



**middlesex**  
centre

in the centre of it all

# The Mayor's Budget 2026

## Municipality of Middlesex Centre

January 30, 2026



## About this Document

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# ABOUT THIS DOCUMENT

## Acknowledgements

Middlesex Centre is committed to presenting a budget that reflects the highest standards of transparency in government finance, following the principles outlined in the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award Program.

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 toward the 2026 budget:

### Budget Working Group

- Mayor Aina DeViet
- Councillor Hugh Aerts
- Councillor Jean Coles
- Michael Di Lullo, Former CAO (to Nov 2025)
- Tiffany Farrell, CAO and Director of Corporate Services
- Jeff Malone, Manager of Finance
- Sean Miller, Financial Analyst
- Heather Kepran, Manager of Strategic Communications
- Brianna Hammer-Keidel, Manager of Legislative Services & Municipal Clerk
- Arnie Marsman, Director of Building Services, Chief Building Official
- 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, CAO and Director of Corporate Services
- Sean Miller, Financial Analyst
- Heather Kepran, Manager of Strategic Communications

Staff also 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.



# About this Document

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## Release Dates

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

- Proposed Version – The draft budget (both capital and operating) was presented to Council at their November 13, 2025, meeting. For the purposes of the Strong Mayor Powers, the term draft budget should be considered equivalent to the term “proposed” budget. The terms are used interchangeably.
- The proposed budget was deemed adopted by Council as of December 17, 2025.
- Final Version – The final version of the budget book, which incorporates outstanding year-end data that was not available earlier, was completed on January 30, 2026. Changes arising between budget versions are outlined in this document.

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

## Open Budget

Middlesex Centre is committed to accountability and financial transparency. As part of that commitment, we have launched Open Budget – a data visualization tool for displaying financial information. Open Budget is designed to display the municipal budget in an easy-to-understand format. Through Open Budget, residents can learn more about Middlesex Centre's infrastructure projects, capital budget and operating expenditures, and compare budgets year-over-year.

→ **[View the Budget documents and Open Budget at middlesexcentre.ca/budget.](http://middlesexcentre.ca/budget)**

## 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.

## Accessibility

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

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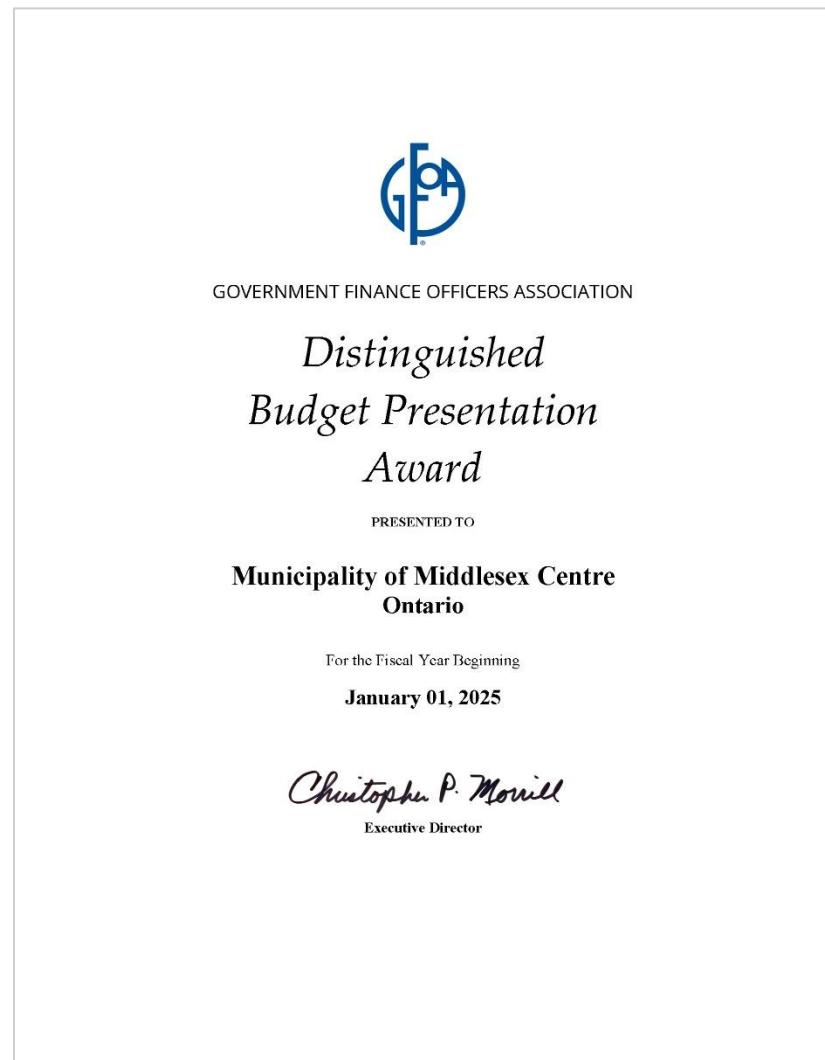
# About this Document

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## Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Municipality of Middlesex Centre, Ontario, for its Annual Budget for the fiscal year beginning January 1, 2025. 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 fourth 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 2026 budget continues to conform to program requirements, and we will submit it to GFOA to determine its eligibility for another award.



# Executive Summary

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## EXECUTIVE SUMMARY

Middlesex Centre's 2026 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. This budget embodies our commitment to collaboration, transparency, innovation, and accountability, while delivering fiscally responsible services that meet the evolving needs of our residents.

### Developing the Budget

In 2025, Middlesex Centre was granted Strong Mayor Powers by the Province of Ontario, introducing new responsibilities and timelines for the preparation of the 2026 municipal budget. Under this framework, the mayor is responsible for presenting the budget, which must be submitted by February 1.

Mayor DeViet chose to maintain the municipality's traditional collaborative approach. To align with past practices while respecting the new legislative framework, the mayor and council agreed to shortened amendment and veto timelines. These changes were formalized through written direction from the mayor and a Council resolution in July 2025.

### Internal Budget Process

The internal budget process begins in the summer with municipal staff reviewing departmental work plans and the Strategic Plan. Departments then outline their operating costs and capital requests, which are consolidated and assessed against available revenue sources and funding needs.

During the fall, an ad hoc budget working group—comprising the mayor, senior management, subject matter experts, and two additional members of Council—conduct a detailed, line-by-line review of the budget. This collaborative effort ensures alignment with strategic priorities and fiscal responsibility.

### Council Review and Approval

After the budget is developed by the budget working group, it is presented to Council as a draft (or "proposed" – note the terms are used interchangeably in this document). Council's comments are taken into consideration and incorporated in the final proposed version that is considered for approval, consistent with the amendment and veto process outlined under the Strong Mayor Powers.

- The proposed budget (both capital and operating) was presented to Council at their November 13, 2025, meeting.
- Pending any amendments, the proposed budget will be deemed adopted as of December 17, 2025.
- A final version of the budget, which captures any outstanding year-end data, will be completed in early 2026.

Substantive changes from the proposed to final version are captured in the budget itself.

All versions of the budget are posted to the municipal website and are available at the front desk of the municipal office.



# Executive Summary

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## Goals and Priorities

In preparing this year's budget, the mayor, budget committee and staff were mindful of the financial implications posed by the current economic uncertainty 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 will see the municipality's planned capital (infrastructure) work for 2026, and the costs associated with the day-to-day operation of the organization. These were reviewed with the public through a budget survey in the summer of 2025 to ensure staff were on the right track in setting municipal objectives for 2026.

The budget is focused on delivering core municipal services while respectfully balancing the needs of 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
- Reflect ongoing analysis focussed on increasing process efficiencies and reducing costs
- 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:

- Strong Mayor Powers
- 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 delay in the Property Tax Reassessment
- Residential building activity and growth pressures, and the effects of the economic downturn on building activities
- Aging infrastructure and closing the infrastructure gap
- Community-wide effects of economic challenges and uncertainty
- Uncertainty surrounding the availability of new provincial and federal grant opportunities
- Impacts of provincial downloading
- External legislative requirements
- United States tariffs
- Capital projects carry forward costs
- Continuous improvement initiatives

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



# Executive Summary

## Budget Summary

### The 2026 Middlesex Centre budget is \$76.54 million.

This compares to \$78.87 million in 2025.

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 budget expenses include a dedicated annual amount of approximately \$1,000,000 transferred to reserve funds for infrastructure, changes to salaries and benefits, and an increase in OPP costs.

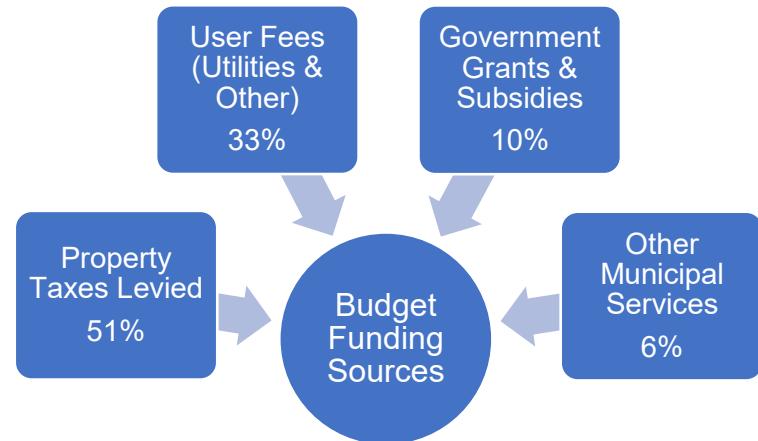
- **2026 Operating Expenses = \$54,670,391**  
(2025: \$49,316,696)

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

- **2026 Capital Expenses = \$21,867,926**  
(2025: \$29,554,615)

The budget is funded from several sources. In 2026, revenues will come from property taxes (51%), user fees (33%), grants and subsidies (10%) and other sources (6%).

**Figure: Breakdown of 2026 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.

- **2026 Transfers from Reserve Funds = \$24,521,794**  
(2025: \$28,992,517) \*

\*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:

- **2026 Transfers to Reserve Funds = \$20,338,321**  
(2025: \$18,126,573) \*

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



# Executive Summary

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Compared to 2025, the net operating budget increase is \$1,927,179 resulting in the amount to be raised by property taxes, **the tax levy, of 7.48%** (2025: 6.11%)

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

- 2026 Tax Rate Increase = 5.71%**  
(2025: 4.27%)

Within the recommended 5.71% 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 2026 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 2026 budget is balanced, however, to accomplish this staff recommended using \$48,250 from the Tax Rate Stabilization Reserve Fund. Using reserve funds to balance the operating budget is neither recommended nor is it a continuous solution to balance the budget.

Using reserve funds in this way is not recommended as a long-term strategy as it reduces the available reserves for future years, which could impact Middlesex Centre's financial flexibility in case of unforeseen emergencies or additional budget gaps.

## 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 2026 was approved by Council on November 19, 2025, 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.
- There are no changes to waste and recycling rates for 2026.
- In 2026, the water rates will increase by 4.5%, wastewater by 5%, and stormwater by 9%. These rates were approved by Council at their meeting on November 19, 2025. As a result, average users will see an annual increase of about \$103 on their water bill based on 180 m<sup>3</sup> usage.

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

Annual Water Usage	2026 (\$)	2025 (\$)	\$ Increase	% Increase
96 m <sup>3</sup>	1,439	1,365	74	5.4%
180 m <sup>3</sup>	2,081	1,978	103	5.2%
360 m <sup>3</sup>	3,456	3,290	166	5.05%
Stormwater Only	223	205	18	9.0%



# Executive Summary

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## Impact on Rate Payers

Together, increasing taxes and other municipal rates and fees will result in an additional cost of \$262 for the average residential property and \$99 for the average farm property in 2026.

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

Municipal Fees	Annual Change (\$)
Change in Municipal Property Tax	159
Change in Water, Wastewater and Stormwater Fees*	103
Change in Waste Management Fees	0
Change in User Fees	will vary by resident
<b>Total Change – Middlesex Centre</b>	<b>262</b>

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

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

Municipal Fees	Annual Change (\$)
Change in Farm Property Tax	99
Change in Waste Management Fees	0
Change in User Fees	will vary by resident
<b>Total Change – Middlesex Centre</b>	<b>99</b>

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

## Monitoring Expenditures throughout the Year

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

## Communicating the Budget

As part of our commitment to an open and transparent budget process, communicating the budget is a year-round process.

It started in June, with the creation of a dedicated Budget 2026 webpage ([middlesexcentre.ca/budget-2026](http://middlesexcentre.ca/budget-2026)). This page is the repository of all the budget information and documentation.

Staff conducted a well-publicized budget survey throughout July and August to gather feedback from the public. Three hundred and fifteen people responded, and the results were presented to the Middlesex Centre leadership team, the budget working group, and council, as well as being posted to the website.

Staff share updates throughout the budget process through both electronic and print media. After the budget passes, a one-page infographic of budget highlights is prepared and shared widely, including as an insert in all property tax bills. The budget remains available on the municipal website for several years. Amendments are shared through Council agendas and meeting highlights.

In November 2022, staff launched Open Budget, a public-facing tool offering real-time, easy-to-understand budget data, including infrastructure, capital, and operating comparisons.



## Table of Contents

---

# TABLE OF CONTENTS

<b>About this Document.....</b>	<b>i</b>	<b>Considerations in Developing the Budget.....</b>	<b>21</b>
Acknowledgements .....	i	Budget Goals .....	21
Release Dates.....	ii	Key Factors – Priorities and Issues .....	21
Assumptions.....	ii	<b>Enhancements to the Budget.....</b>	<b>34</b>
Accessibility.....	ii	<b>Budget Summary.....</b>	<b>36</b>
Distinguished Budget Presentation Award .....	iii	The Big Picture .....	36
<b>Executive Summary.....</b>	<b>iv</b>	Operating Budget.....	36
Developing the Budget.....	iv	Capital Budget .....	49
Goals and Priorities .....	v	Combined Operating and Capital Budget.....	64
Budget Summary.....	vi	Budget Implications for Rate Payers .....	70
Other Municipal Rates and Fees .....	vii	<b>General Government.....</b>	<b>77</b>
Impact on Rate Payers .....	viii	About General Government .....	77
Monitoring Expenditures throughout the Year .....	viii	Staffing .....	78
Communicating the Budget .....	viii	2025 Accomplishments .....	79
<b>Table of Contents.....</b>	<b>ix</b>	2026 Strategic Goals .....	83
<b>A Message from Mayor DeViet.....</b>	<b>1</b>	Departmental Budget Highlights.....	85
<b>Middlesex Centre: Community Profile.....</b>	<b>2</b>	Operating Budget Details .....	86
Land Acknowledgement .....	2	<b>Building &amp; By-law Services .....</b>	<b>87</b>
Middlesex Centre – Located in the Centre of it All .....	2	About Building & By-law Services .....	87
Demographics: Our Population.....	3	Staffing .....	88
<b>Municipality of Middlesex Centre: Organizational Profile.....</b>	<b>7</b>	2025 Accomplishments .....	89
Municipal Staff & Services .....	8	2026 Strategic Goals .....	91
Municipal Organizational Chart.....	8	Departmental Budget Highlights.....	92
Strategic Plan.....	12	Operating Budget Details .....	93



# Table of Contents

---

<b>Community Services .....</b>	<b>94</b>	<b>Public Works &amp; Engineering: Administration, Planning &amp; Transportation.....</b>	<b>119</b>
About Community Services .....	94	About PWE: Administration, Planning & Transportation .....	119
Staffing.....	95	Staffing .....	120
2025 Accomplishments .....	96	2025 Accomplishments .....	121
2026 Strategic Goals.....	97	2026 Strategic Goals .....	123
Departmental Budget Highlights .....	98	Departmental Budget Highlights.....	124
Operating Budget Details .....	99	Operating Budget Details .....	125
Capital Budget Details.....	100	Capital Budget Details .....	127
<b>Facility Services.....</b>	<b>102</b>	<b>Public Works &amp; Engineering: Environmental Services.....</b>	<b>129</b>
About Facility Services .....	102	About PWE: Environmental Services .....	129
Staffing.....	102	Staffing .....	129
2025 Accomplishments .....	103	2025 Accomplishments .....	130
2026 Strategic Goals.....	103	2026 Strategic Goals .....	132
Departmental Budget Highlights .....	104	Departmental Budget Highlights.....	133
Operating Budget Details .....	105	Operating Budget Details .....	134
Capital Budget Details.....	108	Capital Budget Details .....	135
<b>Fire &amp; Emergency Services.....</b>	<b>111</b>	<b>Fleet Services .....</b>	<b>137</b>
About Fire & Emergency Services .....	111	About Fleet Services .....	137
Staffing.....	112	Staffing .....	137
2025 Accomplishments .....	113	2025 Accomplishments .....	138
2026 Strategic Goals.....	115	2026 Strategic Goals .....	138
Departmental Budget Highlights .....	116	Departmental Budget Highlights.....	139
Operating Budget Details .....	117	Operating Budget Details .....	139
Capital Budget Details.....	118	Capital Budget Details .....	140



# Table of Contents

---

<b>Long-Range Financial Planning Analysis .....</b>	<b>141</b>	<b>Reserves and Reserve Funds.....</b>	<b>177</b>
Financial Forecasts .....	141	Managing Reserves and Reserve Funds .....	177
Operating Forecasts.....	142	Reserve Fund Transfers.....	179
Transition to Capital Forecasts .....	142	Reserve Fund Forecasts.....	180
Long-Range Financial Planning.....	143	<b>Final Considerations .....</b>	<b>186</b>
Connecting Financial Forecasts and Financial Plans in the Budget Process .....	144	Ongoing Budget Monitoring .....	186
<b>Asset Management .....</b>	<b>152</b>	Outstanding Items.....	186
Asset Management Financing Strategy .....	153	<b>Supplementary Information .....</b>	<b>187</b>
The Infrastructure Gap .....	154	Basics of Municipal Budgeting .....	187
Financial Support Needed .....	154	Budget Development Process.....	191
Asset Management and Budget 2026.....	155	Property Tax Rate Details .....	195
<b>Debt .....</b>	<b>164</b>	Financial Key Performance Indicators / Dashboard.....	201
Debt Burden.....	166	Accounting Principles.....	212
Bond Rating .....	166	Preparation of Financial Information.....	215
Annual Repayment Limit .....	166	2026 Budget Reconciliation for PSAB Adjustments .....	215
Debt Management Approach and Policy.....	167	Fund Structure & Overview .....	218
Debt Proposed .....	168	Financial Policies .....	229
Debt Recommendation.....	170	Five-Year Capital Expenditures by Department.....	233
<b>Development Charges .....</b>	<b>171</b>	Acronyms.....	250
Development Charge Study Update .....	171	Glossary of Terms .....	252
Development Charges Exemptions .....	172		



## A Message from Mayor DeViet

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# A MESSAGE FROM MAYOR DEVIET

### Positioned for Progress: Middlesex Centre's 2026 Budget

I am pleased to present you with Middlesex Centre's 2026 Budget, which reflects our commitment to building a strong foundation for the future while meeting the needs of our residents today. This budget is more than numbers on a page. It is a roadmap for delivering essential services, maintaining critical infrastructure, and investing in programs that make our community a great place to work and live.

These are unsettled times. Economic uncertainty, trade tensions, and the resulting business slowdown are putting pressure on all levels of government. In addition, aging infrastructure, downloading of health and social services, and limited options to raise funds continue to challenge municipalities across Ontario. In this environment, prudent financial management is more important than ever.

The 2026 budget positions Middlesex Centre to navigate these challenges with confidence. It strikes a careful balance between meeting the needs of our residents today and planning for the infrastructure and services that will sustain our community for years to come. From maintaining roads and bridges to investing in recreation facilities and water systems, this budget ensures that we can deliver high-quality services while preparing for the long term.

Our approach is grounded in real numbers and sound planning. The budget is informed by our Long-Term Financial Plans as well as our Asset Management Plan, which provides a clear picture of the condition and lifecycle of municipal assets. Along with our service master plans, these documents guide responsible decision-making, helping us prioritize investments, manage risk, and allocate resources responsibly.

We remain committed to fiscal responsibility, transparency, and accountability, as this budget demonstrates. Your engagement in the budget process matters, and I want to thank you for taking the time to learn more about Middlesex Centre's budget and finances.

Thank you for your continued support as we work together to keep Middlesex Centre a thriving, progressive, and welcoming community!

*Aina DeViet,  
Mayor of Middlesex Centre*



# Middlesex Centre: Community Profile

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## MIDDLESEX CENTRE: COMMUNITY PROFILE

The Municipality of Middlesex Centre is a growing community of just under 20,000 people located adjacent to the City of London, Ontario. Home to the settlement areas of Arva, Delaware, Ilderton and Komoka-Kilworth, 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.

### Land Acknowledgement

The Municipality of Middlesex Centre recognizes that we are located in the traditional territory of the Anishinaabe, Haudenosaunee, and Leni-Lunape Peoples. We acknowledge the enduring presence of First Nation, Métis and Inuit people on this land and are committed to moving forward in the spirit of reconciliation and respect.

Our neighbouring First Nations communities which continue to live as sovereign Nations include the Chippewas of the Thames First Nation, Oneida Nation of the Thames, and Munsee Delaware Nation.

### Middlesex Centre – 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.

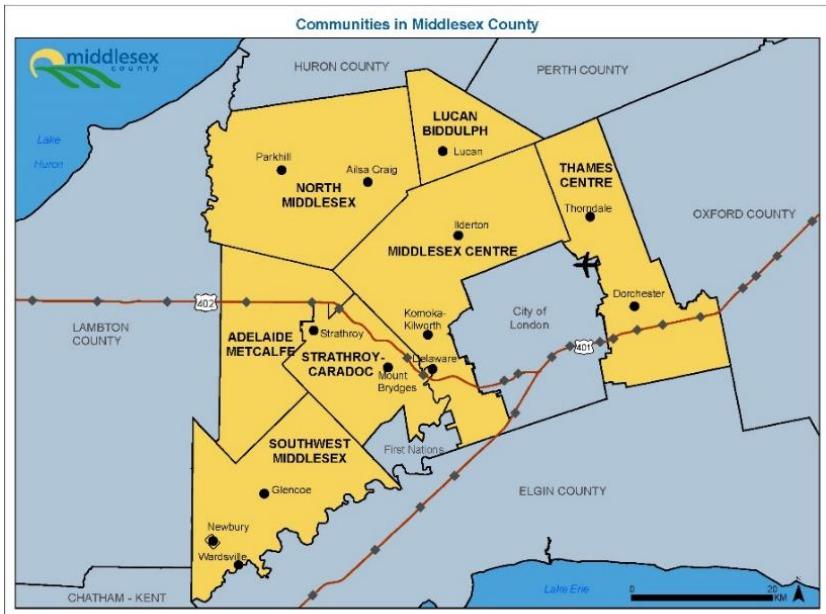
While maintaining its rural roots, Middlesex Centre is home to growing towns and villages, including:

- 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

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



## Demographics: Our Population

*Note: Unless otherwise noted, all data in this section is from the 2024 Municipal Study, prepared by BMA Management Consulting Inc. Updated information for 2025 will be incorporated once available. 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, Statistics Canada). Over the period of 2016 to 2021, the population grew by 9.7%. Between 2011 and 2016, the population grew by 4.7%.

A more recent estimate in the BMA 2025 Municipal Study and using Manifold Data Mining information puts Middlesex Centre's 2025 population at 21,068.

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).

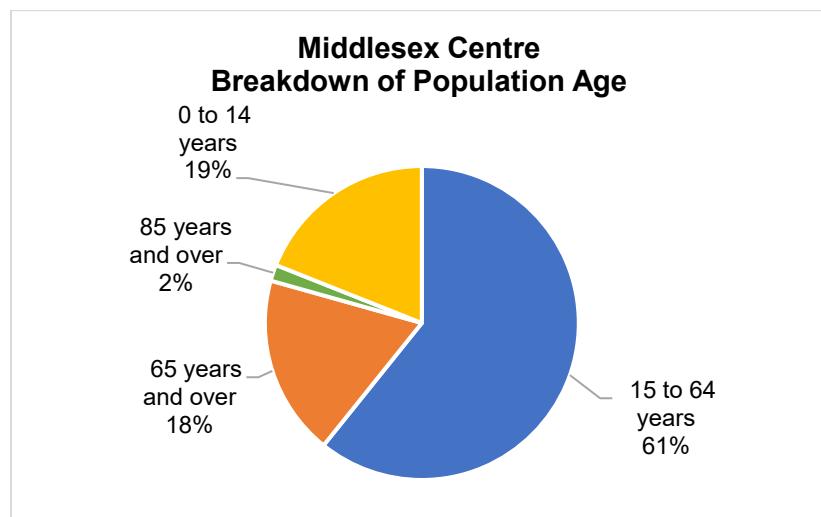
The overall breakdown of Middlesex Centre's population from the 2021 Census follows. Of note:

- 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).



# Middlesex Centre: Community Profile

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



## Housing and Households

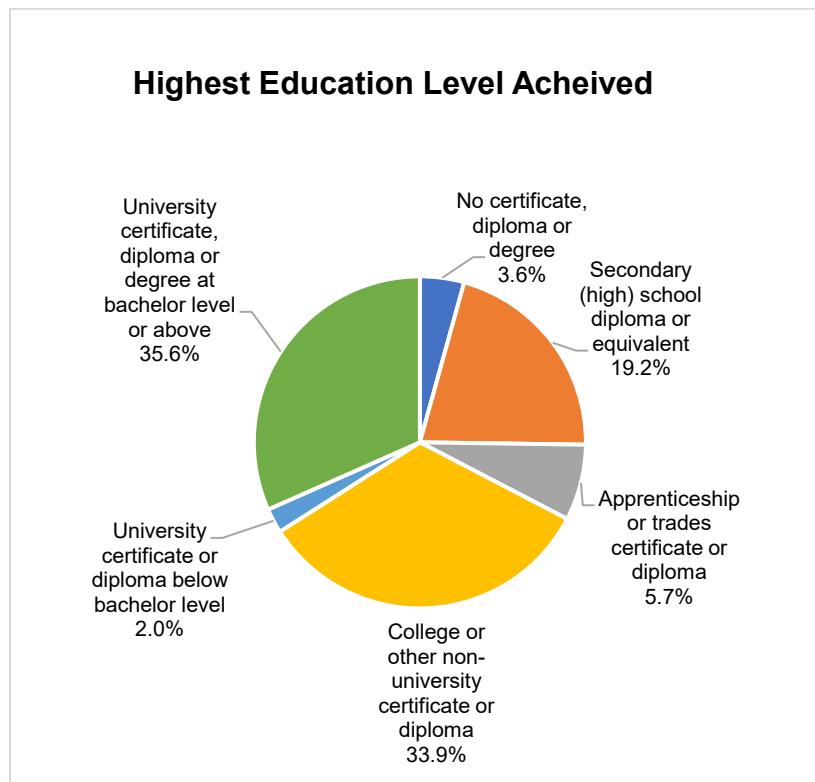
According to the 2021 Census of Population, Middlesex Centre is home to 6,845 private dwellings, of which 6,695 are usually occupied by residents. Of these dwellings, 90.6% are single-detached houses and 3.2% are row houses, with all other dwelling types making up the difference.

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.

## 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)**



# Middlesex Centre: Community Profile

## Income

Middlesex Centre is ranked “high” for average household income in our geographic region (Southwestern Ontario). In fact, Middlesex Centre has one of the highest average household incomes of all municipalities in the region. The range was \$91,294 in Windsor to \$169,559 for Middlesex Centre, considerably higher than the next highest, Lakeshore, at \$155,345.

When compared to the standard comparator group, shown in the table below, Middlesex Centre has the second highest average household income.

**Table: Estimated Average Household Income, 2025**

Municipality	Estimated Average Household Income
Essex Township	\$114,669
Lincoln Township	\$139,342
Pelham	\$158,310
Springwater Township	\$182,402
Strathroy-Caradoc	\$115,716
Thorold	\$105,521
<b>Middlesex Centre</b>	<b>\$169,559</b>

## 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, 2025**

Municipality	Land Area (sq km)	2025 Population Density per sq km	Density Ranking
Essex Township	278	83	Mid
Lincoln Township	163	176	Mid
Pelham	126	157	Mid
Springwater Township	536	47	Low
Strathroy-Caradoc	271	100	Mid
Thorold	83	340	Mid
<b>Middlesex Centre</b>	<b>588</b>	<b>36</b>	<b>Low</b>



# Middlesex Centre: Community Profile

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## 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](http://middlesexcentre.ca/economic-development)**

## Local Community

Middlesex Centre offers a range of community services and amenities to residents, including parks, arenas, 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/parks](http://middlesexcentre.ca/parks)**



# Municipality of Middlesex Centre: Organizational Profile

## MUNICIPALITY OF MIDDLESEX CENTRE: ORGANIZATIONAL PROFILE

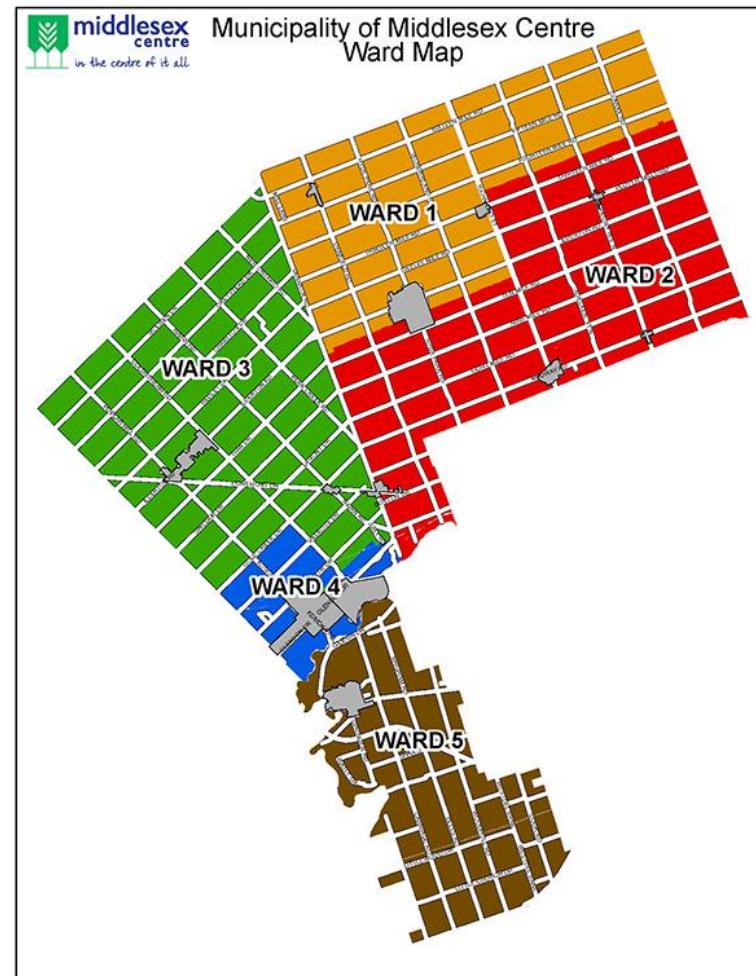
The Municipality of Middlesex Centre is governed by a seven-member elected Council:

- Mayor (elected at large)
  - Mayor Aina DeViet
- Deputy Mayor (elected at large)
  - Deputy Mayor John Brennan
- Five Ward Councillors (one elected per ward)
  - Councillor 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](http://middlesexcentre.ca/council-meetings)**

**Figure: Middlesex Centre Ward Map**



# Municipality of Middlesex Centre: Organizational Profile

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## Municipal Staff & Services

Headed by a Chief Administrative Officer, 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](http://middlesexcentre.ca/services)**

## Municipal Organizational Chart



# Municipality of Middlesex Centre: Organizational Profile

## Mayor and Members of Council

Aina DeViet, Mayor

John Brennan, Deputy Mayor

Councillors: Jean Coles, Wayne Shipley, Hugh Aerts, Sue Cates, Frank Berze

## Chief Administrative Officer

CAO Tiffany Farrell

FTE: 1.0

**General Government**  
Tiffany Farrell,  
Director/Treasurer  
FTE: 13.60

**Building & Bylaw**  
Arnold Marsman,  
Director/CBO  
FTE: 8.67

**Community Services (& Facilities)**  
Director Currently Vacant  
FTE: 29.54

**Fire & Emergency Services**  
Colin Toth,  
Director/Fire Chief  
FTE: 4.0  
Firefighters: 118

**Public Works & Engineering (& Fleet)**  
Robert Cascaden,  
Director  
FTE: 44.97



# Municipality of Middlesex Centre: Organizational Profile

In 2026, the Middlesex Centre staff complement will include 131 staff members in full-time, part-time and contract positions, for a total of 101.78 full-time equivalent (FTEs). Additionally, there are 7 Members of Council (part-time) and 118 paid-on-call firefighters.

As the municipality continues to grow, maintaining service delivery is essential to meet the needs of our community. To support this, it is critical to assess our staffing levels and adjust as necessary to

keep pace with expanding demands. The table below shows the staffing complement of the municipality.

The 2026 budget includes an allowance for an overall increase of approximately 2.3 FTEs plus 2 temporary contract FTEs over 2025 as outlined in the chart below. Additional staffing details included in department summaries.

**Table: Staffing Complement Changes**

Department	2026 FTEs	2025 FTEs	2024 FTEs	2023 FTEs	Changes
General Government and Office of the CAO	14.60	13.80	13.80	13.13	In 2026, a coordinator position under Human Resources (Health & Safety) is being added and a part-time customer service representative removed. 2026 will also see a temporary contract position in finance to support the implementation of new accounting software. Note that Tiffany Farrell moved into the position of CAO as of January 1, 2026, and will remain in the position of Director of Corporate Services until a replacement is hired. There is no change in the number of FTEs assigned to these positions. In 2024, a part-time co-op student position was removed and a full-time Payroll and Benefits Coordinator added.
Building & By-law	8.67	8.67	8.67	8.67	No changes
Community Services and Facility Services	29.54	28.58	27.39	25.94	In 2026, a Facility Operator Lead Hand and full-time Customer Service Representative (CSR) are being added, while part-time CSRs are being reduced by 1 FTE. From 2023 to 2025, no new positions were created, but additional hours were allocated to part-time staff positions.
Fire & Emergency Services	4.00	4.00	4.00	4.00	No changes



# Municipality of Middlesex Centre: Organizational Profile

Department	2026 FTEs	2025 FTEs	2024 FTEs	2023 FTEs	Changes
Public Works & Engineering and Fleet Services	44.97	42.37	41.37	41.26	In 2026, a Development Review Engineer position is being added, as is an Engineering Assistant (contract position) to support the implementation of projects under the Housing Accelerator Fund (HAF). In 2025, an additional Water & Wastewater Maintenance Operator position was added. In 2024, additional hours were allocated to contract staff positions in Transportation. In 2023, a new position was added, Manager of Planning & Development.
<b>Total FTE</b>	<b>101.78</b>	<b>97.42</b>	<b>95.23</b>	<b>93.00</b>	
<b>PLUS</b>					
Council	7 part-time members of council	7 part-time members of council	7 part-time members of council	7 part-time members of council	No Changes.
Paid-on-Call Firefighters	118 paid-on-call firefighters	118 paid-on-call firefighters	122 paid-on-call firefighters	121 paid-on-call firefighters	The number varies as it reflects the actual number of firefighters on the roster for that year.



# 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 2024 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](http://middlesexcentre.ca/stratplan)**



# Municipality of Middlesex Centre: Organizational Profile

## Middlesex Centre Strategic Planning Cycle

### EVALUATE

Track implementation of strategic priorities and initiatives through annual strategic plan reviews

Conduct periodic reviews of strategic priorities by council to ensure that they remain priorities (owing to changes in external and internal forces)

Complete final evaluation of strategic plan at end of its stated term

### INFORM

Analyze current environment, considering internal and external opportunities and challenges

Gather input from council, staff and the community through focus groups and surveys

Review other municipal guidance documents: official plan, master plans, and long-range financial plans

### IMPLEMENT

Execute on the priorities and initiatives in the Strategic Plan through annual workplans and the budget process

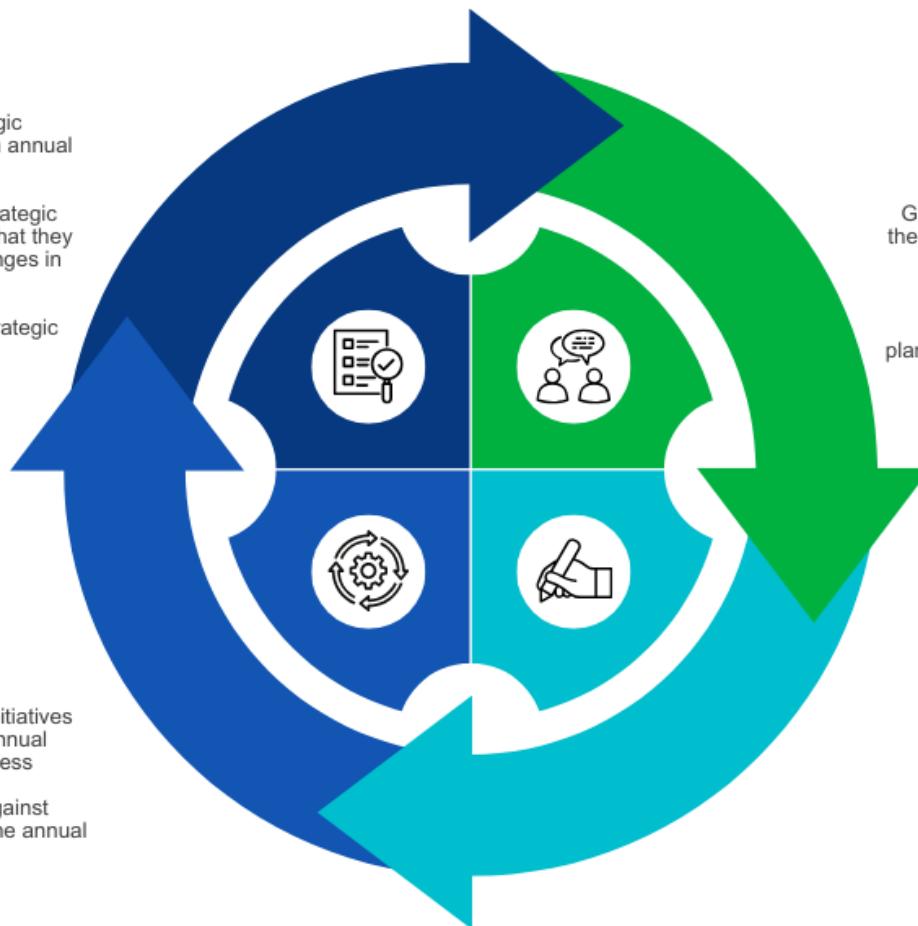
Review annual performance against established metrics including the annual budget

### DEVELOP

Establish organizational vision, mission, and values

Set strategic priorities, objectives and initiatives

Develop the Strategic Plan, with approval by council



# 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, Komoka Youth Centre, and Seniors Active Living Centres (the latter with funding from Ontario's Seniors Active Living Centre Program)
- Began offering in-house recreational programming
- Updated the Ice Time Allocation Policy, in consultation with community user groups
- Offered free public skating throughout most of the skating season, thanks to local business and community sponsors
- 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

### Key Performance Indicators

Performance Measure	2024	2023	2022
Number of participant registrations in recreation programs	1,795	755	149
Value of Council Grants Issued (\$)	18,930	15,700	12,185
Value of Community Improvement Plan Grants Issued (\$)	31,066	14,187	18,568
Total value of projects for which Community Improvement Plan Grants were Issued (\$)	298,928	28,374	63,080



# Municipality of Middlesex Centre: Organizational Profile



## 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)

### Key Performance Indicators

Performance Measure	2024	2023	2022
Total Building Permits Issued	338	486	662
Total Permit Value (\$)	22,650,413	120,280,007	154,177,049
Number of New Dwellings Created	61	162	187
Permit Fees Collected (\$)	440,935	854,505	1,019,991
Commercial Total Value of Assessed Properties (\$)	169,045,567	166,116,367	131,736,669
Industrial Total Value of Assessed Properties (\$)	16,701,500	15,606,000	14,968,500
Residential Total Value of Assessed Properties (\$)	2,853,418,652	2,755,768,993	2,637,207,977
Farm Total Value of Assessed Properties (\$)	1,643,342,181	1,619,447,340	1,622,982,754



# 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
- Established the Middlesex Centre Economic Development Advisory Committee (EDAC). Members provide strategic advice to council and senior staff to further economic development and business growth in the municipality
- Shared information such as funding opportunities with area businesses

### Key Performance Indicators

Performance Measure	2024	2023	2022
Commercial Assessment Growth (year-over-year, %)	1.76	26.10	-2.24
Industrial Assessment Growth (year-over-year, %)	7.02	4.30	19.74



# Municipality of Middlesex Centre: Organizational Profile

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## 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, 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

- Completed a review of all industrial, commercial and institutional water connections to ensure the municipal water system is protected from backflow
- Adopted an updated Asset Management Plan
- 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
- Completed renovations on the Middlesex Centre municipal office
- Undertook a major renovation to the Ilderton Arena to improve accessibility, energy efficiency, player safety and guest comfort while extending its lifespan for an additional 10 to 15 years
- Opened a new park, Timberwalk Lions Park, in Ilderton



# Municipality of Middlesex Centre: Organizational Profile

- 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

## Key Performance Indicators – Sustainable Infrastructure & Services: Finance & Asset Management

Performance Measure	2024	2023	2022
Number of Competitive Procurement Processes through bids & tenders	25	27	26
Competitive Residential Tax Rate (below average for Middlesex County and Comparator Group)	Yes	Yes	Yes
Asset Consumption Ratio (%) (a ratio between 26% and 50% indicates assets are moderately new)	37.30 (2023 value)	37.00 (2022 value)	35.90 (2021 value)
Percent of Budget funded by Non-tax Revenue (%)	51	48	47
Asset Management - Preventative Maintenance and Repair Tasks Completed (average per month)	566	120	--

NOTE: Key performance indicators for Sustainable Infrastructure and Services: Asset Management, are presented in the Asset Management section of the budget.



## 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 Questica budget software, including Open Book, which provides open and transparent online access to capital and operating budgets for residents
- Adopted a new Use of Artificial Intelligence Policy
- 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
- instituted a citizen portal on the municipal website to all residents to seamlessly report issues with roads, facilities, and other municipal infrastructure into the departmental maintenance lists
- 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
- Implemented a new Committee of Adjustment to improve efficiency on council decisions regarding applications for severance and minor variance
- 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

## Key Performance Indicators

Performance Measure	2024	2023	2022
Number of By-law Complaints Investigated	294	255	--
Number of Emergency Responses	434	435	417
Fire Inspections Conducted	481	252	278
Website Usage	133,500	125,025	125,233
Total Followers (all social media)	6,385	5,491	4,513
Individual Staff Training Sessions	1,445	1,282	1,156
Number of Council Meeting Held	29	26	22
By-Laws Approved	113	133	115
Customer Service – Residents rating experience as satisfied (%)	75	72	--



# Municipality of Middlesex Centre: Organizational Profile

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## 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 2026 budget was developed, with department heads linking the deliverables identified for 2026 with budget priorities. This is shown in the budget as “2026 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
  - 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

## 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

- Deliver a fiscally responsible budget, while maintaining a sustainable financial position for the municipality
- Reflect ongoing analysis focussed on increasing process efficiencies and reducing costs
- 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

### 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 many factors that the municipality has control over, such as enhancing service levels. There are also a number of factors that the municipality has little or no control over, such as the rate of inflation, reliance on other organizations, tariffs, and various standards that the municipality must meet. All factors may have a significant impact on which services are provided and at what level.

Many of the priorities and issues that drive the 2026 budget are similar to those from prior years, such as the continual delay in reassessment in property taxes until 2027 at the earliest, service level enhancements and economic uncertainty.

Staff work diligently to identify efficiencies within the current budget to offset significant increases resulting from the considerations in developing the budget outlined below.

### Strong Mayor Powers

As of May 1, 2025, the Government of Ontario expanded strong mayor powers to the Municipality of Middlesex Centre. As part of the strong mayor powers, Mayor DeViet has a duty to prepare and propose the budget before February 1. As part of the process, the mayor's budget is subject to council amendments, a mayoral veto and council override. Mayor DeViet will propose her budget by November 13, 2025.

The Municipal Act, 2001, is the provincial statute that regulates Strong Mayor Powers in Ontario. The mayor's special powers and duties under Part VI.1 of the Municipal Act include powers to propose the municipal budget, which is subject to council amendments and a mayoral veto/ council override process.



