	<b>93.38%</b>





# Budget Summary

Figure: Operating Budget by Expenditure



# Budget Summary

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## Items of Note

### **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 2024 include:

- Additional \$1,000,000 transferred to reserve funds in 2024 to build these balances to cover capital asset requirements as outlined in the municipality's Asset Management Plan

### **Commitment to Asset Management**

As you will note through the budget, managing municipal assets is a key priority across all departments. To track and plan the thousands of assets owned by Middlesex Centre, this year we will be purchasing and implementing a new asset management software at a cost of \$75,000.

### **Development Charges (DC) Study**

In 2024, we will be working with a consultant to complete a new 10-year DC Study, at a cost of \$100,000. This will be presented to Council for approval, along with the accompanying by-laws.

### **Capital Asset Threshold**

A capital asset threshold is the financial limit that determines whether an asset will be considered a capital asset for budgeting and accounting. To focus on critical municipal

assets that have a substantial impact on municipal services, Middlesex Centre has increased this threshold from \$10,000 to \$35,000 for the 2024 budget year for all non-fleet assets. Fleet assets remain at a \$5,000 threshold.

As a result of this change, non-capital asset expenditures under the operating budget will see an increase from activities that no longer qualify to be included in the capital budget.

### **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 2024 budget includes an allowance for an overall increase of approximately 1.0 full time equivalent (FTE) employee over 2023. Additional staff resources are recommended to facilitate desired service level enhancements and/or increased workloads.

Notable salary and benefits changes for 2024 include:

- a salary cost of living increase of 2.5%
- pay-grid step increases of 4%, with 58 full-time employees eligible for increases
- new or modified staff positions:
  - Community Services – additional part time hours added to the budget to support current levels of service that equates to approximately 1 (FTE).
- Increase in overall benefits over prior year of 10%:
  - Estimated health benefits cost increases of 10%



# Budget Summary

The total cost of operations by department for 2024 is presented in the chart below.

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

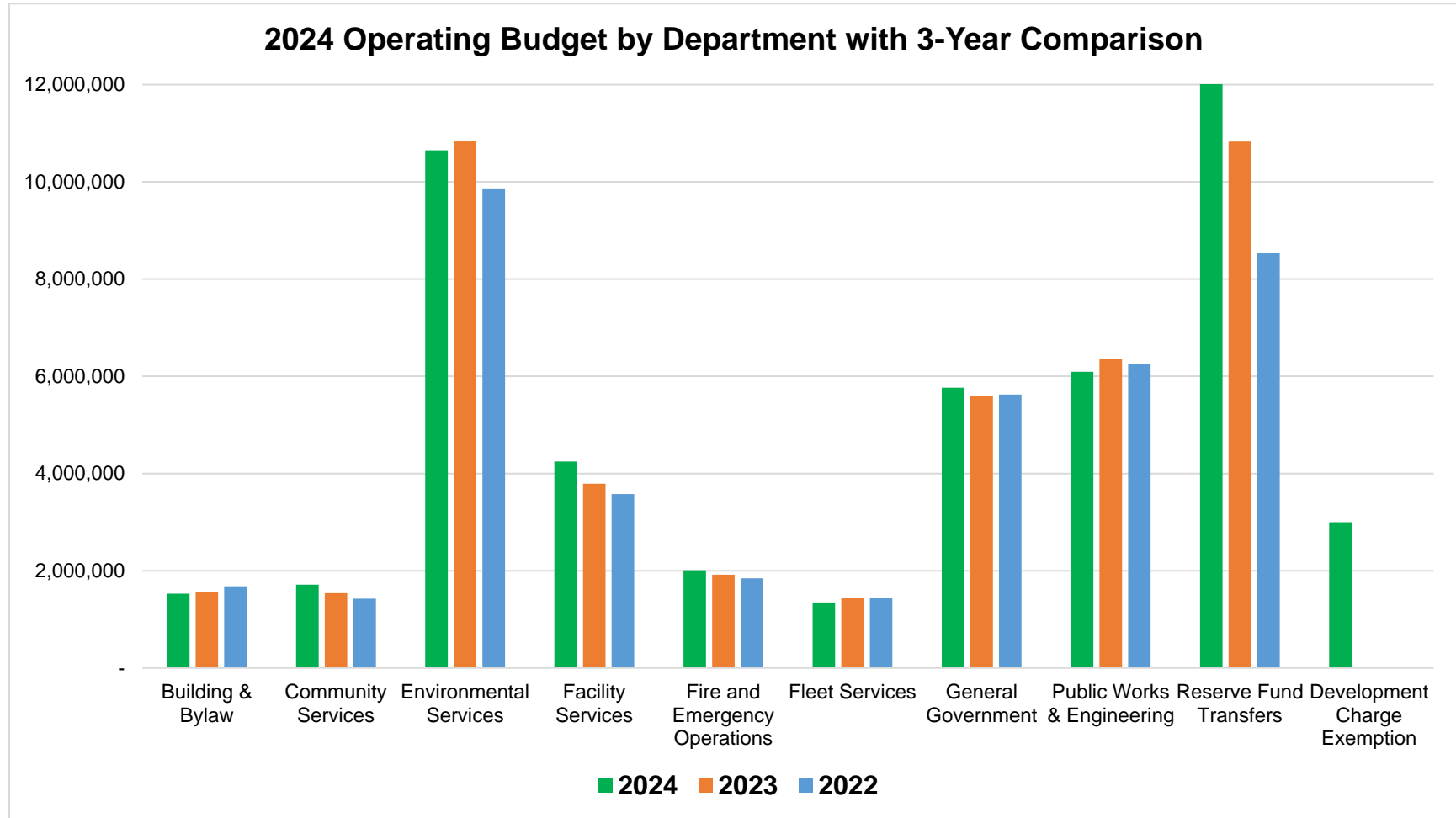
Department	2024 Total Operating Budget (\$)	2023 Total Operating Budget (\$)	2022 Total Operating Budget (\$)
Building & Bylaw	1,528,934	1,567,279	1,680,262
Community Services	1,712,304	1,539,619	1,425,595
Environmental Services	10,648,208	10,831,052	9,864,234
Facility Services	4,246,890	3,791,766	3,576,746
Fire and Emergency Operations	2,010,987	1,918,800	1,843,272
Fleet Services	1,348,303	1,434,968	1,447,273
General Government	5,764,736	5,602,433	5,625,593
Reserve Fund Transfers	12,948,341	10,828,598	8,530,416
Public Works & Engineering	6,092,182	6,356,668	6,254,129
Development Charge Exemption	3,000,000	-	-
<b>Grand Total</b>	<b>49,300,886</b>	<b>43,871,181</b>	<b>40,247,520</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: 2024 Operating Budget by Department with 3-year comparison



Refer to the Development Charges section for more information on the DC exemptions



# Budget Summary

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

Department	2024 Budget			2023 Budget			Year over Year Change			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenue	Expenses	Taxes	% Change
<b>General Government</b>										
General Administration	2,739,996	2,728,933	(11,063)	2,676,576	2,626,130	(50,446)	(63,420)	(102,803)	(39,383)	78.070%
Policing	-	2,310,674	2,310,674	-	2,287,431	2,287,431	-	(23,243)	(23,243)	(1.016%)
Conservation Authorities	-	374,703	374,703	-	354,175	354,175	-	(20,528)	(20,528)	(5.796%)
Council	-	248,801	248,801	-	243,113	243,113	-	(5,688)	(5,688)	(2.340%)
Economic Development	-	83,125	83,125	-	75,648	75,648	-	(7,476)	(7,476)	(9.883%)
COVID-19	-	-	-	-	4,000	4,000	-	4,000	4,000	100.000%
Cemeteries	4,500	18,500	14,000	1,250	16,935	15,685	(3,250)	(1,565)	1,685	10.743%
Reserve Fund Transfers	4,205,341	12,948,341	8,743,000	3,113,841	10,823,598	7,709,757	(1,091,500)	(2,124,743)	(1,033,243)	(13.402%)
<b>Total</b>	<b>6,949,836</b>	<b>18,713,077</b>	<b>11,763,240</b>	<b>5,791,667</b>	<b>16,431,031</b>	<b>10,639,364</b>	<b>(1,158,170)</b>	<b>(2,282,046)</b>	<b>(1,123,876)</b>	<b>(10.563%)</b>
<b>Fire and Emergency Operations</b>										
Fire Operations	63,000	1,202,813	1,139,813	69,000	1,078,178	1,009,178	6,000	(124,635)	(130,635)	(12.945%)
Special Operations	-	18,400	18,400	-	21,200	21,200	-	2,800	2,800	13.208%
Fire Administration	31,400	657,827	626,427	12,200	696,646	684,446	(19,200)	38,819	58,019	8.477%
Fire Prevention	46,000	126,997	80,997	59,000	115,326	56,326	13,000	(11,671)	(24,671)	(43.801%)
Emergency Operations	-	4,950	4,950	-	7,450	7,450	-	2,500	2,500	33.557%
<b>Total</b>	<b>140,400</b>	<b>2,010,987</b>	<b>1,870,587</b>	<b>140,200</b>	<b>1,918,800</b>	<b>1,778,600</b>	<b>(200)</b>	<b>(92,187)</b>	<b>(91,987)</b>	<b>(5.172%)</b>
<b>Building &amp; Bylaw</b>										
Building	1,361,900	1,361,900	(0)	1,414,850	1,414,850	-	52,950	52,950	-	0.000%
By-Law	26,500	118,553	92,053	17,500	108,988	91,488	(9,000)	(9,565)	(565)	(0.618%)
Animal Control	8,200	48,482	40,282	4,500	43,441	38,941	(3,700)	(5,040)	(1,340)	(3.442%)
<b>Total</b>	<b>1,396,600</b>	<b>1,528,934</b>	<b>132,334</b>	<b>1,436,850</b>	<b>1,567,279</b>	<b>130,429</b>	<b>40,250</b>	<b>38,344</b>	<b>(1,906)</b>	<b>(1.461%)</b>



# Budget Summary

Department	2024 Budget			2023 Budget			Year over Year Change			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenue	Expenses	Taxes	% Change
<b>Public Works &amp; Engineering</b>										
Transportation	27,198	4,117,024	4,089,826	43,000	4,067,401	4,024,401	15,802	(49,624)	(65,426)	(1.626%)
Administration	73,243	1,283,971	1,210,728	149,824	1,588,680	1,438,855	76,581	304,708	228,127	15.855%
Planning	3,205,680	3,525,090	319,410	270,322	500,765	230,444	(2,935,358)	(3,024,325)	(88,967)	(38.607%)
Drainage	47,500	107,924	60,424	69,500	148,443	78,943	22,000	40,519	18,519	23.459%
Tile Drainage	20,815	20,815	-	14,022	14,022	-	(6,793)	(6,793)	-	0.000%
Municipal Drainage	37,357	37,357	-	37,357	37,357	-	-	-	-	0.000%
<b>Total</b>	<b>3,411,793</b>	<b>9,092,182</b>	<b>5,680,389</b>	<b>584,025</b>	<b>6,356,668</b>	<b>5,772,643</b>	<b>(2,827,769)</b>	<b>(2,735,515)</b>	<b>92,254</b>	<b>1.598%</b>
<b>Environmental Services</b>										
Wastewater	4,023,502	4,023,502	-	4,059,176	4,059,176	-	35,674	35,674	-	0.000%
Stormwater	1,142,800	1,142,800	-	1,191,579	1,191,579	-	48,779	48,779	-	0.000%
Water	4,031,949	4,031,949	-	4,081,135	4,081,135	-	49,186	49,185	-	0.000%
Waste Management	1,249,815	1,449,957	200,142	1,181,850	1,499,162	317,312	(67,965)	49,205	117,170	36.926%
<b>Total</b>	<b>10,448,066</b>	<b>10,648,208</b>	<b>200,142</b>	<b>10,513,740</b>	<b>10,831,052</b>	<b>317,312</b>	<b>65,674</b>	<b>182,844</b>	<b>117,170</b>	<b>36.926%</b>
<b>Facility Services</b>										
Administration	-	129,219	129,219	-	16,500	16,500	-	(112,719)	(112,719)	(683.143%)
Municipal Office	-	106,140	106,140	-	140,637	140,637	-	34,497	34,497	24.529%
Leased Properties	241,884	241,884	0	236,344	236,344	-	(5,540)	(5,540)	-	0.000%
Fire Halls	-	202,392	202,392	-	137,041	137,041	-	(65,350)	(65,350)	(47.687%)
PWE Operations Centres	-	376,736	376,736	-	283,761	283,761	-	(92,975)	(92,975)	(32.765%)
Community Centres	115,650	379,181	263,531	95,350	314,840	219,490	(20,300)	(64,342)	(44,042)	(20.065%)
Arenas	2,026,682	2,742,516	715,834	2,027,849	2,609,222	581,373	1,167	(133,294)	(134,461)	(23.128%)
Libraries	53,845	68,823	14,978	51,798	53,422	1,624	(2,047)	(15,402)	(13,355)	(822.454%)
<b>Total</b>	<b>2,438,061</b>	<b>4,246,890</b>	<b>1,808,829</b>	<b>2,411,341</b>	<b>3,791,766</b>	<b>1,380,425</b>	<b>(26,720)</b>	<b>(455,125)</b>	<b>(428,404)</b>	<b>(31.034%)</b>



# Budget Summary

Department	2024 Budget			2023 Budget			Year over Year Change			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenue	Expenses	Taxes	% Change
<b>Community Services</b>										
Parks & Open Space	168,650	856,657	688,007	109,750	679,364	569,614	(58,900)	(177,293)	(118,393)	(20.785%)
Administration	5,000	855,647	850,647	5,000	860,255	855,255	-	4,608	4,608	0.539%
<b>Total</b>	<b>173,650</b>	<b>1,712,304</b>	<b>1,538,654</b>	<b>114,750</b>	<b>1,539,619</b>	<b>1,424,869</b>	<b>(58,900)</b>	<b>(172,685)</b>	<b>(113,785)</b>	<b>(7.986%)</b>
<b>Fleet Services</b>										
Fleet Administration	27,200	360,098	332,898	49,480	347,118	297,638	22,280	(12,980)	(35,260)	(11.847%)
Fire Fleet	-	87,700	87,700	30,000	91,250	61,250	30,000	3,550	(26,450)	(43.184%)
Building Fleet	-	8,050	8,050	-	9,550	9,550	-	1,500	1,500	15.707%
PWE Transportation Fleet	68,000	748,305	680,305	-	847,550	847,550	(68,000)	99,245	167,245	19.733%
Environmental Services Fleet	-	19,150	19,150	-	20,000	20,000	-	850	850	4.250%
Community Services Fleet	2,500	125,000	122,500	-	119,500	119,500	(2,500)	(5,500)	(3,000)	(2.510%)
<b>Total</b>	<b>97,700</b>	<b>1,348,303</b>	<b>1,250,603</b>	<b>79,480</b>	<b>1,434,968</b>	<b>1,355,488</b>	<b>(18,220)</b>	<b>86,665</b>	<b>104,885</b>	<b>7.738%</b>
<b>Grand Total</b>	<b>25,056,107</b>	<b>49,300,886</b>	<b>24,244,779</b>	<b>21,072,052</b>	<b>43,871,181</b>	<b>22,799,129</b>	<b>(3,984,055)</b>	<b>(5,429,704)</b>	<b>(1,445,650)</b>	<b>(6.341%)</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 2024 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

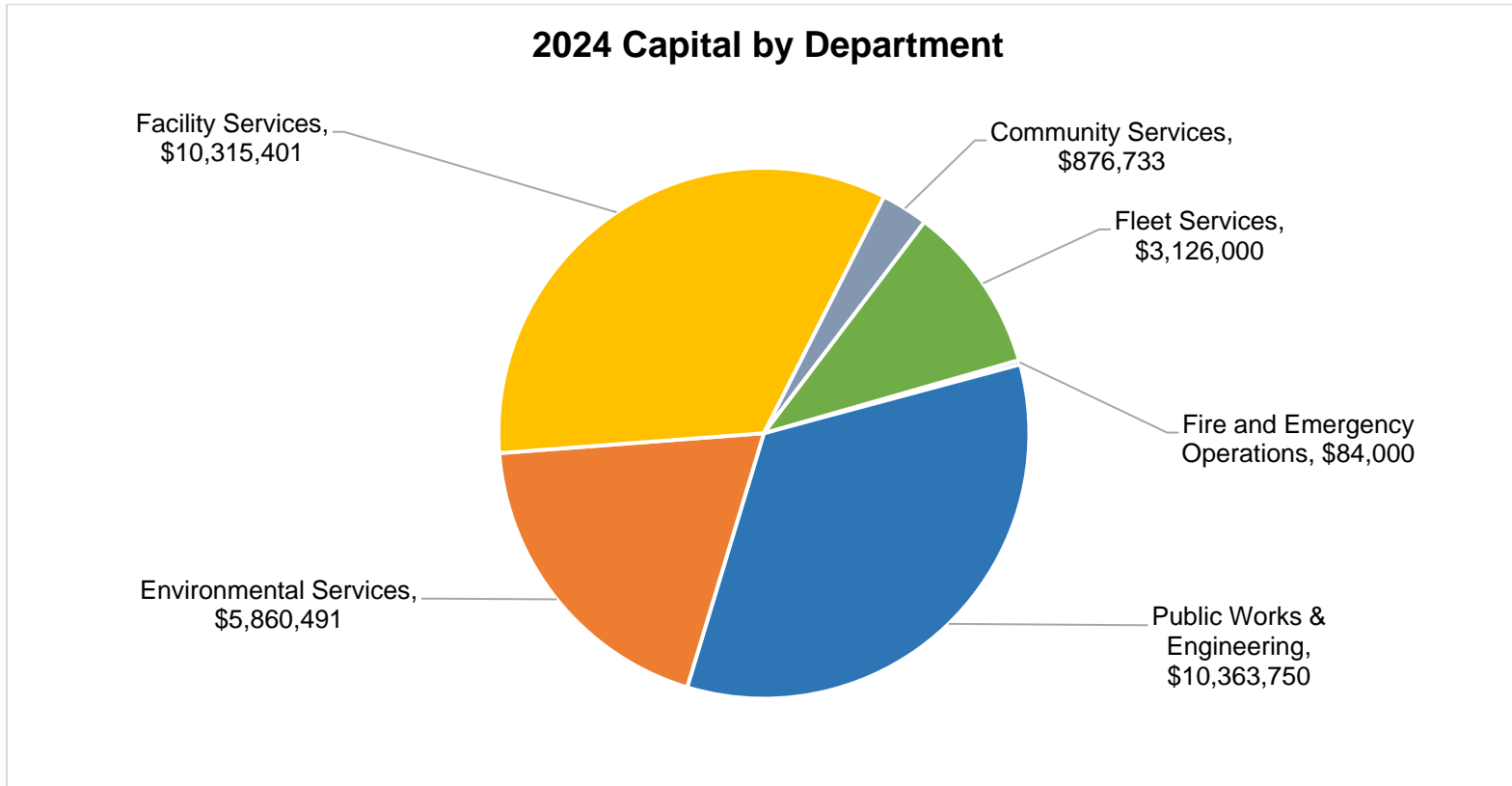
**Table: Summary of Recommended Capital Projects by Department**

Department	2024	2023	2022
General Government	-	\$1,010,000	\$1,024,240
Fire and Emergency Operations	\$84,000	\$53,000	\$275,000
Public Works & Engineering	\$10,363,750	\$9,290,954	\$10,279,189
Environmental Services:			
Wastewater	\$2,582,571	\$3,158,602	\$4,830,987
Stormwater	\$438,915	\$906,915	\$2,289,525
Water	\$2,839,005	\$4,295,261	\$2,176,232
Facility Services	\$10,315,401	\$3,528,387	\$853,742
Community Services	\$876,733	\$1,503,898	\$1,368,588
Fleet Services	\$3,126,000	\$2,992,564	\$2,826,765
<b>Total</b>	<b>\$30,626,375</b>	<b>\$26,739,581</b>	<b>\$25,924,268</b>



# Budget Summary

Figure: Capital Budget by Department

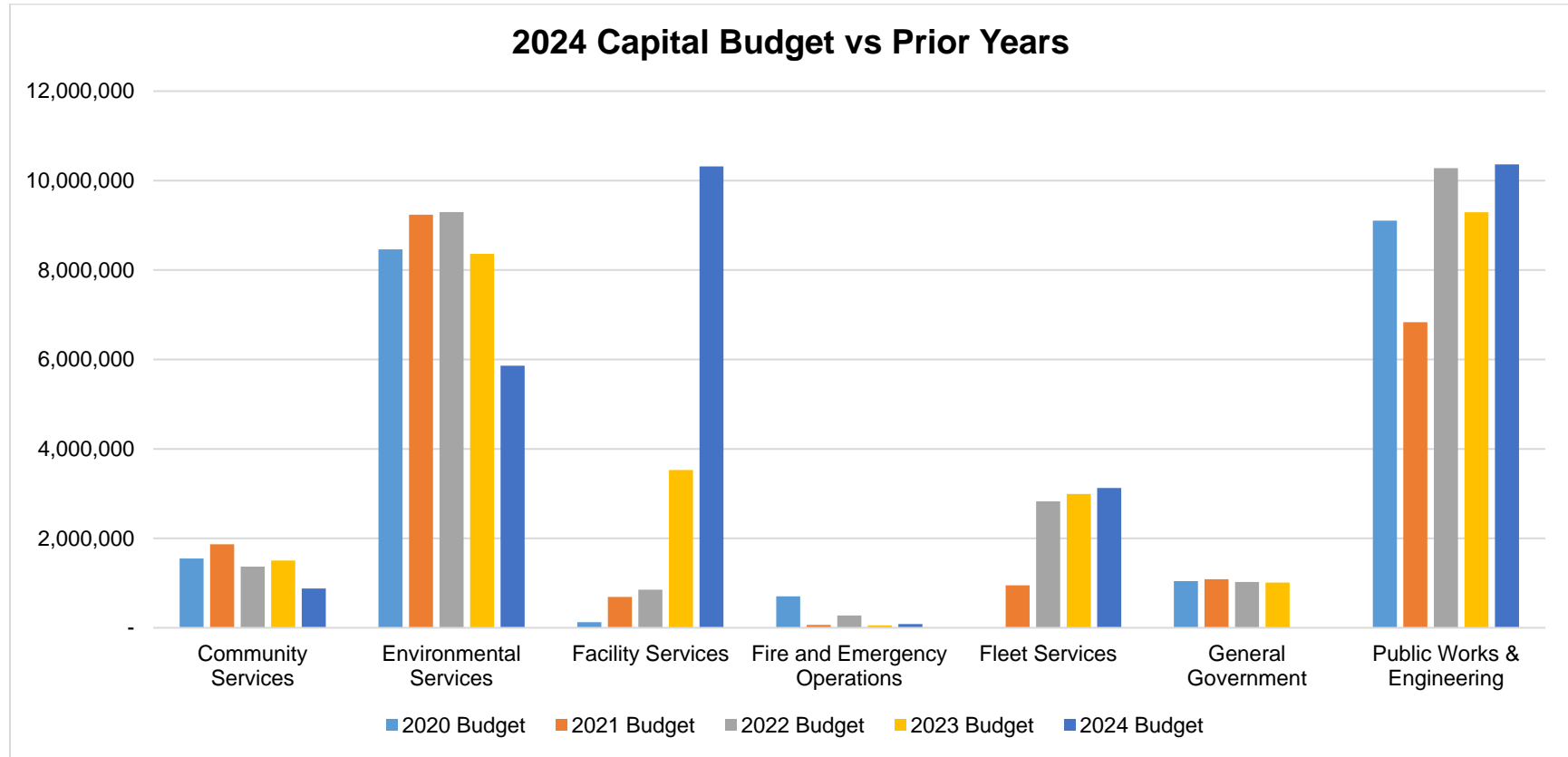


Note: Includes 2023 carryover and new projects for 2024



# Budget Summary

Figure: Capital Budget by Department – Comparison with Previous Years



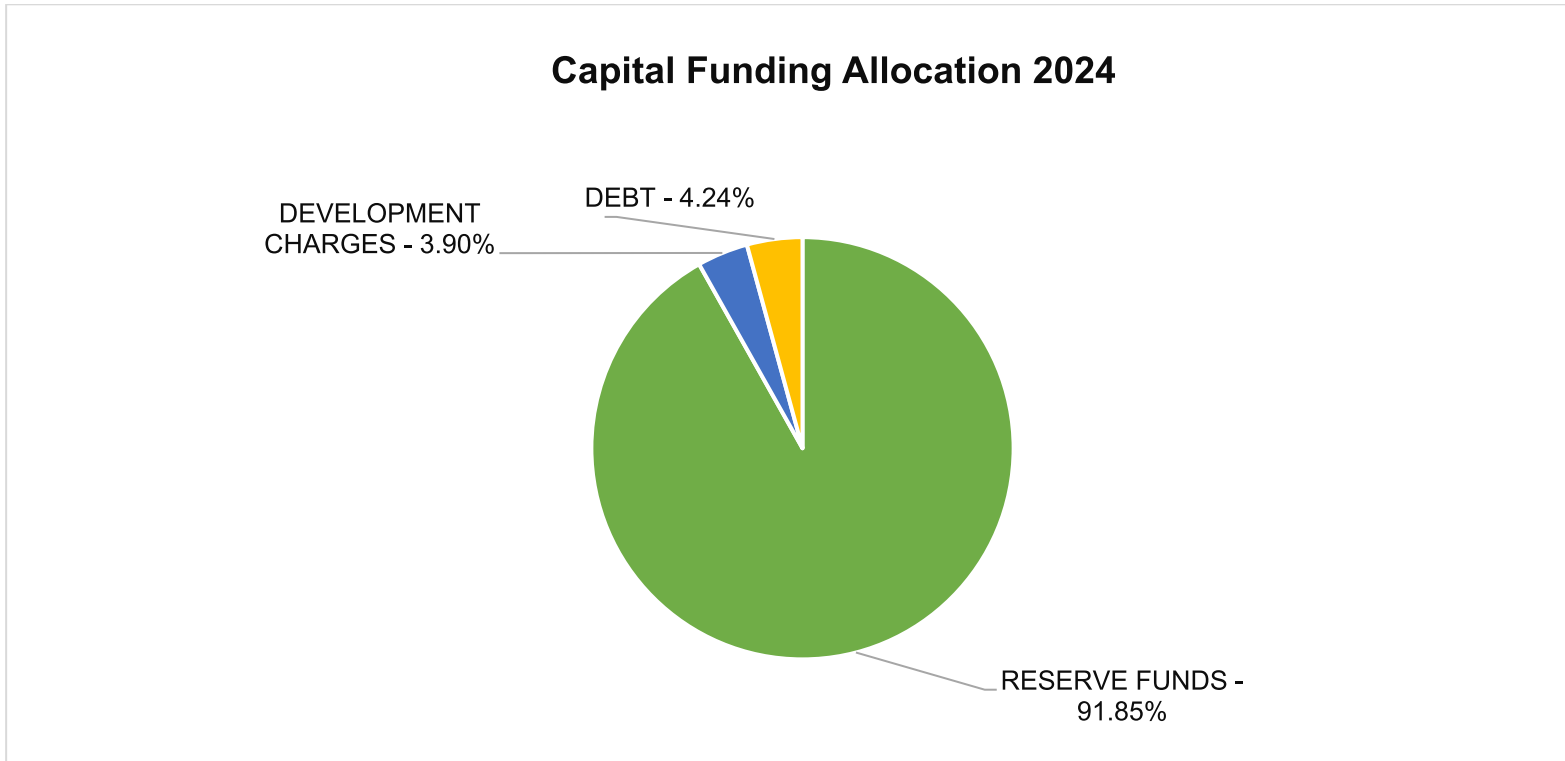
Note: Fleet displayed as separate department starting in 2021.



# 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 2024	% 2024 Allocation	Total 2023	% 2023 Allocation
Build Middlesex Centre Reserve Fund	-	-	1,122,912	4.26%
Building Department Reserve Fund	-	-	150,000	0.57%
Buildings & Facilities Reserve Fund	5,933,169	19.37%	4,072,072	15.43%
Cash-In-Lieu of Parkland	-	-	180,000	0.68%
Delaware Hydro Reserve Fund	60,000	0.20%	-	-
Development Charges	1,195,120	3.90%	1,455,741	5.52%
Fire Vehicles & Equipment Reserve Fund	884,000	2.89%	57,000	0.22%
CCBF Reserve Fund	440,000	1.44%	742,500	2.81%
General Vehicles & Equipment Reserve Fund	2,038,500	6.66%	2,516,064	9.53%
Ilderton Lions Park Reserve Fund	101,514	0.33%	-	-
Medical Centre Reserve Fund	125,000	0.41%	155,000	0.59%
Modernization Reserve Fund	-	-	10,000	0.04%
OCIF Reserve Fund	2,536,250	8.28%	1,607,500	6.09%
Roads Capital Reserve Fund	6,240,000	20.37%	4,443,454	16.84%
Stormwater Capital Reserve Fund	88,915	0.29%	291,915	1.11%
Wastewater Capital Reserve Fund	2,496,971	8.15%	3,019,412	11.44%
Water Capital Reserve Fund	2,356,505	7.69%	3,848,511	14.58%
Debt	1,300,000	4.24%	2,717,500	10.30%
Municipal Office Build Reserve Fund	4,830,431	15.77%	-	-
<b>TOTAL</b>	<b>30,626,375</b>	<b>100%</b>	<b>26,389,581</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	2024	2025	2026	2027	2028	Total 5-Year Forecast
Community Services	876,733	2,079,779	2,130,000	192,000	-	5,278,512
Environmental Services	5,860,491	14,345,175	4,660,000	7,550,000	-	32,415,666
Facility Services	10,315,401	2,444,837	2,148,800	425,000	705,000	16,039,038
Fire and Emergency Operations	84,000	70,000	2,145,000	115,000	-	2,414,000
Fleet Services	3,126,000	6,457,500	3,930,000	3,940,000	3,580,000	21,033,500
Public Works & Engineering	10,363,750	12,345,250	16,311,500	14,855,000	9,720,000	63,595,500
<b>Grand Total</b>	<b>30,626,375</b>	<b>37,742,541</b>	<b>31,325,300</b>	<b>27,077,000</b>	<b>14,005,000</b>	<b>140,776,216</b>



# Budget Summary

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

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
<b>Community Services</b>										
<b>Parks &amp; Open Space</b>										
Kilworth Optimist - Tridon Park Dev. (Phase 1)	Land Improvements	Development Charges	61,834	0	61,834	0	0	0	0	61,834
Komoka Civic Square Design	Land Improvements	Multiple	0	0	0	147,200	0	0	0	147,200
Meadowcreek Park - Replace Playground	Other Equipment	Buildings & Facilities Reserve Fund	83,336	0	83,336	0	0	0	0	83,336
Komoka Park-Replace Playground	Buildings & Fixtures	Buildings & Facilities Reserve Fund	104,363	0	104,363	0	0	0	0	104,363
Komoka Park - Turf Improvements (front soccer field)	Land Improvements	Buildings & Facilities Reserve Fund	0	45,000	45,000	55,000	0	0	0	100,000
Komoka Park - Improve outfield fence for safety reasons	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	80,000	80,000	0	0	0	0	80,000
Timberwalk Park	Other Equipment	Multiple	0	241,700	241,700	0	0	0	0	241,700
Heritage Park Exterior Barn Upgrades	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	38,500	38,500	0	0	0	0	38,500
Poplar Hill - Sport Lighting Replacement Red Clay Diamond	Land Improvements	Buildings & Facilities Reserve Fund	0	95,000	95,000	0	0	0	0	95,000
Poplar Hill - baseball diamond improvements	Land Improvements	Buildings & Facilities Reserve Fund	0	85,000	85,000	0	0	0	0	85,000
Bryanston School Property-Tennis Court Resurfacing + Lines+Nets	Land Improvements	Cash-in-lieu of Parkland	0	0	0	95,000	0	0	0	95,000
Weldon Park - Renovate Electrical Storage Shed	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	42,000	42,000	0	0	0	0	42,000
Coldstream Storage Shed - Roof Replacement	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	55,000	0	0	0	55,000
Poplar Hill Park- Asphalt Roadway by pavilion	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	45,000	0	0	0	45,000
Weldon Park- Decommission Jr. Playground pending 3rd party inspection	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	50,000	0	0	0	50,000
Heritage Park Splash Pad Renovation	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	50,000	0	0	0	50,000



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Bryanston Park/School - Ball Diamond Improvements	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	105,000	0	0	0	105,000
Komoka Park - Irrigation of back soccer fields	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	110,000	0	0	0	110,000
Clear Skies Primary Trail	Land Improvements	Development Charges	0	0	0	215,000	0	0	0	215,000
Heritage Park - LED Lighting Upgrade	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	45,000	0	0	0	45,000
Clear Skies Park	Land Improvements	Development Charges	0	0	0	232,400	0	0	0	232,400
Deerhaven Park- Repaint Tennis Court and Multi Surface Court	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	52,500	0	0	0	52,500
Clear Skies Secondary Trail	Land Improvements	Development Charges	0	0	0	172,679	0	0	0	172,679
Brantam Park Development	Land Improvements	Development Charges	0	0	0	160,000	0	0	0	160,000
Heritage Park- Convert Stone Dust Diamond to Clay	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	40,000	0	0	0	40,000
Construction of 4 Pickleball Courts (north)	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	150,000	0	0	0	150,000
Weldon Park - Paid Parking implementation	Land	Buildings & Facilities Reserve Fund	0	0	0	50,000	0	0	0	50,000
Construction of 4 pickleball Courts (south)	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	150,000	0	0	0	150,000
Off Leash Dog Park (south)	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	50,000	0	0	0	50,000
Off Leash Dog Park (north)	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	50,000	0	0	0	50,000
Bryanston Park/School - Resurface Multi-purpose courts + New Nets	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	0	75,000	0	0	75,000
Komoka Park - Irrigation of Front baseball diamond	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	110,000	0	0	110,000
Weldon Park - Remove Chips and Dust and change to clay	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	0	70,000	0	0	70,000
Deerhaven Park - Tennis Court Lighting	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	0	125,000	0	0	125,000
Komoka Civic Square Construction	Land Improvements	Multiple	0	0	0	0	1,500,000	0	0	1,500,000

# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Komoka Park Sports Lighting Upgrades - Diamonds and Tennis Court	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	0	250,000	0	0	250,000
Komoka Park - refinish tennis court and replace nets/posts	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	0	42,000	0	42,000
Edgewater Trail	Land Improvements	Development Charges	0	0	0	0	0	150,000	0	150,000
<b>Parks &amp; Open Space Total</b>			<b>249,533</b>	<b>627,200</b>	<b>876,733</b>	<b>2,079,779</b>	<b>2,130,000</b>	<b>192,000</b>	<b>0</b>	<b>5,278,512</b>
<b>Community Services Total</b>			<b>249,533</b>	<b>627,200</b>	<b>876,733</b>	<b>2,079,779</b>	<b>2,130,000</b>	<b>192,000</b>	<b>0</b>	<b>5,278,512</b>
<b>Environmental Services</b>										
<b>Stormwater</b>										
Komoka Drain No. 1 - SWM pond	Stormsewer Infrastructure	Debt	350,000	0	350,000	3,750,000	0	0	0	4,100,000
Future projects from the Delaware SWM Master Plan	Stormsewer Infrastructure	Stormwater Capital Reserve Fund	0	0	0	500,000	500,000	500,000	0	1,500,000
Melrose Stormwater System - Relocate Drainage Systems	Stormsewer Infrastructure	Stormwater Capital Reserve Fund	35,000	0	35,000	346,250	0	0	0	381,250
King/George Street Reconstruction	Stormsewer Infrastructure	Stormwater Capital Reserve Fund	23,915	0	23,915	370,875	0	0	0	394,790
Parkland and Elmhurst Storm Water Servicing	Stormsewer Infrastructure	Stormwater Capital Reserve Fund	0	30,000	30,000	0	0	0	0	30,000
<b>Stormwater Total</b>			<b>408,915</b>	<b>30,000</b>	<b>438,915</b>	<b>4,967,125</b>	<b>500,000</b>	<b>500,000</b>	<b>0</b>	<b>6,406,040</b>
<b>Wastewater</b>										
Ilderton Treatment Capacity Upgrades	Wastewater Facilities	Wastewater Capital Reserve Fund	337,650	130,000	467,650	210,000	3,110,000	2,900,000	0	6,687,650
Design Komoka WWTP - Headworks	Wastewater Mains	Multiple	0	200,000	200,000	3,450,000	0	0	0	3,650,000
Servicing of Tunks Lane	Wastewater Mains	Wastewater Capital Reserve Fund	100,000	0	100,000	0	0	0	0	100,000
Arva WWTP - New Facility	Wastewater Facilities	Development Charges	0	0	0	0	0	4,000,000	0	4,000,000
SCADA Replacement	Other Equipment	Wastewater Capital Reserve Fund	0	150,000	150,000	200,000	200,000	75,000	0	625,000



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Komoka WWTP - Aeration, Blower and HVAC Improvements	Wastewater Facilities	Wastewater Capital Reserve Fund	671,352	0	671,352	0	0	0	0	671,352
Komoka Wastewater Treatment Plant Schedule C Environmental Assessment	Wastewater Facility Equipment	Wastewater Capital Reserve Fund	0	300,000	300,000	0	0	0	0	300,000
Komoka Sewage Pump Station & Forcemain Improvements	Wastewater Facilities	Wastewater Capital Reserve Fund	0	350,000	350,000	2,475,000	0	0	0	2,825,000
Ilderton WWTP Dissolved Oxygen Install	Wastewater Facility Equipment	Wastewater Capital Reserve Fund	0	55,873	55,873	0	0	0	0	55,873
Ilderton WWTP Raw Sewage Flow Measurement Devices	Wastewater Facility Equipment	Wastewater Capital Reserve Fund	0	117,696	117,696	0	0	0	0	117,696
Parkland and Elmhurst Wastewater Servicing	Wastewater Mains	Wastewater Capital Reserve Fund	0	40,000	40,000	0	0	0	0	40,000
Komoka WWTP Flow Splitting Improvements	Wastewater Facilities	Wastewater Capital Reserve Fund	0	130,000	130,000	0	0	0	0	130,000
<b>Wastewater Total</b>			<b>1,109,002</b>	<b>1,473,569</b>	<b>2,582,571</b>	<b>6,335,000</b>	<b>3,310,000</b>	<b>6,975,000</b>	<b>0</b>	<b>19,202,571</b>
<b>Water</b>										
Arva Water main replacement & twinning	Water Mains	Water Capital Reserve Fund	0	0	0	913,050	0	0	0	913,050
Melrose Lake Huron Primary Water Supply Connection	Water Mains	Water Capital Reserve Fund	1,732,755	0	1,732,755	1,500,000	0	0	0	3,232,755
SCADA Replacement (2 of 2)	Other Equipment	Water Capital Reserve Fund	0	150,000	150,000	200,000	200,000	75,000	0	625,000
Instrumentation & Control, electrical generator and ATS	Water Facilities	Water Capital Reserve Fund	0	75,000	75,000	0	0	0	0	75,000
Glendon Dr Watermain Twinning	Water Mains	Development Charges	440,000	0	440,000	0	0	0	0	440,000
King/George - Street Reconstruction	Water Mains	Water Capital Reserve Fund	30,000	0	30,000	430,000	0	0	0	460,000
Vertical Water System Improvements	Water Facilities	Water Capital Reserve Fund	0	150,000	150,000	0	150,000	0	0	300,000
Ballymote Meter Chamber Rehabilitation and Panel	Water Facilities	Water Capital Reserve Fund	0	65,000	65,000	0	0	0	0	65,000
Komoka Booster Pump Station Chemical Feed Upgrades	Water Facilities	Water Capital Reserve Fund	0	76,250	76,250	0	0	0	0	76,250



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Parkland and Elmhurst Water Servicing	Wastewater Mains	Water Capital Reserve Fund	0	60,000	60,000	0	0	0	0	60,000
Longwood Rd Watermain Extension	Water Mains	Delaware Hydro Reserve Fund	0	60,000	60,000	0	0	0	0	60,000
Linear Watermain Replacement	Water Mains	Water Capital Reserve Fund	0	0	0	0	500,000	0	0	500,000
<b>Water Total</b>			<b>2,202,755</b>	<b>636,250</b>	<b>2,839,005</b>	<b>3,043,050</b>	<b>850,000</b>	<b>75,000</b>	<b>0</b>	<b>6,807,055</b>
<b>Environmental Services Total</b>			<b>3,720,672</b>	<b>2,139,819</b>	<b>5,860,491</b>	<b>14,345,175</b>	<b>4,660,000</b>	<b>7,550,000</b>	<b>0</b>	<b>32,415,666</b>
<b>Facility Services</b>										
<b>Arenas</b>										
Ilderton Arena - Replace Rink Chiller	Other Equipment	Buildings & Facilities Reserve Fund	34,000	60,000	94,000	0	0	0	0	94,000
Komoka Wellness Centre - Replace Sound System on Coors Pad	Other Equipment	Buildings & Facilities Reserve Fund	0	60,000	60,000	0	0	0	0	60,000
Komoka Wellness Centre - Lighting Retrofit Phase 1	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	50,000	50,000	0	0	0	0	50,000
Komoka Wellness Centre - Replace Change Room Sinks & Counters	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	65,000	65,000	0	0	0	0	65,000
Ilderton Arena - Replace Cooling Tower	Other Equipment	Buildings & Facilities Reserve Fund	0	125,000	125,000	0	0	0	0	125,000
Ilderton Arena-Facility Lighting Replacement	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	150,000	150,000	0	0	0	0	150,000
Komoka Wellness Centre HVAC unit replacement	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	60,000	60,000	75,000	75,000	75,000	0	285,000
Komoka Wellness Centre-Refrigerant Cooling Tower Replacement	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	172,500	172,500	0	0	0	0	172,500
Ilderton Arena - Arena Upgrades - GICB Grant	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	3,627,270	3,627,270	0	0	0	0	3,627,270
Komoka Wellness Centre - Replace Domestic Hot Water Tank #1 and # 3	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	35,000	35,000	35,000	0	0	0	70,000
Komoka Wellness Centre-Lighting Retrofit-Phase 2	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	120,000	0	0	0	120,000
Komoka Wellness Centre-Gym HVAC Replacement	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	125,000	0	0	0	125,000

# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Komoka Wellness Centre - Refrigeration plant generator	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	225,000	0	0	0	225,000
Komoka Wellness Centre - Building Automation Upgrades	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	65,000	0	0	0	65,000
Komoka Wellness Centre Canadian Pad Sound System Replacement	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	100,000	0	0	0	100,000
Komoka Wellness Centre - Plate & Frame Heat Exchange	Other Equipment	Buildings & Facilities Reserve Fund	0	0	0	62,500	0	0	0	62,500
Komoka Wellness Centre- Replace Outdoor Digital Sign	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	60,000	0	0	60,000
Komoka Wellness Centre- Splashpad Improvements	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	35,000	0	0	35,000
Komoka Wellness Centre - Replace Arid-Ice dehumidifier	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	175,800	0	0	175,800
Komoka Wellness Centre- Replace Air Quality Monitoring System	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	48,000	0	0	48,000
Komoka Wellness Centre - Replace Library + YMCA roof	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	0	350,000	0	350,000
Ilderton Arena Recondition of Existing Roof	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	0	0	500,000	500,000
<b>Arenas Total</b>			<b>34,000</b>	<b>4,404,770</b>	<b>4,438,770</b>	<b>807,500</b>	<b>393,800</b>	<b>425,000</b>	<b>500,000</b>	<b>6,565,070</b>
<b>Community Centres</b>										
Komoka Community Centre-Replace Upper and Lower Roof	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	345,000	345,000	0	0	0	0	345,000
Delaware Community Centre - Upgrade Lighting	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	75,000	75,000	0	0	0	0	75,000
Delaware Community Centre-Lower Parking Lot-Security Gate Arm	Land Improvements	Buildings & Facilities Reserve Fund	0	36,200	36,200	0	0	0	0	36,200
Komoka Community Centre - Asphalt Parking Lot	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	185,000	0	0	0	185,000
Ilderton Community Centre - Hall HVAC Replacement	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	72,500	72,500	0	0	0	0	72,500





# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Delaware Community Centre Lower Parking New Asphalt and Sport Court	Land Improvements	Buildings & Facilities Reserve Fund	0	158,500	158,500	0	0	0	0	158,500
Delaware Community Centre - Lighting Update in Facility - Phase 2	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	75,000	0	0	0	75,000
Komoka Community Centre-Lighting Upgrade - Entire Facility	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	70,000	0	0	0	70,000
Ilderton Community Centre - Resurface asphalt parking lot and service entrance.	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	160,000	0	0	0	160,000
Komoka Community Centre - Washroom Accessibility Upgrades	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	84,237	0	0	0	84,237
Komoka Community Centre-Main Hall Flooring Replacement	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	65,000	0	0	0	65,000
Komoka Community Centre Washroom Renovations	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	82,500	0	0	0	82,500
Delaware Community Centre- Upper Roof Replacement	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	190,000	0	0	190,000
<b>Community Centres Total</b>			<b>0</b>	<b>687,200</b>	<b>687,200</b>	<b>721,737</b>	<b>190,000</b>	<b>0</b>	<b>0</b>	<b>1,598,937</b>
<b>Fire Halls</b>										
Additional Facility Space (2 additional vehicle bays)	Buildings & Fixtures	Multiple	0	0	0	0	830,000	0	0	830,000
Arva Firehall-Replace Roof	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	110,000	0	0	110,000
Bryanston CC and Firehall HVAC Replacement	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	0	0	55,000	55,000
<b>Fire Halls Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>940,000</b>	<b>0</b>	<b>55,000</b>	<b>995,000</b>
<b>Leased Properties</b>										
Bryanston School-Replace Hydrotherm Boiler	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	92,500	92,500	0	0	0	0	92,500
Ilderton Medical Centre - Emergency generator supply and Install	Buildings & Fixtures	Medical Centre Reserve Fund	125,000	0	125,000	0	0	0	0	125,000
Bryanston Park/School - Lower Roof Replacement	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	200,000	0	0	0	200,000
Bryanston School Property- New Roof over Gymnasium	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	100,000	0	0	0	100,000



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Bryanston School Property - Replace Classroom Windows	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	85,600	0	0	0	85,600
Bryanston School - Asphalt Parking Lot	Land Improvements	Buildings & Facilities Reserve Fund	0	0	0	195,000	0	0	0	195,000
<b>Leased Properties Total</b>			<b>125,000</b>	<b>92,500</b>	<b>217,500</b>	<b>580,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>798,100</b>
<b>Libraries</b>										
Coldstream Library Upgrades	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	41,500	41,500	0	0	0	0	41,500
<b>Libraries Total</b>			<b>0</b>	<b>41,500</b>	<b>41,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41,500</b>
<b>Municipal Office</b>										
Municipal Office- Consulting for Detailed Design for Renovations	Buildings & Fixtures	Municipal Office Build Reserve Fund	0	143,878	143,878	0	0	0	0	143,878
Municipal Office Renovations/Construction	Buildings & Fixtures	Municipal Office Build Reserve Fund	1,500,000	3,000,000	4,500,000	0	0	0	0	4,500,000
Municipal Office Landscaping (Office Reno)	Land Improvements	Municipal Office Build Reserve Fund	0	50,000	50,000	0	0	0	0	50,000
Replace HVAC units 3, 4 & 5 at Municipal Office	Buildings & Fixtures	Municipal Office Build Reserve Fund	0	60,638	60,638	0	0	0	0	60,638
Replace existing roof at Municipal Office	Buildings & Fixtures	Municipal Office Build Reserve Fund	0	75,915	75,915	0	0	0	0	75,915
<b>Municipal Office Total</b>			<b>1,500,000</b>	<b>3,330,431</b>	<b>4,830,431</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,830,431</b>
<b>PWE Operations Centres</b>										
Install Concrete Floor Denfield Operations Centre Shed	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	100,000	100,000	0	0	0	0	100,000
PWE - Electric Equipment Charging Infrastructure	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	250,000	0	0	0	250,000
Denfield Operations Centre LED retrofit lighting project in conjunction with Save on Energy.	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	85,000	0	0	0	85,000
PWE Electric Equipment Charging Infrastructure	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	250,000	0	0	250,000
PWE Works - Energy Generation Project	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	250,000	0	0	250,000
Denfield PWE Gas Pump System	Other Equipment	Buildings & Facilities Reserve Fund	0	0	0	0	125,000	0	0	125,000
Recondition Delaware Roads Yard Roof	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	0	0	75,000	75,000

# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Denfield Roads Yard Recondition Roof	Buildings & Fixtures	Buildings & Facilities Reserve Fund	0	0	0	0	0	0	75,000	75,000
<b>PWE Operations Centres Total</b>			<b>0</b>	<b>100,000</b>	<b>100,000</b>	<b>335,000</b>	<b>625,000</b>	<b>0</b>	<b>150,000</b>	<b>1,210,000</b>
<b>Facility Services Total</b>			<b>1,659,000</b>	<b>8,656,401</b>	<b>10,315,401</b>	<b>2,444,837</b>	<b>2,148,800</b>	<b>425,000</b>	<b>705,000</b>	<b>16,039,038</b>
<b>Fire and Emergency Operations</b>										
<b>Fire Operations</b>										
Personal Protective Equipment (PPE)	Other Equipment	Fire Vehicles & Equipment Reserve Fund	0	45,000	45,000	0	0	0	0	45,000
Decontamination, Rehabilitation and Utility Operations Shelter	Other Equipment	Fire Vehicles & Equipment Reserve Fund	0	39,000	39,000	0	0	0	0	39,000
Extrication Equipment	Other Equipment	Fire Vehicles & Equipment Reserve Fund	0	0	0	70,000	0	0	0	70,000
Personal Protective Equipment (PPE)	Other Equipment	Fire Vehicles & Equipment Reserve Fund	0	0	0	0	45,000	0	0	45,000
Complete SCBA System Replacement	Other Equipment	Fire Vehicles & Equipment Reserve Fund	0	0	0	0	2,100,000	0	0	2,100,000
Extrication Equipment	Other Equipment	Fire Vehicles & Equipment Reserve Fund	0	0	0	0	0	80,000	0	80,000
Hose and Hose Accessories	Other Equipment	Fire Vehicles & Equipment Reserve Fund	0	0	0	0	0	35,000	0	35,000
<b>Fire Operations Total</b>			<b>0</b>	<b>84,000</b>	<b>84,000</b>	<b>70,000</b>	<b>2,145,000</b>	<b>115,000</b>	<b>0</b>	<b>2,414,000</b>
<b>Fire and Emergency Operations Total</b>			<b>0</b>	<b>84,000</b>	<b>84,000</b>	<b>70,000</b>	<b>2,145,000</b>	<b>115,000</b>	<b>0</b>	<b>2,414,000</b>
<b>Fleet Services</b>										
<b>Building Fleet</b>										
New Vehicle	Vehicles & Machinery	Building Department Reserve Fund	0	0	0	60,000	0	0	0	60,000
<b>Building Fleet Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>60,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,000</b>
<b>Community Services Fleet</b>										



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Replacement Scissor Lift	Other Equipment	General Vehicles & Equipment Reserve Fund	0	42,500	42,500	0	0	0	0	42,500
New Self-Propelled Ice Painter	Other Equipment	General Vehicles & Equipment Reserve Fund	0	13,500	13,500	0	0	0	0	13,500
Replacement Vehicle	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	55,000	55,000	0	0	0	0	55,000
New 1/2 Ton Truck	Vehicles & Machinery	Development Charges	0	0	0	67,500	0	0	0	67,500
New 18' -20' Float Trailer	Vehicles & Machinery	Development Charges	0	0	0	17,500	0	0	0	17,500
Replacement Trailer	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	25,000	0	0	0	25,000
Replacement Diamond Groomer	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	20,000	0	0	0	20,000
Replacement Ice Resurfacer	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	150,000	0	0	0	150,000
New Zero Turn Mower	Vehicles & Machinery	Development Charges	0	0	0	30,000	0	0	0	30,000
New Towable Mulcher	Other Equipment	General Vehicles & Equipment Reserve Fund	0	0	0	10,000	0	0	0	10,000
Replacement 1/2 Ton Pickup Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	67,500	0	0	0	67,500
Replacement 1/2 Ton Pickup Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	67,500	0	0	0	67,500
Replacement 3/4 Ton Pickup Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	85,000	0	0	0	85,000
Replacement Vehicle	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	55,000	0	0	55,000
Ilderton Arena- New Electric Ice Resurfacer	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	200,000	0	0	200,000



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Replacement Mower	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	20,000	0	0	20,000
New Zero Turn Mower	Vehicles & Machinery	Development Charges	0	0	0	0	30,000	0	0	30,000
Replacement 1/2 Ton Pickup Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	67,500	0	0	67,500
New 1/2 Ton Truck	Vehicles & Machinery	Development Charges	0	0	0	0	67,500	0	0	67,500
Replacement 1/2 Ton Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	70,000	0	0	70,000
Replacement Zero Turn Mower	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	30,000	0	30,000
Replacement Zero Turn Mower	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	30,000	0	30,000
Replacement Front Mount Mower	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	30,000	0	30,000
Replacement Front Mount Mower	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	30,000	0	30,000
Replace 18-20" float Trailer	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	20,000	20,000
Replacement Dump Trailer	Other Equipment	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	20,000	20,000
Replacement Zero Turn Mower	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	30,000	30,000
Replacement Progressive Finishing Mower	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	45,000	45,000
Replacement Tractor	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	65,000	65,000
<b>Community Services Fleet Total</b>			<b>0</b>	<b>111,000</b>	<b>111,000</b>	<b>540,000</b>	<b>510,000</b>	<b>120,000</b>	<b>180,000</b>	<b>1,461,000</b>



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
<b>Environmental Services Fleet</b>										
New Dump Trailer	Vehicles & Machinery	Water Capital Reserve Fund	0	17,500	17,500	0	0	0	0	17,500
Replacement 1/2 Ton Pickup Truck	Vehicles & Machinery	Wastewater Capital Reserve Fund	0	0	0	67,500	0	0	0	67,500
Replacement Cargo Trailer	Vehicles & Machinery	Water Capital Reserve Fund	0	0	0	0	35,000	0	0	35,000
Replacement Vehicle	Vehicles & Machinery	Water Capital Reserve Fund	0	0	0	0	55,000	0	0	55,000
Replacement 1 Ton Truck	Vehicles & Machinery	Water Capital Reserve Fund	0	0	0	0	0	150,000	0	150,000
<b>Environmental Services Fleet Total</b>			<b>0</b>	<b>17,500</b>	<b>17,500</b>	<b>67,500</b>	<b>90,000</b>	<b>150,000</b>	<b>0</b>	<b>325,000</b>
<b>Fire Fleet</b>										
New Support and Response Vehicle	Emergency Vehicles	Development Charges	0	80,000	80,000	0	0	0	0	80,000
Replacement Pumper/Tanker for Arva	Emergency Vehicles	Fire Vehicles & Equipment Reserve Fund	0	800,000	800,000	0	0	0	0	800,000
Replacement Pumper/Tanker for Ilderton	Emergency Vehicles	Fire Vehicles & Equipment Reserve Fund	0	0	0	800,000	0	0	0	800,000
New Aerial Fire Truck (100 ft Platform)	Emergency Vehicles	Development Charges	0	0	0	2,000,000	0	0	0	2,000,000
Replacement Delaware Engine	Vehicles & Machinery	Fire Vehicles & Equipment Reserve Fund	0	0	0	0	800,000	0	0	800,000
Replacement Coldstream Rescue	Vehicles & Machinery	Fire Vehicles & Equipment Reserve Fund	0	0	0	0	0	500,000	0	500,000
Replacement Bryanston Rescue	Emergency Vehicles	Fire Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	550,000	550,000
<b>Fire Fleet Total</b>			<b>0</b>	<b>880,000</b>	<b>880,000</b>	<b>2,800,000</b>	<b>800,000</b>	<b>500,000</b>	<b>550,000</b>	<b>5,530,000</b>
<b>PWE Transportation Fleet</b>										
New Street Sweeper Attachment	Vehicles & Machinery	Development Charges	0	160,000	160,000	0	0	0	0	160,000
Replacement 1 Ton Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	135,000	135,000	0	0	0	0	135,000

# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Replacement 1/2 Ton Pickup Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	67,500	67,500	0	0	0	0	67,500
Replacement 1/2 Ton Pickup Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	85,000	85,000	0	0	0	0	85,000
Replacement Fleet Services- Service Vehicle	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	110,000	110,000	0	0	0	0	110,000
Replacement Plow Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	550,000	550,000	0	0	0	0	550,000
New Compact Track Loader & Attachments	Vehicles & Machinery	Development Charges	0	160,000	160,000	0	0	0	0	160,000
Replacement Loader	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	450,000	450,000	0	0	0	0	450,000
New Sand Bagging Machine/Equipment	Other Equipment	General Vehicles & Equipment Reserve Fund	0	0	0	60,000	0	0	0	60,000
New 55 Ton Float Trailer	Vehicles & Machinery	Development Charges	0	0	0	165,000	0	0	0	165,000
Replacement Hydro Vacuum Trailer	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	255,000	255,000	0	0	0	0	255,000
Replacement Brush Chipper	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	145,000	145,000	0	0	0	0	145,000
New Tandem Truck	Vehicles & Machinery	Development Charges	0	0	0	500,000	0	0	0	500,000
Replacement Grader	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	550,000	0	0	0	550,000
New Roll Off Hydro Seeder	Vehicles & Machinery	Multiple	0	0	0	120,000	0	0	0	120,000
New Roll Off Water & Anti Icing Tank	Vehicles & Machinery	Multiple	0	0	0	75,000	0	0	0	75,000
New Crack Sealing and Roadway Maintenance Equipment	Vehicles & Machinery	Development Charges	0	0	0	525,000	0	0	0	525,000
New Zero Turn Mower	Vehicles & Machinery	Multiple	0	0	0	25,000	0	0	0	25,000



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
New Topsoil & Sand Screener	Vehicles & Machinery	Development Charges	0	0	0	375,000	0	0	0	375,000
Replacement Loader	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	475,000	0	0	0	475,000
New Tridem Dump Trailer	Vehicles & Machinery	Development Charges	0	0	0	120,000	0	0	0	120,000
Replacement Tandem Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	550,000	0	0	550,000
Replacement Single Axle Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	325,000	0	0	325,000
Replacement Single Axle Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	325,000	0	0	325,000
Replacement 1 Ton Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	175,000	0	0	175,000
Replacement Vehicle	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	60,000	0	0	60,000
Replacement Grader	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	575,000	0	0	575,000
Replacement Backhoe	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	275,000	0	0	275,000
New Sidewalk Plow	Vehicles & Machinery	Development Charges	0	0	0	0	245,000	0	0	245,000
Replacement Tri-Axle Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	650,000	0	650,000
Replacement 1 Ton Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	150,000	0	150,000
Replacement 1/2 Ton Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	75,000	0	75,000
Replacement 1/2 Ton Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	75,000	0	75,000



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Replacement Highway Tractor	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	400,000	0	400,000
New Hydro Vacuum Truck	Vehicles & Machinery	Development Charges	0	0	0	0	0	700,000	0	700,000
Replacement Tandem Truck (Oiler)	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	450,000	0	450,000
Replacement Sidewalk Plow	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	275,000	0	275,000
Replacement Steel Drum Roller	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	250,000	0	250,000
New Brush Chipper	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	145,000	0	145,000
New Highway Traffic Line Marker	Vehicles & Machinery	Development Charges	0	0	0	0	0	0	750,000	750,000
Replacement Roll Off Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	550,000	550,000
Replacement Tandem Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	550,000	550,000
Replacement Single Axle Truck	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	325,000	325,000
Replacement Backhoe	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	275,000	275,000
New Forklift	Vehicles & Machinery	Development Charges	0	0	0	0	0	0	50,000	50,000
Replacement Road Widener Attachment	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	85,000	85,000
Replacement Live Bottom Trailer	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	200,000	200,000
Replacement Steel Drum Roller	Vehicles & Machinery	General Vehicles & Equipment Reserve Fund	0	0	0	0	0	0	65,000	65,000



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
<b>PWE Transportation Fleet Total</b>			<b>0</b>	<b>2,117,500</b>	<b>2,117,500</b>	<b>2,990,000</b>	<b>2,530,000</b>	<b>3,170,000</b>	<b>2,850,000</b>	<b>13,657,500</b>
<b>Fleet Services Total</b>			<b>0</b>	<b>3,126,000</b>	<b>3,126,000</b>	<b>6,457,500</b>	<b>3,930,000</b>	<b>3,940,000</b>	<b>3,580,000</b>	<b>21,033,500</b>
<b>Public Works &amp; Engineering</b>										
<b>Transportation</b>										
Old River Rd (Glendon Dr to Pulham Rd)	Roads	Debt	950,000	0	950,000	0	4,000,000	0	0	4,950,000
King and George Street Reconstruction	Roads	Multiple	40,000	35,000	75,000	500,000	0	0	0	575,000
Rehabilitate Bridge B-530	Bridges & Culverts	OCIF Reserve Fund	0	700,000	700,000	0	0	0	0	700,000
Rehabilitate Bridge B-108	Bridges & Culverts	OCIF Reserve Fund	0	775,000	775,000	0	0	0	0	775,000
B-120 Bridge Repairs	Bridges & Culverts	OCIF Reserve Fund	0	900,000	900,000	0	0	0	0	900,000
Replace Culvert C-156	Bridges & Culverts	CCBF Reserve Fund	0	440,000	440,000	0	0	0	0	440,000
Replace Culvert C-563	Bridges & Culverts	Roads Capital Reserve Fund	0	600,000	600,000	0	0	0	0	600,000
Hot Mix Resurfacing	Roads	Roads Capital Reserve Fund	0	1,450,000	1,450,000	0	0	0	0	1,450,000
Tar & Chip Resurfacing	Roads	Roads Capital Reserve Fund	0	600,000	600,000	0	0	0	0	600,000
Sidewalk Expansion	Concrete Sidewalks	Roads Capital Reserve Fund	0	75,000	75,000	0	0	0	0	75,000
Vanneck Rd Reconstruction (Sunningdale Rd and Egremont Dr)	Roads	Roads Capital Reserve Fund	0	600,000	600,000	0	0	0	0	600,000
Westbrook Dr Sidewalk and Streetlights (Jeffries Rd to Kilworth Park Dr)	Roads	Multiple	0	0	0	825,000	0	0	0	825,000
Repair Bridge B-526	Bridges & Culverts	Roads Capital Reserve Fund	0	307,500	307,500	0	0	0	0	307,500
Replace Culvert C-153	Bridges & Culverts	OCIF Reserve Fund	0	50,000	50,000	490,000	0	0	0	540,000
Replace Culvert C-159	Bridges & Culverts	OCIF Reserve Fund	0	55,000	55,000	450,000	0	0	0	505,000
Elmhurst St & Parkland Pl Urbanization	Roads	Roads Capital Reserve Fund	0	100,000	100,000	500,000	0	0	0	600,000



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Replace Culvert C-155	Bridges & Culverts	OCIF Reserve Fund	0	56,250	56,250	375,000	0	0	0	431,250
Replace Culvert C-580	Bridges & Culverts	Roads Capital Reserve Fund	0	452,500	452,500	0	0	0	0	452,500
Hyde Park Rd Reconstruction (Elginfield Rd to 15 Mile Rd)	Roads	Roads Capital Reserve Fund	0	1,490,000	1,490,000	0	0	0	0	1,490,000
Replace Culvert C-572	Bridges & Culverts	Roads Capital Reserve Fund	0	452,500	452,500	0	0	0	0	452,500
Replace Culvert C-575	Bridges & Culverts	Roads Capital Reserve Fund	0	52,500	52,500	400,000	0	0	0	452,500
Repair Culvert C-131	Bridges & Culverts	Roads Capital Reserve Fund	0	26,250	26,250	175,000	0	0	0	201,250
Repair Culvert C-111	Bridges & Culverts	Roads Capital Reserve Fund	0	26,250	26,250	175,000	0	0	0	201,250
New Layout and Grade Control Equipment	Other Equipment	General Vehicles & Equipment Reserve Fund	0	130,000	130,000	0	0	0	0	130,000
Hot Mix Resurfacing	Roads	Roads Capital Reserve Fund	0	0	0	1,550,000	0	0	0	1,550,000
Tar & Chip Resurfacing	Roads	Roads Capital Reserve Fund	0	0	0	700,000	0	0	0	700,000
Sidewalk Expansion	Concrete Sidewalks	Roads Capital Reserve Fund	0	0	0	200,000	0	0	0	200,000
Street Light Expansion	Streetlighting	Roads Capital Reserve Fund	0	0	0	520,000	0	0	0	520,000
Wonderland Rd Reconstruction (Ilderton Rd to 13 Mile)	Roads	Roads Capital Reserve Fund	0	0	0	1,975,000	0	0	0	1,975,000
Glendon Dr Urbanization (5 corners to Thames River Bridge)	Roads	Debt	0	0	0	535,000	0	0	0	535,000
Carriage Rd Reconstruction	Roads	Roads Capital Reserve Fund	0	0	0	1,070,000	0	0	0	1,070,000
Waterproof & Pave Bridge B-512	Bridges & Culverts	Roads Capital Reserve Fund	0	0	0	190,000	0	0	0	190,000
Rehabilitate Bridge B-537	Bridges & Culverts	CCBF Reserve Fund	0	0	0	29,000	185,000	0	0	214,000
Rehabilitate Bridge B-140	Bridges & Culverts	CCBF Reserve Fund	0	0	0	45,000	300,000	0	0	345,000
Commuter Parking Lots	Land Improvements	Roads Capital Reserve Fund	0	0	0	100,000	0	0	0	100,000



