



**middlesex
centre**
in the centre of it all

2025 — BUDGET

Draft Budget Presentation to
Middlesex Centre Council

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Director of Corporate Services

November 27, 2024



Agenda

- Municipal Budget Introduction
- 2025 Budget Summary
- Capital
 - Capital Costs
 - Capital Funding
- Operating
 - Operating Costs
 - Operating Funding
- Final Summary

About this Document

Acknowledgements

Middlesex Centre undertook a major revision of the content contained in the annual budget book in 2022 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 information 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 are extended to the following for 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, Chief Building Official
- Wayne Ysebaert, Deputy Chief Building Official
- Scott Mairs, Director of Community Services
- Justin Fidler, Manager of Community Services
- 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

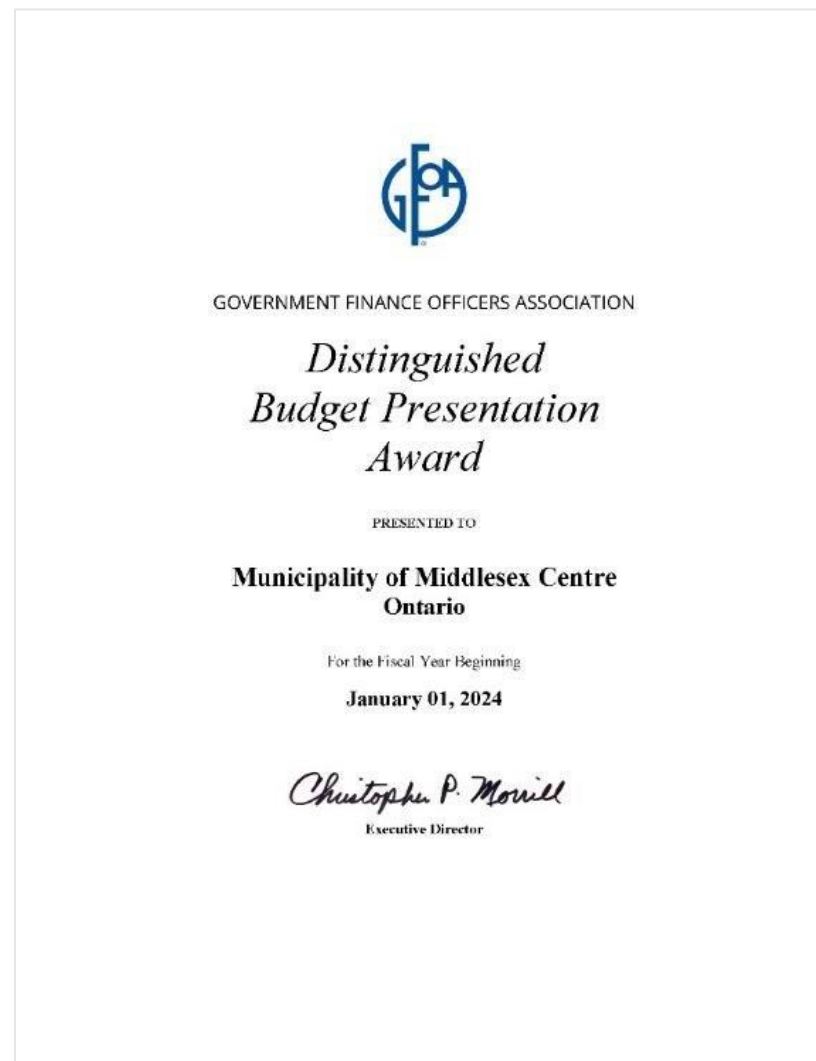


About this Document

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 1, 2024. 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 is the third year in a row that Middlesex Centre's budget has been recognized.

This award is valid for a period of one year only. We believe our 2025 budget continues to conform to program requirements, and we will submit it to GFOA to determine its eligibility for another award.



Considerations in Developing the Budget

Key Issues & Priorities Considered

- 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
- Compliance with fiscal policies
- Ramifications of the continued delayed in the Property Tax Reassessment
- Residential building activity and growth pressures, and the effects of the economic downturn on building activities
- Aging infrastructure and closing the infrastructure gap
- Community-wide effects of the economic downturn
- Unpredictability of provincial and federal funding
- Provincial downloading
- External legislative requirements
- Capital projects carry forward costs
- Continuous improvement



Considerations in Developing the Budget

Alignment with Strategic Plan

Examples of how the **operating budget** directly responds to Strategic Plan Objectives:

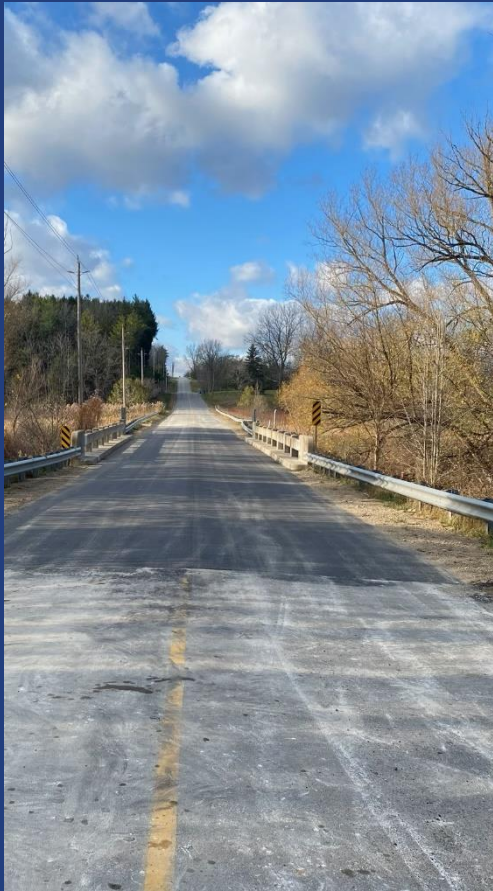
- Sustainable Infrastructure and Services - **Objective 4.1 – Improve safety for road users**
 - By addressing road safety challenges and implementing existing traffic calming policies on Middlesex Centre roads.
- Sustainable Infrastructure and Services - **Objective 4.2 – Expand existing services in 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.
- 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.
- 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

The Big Picture

- **7.52% Tax Levy Increase** (2024: 6.44%)
- **5.90% Tax Rate Increase** (2024: 3.22%)
- **\$49,643,237 in Operating Costs** (2024: \$49,321,214)
- **\$29,492,829 in Capital Projects** (2024: \$30,567,143)
- **\$79,136,066 Total Municipal Budget** (2024: \$79,888,357)
- **\$18,108,774 Transfers to Reserve Funds** (2024: \$17,010,052) *
- **\$29,723,756 Transfers from Reserve Funds** (2024: \$33,669,029) *

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

Capital Budget



Budget Summary

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 effective capital budget.

The financial decisions we make today are critical to the long-term sustainability of our municipality. The 2025 budget reflects corporate strategic plans and the needs of the community. The proposed capital projects in Middlesex Centre hold the promise of delivering significant long-term benefits for 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.

The projects being presented are designed to enhance the Municipality's infrastructure and build a sense of community pride. Improved infrastructure not only makes daily life more convenient but also attracts businesses and residents, ultimately boosting the local economy and bringing residents together.

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

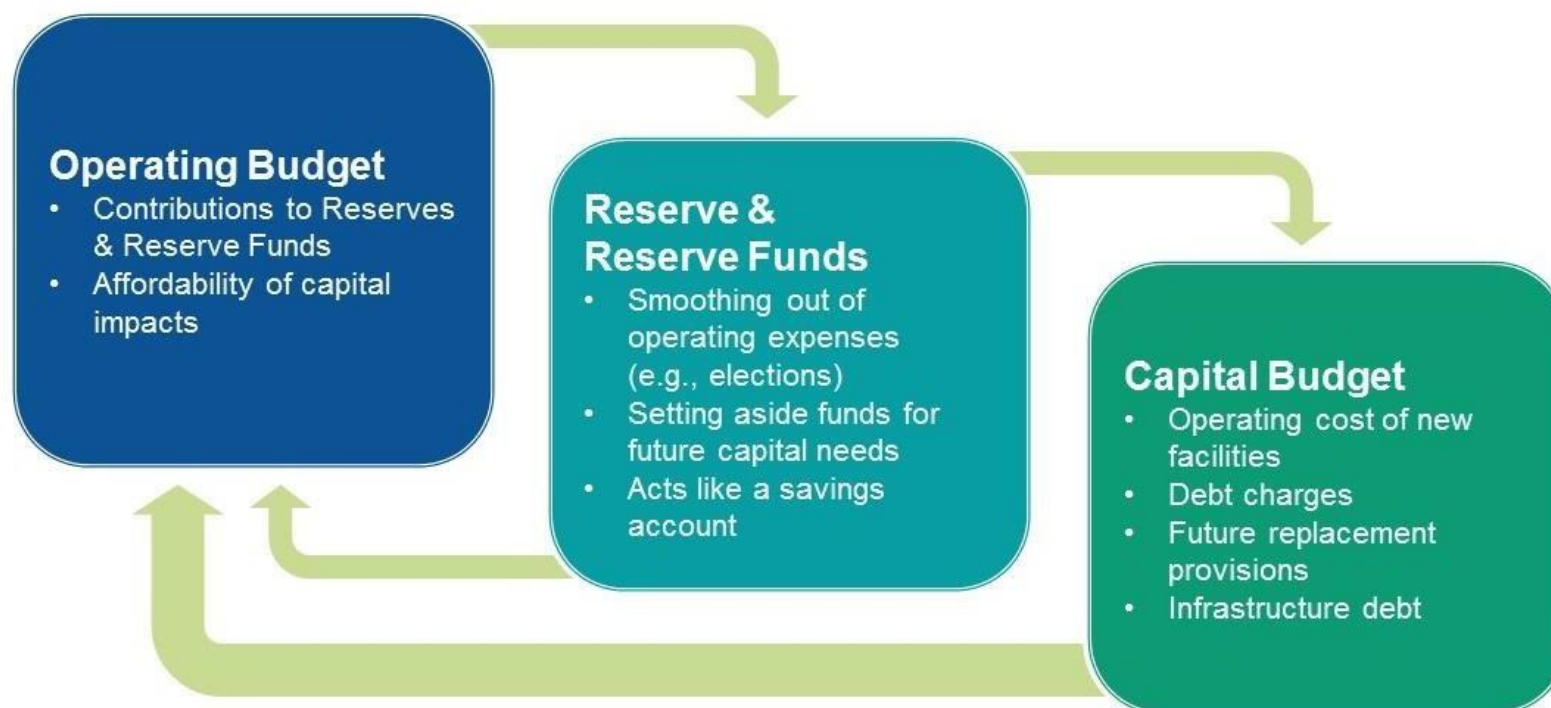


Budget Summary

Combined Operating and Capital Budget

Connecting the capital and operating budgets forms the total 2025 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.