# Considerations in Developing the Budget

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## ***Strong Mayor Powers and the Budget Process***

In a municipality designated by the Province, including the Municipality of Middlesex Centre, the mayor is required by the Municipal Act and O. Reg. 530/22 to prepare a budget for the municipality and provide it to each member of council and to the clerk on or before February 1 of each year.

After the budget is proposed, council has 30 days to pass resolutions to amend the mayor's budget. If there are no amendments passed within the 30-day period, the mayor's budget is adopted.

If council passes resolutions to amend the mayor's budget, the mayor can decide to veto council's resolutions within 10 days of the expiry of the time period for council to pass a resolution.

If the mayor doesn't veto any amendments within the 10-day period, the budget as amended by council resolutions is deemed adopted.

If the mayor vetoes council's resolutions to amend the mayor's budget, council can vote to override the veto within 15 days of the expiry of the time period for the mayor to veto a resolution. In the vote to override a veto, two-thirds of the members of council must vote to override the veto or the vote will fail. If council overrides the mayor's veto, the amendment passed by council will continue to have effect. If council does not vote to override the mayor's veto, then the budget is adopted by the municipality after the expiry of the time period for council to override the mayor's veto.

Mayor DeViet, as per Mayoral Decision No. MDE-2025-05 decided to shorten the veto period with respect to the 2026 budget. The Council of the Municipality of Middlesex Centre, as per resolution 2025-158, reduced the time periods to pass a resolution to amend the mayor's budget as well.

## **Enhancing Transparency and Accountability: Incorporating Public Input into the Budget**

In developing the 2026 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 7 to August 18, 2025, and was advertised through municipal website, tax bill inserts, social media, e-newsletter, and local newspapers and magazines. Three hundred and fifteen people responded to the survey.

Key takeaways from the budget survey:

- 82% of respondents thought that the overall value they received for their Middlesex Centre tax dollars was fair, good, or excellent, which remains consistent with past years.
- 81% of respondents indicated they were very satisfied, satisfied or neutral with the delivery of services provided by Middlesex Centre. This is similar to past survey results.
- 64% strongly agreed or agreed that funding infrastructure renewal should be a top priority.
- Controlling government spending and reducing taxes and water rates was top-of-mind with residents.
- Other themes in the survey included traffic and road safety concerns, the need for active transportation routes (sidewalks, trails, etc.), calls for more parks and recreation services, and concerns about the pace of growth and the related infrastructure.

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 2026 budget, staff will use the Tax Rate Stabilization Reserve Fund to lower the required tax rate increase.



# Considerations in Developing the Budget

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

Furthermore, staff have incorporated many of the specific suggestions from the budget survey into the 2026 budget, including:

- Improvements to the lighting at the sports fields at Komoka Park at a cost of \$250,000.
- Improvements to the ball diamonds at Weldon Park and Heritage Park at a combined cost of \$71,500.
- Improvements to the Komoka Wellness Centre's splashpad at cost of \$80,000.
- Continuation of the traffic calming program at a cost of \$25,000.
- 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 streetlight 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/budget](http://middlesexcentre.ca/budget)**

## 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.

## 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;



# Considerations in Developing the Budget

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- 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;
- ensures 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 the 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](http://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 or property tax revenue for the municipality.

Significant increases in assessment values put less pressure on the municipal tax rate, and lower assessment increases put 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 2026 property tax years.

Ontario's Fall Economic Statement has confirmed that property reassessment is still on hold and under review. In the interim, 2016 market values will remain in place for the 2026 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, constructive input has been received from municipalities, business representatives, property tax professionals and other stakeholders.

## Reassessment

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



# Considerations in Developing the Budget

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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. Increases in assessment are implemented equally at 25% per year over a four-year period. 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.

Increases in assessment do not necessarily equate to higher property taxes to ratepayers. Similarly, reassessment-related value changes will not necessarily affect overall municipal revenue because tax rates must be restated. The changes will affect the distribution of the tax burden among taxpayers and groups of taxpayers as rates of change vary.

## ***No Change in Assessment for 2026***

The property tax assessment value for the 2021 to 2026 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 2025 (January 1, 2016) will remain in effect for 2026.

Therefore, assessed market values from January 2016 will remain the benchmark for apportioning the municipal property tax burden for the 2026 tax year. That is to say, the tax base year will be at least ten years old before it is replaced. Long delays in updating assessments have historically created inequities in taxation. The decision to delay is expected 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 which assess property values each year, and Manitoba which assesses 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.

## ***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



# Considerations in Developing the Budget

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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, 2026**

Property Class	Assessment (\$)	Percentage (%)
Residential	2,946,252,652	57.80%
Farm	1,645,000,881	32.27%
Pipeline	126,851,000	2.49%
Commercial	191,750,667	3.76%
Exempt	146,270,400	2.87%
Industrial	16,807,200	0.33%
Other	24,570,800	0.48%
<b>Total Assessment</b>	<b>5,097,503,600</b>	<b>100%</b>

## 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 and 2025. This is expected to continue into 2026.

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 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.



# Considerations in Developing the Budget

**Table: Comparison of Building Construction Activity, 2024**

Municipality	% Res.	% Non-Res.	Building Permit Value Per Capita (\$)
Strathroy-Caradoc	59%	41%	3,407
Essex	79%	21%	5,324
Lincoln	76%	24%	3,489
Pelham	45%	55%	5,860
Springwater	95%	5%	7,788
Thorold	78%	22%	5,326
<b>Middlesex Centre</b>	<b>67%</b>	<b>33%</b>	<b>3,410</b>

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 the 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 Asset Management Policy and

Asset Management Strategy. 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 \$32.06 million. In comparison, the municipality budgeted to contribute approximately \$15.33 million towards all capital-related needs in 2026, 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 \$16.73 million in 2026.

To address the gap, Middlesex Centre is contributing more money to capital-related reserve funds annually. In 2026, an additional approximate \$1 million above 2025 values are being contributed to tax levy supported capital reserve funds, including the roads capital reserve fund and the general vehicles and equipment reserve fund and the new growth reserve fund.

The municipality has capital assets with a total replacement value of \$1,507,321,332 (2025 value was \$1,470,665,759).

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

Staff have updated the AMP in 2025 with new financial models. There are new targets in place, and a new financing strategy



# Considerations in Developing the Budget

implemented 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. This indicator estimates the useful life left in a municipality's capital assets.

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

**Table: Total Asset Consumption Ratio, 2020 to 2024**

Year	Middlesex Centre Total Asset Consumption Ratio
2020	34.7%
2021	35.9%
2022	37.0%
2023	37.3%
2024	37.8%

<sup>1</sup> The information related to Canada's overall economic outlook is taken from: Gellatly, G. and McCormack, C. (2025, Oct. 22). *Recent developments in the Canadian economy: Fall 2025*. Statistics Canada.

## Economic Challenges and Uncertainty

Middlesex Centre is not immune to the economic challenges and uncertainty being experienced in Canada and around the world as a result of current events.<sup>1</sup>

Canada's economy continues to grapple with persistent challenges and uncertainty in 2025, a trend expected to carry into 2026. Escalating trade tensions and U.S. tariffs have weighed heavily on exports and imports, slowing business investment, particularly in machinery and equipment. Manufacturing and wholesale sectors have been hit hardest by tariffs on steel, aluminum, and autos. While business inventories and household spending have offered some support, overall economic activity remains subdued.

Labour market conditions have softened, with employment growth stalling and the national unemployment rate climbing to 7.1% by August 2025. Inflation eased below 2% between April and August, largely due to the removal of the consumer carbon levy. However, underlying price pressures persist, with annual consumer price growth (excluding energy) averaging 2.7% during this period. Tariffs have influenced prices for certain goods, though the full extent of their impact on consumers remains uncertain.

Mortgage borrowing has moderated but still exceeds levels seen in previous years. Meanwhile, the ratio of household debt to disposable income has edged higher as wage growth slows, contributing to a climate of economic caution.

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



# Considerations in Developing the Budget

through legislation granted to them from the provincial government.<sup>2</sup> In Ontario, all 444 municipalities except the City of Toronto are governed by the Municipal Act, which dictates how they can govern themselves and the resources at their disposal to provide value to residents.

A municipality's funding options are limited – it 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 it is 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 2026 just as they did 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 economic challenges and uncertainty before they happen, as this is the best way to minimize service impacts 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, 2025	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022
Utility Receivable	\$143,731	\$202,082	\$161,540	\$108,086
Taxes Receivable	\$2,449,938	\$2,493,031	\$2,117,067	\$1,596,783

*Note: 2025 balances to be updated in January 2026.*

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 each year from 2023 to 2026 to balance the budget.

<sup>2</sup> Much of the information in this section is based on: Challinor, A., McKay, R. and Dessanti, C. (2021). *Better Budgets: Bolstering the Fiscal Resilience of Ontario's Municipalities*. Ontario Chamber of Commerce.



# Considerations in Developing the Budget

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## United States Tariffs

On March 4, 2025, the United States administration under President Trump implemented a 25% tariff on all Canadian and Mexican imports not covered by existing trade agreements. This evolving tariff environment has introduced significant uncertainty for Canadian businesses, municipalities, and residents, including those located in Middlesex Centre.

The imposition of tariffs has already resulted in notable consequences for residents, businesses, and municipalities throughout Ontario, and these effects are anticipated to persist. The new tariffs affect municipal budgets, local businesses, and individuals who depend on cross-border trade and reliable supply chains. The swift and unpredictable changes in U.S. trade policy are causing immediate and negative repercussions for Ontario's economy. Communities are grappling with rising costs and fiscal pressures, particularly as increased tariffs drive up expenses related to infrastructure and municipal projects.

Ontario municipalities, working in partnership with the Association of Municipalities of Ontario (AMO), are actively advocating for strategic municipal procurement practices and the allocation of federal and provincial investments to address these challenges. Their efforts focus on:

- Mitigating escalating costs associated with municipal capital projects and maintaining continuity in the construction sector;
- Expanding and repairing social housing stock to leverage excess residential construction capacity and meet growing demand; and
- Offsetting broader fiscal impacts that municipalities may face as a result of a potential economic slowdown.

With tariff-related disruptions expected to continue into 2026, contingency planning remains crucial for municipalities. These

disruptions may further strain municipal finances and increase the costs of infrastructure and other public services. Advocacy efforts are ongoing to secure stimulus and support for Ontario communities, with the Federation of Canadian Municipalities coordinating a national response to these trade-related challenges.

Given the current trajectory of trade relations and the associated uncertainty, budget planning for 2026 must take into account the likelihood of continued volatility, rising costs for municipal projects, and ongoing unpredictability in the trade environment. Middlesex Centre will remain focused on preparing for ongoing uncertainty, prioritizing contingency measures, and seeking timely updates regarding advocacy efforts and government support programs.

## 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.



# Considerations in Developing the Budget

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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.<sup>3</sup>

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:

- **Fighting Delays, Building Faster Act, 2025 (Bill 60)** – This Act, which received royal assent on November 27, 2025, aims to accelerate infrastructure development and reduce bureaucratic delays for major projects. The Act streamlines approval processes and introduces measures to enhance coordination between government agencies and stakeholders. Its objective is to boost economic growth and address pressing infrastructure needs during a period of uncertainty.
- **Protect Ontario by Cutting Red Act (Bill 46)** – This bill includes amendments to the Municipal Act to update section 295 by removing the requirement for municipal treasurers to publish audited financial statements and related documents, or a notice of their availability, in a local newspaper. Instead, treasurers must now post this information on their municipality's website within 60 days of receiving the statements. If a municipality does not have a website, the

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<sup>3</sup> AMO. (2024). *Social and Economic Prosperity Review*. <https://www.amo.on.ca/policy/social-and-economic-prosperity-review/social-and-economic-prosperity-review>



# Considerations in Developing the Budget

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treasurer must make the information publicly available at no cost.

- **Working for Workers Seven Act, 2025 (Bill 30)** – This Act, which received royal assent on November 27, 2025, amends the Employment Standards Act, Occupational Health and Safety Act, Workplace Safety and Insurance Act, Municipal Act and Planning Act. It enhances workplace standards and protections, requiring municipalities to update employment policies and practices in areas such as health and safety, hiring, and workplace accommodations. Municipalities must also ensure compliance with new reporting and transparency requirements. Overall, the Act aims to improve working conditions for employees, while prompting local governments to review and modify their existing frameworks to align with provincial standards.
- **Plan to Protect Ontario Act (Budget Measures), 2025 (Bill 24)** – This Act, which received royal assent on June 5, 2025, amends the Assessment Act and adds standard rules for delivering notices including electronic means, making communications more flexible. Municipalities will need to adapt to new requirements regarding how assessment information is shared and disclosed, including expanded authority for the Minister to regulate information use and disclosure. It also amends the Highway Traffic Act to include new rules for municipal use of automated camera enforcement (e.g., red light and speed cameras). The province also gains new authority over municipal decisions regarding community safety zones and the reconfiguration of bicycle lanes, particularly in Toronto. Finally, the Act amends the Municipal Act in that municipalities across Ontario, not just Toronto, are now explicitly barred from designating, operating, or maintaining toll highways, removing a potential tool for local infrastructure funding.
- **Protect Ontario by Building Faster and Smarter Act, 2025 (Bill 17)** – This Act, which received royal assent on June 5, 2025, made amendments which resulted in key provisions of the Building Code Act being repealed or updated. Development Charges Act changes now exempt long-term care home developments, allow new timing and early payment options for residential development charges, and enable the use of credits between related services. These reforms aim to streamline procedures and reduce financial barriers for targeted developments, reinforcing provincial oversight.
- **Regional Consolidation of Ontario's Conservation Authorities (Schedule 3 under Plan to Protect Ontario Act (Budget Measures), 2025 (No. 2), (Bill 68))** – On November 27, 2025, Bill 68 received royal assent. Schedule 3 of the Act amends the Conservation Authorities Act. The legislation establishes the Ontario Provincial Conservation Agency, responsible for centralized leadership and oversight of conservation authorities. Alongside this initiative, Schedule 3 will see Ontario's 36 conservation authorities consolidated into 7 regional authorities. It is unclear what these changes may mean for future municipal budgets.

## Capital Project Carried Forward

As the municipality prepares a modified accrual basis budget which combines aspects of the accrual basis and cash basis of accounting, 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.



# Considerations in Developing the Budget

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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 \$9,162,108 (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:

- Reviewing the fees and charges in all departments
- Creating partnerships with post-secondary institutions for projects
- Integration of AI into multiple municipal programs and services to increase efficiency
- Increasing investment revenue to recognize interest received related to reserve funds
- Additional low-cost recreational fixtures at parks

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



# Enhancements to the Budget

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## ENHANCEMENTS TO THE BUDGET

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

### Changes Incorporated into the 2026 Budget

- Proposed multi-year capital budget with project commitments along with cash flow forecasting projected for 2026-2030
- Expanded Unfunded Capital section to highlight the financial funding difficulties for capital 2026-2030
- 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
- Developed long-term reserve fund requirements that align with the municipal AMP, long range financial plans and the development charge study
- Updated and refined financial strategy and new financial policies adopted
- Implemented the Long-Range Financial Plans (Tax Supported and Water, Wastewater and Stormwater)
- Incorporated the updated Asset Management Plan and developed a financial strategy which aligns with the recently updated Long-Range Financial Plans

### Summary of Changes in Budget from Proposed/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 (held on November 13, 2025). Changes are made to the draft budget based on their questions and comments, refined revenue and expense estimates, and the receipt of outstanding information.

Budget changes made between the draft and final version include the following:

- Incorporating the 2026 proposed budget amounts from the conservation authorities including, Ausable Bayfield, Kettle Creek, St. Clair Region, and Upper Thames River resulting in a decrease of operating costs by \$15,555.
- Added the Mobile Crisis Response Team (MCRT) grant which aims to enhance public safety through investing \$240,000 over two years to support the mobile crisis response team led by Middlesex County OPP.
- Increased the Ontario Municipal Partnership Fund (OMPF) grant allocation from \$1,403,400 to \$1,529,400 as confirmed by the 2026 OMPF Allocation Notice received October 31, 2025.
- Updated the OPP Detachment Board 2026 budget amounts based on the board's Q3 meeting on November 26, 2025. Budget impact will be a cost increase of \$1,307.



# Enhancements to the Budget

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- Increased the Coldstream Community Centre's non-capital operating budget by \$19,000 for concrete patio work originally scheduled for 2025 but now expected to be completed in 2026.
- Updated the insurance budget from a 3% increase to a 2.9% decrease. This amounts to a budget decrease of \$36,204.
- Moved the unfunded capital project for the Denfield Operations Centre heat and smoke detection project to the operating budget at a reduced cost with lower material costs being secured than initially anticipated. This results in adding \$15,000 to the operating budget.
- Moved the unfunded capital project for the Arva Firehall front laneway widening to the operating budget. This work will continue using in-house staff and recycled asphalt inventory from the public works department to avoid increased operating costs.
- Updated capital budget 2025 carryforward projects from \$8,191,167 to \$9,162,108. This represents projects that were approved on prior budgets continuing into 2026 and not an increase on new 2026 projects.
- The final OPP policing costs based on the Solicitor General letter came in as budgeted with no change required.

## Future Improvements under Consideration

- Council approval of multi-year capital commitments along with cash flow forecast projected for 2027-2031 capital budget.



# Budget Summary

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## BUDGET SUMMARY

### The Big Picture

- 7.48% Tax Levy Increase (2025: 6.11%)
- 5.71% Tax Rate Increase (2025: 4.27%)
- \$54,670,391 in Operating Costs (2025: \$49,316,696)
- \$21,867,926 in Capital Projects (2025: \$29,554,615)
- \$76,538,317 Total Municipal Budget (2025: \$78,871,311)
- \$20,338,321 Transfers to Reserve Funds (2025: \$18,126,573) \*
- \$24,521,794 Transfers from Reserve Funds (2025: \$28,922,517) \*

*\*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 focuses 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 2026 budget reflects corporate strategic plans and the needs of the community. During

the 2026 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

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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 2026 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 a 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.

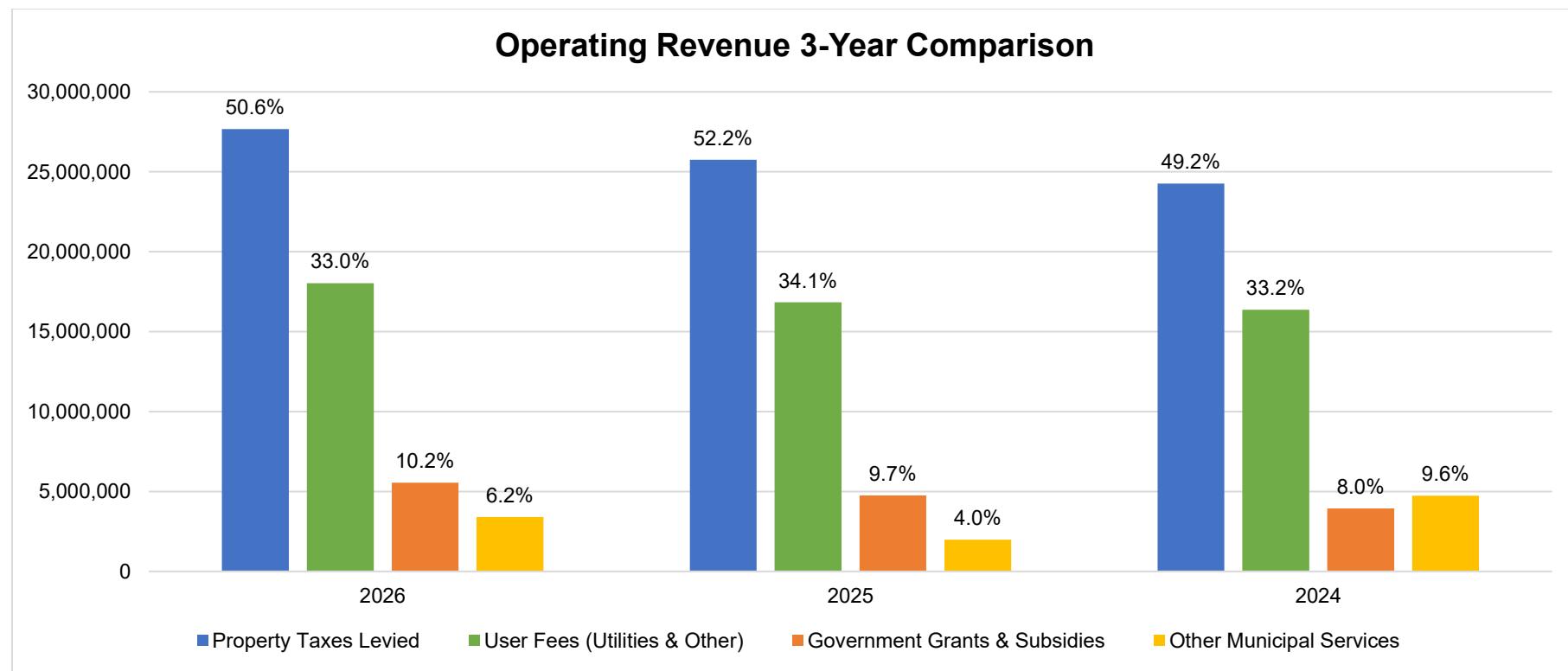


# Budget Summary

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

Revenue Type	2026 Budget (\$)	2026 Budget	2025 Budget (\$)	2025 Budget	2024 Budget (\$)	2024 Budget
Property Taxes Levied	27,677,554	50.6%	25,750,375	52.2%	24,267,465	49.2%
User Fees (Utilities & Other)	18,034,061	33.0%	16,832,720	34.1%	16,368,960	33.2%
Government Grants & Subsidies	5,555,571	10.2%	4,759,134	9.7%	3,944,641	8.0%
Other Municipal Services	3,403,205	6.2%	1,974,467	4.0%	4,740,148	9.6%
<b>TOTAL</b>	<b>54,670,391</b>	<b>100.0%</b>	<b>49,316,696</b>	<b>100.0%</b>	<b>49,321,214</b>	<b>100.0%</b>

Figure: Operating Budget Revenue 3-Year Comparison



# Budget Summary

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## 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.

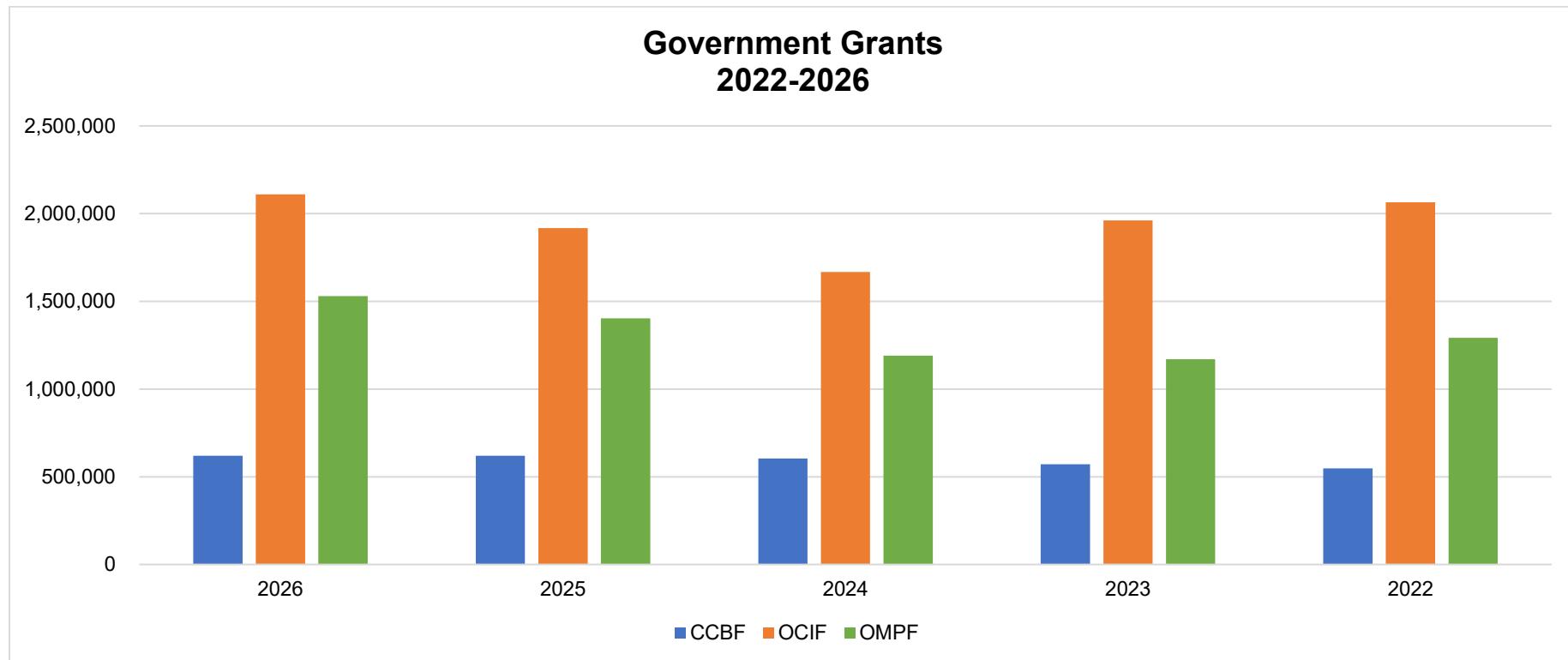


# Budget Summary

Table: Government Grant Funding Summary

Grant	2026 Budget (\$)	2025 Budget (\$)	2024 Actual (\$)	2023 Actual (\$)	2022 Actual (\$)
CCBF	619,895	619,895	603,627	571,270	547,467
OCIF	2,109,716	1,917,924	1,667,760	1,962,071	2,064,113
OMPF	1,529,400	1,403,400	1,190,300	1,170,600	1,291,800
<b>Total</b>	<b>4,259,011</b>	<b>3,941,219</b>	<b>3,461,687</b>	<b>3,703,941</b>	<b>3,903,380</b>

Figure: Government Grant Funding Summary



# Budget Summary

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## Operating Budget Expenses

### The total annual operating expense budget is \$54,670,391.

Factors driving the operating budgeting expenses in 2026 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 2026 include an additional approximate \$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 and Development Charge Study.

#### 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 2026 budget includes an allowance for an overall increase of approximately 2.3 full-time equivalent (FTE) employees and 2.0 full-time temporary contract positions.

Additions:

- Development Review Engineer; \$122,156 wage and benefit impact. This position is funded by the Housing Accelerator Fund (HAF).
- Engineer Assistant (contract position); \$56,456 wage and benefit impact. This position is funded by the HAF.
- Full-time Community Services Customer Service Representative (CSR); \$61,859 wage and benefit impact.

- Facility Operator Lead Hand; \$102,298 wage and benefit impact.
- Equipment Operator (part-time); \$45,403 wage and benefit impact.
- Health & Safety Coordinator; \$61,219 wage and benefit impact.
- Finance contract position to support the implementation of a new accounting software system in 2026; \$147,533 wage and benefit impact.

Reductions:

- Corporate Services CSR: \$55,838 wage and benefit impacts (savings).
- Reduction of part-time Community Services CSR hours; \$59,181 wage and benefit impact (savings).

Notable salary and benefits changes for 2026 include:

- Cost of living increase of 2%
- Pay-grid step increases of 4%, with 48 full-time employees eligible for increases
- Estimated health and dental benefits cost increases of 5%

#### Ontario Provincial Police (OPP) Cost

Each year, the municipality receives the annual OPP billing statement from the Municipal Policing Bureau. The 2026 increase is set at 11%, which is what the Solicitor General has noted as the maximum increase for a community serviced by the OPP.

This represents the highest per property cost increase in recent years.



# Budget Summary

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## Operating Budget Top Expenditure Categories

Ten expenditure categories account for 92.4% 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**

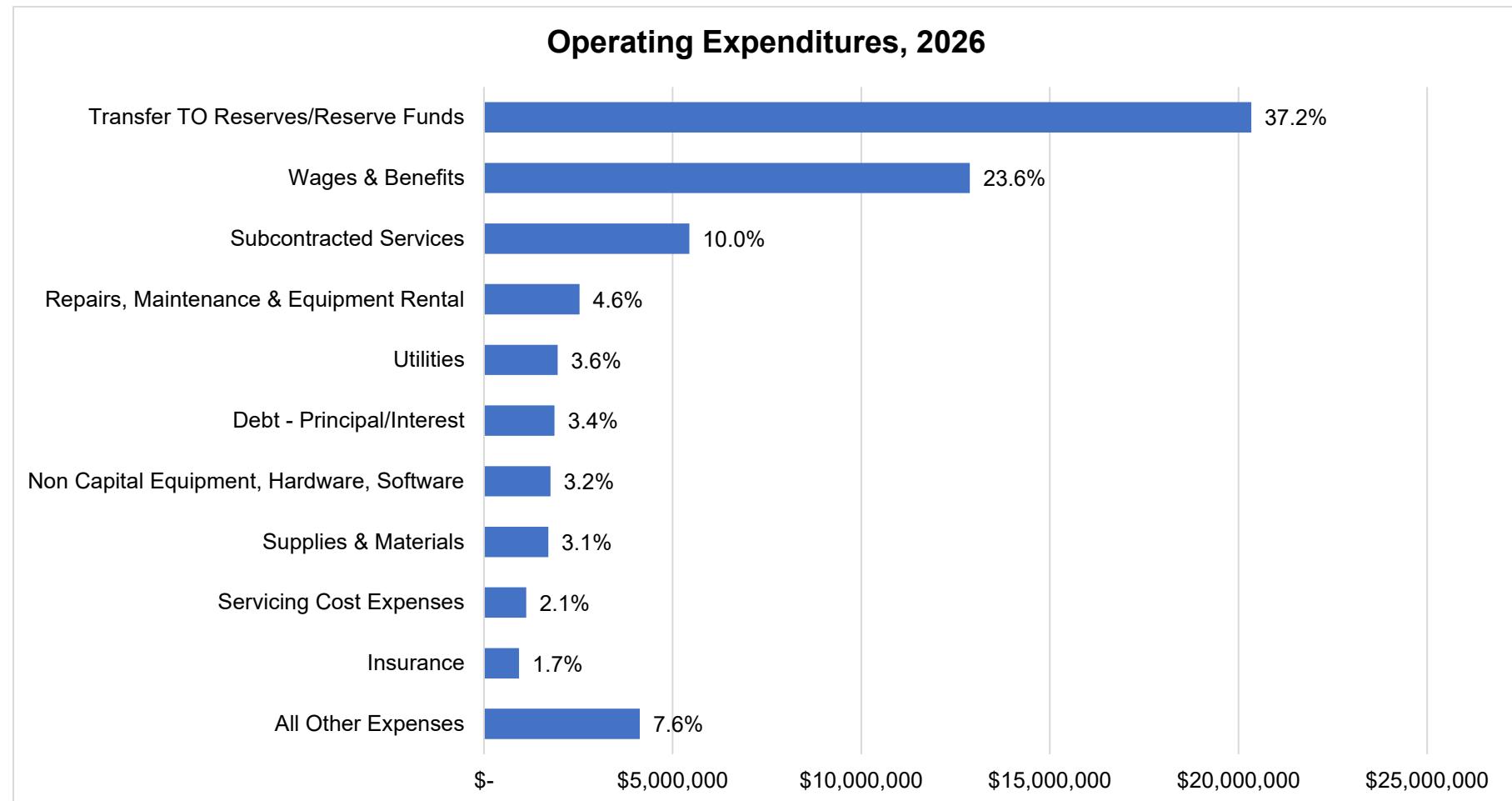
Operating Expenditures	2026 Budget (\$)	2026 Budget	2025 Budget (\$)	2025 Budget	2024 Budget (\$)	2024 Budget
Transfer to Reserves/Reserve Funds	20,338,321	37.2%	18,126,573	36.73%	17,010,052	34.49%
Wages & Benefits	12,878,140	23.56%	11,962,239	24.24%	10,921,328	22.14%
Subcontracted Services	5,442,185	9.95%	5,097,122	10.33%	5,201,171	10.55%
Repairs, Maintenance & Equipment Rental	2,531,301	4.63%	2,448,936	4.96%	2,177,230	4.41%
Utilities	1,954,640	3.58%	1,973,296	4.0%	1,976,768	4.01%
Debt - Principal/Interest	1,870,006	3.42%	1,901,385	3.85%	1,849,195	3.75%
Non-Capital Equipment, Hardware, Software	1,764,834	3.23%	1,325,918	2.69%	1,035,523	2.1%
Supplies & Materials	1,705,322	3.12%	1,671,952	3.39%	1,735,140	3.52%
Servicing Cost Expenses	1,122,080	2.05%	175,800	0.36%	172,600	0.35%
Insurance	933,458	1.71%	961,475	1.95%	878,305	1.78%
<b>TOTAL</b>	<b>50,540,287</b>	<b>92.4%</b>	<b>45,644,696</b>	<b>92.5%</b>	<b>42,957,312</b>	<b>87.1%</b>

*Subcontracted services include Policing, \$2,687,360, and Waste Management, \$1,061,000.*



# Budget Summary

Figure: Operating Budget by Expenditure



# Budget Summary

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## Operating Budget by Department

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

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

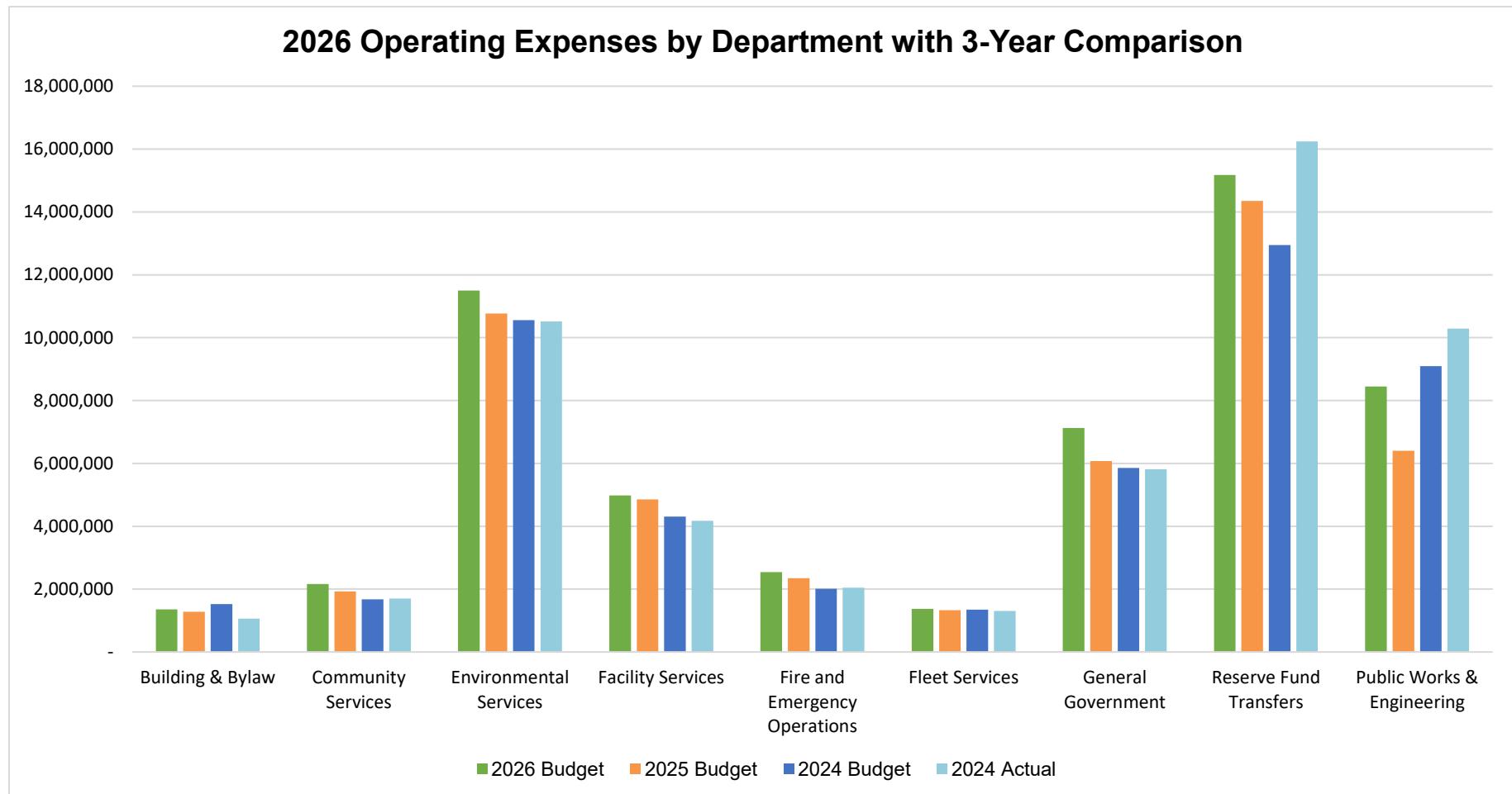
Department	2026 Budget (\$)	2025 Budget (\$)	2024 Budget (\$)	2024 Actual (\$)
Building & Bylaw	1,356,870	1,282,090	1,527,130	1,058,148
Community Services	2,161,053	1,924,680	1,677,303	1,698,005
Environmental Services	11,502,892	10,767,086	10,558,208	10,516,765
Facility Services	4,982,657	4,856,607	4,304,612	4,173,189
Fire and Emergency Operations	2,544,307	2,347,803	2,010,992	2,044,387
Fleet Services	1,374,514	1,332,555	1,348,303	1,304,062
General Government	7,125,122	6,076,145	5,854,119	5,812,145
Reserve Fund Transfers	15,177,300	14,355,077	12,948,341	16,241,287
Public Works & Engineering	8,445,676	6,402,453	9,092,206	10,286,323
<b>Grand Total</b>	<b>54,670,391</b>	<b>49,344,496</b>	<b>49,321,214</b>	<b>53,134,311</b>

*Note that Reserve Fund Transfers do 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: Operating Expenses by Department with 3-Year Comparison



# Budget Summary

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

Department/ Division	2026 Budget (\$)			2025 Budget (\$)			Year Over Year Change (\$)			
General Government	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
General Administration	3,377,658	3,362,801	(14,857)	2,610,588	2,683,175	72,587	767,070	679,626	(87,444)	(120.47%)
Conservation Authorities	0	513,747	513,747	0	450,153	450,153	0	63,594	63,594	14.13%
Council	0	275,736	275,736	0	261,922	261,922	0	13,814	13,814	5.27%
Economic Development	0	113,789	113,789	0	107,290	107,290	0	6,499	6,499	6.06%
Reserve Fund Transfers	4,269,611	15,174,300	10,904,689	4,612,077	14,355,077	9,743,000	(342,466)	819,223	1,161,689	11.92%
Policing	0	2,687,360	2,687,360	0	2,421,045	2,421,045	0	266,315	266,315	11.00%
OPP Detachment Board	139,220	148,687	9,467	120,000	128,160	8,160	19,220	20,527	1,307	16.02%
Cemeteries	7,040	26,002	18,962	6,500	24,400	17,900	540	1,602	1,062	5.93%
<b>Total</b>	<b>7,793,529</b>	<b>22,302,422</b>	<b>14,508,893</b>	<b>7,349,165</b>	<b>20,431,222</b>	<b>13,082,057</b>	<b>444,364</b>	<b>1,871,200</b>	<b>1,426,836</b>	<b>10.91%</b>
Fire and Emergency Operations	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Fire Operations	70,545	1,644,427	1,573,882	64,260	1,461,510	1,397,250	6,285	182,917	176,632	12.64%
Special Operations	0	28,190	28,190	0	27,776	27,776	0	414	414	1.49%
Fire Administration	21,832	725,998	704,166	29,161	719,802	690,641	(7,329)	6,196	13,525	1.96%
Fire Prevention	56,698	142,204	85,506	47,200	134,246	87,046	9,498	7,958	(1,540)	(1.77%)
Emergency Operations	0	3,488	3,488	0	4,469	4,469	0	(981)	(981)	(21.95%)
<b>Total</b>	<b>149,075</b>	<b>2,544,307</b>	<b>2,395,232</b>	<b>140,621</b>	<b>2,347,803</b>	<b>2,207,182</b>	<b>8,454</b>	<b>196,504</b>	<b>188,050</b>	<b>8.52%</b>
Building & Bylaw	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Building	1,174,086	1,174,086	0	1,097,351	1,097,351	0	76,735	76,735	0	0.00%
By-Law	32,101	128,732	96,631	33,160	126,558	93,398	(1,059)	2,174	3,233	3.46%



# Budget Summary

Department/ Division	2026 Budget (\$)			2025 Budget (\$)			Year Over Year Change (\$)			
Animal Control	7,890	54,052	46,162	8,594	58,181	49,587	(704)	(4,129)	(3,425)	(6.91%)
<b>Total</b>	<b>1,214,077</b>	<b>1,356,870</b>	<b>142,793</b>	<b>1,139,105</b>	<b>1,282,090</b>	<b>142,985</b>	<b>74,972</b>	<b>74,780</b>	<b>(192)</b>	<b>(0.13%)</b>
Public Works & Engineering	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Transportation	59,275	4,242,081	4,182,806	40,900	4,163,517	4,122,617	18,375	78,564	60,189	1.46%
PWE Administration	105,678	1,217,621	1,111,943	82,833	1,191,591	1,108,758	22,845	26,030	3,185	0.29%
Planning	2,381,100	2,716,736	335,636	487,850	786,252	298,402	1,893,250	1,930,484	37,234	12.48%
Drainage	46,860	111,022	64,162	42,000	110,459	68,459	4,860	563	(4,297)	(6.28%)
Tile Drainage	41,970	41,970	0	38,138	38,138	0	3,832	3,832	0	0.00%
Municipal Drainage	116,246	116,246	0	112,496	112,496	0	3,750	3,750	0	0.00%
<b>Total</b>	<b>2,751,129</b>	<b>8,445,676</b>	<b>5,694,547</b>	<b>804,217</b>	<b>6,402,453</b>	<b>5,598,236</b>	<b>1,946,912</b>	<b>2,043,223</b>	<b>96,311</b>	<b>1.72%</b>
Environmental Services	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Wastewater	4,719,982	4,719,982	0	4,333,379	4,333,379	0	386,603	386,603	0	0.00%
Stormwater	1,351,033	1,351,033	0	1,221,063	1,221,063	0	129,970	129,970	0	0.00%
Water	4,325,916	4,325,916	0	4,118,421	4,118,421	0	207,495	207,495	0	0.00%
Waste Management	1,398,369	1,105,961	(292,408)	1,343,563	1,094,223	(249,340)	54,806	11,738	(43,068)	17.27%
<b>Total</b>	<b>11,795,300</b>	<b>11,502,892</b>	<b>(292,408)</b>	<b>11,016,426</b>	<b>10,767,086</b>	<b>(249,340)</b>	<b>778,874</b>	<b>735,806</b>	<b>(43,068)</b>	<b>17.27%</b>
Facility Services	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Facilities Administration	0	28,604	28,604	0	19,300	19,300	0	9,304	9,304	48.21%
Municipal Office	0	208,145	208,145	0	158,244	158,244	0	49,901	49,901	31.53%
Leased Properties	311,340	311,340	0	292,220	298,566	6,346	19,120	12,774	(6,346)	(100.00%)
Fire Halls	0	226,005	226,005	0	230,700	230,700	0	(4,695)	(4,695)	(2.04%)
PWE Operations Centres	0	355,637	355,637	0	335,354	335,354	0	20,283	20,283	6.05%



# Budget Summary

Department/ Division	2026 Budget (\$)			2025 Budget (\$)			Year Over Year Change (\$)			
Wastewater Facilities	120,412	120,412	0	0	0	0	120,412	120,412	0	0.00%
Water Facilities	29,350	29,350	0	0	0	0	29,350	29,350	0	0.00%
Community Centres	177,579	516,328	338,749	191,079	637,210	446,131	(13,500)	(120,882)	(107,382)	(24.07%)
Arenas	2,224,630	3,057,885	833,255	2,227,285	3,088,274	860,989	(2,655)	(30,389)	(27,734)	(3.22%)
Libraries	55,921	128,951	73,030	54,707	88,959	34,252	1,214	39,992	38,778	113.21%
<b>Total</b>	<b>2,919,232</b>	<b>4,982,657</b>	<b>2,063,425</b>	<b>2,765,291</b>	<b>4,856,607</b>	<b>2,091,316</b>	<b>153,941</b>	<b>126,050</b>	<b>(27,891)</b>	<b>(1.33%)</b>
Community Services	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Parks & Open Space	94,952	835,067	740,115	93,402	833,061	739,659	1,550	2,006	456	0.06%
Community Services Administration	0	1,149,185	1,149,185	32,900	957,697	924,797	(32,900)	191,488	224,388	24.26%
Recreation Programs	136,971	176,801	39,830	96,500	133,922	37,422	40,471	42,879	2,408	6.43%
<b>Total</b>	<b>231,923</b>	<b>2,161,053</b>	<b>1,929,130</b>	<b>222,802</b>	<b>1,924,680</b>	<b>1,701,878</b>	<b>9,121</b>	<b>236,373</b>	<b>227,252</b>	<b>13.35%</b>
Fleet Services	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Fleet Administration	28,572	406,787	378,215	27,994	399,252	371,258	578	7,535	6,957	1.87%
Fire Fleet	0	77,750	77,750	0	78,375	78,375	0	(625)	(625)	(0.80%)
Building Fleet	0	8,572	8,572	0	8,311	8,311	0	261	261	3.14%
PWE Transportation Fleet	87,500	738,905	651,405	89,000	722,867	633,867	(1,500)	16,038	17,538	2.77%
Environmental Services Fleet	0	20,000	20,000	7,500	15,500	8,000	(7,500)	4,500	12,000	150.00%
Community Services Fleet	22,500	122,500	100,000	32,000	108,250	76,250	(9,500)	14,250	23,750	31.15%
<b>Total</b>	<b>138,572</b>	<b>1,374,514</b>	<b>1,235,942</b>	<b>156,494</b>	<b>1,332,555</b>	<b>1,176,061</b>	<b>(17,922)</b>	<b>41,959</b>	<b>59,881</b>	<b>5.09%</b>
<b>Total</b>	<b>26,992,837</b>	<b>54,670,391</b>	<b>27,677,554</b>	<b>23,594,121</b>	<b>49,344,496</b>	<b>25,750,375</b>	<b>3,398,716</b>	<b>5,325,895</b>	<b>1,927,179</b>	<b>7.48%</b>



# Budget Summary

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## Capital Budget

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

The financial decisions we make today are critical to the long-term sustainability of our municipality. The 2026 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, contributions from third parties, 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** – projects maintain infrastructure that is in place today (e.g. buildings, watermains, roads, bridges, etc.). This is a high priority component of the capital budget. The goal is to keep systems and facilities in good repair; regular planned maintenance is more affordable than reactive emergency repairs.
2. **Growth related capital projects** – projects extend services into newly developed areas of the municipality (e.g. a watermain to service new subdivisions, road widening to handle additional traffic from new subdivisions, etc.). Growth projects are not always immediately imperative, but in the long run the Municipality has a responsibility to provide adequate services to newly developed areas.
3. **Efficiency and improvement capital projects** – projects offer enhanced or advanced services or respond to emerging requirements (e.g. upgrading equipment in municipal facilities to incorporate high technology improvements, etc.). Although these projects are discretionary, they may have a strong justification for moving forward.



