



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

2025 — BUDGET

Draft Budget - November 27, 2024



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

Assumptions

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

Release Dates

To increase the time available for Council and the public to review the material presented, the budget is released in two stages, as follows:

- Draft Version – The draft budget (both capital and operating) will be presented to Council at their November 27, 2024, meeting.
- Final Draft Version – The final draft budget is expected to be presented to Council for their consideration at their December 18, 2024, meeting.

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

Accessibility

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

Municipality of Middlesex Centre

10227 Ilderton Rd.
Ilderton, ON, N0M 2A0

(2023-Spring 2025: Temporarily relocated to the Komoka Wellness Centre, 1 Tunks Lane, Komoka, ON, N0L 1R0)

Phone: 519-666-0190 or 1-800-220-8968

Email: <mailto:customerservice@middlesexcentre.ca>

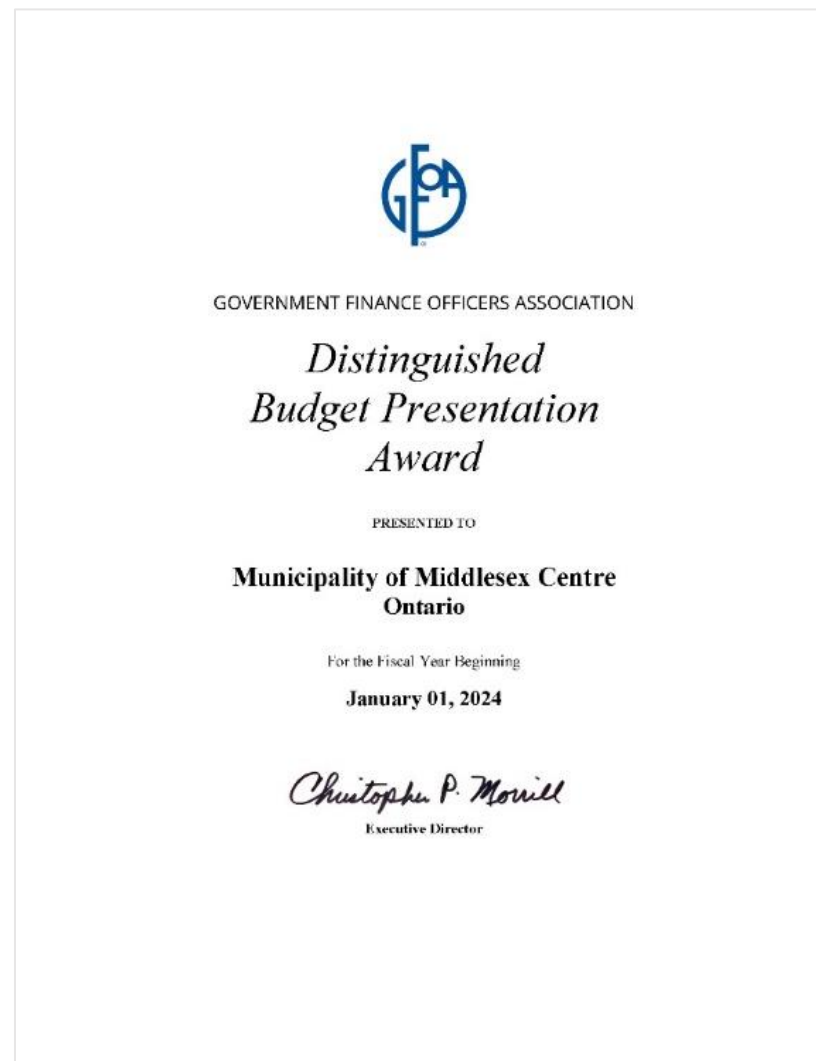
Website: middlesexcentre.ca

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.



EXECUTIVE SUMMARY

Middlesex Centre's 2025 Budget reflects our vision as a municipality — to be a thriving, progressive and welcoming community that honours our rural roots and embraces our natural spaces. It reflects our organizational commitment to be collaborative, transparent, innovative and accountable, providing a financially responsible level of service to the community.

Developing the Budget

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

As you look through the budget, you'll see the municipality's planned capital (infrastructure) work for 2025, and the costs associated with the day-to-day operation of the organization. These were reviewed with the public through a survey in the summer of 2024 to ensure staff were on the right-track in setting municipal objectives for 2025.

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

The goals of the budget are to:

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

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

- Enhancing transparency, accountability and incorporating public feedback
- Managing the competing priorities of providing new services with public desire for low tax increases
- Maintaining compliance with financial policies
- The 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

Executive Summary

- Community-wide effects of the economic downturn
- Unpredictability of provincial and federal funding
- Impacts of provincial downloading
- External legislative requirements
- Capital projects carry forward costs
- Continuous improvement initiatives

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

Considering these goals, priorities and issues, the budget working group comprising members of Council and staff worked through a six-month budget development process. Through their efforts and many iterations, they developed a responsible, transparent budget for 2025.

Budget Summary

The 2025 Middlesex Centre budget is \$79.14 million.

This compares to \$79.89 million in 2024.

The budget is split into operating and capital costs.

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

Additional factors driving operating budgeting expenses include a dedicated \$1,000,000 transferred to reserve funds for infrastructure, changes to salaries and benefits, and an increase

in OPP costs. The increase in policing costs alone accounts for almost 2% of the 2025 tax levy increase.

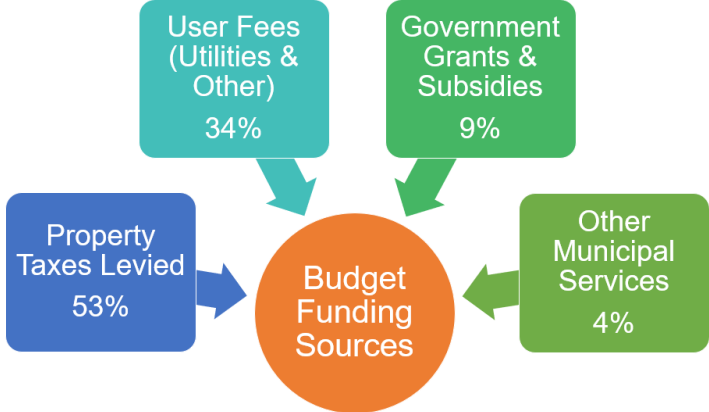
- **2025 Operating Expenses = \$49,643,237**
(2024: \$49,321,214)

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

- **2025 Capital Expenses = \$29,492,829**
(2024: \$30,567,143)

The budget is funded from several sources. In 2025, revenues will come from property taxes (53%), user fees (34%), grants and subsidies (9%) and other sources (4%).

Figure: Breakdown of 2025 Funding Sources



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

Executive Summary

- **2025 Transfers from Reserve Funds = \$29,723,756**

(2024: \$33,669,029) *

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

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

- **2025 Transfers to Reserve Funds = \$18,108,774**

(2024: \$17,010,052) *

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

Compared to 2024, the net operating budget increase is \$1,824,950 resulting in the amount to be raised by property taxes, **the tax levy, of 7.52%**

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

- **2025 Tax Rate Increase = 5.90%**

(2024: 3.22%)

Within the recommended 5.90% tax rate increase, we have the fundamental building blocks of a well-considered municipal budget. There are no service level cuts, and we are prioritizing good asset and reserve fund management. The 2025 budget addresses increasing costs of capital projects, maintains the current level of services and allows for needed infrastructure construction and repair.

The municipality is required under the *Municipal Act*, S. 291, to balance its operating budget each year. To balance the budget, the municipality can either increase its revenue through raising property taxes and fees or manage expenses through adapting or reducing the cost of programs and services. The 2025 budget is balanced, however, to accomplish this staff recommended using \$186,900 from Reserve Funds. Using reserve funds to balance

the operating budget is not recommended nor is it a continuous solution to balance the budget.

Other Municipal Rates and Fees

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

- The Municipal Fees By-law sets the fees for everything from building permits to public skating. The by-law for 2025 was approved by Council on November 20, 2024 (*pending approval at the time the draft budget was submitted*), with some fees seeing increases. Where fees were increased, they were set to reflect the cost of delivering the service or to align with the cost of neighbouring municipalities.
- In 2025, the water rates will increase by 2%, wastewater 4%, and stormwater by 3%. These rates were approved by Council at their meeting on November 20, 2024 (*pending approval at the time the draft budget was submitted*). As a result, average users will see an annual increase of about \$59.04 on their water bill based on 180 m³ usage.

Table: Annual Combined Fees for Water, Wastewater and Stormwater

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

Executive Summary

Impact on Rate Payers

Taken together, increasing taxes and other municipal rates and fees will result in an additional cost of \$222.04 for the average residential property and \$104.00 for the average farm property in 2025.

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 & 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.

Monitoring Expenditures throughout the Year

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

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MIDDLESEX CENTRE: COMMUNITY PROFILE

The Municipality of Middlesex Centre is a growing community of just under 20,000 located adjacent to the City of London, Ontario. Home to the settlement areas of Arva, Delaware, Ilderton and Kilworth/Komoka, the municipality maintains a strong agricultural base. With a mix of rural charm and urban amenities, Middlesex Centre is a thriving, progressive and welcoming municipality.

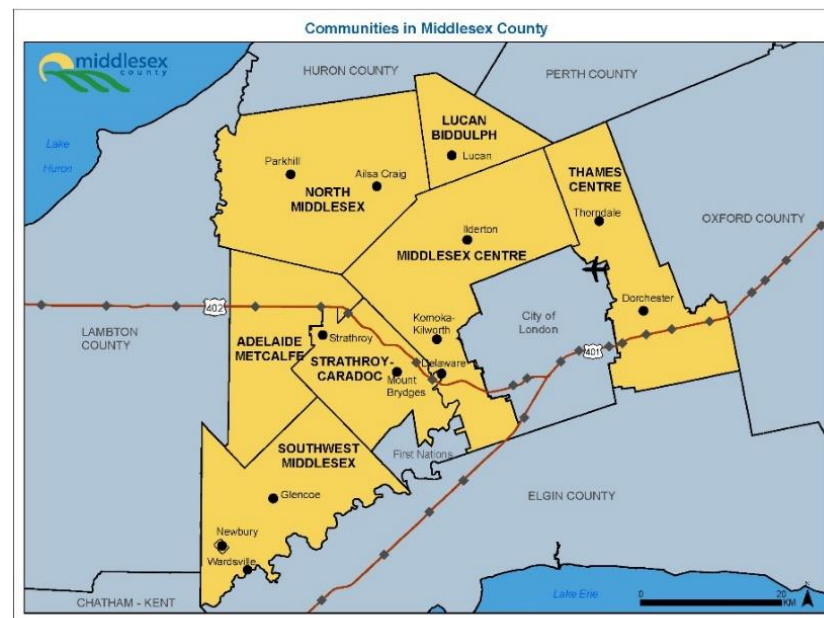
Middlesex Centre was formed on January 1, 1998, with the amalgamation of the former townships of Delaware, Lobo, and London. It is one of eight lower-tier municipalities in the County of Middlesex.

Located in the Centre of it All

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

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

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



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

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

Middlesex Centre: Community Profile

Demographics: Our Population

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

Population

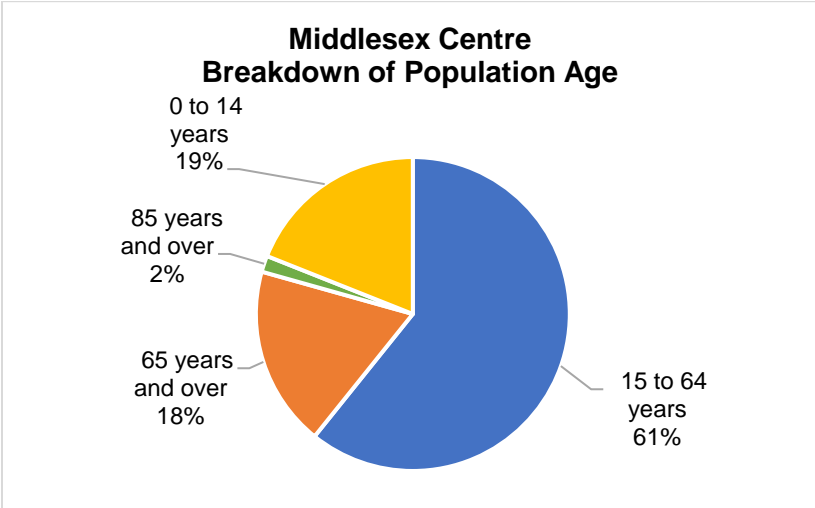
Middlesex Centre has a total population of 18,928 (2021). Over the period of 2016 to 2021, the population grew by 9.7%. Between 2011 and 2016, the population grew by 4.7%.

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

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

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

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



Housing and Households

According to the 2021 Census of Population, Middlesex Centre is home to 6,845 private dwellings, of which 6,695 are usually occupied by residents. Of these dwellings, 90.6% are single-detached houses and 3.2% are row houses, with all other dwelling types making up the difference.

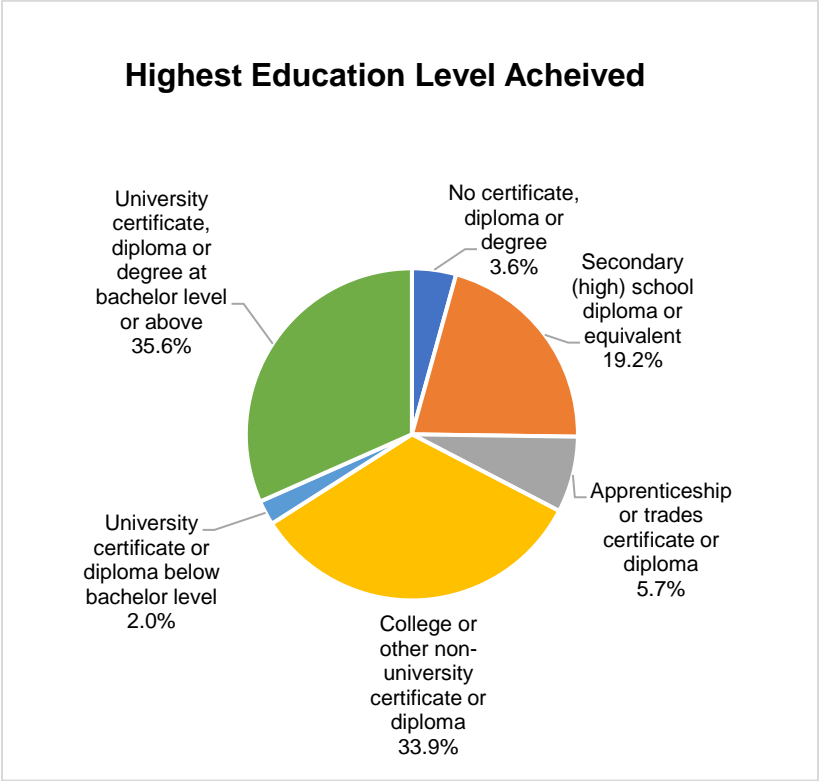
Most residents live in homes they own (89.8%), and most residents have lived in their home for over five years (67.2%). The average household size is 2.8 people, and the average size of census families is 3. The average number of children in census families with children is 1.9.

Middlesex Centre: Community Profile

Education

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

Figure: Highest Education Level Achieved for the Population aged 25 to 64 years, (Middlesex Centre 2021 Census Subdivision)



Income

Middlesex Centre is ranked “high” for average household income in our geographic region (Southwestern Ontario). In fact, Middlesex Centre has the highest average household income of all municipalities in the region. The range was \$88,853 in Windsor to \$159,948 for Middlesex Centre, considerably higher than the next highest, Lakeshore, at \$146,899. (Note only the standard comparator group is shown in the table below.)

Table: Estimated Average Household Income, 2023

Municipality	Estimated Average Household Income
Essex Township	\$109,114
Lincoln Township	\$130,528
Pelham	\$146,977
Springwater Township	\$167,821
Strathroy-Caradoc	\$108,667
Thorold	\$99,506
Middlesex Centre	\$159,948

Middlesex Centre: Community Profile

Land Area

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

Table: Land Area and Population Density, 2023

Municipality	Land Area (sq km)	2023 Population Density per sq km	Density Ranking
Essex Township	278	80	Mid
Lincoln Township	163	168	Mid
Pelham	126	151	Mid
Springwater Township	536	44	Low
Strathroy-Caradoc	271	94	Mid
Thorold	83	312	Mid
Middlesex Centre	588	34	Low

Local Economy

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

→ For more information on economic development in Middlesex Centre, visit middlesexcentre.ca/economic-development

Local Community

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

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

→ For more information on Middlesex Centre services, including recreation, tourism and amenities, visit middlesexcentre.ca

MUNICIPALITY OF MIDDLESEX CENTRE: ORGANIZATIONAL PROFILE

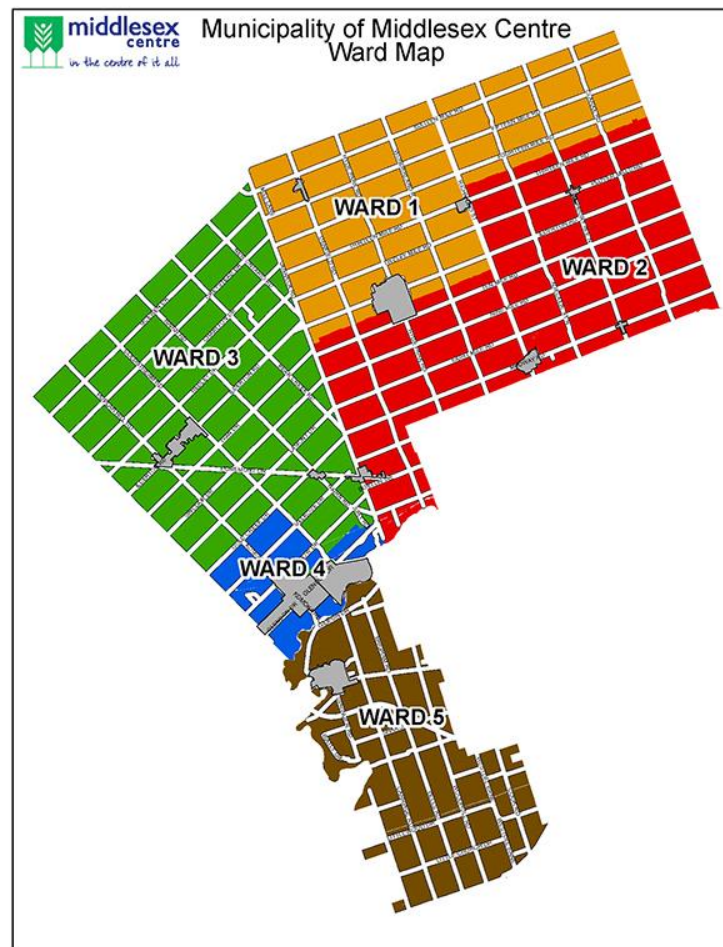
The Municipality of Middlesex Centre is governed by a seven-member elected Council:

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

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

➔ **For more information on Middlesex Centre Council Meetings, visit middlesexcentre.ca/council-meetings**

Figure: Middlesex Centre Ward Map



Municipality of Middlesex Centre: Organizational Profile

Municipal Staff & Services

Headed by Chief Administrative Officer Michael Di Lullo, Middlesex Centre's professional staff provide vital services to residents including but not limited to:

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

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

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

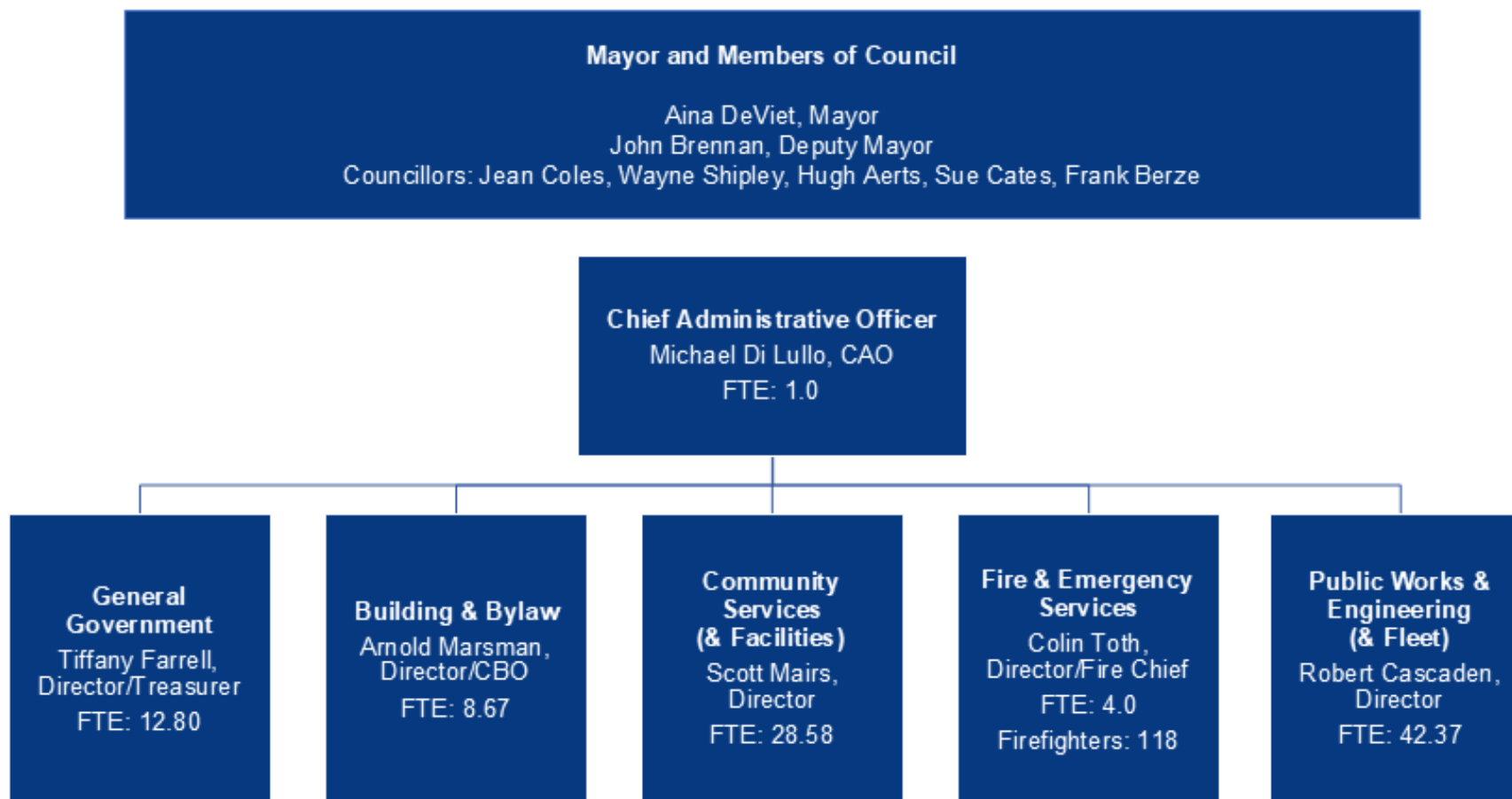
Some services are administered with partners, including:

- Conservation Authorities
- School Boards
- Ilderton Medical Clinic

→ **For details on these and other services provided by Middlesex Centre to residents and businesses, visit middlesexcentre.ca/services**

Municipality of Middlesex Centre: Organizational Profile

Municipal Organizational Chart



Municipality of Middlesex Centre: Organizational Profile

In 2025, Middlesex Centre staff complement will include 127 staff members in full-time, part-time and contract positions, for a total of 97.42 full-time equivalent (FTEs). Additionally, there are 7 Members of Council (part-time) and 118 paid-on-call firefighters.

One new position is included in the 2025 budget, a Water & Wastewater Maintenance Operator, which is fully funded through utility fees. Additional hours were allocated to part-time staff in Community Services, increasing their FTEs by 1.19.

Details on staff changes year-over-year are presented in the individual department staffing overviews.

Table: Staffing Complement Changes

Department	2025 FTEs	2024 FTEs	2023 FTEs
General Government and Office of the CAO	13.80	13.80	13.13
Building & By-law	8.67	8.75	8.67
Community Services and Facility Services	28.58	27.39	25.94
Fire & Emergency Services	4.00	4.00	4.00
Public Works & Engineering and Fleet Services	42.37	41.37	41.26
Total FTE	97.42	95.31	93.00
PLUS			
Council	7 part-time members of council	7 part-time members of council	7 part-time members of council
Paid-on-Call Firefighters	118 paid-on-call firefighters	122 paid-on-call firefighters	121 paid-on-call firefighters

Municipality of Middlesex Centre: Organizational Profile

Strategic Plan

In January 2021, Middlesex Centre Council adopted a new Strategic Plan for our community. The incoming council for 2022-2026 reviewed and reaffirmed their commitment to the plan early in their term.

This guiding document lays out priorities and objectives for 2021 to 2026 and informs our services to residents and decisions on behalf of the community. Developed in consultation with the community, the plan reflects the input of residents, businesses and organizations.

In addition to presenting the vision, mission and values for the municipality, the plan outlines five strategic priorities with associated objectives and strategies. The strategic priorities are:

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

Each year, Middlesex Centre prepares an Annual Strategic Plan Progress Report to highlight accomplishments made towards the plan's priorities and objectives. The following pages present some of the key achievements from 2021 to 2023 and outline the link between the Strategic Plan and the budget.

➔ **The Strategic Plan and the Annual Strategic Plan Progress Reports are available at middlesexcentre.ca/stratplan**

middlesex centre
in the centre of it all

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

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

VALUES:
Respect. Cooperation. Innovation. Integrity.

ENGAGED COMMUNITY

BALANCED GROWTH

VIBRANT LOCAL ECONOMY

SUSTAINABLE INFRASTRUCTURE AND SERVICES

RESPONSIVE MUNICIPAL GOVERNMENT

Municipality of Middlesex Centre: Organizational Profile



Priority 1: Engaged Community

Objectives

- 1.1 – Support community organizations and opportunities for volunteer involvement in the community
- 1.2 – Enhance the vitality of our villages
- 1.3 – Celebrate our rural and agricultural heritage

Key Achievements to Date

- Invested in outdoor furnishings for community settlement areas, with funding support from outside grants
- Developed an Age-Friendly Community Action Plan
- Updated the Community Services Master Plan, 2023-2027
- Established the Ilderton Youth Centre and Ilderton Seniors Centre
- Began offering in-house recreational programming
- Implemented an Affordable Access to Recreation Policy
- Completed a Special Event Guide to help local community groups hosting larger events in Middlesex Centre
- Provided funding to and promoted the Middlesex Centre Archives
- Updated the New Resident welcome package and processes
- Introduced an updated Community Improvement Plan with new funding categories for the benefit of all businesses



Priority 2: Balanced Growth

Objectives

- 2.1 – Through the Official Plan Review and other means, influence new development to include attainably priced housing
- 2.2 – Through the Official Plan Review and other means, manage the pace of new residential development and encourage the complementary availability of commercial, school, and public amenities
- 2.3 – Promote designs and concepts that reflect a “small-community feel” in new development

Key Achievements to Date

- Completed a Comprehensive Official Plan Review and accompanying studies to address future growth needs
- Completed a Zoning Consolidation Review as part of the official plan review to ensure that policies such as surplus farm dwellings are incorporated into planning policies
- Completed Servicing and Transportation master plans. These plans identify infrastructure improvements and expansion required to meet demand of current and future growth.
- Organized builder/developer meeting to provide information in respect to the development industry, along with outlining best building code practices
- Received the Association of Municipalities of Ontario (AMO) Peter J. Marshall Award for building efficient shared services through technology (e-permitting)

Municipality of Middlesex Centre: Organizational Profile



Priority 3: Vibrant Local Economy

Objectives

- 3.1 – Support Middlesex County's efforts to secure provincial and federal funding for broadband internet service expansion throughout Middlesex Centre
- 3.2 – Ensure that appropriate sites are available for commercial and industrial businesses
- 3.3 – Be active partners in promoting local businesses

Key Achievements to Date

- Completed a Highway Corridor Study to examine investment opportunities to attract commercial and industrial growth
- Completed a Mobile Food Outlet By-law to clarify requirements for food trucks and similar businesses in Middlesex Centre
- Continuing to work with County of Middlesex Tourism and Economic Development departments to promote and spotlight businesses in Middlesex Centre
- Shared information such as funding opportunities with area businesses



Priority 4: Sustainable Infrastructure & Services

Objectives

- 4.1 – Improve safety for road users
- 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
- 4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure

Key Achievements to Date

- Implemented Vision Zero initiatives such as new crosswalks, parking markings at schools, and speed signage across the municipality, and speed controls (e.g., speed cushions)
- Approved a new Gravel Road Conversion Policy to provide Council, staff and residents with a consistent process for identifying those gravel roads that should be considered for upgrades to a “tar and chip” road surface
- Expanded Building Services to meet the demands of growth taking place, including new partnerships with municipal counterparts and implementing digital systems to increase service levels and efficiencies
- Adopted an updated Asset Management Plan that is compliant with Provincial regulations

Municipality of Middlesex Centre: Organizational Profile

- Undertook capital projects (roads, facilities, fleet, etc.) in keeping with the Asset Management Plan and associated condition assessments
- Developed an IT Master Plan to ensure efficiency and effectiveness of internal systems and processes (expected to be completed by year's end)
- Undertook a review related to the Ministry of Environment, Conservation and Parks' (MECP) new Consolidated Linear Infrastructure program for our wastewater collection and stormwater systems
- Performed improvements to the municipal SCADA system (computerized control system for water and wastewater systems) to maximize reliability, responsiveness, cost effectiveness, security, and system standardization
- Completed the Fire Services Master Plan and Community Risk Assessment, ensuring support for and the effectiveness of Middlesex Centre Fire Services into the future and ensuring compliance with all regulations
- Adopted an Energy Conservation/Demand Management Plan
- Began renovations on the Middlesex Centre municipal office
- Improved the internal system for tracking development security deposits
- Sought and in many cases successfully received infrastructure grants for initiatives such as water system upgrades and new infrastructure such as arenas, accessible washrooms, playgrounds, etc.
- Continued communication on capital projects through focused articles and posts on municipal website, social media, e-newsletter and through traditional media



Priority 5: Responsive Municipal Government

Objectives

- 5.1 – Enhance customer service
- 5.2 – Foster a culture of mutual trust and respect within Council and between Council and staff
- 5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery
- 5.4 – Expand our partnerships
- 5.5 – Work with other levels of government, health organizations, and community groups to address complex societal problems

Key Achievements to Date

- Completed a Customer Service Review and implemented a new customer service policy
- Implemented new Qwestica budget software, including Open Book, which provides open and transparent online access to capital and operating budgets for residents
- Expanded automation of processes and digital services to residents and businesses, including:
- Expanded automation of processes and digital services to residents and businesses, including:
 - holding hybrid virtual/in-person council meetings
 - expanding online permitting platform (building permits and planning applications)

Municipality of Middlesex Centre: Organizational Profile

- implementing new online recreational booking software
- improving digital service for fire services to manage operations and conduct reporting/training initiatives
- improving online payment options
- Celebrated staff and firefighters with milestone years of service (between 5 and 50 years)
- Increased efficiency and responded to legislated priority related to human resources and health and safety
- Proactively met with other levels of government, including meetings with Provincial Ministry officials to discuss local municipal issues
- Launched a new Backflow Prevention Program
- Implemented a new, more efficient, and robust report management system for Middlesex Centre Fire Services
- Updated the County Mutual Aid Plan (MAP) for fire emergency response, in association with other lower tier municipalities
- Continued updates to municipal website and outreach through digital and traditional media to share information about services and programs with residents
- Conducted annual Mayor's Town Hall meetings and the first Mayor's State of the Municipality Breakfast
- Working with the County of Middlesex and other stakeholders, enacted a Community Wellbeing Plan to address complex societal problems

Implementing the Priorities of the Strategic Plan

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

In early 2021, after the Strategic Plan was approved by Council, the senior leadership team came together to map out a high-level five-year work plan to ensure the objectives would be achieved.

This work plan was revisited as the 2025 budget was developed, with department heads linking the deliverables identified for 2025 with budget priorities. This is shown in the budget as "2025 Strategic Goals" for each department.

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

The Budget as a Strategic Plan Deliverable

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

- Responsive Government - Objective 5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery
 - By sharing information and gathering input, continuing our timely and effective communication to the public.
 - By reviewing and enhancing our processes
- Sustainable Infrastructure and Services - Objective 4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure



Municipality of Middlesex Centre: Organizational Profile

- By progressively updating our asset management plan and building the reserve funds for the timely repair/replacement of our assets, and expanding our current practice of making annual reserve fund contributions toward the cost of projected asset management expenditures
- By communicating our approach to capital projects and communicating clearly with the public on capital spending priorities in terms of costs, benefits, funding sources and timing.
- Responsive Government - Objective 5.1 – Enhance Customer Service
 - By expanding opportunities for digital and on-line services.
- Responsive Government - Objective 5.2 – Foster a culture of mutual trust and respect within Council and between Council and staff
 - By reinforcing a common purpose among Council members and promoting teamwork between Council and staff.
 - Sustainable Infrastructure and Services - Objective 4.1 – Improve safety for road users
 - By addressing road safety challenges and implementing existing traffic calming policies on Middlesex Centre roads.
 - Work collaboratively with Middlesex County to implement safety improvements in the Glendon Drive corridor.
- Sustainable Infrastructure and Services - Objective 4.2 – Expand existing services in accordance with the pace of new development, and apply a financial sustainability lens to all municipal services and programs
 - By analyzing and projecting the operating cost impacts of new residential development.

CONSIDERATIONS IN DEVELOPING THE BUDGET

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

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

Budget Goals

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

Key Factors – Priorities and Issues

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

There are a number of factors which the municipality has control over, such as enhancing service levels. There are also a number of factors which the municipality has little or no control over, such as the rate of inflation, reliance on other organizations, and various standards that the municipality must meet. All factors may

have significant impact on which services are provided and at what level. This section outlines these factors.

Many of the priorities and issues that drive the 2025 budget are similar to those from prior years, such as the continual delay in reassessment in property taxes until 2026 at the earliest, service level enhancements and the economic downturn.

Enhancing Transparency and Accountability: Incorporating Public Input into the Budget

In developing the 2025 budget, staff invited comments and ideas from residents (see the Supplemental Information for details on the budget development process). Of note was the annual budget survey, which ran July 8 - August 25, 2024, and was advertised through social media, a tax bill insert, the municipal e-newsletter, the municipal office sign and the website. Three hundred and ninety-five people responded to the survey.

Key takeaways from the budget survey:

- Most people rated municipal services of being of high importance and had a high satisfaction with those services
- Desire to limit / control growth
- Traffic / road safety concerns, and the need for appropriate road and sidewalk maintenance (including snow plowing)
- Desire to keep taxes and municipal spending low
- Desire for more parks and recreation (programs and facilities) options
- Desire for lower water rates

Considerations in Developing the Budget

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

For the 2025 budget, staff will use multiple reserve funds including the Tax Rate Stabilization Reserve Fund to lower the required tax rate increase.

Additionally, staff have kept increases in water, wastewater and stormwater rates to a minimum.

Furthermore, staff have incorporated many of the specific suggestions from the budget survey into the 2025 budget. Specifically:

- Inclusion of new trails in the capital budget, beginning with the Clear Skies primary trail in Ilderton at a cost of \$401,500 in 2025 and the Timberwalk trail in Ilderton in 2025 at a cost of \$110,873, expanding the asphalt trail in Deerhaven Park in 2025 for \$37,800.
- Continuation of the traffic calming program at a cost of \$25,000 in 2025.
- Continuation of the community improvement plan at a cost of \$30,000 per year.
- Completion of upgrades at the Ilderton Arena in 2025 at a cost of \$3,527,270
- Improvement to the Poplar Hill baseball diamonds at a cost of \$65,000 in 2025 and improvement to the Komoka park baseball diamonds at a cost of 44,600 in 2026.
- Continuing with the Municipality's sidewalk replacement program in 2026 at a cost of \$200,000 and the inclusion of the sidewalk expansion program for Arva in 2027 at a cost of \$350,000, in Ilderton in 2028 at a cost of \$450,000.

- Inclusion of a street light expansion program in 2027-2029 at a cost of \$550,000 per year.

➔ **For more information on the budget survey, including full results, visit middlesexcentre.ca/budget2025**

Competing Priorities

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

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

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

Considerations in Developing the Budget

Compliance with Financial Policies

Middlesex Centre is committed to a budget strategy that furthers the Long-Range Financial Plan goals of financial sustainability through flexibility, efficiency, and sufficiency. It is imperative that the annual municipal budget follows the Long-Range Financial Plan and the various financial policies adopted by Council. The municipality has adopted several policies over time to help guide financial decisions. These policies represent sound financial management, and by complying with them:

- ensures budget development is based in strong, long-term financial principles as established by set policies;
- defines the budget planning horizon as a minimum four-year outlook to support stable and efficient financial management, and predictable taxation and user rates for the community;
- ensure consistency in presentation of financial impacts of service level decisions;
- articulates the importance of asset management in meeting long-term financial objectives;
- elevates transparency, communication and education about budget process and financial priorities;
- integrates the expectation of continuous improvement in the budget process; and
- aligns financing strategies with debt, reserve and reserve fund policies.

The municipality continues to undertake a comprehensive review and update of its fiscal policies to ensure that they remain consistent with the Strategic Plan and with relevant legislation.

➔ **For more information on the Long-Range Financial Plan, visit middlesexcentre.ca/budget**

Property Tax Assessment

Historically, in Ontario, property assessments were updated on a four-year assessment cycle. An increase in current value assessment (your property assessment) means that the market value of a property has increased from one assessment cycle to another, as would be expected in any growing economy. An increase in assessment does not necessarily translate to an increase in taxes for residents nor property tax revenue for the municipality.

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

In 2016, MPAC updated the assessed values of Ontario's more than five million properties to reflect the legislated valuation day of January 1, 2016. Assessments updated for the 2016 base year were in effect for 2017-2020 property tax years. MPAC has not completed an update to property assessments since 2016, which means that January 1, 2016, fully phased-in assessment valuations have continued to be in effect for the 2021 to 2025 property tax years.

Ontario's Fall Economic Statement has confirmed that property reassessment is still on hold. In the interim, 2016 market values will remain in place for the 2025 tax year. The government is continuing to review the property assessment and taxation system, focusing on fairness, affordability, business competitiveness, and modernized administration tools. Provincewide property tax reassessments will continue to be deferred until this work is complete. Through this review,

Considerations in Developing the Budget

constructive input has been received from municipalities, business representatives, property tax professionals and other stakeholders.

Reassessment

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

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

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

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

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

The property tax assessment value for the 2021, 2022, 2023, 2024 and 2025 tax years have remained unchanged. The Government of Ontario has made the decision to not change property assessments as they believe this will provide stability for

property taxpayers and municipalities. The valuation date that was used in 2024 (January 1, 2016) will remain in effect for 2025.

Therefore, assessed market values from January 2016 will remain the benchmark for apportioning the municipal property tax burden for the 2025 tax year. That is to say, the tax base year will be at least nine years old before it is replaced. Long delays in updating assessments have historically created inequities in taxation. The decision to delay is projected to produce significant tax shifts when new assessments are finally in place.

The major concern is the gap between valuation dates. Depending on the state of things, this could easily produce tax shifts and swings such as those experienced when the province first moved to Current Value Assessment in 1998.

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

Due to these types of challenges, many other provinces complete their property assessment cycles on a more frequent basis, including British Columbia, Prince Edward Island and Nova Scotia who assess property values each year and Manitoba who assess property values every two years.

New Construction Activity

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

Considerations in Developing the Budget

Assessment Mix

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

Generally, a municipality's net operating costs (expenditure increase net of the associated growth in assessment) to service residential development is higher than the net operating cost of servicing commercial or industrial development. The ideal condition is to have sufficient commercial and industrial development to offset the net increase in operating costs associated with residential development. Non-residential development is desirable in terms of developing a strong assessment base upon which to raise taxes and in providing employment opportunities.

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

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

Table: Property Class Assessment Values, 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%

Residential Building Activity / Growth Pressures

Middlesex Centre is a growing community. Building activity in the municipality increased steadily from 2018 to 2022, with a slight dip in 2023 and a larger dip in 2024. This is expected to continue into 2025, as interest rates remain high.