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



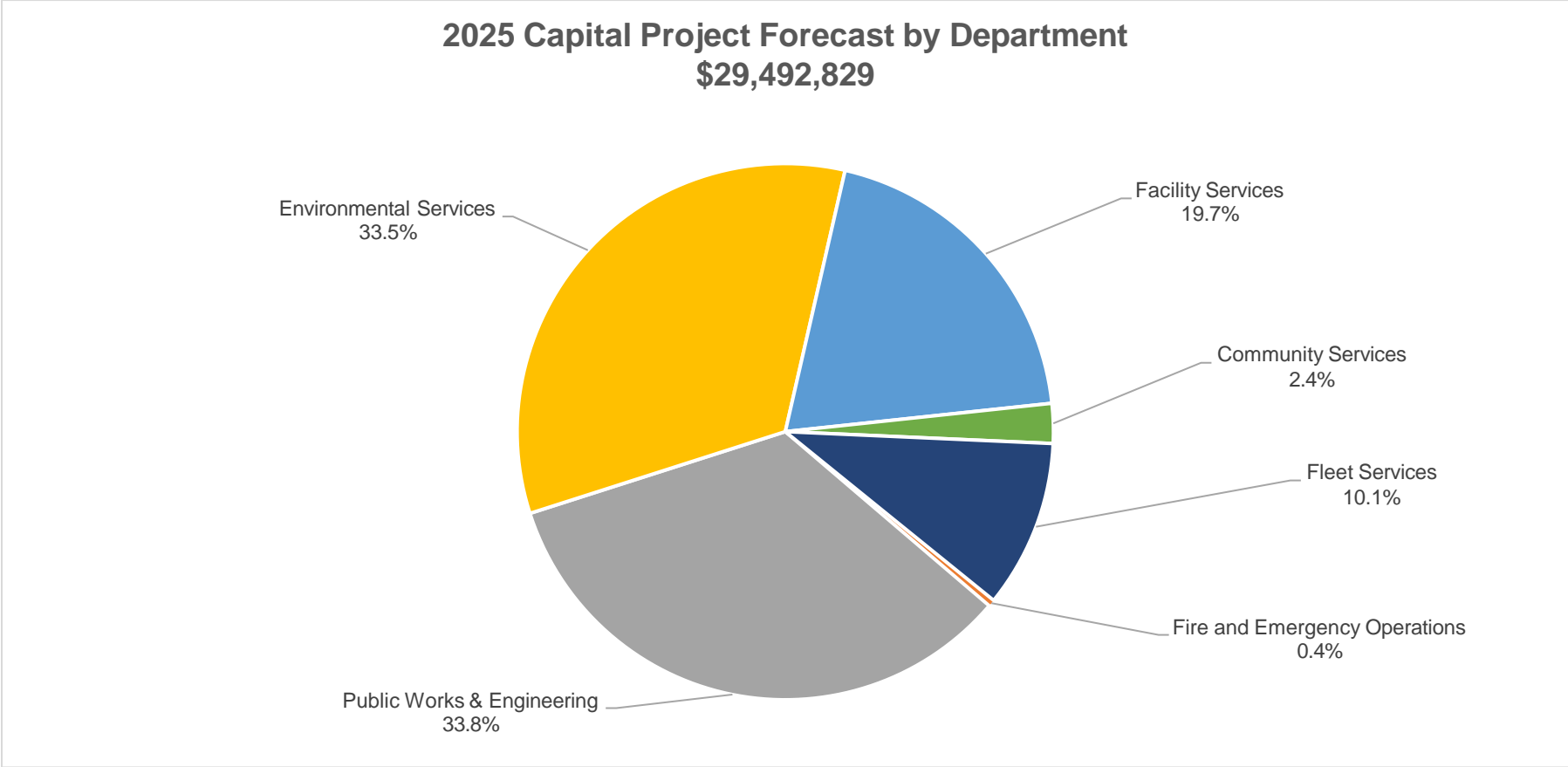
Budget Summary

Table: Summary of Recommended Capital Projects by Department

Department	2025	2024	2023
General Government	-	-	\$1,010,000
Fire and Emergency Operations	\$120,000	\$84,000	\$53,000
Public Works & Engineering	\$9,976,126	\$10,553,166	\$9,290,954
Environmental Services:			
Wastewater	\$2,070,198	\$2,582,571	\$3,158,602
Stormwater	\$3,502,000	\$403,915	\$906,915
Water	\$4,312,507	\$2,793,357	\$4,295,261
Facility Services	\$5,818,725	\$10,257,494	\$3,528,387
Community Services	\$706,273	\$876,733	\$1,503,898
Fleet Services:			
Fire Fleet	\$725,000	\$880,000	\$4,000
Building Fleet	-	-	\$150,000
PWE Transportation Fleet	\$1,837,500	\$2,117,500	\$2,701,564
Environmental Services Fleet	\$85,000	\$17,500	\$21,000
Community Services Fleet	\$339,500	\$111,000	\$116,000
Total	\$29,492,829	\$30,677,236	\$26,739,581

Budget Summary

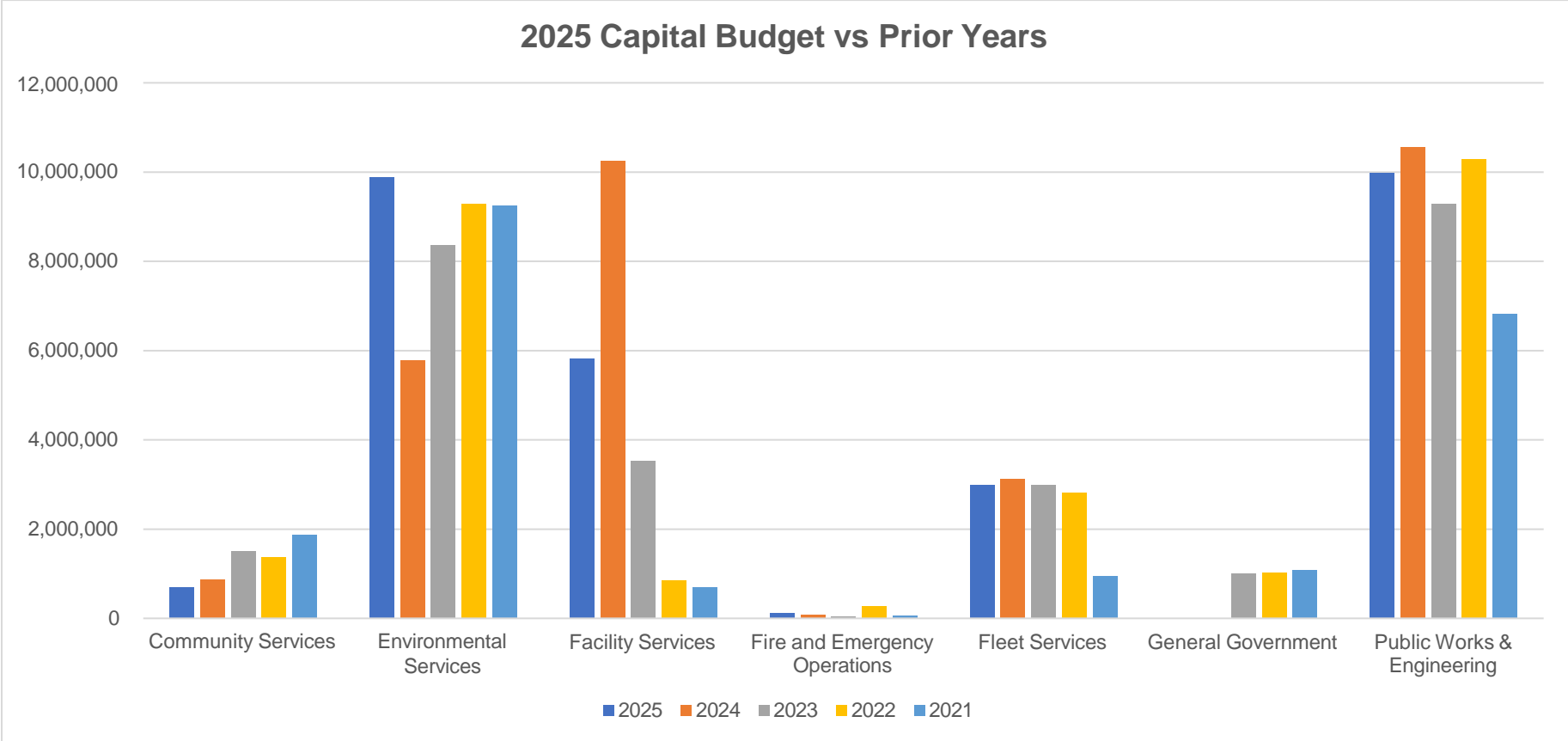
Figure: Capital Budget by Department



Note: Includes 2024 carryover and new projects for 2025

Budget Summary

Figure: Capital Budget by Department – Comparison with Previous Years



Budget Summary

Five-Year Capital Budget

Table: 5-Year Capital Expenditures by Department, Summary

Department	2025	2026	2027	2028	2029	Total 5-Year Plan
Community Services	706,273	1,677,300	1,681,400	4,219,800	325,000	8,609,773
Environmental Services	9,884,705	5,172,491	18,505,975	36,839,927	12,517,300	82,920,398
Facility Services	5,818,725	2,151,100	1,696,200	1,312,400	25,605,500	36,583,925
Fire and Emergency Operations	120,000	70,000	-	75,000	1,400,000	1,665,000
Fleet Services	2,987,000	2,385,000	2,610,000	2,080,000	4,560,000	14,622,000
Public Works & Engineering	9,976,126	6,872,167	10,965,750	9,741,650	8,604,000	46,159,693
Grand Total	29,492,829	18,328,058	35,459,325	54,268,777	53,011,800	190,560,789

Community Services

Capital Budget Details

Community Services – Major Capital Projects 2025

Timberwalk Park Playground



Construction of a new playground and park amenities at the new park in the Timberwalk Development.

The Ilderton & District Lions are contributing the cost of the playground.

\$108,000

Heritage Park Splash Pad



Heritage Splashpad requires capital upgrades due to its service life. (The concrete base failed in 2024, and short-term operational repairs were made to allow for operation to continue through the summer only.) Utilities will not change, but modified or added features will be considered.

\$89,000

Poplar Hill Park Accessible Swing



Installation of a fully accessible wheelchair swing and associated base for the swing, pathway, and curbing. The Poplar Hill Lions are contributing a large portion of the swing's cost (\$55,000).

\$80,000

Bryanston School Park Ball Diamond



The baseball diamond at Bryanston School Park requires backstop fencing repairs, resurface and amending of the clay surface with the chips, as well as new benches. This diamond is in the poorest condition of all Middlesex Centre ball diamonds.

\$37,500

Community Services

Table: Capital Budget for Community Services by Division and Project

Community Services	Carry Forward 2024 (\$)	2025 Forecast (\$)	Total (\$)
Parks & Open Space			
Buildings & Fixtures:			
25-6718 - Coldstream Storage Shed - Roof Replacement	0	55,000	55,000
25-7103 - Weldon Park- Decommission Jr. Playground as per 3rd party inspection	0	48,500	48,500
Buildings & Fixtures Total	0	103,500	103,500
Land Improvements:			
25-7101 - Poplar Hill Park- Asphalt Roadway by pavilion	0	46,900	46,900
25-7105 - Heritage Park Splash Pad Renovation	0	89,000	89,000
25-7106 - Bryanston Park/School - Ball Diamond Improvements	0	37,500	37,500
25-7142 - Komoka Park - Replace back stop at Komoka back diamond	0	65,500	65,500
25-7802 - Timberwalk Phase 5 Trail	0	110,873	110,873
Land Improvements Total	0	349,773	349,773
Other Equipment:			
24-7119 - Timberwalk Park	83,873	24,127	108,000
25-7150 - Poplar Hill Park Replace back stop and fencing front diamond	0	65,000	65,000
25-7151 - Poplar Hill Park - Playground- accessible swing (shared w Lions Club)	0	80,000	80,000
Other Equipment Total	83,873	169,127	253,000
Parks & Open Space Total	83,873	622,400	706,273
Total	83,873	622,400	706,273

Facility Services

Capital Budget Details

Facility Services – Major Capital Projects 2025

Ilderton Arena Upgrades



Replace the key components of the arena refrigeration system, install new rink boards and glass, renovated improve the lobby including new accessible washrooms and undertake façade improvements.

\$3,527,270

Municipal Office Renovations



Complete the renovation and addition to the Municipal Office in Coldstream.

\$450,000

Komoka Community Centre - Washroom Accessibility



The Komoka Community Centre is the last community centre that does not meet accessibility standards (AODA compliance) for washrooms. The municipality has received a grant for this work.

\$96,400

Coldstream Community Centre Kitchen



To align with the renovations to the municipal office, the adjacent kitchen in the Coldstream Community Centre will be refreshed with new commercial appliances, cupboards, stainless counter tops, ceiling treatment, wall treatments and servery doors.

\$98,800

Facility Services

Table: Capital Budget for Facility Services by Division and Project

Facility Services	Carry Forward 2024 (\$)	2025 Forecast (\$)	Total (\$)
Arenas			
Buildings & Fixtures:			
24-6750 - Ilderton Arena - Arena Upgrades	3,527,270	0	3,527,270
24-6770 - Komoka Wellness Centre - Replace Domestic Hot Water Tank #1 and # 3	0	35,600	35,600
25-6705 - Komoka Wellness Centre-Lighting Retrofit-Phase 2	0	95,000	95,000
25-6725 - Komoka Wellness Centre Canadian Pad Sound System Replacement	0	95,800	95,800
25-6726 - Komoka Wellness Centre-Replace Air Quality Monitoring System	0	65,000	65,000
25-7223 - KWC - Supplementary Dehumidifier on Canadian ice pad	0	80,000	80,000
Buildings & Fixtures Total	3,527,270	371,400	3,898,670
Arenas Total	3,527,270	371,400	3,898,670
Community Centres			
Buildings & Fixtures:			
25-6707 - Komoka Community Centre-Lighting Upgrade - Entire Facility	0	68,000	68,000
25-6710 - Komoka Community Centre - Washroom Accessibility Upgrades	0	96,400	96,400
25-6752 - Komoka Community Centre-Main Hall Flooring Replacement	0	89,800	89,800
25-6753 - Komoka Community Centre Washroom Renovations	0	70,000	70,000
25-6771 - Ilderton Community Centre - Main Hall Flooring refinish + repairs	0	36,500	36,500
25-7221 - Bryanston Community Centre - ceiling renewal	0	67,250	67,250
25-7222 - Coldstream Community Centre Kitchen renewal project	0	98,800	98,800
Buildings & Fixtures Total	0	526,750	526,750
Land Improvements:			
25-6709 - Ilderton Community Centre - Resurface asphalt parking lot and service entrance.	0	160,000	160,000
Land Improvements Total	0	160,000	160,000
Community Centres Total	0	686,750	686,750

Facility Services

Facility Services	Carry Forward 2024 (\$)	2025 Forecast (\$)	Total (\$)
Fire Halls			
Buildings & Fixtures:			
25-7166 - Ilderton Firehall- Perimeter walkway renewal- new concrete walkways	0	39,600	39,600
Buildings & Fixtures Total	0	39,600	39,600
Fire Halls Total	0	39,600	39,600
Leased Properties			
Buildings & Fixtures:			
25-6102 - Bryanston Park/School - Lower Roof Replacement	0	200,000	200,000
25-6742 - Bryanston School Property-New Roof over Gymnasium	0	158,000	158,000
25-6743 - Bryanston School Property - Replace Classroom Windows	0	85,600	85,600
25-7160 - Medical Centre Lighting Retrofit interior and exterior	0	35,000	35,000
Buildings & Fixtures Total	0	478,600	478,600
Leased Properties Total	0	478,600	478,600
Municipal Office			
Buildings & Fixtures:			
23-6103 - Municipal Office Renovations/Construction	450,000	0	450,000
Buildings & Fixtures Total	450,000	0	450,000
Land Improvements:			
24-6775 - Municipal Office Landscaping (Office Reno)	50,000	0	50,000
Land Improvements Total	50,000	0	50,000
Municipal Office Total	500,000	0	500,000

Facility Services

Facility Services	Carry Forward 2024 (\$)	2025 Forecast (\$)	Total (\$)
PWE Operations Centres			
Buildings & Fixtures:			
25-6306 - Denfield PWE - Wash bay structural steel posts	0	58,200	58,200
25-6307 - Denfield PWE - Storage lean-to for sand/ soil	0	64,905	64,905
25-6756 - Denfield Operations Centre LED retrofit lighting project in conjunction with Save on Energy	0	92,000	92,000
Buildings & Fixtures Total	0	215,105	215,105
PWE Operations Centres Total	0	215,105	215,105
Total	4,027,270	1,791,455	5,818,725

Fire & Emergency Services

Capital Budget Details



Table: Capital Budget for Fire & Emergency Services by Division and Project

Fire and Emergency Operations	Carry Forward 2024 (\$)	2025 Forecast (\$)	Total (\$)
Fire Operations			
Other Equipment:			
25-2200 - Extrication Equipment	0	70,000	70,000
25-2202 - Personal Protective Equipment (PPE)	0	50,000	50,000
Fire Operations Total	0	120,000	120,000
Total	0	120,000	120,000

Capital Budget Details

PWE Transportation – Major Capital Projects 2025

Elmhurst & Parkland Urbanization



This multi-department project will see urbanization and upgrades to Elmhurst St. and Parkland Pl., including sidewalks, water and sanitary sewers.