# Budget Summary

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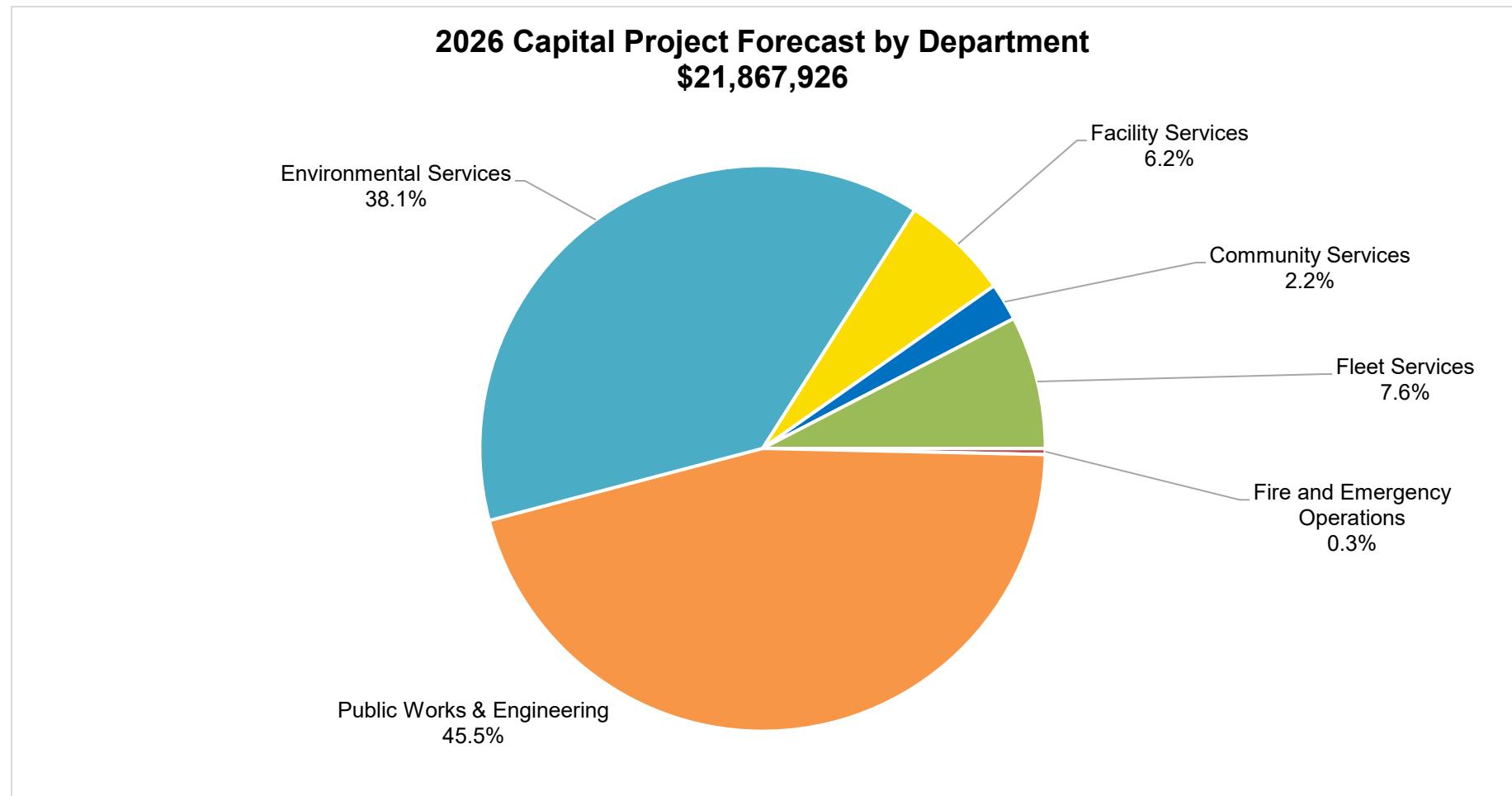
**Table: Summary of Recommended Capital Projects by Department**

<b>Department</b>	<b>2026 Budget (\$)</b>	<b>2025 Budget (\$)</b>	<b>2024 Budget (\$)</b>
Fire and Emergency Operations	75,000	\$120,000	\$84,000
Public Works & Engineering	9,960,342	\$10,525,324	\$10,458,166
Environmental Services:			
Wastewater	2,981,087	\$2,070,198	\$2,582,571
Stormwater	2,808,454	\$3,502,000	\$403,915
Water	2,551,843	\$4,265,779	\$2,793,357
Facility Services	1,360,700	\$5,378,041	\$10,242,401
Community Services	470,500	\$706,273	\$876,733
Fleet Services:			
Fire Fleet	0	\$725,000	\$880,000
Building Fleet	60,000	0	0
PWE Transportation Fleet	1,350,000	\$1,837,500	\$2,117,500
Environmental Services Fleet	0	\$85,000	\$17,500
Community Services Fleet	250,000	\$339,500	\$111,000
<b>Total</b>	<b>21,867,926</b>	<b>29,554,615</b>	<b>30,567,143</b>



# Budget Summary

Figure: Capital Budget by Department

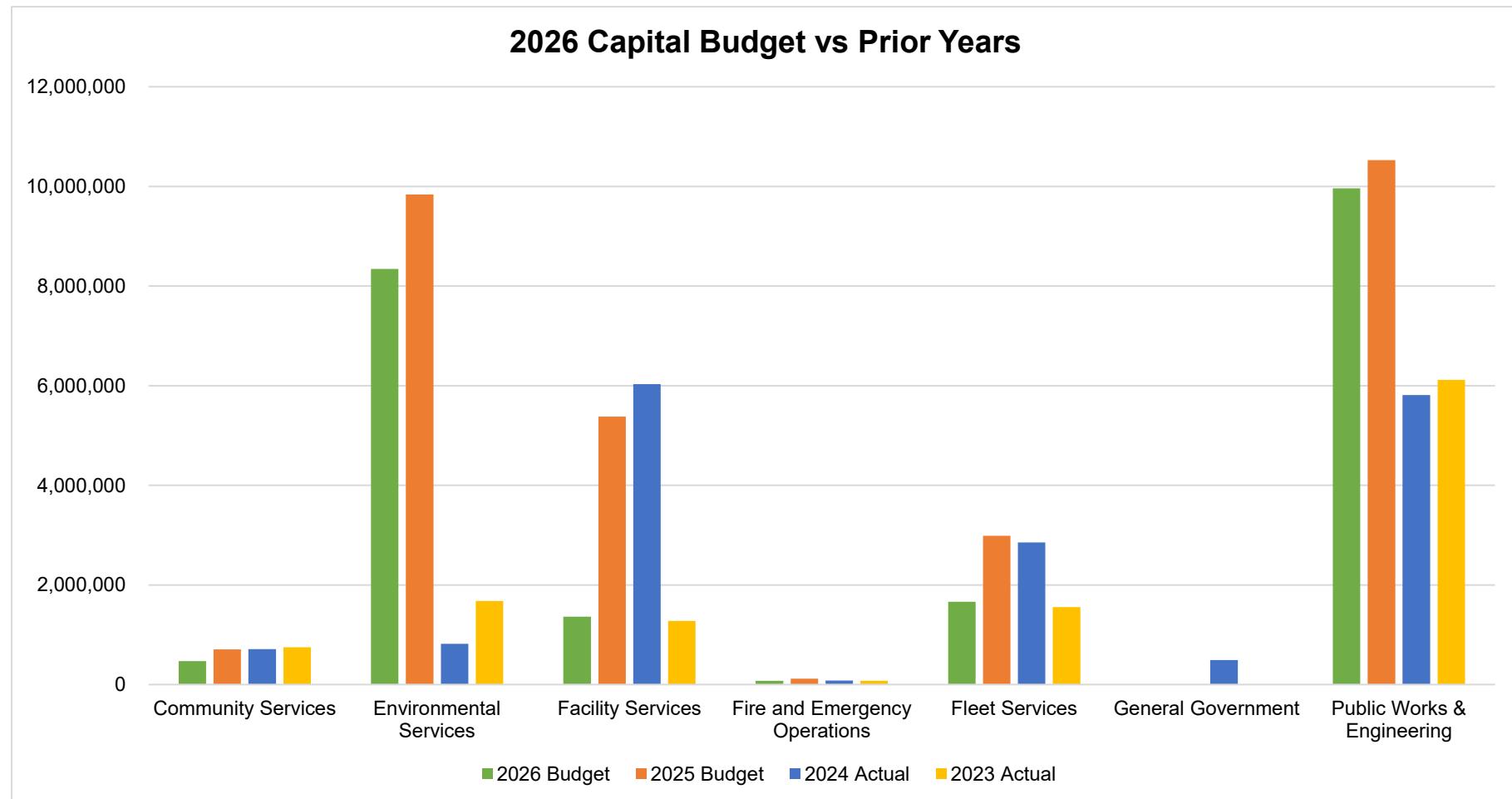


*Note: Includes 2025 carryover and new projects for 2026*



# Budget Summary

Figure: Capital Budget by Department – Comparison with Previous Years



## Funding Capital Projects

The ability to complete capital projects is constrained by the amount of available funding and debt capacity. 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.



# Budget Summary

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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 contributors 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 2026, the municipality is transferring approximately \$7.3 million to reserve funds to fund the capital program.

Middlesex Centre actively pursues grant funding opportunities to support its capital project initiatives. Several grant applications are currently in progress; however, funding confirmations have not yet been received for inclusion in the upcoming budget year.

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

Funding Source	2026 Budget (\$)	2026 Budget	2025 Budget (\$)	2025 Budget	2024 Budget (\$)	2024 Budget
Cash-In-Lieu of Parkland	280,000	1.28%	111,000	0.38%	464,806	1.52%
Development Charges	1,776,585	8.12%	452,698	1.53%	1,163,620	3.81%
Growth Reserve Fund	70,242	0.32%	-	-	-	-
Delaware Hydro Reserve Fund	60,000	0.27%	155,000	0.52%	60,000	2.00%
Modernization Reserve Fund	0	0.00%	-	-	-	0.00%
Medical Centre Reserve Fund	12,500	0.06%	35,000	0.12%	12,000	0.04%
Buildings & Facilities Reserve Fund	1,416,200	6.48%	5,330,441	18.04%	5,973,169	19.54%
Municipal Office Build Reserve Fund	0	0.00%	500,000	1.70%	4,830,431	15.80%
Efficiencies and Improvements Reserve Fund	107,500	0.49%	-	-	-	-
Fire Vehicles & Equipment Reserve Fund	0	0.00%	845,000	2.86%	884,000	2.89%
Fire Public Education Reserve Fund	75,000	0.34%	-	-	-	-



## Budget Summary

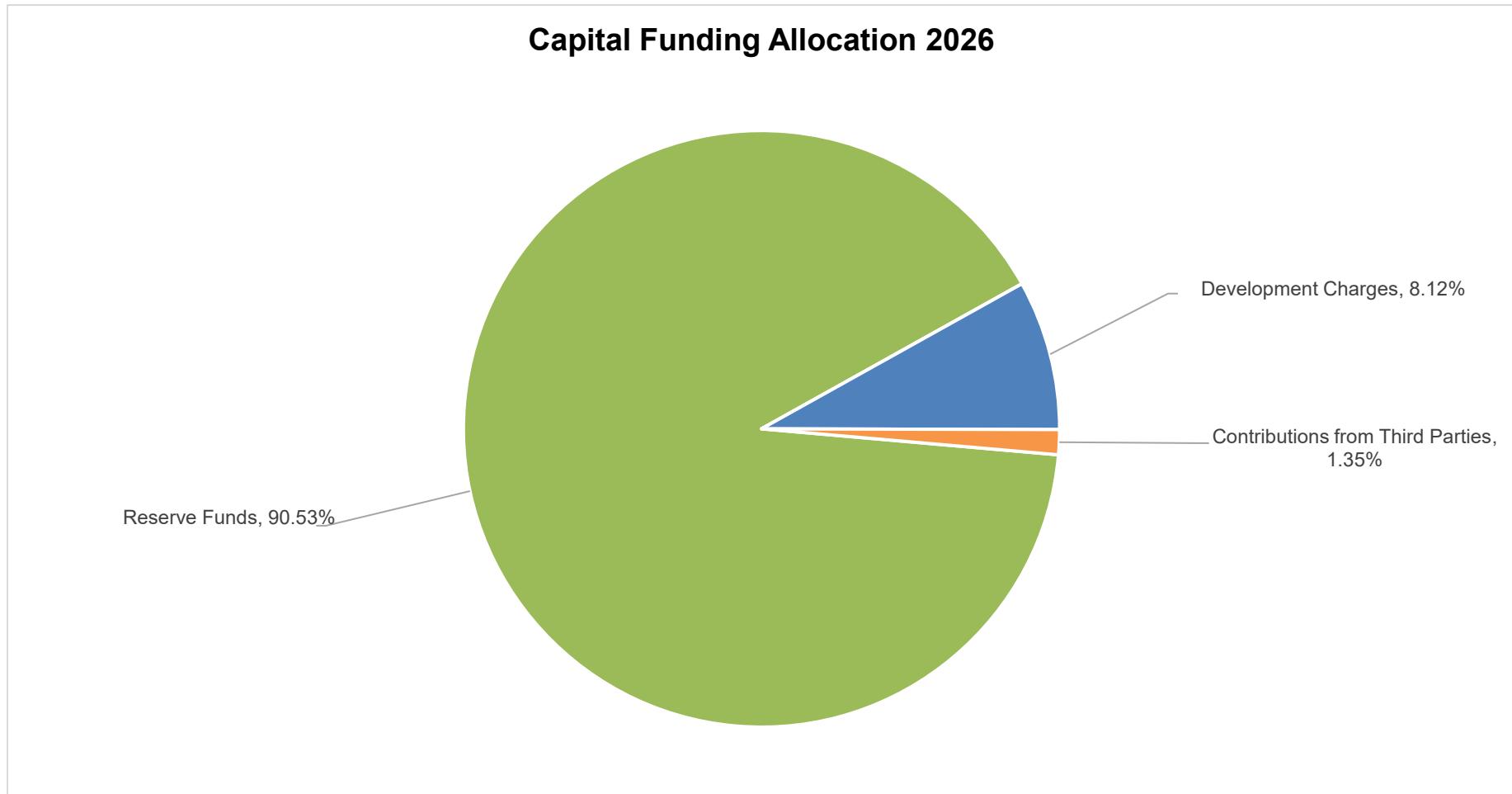
Funding Source	2026 Budget (\$)	2026 Budget	2025 Budget (\$)	2025 Budget	2024 Budget (\$)	2024 Budget
General Vehicles & Equipment Reserve Fund	1,680,000	7.68%	2,252,000	7.62%	2,038,500	6.67%
Build Middlesex Reserve Fund	0	0.00%	-	-	-	-
Ontario Community Infrastructure Fund (OCIF)	1,166,486	5.33%	1,524,753	5.16%	2,616,054	8.56%
Canada Community Building Reserve Fund (CCBF)	820,049	3.75%	-	-	-	-
Ilderton Lions Park Reserve Fund	0	0.00%	-	-	101,514	0.33%
Building Department Reserve Fund	60,000	0.27%	-	-	-	-
Roads Capital Reserve Fund	7,493,807	34.27%	8,253,471	2.78%	6,261,306	20.48%
Wastewater Capital Reserve Fund	1,257,060	5.75%	1,738,473	5.9%	2,496,971	8.17%
Stormwater Capital Reserve Fund	2,808,454	12.84%	3,502,000	11.88%	88,915	0.29%
Water Capital Reserve Fund	2,489,043	11.38%	4,092,499	13.89%	2,310,857	7.56%
Contributions from Third Parties	295,000	1.35%	762,280	2.59%	-	-
Debt	0	0.00%	-	-	1,265,000	4.14%
<b>TOTAL</b>	<b>21,867,926</b>	<b>100%</b>	<b>29,554,615</b>	<b>100%</b>	<b>30,567,143</b>	<b>100%</b>

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

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## ***Unfunded Capital***

Middlesex Centre, like many other communities, is experiencing increasing costs related to infrastructure and public services. This reality demands diligent budget planning and open communication regarding how projects are funded. In this context, the identification and classification of unfunded municipal capital projects have become vital to effective financial management and long-term community growth.

Unfunded municipal capital projects refer to initiatives that have been identified as priorities or as emerging needs, but for which no committed funding source is allocated within the current capital budget year. These projects may arise from master plans, growth studies, community proposals, or efficiency improvement initiatives. Historically, Middlesex Centre often used reserve funds to support such projects; however, the increasing infrastructure gap and economic uncertainty has made this approach less viable, prompting the need for alternative funding strategies.

In 2025, Middlesex Centre implemented a new procedure to improve clarity and accountability in capital budgeting. For the first time, staff began identifying projects that would be classified as “unfunded capital.” These projects are presented without a designated funding source, making them distinct from approved projects in the capital budget. This differentiation underscores the necessity for further council discussion to determine if the municipality should choose to pursue the project.

When evaluating unfunded projects, council has access to several funding mechanisms, including:

- **Taxation:** Allocating funds through the municipal tax levy.
- **User Fees:** Implementing fees for direct beneficiaries of the project or service.

- **Reserve Funds:** Using existing municipal reserves, where available.
- **Debt Financing:** Issuing debt to distribute project costs over multiple years.
- **Grants:** Pursuing federal, provincial, or other external funding opportunities.
- **Donations:** Securing contributions from private or community sources.

Given the current financial climate and the growing infrastructure gap, council must carefully assess the pros and cons of each funding source to ensure fiscal sustainability. Staff will provide detailed information on the suitability, risks, and implications associated with each option for individual projects.

Prioritizing unfunded capital projects is a complex process, particularly given resource limitations and competing community needs. As part of the 2026 budget cycle, the budget working group reviewed information for unfunded projects, with a particular emphasis on asset improvement projects that address asset management requirements. The group was tasked with determining which projects, if any, should move forward based on available funding and municipal priorities. This approach ensured that unfunded projects remain clearly separated from those included in the approved 2026 capital budget, thereby promoting transparency and accountability.

Recognizing difficulties in classifying and funding improvements that are not covered by the Asset Management Plan (AMP) or Development Charge funding strategies, Middlesex Centre is conducting a comprehensive review of project categories. This review will guide the development of a new policy in 2026, establishing clear criteria for distinguishing asset management projects from discretionary improvements or enhancements that



# Budget Summary

would be unfunded projects. The aim is to ensure future budgeting processes are robust, equitable, and responsive to regulatory requirements and evolving community needs.

As Middlesex Centre continues to adapt to an ever-changing economic environment, strategic planning and clear communication regarding unfunded municipal capital projects are essential. By implementing transparent processes for project identification, classification, and funding consideration, council and staff can better address community priorities while maintaining

financial resilience. Ongoing review and policy development will further strengthen the municipality's ability to navigate future challenges and opportunities.

Effectively addressing unfunded municipal projects requires local governments to prioritize based on project importance, potential impact, and alignment with the strategic plan. Unfunded projects highlight the challenges local governments face in meeting critical community needs amid resource constraints.

**Table: Unfunded Capital, 2026 to 2030**

Department/ Project	2026 Budget (\$)	2027 Budget (\$)	2028 Budget (\$)	2029 Budget (\$)	2030 Budget (\$)	Total (\$)
Community Services						
26-7147 - Kilworth Park - Drill Well for irrigation on soccer field	0	55,800	0	0	0	55,800
26-7148 - Kilworth Park - Add Irrigation onto soccer field with remote controller	0	75,000	0	0	0	75,000
26-7149 - Kilworth Park - Build soccer field + sodding of playing field	0	250,000	0	0	0	250,000
26-7153 - Deerhaven Park- Expand asphalt trail and extend to all fields	48,800	0	0	0	0	48,800
26-7156 - Westbrook Park - Add electrical to diamond and extend fencing	55,000	0	0	0	0	55,000
26-7163 - Delaware Municipal Park - Pavilion	125,000	0	0	0	0	125,000
27-7107 - Komoka Park - Irrigation of Front baseball diamond	0	44,600	0	0	0	44,600
27-7125 - Kilworth Park- Add Soccer player benches, spectator benches, goals	0	36,500	0	0	0	36,500
27-7126 - Komoka Park - Irrigation of back soccer fields	0	49,500	0	0	0	49,500
27-7128 - Kilworth Park- Add soccer lighting	0	450,000	0	0	0	450,000
27-7130 - Construction of 4 Pickleball Courts (north)	0	185,000	0	0	0	185,000
27-7134 - Construction of 4 Pickleball Courts (south)	0	185,000	0	0	0	185,000



# Budget Summary

Department/ Project	2026 Budget (\$)	2027 Budget (\$)	2028 Budget (\$)	2029 Budget (\$)	2030 Budget (\$)	Total (\$)
27-7135 - Deerhaven Park- Replace gravel parking lot with asphalt	0	120,000	0	0	0	120,000
27-7141 - Timberwalk Park - Shade structure	0	35,000	0	0	0	35,000
27-7155 - Poplar Hill Park - Asphalt roadway and trails phase 1	0	75,000	0	0	0	75,000
27-7157 - Westbrook Park - Tennis court asphalt + new court markings	0	85,000	0	0	0	85,000
27-7200 - Off Leash Dog Park (south)	0	50,000	0	0	0	50,000
27-7250 - Off Leash Dog Park (north)	0	50,000	0	0	0	50,000
28-7105 - Kilworth Park - Future Washroom building	0	0	250,000	0	0	250,000
28-7155 - Poplar Hill Park - Asphalt roadway and trails phase 2	0	0	75,000	0	0	75,000
30-7146 - Meadowcreek Park- Add soccer field lighting	0	0	0	0	395,000	395,000
<b>Community Services Total</b>	<b>228,800</b>	<b>1,746,400</b>	<b>325,000</b>	<b>0</b>	<b>395,000</b>	<b>2,695,200</b>
<b>Environmental Services</b>						
23-4201 - Melrose Stormwater System - Relocate Drainage Systems	0	35,000	346,250	0	0	381,250
28-4200 - Future projects from the Delaware SWM Master Plan	0	0	500,000	0	500,000	1,000,000
<b>Environmental Services Total</b>	<b>0</b>	<b>35,000</b>	<b>846,250</b>	<b>0</b>	<b>500,000</b>	<b>1,381,250</b>
<b>Facility Services</b>						
26-6127 - Ilderton Arena - Zamboni Room floor drain project	150,000	0	0	0	0	150,000
26-6139 - Coldstream Community Centre - Patio build up and furnish	45,000	0	0	0	0	45,000
27-6134 - Ilderton Arena - Arena floorboards for dry events	0	35,000	0	0	0	35,000
27-6149 - Municipal Office - Property line fence	0	35,000	0	0	0	35,000
27-6161 - PWE - Electric Equipment Charging Infrastructure Phase 1	0	250,000	0	0	0	250,000
27-6303 - PWE Electric Equipment Charging Infrastructure Phase 2	0	250,000	0	0	0	250,000
27-6304 - PWE Works - Energy Generation Project	0	300,000	0	0	0	300,000



# Budget Summary

Department/ Project	2026 Budget (\$)	2027 Budget (\$)	2028 Budget (\$)	2029 Budget (\$)	2030 Budget (\$)	Total (\$)
28-6135 - Ilderton Arena - Outdoor ice rink (concrete pad and shared refrigeration)	0	0	250,000	0	0	250,000
28-6152 - Municipal Office - Back gravel parking lot Asphalt & striping	0	0	68,000	0	0	68,000
30-6124 - Komoka Wellness Centre - Add snow melt/ice reuse to Zamboni area	0	0	0	0	280,000	280,000
30-6125 - Komoka Wellness Centre - Electrical Infrastructure to support Electric Ice resurfacer	0	0	0	0	56,500	56,500
<b>Facility Services Total</b>	<b>195,000</b>	<b>870,000</b>	<b>318,000</b>	<b>0</b>	<b>336,500</b>	<b>1,719,500</b>
<b>Fire and Emergency Operations</b>						
26-2101 - Fire Protection Equipment - Fire Protection Grant #2	80,121	0	0	0	0	80,121
<b>Fire and Emergency Operations Total</b>	<b>80,121</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>80,121</b>
<b>Public Works &amp; Engineering</b>						
26-3041 - New Pedestrian Crossing (Medway Rd)	95,000	0	0	0	0	95,000
26-3124 - Southdel Bourne (Bodkin Road to Magdala Rd/ River Road) Conversion from Gravel to LCB	700,000	0	0	0	0	700,000
26-3131 - Springer Street Urbanization (Glendon Dr to Erie Ave)	75,000	550,000	0	0	0	625,000
26-3827 - New Pedestrian Crossing (Komoka Rd & St. Clair Ave)	95,000	0	0	0	0	95,000
27-3104 - Sidewalk Expansion (Arva)	0	350,000	0	0	0	350,000
27-3105 - Street Light Expansion (Arva)	0	550,000	0	0	0	550,000
28-3104 - Sidewalk Expansion (Ilderton)	0	0	450,000	0	0	450,000
28-3105 - Street Light Expansion (Birr)	0	0	550,000	0	0	550,000
29-3104 - Sidewalk Expansion (Delaware)	0	0	0	350,000	0	350,000
29-3105 - Street Light Expansion (Delaware)	0	0	0	550,000	0	550,000
<b>Public Works &amp; Engineering Total</b>	<b>965,000</b>	<b>1,450,000</b>	<b>1,000,000</b>	<b>900,000</b>	<b>0</b>	<b>4,315,000</b>
<b>Total</b>	<b>1,468,921</b>	<b>4,101,400</b>	<b>2,489,250</b>	<b>900,000</b>	<b>1,231,500</b>	<b>10,191,071</b>



# Budget Summary

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## 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 at middlesexcentre.ca/budget.](http://middlesexcentre.ca/budget)**

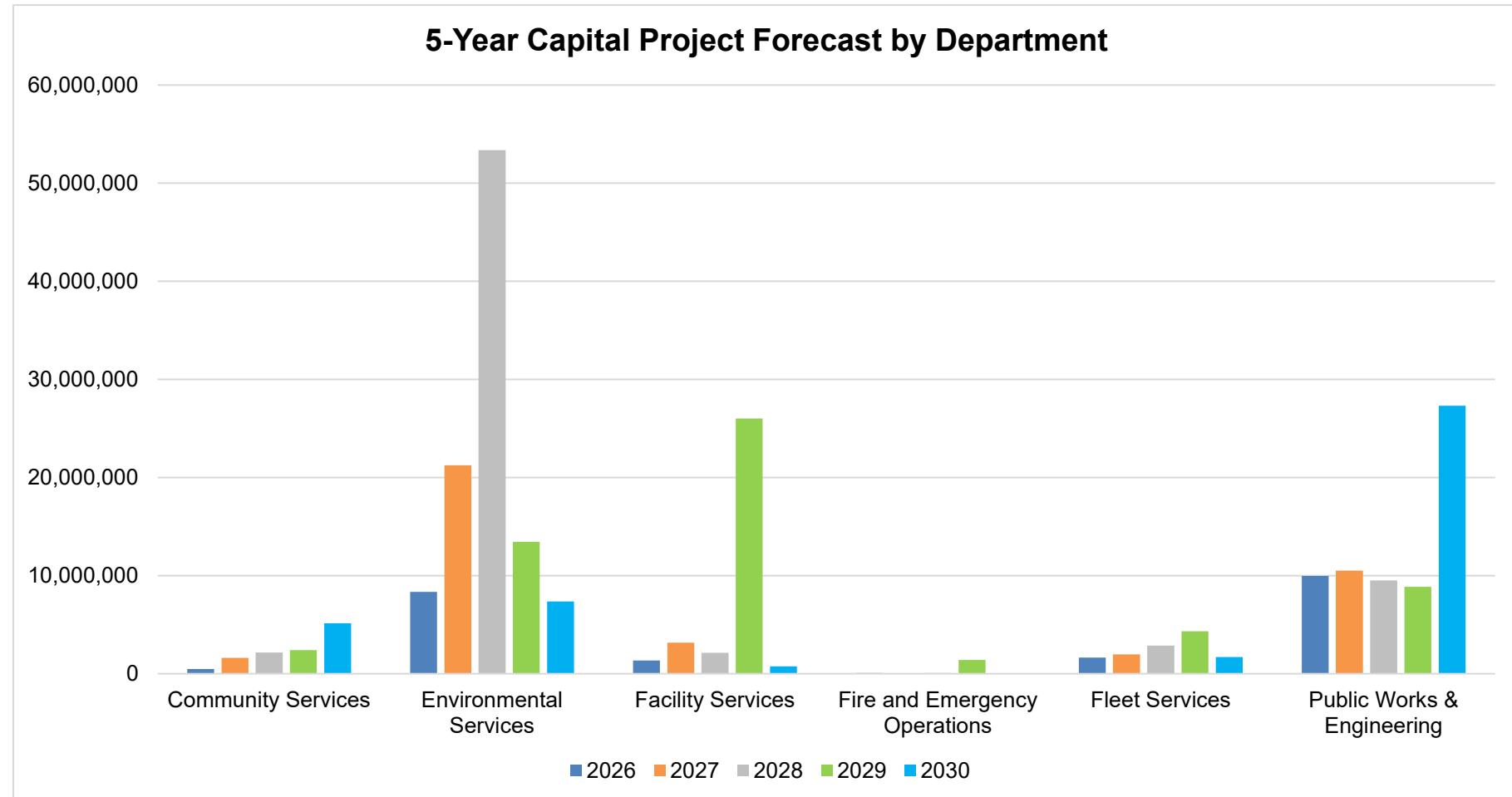
**Table: 5-Year Capital Expenditures by Department, Summary**

Department	2026 Budget (\$)	2027 Budget (\$)	2028 Budget (\$)	2029 Budget (\$)	2030 Budget (\$)	Total 5-Year Plan (\$)
Community Services	470,500	1,631,000	2,169,200	2,398,800	5,151,850	11,821,350
Environmental Services	8,341,384	21,256,088	53,371,122	13,431,300	7,365,000	103,764,894
Facility Services	1,360,700	3,160,200	2,141,200	26,013,400	759,824	33,435,324
Fire and Emergency Operations	75,000	0	75,000	1,400,000	0	1,550,000
Fleet Services	1,660,000	1,980,000	2,857,500	4,327,500	1,699,000	12,524,000
Public Works & Engineering	9,960,342	10,520,164	9,508,250	8,861,000	27,314,902	66,164,658
<b>Total</b>	<b>21,867,926</b>	<b>38,547,452</b>	<b>70,122,272</b>	<b>56,432,000</b>	<b>42,290,576</b>	<b>229,260,226</b>



# Budget Summary

Figure: Five-Year Capital Project Forecast by Department



# Budget Summary

Figure: 5-Year Forecast Capital Costs by Asset Type

Asset Type	2025 Carry Forward (\$)	2026 Budget (\$)	2026 Total (\$)	2027 Budget (\$)	2028 Budget (\$)	2029 Budget (\$)	2030 Budget (\$)	5-Year Total (\$)
Buildings & Fixtures	194,000	903,593	1,097,593	2,840,500	2,026,200	25,546,500	949,808	32,460,601
Emergency Vehicles	0	0	0	780,000	930,000	2,300,000	460,000	4,470,000
Land Improvements	89,000	566,500	655,500	1,613,300	1,987,300	2,234,500	5,151,850	11,642,450
Other Equipment	0	1,147,686	1,147,686	753,164	815,950	2,448,500	360,016	5,525,316
Concrete Sidewalks	0	200,000	200,000	0	0	0	0	200,000
Roads	3,993,807	3,345,000	7,338,807	7,618,914	5,675,500	6,450,000	23,533,902	50,617,123
Bridges & Culverts	93,535	2,248,000	2,341,535	2,901,250	3,832,750	2,411,000	3,431,000	14,917,535
Vehicles & Machinery	0	1,660,000	1,660,000	1,200,000	1,927,500	2,027,500	1,239,000	8,054,000
Stormwater Infrastructure	2,773,454	35,000	2,808,454	6,900,000	495,000	0	0	10,203,454
Wastewater Facility Equipment	70,000	44,650	114,650	0	0	0	0	114,650
Wastewater Facilities	658,312	1,720,389	2,378,701	12,930,919	43,872,797	0	0	59,182,417
Wastewater Mains	0	0	0	568,080	1,653,600	5,577,000	0	7,798,680
Water Mains	1,290,000	835,000	2,125,000	10,000	1,014,000	7,437,000	0	10,586,000
Water Facilities	0	0	0	431,325	5,891,675	0	7,165,000	13,488,000
<b>Total</b>	<b>9,162,108</b>	<b>12,705,818</b>	<b>21,867,926</b>	<b>38,547,452</b>	<b>70,122,272</b>	<b>56,432,000</b>	<b>42,290,576</b>	<b>229,260,226</b>

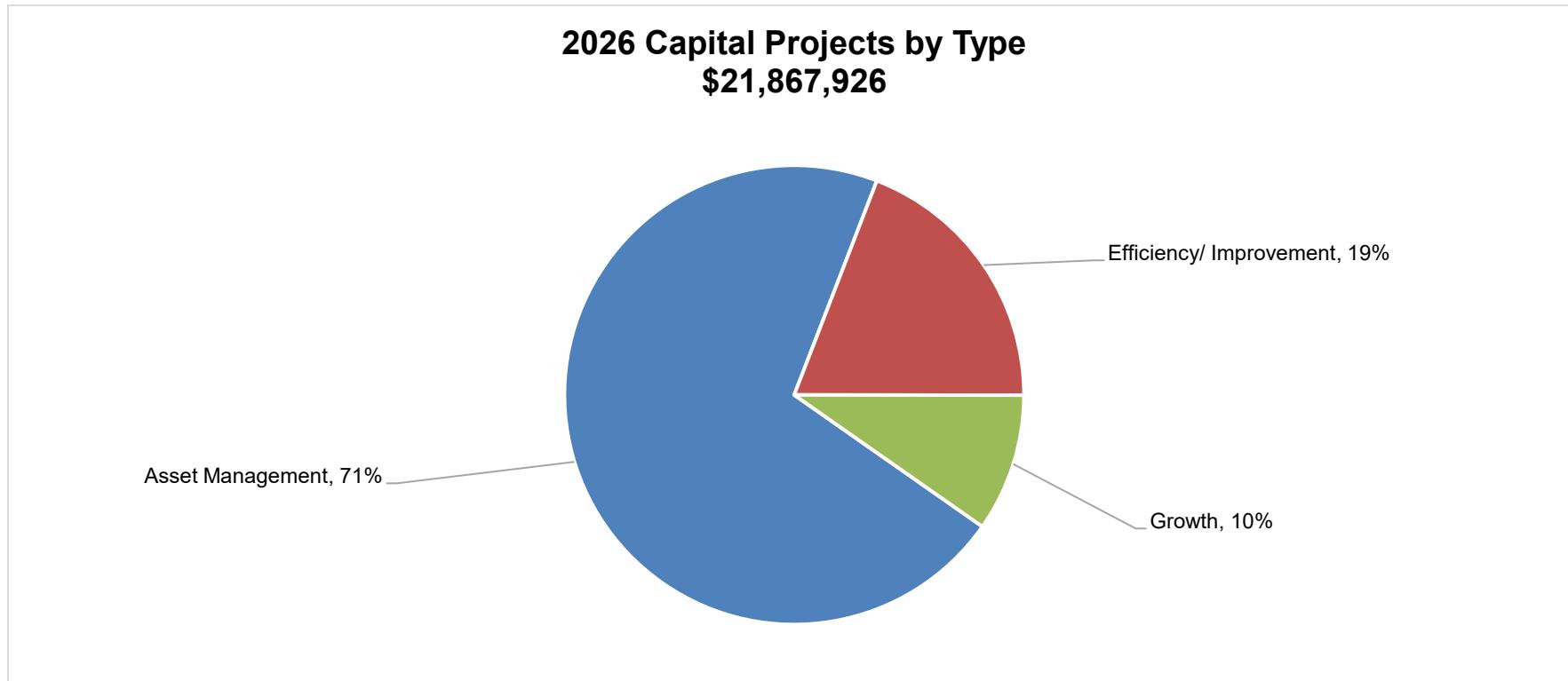


# Budget Summary

Table: Five-year Budget by Project Type

Project Type	2025 Carry Forward (\$)	2026 Budget (\$)	2026 Total (\$)	2027 Budget (\$)	2028 Budget (\$)	2029 Budget (\$)	2030 Budget (\$)	5-Year Total (\$)
Asset Management	4,830,462	10,725,779	15,556,241	14,304,314	14,017,200	12,658,400	12,400,824	68,936,979
Efficiency/ Improvement	4,129,646	60,000	4,189,646	6,900,000	0	250,000	1,600,000	12,939,646
Growth	202,000	1,920,039	2,122,039	17,343,138	56,105,072	43,523,600	28,289,752	147,383,601
<b>Total</b>	<b>9,162,108</b>	<b>12,705,818</b>	<b>21,867,926</b>	<b>38,547,452</b>	<b>70,122,272</b>	<b>56,432,000</b>	<b>42,290,576</b>	<b>229,260,226</b>

Figure: Capital Projects by Project Type



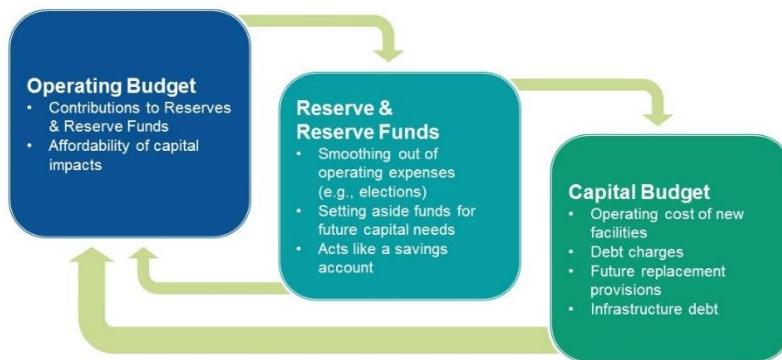
# Budget Summary

## Combined Operating and Capital Budget

Connecting the capital and operating budgets forms the total 2026 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 recurring or non-recurring

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	2026 Budget (\$)			2025 Budget (\$)			Year Over Year Change (\$)			
General Government	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
General Administration	3,377,658	3,362,801	(14,857)	2,610,588	2,683,175	72,587	767,070	679,626	(87,444)	(120.47%)
Conservation Authorities	0	513,747	513,747	0	450,153	450,153	0	63,594	63,594	14.13%
Council	0	275,736	275,736	0	261,922	261,922	0	13,814	13,814	5.27%
Economic Development	0	113,789	113,789	0	107,290	107,290	0	6,499	6,499	6.06%
Reserve Fund Transfers	4,269,611	15,174,300	10,904,689	4,612,077	14,355,077	9,743,000	(342,466)	819,223	1,161,689	11.92%
Policing	0	2,687,360	2,687,360	0	2,421,045	2,421,045	0	266,315	266,315	11.00%
OPP Detachment Board	139,220	148,687	9,467	120,000	128,160	8,160	19,220	20,527	1,307	16.02%
Cemeteries	7,040	26,002	18,962	6,500	24,400	17,900	540	1,602	1,062	5.93%
<b>Total</b>	<b>7,793,529</b>	<b>22,302,422</b>	<b>14,508,893</b>	<b>7,349,165</b>	<b>20,431,222</b>	<b>13,082,057</b>	<b>444,364</b>	<b>1,871,200</b>	<b>1,426,836</b>	<b>10.91%</b>
Fire and Emergency Operations	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Fire Operations	145,545	1,719,427	1,573,882	184,260	1,581,510	1,397,250	(38,715)	137,917	176,632	12.64%
Special Operations	0	28,190	28,190	0	27,776	27,776	0	414	414	1.49%
Fire Administration	21,832	725,998	704,166	29,161	719,802	690,641	(7,329)	6,196	13,525	1.96%
Fire Prevention	56,698	142,204	85,506	47,200	134,246	87,046	9,498	7,958	(1,540)	(1.77%)
Emergency Operations	0	3,488	3,488	0	4,469	4,469	0	(981)	(981)	(21.95%)
<b>Total</b>	<b>224,075</b>	<b>2,619,307</b>	<b>2,395,232</b>	<b>260,621</b>	<b>2,467,803</b>	<b>2,207,182</b>	<b>(36,546)</b>	<b>151,504</b>	<b>188,050</b>	<b>8.52%</b>
Building & Bylaw	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Building	1,174,086	1,174,086	0	1,097,351	1,097,351	0	76,735	76,735	0	100.00%



# Budget Summary

Department/ Division	2026 Budget (\$)			2025 Budget (\$)			Year Over Year Change (\$)			
By-Law	32,101	128,732	96,631	33,160	126,558	93,398	(1,059)	2,174	3,233	3.46%
Animal Control	7,890	54,052	46,162	8,594	58,181	49,587	(704)	(4,129)	(3,425)	(6.91%)
<b>Total</b>	<b>1,214,077</b>	<b>1,356,870</b>	<b>142,793</b>	<b>1,139,105</b>	<b>1,282,090</b>	<b>142,985</b>	<b>74,972</b>	<b>74,780</b>	<b>(192)</b>	<b>(0.13%)</b>
Public Works & Engineering	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Transportation	10,019,617	14,202,423	4,182,806	10,566,224	14,688,841	4,122,617	(546,607)	(486,418)	60,189	1.46%
PWE Administration	105,678	1,217,621	1,111,943	82,833	1,191,591	1,108,758	22,845	26,030	3,185	0.29%
Planning	2,381,100	2,716,736	335,636	487,850	786,252	298,402	1,893,250	1,930,484	37,234	12.48%
Drainage	46,860	111,022	64,162	42,000	110,459	68,459	4,860	563	(4,297)	(6.28%)
Tile Drainage	41,970	41,970	0	38,138	38,138	0	3,832	3,832	0	0.00%
Municipal Drainage	116,246	116,246	0	112,496	112,496	0	3,750	3,750	0	0.00%
<b>Total</b>	<b>12,711,471</b>	<b>18,406,018</b>	<b>5,694,547</b>	<b>11,329,541</b>	<b>16,927,777</b>	<b>5,598,236</b>	<b>1,381,930</b>	<b>1,478,241</b>	<b>96,311</b>	<b>1.72%</b>
Environmental Services	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Wastewater	7,701,069	7,701,069	0	6,403,577	6,403,577	0	1,297,492	1,297,492	0	0.00%
Stormwater	4,159,487	4,159,487	0	4,723,063	4,723,063	0	(563,576)	(563,576)	0	0.00%
Water	6,877,759	6,877,759	0	8,384,200	8,384,200	0	(1,506,441)	(1,506,441)	0	0.00%
Waste Management	1,398,369	1,105,961	(292,408)	1,343,563	1,094,223	(249,340)	54,806	11,738	(43,068)	17.27%
<b>Total</b>	<b>20,136,684</b>	<b>19,844,276</b>	<b>(292,408)</b>	<b>20,854,403</b>	<b>20,605,063</b>	<b>(249,340)</b>	<b>(717,719)</b>	<b>(760,787)</b>	<b>(43,068)</b>	<b>17.27%</b>
Facility Services	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Facilities Administration	0	28,604	28,604	0	19,300	19,300	0	9,304	9,304	48.21%
Municipal Office	0	208,145	208,145	500,000	658,244	158,244	(500,000)	(450,099)	49,901	31.53%
Leased Properties	323,840	323,840	0	770,820	777,166	6,346	(446,980)	(453,326)	(6,346)	(100.00%)
Fire Halls	0	226,005	226,005	39,600	270,300	230,700	(39,600)	(44,295)	(4,695)	(2.04%)
PWE Operations Centres	179,200	534,837	355,637	215,105	550,459	335,354	(35,905)	(15,622)	20,283	6.05%
Wastewater Facilities	120,412	120,412	0	0	0	0	120,412	120,412	0	0.00%



# Budget Summary

Department/ Division	2026 Budget (\$)			2025 Budget (\$)			Year Over Year Change (\$)			
Water Facilities	29,350	29,350	0	0	0	0	29,350	29,350	0	0.00%
Community Centres	750,679	1,089,428	338,749	877,829	1,323,960	446,131	(127,150)	(234,532)	(107,382)	(24.07%)
Arenas	2,820,530	3,653,785	833,255	5,685,271	6,546,260	860,989	(2,864,741)	(2,892,475)	(27,734)	(3.22%)
Libraries	55,921	128,951	73,030	54,707	88,959	34,252	1,214	39,992	38,778	113.21%
<b>Total</b>	<b>4,279,932</b>	<b>6,343,357</b>	<b>2,063,425</b>	<b>8,143,332</b>	<b>10,234,648</b>	<b>2,091,316</b>	<b>(3,863,400)</b>	<b>(3,891,291)</b>	<b>(27,891)</b>	<b>(1.33%)</b>
Community Services	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Parks & Open Space	565,452	1,305,567	740,115	799,675	1,511,534	711,859	(234,223)	(205,967)	28,256	3.97%
Community Services Administration	0	1,149,185	1,149,185	5,100	957,697	952,597	(5,100)	191,488	196,588	20.64%
Recreation Programs	136,971	176,801	39,830	96,500	133,922	37,422	40,471	42,879	2,408	6.43%
<b>Total</b>	<b>702,423</b>	<b>2,631,553</b>	<b>1,929,130</b>	<b>901,275</b>	<b>2,603,153</b>	<b>1,701,878</b>	<b>(198,852)</b>	<b>28,400</b>	<b>227,252</b>	<b>13.35%</b>
Fleet Services	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	% Change
Fleet Administration	28,572	406,787	378,215	27,994	399,252	371,258	578	7,535	6,957	1.87%
Fire Fleet	0	77,750	77,750	725,000	803,375	78,375	(725,000)	(725,625)	(625)	(0.80%)
Building Fleet	60,000	68,572	8,572	0	8,311	8,311	60,000	60,261	261	3.14%
PWE Transportation Fleet	1,437,500	2,088,905	651,405	1,926,500	2,560,367	633,867	(489,000)	(471,462)	17,538	2.77%
Environmental Services Fleet	0	20,000	20,000	92,500	100,500	8,000	(92,500)	(80,500)	12,000	150.00%
Community Services Fleet	272,500	372,500	100,000	371,500	447,750	76,250	(99,000)	(75,250)	23,750	31.15%
<b>Total</b>	<b>1,798,572</b>	<b>3,034,514</b>	<b>1,235,942</b>	<b>3,143,494</b>	<b>4,319,555</b>	<b>1,176,061</b>	<b>(1,344,922)</b>	<b>(1,285,041)</b>	<b>59,881</b>	<b>5.09%</b>
<b>Grand Total</b>	<b>48,860,763</b>	<b>76,538,317</b>	<b>27,677,554</b>	<b>53,120,936</b>	<b>78,871,311</b>	<b>25,750,375</b>	<b>(4,260,173)</b>	<b>(2,332,994)</b>	<b>1,927,179</b>	<b>7.48%</b>



# Budget Summary

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## Revenue and Expenditure Summary: Three-year Comparison

For taxpayers, comparing actual and budget data over multiple years in a municipality is beneficial as it promotes transparency and accountability, ensuring public funds are used responsibly.