New construction activity has resulted in increases in assessment which benefit the municipal budget. However, this has also come at a cost to the municipality as we have to manage the new growth.

Increased growth has resulted in increased operating costs, including the need for more employees. There are additional internal costs to support the growing community, which may be higher than the increases resulting from assessment each year. The municipality is working towards finding a financially sustainable strategy to manage the increased demands due to growth. In 2023, staff completed an organizational review to develop a strategy for managing the operating costs and

Considerations in Developing the Budget

pressures of growth. The results of the review will be used to assist in managing these demands over the next twenty years.

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

Table: Comparison of Building Construction Activity, 2023

Municipality	% Res.	% Non-Res.	Building Permit Value Per Capita
Strathroy-Caradoc	59%	41%	\$4,274
Essex	75%	25%	\$8,741
Lincoln	46%	54%	\$2,800
Pelham	99%	1%	\$6,138
Springwater	95%	5%	\$9,145
Thorold	91%	9%	\$14,823
Middlesex Centre	76%	24%	\$7,696

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

Aging Infrastructure and Closing the Infrastructure Gap

As the municipality continues to grow and existing infrastructure continues to age, the amount of infrastructure that needs to be replaced also continues to grow, and with it our infrastructure gap.

The infrastructure gap is difference between infrastructure requirements to provide the desired level of service and the financial resources available to meet them. The municipality's

aging infrastructure needs repair and ongoing maintenance. It is important to ensure that there are sufficient annual contributions to capital and capital related reserve funds to cover the cost of infrastructure replacement, essentially closing our infrastructure gap over time.

The municipality's goals and objectives with respect to asset management are identified in our Strategic Asset Management Policy. A major theme in that policy is for physical assets to be managed in a manner that will support the sustainable provision of municipal services to residents. Infrastructure and other capital assets should be maintained at condition levels that provide a safe and functional environment for the municipality's residents.

Based on our current Asset Management Plan (AMP), the annual lifecycle funding target is estimated at \$28.59 million. In comparison, the municipality budgeted to contribute approximately \$16.56 million towards all capital-related needs in 2025, including asset management capital needs. Contained in this are budgeted contributions to capital-related reserve funds and reliable and long-term federal and provincial government grants.

The difference between the annual lifecycle funding target and current annual contribution is referred to as the lifecycle funding gap and indicates that the municipality is underfunding its infrastructure by more than \$12.03 million annually.

To address the gap, Middlesex Centre is contributing more money to capital-related reserve funds annually. In 2025, an additional \$1 million above 2024 values is being contributed to tax levy supported capital reserve funds, including the roads capital reserve fund and the general vehicles and equipment reserve fund.

Considerations in Developing the Budget

The municipality has capital assets with a total replacement value of \$1,470,665,759 (2024 - \$958,052,132).

As you can see, the municipality is making progress on closing the infrastructure gap, however the recent economy changes with respect to capital costs due to supply chain issues and inflation continue to make closing the gap more difficult.

Staff plan to update the AMP in 2025 with new financial models. There will be new targets in place and a new financing strategy will be developed that will assist in closing the infrastructure gap over the next ten to twenty years.

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

Age of Municipal Assets

One measure of the age of our municipal infrastructure is the Total Asset Consumption Ratio, as calculated by BMA Municipal Study, 2024. This indicator estimates the useful life left in a municipality’s capital assets.

It is calculated by dividing the total accumulated amortization by the total gross cost of capital assets. The Ministry of Municipal Affairs and Housing considers a rate of 25% or under to be relatively new, 26% – 50% to be moderately new, 51% – 75% to be moderately old, and over 75% to be old. Middlesex Centre’s capital assets are considered moderately new.

¹ Much of the information in this section is based on: Challinor, A., McKay, R. and Dessanti, C. (2021). *Better Budgets: Bolstering the Fiscal Resilience of Ontario’s Municipalities*. Ontario Chamber of Commerce.

Table: Total Asset Consumption Ratio, 2018 to 2023

Year	Middlesex Centre Total Asset Consumption Ratio
2018	33.7%
2019	34.1%
2020	34.7%
2021	35.9%
2022	37.0%

Economic Downturn

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

As a municipality, we are limited in our revenue options to respond to this challenge. In Ontario, municipalities are referred to as ‘creatures of the province,’ as they exist and are empowered only through legislation granted to them from the provincial government.¹ In Ontario, all 444 municipalities except the City of Toronto are governed by the Municipal Act, which dictates how they can govern themselves and the resources at their disposal to provide value to residents.

Municipalities funding options are limited – they can draw on reserve funds, increase property taxes, increase user fees or adjust services all in the name of economic stabilization. The more restricted a government is in its ability to alter fiscal policy in response to changing circumstances, the more vulnerable they

Considerations in Developing the Budget

are to economic fluctuations. We would need to see policy change by higher orders of government to alter how municipalities respond to changes in the economy. Municipalities' responsibilities and demands for spending have been increasing, but revenue streams have remained stagnant. If local economies are to remain limber, municipalities must have the ability to dynamically support themselves as they see fit.

This challenge is now more important than ever. Changes in the economy have placed tremendous strain on local government finances. Many municipalities will have difficulties making ends meet in 2025. Both municipalities and businesses are struggling to cover costs, and this will continue through the projected economic downturn.

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

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

Table: Outstanding Balances Owed to the Municipality

Accounts Receivable	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Utility Receivable	\$161,540	\$108,086	\$84,500
Taxes Receivable	\$2,117,067	\$1,596,783	\$1,001,438

2024 balances to be updated in December

In addition to revenue, there are also opportunities for the municipality to minimize costs. Middlesex Centre has completed multiple service delivery reviews over the past few years that have and will continue to assist in evaluating expenditures and increasing the efficiency of our operations.

In times like these, municipalities rely on property taxes and user fees to meet our financial obligations and to ensure we have financial liquidity to meet the needs of residents and businesses who rely on us. When these revenue streams are not enough, municipalities will draw upon their operating reserve funds to assist in funding operations, which Middlesex Centre has had to do for 2023, 2024 and 2025 to balance the budget.

Unpredictability of Provincial and Federal Funding

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

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

And yet, the revenue tools available to meet these challenges are limited and access to new sources of revenue is controlled by the provincial government or must be applied for as a grant. The process of applying for grants is time-consuming and at times the municipality struggles to have the staff capacity to complete it.

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There are some grants that the municipality receives annually that the community can rely on to support the overall funding strategy. Annually the municipality receives funding under:

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

The challenge is that although they have remained predictable, the amounts received are variable and change year over year. Having predictable funding for municipalities is imperative for proper financial planning and sustainability.

Provincial Downloading

Municipalities are the only order of government where revenue does not grow with the economy.

Each year, municipal governments are being asked or mandated to take on more responsibilities such as homelessness, mental health and addictions, and climate change without the financial tools to support this work. For example, the Association of Municipalities of Ontario (AMO) estimates that municipalities across Ontario contribute \$4 billion to fund provincial programs like health and social services.

Through AMO, municipalities are continuing to try to work with the Provincial government to review “who does what,” and make sure that they have the necessary revenue tools in place. The goal is for the Province and municipal governments to find fiscal and policy solutions to support shared economic growth and prosperity.

External Legislative Requirements

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

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

- **Cutting Red Tape to Build More Homes Act (Bill 185)** – This Bill received Royal Assent on June 6, 2024, and is aimed at streamlining approvals and increasing housing and infrastructure development across the province.
- **Get It Done Act (Bill 162)** – The stated objectives of Bill 162 are to “get shovels in the ground” and accelerate the construction of transit, housing and infrastructure projects to support Ontario’s growing population while making life more affordable for families and businesses across the province.
- **Working for Workers Five Act (Bill 190)** – which amends the *Employment Standards Act, 2000*, *Occupational Health and Safety Act*, and *Workplace Safety and Insurance Act, 1997*, received Royal Assent, although many clarifying regulations have not yet been issued. The amendments address sick leave, fines, advertised job postings, applicant interviews, telework performed in private residences, workplace harassment, joint health and safety committees, washroom facilities, postings of employee information, PTSD benefits, among other areas.

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- **Strengthening Cyber Security and Building Trust in the Public Sector Act, 2024 (Bill 194)** - The proposed legislation enacts the *Enhancing Digital Security and Trust Act (EDSTA)* and amends the *Freedom of Information and Protection of Privacy Act (FIPPA)*. The *EDSTA* intends to provide a framework to address cyber security and artificial intelligence (AI) systems while supporting digital service delivery of public sector entities, including municipalities. Meanwhile, *FIPPA* amendments will better prevent and respond to privacy breaches.
- **Municipal Accountability and Integrity Act (Bill 207)** – The Bill amends the *Municipal Act, 2001* and the *City of Toronto Act, 2006*. Here are some of the highlights:
 - Requirements relating to workplace violence, workplace harassment and workplace discrimination are added with respect to codes of conduct.
 - A requirement to review codes of conduct and establish a framework for codes of conduct is added to both Acts.
 - The *Municipal Act, 2001* is amended to require the Minister to establish a Board of Integrity Commissioners.
 - Both Acts are amended to allow the Commissioner to make an application for judicial review to vacate a member’s seat and impose prescribed penalties if the Commissioner is of the opinion that the member has made certain contraventions of the code of conduct.
 - Provisions are added to both Acts to allow the Commissioner to apply to a judge of the Superior Court for confirmation of certain determinations.

Capital Project Carried Forward

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

Each year, capital projects are carried forward for several reasons:

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

Projects being carried forward into 2025 are valued at \$8,187,438 (2024 - \$6,594,973). Projects being carried forward have already received Council’s approval.

Continuous Improvement

The municipality continuously seeks opportunities to deliver programs and services to residents and businesses without increasing their tax burden. This includes regularly reviewing existing user fees and other non-taxation revenues, seeking new revenue-generating opportunities, and closely monitoring grant funding opportunities. Finding alternative sources of funding frees up the municipality’s property tax levy to pay for other priorities.

To accomplish this, Middlesex Centre staff are dedicated to continuous improvement. Some of the efficiencies and improvements brought forward included:

Considerations in Developing the Budget

- Reviewing the fees and charges in all departments
- Adding new fees in several departments
- Reviewing service contracts and reflecting on new pricing models due to inflation
- Increasing investment revenue to recognize interest received related to reserve funds

These cost savings and new revenue sources are helping to offset the tax increases while maintaining high service levels.

ENHANCEMENTS TO THE BUDGET

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

Changes Incorporated into the 2025 Budget

- Proposed multi-year capital budget with project commitments along with cash flow forecasting projected for 2025-2029
- Added new Unfunded Capital section to highlight the financial funding difficulties for capital 2026-2029
- Managed capital commitments with cash flows (five-year projected) including debt financing
- Considered short-term and long-term impacts of budgetary decisions
- Aligned financial strategy, operating projects and capital projects with Strategic Plan

Summary of Changes in Budget from Draft Presentation to Council Adoption

The municipality's annual budget development process strives to provide Council and staff with qualitative and quantitative data to support informed decision-making.

The budget is presented in detail to the budget working group over several meetings. Following those meetings, the draft budget is presented at a municipal council meeting. Changes are made to the draft budget following the presentation due to Council

questions and comments, refined revenue and expense estimates, and the receipt of outstanding information. These changes are summarized below.

- The final property tax assessments will be published by MPAC at the end of November 2024; these updated values will be included in the final budget booklet.
- The final amounts from some conservation authorities for their 2025 budgets are still outstanding.

Summary of Changes in Budget from Council Adoption to Final Version

(To be provided in final version).

Ongoing Improvements

- Update the municipality's AMP in 2025
- Develop long-term reserve fund requirements that aligns with the municipal AMP, long range financial plans and the development charge study
- Refine the financial strategy and set financial policy

Future Improvements under Consideration

- Council approval of multi-year capital commitments along with cash flow forecasting projected for 2026-2030 capital budget

BUDGET SUMMARY

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*

Operating Budget

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

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

The financial decisions we make today are critical to the long-term sustainability of our municipality. The 2025 budget reflects corporate strategic plans and the needs of the community. During

the 2025 budget process, staff worked diligently to ensure sufficient operating funding is available to deliver efficient services and good value for tax dollars.

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

Budget Summary

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.

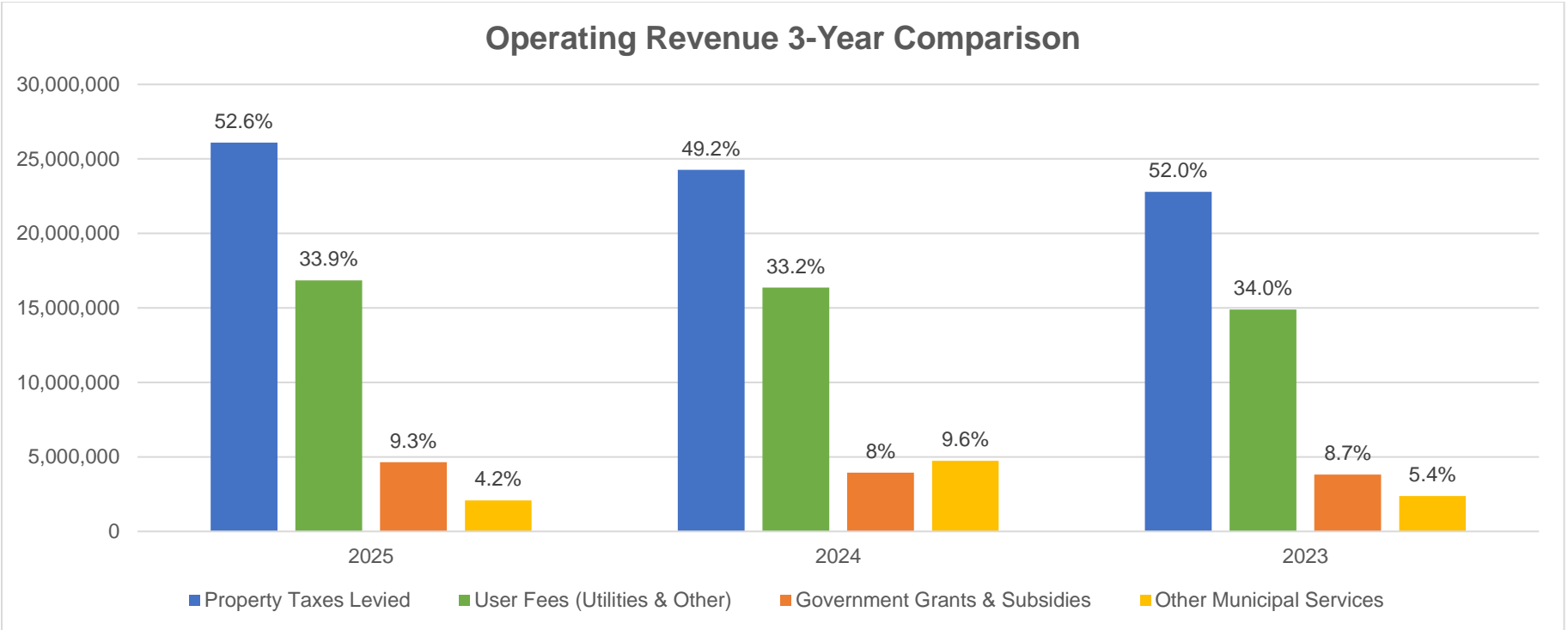
Additionally, the funding received from government grants and transfers makes up only a small part of the municipal budget, which is important to ensure the municipality can operate on its own without reliance on other levels of government.

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

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:

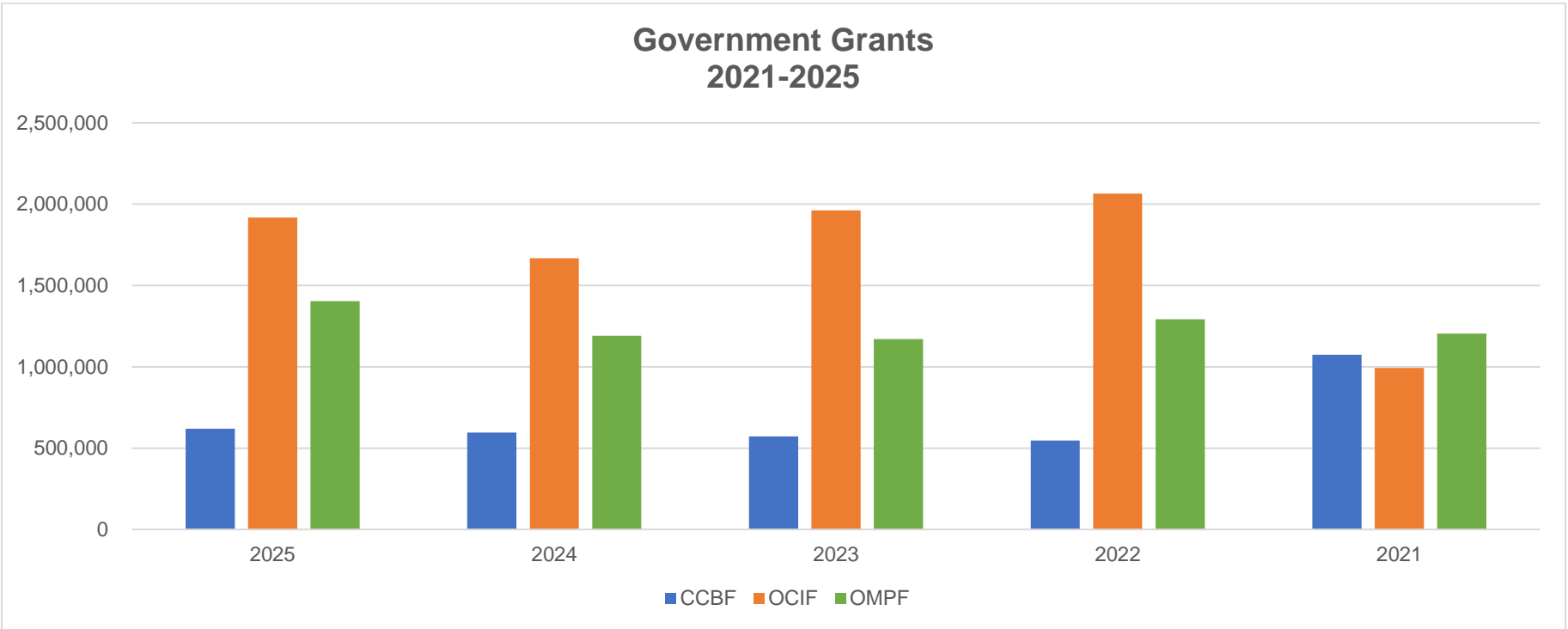
- **Canada Community-Building Fund (CCBF)** – Formerly the Gas Tax. Funding provided by the Government of Canada as part of the New Deal for Cities and Communities. This Federal initiative is based on a long-term vision of sustainability for Canadian cities and communities, including four interdependent 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.

Budget Summary

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

Figure: Government Grant Funding Summary



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

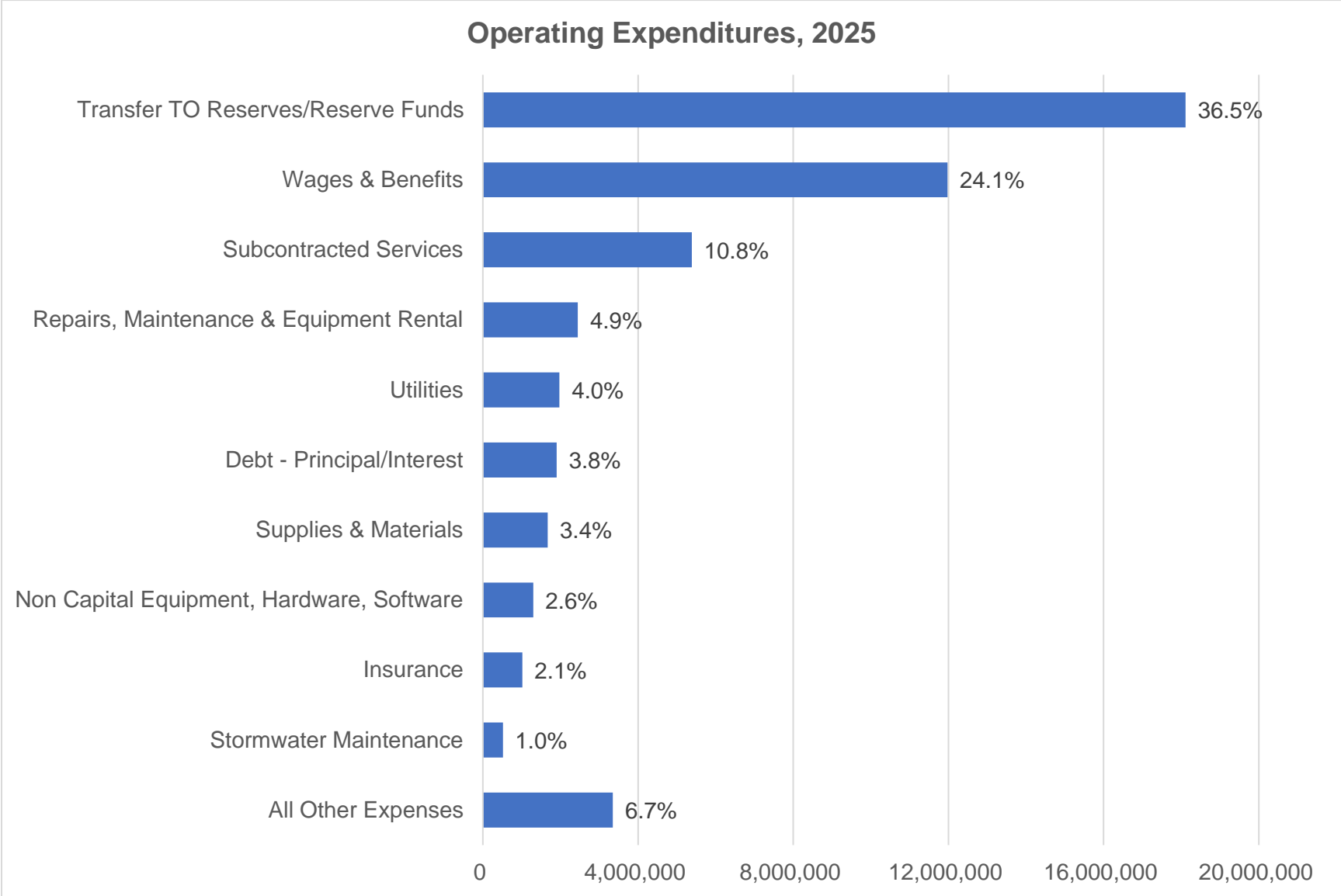
Ten expenditure categories account for 93.3% of the operating budget. These costs are presented in the table below. Note that the majority of the transfer to reserve funds are for capital projects.

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.

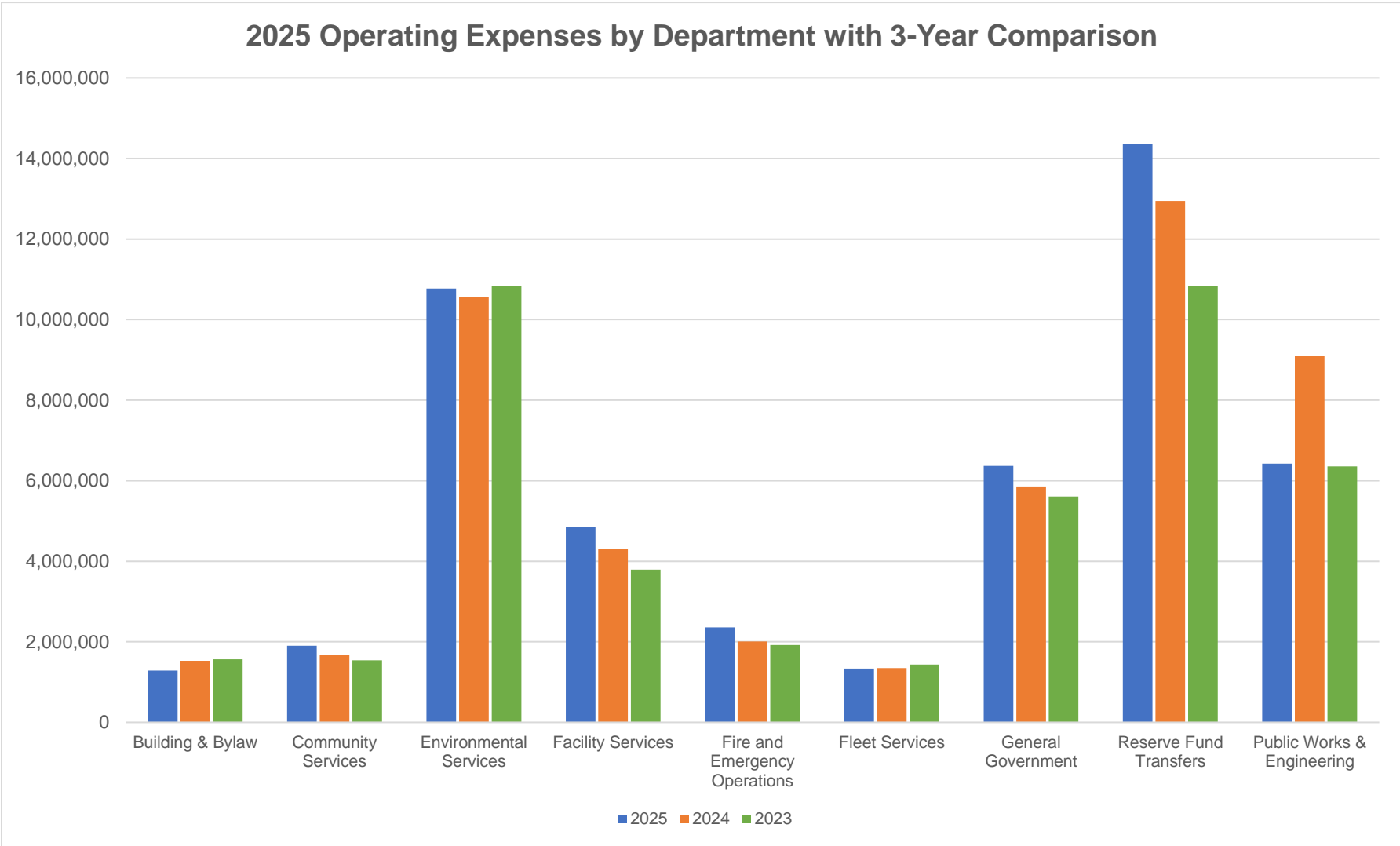
Table: Total Operating Expense Budget by Department with 3-year Comparison

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



Budget Summary

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

Department/ Division	2025			2024			Year Over Year Change			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
General Government										
General Administration	2,713,899	2,689,049	(24,850)	2,665,796	2,785,500	119,704	48,103	(96,451)	(144,554)	-120.76%
Policing	0	2,828,336	2,828,336	0	2,310,674	2,310,674	0	517,662	517,662	22.40%
Conservation Authorities		450,217	450,217		407,516	407,516	0	42,701	42,701	10.48%
Council		262,170	262,170		248,805	248,805	0	13,365	13,365	5.37%
Economic Development	0	107,317	107,317	0	83,124	83,124	0	24,193	24,193	29.10%
Reserve Fund Transfers	4,612,077	14,355,077	9,743,000	4,205,341	12,948,341	8,743,000	406,736	1,406,736	1,000,000	11.44%
Police Services Board		8,160	8,160		0	0	0	8,160	8,160	0.00%
Cemeteries	6,500	24,400	17,900	4,500	18,500	14,000	2,000	5,900	3,900	27.86%
Total	7,332,476	20,724,726	13,392,250	6,875,637	18,802,460	11,926,823	456,839	1,922,266	1,465,427	12.29%
Fire and Emergency Operations										
Fire Operations	64,260	1,465,369	1,401,109	63,000	1,202,813	1,139,813	1,260	262,556	261,296	22.92%
Special Operations	0	27,776	27,776	0	18,400	18,400	0	9,376	9,376	50.96%
Fire Administration	29,161	722,854	693,693	31,400	657,831	626,431	(2,239)	65,023	67,262	10.74%
Fire Prevention	47,200	134,288	87,088	46,000	126,998	80,998	1,200	7,290	6,090	7.52%
Emergency Operations		4,469	4,469		4,950	4,950	0	(481)	(481)	-9.72%
Total	140,621	2,354,756	2,214,135	140,400	2,010,992	1,870,592	221	343,764	343,543	18.37%
Building & Bylaw										
Building	1,098,541	1,098,541	0	1,360,094	1,360,094	0	(261,553)	(261,553)	0	0.00%
By-Law	33,160	126,580	93,420	26,500	118,554	92,054	6,660	8,026	1,366	1.48%
Animal Control	8,594	58,188	49,594	8,200	48,482	40,282	394	9,706	9,312	23.12%
Total	1,140,295	1,283,309	143,014	1,394,794	1,527,130	132,336	(254,499)	(243,821)	10,678	8.07%

Budget Summary

Department/ Division	2025			2024			Year Over Year Change			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Public Works & Engineering										
Transportation	40,900	4,165,204	4,124,304	27,198	4,117,040	4,089,842	13,702	48,164	34,462	0.84%
Administration	82,833	1,210,942	1,128,109	73,243	1,283,977	1,210,734	9,590	(73,035)	(82,625)	-6.82%
Planning	487,850	786,392	298,542	3,205,680	3,525,095	319,415	(2,717,830)	(2,738,703)	(20,873)	-6.53%
Drainage	42,000	110,496	68,496	47,500	107,922	60,422	(5,500)	2,574	8,074	13.36%
Tile Drainage	38,138	38,138	0	20,815	20,815	0	17,323	17,323	0	0.00%
Municipal Drainage	112,496	112,496	0	37,357	37,357	0	75,139	75,139	0	0.00%
Total	804,217	6,423,668	5,619,451	3,411,793	9,092,206	5,680,413	(2,607,576)	(2,668,538)	(60,962)	-1.07%
Environmental Services										
Wastewater	4,333,379	4,333,379	0	4,023,502	4,023,502	0	309,877	309,877	0	0.00%
Stormwater	1,221,063	1,221,063	0	1,142,800	1,142,800	0	78,263	78,263	0	0.00%
Water	4,118,421	4,118,421	0	4,031,949	4,031,949	0	86,472	86,472	0	0.00%
Waste Management	1,343,563	1,094,248	(249,315)	1,249,815	1,359,957	110,142	93,748	(265,709)	(359,457)	-326.36%
Total	11,016,426	10,767,111	(249,315)	10,448,066	10,558,208	110,142	568,360	208,903	(359,457)	-326.36%
Facility Services										
Administration		19,300	19,300		129,223	129,223	0	(109,923)	(109,923)	-85.06%
Municipal Office	0	155,454	155,454	0	106,141	106,141	0	49,313	49,313	46.46%
Leased Properties	292,220	298,566	6,346	283,532	283,532	0	8,688	15,034	6,346	0.00%
Fire Halls	0	229,855	229,855	0	202,392	202,392	0	27,463	27,463	13.57%
PWE Operations Centres	0	331,487	331,487	0	376,735	376,735	0	(45,248)	(45,248)	-12.01%
Community Centres	191,079	634,609	443,530	115,650	379,184	263,534	75,429	255,425	179,996	68.30%
Arenas	2,227,285	3,094,507	867,222	2,058,682	2,758,580	699,898	168,603	335,927	167,324	23.91%
Libraries	54,707	89,427	34,720	53,845	68,825	14,980	862	20,602	19,740	131.78%
Total	2,765,291	4,853,205	2,087,914	2,511,709	4,304,612	1,792,903	253,582	548,593	295,011	16.45%

Budget Summary

Department/ Division	2025			2024			Year Over Year Change			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Community Services										
Parks & Open Space	93,402	809,023	715,621	80,650	659,306	578,656	12,752	149,717	136,965	23.67%
Administration	5,100	957,545	952,445	5,000	855,651	850,651	100	101,894	101,794	11.97%
Recreation Programs	96,500	134,023	37,523	88,000	162,346	74,346	8,500	(28,323)	(36,823)	-49.53%
Total	195,002	1,900,591	1,705,589	173,650	1,677,303	1,503,653	21,352	223,288	201,936	13.43%
Fleet Services										
Fleet Administration	27,994	399,286	371,292	27,200	360,098	332,898	794	39,188	38,394	11.53%
Fire Fleet	0	78,375	78,375	0	87,700	87,700	0	(9,325)	(9,325)	-10.63%
Building Fleet	0	8,311	8,311	0	8,050	8,050	0	261	261	3.24%
PWE Transportation Fleet	89,000	726,149	637,149	68,000	748,305	680,305	21,000	(22,156)	(43,156)	-6.34%
Environmental Services Fleet	7,500	15,500	8,000	0	19,150	19,150	7,500	(3,650)	(11,150)	-58.22%
Community Services Fleet	32,000	108,250	76,250	2,500	125,000	122,500	29,500	(16,750)	(46,250)	-37.76%
Total	156,494	1,335,871	1,179,377	97,700	1,348,303	1,250,603	58,794	(12,432)	(71,226)	-5.70%
Grand Total	23,550,822	49,643,237	26,092,415	25,053,749	49,321,214	24,267,465	(1,502,927)	322,023	1,824,950	7.52%

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



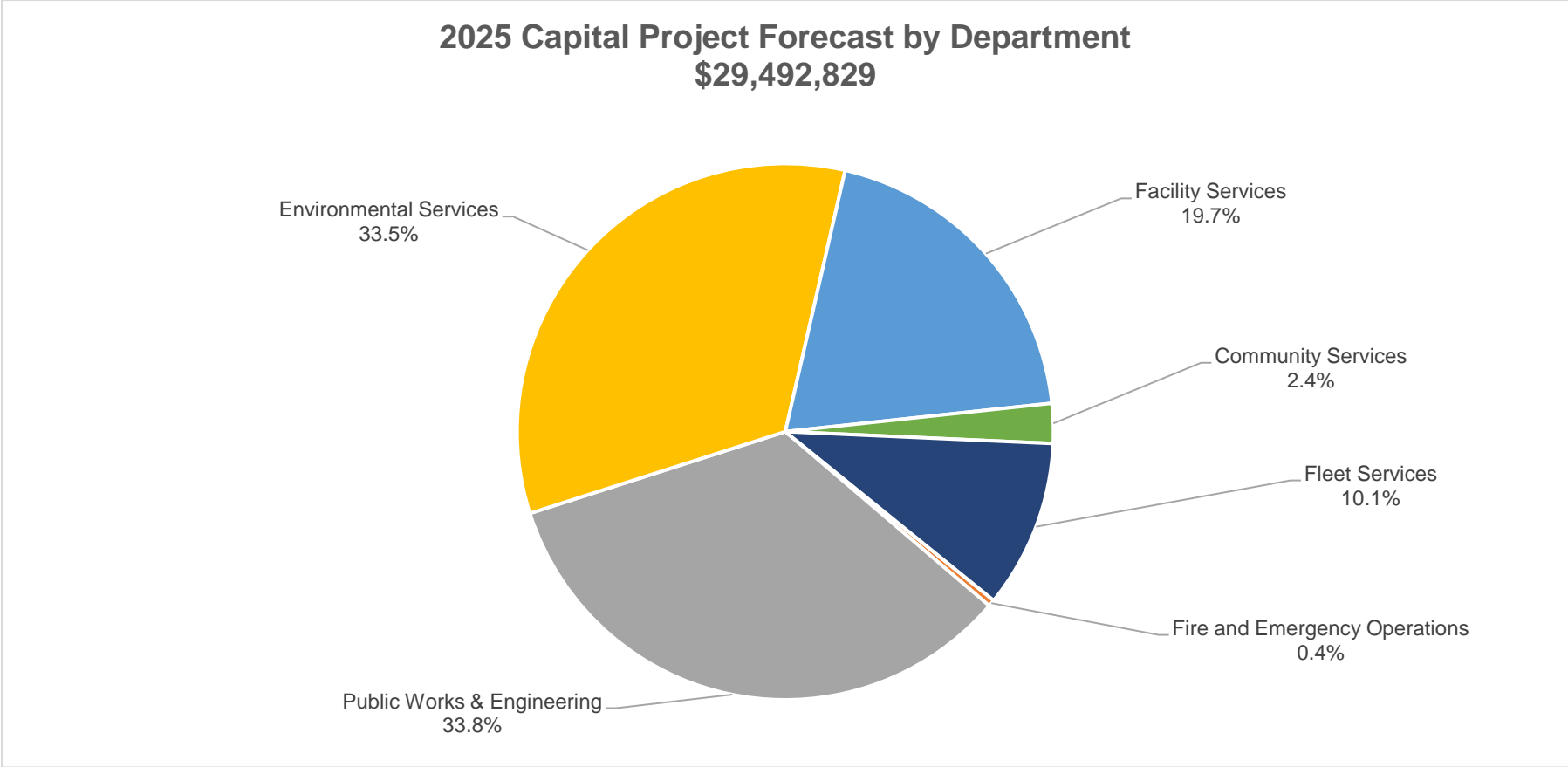
Budget Summary

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

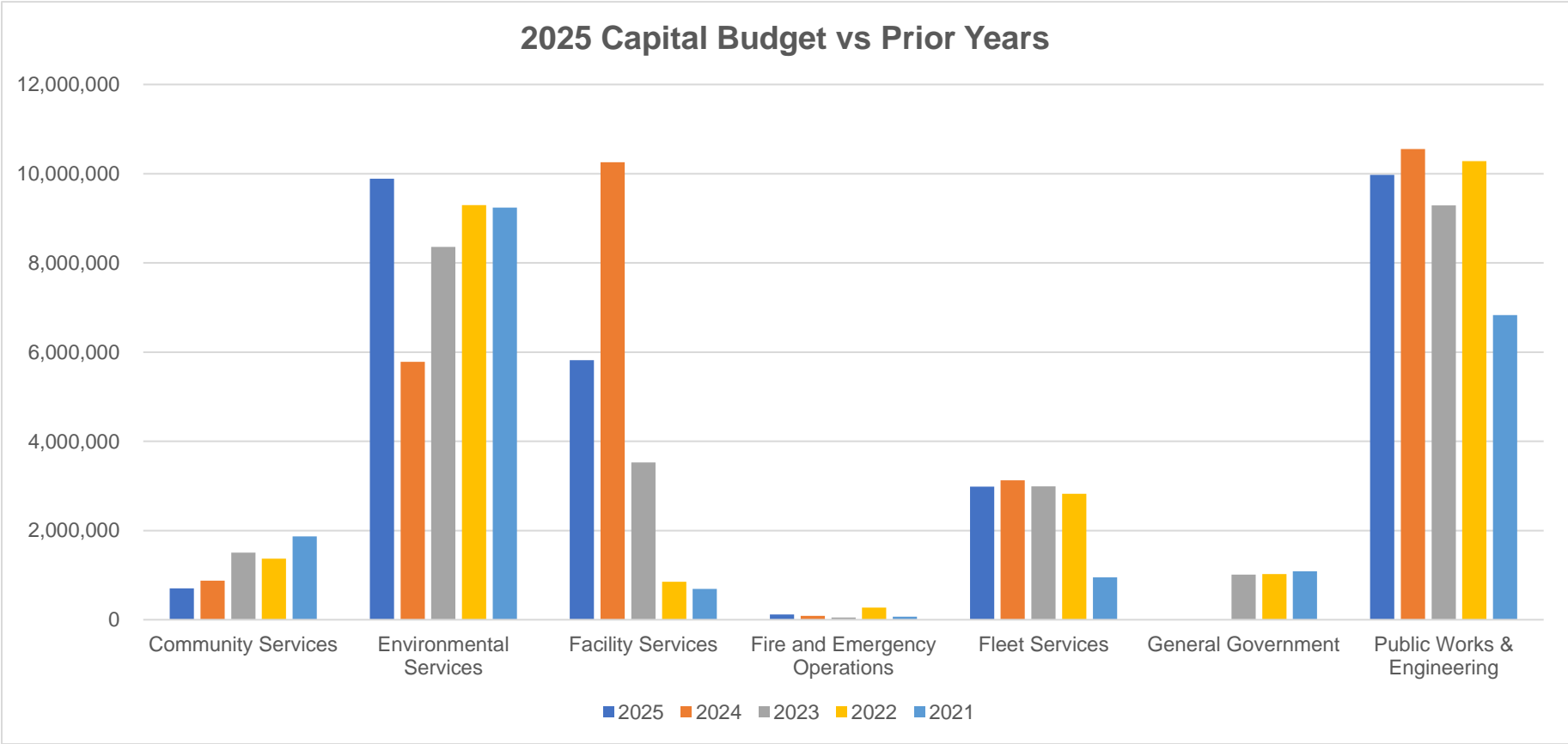
Figure: Capital Budget by Department



Note: Includes 2024 carryover and new projects for 2025

Budget Summary

Figure: Capital Budget by Department – Comparison with Previous Years



Budget Summary

Funding Capital Projects

The ability to complete capital projects is constrained by the amount of available funding and debt capacity. In order to maximize efficiency of capital spending, it is critical to achieve as much certainty as possible around the timing, sources, and amount of funding based on what is known and committed in the present moment.