\$1,180,000

Hot Mix Resurfacing



Resurfacing of asphalt roads to maintain a Pavement Condition Index (PCI) of 70 or better as per the recommendations of the Asset Management Plan

\$1,000,000

Repair Bridge B-526 on Vanneck Rd.



Repair Bridge B-526, as per the recommendations of the Ontario Structure Inspection Manual (OSIM) inspection report and asset management plan. Timely repairs to bridges will ensure a safe and efficient transportation system. Located on Vanneck Rd, 0.9km north of County Rd 22.

\$743,000

Bodkin Rd. Gravel Road Conversion



Conversion of Bodkin Rd. (Jones Dr. to Southdel Bourne) from gravel to Low Class Bituminous (LCB) pavement as recommended by the Road Needs Study.

\$600,876

Public Works & Engineering: Transportation & Administration

Table: Capital Budget for PWE: Transportation & Administration by Division and Project

Public Works & Engineering	Carry Forward 2024 (\$)	2025 Forecast (\$)	Total (\$)
Transportation			
Bridges & Culverts:			
24-3115 - Repair Bridge B-526; Vanneck Rd	232,000	511,000	743,000
24-3116 - Replace Culvert C-153; Sixteen Mile Rd.	0	375,500	375,500
24-3117 - Replace Culvert C-159; Sixteen Mile Rd.	0	295,000	295,000
24-3119 - Replace Culvert C-155; Clarke Rd.	0	560,500	560,500
24-3124 - Replace Culvert C-575; McEwen Dr.	0	355,000	355,000
24-3125 - Repair Culvert C-131; Adelaide St.	0	175,000	175,000
24-3126 - Repair Culvert C-111; Thirteen Mile Rd.	0	175,000	175,000
25-3114 - Rehabilitate Bridge B-140, Fourteen Mile Road	0	45,000	45,000
25-3117 - Replace Culvert C-560, Poplar Hill Road	0	33,000	33,000
25-3119 - Replace Culvert C-567, McEwen Drive	0	66,000	66,000
25-3120 - Replace Culvert C-556, Fernhill Drive	0	75,000	75,000
25-3121 - Repair Culvert C-317, Southdel Drive	0	26,250	26,250
25-3122 - Replace Culvert C-568, Gold Creek Drive	0	66,000	66,000
Bridges & Culverts Total	232,000	2,758,250	2,990,250
Other Equipment:			
25-3538 - Replacement Fuel System & Card Lock	0	75,000	75,000
Other Equipment Total	0	75,000	75,000

Public Works & Engineering: Transportation & Administration

Public Works & Engineering	Carry Forward 2024 (\$)	2025 Forecast (\$)	Total (\$)
Roads:			
21-3137 - Old River Road (Glendon Dr to Pulham Rd)	185,000	3,150,000	3,335,000
24-3118 - Elmhurst St & Parkland Pl Urbanization	100,000	1,080,000	1,180,000
24-3539 - Longwoods Pedestrian Crossover	95,000	0	95,000
25-3101 - Hot Mix Resurfacing	0	1,000,000	1,000,000
25-3102 - Tar & Chip Resurfacing	0	700,000	700,000
25-3123 - Bodkin Road (Jones Drive to Southdel Bourne) Gravel Road Conversion to LCB	0	600,876	600,876
Roads Total	380,000	6,530,876	6,910,876
Transportation Total	612,000	9,364,126	9,976,126
Total	612,000	9,364,126	9,976,126

Capital Budget Details

PWE Environmental Services – Major Capital Projects 2025

Melrose Lake Huron Primary Water Supply Connection



This project will see the community of Melrose connected to the Lake Huron Primary Water Supply System. Work in 2025 will see a request for proposal to develop a tender detailed design, project management and tendering packaging for construction.

\$3,067,650

Komoka Drain No. 1 – Stormwater Management Pond



2025 will see the first steps in this multi-year project, with the development of a detailed request for proposal and land acquisition.

\$2,735,000

Glendon Drive Watermain Twinning



This project will complete the twinning of the Glendon Drive watermain by extending watermain (twinning) from Tunks Ln. to Crestview Dr. A \$492,715 grant from the Ontario Housing-Enabling Water System Fund is supporting this project.

\$607,457

Ilderton Sewage Pump Station Mechanical Improvements



This project will include refurbishments of mechanical components including the replacement of all discharge piping, check valves, isolation valves, pump replacement.

\$191,458

Public Works & Engineering: Environmental Services

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

Environmental Services	Carry Forward 2024 (\$)	2025 Forecast (\$)	Total (\$)
Stormwater			
Stormsewer Infrastructure:			
21-4204 - Komoka Drain No. 1-SWM Pond	135,000	2,600,000	2,735,000
24-4236 - Parkland and Elmhurst Stormwater Servicing	30,000	737,000	767,000
Stormsewer Infrastructure Total	165,000	3,337,000	3,502,000
Stormwater Total	165,000	3,337,000	3,502,000
Wastewater			
Other Equipment:			
21-4199 - SCADA Replacement	65,000	300,000	365,000
Other Equipment Total	65,000	300,000	365,000
Wastewater Facilities:			
21-4104 - Ilderton Treatment Capacity Upgrades	233,825	0	233,825
22-4103 - Komoka WWTP - Aeration, Blower, and HVAC Improvements	625,858	0	625,858
25-4331 - Ilderton Sewage Pump Station Mechanical Improvements	0	191,458	191,458
Wastewater Facilities Total	859,683	191,458	1,051,141
Wastewater Facility Equipment:			
24-4111 - Komoka Wastewater Treatment Plant Schedule C Environmental Assessment	300,000	0	300,000
25-4332 - Arva Sewage Pump Station Pump Upgrades	0	76,757	76,757
Wastewater Facility Equipment Total	300,000	76,757	376,757
Wastewater Mains:			
24-4135 - Parkland and Elmhurst Wastewater Servicing	40,000	237,300	277,300
Wastewater Mains Total	40,000	237,300	277,300
Wastewater Total	1,264,683	805,515	2,070,198

Public Works & Engineering: Environmental Services

Environmental Services	Carry Forward 2024 (\$)	2025 Forecast (\$)	Total (\$)
Water			
Other Equipment:			
21-4399 - SCADA Replacement (2 of 2)	65,000	300,000	365,000
Other Equipment Total	65,000	300,000	365,000
Wastewater Mains:			
24-4334 - Parkland and Elmhurst Water Servicing	60,000	152,400	212,400
Wastewater Mains Total	60,000	152,400	212,400
Water Mains:			
21-4302 - Melrose Lake Huron Primary Water Supply Connection	1,477,107	1,590,543	3,067,650
22-4314 - Glendon Drive Watermain Twinning	372,505	234,952	607,457
24-4335 - Longwood Road Watermain Extension	60,000	0	60,000
Water Mains Total	1,909,612	1,825,495	3,735,107
Water Total	2,034,612	2,277,895	4,312,507
Total	3,464,295	6,420,410	9,884,705

Fleet Services

Capital Budget Details

Table: Capital Budget for Fleet Services by Division and Project

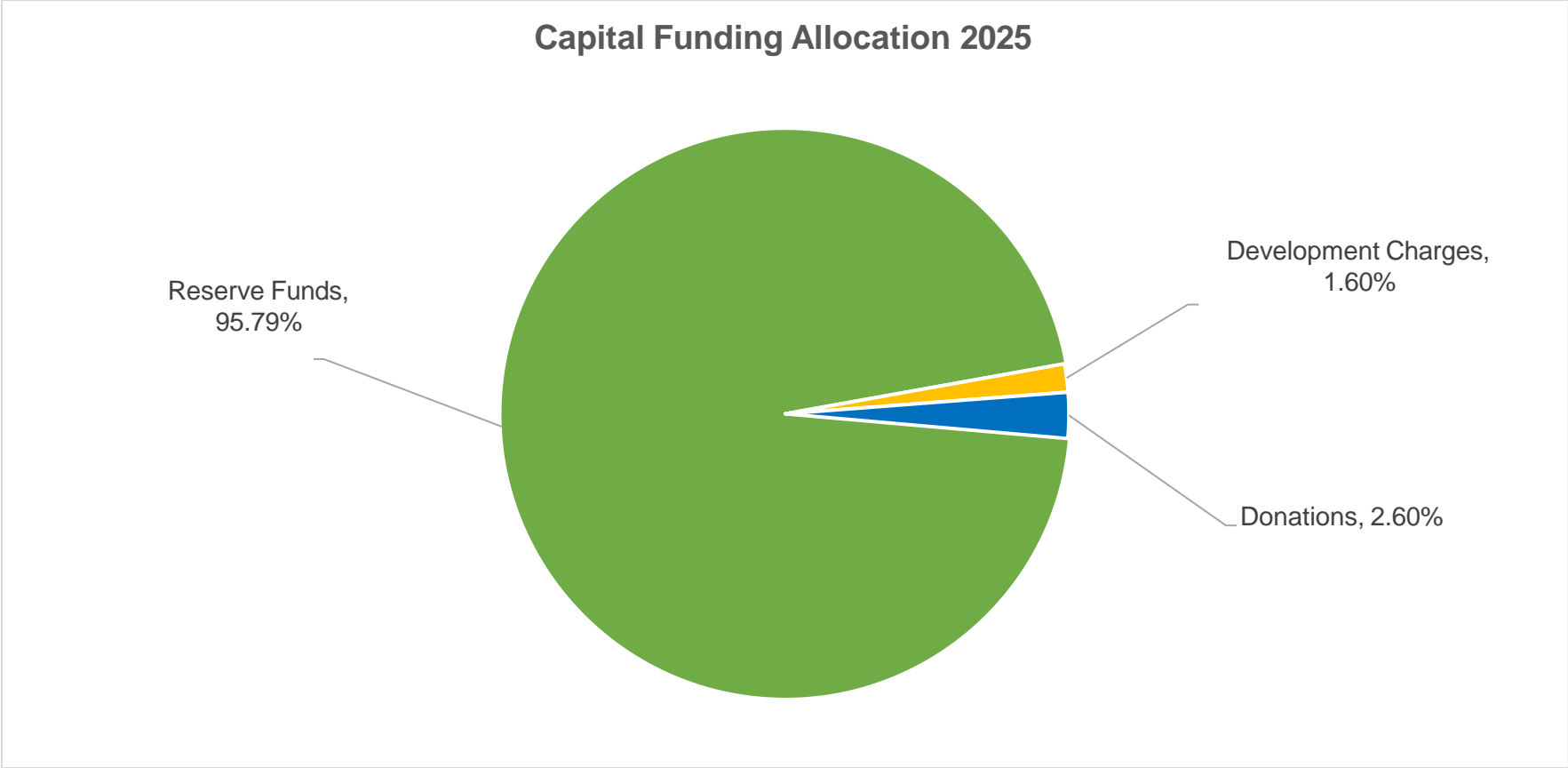
Fleet Services	Carry Forward 2024 (\$)	2025 Forecast (\$)	Total (\$)
Community Services Fleet			
Vehicles & Machinery:			
25-7220 - Replacement Trailer	0	25,000	25,000
25-7331 - New Lawn Sweeper	0	17,500	17,500
25-7334 - Replacement Ice Resurfacers	0	60,000	60,000
25-7339 - New Diamond Groomer	0	12,000	12,000
25-7402 - Replacement 1/2 Ton Pickup Truck	0	67,500	67,500
25-7403 - Replacement 1/2 Ton Pickup Truck	0	67,500	67,500
25-7405 - Replacement 3/4 Ton Pickup Truck	0	90,000	90,000
Vehicles & Machinery Total	0	339,500	339,500
Community Services Fleet Total	0	339,500	339,500
Environmental Services Fleet			
Vehicles & Machinery:			
25-4113 - Replacement Pickup Truck	0	85,000	85,000
Vehicles & Machinery Total	0	85,000	85,000
Environmental Services Fleet Total	0	85,000	85,000
Fire Fleet			
Emergency Vehicles:			
25-2261 - Replacement Pumper/Tanker for Ilderton	0	725,000	725,000
Emergency Vehicles Total	0	725,000	725,000
Fire Fleet Total	0	725,000	725,000