For staff, this analysis helps identify inefficiencies, improve financial management, and support better decision-making for resource allocation.

Most of the discussion in this budget book on operating revenues and expenditures is focused on a three-year budget. As part of their normal practices, staff prepare monthly budget to actual comparisons in addition to an annual budget to actual. (These

monthly budget-to-actual comparisons are shared with Council on a regular basis.)

In addition to looking at these comparisons, during the budget preparation process staff consider actual historical data rather than prior budgeted amounts to ensure the final budget is accurate.

It is important to note that the municipal basis of budgeting and basis of accounting are different, therefore, the information presented below for 2024 actuals will differ from the final audited figures in the financial statements. For more information, refer to the Basis of Budgeting section in the supplemental section below.

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

Revenue Type	2026 Budget (\$)	2025 Budget (\$)	2024 Actual (\$)
Property Taxes Levied	27,677,554	25,750,375	24,267,465
User Fees (Utilities & Other)	18,034,061	16,832,720	19,536,869
Government Grants & Subsidies	5,555,571	4,759,134	3,732,110
Other Municipal Services	3,403,205	1,974,467	5,498,853
<b>TOTAL</b>	<b>54,670,391</b>	<b>49,316,696</b>	<b>53,034,297</b>



# Budget Summary

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

Operating Expenditures	2026 Budget (\$)	2025 Budget (\$)	2024 Actual (\$)
Transfer <u>to</u> Reserves/Reserve Funds	20,324,764	18,126,573	17,010,052
Wages & Benefits	12,832,674	11,962,239	10,921,328
Subcontracted Services	5,322,185	5,097,122	5,201,171
Repairs, Maintenance & Equipment Rental	2,512,301	2,448,936	2,177,230
Utilities	1,954,640	1,973,296	1,976,768
Debt - Principal/Interest	1,870,006	1,901,385	1,849,195
Non-Capital Equipment, Hardware, Software	1,749,834	1,325,918	1,035,523
Supplies & Materials	1,704,922	1,671,952	1,735,140
Servicing Cost Expenses	1,128,451	175,800	172,600
Insurance	965,725	961,475	878,305
<b>TOTAL</b>	<b>50,365,502</b>	<b>45,644,696</b>	<b>42,957,312</b>

*Prior year budgets include in-year budget amendments and may differ to prior year budget books.*



# Budget Summary

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## Budget Implications for Rate Payers

### Tax Rate

#### The 2026 tax rate increase is 5.71% (2025: 4.27%).

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) delivered the 2026 final assessment to Middlesex Centre in December 2025.

### 2020 Assessment Updated Postponed for Sixth 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 2026 will continue to be based on the fully phased-in January 1, 2016, current value assessments.

This means property assessment for the 2026 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.

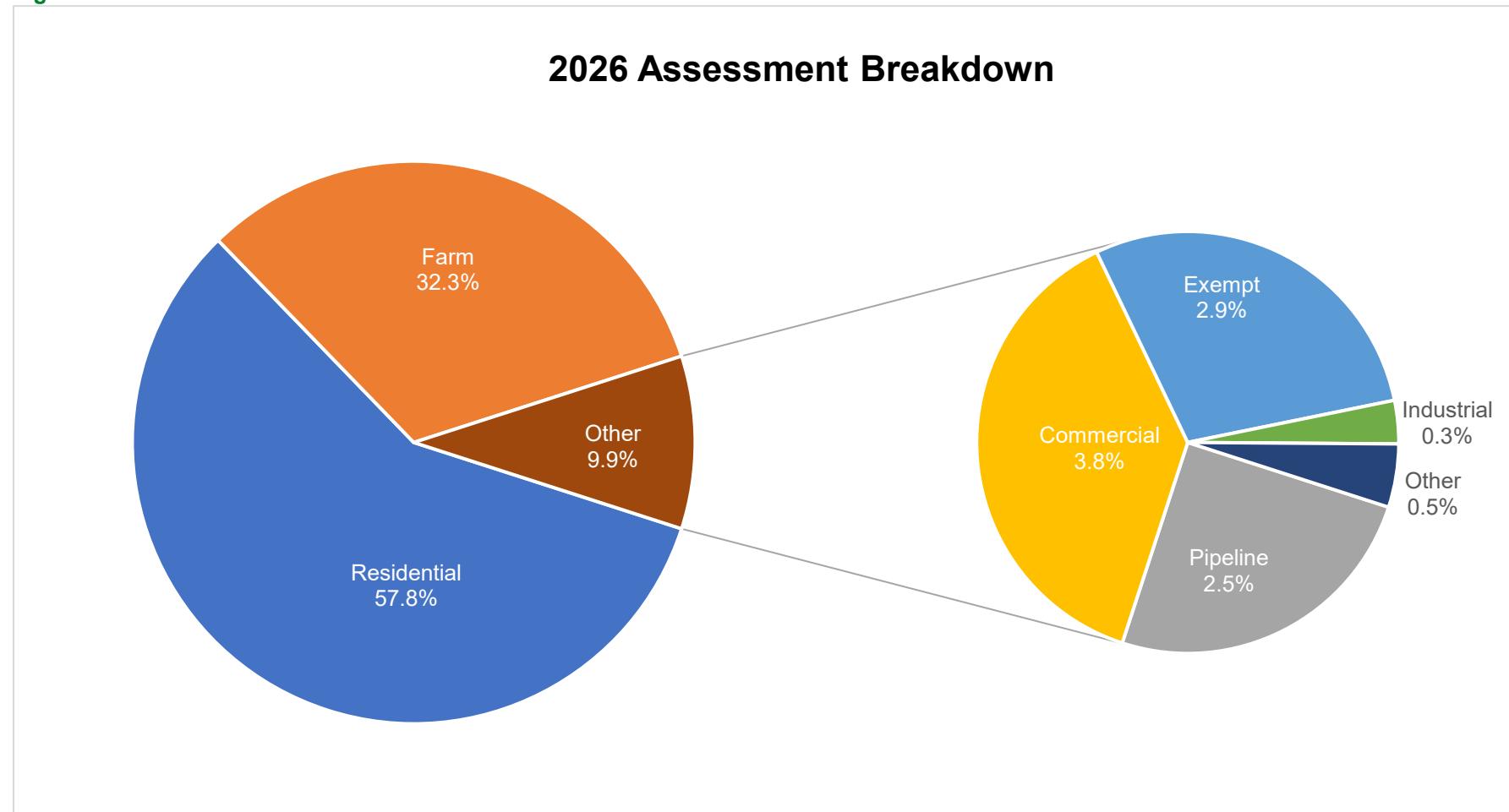
**Table: Total Tax Assessment Value by Property Class, 2026**

Property Class	Assessment (\$)
Residential	2,946,252,652
Farm	1,645,000,881
Pipeline	126,851,000
Commercial	191,750,667
Exempt	146,270,400
Industrial	16,807,200
Other	24,570,800
<b>Total Assessment</b>	<b>5,097,503,600</b>



# Budget Summary

Figure: Assessment Breakdown



# Budget Summary

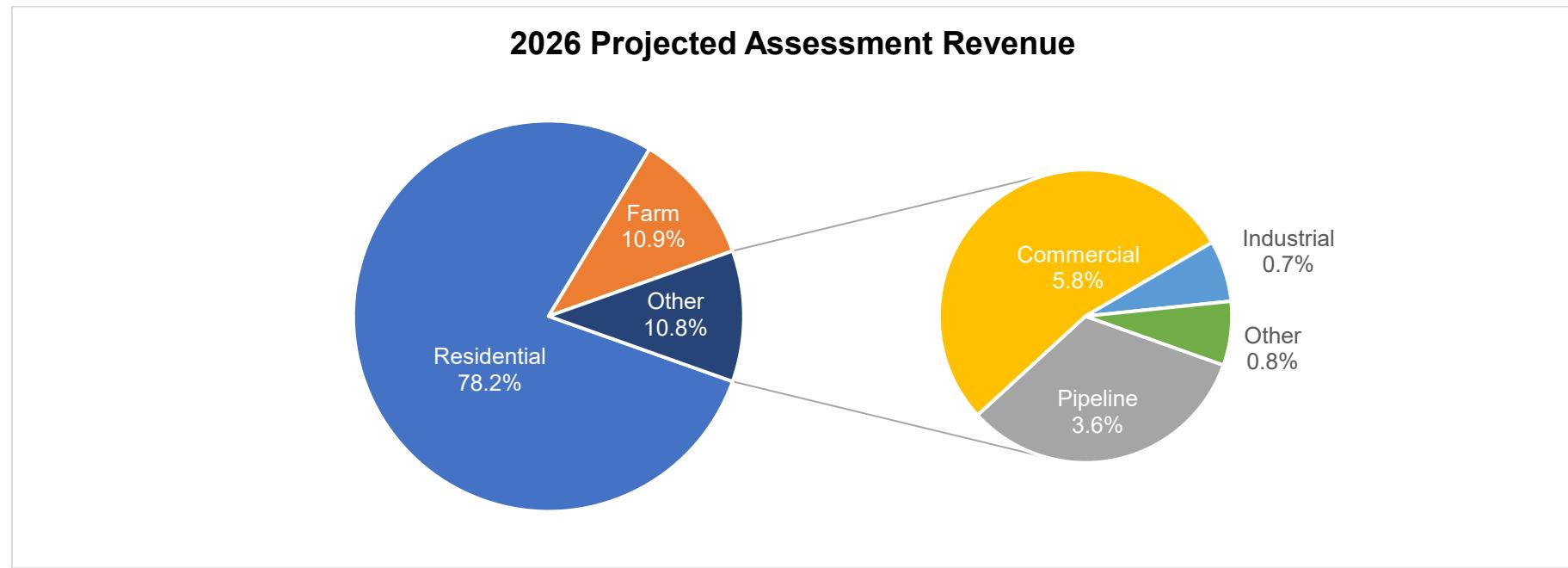
## Tax Revenue from All Property Types

Table: Total Municipal Tax Revenue with 3-year Comparison

Property Type	2026 Budget (\$)	2025 Budget (\$)	2024 Budget (\$)
Residential	21,652,875	20,178,818	19,025,762
Farm	3,022,509	2,862,831	2,739,452
Pipeline	984,042	932,377	892,921
Commercial	1,603,134	1,385,347	1,278,995
Industrial	203,110	191,439	186,821
Other	211,885	199,562	143,514
<b>Total Assessment Revenue</b>	<b>27,677,554</b>	<b>25,750,375</b>	<b>24,267,465</b>

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 \$159 in 2026 (excluding the education tax and Middlesex County taxes).

It is important to note that there were no re-assessment increases in 2026. 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	2026 (\$)	2025 (\$)	2024 (\$)	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)	2,940	2,781	2,667	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	+159	+114	+83	Middlesex Centre will have a 5.71% tax rate increase in 2026, compared to 4.27% in 2025.

## **What is the farm tax impact?**

For the average Middlesex Centre farm owner, municipal taxes will increase by \$99 in 2026 (excluding the education tax and Middlesex County taxes).

It is important to note that there were no re-assessment increases in 2026. 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	2026 (\$)	2025 (\$)	2024 (\$)	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)	1,837	1,738	1,667	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	+99	+71	+52	Middlesex Centre will have a 5.71% tax rate increase in 2026, compared to 4.27% in 2025.



# 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 2026, water rates will increase by 4.5%, wastewater 5%, and stormwater by 9%. As a result, average users will see an annual increase of about \$103 on their water bill.

**Table: Annual Combined Fees for Water, Wastewater and Stormwater, 2026**

Annual Water Usage (m <sup>3</sup> )	2026 (\$)	2025 (\$)	\$ Increase	% Increase
96	1,439	1,365	74	5.4%
180	2,081	1,978	103	5.2%
360	3,456	3,290	166	5.0%
Stormwater Only	223	205	18	9.0%

Middlesex Centre continues to be challenged with funding the water and wastewater systems with relatively fewer customers to share these costs than one would typically see in a higher-density, larger city. 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). In June 2025, Council approved the municipality's long-range financial plan (LRFP) for water, wastewater, and stormwater services. This comprehensive plan outlines strategic financial measures designed to ensure the sustainability and reliability of essential municipal infrastructure.

The LRFPs specify the following recommended annual rate increases:

- User Rates (Smoothed Ratepayer Impact over 10 Years):
  - Water: 6.1% increase per year
  - Wastewater: 8.7% increase per year
  - Stormwater: 10.0% increase per year



# Budget Summary

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A portion of these recommended increases will be mitigated by projected annual growth, estimated between 1% and 4.5%. This growth is expected to reduce the net financial impact on existing ratepayers, making the increases more manageable for the community. For 2026, growth is projected at 1%.

Rate adjustments will be reviewed annually during the municipality's budget process. Each year, staff will analyze any financial implications arising from deviations from the recommended rates, ensuring that decisions are responsive to current economic conditions and municipal needs.

It is critical to maintain the recommended rate increases to address the existing infrastructure funding gap. Implementing lower-than-proposed increases would restrict the municipality's ability to fund:

- Existing infrastructure maintenance and renewal
- Growth-related assets that benefit the current population, as identified in the Development Charges Background Study

In short, maintaining these increases is essential to secure the long-term financial health of the municipality's water, wastewater, and stormwater systems.

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

## 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 collection and disposal. 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 no increase in waste management fees in 2026. Waste bin charges are:

- Small Bin: \$132
- Medium Bin: \$246
- Large Bin: \$358

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 a small amount of additional revenue allowing for the projected growth in the number of properties serviced.

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



# Budget Summary

## 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](http://middlesexcentre.ca/rates-and-fees)**

## 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	159
Change in Water, Wastewater and Stormwater Fees*	103
Change in Waste Management Fees*	0
Change in User Fees	will vary by resident
Total Change – Middlesex Centre	262

\*Based on usage of 180 m<sup>3</sup> 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	99
Change in Waste Management Fees	0
Change in User Fees	will vary by resident
Total Change – Middlesex Centre	99

*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



### 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 annual budgeting to long-range financial 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

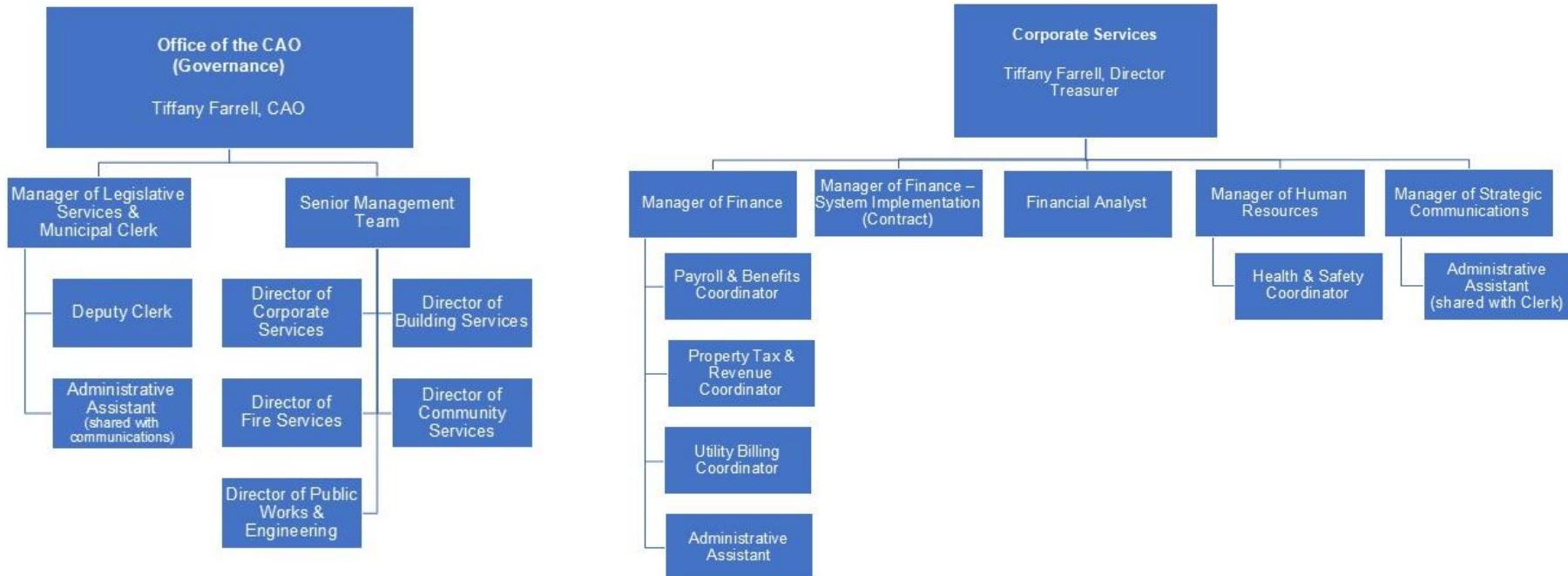


Table: General Government Staffing Resources

Divisions	2026 FTEs	2025 FTEs	2024 FTEs	2023 FTEs	Changes
Staffing Total Corporate Services & Office of the CAO	14.60	13.80	13.80	13.13	2026 –Adding coordinator position under Human Resources (Health & Safety) and removing a part-time customer service representative. Staffing includes a contract finance position to support implementation of new accounting software system. 2024 – Removed a part-time co-op student position and added a full-time Payroll and Benefits Coordinator. No change for 2025.

Notes: The Office of the CAO is included in the position counts for General Government as 3.5 FTE as all the direct reports under the Senior Management Team are included in their specific departments rather than the General Government total. In addition, there are 7 part-time members of council.



# General Government

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## 2025 Accomplishments

In addition to the items outlined in the tables below, in 2025, finance staff reviewed and updated two Long-Range Financial Plans (taxation and water) and updated numerous policies resulting from the review.

Additionally, general government services:

- Updated the municipal HST policy and procedures
- Successfully led the municipality to becoming a multi-site Joint Health and Safety Committee workplace
- Administered a Mobile Crisis Response Team (MCRT) Enhancement Grant, created policies and procedures, and provided secretariat services for the Middlesex OPP Board
- Implemented a Volunteer Recognition Policy to celebrate volunteers and encourage volunteerism in the community

### By the Numbers

- Tax Bills Issued: 16,914 (2025)
- Water Bills Issued: 68,294 (2025)
- Website Usage: 135,200 (2025)
- Total Followers (all social media): 7,889 (2025)
- Individual Staff Training Sessions: 1,277 (2025)
- Number of Council Meeting Held: 28 (2025)
- By-Laws Approved: 104 (2025)
- Customer Service – Residents rating recent customer service experience as satisfied: 56% (2025; based on 68 respondents)
- Value of Council Grants Issued: \$19,865 (2025)
- Value of Community Improvement Plan Grants Issued: \$16,218 (2025)
- Total Value of Projects Supported by Community Improvement Plan Grants (grant plus company investment): \$33,395 (2025)

**Table: 2025 Strategic Accomplishments for General Governance: Corporate Services**

Division	Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Office of the Clerk	2026 Municipal Election	2025-2026	Strat Plan 5 – Responsive Municipal Government	<i>Aligns with requirements of Municipal Elections Act</i>	2025 - preparations and plans for election are complete, including issuance of RFP for voting technology	In-house	Underway



# General Government

Division	Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
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	Deferred – no funding was 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	Completed and Ongoing
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	Ongoing
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	Policy Completed, program underway
Corporate Services	New Accounting Software	2025-2026	Strat Plan 5 – Responsive Municipal Government	5.1 – Enhance customer service 5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery	2025 – research and issuance of RFP for new software	In-house	In progress; RFP expected in 2026



# General Government

Division	Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
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	In progress
Corporate Services	Review Community Grants Program	2025-2026	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	In progress; Program change expected to go to Council in 2026 to align with grant cycle
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	In progress



# General Government

Division	Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
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	Completed
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	Completion expected in Q1 of 2026



# General Government

## 2026 Strategic Goals

Table: 2026 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	<i>Aligns with requirements of Municipal Elections Act</i>	2026 – Hold a successful municipal election	\$68,000
Office of the CAO	Industrial Land Development	2021-2026	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%	In-house
Office of the CAO	Review of 2021 to 2026 Strategic Plan	2026	Strat Plan 5 – Responsive Municipal Government	5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Final Report on Strategic Plan	In-house
Corporate Services	New Accounting Software	2025-2027	Strat Plan 5 – Responsive Municipal Government	5.1 – Enhance customer service 5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery	2026 – issuance of RFP for new software and starting tasks for transition of systems	\$700,000



# General Government

Division	Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Corporate Services	Investment Policy and Strategy	2026	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	Updated policy and strategy	In-house
Corporate Services	Review Community Grants Program	2025-2026	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 (continued from 2025)
Corporate Services	Customer Service Survey	2025	Strat Plan 5 – Responsive Municipal Government	5.1 – Enhance customer service	Conduct a third-party customer service survey of residents. Ensure satisfaction results align with previous levels	\$15,000



# General Government

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## 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 11% increase in 2026.
- 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 2026.
- Challenging economic environment is leading to an increase in collections.
- Increasing focus on internal controls stemming from concerns at other government institutions.
- 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 and overseeing the effective and ethical use of AI.
- 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

- More than \$1,000,000 increase in the contribution to Reserve Funds to align with the municipality's Long-Range Financial Plan for tax levy supported capital projects. This is needed for the continued improvement and rehabilitation of our capital assets and funding for our growth-related projects. This initiative cannot be completed without increasing the annual contribution to capital.
- Continued implementation of the recommendations from the 2023 Organizational Review and 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 2026.
- Focus on assessment base management, particularly in relation to home-based businesses.
- Middlesex OPP Detachment Board: Seven of the lower-tier municipalities in Middlesex County contract the OPP to provide policing services. Middlesex Centre provides administrative support for the board.
  - This roll has included seeking grants from other levels of government. Middlesex Centre was successful in securing \$240,000 over two years from the Ontario government to support the Middlesex County OPP's mobile crisis response team. This funding will allow police to partner with trained crisis workers to provide the specialized support often needed when responding to individuals experiencing a mental health-related crisis.



# General Government

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## Operating Budget Details

General Government has 40.8% of total operating costs. Of the 40.8%, transfers to reserve funds account for 27.8% and general government accounts for only 13.0% of operating costs.

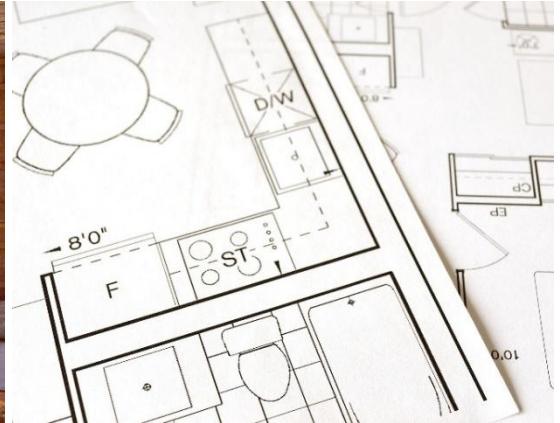
**Table: Operating Expense Budget for General Government by Division**

Division/ Cost Centre	Cost Centre (\$)	2026 Total (\$)
General Administration		3,362,801
Policing		2,687,360
Conservation Authorities		513,747
Ausable Bayfield	133,835	
Kettle Creek	21,302	
Lower Thames	35,121	
St. Clair	114,166	
Upper Thames	209,323	
Cost Centre Total	513,747	
Council		275,736
Economic Development		113,789
Reserve Fund Transfers		15,174,300
OPP Detachment Board		148,687
Cemeteries		26,002
<b>Total</b>		<b>22,302,422</b>

*Note: There are no capital expenditures associated with General Governance for 2026.*



# 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

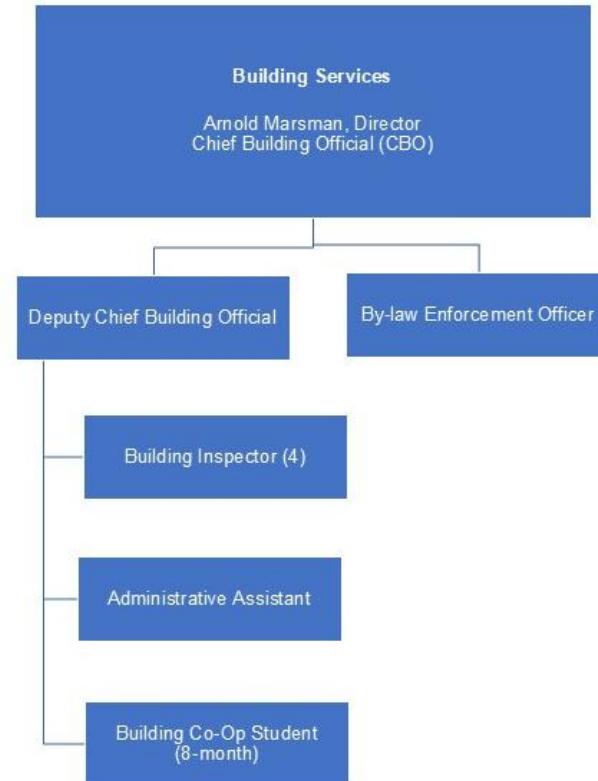


Table: Building Services Staffing Resources

Divisions	2026 FTEs	2025 FTEs	2024 FTEs	2023 FTEs	Change
Building	7.67	7.67	7.67	7.67	2026 – Junior Building Inspector promoted to Building Inspector. No change in FTEs.
By-law	0.75	0.75	0.75	0.75	--
Animal Control	0.25	0.25	0.25	0.25	--
Staffing Total	8.67	8.67	8.67	8.67	



# Building & By-law Services

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## 2025 Accomplishments

In addition to the strategic accomplishments outlined below, in 2025 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 472 building permits in Lucan Biddulph, Adelaide Metcalfe, North Middlesex and Southwest Middlesex with a total construction value of \$139 million.

**Table: Building Permit Activity to Year End, 2019 to 2025**

Year	Number of Building Permits Issued	Number of New Dwellings	Estimated Cost of Construction (\$)
2025 Year End	333	68	121,940,527
2024 Year End	338	61	71,852,152
2023 Year End	486	162	120,280,007
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.

In 2012, Middlesex Centre expanded its building services agreement with Lucan Biddulph to include by-law enforcement services. This service was expanded further to include Adelaide Metcalfe in 2024. Time spent providing by-law enforcement services to these municipalities is funded by those municipalities.

### By the Numbers

- Through 2025, Building Services issued 333 building permits, with a total construction value of \$122 million. These both were consistent with 2024's pace apart from significant non-residential activity, primarily in Kilworth, including approval of a new elementary school and shopping plaza.
- Responded to 236 by-law complaints pertaining to illegal dumping, illegal building, parking, zoning infractions, animal control, dogs at large and/or vicious, property standards, fencing and planning (site visits at application).
- Hosted workshop in winter 2025 for over 70 builders/developers.



# Building & By-law Services

**Table: 2025 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	\$403,724	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 2024 in which the system was drafted	Complete in-house	Complete in fourth quarter 2025
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	Complete
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	Complete



# Building & By-law Services

## 2026 Strategic Goals

Table: 2026 Strategic Goals for Building & By-law Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Meet with building and development industry to review code and development matters	First Quarter 2026	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	In-house
Building Services - Municipal Partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 – Consider expand our partnerships	Building Services - Municipal Partnerships	Cost recovered through service agreement
Develop strategies for encouraging Accessory Residential Units	First half 2026	Strat Plan 2 – Balanced Growth	2.1 – Influence new development to include attainably priced housing	Develop partnerships and/or processes to make ARUs more available	In-house
Update policies and procedures relating to code and Development Charges Act revisions	First half 2026	Strat Plan 5 – Responsive Municipal Government	5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Building Services – establish procedures for tracking and collection of deferred development changes	In-house



# Building & By-law Services

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## Departmental Budget Highlights

### Trends

- Anticipate residential activity to increase in the second half of 2026 and to exceed 2025 construction indicator levels in Middlesex Centre and throughout Middlesex County.
- Full cost recovery of Building Division's budget to continue through building permit fees and service charges to municipal partners.
- Supplement by-law enforcement budget by providing efficient services to our municipal partners.
- Recent changes to the Ontario Building Code and Development Charges Act will impact processes in 2026. New procedures will have to be created.

### 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

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## Operating Budget Details

Building & By-law Services has 2.5% of total operating costs.

**Table: Operating Budget for Building Services by Division**

Division/ Cost Centre	Cost Centre (\$)	2026 Total (\$)
Building		1,174,086
Building Inspection - Middlesex Centre	724,417	
Building Inspection - Lucan Biddulph	102,375	
Building Inspection - North Middlesex	163,697	
Building Inspection - Southwest Middlesex	87,857	
Building Inspection - Adelaide Metcalfe	89,770	
Building Inspection – Newbury	5,970	
Cost Centre Total	1,174,086	
By-Law		128,732
Animal Control		54,052
<b>Total</b>		<b>1,356,870</b>

*Note: There are no capital expenditures associated with Building & By-law Services for 2026.*



# Community Services

## COMMUNITY SERVICES



### About Community Services

Community Services oversees the operation and management of parks and open space (trails, sport fields, playgrounds, and forestry), facility services, 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
- 20 parks
- 20 soccer fields
- 15 ball diamonds
- 16 tennis/pickleball courts
- 4 basketball courts
- 13 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

## Staffing

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

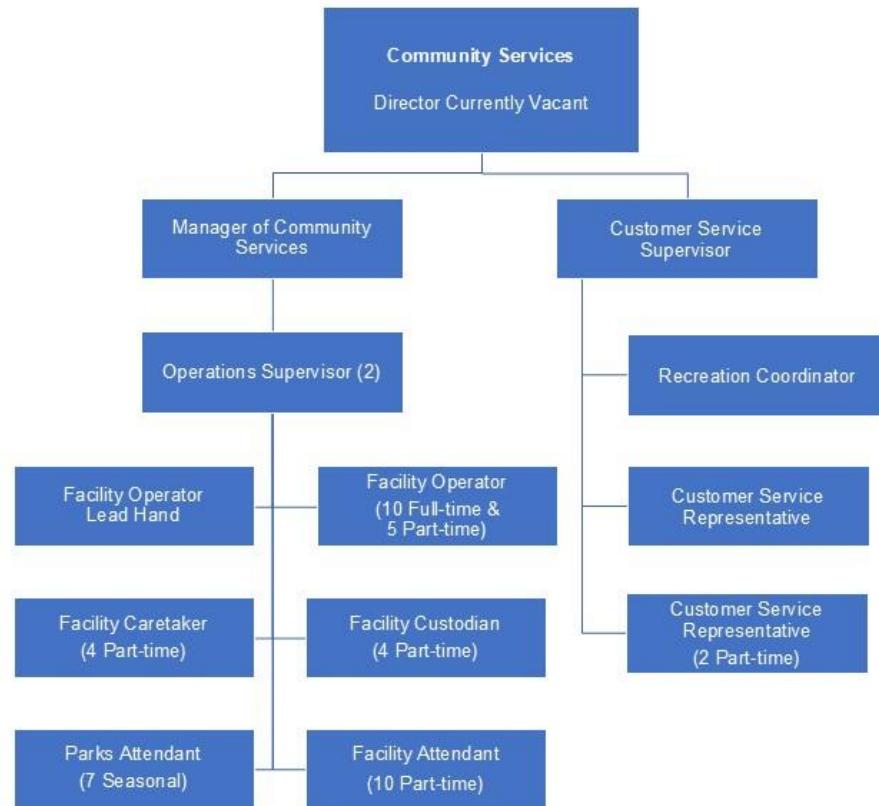


Table: Community Services Staffing Resources (including Facility Services)

	2026 FTEs	2025 FTEs	2024 FTEs	2023 FTEs	Change
Staffing Total	29.54	28.58	27.39	25.94	2026 – A Facility Operator Lead Hand and full-time Customer Service Representative (CSR) are being added, while part-time CSRs are reduced by 1 FTE. 2023 to 2025 – No new positions were created, but additional hours were allocated to part-time staff positions.



# Community Services

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## 2025 Accomplishments

2025 saw continued expansion of the municipality's recreational programs both in terms of courses offered and participants registered.

Partnerships with the BGC London and the Middlesex Centre YMCA to offer youth programming at the Ilderton and Komoka Youth Centres (respectively), continued. The Seniors Active Living Centres made use of all Middlesex Centre 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.

### By the numbers

- Number of registered participants in recreation programs: 2,235 in 2025, up from 1,795 in 2024.

**Table: 2025 Strategic Accomplishments for Community Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
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.	In-house	Deferred



# Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
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	In-house	Completed

## 2026 Strategic Goals

Table: 2026 Strategic Goals for Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Update service and facility use agreements with various community partners and minor sports associations	2026	Strat Plan 1 – Engaged Community	1.2 – Enhance the vitality of our villages (Addresses Goals 1 (Active Living) and 4 (Supportive Environments) of the Community Services Master Plan (CSMP))	Updated agreements that with each community partner	In-house
Parks Levels of Service Standards	2026	Strat Plan 1 – Engaged Community	1.2 – Enhance the vitality of our villages (Addresses Goal 4 (Supportive Environments) of the CSMP	Parks Levels of Service Standards Policy presented to Council for consideration	In-house



# Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Roll-out of Bee City Canada program in Middlesex Centre	2026	Strat Plan 1 – Engaged Community	1.2 – Enhance the vitality of our villages (Addresses Goal 3 (Connecting People and Nature) of the CSMP)	Collaboration with local groups to deliver education and programming related to pollinator gardens	In-house
Establish branding for Middlesex Centre's Recreation Division.	2026	Strat Plan 1 – Engaged Community	1.2 – Enhance the vitality of our villages (Recommendation 5.11 of the CSMP)	Completion of a brand guideline and marketing strategy	In-house, pending successful grant application

## Departmental Budget Highlights

### Trends/Issues

- 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

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## Operating Budget Details

Community Services has 4.0% of total operating costs.

**Table: Operating Budget for Community Services by Division**

Division/ Cost Centre	Cost Centre (\$)	2026 Total (\$)
Parks & Open Space		835,067
Parks - Admin	29,875	
Park - Arva Weldon	107,528	
Park - Community Landscape Features	14,303	
Park - Bryanston Park	39,458	
Park - Delaware Lions	54,455	
Park - Delaware Municipal	43,532	
Park - Delaware Pleasant	4,510	
Park - Delaware Tiffany	350	
Park - Denfield	75,419	
Park - Ilderton Optimist	65,309	
Park - Ilderton Heritage	87,858	
Park - Ilderton Junction	2,281	
Park - Ilderton Meadowcreek	36,905	
Park - Kilworth Optimist	20,209	
Park - Kilworth River Flats	2,283	
Park - Kilworth Westbrook	69,932	
Park - Komoka	82,286	
Park - Komoka Caverhill	5,093	
Park - Poplar Hill	90,031	
Coldstream Operations Centre	3,450	
Cost Centre Total	835,067	
Community Services Administration		1,149,185
Recreation Programs		176,801
<b>Total</b>		<b>2,161,053</b>



# Community Services

## Capital Budget Details

### Community Services – Major Capital Projects 2026

#### Komoka Park – Sport Field Lighting



The back baseball diamond will be outfitted with new LED sports field lights that will enhance the light levels while reducing both maintenance and operating costs.

**\$250,000**

#### Weldon Park Ball Diamond



The front baseball diamond will see playing surface improvement while enhancing the sports field lighting levels with additional light fixtures added to the light poles.

**\$36,000**

#### Heritage Park Ball Diamond



The main baseball diamond at Heritage Park will see an expanded infield, enhanced drainage and improved lighting.

**\$35,500**



# Community Services

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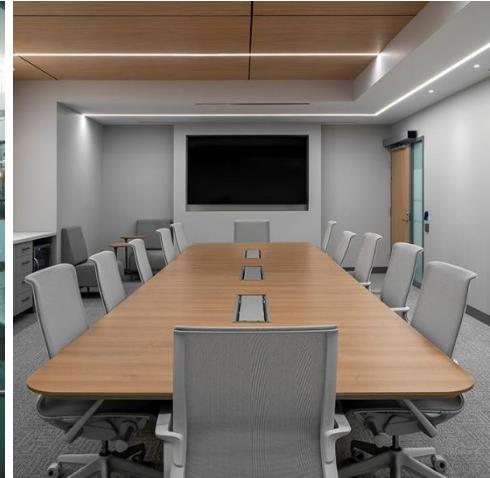
**Table: Capital Budget for Community Services by Division and Project**

Community Services	2025 Carryforward (\$)	2026 Budget (\$)	Total (\$)
<b>Parks &amp; Open Space</b>			
<b>Land Improvements:</b>			
25-7105 - Heritage Park Splash Pad Renovation	89,000	-	89,000
26-7108 - Weldon Park - Diamond and infield improvements	-	36,000	36,000
26-7128 - Heritage Park - Diamond Improvements	-	35,500	35,500
26-7129 - Weldon Park - Tar & Chip road from front parking lot to tennis courts & back parking lot	-	30,000	30,000
26-7136 - Komoka Park Sports Lighting Upgrades - Phase 1	-	250,000	250,000
26-7164 - Delaware Lions Park - Parking lot improvements	-	30,000	30,000
26-7108 - Weldon Park - Diamond and infield improvements	-	36,000	36,000
<b>Total</b>	<b>89,900</b>	<b>381,500</b>	<b>470,500</b>



# Facility Services

## 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

## 2025 Accomplishments

Table: 2025 Strategic Accomplishments for Facility Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Ilderton Arena Renovation	2025	Strat Plan 4 – Sustainable Infrastructure and Services	5.1 - Enhance customer service	Substantial completion by mid-August	\$3.6 million	Nearing Completion
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	Completed
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 (working with an accessibility consultant)	Ongoing

## 2026 Strategic Goals

Table: 2026 Strategic Goals for Facility Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Continue to improve accessibility of municipal facilities	2026	Strat Plan 1 – Engaged Community	1.2 – Enhance the vitality of our villages (Addresses Goal 2 (Inclusion and Access) of the CSMP)	Completion of planned capital projects that have an accessibility component.	Accessible washrooms for Ilderton Curling Club (\$68,000) Library and washroom accessibility for Delaware Library (\$140,000)



# Facility Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Continue to improve the energy and utility efficiency of municipal facilities	2026	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 capital projects (short-term) Reduced energy and water consumption (long-term)	Several projects including updates to the Komoka Wellness Centre Splash Pad and lighting retrofits at community centres – see list under Capital Budget Details below
Facility condition assessments	2026	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 assessments incorporated into the municipal Asset Management Plan	In-house

## 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

### Capital Project Discussion

- Middlesex Centre's 2025 application to the Community Sport and Recreation Infrastructure fund was successful and is contributing \$1,000,000 for the Ilderton Arena to upgrade the refrigeration plant, dasher board system and renovations to the main lobby.

### Service Level Changes

- Increased building security



# Facility Services

## Operating Budget Details

Facility Services has 9.1% of total operating costs.

Beginning with the 2026 budget year, dedicated cost centres have been established for the water and wastewater facilities to improve the tracking and reporting of expenses specific to these operations. In prior years, these costs were incorporated within the Environmental Services department and not separately identified. Funding for the associated expenses will continue to be provided through the established water and wastewater rates.