Funding for capital is provided by internal and external sources as outlined above, and use of these fund sources is strategic. The

municipality aims to maximize financing from external sources, such as provincial and federal grant funding, development charges and contributions from other third-party contributions like donations before using internal sources such as the tax levy. Each year, the municipality transfers a significant portion of the tax levy to reserve funds to support capital projects.

In 2025, the municipality is transferring approximately \$9.7 million to reserve funds to fund the capital program.

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%

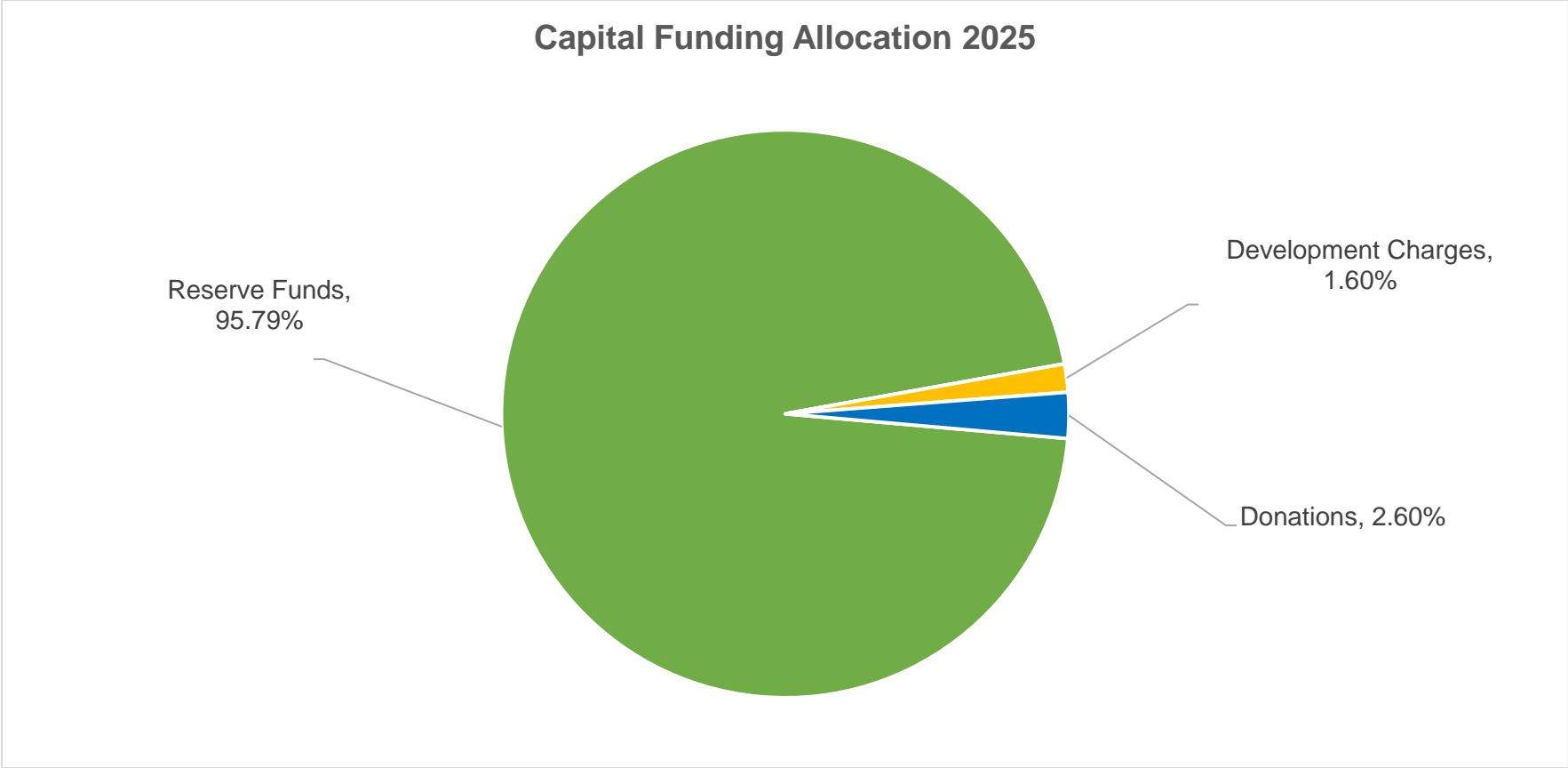
Budget Summary

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

Figure: Breakdown of Capital Funding Sources



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

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.

Table: Unfunded Capital, 2026 to 2029

Department/ Project	2026	2027	2028	2029	Total
Community Services					
25-7112 - Heritage Park - LED Lighting Upgrade	0	45,000	0	0	45,000
25-7130 - Construction of 4 Pickleball Courts (north)	0	150,000	0	0	150,000
25-7134 - Construction of 4 pickleball Courts (south)	0	150,000	0	0	150,000
25-7147 - Kilworth Park - Drill Well for irrigation on soccer field	55,800	0	0	0	55,800
25-7148 - Kilworth Park - Add Irrigation onto soccer field with remote controller	75,000	0	0	0	75,000
25-7149 - Kilworth Park - Build soccer field + sodding of playing field	250,000	0	0	0	250,000
25-7153 - Deerhaven Park- Expand asphalt trail and extend to all fields	37,800	0	0	0	37,800
25-7200 - Off Leash Dog Park (south)	0	50,000	0	0	50,000
25-7250 - Off Leash Dog Park (north)	0	50,000	0	0	50,000

Budget Summary

Department/ Project	2026	2027	2028	2029	Total
26-7107 - Komoka Park - Irrigation of Front baseball diamond	44,600	0	0	0	44,600
26-7108 - Weldon Park - Remove Chips and Dust and change to clay	40,500	0	0	0	40,500
26-7124 - Komoka Park - Irrigation of back soccer fields	0	49,500	0	0	49,500
26-7125 - Kilworth Park- Add Soccer player benches, spectator benches, goals	0	36,500	0	0	36,500
26-7126 - Kilworth Park - Add soccer lighting	0	450,000	0	0	450,000
26-7129 - Weldon Park - Tar + Chip road from front parking lot to tennis courts + back parking lot	46,500	0	0	0	46,500
26-7136 - Komoka Park Sports Lighting Upgrades -Diamonds and Tennis Court	250,000	0	0	0	250,000
27-7135 - Deerhaven Park- Replace gravel parking lot with asphalt	0	120,000	0	0	120,000
27-7139 - Denfield Park- Ball field Drainage lines expanded + recondition	0	36,500	0	0	36,500
28-7101 - Delaware Municipal Park- LED sports field lighting replacement	0	0	98,000	0	98,000
28-7123 - Weldon Park-LED sports field lighting replacement	0	0	99,800	0	99,800
Community Services Total	800,200	1,137,500	197,800	0	2,135,500
Environmental Services					
23-4201 - Melrose Stormwater System - Relocate Drainage Systems	35,000	0	346,250	0	381,250
24-4111 - Komoka Wastewater Treatment Plant Schedule C Environmental Assessment	50,000	0	0	0	50,000
25-4200 - Future projects from the Delaware SWM Master Plan	0	0	500,000	500,000	1,000,000
Environmental Services Total	85,000	0	846,250	500,000	1,431,250
Facility Services					
25-7224 - Denfield PWE - add heat and smoke detection to the mechanics and apparatus bays	38,000	0	0	0	38,000
26-6303 - PWE - Electric Equipment Charging Infrastructure Phase 1	250,000	0	0	0	250,000
26-6304 - PWE Works - Energy Generation Project	300,000	0	0	0	300,000
26-7160 - Medical Centre- Board Room conversion to exam rooms	42,500	0	0	0	42,500
26-7170 - Arva Firehall- Asphalt front and widen laneway	36,200	0	0	0	36,200

Budget Summary

Department/ Project	2026	2027	2028	2029	Total
26-7219 - Komoka Community Centre kitchen refresh	48,500	0	0	0	48,500
26-7222 - Delaware Community Centre kitchen renewal project	48,800	0	0	0	48,800
26-7224 - Coldstream Community Centre grounds patio outfitting	35,000	0	0	0	35,000
26-7228 - Denfield PWE - LED lighting retrofit to Equipment bays and salt shed	78,250	0	0	0	78,250
27-6303 - PWE Electric Equipment Charging Infrastructure Phase 2	0	250,000	0	0	250,000
27-6761 - Ilderton Community Centre - LED Lighting upgrade	0	38,000	0	0	38,000
28-7171 - Bryanston Firehall- Standby Generator for Full facility	0	0	35,000	0	35,000
Facility Services Total	877,250	288,000	35,000	0	1,200,250
Fleet Services					
26-2501 - New Vehicle	60,000	0	0	0	60,000
26-3216 - Replacement Highway Tractor	325,000	0	0	0	325,000
26-3629 - Replacement Live Bottom Trailer	200,000	0	0	0	200,000
Fleet Services Total	585,000	0	0	0	585,000
Public Works & Engineering					
26-3124 - Southdel Bourne (Bodkin Road to Magdala Rd/ River Road) Conversion from Gravel to LCB	400,000	0	0	0	400,000
27-3104 - Sidewalk Expansion (Arva)	0	350,000	0	0	350,000
27-3105 - Street Light Expansion (Arva)	0	550,000	0	0	550,000
28-3104 - Sidewalk Expansion (Ilderton)	0	0	450,000	0	450,000
28-3105 - Street Light Expansion (Birr)	0	0	550,000	0	550,000
29-3104 - Sidewalk Expansion	0	0	0	350,000	350,000
29-3105 - Street Light Expansion (Delaware)	0	0	0	550,000	550,000
29-3115 - Reconstruction of Railway Ave & Tunks Ln	0	0	0	250,000	250,000
Public Works & Engineering Total	400,000	900,000	1,000,000	1,150,000	3,450,000
Total	2,747,450	2,325,500	2,079,050	1,650,000	8,802,000

Budget Summary

Five-Year Capital Budget

Planning capital projects over the next five years is crucial for effective long-term planning and resource allocation. Planning for these projects allows the Municipality to prioritize investments, allocated budgets, and coordinate efforts more efficiently. Such a roadmap provides clarity on the timing and scope of major initiatives and ensures that projects align with strategic goals.

Having a five-year plan enhances transparency and accountability, allowing the public to track progress and make informed

decisions. It also helps in securing funding, both internally and externally, as investors and taxpayers are more likely to support projects with well-defined, long-term plans.

A detailed 5-year forecast of capital projects can be found in the supplementary section of this book and online on Middlesex Centre's Open Budget.

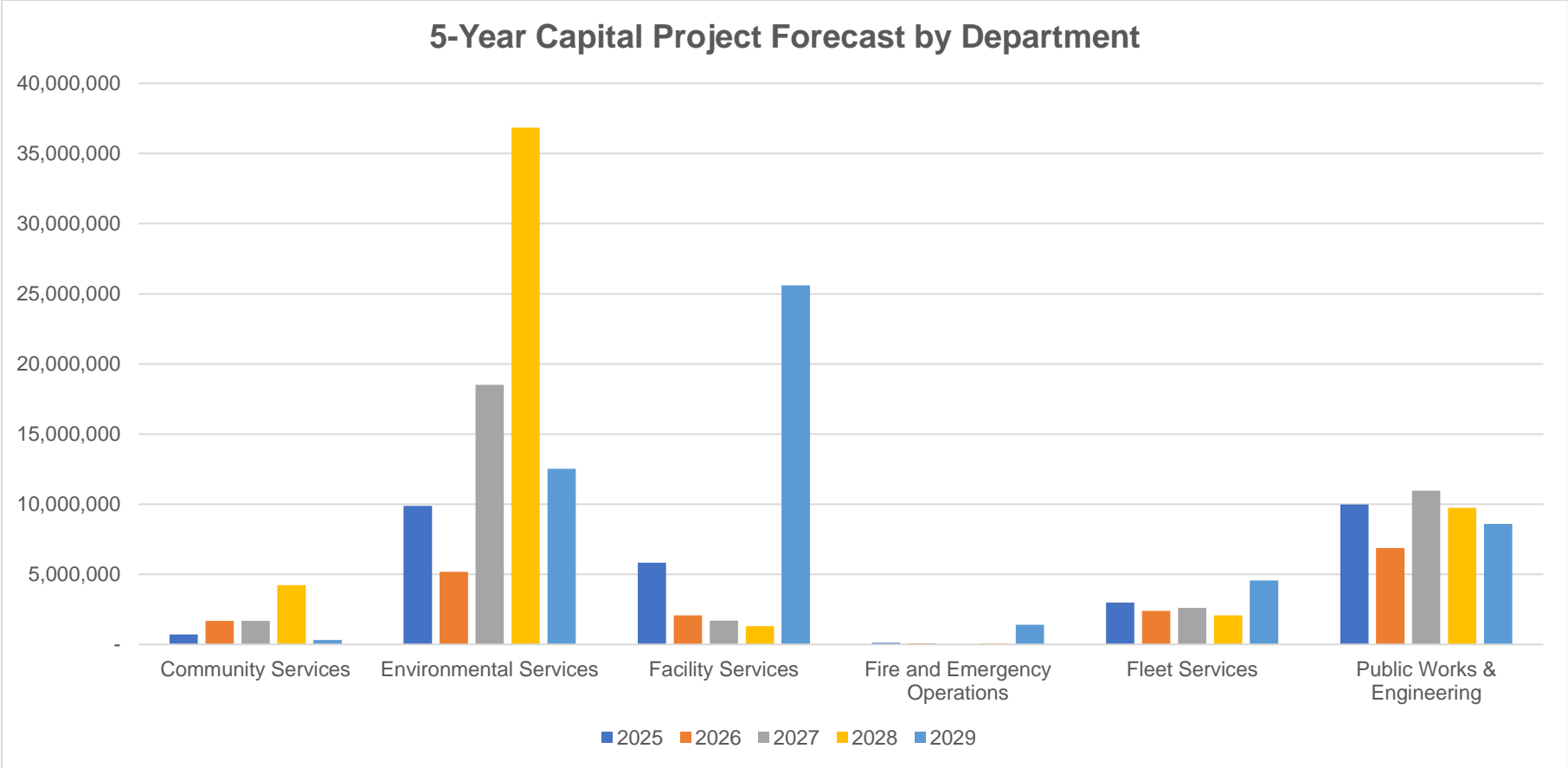
→ [View the detailed 5-year capital budget in Middlesex Centre's Open Budget.](#)

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

Budget Summary

Figure: Five-Year Capital Project Forecast by Department



Budget Summary

Figure: 2025 5-Year Forecast Capital Costs by Asset Type

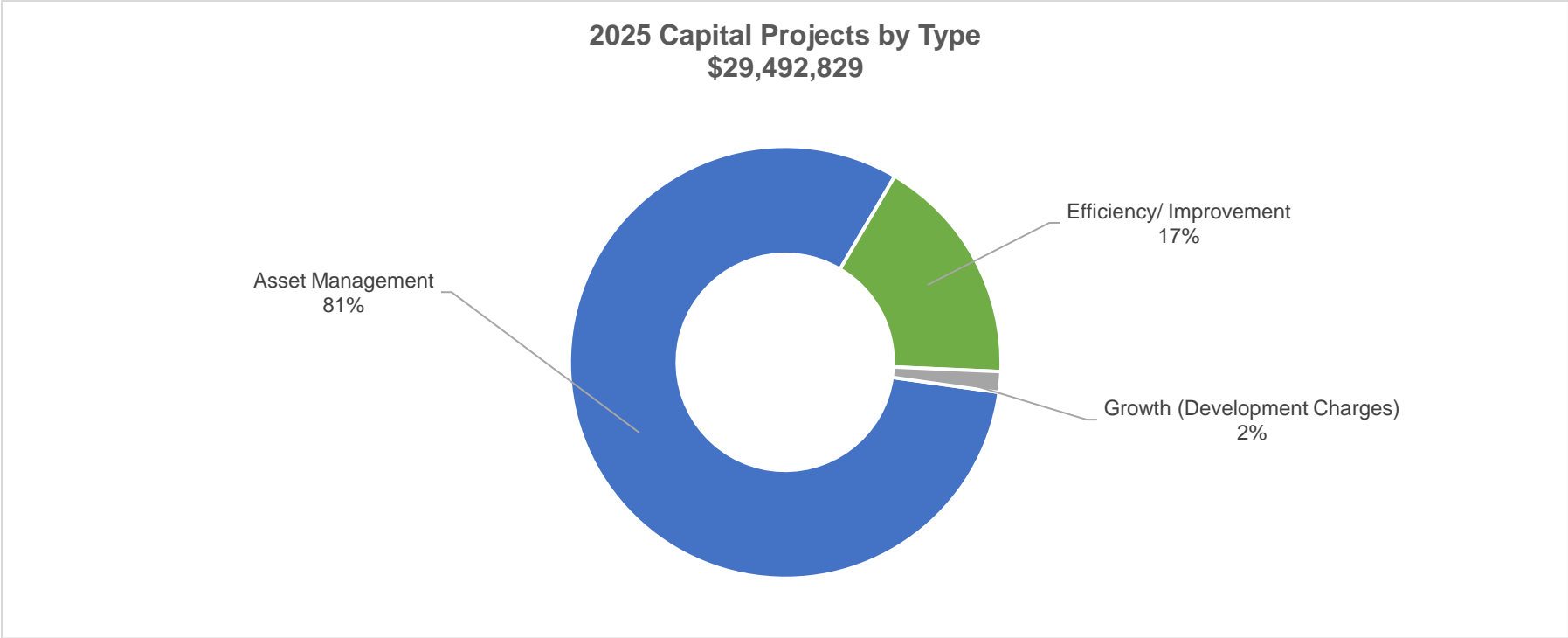
Asset Type	Carry Forward 2024	2025	2025 Total	2026	2027	2028	2029	Total
Bridges & Culverts	232,000	2,758,250	2,990,250	3,025,500	3,260,250	3,841,650	2,379,000	15,496,650
Buildings & Fixtures	3,977,270	1,734,955	5,712,225	1,670,700	1,831,900	1,387,400	25,605,500	36,207,725
Concrete Sidewalks	0	0	0	200,000	350,000	450,000	350,000	1,350,000
Emergency Vehicles	0	725,000	725,000	0	780,000	80,000	2,300,000	3,885,000
Land Improvements	50,000	509,773	559,773	1,964,200	1,395,400	4,042,900	0	7,962,273
Other Equipment	213,873	964,127	1,178,000	1,187,186	566,064	620,950	2,142,300	5,694,500
Roads	380,000	6,530,876	6,910,876	3,576,667	6,805,500	4,900,000	5,325,000	27,518,043
Stormwater Infrastructure	165,000	3,337,000	3,502,000	2,655,000	400,875	846,250	500,000	7,904,125
Streetlighting	0	0	0	0	550,000	550,000	550,000	1,650,000
Vehicles & Machinery	0	2,262,000	2,262,000	2,385,000	1,830,000	2,000,000	2,260,000	10,737,000
Wastewater Facilities	859,683	191,458	1,051,141	639,605	14,660,886	30,286,977	0	46,638,609
Wastewater Facility Equipment	300,000	76,757	376,757	50,000	0	0	0	426,757
Wastewater Mains	100,000	389,700	489,700	214,200	1,513,800	0	4,300,000	6,517,700
Water Facilities	0	0	0	0	595,650	5,129,650	0	5,725,300
Water Mains	1,909,612	1,825,495	3,735,107	760,000	919,000	133,000	7,300,000	12,847,107
Total	8,187,438	21,305,391	29,492,829	18,328,058	35,459,325	54,268,777	53,011,800	190,560,789

Budget Summary

Table: Five-year Budget by Project Type

Project Type	Carry Forward	2025	2025 Total	2026	2027	2028	2029	Total
Asset Management	6,186,377	17,775,158	23,961,535	14,385,303	13,231,589	11,497,000	12,067,800	75,143,227
Efficiency/Improvement	1,683,363	3,395,233	5,078,596	2,222,450	2,325,500	2,079,050	1,650,000	13,355,596
Growth (Development Charges)	317,698	135,000	452,698	1,720,305	19,902,236	40,692,727	39,294,000	102,061,966
Total	8,187,438	21,305,391	29,492,829	18,328,058	35,459,325	54,268,777	53,011,800	190,560,789

Figure: 2025 Capital Projects by Project Type



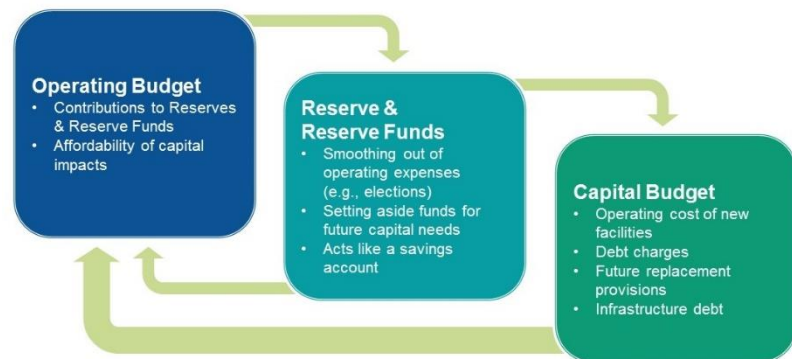
Budget Summary

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.

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

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



Capital Projects having Operating Impacts

Operating impact typically refers to the immediate and direct consequences or effects that an event, decision, or action has on the day-to-day operations and functions of a business or organization. It often involves changes in revenue, costs, efficiency, or productivity resulting from a specific event of operational change.

What is the impact of capital spending on buildings, equipment, and other facilities on future operating expenditures of the municipality?

Operating impacts can be classified in terms of increased revenues, increased expenditure and/or cost savings in relation to a capital project that is completed. To ensure that operating impacts and life cycle costs are identified, the following items are of key importance:

- Development of policies and procedures that require capital planning and asset management documents (or plans) to include operating impacts and life cycle costs when submitted for approval to be obtained.
- Subject matter experts to provide the necessary assumptions/methodology in determining the operating impacts for the capital projects put forward.

Items to consider when making assumptions include:

- Timeframe to determine when costs, savings or revenue will start
- Various anticipated phases of the project
- In-house versus external operations
- Type of work being done
- Whether the costs, savings, or revenues are reoccurring or non-reoccurring

Operational costs arising from the municipality's capital program include asset maintenance costs, additional staffing requirements to manage the new asset, inflationary pressures and incremental reserve contributions to save for the replacement of new infrastructure.

When council approves the capital budget, they are also deciding at that time to increase the current and future operational budget.

Budget Summary

Revenue and Expenditure Summary

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

Department/ Division	2025			2024			Year Over Year Change			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
General Government										
General Administration	2,713,899	2,689,049	(24,850)	2,665,796	2,785,500	119,704	48,103	(96,451)	(144,554)	-120.76%
Policing	0	2,828,336	2,828,336	0	2,310,674	2,310,674	0	517,662	517,662	22.40%
Conservation Authorities		450,217	450,217	0	407,516	407,516	0	42,701	42,701	10.48%
Council		262,170	262,170	0	248,805	248,805	0	13,365	13,365	5.37%
Economic Development	0	107,317	107,317	0	83,124	83,124	0	24,193	24,193	29.10%
Reserve Fund Transfers	4,612,077	14,355,077	9,743,000	4,205,341	12,948,341	8,743,000	406,736	1,406,736	1,000,000	11.44%
Police Services Board		8,160	8,160	0	0	0	0	8,160	8,160	0.00%
Cemeteries	6,500	24,400	17,900	4,500	18,500	14,000	2,000	5,900	3,900	27.86%
Total	7,332,476	20,724,726	13,392,250	6,875,637	18,802,460	11,926,823	456,839	1,922,266	1,465,427	12.29%
Fire and Emergency Operations										
Fire Operations	184,260	1,585,369	1,401,109	147,000	1,286,813	1,139,813	37,260	298,556	261,296	22.92%
Special Operations	0	27,776	27,776	0	18,400	18,400	0	9,376	9,376	50.96%
Fire Administration	29,161	722,854	693,693	31,400	657,831	626,431	(2,239)	65,023	67,262	10.74%
Fire Prevention	47,200	134,288	87,088	46,000	126,998	80,998	1,200	7,290	6,090	7.52%
Emergency Operations		4,469	4,469	0	4,950	4,950	0	(481)	(481)	-9.72%
Total	260,621	2,474,756	2,214,135	224,400	2,094,992	1,870,592	36,221	379,764	343,543	18.37%
Building & Bylaw										
Building	1,098,541	1,098,541	0	1,360,094	1,360,094	0	(261,553)	(261,553)	0	0.00%
By-Law	33,160	126,580	93,420	26,500	118,554	92,054	6,660	8,026	1,366	1.48%
Animal Control	8,594	58,188	49,594	8,200	48,482	40,282	394	9,706	9,312	23.12%
Total	1,140,295	1,283,309	143,014	1,394,794	1,527,130	132,336	(254,499)	(243,821)	10,678	8.07%
Public Works & Engineering										
Transportation	10,017,026	14,141,330	4,124,304	10,485,364	14,575,206	4,089,842	(468,338)	(433,876)	34,462	0.84%
Administration	82,833	1,210,942	1,128,109	73,243	1,283,977	1,210,734	9,590	(73,035)	(82,625)	-6.82%
Planning	487,850	786,392	298,542	3,205,680	3,525,095	319,415	(2,717,830)	(2,738,703)	(20,873)	-6.53%
Drainage	42,000	110,496	68,496	47,500	107,922	60,422	(5,500)	2,574	8,074	13.36%
Tile Drainage	38,138	38,138	0	20,815	20,815	0	17,323	17,323	0	0.00%
Municipal Drainage	112,496	112,496	0	37,357	37,357	0	75,139	75,139	0	0.00%
Total	10,780,343	16,399,794	5,619,451	13,869,959	19,550,372	5,680,413	(3,089,616)	(3,150,578)	(60,962)	-1.07%

Budget Summary

Department/ Division	2025			2024			Year Over Year Change			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Environmental Services										
Wastewater	6,403,577	6,403,577	0	6,606,073	6,606,073	0	(202,496)	(202,496)	0	0.00%
Stormwater	4,723,063	4,723,063	0	1,546,715	1,546,715	0	3,176,348	3,176,348	0	0.00%
Water	8,430,928	8,430,928	0	6,825,306	6,825,306	0	1,605,622	1,605,622	0	0.00%
Waste Management	1,343,563	1,094,248	(249,315)	1,249,815	1,359,957	110,142	93,748	(265,709)	(359,457)	-326.36%
Total	20,901,131	20,651,816	(249,315)	16,227,909	16,338,051	110,142	4,673,222	4,313,765	(359,457)	-326.36%
Facility Services										
Administration		19,300	19,300	0	129,223	129,223	0	(109,923)	(109,923)	-85.06%
Municipal Office	500,000	655,454	155,454	4,830,431	4,936,572	106,141	(4,330,431)	(4,281,118)	49,313	46.46%
Leased Properties	770,820	777,166	6,346	388,032	388,032	0	382,788	389,134	6,346	0.00%
Fire Halls	39,600	269,455	229,855	0	202,392	202,392	39,600	67,063	27,463	13.57%
PWE Operations Centres	215,105	546,592	331,487	100,000	476,735	376,735	115,105	69,857	(45,248)	-12.01%
Community Centres	877,829	1,321,359	443,530	842,850	1,106,384	263,534	34,979	214,975	179,996	68.30%
Arenas	6,125,955	6,993,177	867,222	6,497,452	7,197,350	699,898	(371,497)	(204,173)	167,324	23.91%
Libraries	54,707	89,427	34,720	95,345	110,325	14,980	(40,638)	(20,898)	19,740	131.78%
Total	8,584,016	10,671,930	2,087,914	12,754,110	14,547,013	1,792,903	(4,170,094)	(3,875,083)	295,011	16.45%
Community Services										
Parks & Open Space	799,675	1,515,296	715,621	1,045,383	1,698,385	653,002	(245,708)	(183,089)	62,619	9.59%
Administration	5,100	957,545	952,445	5,000	855,651	850,651	100	101,894	101,794	11.97%
Recreation Programs	96,500	134,023	37,523	0	0	0	96,500	134,023	37,523	0.00%
Total	901,275	2,606,864	1,705,589	1,050,383	2,554,036	1,503,653	(149,108)	52,828	201,936	13.43%
Fleet Services										
Fleet Administration	27,994	399,286	371,292	27,200	360,098	332,898	794	39,188	38,394	11.53%
Fire Fleet	725,000	803,375	78,375	880,000	967,700	87,700	(155,000)	(164,325)	(9,325)	-10.63%
Building Fleet	0	8,311	8,311	0	8,050	8,050	0	261	261	3.24%
PWE Transportation Fleet	1,926,500	2,563,649	637,149	2,185,500	2,865,805	680,305	(259,000)	(302,156)	(43,156)	-6.34%
Environmental Services Fleet	92,500	100,500	8,000	17,500	36,650	19,150	75,000	63,850	(11,150)	-58.22%
Community Services Fleet	371,500	447,750	76,250	113,500	236,000	122,500	258,000	211,750	(46,250)	-37.76%
Total	3,143,494	4,322,871	1,179,377	3,223,700	4,474,303	1,250,603	(80,206)	(151,432)	(71,226)	-5.70%
Grand Total	53,043,651	79,136,066	26,092,415	55,620,892	79,888,357	24,267,465	(2,577,241)	(752,291)	1,824,950	7.52%

Budget Summary

Budget Implications for Rate Payers

Tax Rate

The 2025 tax rate increase is 5.90% (2024 – 3.22%).

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

Property Assessment

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

Municipal Property Assessment Corporation (MPAC) is expected to deliver the 2025 final assessment to Middlesex Centre in 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.

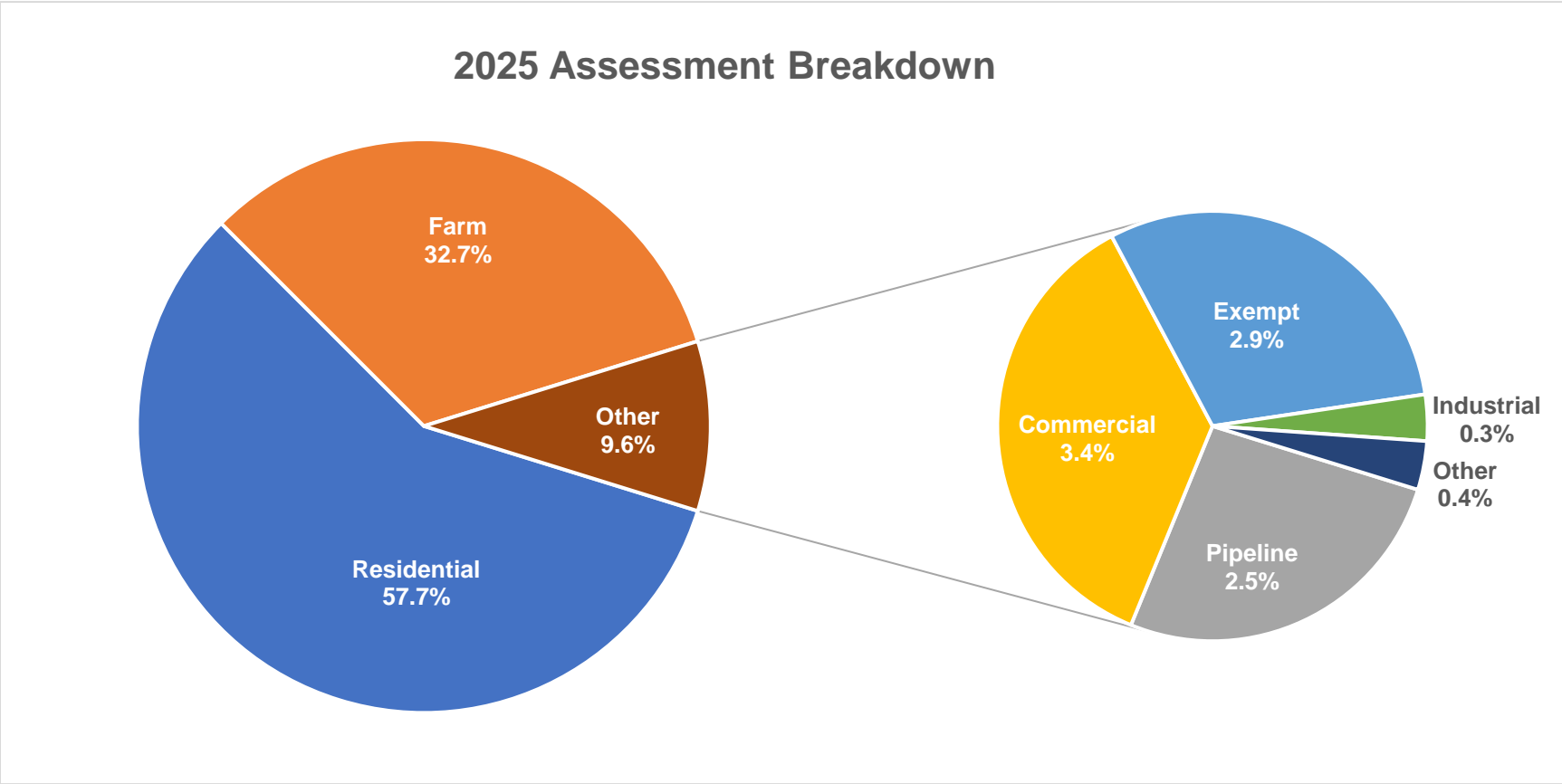
In response to concerns about the property tax burden on small businesses, the province provided municipalities with the flexibility to target property tax relief to small businesses. The decision to implement this program lies with the County of Middlesex as the upper tier municipality.

Table: Total Tax Assessment Value by Property Class, 2025

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

Budget Summary

Figure: Assessment Breakdown



Budget Summary

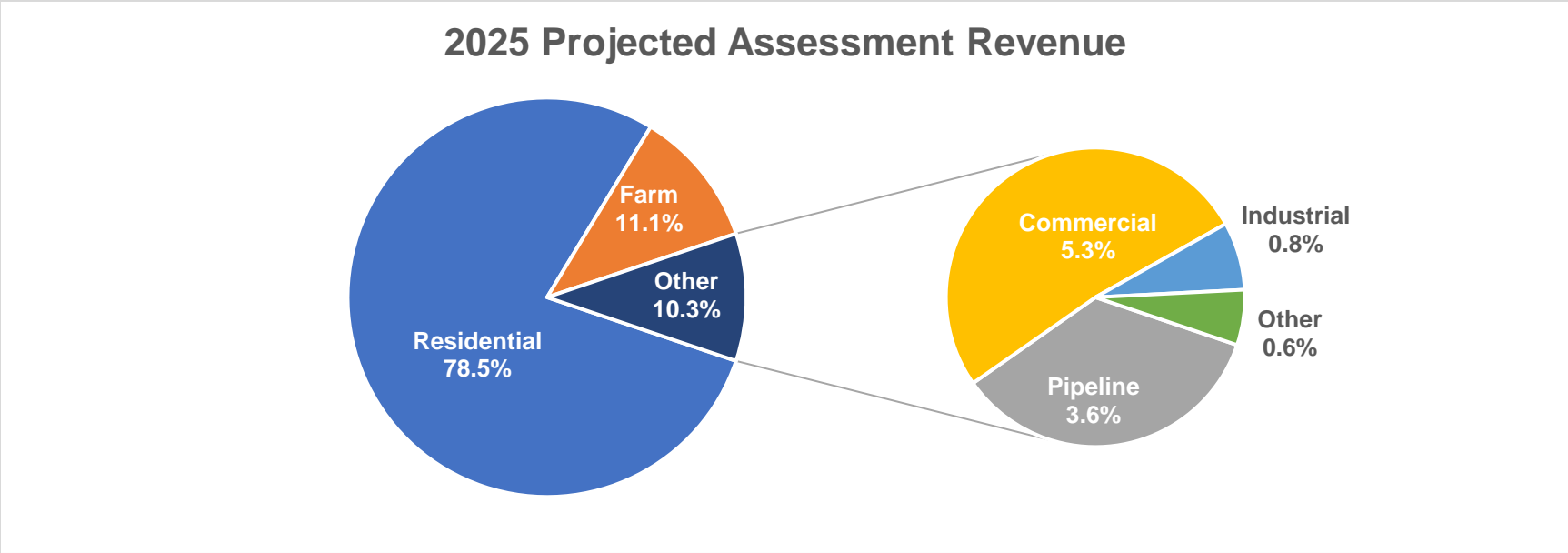
Tax Revenue from All Property Types

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



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

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

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

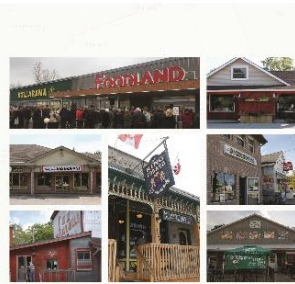
**Based on usage of 180 m³ of water per year & a small waste bin*

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.

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

Staffing

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

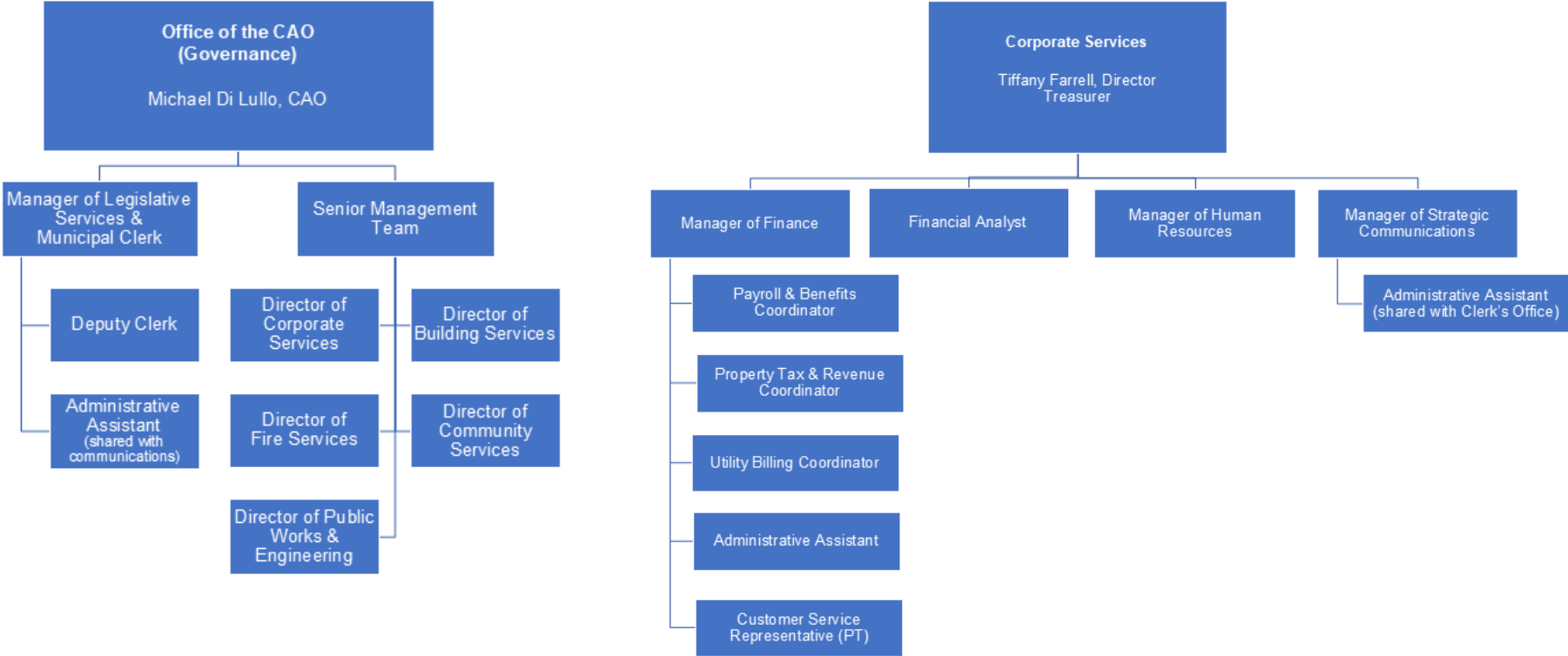


Table: General Government Staffing Resources

Divisions	2023 FTEs	2024 FTEs	2025 FTEs	Changes
Staffing Total Corporate Services & Office of the CAO	13.13	13.80	13.80	In 2024, removed a half-year co-op student position and added a full-time Payroll and Benefits Coordinator.