Fleet Services

Fleet Services	Carry Forward 2024 (\$)	2025 Forecast (\$)	Total (\$)
PWE Transportation Fleet			
Vehicles & Machinery:			
25-3265 - Replacement Tandem Truck	0	500,000	500,000
25-3326 - Replacement Grader	0	750,000	750,000
25-3521 - Replacement Hydro Seeder	0	130,000	130,000
25-3533 - Replacement Loader	0	400,000	400,000
25-3534 - Replacement Roadside Mower	0	25,000	25,000
25-3634 - Replacement Plate Tamper	0	32,500	32,500
Vehicles & Machinery Total	0	1,837,500	1,837,500
PWE Transportation Fleet Total	0	1,837,500	1,837,500
Total	0	2,987,000	2,987,000

Budget Summary

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 2025 \$	2025 % Allocation	2024 \$	2024 % Allocation	2023 \$	2023 % Allocation
Buildings & Facilities Reserve Fund	5,771,125	19.57%	5,973,169	19.54%	4,072,072	15.43%
Delaware Hydro Reserve Fund	155,000	0.53%	60,000	0.20%	-	-
Development Charges	452,698	1.53%	1,163,620	3.81%	1,455,741	5.52%
Fire Vehicles & Equipment Reserve Fund	845,000	2.87%	884,000	2.89%	57,000	0.22%
CCBF Reserve Fund	111,000	0.38%	464,806	1.52%	742,500	2.81%
General Vehicles & Equipment Reserve Fund	2,252,000	7.64%	2,038,500	6.67%	2,516,064	9.53%
Ilderton Lions Park Reserve Fund	0	0.00%	101,514	0.33%	-	-
Medical Centre Reserve Fund	35,000	0.12%	12,000	0.04%	155,000	0.59%
Modernization Reserve Fund	0	0.00%	-	0.00%	10,000	0.04%
OCIF Reserve Fund	1,431,250	4.85%	2,616,054	8.56%	1,607,500	6.09%
Roads Capital Reserve Fund	7,797,776	26.44%	6,261,306	20.48%	4,443,454	16.84%

Budget Summary

Funding Source	Proposed 2025 \$	2025 % Allocation	2024 \$	2024 % Allocation	2023 \$	2023 % Allocation
Stormwater Capital Reserve Fund	3,502,000	11.87%	88,915	0.29%	291,915	1.11%
Wastewater Capital Reserve Fund	1,738,473	5.89%	2,496,971	8.17%	3,019,412	11.44%
Water Capital Reserve Fund	4,139,227	14.03%	2,310,857	7.56%	3,848,511	14.58%
Debt	0	0.00%	1,265,000	4.14%	2,717,500	10.30%
Municipal Office Build Reserve Fund	500,000	1.70%	4,830,431	15.80%	-	-
Donations	762,280	2.58%	-	-	-	-
Build Middlesex Reserve Fund	-	-	-	-	1,122,912	4.26%
Building Department Reserve Fund	-	-	-	-	150,000	0.57%
Cash-In-Lieu of Parkland	-	-	-	-	180,000	0.68%
TOTAL	29,492,829	100.00%	30,567,143	100%	26,389,581	100%

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

Budget Summary

Unfunded Capital

In 2025, staff are beginning to identify proposed future projects that will be classified as unfunded capital. These projects will be included in the 5-year capital budget, and they take place between 2026-2029. At this time, these projects listed in the table below show a funding source, however this will be updated in 2025 and presented separately in the 2026 budget.

Unfunded municipal projects refer to proposed or planned initiatives, developments, or improvements that a municipality intends or is considering undertaking but lacks the necessary financial resources to support. This includes capital asset projects that are being proposed based on a master study, growth study, or community proposal or efficiency improvements that have no defined funding plan in place. Historically, these projects have been funded from reserve funds, however, as staff are working

through updating the budget financing policy and procedures and the updated asset management plan and financial models, it is imperative that the funding sources are clearly defined. For these projects to proceed, council will need to decide on how to fund them, either from taxation, redirecting reserve funds, debt or other funding sources such as grants and donations.

Addressing unfunded municipal projects can be a complex task for local governments as it requires prioritizing projects based on their importance, potential impact and alignment with the strategic plan.

Unfunded projects highlight the challenges local governments face in addressing critical community needs due to resource constraints. These projects underscore our necessity of having effective resource management to ensure the overall well-being and growth of Middlesex Centre.

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 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. Staff have continued to refine the plan since that time, and updated replacement values have been provided to the province in 2024. A new AMP will be completed in 2025. The updated AMP figures were used to develop the 2025-2029 capital budget.

- The plan meets the requirements of 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 2025 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 several 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
Bridges and Culverts	\$ 183,314,462
Facilities	\$ 191,006,770
Fleet	\$ 26,508,907
Land	\$ 44,494,600
Machinery & Equipment	\$ 3,979,200
Parks	\$ 12,143,869
Road Network	\$ 480,190,486
Sidewalks and Street Lights	\$ 18,404,596
Storm Network	\$ 153,708,854
Wastewater Network	\$ 242,531,952
Water Network	\$ 114,382,063
Total	\$ 1,470,665,759

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 sustainably maintain expected levels of service. 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 (2025). The 2025 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-Building Fund (CCBF) has been shown as a stable and long-term funding source for eligible capital projects. The 2025-2028 level of CCBF funding is then incorporated 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 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.

The previous financing strategy was developed to be fully funded, and therefore would have no funding shortfall over the next 10 years. However, given the increasing capital costs, additional assets being identified and growth in the municipality, the current financing strategy is not fully funded and there is a projected shortfall. Staff are reviewing this funding strategy in 2025, and the difference could be made up through increases to the tax levy/user rates over-and-above those presented hereafter.

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

Asset Management

maximize the use of Middlesex Centre's infrastructure assets. Several strategies to "close the gap" have been considered/incorporated in the 2025 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 2025

- 81% of all capital projects planned for 2025 are from the AMP:
 - Example: Ilderton Community Centre – Resurface asphalt parking lot - \$160,000
 - Example: Repair Bridge B-526, Vanneck Rd - \$743,000
 - Example: Ilderton Sewage Pump Station Mechanical Improvements - \$191,458
 - Example: Replacement Pumper/ Tanker Engine - \$725,000
- 2% of the new projects planned for 2025 are growth related
 - Example: Ilderton Treatment Capacity Upgrades - \$233,825
 - Example: Timberwalk Park - \$108,000
- 17% of the projects planned for 2025 are related to service level changes, improvements, or efficiency improvements (and combined other criteria, such as growth and AMP)
 - Example: Bodkin Road (Jones Drive to Southdel Bourne) Gravel Conversion to LCB - \$600,876
 - Example: Longwoods Pedestrian Crossover - \$95,000
 - Example: Poplar Hill Park- Asphalt Roadway by pavilion - \$46,900

➔ **Learn more about Asset Management at middlesexcentre.ca/budget under "Asset Management"**

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 revenue is presently at 7.03% (November 27, 2024). Overall, debt repayments account for 3.83% of the operating budget.

The municipality has external debt as outlined in the tables below. The tables summarize the description of the debt, total loan, the interest rate, principal and interest payments, the maturity date and if the project is funded by development charges.

Borrowing these funds for the specific projects noted below has allowed the municipality to spread out the cost of the project over its useful life and has allowed infrastructure costs to be paid not just by today’s taxpayers, but by future users as well. Additionally, the municipality was able to borrow to fund these projects when interest rates were lower, which made the annual payments manageable in the current budget.

As indicated above, debt payments, including principal and interest only account for 3.83% of the total operating budget. Currently, the municipality is well equipped to fund the debt payments in the operating budget. However, staff are recommending a conservative approach to debt borrowing, as taking on too much debt could have an impact on the level and quality of service provided by the municipality.

→ Learn more about Debt at middlesexcentre.ca/budget under “Financial Reports”

Table: Middlesex Centre Debt Details

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

Debt

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

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

Table: Debt Principal and Interest Details for 2025: Budget Impact

Name	2025 Principal Payment (\$)	2025 Interest Payment (\$)	Total 2025 Payments (\$)	Remaining Principal (\$)
Kilworth Komoka Water Line	224,442	56,340	280,783	1,346,654
Denfield Operations Centre	253,385	66,311	319,696	1,647,004
Ilderton Timberwalk Pumping Station	54,560	26,202	80,762	600,493
Roads & Street Light Upgrades	63,081	25,963	89,044	725,437
Komoka Wastewater Treatment Facility Expansion	344,990	165,957	510,947	4,312,374
Coldstream Fire Hall	94,958	68,571	163,529	1,645,328
Komoka Wellness Centre	184,894	121,096	305,990	3,143,195
Total	1,220,311	530,441	1,750,751	13,420,484

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

Debt

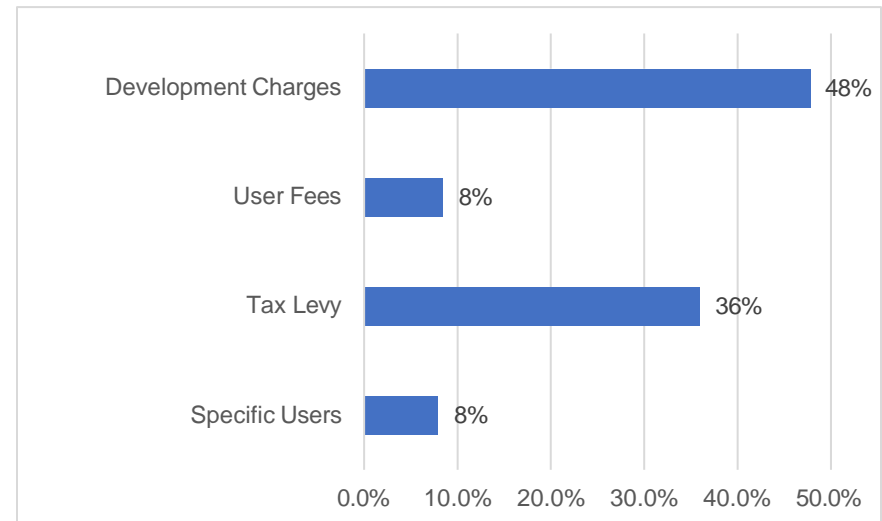
Debt Burden

The municipality uses different revenue sources to pay for the principal and interest payments on debt.

- Tax levy supported debt is paid for by the property tax levy and the principal and interest payments are included in the operating budget for the tax levy supported departments.
- Rate support debt is paid for by the water and wastewater rates and the principal and interest payments are included in the operating budgets for Environmental Services.
- Development Charge (DC) debt, both the principal and interest payments, are paid for by the development charge obligatory reserve fund. The projection of the development charge reserve fund balance is found in the Development Charge section of the budget book.
- Specific users' debt is paid by specific taxpayers. These borrowings are for municipal drain loans and tile drain loans.

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 64% of debt repayment costs.

Figure: Distribution of Debt Burden for 2025



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.

Development Charges

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 five years, projects have been occurring earlier than the funding is coming in, and this will continue into 2025 and beyond resulting in a cash flow issue for development charges.

A Development Charge Background Study (DCBS) was completed in July 2024, 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. All projects identified for development charge funding have been included and financed accordingly in the five-year capital plan 2025-2029.

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

Municipal-wide Services

- Services Related to a Highway;
- Fire Protection;
- Parks and Recreation;
- Administration – Studies

Area-Specific – Water and Sewer Service Areas

- Water Services; and
- Wastewater Services

Table: Projected Development Charge Funding of Capital Projects

Funding Source	2025	2026	2027	2028	2029
Development Charges Funded Annually	\$452,698	\$1,132,639	\$12,748,479	\$29,615,670	\$23,679,580

Notes: Projected Development Charge Funding for 2025-2029.

Table: Development Charge Projected Balances 2025-2029

Reserve Name	2025	2026	2027	2028	2029
Development Charges Reserve Fund	\$(967,956)	\$(31,182)	\$(10,710,248)	\$(36,256,505)	\$(55,866,672)

Projected Development Charge Balances 2025-2029.