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Replace Culvert C-560	Bridges & Culverts	OCIF Reserve Fund	0	0	0	33,000	400,000	0	0	433,000
Carriage Rd Reconstruction	Roads	Roads Capital Reserve Fund	0	0	0	700,000	0	0	0	700,000
Replace Culvert C-567	Bridges & Culverts	OCIF Reserve Fund	0	0	0	66,000	400,000	0	0	466,000
Replace Culvert C-556	Bridges & Culverts	OCIF Reserve Fund	0	0	0	75,000	525,000	0	0	600,000
Repair Culvert C-317	Bridges & Culverts	OCIF Reserve Fund	0	0	0	26,250	175,000	0	0	201,250
Replace Culvert C-568	Bridges & Culverts	CCBF Reserve Fund	0	0	0	66,000	400,000	0	0	466,000
Electric Vehicle Charging Stations	Roads	General Vehicles & Equipment Reserve Fund	0	0	0	100,000	0	0	0	100,000
Replacement Fuel System & Card Lock	Other Equipment	Buildings & Facilities Reserve Fund	0	0	0	150,000	0	0	0	150,000
Hot Mix Resurfacing	Roads	Roads Capital Reserve Fund	0	0	0	0	1,550,000	0	0	1,550,000
Tar & Chip Resurfacing	Roads	Roads Capital Reserve Fund	0	0	0	0	700,000	0	0	700,000
Gravel Rd Conversion	Roads	Roads Capital Reserve Fund	0	0	0	0	400,000	0	0	400,000
Sidewalk Expansion	Concrete Sidewalks	Roads Capital Reserve Fund	0	0	0	0	200,000	0	0	200,000
Street Light Expansion	Streetlighting	Roads Capital Reserve Fund	0	0	0	0	550,000	0	0	550,000
Wonderland Rd Reconstruction (13 Mile to 15 Mile)	Roads	Roads Capital Reserve Fund	0	0	0	0	1,975,000	0	0	1,975,000
Repair Bridge B-139	Bridges & Culverts	OCIF Reserve Fund	0	0	0	0	31,000	205,000	0	236,000
Waterproof & Pave Bridge B-130	Bridges & Culverts	CCBF Reserve Fund	0	0	0	0	25,000	150,000	0	175,000
Cul-De-Sac Construction	Roads	Roads Capital Reserve Fund	0	0	0	0	75,000	0	0	75,000
Repair Bridge B-113	Bridges & Culverts	CCBF Reserve Fund	0	0	0	0	42,000	275,000	0	317,000
Repair Bridge B-528	Bridges & Culverts	OCIF Reserve Fund	0	0	0	0	60,000	400,000	0	460,000
Replace Bridge B-132	Bridges & Culverts	OCIF Reserve Fund	0	0	0	0	180,000	1,200,000	0	1,380,000



# Budget Summary

Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Poplar Hill Stormwater Easement	Roads	Roads Capital Reserve Fund	0	0	0	0	30,000	0	0	30,000
Oxbow Dr W. Urban	Roads	Multiple	0	0	0	75,000	500,000	0	0	575,000
Oxbow Dr East Rural upgrade	Roads	Multiple	0	0	0	0	440,000	2,959,000	0	3,399,000
Oxbow Dr W. Rural	Roads	Multiple	0	0	0	0	180,000	1,200,000	0	1,380,000
Glendon Dr Urbanization (Komoka Rd to Jeffries Rd)	Roads	Debt	0	0	0	0	2,900,000	0	0	2,900,000
Replace Culvert C-161	Bridges & Culverts	OCIF Reserve Fund	0	0	0	0	66,000	400,000	0	466,000
Repair Culvert C-520	Bridges & Culverts	OCIF Reserve Fund	0	0	0	0	22,500	150,000	0	172,500
Hot Mix Resurfacing	Roads	Roads Capital Reserve Fund	0	0	0	0	0	1,550,000	0	1,550,000
Tar & Chip Resurfacing	Roads	Roads Capital Reserve Fund	0	0	0	0	0	700,000	0	700,000
Gravel Road Conversion	Roads	Roads Capital Reserve Fund	0	0	0	0	0	400,000	0	400,000
Sidewalk Expansion	Concrete Sidewalks	Roads Capital Reserve Fund	0	0	0	0	0	200,000	0	200,000
Street Light Expansion	Streetlighting	Roads Capital Reserve Fund	0	0	0	0	0	550,000	0	550,000
Wonderland Rd Reconstruction (15 Mile to Elginfield)	Roads	Roads Capital Reserve Fund	0	0	0	0	0	1,975,000	0	1,975,000
Repair Bridge B-517	Bridges & Culverts	OCIF Reserve Fund	0	0	0	0	0	33,000	220,000	253,000
Replace Culvert C-547	Bridges & Culverts	OCIF Reserve Fund	0	0	0	0	0	44,000	290,000	334,000
Coldstream Rd Reconstruction (Oxbow Dr to Glendon Dr)	Roads	Multiple	0	0	0	0	0	2,000,000	0	2,000,000
Glendon Dr Widening (Komoka Rd to Amiens Rd)	Roads	Multiple	0	0	0	250,000	0	0	0	250,000
Replace Culvert C-102	Bridges & Culverts	OCIF Reserve Fund	0	0	0	0	0	66,000	440,000	506,000
Replace Culvert C-571	Bridges & Culverts	OCIF Reserve Fund	0	0	0	0	0	66,000	440,000	506,000
Replace Culvert C-578	Bridges & Culverts	OCIF Reserve Fund	0	0	0	0	0	66,000	440,000	506,000
Rehabilitate Bridge B-529	Bridges & Culverts	Roads Capital Reserve Fund	0	0	0	0	0	200,000	1,300,000	1,500,000

# Budget Summary

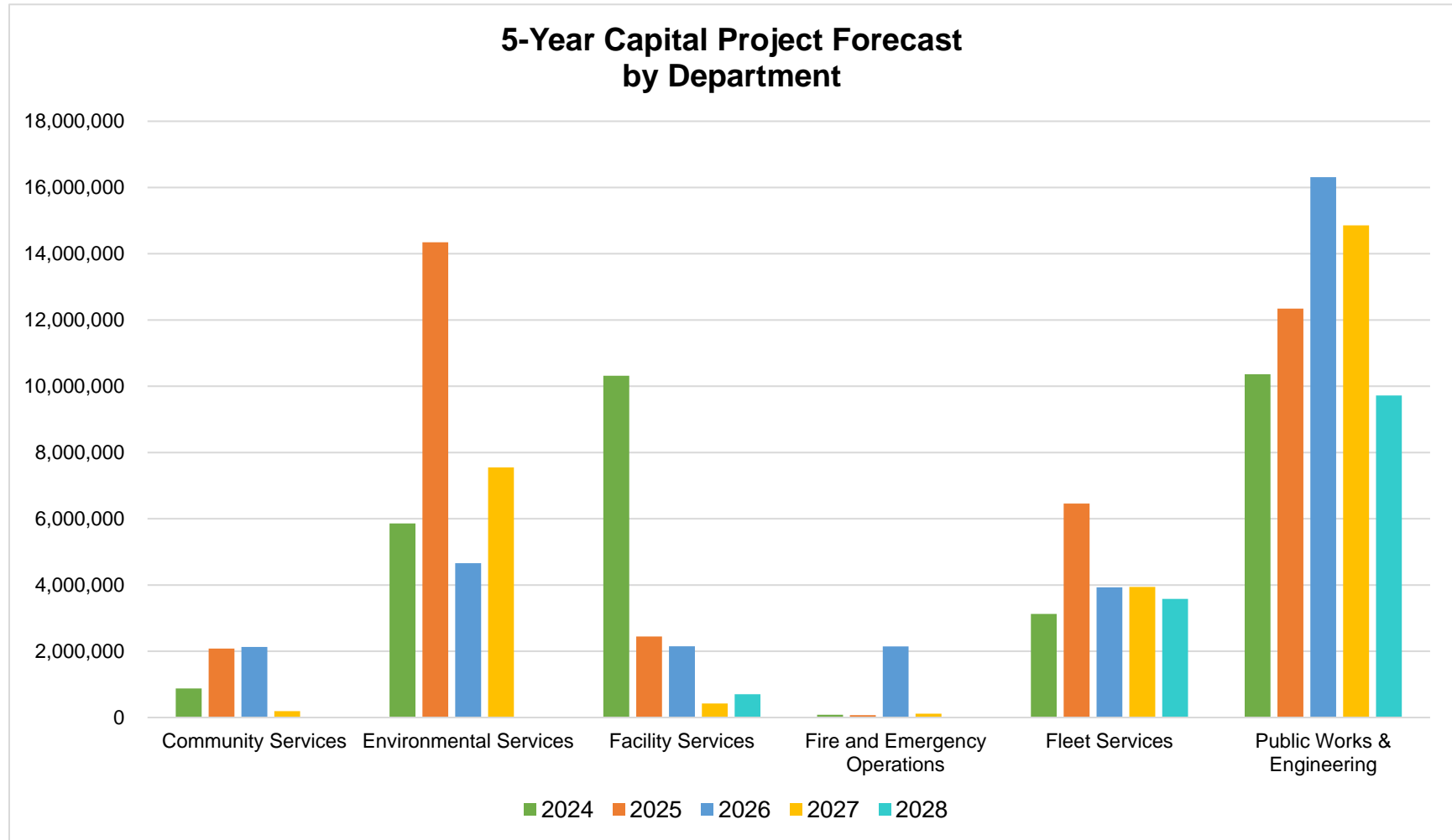
Department / Project	Asset Type	Financing Source	2023 Carry Forward	2024	Carry Forward + 2024 Total	2025	2026	2027	2028	Total
Replace Culvert C-119	Bridges & Culverts	OCIF Reserve Fund	0	0	0	0	0	66,000	440,000	506,000
Hot Mix Resurfacing	Roads	Roads Capital Reserve Fund	0	0	0	0	0	0	1,550,000	1,550,000
Tar & Chip Resurfacing	Roads	Roads Capital Reserve Fund	0	0	0	0	0	0	700,000	700,000
Gravel Road Conversion	Roads	Roads Capital Reserve Fund	0	0	0	0	0	0	400,000	400,000
Sidewalk Expansion	Concrete Sidewalks	Roads Capital Reserve Fund	0	0	0	0	0	0	200,000	200,000
Street Light Expansion	Streetlighting	Roads Capital Reserve Fund	0	0	0	0	0	0	550,000	550,000
Reconstruct Adelaide St North (Ilderton Rd to 15 Mile Rd)	Roads	Roads Capital Reserve Fund	0	0	0	0	0	0	2,000,000	2,000,000
Reconstruct Oxbow Dr Narin Rd to Vanneck Rd	Roads	Multiple	0	0	0	0	0	0	750,000	750,000
<b>Transportation Total</b>			<b>990,000</b>	<b>9,373,750</b>	<b>10,363,750</b>	<b>12,345,250</b>	<b>16,311,500</b>	<b>14,855,000</b>	<b>9,720,000</b>	<b>63,595,500</b>
<b>Public Works &amp; Engineering Total</b>			<b>990,000</b>	<b>9,373,750</b>	<b>10,363,750</b>	<b>12,345,250</b>	<b>16,311,500</b>	<b>14,855,000</b>	<b>9,720,000</b>	<b>63,595,500</b>
<b>2024 Capital Forecast Total</b>			<b>6,619,205</b>	<b>24,007,170</b>	<b>30,626,375</b>	<b>37,742,541</b>	<b>31,325,300</b>	<b>27,077,000</b>	<b>14,005,000</b>	<b>140,776,216</b>





# Budget Summary

Figure: 5-Year Capital Project Forecast by Department



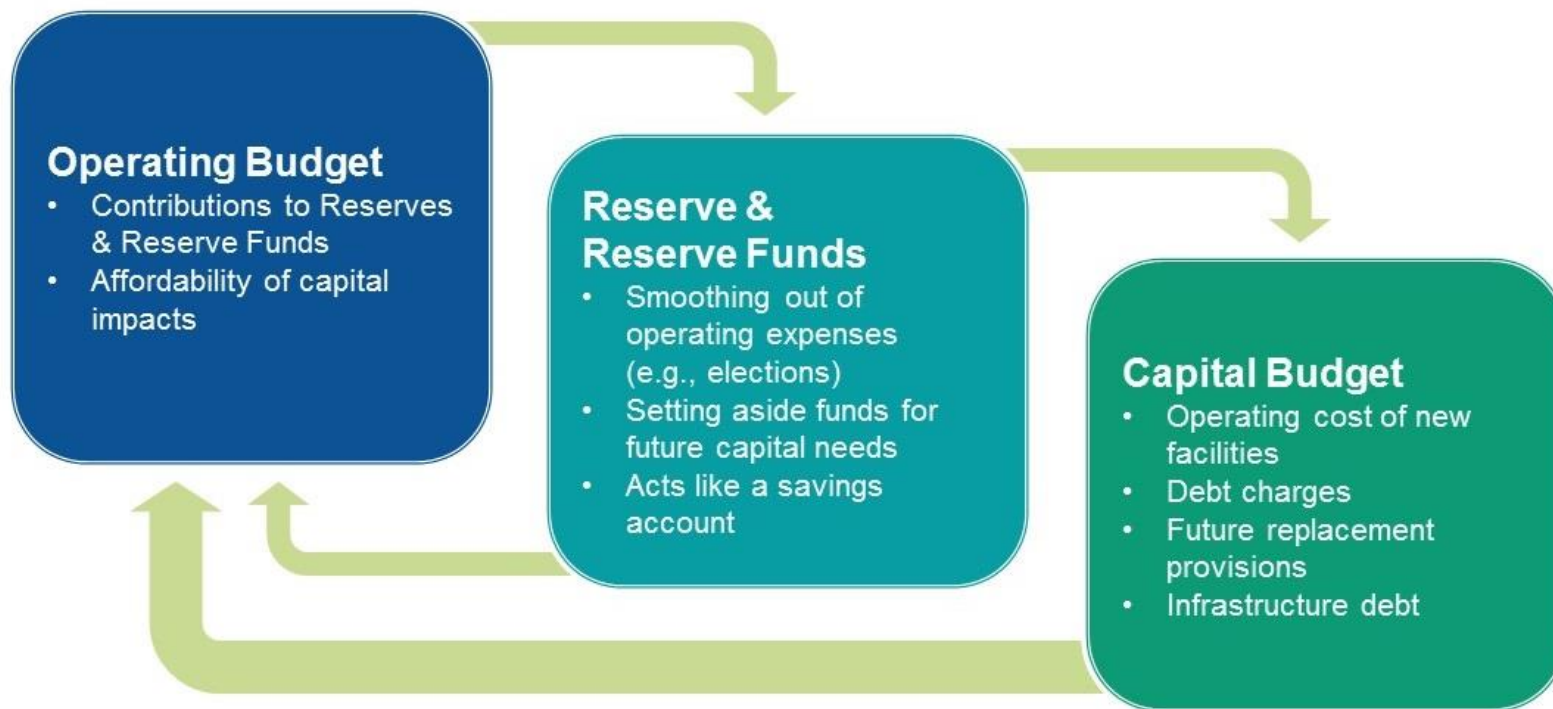
# Budget Summary

## Combined Operating and Capital Budget

Connecting the capital and operating budgets forms the total 2024 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**

Department	2024 Budget			2023 Budget			Change in Taxes Raised			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Chg
<b>General Government</b>										
General Administration	2,739,996	2,728,933	(11,063)	3,686,576	3,636,130	(50,446)	946,580	907,197	(39,383)	78.070%
Policing	-	2,310,674	2,310,674	-	2,287,431	2,287,431	-	(23,243)	(23,243)	(1.016%)
Conservation Authorities	-	374,703	374,703	-	354,175	354,175	-	(20,528)	(20,528)	(5.796%)
Council	-	248,801	248,801	-	243,113	243,113	-	(5,688)	(5,688)	(2.340%)
Economic Development	-	83,125	83,125	-	75,648	75,648	-	(7,476)	(7,476)	(9.883%)
COVID-19	-	-	-	-	4,000	4,000	-	4,000	4,000	100.000%
Cemeteries	4,500	18,500	14,000	1,250	16,935	15,685	(3,250)	(1,565)	1,685	10.743%
Reserve Fund Transfers	4,205,341	12,948,341	8,743,000	3,113,841	10,823,598	7,709,757	(1,091,500)	(2,124,743)	(1,033,243)	(13.402%)
<b>General Government Total</b>	<b>6,949,836</b>	<b>18,713,077</b>	<b>11,763,240</b>	<b>6,801,667</b>	<b>17,441,031</b>	<b>10,639,364</b>	<b>(148,170)</b>	<b>(1,272,046)</b>	<b>(1,123,876)</b>	<b>(10.563%)</b>
<b>Fire and Emergency Operations</b>										
Fire Operations	147,000	1,286,813	1,139,813	69,000	1,078,178	1,009,178	(78,000)	(208,635)	(130,635)	(12.945%)
Special Operations	-	18,400	18,400	-	21,200	21,200	-	2,800	2,800	13.208%
Fire Administration	31,400	657,827	626,427	12,200	696,646	684,446	(19,200)	38,819	58,019	8.477%
Fire Prevention	46,000	126,997	80,997	59,000	115,326	56,326	13,000	(11,671)	(24,671)	(43.801%)
Emergency Operations	-	4,950	4,950	53,000	60,450	7,450	53,000	55,500	2,500	33.557%
<b>Fire and Emergency Operations Total</b>	<b>224,400</b>	<b>2,094,987</b>	<b>1,870,587</b>	<b>193,200</b>	<b>1,971,800</b>	<b>1,778,600</b>	<b>(31,200)</b>	<b>(123,187)</b>	<b>(91,987)</b>	<b>(5.172%)</b>
<b>Building &amp; Bylaw</b>										
Building	1,361,900	1,361,900	(0)	1,414,850	1,414,850	(0)	52,950	52,950	-	0.000%
By-Law	26,500	118,553	92,053	17,500	108,988	91,488	(9,000)	(9,565)	(565)	(0.618%)
Animal Control	8,200	48,482	40,282	4,500	43,441	38,941	(3,700)	(5,040)	(1,340)	(3.442%)
<b>Building &amp; Bylaw Total</b>	<b>1,396,600</b>	<b>1,528,934</b>	<b>132,334</b>	<b>1,436,850</b>	<b>1,567,279</b>	<b>130,429</b>	<b>40,250</b>	<b>38,344</b>	<b>(1,906)</b>	<b>(1.461%)</b>
<b>Public Works &amp; Engineering</b>										
Transportation	10,390,948	14,480,774	4,089,826	8,983,954	13,008,355	4,024,401	(1,406,994)	(1,472,420)	(65,426)	(1.626%)
Administration	73,243	1,283,971	1,210,728	149,824	1,588,680	1,438,855	76,581	304,708	228,127	15.855%
Planning	3,205,680	3,525,090	319,410	270,322	500,765	230,444	(2,935,358)	(3,024,325)	(88,967)	(38.607%)
Drainage	47,500	107,924	60,424	69,500	148,443	78,943	22,000	40,519	18,519	23.459%
Tile Drainage	20,815	20,815	-	14,022	14,022	-	(6,793)	(6,793)	-	0.000%
Municipal Drainage	37,357	37,357	-	37,357	37,357	-	-	-	-	0.000%

# Budget Summary

Department	2024 Budget			2023 Budget			Change in Taxes Raised			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Chg
<b>Public Works &amp; Engineering Total</b>	<b>13,775,543</b>	<b>19,455,932</b>	<b>5,680,389</b>	<b>9,524,979</b>	<b>15,297,622</b>	<b>5,772,643</b>	<b>(4,250,565)</b>	<b>(4,158,311)</b>	<b>92,254</b>	<b>1.598%</b>
<b>Environmental Services</b>										
Wastewater	6,606,073	6,606,072	(0)	7,217,778	7,217,778	(0)	611,705	611,705	-	0.000%
Stormwater	1,581,715	1,581,715	0	2,098,494	2,098,494	0	516,779	516,779	-	0.000%
Water	6,870,954	6,870,954	0	8,376,396	8,376,396	(0)	1,505,442	1,505,441	-	0.000%
Waste Management	1,249,815	1,449,957	200,142	1,181,850	1,499,162	317,312	(67,965)	49,205	117,170	36.926%
<b>Environmental Services Total</b>	<b>16,308,557</b>	<b>16,508,699</b>	<b>200,142</b>	<b>18,874,518</b>	<b>19,191,830</b>	<b>317,312</b>	<b>2,565,961</b>	<b>2,683,131</b>	<b>117,170</b>	<b>36.926%</b>
<b>Facility Services</b>										
Administration	-	129,219	129,219	-	16,500	16,500	-	(112,719)	(112,719)	(683.143%)
Municipal Office	4,830,431	4,936,571	106,140	2,721,637	2,862,274	140,637	(2,108,794)	(2,074,297)	34,497	24.529%
Leased Properties	459,384	459,384	0	391,344	391,344	0	(68,040)	(68,040)	-	0.000%
Fire Halls	-	202,392	202,392	-	137,041	137,041	-	(65,350)	(65,350)	(47.687%)
PWE Operations Centres	100,000	476,736	376,736	23,000	306,761	283,761	(77,000)	(169,975)	(92,975)	(32.765%)
Community Centres	802,850	1,066,381	263,531	447,250	666,740	219,490	(355,600)	(399,642)	(44,042)	(20.065%)
Arenas	6,465,452	7,181,286	715,834	2,289,699	2,871,072	581,373	(4,175,753)	(4,310,214)	(134,461)	(23.128%)
Libraries	95,345	110,323	14,978	66,798	68,422	1,624	(28,547)	(41,902)	(13,355)	(822.454%)
<b>Facility Services Total</b>	<b>12,753,462</b>	<b>14,562,291</b>	<b>1,808,829</b>	<b>5,939,728</b>	<b>7,320,153</b>	<b>1,380,425</b>	<b>(6,813,734)</b>	<b>(7,242,139)</b>	<b>(428,404)</b>	<b>(31.034%)</b>
<b>Community Services</b>										
Parks & Open Space	1,045,383	1,733,391	688,007	1,613,648	2,183,262	569,614	568,265	449,871	(118,393)	(20.785%)
Administration	5,000	855,647	850,647	5,000	860,255	855,255	-	4,608	4,608	0.539%
<b>Community Services Total</b>	<b>1,050,383</b>	<b>2,589,038</b>	<b>1,538,654</b>	<b>1,618,648</b>	<b>3,043,517</b>	<b>1,424,869</b>	<b>568,265</b>	<b>454,480</b>	<b>(113,785)</b>	<b>(7.986%)</b>
<b>Fleet Services</b>										
Fleet Administration	27,200	360,098	332,898	49,480	347,118	297,638	22,280	(12,980)	(35,260)	(11.847%)
Fire Fleet	880,000	967,700	87,700	34,000	95,250	61,250	(846,000)	(872,450)	(26,450)	(43.184%)
Building Fleet	-	8,050	8,050	150,000	159,550	9,550	150,000	151,500	1,500	15.707%
PWE Transportation Fleet	2,185,500	2,865,805	680,305	2,701,564	3,549,114	847,550	516,064	683,309	167,245	19.733%
Environmental Services Fleet	17,500	36,650	19,150	21,000	41,000	20,000	3,500	4,350	850	4.250%
Community Services Fleet	113,500	236,000	122,500	116,000	235,500	119,500	2,500	(500)	(3,000)	(2.510%)
<b>Fleet Services Total</b>	<b>3,223,700</b>	<b>4,474,303</b>	<b>1,250,603</b>	<b>3,072,044</b>	<b>4,427,532</b>	<b>1,355,488</b>	<b>(151,656)</b>	<b>(46,771)</b>	<b>104,885</b>	<b>7.738%</b>
<b>Grand Total</b>	<b>55,682,482</b>	<b>79,927,261</b>	<b>24,244,779</b>	<b>47,461,633</b>	<b>70,260,762</b>	<b>22,799,129</b>	<b>(8,220,849)</b>	<b>(9,666,499)</b>	<b>(1,445,650)</b>	<b>(6.341%)</b>



# Budget Summary

## Budget Implications for Rate Payers

### Tax Rate

The 2023 tax rate increase is 3.22% (2023 – 2.50%).

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 2024 final assessment to Middlesex Centre by mid-December 2023.

### 2020 Assessment Updated Postponed for Fourth 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 2024 will continue to be based on the fully phased-in January 1, 2016, current value assessments.

This means property assessment for the 2024 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.

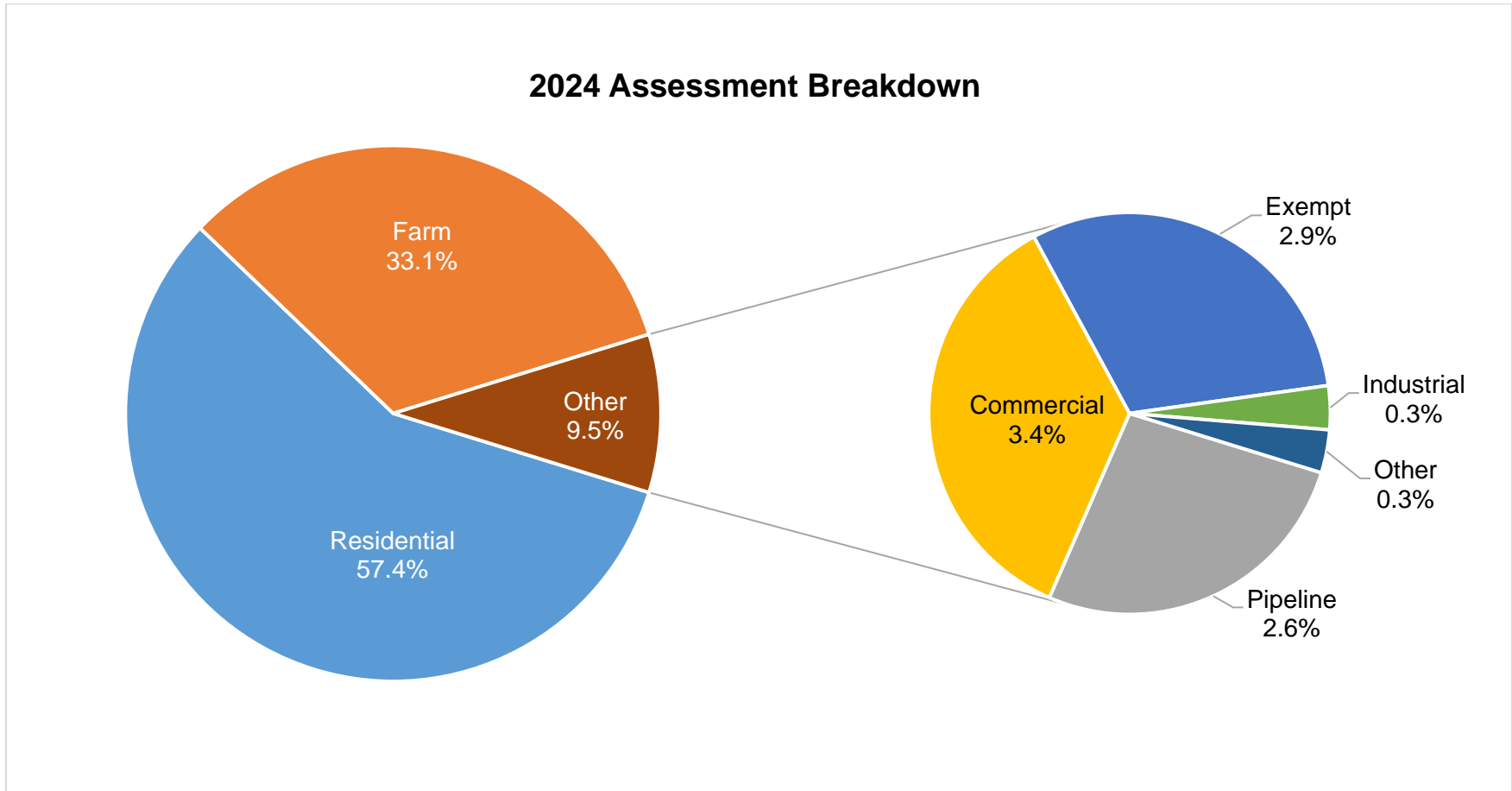
**Table: Total Tax Assessment Value by Property Class, 2024**

Property Class	Assessment (\$)
Residential	2,851,037,552
Farm	1,642,432,581
Pipeline	126,870,000
Commercial	168,486,367
Exempt	145,372,700
Industrial	16,745,100
Other	16,397,800
<b>Total Assessment</b>	<b>\$4,967,342,100</b>



# Budget Summary

Figure: Assessment Breakdown



# Budget Summary

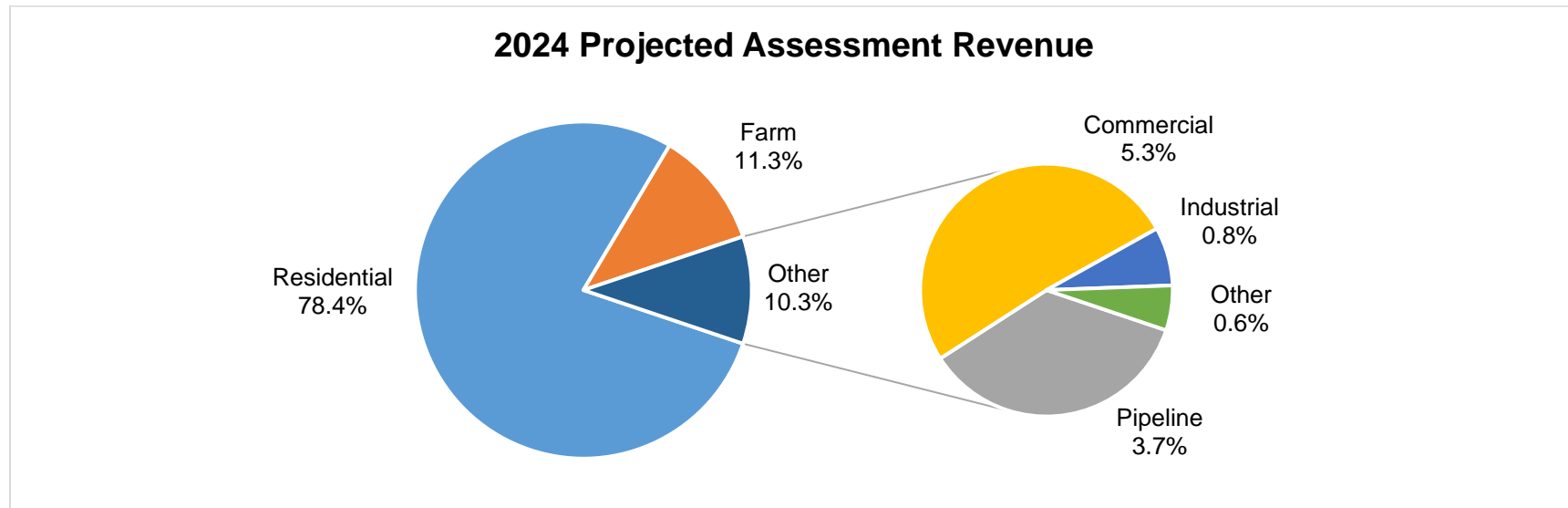
## Tax Revenue from All Property Types

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

Property Type	2024 (\$)	2023 (\$)	2022 (\$)
Residential	19,009,020	17,800,759	16,618,947
Farm	2,737,811	2,615,377	2,557,074
Pipeline	892,880	860,229	837,744
Commercial	1,274,240	1,214,883	939,352
Industrial	187,320	169,174	157,878
Other	143,508	138,707	365,816
<b>Total Assessment Revenue</b>	<b>24,244,779</b>	<b>22,799,129</b>	<b>21,476,811</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 \$83 in 2024 (excluding the education tax and Middlesex County taxes).

It is important to note that there were no re-assessment increases in 2024. 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>2024</b>	<b>2023</b>	<b>2022</b>	<b>Notes</b>
Average Residential Property Assessment (as determined by MPAC)	\$400,000	\$400,000	\$400,000	Assessment values are determined by MPAC. They have not changed over this period.
Middlesex Centre Property Tax (based on tax levy approved by Council)	\$2,667	\$2,584	\$2,521	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	+\$83	+\$63	+\$68	Middlesex Centre will have a 3.22% tax rate increase in 2024, compared to 2.5% in 2023





# Budget Summary

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## *What is the farm tax impact?*

For the average Middlesex Centre farm owner, municipal taxes will increase by \$52 in 2024 (excluding the education tax and Middlesex County taxes).

It is important to note that there were no re-assessment increases in 2024. 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>2024</b>	<b>2023</b>	<b>2022</b>	<b>Notes</b>
Average Farm Property Assessment (as determined by MPAC)	\$1,000,000	\$1,000,000	\$1,000,000	Assessment values are determined by MPAC. They have not changed over this period.
Middlesex Centre Property Tax (based on tax levy approved by Council)	\$1,667	\$1,615	\$1,576	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	+\$52	+\$39	+\$43	Middlesex Centre will have a 3.22% tax rate increase in 2024, compared to 2.5% in 2023.



# 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, 453/07. The self-funding of the wastewater and stormwater systems is a municipal decision but not currently required by regulation.

The municipality’s 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 as noted above.

- The municipality funds water and wastewater through a user-fee program. Water consumption and wastewater charges are based on how much water is used. 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.

In 2024, water rates will increase by 1%, wastewater 4%, and stormwater by 2.5% (assuming approved by Council at their

meeting on November 15, 2023). As a result, average users will see an annual increase of about \$49.44 on their water bill.

**Table: Annual Combined Fees for Water, Wastewater and Stormwater, 2024**

Annual Water Usage (m <sup>3</sup> )	2024*	2023	\$ Increase	% Increase
96	\$1,324.94	\$1,291.44	\$33.48	2.59%
180	\$1,918.80	\$1,869.36	\$49.44	2.64%
360	\$3,191.40	\$3,107.76	\$83.64	2.69%
Stormwater Only	\$198.60	\$193.80	\$4.80	2.48%

*\*To be updated in final version of the budget.*

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, a recent study has determined that Middlesex Centre is underfunded for future lifecycle replacements (primarily for wastewater and stormwater). Future increases may be established after the more in-depth long-range financial plan for wastewater and stormwater described above 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.