Note: In addition, there are 7 part-time members of council.

General Government

2024 Accomplishments

In addition to the items outlined in the tables below, in 2024, corporate services led the update to the municipal Development Charges (DC) background study and associated DC by-law. This six-month process included an introductory presentation to Council, an industry stakeholder meeting, and a public meeting to present the plan and obtain public input. The study and by-law were adopted by council at their July 10, 2024, meeting.

Additionally, corporate services staff undertook a review of all municipal human resource and information technology policies to ensure they were meeting current legislative requirements and best practices. This exercise saw more than 50 policies updated and shared with staff.

Throughout the year, the Office of the Clerk and the Office of the CAO instituted three new committees of council: the Committee of Adjustment, the Economic Development Advisory Committee and the Middlesex Centre OPP Detachment Board. The latter is a joint committee with other lower-tier municipalities.

By the Numbers

- Tax Bills Issued: 16,549 (2024 - to end of October)
- Water Bills Issued: 56,987 (2024 – to end of October)
- Website Usage 125,025 (2023)
- Total Followers (all social media) 5,491 (2023)
- Individual Staff Training Sessions 1,282 (2023)
- Number of Council Meeting Held 28 (2024)
- By-Laws Approved 100 (2024 - to November 20)
- Customer Service – Residents rating experience as satisfied 72% (2023)
- Value of Council Grants Issued \$18,930 (2023)
- Value of Community Improvement Plan Grants Issued \$14,187 (2023)
- Leveraged Value of Community Improvement Plan Grants Issued \$28,374 (2023)

Table: 2024 Strategic Accomplishments for General Governance: Corporate Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Donation to Archives	2021-2026	Strat Plan 1 - Engaged Community	1.3 - Celebrate our rural and agricultural heritage	Increase in documents/items in the archives for the public to view.	\$ 5,000	Done (via Community Grants program)

General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Reserve Contributions for Asset Management	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	Increase in liquidity Increase in affordability of capital projects	\$ 1,000,000	Done and Ongoing (pending council budget approval)
Questica performance measures and reserve fund tracking module implementation	2024	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	Tie in ten performance measures in the budgeting software	Staff time, included in the annual software license of \$ 19,500	Done
Website Enhancements	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	Increase in the number of transactions on the web each year	\$ 5,000	Ongoing
Corporate Communications Plan	2024	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	Completion of Plan (with metrics to be determined within plan)	Complete in-house	In Progress Expected to be completed in 2025

General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Long-Range Financial Plan - Operating	2024	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and program	Asset Health Score - Measures asset health to Council's approved level of service. Reduction in growth related risk - Measures the amount of debt risk that has been mitigated through revenue or expenditure management Reliance on external funding - Measures external funding and grants as a percentage of the municipality's total revenue	\$ 25,000	In Progress Expected to be completed in early 2025.
Diversity, Equity and Inclusion (DEI) Committee	2024	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service 5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	Establish committee, conduct 4 meetings a year, and implement 1 new initiative a year	Complete in-house	On Hold – revisiting approach to DEI initiatives in 2025

General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Dayforce Performance management module	2024	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff Reduced time to prepare and file staff performance management reports	Completion of all staff performance reviews by November each year	\$3,500	Done
Development Charge Study	2024	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	Completion of Development Charge Study Meet legislative requirement Better understanding of true costs of development for better costing	\$ 62,000	Done

General Government

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

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Industrial Land Development	2021-2025	Strat Plan 3 – Vibrant Local Economy	3.2 - Ensure that appropriate sites are available for commercial and industrial businesses	Improve assessment mix in municipality by 2%	n/a	Ongoing
Mayor's Breakfast	2024	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Attendance of over 100 people at the event	\$5,000	Done and Ongoing (Successful event held on November 5, 2024)
Community Improvement Plan: to support the revitalization of the settlement areas throughout Middlesex Centre to expand the range of incentives offered	2021-2026	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	Increase in the Building façade condition assessment for businesses that received grants. Increase in the assessment value of the properties who received funding Survey noting business satisfied with the support during pandemic	\$30,000	Done and Ongoing

General Government

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

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
DocuSign	2022-2026	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	Number of documents completed electronically. Savings of staff time by 5%	\$10,000	Not Undertaken A review indicated this service was not warranted at this time.

2025 Strategic Goals

Table: 2025 Strategic Goals for General Governance

Division	Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Office of the Clerk	2026 Municipal Election	2025-2026	Strat Plan 5 – Responsive Municipal Government		2025 - preparations and plans for election are complete, including issuance of RFP for voting technology	In-house
Office of the CAO	Climate Change Action Plan	2025-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Creation and adoption of a Climate Change Action Plan	In-house – work will proceed if grant funding secured
Office of the CAO	Community Improvement Plan (CIP) – Expanded Range of Incentives	2021-2026	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	Uptake of new CIP incentives by businesses	\$30,000

General Government

Division	Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Office of the CAO	Industrial Land Development	2021-2025	Strat Plan 3 – Vibrant Local Economy	3.2 - Ensure that appropriate sites are available for commercial and industrial businesses	Improve assessment mix in municipality by 2%	n/a
Corporate Services	Use of Artificial Intelligence (AI) Policy and Program	2025	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Completion and adoption of the AI Policy and Program (with metrics to be determined within plan)	\$30,000
Corporate Services	New Accounting Software	2025-2026	Strat Plan 4 – Sustainable Infrastructure and Services		2025 – research and issuance of RFP for new software	In-house
Corporate Services	Corporate Communications Plan	2025	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	Completion of Plan (with metrics to be determined within plan)	Complete in-house
Corporate Services	Review Community Grants Program	2025	Strat Plan 1 – Engaged Community	1.1 – Support community organizations and opportunities for volunteer involvement in the community	Completion of review and updated program as required. Number of new and returning organizations requesting grant funding Dollar value of grant funding requested Leveraged dollar value of grants issued	In-house

General Government

Division	Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Corporate Services	Welcome to the Neighbourhood Program	2024-2025	Strat Plan 1 – Engaged Community	1.1 – Support community organizations and opportunities for volunteer involvement in the community	Updated welcome package and materials to introduce to Middlesex Centre (municipal and community) to new residents	In-house
Corporate Services	Long-Range Financial Plan - Operating	2024-2025	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and program	Asset Health Score - Measures asset health to Council's approved level of service. Reduction in growth related risk - Measures the amount of debt risk that has been mitigated through revenue or expenditure management Reliance on external funding - Measures external funding and grants as a percentage of the municipality's total revenue	\$ 25,000

General Government

Division	Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Corporate Services	Update the Middlesex Centre Health & Safety Manual	2024-2025	Strat Plan 5 – Responsive Municipal Government	5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Updated Health and Safety Manual and associated Standard Operating Procedures (SOPs) are complete. All staff have reviewed the manual and applicable SOPs, receiving additional training as required. Ultimate goal is to reduce workplace injuries.	In-house

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

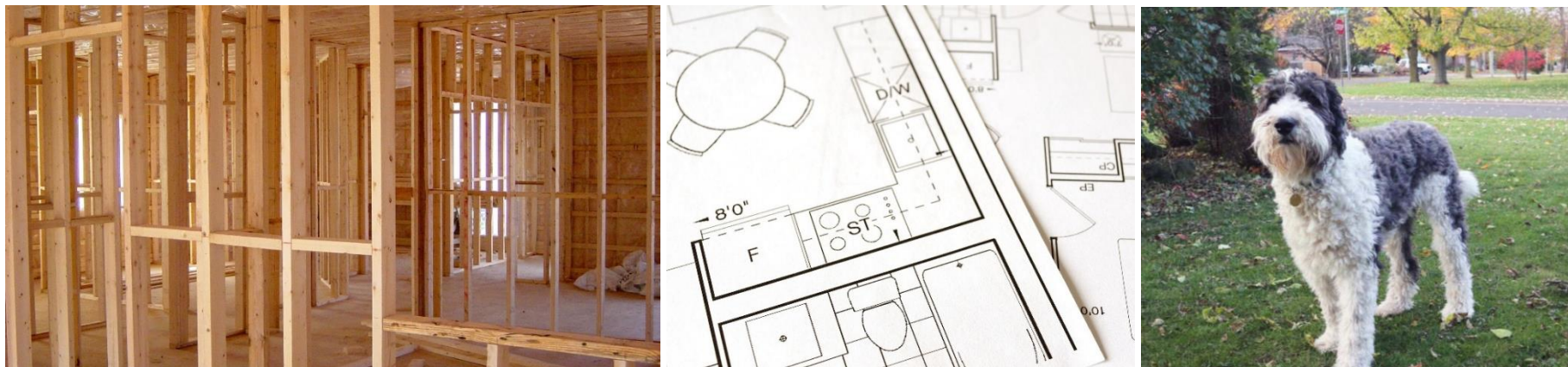
General Government has 41.75% of total operating costs. However, of the 41.75%, transfers to reserve funds account for 28.92% and general government accounts for only 12.83% of operating costs.

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

Staffing

Figure: Building & By-law Services Organizational Chart

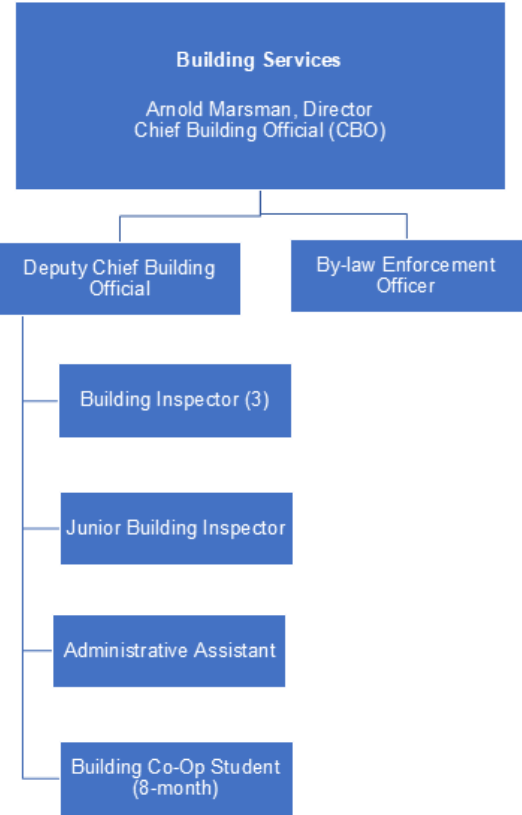


Table: Building Services Staffing Resources

Divisions	2023 FTEs	2024 FTEs	2025 FTEs	Change
Building	7.67	7.67	7.67	--
By-law	0.75	0.75	0.75	--
Animal Control	0.25	0.25	0.25	--
Staffing Total	8.67	8.67	8.67	

Building & By-law Services

2024 Accomplishments

In addition to the strategic accomplishments outlined below, in 2024 Building and By-law Services inspected all industrial, commercial and institutional municipal water users to ensure protection measures are in place for Middlesex Centre’s water system. As part of their cost-recovered services to neighbouring municipalities, and in addition to permits issued in Middlesex Centre, staff approved 371 building permits in Lucan Biddulph, Adelaide Metcalfe, North Middlesex and Southwest Middlesex with a total construction value of \$108 million.

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

Year	Number of Building Permits Issued	Number of New Dwellings	Estimated Cost of Construction (\$)
2024 (Third Quarter)	265	47	58,190,739
2023 Year End	486	162	120,2080,007
2022 Year End	662	187	154,177,049
2021 Year End	836	349	257,387,115
2020 Year End	636	268	143,339,248
2019 Year End	545	159	101,000,000

Building & By-law Services staff continue to represent Middlesex Centre in the sector, with a staff member sitting on the board of directors for the Municipal Law Enforcement Officer Association and another serving as an international advisor to the European Network for Digital Building Permit Committee.

By the Numbers

- At the end of the third quarter of 2024, Building Services had issued 265 building permits, with the total value of construction activity of \$58 million. These both fell short of 2023’s pace primarily due to a significant reduction in new residential construction.
- Investigated over 260 complaints pertaining to illegal dumping, illegal building, parking, zoning infractions, animal control, dogs at large and/or vicious, property/occupancy standards and fencing.
- Hosted workshop in winter 2024 for over 70 builders/developers

Building & By-law Services

Table: 2024 Strategic Goals for Building & By-law Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Building Services - Municipal Partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	Maintain service levels by continuing to exceed provincial standards in building permit issuance Consider requests for services from other local municipalities Host workshop for builders/developers	\$409,195	Ongoing. Service levels exceed provincial requirements for building permit review and inspections. Partnership expanded to include By-law Enforcement with Adelaide Metcalfe
Implement AMPS (Administrative Monetary Penalty System)	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Implementation of AMPS system. This is a carryover from 2023 in which the system was drafted	Complete in-house	In Progress. Expected council approval in first quarter 2025
Complete RFQ for Animal Control Services	2024	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Complete request for quotations (RFQ) for new animal control contract as current	Complete in-house	Done. Animal control services secured in three-year contract.

Building & By-law Services

2025 Strategic Goals

Table: 2025 Strategic Goals for Building & By-law Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Implement AMPS (Administrative Monetary Penalty System)	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Implementation of AMPS system. This is a carryover from 2024 in which the system was drafted	Complete in-house
Meet with building and development industry to review 2024 building code changes	2025	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Completion of meeting in first quarter	Complete in-house
Initiate by-law enforcement with Adelaide Metcalfe	First half 2025	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	Meeting with staff and reviewing by-laws	Cost recovered through service agreement

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.

Building & By-law Services

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

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

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

Arenas

Ilderton Arena

Komoka Wellness & Recreation Centre

Community Centres

Bryanston Community Centre

Coldstream Community Centre

Delaware Community Centre

Ilderton Community Centre

Komoka Community Centre

Community Services

Staffing

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

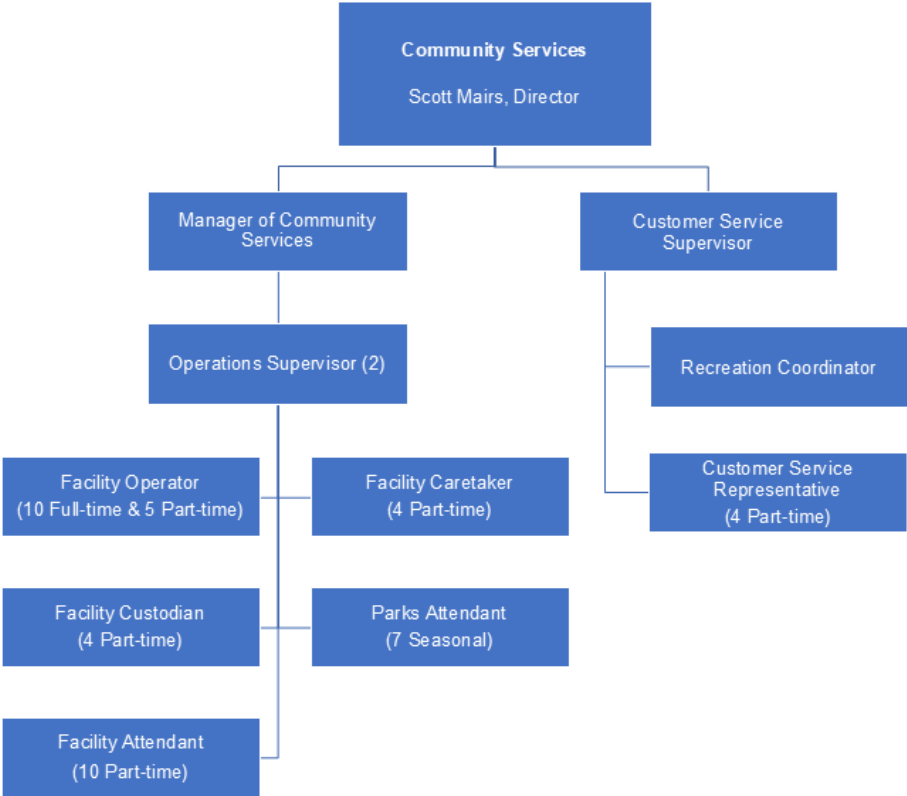


Table: Community Services Staffing Resources (including Facility Services)

	2023 FTEs	2024 FTEs	2025 FTEs	Change
Staffing Total	25.94	27.39	28.58	From 2023 to 2025, no new positions were created, but additional hours were allocated to part-time staff.

Community Services

2024 Accomplishments

2024 saw the successful launch of two new recreation program venues – the Komoka Youth Centre and the Seniors Active Living Centres, both of which received grant funding.

- The Komoka Youth Centre builds on the success of the Ilderton Youth Centre introduced in 2023 and offers drop-in programs for youth aged 9 to 17 at no charge (operated in partnership with the Middlesex Centre YMCA).
- The Seniors Active Living Centres make use of all of our community centres to expand and enhance recreation programs and social activities for older adults. These centres are part of the municipality’s commitment to providing accessible physical and social programs for older adults, as outlined in the Community Services Master Plan and the Age-Friendly Community Action Plan.

Additionally, more programming for all ages was successfully added to the programming list, including additional community outdoor movie nights (in conjunction with local Optimist Clubs).

By the numbers

- Number of registered participants in recreation programs 755 (2023)

Table: 2024 Strategic Accomplishments for Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Komoka Youth Centre	2024	Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	Increased program opportunities for youth in the Komoka, Kilworth & Delaware areas	\$50,000 (grant funded through the Healthy Communities Initiative)	Done and Ongoing

Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Ilderton Senior Centre	2023-2024	Strat Plan 1 - Engaged Community	5.1 - Enhance customer service	Increase in seniors participating in programs Increase in number of programs and workshops offered	Grant funded by the Province through the Seniors Community Grant in the amount of \$8,500. To be completed in house	Done and Ongoing. Additional programs were added, so name updated to "Seniors Active Living Centres" to reflect the programs offered at sites across the municipality.
Arts & Culture Policy	2024	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	Develop an Arts & Culture Policy for Middlesex Centre Number of events and festivals enhancing Arts & Culture Number of arts and culture programs being offered	To be completed in house	Not Started. As this will require more community engagement, a detailed project plan will need to be completed first.
Rates & Fees Study	2024	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Meet cost-recovery targets within a 5% variance	To be completed in house	Done

Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Update Ice Allocation Policy	2023-2024	Strat Plan 1 - Engaged Community	5.1 - Enhance customer service	Update the policy, with input from relevant stakeholders Increase available prime time hours for youth	To be completed in house	Done
Annual Community Celebration Day	2024	Strat Plan 1 - Engaged Community	1.3 – Enhance the vitality of our villages	3% of the municipality's population attends the events	\$5,000	Not undertaken. Due to the number of community events happening throughout the year, the decision was made that an annual celebration was not required.

2025 Strategic Goals

Table: 2025 Strategic Goals for Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Infrastructure Design Standards Update	Fall 2025	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	Completion of the Design Standard Update, and implementation of the new standards.	To be completed in-house

Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Develop a Municipal Arts & Culture Policy to provide a framework to guide the planning, provision and support of arts & cultural services in Middlesex Centre.	Fall 2025	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	Completion of the Arts & Culture Policy. Once complete, future performance indicators may include the number of events and festivals enhancing arts and culture, and the number of arts and culture programs being offered	To be completed in-house

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

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.

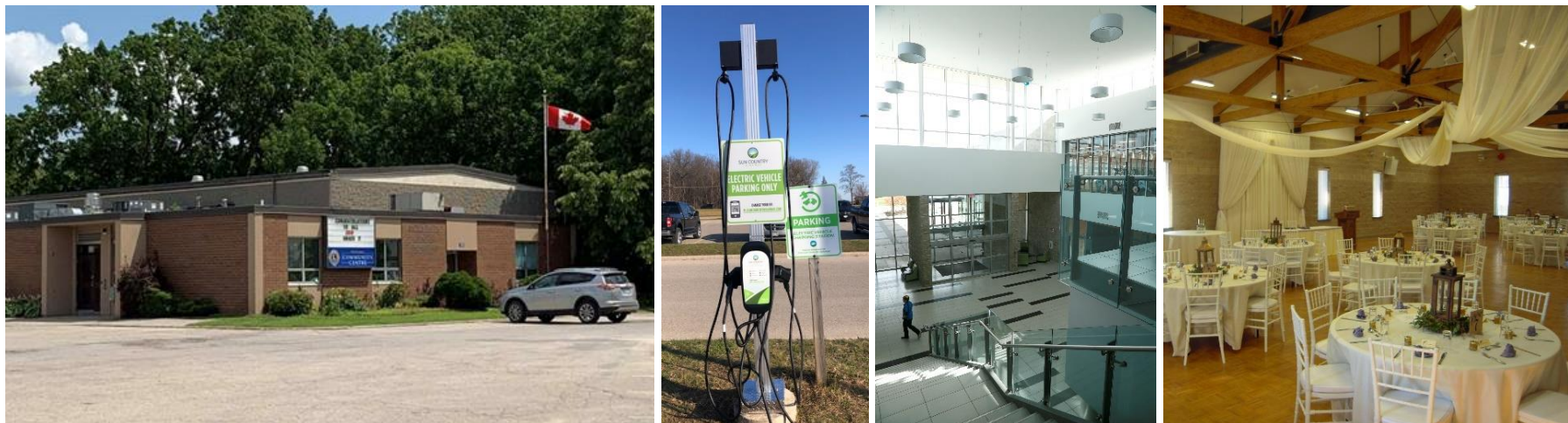
\$37,500

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



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)

Staffing

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

Facility Services

2024 Accomplishments

The renovation of the Middlesex Centre municipal office was the most significant facility-related capital project in 2024. Staff held weekly meetings with the construction team to ensure work on the building progressed with an eye to completing the work within the 12 to 18-month timeframe initially stated.

Additionally, facility services worked closely with the Asset Management Coordinator to identify and evaluate all municipal facility assets and implement a work-order management using the new asset management system.

Table: 2024 Strategic Accomplishments for Facility Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Develop long-term plan for the replacement of the Ilderton Arena & Curling Centre	2024-2027	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure.	Undertake upgrade the refrigeration plant, dasher board system and renovations to the main lobby (see note below under Capital Project Discussion for details on grant funding sought)	\$4,000,000	In Progress
Municipal Office Renovation	2023-2025	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	Substantial completion of renovations to the Municipal Office in Coldstream	\$4,830,000	In Progress (substantial completion in 2024)

Facility Services

2025 Strategic Goals

Table: 2025 Strategic Goals for Facility Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Ilderton Arena Renovation	April-August 2025	Strat Plan 4 – Sustainable Infrastructure and Services	5.1 - Enhance customer service	Substantial completion by mid-August	\$3.6 million
Municipal Office Renovation	2023-2025	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	Completed renovations to the office and associated upgrades to the Coldstream Community Centre. Staff working out of the main office by April of 2025.	\$500,000
Internal Accessibility Audit	Summer 2025	Strat Plan 4 – Sustainable Infrastructure and Services	5.1 - Enhance customer service	All parks and facilities audited and report prepared	In House

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

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



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.

Fire & Emergency Services

Staffing

Figure: Fire & Emergency Services Organizational Chart

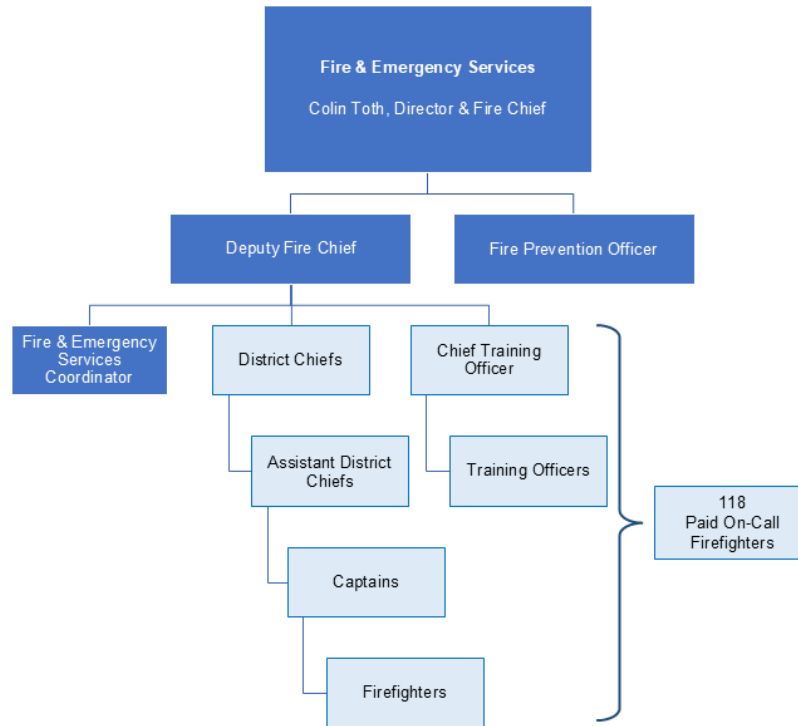


Table: Fire & Emergency Services Staffing Resources

Divisions	2023 FTEs	2024 FTEs	2025 FTEs	Change
Fire Administration	3.00	3.00	3.00	In 2023, added a Deputy Fire Chief position.
Fire Prevention	1.00	1.00	1.00	
Staffing Total	4.00	4.00	4.00	
PLUS				
Fire Operations – Paid-On-Call Firefighters (including chiefs / training officers)	121 Firefighters	122 Firefighters	118 Firefighters	The number varies as it reflects the actual number of firefighters on the roster for that year

Fire & Emergency Services

2024 Accomplishments

In addition to the strategic accomplishments outlined below, in 2024 MCFS:

- Acquired four significant fire and emergency services grants that enhance and support multiple projects:
 - Community Emergency Preparedness Grant (CEPG) provided funding for a multi-purpose emergency shelter for use as a respite area, command post, etc.
 - Project Assist, funded by Enbridge Gas supported the purchase of specialized rescue equipment
 - Fire Marshal’s Public Fire Safety Council Grant, funded by Medallion Insurance provided a free Fire Prevention Week Public Education kit
 - Project Zero, funded by Enbridge Gas, provided free smoke and carbon monoxide alarms for safety programs

- Continued delivery of a Fire Prevention and Investigation Program in support of two neighboring municipalities producing an average revenue stream of approximately \$53,000 annually.
- Prepared an educational video series to raise awareness of the services provided to the public and on fire safety topics.

By the Numbers

- Emergency Response: As of mid-November 2024, fire crews had responded to more than 405 requests for assistance.
- Fire Prevention: As of mid-November 2024, MCFS has conducted 425 inspections.
- Fire Investigation: As of mid-November 2024, MCFS has conducted 12 fire investigations.

Table: 2024 Strategic Accomplishments for Fire & Emergency Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Master Fire Plan Deployment	2024-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Review, research, and deployment of various recommendations as proposed in the 2023 Fire Master Plan	\$30,500	In-Progress

Fire & Emergency Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Emergency Responder-Specific Wellness Program	2023-2024	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Ensure firefighters' well-being is maintained and addressed in a time-sensitive and job-specific manner.	Review to be completed in house with third-part oversight and support \$20,000 annually	Done and ongoing
Fire Specific Pay Grid Review for 2024	2024	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Review of current fire services payment methodology using information provided during the 2023 Middlesex Centre Pay Grid Review process	To be completed in house (as an extension of the 2023 corporate pay grid review)	Done

2025 Strategic Goals

Table: 2025 Strategic Goals for Fire & Emergency Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Master Fire Plan Deployment	2025-2027	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Review, research, and deployment of various recommendations as proposed in the 2023 Fire Master Plan	\$30,500

Fire & Emergency Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Standard Operating Guidelines (SOG) rebuild and modernization	2025	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Maintain structure and efficiency by ensuring all five stations operate and a single cohesive unit.	In-house
Enhanced rehabilitation program – training and operational roll-out of cooling/warming shelter	2025	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery		In-house
Enhanced local training program (for some training disciplines)	2025	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Support recruiting and retention by hosting local courses for identified training disciplines	In-house

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

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

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:

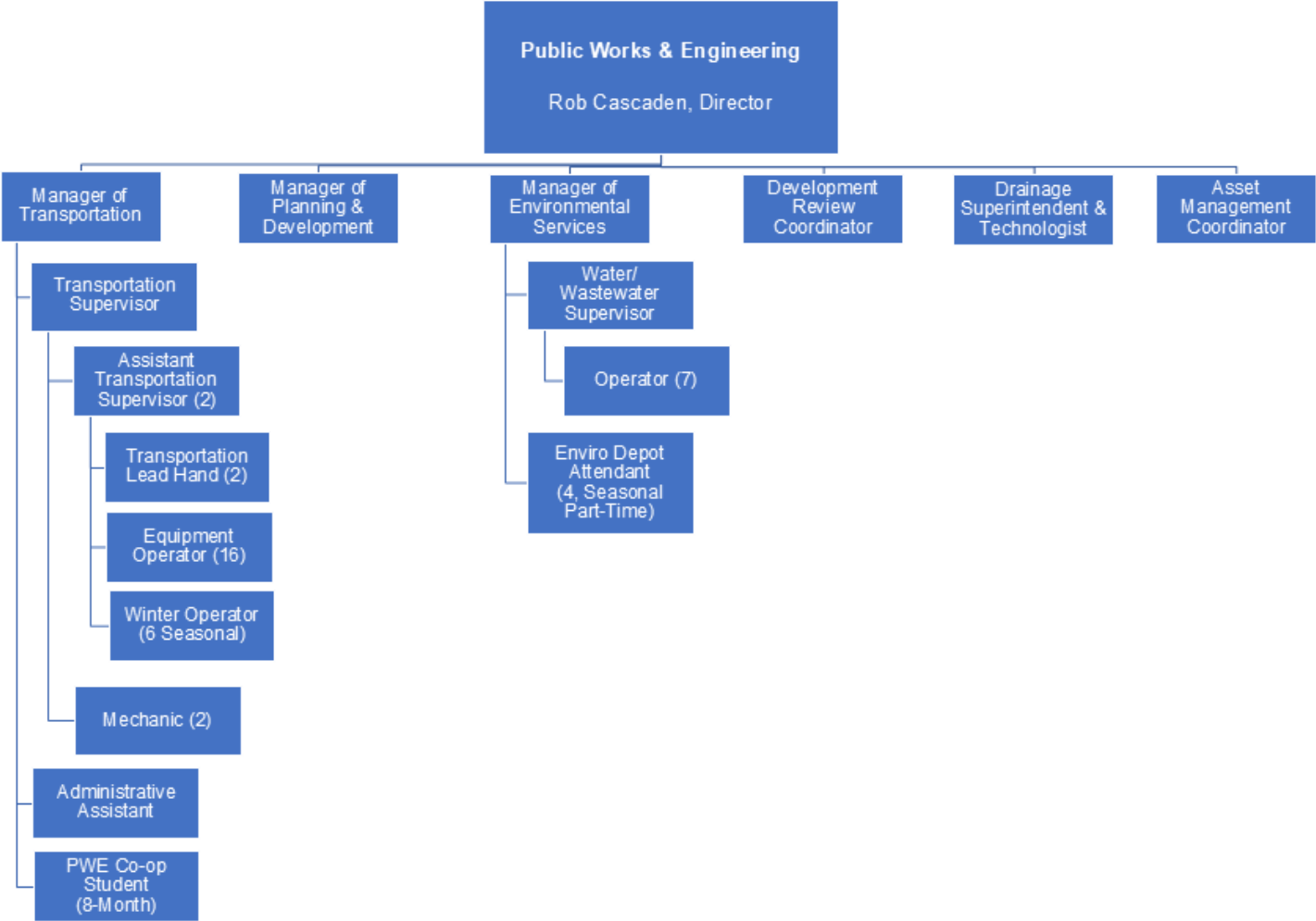
- Subdivision Review and Site Plan
- Infrastructure Design Standards
- GIS Updating

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

Staffing

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



Public Works & Engineering: Transportation & Administration

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

Division	2023 FTEs	2024 FTEs	2025 FTEs	Change
Administration (including Planning & Drainage)	6.67	6.67	6.67	In 2023, added a new position, Manager of Planning & Development. That role was not filled until 2024.
Fleet	2.00	2.00	2.00	
Transportation	24.33	24.43	24.43	
Waste Management	0.27	0.27	0.27	
Water & Wastewater	8.00	8.00	9.00	In 2025, adding an additional Water & Wastewater Maintenance Operator position
Staffing Total	41.27	41.37	42.37	

2024 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s PWE: Transportation & Administration staff delivered a variety of services and completed numerous capital projects in 2024. Highlights include:

- Completed a Road Needs Study which will assist staff in the development of long-term capital planning for roadway resurfacing and improvements. This study will be integrated with the municipality’s Asset Management Plan to provide valuable information for the long-term management of municipal roadways.
- Reconstructed 2.6km of Hyde Park Road, converting the road from tar & chip to asphalt, improving the roadway surface, shoulders, and ditches.
- Resurfaced 40.3km of tar & chip roads, improving the road surface to help meet the asset management plan goal of maintaining a pavement condition index (PCI) of 70.
- Undertook asphalt resurfacing and curb and gutter repairs to 8.8km of urban roadways, improving the travel surface and extending the life of the roadway assets.
- Transferred to a new asset management planning software, Citywide, and continued to refine the municipality’s asset inventory. As of November 2024, the total replacement value of the identified assets is \$1.47 billion.

Public Works & Engineering: Transportation & Administration

Table: 2024 Strategic Accomplishments for PWE: Transportation & Administration

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Road Safety - Traffic Calming	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.1 - Improve safety for road users	Decrease in speed related accidents Decrease in speed related traffic tickets Improves the safety of pedestrians and bicyclists	\$50,000	Ongoing Implemented permanent speed cushions on Jefferies Rd in 2024
Tree Planting	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Minimum of 150 new trees planted annually		Ongoing Planted over 250 trees with targeted planting along rural roads to act as wind and snow breaks.

2025 Strategic Goals

Table: 2025 Strategic Goals for PWE Transportation & Administration

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Road Safety - Traffic Calming	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.1 - Improve safety for road users	Decrease in speed related accidents Decrease in speed related traffic tickets Improves the safety of pedestrians and bicyclists	\$25,000

Public Works & Engineering: Transportation & Administration

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Tree Planting	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Minimum of 150 new trees planted annually	\$20,000
Improve Access to Information on Active Planning Applications	2025	Strat Plan 5 – Responsive Municipal Government	5.1 Enhance Customer Service	Improved information on active planning applications is more readily accessible online through our website.	In-house
Prepare a Parkland Dedication and Cash In Lieu Policy	2025	Strat Plan 2 – Balanced Growth	2.2 – Through the Official Plan Review and other means, manage the pace of new residential development and encourage the complementary availability of commercial, school, and public amenities	Prepare and enact a Parkland Dedication and Cash in Lieu Policy to ensure the Municipality has the tools necessary to support new and existing development.	In-house
Reflect Tile Drainage Management in Asset Management Plan	2025	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	Best practices are considered in how to account for the municipality's role in managing tile drains in the AMP.	In-house

Note: These goals are in addition to planned capital projects outlined below.

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.

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

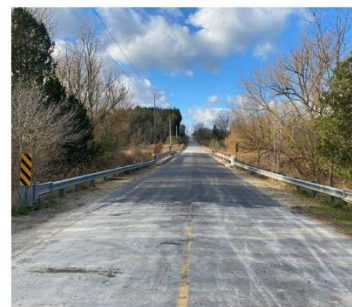
Hot Mix Resurfacing



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 PI 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

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.

Staffing

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

Public Works & Engineering: Environmental Services

2024 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's PWE: Environmental Services staff delivered a variety of services in 2024 including:

- Received no non-conformances identified during the Drinking Water Quality Management System (DWQMS) Audit of Middlesex Centre's Water Operational Plan. This is an annual requirement in order for Middlesex Centre to maintain its licence as the Operating Authority for the Drinking Water Systems.
- Maintained 100% compliance for final effluent discharge limits to the natural water course throughout 2024 from both the Ilderton and Komoka Wastewater Treatment Plants (WWTP).
- Secured \$492,715 in grant funding to twin the Glendon Drive Watermain from the Province of Ontario House Enabling Water System Fund (HEWSF), which is providing up to 73% of the funding for this project.

Engineering Services continued use of the American Water Works Association's Composite Correction Program (CCP) at the Komoka and Ilderton WWTP. CCP is a two-step process. The first step is a Comprehensive Performance Evaluation of the facility that examines four areas – operations, design, administration, and maintenance -- to identify performance-limiting factors that prevent the facility from achieving good economic performance and final effluent quality. The second step is to address these limiting factors through a Comprehensive Technical Assistance (CTA). A major component of the CTA is hands-on operator training and support to implement process control techniques and standard operating procedures to improve performance.

By the Numbers:

- Responded and repaired 10 water service breaks and 1 water main break within 6 hours of notification.
- Flushed and cleaned over 527 stormwater basins in all settlement areas with stormwater infrastructure.

Public Works & Engineering: Environmental Services

Table: 2024 Strategic Accomplishments for PWE: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Master Plan - Wastewater	2022-2024	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	Completion of Plan (Master Servicing Plan) Improvement of data required for growth to be included in Development Charge study 2024 Establishing a road map for future upgrades and expansion	\$15,000	Done
Master Plan - Water	2022-2024	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	Completion of Plan (Master Servicing Plan) Improvement of data required for growth to be included in Development Charge study 2024 Establishing a road map for future upgrades and expansion	\$15,000	Done

Public Works & Engineering: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Master Plan - Stormwater	2022-2024	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	Completion of Plan (Master Servicing Plan) Improvement of data required for growth to be included in Development Charge study 2024 Establishing a road map for future upgrades and expansion	\$10,000	Done
Water, Wastewater and Stormwater Financial Plan	2024-2025	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	Establish a 10-year operations and capital forecast to allow a long-range rate projection including targets to reserve funds to allow for future asset upgrades and replacements as required to meet asset management objectives	\$15,000	Ongoing
Melrose Water System Interconnect	2022-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	Substantial completion of construction (75%+) in 2025	\$3,797,650	Ongoing

Public Works & Engineering: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Komoka Drain No. 1 Stormwater Management (SWM) Facility	2023-2025	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	Completion of detailed engineering drawings in 2024 – 2025. Construction commencing in 2025.	\$5,325,000	Ongoing

2025 Strategic Goals

Table: 2025 Strategic Goals for PWE: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Komoka WWTP – Class C Environmental Assessment	2025-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	Guidance for next phase of development and construction of upgrade to Komoka WWTP	\$350,000
Glendon Watermain Twinning Project	2025	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	Completion and redundancy of water supply to Kilworth	\$610,457

Public Works & Engineering: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Komoka Stormwater Pond	2024	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 - Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	Treatment and conveyance system for Komoka South.	\$5,325,000

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

Public Works & Engineering: Environmental Services

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

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.

Staffing

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

Fleet Services

2024 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s Fleet Services staff delivered a variety of services in 2024 including:

- Implemented the Province’s new DriveON program allowing staff to continue to provide annual safety and emissions testing for the municipal fleet and using the provinces new digital process.
- Continued roll-out and implementation of the new Citywide asset management and work order system to better allow staff to track and prioritize fleet repairs.
- Converted transportation snowplow trucks to have dashcams with GPS to allow for enhanced winter maintenance compliance tracking, ensuring we are meeting Provincial Minimum Maintenance Standards.

Table: 2024 Strategic Accomplishments for Fleet Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Continued Implementation of a Work Order System	2024	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Decrease in staff time by 5% for data input	\$165,000 (part of overall asset management software implementation)	In Progress

Fleet Services

2025 Strategic Goals

Table: 2025 Strategic Goals for Fleet Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Continued Implementation of a Work Order System	2025	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Decrease in staff time by 5% for data input	In-house staffing costs to continue implementation.