Assumptions: Debt payments annually 2025-2029; Development Charges collected annually 2025 -\$2M, 2026-2027 \$3M, 2028-2029 \$5M; Capital projects from 2025-2029 budget

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 balances 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:

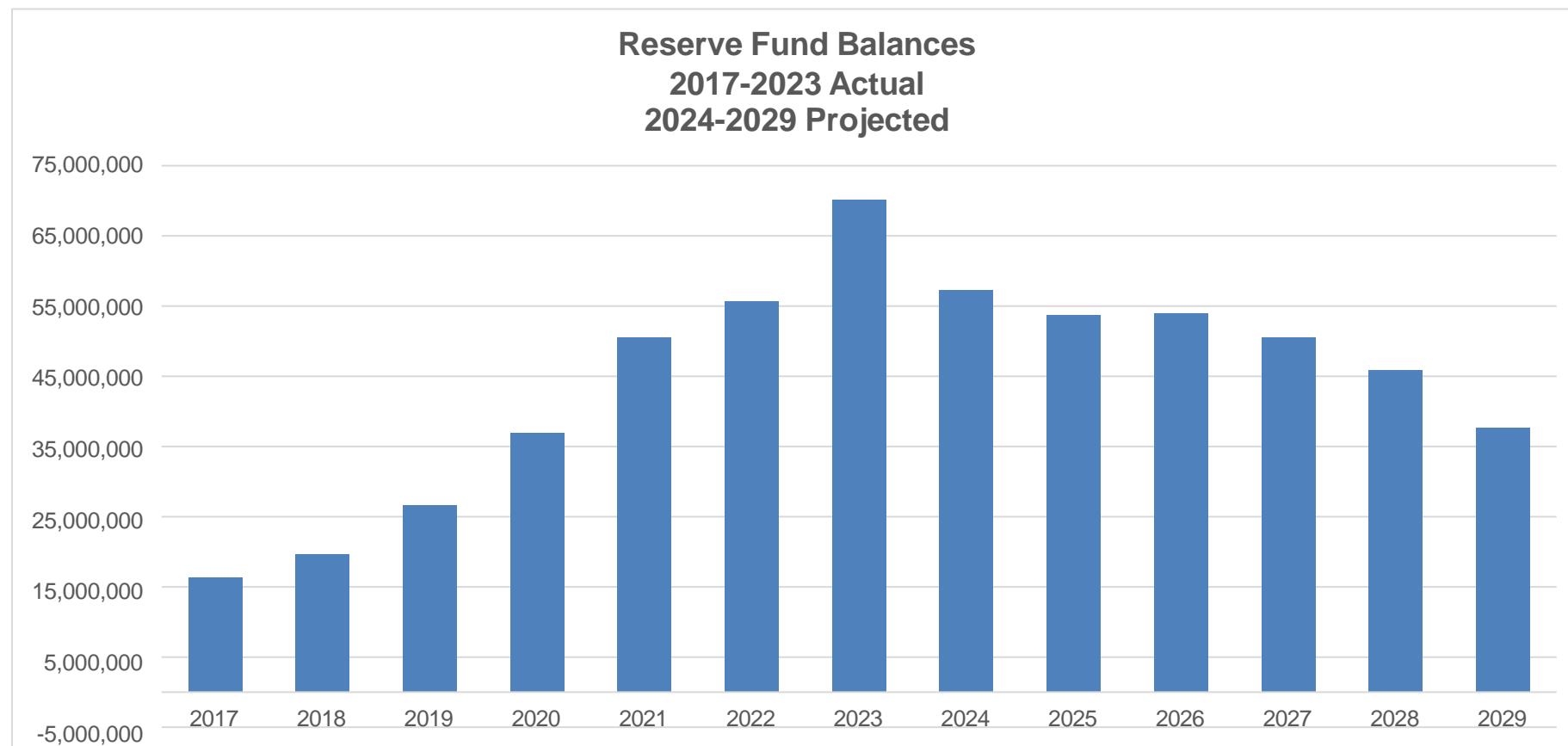
- All capital projects are included in the capital budget, which shows how they are funded. If there are any capital projects to occur throughout the year that were not included in the capital budget, they are approved by council. The report will show how the project is to be funded. There is also a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

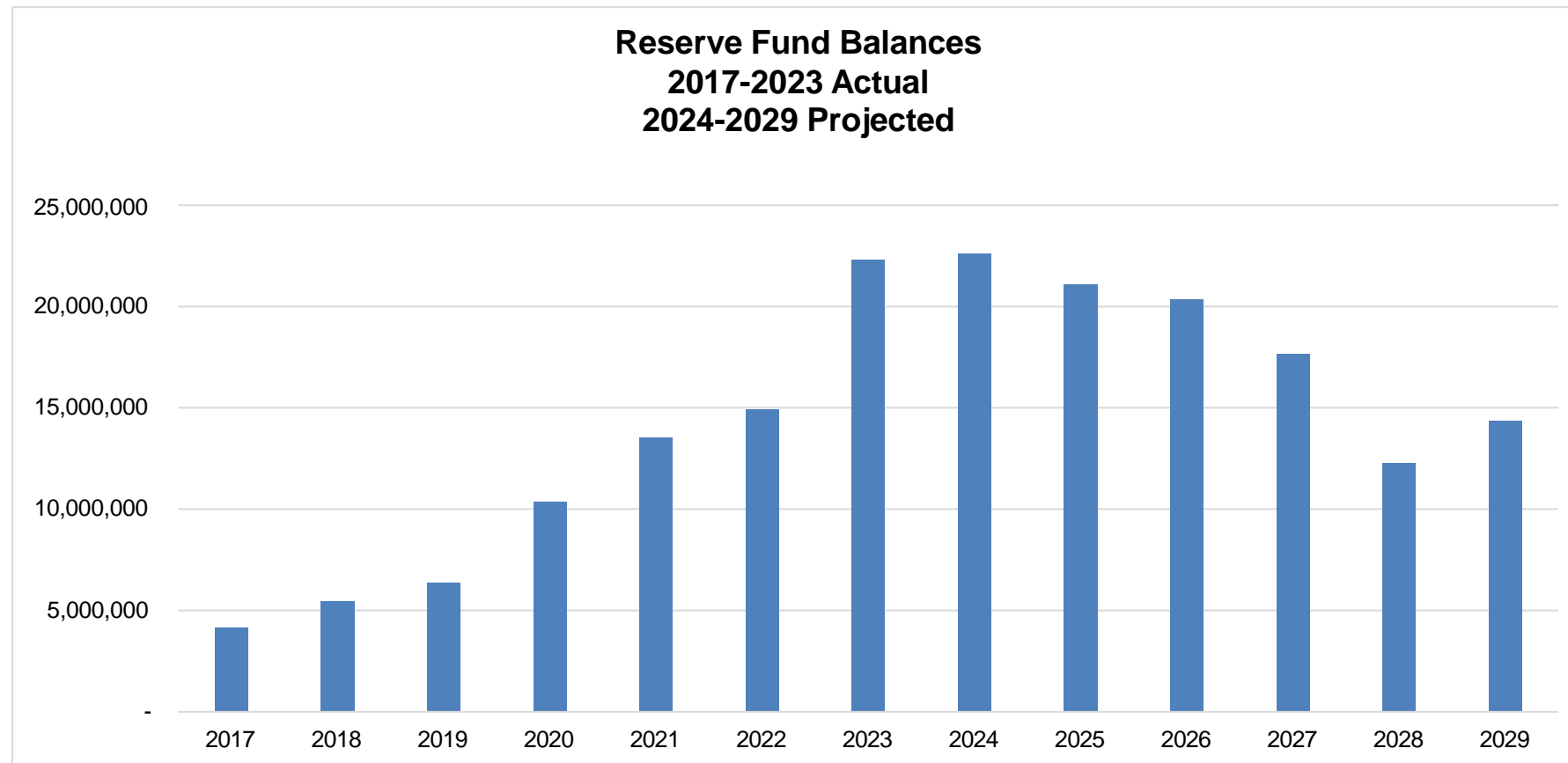
Reserves and Reserve Funds

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



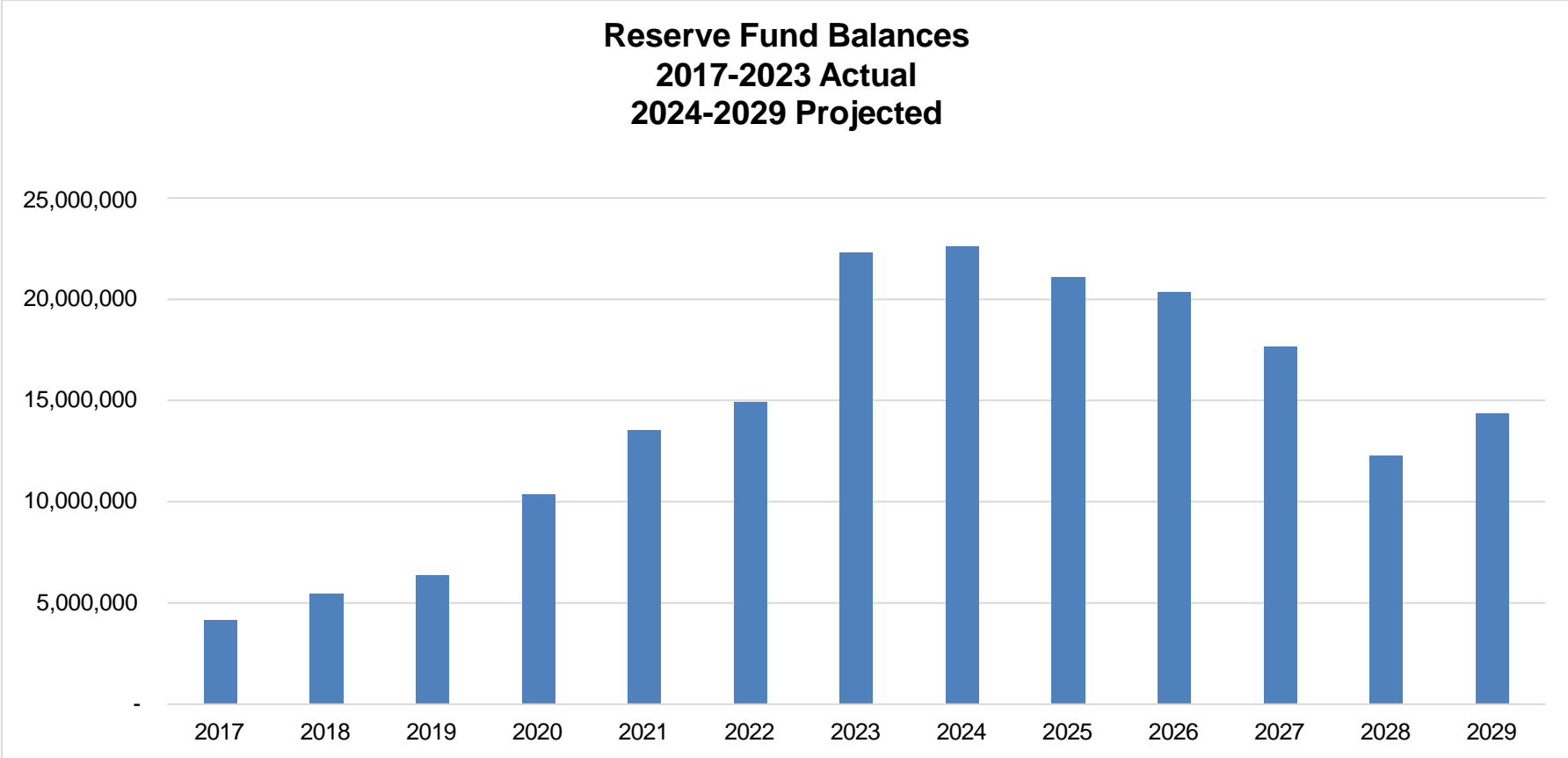
Reserves and Reserve Funds

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)



Operating Budget



Budget Summary

Operating Budget Expenses

The total annual operating expense budget is \$49,643,237.

Factors driving the operating budgeting expenses in 2025 include:

Reserve Funds

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

Notable Reserve Funds changes for 2025 include:

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

Salaries & Benefits

These funds cover the costs of having municipal staff deliver services. We use a zero-based budgeting model, meaning that each year we build the budget starting at zero, and look at the costs associated with each staff position. Additional staff resources are recommended to facilitate desired service level enhancements and/or increased workloads. The 2025 budget includes an allowance for an overall increase of approximately 2.0 full-time equivalent (FTE) employees over 2024.

- Water & Wastewater Maintenance Operator
- Increased hours in Community Services equaling approximately 1 FTE

Notable salary and benefits changes for 2025 include:

- cost of living increase of 2%

- pay-grid step increases of 4%, with 66 full-time employees eligible for increases
- Estimated health and dental benefits cost increases of 10%
- Implementation of the paid on-call firefighter pay grid review

Ontario Provincial Police (OPP) Cost

Each year, the municipality receives the annual OPP billing statement from the Municipal Policing Bureau.

The OPP costs provided for the 2025 budget are \$2,828,336, which is a \$517,662 or 22.4% increase over the 2024 costs. This represents the highest per property cost increase since the implementation of the OPP Billing Model in 2015.

Most of the increase is due to an increase in salary and benefits. The OPP Association and the Provincial Government ratified new uniform and civilian staff collective agreements in 2024. These new agreements are in effect for a four-year term from January 1, 2023, through December 31, 2026. The new agreements include general salary year-over-year rate increases of 4.75% (2023), 4.5% (2024), and 2.75% (2025 and 2026), with the retroactive payments affecting the 2025 calendar year. Salary and benefits account for roughly 90% of OPP municipal policing costs.

Under the *Community Safety and Policing Act*, policing salary and benefits are paid for by the municipalities policed by the OPP. The increase in policing costs accounts for almost 2% of the tax levy increase for 2025.

More information about the OPP cost increase can be found in the report prepared for Council (CPS-50-2024) and presented at the October 16, 2024, meeting.