Waste Bin Charges, 2024:

- 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

## The Bottom Line – Impact on Rate Payers

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

<b>Municipal Fees</b>	<b>Annual Change (\$)</b>
Change in Municipal Property Tax	83.00
Change in Water, Wastewater and Stormwater Fees*	49.44
Change in Waste Management Fees	0.00
Change in User Fees	will vary by resident
<b>Total Change – Middlesex Centre</b>	<b>132.44</b>

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

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

<b>Municipal Fees</b>	<b>Annual Change (\$)</b>
Change in Farm Property Tax	52.00
Change in Waste Management Fees	0.00
Change in User Fees	will vary by resident
<b>Total Change – Middlesex Centre</b>	<b>52.00</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



### 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

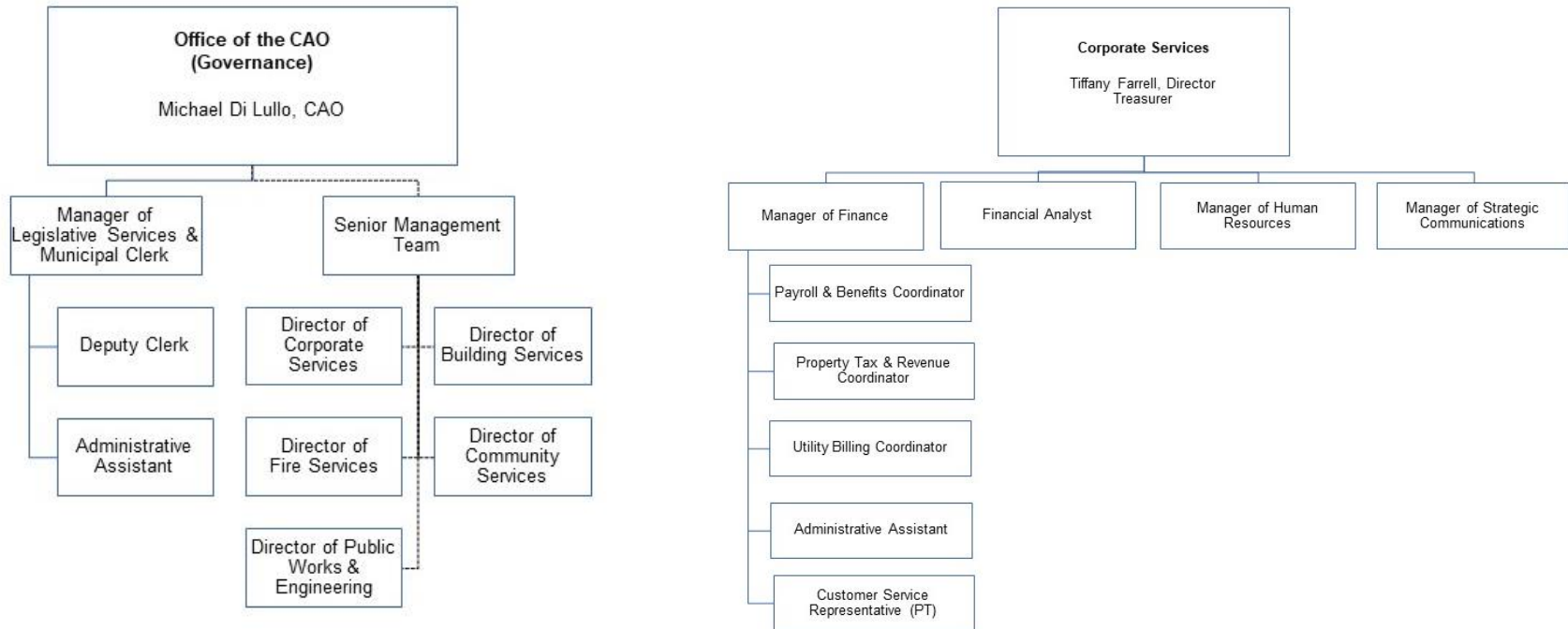


Table: General Government Staffing Resources

Divisions	2021 FTEs	2022 FTEs	2023 FTEs	2024 FTEs
General Administration	12.13	12.13	13.13	13.80
<b>Staffing Total</b>	<b>11.20</b>	<b>11.20</b>	<b>13.13</b>	<b>13.80</b>
PLUS - Members of Council	7 (part-time)	7 (part-time)	7 (part-time)	7 (part-time)

# General Government

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## 2023 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's General Governance staff delivered a variety of services in 2023 (up to October 31, 2023) including:

### *Office of the Clerk*

- Held 25 council meetings in 2023
- Revised the records inventory project, with progress made on the physical records located at the Municipal Office.
- Completed 116 by-laws to November 1, 2023
- Issued 42 marriage licenses, conducted 6 marriage ceremonies and issued 23 lottery licenses (to end of October).
- Commissioned 102 documents, including planning applications (to end of October)

### *Human Resources*

- Reviewed all municipal human resources (HR) policies, with 44 revised or new HR policies added to be in compliance with changing legislation
- Completed a full compensation review and updated all job descriptions for all departments (excluding firefighters, who will be reviewed in 2024).
- Hired 39 team members (January 1 to October 30, 2023), via 22 job postings and several promotions in Fire Services and Transportation
- Coordinated staff training, with 1,282 HR Downloads courses completed

- Completed Physical Demand Analysis for Mechanics
- Created Job Hazard Assessments for all positions in each department, re-submitted Terms of Reference to WSIB, and began updating all health and safety policies, including updating standard operating procedures.

### *Communications*

- Kept residents informed through the municipal website and social media (website: 125,333 users and 797,611 page views in 189,678 sessions in 2022)
- Published monthly (12) full-page "Municipal Minute" Middlesex Centre updates in the Middlesex Banner newspaper and monthly page in local "Villager" publications
- Published monthly (12) Middlesex Centre e-newsletters to residents that have signed up for that service (1,987 as of November 2023)

### *Finance and Customer Service*

- Updated or implemented numerous corporate policies, including customer service, development charge interest policy, and asset retirement obligation policy
- Responded to 21,096 customer calls, 10,071 emails and 2,280 walk-ins at the front counter
- Issued 65,328 water bills, 16,367 property tax bills, 964 supplemental and omitted property tax bills
- Processed 91 new water meter installs and 183 final water meter reads





# General Government

- Processed over 104,200 customer bill payments and 4,100 vendor payments
- Administered 24 severances which resulted in 148 new lots
- Earned \$983,951 in supplemental residential tax revenue in 2023, compared to \$753,763 earned in 2022
- Completed 276 tax adjustments, compared to 63 in 2022
- 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.

**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

**Table: 2023 Strategic Accomplishments 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>	\$ 84,490 This was 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>	\$77,535 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
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
Middlesex Centre Day – 25 <sup>th</sup> Anniversary	2023	Strat Plan 1 – Engaged Community	1.3 – Enhance the vitality of our villages	<ul style="list-style-type: none"> <li>▪ Successful event held with more than 750 people in attendance (September 9, 2023)</li> </ul>	\$7,000

**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>	\$12,197

# General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Mayor's Breakfast	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>100 people in attendance at the event, held November 2, 2023</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

## 2024 Strategic Goals

**Table: 2024 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
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	2024	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	2024	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



# General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Website Enhancements	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	▪ Increase in the number of transactions on the web each year	\$ 5,000
Corporate Communications Plan	2024	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	▪ Completion of Plan (with metrics to be determined within plan)	Completed in-house

**Table: 2024 Strategic Goals for General Governance: Office of the CAO**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Industrial Land Purchase or Development	2021-2025	Strat Plan 3 – Vibrant Local Economy	3.2 - Ensure that appropriate sites are available for commercial and industrial businesses	▪ Improve Assessment mix in municipality by 2%	n/a
Mayor's Breakfast	2024	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	▪ Attendance of over 100 people at the event	\$5,000

# General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
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

**Table: 2024 Strategic Goals for General Governance: Office of the Clerk**

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
- Increase in Freedom of Interest Requests (11 in 2023 versus 2 in 2022). This increase is anticipated to continue in future years
- 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

- 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

### 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 2023 Organizational Review
- Implementing the recommendations from the 2023 Customer Service Review
- Continued improvement to the municipality's Human Resource Information System with the planned implementation of the performance management module in 2023/2024.
- Continued improvement of our Health and Safety Manual corporate wide.



# General Government

## Operating Budget Details

General Government has 38% of total operating costs. However, of the 38%, transfers to reserve funds account for 26.3% and general government accounts for only 11.7% of operating costs.

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

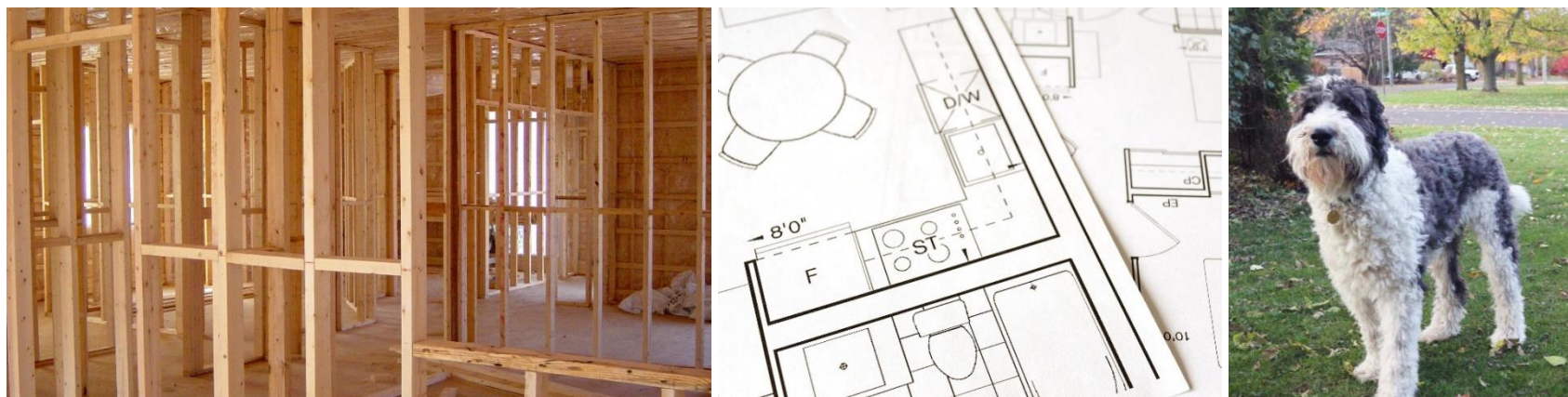
General Government		
Division:	Cost Center	2024 Total (\$)
General Administration		2,728,933
Policing		2,310,674
Conservation Authorities:		
	Ausable Bayfield	122,903
	Kettle Creek	19,112
	Lower Thames	28,650
	St. Clair	64,290
	Upper Thames	139,748
	<b>Conservation Authorities Total</b>	<b>374,703</b>
Council		248,801
Economic Development		83,125
Cemeteries		18,500
Reserve Fund Transfers		12,948,341
<b>General Government Total</b>		<b>18,713,077</b>

*Note: There are no capital expenditures associated with General Governance for 2024.*



# 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 2023, Building Services had issued 354 building permits, with the total value of construction activity of \$83 million. These both fell short of 2022's pace primarily due to a significant reduction in new residential construction.

#### *Enforcement:*

- Investigated over 225 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

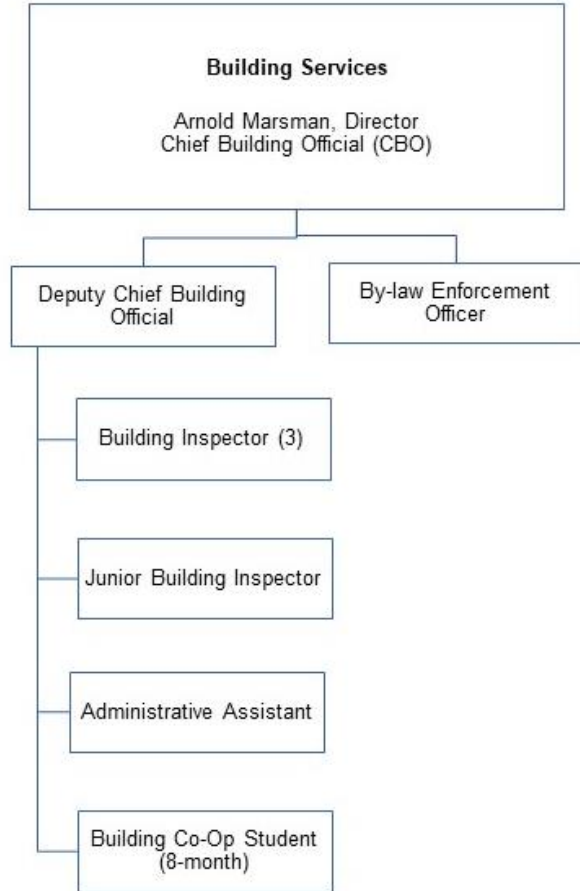


Table: Building Services Staffing Resources

Divisions	2022 FTEs	2023 FTEs	2024 FTEs
Building	7.67	7.67	7.75
By-law	0.75	0.75	0.75
Animal Control	0.25	0.25	0.25
<b>Staffing Total</b>	<b>8.67</b>	<b>8.67</b>	<b>8.75</b>



# Building & By-law Services

## 2023 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s Building & By-law staff delivered a variety of services in 2023 including:

- Received the Association of Municipalities of Ontario (AMO) Peter J. Marshall Award for building efficient shared services through technology (e-permitting)
- 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 including reporting of light wood construction to the Fire Chief
- Initiated an agreement with Cloudpermit to use their By-law Enforcement Module
- Created department policies relating to; firestopping in large farm buildings, HVAC design requirements in renovations, plumbing ‘smash plate’ placement and foundation to foundation connections for additions.
- Entered into a temporary agreement with the Municipality of Strathroy-Caradoc for Chief Building Official services in August
- Completed a temporary agreement with the Municipality of Thames Centre in May extending from 2022 for Chief Building Official services
- Responded ‘on site’ to over 200 by-law enforcement complaints in Middlesex Centre and over 50 complaints in Lucan Biddulph
- Fully recovered the costs of the Building Division budget through permit fees and service agreement payments

**Table: 2023 Building Permit Activity to end of Third Quarter 2023 in Comparison to 2019-2022 Year Ends**

Year	Number of Building Permits Issued	Number of New Dwellings	Estimated Cost of Construction (\$)
2023 (Third quarter complete)	354	92	83,370,480
2022 Year End	662	187	154,177,049
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: 2023 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</li> <li>▪ Issued 323 building permits for four other municipalities at end of third quarter 2023</li> <li>▪ Temporarily assisted two additional municipalities (Thames Centre and Strathroy-Caradoc) with Chief Building Official Services</li> <li>▪ Hosted a workshop for builders and developers</li> <li>▪ Brought new Building By-law to our four partner municipal councils</li> <li>▪ Have responded to over 50 by-law enforcement matters in Lucan Biddulph</li> </ul>	\$346,000 Resolution #2022-267
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>▪ Continue to provide design comments to Cloudpermit in order to find efficiencies of their service.</li> <li>▪ Assisted in the development of a Cloudpermit reporting mechanism for the reporting of light wood framing to the municipal Fire Chief</li> </ul>	\$13,000



# Building & By-law Services

## 2024 Strategic Goals

**Table: 2024 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>▪ Consider requests for services from other local municipalities</li> <li>▪ Host workshop for builders/developers</li> </ul>	\$409,195
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. This is a carryover from 2023 in which the system was drafted</li> </ul>	No cost
Complete RFQ for Animal Control Services	2024	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>▪ Complete request for quotations for new animal control contract as current contract expires at end of 2024</li> </ul>	No cost



# Building & By-law Services

## Departmental Budget Highlights

### Trends

- Full cost recovery of Building Division budget to continue through building permit fees and service charges to municipal partners
- Anticipate residential slow down to level off and new construction to exceed 2023's numbers by year end of 2024 for residential development in Middlesex Centre and throughout Middlesex

### Service Levels

- Tablets being used by staff in field for better access to permit and inspection information and efficiency in completing forms
- Continuing to find efficiencies in providing by-law enforcement services and building inspection services to our residents and our four partners in Middlesex County

## Operating Budget Details

Building & By-law Services has 3.1% of total operating costs.

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

Building & Bylaw		
Division:	Cost Center	2024 Total (\$)
Building	Building Inspection - Adelaide Metcalfe	72,552
	Building Inspection - Lucan Biddulph	84,265
	Building Inspection - Middlesex Centre	952,705
	Building Inspection - North Middlesex	125,689
	Building Inspection - Southwest Middlesex	126,689
Building Total		1,361,900
By-Law		118,553
Animal Control		48,482
<b>Building &amp; Bylaw Total</b>		<b>1,528,934</b>

*Note: There are no capital expenditures associated with Building & By-law Services for 2024.*



# 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 support 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)

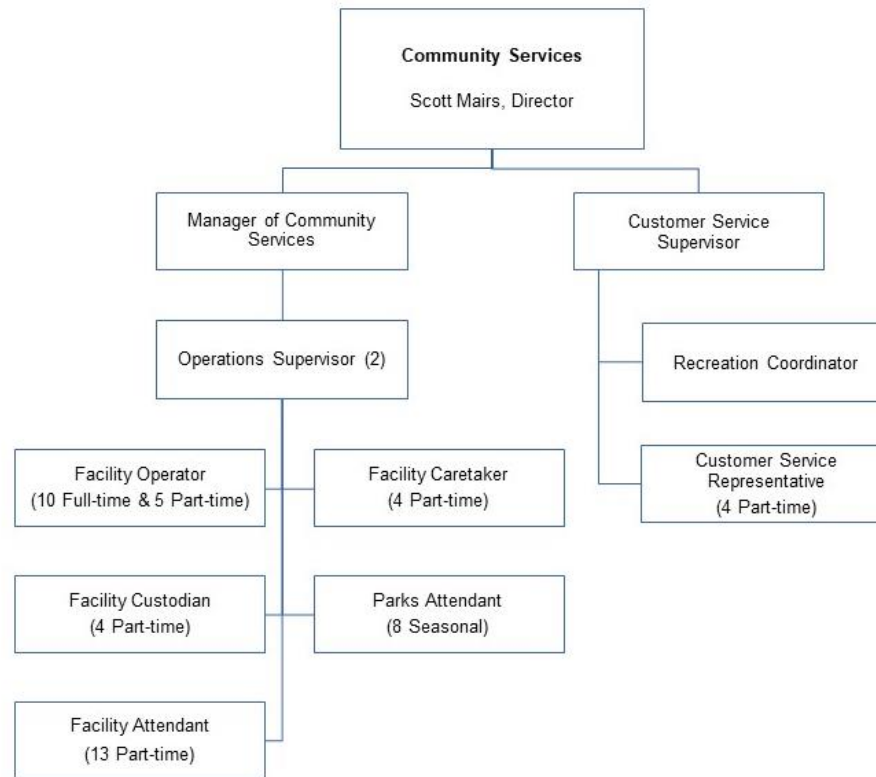


Table: Community Services Staffing Resources (including Facility Services)

	2022 FTEs	2023 FTEs	2024 FTEs
<b>Staffing Total</b>	<b>26.07</b>	<b>25.94</b>	<b>27.39</b>





# Community Services

## 2023 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s Community Services staff delivered a variety of services in 2023 including:

- Accessible washroom upgrades at Poplar Hill Park for \$75,000 (grant funded)
- Installed new playground equipment at Westbrook Park for \$135,000
- New backstop and baseline fencing at Heritage Park for \$32,000
- Re-surfaced asphalt and installed fencing at Douglas B. Weldon Park Tennis Courts for \$65,000
- Installed a 9-hole disc golf course at Douglas B. Weldon Park for \$10,000

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

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Implementation of the Univerus program registration and facility booking software modules	2023-2024	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>▪ Program Registration Module implemented 100% by April 2023</li> <li>▪ Facility Booking Module for Pavilions implemented 100% by April 2023</li> <li>▪ Facility Booking Module for sport fields implemented 100% by August 2023</li> <li>▪ Facility Booking Module for community centres implemented 100% by September 2023</li> <li>▪ Facility Booking Module for ice implemented 100% by April 2024</li> <li>▪ number of user profiles added to Univerus as of October 2023 is 522</li> </ul>	Being completed in house.



# Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Affordable Access to Recreation Policy	2023	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> <li>▪ Council approved the policy in September.</li> <li>▪ The program success will be dependent on the number of people accessing the program</li> </ul>	Being completed in house
Special Event Guide	2023	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>▪ Completion of the Special Event Guide to go live in November 2023 and will be measured on the number of applications received through the program.</li> </ul>	Being completed in house.

## 2024 Strategic Goals

**Table: 2024 Strategic Goals for Community Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Komoka Youth Centre	2024	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>▪ Increased program opportunities for youth in the Komoka, Kilworth &amp; Delaware areas</li> </ul>	\$50,000 (grant funded through the Healthy Communities Initiative)



# Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Ilderton Senior Centre	2024	Strat Plan 1 - Engaged Community	5.1 - Enhance customer service	<ul style="list-style-type: none"> <li>▪ Increase in seniors participating in programs</li> <li>▪ Increase in number of programs and workshops offered</li> </ul>	Grant funded by the Province through the Seniors Community Grant in the amount of \$8,500. To be completed in house
Arts & Culture Policy	2024	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> <li>▪ Number of events and festivals enhancing Arts &amp; Culture</li> <li>▪ Number of arts and culture programs being offered</li> </ul>	To be completed in house
Rates & Fees Study	2024	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>▪ Meet cost-recovery targets within a 5% variance</li> </ul>	To be completed in house
Update Ice Allocation Policy	2023-2024	Strat Plan 1 - Engaged Community	5.1 - Enhance customer service	<ul style="list-style-type: none"> <li>▪ Increase available prime time hours for youth</li> </ul>	To be completed in house beginning in November 2023.
Annual community celebration day	2024	Strat Plan 1 – Engaged Community	1.3 – Enhance the vitality of our villages	<ul style="list-style-type: none"> <li>▪ 3% of the municipality's population attends the events</li> </ul>	\$5,000



# Community Services

## Departmental Budget Highlights

### Trends/Issues

Specific trends impacting Community Services include:

- Increased vandalism in municipal parks and facilities requiring additional security costs
- Increased material and construction costs
- Continued demand for passive recreation amenities (trails, walking, cycling, pickleball, off leash areas)
- Increased demand for youth programming and older adult programming
- Increased demand for ice at the youth level

### Service Level Changes

- Addition of youth programming in the Komoka community in 2024
- Increase in the amount of recreation programming activities managed in-house by municipal staff
- Initiatives and recommendations coming out of the completion of the Community Service Master Plan Update and the Age Friendly Community Action Plan

## Operating Budget Details

Community Services has 3.5% of total operating costs.

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

Community Services		
Division:	Cost Center	2024 Total (\$)
Parks & Open Space:	Komoka Youth Centre	58,535
	Park - Arva Weldon	139,968
	Park - Bryanston Park	37,915
	Park - Community Landscape Features	12,500
	Park - Delaware Lions	41,445



# Community Services

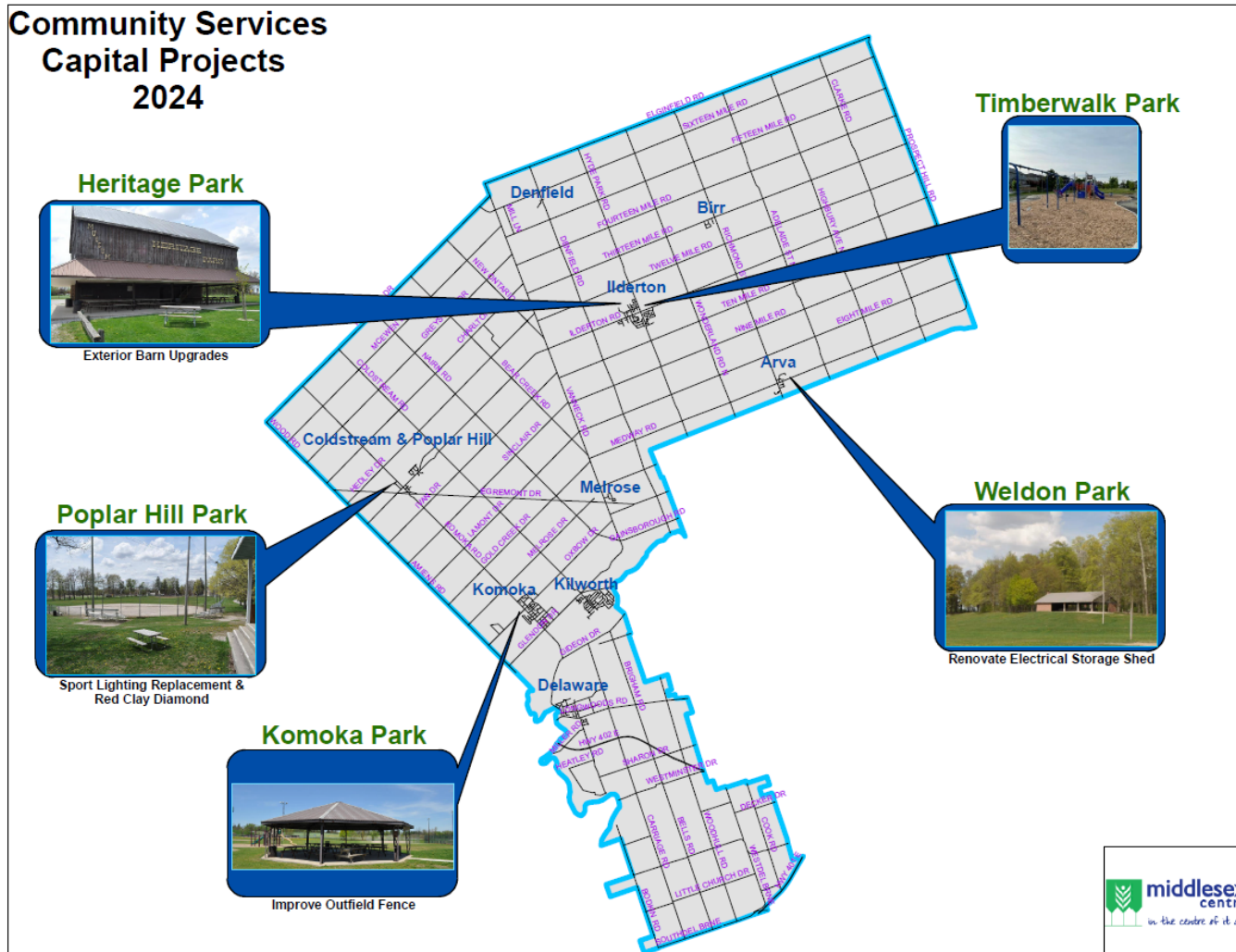
Community Services		
Division:	Cost Center	2024 Total (\$)
	Park - Delaware Municipal	29,979
	Park - Delaware Pleasant	4,472
	Park - Delaware Tiffany	498
	Park - Denfield	35,588
	Park - Ilderton Heritage	78,413
	Park - Ilderton Junction	1,707
	Park - Ilderton Lions	12,000
	Park - Ilderton Meadowcreek	31,042
	Park - Ilderton Optimist	43,813
	Park - Kilworth Optimist	5,699
	Park - Kilworth River Flats	1,949
	Park - Kilworth Westbrook	63,170
	Park - Komoka	47,224
	Park - Komoka Caverhill	5,124
	Park - Poplar Hill	61,622
	Parks - Admin	40,187
	Recreation Programs	103,809
	<b>Parks &amp; Open Space Total</b>	<b>856,657</b>
Administration		855,647
<b>Community Services Total</b>		<b>1,712,304</b>



# Community Services

## Capital Budget Details

Figure: Map of Community Services Capital Projects



# Community Services

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

Department	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
<b>Community Services</b>			
<b>Parks &amp; Open Space</b>			
<b>Buildings &amp; Fixtures</b>			
Heritage Park Exterior Barn Upgrades	0	38,500	38,500
Komoka Park - Improve outfield fence for safety reasons	0	80,000	80,000
Komoka Park - Replace Playground	104,363	0	104,363
Weldon Park - Renovate Electrical Storage Shed	0	42,000	42,000
<b>Buildings &amp; Fixtures Total</b>	<b>104,363</b>	<b>160,500</b>	<b>264,863</b>
<b>Land Improvements</b>			
Kilworth Optimist - Tridon Park Development (Phase 1)	61,834	0	61,834
Komoka Park - Turf Improvements (front soccer field)	0	45,000	45,000
Poplar Hill - baseball diamond improvements	0	85,000	85,000
Poplar Hill - Sport Lighting Replacement Red Clay Diamond	0	95,000	95,000
<b>Land Improvements Total</b>	<b>61,834</b>	<b>225,000</b>	<b>286,834</b>
<b>Other Equipment</b>			
Meadowcreek Park - Replace Playground	83,336	0	83,336
Timberwalk Park	0	241,700	241,700
<b>Other Equipment Total</b>	<b>83,336</b>	<b>241,700</b>	<b>325,036</b>
<b>Parks &amp; Open Space Total</b>	<b>249,533</b>	<b>627,200</b>	<b>876,733</b>
<b>Community Services Total</b>	<b>249,533</b>	<b>627,200</b>	<b>876,733</b>



# Community Services

**Table: Community Services fleet assets included under the Fleet Services Budget\***

Community Services Fleet	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
Replacement Scissor Lift	0	42,500	42,500
New Self Propelled Ice Painter	0	13,500	13,500
Replacement Vehicle	0	55,000	55,000
<b>Total</b>	<b>0</b>	<b>111,000</b>	<b>111,000</b>

\*Fleet assets for all departments are budgeted and managed under Fleet Services.

**Table: Community Services facility projects included under the Facility Services Capital Budget\***

Community Centres	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
Komoka Community Centre-Replace Upper and Lower Roof	0	345,000	345,000
Delaware Community Centre - Upgrade Lighting	0	75,000	75,000
Delaware Community Centre-Lower Parking Lot-Security Gate Arm	0	36,200	36,200
Ilderton Community Centre - Hall HVAC Replacement	0	72,500	72,500
Delaware Community Centre Lower Parking New Asphalt and Sport Court	0	158,500	158,500
<b>Total</b>	<b>0</b>	<b>687,200</b>	<b>687,200</b>

\*Facility projects for all departments are budgeted and managed under Facility Services.



# 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

## 2023 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s Facility Services staff delivered a variety of capital projects in 2023, including:

- Municipal Office detailed design for office renovation project
- Replace rooftop units at Delaware Community Centre for \$8,000
- Replace front doors at Ilderton Community Centre for \$25,000
- Replace exterior side entrance doors at Delaware Community Centre for \$11,000
- Coldstream Community Centre water softener replacement for \$15,000
- Replace 3 overhead door operators at Delaware Operations Centre for \$10,000
- Replace exterior kitchen door at Komoka Community Centre for \$6,000

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

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Complete a cost analysis of an Indoor Aquatic Facility to present as information to Council for consideration.	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>▪ Identify the following:                             <ul style="list-style-type: none"> <li>○ Capital costs to construct</li> <li>○ Annual operating costs</li> </ul> </li> <li>▪ Percentage impact to tax levy</li> </ul>	Being completed in house and in partnership with the University of Western Ontario.



# Facility Services

## 2024 Strategic Goals

**Table: 2024 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	2024-2027	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.	<ul style="list-style-type: none"> <li>A \$4 million dollar grant application has been made to the Federal and Provincial governments through the Green and Inclusive Community Buildings Program for the Ilderton Arena to upgrade the refrigeration plant, dasher board system and renovations to the main lobby.</li> </ul>	\$4,000,000

## Departmental Budget Highlights

### Trends/Issues

- Labour shortages for customer service and in facility maintenance
- Increased & 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

### Capital Project Discussion

- A \$4 million dollar grant application has been made to the Federal and Provincial governments through the Green and Inclusive Community Buildings Program for the Ilderton Arena to upgrade the refrigeration plant, dasher board system and renovations to the main lobby.
- The 2024-2028 budget includes capital improvements to be completed at the facility, and staff have applied for grant funding.



# Facility Services

## Operating Budget Details

Facility Services has 8.6% of total operating costs.