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	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

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

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"**

Asset Management

Table: 2025 Capital Budget in relation to the Asset Management Plan

Department	Project	2025 Budget (\$)	In AMP?	Asset Condition
Community Services	25-6718 - Coldstream Storage Shed - Roof Replacement	55,000	Yes	Very Poor
Community Services	25-7103 - Weldon Park- Decommission Jr. Playground as per 3rd party inspection	48,500	Yes	Poor
Community Services	25-7105 - Heritage Park Splash Pad Renovation	89,000	Yes	Poor
Community Services	25-7106 - Bryanston Park/School - Ball Diamond Improvements	37,500	Yes	Very Poor
Community Services	25-7142 - Komoka Park - Replace back stop at Komoka back diamond	65,500	Yes	Poor
Community Services	25-7150 - Poplar Hill Park Replace back stop and fencing front diamond	65,000	Yes	Poor
Environmental Services	21-4199 - SCADA Replacement	365,000	Yes	Very Poor
Environmental Services	21-4204 - Komoka Drain No. 1-SWM Pond	2,735,000	No	-
Environmental Services	21-4302 - Melrose Lake Huron Primary Water Supply Connection	3,067,650	Yes	Poor
Environmental Services	21-4399 - SCADA Replacement (2 of 2)	365,000	Yes	Very Poor
Environmental Services	25-4331 - Ilderton Sewage Pump Station Mechanical Improvements	191,458	Yes	-
Environmental Services	25-4332 - Arva Sewage Pump Station Pump Upgrades	76,757	Yes	Poor
Facility Services	23-6103 - Municipal Office Renovations/Construction	450,000	Yes	Fair
Facility Services	24-6750 - Ilderton Arena - Arena Upgrades	3,527,270	Yes	-
Facility Services	24-6770 - Komoka Wellness Centre - Replace Domestic Hot Water Tank #1 and # 3	35,600	Yes	Very Poor
Facility Services	24-6775 - Municipal Office Landscaping (Office Reno)	50,000	Yes	Fair
Facility Services	25-6102 - Bryanston Park/School - Lower Roof Replacement	200,000	Yes	Very Poor
Facility Services	25-6306 - Denfield PWE - Wash bay structural steel posts	58,200	Yes	Poor
Facility Services	25-6705 - Komoka Wellness Centre-Lighting Retrofit-Phase 2	95,000	Yes	Poor
Facility Services	25-6707 - Komoka Community Centre-Lighting Upgrade - Entire Facility	68,000	Yes	Poor
Facility Services	25-6709 - Ilderton Community Centre - Resurface asphalt parking lot and service entrance.	160,000	Yes	Poor
Facility Services	25-6725 - Komoka Wellness Centre Canadian Pad Sound System Replacement	95,800	Yes	Very Poor

Asset Management

Department	Project	2025 Budget (\$)	In AMP?	Asset Condition
Facility Services	25-6726 - Komoka Wellness Centre-Replace Air Quality Monitoring System	65,000	Yes	Poor
Facility Services	25-6742 - Bryanston School Property-New Roof over Gymnasium	158,000	Yes	Very Poor
Facility Services	25-6743 - Bryanston School Property - Replace Classroom Windows	85,600	Yes	Very Poor
Facility Services	25-6752 - Komoka Community Centre-Main Hall Flooring Replacement	89,800	Yes	Very Poor
Facility Services	25-6753 - Komoka Community Centre Washroom Renovations	70,000	Yes	Very Poor
Facility Services	25-6756 - Denfield Operations Centre LED retrofit lighting project in conjunction with Save on Energy.	92,000	Yes	Poor
Facility Services	25-6771 - Ilderton Community Centre - Main Hall Flooring refinish + repairs	36,500	Yes	Poor
Facility Services	25-7166 - Ilderton Firehall- Perimeter walkway renewal- new concrete walkways	39,600	Yes	Poor
Facility Services	25-7221 - Bryanston Community Centre - ceiling renewal	67,250	Yes	Poor
Facility Services	25-7222 - Coldstream Community Centre Kitchen renewal project	98,800	Yes	-
Facility Services	25-7223 - KWC - Supplementary Dehumidifier on Canadian ice pad	80,000	Yes	Fair
Fire and Emergency Operations	25-2200 - Extrication Equipment	70,000	Yes	Poor
Fire and Emergency Operations	25-2202 - Personal Protective Equipment (PPE)	50,000	Yes	Poor
Fleet Services	25-2261 - Replacement Pumper/Tanker for Ilderton	725,000	Yes	Poor
Fleet Services	25-3265 - Replacement Tandem Truck	500,000	Yes	Poor
Fleet Services	25-3326 - Replacement Grader	750,000	Yes	Poor
Fleet Services	25-3521 - Replacement Hydro Seeder	130,000	Yes	Poor
Fleet Services	25-3533 - Replacement Loader	400,000	Yes	Very Poor
Fleet Services	25-3534 - Replacement Roadside Mower	25,000	Yes	Very Poor
Fleet Services	25-3634 - Replacement Plate Tamper	32,500	Yes	Poor
Fleet Services	25-4113 - Replacement Pickup Truck	85,000	Yes	Very Poor
Fleet Services	25-7220 - Replacement Trailer	25,000	Yes	Very Poor
Fleet Services	25-7334 - Replacement Ice Resurfacer	60,000	Yes	Fair
Fleet Services	25-7402 - Replacement 1/2 Ton Pickup Truck	67,500	Yes	Poor
Fleet Services	25-7403 - Replacement 1/2 Ton Pickup Truck	67,500	Yes	Poor

Asset Management

Department	Project	2025 Budget (\$)	In AMP?	Asset Condition
Fleet Services	25-7405 - Replacement 3/4 Ton Pickup Truck	90,000	Yes	Very Poor
Public Works & Engineering	21-3137 - Old River Road (Glendon Dr to Pulham Rd)	3,335,000	Yes	Very Poor
Public Works & Engineering	24-3115 - Repair Bridge B-526; Vanneck Rd	743,000	Yes	Fair
Public Works & Engineering	24-3116 - Replace Culvert C-153; Sixteen Mile Rd.	375,500	Yes	Poor
Public Works & Engineering	24-3117 - Replace Culvert C-159; Sixteen Mile Rd.	295,000	Yes	Poor
Public Works & Engineering	24-3119 - Replace Culvert C-155; Clarke Rd.	560,500	Yes	Poor
Public Works & Engineering	24-3124 - Replace Culvert C-575; McEwen Dr.	355,000	Yes	Poor
Public Works & Engineering	24-3125 - Repair Culvert C-131; Adelaide St.	175,000	Yes	Fair
Public Works & Engineering	24-3126 - Repair Culvert C-111; Thirteen Mile Rd.	175,000	Yes	Fair
Public Works & Engineering	25-3101 - Hot Mix Resurfacing	1,000,000	Yes	Not Applicable
Public Works & Engineering	25-3102 - Tar & Chip Resurfacing	700,000	Yes	Not Applicable
Public Works & Engineering	25-3114 - Rehabilitate Bridge B-140, Fourteen Mile Road	45,000	Yes	Fair
Public Works & Engineering	25-3117 - Replace Culvert C-560, Poplar Hill Road	33,000	Yes	Fair
Public Works & Engineering	25-3119 - Replace Culvert C-567, McEwen Drive	66,000	Yes	Fair
Public Works & Engineering	25-3120 - Replace Culvert C-556, Fernhill Drive	75,000	Yes	Poor
Public Works & Engineering	25-3121 - Repair Culvert C-317, Southdel Drive	26,250	Yes	Poor
Public Works & Engineering	25-3122 - Replace Culvert C-568, Gold Creek Drive	66,000	Yes	Poor
Public Works & Engineering	25-3538 - Replacement Fuel System & Card Lock	75,000	Yes	Poor
Grand Total		23,961,535		

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

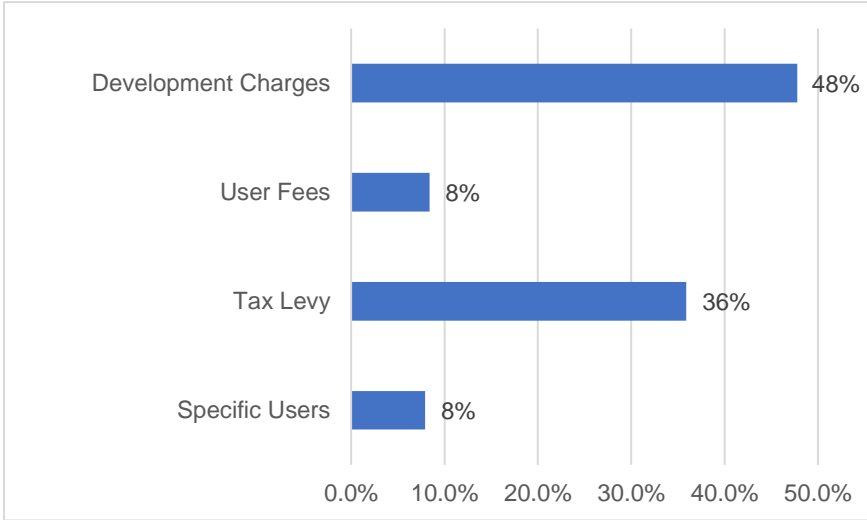
Debt Burden

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.

Annual Repayment Limit

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

The ARL is established through a two-step process:

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

Debt Issuance

Middlesex Centre's capital planning requirements may rely on the use of debenture financing to support investment in municipal infrastructure. This approach has been analyzed based on the municipality's current debt structure, in conjunction with Ministry of Municipal Affairs and Housing defined debenture capacity / annual repayment limits, the debt policy approved by Council, and with a comprehensive understanding of current reserve and reserve funds.

Debenture issuance at the municipality will only be undertaken in compliance with the provisions of the *Municipal Act, 2001*, specifically Part XIII Debt and Investment (Section 401), as well as O. Reg. 403/02 (Debt and Financial Obligation Limit).

There is a need for the Municipality of Middlesex Centre to strategically use debt to invest in new assets that improve the community. It is only used on significant assets where annual lifecycle funding is not fully in place and significant tax increases would otherwise be required. As funding to shrink the infrastructure deficit increases, there will be less need for future debt issuances.

Staff will be updating the current debt strategy in 2025, therefore there are no proposed debt funded projects in the 2025 budget. Previous projects that were identified to have debt financing will be funded through existing reserve funds. However, due to the municipality's development charges being underfunded at this time, staff are anticipating future debt borrowing to cover the proposed development charge projects from 2027-2029 as summarized below.

Debt

Debt Proposed

Development Charges

For many years, the development charge reserve fund balances have been in a negative position. This is because the capital costs of the projects supported by development charges are incurred before the municipality collects the development charges from the developers. The municipality obtained a line of credit to fund these projects in 2018, which has now been paid off.

To continue to build the infrastructure needed for growth, the municipality must borrow funds as the cash is not in the reserve funds to support these projects prior to their implementation.

- Total proposed debt borrowing for cash shortfall in development charges is \$55,866,672 by 2029.
- Debt payments will be 100% funded by development charges over 40 years and will be approximately \$3,255,807 per year based on a 5% interest rate (note this would be a capital financing loan, and payments would be made based on development charges collected over time).
- Interest costs over 40 years would be \$74,365,605.

This borrowing related to development charges would result in our borrowing as a percentage of own source revenues becoming 15.73% based on the November 27, 2024, ARL calculation. However, as the Municipality does not approve a five-year capital budget, this proposed debt borrowing is not committed for the 2025 budget.

Debt Recommendation

Debt is borrowed money that needs to be paid back with interest later. Municipal debt is not a revenue tool, but it can be an important capital financing tool. Long-term debt can be used to fund things like capital projects, for example, rehabilitating a bridge or constructing a water treatment facility.

Some reasons Middlesex Centre uses debt to finance projects include:

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

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

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

- First, for Middlesex Centre is the growth the municipality is experiencing. For many years, the development charge reserve fund balances have been in a negative position. Therefore, to continue to build the infrastructure needed for growth, the municipality must borrow to keep up with the pace of development as the cash is not in the reserve funds to support these projects. Although this debt is recoverable when the development charges are collected, it is still included in the

Debt

ARL calculation and can limit other debt the municipality can obtain. The development charges have a cash flow issue, and the current economic downturn is making matters worse.

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

There are many capital projects identified in the 2025-2029 budget. Council may need to make tough decisions on whether to proceed with these projects with an eye to potential serious financial consequences in the future.

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

DEVELOPMENT CHARGES

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

Development Charge Study Update

The Municipality of Middlesex Centre updated its Development Charges By-law under the authority of the *Development Charges Act, 1997*, in July 2024. Development charges help fund the capital costs to accommodate growth within the municipality.

Before houses, apartments, shopping centers, offices, and industrial parks are built, they need infrastructure to support them. Building permits cannot be issued unless the municipality deems the development as having the appropriate servicing infrastructure capacity in place to handle the new population / business. Development charge revenue is one of the primary capital revenue sources used by the municipality to build this necessary infrastructure to unlock new housing and business development.

The DCBS has outlined a capital program over the next 10-year by-law period to accommodate growth. Due to infrastructure needing to be built before growth occurs and development charges are collected, Middlesex Centre has had negative development charge balances in the past and this will continue into the future.

The DCBS does include a list of projects to be funded in part or in full by development charges. The list must include estimated costs and estimated dates, but the DCBS is not a budget, it is a revenue generation tool. While staff make every effort to align the DCBS and the capital budget and forecast, it is recognized that changes may occur through the budget process, and this does not impact the integrity of the DCBS. Staff will refine the timing of the capital projects through the 2025-2034 capital budget and forecast for council consideration each year.

Development Charges

Development Charges Exemptions

The *Development Charges Act* contains several mandatory exemptions and discounts, including:

- Accessory units
- Affordable units
- Attainable units
- University use
- Discount based on the number of bedrooms for rentals

It is important to note that the difference in the rates charged at the time of the building permit and the rate calculated as a result of the change in development charge rates for site plan and zoning by-law amendment properties are considered “exemptions” and are required to be funded internally, similar to the exemptions noted above.

In addition to the mandatory exemptions, Council has adopted discretionary exemptions related to agricultural use as outlined in the current 2024 Development Charge Study and By-law.

→ **Learn more about Development Charges at middlesexcentre.ca/development-charges**

Development Charges

Table: Projected Development Charge Funding of Capital Projects

Department/ Division	Project	Development Charges	2025 (\$)	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)
Fire & Emergency Operations							
Fire Operations	28-6801 - Training Facility Space	24%	0	0	0	18,000	0
Total			0	0	0	18,000	0
Public Works & Engineering							
Transportation	23-3109 - King and George Street Reconstruction	10%	0	4,000	53,500	0	0
Transportation	27-3125 - Glendon Drive Urbanization (Komoka Rd to Jeffries Rd)	40%	0	0	462,200	440,000	0
Transportation	29-3124 - Oxbow Dr. W Rural (Amiens to 2000m east) Upgrade	57%	0	0	0	0	102,600
Transportation	29-3122 - Oxbow Dr. W Urban (Komoka Rd to 375m west) - Upgrade	60%	0	0	0	0	45,000
Transportation	26-3826 - New Pedestrian Crossing (Hyde Park Rd at Heritage Dr)	35%	0	33,250	0	0	0
Total			0	37,250	515,700	440,000	147,600
Environmental Services							
Wastewater	21-4104 - Ilderton Treatment Capacity Upgrades	100%	233,825	233,825	5,128,325	5,128,325	0
Wastewater	28-4801 - Komoka WWTP Expansion Phase 1	82%	0	0	0	19,328,220	0
Wastewater	25-4802 - New Komoka SPS2	31%	0	125,792	1,803,027	0	0
Wastewater	27-4804 - New Arva SPS2	100%	0	0	3,623,217	252,782	0
Wastewater	27-4805 - Upgrade Arva SPS1	34%	0	0	31,664	453,856	0
Wastewater	26-4806 - Upgrade Sewer Main on Komoka Rd.	16%	0	34,272	194,208	0	0
Wastewater	29-4807 - New Sewer Main on Glendon Dr.	100%	0	0	300,000	0	4,300,000
Water	27-4808 - New Arva Water Storage Facility and BPS	21%	0	0	56,070	803,670	0
Water	27-4812 - Expand Komoka BPS	100%	0	0	150,000	990,000	0
Water	26-4813 - Expand Komoka IPS	55%	0	0	98,258	171,958	0
Water	28-4814 - Glendon Dr. Watermain (Highway 402 E to W of Komoka Rd.)	100%	0	0	386,000	0	5,526,000

Development Charges

Department/ Division	Project	Development Charges	2025 (\$)	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)
Water	27-4815 - Connect Arva to LHPWSS	21%	0	0	27,930	27,930	372,540
Total			233,825	393,889	11,798,699	27,156,741	10,198,540
Facility Services							
Fire Halls	29-6110 - Additional Fire Facility Space	30.4%	0	0	0	0	1,152,160
PWE Operations Centres	29-6802 - New Delaware PWE Facility & Sand/Salt Storage	47%	0	0	0	0	9,881,280
Total			0	0	0	0	11,033,440
Community Services							
Parks & Open Space	22-7124 - Komoka Civic Square Design	40%	0	0	58,880	0	0
Parks & Open Space	26-7123 - Komoka Civic Square Construction	40%	0	0	0	600,000	0
Parks & Open Space	27-7124 - Edgewater Trail	100%	0	0	160,200	0	0
Parks & Open Space	24-7119 - Timberwalk Park	100%	108,000	0	0	0	0
Parks & Open Space	27-7127 - Brantam Park Development	100%	0	0	0	200,000	0
Parks & Open Space	25-7120 - Clear Skies Park	100%	0	300,000	0	0	0
Parks & Open Space	25-7110 - Clear Skies Primary Trail	100%	0	401,500	0	0	0
Parks & Open Space	25-7802 - Timberwalk Phase 5 Trail	100%	110,873	0	0	0	0
Parks & Open Space	28-7804 - Bryanston Community Park	59%	0	0	0	1,175,929	0
Total			218,873	701,500	219,080	1,975,929	0
Fleet Services							
Community Services Fleet	27-7406 - New 1/2 Ton Truck	100%	0	0	67,500	0	0
Community Services Fleet	27-7410 - New 1/2 Ton Truck	100%	0	0	67,500	0	0

Development Charges

Department/ Division	Project	Development Charges	2025 (\$)	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)
Community Services Fleet	27-7201 - New 18' -20' Float Trailer	100%	0	0	25,000	0	0
Community Services Fleet	27-7335 - New Zero Turn Mower	100%	0	0	30,000	0	0
Community Services Fleet	27-7336 - New Zero Turn Mower	100%	0	0	25,000	0	0
Community Services Fleet	28-7230 - New 18' Trailer	100%	0	0	0	25,000	0
Fire Fleet	29-2262 - New Aerial Vehicle (100' Platform)	100%	0	0	0	0	2,300,000
Total			0	0	215,000	25,000	2,300,000
Total			452,698	1,132,639	12,748,479	29,615,670	23,679,580

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

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

How Reserves and Reserve Funds Work



Established by Council or Province

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

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

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



Strategy for Funding Programs and Projects

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

These funds help offset unexpected expenses or revenue shortfalls.

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



Flexible or Committed Funds

Reserve funds are either obligatory or discretionary.

Discretionary reserve funds are set by municipal councils

for specific purposes. Councils can have flexibility to decide how the money is used.

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



Tool for Long-term Financial Sustainability

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

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

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

Reserves and Reserve Funds

Reserve Fund Transfers

The municipality’s operating budget includes transfers to operating reserve funds for future expenditures (such as the election reserve fund), and transfers to capital reserve funds for major capital expenditures (such as roads, watermains and fleet).

In order to build up the municipality’s reserve funds, the amount transferred through the operating budget must be higher than the amount that is spent. If the transfers into the reserve funds are lower than the amount spent from the reserve, the balance will decrease. As indicated in the chart below, this is exactly what has been happening in Middlesex Centre for many years. The municipality has been budgeting to transfer more out of reserve funds than what is budgeted to transfer in. In order to replenish the reserve fund, transfers into the reserve fund need to be higher than the expenditures out of the reserve fund. A sustained increase in contributions is required to ensure financial sustainability.

The municipality has set targets as outlined in the municipality’s Reserve and Reserve Fund policy. These targets serve as

benchmarks that are continually monitored and referred to throughout the year. As indicated in the table below, the municipality is consistently budgeting to transfer more from reserve funds than to reserve funds each year, and therefore the municipality is getting farther behind the set targets. However, due to the lag in completion of capital projects each year, combined with some operational surpluses, the municipality has been able to transfer into reserve funds more than budget and transfer out of reserve funds less than budgeted, resulting in more contributions and higher ending balances than anticipated.

It is important to note that this trend will not continue, and more planning is needed to achieve the targets as set out in the policy.

In 2025, a comprehensive financial strategy will be provided within the updated Long-Range Financial Plans, which will forecast the necessary reserve fund contributions to manage risks associated with growth and aging infrastructure in both tax and user-funded service areas.

Table: Reserve Fund Transfers Over Time and Projected 2025

Transfer Type	2022 Actual	2022 Budget	2022 Variance	2023 Actual	2023 Budget	2023 Variance	2024 YTD Actual	2024 YTD Budget	2024 YTD Variance	2025 Budget
To Reserve Funds	18,739,749	12,666,546	6,073,203	20,864,298	15,276,126	5,588,173	10,970,380	17,010,052	(6,039,672)	18,108,774
From Reserve Funds	(13,626,725)	(23,350,376)	9,723,651	(10,727,594)	(25,770,501)	15,042,907	(11,360,794)	(31,911,316)	20,550,522	(28,961,476)
Net	5,113,024	(10,683,830)	15,796,854	10,136,704	(10,494,375)	20,631,079	(390,414)	(14,901,264)	14,510,850	(10,852,702)

Reserves and Reserve Funds

Reserve Fund Forecasts

A 5-year forecast summary has been prepared to illustrate the long-range financial planning of the municipality’s reserve funds.

Many of the balances can be difficult to predict as their use is affected by uncertain future events, interest rates, and the timing of capital projects. The forecast is staff’s best estimate at this point in time, and necessary to ensure we are planning and anticipating multiple potential future scenarios. Forecasts are subject to change.

The following table illustrates projections based on the current capital plan, with reserve transfers from the operating budget increasing each year in most cases to provide for future expenditures. Should the approved transfers to reserve funds differ from those in the projections, or additional expenditures be incurred, the balance will be reduced.

In the forecast below, where a particular reserve fund has a negative balance, it means that the reserve fund is borrowing

against the sum of the positive reserve funds. Interest is paid to the reserve funds with a positive balance and there is an interest expense to the reserve fund with a negative balance. This process is outlined in the municipality’s Reserve and Reserve Fund Policy.

As noted above, the municipality has set targets in the Reserve and Reserve Fund Policy. At this time, the municipality is not achieving these targets for many reserve funds, such as Roads Capital Reserve Fund, Buildings and Facilities Reserve Fund and Wastewater Capital Reserve Fund.

Additional work is required to determine long-range funding requirements, and staff will be focusing on this in 2025 with the development of new Long Range Financial Plans and financial strategy. The strategy will be developed in conjunction with the asset management plan, the water and wastewater financial plans, the development charge study, and the current 5-year capital plan.

Table: Middlesex Centre Reserve Fund Balances (Values in \$)

Reserve Name	2023 Actual	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected	2029 Projected
Cash-in-Lieu of Parkland	291,021	600,000	624,000	396,480	112,427	123,551	134,787
Cash-in-Lieu of Parking Reserve Fund	9,139	10,296	11,254	12,179	12,362	12,485	12,610
Delaware Hydro Reserve Fund	940,489	807,514	822,701	834,156	841,668	845,085	848,535
Insurance Claims Reserve Fund	557,295	585,160	549,789	560,785	569,196	574,888	580,637
Legal Reserve Fund	258,821	271,763	278,557	(0)	(0)	(0)	(0)
Fleet Reserve Fund	388,551	407,979	418,178	426,542	432,940	437,269	441,642

Reserves and Reserve Funds

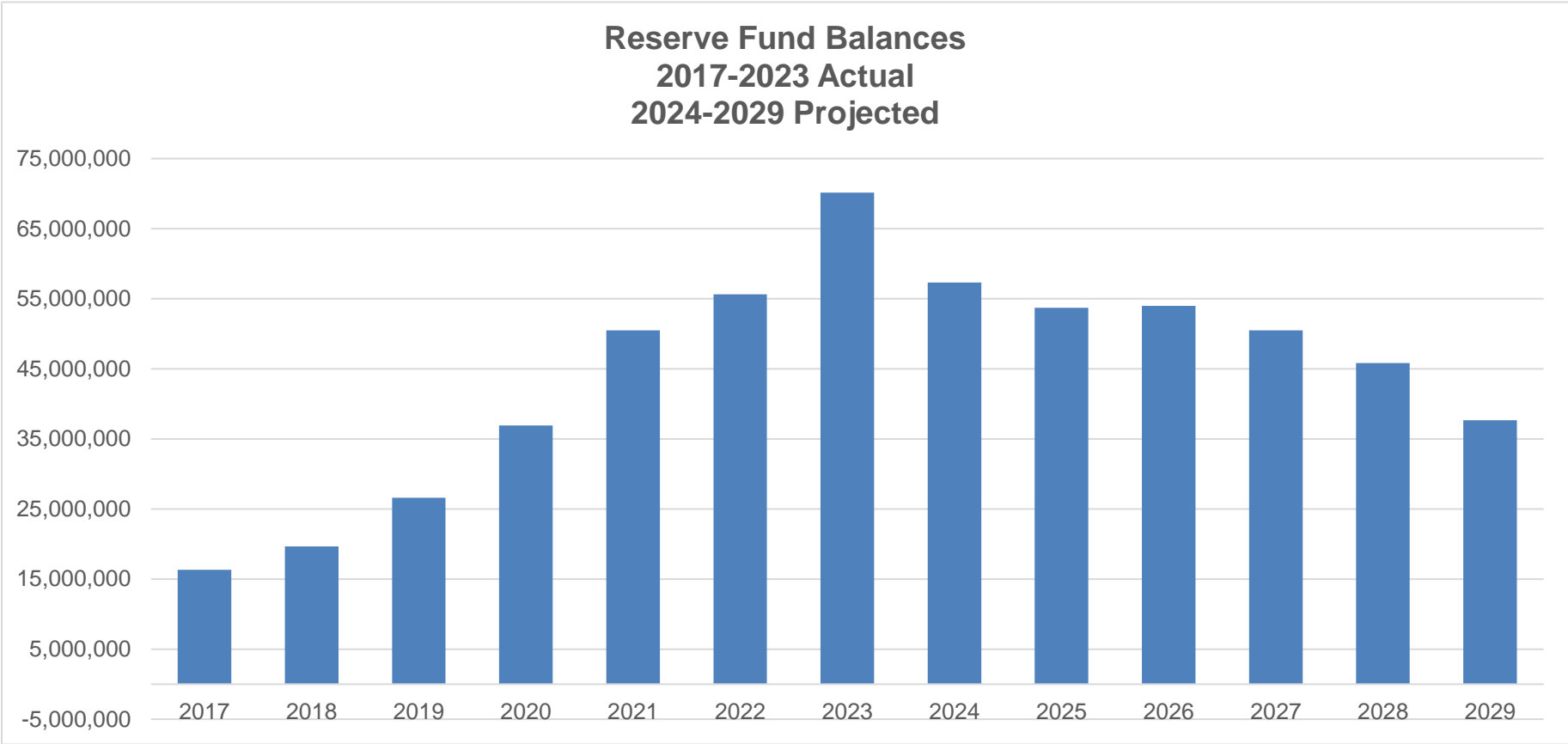
Reserve Name	2023 Actual	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected	2029 Projected
Election Reserve	13,490	29,165	44,894	0	15,000	30,150	45,452
Winter Maintenance Reserve Fund	403,468	423,641	434,232	442,917	449,560	454,056	458,597
Computer Replacement Reserve Fund	55,723	58,509	43,372	44,239	44,903	45,352	45,806
Future Roads Capital Reserve Fund	488,192	512,602	525,417	535,925	543,964	549,404	554,898
Modernization Reserve Fund	346,608	324,438	293,049	(0)	(0)	(0)	(0)
Employee Benefits Reserve Fund	359,271	387,235	328,249	306,904	311,507	314,623	317,769
Municipal Drains Reserve Fund	200,000	210,000	215,250	219,555	222,848	225,077	227,328
Security Deposits Reserve Fund	0	55,618	57,009	58,149	59,021	59,611	60,207
Development Charge Exemptions Reserve Fund	1,000,000	1,050,000	876,250	893,775	807,182	715,253	622,406
Medical Centre Reserve Fund	378,926	417,767	458,195	344,843	415,000	484,134	378,959
Waste Management Reserve Fund	193,228	202,889	207,961	212,120	215,302	217,455	219,630
Gravel Pit Rehabilitation Reserve Fund	670,481	716,005	745,905	772,824	796,416	816,380	836,544
Buildings and Facilities Reserve Fund	7,202,518	3,604,800	3,585,465	3,355,774	3,085,591	1,967,320	(10,166,740)
Municipal Office Build Reserve Fund	5,249,782	681,841	0	0	0	0	0
Fire Vehicles and Equipment Reserve Fund	1,603,558	1,224,736	885,354	1,358,061	1,173,432	1,753,166	1,045,698
Fire Public Education Reserve Fund	154,647	162,379	159,094	152,276	144,560	136,005	127,365

Reserves and Reserve Funds

Reserve Name	2023 Actual	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected	2029 Projected
General Vehicles and Equipment Reserve Fund	2,219,897	2,042,391	1,841,451	1,573,280	2,381,879	3,100,698	3,871,705
Build Middlesex Centre Reserve Fund	3,688,732	3,337,636	3,391,077	3,428,899	3,450,332	3,454,835	3,459,384
Ontario Community Infrastructure Fund (OCIF) Reserve Fund	1,273,582	683,278	1,187,034	1,402,699	1,254,414	715,732	101,813
Canada Community Building Fund (CCBF) Reserve Fund	506,838	647,173	1,172,246	1,016,086	569,287	287,171	400,522
Ilderton Lions Park Reserve Fund	110,876	26,905	(0)	(0)	(0)	(0)	(0)
Poplar Hill Log Cabin Reserve Fund	7,235	7,597	7,787	7,942	8,062	8,142	8,224
Tax Rate Stabilization Reserve Fund	5,273,586	2,021,265	2,028,842	2,069,419	2,100,460	2,121,464	2,142,679
Building Department Reserve Fund	2,845,594	2,979,823	2,915,705	2,885,079	3,120,305	3,343,458	3,568,843
Administrative Support Reserve Fund	49,605	92,085	114,387	156,675	199,025	241,015	283,425
Road Capital Reserve Fund	11,090,535	10,133,756	8,406,324	10,185,034	9,482,009	10,532,009	12,674,609
Wastewater Capital Reserve Fund	10,741,895	10,702,447	11,897,647	12,700,297	9,015,682	5,416,357	7,001,502
Storm Water Capital Reserve Fund	3,225,204	3,998,531	1,249,340	(617,338)	(225,971)	(232,904)	148,423
Water Capital Reserve Fund	8,338,245	7,891,365	7,917,572	8,245,586	8,884,304	7,077,784	7,214,471
Total Reserve Fund	70,137,032	57,308,589	53,693,588	53,981,160	50,492,668	45,827,027	37,667,728

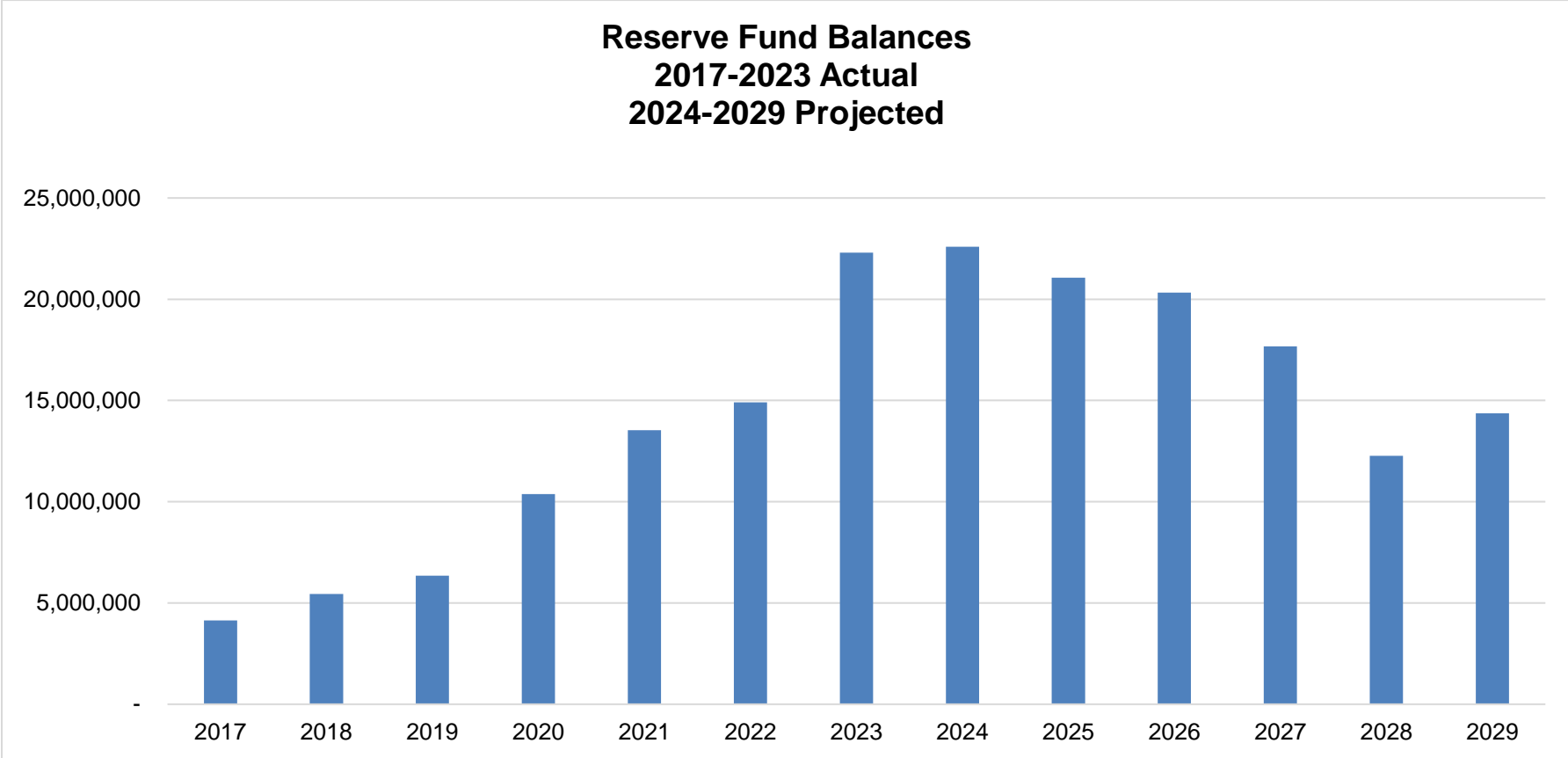
Reserves and Reserve Funds

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



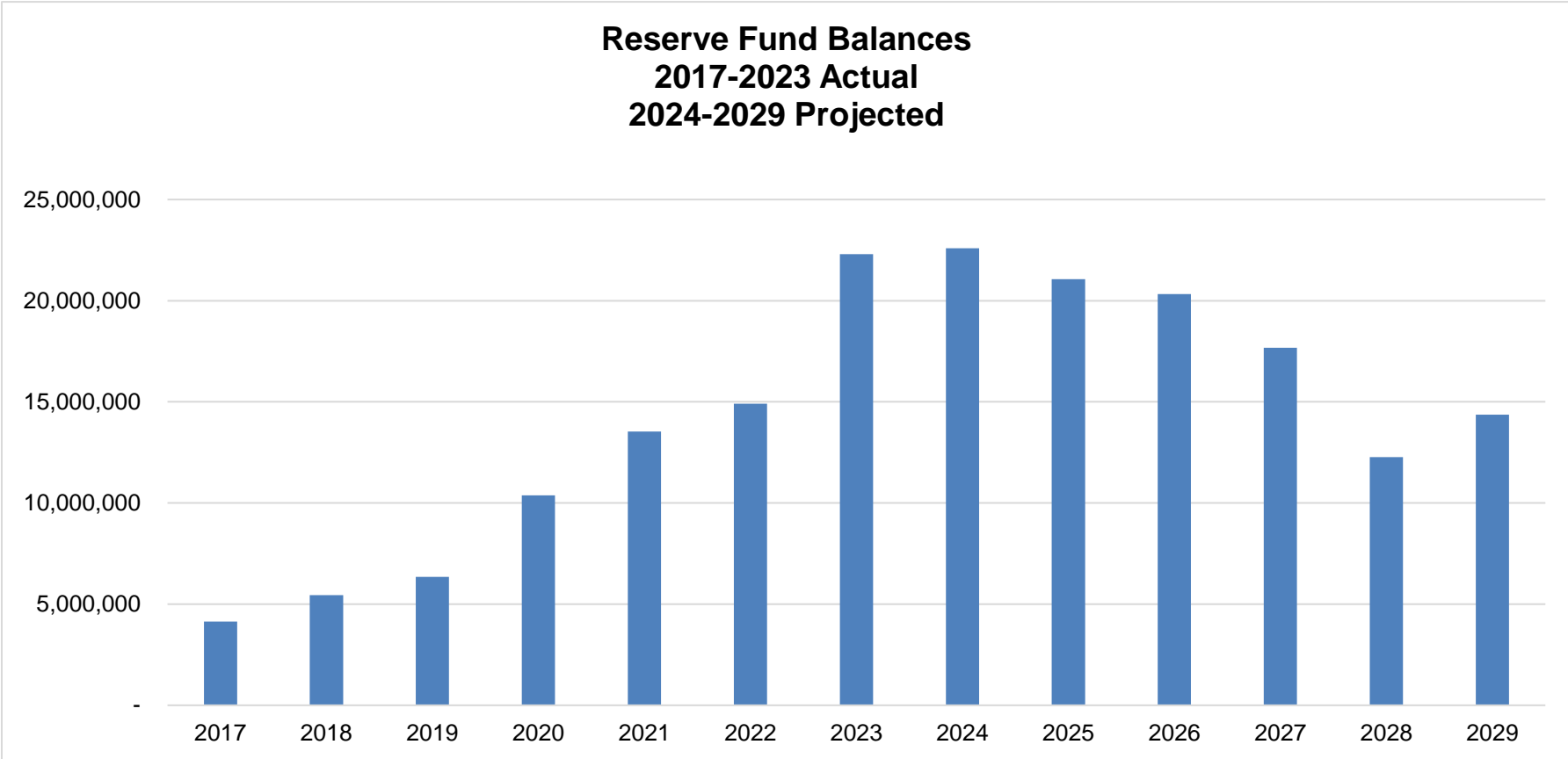
Reserves and Reserve Funds

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)



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 at this time:

- Federal and Provincial grant opportunities have been announced and staff continue to actively pursue all viable grant opportunities to leverage wherever possible. No funding is 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.

SUPPLEMENTARY INFORMATION

Basics of Municipal Budgeting

What is a Budget?

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

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

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

A Balancing Act

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

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

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



Funding the Budget

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

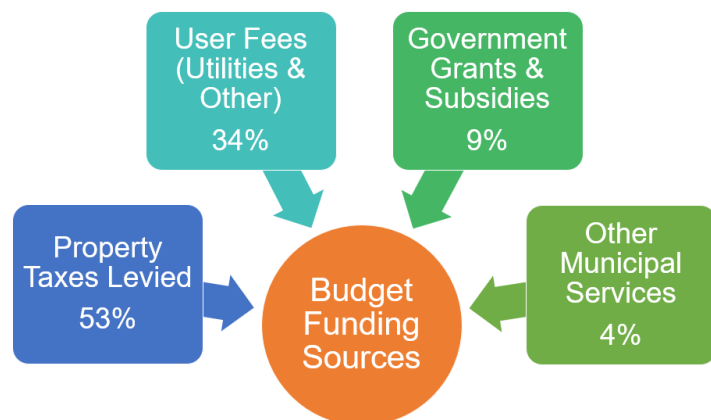
- Property Taxes
- Grants from Federal and Provincial Governments
- User fees – General (revenue from services such as recreation, planning applications, building permits etc.)
- User Fees – Water, Wastewater and Stormwater rates (funded directly by users)
- Transfers from Municipal Reserve Funds – includes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

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

Supplementary Information

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

Figure: 2024 Budget Funding Sources



Government Grants

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

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

Staff are constantly applying for any grant opportunity that becomes available during the year.