Budget Summary

Operating Budget Top Expenditure Categories

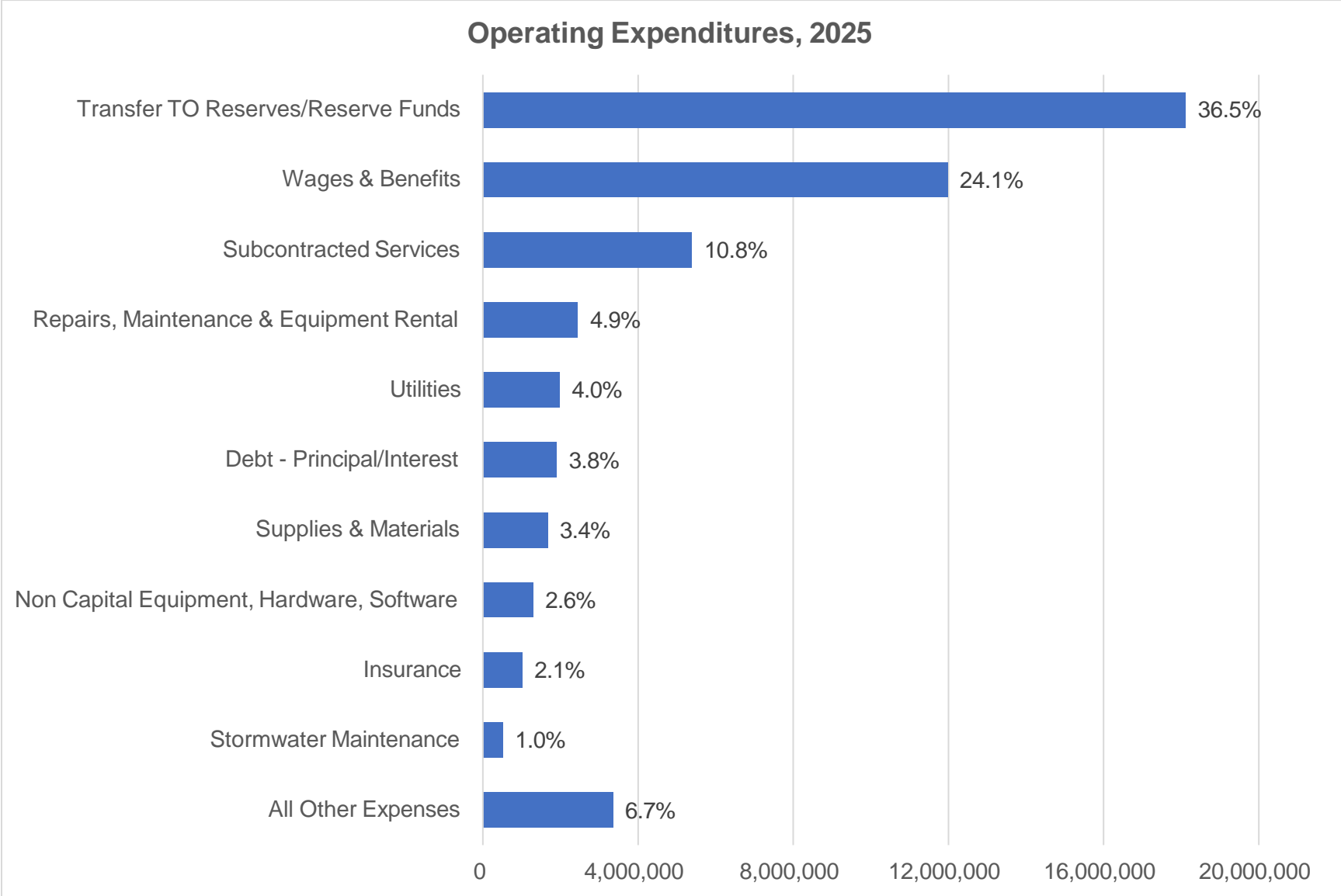
Ten expenditure categories account for 93.3% of the operating budget. These costs are presented in the table below. Note that the majority of the transfer to reserve funds are for capital projects.

Table: Top 10 Operating Expenses with 3-year Comparison

Operating Expenditures	2025 Dollar (\$)	2025 Percentage	2024 Dollar (\$)	2024 Percentage	2023 Dollar (\$)	2023 Percentage
Transfer TO Reserves/Reserve Funds	18,108,774	36.48%	17,010,052	34.49%	15,276,126	34.82%
Wages & Benefits	11,972,957	24.12%	10,921,328	22.14%	10,033,323	22.87%
Subcontracted Services	5,384,413	10.85%	5,201,171	10.55%	5,170,957	11.79%
Repairs, Maintenance & Equipment Rental	2,448,936	4.93%	2,177,230	4.41%	1,975,895	4.5%
Utilities	1,973,296	3.97%	1,976,768	4.01%	1,745,782	3.98%
Debt - Principal/Interest	1,901,385	3.83%	1,849,195	3.75%	1,911,196	4.36%
Supplies & Materials	1,671,952	3.37%	1,735,140	3.52%	1,652,053	3.77%
Non-Capital Equipment, Hardware, Software	1,298,118	2.61%	1,035,523	2.1%	669,799	1.53%
Insurance	1,018,033	2.05%	878,305	1.78%	1,220,070	2.78%
Stormwater Maintenance	517,500	1.04%	185,000	0.38%	524,000	1.19%
TOTAL	46,295,364	93.3%	42,969,712	87.1%	40,179,201	91.58%

Budget Summary

Figure: Operating Budget by Expenditure



Budget Summary

Operating Budget by Department

The total cost of operations by department for 2025 is presented in the chart below.

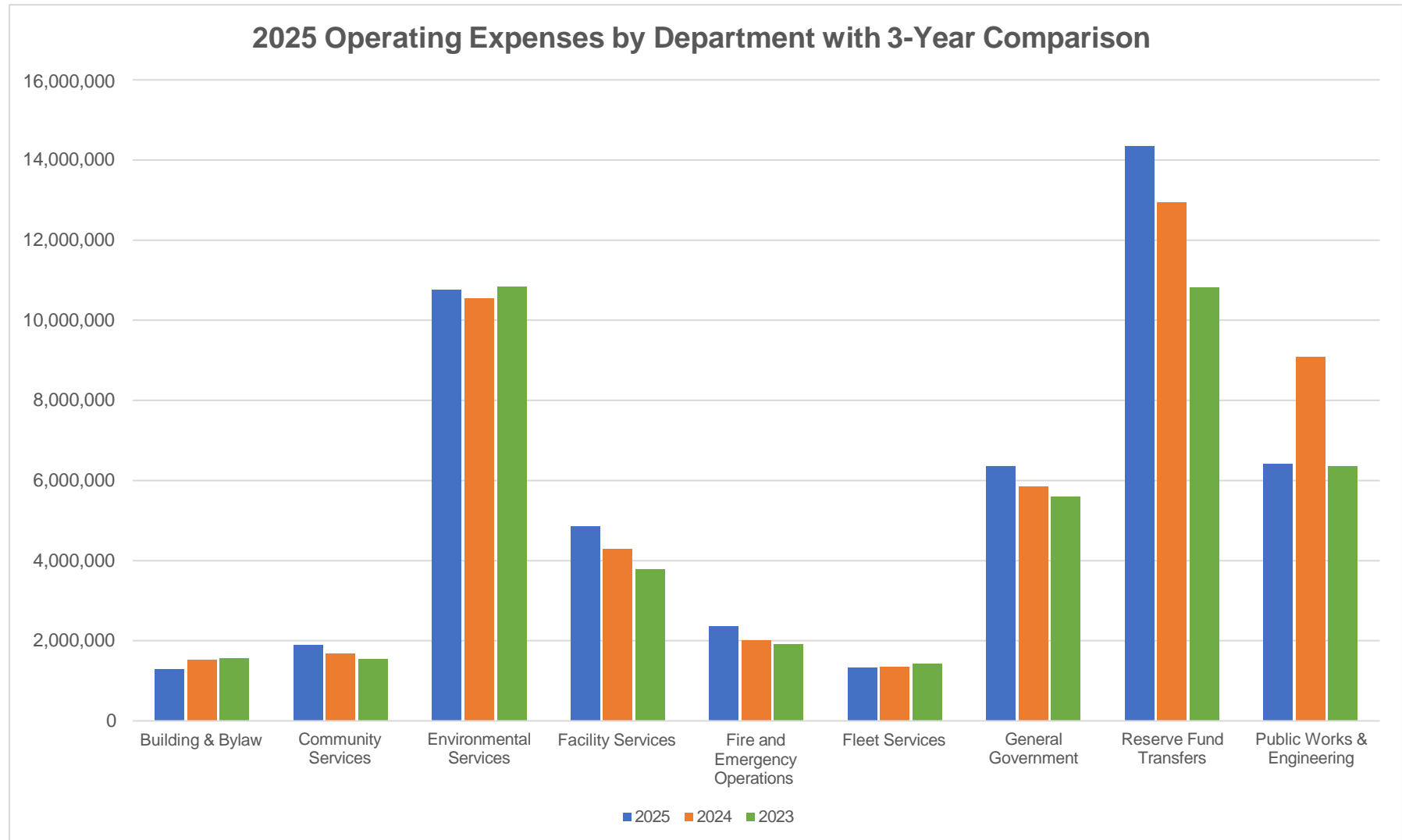
Table: Total Operating Expense Budget by Department with 3-year Comparison

Department	2025 Total Operating Budget (\$)	2024 Total Operating Budget (\$)	2023 Total Operating Budget (\$)
Building & Bylaw	1,283,309	1,527,130	1,567,279
Community Services	1,900,591	1,677,303	1,539,619
Environmental Services	10,767,111	10,558,208	10,831,052
Facility Services	4,853,205	4,304,612	3,791,766
Fire and Emergency Operations	2,354,756	2,010,992	1,918,800
Fleet Services	1,335,871	1,348,303	1,434,968
General Government	6,369,649	5,854,119	5,607,431
Reserve Fund Transfers	14,355,077	12,948,341	10,823,598
Public Works & Engineering	6,423,668	9,092,206	6,356,668
Grand Total	49,643,237	49,321,214	43,871,181

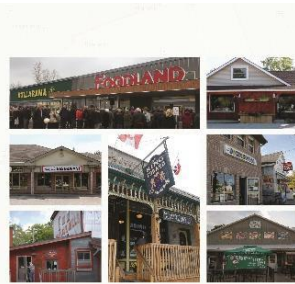
Note that Reserve Fund Transfers does not include user fee generated reserve funds such as environmental (water, wastewater, stormwater) and building as these are included in their department budgets.

Budget Summary

Figure: 2025 Operating Expenses by Department with 3-year comparison



GENERAL GOVERNMENT



Community Improvement Plan
Municipality of Middlesex Centre



About General Government

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

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

- The **Office of the CAO** provides leadership to the entire municipal organization and directs strategic initiatives and economic development.
- The **Office of the Clerk** coordinates meetings of Council, manages public notices for planning and other matters, oversees records management for the organization and

oversees the legislative services offered by the municipality, including marriage licences and civil wedding ceremonies, commissioner of oaths, and lottery licences.

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

General Government

Departmental Budget Highlights

Trends/Issues

- Continued impact of the lack of commercial and industrial assessments in the assessment mix.
- Increasing cost for policing (OPP), with a 22.4% increase in 2025.
- Changing interest rates. In recent years, higher rates have had a positive impact on our investments in high interest savings accounts but have a negative impact on borrowing rates for capital projects that are debt funded. Falling rates will change these calculations in 2025.
- Legislative changes as referenced above in the Considerations for the Budget discussion.
- Requirement of more detailed governmental reporting for grants and annual reports.
- Development and administration of risk management for new and expanded services.
- Managing cybersecurity corporate-wide and new requirements annually.
- Balancing the need for efficient technological solutions in a cost-effective manner.
- Expanding on various software packages and programs that will create efficiencies throughout various departments.

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 of our Health and Safety Program with the development of an updated manual and standard operating procedures corporate wide. This is expected to be completed in early 2025.
- Three new committees of Council: including the Committee of Adjustment, Economic Development Advisory Committee and the Middlesex County OPP Detachment Board.



General Government

Operating Budget Details

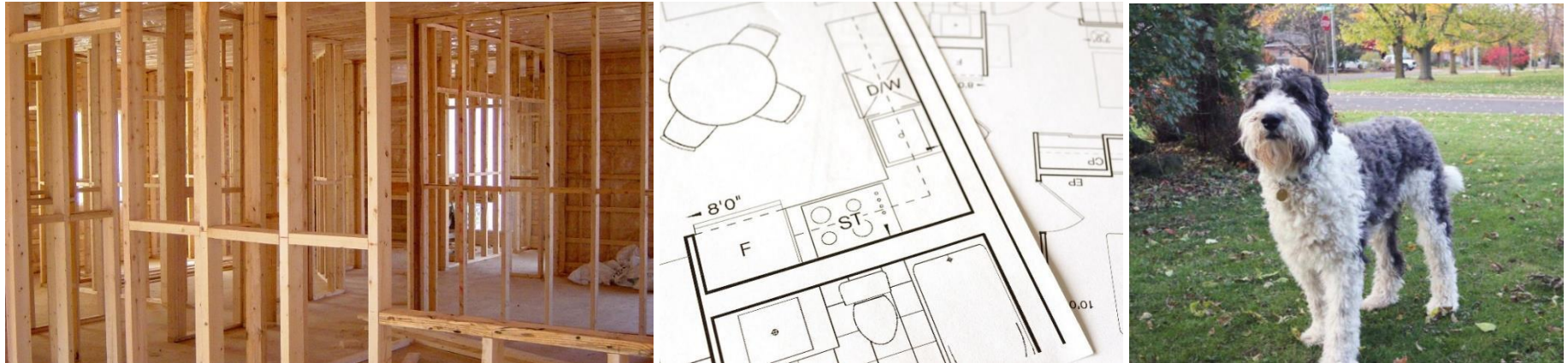
General Government has 41.75% of total operating costs. However, of the 41.75%, transfers to reserve funds account for 28.92% and general government accounts for only 12.83% of operating costs.