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

Facility Services		
Division:	Cost Center	2024 Total (\$)
Administration Municipal Office Leased Properties:		129,219
		106,140
	Facility: Bryanston School	83,296
	Facility: Medical Clinic	158,588
	<b>Leased Properties Total</b>	<b>241,884</b>
Fire Halls		
	Facility: Arva Fire Hall	33,172
	Facility: Bryanston Fire Hall	34,899
	Facility: Coldstream Fire Hall	35,569
	Facility: Delaware Fire Hall	26,213
	Facility: Ilderton Fire Hall	72,538
<b>Fire Halls Total</b>	<b>202,392</b>	
PWE Operations Centres:		
	Facility: Delaware Operations Centre	156,747
	Facility: Denfield Operations Centre	219,988
	<b>PWE Operations Centres Total</b>	<b>376,736</b>



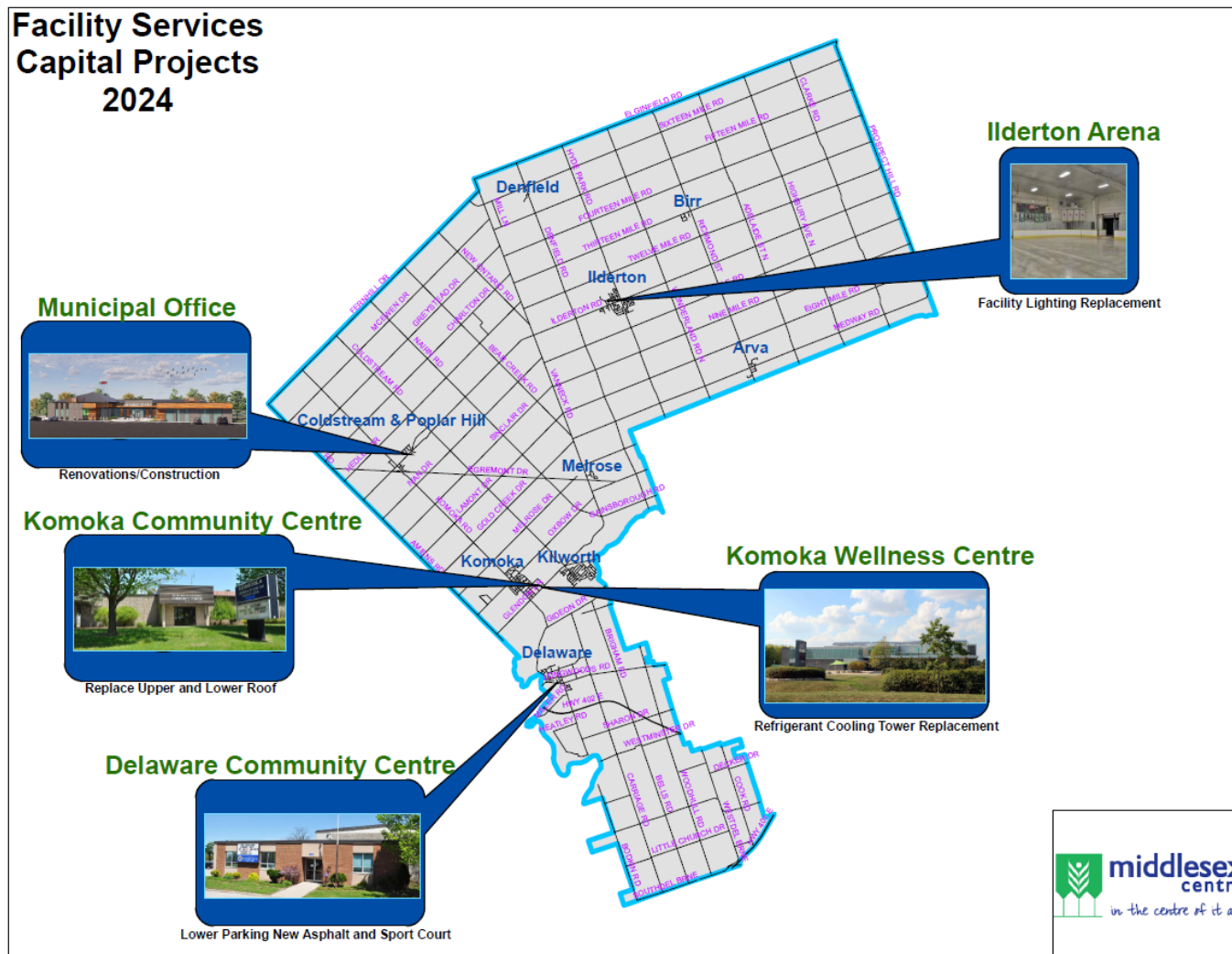
# Facility Services

Facility Services		
Division:	Cost Center	2024 Total (\$)
Community Centres:	Facility: Bryanston Community Centre	38,262
	Facility: Coldstream Community Centre	33,332
	Facility: Delaware Community Centre	94,777
	Facility: Ilderton Community Centre	110,980
	Facility: Komoka Community Centre	101,831
	<b>Community Centres Total</b>	<b>379,181</b>
Arenas	Facility: Ilderton Arena	671,224
	Facility: Wellness Centre	2,071,291
	<b>Arenas Total</b>	<b>2,742,516</b>
Libraries	Facility: Coldstream Library	9,447
	Facility: Delaware Library	24,226
	Facility: Ilderton Library	35,151
	<b>Libraries Total</b>	<b>68,823</b>
<b>Facility Services Total</b>		<b>4,246,890</b>

# Facility Services

## Capital Budget Details

Figure: Map of Facility Services Capital Projects



# Facility Services

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

Facility Services	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
<b>Arenas</b>			
<b>Buildings &amp; Fixtures</b>			
Ilderton Arena - Arena Upgrades - GICB Grant	0	3,627,270	3,627,270
Ilderton Arena - Facility Lighting Replacement	0	150,000	150,000
Komoka Wellness Centre - Lighting Retrofit Phase 1	0	50,000	50,000
Komoka Wellness Centre - Replace Change Room Sinks & Counters	0	65,000	65,000
Komoka Wellness Centre - Replace Domestic Hot Water Tank #1 and # 3	0	35,000	35,000
Komoka Wellness Centre - HVAC unit replacement	0	60,000	60,000
Komoka Wellness Centre - Refrigerant Cooling Tower Replacement	0	172,500	172,500
<b>Buildings &amp; Fixtures Total</b>	<b>0</b>	<b>4,159,770</b>	<b>4,159,770</b>
<b>Other Equipment</b>			
Ilderton Arena - Replace Cooling Tower	0	125,000	125,000
Ilderton Arena - Replace Rink Chiller	34,000	60,000	94,000
Komoka Wellness Centre - Replace Sound System on Coors Pad	0	60,000	60,000
<b>Other Equipment Total</b>	<b>34,000</b>	<b>245,000</b>	<b>279,000</b>
<b>Arenas Total</b>	<b>34,000</b>	<b>4,404,770</b>	<b>4,438,770</b>
<b>Community Centres</b>			
<b>Buildings &amp; Fixtures</b>			
Delaware Community Centre - Upgrade Lighting	0	75,000	75,000
Ilderton Community Centre - Hall HVAC Replacement	0	72,500	72,500
Komoka Community Centre-Replace Upper and Lower Roof	0	345,000	345,000
<b>Buildings &amp; Fixtures Total</b>	<b>0</b>	<b>492,500</b>	<b>492,500</b>
<b>Land Improvements</b>			
Delaware Community Centre - Lower Parking New Asphalt and Sport Court	0	158,500	158,500
Delaware Community Centre - Lower Parking Lot-Security Gate Arm	0	36,200	36,200
<b>Land Improvements Total</b>	<b>0</b>	<b>194,700</b>	<b>194,700</b>
<b>Community Centres Total</b>	<b>0</b>	<b>687,200</b>	<b>687,200</b>



# Facility Services

Facility Services	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
<b>Leased Properties</b>			
<b>Buildings &amp; Fixtures</b>			
Bryanston School - Replace Hydrotherm Boiler	0	92,500	92,500
Ilderton Medical Centre - Emergency generator supply and install	125,000	0	125,000
<b>Buildings &amp; Fixtures Total</b>	<b>125,000</b>	<b>92,500</b>	<b>217,500</b>
<b>Leased Properties Total</b>	<b>125,000</b>	<b>92,500</b>	<b>217,500</b>
<b>Libraries</b>			
<b>Buildings &amp; Fixtures</b>			
Coldstream Library Upgrades	0	41,500	41,500
<b>Buildings &amp; Fixtures Total</b>	<b>0</b>	<b>41,500</b>	<b>41,500</b>
<b>Libraries Total</b>	<b>0</b>	<b>41,500</b>	<b>41,500</b>
<b>Municipal Office</b>			
<b>Buildings &amp; Fixtures</b>			
Municipal Office - Consulting for Detailed Design for Renovations	0	143,878	143,878
Municipal Office - Renovations/Construction	1,500,000	3,000,000	4,500,000
Replace existing roof at Municipal Office	0	75,915	75,915
Replace HVAC units 3, 4 & 5 at Municipal Office	0	60,638	60,638
<b>Buildings &amp; Fixtures Total</b>	<b>1,500,000</b>	<b>3,280,431</b>	<b>4,780,431</b>
<b>Land Improvements</b>			
Municipal Office Landscaping (Office Reno)	0	50,000	50,000
<b>Land Improvements Total</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>
<b>Municipal Office Total</b>	<b>1,500,000</b>	<b>3,330,431</b>	<b>4,830,431</b>
<b>PWE Operations Centres</b>			
<b>Buildings &amp; Fixtures</b>			
Install Concrete Floor Denfield Operations Centre Shed	0	100,000	100,000
<b>Buildings &amp; Fixtures Total</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>
<b>PWE Operations Centres Total</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>
<b>Facility Services Total</b>	<b>1,659,000</b>	<b>8,656,401</b>	<b>10,315,401</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 routine, request and complaint basis on behalf of Middlesex Centre, Thames Centre and North Middlesex. As of mid-November 2023, fire prevention has conducted 253 inspections and 12 fire investigations.
- **Public Education:** MCFS offers several focused programs designed to educate age groups with content that is both commensurate and beneficial. Using trends and Provincial support, MCFS continues to provide 4 recurring events which include: in-school presentations, Sparky Backpack

and Chalk it Up interactive campaigns and our annual smoke and CO alarm home visits.

- **Emergency Response:** As of mid-November 2023, fire crews had responded to more than 360 requests for assistance. This includes fires, vehicle collisions, open air burning, technical rescue and requests for medical intervention.
- **Training:** Department level training has been modified to be 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 at headquarters and five fire stations which include engines, pumper/tankers, rescue units, a utility terrain vehicle, and a water rescue boat and rapid deployment craft.



# Fire & Emergency Services

## Staffing

Figure: Fire & Emergency Services Organizational Chart

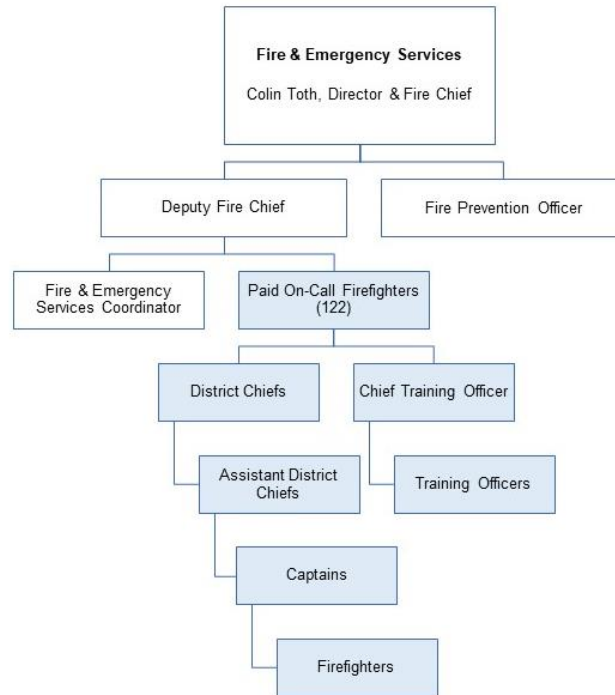


Table: Fire & Emergency Services Staffing Resources

Divisions	2022 FTEs	2023 FTEs	2024 FTEs
Fire Administration	2.00	3.00	3.00
Fire Prevention	1.00	1.00	1.00
<b>Staffing Total</b>	<b>3.00</b>	<b>4.00</b>	<b>4.00</b>
PLUS Fire Operations	115 Paid-On-Call Firefighters (including chiefs / training officers)	121 Paid-On-Call Firefighters (including chiefs / training officers)	122 Paid-On-Call Firefighters (including chiefs / training officers)

# Fire & Emergency Services

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## 2023 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's Fire & Emergency Services staff delivered a variety of services in 2023 including:

- Continuation of the Personal Protective Equipment (PPE) cyclical replacement program at \$38,000
- Non-capital equipment including medical supplies, portable radios, pagers, base radios upgrade program, ancillary equipment and the replacement of outdated tools in the amount of \$74,500
- Completion of a department-wide Fire Underwriters Survey (FUS) readiness and response capability review
- Continuation with a green energy initiative by converting from gas power to battery operated tools. This department-wide project currently is tracking at 90% complete.
- Ongoing cyclical training, enhanced officer development opportunities along with probationary firefighter and driver training, regulatory NFPA certification and tiered medical training.
- Fiscally responsible training partnership with Elgin County, Oneida First Nations and the Ontario Fire Marshal's Office
- Began the implementation of the Fire Plan Master and Community Risk Assessment.
- Fire Marque revenue increase of \$19,404 over the 2022 value of \$12,749 (currently \$32,153 to Nov. 2023).
- Continued delivery of a Fire Prevention and Investigation program in support of two neighboring municipalities producing an average revenue stream of approximately \$53,000 annually.
- Enhancement of the current fire Investigation team from one to five members to improve efficiency and service level.
- 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
- Refining and ongoing development of the fire report and asset management system along with a dispatch component in partnership with Strathroy Dispatch and Fire Services.
- Acquired three significant Fire & Emergency Services grants which enhance and support multiple MCFS projects:
  - 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: 2023 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 2023, conducted 253 inspections and 12 fire investigations in support of Middlesex Centre and two additional municipalities.</li> </ul>	
Deployment of the Fire Services Master Plan - Fire and Community Risk Assessment	2022-2028	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 2024</li> </ul>	\$50,000 (100% grant funded)
Fire Operations - Municipal Partnerships	2022-2023	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 (100% grant funded)
Fire Services - Fire Underwriters Survey (FUS) Departmental 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>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

## 2024 Strategic Goals

**Table: 2024 Strategic Goals for Fire & Emergency Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Master Fire Plan Deployment	2024-2026	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>Review, research, and deployment of various recommendations as proposed in the 2023 Fire Master Plan</li> </ul>	
Emergency Responder-Specific Wellness Program	2023-2024	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 a time-sensitive and job-specific manner.</li> </ul>	Review to be completed in house with third-part oversight and support \$20,000 annually
Fire Specific Pay Grid Review for 2024	2024	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>Review of current fire services payment methodology using information provided during the 2023 Middlesex Centre Pay Grid Review process</li> </ul>	To be completed in house (as an extension of the 2023 pay grid review)



# Fire & Emergency Services

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## Departmental Budget Highlights

### Trends/Issues

- Rate of growth and current economic climate continues to affect call volumes, which are increasing at a rate of approximately 10% annually. This equates to increased operating costs including wages, equipment requirements, training needs and maintenance.
- Response models for standards of cover require development and testing in order to address non-emergency calls, which burden resources and inflate costs.
- As requirements in the fire service continue to expand, new regulations are established requiring compliance. Examples for 2023 include training/certifications and changes to investigation criteria.
- Recruiting, retention, and availability of firefighters persists to be challenging especially as growth continues.
- On-call scheduling to meet staff readiness, regulated responsibility and resident safety require support in the way of equipment, wages, and training (e.g., fire investigations, peer support teams and senior staff oversight)

### Service Level Changes

- Deployable and scheduled fire investigation team supporting two municipalities.
- Deployable and scheduled wellness program/peer support teams for firefighter well-being.



# Fire & Emergency Services

## Operating Budget Details

Fire & Emergency Services has 4.1% of total operating costs.

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

Fire and Emergency Operations		
Division:	Cost Center	Total (\$)
Fire Operations	Fire Hall - Arva	242,387
	Fire Hall - Bryanston	169,607
	Fire Hall - Coldstream	252,382
	Fire Hall - Delaware	295,338
	Fire Hall - Ilderton	243,099
	<b>Fire Operations Total</b>	<b>1,202,813</b>
Special Operations		18,400
Fire Administration		657,827
Fire Prevention:	Fire Prevention	82,225
	Fire Prevention - North Middlesex	19,317
	Fire Prevention Thames Centre	25,455
	<b>Fire Prevention Total</b>	<b>126,997</b>
Emergency Operations		4,950
<b>Fire and Emergency Operations Total</b>		<b>2,010,987</b>



# Fire & Emergency Services

## Capital Budget Details

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

Fire and Emergency Operations	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
<b>Fire Operations</b>			
<b>Other Equipment</b>			
Decontamination, Rehabilitation and Utility Operations Shelter	0	39,000	39,000
Personal Protective Equipment (PPE)	0	45,000	45,000
<b>Other Equipment Total</b>	<b>0</b>	<b>84,000</b>	<b>84,000</b>
<b>Fire and Emergency Operations Total</b>	<b>0</b>	<b>84,000</b>	<b>84,000</b>

**Table: Capital Assets Included under the Fleet Services Capital Budget\***

Fire Fleet	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
New Support and Response Vehicle	0	80,000	80,000
Replacement Pumper/Tanker for Arva	0	800,000	800,000
<b>Grand Total</b>	<b>0</b>	<b>880,000</b>	<b>880,000</b>

\*Fleet assets for all departments are budgeted and managed under Fleet Services.





# Public Works & Engineering: Transportation & Administration

## PUBLIC WORKS & ENGINEERING: TRANSPORTATION & ADMINISTRATION



### About PWE: Transportation & Administration

The Transportation Division of Public Works and Engineering (PWE) is critical to keeping Middlesex Centre moving. Staff manage a busy, year-round portfolio, including summer construction and winter maintenance.

PWE Transportation maintains:

- 662 lane km of paved roads and 544 lane km of gravel roads
- 36.8 km of sidewalks
- 1,886 streetlights and 2,678 regulatory and warning signs
- 51 bridges, 99 large culverts, 2 retaining walls, 1 dam, and many smaller diameter culverts
- 3 licensed aggregate pits

PWE Administration oversees municipal drainage under the Ontario Drainage Act. PWE Administration also supports planning and development, including services such as:

- Subdivision Review and Site Plan
- Infrastructure Design Standards
- GIS Updating

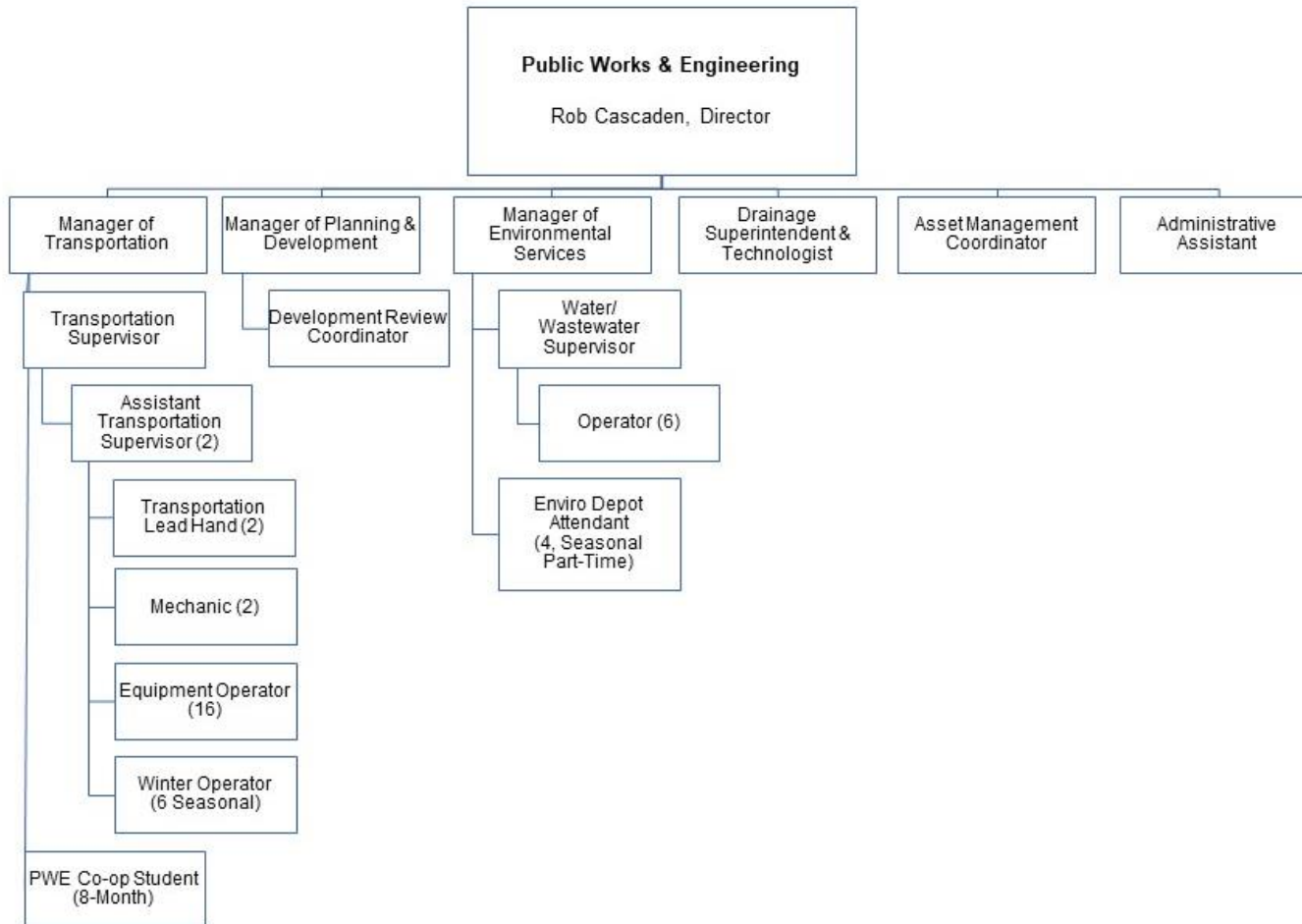
PWE Administration also provides engineering expertise, capital planning, project management, and construction management for some capital projects and Middlesex Centre's water distribution systems and wastewater and stormwater collection systems (which are supported by user fees). Lead responsibility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



# 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	2022 FTEs	2023 FTEs	2024 FTEs
Administration (including Planning & Drainage)	5.67	6.67	6.67
Fleet	2.00	2.00	2.00
Transportation	24.33	24.33	24.43
Waste Management	0.27	0.27	0.27
Water & Wastewater	8.00	8.00	8.00
<b>Staffing Total</b>	<b>40.27</b>	<b>41.27</b>	<b>41.37</b>

## 2023 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s PWE: Transportation & Administration staff delivered a variety of services in 2023 including:

- Legislated Structures Inventory Assessment completed for \$40,000
- 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:
  - Items measures such as; asphalt and concrete, spraying roadside ditches, guiderail installations, traffic sign retro-reflectivity, street lighting and traffic signal maintenance
- Completed Hardtop Patching, at a cost of \$52,4589
- Approximately 42.5 km of centerline road length was resurfaced with tar and chip. Middlesex Centre has approximately 221.7 centerline km of tar and chip surfaced roads
- Completed loose top resurfacing, loose top grading and dust control at cost of \$676,736
- Implementation of traffic calming measures in support of the Vision Zero campaign at a cost of \$25,000
- Completed snow removal, sidewalk plowing, ice blading, winter patrols, snowplowing, sanding and salting
- Completed centerline marking for 2023:
  - 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 of Hyde Park Road (Thirteen Mile Road to Fifteen Mile Road) for \$1,350,000
- Resurfacing of various locations in Delaware, Komoka, Kilworth, and Poplar Hill/ Coldstream, for \$1,100,000
- Rehabilitation of three bridges for \$1,062,257
- Melrose Street Light replacement for \$460,000
- Crack Sealed Fieldrun Drive and Queen Street for \$40,000

**Table: 2023 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>	\$25,000
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 80 new trees planted annually</li> </ul>	\$25,000
Structure Inventory Assessment	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>▪ Tie to Asset Management Plan 2021:</li> <li>▪ BCI rating for structures within the municipality</li> </ul>	\$40,000



# Public Works & Engineering: Transportation & Administration

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Asset Essentials Implementation	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>▪ 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

## 2024 Strategic Goals

**Table: 2024 Strategic Goals for PWE: Transportation & Administration**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Master Plan - Transportation	2022-2024	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</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>	\$50,000

## Public Works & Engineering: Transportation & Administration

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
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 150 new trees planted annually</li> </ul>	\$45,000
Manager of Planning (Recruit and Onboard)	2024	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 planning application processing time</li> <li>Increase coordination and communication with the development community</li> </ul>	Included in operating budget



# 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 material costs, impacting all aspects
- Equipment & parts delays
- Climate change impact on built infrastructure

### Service Level Changes

- Improved tracking of assets replacements and conditions

### Capital Project Discussion

- Old River Road Project is currently undergoing detailed design in 2023 and will continue into 2024. At this time, the expected project costs total \$5,480,923 from 2022-2026. 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 \$439,803 based on a 5% interest rate, requiring a tax rate increase of 1.77% to cover the debt payments alone. Refer to the debt section below for more information.



# Public Works & Engineering: Transportation & Administration

## Operating Budget Details

Public Works & Engineering has 18.4% of total operating costs.

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

Public Works & Engineering		
Division:	Cost Center	2024 Total (\$)
Transportation:		
	Adelaide Metcalfe Boundary Road Maintenance	4,000
	Bridge Maintenance	70,000
	Brush & Tree Removal	6,000
	Catchbasin Maintenance	8,000
	Cross Culvert Maintenance	40,000
	Curb & Gutter	3,500
	Cutting & Spraying	27,341
	Debris & Litter Pickup	5,000
	Ditching	5,000
	Guard Rails	25,000
	Hardtop Patching	60,000
	Hardtop Shoulder Maintenance	2,000
	Ice Blading	1,500
	Line Marking	61,500
	Loosetop Dust Control	315,000
	Loosetop Grading / Dragging	12,000
	Loosetop Resurfacing	315,000
	Municipal Drain Charges	250,000
	Pit #1 - Olalondo	19,419
	Pit #2 - Sunningdale Road Sand	2,600
	Pit #3 - Hokkanson	16,500
	PWE Operations	2,277,832





# Public Works & Engineering: Transportation & Administration

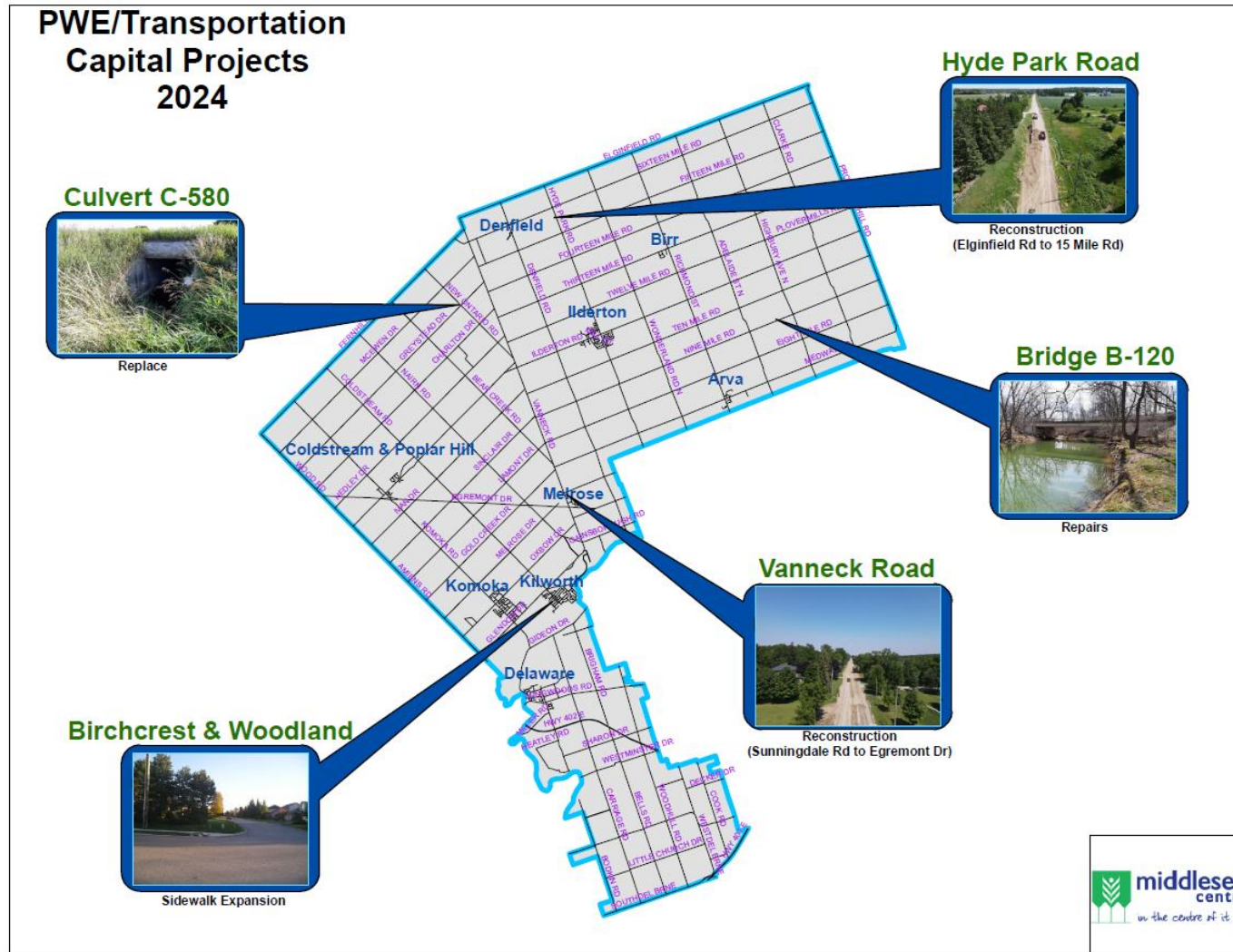
Public Works & Engineering		
Division:	Cost Center	2024 Total (\$)
	Railroad Charges	11,750
	Sanding & Salting	200,000
	Sidewalks	10,000
	Slurry Seal & Rout and Seal	50,000
	Snow Plowing	30,000
	Sod Restoration	2,400
	Streetlighting	139,182
	Traffic Calming	50,000
	Traffic Counts	3,500
	Traffic Signal Maintenance	7,500
	Traffic Signs	40,500
	Tree Planting	45,000
	<b>Transportation Total</b>	<b>4,117,024</b>
Administration		1,283,971
Planning		3,525,090
Drainage		107,924
Tile Drainage		20,815
Municipal Drainage		37,357
<b>Public Works &amp; Engineering Total</b>		<b>9,092,182</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



# Public Works & Engineering: Transportation & Administration

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

Public Works & Engineering	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
<b>Transportation</b>			
<b>Bridges &amp; Culverts</b>			
B-120 Bridge Repairs	0	900,000	900,000
Rehabilitate Bridge B-108	0	775,000	775,000
Rehabilitate Bridge B-530	0	700,000	700,000
Repair Bridge B-526	0	307,500	307,500
Repair Culvert C-111	0	26,250	26,250
Repair Culvert C-131	0	26,250	26,250
Replace Culvert C-153	0	50,000	50,000
Replace Culvert C-155	0	56,250	56,250
Replace Culvert C-156	0	440,000	440,000
Replace Culvert C-159	0	55,000	55,000
Replace Culvert C-563	0	600,000	600,000
Replace Culvert C-572	0	452,500	452,500
Replace Culvert C-575	0	52,500	52,500
Replace Culvert C-580	0	452,500	452,500
<b>Bridges &amp; Culverts Total</b>	<b>0</b>	<b>4,893,750</b>	<b>4,893,750</b>
<b>Concrete Sidewalks</b>			
Sidewalk Expansion	0	75,000	75,000
<b>Concrete Sidewalks Total</b>	<b>0</b>	<b>75,000</b>	<b>75,000</b>
<b>Other Equipment</b>			
New Layout and Grade Control Equipment	0	130,000	130,000
<b>Other Equipment Total</b>	<b>0</b>	<b>130,000</b>	<b>130,000</b>



# Public Works & Engineering: Transportation & Administration

Public Works & Engineering	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
<b>Roads</b>			
Elmhurst St & Parkland PI Urbanization	0	100,000	100,000
Hot Mix Resurfacing	0	1,450,000	1,450,000
Hyde Park Road Reconstruction (Elginfield Road to 15 Mile Road)	0	1,490,000	1,490,000
King and George Street Reconstruction	40,000	35,000	75,000
Old River Road (Glendon Dr to Pulham Rd)	950,000	0	950,000
Tar & Chip Resurfacing	0	600,000	600,000
Vanneck Road Reconstruction (Sunningdale Road and Egremont Drive)	0	600,000	600,000
<b>Roads Total</b>	<b>990,000</b>	<b>4,275,000</b>	<b>5,265,000</b>
<b>Transportation Total</b>	<b>990,000</b>	<b>9,373,750</b>	<b>10,363,750</b>
<b>Public Works &amp; Engineering Total</b>	<b>990,000</b>	<b>9,373,750</b>	<b>10,363,750</b>

**Table: PWE: Transportation assets included under the Fleet Budget\***

PWE Transportation Fleet	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
New Street Sweeper Attachment	0	160,000	160,000
Replacement 1 Ton Truck	0	135,000	135,000
Replacement 1/2 Ton Pickup Truck	0	67,500	67,500
Replacement 1/2 Ton Pickup Truck	0	85,000	85,000
Replacement Fleet Services- Service Vehicle	0	110,000	110,000
Replacement Plow Truck	0	550,000	550,000
New Compact Track Loader & Attachments	0	160,000	160,000
Replacement Loader	0	450,000	450,000
Replacement Hydro Vacuum Trailer	0	255,000	255,000
Replacement Brush Chipper	0	145,000	145,000
<b>Total</b>	<b>0</b>	<b>2,117,500</b>	<b>2,117,500</b>

\*Fleet assets for all departments are budgeted and managed under Fleet Services.



# Public Works & Engineering: Transportation & Administration

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**Table: PWE: Transportation projects included under the Facility Services Capital budget\***

<b>PWE Operations Centres</b>	<b>Carry Forward 2023 (\$)</b>	<b>2024 Forecast (\$)</b>	<b>Total (\$)</b>
Install Concrete Floor Denfield Operations Centre Shed	0	100,000	100,000
<b>Total</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>

*\*Facility projects for all departments are budgeted and managed under Facility Services.*



# Public Works & Engineering: Environmental Services

## 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 and secure. 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 4,123 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

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## 2023 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's PWE: Environmental Services staff delivered a variety of services in 2023 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 Servicing Master Plan for the Drinking Water System, Wastewater System, Stormwater and Waste Management.
- Developed a SCADA (supervisory control and data acquisition) standard a guidance document for future modernization of the SCADA System to support water and wastewater treatment and compliance requirements for \$138,400.
- Constructed a new computer server room along with the installation of a new SCADA rack system to support future upgrades at a total cost of \$46,500.
- SCADA system communications networking upgrades at a cost of \$55,624 for the water and wastewater satellite facility communications.
- Cleaned out and repaired and added new sand to the tertiary sand filters at the Ilderton WWTP for a cost of \$113,900.
- Installation of new Dissolved Oxygen instrumentation at the Komoka wastewater treatment plant for a cost of \$60,241
- Supported development through the commissioning of new watermain expansions.
- Melrose Water Interconnect engineering design started to enable connection to the Middlesex Centre Water Distribution System for a cost of \$220,500.