User Fees

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

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

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

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

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

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

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

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

- The stormwater user fee appears on monthly utility bills.

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

Supplementary Information

Expenditures

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

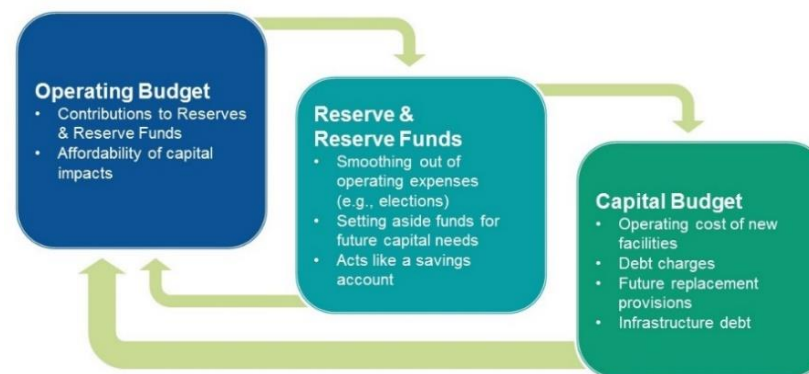
The **operating budget** looks at the day-to-day expenditures of the municipality. This includes wages, utilities, supplies, fuel and insurance, among other costs. Much like household bills, these costs increase with inflation – an increase that is outside of the control of the municipality.

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

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

In 2016, Middlesex Centre completed a **long-range financial plan** for operations and capital requirements; this plan ensures the sustainability of municipal services. A new plan will be completed in 2025.

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



Understanding Municipal Taxes

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



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

Supplementary Information



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

2025 Assessment Update

For the fifth year in a row, the Ontario Government has announced the province's decision to postpone the 2020 Assessment Update.

The Ontario Government has indicated that property assessments for the 2025 property tax year will continue to be based on the fully phased-in January 1, 2016, current values. This means your property assessment for the 2025 property tax year will be the same as the 2020 tax year, unless there have been changes to your property, for example:

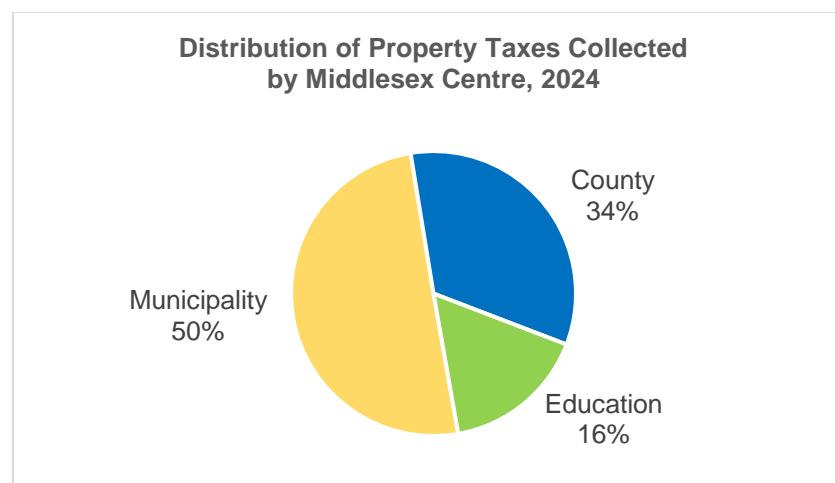
- There was a change to your property such as an addition, new construction or renovation.
- We assessed a structure on your property for the first time.
- There was a change to your property's classification.
- All or part of your property no longer qualifies as farmland, conservation land or managed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

Distribution of Property Taxes Collected

The tax bill residents receive from Middlesex Centre includes:

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

Figure: Distribution of Property Taxes Collected by Middlesex Centre, 2024



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

Supplementary Information

Share of Tax Revenues

It should be noted that for each dollar of taxes paid by Canadians, on average municipalities receive only 9 cents (from AMO, 2015, “What’s next Ontario? Imagining a prosperous future for our communities.”)



Budget Development Process

It takes many months to develop the Middlesex Centre budget.

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

- **Budget Webpage** – In June, staff created a dedicated Budget 2025 webpage (middlesexcentre.ca/budget2025) on the municipal website, with a link from the homepage. This page houses all of the budget documents and information about ways to provide input.
- **Budget Survey** – In July, staff conducted a budget survey to gather feedback from the public. The survey ran July 8 – August 25, 2024, and was advertised through social media, the residents’ e-newsletter, the municipal page in the Middlesex Banner and the Villager magazines, a tax insert, the municipal office sign and the website. Three hundred and ninety-five people responded. The survey results were presented to council and posted to the website.
- **Public Outreach** – In November 2022, staff launched Open Book, which is linked with our website and provides real time data on the budget for residents to review. This initiative has continued for the 2025 budget.

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

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

Supplementary Information

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

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



Budget Roles and Responsibilities

Every employee has a role to play in Middlesex Centre’s annual budget, whether in its creation, preparation, implementation, administration or evaluation. Ultimately, the Senior Management Team (SMT), through the CAO, is accountable to Council for meeting their department’s objectives within the allotted budget.

More specifically, budget preparation responsibility falls to:

- SMT who are responsible for reviewing, modifying and assembling their cost data into a draft departmental budget and workplan for the coming year.
- SMT who evaluate all requests, prioritizes, and submits only those requests which are consistent with Council policies, the Strategic Plan, administrative direction and departmental objectives. Preparation of budget requests, goals and objectives should coincide with stated annual goals.
- The Director of Corporate Services and staff within the Corporate Services department, who are responsible for:
 - Preparing short- and long-range revenue and expenditure forecasts.
 - Reviewing departmental budgets with SMT and individual departments.
 - Analyzing, summarizing, and making recommendations on the budget requests to the Budget Working Group.
 - Reviewing the linkage/consistency/alignment between budget requests and overall budget goals, Development Charge Background Study, Five-year Capital Plan, department master plans and policies.
 - Consolidating all budget requests and the impact of all budget requests in the Middlesex Centre Budget, with consideration to financial/budget policies, and the municipality’s financial plan.

➔ **For more information on the budget process, visit middlesexcentre.ca/budget2025.**

Supplementary Information

Property Tax Rate Details

Preliminary Assessments and Tax Rate Summary

Table: Preliminary Assessments and Tax Rate

RTQ	Description	Taxable 2025 Assessments	2025 Tax Rate	2024 Tax Rate	Y/Y Tax Rate Change	% Change	2025 Revenue
CT	Commercial: Full	151,192,767	0.008084588	0.007634194	0.000450394	5.90%	1,222,331
CU	Commercial: Excess Land	540,200	0.005659212	0.005343936	0.000315276	5.90%	3,057
CF	Commercial PIL: Full	5,484,800	0.008084588	0.007634194	0.000450394	5.90%	44,342
CG	Commercial PIL: General	3,669,000	0.008084588	0.007634194	0.000450394	5.90%	29,662
CZ	Commercial PIL: General, Vacant Land	413,400	0.005659212	0.005343936	0.000315276	5.90%	2,340
CX	Commercial: Vacant Land	3,290,600	0.005659212	0.005343936	0.000315276	5.90%	18,622
C0	Commercial New: Small Scale On-Farm Business 2	62,200	0.008084588	0.007634194	0.000450394	5.90%	503
C7	Commercial New: Small Scale On-Farm Business 1	55,000	0.008084588	0.007634194	0.000450394	5.90%	445
ST	Shopping Centre	8,611,000	0.008084588	0.007634194	0.000450394	5.90%	69,616
GT	Parking Lot/ Taxable: Full	45,000	0.008084588	0.007634194	0.000450394	5.90%	364
	Commercial	173,363,967					1,391,283
E-	Exempt	146,300,700	0	0	0		0
FP	Farm PIL: Full, Taxable Tenant of Province	144,600	0.001765348	0.001667	9.83479E-05	5.90%	255
FT	Farm	1,644,564,681	0.001765348	0.001667	9.83479E-05	5.90%	2,903,229
	Farm	1,644,709,281					2,903,484
IT	Industrial: Full	12,877,100	0.012322836	0.011636329	0.000686507	5.90%	158,682
IH	Industrial: Full, Shared PIL	238,300	0.012322836	0.011636329	0.000686507	5.90%	2,937

Supplementary Information

RTQ	Description	Taxable 2025 Assessments	2025 Tax Rate	2024 Tax Rate	Y/Y Tax Rate Change	% Change	2025 Revenue
IU	Industrial: Excess Land	876,800	0.008009844	0.007563614	0.00044623	5.90%	7,023
I7	Industrial Small Scale On Farm Business 1	45,000	0.012322836	0.011636329	0.000686507	5.90%	555
VT	Aggregate Extraction Taxable: Full	1,742,000	0.012322836	0.011636329	0.000686507	0.05899691	21,466
IX	Industrial: Vacant Land	970300	0.008009844	0.007563614	0.00044623	0.05899691	7,772
	Industrial	16,749,500					198,435
MT	Multi-Residential	12,126,000	0.012496546	0.011800362	0.000696185	5.90%	151,533
PT	Pipeline	127,054,000	0.0074533	0.007038075	0.000415225	5.90%	946,972
R1	Residential: Farmland 1	307,000	0.004589905	0.004334201	0.000255704	5.90%	1,409
RL	Residential: Upper-tier & Education Only	0	0	0	0	0.00%	0
RG	Residential PIL: General	503,000	0.007061393	0.006668001	0.000393391	0.05899691	3,552
RT	Residential: Full	2901132352	0.007061393	0.006668001	0.000393391	0.05899691	20,486,034
	Residential	2,901,942,352					20,490,995
TT	Managed Forest	5,502,100	0.001765348	0.001667	9.83479E-05	5.90%	9,713
WT	Railway Right-of-Way	0	0	0	0	0.00%	0
HF	Landfill PIL: Full	0	0.007767532	0.007334801	0.000432731	0.00%	0
		5,027,747,900					26,092,415

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%

Table: Residential Property Tax Rates (including Middlesex County and School Boards) over Time, 2006 to 2024

Year	Municipal	County	School	Total	% Change
2006	0.00414647	0.00414074	0.00264000	0.01092721	-
2007	0.00465505	0.00407087	0.00264000	0.01136592	4.01%
2008	0.00511823	0.00400554	0.00264000	0.01176377	3.50%
2009	0.00487454	0.00391717	0.00252000	0.01131171	-3.84%
2010	0.00497203	0.00386042	0.00241000	0.01124245	-0.61%
2011	0.00509633	0.00386042	0.00231000	0.01126675	0.22%
2012	0.00509633	0.00386042	0.00221000	0.01116675	-0.89%
2013	0.00522886	0.00386042	0.00212000	0.01120928	0.38%
2014	0.00531112	0.00386042	0.00203000	0.01120154	-0.07%
2015	0.00540142	0.00387250	0.00195000	0.01122392	0.20%

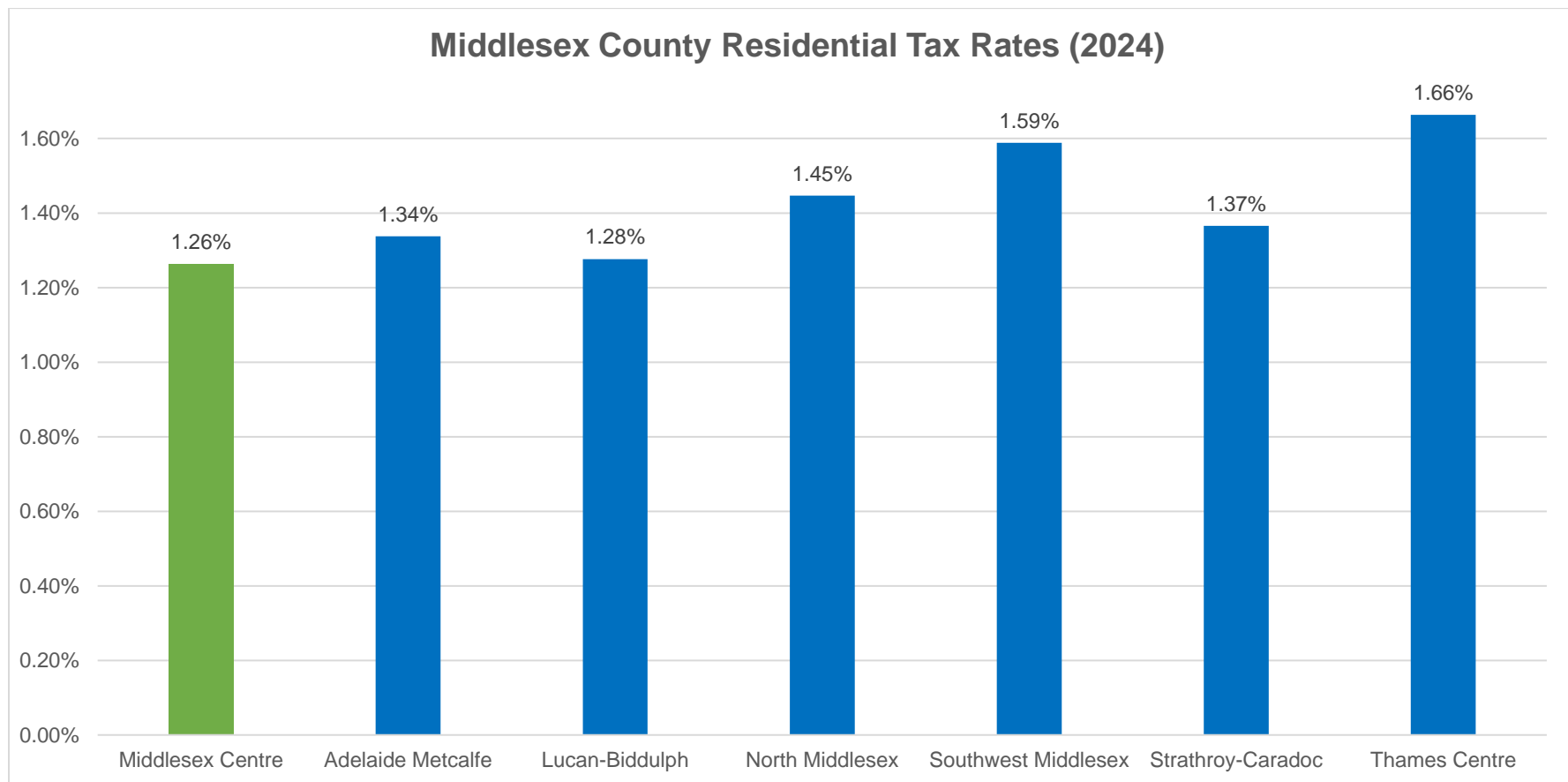
Supplementary Information

Year	Municipal	County	School	Total	% Change
2016	0.00556346	0.00387250	0.00188000	0.01131596	0.82%
2017	0.00569587	0.00387250	0.00179000	0.01135837	0.37%
2018	0.00580901	0.00387250	0.00170000	0.01138151	0.20%
2019	0.00591210	0.00387250	0.00161000	0.01139460	0.12%
2020	0.00604397	0.00391142	0.00153000	0.01148539	0.80%
2021	0.00613307	0.00397792	0.00153000	0.01164099	1.35%
2022	0.00630216	0.00397792	0.00153000	0.01181008	1.45%
2023	0.00645992	0.00431244	0.00153000	0.01230236	4.17%
2024	0.00666800	0.00443866	0.00153000	0.01263666	2.72%

Supplementary Information

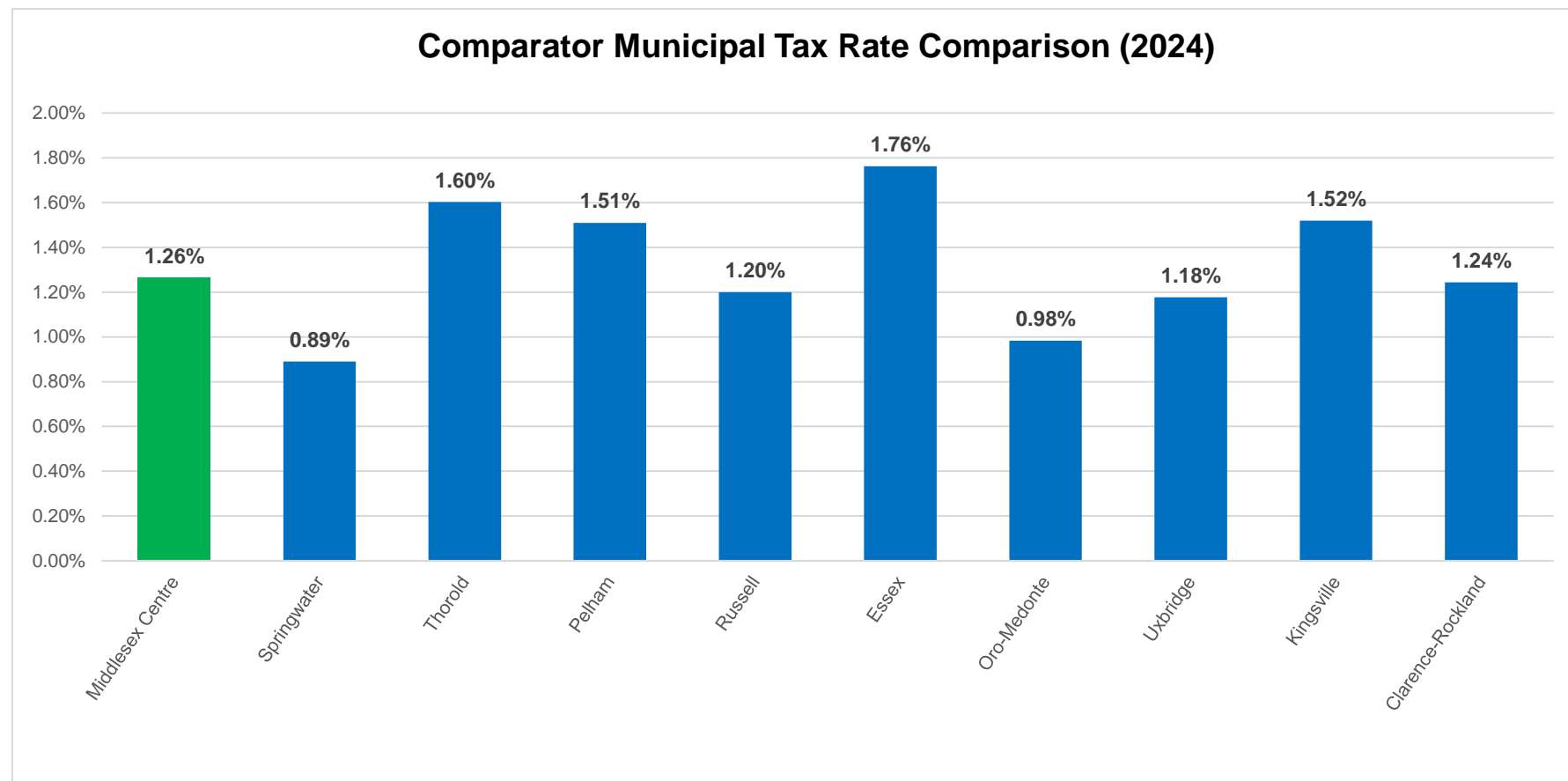
Middlesex County Residential Tax Rate Comparison

Figure: Residential Tax Rate Comparison, Middlesex County



Supplementary Information

Figure: Residential Tax Rate Comparison, Comparator Municipalities



2025 Operating LRFP Analysis

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

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

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

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

Middlesex Centre had budgeted to have a new LRFP completed in 2023, however due to the delay in completing the master plans in public works and engineering, the LRFP was moved to 2024 to ensure it contains the most accurate data. The plan is substantially complete and includes all 2025 budget information. The LRFP will be finalized and presented to council for approval in early 2025. This new plan will incorporate other important documents that drive the municipality's direction.

→ The LRFP is available at middlesexcentre.ca/budget under "Long-Term Financial Plans"

Supplementary Information

Table: Operating Budget: 2025 Budget Increase vs Long Range Financial Plan Forecasted Increase

	2025 Budget (\$)	2024 Budget (\$)	\$ Variance	2025 Budget	% Increase 2024 LRFP	% LRFP Variance	Notes
Revenue							
User Fees	3,674,148	3,236,002	438,146	13.54%	2.00%	11.54%	K
Revenue Miscellaneous	761,386	769,928	(8,542)	-1.11%	1.00%	-2.11%	A
OMPF Grant	1,403,400	1,190,300	213,100	17.90%	-5.00%	22.90%	B
Licence Permits	714,787	1,104,280	(389,493)	-35.27%	2.00%	-37.27%	C
Supplementary Taxes	224,400	376,000	(151,600)	-40.32%	1.00%	-41.32%	D
Expenditures							
Salaries & Benefits	10,790,016	9,878,748	911,268	9.22%	6.00%	3.22%	E
Police Officers	2,828,336	2,310,674	517,662	22.40%	3.00%	19.40%	F
Sub-Contract	2,144,037	2,514,635	(370,598)	-14.74%	3.00%	-17.74%	G
Hydro	801,324	799,418	1,906	0.24%	4.00%	-3.76%	L
Insurance	928,623	800,560	128,063	16.00%	3.00%	13.00%	H
Equipment Repairs & Maintenance	335,320	292,500	42,820	14.64%	4.25%	10.39%	I
Building Repairs & Maintenance	328,805	336,000	(7,195)	-2.14%	4.25%	-6.39%	I
Heating	136,150	144,230	(8,080)	-5.60%	3.50%	-9.10%	L
Water	203,976	192,506	11,470	5.96%	3.50%	2.46%	M
Office Supplies	47,540	49,825	(2,285)	-4.59%	2.00%	-6.59%	J

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

Supplementary Information

Notes to the Table

A- Miscellaneous revenue is expected to remain consistent with prior years.

B-Middlesex Centre has been receiving steady increases in OMPF funding annually since 2016, except for a decrease in 2023. The expectation is that this grant would decline which is the trend in Ontario, however, Middlesex Centre's is slowly increasing.

C-Decrease in permit revenue due to expected decrease in building permits as a result of the economic downturn in 2023, 2024 and into 2025.

D-This revenue comes from growth and the increase in new homes being built in prior years. Supplementary property tax revenue has historically been increasing substantially from what was planned in 2016 due to the building boom in Middlesex Centre from 2018 to 2022. However, with the economy slowing down, staff have decreased the budget from the prior year.

E-Salary & Benefits year-over-year increase due to an increase in new staff at Middlesex Centre, the cost-of-living increase of 2% and the changes in the paid-on-call firefighters our pay structure following the pay grid review in 2024.

F-As provided by the OPP. The OPP costs increased substantially in 2025 over the prior year due to the settlement of their union contract.

G-Sub-contract is under the estimated amount in 2025 due to the four master plans being completed in 2024. In addition, more work is being done in-house by our operation teams.

H-Insurance rates have steadily been increasing year over year, therefore in 2023, staff went to market and completed RFP for insurance services. This review resulted in a significant decrease in our insurance premiums for 2024 with no loss to coverage. However, premium costs increased substantially for 2025.

I- Building repairs and maintenance are expected to decrease in 2025, however, equipment repairs and maintenance are expected to increase.

J-Office supply costs have decreased due to staff's focus on cutting costs.

K- User fees have increased over the projected amount due to growth. This growth directly impacts the revenue in our water, wastewater and stormwater accounts.

L- Natural gas and hydro rates are expected to increase in 2025, however, with the municipality's focus on saving on energy projects throughout the municipality, the 2025 costs are expected to decrease.

M- Increase in water costs is due to an increase in the rates for 2025.

Financial Key Performance Indicators

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

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

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

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

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

The dashboard also compares Middlesex Centre's results with the results of our comparators. Middlesex Centre has 10 comparator municipalities, however the results for all of them are not included in this report as the data is derived from the 2024 Municipal Study completed by BMA and not all municipalities participate.

Middlesex Centre's comparator municipalities are selected based on the following criteria:

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

Supplementary Information

The municipalities selected as our comparators are:

- Clarence-Rockland
- Essex Township
- Kingsville Township
- Oro-Medonte Township
- Pelham
- Russell
- Springwater Township
- Strathroy-Caradoc
- Thorold
- Uxbridge

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

The following are some selected financial performance indicators. These are taken from the 2024 Municipal Study, prepared by BMA Management Consulting Inc.

➔ **Learn more about Middlesex Centre’s financial performance at middlesexcentre.ca/budget under “Financial Reports”**

Overall Financial Position

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

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

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

Measurement

This is measured using the following ratios:

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

Supplementary Information

Results







Measurement	2021 Results	2022 Results
Financial position per capita		
Taxes receivable ratio		
Rates coverage ratio		

Table: Alignment with Strategic Priorities

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

Financial Position per Capita Comparison

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

Table: Financial Position per Capita Compared to Comparator Group (2018 to 2022). This table shows a comparison of a municipality's overall financial position (financial assets less liabilities) over time on a per capita basis.

Municipality	2018 (\$ per capita)	2019 (\$ per capita)	2020 (\$ per capita)	2021 (\$ per capita)	2022 (\$ per capita)
Essex Township	1,689	2,174	2,362	2,424	2,735
Lincoln Township	988	712	790	595	215
Middlesex Centre	81	476	1,098	1,754	2,093
Pelham	-2,296	-1,823	-1,012	-634	-549
Springwater Township	595	625	617	744	1,016
Strathroy-Caradoc	1,167	1,377	1,500	1,644	1,772
Thorold	1,198	1,420	1,505	1,471	1,379

Supplementary Information

Taxes Receivable as a Percentage of Taxes Levied

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

Table: Middlesex Centre's Overall Taxes Receivable as a Percentage of Taxes Levied, 2018 to 2022, Compared to Comparator Group

Municipality	2018	2019	2020	2021	2022
Essex Township	3.5%	3.5%	4.0%	4.3%	2.3%
Lincoln Township	5.3%	4.7%	7.2%	6.9%	6.7%
Middlesex Centre	4.7%	3.5%	3.6%	2.4%	3.6%
Pelham	5.2%	4.9%	5.0%	4.2%	6.6%
Springwater Township	8.9%	8.3%	8.9%	6.8%	6.8%
Strathroy-Caradoc	4.0%	3.4%	3.3%	2.9%	2.4%
Thorold	8.9%	9.1%	9.2%	10.2%	10.3%

Rates Coverage Ratio

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

Table: Rates Coverage Ratio, Compared to Comparator Group (2021-2022)

Municipality	2021	2022
Essex Township	97.6%	100.5%
Lincoln Township	85.2%	76.1%
Middlesex Centre	116.8%	118.3%
Pelham	98.0%	98.2%
Springwater Township	93.9%	97.3%
Strathroy- Caradoc	120.5%	116.2%
Thorold	107.7%	112.7%

Supplementary Information

Economic Factors

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

Measurement

This is measured using the following ratios:

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

Results





Measurement	2021 Results	2022 Results
Assessment growth of tax base		
Non-residential portion of the tax base (assessment)		

Table: Alignment with Strategic Priorities

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

Assessment Growth

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

Supplementary Information

Table: Middlesex Centre’s Overall Assessment, by property class, 2020 to 2025

Property Class	2020	2021	2022	2023	2024	2025
Residential	2,497,593,149	2,530,480,756	2,637,207,977	2,755,768,993	2,853,418,652	2,901,942,352
Farm	1,605,897,354	1,626,287,454	1,622,982,754	1,619,447,340	1,643,342,181	1,644,709,281
Pipeline	124,680,000	125,691,000	125,940,000	126,162,000	126,870,000	127,054,000
Commercial	134,691,897	134,759,590	131,736,669	166,116,367	169,045,567	173,363,967
Exempt	111,025,600	111,565,100	113,805,600	111,071,800	143,479,600	146,300,700
Industrial	12,449,900	12,500,900	14,968,500	15,606,000	16,701,500	16,749,500
Other	35,534,500	40,232,900	47,355,200	16,194,200	16,397,800	17,628,100
Total	\$4,521,872,400	\$4,581,517,700	\$4,693,996,700	\$4,810,366,700	\$4,969,255,300	\$5,027,747,900

Assessment Growth – Non-residential portion of the tax base

The non-residential portion of the tax base (assessment) shows the composition of unweighted assessment over time. It indicates what percentage of assessment comes from the commercial and industrial component, which should grow proportionally over time. Ideally, the commercial and industrial components should grow proportionally over time. However, this is where Middlesex Centre struggles as these ratios are not growing proportionally over time. In 2024, there is a larger increase in industrial growth and a lower increase in commercial growth compared to residential growth.

Table: Middlesex Centre’s Overall Assessment increase for commercial, industrial and residential properties, 2020 to 2025

Year	Commercial Growth (year over year)	Industrial Growth (year over year)	Residential Growth (year over year)
2020	12.77%	6.68%	6.06%
2021	0.05%	0.41%	1.32%
2022	-2.24%	19.74%	4.22%
2023	26.10%	4.30%	4.50%
2024	1.76%	7.02%	3.54%
2025	2.55%	.29%	1.70%

Supplementary Information

Reserve Levels and Assets

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

Measurement

This is measured using the following ratios:

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

Results







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

Table: Alignment with Strategic Priorities

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

Supplementary Information

Tax Discretionary Reserves as a Percentage of Own Source Revenues

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

Table: Middlesex Centre's Tax Discretionary Reserves as a Percentage of our own Source Revenues, 2018 to 2022, Compared to Comparator Group

Municipality	2018	2019	2020	2021	2022
Essex Township	192%	208%	240%	242%	229%
Lincoln Township	46%	44%	42%	35%	23%
Middlesex Centre	73%	91%	111%	146%	146%
Pelham	6%	18%	43%	55%	49%
Springwater Township	69%	69%	38%	77%	70%
Strathroy-Caradoc	29%	34%	34%	42%	39%
Thorold	154%	152%	141%	141%	127%

Total and Tax Discretionary Reserves per Capita

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

Table: Total and Tax Discretionary Reserves per Capita, Compared to Comparator Group (2022).

Municipality	Total Reserves per Capita	Tax Reserves per Capita
Essex Township	\$3,029	\$3,029
Lincoln Township	\$448	\$222
Middlesex Centre	\$2,831	\$2,221
Pelham	\$687	\$553
Springwater Township	\$1,103	\$656
Strathroy- Caradoc	\$1,599	\$422
Thorold	\$2,126	\$1,471

Supplementary Information

Asset Consumption Ratio

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

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

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

Table: Middlesex Centre’s Overall Asset Consumption, 2018 to 2022, Compared to Comparator Group

Municipality	2018	2019	2020	2021	2022
Essex Township	35.1%	36.9%	38.2%	39.4%	40.2%
Lincoln Township	43.5%	44.0%	42.4%	40.5%	40.4%
Middlesex Centre	33.7%	34.1%	34.7%	35.9%	37.0%
Pelham	37.4%	39.1%	40.5%	40.6%	41.5%
Springwater Township	36.3%	37.7%	37.9%	39.4%	39.9%
Strathroy-Caradoc	43.8%	44.3%	45.1%	43.7%	44.3%
Thorold	40.5%	41.7%	38.2%	38.9%	34.1%

Debt

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





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

Measurement

This is measured using the following ratios:

- debt outstanding per capita
- debt to reserve ratio

Results

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

Supplementary Information

Table: Alignment with Strategic Priorities

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

Total Debt Outstanding per Capita

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

Table: Middlesex Centre Total Debt Outstanding per Capita, 2022, Contrasted with that of the Comparator Group

Municipality	Total Debt outstanding per Capita	Total less Water and Wastewater Debt Outstanding per Capita
Essex Township	\$808	\$655
Lincoln Township	\$250	\$216
Middlesex Centre	\$862	\$456
Pelham	\$1,503	\$1,491
Springwater Township	\$105	\$105
Strathroy- Caradoc	\$109	\$69
Thorold	\$22	\$22

Supplementary Information

Debt to Reserve Ratio

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

Table: Middlesex Centre's Debt to Reserve Ratio, 2018 to 2022, Compared to Comparator Group

Municipality	2018	2019	2020	2021	2022
Essex Township	0.4	0.3	0.3	0.3	0.3
Lincoln Township	0.2	0.3	0.4	0.5	0.6
Middlesex Centre	1.0	0.8	0.5	0.4	0.3
Pelham	10.2	6.3	3.3	2.2	2.2
Springwater Township	0.0	0.2	0.2	0.1	0.1
Strathroy-Caradoc	0.2	0.2	0.1	0.1	0.1
Thorold	0.0	0.0	0.0	0.0	0.0

Supplementary Information

Accounting Principles

Budgeting and accounting are fundamental financial management practices. Budgeting involves creating a plan for how an organization or individual will allocate and manage their financial resources over a specific period, focusing on estimating income, allocating expenses, and setting financial goals. Accounting, on the other hand, is systematic recording, analyzing, and reporting of financial transactions, which helps in tracking the financial health and performance of the entity over time.

Basis of Budgeting

The budget is prepared on the modified accrual basis which combines aspects of the accrual basis and cash basis of accounting. Revenues are recognized when they are both measurable and available. Expenditures, however, are recorded on a full accrual basis because they are always measurable when they are incurred. The basis for budgeting differs from the municipality's audited financial statements that are prepared on the full accrual basis of accounting under Public Sector Accounting Board (PSAB) guidelines.

Except as otherwise provided in this policy, Council has the sole authority for approving funding to operating programs and capital projects.

All decisions involving amendment of approved budgets require the approval of Council, following public notice as prescribed by the Municipal Act, 2001.

Municipal Act, 2001, Section 291:

(1) Before adopting all or part of a budget under section 289 or 290, or amending such a budget, a municipality shall give public notice of its intention to adopt or amend the budget at a council meeting specified in the notice.

The Municipality's audited financial statements are prepared on the full accrual basis of accounting. All revenues are recognized as becoming available and measurable. Expenditures are recognized as being incurred and measurable as a result of receipt of goods and services and the creation of a legal obligation to pay.

The Municipality of Middlesex Centre prepares all financial information on an accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) as approved by the CPA Canadian Public Sector Accounting Handbook (PSA). This means that the transactions and events are recognized in the period in which the transactions and events occur.

The municipality does not include a budget for amortization or post-employment benefits expenses which is permitted under the O. Reg. 284/09 made under the Municipal Act, 2001.

The municipality is required by provincial law to balance its operating budget each year. To balance the budget, the municipality can either: Increase its revenue stream through raised property taxes and fees; or manage expenses through adapting or reducing the cost of programs and services.

Fund Accounting

Financial information is prepared in accordance with a fund structure which consists of an Operating Fund, Capital Fund and Reserve Funds.

A fund is defined as a segregation of assets and related liabilities that is administered as a separate accounting entity. Each fund has its own assets and debts and raises or is granted its own money for its own purposes and records its own expenditures.

Supplementary Information

Separate fund accounting provides an increased measure of control over the assets of the fund by ensuring the assets are not inadvertently utilized by another fund.

Capital Fund is used to record all capital expenditures as well as all financing of these capital expenditures; including long term borrowing, grant funding, development charges and reserve funds.

Operating Fund is used to record all revenues and resources that are not otherwise accounted for in another fund. Unrestricted revenues such as property taxes are recorded in the Operating Fund.

Reserve and Reserve Funds are established to record assets that have been segregated for a specific purpose.

Differences between the Budget and Financial Statements

Table: Differences between the budget and financial statements

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

Differences between the Basis of Budgeting and the Basis of Accounting

- The budget anticipates the use of surplus accumulated in previous years to offset current year expenditures in excess of current year revenues.
- The budget does not expense transactions related to tangible capital assets, including amortization, except for operating contributions to reserves and reserve funds required to fund the capital budget.
- Any transfers to or from reserves and reserve funds and unappropriated surplus accounts are revenues or expenses to balance the budget. They are not included in the Statement of Operations in the municipality's financial statements.
- Debt principal repayments are included in the budget expenses, however for the municipality's financial statements these are excluded from the Statement of Operations and Accumulated Surplus and included as a reduction in the Statement of Cash Flows.

Preparation of Financial Information

Preparation of Financial Statements

The Public Sector Accounting Board (PSAB) Handbook Sections PS1200 and PS3150 require that financial statements, including budgeted amounts on the statements, are presented using the full accrual basis. Middlesex Centre is in full compliance with the requirements set forth by the PSAB of the Chartered Professional Accountants Canada (CPA) regarding the presentation of financial statements.

Financial Information Return (FIR)

The Ministry of Municipal Affairs and Housing is responsible for establishing requirements for municipal accounting, financial reporting, municipal auditing and other matters related to the financial health of municipalities as set out in section 3 of the Municipal Affairs Act. Section 294(1) of the Municipal Act specifically states that each municipality will annually report on its financial affairs, accounts and transactions. This takes the form of the annual FIR.

2025 Budget Reconciliation for PSAB Adjustments

The PSAB Handbook requires that budget numbers be included in the statements using the same Basis of Accounting that is used for actual results. The issue facing municipalities is that municipal budgets have typically been prepared on a cash basis with the main focus being the determination of the tax levy required.

The requirements of O.Reg. 284/09 force reconciliation between the typical cash budget and the statements regarding those expenses noted above.

As a municipality, Middlesex Centre is required to follow the accounting standards established by the PSAB. With the introduction of tangible capital asset accounting in 2009, the new accounting standards do not require budgets to be prepared on a fully accrued basis. The municipality continues to prepare budgets on a modified accrual basis. This tax rate is based on annual cash requirements and therefore does not include the PSAB requirements around accrual accounting and accounting for “non-financial assets and liabilities.”

O.Reg. 284/09 requires that the municipality report on the impact of these excluded costs:

1. Amortization expense
2. Post-employment benefits expenses
3. Solid waste landfill closure and post-closure expenses

Before adopting a budget for the year that excludes any of the expenses listed above, Council must adopt the report by resolution.

The Municipality of Middlesex Centre’s 2025 proposed budget and associated tax levy excludes the following:

1. Amortization expenses, estimated at \$8.94M, since amortization is a non-cash expense.
2. Post-employment benefits expense, estimated at \$7,066. (since this is a non-cash expense).
3. Solid waste landfill closure and post-closure expenses are zero as the municipality does not have responsibility for active landfill sites, and our site is closed, the costs are included in the annual budget.

Estimated Impact of Future Benefit

Future benefit expense is generally related to the municipality’s sick leave benefit plan, health and dental benefits for retired employees. There is no legislated authority requiring a municipality to fully fund these benefits. However, it is sound financial planning to do so where possible. The estimated amount for Middlesex Centre for 2025 is \$7,066.

Estimated Impact of Excluded Amortization on Future Tangible Capital Asset (TCA) Funding Requirements

Amortization expense is an estimate of the consumption of future benefits from past investment in capital assets. It takes the asset’s historical cost and spreads it evenly over the expected useful life of the asset. This amortization period can range from three years up to as many as 100 years

Supplementary Information

Depending on the nature of the asset, amortization does not consider inflation, service upgrades or increase in standards. Therefore, funding only for amortization will not provide sufficient funding for replacement in most cases.

Although there is no definitive answer on how much funding is required, the municipality has set a fiscally responsible path that should be adequate to fund its capital replacement needs.

Amortization does NOT deal with the issue of new capital requirements.

Amortization expense for 2025 is estimated at \$8.94M.

Estimated Impact of Solid Waste Landfill Closure and Post-Closure Expenses

Solid waste landfill closure and post-closure expenses are zero as the municipality does not have responsibility for active landfill sites, and our site is closed, the costs are included in the annual budget.

Estimate of the Change in Accumulated Surplus due to Excluded Expenses

The chart below starts with the 2025 surplus/(deficit) per the budget excluding reserve transfers, long term debt incurred, and other financing items included in the budget. Various PSAB adjustments are then required to arrive at the surplus to be reported for statement purposes.