Table: Operating Expense Budget for General Government by Division

Division/ Cost Centre	Cost Centre	2025 Total
General Administration		2,689,049
Policing		2,828,336
Conservation Authorities		450,217
Ausable Bayfield	128,058	
Kettle Creek	20,782	
Lower Thames	30,676	
St. Clair	72,176	
Upper Thames	198,525	
Cost Centre Total	450,217	
Council		262,170
Economic Development		107,317
Reserve Fund Transfers		14,355,077
Police Services Board		8,160
Cemeteries		24,400
Total		20,724,726

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

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 brought on due to the increase in building permit activity and the new service agreements. Building Division is entirely self-funded by building permit fees.

Building & By-law Services

Departmental Budget Highlights

Trends

- Anticipate residential slowdown to level off by end of first quarter 2024 and building permit numbers to exceed those of 2024 by year end 2025 for residential development in Middlesex Centre and throughout Middlesex County.
- Full cost recovery of Building Division budget to continue through building permit fees and service charges to municipal partners.

Service Levels

- Continuing to find efficiencies in providing by-law enforcement services and building inspection services to our residents and our partners in Middlesex County.

Operating Budget Details

Building & By-law Services has 2.59% of total operating costs.

Table: Operating Budget for Building Services by Division

Division/ Cost Centre	Cost Centre	2025 Total
Building		1,098,541
Building Inspection - Middlesex Centre	683,553	
Building Inspection - Lucan Biddulph	92,564	
Building Inspection - North Middlesex	131,786	
Building Inspection - Southwest Middlesex	102,564	
Building Inspection - Adelaide Metcalfe	88,074	
Cost Centre Total	1,098,541	
By-Law		126,580
Animal Control		58,188
Total		1,283,309

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

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, including rentals, and recreation programs. It also provides support for minor sports, special events and community engagement.

Community Services maintains and is responsible for:

- 3 ice surfaces between 2 arenas
- 5 indoor community centres and 2 youth 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

Departmental Budget Highlights

Trends/Issues

- Specific trends impacting Community Services include:
- Increased vandalism in municipal parks and facilities requiring additional security costs
- Increased fuel, material and construction costs
- Weather (significant rain events)
- 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 time/access at the youth level

Service Level Changes

- Increase in the amount of recreation programming activities offered 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



Community Services

Operating Budget Details

Community Services has 3.83% of total operating costs.

Table: Operating Budget for Community Services by Division

Division/ Cost Centre	Cost Centre	2025 Total
Parks & Open Space		809,023
Parks - Admin	29,329	
Park - Arva Weldon	156,691	
Park - Community Landscape Features	12,750	
Park - Bryanston Park	18,573	
Park - Delaware Lions	48,772	
Park - Delaware Municipal	26,608	
Park - Delaware Pleasant	4,115	
Park - Delaware Tiffany	153	
Park - Denfield	49,849	
Park - Ilderton Optimist	46,804	
Park - Ilderton Heritage	107,146	
Park - Ilderton Junction	2,277	
Park - Ilderton Meadowcreek	29,936	
Park - Kilworth Optimist	14,909	
Park - Kilworth River Flats	2,280	
Park - Kilworth Westbrook	65,232	
Park - Komoka	74,134	
Park - Komoka Caverhill	14,451	
Park - Poplar Hill	105,014	
Cost Centre Total	809,023	
Administration		957,545
Recreation Programs		134,023
Total		1,900,591

FACILITY SERVICES



About Facility Services

Facility Services is a division under Community Services 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)

Facility Services

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 2025-2029 budget includes capital improvements to be completed at the facility, and staff have applied for grant funding.

Operating Budget Details

Facility Services has 9.78% of total operating costs.

Table: Operating Budget for Facility Services by Division

Division/ Cost Centre	Cost Centre	2025 Total
Administration		19,300
Municipal Office		155,454
Leased Properties		298,566
Facility: Bryanston School	129,716	
13211 Ilderton Road - CIBC Building	6,346	
Facility: Medical Clinic	162,504	
Cost Centre Total	298,566	

Facility Services

Division/ Cost Centre	Cost Centre	2025 Total
Fire Halls		229,855
Facility: Arva Fire Hall	58,727	
Facility: Bryanston Fire Hall	30,534	
Facility: Coldstream Fire Hall	41,112	
Facility: Delaware Fire Hall	56,468	
Facility: Ilderton Fire Hall	43,014	
Cost Centre Total	229,855	
PWE Operations Centres		331,487
Facility: Denfield Operations Centre	193,090	
Facility: Delaware Operations Centre	138,397	
Cost Centre Total	331,487	
Community Centres		634,609
Facility: Komoka Community Centre	142,405	
Facility: Bryanston Community Centre	71,321	
Facility: Coldstream Community Centre	113,923	
Facility: Delaware Community Centre	144,267	
Facility: Ilderton Community Centre	162,693	
Cost Centre Total	634,609	
Arenas		3,094,507
Facility: Ilderton Arena	862,979	
Facility: Wellness Centre	2,231,528	
Cost Centre Total	3,094,507	
Libraries		89,427
Facility: Coldstream Library	10,476	
Facility: Delaware Library	27,360	
Facility: Ilderton Library	51,591	
Cost Centre Total	89,427	
Total		4,853,205

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.
- **Public Education:** MCFS offers several focused programs designed to provide age-appropriate fire safety education to various groups, through in-school presentations, the Sparky Backpack and Chalk it Up interactive campaigns, and our annual smoke and carbon monoxide alarm home visits, among others.
- **Emergency Response:** MCFS responds to a growing number of emergency calls for fires, vehicle collisions, open air burning, technical rescue and requests for medical intervention.
- **Training:** MCFS ensures that all of its firefighters are properly trained for their position. At a higher level, the development and partnership with the Ontario Fire Marshal's Office, shared fire certification training has evolved to be a regional training centre. This partnership encompasses Elgin, Middlesex and Oneida First Nation.
- **Apparatus:** MCFS manages 19 fire apparatus (vehicles) located at headquarters and five fire stations which include engines, pumper/tankers, rescue units, a rehabilitation training, a utility terrain vehicle, and a water rescue boat and rapid deployment craft.

Departmental Budget Highlights

Trends/Issues

- Call volumes are increasing at a rate of approximately 10% annually. This results in increased operating costs including wages, equipment requirements, training needs and maintenance.
- Non-emergency calls are increasing. These calls place an undue burden on fire staff and resources and inflate costs. Staff are looking to develop response models to address this concern.
- As requirements in the fire service continue to expand, new regulations are established requiring additional training for compliance.
- Daytime availability of firefighters continues to be a challenge.
- 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).

Fire & Emergency Services

Operating Budget Details

Fire & Emergency Services has 4.74% of total operating costs.

Table: Operating Budget for Fire & Emergency Services by Division

Division/ Cost Centre	Cost Centre	2025 Total
Fire Operations		1,465,369
Fire Hall - Arva	309,966	
Fire Hall - Bryanston	206,419	
Fire Hall - Coldstream	312,198	
Fire Hall - Delaware	356,476	
Fire Hall - Ilderton	280,310	
Cost Centre Total	1,465,369	
Special Operations		27,776
Fire Administration		722,854
Fire Prevention		134,288
Fire Prevention	87,464	
Fire Prevention - North Middlesex	20,282	
Fire Prevention Thames Centre	26,542	
Cost Centre Total	134,288	
Emergency Operations		4,469
Total		2,354,756

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
- 37 km of sidewalks
- 1,324 streetlights and 2,372 regulatory and warning signs
- 51 bridges, 99 large culverts, 2 retaining walls, 1 dam, and many smaller diameter culverts
- Over 15,290 municipal trees
- 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 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

Departmental Budget Highlights

Trends/Issues

- Difficulty in maintaining contract timelines
- Limited labour pool for seasonal operators
- Increased material costs, impacting all aspects
- 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 2025. At this time, the expected project costs total \$3,430,982 from 2022-2026.

Operating Budget Details

Public Works & Engineering has 12.94% of total operating costs.

Table: Operating Budget for PWE: Transportation & Administration by Division

Division/ Cost Centre	Cost Centre	2025 Total
Transportation		4,165,204
Adelaide Metcalfe Boundary Road Maintenance	3,775	
Bridge Maintenance	35,000	
Cross Culvert Maintenance	25,000	
Cutting & Spraying	43,000	
Brush & Tree Removal	6,000	
Ditching	5,000	
Catchbasin Maintenance	10,000	
Debris & Litter Pickup	4,000	
Hardtop Patching	55,000	
Hardtop Shoulder Maintenance	2,000	
Line Marking	80,000	
Curb & Gutter	3,500	
Slurry Seal & Rout and Seal	40,000	

Public Works & Engineering: Transportation & Administration

Division/ Cost Centre	Cost Centre	2025 Total
Loosetop Grading / Dragging	12,000	
Loosetop Dust Control	312,500	
Loosetop Resurfacing	315,000	
Snow Plowing	30,000	
Sod Restoration	2,000	
Tree Planting	20,000	
Sanding & Salting	180,000	
Ice Blading	1,500	
Traffic Signs	41,500	
Traffic Signal Maintenance	4,500	
Guard Rails	15,000	
Railroad Charges	12,000	
Traffic Counts	3,150	
PWE Operations	2,450,060	
Pit #1 - Olalondo	19,401	
Pit #2 - Sunningdale Road Sand	2,632	
Pit #3 - Hokkanson	16,510	
Municipal Drain Charges	250,000	
Streetlighting	130,176	
Sidewalks	10,000	
Traffic Calming	25,000	
Cost Centre Total	4,165,204	
Administration		1,210,942
Planning		786,392
Drainage		110,496
Tile Drainage		38,138
Municipal Drainage		112,496
Total		6,423,668

Note: Operation wages are budgeted in one account and will be distributed to the other operation costs throughout the year as work is completed.

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

Environmental Services also operates Middlesex Centre's two seasonal EnviroDepots.

Public Works & Engineering: Environmental Services

Departmental Budget Highlights

Trends/Issues

- 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

Service Level Changes

- Improved tracking of asset replacements and asset conditions
- Rate-Supported Operating Budget
- Safe and reliable drinking water distribution, effective wastewater collection and efficient stormwater management are cornerstones of a sustainable and healthy community. To achieve this, continued operating and infrastructure investments are critical to ensure the municipality's water, wastewater and stormwater systems remain financially

sustainable now and into the future. This is supported by continuing to build municipal reserves. The municipality is committed to ensuring the financial sustainability of these systems and the ongoing protection of the environment in alignment with the Safe Drinking Water Act, Ontario Water Resources Act, and the Environmental Protection Act.

Capital Project Discussion

- The municipality has continued to modernize our Supervisory Control and Data Acquisition (SCADA) as per the SCADA Road Map that outlines the long-term plan and goals for our water and wastewater SCADA systems. This document defines the process to upgrade existing systems and to deploy technology that provides operations, maintenance and management with control and monitoring capabilities over water and wastewater systems. It provides 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 are included in the 2025-2029 capital budget.

Public Works & Engineering: Environmental Services

Operating Budget Details

Environmental Services has 21.69% of total operating costs.

Table: Operating Budget for Public Works & Engineering: Environmental Services by Division

Division/ Cost Centre	Cost Centre	2025 Total
Wastewater		4,333,379
Stormwater		1,221,063
Water		4,118,421
Waste Management		1,094,248
Garbage Collection	587,769	
Garbage Disposal	407,690	
Recycling	20,160	
ENVIRO DEPOTS	78,629	
Cost Centre Total	1,094,248	
Total		10,767,111

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
- 32 light-duty trucks and automobiles
- 5 medium-duty trucks
- 17 heavy-duty trucks
- 3 ice resurfacers
- numerous mowers, tractors, graders, etc.

Fleet Services

Departmental Budget Highlights

Trends/Issues

- 2025 is expected to see an easing of the supply related constraints that impacted vehicle costs and availability over the last number of years.
- Staff will continue to investigate fleet electrification and alternative fuels to reduce carbon emissions and lower operating costs were feasible.

Operating Budget Details

Fleet Services has 2.69% of total operating costs.

Table: Operating Budget for Fleet Services by Division

Division/ Cost Centre	2025 Total
Fleet Administration	399,286
Fire Fleet	78,375
Building Fleet	8,311
PWE Transportation Fleet	726,149
Environmental Services Fleet	15,500
Community Services Fleet	108,250
Total	1,335,871

Budget Summary

Operating Budget Revenue

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

- **Property Taxes** – The largest source of municipal revenue, this is calculated by multiplying 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 2025 budget includes the following grants:
 - Ontario Municipal Partnership Fund (OMPF)
 - Ontario Community Infrastructure Fund (OCIF)
 - Canada Community-Building Fund (CCBF)

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 (a community organization renting a meeting room) versus a large portion of the population (residents that rely on emergency services). Fully funding all these services through the tax levy would significantly increase property taxes for individuals who may never enjoy the specific services.

Additionally, the funding received from 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.