# Public Works & Engineering: Environmental Services

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

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
SCADA Roadmap	2023	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
Drinking Water Quality Management Standard (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	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 staff time for data input</li> </ul>	\$6,000
Wastewater Pump Station Condition Assessments	2023	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





# Public Works & Engineering: Environmental Services

## 2024 Strategic Goals

**Table: 2024 Strategic Goals for PWE: Environmental Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Master Plan - Wastewater	2022-2024	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 2024</li> <li>Establishing a road map for future upgrades and expansion</li> </ul>	\$15,000
Master Plan - Water	2022-2024	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 2024</li> <li>Establishing a road map for future upgrades and expansion</li> </ul>	\$15,000
Master Plan - Stormwater	2022-2024	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 2024</li> <li>Establishing a road map for future upgrades and expansion</li> </ul>	\$10,000
Wastewater and Stormwater Financial Plan	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	<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



## Public Works & Engineering: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Melrose Water System Interconnect	2022-2025	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		\$3,232,755
Komoka Drain No. 1 SWM Facility	2023-2025	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		\$4,100,000



# 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

### Capital Project Discussion

- The municipality has proactively identified a need to complete a Supervisory Control and Data Acquisition (SCADA) Road Map to identify a long-term plan and goals for their water and wastewater SCADA systems. This document will define the process to upgrade existing systems and to deploy technology that provides

operations, maintenance and management with control and monitoring capabilities over their water and wastewater systems. It will provide a high-level summary of the recommended projects and budgetary cost estimates for an overall SCADA system upgrade program for the next decade. These costs will be included in the 2024-2028 capital budget.

- The Komoka Drain No. 1 Stormwater management pond is currently identified as debt funded. However, staff will be funding this project internally in 2024 and will re-evaluate 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.
- In 2017 a Class B Environmental Assessment was completed with the recommendation interconnect Melrose water system to the Komoka – Mt. Brydges Secondary Transmission Main. The upgrades and connection will occur in 2024 and will include the following:
  - Newly installed water main will be connected to a transmission main on the east side of Vanneck Road up to Wynfield Gate to the treatment plant.
  - The existing water treatment facility will be converted to a water storage site, pump station and secondary chlorination.
  - Water will continue to be distributed to the community through the upgraded facility.



# Public Works & Engineering: Environmental Services

## Operating Budget Details

Environmental Services has 21.6% of total operating costs.

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

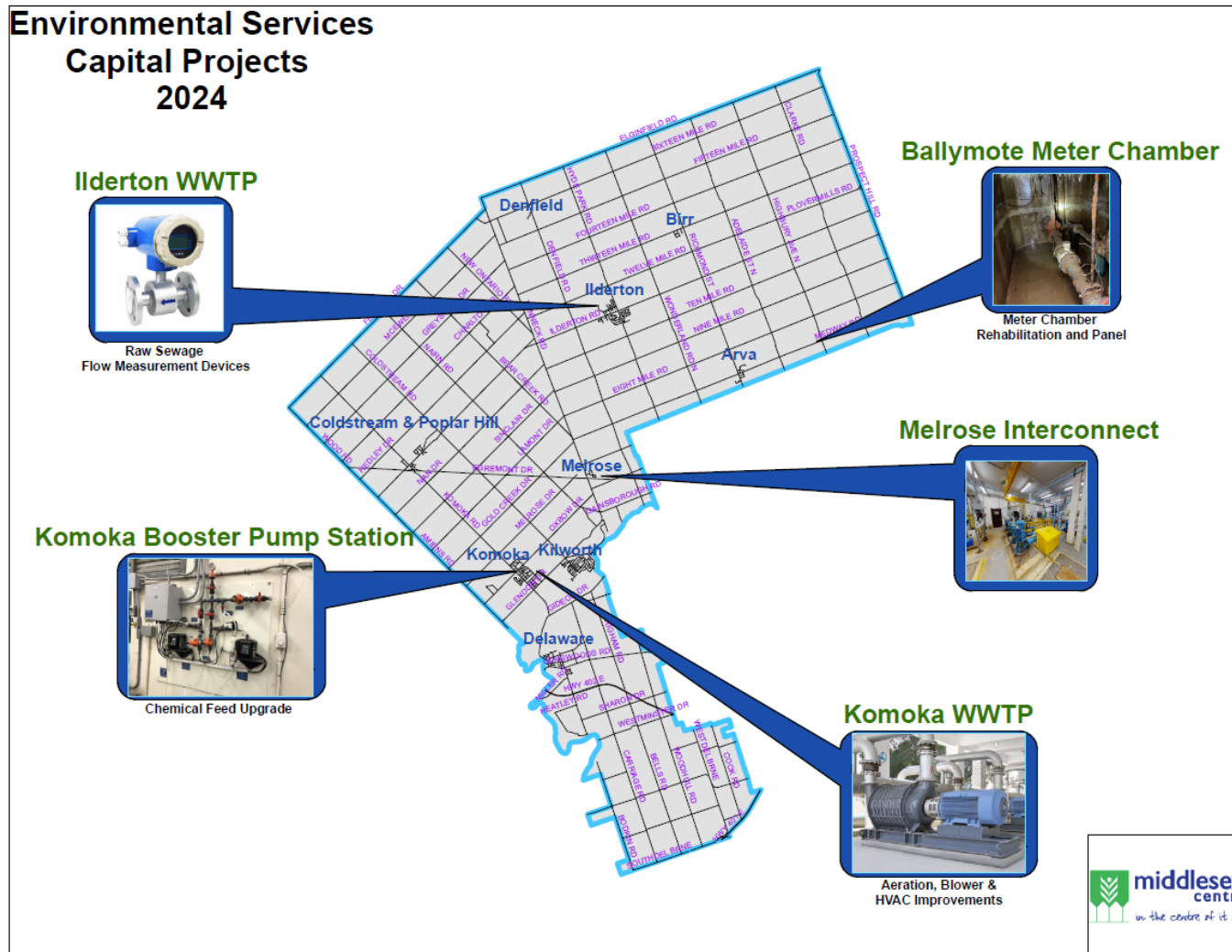
Environmental Services		
Division:	Cost Center	2024 Total (\$)
Wastewater		4,023,502
Stormwater		1,142,800
Water		4,031,949
Waste Management:		
	Enviro Depots	80,017
	Garbage Collection	553,560
	Garbage Disposal	385,680
	Recycling	430,700
	<b>Waste Management Total</b>	<b>1,449,957</b>
<b>Environmental Services Total</b>		<b>10,648,208</b>



# 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	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
<b>Stormwater</b>			
<b>Stormsewer Infrastructure</b>			
King/George Street Reconstruction	23,915	0	23,915
Melrose Stormwater System - Relocate Drainage Systems	35,000	0	35,000
Komoka Drain No. 1-SWM Pond	350,000	0	350,000
Parkland and Elmhurst Storm Water Servicing	0	30,000	30,000
<b>Stormsewer Infrastructure Total</b>	<b>408,915</b>	<b>30,000</b>	<b>438,915</b>
<b>Stormwater Total</b>	<b>408,915</b>	<b>30,000</b>	<b>438,915</b>
<b>Wastewater</b>			
<b>Other Equipment</b>			
SCADA Replacement	0	150,000	150,000
<b>Other Equipment Total</b>	<b>0</b>	<b>150,000</b>	<b>150,000</b>
<b>Wastewater Facilities</b>			
Ilderton Treatment Capacity Upgrades	337,650	130,000	467,650
Komoka Sewage Pump Station & Forcemain Improvements	0	350,000	350,000
Komoka WWTP - Aeration, Blower and HVAC Improvements	671,352	0	671,352
Komoka WWTP Flow Splitting Improvements	0	130,000	130,000
<b>Wastewater Facilities Total</b>	<b>1,009,002</b>	<b>610,000</b>	<b>1,619,002</b>
<b>Wastewater Facility Equipment</b>			
Ilderton WWTP Dissolved Oxygen Install	0	55,873	55,873
Ilderton WWTP Raw Sewage Flow Measurement Devices	0	117,696	117,696
Komoka Wastewater Treatment Plant Schedule C Environmental Assessment	0	300,000	300,000
<b>Wastewater Facility Equipment Total</b>	<b>0</b>	<b>473,569</b>	<b>473,569</b>

# Public Works & Engineering: Environmental Services

Environmental Services	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
<b>Wastewater Mains</b>			
Design Komoka WWTP - Headworks	0	200,000	200,000
Parkland and Elmhurst Wastewater Servicing	0	40,000	40,000
Servicing of Tunks Lane	100,000	0	100,000
<b>Wastewater Mains Total</b>	<b>100,000</b>	<b>240,000</b>	<b>340,000</b>
<b>Wastewater Total</b>	<b>1,109,002</b>	<b>1,473,569</b>	<b>2,582,571</b>
<b>Water</b>			
<b>Other Equipment</b>			
SCADA Replacement (2 of 2)	0	150,000	150,000
<b>Other Equipment Total</b>	<b>0</b>	<b>150,000</b>	<b>150,000</b>
<b>Wastewater Mains</b>			
Parkland and Elmhurst Water Servicing	0	60,000	60,000
<b>Wastewater Mains Total</b>	<b>0</b>	<b>60,000</b>	<b>60,000</b>
<b>Water Facilities</b>			
Ballymote Meter Chamber Rehabilitation and Panel	0	65,000	65,000
Instrumentation & Control, electrical generator and ATS	0	75,000	75,000
Komoka Booster Pump Station Chemical Feed Upgrades	0	76,250	76,250
Vertical Water System Improvements	0	150,000	150,000
<b>Water Facilities Total</b>	<b>0</b>	<b>366,250</b>	<b>366,250</b>
<b>Water Mains</b>			
Glendon Drive Watermain Twinning	440,000	0	440,000
King/George - Street Reconstruction	30,000	0	30,000
Longwood Road Watermain Extension	0	60,000	60,000
Melrose Lake Huron Primary Water Supply Connection	1,732,755	0	1,732,755
<b>Water Mains Total</b>	<b>2,202,755</b>	<b>60,000</b>	<b>2,262,755</b>
<b>Water Total</b>	<b>2,202,755</b>	<b>636,250</b>	<b>2,839,005</b>
<b>Environmental Services Total</b>	<b>3,720,672</b>	<b>2,139,819</b>	<b>5,860,491</b>



# Public Works & Engineering: Environmental Services

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**Table: Environmental Services fleet assets included under the Fleet Services Capital Budget**

<b>Environmental Services Fleet</b>	<b>Carry Forward 2023 (\$)</b>	<b>2024 Forecast (\$)</b>	<b>Total (\$)</b>
New Dump Trailer	0	17,500	17,500
<b>Total</b>	<b>0</b>	<b>17,500</b>	<b>17,500</b>

*\*Fleet assets for all departments are budgeted and managed under Fleet Services.*





# 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 150 vehicles and pieces of equipment includes:

- 2 fully electric and 5 hybrid vehicles
- 4 fire engines, 5 fire tankers, and 6 rescue trucks
- 29 light-duty trucks and automobiles
- 5 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

## 2023 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s Fleet Services staff delivered a variety of services in 2023 including:

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

**Table: 2023 Strategic Accomplishments for Fleet Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Implement use of a Work Order System	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 staff time by 5% for data input</li> </ul>	\$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 2023. Fortunately, this had been accounted for in our 2023 budget thus the 2024 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 2024 is anticipated to be higher than 2023 but an accurate projection is difficult with the market volatility.



# Fleet Services

## Operating Budget Details

Fleet Services has 2.7% of total operating costs.

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

Fleet Services	
Division:	2024 Total (\$)
Fleet Administration	360,098
Fire Fleet	87,700
Building Fleet	8,050
PWE Transportation Fleet	748,305
Environmental Services Fleet	19,150
Community Services Fleet	125,000
<b>Fleet Services Total</b>	<b>1,348,303</b>

## Capital Budget Details

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

Fleet Services	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
<b>Community Services Fleet</b>			
<b>Other Equipment</b>			
New Self-Propelled Ice Painter	0	13,500	13,500
Replacement Scissor Lift	0	42,500	42,500
<b>Other Equipment Total</b>	<b>0</b>	<b>56,000</b>	<b>56,000</b>
<b>Vehicles &amp; Machinery</b>			
Replacement Vehicle	0	55,000	55,000
<b>Vehicles &amp; Machinery Total</b>	<b>0</b>	<b>55,000</b>	<b>55,000</b>
<b>Community Services Fleet Total</b>	<b>0</b>	<b>111,000</b>	<b>111,000</b>

# Fleet Services

Fleet Services	Carry Forward 2023 (\$)	2024 Forecast (\$)	Total (\$)
<b>Environmental Services Fleet</b>			
<b>Vehicles &amp; Machinery</b>			
New Dump Trailer	0	17,500	17,500
<b>Vehicles &amp; Machinery Total</b>	<b>0</b>	<b>17,500</b>	<b>17,500</b>
<b>Environmental Services Fleet Total</b>	<b>0</b>	<b>17,500</b>	<b>17,500</b>
<b>Fire Fleet</b>			
<b>Emergency Vehicles</b>			
New Support and Response Vehicle	0	80,000	80,000
Replacement Pumper/Tanker for Arva	0	800,000	800,000
<b>Emergency Vehicles Total</b>	<b>0</b>	<b>880,000</b>	<b>880,000</b>
<b>Fire Fleet Total</b>	<b>0</b>	<b>880,000</b>	<b>880,000</b>
<b>PWE Transportation Fleet</b>			
<b>Vehicles &amp; Machinery</b>			
New Compact Track Loader & Attachments	0	160,000	160,000
New Street Sweeper Attachment	0	160,000	160,000
Replacement 1 Ton Truck	0	135,000	135,000
Replacement 1/2 Ton Pickup Truck	0	67,500	67,500
Replacement 1/2 Ton Pickup Truck	0	85,000	85,000
Replacement Brush Chipper	0	145,000	145,000
Replacement Fleet Services- Service Vehicle	0	110,000	110,000
Replacement Hydro Vacuum Trailer	0	255,000	255,000
Replacement Loader	0	450,000	450,000
Replacement Plow Truck	0	550,000	550,000
<b>Vehicles &amp; Machinery Total</b>	<b>0</b>	<b>2,117,500</b>	<b>2,117,500</b>
<b>PWE Transportation Fleet Total</b>	<b>0</b>	<b>2,117,500</b>	<b>2,117,500</b>
<b>Fleet Services Total</b>	<b>0</b>	<b>3,126,000</b>	<b>3,126,000</b>



# Asset Management

## 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 2024-2028 capital budget.

- The plan meets the requirements for O. Reg. 588/17.
- Significant improvements on condition data included.
- The focus is on reasonable funding levels needed to sustain current service levels, which has been built into the 2024 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 <sup>1</sup>	\$188,129,268
Sidewalks and Street Lights <sup>2</sup>	\$25,187,427
Bridges and Structural Culverts <sup>2</sup>	\$158,880,727
Facilities <sup>2</sup>	\$136,200,248
Water <sup>2</sup>	\$103,887,169
Wastewater <sup>2</sup>	\$169,348,176
Stormwater <sup>2</sup>	\$149,161,062
Fleet <sup>2</sup>	\$24,750,710
Equipment <sup>2</sup>	\$2,507,345
<b>Total</b>	<b>\$958,052,134</b>

*Notes: Information from (1) Roads Needs Study 2022 and (2) Stats Canada - Non-Residential Building Construction Price Indexes*



# 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 (2023). The 2023 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. The 2023 level of CCBF funding is then maintained for the remaining years of the forecast, recognizing the CCBF as a stable and long-term funding source for capital projects.
- The municipality will be dependent upon maintaining healthy capital reserve funds 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 was 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. Similarly, if inflation continues unabated, shortfalls may present themselves. In such events, 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.

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

- Several strategies to “close the gap” have been considered/incorporated in the 2024 budget.

## Increasing the Infrastructure Gap

To measure the value of infrastructure, the municipality uses the concept of current replacement value (CRV). CRV is the current cost of rebuilding an asset with the equivalent capacity,

functionality, and performance as the original asset. CRV is adjusted for inflation and provides an estimate of asset value in today's dollars.

The municipality is facing a significant issue in that that the AMP and our financial forecasting were completed in 2021, when inflation rates were significantly lower. Given today's rates, our financial forecasts of the cost to rehabilitate or replace an asset are undervalued and causing the infrastructure gap to widen more than expected. Refer to the table “Asset Management Plan Replacement Costs to Budget” below for more details.

## Asset Management and Budget 2024

- 82% of all capital projects planned for 2024 were from the AMP
  - Example: Poplar Hill Park – Sport Lighting Replacement - \$95,000
  - Example: Komoka Community Centre – Replace Upper & Lower Roof - \$345,000
  - Example: Replacement Plow Truck - \$550,000
- 18% of the new projects planned for 2024 are growth related
  - Example: Sidewalk Expansion - \$75,000
  - Example: Longwood Road Watermain Extension - \$60,000
- 15.7% of the projects planned for 2024 are related to service level changes, improvements, or efficiency



# Asset Management

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improvements (and combined other criteria, such as growth and AMP)

- Example: Decontamination, Rehabilitation and Utility Operations Shelter - \$39,000
- Example: Komoka Park - Improve outfield fence for safety - \$80,000
- Example: New Layout and Grade Control Equipment - \$130,000

→ Learn more about Asset Management at [middlesexcentre.ca/budget](https://middlesexcentre.ca/budget) under “Asset Management”





# Asset Management

**Table: 2024 Capital Budget in relation to the Asset Management Plan**

Department	Project Display Name	2024 Budget (\$)	In AMP?	Why Not?	Current Condition
Public Works & Engineering	21-3137 - Old River Road (Glendon Dr to Pulham Rd)	950,000	Yes	-	Poor
Environmental Services	21-4104 - Ilderton Treatment Capacity Upgrades	467,650	Yes	-	
Environmental Services	21-4110 - Design Komoka WWTP - Headworks	200,000	Yes	-	N/A
Environmental Services	21-4112 - Servicing of Tunks Lane	100,000	No	New addition	
Environmental Services	21-4199 - SCADA Replacement	150,000	Yes	-	N/A
Environmental Services	21-4204 - Komoka Drain No. 1-SWM Pond	350,000	No	-	
Environmental Services	21-4302 - Melrose Lake Huron Primary Water Supply Connection	1,732,755	No	New addition	
Environmental Services	21-4399 - SCADA Replacement (2 of 2)	150,000	Yes	-	N/A
Facility Services	21-6120 - Bryanston School-Replace Hydrotherm Boiler	92,500	Yes	-	Very Poor/Critical
Community Services	21-7114 - Kilworth Optimist - Tridon Park Development (Phase 1)	61,834	Yes	-	
Environmental Services	22-4103 - Komoka WWTP - Aeration, Blower and HVAC Improvements	671,352	Yes	-	
Environmental Services	22-4307 - Instrumentation & Control, electrical generator and ATS	75,000	Yes	-	N/A
Environmental Services	22-4314 - Glendon Drive Watermain Twinning	440,000	No	New addition	
Facility Services	22-6101 - Municipal Office- Consulting for Detailed Design for Renovations	143,878	Yes	-	Fair
Public Works & Engineering	23-3109 - King and George Street Reconstruction	75,000	Yes	-	Poor
Public Works & Engineering	23-3114 - Rehabilitate Bridge B-530	700,000	Yes	-	Poor
Public Works & Engineering	23-3123 - Rehabilitate Bridge B-108	775,000	Yes	-	Poor
Public Works & Engineering	23-3126 - B-120 Bridge Repairs	900,000	Yes	-	Poor
Public Works & Engineering	23-3127 - Replace Culvert C-156	440,000	Yes	-	Poor
Public Works & Engineering	23-3128 - Replace Culvert C-563	600,000	Yes	-	Poor



# Asset Management

Department	Project Display Name	2024 Budget (\$)	In AMP?	Why Not?	Current Condition
Environmental Services	23-4111 - Komoka Wastewater Treatment Plant Schedule C Environmental Assessment	300,000	Yes	-	N/A
Environmental Services	23-4201 - Melrose Stormwater System - Relocate Drainage Systems	35,000	No	-	
Environmental Services	23-4328 - King/George - Street Reconstruction	30,000	Yes	-	Poor
Facility Services	23-6103 - Municipal Office Renovations/Construction	4,500,000	Yes	-	Fair
Facility Services	23-6106 - Ilderton Medical Centre - Emergency generator supply and Install	125,000	Yes	-	
Facility Services	23-6720 - Ilderton Arena - Replace Rink Chiller	94,000	Yes	-	Poor
Facility Services	23-6749 - Komoka Community Centre-Replace Upper and Lower Roof	345,000	Yes	-	Very Poor/Critical
Community Services	23-7115 - Meadowcreek Park - Replace Playground	83,336	Yes	-	
Community Services	23-7118 - Komoka Park-Replace Playground	104,363	Yes	-	
Fire and Emergency Operations	24-2201 - Personal Protective Equipment (PPE)	45,000	No	Not part of O.Reg. 588/17	
Fire and Emergency Operations	24-2205 - Decontamination, Rehabilitation and Utility Operations Shelter	39,000	No	Not part of O.Reg. 588/17	
Fleet Services	24-2260 - New Support and Response Vehicle	80,000	No	New addition	
Fleet Services	24-2263 - Replacement Pumper/Tanker for Arva	800,000	Yes	-	Fair
Public Works & Engineering	24-3101 - Hot Mix Resurfacing	1,450,000	Yes	-	Poor
Public Works & Engineering	24-3102 - Tar & Chip Resurfacing	600,000	Yes	-	Poor
Public Works & Engineering	24-3104 - Sidewalk Expansion	75,000	No	New addition	
Public Works & Engineering	24-3107 - Vanneck Road Reconstruction (Sunningdale Road and Egremont Drive)	600,000	Yes	-	Poor
Public Works & Engineering	24-3115 - Repair Bridge B-526	307,500	Yes	-	Poor
Public Works & Engineering	24-3116 - Replace Culvert C-153	50,000	Yes	-	Poor
Public Works & Engineering	24-3117 - Replace Culvert C-159	55,000	Yes	-	Poor

# Asset Management

Department	Project Display Name	2024 Budget (\$)	In AMP?	Why Not?	Current Condition
Public Works & Engineering	24-3118 - Elmhurst St & Parkland PI Urbanization	100,000	No	New addition	
Public Works & Engineering	24-3119 - Replace Culvert C-155	56,250	Yes	-	Poor
Public Works & Engineering	24-3121 - Replace Culvert C-580	452,500	Yes	-	Poor
Public Works & Engineering	24-3122 - Hyde Park Road Reconstruction (Elginfield Road to 15 Mile Road)	1,490,000	Yes	-	Poor
Public Works & Engineering	24-3123 - Replace Culvert C-572	452,500	Yes	-	Poor
Public Works & Engineering	24-3124 - Replace Culvert C-575	52,500	Yes	-	Poor
Public Works & Engineering	24-3125 - Repair Culvert C-131	26,250	Yes	-	Fair
Public Works & Engineering	24-3126 - Repair Culvert C-111	26,250	Yes	-	Fair
Fleet Services	24-3252 - New Street Sweeper Attachment	160,000	No	New addition	
Fleet Services	24-3257 - Replacement 1 Ton Truck	135,000	Yes	-	Poor
Fleet Services	24-3258 - Replacement 1/2 Ton Pickup Truck	67,500	Yes	-	Fair
Fleet Services	24-3259 - Replacement 1/2 Ton Pickup Truck	85,000	Yes	-	Poor
Fleet Services	24-3260 - Replacement Fleet Services- Service Vehicle	110,000	Yes	-	Fair
Fleet Services	24-3264 - Replacement Plow Truck	550,000	Yes	-	Poor
Fleet Services	24-3527 - New Compact Track Loader & Attachments	160,000	No	New addition	
Fleet Services	24-3534 - Replacement Loader	450,000	Yes	-	Poor
Public Works & Engineering	24-3537 - New Layout and Grade Control Equipment	130,000	No	New addition	
Fleet Services	24-3618 - Replacement Hydro Vacuum Trailer	255,000	Yes	-	Poor
Fleet Services	24-3625 - Replacement Brush Chipper	145,000	Yes	-	Very Poor/Critical
Environmental Services	24-4131 - Komoka Sewage Pump Station & Forcemain Improvements	350,000	Yes	-	N/A
Environmental Services	24-4132 - Ilderton WWTP Dissolved Oxygen Install	55,873	Yes	-	N/A

# Asset Management

Department	Project Display Name	2024 Budget (\$)	In AMP?	Why Not?	Current Condition
Environmental Services	24-4133 - Ilderton WWTP Raw Sewage Flow Measurement Devices	117,696	Yes	-	N/A
Environmental Services	24-4135 - Parkland and Elmhurst Wastewater Servicing	40,000	No	New addition	
Environmental Services	24-4137 - Komoka WWTP Flow Splitting Improvements	130,000	Yes	-	N/A
Environmental Services	24-4202 - King/George Street Reconstruction	23,915	Yes	-	
Environmental Services	24-4236 - Parkland and Elmhurst Storm Water Servicing	30,000	No	New addition	
Environmental Services	24-4308 - Vertical Water System Improvements	150,000	Yes	-	N/A
Fleet Services	24-4316 - New Dump Trailer	17,500	No	New addition	
Environmental Services	24-4329 - Ballymote Meter Chamber Rehabilitation and Panel	65,000	Yes	-	N/A
Environmental Services	24-4330 - Komoka Booster Pump Station Chemical Feed Upgrades	76,250	Yes	-	N/A
Environmental Services	24-4334 - Parkland and Elmhurst Water Servicing	60,000	No	New addition	
Environmental Services	24-4335 - Longwood Road Watermain Extension	60,000	No	New addition	
Facility Services	24-6302 - Install Concrete Floor Denfield Operations Centre Shed	100,000	No	-	
Facility Services	24-6700 - Delaware Community Centre - Upgrade Lighting	75,000	Yes	-	Good
Facility Services	24-6702 - Delaware Community Centre-Lower Parking Lot-Security Gate Arm	36,200	Yes	-	Poor
Facility Services	24-6704 - Komoka Wellness Centre - Replace Sound System on Coors Pad	60,000	Yes	-	Poor
Facility Services	24-6706 - Komoka Wellness Centre - Lighting Retrofit Phase 1	50,000	Yes	-	Fair
Facility Services	24-6707 - Komoka Wellness Centre - Replace Change Room Sinks & Counters	65,000	Yes	-	N/A
Facility Services	24-6714 - Ilderton Community Centre - Hall HVAC Replacement	72,500	Yes	-	Very Poor/Critical
Facility Services	24-6717 - Ilderton Arena - Replace Cooling Tower	125,000	Yes	-	Very Poor/Critical
Facility Services	24-6719 - Delaware Community Centre Lower Parking New Asphalt and Sport Court	158,500	Yes	-	Very Poor/Critical



# Asset Management

Department	Project Display Name	2024 Budget (\$)	In AMP?	Why Not?	Current Condition
Facility Services	24-6720 - Ilderton Arena-Facility Lighting Replacement	150,000	Yes	-	Poor
Facility Services	24-6726 - Komoka Wellness Centre HVAC unit replacement	60,000	Yes	-	Very Poor/Critical
Facility Services	24-6728 - Komoka Wellness Centre- Refrigerant Cooling Tower Replacement	172,500	Yes	-	Very Poor/Critical
Facility Services	24-6737 - Coldstream Library Upgrades	41,500	Yes	-	Poor
Facility Services	24-6750 - Ilderton Arena - Arena Upgrades - GICB Grant	3,627,270	Yes	-	Very Poor/Critical
Facility Services	24-6770 - Komoka Wellness Centre - Replace Domestic Hot Water Tank #1 and # 3	35,000	Yes	-	Very Poor/Critical
Facility Services	24-6775 - Municipal Office Landscaping (Office Reno)	50,000	Yes	-	Fair
Facility Services	24-6776 - Replace HVAC units 3, 4 & 5 at Municipal Office	60,638	Yes	-	Fair
Facility Services	24-6777 - Replace existing roof at Municipal Office	75,915	Yes	-	Good
Community Services	24-7106 - Komoka Park - Turf Improvements (front soccer field)	45,000	Yes	-	Fair
Community Services	24-7114 - Komoka Park - Improve outfield fence for safety reasons	80,000	No	New addition	
Community Services	24-7119 - Timberwalk Park	241,700	No	New addition	
Community Services	24-7131 - Heritage Park Exterior Barn Upgrades	38,500	Yes	-	Poor
Community Services	24-7134 - Poplar Hill - Sport Lighting Replacement Red Clay Diamond	95,000	Yes	-	Very Poor/Critical
Community Services	24-7135 - Poplar Hill - baseball diamond improvements	85,000	Yes	-	Very Poor/Critical
Community Services	24-7145 - Weldon Park - Renovate Electrical Storage Shed	42,000	Yes	-	N/A
Fleet Services	24-7340 - Replacement Scissor Lift	42,500	Yes	-	Fair
Fleet Services	24-7341 - New Self Propelled Ice Painter	13,500	No	New addition	
Fleet Services	24-7400 - Replacement Vehicle	55,000	Yes	-	N/A
<b>Total</b>		<b>30,626,375</b>			



# Asset Management

**Table: Asset Management Plan Replacement Costs to Budget**

Asset	AMP Amount (\$)	2024 Budget (\$)	Difference (\$)	Notes
<b>Community Services</b>				
Land Improvements	35,000	180,000	(145,000)	
24-7134 - Poplar Hill - Sport Lighting Replacement Red Clay Diamond	17,500	95,000	(77,500)	Understated 2019 replacement cost estimate
24-7135 - Poplar Hill - baseball diamond improvements	17,500	85,000	(67,500)	Understated 2019 replacement cost estimate
<b>Community Services Total</b>	<b>35,000</b>	<b>180,000</b>	<b>(145,000)</b>	
<b>Facility Services</b>				
Buildings & Fixtures	657,070	1,145,000	(487,930)	
23-6749 - Komoka Community Centre - Replace Upper and Lower Roof	172,070	345,000	(172,930)	Understated 2019 replacement cost estimate
24-6706 - Komoka Wellness Centre - Lighting Retrofit Phase 1	50,000	50,000	0	
24-6714 - Ilderton Community Centre - Hall HVAC Replacement	60,000	72,500	(12,500)	Understated 2019 replacement cost estimate
24-6720 - Ilderton Arena - Facility Lighting Replacement	150,000	150,000	0	
24-6726 - Komoka Wellness Centre - HVAC unit replacement	100,000	285,000	(185,000)	Understated 2019 replacement cost estimate
24-6728 - Komoka Wellness Centre - Refrigerant Cooling Tower Replacement	100,000	172,500	(72,500)	Understated 2019 replacement cost estimate
24-6770 - Komoka Wellness Centre - Replace Domestic Hot Water Tank #1 and # 3	25,000	70,000	(45,000)	Understated 2019 replacement cost estimate
Other Equipment	160,000	185,000	(25,000)	
24-6704 - Komoka Wellness Centre - Replace Sound System on Coors Pad	60,000	60,000	0	
24-6717 - Ilderton Arena - Replace Cooling Tower	100,000	125,000	(25,000)	Understated 2019 replacement cost estimate
<b>Facility Services Total</b>	<b>817,070</b>	<b>1,330,000</b>	<b>(512,930)</b>	

# Asset Management

Asset	AMP Amount (\$)	2024 Budget (\$)	Difference (\$)	Notes
<b>Fleet Services</b>				
Emergency Vehicles	300,000	800,000	(500,000)	
24-2263 - Replacement Pumper/Tanker for Arva	300,000	800,000	(500,000)	Understated 2019 replacement cost estimate
Other Equipment	42,500	42,500	0	
24-7340 - Replacement Scissor Lift	42,500	42,500	0	
Vehicles & Machinery	1,110,000	1,852,500	(742,500)	
24-3257 - Replacement 1 Ton Truck	80,000	135,000	(55,000)	Inflation
24-3258 - Replacement 1/2 Ton Pickup Truck	60,000	67,500	(7,500)	Inflation
24-3259 - Replacement 1/2 Ton Pickup Truck	50,000	85,000	(35,000)	Inflation
24-3260 - Replacement Fleet Services- Service Vehicle	60,000	110,000	(50,000)	Understated 2019 replacement cost estimate
24-3264 - Replacement Plow Truck	300,000	550,000	(250,000)	Understated 2019 replacement cost estimate
24-3534 - Replacement Loader	300,000	450,000	(150,000)	Inflation
24-3618 - Replacement Hydro Vacuum Trailer	150,000	255,000	(105,000)	Inflation
24-3625 - Replacement Brush Chipper	80,000	145,000	(65,000)	Understated 2019 replacement cost estimate
24-7400 - Replacement Vehicle	30,000	55,000	(25,000)	Inflation
<b>Fleet Services Total</b>	<b>1,452,500</b>	<b>2,695,000</b>	<b>(1,242,500)</b>	
<b>Public Works &amp; Engineering</b>				
Bridges & Culverts	2,683,000	4,586,250	(1,903,250)	
23-3114 - Rehabilitate Bridge B-530	268,000	700,000	(432,000)	Inflation
23-3123 - Rehabilitate Bridge B-108	125,000	775,000	(650,000)	Inflation
23-3126 - B-120 Bridge Repairs	244,000	900,000	(656,000)	Inflation
23-3127 - Replace Culvert C-156	269,000	440,000	(171,000)	Inflation
23-3128 - Replace Culvert C-563	269,000	600,000	(331,000)	Inflation
24-3116 - Replace Culvert C-153	216,000	50,000	166,000	Inflation
24-3117 - Replace Culvert C-159	269,000	55,000	214,000	Inflation