**Table: Operating Budget for Facility Services by Division**

Division/ Cost Centre	Cost Centre (\$)	2026 Total (\$)
Facilities Administration		28,604
Municipal Office		208,145
Leased Properties		311,340
Facility: Bryanston School	134,922	
Wellness Centre Addition - EPIC Building	9,150	
Facility: Medical Clinic	167,268	
Cost Centre Total	311,340	
Fire Halls		226,005
Facility: Arva Fire Hall	53,474	
Facility: Bryanston Fire Hall	53,670	
Facility: Coldstream Fire Hall	36,126	
Facility: Delaware Fire Hall	44,892	
Facility: Ilderton Fire Hall	37,843	
Cost Centre Total	226,005	
PWE Operations Centres		355,637
Facility: Denfield Operations Centre	214,793	
Facility: Delaware Operations Centre	140,844	
Cost Centre Total	355,637	
Wastewater Facilities		120,412
Facility: Arva WWTF	2,112	
Facility: Ilderton Sewage Pump Station # 1	5,334	



# Facility Services

Division/ Cost Centre	Cost Centre (\$)	2026 Total (\$)
Facility: Ilderton Sewage Pump Station #3	808	
Facility: Ilderton Sewage Pump Station #4	1,132	
Facility: Ilderton WWTF	38,110	
Facility: Kilworth WW Pumping Station	600	
Facility: Komoka Pumping Station #2	6,920	
Facility: Komoka WW Pumping Station	1,529	
Facility: Komoka WWTF	63,220	
Facility: Ilderton Wastewater Pumping Station	647	
Cost Centre Total	120,412	
Water Facilities		29,350
Facility: Arva Water Works	1,176	
Facility: Ballymote Water Facility	642	
Facility: Birr Pumping Station	1,077	
Facility: Delaware Water Tower	4,878	
Facility: Denfield Water Pump Station	918	
Facility: Ilderton Water Pumping Station	732	
Facility: Ilderton Water Tower	4,896	
Facility: Komoka Water Pumping Station	6,476	
Facility: Komoka Intermittent Pumpstation	1,226	
Facility: Komoka/ Kilworth Water Tower	2,373	
Facility: Melrose Water Treatment Plant	4,956	
Cost Centre Total	29,350	
Community Centres		516,328
Facility: Komoka Community Centre	124,415	
Facility: Bryanston Community Centre	49,584	
Facility: Coldstream Community Centre	105,356	
Facility: Delaware Community Centre	107,863	
Facility: Ilderton Community Centre	129,110	
Cost Centre Total	516,328	



# Facility Services

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Division/ Cost Centre	Cost Centre (\$)	2026 Total (\$)
Arenas		3,057,885
Facility: Ilderton Arena	945,234	
Facility: Wellness Centre	2,112,651	
Cost Centre Total	3,057,885	
Libraries		128,951
Facility: Coldstream Library	21,348	
Facility: Delaware Library	33,289	
Facility: Ilderton Library	74,314	
Cost Centre Total	128,951	
<b>Total</b>		<b>4,982,657</b>



# Facility Services

## Capital Budget Details

### Facility Services – Major Capital Projects 2026

#### Komoka Community Centre – Parking Lot



This project will see the parking lot resurfaced with asphalt and parking lines painted. Additional accessible parking spaces will be added as part of this work.

**\$185,000**

#### Komoka Wellness Centre – Splash Pad



This project will see new features added to replace some aged features. This will provide enhanced enjoyment while also reworking the water distribution piping to improve water efficiency.

**\$80,000**

#### Ilderton Curling Club - Washroom



This project will see enhancements to improve the accessible washroom at the Ilderton Curling Club lobby (located within the arena building). The updated washrooms will promote inclusion for all participants.

**\$68,000**

#### Delaware Community Centre – Bar Area



The bar area and sound system at the Delaware Community Centre will be updated.

**\$42,000**



# Facility Services

**Table: Capital Budget for Facility Services by Division and Project**

Facility Services	2025 Carryforward (\$)	2026 Budget (\$)	Total (\$)
<b>Arenas</b>			
25-6725 - Komoka Wellness Centre - Canadian Pad Sound System Replacement	95,800	-	95,800
25-6705 - Komoka Wellness Centre - Lighting Retrofit Phase 2	25,000	-	25,000
26-6704 - Komoka Wellness Centre - Splashpad Improvements	-	80,000	80,000
26-7225 - Ilderton Arena road sign replacement	-	85,000	85,000
26-7227 - KWC - Replacement of the front sliding doors (2)	-	35,600	35,600
26-6104 - Komoka Wellness Centre - Refinish Gym Floor and all new sport lines	-	45,000	45,000
26-6107 - Komoka Wellness Centre - Replace cold floor P1 motor + pump	-	35,000	35,000
26-6129 - Ilderton Arena - Dehumidifier for Curling Club	-	48,000	48,000
26-6130 - Ilderton Arena – Lower-level window replacement	-	78,500	78,500
26-6131 - Ilderton Arena - Accessible washroom improvement, curling club lobby	-	68,000	68,000
<b>Arenas Total</b>	<b>120,800</b>	<b>475,100</b>	<b>595,900</b>
<b>Community Centres</b>			
25-6771 - Ilderton Community Centre - Main Hall Flooring refinish + repairs	15,000	-	15,000
26-6137 - Bryanston Community Centre - Lighting retrofit	-	35,000	35,000
26-6140 - Delaware Community Centre - Bar Area rework & sound system	-	42,000	42,000
26-6141 - Delaware Library - Library and washroom accessibility	-	140,000	140,000
26-6716 - Komoka Community Centre - Asphalt Parking Lot	-	185,000	185,000
26-6758 - Ilderton Community Centre - Kitchen & Bar Appliances	-	44,500	44,500
26-7219 - Komoka Community Centre kitchen refresh	-	58,800	58,800
26-7222 - Delaware Community Centre kitchen renewal project	-	52,800	52,800
<b>Community Centres Total</b>	<b>15,000</b>	<b>558,100</b>	<b>573,100</b>
<b>Leased Properties</b>			
26-6163 - Medical Clinic - HVAC	-	12,500	12,500
<b>Leased Properties Total</b>	<b>-</b>	<b>12,500</b>	<b>12,500</b>



# Facility Services

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Facility Services	2025 Carryforward (\$)	2026 Budget (\$)	Total (\$)
<b>PWE Operations Centres</b>			
25-6306 - Denfield PWE - Wash bay structural steel posts	58,200	-	58,200
26-6157 - Delaware Operations Centre - Hot water boiler for heating system	-	42,500	42,500
26-6160 - Denfield Operations Centre - Wash bay power washer	-	36,000	36,000
26-7229 - Denfield PWE - Front gate automatic gate renewal project	-	42,500	42,500
<b>PWE Operations Centres Total</b>	<b>58,200</b>	<b>121,000</b>	<b>179,200</b>
<b>Total</b>	<b>194,000</b>	<b>1,166,700</b>	<b>1,360,700</b>



## FIRE & EMERGENCY SERVICES



### About Fire & Emergency Services

Middlesex Centre Fire Services (MCFS) offers a first line of emergency response, fire prevention, public education 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 conducts fire safety inspections—routine, requested, and complaint-based—on behalf of Middlesex Centre, Thames Centre, and North Middlesex. Fire investigations are carried out when predetermined criteria are met.
- **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.

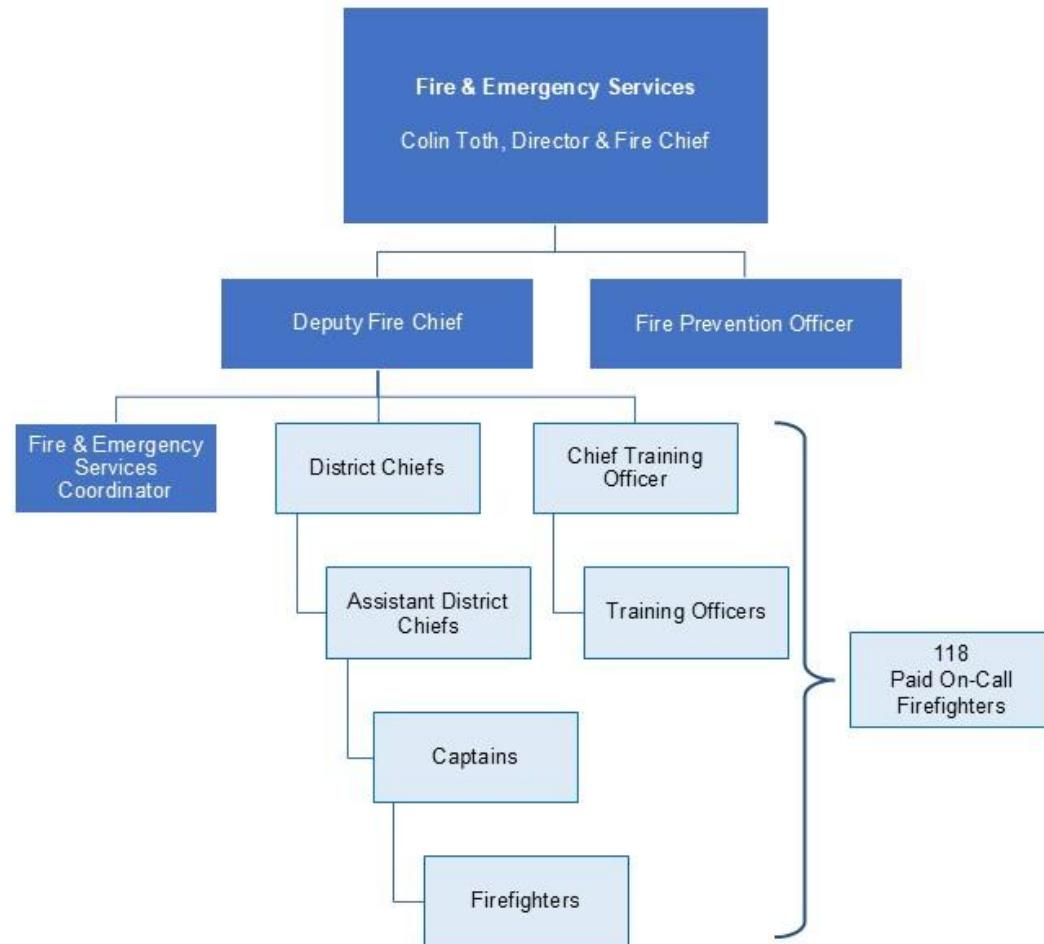
- **Emergency Response:** MCFS responds to a growing number of emergency calls for fires, vehicle collisions, technical rescue and requests for medical intervention.
- **Training:** MCFS ensures that all its firefighters are properly trained to Provincial standards as required for their position. At a broader level, through a partnership with the Ontario Fire Marshal's Office, shared fire certification training has evolved into a regional training centre serving Elgin County, Middlesex County, and Oneida First Nation.
- **Apparatus:** MCFS manages 20 fire apparatus (vehicles) located at headquarters and five fire stations which include engines, pumper/tankers, rescue units, a utility terrain vehicle, and a water rescue boat and rapid deployment craft.



# Fire & Emergency Services

## Staffing

Figure: Fire & Emergency Services Organizational Chart



# Fire & Emergency Services

**Table: Fire & Emergency Services Staffing Resources**

Divisions	2026 FTEs	2025 FTEs	2024 FTEs	2023 FTEs	Change
Fire Administration	3.00	3.00	3.00	3.00	2023 – Added a Deputy Fire Chief position. Note: The District Chief for the Coldstream Station provides additional administrative support for MCFS.
Fire Prevention	1.00	1.00	1.00	1.00	
Staffing Total	4.00	4.00	4.00	4.00	
PLUS: Fire Operations – Paid-On-Call Firefighters (including chiefs / training officers)	118 Firefighters	118 Firefighters	122 Firefighters	121 Firefighters	The number varies as it reflects the actual number of firefighters on the roster for that year.

## 2025 Accomplishments

In addition to the strategic accomplishments outlined below, in 2025 MCFS:

- Acquired significant fire and emergency services grants that enhance and support multiple projects:
  - Project Zero, funded by Enbridge Gas, provided free smoke and carbon monoxide alarms for safety programs.
  - Fire Protection Grant of \$41,513.98 used to enhance personal protective equipment
- 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.
- Offered public education programs on smoke and CO alarms to families throughout the municipality.

### By the Numbers

- Emergency Response: As of October 2025, fire crews had responded to 418 requests for assistance including mutual, automatic aid and second station response.
- Fire Prevention: As of mid-October 2025, MCFS has conducted 292 fire inspections.
- Fire Investigation: As of end October 2025, MCFS has 8 fire investigations.



# Fire & Emergency Services

**Table: 2025 Strategic Accomplishments for Fire & Emergency Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
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	Ongoing, with several key deliverables completed, including expanding the Peer Support Program Expansion (will be ongoing), establishing an alarm assignment response criterion for the Investigation Team, and enhancing records management
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 as a single cohesive unit.	In-house	In Progress
Enhanced rehabilitation program – training and operational roll-out of cooling/warming shelter	2025-2026	Strat Plan 5 – Responsive Municipal Government	5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Training provided to MCFS personnel. Roll-out of program.	In-house	Deferred to 2026
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	Completed and Ongoing



# Fire & Emergency Services

## 2026 Strategic Goals

Table: 2026 Strategic Goals for Fire & Emergency Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Conclude Standard Operating Guidelines (SOG) rebuild and modernization (FMP#14)	2025-2026	Strat Plan 5 – Responsive Municipal Government	5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Review, update, and implement modernized Standard Operating Guidelines to align with current best practices and regulatory requirements	In-house
Conclude Wellness Program by formalizing decontamination and rehabilitation processes during operations (FMP #5).	2026	Strat Plan 5 – Responsive Municipal Government	5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Finalize and implement formal decontamination and rehabilitation procedures within the Wellness Program to ensure safe and compliant operational practices.	Non-funded Capital project (2025 Grant Pending)
Public Engagement Module upgrade, added to the existing Records Management Software (FMP #15)	2026	Strat Plan 5 – Responsive Municipal Government	5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Integrate a Public Engagement Module within the Records Management Software to improve community interaction, transparency, and service accessibility.	Module cost with in-house deployment – approximately \$2,500
Enhanced Public Education and Community Outreach	2026-2027	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Expand and modernize public education and community outreach programs to increase fire safety awareness and engagement across all demographics.	In-house



# Fire & Emergency Services

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## Departmental Budget Highlights

### Trends/Issues

- Call volumes continue to increase. In 2025, call volumes increased by 15.7%, with a year-over-year average increase of 7.9% (2021 to 2025). 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 during certain times of the year continues to be a challenge.
- Manage wage increases alongside growing operational and training needs.
- Ensure on-call scheduling supports staff readiness, regulatory responsibilities, and resident safety, with adequate resources for equipment, wages, and training (e.g. fire investigations, peer support, senior staff oversight)



# Fire & Emergency Services

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## Operating Budget Details

Fire & Emergency Services has 4.7% of total operating costs.

**Table: Operating Budget for Fire & Emergency Services by Division**

Division/ Cost Centre	Cost Centre (\$)	2026 Total (\$)
Fire Operations		1,644,427
Fire Hall - Arva	328,927	
Fire Hall - Bryanston	272,295	
Fire Hall - Coldstream	353,917	
Fire Hall - Delaware	376,895	
Fire Hall - Ilderton	312,393	
Cost Centre Total	1,644,427	
Special Operations		28,190
Fire Administration		725,998
Fire Prevention		142,204
Fire Prevention	85,642	
Fire Prevention - North Middlesex	28,409	
Fire Prevention - Thames Centre	28,153	
Cost Centre Total	142,204	
Emergency Operations		3,488
<b>Total</b>		<b>2,544,307</b>



# Fire & Emergency Services

## Capital Budget Details

### Fire & Emergency Services – Major Capital Project 2026



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

Fire and Emergency Operations	2025 Carryforward (\$)	2026 Budget (\$)	Total (\$)
<b>Fire Operations</b>			
26-2200 - Extrication Equipment	0	75,000	75,000
<b>Total</b>	<b>0</b>	<b>75,000</b>	<b>75,000</b>



# PUBLIC WORKS & ENGINEERING: ADMINISTRATION, PLANNING & TRANSPORTATION



### About PWE: Administration, Planning & Transportation

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

The Planning Division of PWE is critical in ensuring developments proceed in a coordinated, efficient and responsible manner, and that our land use policies and zoning remain responsive and up to date. This includes services such as:

- Subdivision, Zoning Amendments, Minor Variance, and Site Plan Reviews
- Infrastructure Design Standards

- GIS Updating

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

PWE Transportation maintains:

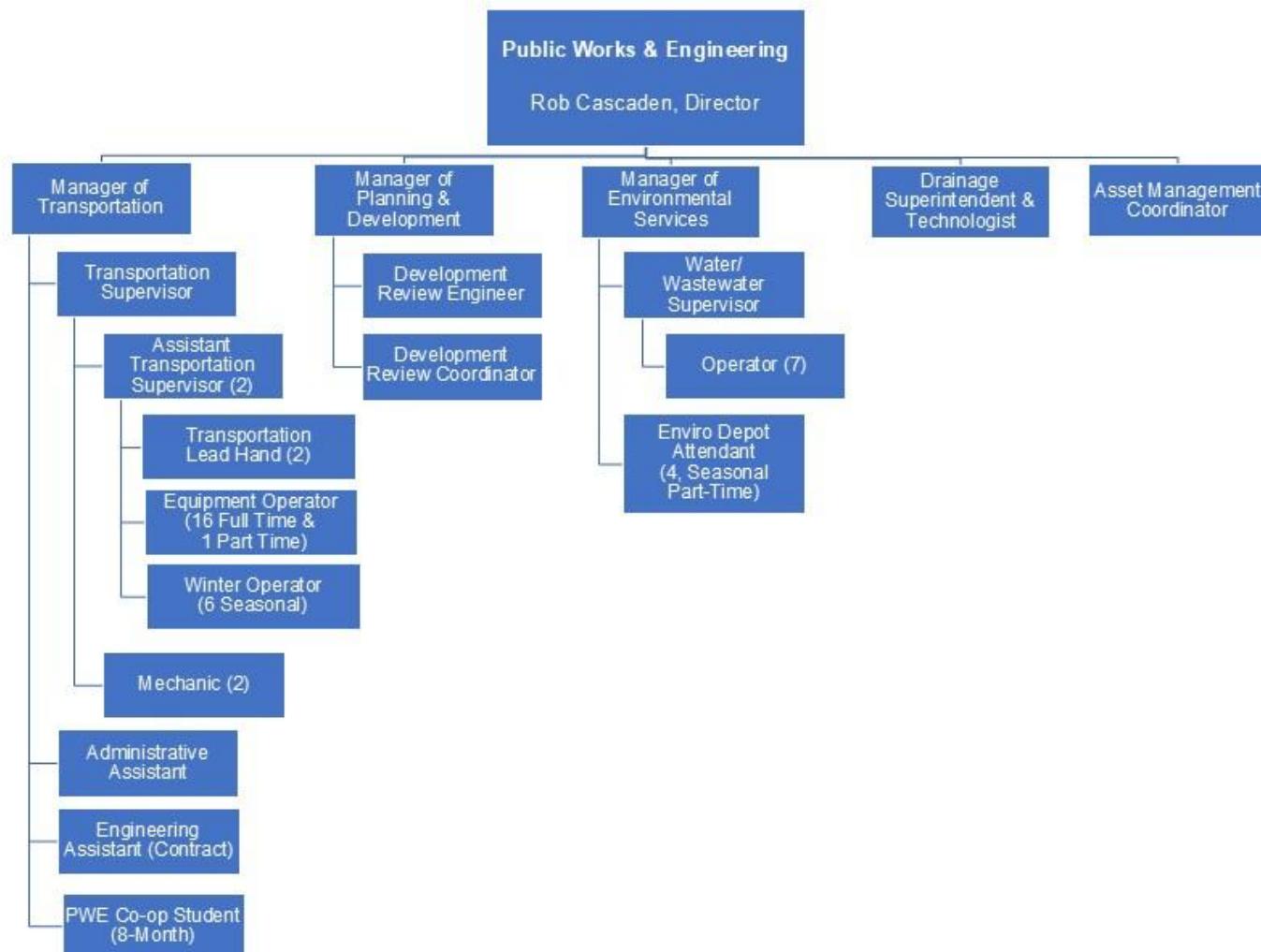
- 662 lane km of paved roads and 544 lane km of gravel roads
- 37 km of sidewalks, 1,324 streetlights and 2,372 regulatory and warning signs
- 51 bridges, 99 large culverts, 2 retaining walls, 1 dam, and many smaller diameter culverts
- Over 15,290 municipal trees
- 3 licensed aggregate pits



# Public Works & Engineering: Administration, Planning & Transportation

## Staffing

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



# Public Works & Engineering: Administration, Planning & Transportation

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

Division	2026 FTEs	2025 FTEs	2024 FTEs	2023 FTEs	Change
Administration (including Planning & Drainage)	8.67	6.67	6.67	6.67	2026 – Adding a Development Review Engineer. Also adding an Engineering Assistant (contract position) to support the implementation of projects under the Housing Accelerator Fund (HAF). 2023 – Added a new position, Manager of Planning & Development. That role was not filled until 2024.
Fleet	2.00	2.00	2.00	2.00	
Transportation	25.03	24.43	24.43	24.32	2024 – No new positions were created, but additional hours were allocated to contract staff positions.
Waste Management	0.27	0.27	0.27	0.27	
Water & Wastewater	9.00	9.00	8.00	8.00	2025 – Added an additional Water & Wastewater Maintenance Operator position.
Staffing Total	44.97	42.37	41.37	41.26	

## 2025 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's PWE: Administration, Planning & Transportation staff delivered a variety of services and completed numerous projects in 2025. Highlights include:

- 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. Completed an updated Asset Management Plan which as of September 2025, the total replacement value of the identified assets is over \$1.5 billion.

- The Active Transportation Plan was initiated in the spring of 2025 with completion expected in the spring of 2026. This plan, upon approval by Council, will guide decision making related to active transportation and layout a prioritized plan for council consideration. It is being developed with public input to ensure it is reflective of the community's needs.
- Housing Accelerator Fund – Planning made significant progress on the 7 HAF initiatives aimed at supporting the planning and development process, including the launch of our Development Charge Incentive program.



# Public Works & Engineering: Administration, Planning & Transportation

**Table: 2025 Strategic Accomplishments for PWE: Transportation, Planning & 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
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	Ongoing Planted over 250 trees with targeted planting along rural roads to act as wind and snow breaks
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	Completed and Ongoing
Prepare a Parkland Dedication and Cash In Lieu Policy	2025-2026	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	Ongoing
Reflect Tile Drainage Management in Asset Management Plan	2025-2026	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	Ongoing



# Public Works & Engineering: Administration, Planning & Transportation

## 2026 Strategic Goals

Table: 2026 Strategic Goals for PWE Transportation, Planning & 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 Improve the safety of pedestrians and bicyclists	\$25,000
Tree Planting	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Minimum of 150 new trees planted annually	\$20,000
Active Transportation Plan	2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.1 - Improve safety for road users	Complete the Active Transportation Plan to guide future decisions making and planning for Active Transportation infrastructure	\$75,000
Continued Implementation of Housing Accelerator Fund Initiatives	2026	Strat Plan 2 – Balanced Growth	2.1 – Through the Official Plan Review and other means, influence new development to include attainably priced housing	Complete and enact Zoning Bylaw Amendment to permit 'as of right' development of appropriate infill and intensification including Additional Residential Units	Combination of in-house and HAF funding
Improve Access to Information on Active Planning Applications	2026	Strat Plan 5 – Responsive Municipal Government	5.1 Enhance Customer Service	Continued development of plain language planning guides to support the navigation of planning processes (e.g. Site Plan Checklist, Consent Application resource package). Improvements to availability of active application information via online mapping.	In-house

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



# Public Works & Engineering: Administration, Planning & Transportation

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## Departmental Budget Highlights

### Trends/Issues

- Difficulty in maintaining contract timelines
- Increased material costs, impacting all aspects - Industry trends in building construction costs for non-residential projects have shown significant fluctuations over the past five years, with the Building Construction Price Index varying between increases of 3% and 17%. Rather than a steady upward trend, recent years, especially post-COVID, have seen pronounced volatility in material and service costs. As a result, cost estimates for multi-year construction projects are increasingly informed by recent, real-world procurement experiences in trade contracting and engineering, to better anticipate unpredictable market changes.

- Continuous changes in legislation from the Province, creating uncertainty and disruption to day-to-day operations.
- Climate change impact on built infrastructure.
- Ongoing legal costs related to planning and development.

### 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 2026. At this time, the expected project costs total \$3,430,982 from 2022-2026.



# Public Works & Engineering: Administration, Planning & Transportation

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## Operating Budget Details

Public Works & Engineering has 15.4% of total operating costs.

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

Division/ Cost Centre	Cost Centre (\$)	2026 Total (\$)
Transportation		4,242,081
Adelaide Metcalfe Boundary Road Maintenance	4,500	
Bridge Maintenance	55,000	
Cross Culvert Maintenance	25,000	
Cutting & Spraying	41,500	
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	82,500	
Curb & Gutter	3,000	
Slurry Seal & Rout and Seal	50,000	
Loosetop Grading / Dragging	12,000	
Loosetop Dust Control	345,000	
Loosetop Resurfacing	285,000	
Snow Plowing	32,500	
Sod Restoration	2,000	
Tree Planting	10,000	
Sanding & Salting	182,500	
Ice Blading	1,500	
Traffic Signs	42,750	
Traffic Signal Maintenance	4,000	



# Public Works & Engineering: Administration, Planning & Transportation

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Division/ Cost Centre	Cost Centre (\$)	2026 Total (\$)
Guard Rails	25,000	
Railroad Charges	13,500	
Traffic Counts	2,000	
PWE Operations	2,500,949	
Pit #1 - Olalondo	19,396	
Pit #2 - Sunningdale Road Sand	2,600	
Pit #3 - Hokkanson	16,510	
Municipal Drain Charges	250,000	
Streetlighting	133,376	
Sidewalks	8,000	
Traffic Calming	10,000	
Cost Centre Total	4,242,081	
PWE Administration		1,217,621
Planning		2,716,736
Drainage		111,022
Tile Drainage		41,970
Municipal Drainage		116,246
<b>Total</b>		<b>8,445,676</b>

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



# Public Works & Engineering: Administration, Planning & Transportation

## Capital Budget Details

### Public Works & Engineering: Transportation – Major Capital Projects 2026

**Vanneck Road Reconstruction**



This project will see the reconstruction of Vanneck Rd. from Egremont Dr. (CR22) to Medway Rd., as per the recommendations of the Road Needs Study. This road has seen significant deterioration from recent rainfall events that have damaged the road edge and shoulder.

**\$1,360,000**

**Hot Mix Resurfacing**



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

**\$1,100,000**

**Tar & Chip Resurfacing**



This project will resurface asphalt roads to maintain a Pavement Condition Index (PCI) of 70 or better as per the recommendations of the Asset Management Plan.

**\$768,000**

**Sidewalk Replacement (Ilderton)**



This project will see the replacement of sub-standard sidewalk along Ilderton Road from Hyde Park Road to Willow Ridge Road with new AODA compliant sidewalk.

**\$200,000**



# Public Works & Engineering: Administration, Planning & Transportation

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

Public Works & Engineering	2025 Carryforward (\$)	2026 Budget (\$)	Total (\$)
<b>Transportation</b>			
21-3137 - Old River Road (Glendon Dr to Pulham Rd)	3,283,927	0	3,283,927
23-3109 - King and George Street Reconstruction	0	45,000	45,000
24-3118 - Elmhurst St & Parkland PI Urbanization	709,880	0	709,880
25-3114 - Rehabilitate Bridge B-140, Fourteen Mile Rd.	19,900	300,000	319,900
25-3117 - Replace Culvert C-560, Poplar Hill Rd.	8,801	400,000	408,801
25-3119 - Replace Culvert C-567, McEwen Dr.	25,536	350,000	375,536
25-3120 - Replace Culvert C-556, Fernhill Dr.	19,649	525,000	544,649
25-3122 - Replace Culvert C-568, Gold Creek Dr.	19,649	350,000	369,649
25-3126 - Relining Arva Dam Outlet Pipe	0	75,000	75,000
26-3101 - Hot Mix Resurfacing	0	1,100,000	1,100,000
26-3102 - Tar & Chip Resurfacing	0	767,500	767,500
26-3104 - Sidewalk Replacement (Ilderton)	0	200,000	200,000
26-3114 - Repair Bridge B-113, Eight Mile Road	0	42,000	42,000
26-3122 - Oxbow Dr. W Urban (Komoka Rd to 375m west) - Upgrade	0	75,000	75,000
26-3127 - Repair Culvert C-520, Ivan Drive	0	22,500	22,500
26-3128 - Replace Culvert C-503; Amiens Road	0	35,000	35,000
26-3130 - Replace Culvert C-310; Woodhull Road	0	82,500	82,500
26-3132 - Vanneck Road Reconstruction (Egremont Drive to Medway Road)	0	1,357,500	1,357,500
26-3139 - Replacement Delaware Wash Bay Equipment	0	40,000	40,000
26-3140 - Replacement Denfield Wash Bay Equipment	0	40,000	40,000
28-3123 - Replace Culvert C-119, Nine Mile Road	0	66,000	66,000
<b>Total</b>	<b>4,087,342</b>	<b>5,873,000</b>	<b>9,960,342</b>



## Public Works & Engineering: Environmental Services

# PUBLIC WORKS & ENGINEERING: ENVIRONMENTAL SERVICES



### About PWE: Environmental Services

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

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 Public Works & Engineering under PWE: Administration, Planning & Transportation above.



# Public Works & Engineering: Environmental Services

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## 2025 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's PWE: Environmental Services staff delivered a variety of services in 2025 including:

- Re-accreditation for our Drinking Water Quality Management System (DWQMS) Operational Plan. The accreditation process is an in-depth audit of all procedures and processes for the protection of the Drinking Water System. This accreditation process is a 5-year detailed review required 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 2025 from both the Ilderton and Komoka Wastewater Treatment Plants (WWTP).

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.

The Komoka Wastewater Treatment Facility Environmental Assessment (EA) started. This process will evaluate alternatives for expanding the treatment capacity of the facility. The process includes public consultation, archeological assessments, environmental and cultural assessments and the preferred treatment technologies. This EA will allow for the growth and servicing for Komoka and Kilworth for a 20-year period.

The Melrose Water Interconnection project is underway. This project will improve and secure water quality and quantity for the Community of Melrose. The existing groundwater treatment plant will be converted to a storage facility and the water source will be connected to the Lake Huron Primary Water Supply System. This project is anticipated to be completed in early 2026.

### By the Numbers:

- Responded and repaired 4 water service breaks and there were no major water main breaks. All service connections were repaired within 6 hours of notification.
- Flushed and cleaned the stormwater basins in all settlement areas with stormwater infrastructure.



# Public Works & Engineering: Environmental Services

**Table: 2025 Strategic Accomplishments for PWE: Environmental Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
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	Done
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	Anticipated completion date early 2026.
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
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	In Progress
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	In Progress – expected completion in early 2026



# Public Works & Engineering: Environmental Services

## 2026 Strategic Goals

Table: 2026 Strategic Goals for PWE: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Komoka Wastewater Treatment Facility Expansion	2025-2028	Strat Plan 4 – Sustainable Infrastructure and Services	4.2 – Expand existing services with the pace of new development, and apply a financial sustainability lens to all municipal services and programs	Complete Environmental Assessment (EA) Undertake detailed engineering design for construction	\$3,907,415 (includes the EA, preliminary and detailed design and construction administration and inspection (not the actual construction costs))
Ilderton Wastewater Treatment Facility Expansion	2026-2027	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	Undertake detailed engineering design for construction	\$596,711
Glendon Watermain Twinning Project	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	Completion and redundancy of water supply to Kilworth	\$610,457
Komoka Stormwater Pond	2024-2027	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



# Public Works & Engineering: Environmental Services

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## Departmental Budget Highlights

### Trends/Issues

- Difficulty in maintaining contract timelines
- Increased insurance costs and utility costs
- Increased material costs, impacting all aspects – See discussion of construction price index under trends for PWE Transportation
- 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; Full implementation of Citywide Asset Management Program and use of the work order system.
- 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 2026-2030 capital budget.



# Public Works & Engineering: Environmental Services

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## Operating Budget Details

Environmental Services has 21.0% of total operating costs.

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

Division/ Cost Centre	Cost Centre (\$)	2026 Total (\$)
Wastewater		4,719,982
Stormwater		1,351,033
Water		4,325,916
Waste Management		1,105,961
Garbage Collection	594,000	
Garbage Disposal	403,770	
Recycling	20,000	
Enviro Depots	88,191	
Cost Centre Total	1,105,961	
<b>Total</b>		<b>11,502,892</b>



# Public Works & Engineering: Environmental Services

## Capital Budget Details

### Public Works & Engineering: Environmental Services – Major Capital Projects 2026

#### Komoka Drain No. 1 – Stormwater Management Pond



This multi-year project will see the Komoka Stormwater Management Facility upgraded to ensure proper quantity control for the existing stormwater system and future growth in the southern portion of Komoka.

**\$2,770,000 in 2026  
(multi-year project)**

#### Melrose Lake Huron Primary Water Supply Connection



This multi-year project is connecting the community of Melrose to the Lake Huron Primary Water Supply System. Work began in 2025 and will be completed in spring of 2026.

**\$1,870,000 in 2026  
(multi-year project)**

#### Komoka Wastewater Treatment Facility Expansion



This multi-year project will expand the capacity at the Komoka Wastewater Treatment Facility to allow for future growth. The Environmental Assessment Study was undertaken began in 2025. The 2026 fees are for design and engineering work, with construction to follow subsequent years.

**\$894,000 in 2026  
(multi-year project)**

#### Ilderton Wastewater Treatment Facility Expansion



This multi-year project will expand the capacity of the Ilderton Wastewater Treatment Facility and expand the biosolids storage to allow for future growth.

The 2026 fees are for detailed engineering design work, with construction to follow in subsequent years.

**\$597,000 in 2026  
(multi-year project)**



# Public Works & Engineering: Environmental Services

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

Environmental Services	2025 Carryforward (\$)	2026 Budget (\$)	Total (\$)
<b>Stormwater</b>			
21-4204 - Komoka Drain No. 1 - SWM Pond	2,773,454	-	2,773,454
24-4202 - King/ George Street Reconstruction	-	35,000	35,000
<b>Stormwater Total</b>	<b>2,773,454</b>	<b>35,000</b>	<b>2,808,454</b>
<b>Wastewater</b>			
21-4104 - Ilderton Treatment Capacity Upgrades	132,000	464,711	596,711
21-4199 - SCADA Replacement (1 of 2)	0	426,843	426,843
22-4103 - Komoka WWTP - Aeration, Blower and HVAC Improvements	526,312	0	526,312
24-4111 - Komoka WWTP Schedule C Environmental Assessment	70,000	44,650	114,650
26-4128 - Komoka EA Archeological Assessment	0	371,765	371,765
26-4129 - Komoka WWTP - Concrete Floor Rehabilitation	0	60,893	60,893
26-4801 - Komoka WWTP Expansion Design	0	883,913	883,913
<b>Wastewater Total</b>	<b>728,312</b>	<b>2,252,775</b>	<b>2,981,087</b>
<b>Water</b>			
21-4302 - Melrose Lake Huron Primary Water Supply Connection	1,170,000	800,000	1,970,000
21-4399 - SCADA Replacement (2 of 2)	0	426,843	426,843
22-4314 - Glendon Drive Watermain Twinning	60,000	0	60,000
23-4328 - King and George St. Reconstruction - Oversizing of Watermain	0	35,000	35,000
24-4335 - Longwood Road Watermain Extension	60,000	0	60,000
<b>Water Total</b>	<b>1,290,000</b>	<b>1,261,843</b>	<b>2,551,843</b>
<b>Total</b>	<b>4,791,766</b>	<b>3,549,618</b>	<b>8,341,384</b>



# Fleet Services

## FLEET SERVICES



### About Fleet Services

Fleet Services look after all 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 Public Works & Engineering and Fleet Services under PWE: Administration, Planning & Transportation above.



# Fleet Services

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## 2025 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's Fleet Services staff delivered a variety of services in 2025 including:

- 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.

**Table: 2025 Strategic Accomplishments for Fleet Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget	Status
Implementation of a Work Order System	2024-2025	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	\$165,000 (part of overall asset management software implementation)	In Progress

## 2026 Strategic Goals

**Table: 2026 Strategic Goals for Fleet Services**

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Continued Implementation of a Work Order System	2026	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.
5-Year Fuel Contract	2026	Strat Plan 5 – Responsive Municipal Government	5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery	Leverage group buying through Elgin Middlesex Oxford Purchasing Cooperative (EMOP) for the purchase of fuel	Ensure most competitive pricing for municipal fuel needs to minimize fuel costs.



# Fleet Services

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## Departmental Budget Highlights

### Trends/Issues

- Lead times for plow truck and fire truck replacements are 18-24 months, which can pose a problem for timely replacement of fleet assets.
- 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 2.5% of total operating costs.

**Table: Operating Budget for Fleet Services by Division**

Division/ Cost Centre	2026 Total (\$)
Fleet Administration	406,787
Fire Fleet	77,750
Building Fleet	8,572
PWE Transportation Fleet	738,905
Environmental Services Fleet	20,000
Community Services Fleet	122,500
<b>Total</b>	<b>1,374,514</b>



# Fleet Services

## Capital Budget Details

Table: Capital Budget for Fleet Services by Division and Project

Fleet Services	2025 Carryforward (\$)	2026 Budget (\$)	Total (\$)
<b>Community Services Fleet</b>			
26-7302 - Ilderton Arena- Replacement Ice Resurfacer	-	250,000	250,000
<b>Community Services Fleet – Total</b>	-	<b>250,000</b>	<b>250,000</b>
<b>Building Services Fleet</b>			
26-2501 - New Building Services Vehicle	-	60,000	60,000
<b>Building Services Fleet Total</b>		<b>60,000</b>	<b>60,000</b>
<b>PWE Transportation Fleet</b>			
26-3200 - Replacement Tri-Axle Truck	-	600,000	600,000
26-3325 - Replacement Grader	-	750,000	750,000
<b>PWE Transportation Fleet Total</b>	-	<b>1,350,000</b>	<b>1,350,000</b>
<b>Total</b>	-	<b>1,660,000</b>	<b>1,660,000</b>



## LONG-RANGE FINANCIAL PLANNING ANALYSIS

Financial forecasting and long-range financial planning are closely linked, with each supporting and enhancing the effectiveness of the other.

Financial forecasting provides a data-driven snapshot of future trends, such as expected revenues, expenses, and potential risks. These projections help organizations anticipate various scenarios and make informed decisions about resource allocation, investment strategies, and risk management.

Long-range financial planning, on the other hand, focuses on setting broader, strategic goals and aligning financial resources to achieve those objectives over an extended period—often several years. A well-developed long-range financial plan relies heavily on accurate forecasts to project future cash flow, assess potential financial stress points, and identify opportunities for growth.

Forecasting provides detailed, short-term data that helps fine-tune the assumptions within a long-range plan, ensuring that the broader goals are realistic and achievable given anticipated economic conditions. Conversely, long-range financial planning provides context and direction to forecasting efforts, ensuring that projections are aligned with long-term strategic priorities and not just short-term fluctuations.

In essence, financial forecasting helps build the foundation for long-range financial plans, while those plans offer a roadmap that guides the assumptions and targets used in forecasting. Together, they enable businesses to stay on track, adjust to unforeseen challenges, and make data-driven decisions that drive sustainable success.

To quote the GFOA, “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.”

### Financial Forecasts

Starting with financial forecasts before moving to long-range financial plans makes practical sense because forecasts provide the necessary data and insights that inform the strategic direction of long-term planning. As noted, financial forecasting plays a critical role in municipal budget preparation by helping municipalities predict and plan for future financial conditions. It involves projecting revenues, expenditures, and other key financial factors over a specified period, typically for a year or more. The forecasting process assists staff in identifying potential budget deficits, surpluses, and areas for financial adjustment. It relies on historical data, economic indicators, and assumptions about future trends to inform decision-making.

The information gathered through financial forecasting can play a key role in shaping a solid financial plan by highlighting possible outcomes and risks that may affect and shape that plan.

Accurate forecasting is essential to ensure the budget aligns with the municipality's strategic goals, avoids financial crises, and supports sustainable growth. It provides decision-makers with a tool for prioritizing spending, optimizing resource allocation, and maintaining fiscal responsibility. The financial forecast serves as a foundation for the budget, guiding both short-term and long-term financial decisions. Middlesex Centre uses a hybrid forecasting method, combining different department staff knowledge-based forecasting with a quantitative method of forecasting by utilizing



# Long-Range Financial Planning Analysis

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key performance data, historical data and expert economic predictions.

A solid financial forecast provides a data-driven foundation upon which long-range financial plans and budgets are built. For instance, if a forecast indicates that salaries and benefits will grow at a certain rate, the long-term plan can then incorporate this data to project funding needs. Starting with forecasts ensures that the long-term goals are grounded in reality, making them more achievable. The following outlines how Middlesex Centre's financial forecasting is incorporated into the municipal's long range financial plans and the budget preparation process:

## Operating Forecasts

The first phase of the municipal budget preparation process involves creating operating forecasts. These forecasts predict the municipality's day-to-day revenue and expenditure patterns for the upcoming fiscal year. The focus here is on recurring costs and revenues, which typically include:

- **Revenues:** such as property taxes, fees (e.g., utility fees, building permits, recreation fees), grants, investment income and other income sources. Historical trends, demographic shifts, economic forecasts, and provincial/federal funding changes are carefully considered to predict future revenues.
- **Expenditures:** Regular operating costs, such as salaries, benefits, supplies, maintenance of equipment and buildings, policing, debt and interest payments and transfer to reserve funds to support capital projects. Analyzing past expenditure patterns and considering inflation, staffing changes, and mandated service expansions or reductions are crucial in forecasting.

## Transition to Capital Forecasts

After finalizing operating forecasts, the focus shifts to capital forecasts. While operating forecasts deal with everyday expenditures, capital forecasts focus on long-term investments in infrastructure and other significant assets. These are typically non-recurring, large-scale expenses that are expected to provide benefits over many years.

Capital forecasts are essential because they enable municipalities to plan for the financial requirements of these large projects and manage debt or funding sources appropriately. Middlesex Centre relies on the municipal Asset Management Plan to forecast capital needs related to existing municipal assets, the Development Charge study to forecast capital needs related to growth, department specific master plans and studies for other capital projects needs and community feedback, like that provided in the strategic plan to ensure we are meeting community expectations.

Middlesex Centre prepares a 5-year capital forecast for budget purposes and a 10-year capital forecast for the Asset Management Plan and Development Charge Study.

- **Cost Estimation:** Estimating the total costs of capital projects can often span several years. Capital forecasts estimate these costs and determine when funds will be required.
- **Financing:** Once the costs are projected, staff need to identify potential funding sources. This may involve debt financing, applying for grants, or utilizing existing reserve funds. The financial forecast needs to account for how these costs will be distributed over time and how they will be financed without overburdening the municipality's finances. Integrating Operating and Capital Forecasts

The integration of operating and capital forecasts is essential for ensuring the municipality's financial health. While the operating



# Long-Range Financial Planning Analysis

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budget deals with day-to-day expenses, capital forecasts address long-term investments and future obligations. The balance between these two is critical for:

- **Debt Management:** Municipalities must carefully manage how much debt is taken on through capital projects. Over-borrowing for capital projects can lead to rising debt service obligations, which may strain operating budgets in future years.
- **Impact on Operating Costs:** Some capital projects, like new buildings or infrastructure, can increase operating costs (e.g., maintenance, utilities, staffing). These cost increases need to be factored into future operating forecasts to ensure that the operating budget remains balanced.
- **Long-term Sustainability:** Ensuring that the capital program is aligned with the municipality's long-term goals is essential for financial sustainability. Poorly planned or inadequately funded capital projects can lead to deferred maintenance or budget shortfalls, affecting the community's long-term financial stability.

In essence, forecasts act as a blueprint that informs the structure and feasibility of long-term plans. Without forecasting, long-range financial plans risk being built on assumptions that might not hold up over time, leading to misalignment between strategy and reality. So, by beginning with financial forecasts, organizations gain a clearer picture of their financial landscape, ensuring that their long-range financial plans are not only ambitious but also achievable.

## Long-Range Financial Planning

Once you've developed a solid financial forecast, the next step is to use that data to build a long-range financial plan. Long-range

financial planning takes the insights provided by the forecast and translates them into strategic goals and actionable steps that guide a business over several years. This plan serves as the roadmap for achieving the company's broader objectives and ensuring financial stability and growth over the long term.

Prior to developing the LRFP, it is important to understand the municipality's current "Financial Health" and the external factors that impact the municipality's delivery of programs and services. The municipality's "Financial Health" is reviewed annually in the Financial Key Performance Indicators section below.

The LRFP includes strategies, forecasts, principles and policies to guide financial decision-making as well as a 10-year financial projection. The purpose of the LRFP is to measure the Municipality's capacity to meet operating needs as well as to implement the strategic priorities of Council. It creates a purposeful approach to long-term financial management and helps align short-term actions with long-term financial strategies. The Municipality of Middlesex Centre continues to take a proactive approach by assessing financial implications of current and proposed strategic directions and priorities through the development of a LRFP.