Table: 2025 Proposed Budget – Accrual Based

	Value (\$)
Proposed Budget Tax Levy	26,092,415
Proposed Budget Revenues	53,043,651
Proposed Budget Expenditures	79,136,066
Surplus/(Deficit)	0
Add Expenditures Excluded from Cash Based Budget	
Post-employment benefits expense	(7,066)
Amortization expense	(8,942,190)
Exclusion impact on Accumulated Surplus/(Deficit)	(8,949,256)
Remove Non PSAB Items from Cash Based Budget	
Debenture Principal Repayments	1,220,311
Transfer to Reserve Funds	18,108,774
Contributions from Reserve Funds including Development Charges	(29,723,756)
Funds from Debenture Issuances	0
Fixed Asset/TCA Expenditures	29,492,829
Total Impact on 2025 Accumulated Surplus/(Deficit)	10,155,968

Supplementary Information

Overall, amortization listed above has a major impact on the 2025 accumulated surplus amount. The amortization expense reduces the surplus amount and also reduces the net book value of Tangible Capital Assets reported on the annual audited statement of financial position.

Fixed asset purchases of \$29,492,829 documented above are higher than the amortization. This is positive as the municipality's assets are not declining at a faster rate than they are being replaced.

Budgeted amortization amounts are based on a projection of existing assets and the associated annual amortization charge. They do not include a projection for assets not yet in service or new assets that have not yet been recorded in the fixed asset sub-ledger.

Supplementary Information

Financial Policies

Middlesex Centre maintains a robust set of financial by-laws, policies and procedures (collectively referred to as “policies” here).

Financial Management Policies

Long-Range Financial Plan – All departments will participate in the responsibility of meeting policy goals and ensure long-term financial health. Future service plans and program initiatives will be developed to reflect current policy directives, projected resources, and future service requirements.

Drinking Water System Long-Range Financial Plan – The municipality recognizes the need for a long-term financial planning process that assesses the financial implications of current and proposed policies as well as Council approved decisions in its water operations. The goal of this plan is to provide the municipality with a realistic and informed view of operating and capital expenditures needed over time to maintain the integrity and health of its physical infrastructure and to accommodate growth and new environmental standards.

Strategic Asset Management Policy– The purpose of this policy is to provide leadership in and commitment to the development and implementation of the municipality’s asset management program. It is intended to guide the consistent use of asset management across the organization, to facilitate logical and evidence-based decision-making for the management of municipal infrastructure assets and to support the delivery of sustainable community services now and in the future

Reserve and Reserve Fund Policy – Adopted by the Reserve and Reserve Fund Policy by-law, this policy establishes consistent principles, standards and guidelines for the maintenance, management and accounting of reserves and reserve funds.

Forecasts – Five-year forecast for capital expenditures will be prepared and updated on an annual basis. This will allow for advanced preparation of any proposed service level and growth-related changes. This will also identify any trends and upcoming challenges. The municipality is required by provincial law to balance its operating budget each year. To balance the budget, the municipality can either: Increase its revenue stream through raised property taxes and fees; or. Manage expenses through adapting or reducing the cost of programs and services.

Cash and Investments – Cash and investment programs will be maintained in accordance with the municipality’s investment policy. Funds will be managed in a prudent manner with emphasis on adherence to statutory requirements, safety, liquidity, and yield in that order.

Issuance of Debt – The Municipality of Middlesex Centre recognizes the importance of having written guiding principles for the approval, issuance and administration of Municipal debt, as well as meeting all of the related statutory requirements. The issuance of debt policy applies to all debt obtained on behalf of the municipality.

Supplementary Information

Tangible Capital Asset Policy – The purpose of this policy is to provide a framework for the Municipality of Middlesex Centre’s asset accounting processes in accordance with Generally Accepted Accounting Principles (GAAP) and pronouncements of the Public Sector Accounting Board (PSAB) specifically PS 3150.

Revenue Policies

Municipal Rates and Fees By-law – Approved by Council annually, the rates and fees by-law sets out user fees and charges for various municipal goods and services. The fees are set to ensure that they are sufficient to recover all direct and indirect costs of service.

Water, Wastewater and Stormwater Rates By-law – Approved by Council annually, the Water, Wastewater and Stormwater rates by-law sets out user fees and charges to ensure that they are sufficient to recover all direct and indirect costs of service.

Grants – Revenue from grant funding will only be included in the operating budget if they are recurring grants that are not expected to be discontinued. As a result, non-recurring grants will not be used to fund ongoing projects.

Credit and Collections –Property Taxes– The municipality will follow a consistent policy of collecting revenues to the limit of our ability. A rate of 1.25% per month will be charged on overdue tax accounts. If taxes are not paid within two years and an acceptable payment plan cannot be reached, properties will go to tax registration.

Credit and Collections –General– The municipality will follow a consistent policy of collecting revenues to the limit of our ability. A rate of 1.25% per month will be charged on overdue accounts.

Credit and Collections –Utility - The municipality will follow a consistent policy of collecting revenues to the limit of our ability. A rate of 5% will be charged on overdue accounts.

Donation Policies and Procedures – This policy and procedure provides general guidelines for receiving and accounting for donations that are gifts and for which an official income tax receipt will be issued. This policy does not supersede federal and provincial laws.

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

Expenditure Policies

Procurement Policy – All purchases will be made in accordance with the municipality’s Procurement Policy.

Council Grants – The program exists to recognize the value of these groups to the well-being and growth of the community and in helping the municipality retain a strong community focus. Grant applications for funding up to \$5,000 are accepted from community organizations annually.

Delaware Hydro Fund – To provide procedures for approving expenditures, maintaining, reporting and auditing the Delaware Hydro Utility Proceeds Reserve Fund. Grant applications for funding up to 50% of the interest earned in the preceding year are accepted from community organizations located in Delaware annually.

Invoice and Payment Processing Policy - The purpose of this policy is to establish the responsibilities, controls, authorizations and procedures for the accurate and timely processing of supplier invoices and Middlesex Centre cheque requisitions.

Supplementary Information

Financial Controls and Reporting Policies

Cash Handling Policy – This policy provides general guidelines for properly safeguarding, depositing and recording payments received by Middlesex Centre.

Credit Card Policy - The purpose of this policy is to provide guidelines for the use of Municipal credit cards and to ensure Council and staff are responsible and accountable in regard to Municipal credit card purchases.

Expense Policy - This policy outlines the procedures by which employees will be governed for reimbursements and expenses including but not limited to conferences, conventions, seminars, as well as business and business entertainment expenses either within the municipal limits or beyond; and provides for the associated compensation entitlements. This policy reinforces the municipality's commitment to financial accountability and the effective use of public funds.

Fiscal Monitoring – Monthly financial reports will be presented to Council which will explain budget variances to date and expected future budget variances for operating costs. Quarterly financial reports will be presented to Council which will explain budget variances to date and expected future budget variances for capital costs. The municipality is required by provincial law to balance its operating budget each year. To balance the budget, the municipality can either: Increase its revenue stream through raised property taxes and fees; or. Manage expenses through adapting or reducing the cost of programs and services.

Internal Controls – Financial systems will maintain internal controls to monitor revenues, expenditures, and program performance on an ongoing basis.

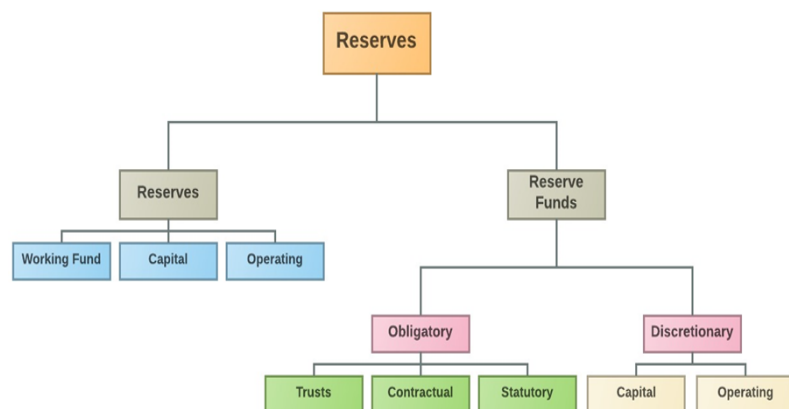
Financial Statement Audit – An external third-party auditor will perform an annual audit of the municipality's consolidated financial statements to ensure that they are consistent with Canadian Generally Accepted Accounting Principles (GAAP) and Public Sector Accounting Board (PSAB) standards.

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

Supplementary Information

Reserves and Reserve Funds

Figure: Hierarchy of Reserves and Reserve Funds



Definitions for Reserves and Reserve Funds

Deferred Revenue means revenue that is considered a liability on the municipality’s financial statements until, over time, it becomes relevant to current operations, such as prepayment received for something that has not yet been provided. Deferred revenue is set aside in an obligatory reserve fund for a specific purpose by legislation, regulation, or agreement. Development charges and federal gasoline tax are examples of deferred revenue.

Discretionary Reserve Fund means reserve funds created at the discretion of Council whenever revenues are earmarked to finance future expenditures of a purpose designated by Council. Revenues set aside for acquisition of fixed assets is an example of discretionary reserve funds.

Obligatory Reserve Fund means reserve funds that are required by legislation or agreement to be segregated from the municipality’s general revenues for a special purpose or for works to be undertaken on behalf of the contributors. These funds are classified in the financial statements as “Deferred Revenue”. Development Charges and Cash-Lieu-of Parkland are examples of obligatory reserve funds.

Reserve means an allocation from net revenue at the discretion of council, after the provision for all known expenditures, as part of an overall strategy for funding programs and projects that are set out in the annual budgets or budget forecasts and is authorized under the provisions set out in the Municipal Act. It has no reference to any specific assets and does not require the physical segregation of money or assets. Reserves are part of a revenue fund and therefore, do not earn interest on their own. Any earnings derived from the investment of reserves’ money are reported as revenue in the operating fund. Revenues set aside for working funds are an example of reserves.

Reserve Fund means a fund with assets which are segregated and restricted to meet the purpose of the reserve fund. It is based on a statutory requirement or defined liability payable in the future and is usually prescriptive as to the basis for collection and use of monies in the fund. All interest earnings derived from such funds must form part of the reserve fund. There are two types of reserve funds: obligatory reserve funds and discretionary reserve funds.

Supplementary Information

Table: List of Middlesex Centre Reserves and Reserve Funds

Title	Type	Category	Purpose	Funding Source
Working Fund	Reserves	Working Fund	To assist in periods throughout the year when cash balances are low and there is a requirement to cover payments and expenses, before tax levies, grants and other revenues become available	Established annual operating budget contribution Allocation of year-end surpluses
Operating Project Carryforward	Reserves	Operating	To finance the completion in the current year of operating projects where funding was committed to in the prior year budget.	The amount of the commitment is carried forward from one budget year to the next, recognizing the timing difference between when the projects were budgeted in the annual estimates and when projects were started and completed
Development Charges (DC) Reserve Fund	Reserve Funds: Obligatory	Statutory Development Charges Act Sections 33-36	Holding account(s) for levies from developers to be used for approved DC programs/ projects; roads; public works; fire protection, parks and recreation; library; administration; water; wastewater	DC collections and credits and interest earned
Cash-in-Lieu of Parkland Reserve Fund	Reserve Funds: Obligatory	Statutory Planning Act s.51.1 and s.53	In accordance with the Planning Act- this reserve is dedicated for the purchase and development of parkland in developing areas and redeveloping areas and/or support the upgrading of existing parks/facilities provided the need to upgrade is due to intensification of the surrounding neighborhood	Developer contributions received in lieu of land being conveyed to the municipality for parkland requirements as per Planning Act and interest earned
Canada Community-Building Reserve Fund (formerly Federal Gas Tax Reserve Fund)	Reserve Funds: Obligatory	Contractual Federal Transfer Payments	For infrastructure in accordance with the Federal Gas Tax Agreement. (Note: The Gas Tax was renamed to the Canada Community-Building Fund (CCBF) in 2021.)	Funding provided by the Government of Canada under the agreement signed with the Government of Ontario and the Association of Municipalities of Ontario (AMO, who calculates the allocation for each municipality), and interest earned

Supplementary Information

Title	Type	Category	Purpose	Funding Source
Cash-in-Lieu of Parking Reserve Fund	Reserve Funds: Obligatory	Statutory Planning Act s.40	In accordance with the Planning Act- this reserve is dedicated to cover costs of the municipality maintaining parking for owner/occupants of a building that is required to provide and maintain parking facilities on the land but cannot and therefore exempt from providing or maintaining parking facilities.	Monies provided through an agreement with owner/occupant of a building that is exempt from providing or maintain parking facilities as per Planning Act and interest earned
Building Department Reserve Fund (formerly the Cost Stabilization Reserve Fund)	Reserve Funds: Obligatory	Statutory Building Code Act O. Reg. 305-03	To offset cost of administration and enforcement of the Building Code when fee revenues are less than costs of delivering building services, to implement service enhancements and to purchase capital items required for the building department such as vehicles and equipment.	Year-end surpluses from Building and Inspection services net of year end deficits and interest earned
Ilderton Lions Park Reserve Fund (Lions Club Fund)	Reserve Funds: Discretionary	Capital	To provide a source of funding for expenditures related to the purchase of capital assets as per Lions Club for the Ilderton Park	Funding through personal/corporate donations collected by the Lions Club and provided to the municipality and interest earned
Poplar Hill Log Cabin Reserve Fund	Reserve Funds: Obligatory	Operating	To provide a source of funding for expenditures related to the maintenance of the Poplar Hill Log Cabin.	Funding through personal/corporate donations and grants and interest earned
Delaware Hydro Reserve Fund	Reserve Funds: Discretionary	Operating and Capital	This fund contains monies received from the sale of the former Delaware hydro utility. Unless otherwise approved by specific Council resolution or by- law and amendment made to this Policy statement, expenditures from the Fund shall be limited to 50% of the interest earned by the Fund in the previous year, for the Village of Delaware	Interest earned
Employee Benefits Reserve Fund	Reserve Funds: Discretionary	Operating	To fund future employee costs with respect to employee benefits. To fund any deficits in the municipal administrative services benefit plan, employee benefit costs, any employee wellness or training programs	Yearly surpluses in the Municipal administrative services only benefit plan and the unspent funding in the employee health care spending account and interest earned
Medical Centre Reserve Fund	Reserve Funds: Discretionary	Capital and Operating	To fund major capital repairs or rehabilitation expenses associated with the Medical Centre	Funding through Medical Centre rental revenue and interest earned

Supplementary Information

Title	Type	Category	Purpose	Funding Source
Tax Rate Stabilization Reserve Fund	Reserve Funds: Discretionary	Operating	To fund tax revenue shortfalls, one-time expenditures, as well as other contingencies such as MPAC appeals	Established annual operating budget contribution Allocation of year-end surpluses and interest earned
Build Middlesex Centre Reserve Fund	Reserve Funds: Discretionary	Operating	To provide funding for municipal strategic investments. Funding will be made available for projects that have potential of increasing the assessment base. Eligible projects include downtown improvement projects in settlement areas, development of lands around the Wellness Centre, improvement of public lands, and strategies to locate businesses in the municipality	Funding through municipal land sales (net proceeds of land sales in excess of Land Acquisition and disposal costs) and interest earned
Waste Management Reserve Fund	Reserve Funds: Discretionary	Capital	To fund major maintenance and replacement of waste management facilities and landfill rehabilitation	Interest earned
Gravel Pit Rehabilitation Reserve Fund	Reserve Funds: Discretionary	Operating	To fund the future rehabilitation and purchases of the gravel pits in the municipality	Funding through royalty received yearly on behalf of Aggregate Resources Trust, in addition to an established annual operating budget contribution and interest earned
Computer Replacement Reserve Fund	Reserve Funds: Discretionary	Capital	To fund new and replacement equipment	Established annual operating budget contribution and interest earned
Insurance Claims Reserve Fund	Reserve Funds: Discretionary	Operating	To provide contingency to accommodate annual fluctuations in cost of claims (deductibles) and premiums	Allocation based on fund usage and evidence of reasonably determined liability Established annual operating budget contribution and interest earned
Fire Vehicles and Equipment Reserve Fund	Reserve Funds: Discretionary	Capital	To fund replacement of fire vehicles and equipment	Established annual operating budget contribution calculated as the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation and interest earned

Supplementary Information

Title	Type	Category	Purpose	Funding Source
Fire Public Education Reserve Fund	Reserve Funds: Discretionary	Operating	To fund operating costs of the Fire Department. Funding to be used for the following expenditures: public education program, training and fire vehicles and equipment.	Funded through revenue earned under the Fire Marque program and interest earned
Buildings and Facilities Reserve Fund	Reserve Funds: Discretionary	Capital	To fund refurbishment, and replacement costs associated with Municipal Facilities	Established annual operating budget contribution calculated as the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation and interest earned
Road Capital Reserve Fund	Reserve Funds: Discretionary	Capital	To fund refurbishment, rehabilitation and replacement costs associated with Bridges, culverts and roads infrastructure	Established annual operating budget contribution calculated as half the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation and interest earned
General Vehicles and Equipment Reserve Fund	Reserve Funds: Discretionary	Capital	To fund the purchase of new and replacement costs associated with vehicles and equipment	Established annual operating budget contribution calculated as half the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation and interest earned
Ontario Community Infrastructure Fund (OCIF) Reserve Fund	Reserve Funds: Discretionary	Contractual Provincial Transfer Payments	For infrastructure in accordance with the OCIF Agreement Funds are not to be used for growth-related expansion projects	Funding provided by the Province of Ontario under the agreement signed with the Government of Ontario and interest earned
Administrative Support Reserve Fund	Reserve Funds: Discretionary	Operating and Capital	To fund operational costs of the administrative functions provided at the municipality for other departments. Funds raised are to be used to upgrade or replace the municipal administration building	Established annual operating budget contribution based on an allocation from other departments that are funded by specific user fees/permits and interest earned
Winter Maintenance Reserve Fund	Reserve Funds: Discretionary	Operating	To fund winter maintenance in the event of a shortfall in the operating budget. The reserve fund aids in minimizing the financial implications resulting from extreme winter weather conditions	Year-end surpluses from Transportation services net of year end deficits and interest earned

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Title	Type	Category	Purpose	Funding Source
Fleet Reserve Fund	Reserve Funds: Discretionary	Operating	To provide contingency to accommodate annual fluctuations in operational costs of fleet, such as fuel and repairs and maintenance. The Operating Reserve has two purposes, to fund one-time, emergency, or unanticipated expenditure requirements. The reserve can be used only after it is determined that the operating budget cannot fund the expenditure	Allocation based on fund usage and evidence of reasonably determined liability. Established annual operating budget contribution if required and Interest earned
Election Reserve Fund	Reserve Funds: Discretionary	Operating	To finance expenses related to elections avoiding disproportionate burden on levy in an election year	Established annual operating budget contribution and interest earned
Wastewater Capital Reserve Fund	Reserve Funds: Discretionary	Capital and Operating	To fund maintenance and replacement of wastewater facilities and linear assets. It is also used to finance the non- growth component of new wastewater assets and has provided wastewater rate stabilization from year to year	Funding is a result of surcharges on the wastewater user rate. In addition, any surplus in the wastewater annual operating budget has been contributed to supplement the reserve balance and interest earned
Water Capital Reserve Fund	Reserve Funds: Discretionary	Capital and Operating	To fund maintenance and replacement of water facilities and linear assets. It is also used to finance the non- growth component of new water assets and has provided water rate stabilization from year to year	Funding is a result of surcharges on the water user rate. In addition, any surplus in the water annual operating budget has been contributed to supplement the reserve balance and interest earned
Storm Water Capital Reserve Fund	Reserve Funds: Discretionary	Capital and Operating	To fund maintenance and replacement of stormwater assets and municipal drains within settlement areas	Funding is a result of surcharges on the stormwater user rate. In addition, any surplus in the stormwater annual operating budget has been contributed to supplement the reserve balance and interest earned
Future Roads Upgrades Reserve Fund	Reserve Funds: Discretionary	Capital	To fund refurbishment, rehabilitation and replacement costs associated with identifiable roads infrastructure	Established consent requirements from time to time and interest earned

Supplementary Information

Title	Type	Category	Purpose	Funding Source
Modernization Reserve Fund	Reserve Funds: Discretionary	Operating and Capital	To fund projects that help modernize service delivery and reduce future costs	Funding from the Provincial government in 2019 and interest earned
Legal Reserve Fund	Reserve Funds: Discretionary	Operating	To provide contingency to accommodate annual fluctuations in cost of legal invoices and claims	Allocation based on fund usage and evidence of reasonably determined liability. Established annual operating budget contribution if required and Interest earned
Municipal Office Build Reserve Fund	Reserve Funds: Discretionary	Operating	To fund the municipal office renovation project in 2023-2025	Allocation from existing reserve fund and interest earned
Security Deposit Reserve Fund	Reserve Funds: Discretionary	Operating	To set aside older security deposits that have not been claimed	Funding from older security deposits that have not been claimed and interest earned
Municipal Drains Reserve Fund	Reserve Funds: Discretionary	Operating	To fund the municipal portion of municipal drain work completed in the event of a shortfall in the operating budget. The reserve fund aids in minimizing the financial implications resulting from large drainage projects from one year to the next	Year-end surpluses from Transportation services net of year end deficits and interest earned
Development Charge Exemption Reserve Fund	Reserve Funds: Discretionary	Operating	To help finance approved growth-related capital costs where development charge contributions have been reduced because of exemptions	Allocation based on fund usage and evidence of reasonably determined liability. Established annual operating budget contribution if required and Interest earned

Supplementary Information

Five-Year Capital Expenditures by Department

Table: Five-year forecast for all capital projects, by department. Note that financing of the specific projects may change for projects identified in 2026-2029. (5-year capital is presented but only the 2025 capital budget is approved.)

Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
Community Services								
Parks & Open Space:								
22-7124 - Komoka Civic Square Design	Growth (Development Charges)	Multiple	0	0	147,200	0	0	147,200
24-7119 - Timberwalk Park	Growth (Development Charges)	Development Charges	108,000	0	0	0	0	108,000
25-6718 - Coldstream Storage Shed - Roof Replacement	Asset Management	Buildings & Facilities Reserve Fund	55,000	0	0	0	0	55,000
25-7101 - Poplar Hill Park- Asphalt Roadway by pavilion	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	46,900	0	0	0	0	46,900
25-7103 - Weldon Park- Decommission Jr. Playground as per 3rd party inspection	Asset Management	Buildings & Facilities Reserve Fund	48,500	0	0	0	0	48,500
25-7105 - Heritage Park Splash Pad Renovation	Asset Management	Buildings & Facilities Reserve Fund	89,000	0	0	0	0	89,000
25-7106 - Bryanston Park/School - Ball Diamond Improvements	Asset Management	Buildings & Facilities Reserve Fund	37,500	0	0	0	0	37,500
25-7110 - Clear Skies Primary Trail	Growth (Development Charges)	Development Charges	0	401,500	0	0	0	401,500
25-7112 - Heritage Park - LED Lighting Upgrade	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	45,000	0	0	45,000
25-7120 - Clear Skies Park	Growth (Development Charges)	Development Charges	0	300,000	0	0	0	300,000
25-7121 - Deerhaven Park- Repaint Tennis Court and Multi Surface Court	Asset Management	Buildings & Facilities Reserve Fund	0	42,500	0	0	0	42,500
25-7130 - Construction of 4 Pickleball Courts (north)	Efficiency/ Improvement	Cash-in-lieu of Parkland	0	0	150,000	0	0	150,000
25-7134 - Construction of 4 pickleball Courts (south)	Efficiency/ Improvement	Cash-in-lieu of Parkland	0	0	150,000	0	0	150,000
25-7142 - Komoka Park - Replace back stop at Komoka back diamond	Asset Management	Buildings & Facilities Reserve Fund	65,500	0	0	0	0	65,500
25-7147 - Kilworth Park - Drill Well for irrigation on soccer field	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	55,800	0	0	0	55,800
25-7148 - Kilworth Park - Add Irrigation onto soccer field with remote controller	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	75,000	0	0	0	75,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
25-7149 - Kilworth Park - Build soccer field + sodding of playing field	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	250,000	0	0	0	250,000
25-7150 - Poplar Hill Park Replace back stop and fencing front diamond	Asset Management	Buildings & Facilities Reserve Fund	65,000	0	0	0	0	65,000
25-7151 - Poplar Hill Park - Playground-accessible swing (shared w Lions Club)	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	80,000	0	0	0	0	80,000
25-7153 - Deerhaven Park- Expand asphalt trail and extend to all fields	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	37,800	0	0	0	37,800
25-7200 - Off Leash Dog Park (south)	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	50,000	0	0	50,000
25-7250 - Off Leash Dog Park (north)	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	50,000	0	0	50,000
25-7802 - Timberwalk Phase 5 Trail	Growth (Development Charges)	Development Charges	110,873	0	0	0	0	110,873
26-7102 - Bryanston Park/School - Resurface Multi-purpose courts + New Nets	Asset Management	Buildings & Facilities Reserve Fund	0	45,000	0	0	0	45,000
26-7107 - Komoka Park - Irrigation of Front baseball diamond	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	44,600	0	0	0	44,600
26-7108 - Weldon Park - Remove Chips and Dust and change to clay	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	40,500	0	0	0	40,500
26-7123 - Komoka Civic Square Construction	Growth (Development Charges)	Multiple	0	0	0	1,500,000	0	1,500,000
26-7124 - Komoka Park - Irrigation of back soccer fields	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	49,500	0	0	49,500
26-7125 - Kilworth Park- Add Soccer player benches, spectator benches, goals	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	36,500	0	0	36,500
26-7126 - Kilworth Park- Add soccer lighting	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	450,000	0	0	450,000
26-7128 - Heritage Park - Diamond Improvements	Asset Management	Buildings & Facilities Reserve Fund	0	39,600	0	0	0	39,600
26-7129 - Weldon Park - Tar + Chip road from front parking lot to tennis courts + back parking lot	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	46,500	0	0	0	46,500
26-7136 - Komoka Park Sports Lighting Upgrades -Diamonds and Tennis Court	Efficiency/ Improvement	Cash-in-lieu of Parkland	0	250,000	0	0	0	250,000
26-7146 - Meadowcreek Park- Add soccer field lighting	Growth (Development Charges)	Buildings & Facilities Reserve Fund	0	0	0	0	325,000	325,000
26-7153 - Denfield Park- Pavilion and washroom improvements	Asset Management	Buildings & Facilities Reserve Fund	0	48,500	0	0	0	48,500
27-7102 - Komoka Park - refinish tennis court and replace nets/posts	Asset Management	Buildings & Facilities Reserve Fund	0	0	42,000	0	0	42,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
27-7105 - Kilworth Park - Future Washroom building	Growth (Development Charges)	Buildings & Facilities Reserve Fund	0	0	0	250,000	0	250,000
27-7123 - Westbrook Park - Splashpad Renewal	Asset Management	Buildings & Facilities Reserve Fund	0	0	45,000	0	0	45,000
27-7124 - Edgewater Trail	Growth (Development Charges)	Development Charges	0	0	160,200	0	0	160,200
27-7127 - Brantam Park Development	Growth (Development Charges)	Development Charges	0	0	0	200,000	0	200,000
27-7129 - Komoka Park - Refresh of tennis court fencing	Asset Management	Buildings & Facilities Reserve Fund	0	0	35,000	0	0	35,000
27-7135 - Deerhaven Park- Replace gravel parking lot with asphalt	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	120,000	0	0	120,000
27-7138 - Denfield Park Tennis Court Refinishing	Asset Management	Buildings & Facilities Reserve Fund	0	0	39,500	0	0	39,500
27-7139 - Denfield Park- Ball field Drainage lines expanded + recondition	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	36,500	0	0	36,500
27-7153 - Poplar Hill Park- Replace back stop and fencing on back diamond	Asset Management	Buildings & Facilities Reserve Fund	0	0	75,000	0	0	75,000
28-7101 - Delaware Municipal Park- LED Sports Field lighting replacement	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	0	98,000	0	98,000
28-7115 - Denfield Park- Ball Diamond backstop and fencing replaced	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	78,900	0	78,900
28-7123 - Weldon Park-LED Sports Field lighting replacement	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	0	99,800	0	99,800
28-7804 - Bryanston Community Park	Growth (Development Charges)	Multiple	0	0	0	1,993,100	0	1,993,100
Parks & Open Space Total			706,273	1,677,300	1,681,400	4,219,800	325,000	8,609,773
Community Services Total			706,273	1,677,300	1,681,400	4,219,800	325,000	8,609,773
Environmental Services								
Stormwater:								
21-4204 - Komoka Drain No. 1-SWM Pond	Asset Management	Stormwater Capital Reserve Fund	2,735,000	2,590,000	0	0	0	5,325,000
23-4201 - Melrose Stormwater System - Relocate Drainage Systems	Efficiency/ Improvement	Stormwater Capital Reserve Fund	0	35,000	0	346,250	0	381,250
24-4202 - King/George Street Reconstruction	Asset Management	Stormwater Capital Reserve Fund	0	30,000	400,875	0	0	430,875
24-4236 - Parkland and Elmhurst Stormwater Servicing	Efficiency/ Improvement	Stormwater Capital Reserve Fund	767,000	0	0	0	0	767,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
25-4200 - Future projects from the Delaware SWM Master Plan	Efficiency/ Improvement	Stormwater Capital Reserve Fund	0	0	0	500,000	500,000	1,000,000
Stormwater Total			3,502,000	2,655,000	400,875	846,250	500,000	7,904,125
Wastewater:								
21-4104 - Ilderton Treatment Capacity Upgrades	Growth (Development Charges)	Development Charges	233,825	233,825	5,128,325	5,128,325	0	10,724,300
21-4199 - SCADA Replacement	Asset Management	Wastewater Capital Reserve Fund	365,000	426,843	207,882	222,025	208,650	1,430,400
22-4103 - Komoka WWTP - Aeration, Blower, and HVAC Improvements	Efficiency/ Improvement	Wastewater Capital Reserve Fund	625,858	0	0	0	0	625,858
24-4111 - Komoka Wastewater Treatment Plant Schedule C Environmental Assessment	Efficiency/ Improvement	Wastewater Capital Reserve Fund	300,000	50,000	0	0	0	350,000
24-4135 - Parkland and Elmhurst Wastewater Servicing	Efficiency/ Improvement	Wastewater Capital Reserve Fund	277,300	0	0	0	0	277,300
25-4331 - Ilderton Sewage Pump Station Mechanical Improvements	Asset Management	Wastewater Capital Reserve Fund	191,458	0	0	0	0	191,458
25-4332 - Arva Sewage Pump Station Pump Upgrades	Asset Management	Wastewater Capital Reserve Fund	76,757	0	0	0	0	76,757
25-4802 - New Komoka SPS2	Growth (Development Charges)	Multiple	0	405,780	5,816,214	0	0	6,221,994
26-4806 - Upgrade Sewer Main on Komoka Rd.	Growth (Development Charges)	Multiple	0	214,200	1,213,800	0	0	1,428,000
27-4804 - New Arva SPS2	Growth (Development Charges)	Development Charges	0	0	3,623,217	252,782	0	3,875,999
27-4805 - Upgrade Arva SPS1	Growth (Development Charges)	Multiple	0	0	93,130	1,334,870	0	1,428,000
28-4801 - Komoka WWTP Expansion Phase 1	Growth (Development Charges)	Multiple	0	0	0	23,571,000	0	23,571,000
29-4807 - New Sewer Main on Glendon Dr.	Growth (Development Charges)	Development Charges	0	0	300,000	0	4,300,000	4,600,000
Wastewater Total			2,070,198	1,330,648	16,382,568	30,509,002	4,508,650	54,801,066
Water:								
21-4302 - Melrose Lake Huron Primary Water Supply Connection	Asset Management	Water Capital Reserve Fund	3,067,650	730,000	0	0	0	3,797,650
21-4399 - SCADA Replacement (2 of 2)	Asset Management	Water Capital Reserve Fund	365,000	426,843	207,882	222,025	208,650	1,430,400
22-4314 - Glendon Drive Watermain Twinning	Efficiency/ Improvement	Water Capital Reserve Fund	607,457	0	0	0	0	607,457
23-4328 - King and George St. Reconstruction - Oversizing of Watermain	Growth (Development Charges)	Water Capital Reserve Fund	0	30,000	400,000	0	0	430,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
24-4334 - Parkland and Elmhurst Water Servicing	Efficiency/ Improvement	Water Capital Reserve Fund	212,400	0	0	0	0	212,400
24-4335 - Longwood Road Watermain Extension	Efficiency/ Improvement	Delaware Hydro Reserve Fund	60,000	0	0	0	0	60,000
26-4813 - Expand Komoka IPS	Growth (Development Charges)	Multiple	0	0	178,650	312,650	0	491,300
27-4808 - New Arva Water Storage Facility and BPS	Growth (Development Charges)	Multiple	0	0	267,000	3,827,000	0	4,094,000
27-4812 - Expand Komoka BPS	Growth (Development Charges)	Development Charges	0	0	150,000	990,000	0	1,140,000
27-4815 - Connect Arva to LHPWSS	Growth (Development Charges)	Multiple	0	0	133,000	133,000	1,774,000	2,040,000
28-4814 - Glendon Dr. Watermain (Highway 402 E to W of Komoka Rd.)	Growth (Development Charges)	Development Charges	0	0	386,000	0	5,526,000	5,912,000
Water Total			4,312,507	1,186,843	1,722,532	5,484,675	7,508,650	20,215,207
Environmental Services Total			9,884,705	5,172,491	18,505,975	36,839,927	12,517,300	82,920,398
Facility Services								
Arenas:								
24-6726 - Komoka Wellness Centre HVAC unit replacement	Asset Management	Buildings & Facilities Reserve Fund	0	75,000	0	0	0	75,000
24-6750 - Ilderton Arena - Arena Upgrades	Asset Management	Buildings & Facilities Reserve Fund	3,527,270	0	0	0	0	3,527,270
24-6770 - Komoka Wellness Centre - Replace Domestic Hot Water Tank #1 and # 3	Asset Management	Buildings & Facilities Reserve Fund	35,600	0	0	0	0	35,600
25-6705 - Komoka Wellness Centre- Lighting Retrofit-Phase 2	Asset Management	Buildings & Facilities Reserve Fund	95,000	0	0	0	0	95,000
25-6706 - Komoka Wellness Centre- Gym HVAC Replacement	Asset Management	Buildings & Facilities Reserve Fund	0	75,000	0	0	0	75,000
25-6714 - Komoka Wellness Centre - Refrigeration plant generator	Asset Management	Buildings & Facilities Reserve Fund	0	0	225,000	0	0	225,000
25-6723 - Komoka Wellness Centre - Building Automation Upgrades	Asset Management	Buildings & Facilities Reserve Fund	0	0	65,000	0	0	65,000
25-6725 - Komoka Wellness Centre Canadian Pad Sound System Replacement	Asset Management	Buildings & Facilities Reserve Fund	95,800	0	0	0	0	95,800
25-6726 - Komoka Wellness Centre- Replace Air Quality Monitoring System	Asset Management	Buildings & Facilities Reserve Fund	65,000	0	0	0	0	65,000
25-6740 - Komoka Wellness Centre - Plate & Frame Heat Exchange	Asset Management	Buildings & Facilities Reserve Fund	0	0	35,800	0	0	35,800