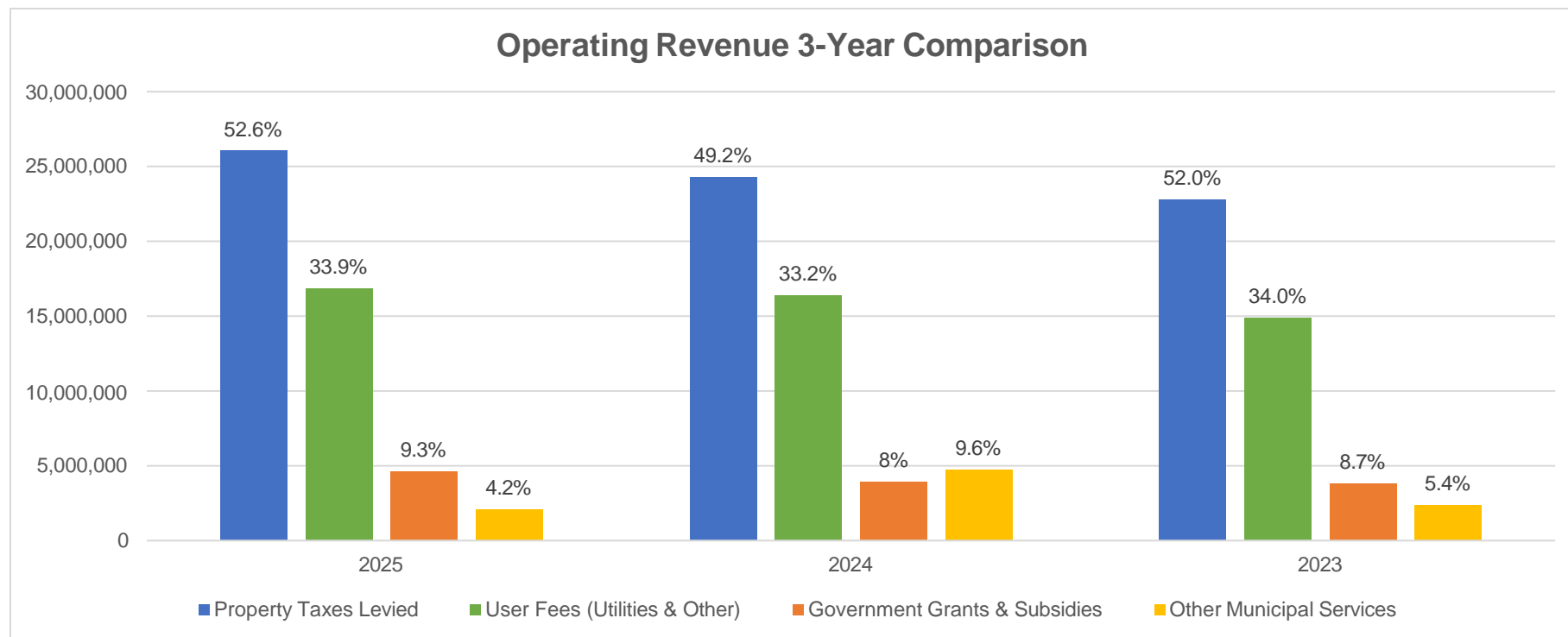


Budget Summary

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

Revenue Type	2025 Dollar (\$)	2025 Percentage	2024 Dollar (\$)	2024 Percentage	2023 Dollar (\$)	2023 Percentage
Property Taxes Levied	26,092,415	52.6%	24,267,465	49.2%	22,799,129	52.0%
User Fees (Utilities & Other)	16,838,076	33.9%	16,368,960	33.2%	14,896,785	34.0%
Government Grants & Subsidies	4,637,534	9.3%	3,944,641	8.0%	3,806,941	8.7%
Other Municipal Services	2,075,212	4.2%	4,740,148	9.6%	2,368,326	5.4%
TOTAL	49,643,237	100%	49,321,214	100.0%	43,871,181	100.0%

Figure: Operating Budget Revenue 3-Year Comparison



Budget Summary

Budget Implications for Rate Payers

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 2025 final assessment to Middlesex Centre by November 2024.

2020 Assessment Updated Postponed for Fifth 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 2025 will continue to be based on the fully phased-in January 1, 2016, current value assessments.

This means property assessment for the 2025 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.

Table: Property Class Assessment Values, 2025

Property Class	Assessment (\$)	Percentage (%)
Residential	2,901,942,352	57.72%
Farm	1,644,709,281	32.71%
Pipeline	127,054,000	2.53%
Commercial	173,363,967	3.45%
Exempt	146,300,700	2.91%
Industrial	16,749,500	0.33%
Other	17,628,100	0.35%
Total Assessment	\$5,027,747,900	100.00%

Budget Summary

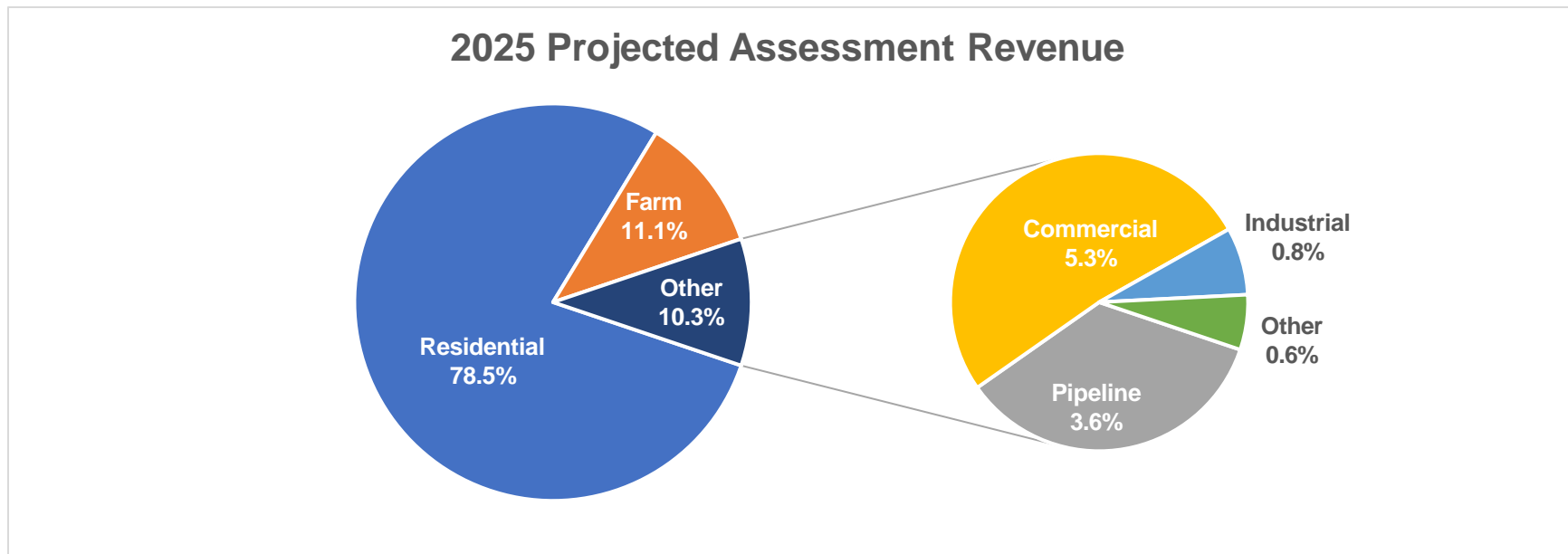
Tax Revenue from All Property Types

Table: Total Municipal Tax Revenue with 3-year Comparison

Property Type	2025	2024	2023
Residential	20,490,995	19,025,762	17,800,759
Farm	2,903,484	2,739,452	2,615,377
Pipeline	946,972	892,921	860,229
Commercial	1,391,283	1,278,995	1,214,883
Industrial	198,435	186,821	169,174
Other	161,246	143,514	138,707
Total Assessment Revenue	\$26,092,415	\$24,267,465	\$22,799,129

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

Figure: Sources of Projected Assessment Revenue



Supplementary Information

Municipal Tax Rates over Time

Table: Municipal Tax Rate Increases over Time, 2015 to 2024

Year	Levy	Levy Increase	Rate Increase
2015	13,317,151	6.03%	1.70%
2016	14,514,648	9.00%	3.00%
2017	15,358,087	5.81%	2.95%
2018	16,476,117	7.28%	1.99%
2019	18,006,804	9.29%	1.77%
2020	19,627,208	9.00%	2.23%
2021	20,187,004	2.85%	1.47%
2022	21,351,812	5.77%	2.76%
2023	22,799,129	6.16%	2.50%
2024	24,267,465	6.44%	3.22%

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 (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.
 - 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	2025 (\$)	2024 (\$)	2023 (\$)	2022 (\$)	2021 (\$)
CCBF	619,895	595,099	571,270	547,467	1,073,763
OCIF	1,917,924	1,667,760	1,962,071	2,064,113	992,950
OMPF	1,403,400	1,190,300	1,170,600	1,291,800	1,203,800
Total	3,941,219	3,453,159	3,703,941	3,903,380	3,270,513

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 2025, water rates will increase by 2%, wastewater 4%, and stormwater by 3%. As a result, average users will see an annual increase of about \$59.04 on their water bill.

Table: Annual Combined Fees for Water, Wastewater and Stormwater, 2025

Annual Water Usage (m ³)	2025	2024	\$ Increase	% Increase
96	\$1,365.48	\$1,324.92	\$40.56	3.06%
180	\$1,977.84	\$1,918.80	\$59.04	3.08%
360	\$3,290.04	\$3,191.40	\$98.64	3.09%
Stormwater Only	\$204.60	\$198.60	\$6.00	3.02%

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 water, wastewater and stormwater is completed in 2025.

➔ **More information on water, wastewater and stormwater rates is available at middlesexcentre.ca/water**

Budget Summary

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.

There was an increase in waste management fees in 2025 to recover prior years' losses. Waste bin charges are:

- Small Bin: \$132 (\$126 in 2024)
- Medium Bin: \$246 (\$234 in 2024)
- Large Bin: \$358 (\$341 in 2024)

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**

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 (a community organization renting a meeting room) 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 the 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.

→ **The complete list of current-year fees is available at 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

Municipal Fees	Annual Change (\$)
Change in Municipal Property Tax	\$157.00
Change in Water, Wastewater and Stormwater Fees*	\$59.04
Change in Waste Management Fees*	\$6.00
Change in User Fees	will vary by resident
Total Change – Middlesex Centre	\$222.04

**Based on usage of 180 m³ of water per year & a small waste bin*

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

Municipal Fees	Annual Change (\$)
Change in Farm Property Tax	\$98.00
Change in Waste Management Fees	\$6.00
Change in User Fees	will vary by resident
Total Change – Middlesex Centre	\$104.00

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.

The Big Picture

- **7.52% Tax Levy Increase** (2024: 6.44%)
- **5.90% Tax Rate Increase** (2024: 3.22%)
- **\$49,643,237 in Operating Costs** (2024: \$49,321,214)
- **\$29,492,829 in Capital Projects** (2024: \$30,567,143)
- **\$79,136,066 Total Municipal Budget** (2024: \$79,888,357)
- **\$18,108,774 Transfers to Reserve Funds** (2024: \$17,010,052) *
- **\$29,723,756 Transfers from Reserve Funds** (2024: \$33,669,029) *

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

Budget Summary

What is the residential tax impact?

For the average Middlesex Centre residential homeowner, municipal taxes will increase by \$157 in 2025 (excluding the education tax and Middlesex County taxes).

It is important to note that there were no re-assessment increases in 2025. Property assessment will be the same as it was in 2020, which was the last year assessments were updated unless there has been a change to the property such as building a new home, new addition, etc.

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

Tax Rate & Assessment	2025	2024	2023	Notes
Average Residential Property Assessment (as set 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)	\$2,825	\$2,667	\$2,584	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	+\$157	+\$83	+\$63	Middlesex Centre will have a 5.90% tax rate increase in 2025, compared to 3.22% in 2024

Budget Summary

What is the farm tax impact?

For the average Middlesex Centre farm owner, municipal taxes will increase by \$98 in 2025 (excluding the education tax and Middlesex County taxes).

It is important to note that there were no re-assessment increases in 2025. Property assessment will be the same as it was in 2020, unless there has been a change to the property that was being assessed such as an addition, etc.

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

Tax Rate & Assessment	2025	2024	2023	Notes
Average Farm Property Assessment (as set 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)	\$1,765	\$1,667	\$1,615	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	+\$98	+\$52	+\$39	Middlesex Centre will have a 5.90% tax rate increase in 2025, compared to 3.22% in 2024.

Budget Summary



**Middlesex Centre
Tax Increase
RESIDENTIAL**



**\$157
Annually**



**\$13.08
Monthly**



**Middlesex Centre
Tax Increase
FARM**



**\$98
Annually**



**\$8.17
Monthly**

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 the Council meeting agendas, and can be found at middlesexcentre.ca/council-meetings**

Outstanding Items

There are still some outstanding items authorities':

- 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 included in the 2025 budget, unless it has been confirmed.
- Three conservation authorities' budgets remain outstanding.
- The 2024 BMA study
- The final 2025 assessment from MPAC
- Continued work on capital projects to be carried forward
- For 2025 and future years, the Ministry of Finance is creating a new property class for aggregate extraction sites. The class will be comprised of the industrial portions of aggregate sites that are currently in a temporary sub-class. Following the return of the roll for 2025, municipal tax ratios will be established to provide ongoing tax reduction to the sector. Further details will be provided later this year. At this time, these properties have been included in the industrial property class and no reduction has been provided. This means that the delay in receiving this information may mean that the total tax levy calculated for 2025 may be incorrect. The total value of this property tax revenue in 2025 is \$21,466.

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