In June 2025, Middlesex Centre's Council approved the municipality's LRFPs. These comprehensive strategies are based on data from the 2024 Development Charges Background Study, current budgets, master plans, the Strategic Plan, and the Asset Management Plan, ensuring a well-informed and holistic financial approach for the municipality.

Middlesex Centre developed two distinct LRFPs to support long-term financial sustainability:

- **Tax-Supported Operations:** The Tax Long-Range Financial Plan focuses on services funded by property taxes.



# Long-Range Financial Planning Analysis

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- **Rate-Supported Operations:** The Water, Wastewater, and Stormwater Long-Range Financial Plan covers services funded by user rates, including the Water Financial Plan, which adheres to the Safe Drinking Water Act.

The LRFPs complement the annual budgeting process by providing a broader, long-term perspective on municipal finances. They offer a comprehensive view of operational and capital trends, funding needs, and potential fiscal pressures, enabling staff to identify challenges early and proactively manage resources. This approach helps maintain affordable tax rates and user fees and provides Council with insights into the municipality's financial health and sustainability strategies.

The LRFP framework supports sensitivity analysis on key fiscal measures during the annual budget process, including:

- Reserve balances
- Debt requirements
- User rate adjustments
- Debt levels
- Tax-levy increases

The 10-year forecast to 2034 outlines Middlesex Centre's overall financial position, capital infrastructure needs, and key assumptions. It includes findings related to taxation, expenditures, non-tax revenues, reserve funds, and debt management, along with recommendations for sound fiscal strategies.

The LRFPs recommend the following annual rate increases:

- Property Tax Levy: +8.4% annually
- Water Rates: +6.1% annually

- Wastewater Rates: +8.7% annually
- Stormwater Rates: +10.0% annually

Annual growth, projected between 1% and 4.5%, is expected to offset a portion of these increases, reducing the net impact on existing ratepayers. Rate adjustments will be reviewed during each annual budget cycle, with staff analyzing financial implications of any deviations from the recommended rates.

Maintaining the recommended rate increases is vital to closing the infrastructure funding gap. Lower-than-proposed increases would limit the municipality's ability to fund both existing infrastructure and growth-related assets, as identified in the Development Charges Background Study.

## Connecting Financial Forecasts and Financial Plans in the Budget Process

Having both financial forecasting and the LRFPs is crucial to the budget process because together they provide the necessary tools and structure for making informed, strategic decisions that align with both short-term financial realities and long-term goals.

In the municipal budget preparation process, staff rely on the operating forecasts, capital forecasts and approved LRFPs to ensure the municipality is financially sustainable. These documents allow the municipality to strike a balance between maintaining essential public services and investing in infrastructure, all while ensuring fiscal responsibility. Accurate forecasting, financial planning and proper integration of operating and capital planning help avoid financial crises, meet the community's evolving needs, and maintain a strong fiscal position in both the short- and long-term.



# Long-Range Financial Planning Analysis

LRFP works best as part of an overall strategic plan. Middlesex Centre's Strategic Plan does not contain any specific financial strategies except for 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 that follow. Middlesex Centre does recognize the significance of LRFPs in relation to achieving strategic goals as an overall concept and continues to support the development and monitoring of such plans. Having the LRFPs in place assists the municipality in developing financial strategies to fund elements and actions of the Strategic Plan.

Financial forecasting and LRFP benefit a variety of stakeholders by providing a strategic framework for managing public finances over extended periods. By completing and implementing forecasting and plans, residents enjoy stable, high-quality services and improved community development. Businesses benefit from predictable tax environments and infrastructure projects that enhance the local economy. Additionally, these resources ensure that future generations are not burdened by unsustainable fiscal practices, promoting financial stability and sustainability across the community.

Any discrepancies between the proposed rate increases outlined in the long-range financial plan and those ultimately approved by Council will be communicated transparently. Differences in projected expenditures and revenues will be reviewed as part of the LRFP analysis annually. A summary table presenting these variances and corresponding analyses is provided below.

➔ **The LRFP is available at [middlesexcentre.ca/budget](http://middlesexcentre.ca/budget) under "Long-Term Financial Plans"**

## Budget to Long-Range Financial Plan Comparison

The primary objective of the LRFP is to address the infrastructure funding gap identified in the Asset Management Plan. Adhering to the rate increases recommended in the LRFP is essential to closing this gap. Implementing lower than recommended increases would reduce the municipality's capacity to fund both:

1. Existing infrastructure, and
2. Growth-related assets that serve the current population, as outlined in the Development Charges Background Study.

**Table: Summary of Differences - LRFP versus 2026 Budget**

Taxation and User Rates	LRFP Recommended Rate	Proposed in 2026 Budget	Difference
Property Tax Levy	8.4%	7.5%	(0.9%)
User Rates:			
• Water	6.1%	4.5%	(1.6%)
• Wastewater	8.7%	5.0%	(3.7%)
• Stormwater	10.0%	9.0%	(1.0%)

The variance in the property tax levy is mainly due to reduced 2026 waste management costs and lower projected increases in salaries, wages, and insurance. This has allowed for a lower levy increase while still maintaining targeted reserve contributions.

The water and wastewater variances reflect planned expense reductions, achievement of target reserve fund transfers, and 1% projected growth.



# Long-Range Financial Planning Analysis

**Table: Operating Budget: 2026 Budget Increase vs Long-Range Financial Plan Forecasted Increase: Tax-Funded Services**

Revenue / Expenditures	2026 Budget (\$)	Budgeted Increase	LRFP Forecasted Increase	Variance	Notes
<b>REVENUE</b>					
User Fee Revenue	3,740,783	1.8%	3.0%	(1.2%)	User fees from facility and park rentals are projected in the LRFP to increase with anticipated inflation, while the municipality plans more moderate adjustments.
Permit Revenue	225,440	25.6%	3.0%	22.6%	Permit revenue from planning applications and certificates has been increased in the forecast to reflect recent trends and anticipated growth while the LRFP assumed a conservative inflationary increase
Grant Revenue	5,555,571	16.7%	-1.1%	17.8%	Key provincial grants include the OMPF, OCIF, and CCBF have grown because the province has increased its investment in these programs. As a result, grant funding is higher than what past forecasts predicted.
Other Revenue	870,647	19.7%	3.0%	16.7%	Youth Centre recreation programs and revenue recognized due to changes to the Provincial Offences Act contribute to the budgeted increase.
Other Tax Revenue	273,975	11.5%	1.0%	10.5%	This revenue comes from growth and the increase in new homes and commercial development being built in prior years. The LRFP used a conservative 1% for growth considering the recent economic slowdown.
<b>EXPENDITURES</b>					
Wages & Benefits	10,673,649	8.4%	10.0%	(1.6%)	Salary & Benefits year-over-year increase based on new staffing and a cost-of-living increase of 2%.
Subcontracted Services	5,005,991	6.8%	15.8%	(9.0%)	Anticipated increases in waste management costs are not proceeding.
Repairs, Maintenance & Equipment Rental	1,657,102	3.7%	3.0%	0.7%	Repair and maintenance costs for municipal assets will increase with projected trends.



# Long-Range Financial Planning Analysis

Revenue / Expenditures	2026 Budget (\$)	Budgeted Increase	LRFP Forecasted Increase	Variance	Notes
Utilities	1,309,172	2.9%	4.0%	(1.1%)	Utilities include hydro, heat, water, and telecommunications. A review of municipal consumption along with the municipality's focus on saving on energy projects throughout the municipality, the 2026 costs are expected to be slightly lower than the projected forecast of 4%.
Non-Capital Equipment, Hardware, Software	1,524,234	40.8%	3.0%	37.8%	The LRFP incorporated a 3% inflationary increase for non-capital operating expenses. The 2026 budget includes specific one-time expenditures, most notably the replacement of the municipal accounting software. This project will be funded through the Modernization Reserve Fund and will not impact the 2026 tax levy.
Supplies & Materials	1,051,828	1.8%	3.0%	(1.2%)	Supplies and materials needs are forecasted to be under the 3% inflationary increase of the LRFP.
Servicing Cost Expenses	1,121,080	537.7%	4.0%	533.7%	The large increase in 2026 stems from anticipated legal costs which will be covered by the Legal Reserve Fund.
Insurance	775,523	(12.0%)	10.0%	(22.0%)	Insurance costs have been based on historical increases. Savings have been realized in 2026 under a new provider.

**Table: Operating Budget: 2026 Budget Increase vs Long-Range Financial Plan Forecasted Increase: Wastewater Systems**

Revenue / Expenditures	2026 Budget (\$)	Budgeted Increase	LRFP Forecasted Increase	Variance	Notes
<b>REVENUE</b>					
User Fee Revenue	4,159,741	10.4%	8.6%	1.8%	The 8.6% LRFP increase reflects achieving the target for reserve fund transfers. With planned expense reductions in 2026, the actual rate increase will be 5%. The remaining revenue increase is based on consumption usage and growth.



# Long-Range Financial Planning Analysis

Revenue / Expenditures	2026 Budget (\$)	Budgeted Increase	LRFP Forecasted Increase	Variance	Notes
<b>EXPENDITURES</b>					
Wages & Benefits	572,524	2.4%	5.7%	(3.3%)	Environmental Services staff are allocated between wastewater, water, and stormwater divisions with 3% overall increase. The LRFP assumes a 5.7% average increase for wages and benefits across all departments. The Environmental Services department's lower rate reflects fewer staff eligible for step increases.
Repairs, Maintenance & Equipment Rental	480,277	8.7%	3.0%	5.7%	Repairs and maintenance costs are rising due to aging infrastructure requiring more frequent upkeep and replacement of critical components. Extreme temperatures contributing to equipment breakdowns are driving overall expenses upward.
Utilities	302,585	(16.4%)	4.0%	(20.4%)	Improved processes at the Ilderton WWTF have led to decreased water loss resulting in lower costs.
Subcontracted Services	274,278	9.9%	5.0%	4.9%	Increased costs of service for Arva sewage and biosolids haulage above projections.
Lab Fees & Chemicals	201,000	11.7%	7.0%	4.7%	Chemical costs increasing above projections.
Insurance	100,240	159.1%	10.0%	149.1%	Reassessment of insurance on wastewater property and equipment in 2025 resulted in higher insurance cost allocations.
Professional Fees	70,125	(0.1%)	3.0%	(3.1%)	2026 budget is in line with historical costs. No increase anticipated in 2026.
Studies, Plans, Assessments	61,200	22.4%	2.0%	20.4%	Condition assessments to be carried out in 2026 resulting in higher-than-average increase for year.
Non-Capital Equipment, Hardware, Software	46,400	(19.3%)	3.0%	(22.3%)	Reduced forecasting amounts based on actual spending.



# Long-Range Financial Planning Analysis

**Table: Operating Budget: 2026 Budget Increase vs Long-Range Financial Plan Forecasted Increase: Water Systems**

Revenue / Expenditures	2026 Budget (\$)	Budgeted Increase	LRFP Forecasted Increase	Variance	Notes
<b>REVENUE</b>					
User Fee Revenue	4,110,042	5.2%	6.1%	(0.9%)	The 6.1% LRFP increase reflects achieving the target for reserve fund transfers. With planned expense reductions in 2026, the actual rate increase will be 4.5%. The budgeted increase above 4.5% is from growth and increased consumption.
<b>EXPENDITURES</b>					
Supplies & Materials	639,204	2.4%	3.0%	(0.6%)	Inline with forecasted projections.
Wages & Benefits	572,534	2.4%	5.7%	(3.3%)	Environmental Services staff are allocated between wastewater, water, and stormwater divisions with 3% overall increase. The LRFP assumes a 5.7% average increase for wages and benefits across all departments. The Environmental Services department's lower rate reflects fewer staff eligible for step increases.
Repairs, Maintenance & Equipment Rental	371,422	4.4%	3.0%	1.4%	2026 increase caused by aging equipment requiring increased maintenance.
Utilities	332,607	(0.9%)	4.0%	(4.9%)	A review of hydro costs for water facilities led to a slightly lower budget amount for 2026.
Non-Capital Equipment, Hardware, Software	131,200	0.5%	3.0%	(2.5%)	Requirements for non-capital equipment anticipated to be lower.
Subcontracted Services	105,816	(1.6%)	5.0%	(6.6%)	Subcontracted services mainly include facility and operation risk assessment. Budget amounts decreased after reviewing required services.
Insurance	49,169	45.5%	10.0%	35.5%	Reassessment of insurance on water facilities and equipment in 2025 resulted in higher insurance cost allocations. This is a one-time adjustment and not a continuous annual increase.



# Long-Range Financial Planning Analysis

Revenue / Expenditures	2026 Budget (\$)	Budgeted Increase	LRFP Forecasted Increase	Variance	Notes
Lab Fees & Chemicals	48,035	28.4%	7.0%	21.4%	Chemical costs increasing above projections.

**Table: Operating Budget: 2026 Budget Increase vs Long-Range Financial Plan Forecasted Increase: Storm Sewers**

Revenue / Expenditures	2026 Budget (\$)	Budgeted Increase	LRFP Forecasted Increase	Variance	Notes
<b>REVENUE</b>					
User Fee Revenue	1,343,169	10.0%	10.0%	0.0%	Stormwater rates will increase 9% in 2026 with an additional 1% anticipated growth.
<b>EXPENDITURES</b>					
Wages & Benefits	66,824	4.5%	5.7%	(1.2%)	Environmental Services staff are allocated between wastewater, water, and stormwater divisions with 3% overall increase. The LRFP assumes a 5.7% average increase for wages and benefits across all departments. The Environmental Services department's lower rate reflects fewer staff eligible for step increases.
Professional Fees	30,000	-33.3%	3.0%	(36.3%)	Costs reduced from 2025 budget as majority of CLI work complete and will not be required in 2026.
Repairs, Maintenance & Equipment Rental	20,000	-61.3%	3.0%	(64.3%)	2026 budget decreased based on updated actual requirements.
Stormwater Maintenance	80,000	-84.5%	-74.3%	(10.2%)	Major storm pond cleanouts are scheduled to occur in alternating years and are not planned for 2026. Regular maintenance costs are expected to be slightly lower than projected in the LRFP.
Subcontracted Services	56,100	2.0%	5.0%	(3.0%)	Required services are projected to be lower than initially projected in 2026.



# Long-Range Financial Planning Analysis

**Table: Operating Budget: 2026 Budget Increase vs Long-Range Financial Plan Forecasted Increase: Building Services**

Revenue / Expenditures	2026 Budget (\$)	Budgeted Increase	LRFP Forecasted Increase	Variance	Notes
<b>REVENUE</b>					
Permit Revenue	588,731	10.0%	28.5%	(18.5%)	The LRFP assumed a level of permit revenue sufficient to achieve a break-even position. In years when the Building Department's revenues are insufficient to cover expenses, reserve funds will be used to offset the shortfall. The 2026 revenue forecast reflects current development trends, with moderate growth in 2025 expected to continue into 2026.
Servicing Cost Revenue	434,920	7.7%	4.0%	3.7%	Assessment growth in serviced municipalities has led to higher projected revenue, which primarily offsets the associated service delivery costs.
<b>EXPENDITURES</b>					
Wages & Benefits	994,874	6.9%	5.7%	1.2%	The LRFP assumes a 5.7% average for wages and benefits across all departments. The Building Department's higher rate reflects more staff eligible for step increases but remains aligned with municipal standards of a 2% Cost of Living Allowance (COLA) and eligible steps.
Non-Capital Equipment, Hardware, Software	63,000	13.1%	3.0%	10.1%	Replacement departmental laptops scheduled for 2026 result in higher than the standard average costs
Ancillary Staffing Costs	45,108	2.8%	11.0%	(8.2%)	Building Department has lower than the LRFP average ancillary staffing cost increases.
Utilities	10,276	139.8%	4.0%	135.8%	Replacement departmental telecommunications devices scheduled for 2026 result in higher than the standard average costs
Insurance	7,918	(0.1%)	10.0%	(10.1%)	New insurance provider has resulted in lower than forecasted costs
Professional Fees	6,102	19.6%	3.0%	16.6%	A backflow consultant has been added to the 2026 budget rising costs above the 3% inflationary increase

*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.*



## 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 October 1, 2025. The updated AMP figures were used to develop the 2026-2030 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 have been built into the 2026 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 (2025)**

Asset Class	Replacement Value
Potable Water Network	\$141,832,073
Wastewater Network	\$306,466,011
Stormwater Network	\$163,041,500
Road Network	\$529,509,060
Bridges and Culverts	\$194,863,274
Fleet	\$32,085,637
Facilities and Parks	\$139,523,777
<b>Total</b>	<b>1,507,321,332</b>



# Asset Management

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## 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.

The Municipality of Middlesex Centre has adopted a comprehensive fiscal strategy to guide its financial planning and decision-making over the next decade. This strategy is based on two key documents prepared by BMA Management Consulting Inc.: the Tax Long-Range Financial Plan (2025–2034) and the Water, Wastewater, and Stormwater Long-Range Financial Plan (2025–2034). Both plans were formally received and approved by Council on June 4, 2025. Together, they provide a strategic framework for managing the Municipality's financial resources, ensuring long-term sustainability, and supporting infrastructure renewal and service delivery.

The primary objectives of the fiscal strategy are to ensure financial sustainability and flexibility, address infrastructure funding gaps through phased investment, maintain affordability for both taxpayers and ratepayers, align financial planning with asset management and growth, and enhance transparency and accountability in financial reporting. These goals are pursued through a series of coordinated strategies across both tax-supported and rate-supported services.

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 (2026). The 2026 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 2026-2028 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.



# Asset Management

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- 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 financing strategy was developed to be fully funded and therefore would have no funding shortfall over the next 15 years. However, the total projected funding assumes that the proposed annual rate increases as identified in the LRFPs are implemented consistently over time. Each time these increases are not achieved, the funding gap widens, further delaying necessary investments and compounding long-term financial pressures.

This funding shortfall underscores the importance of strategic financial planning, prioritization of critical infrastructure investments, and exploration of alternative funding sources to ensure the continued delivery of reliable and sustainable municipal services.

As noted throughout this document, our financing strategy is dependent on the municipality's reserve funds. There is a need for and benefit from further investment to protect, sustain, and maximize the use of Middlesex Centre's infrastructure assets. Several strategies to "close the gap" have been considered/incorporated in the 2026 budget.

## 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.

An infrastructure deficit represents the cumulative shortfall between the funding required to maintain, renew, and expand municipal assets and the actual financial resources allocated for these purposes. This gap arises when annual investments are consistently below the levels needed to sustain infrastructure at its intended level of service.

Over time, this underinvestment leads to the deterioration of assets, increased maintenance costs, and a higher risk of service disruptions or failures. It also elevates health and safety risks for both the public and municipal staff, as aging infrastructure becomes more prone to critical failures and non-compliance with regulatory standards. The longer the deficit persists, the more costly and complex it becomes to restore infrastructure to acceptable standards.

## Financial Support Needed

Middlesex Centre manages its asset lifecycle needs primarily through its annual budget process, which serves as a foundational tool for aligning service delivery with available resources. However, due to the size and complexity of the Municipality's asset portfolio, and the evolving requirements set by senior government directives, additional funding sources will be required to close the gap between infrastructure needs and available financial capacity.



# Asset Management

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To help bridge this funding gap, the Municipality actively explores external funding opportunities, including grants, user fees, subsidies, and developer contributions. These sources play a critical role in supplementing municipal revenues and supporting long-term infrastructure sustainability.

## Asset Management and Budget 2026

- 71% of all capital projects planned for 2026 are from the AMP:
  - Example: Hot Mix Resurfacing – Resurfacing of asphalt roads to maintain a PCI of 70 or better as per the recommendations of the Asset Management Plan - \$1,100,000
  - Example: Repair Bridge B-140, Fourteen Mile Rd. - \$319,900
  - Example: Komoka Community Centre Asphalt Parking lot - \$185,000
  - Example: Replacement Grader - \$750,000

- 10% of the new projects planned for 2025 are growth related
  - Example: Ilderton Treatment Capacity Upgrades - \$596,711
  - Example: Komoka WWTP Expansion Design - \$883,913
- 19% of the projects planned for 2026 are related to service level changes, improvements, or efficiency improvements (and combined other criteria, such as growth and AMP)
  - Example: Komoka WWTP – Aeration, Blower, and HVAC Improvements - \$526,312
  - Example: Komoka Drain No. 1 SWM Pond - \$2,773,454

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



# Asset Management

**Table: 2026 Capital Budget in relation to the Asset Management Plan**

Department	Project	2026 Budget (\$)	Asset Condition	Asset Risk
Community Services	25-7105 - Heritage Park Splash Pad Renovation	89,000	poor	Low
Community Services	26-7108 - Weldon Park - Diamond and infield improvements	36,000	Poor	Low
Community Services	26-7128 - Heritage Park - Diamond Improvements	35,500	Poor	Low
Community Services	26-7129 - Weldon Park - Tar & chip road from front parking lot to tennis courts & back parking lot	30,000	Fair	Low
Community Services	26-7136 - Komoka Park Sports Lighting Upgrades - Phase 1	250,000	Poor	Low
Community Services	26-7164 - Delaware Lions Park - Parking lot improvements	30,000	Fair	Low
Environmental Services	21-4199 - SCADA Replacement (1 of 2)	426,843	Very Poor	High
Environmental Services	21-4302 - Melrose Lake Huron Primary Water Supply Connection	1,970,000	Poor	High
Environmental Services	21-4399 - SCADA Replacement (2 of 2)	426,843	Very Poor	High
Environmental Services	24-4202 - King/ George Street Reconstruction	35,000	Very Poor	Very High
Environmental Services	26-4129 - Komoka WWTP - Concrete Floor Rehabilitation	60,893	Very Poor	Low
Facility Services	25-6306 - Denfield PWE - Wash bay structural steel posts	58,200	Very Poor	Moderate
Facility Services	25-6705 - Komoka Wellness Centre - Lighting Retrofit Phase 2	25,000	poor	Low
Facility Services	25-6725 - Komoka Wellness Centre - Canadian Pad Sound System Replacement	95,800	Very Poor	Low
Facility Services	25-6771 - Ilderton Community Centre - Main Hall Flooring refinish + repairs	15,000	poor	Low
Facility Services	26-6104 - Komoka Wellness Centre - Refinish Gym Floor and all new sport lines	45,000	Fair	Low
Facility Services	26-6107 - Komoka Wellness Centre - Replace cold floor P1 motor + pump	35,000	Unknown	Low
Facility Services	26-6129 - Ilderton Arena - Dehumidifier for Curling Club	48,000	Very Poor	Moderate
Facility Services	26-6130 - Ilderton Arena - Lower-level window replacement	78,500	Very Poor	High
Facility Services	26-6131 - Ilderton Arena - Accessible washroom improvement, curling club lobby	68,000	Very Poor	Moderate
Facility Services	26-6137 - Bryanston Community Centre - Lighting retrofit	35,000	Poor	High



# Asset Management

Department	Project	2026 Budget (\$)	Asset Condition	Asset Risk
Facility Services	26-6140 - Delaware Community Centre - Bar Area rework & sound system	42,000	Fair	Low
Facility Services	26-6141 - Delaware Library - Library and washroom accessibility	140,000	Poor	Low
Facility Services	26-6157 - Delaware Operations Centre - Hot water boiler for heating system	42,500	Poor	Moderate
Facility Services	26-6160 - Denfield Operations Centre - Washbay power washer	36,000	Unknown	Very High
Facility Services	26-6163 - Medical Clinic - HVAC	12,500	Poor	Low
Facility Services	26-6704 - Komoka Wellness Centre-Splashpad Improvements	80,000	Fair	Low
Facility Services	26-6716 - Komoka Community Centre - Asphalt Parking Lot	185,000	Very Poor	Low
Facility Services	26-6758 - Ilderton Community Centre - Kitchen & Bar Appliances	44,500	Poor	Low
Facility Services	26-7219 - Komoka Community Centre kitchen refresh	58,800	Very Poor	Low
Facility Services	26-7222 - Delaware Community Centre kitchen renewal project	52,800	Poor	Low
Facility Services	26-7225 - Ilderton Arena road sign replacement	85,000	Very Poor	Low
Facility Services	26-7227 - KWC - Replacement of the front sliding doors (2)	35,600	Very Poor	High
Facility Services	26-7229 - Denfield PWE - Front gate automatic gate renewal project	42,500	Poor	High
Fire and Emergency Operations	26-2200 - Extrication Equipment	75,000	Fair	Very High
Fleet Services	26-3200 - Replacement Tri-Axle Truck	600,000	Very Poor	Very High
Fleet Services	26-3325 - Replacement Grader	750,000	Very Poor	Very High
Fleet Services	26-7302 - Ilderton Arena - Replacement Ice Resurfacer	250,000	Poor	High
Public Works & Engineering	21-3137 - Old River Road (Glendon Dr. to Pulham Rd.)	3,283,927	Very Poor	Very High
Public Works & Engineering	25-3114 - Rehabilitate Bridge B-140, Fourteen Mile Rd.	319,900	Fair	High risk bridge with high priority score per OSIM report



# Asset Management

Department	Project	2026 Budget (\$)	Asset Condition	Asset Risk
Public Works & Engineering	25-3117 - Replace Culvert C-560, Poplar Hill Rd.	408,801	Fair	High risk bridge with high priority score per OSIM report
Public Works & Engineering	25-3119 - Replace Culvert C-567, McEwen Dr.	375,536	Fair	High risk with high priority score per OSIM report
Public Works & Engineering	25-3120 - Replace Culvert C-556, Fernhill Dr.	544,649	Poor	Very High
Public Works & Engineering	25-3122 - Replace Culvert C-568, Gold Creek Dr.	369,649	Poor	High
Public Works & Engineering	25-3126 - Relining Arva Dam Outlet Pipe	75,000	Unknown	Unknown
Public Works & Engineering	26-3101 - Hot Mix Resurfacing	1,100,000	Not Applicable	Not Applicable
Public Works & Engineering	26-3102 - Tar & Chip Resurfacing	767,500	Not Applicable	Not Applicable
Public Works & Engineering	26-3104 - Sidewalk Replacement (Ilderton)	200,000	Not Applicable	Not Applicable
Public Works & Engineering	26-3114 - Repair Bridge B-113, Eight Mile Rd.	42,000	Fair	High risk bridge with high priority score per OSIM report
Public Works & Engineering	26-3127 - Repair Culvert C-520, Ivan Dr.	22,500	Fair	Very High
Public Works & Engineering	26-3128 - Replace Culvert C-503; Amiens Rd.	35,000	Very Poor	Very High
Public Works & Engineering	26-3130 - Replace Culvert C-310; Woodhull Rd.	82,500	Poor	Very High
Public Works & Engineering	26-3132 - Vanneck Rd. Reconstruction (Egremont Dr. to Medway Rd.)	1,357,500	Very Poor	Very High
Public Works & Engineering	26-3139 - Replacement Delaware Wash Bay Equipment	40,000	Unknown	Very High
Public Works & Engineering	26-3140 - Replacement Denfield Wash Bay Equipment	40,000	Unknown	Very High
Public Works & Engineering	28-3123 - Replace Culvert C-119, Nine Mile Rd.	66,000	Fair	Very High
<b>Total</b>		<b>15,556,241</b>		



# Asset Management

## Asset Management Levels of Service and Key Performance Indicators

In asset management, levels of service (LOS) describe the outcomes customers experience through the services that municipal assets provide. Each day people use municipal assets to travel safely (roads, bridges and culverts), get clean drinking water (pipes, pumping stations, and treatment plants), and play (arenas, parks), among other services. Typically, customers are more focused on the services they receive (i.e., customer LOS), but behind the scenes the municipality is making investments, delivering operations and maintenance, and weighing trade offs between cost and risk that ensure customers receive the services (i.e., technical LOS).

The Asset Management Plan includes LOS measures that link the corporate goal for the assets/service to customer and technical measures.

Key Performance Indicators (KPI) are used to track and identify trends in municipal assets, offering a measure of LOS.

It is important to know that some KPI do not have endorsed targets, but rather staff review trends in the data. Trend observations are made on the basis of general best practice related to the sustainability of assets, services, and finances. Trend observations do not indicate how close or far away the municipality's LOS is from any KPI target.

Refer to the table below for the municipality's asset management plan performance measures for 2021-2024.

→ **Learn more about Asset Management Levels of Service at [middlesexcentre.ca/budget](http://middlesexcentre.ca/budget) under "Asset Management > Asset Management Plan"**

**Table: Asset Management Plan Performance Measures, 2021 to 2024**

Asset Category	LOS Type	Performance Metric	Target	2024	2023	2022	2021
Potable Water Network	Access and Capacity	% of properties connected to the municipal water system	56.0%	56.0%	56.0%	56.0%	56.0%
Potable Water Network	Access and Capacity	% of properties where fire flow is available	100.0%	100.0%	100.0%	100.0%	100.0%
Potable Water Network	Condition and Reliability	Average Asset Condition	Good	Fair	Fair	Fair	Good
Potable Water Network	Condition and Reliability	Assets with "Poor" to "Very Poor" Condition as a percentage of Total Replacement Cost	Less than 10.0%	28.9%	30.0%	-	-



# Asset Management

Asset Category	LOS Type	Performance Metric	Target	2024	2023	2022	2021
Potable Water Network	Condition and Reliability	The number of connection-days lost per year due to water main breaks compared to the total number of properties connected to the municipal water system.	0	0.01	-	0.01	0.01
Potable Water Network	Condition and Reliability	The number of connection-days per year where a boil water advisory notice is in place compared to the total number of properties connected to the municipal water system.	0	-	-	-	-
Potable Water Network	Safety	# of water boil advisories	0	0	1	0	1
Potable Water Network	Financial Sustainability	Reinvestment Ratio %	At least 1.7%	0.4%	0.4%	1.1%	4.1%
Wastewater Network	Access and Capacity	# of connection-days per year with service disruptions due to wastewater backups compared to the total number of properties connected to the municipal wastewater system.	0	-	-	-	-
Wastewater Network	Condition and Reliability	Average Asset Condition	Good	Good	Good	Good	Good
Wastewater Network	Condition and Reliability	% of Assets with "Poor" to "Very Poor" Condition	Less than 10.0%	4.8%	4.5%	-	-
Wastewater Network	Financial Sustainability	Reinvestment Ratio %	At least 1.4%	0.7%	0.5%	0.7%	2.4%
Wastewater Network	Safety	# of effluent violations per year due to wastewater discharge compared to the total number of properties connected to the municipal wastewater system.	0	-	2	1	3
Stormwater Network	Access and Capacity	% of properties in the Municipality resilient to a 100-year storm.	97.0%	97.0%	97.0%	97.0%	97.0%
Stormwater Network	Access and Capacity	% of the municipal stormwater management system resilient to a 5-year storm.	100.0%	100.0%	100.0%	100.0%	100.0%



# Asset Management

Asset Category	LOS Type	Performance Metric	Target	2024	2023	2022	2021
Stormwater Network	Condition and Reliability	Average Asset Condition	Good	Good	Good	Good	Good
Stormwater Network	Condition and Reliability	% of Assets with "Poor" to "Very Poor" Condition	Less than 10.0%	6.8%	6.6%	-	-
Stormwater Network	Financial Sustainability	Reinvestment Ratio %	At least 1.3%	0.2%	0.1%	0.2%	1.5%
Road Network	Access and Capacity	% of local roads with sidewalks	Awaiting results of Active Transportation Master Plan	50.4%	54.0%	54.0%	53.1%
Road Network	Access and Capacity	Lane kilometres of Road with year-round load restriction	0.0 km	42.6	42.6	-	-
Road Network	Quality	Lane-kilometres of arterial roads per square kilometre of land	0	-	-	-	-
Road Network	Quality	Lane-kilometres of collector roads per square kilometre of land	N/A	0.3	0.0	0.0	1.6
Road Network	Quality	Lane-kilometres of local roads per square kilometre of land	N/A	1.75	1.01	1.01	0.34
Road Network	Condition and Reliability	Average Asset Condition	Good	Good	Good	Good	Good
Road Network	Condition and Reliability	% of Assets with "Poor" to "Very Poor" Condition	Less than 10.0%	7.5%	8.5%	-	-
Road Network	Condition and Reliability	For paved roads in the municipality, the average pavement condition index value.	70	72.3	70.3	70.3	67.8
Road Network	Condition and Reliability	For unpaved roads in the municipality, the average surface condition (e.g. excellent, good, fair or poor).	Good	Good	Good	Good	Good
Road Network	Safety	Centreline-kilometres of Roads with Deficiencies (Geometric, drainage, structural, surface width, surface type)	Minimize	117.3	-	-	-



# Asset Management

Asset Category	LOS Type	Performance Metric	Target	2024	2023	2022	2021
Road Network	Financial Sustainability	Reinvestment Ratio %	At least 2.5%	1.0%	1.1%	3.3%	3.2%
Bridges and Culverts	Access and Capacity	Number of bridges and culverts in the municipality with loading or dimensional restrictions.	0	-	1	-	-
Bridges and Culverts	Condition and Reliability	For bridges in the municipality, the average bridge condition index value.	70	67.5	67.5	67.1	67.1
Bridges and Culverts	Condition and Reliability	For structural culverts in the municipality, the average bridge condition index value.	70	64.4	64.4	63.8	63.8
Bridges and Culverts	Condition and Reliability	Average BCI - Retaining Walls	70	67.5	67.5	-	-
Bridges and Culverts	Condition and Reliability	Average Asset Condition	Good	Good	Good	Good	Good
Bridges and Culverts	Condition and Reliability	% of Assets with "Poor" to "Very Poor" Condition	Less than 10.0%	6.8%	-	-	-
Bridges and Culverts	Safety	Number of Incidence of Failure	0	-	1	-	-
Bridges and Culverts	Financial Sustainability	Reinvestment Ratio %	At least 1.3%	2.6%	0.6%	1.0%	1.1%
Fleet	Condition and Reliability	Average Asset Condition	Fair	Poor	Poor	Fair	Fair
Fleet	Condition and Reliability	% of Assets with "Poor" to "Very Poor" Condition	Less than 10.0%	52.6%	49.7%	-	-
Fleet	Safety	# of vehicle failed annual safety inspection	0	0	0	0	0
Fleet	Financial Sustainability	Reinvestment Ratio %	At least 7.2%	9.6%	5.1%	7.4%	5.6%
Facilities	Access and Capacity	# of unplanned closures due to asset failure	0	-	-	-	-
Facilities	Condition and Reliability	Average Asset Condition	Fair	Fair	Fair	Fair	Fair



# Asset Management

Asset Category	LOS Type	Performance Metric	Target	2024	2023	2022	2021
Facilities	Condition and Reliability	% of Assets with "Poor" to "Very Poor" Condition	Less than 10.0%	43.5%	45.4%	-	-
Facilities	Financial Sustainability	Reinvestment Ratio %	At least 2.2%	8.0%	2.8%	0.6%	1.0%
Parks	Access and Capacity	# of unplanned closures due to asset failure	0	-	-	-	-
Parks	Condition and Reliability	Average Asset Condition	Good	Good	Good	Good	Good
Parks	Condition and Reliability	% of Assets with "Poor" to "Very Poor" Condition	Less than 10.0%	22.5%	27.2%	-	-
Parks	Financial Sustainability	Reinvestment Ratio %	At least 3.0%	4.3%	6.4%	4.7%	0.1%



# Debt

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## 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 6.05% (December 17, 2025). Overall, debt repayments make up 3.42% of the operating budget; Middlesex Centre is well-prepared to manage these payments in 2026.

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 3.42% 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](http://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%	52.54%	2031
Denfield Operations Centre – This debt borrowing was for the construction of the road operations centre building in Denfield.	5,067,705	3.61%	18.09%	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%	67.2%	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%	100%	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%	45%	2042
<b>Total</b>	<b>25,425,225</b>			

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

**Table: Debt Principal and Interest Details for 2026: Budget Impact**

Name	2026 Principal Payment (\$)	2026 Interest Payment (\$)	Total 2026 Payments (\$)	Remaining Principal (\$)
Kilworth Komoka Water Line	224,442	47,991	272,433	1,122,212
Denfield Operations Centre	253,385	57,164	310,549	1,393,619
Ilderton Timberwalk Pumping Station	56,742	24,020	80,762	543,750
Roads & Street Light Upgrades	63,081	23,843	86,925	662,355
Komoka Wastewater Treatment Facility Expansion	344,990	153,434	498,424	3,967,384
Coldstream Fire Hall	98,697	64,831	163,529	1,546,630
Komoka Wellness Centre	184,894	114,274	299,167	2,958,301
<b>Total</b>	<b>1,226,232</b>	<b>485,557</b>	<b>1,711,789</b>	<b>12,194,252</b>

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.

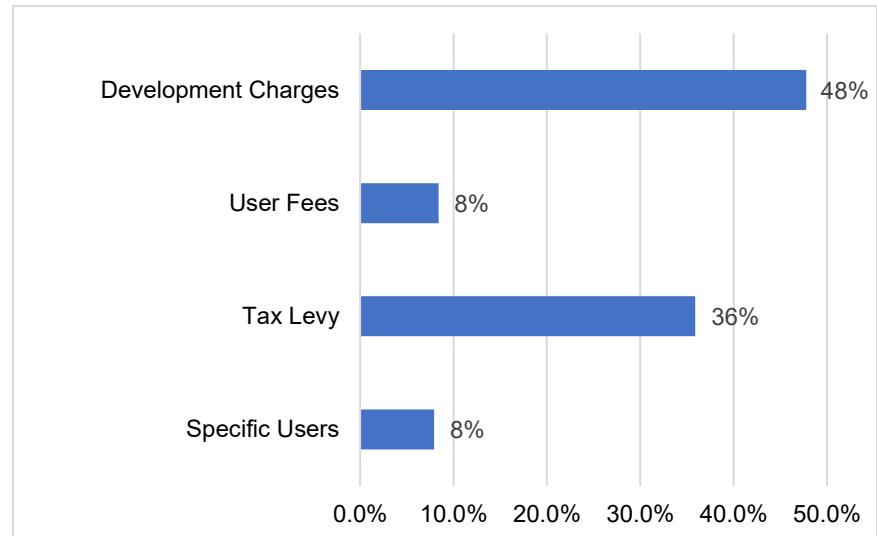
- Tax levy supported debt is paid for by the property tax levy and the principal and interest payments are included in the operating budget for the tax levy supported departments.
- Utility rate supported debt is paid for by the water and wastewater rates and the principal and interest payments are included 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.

## 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.

**Figure: Distribution of Debt Burden for 2026**



## 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)



# Debt

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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 Management Approach and Policy

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 the 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.

Like many municipalities, Middlesex Centre faces ongoing infrastructure demands driven by population growth and the necessity to renew assets approaching the end of their service lives. As Middlesex Centre continues to expand, in alignment with the long-range financial plan, debt financing will become necessary to support future infrastructure projects identified in the 2024 Development Charge Study. Recognizing this, the Municipality has formalized guiding principles for the approval, issuance, and administration of municipal debt, ensuring compliance with all statutory requirements. At the October 1, 2025, meeting, Council approved the Capital Financing and Debt Management Policy.

The overarching objectives of the Capital Financing and Debt Management Policy are to manage current and anticipated debt levels effectively. This approach aims to minimize the impact of debt servicing costs on taxpayers, while maintaining an optimal balance between leveraging debt and adopting a pay-as-you-go approach to capital financing. The Municipality adheres to a debt limit of 17% of own-source revenues, ensuring that financial obligations do not compromise long-term fiscal stability or create undue burdens for current and future taxpayers.

The policy provides a robust framework for the approval, issuance, and regulation of capital financing and municipal debt. It ensures consistency with the Municipality's long-term financial planning and overall fiscal strategy, supporting responsible debt management that enables sustainable growth and prudent stewardship. Key policy elements include the maintenance of necessary infrastructure and services, optimization of borrowing costs, and structuring of debt to benefit both present and future stakeholders. Additionally, the policy sets out explicit financial guidelines and reporting requirements, defines roles and responsibilities, and reinforces the Municipality's commitment to sound debt management practices and financial flexibility.



# Debt

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## Debt Proposed

To facilitate growth-related infrastructure, the Municipality has adopted a strategic debt management approach as recommended in the approved LRFPs that ensures equitable cost-sharing between current and future users. Debt financing is utilized for eligible growth projects, allowing repayment schedules to align with development progression. This strategy distributes costs over multiple generations, ensuring that those benefiting from the infrastructure contribute fairly, while also maintaining manageable tax and user rates for today's ratepayers.

All debt financing proposed for the period from 2026 to 2030 is exclusively allocated to growth-related projects. This strategic approach ensures that new developments and expansions are adequately funded while supporting the municipality's infrastructure requirements. By financing these projects through long-term debt, the municipality promotes intergenerational equity, ensuring that the costs of infrastructure improvements are fairly distributed across both current and future residents who will benefit from the enhanced services. This means that those who use and gain from the expanded water and wastewater infrastructure over time will also share in the responsibility of repaying the associated debt, helping to balance financial impacts across generations.

Currently, fourteen projects have been identified for debt borrowing, with the initiation of borrowing scheduled to begin in

2029. Each of these projects falls within the water and wastewater departments, reflecting the municipality's commitment to upgrading and expanding essential services. The assumptions related to the debt borrowing are:

- Debt payments are expected to be financed through user rates and applicable development charges as outlined in the table below
- An interest rate of 3% has been used in all related financial calculations.
- The debt is projected to be borrowed over a period of 20 years, providing a sustainable repayment schedule.
- The ARL has been revised to include the proposed debt borrowing for 2029-2031, resulting in our borrowing as a percentage of own source revenues increasing to 19.95% based on the December 17, 2025, ARL calculation. The own source revenues applied in this calculation are from the 2023 FIR. When future increases in own source revenues are considered, the debt payment percentage of our own source revenues will be lower than 19.95%.
- Total interest paid on the debt borrowings proposed is \$30,304,272 over the 20-year period.



# Debt

**Table: Proposed Borrowing, 2029 to 2031**

Project	Borrowing Proposed (DC Portion) (\$)	Borrowing Proposed (User Rate Portion) (\$)	Total Borrowing Proposed (\$)	Proposed Timing	Proposed Debt Payment at 3% Interest Rate (\$)
21-4104 - Ilderton Treatment Capacity Upgrades	11,287,340	0	11,287,340	2029	758,686.54
28-4801 - Komoka WWTP Expansion Phase 1	19,796,640	4,260,775	24,057,415	2029	1,617,036.17
26-4806 - Upgrade Sewer Main on Komoka Rd.	293,069	1,538,612	1,831,681	2029	123,117.75
27-4150 - New Delaware Sanitary Pumping Station	11,900,000	0	11,900,000	2029	799,866.92
27-4802 - New Komoka Sewage Pump Station #2	1,928,820	4,293,180	6,222,000	2029	418,216.13
28-4804 - New Arva SPS2	3,876,000	0	3,876,000	2029	260,528.08
28-4805 - Upgrade Arva SPS1	482,300	945,700	1,428,000	2029	95,984.03
28-4808 - New Arva Water Storage Facility and BPS	874,600	3,219,400	4,094,000	2029	275,181.11
28-4812 - Expand Komoka BPS	1,138,000	0	1,138,000	2029	76,491.48
28-4813 - Expand Komoka IPS	601,300	489,700	1,091,000	2029	73,332.34
29-4807 - New Sewer Main on Glendon Dr.	5,967,000	0	5,967,000	2030	401,076.13
29-4814 - Glendon Dr. Watermain (Highway 402 E to W of Komoka Rd.)	5,916,000	0	5,916,000	2030	397,648.13
29-4815 - Connect Arva to LHPWSS	435,800	1,604,200	2,040,000	2030	137,120.04
30-4811 - New Ilderton Water Storage Facility	7,165,000	0	7,165,000	2031	481,600.54
<b>Total</b>	<b>71,661,869</b>	<b>16,351,567</b>	<b>88,013,436</b>		<b>5,915,885.40</b>

\* Note: Project 28-4801 includes all aspect of the upgrade including design and study:

24-4111 - Komoka Wastewater Treatment Plant Schedule C Environmental Assessment; 26-4128 - Komoka EA Archeological Assessment; 26-4801 - Komoka WWTP Expansion Design



# Debt

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## Development Charges and Debt

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. The cash short fall for the DC supported projects are included in the proposed debt section above.

## Debt Recommendation

In alignment with the Municipality's strategic financial approach and the Capital Financing and Debt Management Policy, Middlesex Centre is prioritizing debt financing exclusively for growth-related projects throughout the 2026–2030 period. This focused strategy is designed to support the expansion and enhancement of essential water and wastewater infrastructure, as detailed in the Long-Range Financial Plan (LRFP).