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
25-7223 - KWC - Supplementary Dehumidifier on Canadian ice pad	Asset Management	Buildings & Facilities Reserve Fund	80,000	0	0	0	0	80,000
26-6703 - Komoka Wellness Centre- Replace Outdoor Digital Sign	Asset Management	Buildings & Facilities Reserve Fund	0	0	150,000	0	0	150,000
26-6704 - Komoka Wellness Centre- Splashpad Improvements	Asset Management	Buildings & Facilities Reserve Fund	0	50,000	0	0	0	50,000
26-6727 - Komoka Wellness Centre- HVAC Replacement	Asset Management	Buildings & Facilities Reserve Fund	0	0	75,000	0	0	75,000
26-7225 - Ilderton Arena road sign replacement	Asset Management	Buildings & Facilities Reserve Fund	0	36,000	0	0	0	36,000
26-7226 - KWC - Refinish gymnasium floor with sport markings	Asset Management	Buildings & Facilities Reserve Fund	0	44,500	0	0	0	44,500
26-7227 - KWC - Replacement of the front sliding doors (2)	Asset Management	Buildings & Facilities Reserve Fund	0	35,600	0	0	0	35,600
27-6702 - Komoka Wellness Centre - Recondition Library + YMCA roof	Asset Management	Buildings & Facilities Reserve Fund	0	0	350,000	0	0	350,000
27-6726 - Komoka Wellness Centre - HVAC equipment replacement	Asset Management	Buildings & Facilities Reserve Fund	0	0	38,500	0	0	38,500
27-7222 - KWC - replacement of kickstrip on Canadian rink	Asset Management	Buildings & Facilities Reserve Fund	0	0	38,500	0	0	38,500
27-7223 - KWC - Replacement of skate tile rubber flooring at all wear points	Asset Management	Buildings & Facilities Reserve Fund	0	0	48,600	0	0	48,600
27-7224 - KWC - Replacement of RTU- 5 HVAC unit	Asset Management	Buildings & Facilities Reserve Fund	0	0	65,000	0	0	65,000
28-6718 - Komoka Wellness Centre - Replace Arid-Ice dehumidifier	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	175,800	0	175,800
28-6720 - Ilderton Arena Recondition of Existing Roof	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	350,000	0	350,000
28-7223 - KWC - Replacement of yellow kick strip on Coors ice pad	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	35,800	0	35,800
28-7224 - KWC - Replacement of RTU - 4 HVAC unit	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	65,000	0	65,000
28-7225 - KWC - replace 2 cold rink floor glycol pump motors	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	36,400	0	36,400
29-7222 - KWC - Replace plates and gaskets in cold glycol Plate and Frame heat exchanger	Asset Management	Buildings & Facilities Reserve Fund	0	0	85,200	0	0	85,200
29-7224 - KWC - replacement of rubber flooring in change rooms + hallway	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	0	95,000	95,000
29-7225 - KWC - playground replacement	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	0	125,000	125,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
29-7226 - KWC - Plate and frame heat exchanger renewal for condenser	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	0	68,000	68,000
Arenas Total			3,898,670	316,100	1,176,600	663,000	288,000	6,342,370
Community Centres:								
25-6707 - Komoka Community Centre-Lighting Upgrade - Entire Facility	Asset Management	Buildings & Facilities Reserve Fund	68,000	0	0	0	0	68,000
25-6709 - Ilderton Community Centre - Resurface asphalt parking lot and service entrance.	Asset Management	Buildings & Facilities Reserve Fund	160,000	0	0	0	0	160,000
25-6710 - Komoka Community Centre - Washroom Accessibility Upgrades	Efficiency/Improvement	Buildings & Facilities Reserve Fund	96,400	0	0	0	0	96,400
25-6716 - Komoka Community Centre - Asphalt Parking Lot	Asset Management	Buildings & Facilities Reserve Fund	0	185,000	0	0	0	185,000
25-6752 - Komoka Community Centre-Main Hall Flooring Replacement	Asset Management	Buildings & Facilities Reserve Fund	89,800	0	0	0	0	89,800
25-6753 - Komoka Community Centre Washroom Renovations	Asset Management	Buildings & Facilities Reserve Fund	70,000	0	0	0	0	70,000
25-6771 - Ilderton Community Centre - Main Hall Flooring refinish + repairs	Asset Management	Buildings & Facilities Reserve Fund	36,500	0	0	0	0	36,500
25-7221 - Bryanston Community Centre - ceiling renewal	Asset Management	Buildings & Facilities Reserve Fund	67,250	0	0	0	0	67,250
25-7222 - Coldstream Community Centre Kitchen renewal project	Asset Management	Buildings & Facilities Reserve Fund	98,800	0	0	0	0	98,800
26-6701 - Delaware Community Centre-Upper Roof Replacement	Asset Management	Buildings & Facilities Reserve Fund	0	175,800	0	0	0	175,800
26-6758 - Ilderton Community Centre-Kitchen & Bar Appliances	Asset Management	Buildings & Facilities Reserve Fund	0	36,200	0	0	0	36,200
26-7218 - Komoka Community Centre kitchen appliances (commercial)	Asset Management	Buildings & Facilities Reserve Fund	0	38,900	0	0	0	38,900
26-7219 - Komoka Community Centre kitchen refresh	Efficiency/Improvement	Buildings & Facilities Reserve Fund	0	48,500	0	0	0	48,500
26-7220 - Komoka Community Centre - basketball net system replacement	Asset Management	Buildings & Facilities Reserve Fund	0	26,800	0	0	0	26,800
26-7221 - Delaware Community Centre - Commercial kitchen appliances	Asset Management	Buildings & Facilities Reserve Fund	0	38,900	0	0	0	38,900
26-7222 - Delaware Community Centre kitchen renewal project	Efficiency/Improvement	Buildings & Facilities Reserve Fund	0	48,800	0	0	0	48,800
26-7223 - Coldstream Community Centre - lighting retrofit in main hall	Asset Management	Buildings & Facilities Reserve Fund	0	37,150	0	0	0	37,150
26-7224 - Coldstream Community Centre grounds patio outfitting	Efficiency/Improvement	Buildings & Facilities Reserve Fund	0	35,000	0	0	0	35,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
27-6759 - Ilderton Community Centre - Hydro Panel Upgrade	Asset Management	Buildings & Facilities Reserve Fund	0	0	42,000	0	0	42,000
27-6760 - Ilderton Community Centre - Bathroom Improvements	Asset Management	Buildings & Facilities Reserve Fund	0	0	44,600	0	0	44,600
27-6761 - Ilderton Community Centre - LED Lighting upgrade	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	38,000	0	0	38,000
28-6762 - Ilderton Community Centre - Roof Recondition/ Painting	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	58,200	0	58,200
28-7222 - Bryanston Community Centre-Main Hall flooring replacement	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	49,700	0	49,700
Community Centres Total			686,750	671,050	124,600	107,900	0	1,590,300
Fire Halls:								
25-7166 - Ilderton Firehall- Perimeter walkway renewal- new concrete walkways	Asset Management	Buildings & Facilities Reserve Fund	39,600	0	0	0	0	39,600
26-7165 - Delaware Firehall- Exterior lettering + exterior refresh (paint, eavestrough, stucco, etc.)	Asset Management	Buildings & Facilities Reserve Fund	0	36,500	0	0	0	36,500
26-7170 - Arva Firehall- Asphalt front and widen laneway	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	36,200	0	0	0	36,200
27-7166 - Ilderton Fire Hall - Parking Lot asphalt replacement/renewal	Asset Management	Buildings & Facilities Reserve Fund	0	0	145,000	0	0	145,000
28-6201 - Bryanston CC and Firehall HVAC Replacement	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	65,800	0	65,800
28-7165 - Coldstream Firehall - Trane Heat Pump #1	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	38,500	0	38,500
28-7166 - Ilderton Firehall- HVAC Renewal	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	42,500	0	42,500
28-7170 - Asphalt back parking lot + restripe	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	145,000	0	145,000
28-7171 - Bryanston Firehall- Standby Generator for Full facility	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	0	0	35,000	0	35,000
29-6110 - Additional Fire Facility Space	Growth (Development Charges)	Multiple	0	0	0	0	3,790,000	3,790,000
29-6200 - Arva Firehall-Replace Roof	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	0	165,000	165,000
29-7165 - Coldstream Firehall- Trane Heat Pump #2 update	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	0	38,500	38,500
Fire Halls Total			39,600	72,700	145,000	326,800	3,993,500	4,577,600
Leased Properties:								
25-6102 - Bryanston Park/School - Lower Roof Replacement	Asset Management	Buildings & Facilities Reserve Fund	200,000	0	0	0	0	200,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
25-6118 - Bryanston School - Asphalt Parking Lot	Asset Management	Buildings & Facilities Reserve Fund	0	195,000	0	0	0	195,000
25-6742 - Bryanston School Property- New Roof over Gymnasium	Asset Management	Buildings & Facilities Reserve Fund	158,000	0	0	0	0	158,000
25-6743 - Bryanston School Property - Replace Classroom Windows	Asset Management	Buildings & Facilities Reserve Fund	85,600	0	0	0	0	85,600
25-7160 - Medical Centre Lighting Retrofit interior and exterior	Efficiency/ Improvement	Medical Centre Reserve Fund	35,000	0	0	0	0	35,000
26-7160 - Medical Centre- Board Room conversion to exam rooms	Efficiency/ Improvement	Medical Centre Reserve Fund	0	42,500	0	0	0	42,500
26-7162 - Medical Centre- Renewal of asphalt parking lot	Asset Management	Medical Centre Reserve Fund	0	145,000	0	0	0	145,000
29-7150 - Medical Centre- Roof recondition of membrane	Asset Management	Medical Centre Reserve Fund	0	0	0	0	175,000	175,000
Leased Properties Total			478,600	382,500	0	0	175,000	1,036,100
Municipal Office:								
23-6103 - Municipal Office Renovations/Construction	Asset Management	Municipal Office Build Reserve Fund	450,000	0	0	0	0	450,000
24-6775 - Municipal Office Landscaping (Office Reno)	Asset Management	Municipal Office Build Reserve Fund	50,000	0	0	0	0	50,000
Municipal Office Total			500,000	0	0	0	0	500,000
PWE Operations Centres:								
25-6306 - Denfield PWE - Wash Bay structural steel posts	Asset Management	Buildings & Facilities Reserve Fund	58,200	0	0	0	0	58,200
25-6307 - Denfield PWE - Storage lean-to for sand/ soil	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	64,905	0	0	0	0	64,905
25-6756 - Denfield Operations Centre LED retrofit lighting project in conjunction with Save on Energy.	Asset Management	Buildings & Facilities Reserve Fund	92,000	0	0	0	0	92,000
25-7224 - Denfield PWE - add heat and smoke detection to the mechanics and apparatus bays	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	38,000	0	0	0	38,000
26-6303 - PWE - Electric Equipment Charging Infrastructure Phase 1	Efficiency/ Improvement	General Vehicles & Equipment Reserve Fund	0	250,000	0	0	0	250,000
26-6304 - PWE Works - Energy Generation Project	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	300,000	0	0	0	300,000
26-7228 - Denfield PWE - LED lighting retrofit to Equipment bays and salt shed	Efficiency/ Improvement	Buildings & Facilities Reserve Fund	0	78,250	0	0	0	78,250
26-7229 - Denfield PWE - Front gate automatic gate renewal project	Asset Management	Buildings & Facilities Reserve Fund	0	42,500	0	0	0	42,500
27-6303 - PWE Electric Equipment Charging Infrastructure Phase 2	Efficiency/ Improvement	General Vehicles & Equipment Reserve Fund	0	0	250,000	0	0	250,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
28-6300 - Recondition Delaware Roads Yard Roof	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	75,000	0	75,000
28-6301 - Denfield Roads Yard Recondition Roof	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	75,000	0	75,000
28-7227 - Denfield PWE - training room and office HVAC renewal	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	64,700	0	64,700
29-6802 - New Delaware PWE Facility & Sand/Salt Storage	Growth (Development Charges)	Multiple	0	0	0	0	21,024,000	21,024,000
29-7227 - Denfield PWE - recondition/renewal of lower flat roof	Asset Management	Buildings & Facilities Reserve Fund	0	0	0	0	125,000	125,000
PWE Operations Centres Total			215,105	708,750	250,000	214,700	21,149,000	22,537,555
Facility Services Total			5,818,725	2,151,100	1,696,200	1,312,400	25,605,500	36,583,925
Fire and Emergency Operations								
Fire Operations:								
25-2200 - Extrication Equipment	Asset Management	Fire Vehicles & Equipment Reserve Fund	70,000	0	0	0	0	70,000
25-2202 - Personal Protective Equipment (PPE)	Asset Management	Fire Vehicles & Equipment Reserve Fund	50,000	0	0	0	0	50,000
26-2200 - Extrication Equipment	Asset Management	Fire Vehicles & Equipment Reserve Fund	0	70,000	0	0	0	70,000
28-6801 - Training Facility Space	Growth (Development Charges)	Multiple	0	0	0	75,000	0	75,000
29-2203 - Complete SCBA System Replacement	Asset Management	Fire Vehicles & Equipment Reserve Fund	0	0	0	0	1,400,000	1,400,000
Fire Operations Total			120,000	70,000	0	75,000	1,400,000	1,665,000
Fire and Emergency Operations Total			120,000	70,000	0	75,000	1,400,000	1,665,000
Fleet Services								
Building Fleet:								
26-2501 - New Vehicle	Efficiency/Improvement	Building Department Reserve Fund	0	60,000	0	0	0	60,000
Building Fleet Total			0	60,000	0	0	0	60,000
Community Services Fleet:								
25-7220 - Replacement Trailer	Asset Management	General Vehicles & Equipment Reserve Fund	25,000	0	0	0	0	25,000
25-7331 - New Lawn Sweeper	Efficiency/Improvement	General Vehicles & Equipment Reserve Fund	17,500	0	0	0	0	17,500

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
25-7334 - Replacement Ice Resurfacers	Asset Management	General Vehicles & Equipment Reserve Fund	60,000	0	0	0	0	60,000
25-7339 - New Diamond Groomer	Efficiency/ Improvement	General Vehicles & Equipment Reserve Fund	12,000	0	0	0	0	12,000
25-7402 - Replacement 1/2 Ton Pickup Truck	Asset Management	General Vehicles & Equipment Reserve Fund	67,500	0	0	0	0	67,500
25-7403 - Replacement 1/2 Ton Pickup Truck	Asset Management	General Vehicles & Equipment Reserve Fund	67,500	0	0	0	0	67,500
25-7405 - Replacement 3/4 Ton Pickup Truck	Asset Management	General Vehicles & Equipment Reserve Fund	90,000	0	0	0	0	90,000
26-7210 - Replacement Vehicle	Asset Management	General Vehicles & Equipment Reserve Fund	0	55,000	0	0	0	55,000
26-7302 - Ilderton Arena- Replacement Electric Ice Resurfacers	Asset Management	General Vehicles & Equipment Reserve Fund	0	225,000	0	0	0	225,000
26-7332 - Replacement Mower	Asset Management	General Vehicles & Equipment Reserve Fund	0	25,000	0	0	0	25,000
26-7401 - Replacement 1/2 Ton Pickup Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	67,500	0	0	0	67,500
26-7409 - Replacement 1/2 Ton Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	67,500	0	0	0	67,500
27-7201 - New 18' -20' Float Trailer	Growth (Development Charges)	Development Charges	0	0	25,000	0	0	25,000
27-7335 - New Zero Turn Mower	Growth (Development Charges)	Development Charges	0	0	30,000	0	0	30,000
27-7336 - New Zero Turn Mower	Growth (Development Charges)	Development Charges	0	0	25,000	0	0	25,000
27-7339 - Replacement Zero Turn Mower	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	30,000	0	0	30,000
27-7340 - Replacement Zero Turn Mower	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	30,000	0	0	30,000
27-7406 - New 1/2 Ton Truck	Growth (Development Charges)	Development Charges	0	0	67,500	0	0	67,500
27-7410 - New 1/2 Ton Truck	Growth (Development Charges)	Development Charges	0	0	67,500	0	0	67,500
28-7230 - New 18' Trailer	Growth (Development Charges)	Development Charges	0	0	0	25,000	0	25,000
28-7342 - Replacement Front Mount Mower	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	60,000	0	60,000
28-7343 - Replacement Zero Turn Mower	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	30,000	0	30,000
28-7344 - Replacement Progressive Finishing Mower	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	45,000	0	45,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
28-7345 - Replacement Tractor	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	65,000	0	65,000
29-7341 - Replacement Front Mount Mower	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	60,000	60,000
29-7346 - Replacement Zero Turn Mower	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	30,000	30,000
29-7347 - Replacement Tractor	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	35,000	35,000
29-7411 - Replacement 3/4 Ton truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	90,000	90,000
29-7412 - Replacement 3/4 Ton Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	90,000	90,000
Community Services Fleet Total			339,500	440,000	275,000	225,000	305,000	1,584,500
Environmental Services Fleet:								
25-4113 - Replacement Pickup Truck	Asset Management	Wastewater Capital Reserve Fund	85,000	0	0	0	0	85,000
26-4310 - Replacement Cargo Trailer	Asset Management	Water Capital Reserve Fund	0	35,000	0	0	0	35,000
26-4314 - Replacement Vehicle	Asset Management	Water Capital Reserve Fund	0	55,000	0	0	0	55,000
27-4315 - Replacement 1 Ton Truck	Asset Management	Wastewater Capital Reserve Fund	0	0	150,000	0	0	150,000
Environmental Services Fleet Total			85,000	90,000	150,000	0	0	325,000
Fire Fleet:								
25-2261 - Replacement Pumper/Tanker for Ilderton	Asset Management	Fire Vehicles & Equipment Reserve Fund	725,000	0	0	0	0	725,000
27-2264 - Replacement Delaware Engine	Asset Management	Fire Vehicles & Equipment Reserve Fund	0	0	780,000	0	0	780,000
28-2267 - Replacement Multi-Use Pickup	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	80,000	0	80,000
29-2262 - New Aerial Vehicle (100' Platform)	Growth (Development Charges)	Development Charges	0	0	0	0	2,300,000	2,300,000
Fire Fleet Total			725,000	0	780,000	80,000	2,300,000	3,885,000
PWE Transportation Fleet:								
25-3265 - Replacement Tandem Truck	Asset Management	General Vehicles & Equipment Reserve Fund	500,000	0	0	0	0	500,000
25-3326 - Replacement Grader	Asset Management	General Vehicles & Equipment Reserve Fund	750,000	0	0	0	0	750,000
25-3418 - Replacement Backhoe	Asset Management	General Vehicles & Equipment Reserve Fund	0	250,000	0	0	0	250,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
25-3521 - Replacement Hydro Seeder	Asset Management	General Vehicles & Equipment Reserve Fund	130,000	0	0	0	0	130,000
25-3533 - Replacement Loader	Asset Management	General Vehicles & Equipment Reserve Fund	400,000	0	0	0	0	400,000
25-3534 - Replacement Roadside Mower	Asset Management	General Vehicles & Equipment Reserve Fund	25,000	0	0	0	0	25,000
25-3634 - Replacement Plate Tamper	Asset Management	General Vehicles & Equipment Reserve Fund	32,500	0	0	0	0	32,500
26-3216 - Replacement Highway Tractor	Asset Management	General Vehicles & Equipment Reserve Fund	0	325,000	0	0	0	325,000
26-3268 - Replacement 1 Ton Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	140,000	0	0	0	140,000
26-3269 - Replacement Vehicle	Asset Management	General Vehicles & Equipment Reserve Fund	0	60,000	0	0	0	60,000
26-3284 - Replacement Vehicle	Asset Management	General Vehicles & Equipment Reserve Fund	0	60,000	0	0	0	60,000
26-3325 - Replacement Grader	Asset Management	General Vehicles & Equipment Reserve Fund	0	750,000	0	0	0	750,000
26-3629 - Replacement Live Bottom Trailer	Asset Management	General Vehicles & Equipment Reserve Fund	0	200,000	0	0	0	200,000
26-3635 - Replacement Trailer	Asset Management	General Vehicles & Equipment Reserve Fund	0	10,000	0	0	0	10,000
27-3200 - Replacement Tri-Axle Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	550,000	0	0	550,000
27-3203 - Replacement 1 Ton Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	140,000	0	0	140,000
27-3214 - Replacement 1/2 Ton Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	70,000	0	0	70,000
27-3215 - Replacement 1/2 Ton Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	70,000	0	0	70,000
27-3266 - Replacement Single Axle Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	325,000	0	0	325,000
27-3504 - Replacement Sidewalk Plow	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	250,000	0	0	250,000
28-3262 - Replacement Roll Off Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	550,000	0	550,000
28-3263 - Replacement Tandem Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	500,000	0	500,000
28-3267 - Replacement Single Axle Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	325,000	0	325,000
28-3420 - Replacement Backhoe	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	250,000	0	250,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
28-3536 - Replacement Road Widener Attachment	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	85,000	0	85,000
28-3630 - Replacement Steel Drum Roller	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	65,000	0	65,000
29-3263 - Replacement Tandem Truck (Oiler)	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	450,000	450,000
29-3264 - Replacement Single Axle Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	325,000	325,000
29-3283 - Replacement 1/2 Ton Truck	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	70,000	70,000
29-3532 - Replacement Sidewalk Plow	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	250,000	250,000
29-3533 - Replacement Forklift	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	50,000	50,000
29-3536 - Replacement Roadside Mower	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	25,000	25,000
29-3616 - Replacement Steel Drum Roller	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	250,000	250,000
29-3630 - Replacement Construction Trailer	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	35,000	35,000
29-3632 - Replacement Chip Spreader	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	300,000	300,000
29-3633 - Replacement Rubber Tire Roller	Asset Management	General Vehicles & Equipment Reserve Fund	0	0	0	0	200,000	200,000
PWE Transportation Fleet Total			1,837,500	1,795,000	1,405,000	1,775,000	1,955,000	8,767,500
Fleet Services Total			2,987,000	2,385,000	2,610,000	2,080,000	4,560,000	14,622,000
Public Works & Engineering								
Transportation:								
21-3137 - Old River Road (Glendon Dr to Pulham Rd)	Asset Management	Roads Capital Reserve Fund	3,335,000	0	0	0	0	3,335,000
23-3109 - King and George Street Reconstruction	Growth (Development Charges)	Multiple	0	40,000	535,000	0	0	575,000
24-3107 - Vanneck Road Reconstruction (Sunningdale Road and Egremont Drive)	Asset Management	Roads Capital Reserve Fund	0	600,000	0	0	0	600,000
24-3115 - Repair Bridge B-526; Vanneck Rd	Asset Management	Roads Capital Reserve Fund	743,000	0	0	0	0	743,000
24-3116 - Replace Culvert C-153; Sixteen Mile Rd.	Asset Management	OCIF Reserve Fund	375,500	0	0	0	0	375,500

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
24-3117 - Replace Culvert C-159; Sixteen Mile Rd.	Asset Management	OCIF Reserve Fund	295,000	0	0	0	0	295,000
24-3118 - Elmhurst St & Parkland PI Urbanization	Efficiency/ Improvement	Roads Capital Reserve Fund	1,180,000	0	0	0	0	1,180,000
24-3119 - Replace Culvert C-155; Clarke Rd.	Asset Management	OCIF Reserve Fund	560,500	0	0	0	0	560,500
24-3124 - Replace Culvert C-575; McEwen Dr.	Asset Management	Roads Capital Reserve Fund	355,000	0	0	0	0	355,000
24-3125 - Repair Culvert C-131; Adelaide St.	Asset Management	Roads Capital Reserve Fund	175,000	0	0	0	0	175,000
24-3126 - Repair Culvert C-111; Thirteen Mile Rd.	Asset Management	Roads Capital Reserve Fund	175,000	0	0	0	0	175,000
24-3539 - Longwoods Pedestrian Crossover	Efficiency/ Improvement		95,000	0	0	0	0	95,000
25-3101 - Hot Mix Resurfacing	Asset Management	Roads Capital Reserve Fund	1,000,000	0	0	0	0	1,000,000
25-3102 - Tar & Chip Resurfacing	Asset Management	Roads Capital Reserve Fund	700,000	0	0	0	0	700,000
25-3114 - Rehabilitate Bridge B-140, Fourteen Mile Road	Asset Management	CCBF Reserve Fund	45,000	300,000	0	0	0	345,000
25-3117 - Replace Culvert C-560, Poplar Hill Road	Asset Management	OCIF Reserve Fund	33,000	400,000	0	0	0	433,000
25-3119 - Replace Culvert C-567, McEwen Drive	Asset Management	OCIF Reserve Fund	66,000	350,000	0	0	0	416,000
25-3120 - Replace Culvert C-556, Fernhill Drive	Asset Management	OCIF Reserve Fund	75,000	525,000	0	0	0	600,000
25-3121 - Repair Culvert C-317, Southdel Drive	Asset Management	OCIF Reserve Fund	26,250	175,000	0	0	0	201,250
25-3122 - Replace Culvert C-568, Gold Creek Drive	Asset Management	CCBF Reserve Fund	66,000	350,000	0	0	0	416,000
25-3123 - Bodkin Road (Jones Drive to Southdel Bourne) Gravel Road Conversion to LCB	Efficiency/ Improvement	Roads Capital Reserve Fund	600,876	0	0	0	0	600,876
25-3124 - Vanneck Road Reconstruction (Sunningdale Road to Gold Creek Drive)	Asset Management	Roads Capital Reserve Fund	0	641,667	0	0	0	641,667
25-3126 - Relining Arva Dam Outlet Pipe	Asset Management	Roads Capital Reserve Fund	0	500,000	0	0	0	500,000
25-3139 - Replacement Denfield Wash Bay Equipment	Asset Management	General Vehicles & Equipment Reserve Fund	0	35,000	0	0	0	35,000
25-3538 - Replacement Fuel System & Card Lock	Asset Management	General Vehicles & Equipment Reserve Fund	75,000	0	0	0	0	75,000

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
26-3101 - Hot Mix Resurfacing	Asset Management	Roads Capital Reserve Fund	0	1,100,000	0	0	0	1,100,000
26-3102 - Tar & Chip Resurfacing	Asset Management	Roads Capital Reserve Fund	0	700,000	0	0	0	700,000
26-3104 - Sidewalk Replacement	Asset Management	Roads Capital Reserve Fund	0	200,000	0	0	0	200,000
26-3109 - Carriage Road Reconstruction (800m South of Gideon to Longwoods Road)	Asset Management	Roads Capital Reserve Fund	0	0	1,915,000	0	0	1,915,000
26-3111 - Waterproof & Pave Bridge B-130, Twelve Mile Road	Asset Management	CCBF Reserve Fund	0	25,000	150,000	0	0	175,000
26-3114 - Repair Bridge B-113, Eight Mile Road	Asset Management	CCBF Reserve Fund	0	42,000	275,000	0	0	317,000
26-3115 - Repair Bridge B-528, Oxbow Drive	Asset Management	CCBF Reserve Fund	0	60,000	400,000	0	0	460,000
26-3118 - Replace Bridge B-132, Ilderton Road	Asset Management	OCIF Reserve Fund	0	210,000	1,400,000	0	0	1,610,000
26-3122 - Carriage Road Reconstruction (Little Wood Drive to Southdel Bourne)	Asset Management	Roads Capital Reserve Fund	0	0	1,400,000	0	0	1,400,000
26-3124 - Southdel Bourne (Bodkin Road to Magdala Rd/ River Road) Conversion from Gravel to LCB	Efficiency/ Improvement	Roads Capital Reserve Fund	0	400,000	0	0	0	400,000
26-3126 - Replace Culvert C-161, Sixteen Mile Road	Asset Management	OCIF Reserve Fund	0	66,000	350,000	0	0	416,000
26-3127 - Repair Culvert C-520, Ivan Drive	Asset Management	CCBF Reserve Fund	0	22,500	150,000	0	0	172,500
26-3139 - Replacement Delaware Wash Bay Equipment	Asset Management	General Vehicles & Equipment Reserve Fund	0	35,000	0	0	0	35,000
26-3826 - New Pedestrian Crossing (Hyde Park Rd at Heritage Dr)	Growth (Development Charges)	Multiple	0	95,000	0	0	0	95,000
27-3101 - Hot Mix Resurfacing	Asset Management	Roads Capital Reserve Fund	0	0	1,100,000	0	0	1,100,000
27-3102 - Tar & Chip Resurfacing	Asset Management	Roads Capital Reserve Fund	0	0	700,000	0	0	700,000
27-3104 - Sidewalk Expansion (Arva)	Efficiency/ Improvement	Roads Capital Reserve Fund	0	0	350,000	0	0	350,000
27-3105 - Street Light Expansion (Arva)	Efficiency/ Improvement	Roads Capital Reserve Fund	0	0	550,000	0	0	550,000
27-3109 - Replace Culvert C-547, Oxbow Drive	Asset Management	OCIF Reserve Fund	0	0	71,250	475,000	0	546,250

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Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
27-3110 - Coldstream Road Reconstruction (Oxbow Drive to Glendon Drive)	Asset Management	Roads Capital Reserve Fund	0	0	0	2,000,000	0	2,000,000
27-3119 - Replace Culvert C-102, Thirteen Mile Road	Asset Management	CCBF Reserve Fund	0	0	66,000	440,000	0	506,000
27-3120 - Replace Culvert C-571, Ivan Drive	Asset Management	CCBF Reserve Fund	0	0	66,000	440,000	0	506,000
27-3121 - Replace Culvert C-578, Fernhill Drive	Asset Management	OCIF Reserve Fund	0	0	66,000	440,000	0	506,000
27-3122 - Rehabilitate Bridge B-529, Oxbow Drive	Asset Management	OCIF Reserve Fund	0	0	200,000	1,300,000	0	1,500,000
27-3123 - Replace Culvert C-119, Nine Mile Road	Asset Management	Roads Capital Reserve Fund	0	0	66,000	440,000	0	506,000
27-3125 - Glendon Drive Urbanization (Komoka Rd to Jeffries Rd)	Growth (Development Charges)	Multiple	0	0	1,155,500	1,100,000	0	2,255,500
28-3101 - Hot Mix Resurfacing	Asset Management	Roads Capital Reserve Fund	0	0	0	1,100,000	0	1,100,000
28-3102 - Tar & Chip Resurfacing	Asset Management	Roads Capital Reserve Fund	0	0	0	700,000	0	700,000
28-3104 - Sidewalk Expansion (Ilderton)	Efficiency/ Improvement	Roads Capital Reserve Fund	0	0	0	450,000	0	450,000
28-3105 - Street Light Expansion (Birr)	Efficiency/ Improvement	Roads Capital Reserve Fund	0	0	0	550,000	0	550,000
28-3106 - Wonderland Road Reconstruction (Ilderton Road to 13 Mile)	Asset Management	Roads Capital Reserve Fund	0	0	0	0	2,300,000	2,300,000
28-3108 - Repair Bridge B-139, Fourteen Mile Road	Asset Management	OCIF Reserve Fund	0	0	0	53,000	353,000	406,000
28-3109 - Repair Bridge B-517, Coldstream Road	Asset Management	CCBF Reserve Fund	0	0	0	52,500	350,000	402,500
28-3127 - Repair Bridge B-122, Ten Mile Road	Asset Management	OCIF Reserve Fund	0	0	0	113,400	756,000	869,400
28-3128 - Replace Bridge B-312, Cook Road	Asset Management	OCIF Reserve Fund	0	0	0	87,750	585,000	672,750
29-3101 - Hot Mix Resurfacing	Asset Management	Roads Capital Reserve Fund	0	0	0	0	1,100,000	1,100,000
29-3102 - Tar & Chip Resurfacing	Asset Management	Roads Capital Reserve Fund	0	0	0	0	700,000	700,000
29-3104 - Sidewalk Expansion	Efficiency/ Improvement	Roads Capital Reserve Fund	0	0	0	0	350,000	350,000
29-3105 - Street Light Expansion (Delaware)	Efficiency/ Improvement	Roads Capital Reserve Fund	0	0	0	0	550,000	550,000

Supplementary Information

Department/ Project	Project Type	Financing	2025	2026	2027	2028	2029	Total
29-3107 - Reconstruct Clarke Road (Medway Road to 8 Mile Road)	Asset Management	OCIF Reserve Fund	0	0	0	0	720,000	720,000
29-3112 - Repair Bridge B-134, Thirteen Mile Road	Asset Management	CCBF Reserve Fund	0	0	0	0	50,000	50,000
29-3113 - Repair Bridge B-303, Brigham Road	Asset Management	OCIF Reserve Fund	0	0	0	0	50,000	50,000
29-3114 - Repair Bridge B-308, Little Church Drive	Asset Management	OCIF Reserve Fund	0	0	0	0	75,000	75,000
29-3115 - Reconstruction of Railway Ave & Tunks Ln	Efficiency/ Improvement	Roads Capital Reserve Fund	0	0	0	0	250,000	250,000
29-3116 - Rehabilitate Bridge B-537, Oxbow Drive	Asset Management	CCBF Reserve Fund	0	0	0	0	160,000	160,000
29-3122 - Oxbow Dr. W Urban (Komoka Rd to 375m west) - Upgrade	Growth (Development Charges)	Multiple	0	0	0	0	75,000	75,000
29-3124 - Oxbow Dr. W Rural (Amiens to 2000m east) Upgrade	Growth (Development Charges)	Multiple	0	0	0	0	180,000	180,000
Transportation Total			9,976,126	6,872,167	10,965,750	9,741,650	8,604,000	46,159,693
Public Works & Engineering Total			9,976,126	6,872,167	10,965,750	9,741,650	8,604,000	46,159,693
Total			29,492,829	18,328,058	35,459,325	54,268,777	53,011,800	190,560,789

Note: The 5-year capital forecast includes 2024 carry forward project amounts.

➔ The detailed 5-year capital budget is also available in Middlesex Centre's [Open Budget](#).

Supplementary Information

Acronyms

ABCA – Ausable Bayfield Conservation Authority	ECDM – Energy Conservation and Demand Management Plan
AMCTO – Association of Municipal Managers, Clerks and Treasurers of Ontario	FCM – Federation of Canadian Municipalities
AMO – Association of Municipalities of Ontario	FIR – Financial Information Return
AMP – Asset Management Plan	FOI – Freedom of Information
AMPS – Administrative Monetary Penalty System	FTE – Full-Time Equivalent Position
AODA – Accessibility for Ontarians with Disabilities Act	GAAP – General Accepted Accounting Principles
ARL – Annual Repayment Limit (Debt)	GFOA – Government Finance Officers Association
BCA – Building Condition Assessment	GIS – Geographic Information System
BCI – Bridge Condition Index	GPS – Global Positioning system
BRA – Bluewater Recycling Association	HCB – High Class Bituminous (Asphalt)
CAO – Chief Administration Officer	HR – Human Resources
CCBF – Canada Community-Building Fund	HVAC – Heating Ventilation Air Conditioning
CDM – Conservation and Demand Management	IT – Information Technology
CICA – Canadian Institute of Chartered Accountants	KCCA – Kettle Creek Conservation Authority
CPI – Consumer Price Index	km – kilometres
CPA – Chartered Professional Accountant	LCB – Low Class Bituminous (Tar & Chip)
CRV – Current Replacement Value	LED – Light Emitting Diode
CVA – Current Value Assessment	LRFP – Long Range Financial Plan
DC – Development Charge(s)	LHPWSS – Lake Huron Primary Water Supply System
DCBS – Development Charges Background Study	LVTCA – Lower Thames Valley Conservation Authority
DEI – Diversity, Equity and Inclusion	MCFS – Middlesex Centre Fire Services
DWQMS – Drinking Water Quality Management Standard	MMAH – Ministry of Municipal Affairs and Housing

Supplementary Information

MMS – Minimum Maintenance Standards

MPAC – Municipal Property Assessment Corporation

MTO – Ministry of Transportation

NBV – Net Book Value

OCWA – Ontario Clean Water Agency

OCIF – Ontario Community Infrastructure Fund

OFM – Ontario Fire Marshal

OMERS – Ontario Municipal Employees Retirement System

OMPF – Ontario Municipal Partnership Fund

OP – Official Plan

OPP – Ontario Provincial Police

O. REG. – Government of Ontario Regulation

OSIM – Ontario Structure Inspection Manual

PCI - Pavement Condition Index

POA – Provincial Offences Act

PSA – Public Sector Accounting

PSAB – Public Sector Accounting Board

PTE – Part-Time Equivalent Position

PWE – Public Works and Engineering

RFP – Request for Proposal

RFQ – Request for Quotation

ROW – Right of Way

RTQ – Realty Tax Qualifier

SCADA – Supervisory control and data acquisition

SCRCA – St. Clair Region Conservation Authority

SMT – Senior Management Team

SWM – Stormwater Management

TCA – Tangible Capital Asset

TMP – Transportation Master Plan

UTRCA – Upper Thames River Conservation Authority

WSIB – Workplace Safety and Insurance Board

Supplementary Information

Glossary of Terms

Accrual Basis of Accounting – A method of accounting that recognizes revenue as earned and expenditures as incurred rather than waiting until cash is exchanged.

Actual – Actual (as opposed to budget) revenues and expenditures for the fiscal year indicated.

Amortization – The gradual reduction of the value of an asset or liability by some periodic amount. In the case of an asset, it involves expensing the cost of the item over its useful “life,” the time period over which it can be used.

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

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

Assessment – The Municipal Property Assessment Corporation (MPAC) is responsible for placing an assessment value on all properties in Ontario. In 1998, the Province of Ontario reformed the property assessment and taxation system in Ontario with the implementation of Current Value Assessment (CVA). The CVA of a property represents its estimated market value, or the amount the property would sell for in arms’ length, open market sale between a willing buyer and willing seller.

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

Base Budget – In simple terms, a reflection of the budget resources (financial, human and other) that are required to maintain service levels at the level provided in the previous year.

Balanced Budget – The municipality is required by provincial law to balance its operating budget each year. To balance the budget, the municipality can either: Increase its revenue stream through raised property taxes and fees; or. Manage expenses through adapting or reducing the cost of programs and services.

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

Budget – A financial plan for a given fiscal year showing revenues and expenditures for different funds of the municipality.

Budgetary Basis – This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: accrual, cash or modified accrual.

Canada Community-Building Fund (CCBF) – Formerly the Gas Tax. Funding provided by the Government of Canada as part of the New Deal for Cities and Communities. This Federal initiative is based on a long-term vision of sustainability for Canadian cities and communities, including four interdependent dimensions, economic, environmental, social and cultural. The program is intended to achieve results leading to cleaner air, cleaner water, and reduced greenhouse gas emissions.

Capital Assets – Represents assets like land, buildings, machinery, etc. whose benefits last several years.

Capital Budget – The budget that provides for funding of the municipality’s expenditures on capital assets, i.e., assets which provide benefits to the municipality over several years.

Supplementary Information

Capital Expenditure – Any significant expenditure incurred to acquire or improve land, buildings, engineering structures, machinery, and equipment. Normally has a benefit lasting beyond one year. Results in the acquisition or extension of the life of a fixed asset. Includes, but not limited to; vehicles, office furniture, construction projects, roads and bridges.

Consumer Price Index (CPI) – A statistical description of price levels provided by Statistics Canada. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

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

Debenture – A formal written obligation to repay specific sums on certain dates. In the case of a municipality, debentures are typically unsecured.

Debt – Any obligation for the payment of money. For Ontario municipalities, debt would normally consist of debentures as well as either notes or cash loans from financial institutions but could also include loans from reserves.

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

Deferral – The act of putting off until another time or postponing.

Deficit – The excess of liabilities over assets, or expenditures over revenues, in a fund over an accounting period.

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

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

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

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

Expenditure – The disbursement of appropriate funds to purchase goods and/or services. Expenditures include current operating expenses that require the current or future use of net current assets, debt service, and capital outlays. This term designates the cost of goods delivered or services rendered, whether paid or unpaid, including expenses, provision for debt retirement not reported as a liability of the fund from which retired, and capital outlays.

Fiscal Year – Any period of 12 consecutive months designated as the budget year. The municipality's budget year begins January 1 and ends December 31.

Fleet – The vehicles and heavy equipment that can be ridden or driven that is operated in the municipality.

Forecast – The projected revenues and expenditures for future years.

Supplementary Information

Full-Time Equivalent Position (FTE) – A measure of effective authorized positions, indicating the percentage of time a position or group of positions is funded. FTE considers the number of hours per week and portion of the year the position is funded. $FTE = (\text{hours worked per week} / \text{total weekly hours}) \times (\text{months funded} / 12)$. A year-round full-time position has an FTE of 1.00. A full-time position funded for 6 months (1/2 year) has an FTE of 0.50.

Fund – A set of interrelated accounts to record revenues, and expenditures associated with a specific purpose. A fund has its own revenues, expenditures, assets, liabilities, and equity (fund balance).

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

Fund Balance – A term used to express the equity (assets minus liabilities) of governmental fund types and trust funds. A fund balance is the excess of cumulative revenues and other sources of funds over cumulative expenditures and other uses of funds.

Generally Accepted Accounting Principles (GAAP) – Nationally-recognized uniform principles, standards and guidelines for financial accounting and reporting, governing the form and content of many financial statements of an entity. GAAP encompasses the conventions, rules, and procedures that define accepted accounting principles at a particular time, including both broad guidelines and detailed practices and procedures.

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

Grant – A monetary contribution, typically from one level of government to another, as a means to lend support to a specific service, program or function.

Growth / Volume Change – In simple terms, an increase in budget resources (financial, human and other) resulting from an increase in municipality population, number of households or commercial properties. This increase is necessary to provide the same level of service that existed prior to growth / volume change.

Inflation – A rise in price levels caused by general economic activity and growth.

Infrastructure – The system of public works in the municipality, consisting of immovable physical assets, that delivers an essential public service (e.g., road network, water and wastewater systems, and lighting).

Interest Income – Revenue associated with the municipality's cash management activities of investing cash balances.

Levy – The amount of property tax, in dollars, which is paid by the municipality's taxpayers. To determine the key tax levy for a particular property, the property's assessment value is multiplied by the appropriate rate for the property's tax class.

Liability – A financial obligation of the municipality to others.

Long-Term Debt – Debt that matures more than one year after it is issued.

Supplementary Information

Long-Range Financial Plan – Long-range financial planning (LRFP) is used to identify future financial challenges and opportunities through financial forecasting and analysis, and then, based on that information, to devise strategies to achieve financial sustainability.

Municipal Act – Passed by the legislature in December 2001, the Act is designed to allow municipal leaders the autonomy, power and flexibility they need to chart their community's future in a meaningful way and react quickly to change.

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

Ontario Municipal Employees Retirement System (OMERS) – A defined benefit plan that provides pension benefits for the municipality's fulltime employees. Employees and employers normally make equal contributions to the plan. Some part-time employees also qualify for OMERS.

Ontario Municipal Partnership Fund (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.

Operating Budget – The budget that provides the various departments with funding for their annual recurring operating costs (e.g., salaries, materials, and supplies, contracted services, utilities). Compared to the capital budget, items funded in the operating budget do not give rise to assets that are expected to provide benefits over several years.

Per Capita – A measurement of the proportion of some statistic to an individual resident determined by dividing the statistic by the current population.

Property Tax – An ad valorem (value-based) tax levied on real and personal property according to the property's assessed valuation and the tax rate.

Public Sector Accounting Board (PSAB) – The body of the Canadian Institute of Chartered Accountants (CICA) that issues recommendations and guidance with respect to matters of accounting in the public sector. Its aim is to improve the financial and performance information reported by governments and other public sector entities for the benefit of decision makers and other users of the information

Reserve – A reserve is an allocation of accumulated net revenue. It has no reference to any specific assets and does not require the physical segregation of money or assets. Reserves are part of the revenue fund and, therefore, do not earn interest on their own, as in the case of reserve funds. Any earnings derived from investment of reserves' money are reported as revenue in the operating fund. Reserves are generally more flexible, as they are created by Council and can be amended if required.

Reserve Fund – Reserve fund assets are segregated and restricted to meet the purpose of the reserve fund. All earnings derived from such investments must form part of the reserve fund.

Supplementary Information

Revenue – Monies received from all sources (with the exception of fund balances) that will be used to fund expenditures in a fiscal year.

Service Level Change – An addition of a new service, enhancement of existing service, deletion of existing service, or reduction of existing service. Service additions or enhancements generally result in additional funding being required. Service level reductions or deletions generally result in less required funding.

Stakeholders – The person, group or organization that has a direct or indirect stake in the municipality because it can affect or be affected by the municipality's actions, objectives and policies.

Status Quo / Contractual Changes – Budget changes resulting from inflation and contractual changes that do not change service levels offered by the municipality.

Strategic Plan – A document outlining long-term goals, critical issues, and action plans which will increase the organization's effectiveness in attaining its mission, priorities, goals and objectives.

Surplus – The excess of actual revenue over operating expenditures incurred during a budget period.

Supplementary Taxes – Property taxes collected on new assessment not previously identified by the Municipal Property Assessment Corporation (MPAC) within the current year.

Tangible Capital Asset (TCA) – Non-financial assets that have a lifespan that extends beyond an accounting period and are used on a continual basis by the municipality. Also known as “fixed asset.”

Tax Rate – A percentage rate that is used to determine property tax levy to be paid by a particular taxpayer within the municipality. The rate for a property depends on its tax class, which in turn, depends on the type of property (residential, commercial, industrial, etc.). The rate is multiplied by the assessment to provide the tax levy. Rates are established by Council by-law.

User Fees & Service Charges – Fees paid by individuals or organizations to the municipality for the use of municipality facilities (e.g., recreation fees) or for provision of municipal services (e.g., planning).

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