# Asset Management

Asset	AMP Amount (\$)	2024 Budget (\$)	Difference (\$)	Notes
24-3119 - Replace Culvert C-155	259,000	56,250	202,750	Inflation
24-3121 - Replace Culvert C-580	216,000	452,500	(236,500)	Inflation
24-3123 - Replace Culvert C-572	216,000	452,500	(236,500)	Inflation
24-3124 - Replace Culvert C-575	216,000	52,500	163,500	Inflation
24-3125 - Repair Culvert C-131	68,000	26,250	41,750	Inflation
24-3126 - Repair Culvert C-111	48,000	26,250	21,750	Inflation
<b>Roads</b>	<b>3,044,377</b>	<b>4,140,000</b>	<b>(1,095,623)</b>	
24-3101 - Hot Mix Resurfacing	1,450,000	1,450,000	0	
24-3102 - Tar & Chip Resurfacing	600,000	600,000	0	
24-3107 - Vanneck Road Reconstruction (Sunningdale Road and Egremont Drive)	568,314	600,000	(31,686)	Inflation
24-3122 - Hyde Park Road Reconstruction (Elginfield Road to 15 Mile Road)	426,063	1,490,000	(1,063,937)	Inflation
<b>Public Works &amp; Engineering Total</b>	<b>5,727,377</b>	<b>8,726,250</b>	<b>(2,998,873)</b>	
<b>Grand Total</b>	<b>8,031,947</b>	<b>12,931,250</b>	<b>(4,899,303)</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 9.08% (November 1, 2023). Overall, debt repayments account for 3.75% 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 in 2024**

Description of Debt	Total Loan (\$)	Interest Rate	% DC Eligible	Maturity
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
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



# Debt

Description of Debt	Total Loan (\$)	Interest Rate	% DC Eligible	Maturity
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>25,425,225</b>			

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

**Table: Debt Principal and Interest Details for 2024: Budget Impact**

Name	2024 Principal Payment (\$)	2024 Interest Payment (\$)	Total 2024 Payments (\$)	Remaining Principal (\$)
Kilworth Komoka Water Line	224,442	64,873	289,315	1,571,096
Denfield Operations Centre	253,385	75,671	329,056	1,900,389
Ilderton Timberwalk Pumping Station	52,462	28,301	80,762	655,053
Roads & Street Light Upgrades	63,081	28,161	91,242	788,518
Komoka Wastewater Treatment Facility Expansion	344,990	178,961	523,951	4,657,364
Coldstream Fire Hall	91,173	72,356	163,529	1,740,285
Komoka Wellness Centre	184,894	128,274	313,168	3,328,089
<b>Total</b>	<b>1,214,427</b>	<b>576,595</b>	<b>1,791,023</b>	<b>14,640,795</b>

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

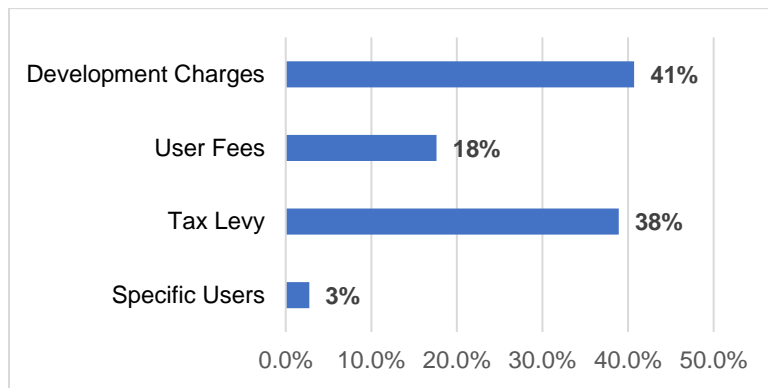


# Debt

## 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 2024



## 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.

## Annual Repayment Limit

The Annual Repayment Limit (ARL) calculation is prescribed by O. Reg. 403/02 under the Municipal Act. 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 Carried Forward

Two projects were identified for debt financing for 2022, however due to timing the projects have been carried forward into 2024 and the borrowing will not occur until 2025 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 2022-2026 is \$5,480,923 (project costs were identified as \$6,064,500 in 2023, and \$3,999,500 in 2022).
- Payments would occur in 2026/2027 once the project is complete.
- Debt payments will be 100% funded by the tax levy over 20 years and will be approximately \$439,803 per year based on a 5% interest rate, requiring a tax rate increase of 1.77% to cover the debt payments.
- Total interest costs would be \$3,315,146.
- 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 the project from 2024-2025 is \$4,100,000 (project costs were identified as \$4,260,000 in 2023, and \$4,550,000 in 2022).
- Payments would occur in 2025/2026 once the project is complete.
- Debt payments will be 100% funded by the Stormwater Reserve Fund over 20 years and will be approximately \$328,995 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 \$2,479,892.
- 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 9.08% based on the November 1, 2023, ARL calculation.

## Debt Proposed for 2023-2027

One additional project has been identified for debt financing for 2023-2028 period; based on the timing the borrowing may not occur until 2027/2028. Additionally, staff will need to borrow to fund the negative cash balance in development charges, as outlined below.



# Debt

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## 3. Glendon Drive Widening (2-4 lanes) and reconstruction of portions of the road (Transportation Project 2025/2027)

- The total project costs are \$5,685,000 (2023 project costs were identified as \$4,993,824). Part of the debt payment will be funded by development charges and the other part the tax levy. The split may change as this project is analyzed during the 2024 Development Charges Study.
- Payments would occur in 2027/2028 once the project is complete.
- Debt payments that will be 84.17% funded by the tax levy, or \$4,785,000 (as the 15.83% development charge portion is funded separately with development charge debt noted below) over 20 years and will be approximately \$383,960.78 per year based on a 5% interest rate, requiring a tax rate increase of 1.71% to cover the debt payments.
- Total interest costs would be \$2,894,215.59.

If all three of the projects above are approved, this would result in our borrowing as a percentage of own source revenues becoming 10.4% based on the November 1, 2023, ARL calculation.

It should be noted that the Ilderton Recreation Facility (Ilderton Arena) project referenced in the 2023 budget for debt financing has been removed from the 2024 capital budget. This is due to financial constraints combined with the fact that the Organizational Review completed in 2023 is not indicating a new facility is needed at this time.

## 4. Development Charges

For many years, the development charge reserve fund balances have been in a negative position. This is because the capital costs of the projects supported by development charges are incurred before the municipality collects the development charges from the developers. The municipality obtained a line of credit to fund these projects in 2018, which has now been paid off. To continue to build the infrastructure needed for growth, the municipality must borrow funds 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 \$8,058,398 by 2028.
- Debt payments will be 100% funded by development charges over 20 years and will be approximately \$646,627 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 over time).
- Interest costs over 20 years would be \$4,874,136.

In addition to the three projects identified above, this borrowing related to development charges would result in our borrowing as a percentage of own source revenues becoming 12.27% based on the November 1, 2023, ARL calculation.

## Debt Recommendation

Debt is borrowed money that needs to be paid back with interest later. Municipal debt is not a revenue tool, but it can be an important capital financing tool. Long-term debt can be



# Debt

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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 about 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 must 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.

- 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 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 still high. 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 2024-2028 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.

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 2024 and beyond resulting in a cash flow issue for Development Charges.

A Development Charge Study was completed in July 2019, and a by-law was 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 2024-2028.

Finally, the Municipality will be completed a new Development Charge Study by July 2024. The projects that can be funded by Development Charges over the next 10 years will be

identified in that study. The 2024 DC study will be used to develop the 2025 operating and capital budgets.

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**

Department	Project	Development Charges	2023 (\$)	2024 (\$)	2025 (\$)	2026 (\$)	2027 (\$)	2028 (\$)
<b>Community Services</b>								
Parks & Open Space	21-7114 - Kilworth Optimist - Tridon Park Development (Phase 1)	100.0%	61,834	0	0	0	0	0
Parks & Open Space	22-7124 - Komoka Civic Square Design	16.5%	0	0	24,288	0	0	0
Parks & Open Space	24-7119 - Timberwalk Park	58.0%	0	140,186	0	0	0	0
Parks & Open Space	25-7110 - Clear Skies Primary Trail	100.0%	0	0	215,000	0	0	0
Parks & Open Space	25-7120 - Clear Skies Park	100.0%	0	0	232,400	0	0	0
Parks & Open Space	25-7125 - Clear Skies Secondary Trail	100.0%	0	0	172,679	0	0	0
Parks & Open Space	25-7127 - Brantam Park Development	100.0%	0	0	160,000	0	0	0
Parks & Open Space	26-7123 - Komoka Civic Square Construction	16.5%	0	0	0	247,500	0	0
Parks & Open Space	27-7124 - Edgewater Trail	100.0%	0	0	0	0	150,000	0
<b>Total</b>			<b>61,834</b>	<b>140,186</b>	<b>804,367</b>	<b>247,500</b>	<b>150,000</b>	<b>0</b>
<b>Environmental Services</b>								
Wastewater	21-4104 - Ilderton Treatment Capacity Upgrades	100.0%	0	0	0	2,900,000	2,900,000	0
Wastewater	21-4110 - Design Komoka WWTP - Headworks	42.8%	0	85,600	1,476,600	0	0	0
Wastewater	21-4114 - Arva WWTP - New Facility	100.0%	0	0	0	0	4,000,000	0
Water	22-4314 - Glendon Drive Watermain Twinning	100.0%	440,000	0	0	0	0	0
<b>Total</b>			<b>440,000</b>	<b>85,600</b>	<b>1,476,600</b>	<b>2,900,000</b>	<b>6,900,000</b>	<b>0</b>





# Development Charges

Department	Project	Development Charges	2023 (\$)	2024 (\$)	2025 (\$)	2026 (\$)	2027 (\$)	2028 (\$)
<b>Facility Services</b>								
Fire Halls	26-6110 - Additional Facility Space (2 additional vehicle bays)	30.4%	0	0	0	252,320	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>252,320</b>	<b>0</b>	<b>0</b>
<b>Fleet Services</b>								
Fire Fleet	24-2260 - New Support and Response Vehicle	100.0%	0	80,000	0	0	0	0
Fire Fleet	25-2262 - New Aerial Fire Truck (100 ft Platform)	100.0%	0	0	2,000,000	0	0	0
PWE Transportation Fleet	24-3252 - New Street Sweeper Attachment	100.0%	0	160,000	0	0	0	0
PWE Transportation Fleet	24-3527 - New Compact Track Loader & Attachments	100.0%	0	160,000	0	0	0	0
PWE Transportation Fleet	24-3615 - New 55 Ton Float Trailer	100.0%	0	0	165,000	0	0	0
PWE Transportation Fleet	25-3262 - New Tandem Truck	100.0%	0	0	500,000	0	0	0
PWE Transportation Fleet	25-3521 - New Roll Off Hydro Seeder	90.0%	0	0	108,000	0	0	0
PWE Transportation Fleet	25-3526 - New Roll Off Water & Anti Icing Tank	25.0%	0	0	18,750	0	0	0
PWE Transportation Fleet	25-3528 - New Crack Sealing and Roadway Maintenance Equipment	100.0%	0	0	525,000	0	0	0
PWE Transportation Fleet	25-3530 - New Zero Turn Mower	90.0%	0	0	22,500	0	0	0
PWE Transportation Fleet	25-3532 - New Topsoil & Sand Screener	100.0%	0	0	375,000	0	0	0
PWE Transportation Fleet	25-3626 - New Tridem Dump Trailer	100.0%	0	0	120,000	0	0	0



# Development Charges

Department	Project	Development Charges	2023 (\$)	2024 (\$)	2025 (\$)	2026 (\$)	2027 (\$)	2028 (\$)
PWE Transportation Fleet	26-3531 - New Sidewalk Plow	100.0%	0	0	0	245,000	0	0
PWE Transportation Fleet	27-3254 - New Hydro Vacuum Truck	100.0%	0	0	0	0	700,000	0
PWE Transportation Fleet	28-3261 - New Highway Traffic Line Marker	100.0%	0	0	0	0	0	750,000
PWE Transportation Fleet	28-3522 - New Forklift	100.0%	0	0	0	0	0	50,000
Community Services Fleet	24-7405 - New 1/2 Ton Truck	100.0%	0	0	67,500	0	0	0
Community Services Fleet	25-7201 - New 18' -20' Float Trailer	100.0%	0	0	17,500	0	0	0
Community Services Fleet	25-7335 - New Zero Turn Mower	100.0%	0	0	30,000	0	0	0
Community Services Fleet	26-7336 - New Zero Turn Mower	100.0%	0	0	0	30,000	0	0
Community Services Fleet	26-7406 - New 1/2 Ton Truck	100.0%	0	0	0	67,500	0	0
<b>Total</b>			<b>0</b>	<b>400,000</b>	<b>3,949,250</b>	<b>342,500</b>	<b>700,000</b>	<b>800,000</b>
<b>Public Works &amp; Engineering</b>								
Transportation	23-3109 - King and George Street Reconstruction	90.0%	36,000	31,500	450,000	0	0	0
Transportation	24-3112 - Westbrook Drive Sidewalk and Streetlights (Jeffries Road to Kilworth Park Drive)	40.0%	0	0	330,000	0	0	0
Transportation	26-3122 - Oxbow Drive W. Urban	40.0%	0	0	30,000	200,000	0	0
Transportation	26-3123 - Oxbow Drive East Rural upgrade	20.0%	0	0	0	88,000	591,800	0
Transportation	26-3124 - Oxbow Drive W. Rural	40.0%	0	0	0	72,000	480,000	0



# Development Charges

Department	Project	Development Charges	2023 (\$)	2024 (\$)	2025 (\$)	2026 (\$)	2027 (\$)	2028 (\$)
Transportation	27-3112 - Glendon Drive Widening (Komoka Road to Amiens Road)	40.0%	0	0	100,000	0	0	0
Transportation	28-3118 - Reconstruct Oxbow Drive Narin Road to Vanneck Road	65.0%	0	0	0	0	0	487,500
<b>Total</b>			<b>36,000</b>	<b>31,500</b>	<b>910,000</b>	<b>360,000</b>	<b>1,071,800</b>	<b>487,500</b>
<b>Grand Total</b>			537,834	657,286	7,140,217	4,102,320	8,821,800	1,287,500

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

Funding Source	2023	2024	2025	2026	2027	2028
Development Charges Funded Annually	\$537,834	\$657,286	\$7,140,217	\$4,102,320	\$8,821,800	\$1,287,500

Notes: Projected Development Charge Funding for 2023-2027.

**Table: Development Charge Projected Balances 2023-2028**

Reserve Name	2023	2024	2025	2026	2027	2028
Development Charges Reserve Fund	\$(74,635)	\$473,151	\$(4,461,994)	\$(6,359,242)	\$(10,975,970)	\$(8,058,398)

Notes: Projected Development Charge Balances 2023-2028.

Assumptions: Debt payments annually 2023-2028; Development Charges collected annually 2024 -\$2M, 205-2026 \$3M, 2027-2028 \$5M; Capital projects from 2023-2028 budget' **NOTE:** New DC study in 2024, amounts and projections to be updated for 2025 budget



# 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 as part of the quarterly capital budget to actual reports.
- 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 as part of the budgeting process. 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.

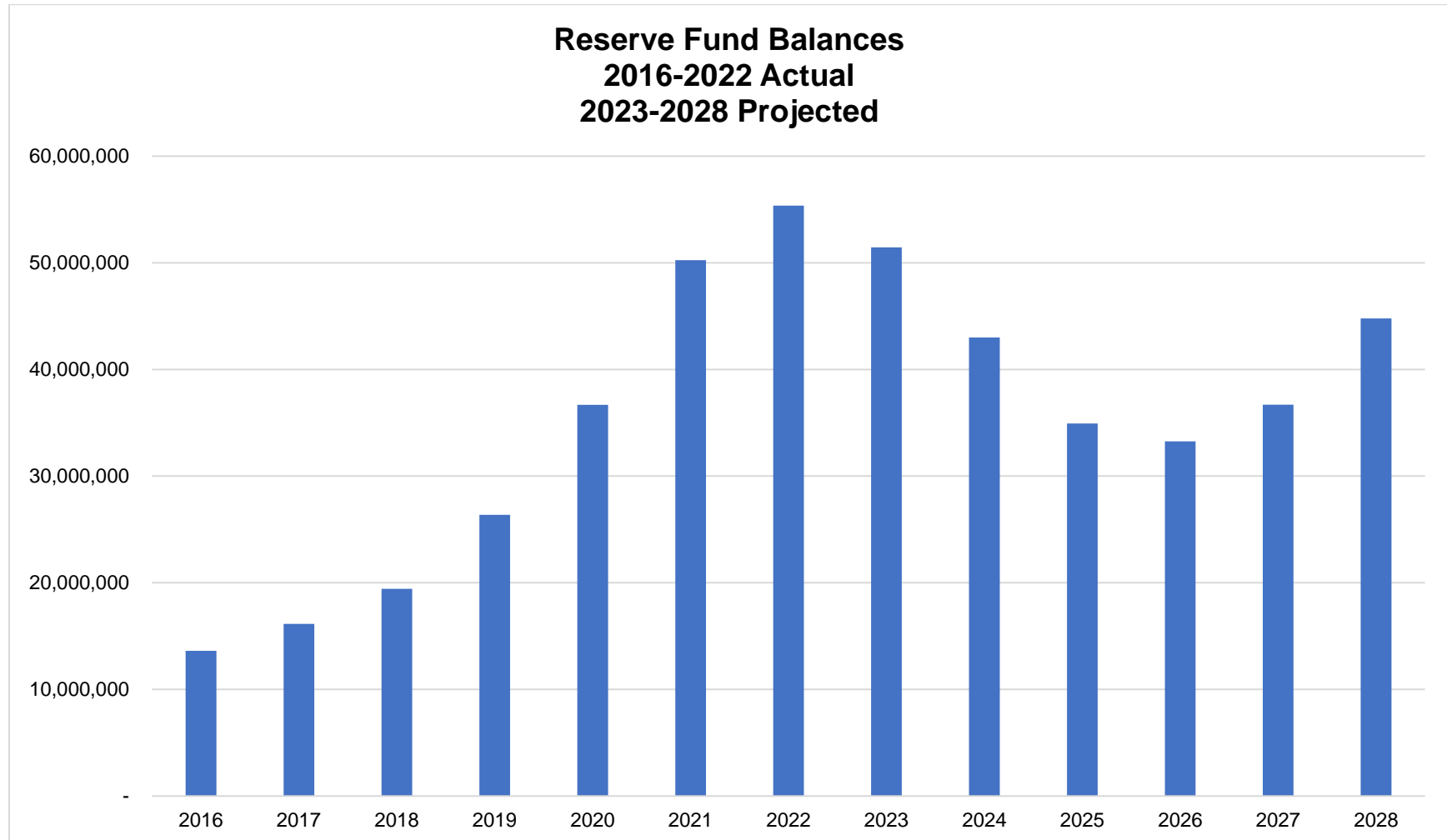
- A list of all Middlesex Centre Reserve Funds and their purpose is presented in the Supplemental Information section of this document.
- Learn more about Reserves and Reserve Funds at [middlesexcentre.ca/budget](https://middlesexcentre.ca/budget) under “Long-Term Plans”



# Reserves and Reserve Funds

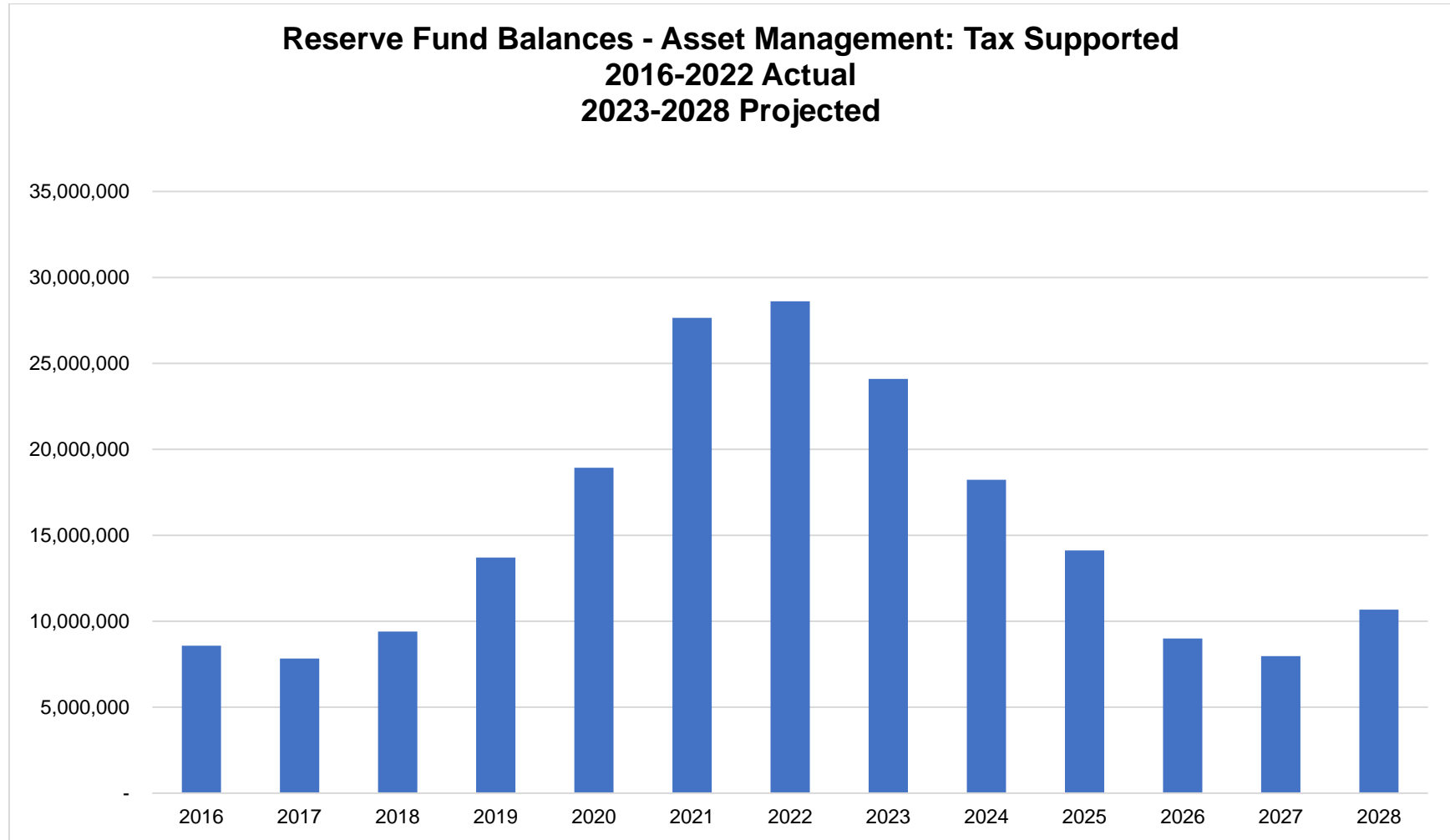
## Reserve Fund Balances

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



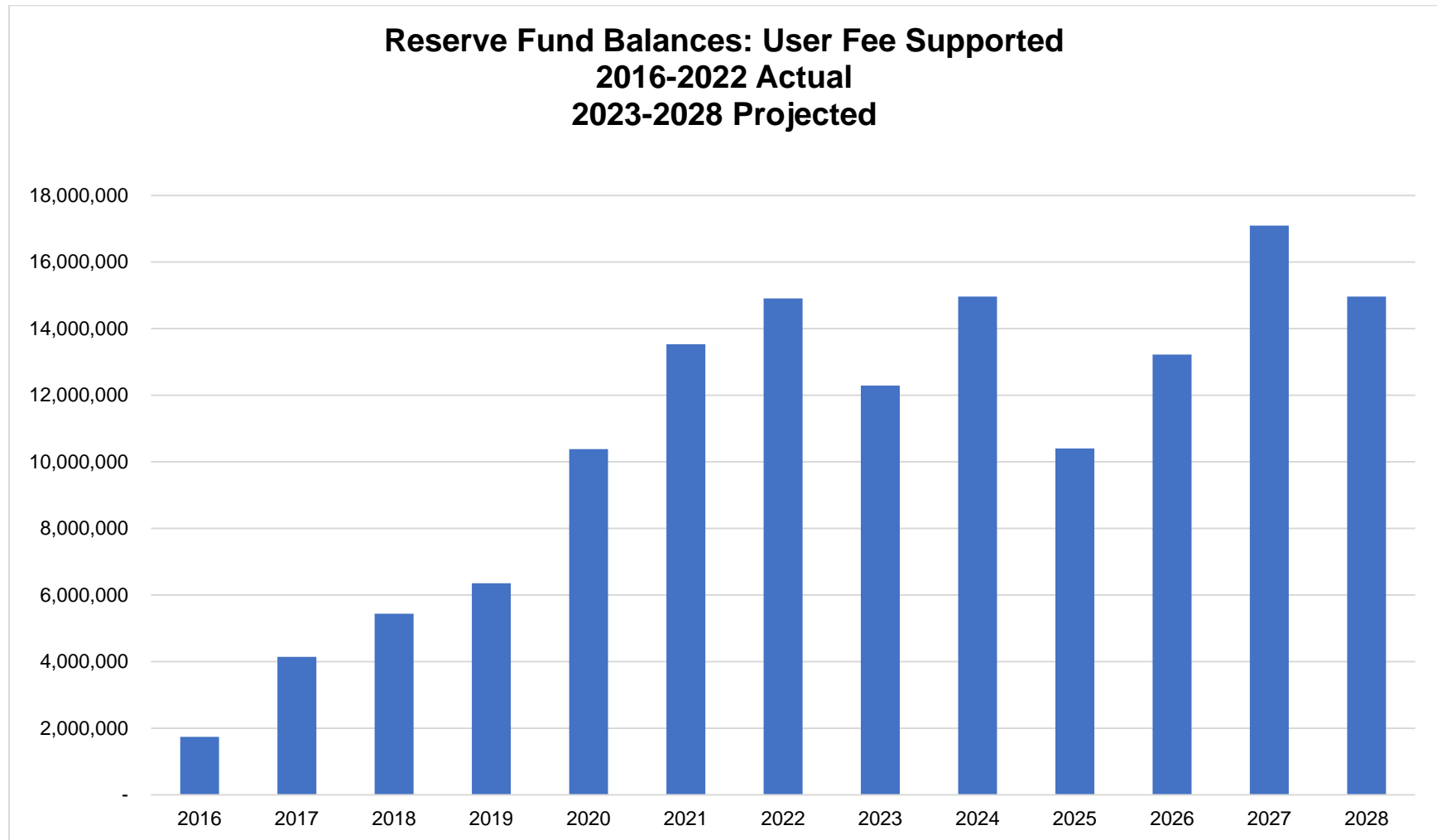
# Reserves and Reserve Funds

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 (Values in \$)**

Reserve Name	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Projected	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected
Cash-in-Lieu of Parkland Reserve Fund	241,972	247,639	268,144	274,958	196,678	203,678	115,678	122,678	129,678	136,678
Cash-in-Lieu of Parking Reserve Fund	7,629	7,721	7,789	7,986	9,045	10,107	11,009	11,929	12,049	12,169
Delaware Hydro Reserve Fund	854,379	863,694	870,387	891,740	926,868	898,943	911,922	925,160	929,412	933,706
Insurance Claims Reserve Fund	441,787	497,052	540,586	587,643	614,087	638,650	651,423	664,452	671,096	677,807
Legal Reserve Fund		100,000	100,590	103,136	107,777	112,088	114,330	116,617	117,783	118,961
Fleet Reserve Fund			360,000	368,252	384,823	400,216	408,220	416,385	420,548	424,754
Election Reserve	15,000	30,222	45,545	(1,723)	13,200	28,728	44,302	0	15,000	30,150
Winter Maintenance Reserve Fund	365,594	369,680	372,950	382,389	399,596	415,580	423,892	432,370	436,693	441,060
Computer Replacement Reserve Fund	50,450	51,057	51,508	52,812	55,188	57,396	58,544	59,715	60,312	60,915
Future Roads Capital Reserve Fund	59,977	88,610	145,802	462,687	483,508	502,848	512,905	523,163	528,395	533,679
Modernization Reserve Fund	610,207	613,746	475,093	377,443	342,081	296,265	262,690	0	0	0
Employee Benefits Reserve Fund	233,429	256,462	289,124	317,420	341,704	365,372	382,679	400,333	414,336	428,479
Medical Centre Reserve Fund	129,447	189,804	249,824	306,637	355,420	369,637	442,013	515,838	585,980	656,824
Waste Management Reserve Fund	174,942	177,046	178,612	183,133	191,374	199,029	203,009	207,069	209,140	211,231



# Reserves and Reserve Funds

Reserve Name	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Projected	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected
Gravel Pit Rehabilitation Reserve Fund	517,323	536,960	570,037	616,110	655,835	694,069	719,950	746,349	765,813	785,471
Buildings and Facilities Reserve Fund	3,154,462	5,435,307	7,498,576	8,563,163	5,459,816	1,769,738	104,796	-317,588	1,464,236	3,175,878
Municipal Office Build Reserve Fund	0	0	0	0	4,475,279	1,323,859	1,350,337	1,377,343	1,391,117	1,405,028
Fire Vehicles and Equipment Reserve Fund	426,776	619,402	932,666	1,043,963	1,408,942	1,006,299	631,425	(1,725,946)	(1,733,206)	(1,625,538)
Fire Public Education Reserve Fund	140,080	141,696	142,950	146,567	153,163	159,289	162,475	165,725	167,382	169,056
General Vehicles and Equipment Reserve Fund	1,494,128	1,916,968	2,483,072	1,701,321	761,817	503,790	833,115	402,278	316,300	839,463
Build Middlesex Centre Reserve Fund	954,700	956,702	4,546,333	4,649,988	3,138,825	3,234,378	3,146,154	1,926,577	1,915,843	1,905,001
Ontario Community Infrastructure Fund (OCIF) Reserve Fund	281,174	674,566	53,356	721,080	1,108,100	578,245	1,036,630	1,159,934	437,604	134,051
Canada Community Building Fund (CCBF) Reserve Fund	1,009,825	447,139	1,166,959	0	(171,230)	(46,809)	383,525	10,465	156,840	729,678
Ilderton Lions Park Reserve Fund	53,875	66,575	79,208	93,475	109,681	24,554	25,045	25,546	25,802	26,060
Safe Restart Reserve Fund		80,000	0	0	0	0	0	0	0	0



# Reserves and Reserve Funds

Reserve Name	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Projected	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected
Poplar Hill Log Cabin Reserve Fund	6,550	6,629	6,688	6,857	7,166	7,452	7,601	7,753	7,831	7,909
Tax Rate Stabilization Reserve Fund	2,896,907	2,808,474	2,883,765	4,956,749	4,759,802	1,950,195	1,989,198	2,028,982	2,049,272	2,069,765
Building Department Reserve Fund	1,292,007	2,094,888	3,264,421	3,812,930	2,794,419	3,306,196	3,712,319	4,186,566	4,628,431	5,074,716
Administrative Support Reserve Fund	164,882	207,414	249,397	295,862	87,926	131,443	174,072	217,553	259,729	302,326
Road Capital Reserve Fund	4,677,363	7,057,672	9,148,592	9,799,906	10,174,478	9,095,457	5,827,367	5,553,914	3,347,253	3,368,226
Wastewater Capital Reserve Fund	1,633,870	3,737,968	4,828,587	5,655,794	4,562,256	5,094,996	2,078,743	3,590,375	5,506,539	7,595,074
Storm Water Capital Reserve Fund	1,954,441	2,184,393	3,086,468	2,678,021	2,961,379	3,849,834	3,509,706	3,879,900	4,218,699	5,060,886
Water Capital Reserve Fund	2,766,107	4,461,921	5,615,605	6,574,370	4,767,365	6,017,998	4,813,511	5,753,004	7,368,757	9,225,668
<b>Total Reserve Fund</b>	<b>26,609,284</b>	<b>36,927,407</b>	<b>50,512,631</b>	<b>55,630,670</b>	<b>51,636,369</b>	<b>43,199,520</b>	<b>35,048,588</b>	<b>33,384,440</b>	<b>36,824,665</b>	<b>44,915,133</b>

*Notes:*

*Assumes \$1,000,000 additional reserve fund transfer annually from 2024-2028 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:

- Federal and Provincial grant opportunities have been announced and staff continue to actively pursue all viable grant opportunities to leverage wherever possible. No funding is confirmed and included in the 2024 budget, unless it has been confirmed.

- The complete impacts of Bill 23 budget impacts related to development charges is unknown, however the funding from development charges has been decreased in 2024 to reflect these changes. Additional analysis will be completed as part of the final budget booklet.
- Ontario Community Infrastructure Fund (OCIF) and Canada Community Benefit Fund (CCBF) have been announced; however, the municipal amount for 2024 has not been released. Staff have budgeted the 2024 value at the same amount as 2023.
- The final property tax assessments have not been published by MPAC. These are not expected until the end of November 2023.
- The final amounts from conservation authorities for their 2024 budgets.
- Some third-party data is not yet available. Tables related to comparisons to other municipalities or overall financial position (in the supplementary information) will be updated when that data is received.