By concentrating borrowing on assets that drive municipal growth, Middlesex Centre ensures that the financial burden of major capital improvements is distributed equitably among all residents who benefit from these services, both now and in the future. This practice embodies the principle of intergenerational equity, allowing both current and future users to share responsibility for repayment and supporting the sustainable development of the community.

Given the significant costs associated with growth assets identified in the Development Charge Study, it is recommended

that debt not be used for other purposes at this time. Restricting debt borrowing to growth-related infrastructure projects maintains fiscal discipline, protects the Municipality's long-term financial flexibility, and ensures ongoing compliance with statutory debt limits. This approach also preserves sufficient resources for unexpected needs and future initiatives, particularly those that may have implications for health and safety.

By structuring debt in this manner and safeguarding reserves for emergent priorities, the Municipality can responsibly manage its financial obligations, minimize the impact on taxpayers, and maintain its future borrowing capacity for essential infrastructure investments. This strategy reflects Middlesex Centre's commitment to prudent stewardship and the long-term financial health of the community.

There are numerous capital projects identified in the 2026–2030 budget. Council will need to carefully consider whether to proceed with these initiatives, keeping in mind the potential for serious financial consequences in the future. While debt is one of several capital financing tools available to municipalities and can be highly effective when used judiciously, excessive borrowing could negatively affect the level and quality of municipal services in subsequent years.



# Development Charges

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## DEVELOPMENT CHARGES

Development charges are fees collected from developers 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.

Over the past five years, projects have been occurring earlier than the funding is coming in, which resulted in a negative balance up to the end of 2024 for the Development Charge Reserve Fund. Staff have reviewed the Development Charges (DC) Study and project schedule, and due to the decline in growth, many projects have been deferred to a later date. These deferrals have helped return the Municipality to a positive DC reserve fund balance for the end of 2025, and this trend is expected to continue into 2026. However, larger DC-funded projects are anticipated in future years, which will lead to significant negative balances and will require debt borrowings to manage. For further details and analysis, please refer to the Debt section above.

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 2026-2030.

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
  - 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.

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



# Development Charges

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the integrity of the DCBS. Staff will refine the timing of the capital projects through the 2026-2034 capital budget and forecast for council consideration each year.

## 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
- Long-term care homes

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](http://middlesexcentre.ca/development-charges)



# Development Charges

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

Department/ Division	Project	Development Charge Funding	2026 Budget (\$)	2027 Budget (\$)	2028 Budget (\$)	2029 Budget (\$)	2030 Budget (\$)
<b>Fire &amp; Emergency Operations</b>							
Fire Operations	28-6801 - Training Facility Space	24%	0	0	18,000	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>18,000</b>	<b>0</b>	<b>0</b>
<b>Public Works &amp; Engineering</b>							
Transportation	23-3109 - King and George Street Reconstruction	10%	4,500	0	62,000	0	0
Transportation	26-3122 - Oxbow Dr. W Urban (Komoka Rd to 375m west) - Upgrade	60%	45,258	612,128	0	0	0
Transportation	27-3814 - Sunningdale Rd W (Denfield Rd to Vanneck Rd)	57%	0	792,100	0	0	0
Transportation	28-3125 - 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	642,700
Transportation	29-3124 - Oxbow Dr. W Rural (Amiens to 2000m east) Upgrade	57%	0	0	0	102,600	0
Transportation	30-3112 - Westbrook Dr (Stephen Moore to Kilworth Park Dr) - Complete Urbanization	40%	0	0	0	0	60,000
Transportation	30-3112 - Westbrook Dr (Stephen Moore to Kilworth Park Dr) - Complete Urbanization	40%	0	0	0	0	270,000
Transportation	30-3128 - Oxbow Dr. E (Union to Coldstream) - Upgrade from LCB to HCB - Urban	60%	0	0	0	0	820,802
Transportation	30-3802 - Clarke Rd (Nine Mile Rd to Eight Mile Rd)	57%	0	0	0	0	446,300
Transportation	30-3824 - Highway 402 & Carriage Rd Interchange	40%	0	0	0	0	4,446,100
Transportation	30-3829 - New Staging/Storage Yard	35%	0	0	0	0	123,800
	31-3126 - Oxbow Dr. E (Union to Coldstream) Upgrade from LCB to HCB - Rural	57%	0	0	0	0	250,800
<b>Total</b>			<b>49,758</b>	<b>1,404,228</b>	<b>524,200</b>	<b>542,600</b>	<b>7,060,502</b>
<b>Environmental Services</b>							
Wastewater	21-4104 - Ilderton Treatment Capacity Upgrades	100%	596,711	5,345,315	5,345,314	0	0



# Development Charges

Department/ Division	Project	Development Charge Funding	2026 Budget (\$)	2027 Budget (\$)	2028 Budget (\$)	2029 Budget (\$)	2030 Budget (\$)
Wastewater	24-4111 - Komoka Wastewater Treatment Plant Schedule C Environmental Assessment	82%	94,013	0	0	0	0
Wastewater	26-4128 - Komoka EA Archeological Assessment	82%	305,927	0	0	0	0
Wastewater	26-4801 - Komoka WWTP Expansion Design	82%	727,376	727,376	1,454,753	0	0
Wastewater	26-4806 - Upgrade Sewer Main on Komoka Rd.	16%	0	28,493	264,576	0	0
Wastewater	27-4150 - New Delaware Sanitary Pumping Station	100%	0	5,950,000	5,950,000	0	0
Wastewater	27-4802 - New Komoka Sewage Pump Station #2	31%	0	125,792	1,803,028	0	0
Wastewater	28-4801 - Komoka WWTP Expansion Phase 1	82%	0	0	16,487,195	0	0
Wastewater	28-4804 - New Arva SPS2	100%	0	252,782	3,623,218	0	0
Wastewater	28-4805 - Upgrade Arva SPS1	34%	0	31,664	450,636	0	0
Wastewater	29-4807 - New Sewer Main on Glendon Dr.	100%	0	390,000	0	5,577,000	0
Water	23-4328 - King and George St. Reconstruction - Oversizing of Watermain	8%	2,800	0	40,216	0	0
Water	28-4808 - New Arva Water Storage Facility and BPS	21%	0	56,070	818,530	0	0
Water	28-4812 - Expand Komoka BPS	100%	0	75,000	1,063,000	0	0
Water	28-4813 - Expand Komoka IPS	55%	0	49,129	552,171	0	0
Water	29-4814 - Glendon Dr. Watermain (Highway 402 E to W of Komoka Rd.)	100%	0	0	386,000	5,530,000	0
Water	29-4815 - Connect Arva to LHPWSS	21%	0	0	27,930	407,870	0
Water	30-4811 - New Ilderton Water Storage Facility	100%	0	0	0	0	7,165,000
<b>Total</b>			<b>1,726,827</b>	<b>13,031,621</b>	<b>38,266,567</b>	<b>11,514,870</b>	<b>7,165,000</b>
<b>Facility Services</b>							
Fire Halls	29-6110 - Additional Fire Facility Space	30.4%	0	0	0	1,152,160	0
PWE Operations Centres	29-6802 - New Delaware PWE Facility & Sand/Salt Storage	47%	0	0	0	9,829,700	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>10,981,860</b>	<b>0</b>
<b>Community Services</b>							
Parks & Open Space	27-7110 - Clear Skies Primary Trail	100%	0	401,500	0	0	0
Parks & Open Space	27-7120 - Clear Skies Park	100%	0	300,000	0	0	0



# Development Charges

Department/ Division	Project	Development Charge Funding	2026 Budget (\$)	2027 Budget (\$)	2028 Budget (\$)	2029 Budget (\$)	2030 Budget (\$)
Parks & Open Space	27-7124 - Edgewater Trail	100%	0	160,200	0	0	0
Parks & Open Space	27-7167 - Komoka Civic Square Design	40%	0	28,400	0	0	0
Parks & Open Space	28-7125 - Komoka Civic Square Construction	40%	0	0	289,400	0	0
Parks & Open Space	28-7127 - Brantam Park Development	100%	0	0	200,000	0	0
Parks & Open Space	29-7804 - Bryanston Community Park	59%	0	0	0	1,181,800	0
Parks & Open Space	30-7801 - New Trail (London to Denfield)	24%	0	0	0	0	1,207,150
Parks & Open Space	30-7803 - New Trail (South of Medway Rd.)	100%	0	0	0	0	200,000
<b>Total</b>			<b>0</b>	<b>890,100</b>	<b>489,400</b>	<b>1,181,800</b>	<b>1,407,150</b>
<b>Fleet Services</b>							
Fire Fleet	29-2262 - New Aerial Vehicle (100' Platform)	100%	0	0	0	2,300,000	0
PWE Transportation Fleet	30-3631 - Road Cameras (4)	35%	0	0	0	0	5,000
Community Services Fleet	28-7229 - New 18' -20' Float Trailer	100%	0	0	25,000	0	0
Community Services Fleet	28-7335 - New Zero Turn Mower	100%	0	0	30,000	0	0
Community Services Fleet	28-7406 - New 1/2 Ton Truck	100%	0	0	67,500	0	0
Community Services Fleet	29-7231 - New 18' Trailer	100%	0	0	0	25,000	0
Community Services Fleet	29-7336 - New Zero Turn Mower	100%	0	0	0	30,000	0
Community Services Fleet	29-7410 - New 1/2 Ton Truck	100%	0	0	0	67,500	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>122,500</b>	<b>2,422,500</b>	<b>5,000</b>
<b>Total</b>			<b>1,776,585</b>	<b>15,325,949</b>	<b>39,420,667</b>	<b>26,643,630</b>	<b>15,637,652</b>



# Development Charges

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

Funding Source	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)
Development Charges Funded Annually	1,776,585	15,325,949	39,420,667	26,643,630	15,637,652

Notes: Projected Development Charge Funding for 2026-2030.

**Table: Development Charge Balances (2023-2024) and Projected Fund Balances (Net Position) 2025-2030**

Reserve Name	2023 Actual (\$)	2024 Actual (\$)	2025 (\$)	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)
Development Charges Reserve Fund	(4,962,352)	(754,159)	934,097	1,221,332	(12,042,403)	(48,533,494)	(71,612,459)	(82,966,236)

Notes: Actual balance for Development Charges for 2023 and 2024. Projected Development Charge Balances 2025-2030.

Assumptions: Debt payments annually 2025-2030; Development Charges collected annually 2025 -\$2.9M, 2026-2027 \$3M, 2028 \$4M, 2029-2030 \$5M; Capital projects from 2025-2030 budget.



## Reserves and Reserve Funds

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# RESERVES AND RESERVE FUNDS

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

Reserves and reserve funds allow us:

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

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

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

## Managing Reserves and Reserve Funds

Creation of Reserves and Reserve Funds:

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

Reserve and Reserve Funds Controls and Reporting:

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

- Large increases and decreases (over 10%) outside of the approved reserve and reserve fund 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](http://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).

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. 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 was completed within the updated Long-Range Financial Plans, which forecast the necessary reserve fund contributions to manage risks associated with growth and aging infrastructure in both tax and user-funded service areas.

→ **The Reserve and Reserve Fund Policy is available at [middlesexcentre.ca/by-laws](http://middlesexcentre.ca/by-laws)**

**Table: Reserve Fund Transfers Over Time and Projected 2026**

Transfer Type	2023 Actual (\$)	2023 Budget (\$)	2023 Variance (\$)	2024 Actual (\$)	2024 Budget (\$)	2024 Variance (\$)	2025 YTD Actual (\$)	2025 YTD Budget (\$)	2025 YTD Variance (\$)	2026 Budget (\$)
To Reserve Funds	20,864,298	15,276,126	5,588,173	21,348,450	17,010,052	4,338,398	12,785,574	18,126,573	(5,340,999)	20,338,321
From Reserve Funds	(10,727,594)	(25,770,501)	15,042,907	(20,028,383)	(31,911,316)	11,882,993	(8,538,138)	(28,922,517)	20,384,379	(24,521,794)
<b>Net</b>	<b>10,136,704</b>	<b>(10,494,375)</b>	<b>20,631,080</b>	<b>1,320,067</b>	<b>(14,901,264)</b>	<b>16,221,391</b>	<b>4,247,436</b>	<b>(10,795,944)</b>	<b>15,043,380</b>	<b>(4,183,473)</b>



# Reserves and Reserve Funds

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## 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. Currently, 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.

In June 2025, Council approved the Municipality's long-range financial plan (LRFP) for tax supported, water, wastewater, and stormwater services. These comprehensive plans set forth strategic financial measures to guarantee the sustainability and reliability of essential municipal infrastructure. Central to this

updated strategy is the robust management and forecasting of Reserves and Reserve Funds, including the creation of two new reserve funds dedicated to capital project funding planning.

The newly established reserve funds; the Growth Reserve Fund and the Efficiencies and Improvements Reserve Fund, are integral to the LRFP, aligning with recommendations from the approved tax-supported long-range financial plan. Their purpose is to ensure that designated contributions from operating budgets are allocated to support both growth-related and discretionary capital expenditures. Forecasting contributions and withdrawals from these funds is essential for maintaining adequate funding levels before major projects commence, reducing financial risk and supporting proactive infrastructure management.

- **Growth Reserve Fund:** Supports authorized growth-related capital expenditures for projects identified in the DC Study and not covered by Development Charges (DCs), adhering to the tax-supported LRFP and ensuring readiness for future growth.
- **Efficiencies and Improvements Reserve Fund:** Provides for discretionary service improvements and new capital expenditures not included in the DC study, supporting innovation and enhanced municipal services.

Accurate forecasting and management of reserves and reserve funds are fundamental to strategic financial planning and the Municipality's long-term financial health. Annual reviews during the budget process enable staff to analyze deviations from recommended rates and assess the impact on reserve balances. Maintaining recommended rate increases is critical to bridging the infrastructure funding gap and ensuring the ongoing viability of tax-supported assets and water, wastewater, and stormwater assets and systems.



# Reserves and Reserve Funds

By establishing formal principles, programs, and policies governing the use and replenishment of reserve funds, Council ensures that financial decisions are informed, consistent, and resilient to economic fluctuations. This disciplined approach has strengthened the Municipality's financial position, as evidenced by a \$65 million increase in reserve funds since 2015. Enhanced reserve fund contributions have mitigated previous shortfalls and created a stable financial foundation for future infrastructure investment.

## Linking Reserve Funds to Long-Range Financial Sustainability

The updated LRFP, supported by rigorous reserve fund forecasting, positions the Municipality to address both immediate infrastructure needs and long-term growth objectives. As project costs fluctuate due to economic conditions, project timing and deferred growth, reserve funds serve as a buffer, ensuring critical projects are funded even when revenues lag. This proactive financial stewardship is essential for maintaining service levels, supporting growth, and securing the Municipality's fiscal sustainability for years to come.

**Table: Middlesex Centre Projected Reserve Fund Balances (Net Position) 2026-2030 (Values in \$)**

Reserve Name	2024 Actual (\$)	2025 Projected (\$)	2026 Projected (\$)	2027 Projected (\$)	2028 Projected (\$)	2029 Projected (\$)	2030 Projected (\$)
Cash-in-Lieu of Parkland	599,429	644,310	391,975	341,395	256,809	269,377	282,071
Cash-in-Lieu of Parking	10,356	11,348	12,218	13,040	13,871	14,709	15,556
Delaware Hydro	991,960	919,631	928,425	932,709	937,036	941,407	945,821
Insurance Claims	588,662	605,083	614,159	620,300	626,503	632,769	639,096
Legal Reserve Fund	1,271,205	1,294,331	313,746	316,883	320,052	323,253	326,485
Fleet Reserve Fund	409,984	421,420	427,741	432,019	436,339	440,702	445,109
Elections	29,491	45,335	0	20,000	40,200	60,602	61,208
Winter Maintenance Reserve Fund	425,723	437,599	444,162	448,604	453,090	457,621	462,197
Computer Replacement Reserve Fund	58,797	0	0	0	0	0	0
Future Roads Upgrades Reserve Fund	578,385	594,519	603,437	609,471	615,566	527,971	27,001
Modernization Reserve Fund	336,526	383,744	0	0	0	0	0
Employee Benefits	489,889	484,340	483,695	508,532	533,617	558,953	584,543



# Reserves and Reserve Funds

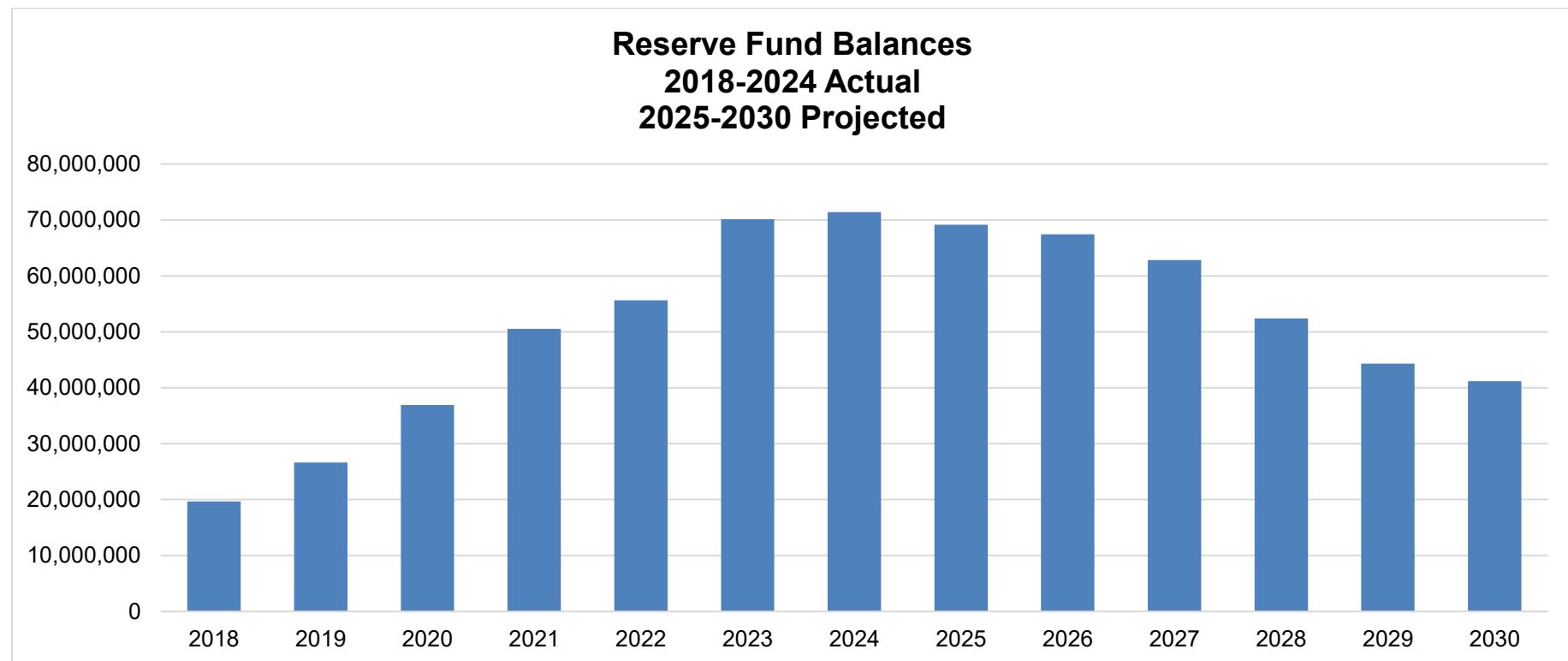
Reserve Name	2024 Actual (\$)	2025 Projected (\$)	2026 Projected (\$)	2027 Projected (\$)	2028 Projected (\$)	2029 Projected (\$)	2030 Projected (\$)
Municipal Drains Reserve Fund	208,508	214,324	217,539	219,715	221,912	224,131	226,372
Security Deposits Reserve Fund	57,984	59,601	60,496	61,100	61,711	62,329	62,952
Development Charge Exemptions Reserve Fund	438,647	437,965	444,535	398,980	352,970	306,499	259,564
Medical Centre	464,428	507,389	567,484	598,542	524,512	419,741	488,922
Waste Management	203,886	209,574	212,717	214,844	216,993	219,163	221,354
Gravel Pit Rehabilitation	732,332	777,128	808,785	836,872	865,241	893,894	922,833
Buildings & Facilities	6,923,481	(256,024)	700,241	(445,591)	47,171	1,891,264	4,894,446
Municipal Office Build Reserve Fund	1,698,910	0	0	0	0	0	0
Fire Vehicles & Equipment	1,370,085	973,782	1,274,878	812,087	235,569	(767,393)	(783,676)
Fire Public Education	163,177	152,862	80,155	80,956	81,766	82,584	83,410
General Vehicles & Equipment	2,057,413	1,841,374	644,876	(64,196)	(1,320,276)	(2,575,431)	(3,107,901)
Build Middlesex Centre	3,356,137	3,419,757	3,441,053	3,445,464	3,449,918	3,454,417	3,458,962
Ontario Community Infrastructure Fund (OCIF)	1,618,510	2,123,401	3,098,482	4,242,933	3,920,328	4,035,248	3,513,316
Canada Community Building Reserve Fund (Gas Tax)	883,159	1,456,669	1,278,364	870,838	232,237	348,249	302,422
Ilderton Lions Park	12,335	0	0	0	0	0	0
Poplar Hill Log Cabin	7,634	7,847	7,965	8,044	8,125	8,206	8,288
Tax Rate Stabilization	3,398,080	3,456,559	3,508,407	3,543,491	3,578,926	3,614,716	3,650,863
Building Department Reserve Fund	2,915,750	2,867,739	2,678,042	2,532,725	2,768,053	3,005,733	3,245,790
Administrative Support Reserve	134,982	198,747	241,729	284,146	326,987	370,257	413,960
Roads Capital	12,437,217	10,068,119	6,979,276	5,629,853	6,848,243	7,854,928	7,152,213
Wastewater Capital	12,285,449	13,056,307	13,905,342	15,169,503	7,641,131	9,225,821	11,270,133
Stormwater Capital	4,137,662	4,011,944	2,361,778	(3,714,604)	(3,422,390)	(2,656,614)	(1,832,976)
Water Capital	10,113,507	9,402,642	8,596,456	9,875,479	6,678,226	6,756,021	8,558,484



## Reserves and Reserve Funds

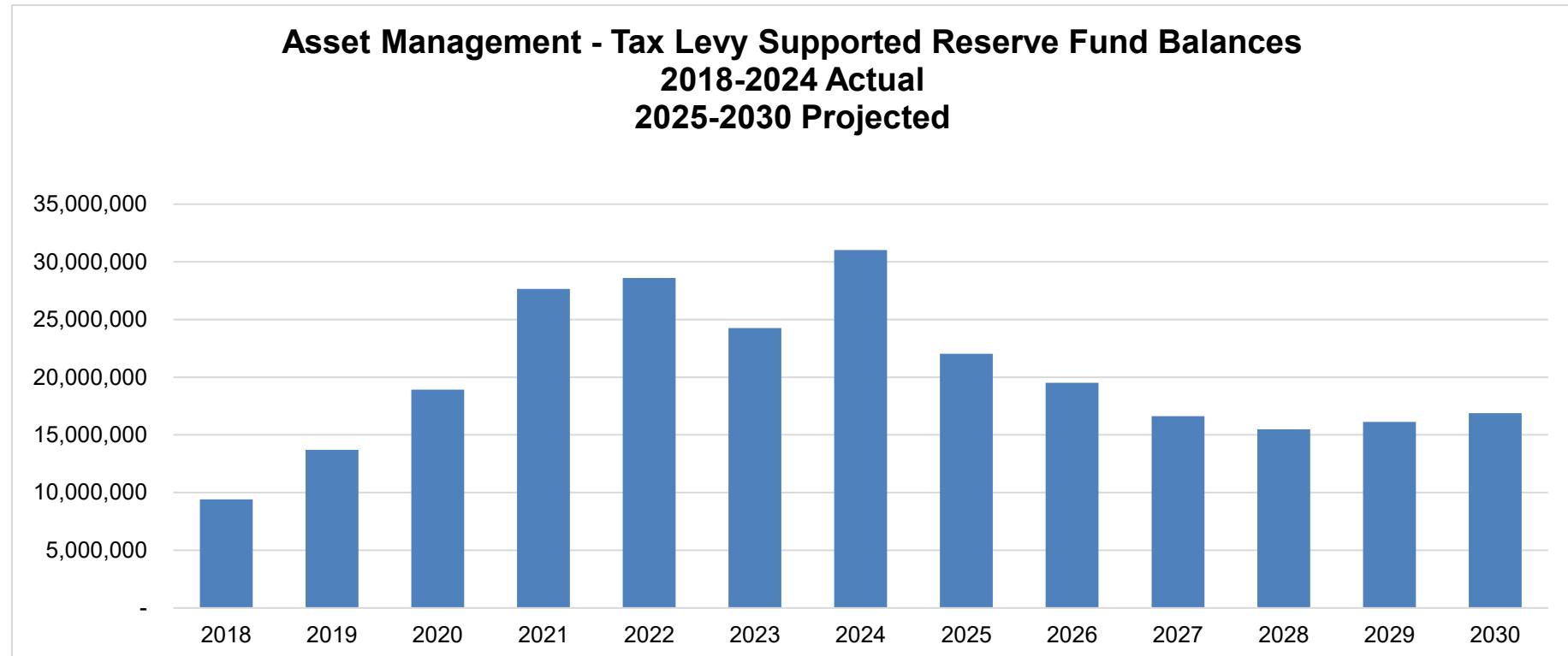
Reserve Name	2024 Actual (\$)	2025 Projected (\$)	2026 Projected (\$)	2027 Projected (\$)	2028 Projected (\$)	2029 Projected (\$)	2030 Projected (\$)
Cemetery Trust Fund	69,347	72,847	76,940	79,409	81,903	84,422	86,966
Efficiencies and Improvements Reserve Fund	0	500,000	400,000	404,000	408,040	412,120	416,242
Housing Accelerator Reserve Fund	0	1,000,000	1,225,544	437,799	0	0	0
Growth Reserve Fund	0	6,836,459	10,460,478	13,138,311	14,442,508	2,897,807	(6,033,641)
<b>Total Reserve Fund</b>	<b>71,479,027</b>	<b>69,238,672</b>	<b>67,491,120</b>	<b>62,903,653</b>	<b>52,482,887</b>	<b>44,395,476</b>	<b>41,268,385</b>

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



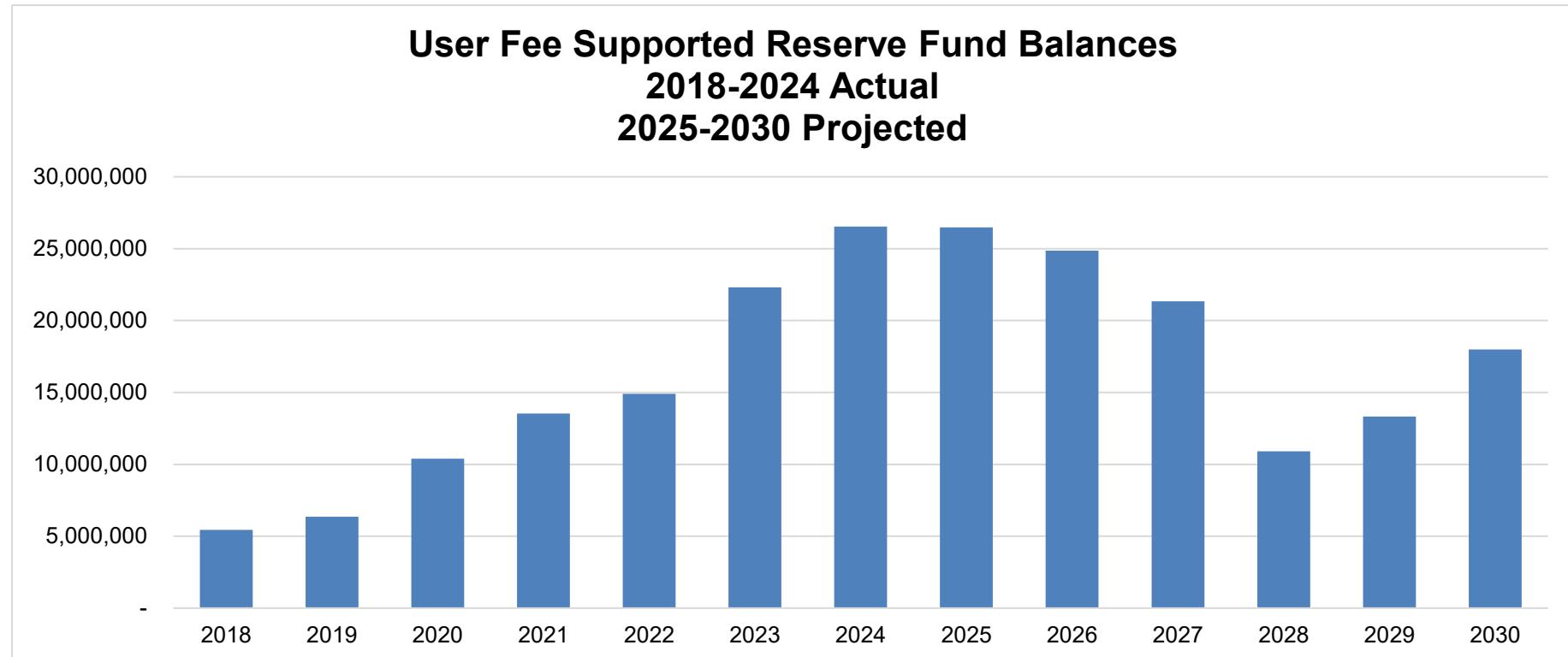
# Reserves and Reserve Funds

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](http://middlesexcentre.ca/council-meetings)**

## Outstanding Items

There are still some outstanding items at this time:

- BMA 2025 Municipal Study, which will allow for updates to many of the comparison statistics presented in the budget, notably the Financial Key Performance Indicators.
- Year-end data on municipal services for 2025.
- 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 2026 budget, unless it has been confirmed.



# Supplementary Information

## 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

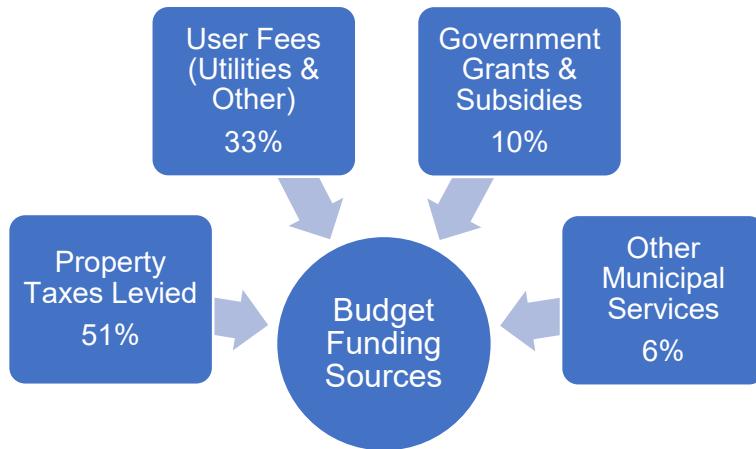
These can be summarized into four general categories: property taxes, grants and subsidies, user fees, and other sources.



# 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: 2026 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.

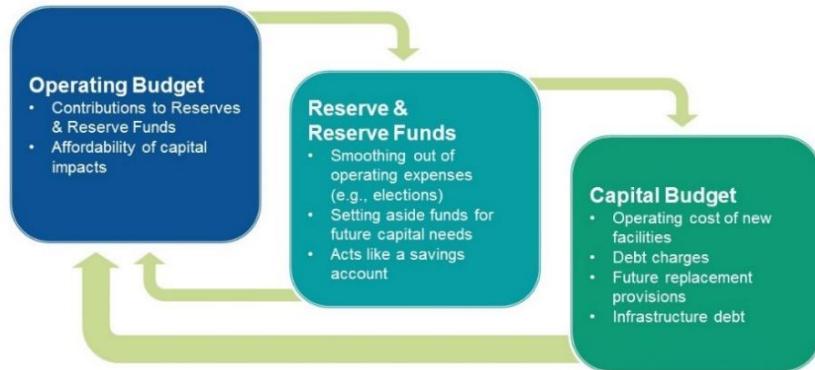
The **operating budget** looks at the day-to-day expenditures of the municipality. This includes wages, utilities, supplies, fuel and insurance, among other costs. Much like household bills, these costs increase with inflation – an increase that is outside of the control of the municipality.

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 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 (the shortfall in funds to maintain our assets in the long term) that was identified in our 2025 Asset Management Plan. 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 2025, Middlesex Centre completed long-range financial plans for operations and capital requirements; this plan ensures the sustainability of municipal services.

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.

## 2026 Assessment Update

For the sixth 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 2026 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 2026 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.

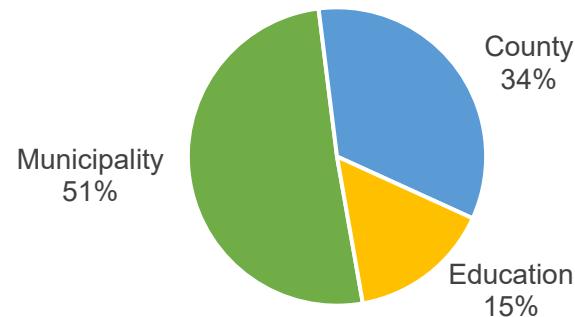
## *Distribution of Property Taxes Collected*

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**

### **Distribution of Property Taxes Collected by Middlesex Centre, 2025**



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

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## Budget Development Process

It takes many months to develop the Middlesex Centre budget.

## Public Engagement & Communicating our Budget

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

- **Budget Webpage** – In June, staff created a dedicated Budget 2026 page ([middlesexcentre.ca/budget-2026](http://middlesexcentre.ca/budget-2026)) on the municipal website, with a link from the homepage. This page houses all 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 7 – August 18, 2025, 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 fifteen. The survey results were presented to council and posted to the website.
- **Ongoing Public Communications** – Staff share notices and updates throughout the budget process through the methods listed above. After the budget passes, a one-page infographic of budget highlights is prepared and shared widely, including as an insert in all property tax bills. The budget remains available on the municipal website along with several years of past budgets. Budget amendments are shared with the public through Council agendas and meeting highlights. Additionally, in November 2022, staff launched Open Budget, an online data visualization tool which provides real time data on the budget for residents to review. This initiative has continued for the 2026 budget. Open Budget is designed to display the

municipal budget in an easy-to-understand format. Through Open Budget, users can learn more about Middlesex Centre's infrastructure projects, capital budget and operating expenditures, and compare budgets year-over-year.

## Budget Process and Timeline

### ***Mayor's Budget Process***

In 2025, Middlesex Centre was granted Strong Mayor Powers by the Province, which introduced new timelines and procedures to the preparation of the 2026 budget. Under Strong Mayor Powers, the responsibility for the municipal budget rests with the mayor, who must present a budget by February 1.

Mayor DeViet opted to continue following the general approach the municipality has used for several years. To achieve this, the mayor and council agreed to reduced time periods for amending and/or vetoing the budget as it moves from proposed (draft) to final. These timelines were shortened through written direction by the mayor and a Council resolution in response to a staff report presented at the July 2, 2025, meeting of council.

To maintain a schedule similar to previous years, the shortened approval timeline is as follows:

- The mayor will present the proposed budget to Council on November 13, 2025).
- Council will then have 20 days to review and propose amendments.
- Following this period, the mayor has 1 day to exercise a veto on Council's amendments.



# Supplementary Information

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- If vetoed, Council will have 12 days to override the mayor's decision with a two-thirds majority vote (5 of 7 members).

Pending any amendments, the proposed budget will be deemed adopted as of December 17, 2025. An updated version of the budget book will be presented to captures changes arising since the proposed budget. These changes will be listed in the budget book.

A final version of the budget book, which captures any outstanding year-end data, will be completed in early 2026.

## ***Internal Budget Process***

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.

During the fall, the mayor, the senior management team, subject matter experts, and two additional 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 meets with the approval of mayor and council (as outlined through the process above), a budget by-law is passed.

## ***Post-Budget Approval***

From time to time, the budget may need to be amended after adoption. Any amendment is presented to Council for their consideration in a staff report, if approved by council, a council resolution is completed, and staff proceed with the amendment.



# Supplementary Information

## Approved Budget Development Timeline



Timeline	July 2025	August 2025	September 2025	October 2025	November 2025	December 2025	January 2026	February 2026	Post-Budget Approval 2026
<strong>Plan</strong>									
Mayor calls for budget preparation	Starts								
Develop budget guidelines	Starts	Ends							
Strike budget committee	Starts	Ends							
Review multi-year plans	Starts	Ends							
Revise departmental workplans	Starts	Ends							
<strong>Discuss</strong>									
Post budget process to website & other media	Starts	Ends							
Conduct public budget survey	Starts	Ends							
Review budget survey results		Starts	Ends						
<strong>Develop</strong>									
Finalize budget estimates		Starts	Ends						
Prepare draft budgets		Starts	Ends						
Review draft budgets with budget committee & refine as required		Starts	Ends						
<strong>Present &amp; Approve</strong>									
Mayor presents budget to council				Starts	Ends				
Amendment, veto & override process				Starts	Ends				
Approval of budget & related by-laws by council				Starts	Ends				
Post draft & final budgets to website				Starts	Ends				
<strong>Monitor &amp; Review</strong>									
Review of budget-to-actuals by Council (operating - monthly, capital - quarterly)					Starts	Ends			
Present budget amendments to Council as required					Starts	Ends			



# Supplementary Information

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## Budget Roles and Responsibilities

Under provincial Strong Mayor Powers, the responsibility for the municipal budget rests with the mayor, who must present a budget by February 1.

However, every municipal 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, staff 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 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/budget2026](http://middlesexcentre.ca/budget2026).**

→ **Middlesex Centre's Open Budget interactive budget tool can be found at [middlesexcentre.openbook.questica.com](http://middlesexcentre.openbook.questica.com).**



# Supplementary Information

## Property Tax Rate Details

### Preliminary Assessments and Tax Rate Summary

**Table: Preliminary Assessments and Tax Rate**

RTQ	Description	Taxable 2026 Assessments (\$)	2026 Tax Rate	2025 Tax Rate	Y/Y Tax Rate Change	% Change	2026 Revenue (\$)
CT	Commercial: Full	169,245,767	0.00841451	0.00795999	0.00045452	5.71%	1,424,121
CU	Commercial: Excess Land	558,800	0.00589016	0.00557199	0.00031817	5.71%	3,291
CF	Commercial PIL: Full	5,484,800	0.00841451	0.00795999	0.00045452	5.71%	46,152
CG	Commercial PIL: General	3,669,000	0.00841451	0.00795999	0.00045452	5.71%	30,873
CZ	Commercial PIL: General, Vacant Land	413,400	0.00589016	0.00557199	0.00031817	5.71%	2,435
CX	Commercial: Vacant Land	3,129,600	0.00589016	0.00557199	0.00031817	5.71%	18,434
C0	Commercial New: Small Scale On-Farm Business 2	62,200	0.00841451	0.00795999	0.00045452	5.71%	523
C7	Commercial New: Small Scale On-Farm Business 1	55,000	0.00841451	0.00795999	0.00045452	5.71%	463
ST	Shopping Centre	9,087,100	0.00841451	0.00795999	0.00045452	5.71%	76,464
GT	Parking Lot/ Taxable: Full	45,000	0.00841451	0.00795999	0.00045452	5.71%	379
	Commercial	191,750,667					1,603,134
E-	Exempt	146,270,400	0.00000000	0.00000000	0.00000000	0.00%	0
FP	Farm PIL: Full, Taxable Tenant of Province	144,600	0.00183739	0.00173814	0.00009925	5.71%	266
FT	Farm	1,644,856,281	0.00183739	0.00173814	0.00009925	5.71%	3,022,243
	Farm	1,645,000,881					3,022,509
IT	Industrial: Full	12,934,700	0.01282572	0.01213292	0.00069280	5.71%	165,897



## Supplementary Information

RTQ	Description	Taxable 2026 Assessments (\$)	2026 Tax Rate	2025 Tax Rate	Y/Y Tax Rate Change	% Change	2026 Revenue (\$)
IH	Industrial: Full, Shared PIL	238,300	0.01282572	0.01213292	0.00069280	5.71%	3,056
IU	Industrial: Excess Land	876,900	0.00833672	0.00788640	0.00045032	5.71%	7,310
I7	Industrial Small Scale On Farm Business 1	45,000	0.01282572	0.01213292	0.00069280	5.71%	577
VT	Aggregate Extraction Taxable: Full	1,742,000	0.01043637	0.00987263	0.00056374	5.71%	18,180
IX	Industrial: Vacant Land	970,300	0.00833672	0.00788640	0.00045032	5.71%	8,089
	Industrial	16,807,200					203,110
MT	Multi-Residential	11,274,000	0.01300652	0.01230395	0.00070257	5.71%	146,635
NT	New Multi-Residential	7,405,000	0.00734956	0.00695256	0.00039700	5.71%	54,424
	Multi-Residential	18,679,000					201,059
PT	Pipeline	126,851,000	0.00775746	0.00733843	0.00041903	5.71%	984,042
R1	Residential: Farmland 1	307,000	0.00477721	0.00451917	0.00025805	5.71%	1,467
RL	Residential: Upper tier & Education Only	0	0.00000000	0.00000000	0.00000000	0.00%	0
RG	Residential PIL: General	503,000	0.00734956	0.00695256	0.00039700	5.71%	3,697
RT	Residential: Full	2,945,442,652	0.00734956	0.00695256	0.00039700	5.71%	21,647,711
	Residential	2,946,252,652					21,652,875
TT	Managed Forest	5,891,800	0.00183739	0.00173814	0.00009925	5.71%	10,826
	<b>Total</b>	<b>5,097,503,600</b>					<b>27,677,554</b>



# Supplementary Information

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## Municipal Tax Rates over Time

**Table: Municipal Tax Rate Increases over Time, 2016 to 2026**

Year	Levy (\$)	Levy Increase	Rate Increase
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	6.78%	2.50%
2024	24,267,465	6.44%	3.22%
2025	25,750,357	6.11%	4.27%
2026	27,677,554	7.48%	5.71%



## Supplementary Information

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**Table: Residential Property Tax Rates (including Middlesex County and School Boards) over Time, 2006 to 2025**