# 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:

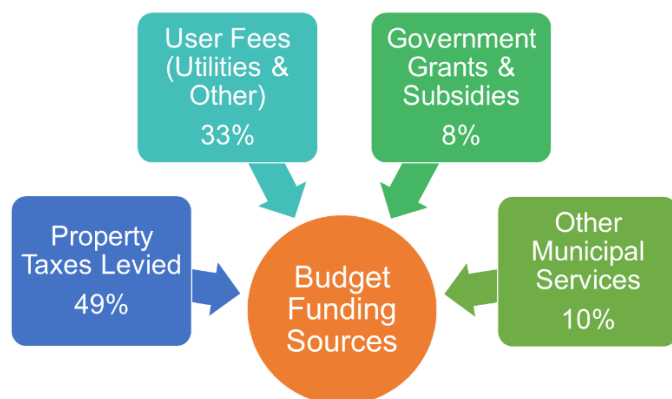
- Property taxes
- Grants from Federal and Provincial Governments
- User fees – General (revenue from services such as recreation, planning applications, building permits etc.)
- User Fees – Water, Wastewater and Stormwater rates (funded directly by users)
- Transfers from Municipal Reserve Funds – includes 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: 2024 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.

## 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.

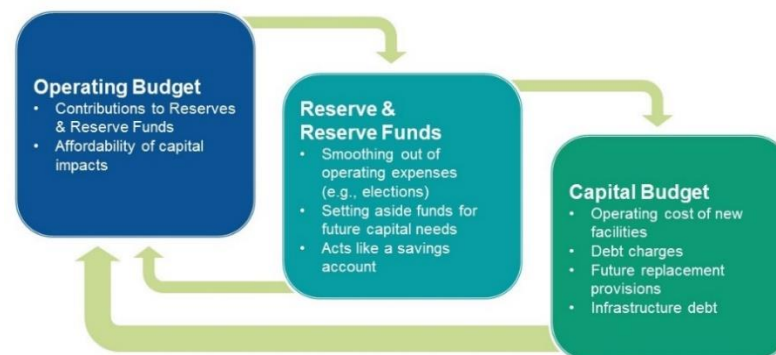
The **operating budget** looks at the day-to-day expenditures of the municipality. This includes wages, utilities, supplies, fuel and insurance, among other costs. Much like household bills, these costs increase with inflation – an increase that is outside of the control of the municipality.

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 2024.

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.

## 2024 Assessment Update

For the fourth year end a row, the Ontario Government has announced the Province's decision to postpone the 2020 Assessment Update for 2024.

The Ontario Government has indicated that property assessments for the 2024 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 2024 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.

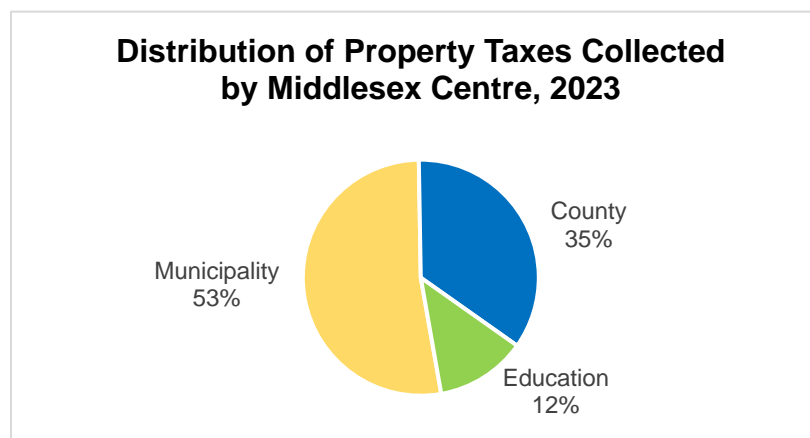
- We assessed a structure on your property for the first time.
- There was a change to your property's classification.
- All or part of your property no longer qualifies as farmland, conservation land or managed forests.
- All or part of your property no longer qualifies to be tax exempt.

## 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, 2023**





## 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 2024 webpage ([middlesexcentre.ca/budget2024](http://middlesexcentre.ca/budget2024)) 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 July 14 – August 15, 2023, and was advertised through social media, the residents' e-newsletter, the municipal page in the Middlesex Banner and the Villager magazines, a tax insert, 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. This initiative has continued for the 2024 budget.

Internally, the budget process begins with staff reviewing their department work plans and the Municipal Strategic Plan. From

<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

there, staff begin to outline their department's operating costs and capital requests.

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.

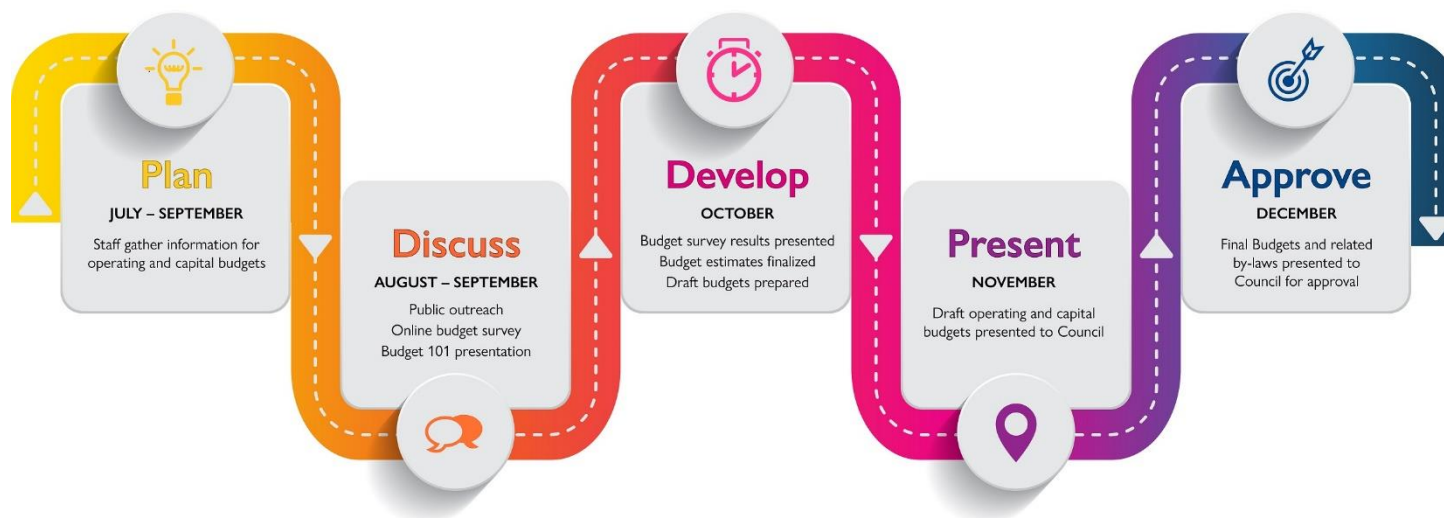
During the fall, the senior management team, subject matter experts, and two members of Council form an ad hoc (temporary) budget working group. This group discusses the

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/budget2024](https://middlesexcentre.ca/budget2024).

### Middlesex Centre BUDGET ROAD MAP 2024



# Supplementary Information

## Property Tax Rate Details

### Preliminary Assessments and Tax Rate Summary

**Table: Preliminary Assessments and Tax Rate**

RTQ	Description	Taxable 2024 Assessments	2024 Tax Rate	2023 Tax Rate	Y/Y Tax Rate Change	% Change	2024 Revenue
CT	Commercial: Full	149,417,967	0.007633847	0.00739597	0.000237877	3.22%	1,140,634
CU	Commercial: Excess Land	727,000	0.005343693	0.00517718	0.000166513	3.22%	3,885
CF	Commercial PIL: Full	5,484,800	0.007633847	0.00739597	0.000237877	3.22%	41,870
CG	Commercial PIL: General	3,669,000	0.007633847	0.00739597	0.000237877	3.22%	28,009
CZ	Commercial PIL: General, Vacant Land	413,400	0.005343693	0.00517718	0.000166513	3.22%	2,209
CX	Commercial: Vacant Land	4,081,600	0.005343693	0.00517718	0.000166513	3.22%	21,811
C0	Commercial New: Small Scale On-Farm Business 2	12,200	0.007633847	0.00739597	0.000237877	3.22%	93
C7	Commercial New: Small Scale On-Farm Business 1	50,000	0.007633847	0.00739597	0.000237877	3.22%	382
ST	Shopping Centre	4,585,400	0.007633847	0.00739597	0.000237877	3.22%	35,004
GT	Parking Lot/ Taxable: Full	45,000	0.007633847	0.00739597	0.000237877	3.22%	344
	Commercial	168,486,367					
E-	Exempt	145,372,700		-	-	-	-
FP	Farm PIL: Full, Taxable Tenant of Province	144,600	0.001666924	0.00161498	5.19444E-05	3.22%	241
FT	Farm	1,642,287,981	0.001666924	0.00161498	5.19444E-05	3.22%	2,737,570
	Farm	1,642,432,581					
IT	Industrial: Full	14,659,700	0.011635799	0.01127321	0.000362589	3.22%	170,577
IH	Industrial: Full, Shared PIL	238,300	0.011635799	0.01127321	0.000362589	3.22%	2,773
IU	Industrial: Excess Land	876,800	0.00756327	0.00732759	0.00023568	3.22%	6,631

# Supplementary Information

RTQ	Description	Taxable 2024 Assessments	2024 Tax Rate	2023 Tax Rate	Y/Y Tax Rate Change	% Change	2024 Revenue
IX	Industrial: Vacant Land	970,300	0.00756327	0.00732759	0.00023568	3.22%	7,339
	Industrial	16,745,100					
MT	Multi-Residential	11,465,000	0.011799825	0.01143213	0.000367695	3.22%	1,140,634
PT	Pipeline	126,870,000	0.007037755	0.00681845	0.000219305	3.22%	1,140,634
R1	Residential: Farmland 1	307,000	0.004334004	0.00419895	0.000135054	3.22%	1,331
RL	Residential: Upper Tier & Education Only	18,000	0	-	-		
RG	Residential PIL: General	503,000	0.006667698	0.00645992	0.000207778	3.22%	3,354
RT	Residential: Full	2,850,209,552	0.006667698	0.00645992	0.000207778	3.22%	19,004,336
	Residential	2,851,037,552					
TT	Managed Forest	4,932,800	0.001666924	0.00161498	5.19444E-05	3.22%	1,140,634
WT	Railway Right-of-Way	0	-	-	-	0.00%	-
HF	Landfill PIL: Full	0	0.007334468	-	-	0.00%	-
UH	Utility Transmission/Distribution: Full, Shared PIL	0	-	-	-	0.00%	-
	<b>Total</b>	<b>4,967,342,100</b>					<b>\$24,244,779</b>



# Supplementary Information

## Municipal Tax Rates over Time

**Table: Municipal Tax Rate Increases over Time, 2014 to 2024**

Year	Residential Tax Rate Increase
2024	3.22%
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%

**Table: Residential Property Tax Rates over Time, 2006 to 2023**

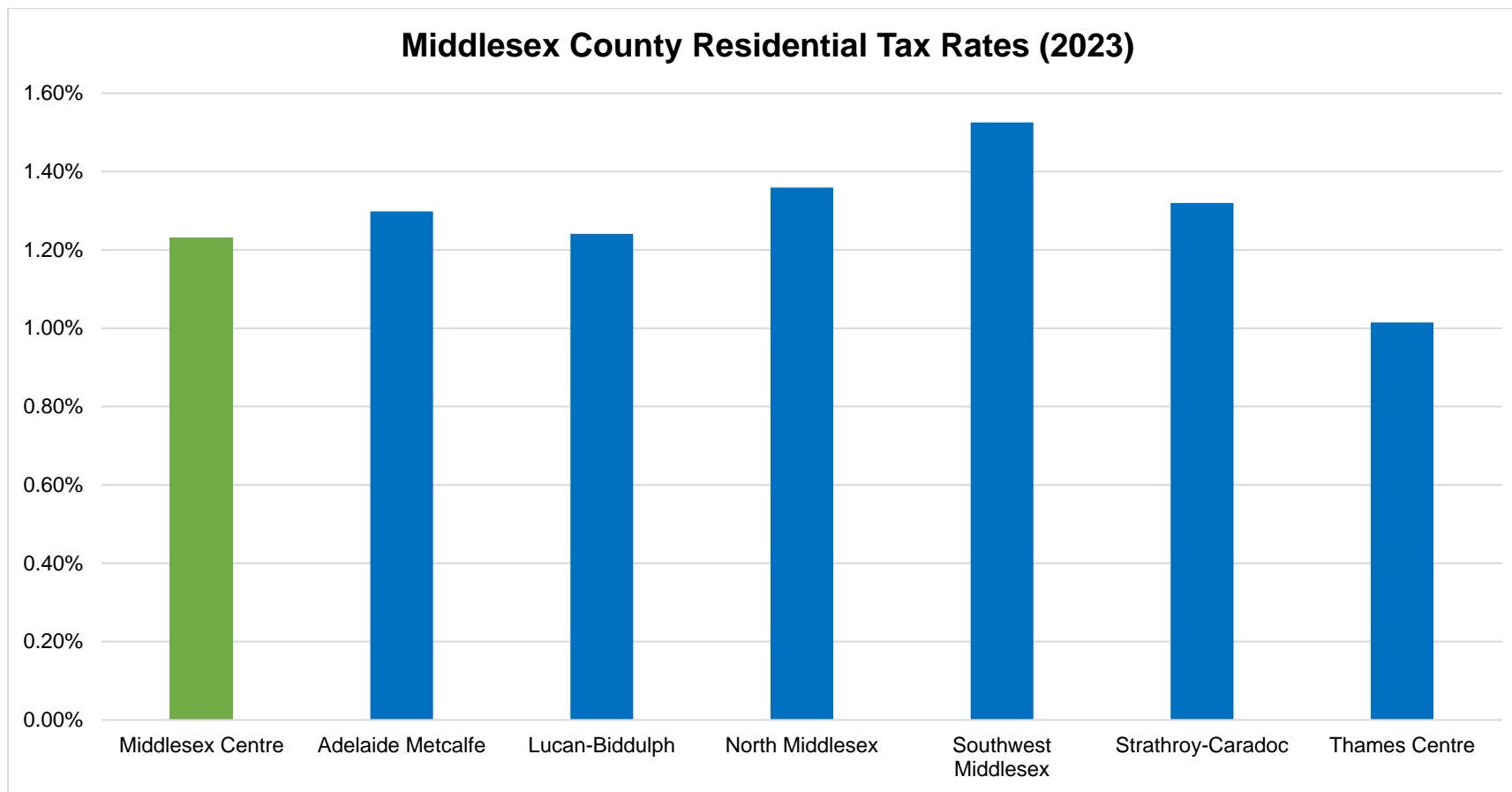
Residential Property Tax Rates 2006-2023					
Year	Municipal	County	School	Total	% Change
2006	0.00414647	0.00414074	0.00264000	0.01092721	-
2007	0.00465505	0.00407087	0.00264000	0.01136592	4.01%
2008	0.00511823	0.00400554	0.00264000	0.01176377	3.50%
2009	0.00487454	0.00391717	0.00252000	0.01131171	-3.84%
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%
2023	0.00645992	0.00431244	0.00153000	0.01230236	4.17%



# Supplementary Information

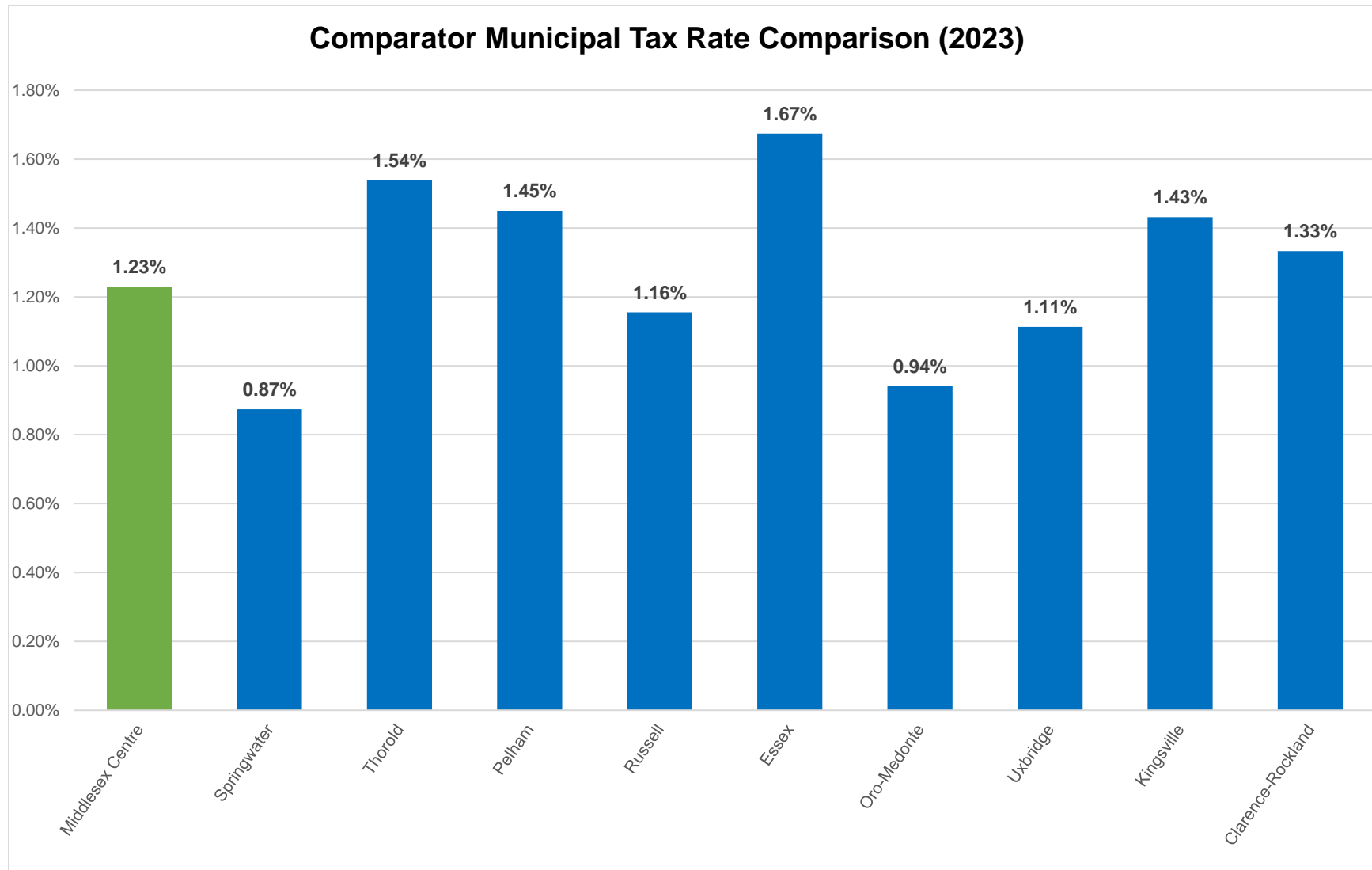
## Middlesex County Residential Tax Rate Comparison

Figure: Residential Tax Rate Comparison, Middlesex County



# Supplementary Information

Figure: Residential Tax Rate Comparison, Comparator Municipalities



# Supplementary Information

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## 2024 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 2023, however due to the delay in completing the master plans in public works and engineering, the LRFP has been moved to 2024 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: Operating Budget: 2024 Budget Increase vs Long Range Financial Plan Forecasted Increase**

	2024 Budget (\$)	2023 Budget (\$)	\$ Variance
<b>Revenue</b>			
User Fees	3,236,002	3,131,609	104,393
Revenue Miscellaneous	769,928	714,891	55,037
OMPF Grant	1,190,300	1,170,600	19,700
Licence Permits	1,104,280	1,178,650	(74,370)
Supplementary Taxes	376,000	376,000	0

2024 Budget	% Increase 2024 LRFP	% LRFP Variance	Notes
3.33%	2.00%	1.33%	<b>K</b>
7.70%	1.00%	6.70%	<b>A</b>
1.68%	-5.00%	6.68%	<b>B</b>
-6.31%	2.00%	-8.31%	<b>C</b>
0.00%	1.00%	-1.00%	<b>D</b>

Expenditures	2024 Budget (\$)	2023 Budget (\$)	\$ Variance
Salaries & Benefits	9,878,748	9,081,081	797,667
Police Officers	2,310,674	2,287,431	23,243
Sub-Contract	2,514,635	2,693,048	(178,413)
Hydro	799,418	739,730	59,688
Insurance	800,560	1,139,300	(338,740)
Equipment Repairs & Maintenance	292,500	341,300	(48,800)
Building Repairs & Maintenance	336,000	368,750	(32,750)
Heating	144,230	123,560	20,670
Water	192,506	198,089	(5,583)
Office Supplies	49,825	45,110	4,715

2024 Budget	% Increase 2024 LRFP	% LRFP Variance	Notes
8.78%	6.00%	2.78%	<b>E</b>
1.02%	3.00%	-1.98%	<b>F</b>
-6.62%	3.00%	-9.62%	<b>G</b>
8.07%	4.00%	4.07%	<b>L</b>
-29.73%	3.00%	-32.73%	<b>H</b>
-14.30%	4.25%	-18.55%	<b>I</b>
-8.88%	4.25%	-13.13%	<b>I</b>
16.73%	3.50%	13.23%	<b>L</b>
-2.82%	3.50%	-6.32%	<b>L</b>
10.45%	2.00%	8.45%	<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:
- o 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, except for a decrease in 2023. The expectation is that this grant would decline which is the trend in Ontario, however, Middlesex Centre's is slowly increasing.
- C- Decrease in permit revenue due to expected decrease in building permits as a result of the economic downturn in 2023 and into 2024.
- D- This revenue comes from growth and the increase in new homes being built in prior years. Supplementary property tax revenue has historically been increasing substantially from what was planned in 2016 due to the building boom in Middlesex Centre from 2008 to 2022. However, with the economy slowing down, staff have kept the budget consistent from the prior year.
- 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 changes in our pay structure following the pay grid review in 2023.
- F- As provided by the OPP.
- G- Sub-contract is under the estimated amount in 2024 due to the five master plans being completed in 2023. In addition, more work is being done in-house by our operation teams.
- H- Insurance rates have steadily been increasing year over year, so in 2023, staff went to market and completed RFP for insurance services. This review resulted in a significant decrease in our insurance premiums with no loss to coverage. On a go-forward basis, staff expect the increases to be more in line with the LRFP projections.
- I- Building repairs and maintenance are expected to decrease in 2024.
- J- Office supply costs are expected to increase due to the reallocation of staff from one office location to three during the office renovation project that will take place in 2024.
- K- User fees have increased over the projected amount due to growth. This growth directly impacts the revenue in our water, wastewater and stormwater accounts.
- L- Natural gas, hydro and water rates are expected to increase in 2024 and with the growth in the municipality the usage is steadily increasing as well.



# 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 2023 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
- Kingsville Township
- Oro-Medonte Township
- Pelham
- Russell
- Springwater Township
- Strathroy-Caradoc
- Thorold
- Uxbridge

Since Clarence-Rockland, Oro-Medonte, Russel 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 2023 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”

### 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



# 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	1,197	988	712	790	595
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	5.2%	5.3%	4.7%	7.2%	6.9%
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	85.2%
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	48%	46%	44%	42%	35%
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	\$588	\$30742.
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	42.8%	43.5%	44.0%	42.4%	40.5%
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	\$268	\$268
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	0.2	0.2	0.3	0.4	0.5
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 a 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

## Differences between the Budget and Financial Statements

**Table: Differences between the budget and financial statements**

Description	Cash Accounting Treatment	Full Accrual Account Treatment
Tangible capital assets (TCA) and amortization of tangible capital assets	Tangible capital assets and amortization are not included in the budget. All capital expenditures are expensed in the year it occurred.	Tangible capital assets are included in the statement of Financial Position (Balance Sheet) at the net book value (NBV), (NBV = Historical cost less accumulated amortization). Annual amortization is expensed under the Statement of Operations (Income Statement).
Accumulated surplus/(deficit) from operations	The Statement of Financial Position does not contain the Accumulated Surplus/ (Deficit) from operations but includes only the Fund Balances such as operating fund, capital fund and reserve fund	Statement of Financial Position shows an accumulated surplus/(deficit) consisting of all fund balances at a consolidated level. Funds include reserves, boards, and TCA's.
Revenue recognition	Revenue is recognized when received.	Revenue is recognized when earned.
Revenue/expenditures	Statement of Operations shows revenues/expenditures for capital, operating and reserves.	Revenue and expenditures shown on the Statement of Operations and capital expenditures are shown on the Statement of Financial Position as assets.



# 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.

## 2024 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 2024 proposed budget and associated tax levy excludes the following:

1. Amortization expenses, estimated at \$8.75M, since amortization is a non-cash expense.
2. Post-employment benefits expense, estimated at \$6,726 (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 active landfill sites, and our site is closed, the costs are included in the annual budget.

## 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 \$6,726

## 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 2024 is estimated at \$8.75M.

## 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 active landfill sites, and our site is closed, the costs are included in the annual budget.

## Estimate of the Change in Accumulated Surplus due to Excluded Expenses

The chart below starts with the 2024 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: 2024 Proposed Budget – Accrual Based**

	Value (\$)
Proposed Budget Tax Levy	24,244,779
Proposed Budget Revenues	55,682,482
Proposed Budget Expenditures	79,927,261
Surplus/(Deficit)	0
<b>Add Expenditures Excluded from Cash Based Budget</b>	
Post-employment benefits expense	(6,726)
Amortization expense	(8,714,345)
Exclusion impact on Accumulated Surplus/(Deficit)	(8,721,071)
<b>Remove Non PSAB Items from Cash Based Budget</b>	
Debenture Principal Repayments	1,214,427
Transfer to Reserve Funds	17,199,410
Contributions from Reserve Funds	(31,662,995)
Contributions from Development Charges	(1,195,120)
Funds from Debenture Issuances	(1,300,000)
Fixed Asset/TCA Expenditures	30,626,375
<b>Total Impact on 2023 Accumulated Surplus/(Deficit)</b>	<b>6,161,026</b>

Overall, amortization listed above has a major impact on the 2024 accumulated surplus amount. The amortization expense reduces the surplus amount and also reduces the net book value of Tangible Capital Assets reported on the annual audited statement of financial position.

Fixed asset purchases of \$30,626,375 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.



# 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 advanced 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 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.



# Supplementary Information

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**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 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.

**Development Charge Interest Policy** – This policy is to establish a framework for determining the interest rate that can be applied to Development Charges, as permitted under sections 26.1 and 26.2 of the *Development Charges Act*, 1997.

## Expenditure Policies

**Procurement Policy** – All 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.



# Supplementary Information

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**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.

## 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.

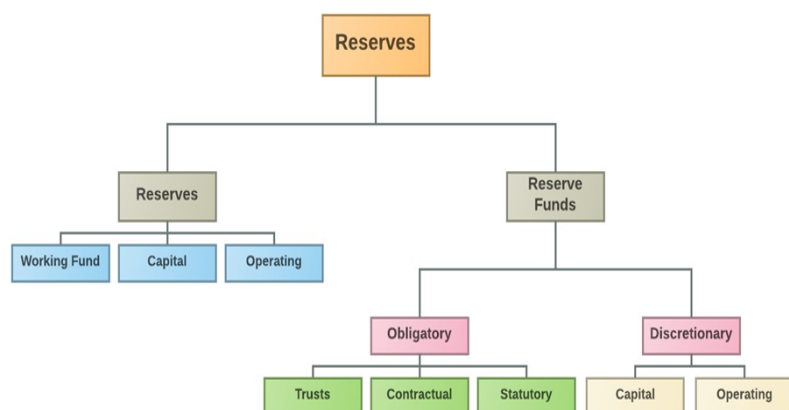
**Financial Information Return** – A Financial Information Return (FIR) will be submitted to the Ministry of Municipal Affairs and Housing (MMAH) on an annual basis. The information in the FIR will be consistent with the information in the audited financial statements.



# 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





## Supplementary Information

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: Obligatory	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





## Supplementary Information

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



## Supplementary Information

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.

## Supplementary Information

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.



## Supplementary Information

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 consent requirements from time to time. Interest earned

## Supplementary Information

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.
Legal Reserve Fund	Reserve Funds: Discretionary	Operating	To provide contingency to accommodate annual fluctuations in cost of legal invoices and claims.	Allocation based on fund usage and evidence of reasonably determined liability. Established annual operating budget contribution if required and Interest earned.
Municipal Office Build Reserve Fund	Reserve Funds: Discretionary	Operating	To fund the municipal office renovation project in 2023-2025.	Allocation from existing reserve fund. 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)  
BCA – Building Condition Assessment  
BCI – Bridge Condition Index  
BRA – Bluewater Recycling Association  
CAO – Chief Administration Officer  
CCBF – Canada Community-Building Fund  
CDM – Conservation and Demand Management  
CICA – Canadian Institute of Chartered Accountants  
CPI – Consumer Price Index  
CPA – Chartered Professional Accountant  
CRV – Current Replacement Value  
CVA – Current Value Assessment  
DC – Development Charge  
DWQMS – Drinking Water Quality Management Standard  
ECDM – Energy Conservation and Demand Management Plan  
FCM – Federation of Canadian Municipalities  
FIR – Financial Information Return

FOI – Freedom of Information  
FTE – Full-Time Equivalent Position  
GAAP – General Accepted Accounting Principles  
GFOA – Government Finance Officers Association  
GIS – Geographic Information System  
GPS – Global Positioning system  
HCB – High Class Bituminous (Asphalt)  
HR – Human Resources  
HVAC – Heating Ventilation Air Conditioning  
IT – Information Technology  
KCCA – Kettle Creek Conservation Authority  
KM - kilometers  
LCB – Low Class Bituminous (Tar & Chip)  
LED – Light Emitting Diode  
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  
MMS – Minimum Maintenance Standards  
MPAC – Municipal Property Assessment Corporation  
MTO – Ministry of Transportation  
NBV – Net Book Value



## Supplementary Information

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OCWA – Ontario Clean Water Agency

OCIF – Ontario Community Infrastructure Fund

OFM – Ontario Fire Marshal

OMERS – Ontario Municipal Employees Retirement System

OMPF – Ontario Municipal Partnership Fund

OP – Official Plan

OPP – Ontario Provincial Police

OSIM – Ontario Structure Inspection Manual

PCI - Pavement Condition Index

POA – Provincial Offences Act

PSA – Public Sector Accounting

PSAB – Public Sector Accounting Board

PTE – Part-Time Equivalent Position

PWE – Public Works and Engineering

ROW – Right of Way

RTQ – Realty Tax Qualifier

SCADA - Supervisory control and data acquisition

SCRCA – St. Clair Region Conservation Authority

SMT – Senior Management Team

SWM – Stormwater Management

TCA – Tangible Capital Asset

TMP – Transportation Master Plan

UTRCA – Upper Thames River Conservation Authority

WSIB – Workplace Safety and Insurance Board



# 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.

**Annual Budget** – A budget for a single year which identifies the revenue and expenditures for meeting the objectives of the annual financial plan.

**Approved Budget** – The budget as formally adopted by the Municipal Council for the upcoming fiscal year.

**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.

**Audit** – An independent investigation of an organization’s financial accounts.

**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.

**Bond** – a debt security representing a loan made by an investor or a borrower. The borrower is typically a corporation or the government.

**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.





## Supplementary Information

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**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 as a measure of the increase in the cost of living (i.e., economic inflation).

**Current Replacement Value (CRV)** – CRV is the current cost of rebuilding an asset with the equivalent capacity, functionality, and performance as the original asset. CRV is adjusted for inflation and provides an estimate of asset value in today’s dollars.

**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.

**Debt Servicing Cost** – Annual principal and interest payments on contracted debt.

**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.

**Department** – A major administrative division of the Municipality that has overall management responsibility for an operation within a functional area.

**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.

**Division** – the work of a department and each separate departmental function identified in the budget.

**Estimates** – The budget proposal for the expenditures and revenue of the Municipal funds for one fiscal year and includes the budget proposals for any particular department.

**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.



## Supplementary Information

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**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 Accounting**- An accounting system emphasizing accountability rather than profitability, used by non-profit organizations and governments. In this system, a fund is a self-balancing set of accounts, segregated for specific purposes in accordance with laws and regulations or special restrictions and limitations.

**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.

**Goals** – Are broad statements of direction. They identify ongoing community needs and the approach taken by the Municipality and departments to manage or satisfy those needs.

**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.



# Supplementary Information

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**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 Community Infrastructure Fund** – This grant is a formula-based grant based off of a municipality's asset management plan. It was launched in 2014 and provides funding to help small, rural and northern communities renew and rehabilitate critical infrastructure.

## **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.

**Ontario Municipal Partnership Fund** – This is the Province's main general assistance grant to municipalities. The program primarily supports northern and rural municipalities across the province. Its objectives are to:

- recognize the challenges of northern and rural municipalities, while targeting funding to those with more challenging fiscal circumstances;
- support areas with limited property assessment; and

- assist municipalities that are adjusting to year-over-year funding changes.

**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 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.



# Supplementary Information

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**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 the 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 being required. Service level reductions or deletions generally result in less required funding.

**Stakeholders** – The person, group or organization that has a 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 organization's 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 by-law.

**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).

**Variations** – Differences between actual revenues, expenditures, and performance indicators from those items targeted in the annual budget.