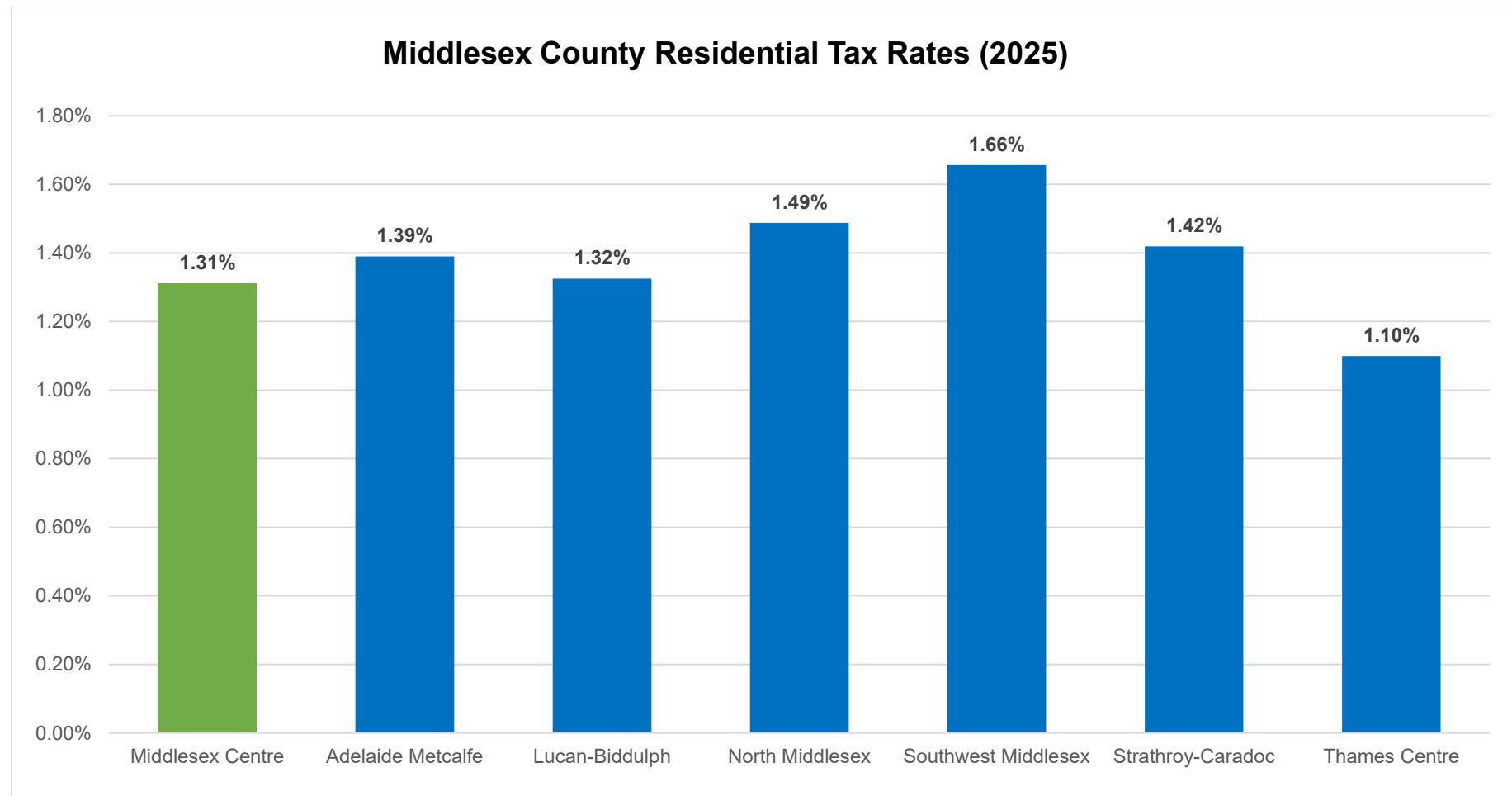
Year	Municipal	County	School	Total	% Change
2006	0.00414647	0.00414074	0.00264000	0.01092721	-
2007	0.00465505	0.00407087	0.00264000	0.01136592	4.01%
2008	0.00511823	0.00400554	0.00264000	0.01176377	3.50%
2009	0.00487454	0.00391717	0.00252000	0.01131171	(3.84%)
2010	0.00497203	0.00386042	0.00241000	0.01124245	(0.61%)
2011	0.00509633	0.00386042	0.00231000	0.01126675	0.22%
2012	0.00509633	0.00386042	0.00221000	0.01116675	(0.89%)
2013	0.00522886	0.00386042	0.00212000	0.01120928	0.38%
2014	0.00531112	0.00386042	0.00203000	0.01120154	(0.07%)
2015	0.00540142	0.00387250	0.00195000	0.01122392	0.20%
2016	0.00556346	0.00387250	0.00188000	0.01131596	0.82%
2017	0.00569587	0.00387250	0.00179000	0.01135837	0.37%
2018	0.00580901	0.00387250	0.00170000	0.01138151	0.20%
2019	0.00591210	0.00387250	0.00161000	0.01139460	0.12%
2020	0.00604397	0.00391142	0.00153000	0.01148539	0.80%
2021	0.00613307	0.00397792	0.00153000	0.01164099	1.35%
2022	0.00630216	0.00397792	0.00153000	0.01181008	1.45%
2023	0.00645992	0.00431244	0.00153000	0.01230236	4.17%
2024	0.00666800	0.00443866	0.00153000	0.01263666	2.72%
2025	0.00695256	0.00462281	0.00153000	0.01310537	3.71%
2026	0.00734956	0.00480170	0.00153000	0.01368127	4.39%



# Supplementary Information

## Middlesex County Residential Tax Rate Comparison

Figure: Residential Tax Rate Comparison, Middlesex County (rates include municipal, county, and education taxes)

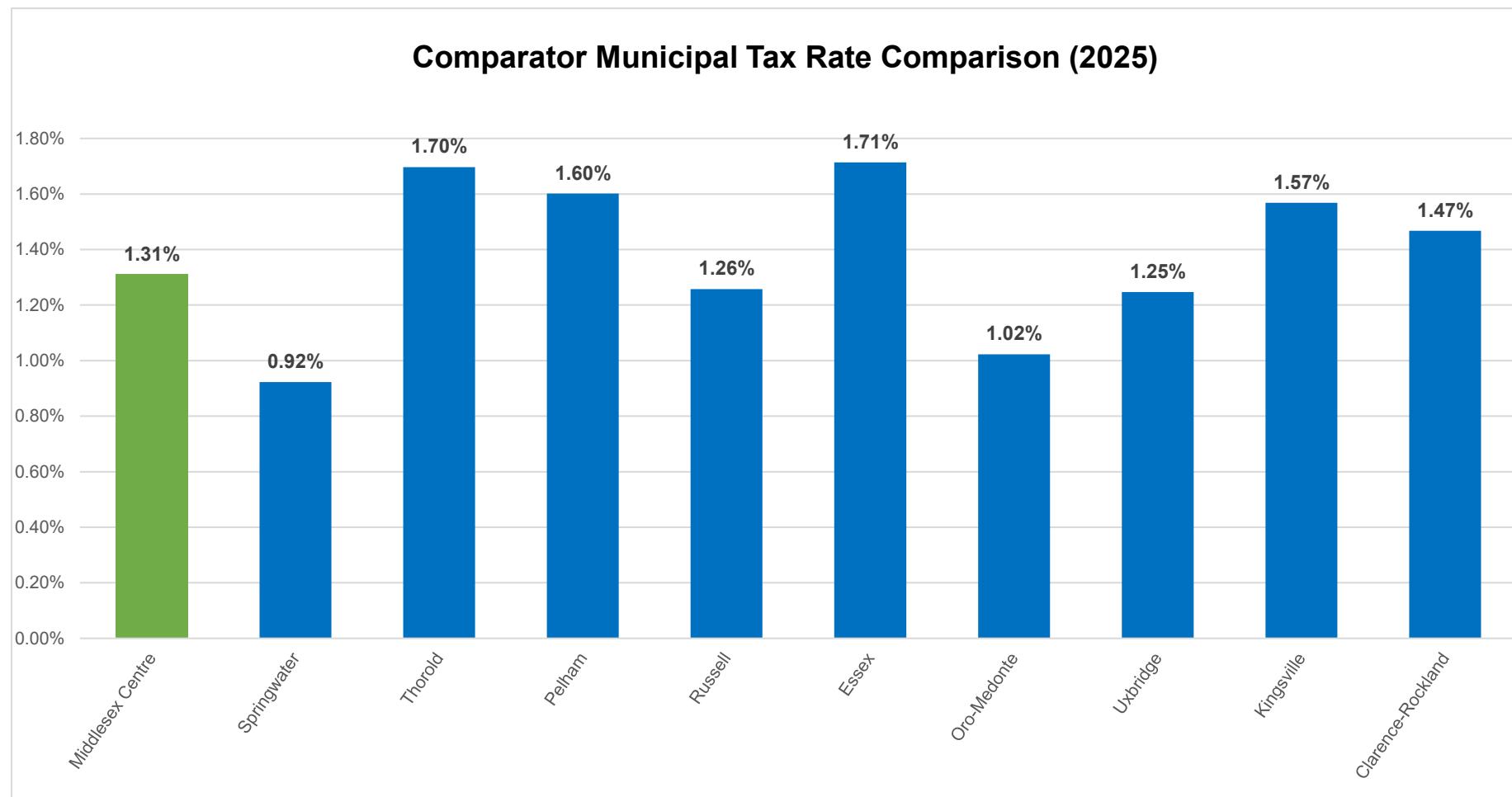


*Note: These rates represent the full property tax rate (rounded) which are applied to a property's assessed value to determine annual taxes. They include municipal, county, and school board portions.*



# Supplementary Information

Figure: Residential Tax Rate Comparison, Comparator Municipalities



Note: These rates represent the full property tax rate (rounded) which are applied to a property's assessed value to determine annual taxes. They include municipal, county, and school board portions.



# Supplementary Information

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## Financial Key Performance Indicators / Financial Dashboard

*This section contains will be updated with information from the 2025 Municipal Study prepared by BMA once their final report is released. Associated analysis will be updated when the new data is incorporated.*

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 consolidates key municipal performance indicators, providing an annual overview in one place. 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.

Financial dashboards are versatile tools used to track financial performance, identify areas for improvement, and make data-driven decisions. They are essential for financial planning, budgeting, and managing the overall financial well-being of the Municipality. 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 2025 Municipal Study completed by BMA and not all municipalities participate.

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

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



# Supplementary Information

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The municipalities selected as our comparators are:

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

Since Clarence-Rockland, Oro-Medonte, Russel and Uxbridge do not participate in the BMA study, they are not included in the analysis. Additionally, Springwater Township's information was not available for 2023 or 2024 and has been removed as a comparator in this analysis.

The following are some selected financial performance indicators. These are taken from the 2025 Municipal Study, prepared by BMA Management Consulting Inc.

➔ **Learn more about Middlesex Centre's financial performance at [middlesexcentre.ca/budget](http://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	2022 Results	2023 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 the 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 (2020 to 2024). This table shows a comparison of a municipality's overall financial position (financial assets less liabilities) over time on a per capita basis.**

Municipality	2020 (\$ per capita)	2021 (\$ per capita)	2022 (\$ per capita)	2023 (\$ per capita)	2024 (\$ per capita)
Essex Township	2,362	2,424	2,735	2,818	3,039
Lincoln Township	790	595	215	(69)	(330)
<b>Middlesex Centre</b>	<b>1,098</b>	<b>1,754</b>	<b>2,093</b>	<b>2,677</b>	<b>2,737</b>
Pelham	(1,012)	(634)	(549)	(506)	(368)
Strathroy-Caradoc	1,500	1,644	1,772	1,482	1,552
Thorold	1,505	1,471	1,379	1,118	1,358



# 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 with some gradual increases in the last few years. Since the percentage is very low, well below the 8% noted above, 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.

However, it is important to note that tax arrears for Ontario municipalities have been increasing annually by about 7% between 2018 and 2023.<sup>4</sup> This 7% increase can be attributed to:

- Revenue growth: 4%
- Population growth: 2%

The remaining 1% is due to:

- Higher inflation
- Delays in tax collection, as many municipalities have not yet returned to 100% of pre-pandemic arrears collection activity
- Growth in high-value properties

The cost of failing to address property tax arrears may appear to be a short-term issue, but it carries significant long-term financial consequences, including:

- Increased borrowing costs for municipalities
- Setbacks in long-term planning
- Increased economic strain on taxpayers that comply and pay on time
- Postponements in infrastructure projects for municipalities
- Potential decline in quality of services provided by municipalities

Middlesex Centre staff continue to carefully monitor this situation each year.

**Table: Middlesex Centre's Overall Taxes Receivable as a Percentage of Taxes Levied, 2020 to 2024, Compared to Comparator Group**

Municipality	2020	2021	2022	2023	2024
Essex Township	4.0%	4.3%	2.3%	2.9%	4.2%
Lincoln Township	7.2%	6.9%	6.7%	7.5%	9.5%
<b>Middlesex Centre</b>	<b>3.6%</b>	<b>2.4%</b>	<b>3.6%</b>	<b>4.5%</b>	<b>5.1%</b>
Pelham	5.0%	4.2%	6.6%	4.8%	5.0%
Strathroy-Caradoc	3.3%	2.9%	2.4%	4.2%	4.5%
Thorold	9.2%	10.2%	10.3%	11.4%	12.9%

<sup>4</sup> This information is from the Ontario Municipal Tax and Revenue (OMTRA) eVoice newsletter, November 2024.



# Supplementary Information

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## 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 (2022-2024)**

Municipality	2022	2023	2024
Essex Township	100.5%	109.2%	105.3%
Lincoln Township	76.1%	86%	96.1%
<b>Middlesex Centre</b>	<b>118.3%</b>	<b>119%</b>	<b>108.3%</b>
Pelham	98.2%	100.2%	100.3%
Strathroy-Caradoc	116.2%	124.2%	129.9%
Thorold	112.7%	113.1%	97.1%

## Economic Factors

Balanced growth is one of the key priorities in the municipality's strategic plan. The municipality has experienced steady overall economic growth; however, non-residential growth is slower than residential growth. This trend improved in the last two years.

Council had made economic development a top priority and staff and Council have increased the focus and resources spent in this area.

## Measurement

This is measured using the following ratios:

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

## Results

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



# Supplementary Information

**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, however, in recent years the increase year over year is getting smaller.

**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	2,902,464,452
Farm	1,605,897,354	1,626,287,454	1,622,982,754	1,619,447,340	1,643,342,181	1,647,065,481
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	175,312,067
Exempt	111,025,600	111,565,100	113,805,600	111,071,800	143,479,600	144,775,100
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	24,066,300
<b>Total</b>	<b>4,521,872,400</b>	<b>4,581,517,700</b>	<b>4,693,996,700</b>	<b>4,810,366,700</b>	<b>4,969,255,300</b>	<b>5,037,486,900</b>



# Supplementary Information

## ***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. Ideally, those components should grow proportionally over time. However, this is where Middlesex Centre struggles as these ratios are not growing proportionally over time. In 2025, the largest growth is seen in commercial assessment when compared to residential and minimal growth in industrial.

**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	3.71%	0.29%	1.72%

## **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	2022 Results	2023 Results
Tax Discretionary Reserves as a % of Own Source Revenues		
Tax Discretionary Reserves per Capita		
Asset Consumption Ratio		



# Supplementary Information

**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.

**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, 2020 to 2024, Compared to Comparator Group**

Municipality	2020	2021	2022	2023	2024
Essex Township	240%	242%	218%	116%	110%
Lincoln Township	42%	35%	23%	16%	34%
<b>Middlesex Centre</b>	<b>111%</b>	<b>146%</b>	<b>146%</b>	<b>150%</b>	<b>137%</b>
Pelham	43%	55%	49%	44%	43%
Strathroy-Caradoc	34%	42%	39%	36%	43%
Thorold	141%	141%	127%	136%	117%



# Supplementary Information

## 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 (2024)**

Municipality	Total Reserves per Capita (\$)	Tax Reserves per Capita (\$)
Essex Township	3,215	1,767
Lincoln Township	851	370
<b>Middlesex Centre</b>	<b>3,341</b>	<b>2,278</b>
Pelham	544	530
Springwater Township	NA	NA
Strathroy- Caradoc	1,865	556
Thorold	2,195	1,496

## 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, 2020 to 2024, Compared to Comparator Group**

Municipality	2020	2021	2022	2023	2024
Essex Township	38.2%	39.4%	40.2%	40.8%	41%
Lincoln Township	42.4%	40.5%	40.4%	39.6%	40%
<b>Middlesex Centre</b>	<b>34.7%</b>	<b>35.9%</b>	<b>37.0%</b>	<b>37.3%</b>	<b>37.8%</b>
Pelham	40.5%	40.6%	41.5%	41.9%	40.7%
Strathroy- Caradoc	45.1%	43.7%	44.3%	42.9%	40%
Thorold	38.2%	38.9%	34.1%	33.0%	29.5%



# Supplementary Information

## 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	2022 Results	2023 Results
Debt Outstanding per Capita		
Debt to Reserve Ratio		

**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.



# Supplementary Information

## 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, 2024, Contrasted with that of the Comparator Group**

Municipality	Total Debt outstanding per Capita (\$)	Total less Water and Wastewater Debt Outstanding per Capita (\$)
Essex Township	837	764
Lincoln Township	1,057	942
<b>Middlesex Centre</b>	<b>720</b>	<b>393</b>
Pelham	1,220	1,216
Strathroy- Caradoc	338	320
Thorold	11	11

## 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, 2020 to 2024, Compared to Comparator Group**

Municipality	2020	2021	2022	2023	2024
Essex Township	0.3	0.3	0.3	0.2	0.3
Lincoln Township	0.4	0.5	0.6	2.0	1.2
<b>Middlesex Centre</b>	<b>0.5</b>	<b>0.4</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>
Pelham	3.3	2.2	2.2	2.7	2.2
Strathroy- Caradoc	0.1	0.1	0.1	0.2	0.2
Thorold	0.0	0.0	0.0	0.0	0.0



# Supplementary Information

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## 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 Accounting

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.

As required at year-end, revenues and expenses that have not yet been processed are recognized and then reversed in the following year when the transaction is processed.

Middlesex Centre's fund-based budget is converted to full accrual-based accounting in the following way:

1. The Operating Fund is reflected in the Statement of Operations (which is adjusted to reflect interest on debt only), amortization expense, gain or loss on disposal of tangible capital assets, post-employment benefits and asset retirement expenses (effective in 2023 as per PSAB 3280).
2. The Capital Fund is reported through the Tangible Capital Asset accounts in the Statement of Financial Position as per PSAB 3150.
3. Reserves and Reserve Funds are reflected in the Statement of Financial Position as "Accumulated Surplus".

## Basis of Budgeting

The operating budget includes annual expenditures for personnel costs, materials and supplies, purchased services, debt charges, reserve transfers, as well as anticipated Provincial and Federal funding and program fees. Middlesex Centre's capital budget includes expenditures and financing sources to acquire, construct, upgrade and rehabilitate capital assets such as facilities, roads, bridges, and water and wastewater treatment plants. The capital budget is established on a project-by project basis, where the costs usually span more than one fiscal year. Council approves the operating and capital budgets each year for the period of January 1 to December 31.

The budget is prepared on the modified accrual basis which combines aspects of the accrual basis and cash basis of accounting. 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.



# Supplementary Information

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Middlesex Centre uses fund accounting for budgeting purposes, in which a self-balancing group of accounts is provided for each accounting entity established as the basis for recording and reporting all financial transactions.

The municipal budget is composed of two primary funding sources – tax-supported services and rate supported services; however, the budget is approved in whole.

- Tax-supported services include all departments except for Building Services (excluding By-law) and Environmental Services. Tax-supported services means that the departments are mainly funded by property taxes, however they do receive other funds to balance their budgets.
- Rate-supported services include Building Services and Environmental Services. Both departments do not receive any funding from property taxes to balance their budgets. These departments are funded mainly by their specific user fees; however, they do receive other funds to balance their budgets in addition to the specific user fees.

Capital funding from these sources flows through Reserves and Reserve Funds, which are funded through contributions made from the operating budget by both property taxes and user fees.

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 Municipal Act requires municipalities to budget all estimated expenses; however, O. Reg. 284/09 provides an exclusion for amortization expenses, post-employment benefits expenses, and solid waste landfill closure and post-closure expenses provided the municipality prepares a report about the excluded expenses that is adopted by Council resolution. Middlesex Centre does not budget for these expenses and satisfies the legislated reporting requirement through Council's approval of the annual financial statements.

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.



# Supplementary Information

## 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.

## Differences between the Budget and Financial Statements

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

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



# Supplementary Information

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## Preparation of Financial Information

### Preparation of Financial Statements

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

### Financial Information Return (FIR)

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

## 2026 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.



# Supplementary Information

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The Municipality of Middlesex Centre's 2026 proposed budget and associated tax levy excludes the following:

1. Amortization expenses, estimated at \$9,227,510 since amortization is a non-cash expense.
2. Post-employment benefits expense, estimated at \$10,125. (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 2026 is \$10,125.

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

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

Depending on the nature of the asset, amortization does not 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 2026 is estimated at \$9.23 million.

## 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 2026 surplus/(deficit) per the budget excluding reserve transfers, long term debt incurred, and other financing items included in the budget. Various PSAB adjustments are then required to arrive at the surplus to be reported for statement purposes.



# Supplementary Information

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**Table: 2026 Proposed Budget – Accrual Based**

	<b>Value (\$)</b>
Proposed Budget Tax Levy	27,677,554
Proposed Budget Revenues	48,860,763
Proposed Budget Expenditures	76,538,317
Surplus/(Deficit)	0
<b>Add Expenditures Excluded from Cash Based Budget</b>	
Post-employment benefits expense	(10,125)
Amortization expense	(9,227,510)
Exclusion impact on Accumulated Surplus/(Deficit)	(9,237,635)
<b>Remove Non PSAB Items from Cash Based Budget</b>	
Debenture Principal Repayments	1,226,232
Transfer to Reserve Funds	20,338,321
Contributions from Reserve Funds including Development Charges	(24,521,794)
Funds from Debenture Issuances	0
Fixed Asset/TCA Expenditures	21,867,926
<b>Total Impact on 2026 Accumulated Surplus/(Deficit)</b>	<b>9,673,050</b>

Overall, amortization listed above has a major impact on the 2026 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 \$21,867,926 documented above are higher than the amortization. This is positive as the municipality's assets are not declining at a faster rate than they are being replaced.

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



# Supplementary Information

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## Fund Structure & Overview

A fund is a set of accounts used for a specific purpose. The municipality primarily uses three major funds in the budget – an operating fund, capital fund, and reserve and reserve funds – and the budget is prepared in accordance with this fund structure. All departments use all three major funds for budget purposes.

Inter-fund transfers between funds are recorded as revenues or expenses.

**Operating Fund:** Activities are budgeted annually for each department based on the estimated operating costs. The factors considered in developing these budgets include inflation, growth, service quality, mandated requirements and customer needs. At the end of any given budget year as part of the year-end closing, any surplus or deficit is transferred to or from reserves and/or reserve funds in accordance with Council-approved policies, ensuring a closing balance of zero dollars in the operating fund.

The operating fund underpins the operating budget. The operating fund provides for the normal operating expenditures and revenues associated with the day-to-day provisions of services. The main sources of revenue for the operating fund are the tax levy, user fees, and federal and provincial government funding for operating purposes like the Ontario Municipal Partnership Fund (OMPF).

**Capital Fund:** Capital projects can be budgeted in one year or several years depending on the requirements of the project (e.g., design, land purchase, construction, etc.). The corresponding expenditures may materialize over several years as the project is completed. Funding for capital is only from donations, grants,

debt, reserve funds or development charges and it is only funded as spent. When the project is closed, any surplus or deficit in the budget is transferred to or from the appropriate reserve fund in accordance with Council-approved policies.

**Reserves and Reserve Funds:** The use of reserves and reserve funds is an integral part of the budget planning process and is an important financial tool in developing short-term and long-term fiscal policies. Prudent use of reserves mitigates fluctuations in taxation and rate requirements and assists in stabilizing the impact of unanticipated occurrences as set out by the Reserve and Reserve Fund Policy. Budgeted reserve transactions flow through either the operating or capital budgets. Council approves the creation of reserves and reserve funds for specific liabilities, contingencies and other specific uses. Policies dictate the use of certain reserve funds for designated purposes and prevent monies from being diverted to any other use.

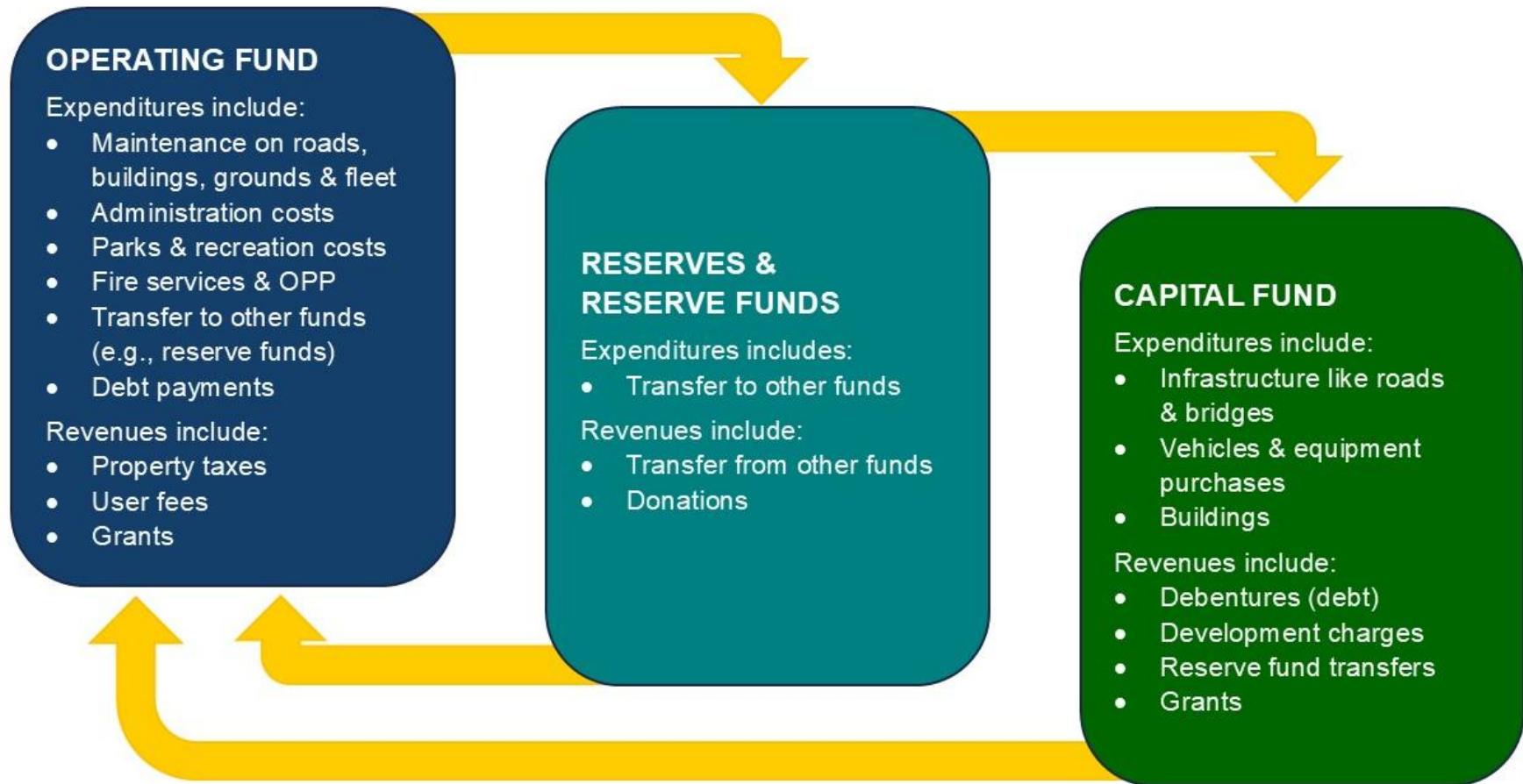
The municipality also collects development charges (DCs) as provided for in the Development Charges Act, 1997. These funds are maintained in separate reserve funds that are restricted in use and applied to eligible growth-related capital projects in accordance with the legislation and municipal DC by-laws.

Some reserve funds are included in the audited financial statements. These are obligatory reserve funds, specifically for development charges, Canada Community Building Fund, and the Ontario Community Infrastructure Fund.



# Supplementary Information

Figure: Relationship of Operating, Capital and Reserves & Reserve Funds



# Supplementary Information

## Department / Fund Relationship

Middlesex Centre uses fund accounting for budgeting purposes, in which a self-balancing group of accounts is provided for each accounting entity. These funds are established as the basis for recording and reporting all financial transactions.

Below is the relationship between each department and the operating and capital funds.

**Table: Department / Fund Relationship**

Funds	Building & By-law Services	Community Services	Environmental Services	Facility Services	Fire & Emergency Operations	Fleet Services	General Government	Public Works & Engineering
<b>Operating Fund</b>								
Property Taxes **	✓	✓		✓	✓	✓	✓	✓
User Fees - Utilities			✓					
User Fees - Permits	✓				✓		✓	✓
User Fees - Other	✓	✓	✓	✓	✓	✓	✓	✓
Other Municipal Services	✓				✓	✓	✓	✓
Transfer From Reserves *	✓	✓	✓	✓	✓	✓	✓	✓
Federal/ Provincial Grants		✓	✓	✓	✓		✓	✓
<b>Capital Fund</b>								
Reserve & Reserve Funds	✓	✓	✓	✓	✓	✓		✓
Development Charges		✓	✓					
Federal/ Provincial Grants			✓					✓
Debt								
Other Funding ***		✓	✓					✓

\* Transfer from Reserves includes transfer from reserves, reserve funds and development charges.

\*\* Property Taxes fund the operating budget for By-law Services, whereas Building Services is Rate-Supported.

\*\*\* Other funding for capital includes donations and contributions from developers.



# Supplementary Information

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## List of Reserves & Reserve Funds

Reserve and reserve funds are resources set aside to meet expected future demands and are intended to provide the organization with increased financial flexibility. They allow the municipality to save for future projects, mitigate the impact of unexpected financial changes, manage risks, and ensure that the municipality is positioned to take advantage of opportunities as they arise.

### 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 the acquisition of capital 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.

Below are the details of each reserve and reserve fund. Also included is the relationship between each reserve and reserve fund and the operating and capital funds as noted in the category column.



# Supplementary Information

**Table: List of Middlesex Centre Reserves and Reserve Funds**

Reserves	Type	Category	Purpose	Funding Source
Operating Project Carryforward	Reserves	Operating	To finance the completion of operating projects where funding was committed to in the prior year budget and the municipal accounting software upgrade.	The amount of 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.
Working Fund	Reserves	Working Fund	To assist in periods throughout the year when cash balances are low and there is a requirement to cover payments and expenses, before tax levies, grants and other revenues become available.	Established annual operating budget contribution. Allocation of yearend surpluses.
Building Department Reserve Fund (formerly the Cost Stabilization Reserve Fund)	Reserve Funds: Obligatory	Statutory Building Code Act Ontario Regulation 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. Interest earned.
Canada Community Building Reserve Fund (formerly the Federal Gas Tax Reserve Fund)	Reserve Funds: Obligatory	Contractual Federal Transfer Payments.	For infrastructure in accordance with the Canada Community Building Agreement.	Funding provided by the Government of Canada under the agreement signed with the Government of Ontario and the Association of Municipalities of Ontario (AMO, who calculates the allocation for each municipality). Interest earned.
Cash-in-Lieu of Parking Reserve Fund	Reserve Funds: Obligatory	Statutory Planning Act s. 40	In accordance with the Planning Act- this reserve is dedicated to covering 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 are exempt from providing or maintaining parking facilities.	Monies are provided through an agreement with owner/occupant of a building that is exempt from providing or maintaining parking facilities as per Planning Act. Interest earned.



# Supplementary Information

Reserves	Type	Category	Purpose	Funding Source
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. This fund will not be used for costs related to parks in the development review process.	Developer contributions received in lieu of land being conveyed to the Municipality for parkland requirements as per Planning Act. Interest earned.
Development Charges (DC) Reserve Fund (services related to a highway; protection, parks and recreation; major studies; water; wastewater)	Reserve Funds: Obligatory	Statutory Development Charges Act s. 33-36	Holding account(s) for levies from developers to be used for approved DC programs/ projects.	DC collections and credits. Interest earned.
Ontario Community Infrastructure Fund (OCIF) Reserve Fund	Reserve Funds: Obligatory	Contractual Provincial Transfer Payments.	For infrastructure in accordance with the OCIF Agreement. Funds are not to be used for growth-related expansion projects.	Funding is provided by the Province of Ontario under the agreement signed with the Government of Ontario. Interest earned.
Administrative Support Reserve Fund	Reserve Funds: Discretionary	Operating and Capital	To fund operational costs of the administrative functions provided at the Municipality for other departments. Funds raised can be used to upgrade or replace the municipal administration building.	Established annual operating budget contribution based on an allocation from other departments that are funded by specific user fees/permits. Interest earned.



## Supplementary Information

Reserves	Type	Category	Purpose	Funding Source
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 to increase the assessment base. Eligible projects include downtown improvement projects in settlement areas, development of lands around the Wellness Centre, improvement of public lands, strategies to locate businesses in the municipality, purchases of land for economic development.	Funding through municipal land sales (net proceeds of land sales more than Land Acquisition and disposal costs). Interest earned.
Buildings and Facilities Reserve Fund	Reserve Funds: Discretionary	Capital	To fund refurbishment, and replacement costs associated with municipal facilities and parks.	Established annual operating budget contribution calculated as the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation. 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.
Development Charge Exemptions Reserve Fund	Reserve Funds: Discretionary	Operating	To help finance approved growth-related capital costs where development charge contributions have been reduced because of exemptions, and other such concessions.	Established annual operating budget contribution. Interest earned.
Efficiencies and Improvements Reserve Fund	Reserve Funds: Discretionary	Capital	To help finance discretionary service improvements, currently listed as "unfunded capital" in the municipal budget.	Established annual operating budget contribution if approved. Interest earned
Election Reserve Fund	Reserve Funds: Discretionary	Operating	To finance expenses related to elections avoiding disproportionate burden on levy in an election year.	Established annual operating budget contribution. Interest earned.



# Supplementary Information

Reserves	Type	Category	Purpose	Funding Source
Employee Benefits Reserve Fund	Reserve Funds: Discretionary	Operating	To fund future employee costs with respect to employee benefits. To fund any deficits in the municipal administrative services benefit plan, employee benefit costs, any employee wellness or training programs.	Yearly surpluses in the Municipal administrative services only benefit plan and the unspent funding in the employee health care spending account. Interest earned.
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 and training.	Funded through revenue earned under the Fire Marque program. Interest earned.
Fire Vehicles and Equipment Reserve Fund	Reserve Funds: Discretionary	Capital	To fund replacement of fire vehicles and equipment.	Established annual operating budget contribution calculated as the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation. Interest earned.
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. 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. Interest earned.
General Vehicles and Equipment Reserve Fund	Reserve Funds: Discretionary	Capital	To fund the purchase of existing vehicles and equipment.	Established annual operating budget contribution calculated as half the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation. Interest earned.



## Supplementary Information

Reserves	Type	Category	Purpose	Funding Source
Gravel Pit Rehabilitation Reserve Fund	Reserve Funds: Discretionary	Operating	To fund the future rehabilitation and purchases of gravel pits in the Municipality.	Funding through royalty received yearly on behalf of Aggregate Resources Trust, in addition to an established annual operating budget contribution. Interest earned.
Growth Reserve Fund	Reserve Funds: Discretionary	Capital	To fund authorized growth-related capital expenditures, as identified in the Municipality's approved development charge study for benefits to existing areas not covered by development charges (DCs) in tax-rate supported projects.	Established annual operating budget contribution calculated based on the development charge study adjusted for inflation. Interest earned.
Housing Accelerator Reserve Fund	Reserve Funds: Discretionary	Contractual Federal Transfer Payments	For assisting municipalities in optimizing land use planning and expediting development approval processes, thereby accelerating the increase of housing supply and streamlining building approvals. Funding in accordance with the Agreement.	Funding provided by the Government of Canada under the agreement. Interest earned.
Insurance Claims Reserve Fund	Reserve Funds: Discretionary	Operating	To provide contingency to accommodate annual fluctuations in cost of claims (deductibles) and premiums.	Allocation based on fund usage and evidence of reasonably determined liability. Established annual operating budget contribution. Interest earned.
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. Interest earned.
Medical Centre Reserve Fund	Reserve Funds: Discretionary	Capital and operating	To fund major capital repairs or rehabilitation expenses associated with the Medical Centre.	Funding through Medical Centre rental revenue. Interest earned.
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. Interest earned.



## Supplementary Information

Reserves	Type	Category	Purpose	Funding Source
Municipal Drains Reserve Funds	Reserve Funds: Discretionary	Operating	To provide contingency to accommodate annual fluctuations in cost of municipal drains.	Allocation based on fund usage and evidence of reasonably determined liability Established annual operating budget contribution if required. 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. Interest earned.
Security Deposit Reserve Fund	Reserve Funds: Discretionary	Operating	To set aside older security deposits that have not been claimed.	Based on older security deposits that have not been released or claimed.
Stormwater 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 storm water user rate. In addition, any surplus in the stormwater annual operating budget has been contributed to supplement the reserve balance. Interest earned.
Tax Rate Stabilization Reserve Fund	Reserve Funds: Discretionary	Operating	To fund tax revenue shortfalls, one-time expenditures, as well as other contingencies such as MPAC appeals.	Established annual operating budget contribution. Allocation of yearend surpluses. Interest earned.
Waste Management Reserve Fund	Reserve Funds: Discretionary	Capital	To fund major maintenance and replacement of waste management facilities and landfill rehabilitation.	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-DC funded 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. Interest earned.



## Supplementary Information

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<b>Reserves</b>	<b>Type</b>	<b>Category</b>	<b>Purpose</b>	<b>Funding Source</b>
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- DC funded 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. 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. Interest earned.



# Supplementary Information

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## Financial Policies

Middlesex Centre maintains a robust set of financial by-laws, policies and procedures (collectively referred to as “policies” here). Council has approved policies for prudent financial management to ensure that public funds are being used in an optimal manner. The 2026 Budget complies with the relevant financial policies.

## Financial Management Policies

**Annual Budget Process Policy** – The purpose of the annual budget process policy is to ensure consistent guidelines and understanding of the municipality’s budget process ensuring that Council’s priority of service delivery to the residents in the Municipality is being met, the strategic plan is being adhered to and a balanced budget is presented.

**Asset Management Policy** – The purpose of this policy is to establish a framework for the effective management of the Municipality’s assets to ensure their optimal use, maintenance, and sustainability. This policy will govern the decisions and directions of asset management at the Municipality of Middlesex Centre to ensure that it achieves in a safe and sustainable manner its strategic objectives.

**Long-Range Financial Plan** -Tax Supported – 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.

### Long-Range Financial Plan – Water, Wastewater and

**Stormwater** – 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, wastewater, stormwater 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.

### Asset Management Strategy

– The purpose of the Asset Management Strategy (AM Strategy) is to provide a structured approach to managing Middlesex Centre’s infrastructure assets. This AM Strategy ensures that all asset related activities support the Municipality’s strategic direction, setting clear priorities and practices for long-term success and sustainability. By integrating asset management into the strategic planning process, the Municipality can better allocate resources and make informed decisions that drive overall performance.

### 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.



# Supplementary Information

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**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 legislation 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. Given the relationship between the operating and capital budgets, developing a five-year capital forecast helps to smooth potential tax increases over time.

**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.

**Capital Financing and Debt Management** – 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 policy applies to all debt obtained on behalf of the municipality.

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

## Revenue Policies

**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 provide 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.

**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.

**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.



# Supplementary Information

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**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.

**Use of One-Time Revenues** – The Municipality does not utilize one-time revenues for ongoing expenditures. However, one-time revenues may be used to fund non-recurring expenditures subject to Council approval.

## 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.

**Development Charge Exemption Policy** – The purpose of the policy is to ensure that a provision is made to offset the loss of DC revenue resulting from exemptions and other such concessions.

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

## Financial Controls and Reporting Policies

**Amendments to Approved Budget** – The approved budget may be amended at the direction of Council, provided that the amount to be collected from property taxes or user rates remains unchanged.

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

**Corporate 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.



## Supplementary Information

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**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

## 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 2027-2030. (Five-year capital is presented but only the 2026 capital budget is approved.)**

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
<b>Community Services</b>								
<b>Parks &amp; Open Space:</b>								
25-7105 - Heritage Park Splash Pad Renovation	Asset Management	Buildings & Facilities AMP Reserve Fund	89,000	0	0	0	0	89,000
26-7108 - Weldon Park - Diamond and infield improvements	Asset Management	Buildings & Facilities AMP Reserve Fund	36,000	0	0	0	0	36,000
26-7128 - Heritage Park - Diamond Improvements	Asset Management	Buildings & Facilities AMP Reserve Fund	35,500	0	0	0	0	35,500
26-7129 - Weldon Park - Tar & chip road from front parking lot to tennis courts & back parking lot	Asset Management	Cash-in-Lieu of Parkland	30,000	0	0	0	0	30,000
26-7136 - Komoka Park Sports Lighting Upgrades - Phase 1	Asset Management	Cash-in-Lieu of Parkland	250,000	0	0	0	0	250,000
26-7164 - Delaware Lions Park - Parking lot improvements	Asset Management	AMP & Efficiency/ Improvement	30,000	0	0	0	0	30,000
27-7102 - Komoka Park - refinish tennis court and replace nets/posts	Asset Management	Buildings & Facilities AMP Reserve Fund	0	85,800	0	0	0	85,800
27-7103 - Bryanston Park/School - Resurface Multi-purpose courts + New Nets	Asset Management	Buildings & Facilities AMP Reserve Fund	0	68,500	0	0	0	68,500
27-7110 - Clear Skies Primary Trail	Growth	Development Charges	0	401,500	0	0	0	401,500
27-7112 - Heritage Park - LED Lighting Upgrade	Asset Management	Cash-in-Lieu of Parkland	0	64,500	0	0	0	64,500
27-7120 - Clear Skies Park	Growth	Development Charges	0	300,000	0	0	0	300,000
27-7121 - Deerhaven Park- Repaint Tennis Court and Multi Surface Court	Asset Management	Buildings & Facilities AMP Reserve Fund	0	49,500	0	0	0	49,500
27-7123 - Westbrook Park - Splashpad Renewal	Asset Management	Buildings & Facilities AMP Reserve Fund	0	80,000	0	0	0	80,000
27-7124 - Edgewater Trail	Growth	Development Charges	0	160,200	0	0	0	160,200
27-7129 - Komoka Park - Refresh of tennis court fencing	Asset Management	Buildings & Facilities AMP Reserve Fund	0	35,000	0	0	0	35,000
27-7138 - Denfield Park Tennis Court Refinishing	Asset Management	Buildings & Facilities AMP Reserve Fund	0	42,400	0	0	0	42,400
27-7139 - Denfield Park- Ball field Drainage lines expanded + recondition	Asset Management	Buildings & Facilities AMP Reserve Fund	0	36,500	0	0	0	36,500



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
27-7153 - Poplar Hill Park- Replace back stop and fencing on back diamond	Asset Management	Buildings & Facilities AMP Reserve Fund	0	75,000	0	0	0	75,000
27-7154 - Denfield Park- Pavilion and washroom improvements	Asset Management	Buildings & Facilities AMP Reserve Fund	0	48,500	0	0	0	48,500
27-7162 - Weldon Park - Replace water supply line	Asset Management	Buildings & Facilities AMP Reserve Fund	0	36,400	0	0	0	36,400
27-7167 - Komoka Civic Square Design	Growth	DC & Growth Fund	0	147,200	0	0	0	147,200
28-7101 - Delaware Municipal Park- LED Sports fields lighting replacement	Asset Management	Cash-in-Lieu of Parkland	0	0	98,000	0	0	98,000
28-7115 - Denfield Park- Ball Diamond backstop and fencing replaced	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	78,900	0	0	78,900
28-7123 - Weldon Park-LED Sports field lighting replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	99,800	0	0	99,800
28-7125 - Komoka Civic Square Construction	Growth	DC & Growth Fund	0	0	1,500,000	0	0	1,500,000
28-7127 - Brantam Park Development	Growth	Development Charges	0	0	200,000	0	0	200,000
28-7136 - Komoka Park - Sports lighting phase 2	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	150,000	0	0	150,000
28-7158 - Westbrook Park - Tennis court fencing replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	42,500	0	0	42,500
29-7156 - Poplar Hill Park - Grandstand Refurbishment	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	250,000	0	250,000
29-7159 - Westbrook Park - Tennis court lighting changed to LED	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	59,800	0	59,800
29-7161 - Westbrook Park - Diamond back stop replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	39,500	0	39,500
29-7166 - Delaware Lions Park - Asphalt lower parking lot	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	56,400	0	56,400
29-7804 - Bryanston Community Park	Growth	DC & Growth Fund	0	0	0	1,993,100	0	1,993,100
30-7801 - New Trail (London to Denfield)	Growth	DC & Growth Fund	0	0	0	0	4,951,850	4,951,850
30-7803 - New Trail (South of Medway Rd.)	Growth	Development Charges	0	0	0	0	200,000	200,000
<b>Parks &amp; Open Space Total</b>			<b>470,500</b>	<b>1,631,000</b>	<b>2,169,200</b>	<b>2,398,800</b>	<b>5,151,850</b>	<b>11,821,350</b>
<b>Community Services Total</b>			<b>470,500</b>	<b>1,631,000</b>	<b>2,169,200</b>	<b>2,398,800</b>	<b>5,151,850</b>	<b>11,821,350</b>
<b>Environmental Services</b>								
<b>Stormwater:</b>								
21-4204 - Komoka Drain No. 1 - SWM Pond	Efficiency/ Improvement	Storm Water Capital Reserve Fund	2,773,454	6,900,000	0	0	0	9,673,454



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
24-4202 - King/ George Street Reconstruction	Asset Management	Storm Water Capital Reserve Fund	35,000	0	495,000	0	0	530,000
<b>Stormwater Total</b>			<b>2,808,454</b>	<b>6,900,000</b>	<b>495,000</b>	<b>0</b>	<b>0</b>	<b>10,203,454</b>
<b>Wastewater:</b>								
21-4104 - Ilderton Treatment Capacity Upgrades	Growth	Development Charges	596,711	5,345,315	5,345,314	0	0	11,287,340
21-4199 - SCADA Replacement (1 of 2)	Asset Management	Wastewater Capital Reserve Fund	426,843	207,882	222,025	208,650	100,000	1,165,400
22-4103 - Komoka WWTP - Aeration, Blower and HVAC Improvements	Efficiency/ Improvement	Wastewater Capital Reserve Fund	526,312	0	0	0	0	526,312
24-4111 - Komoka Wastewater Treatment Plant Schedule C Environmental Assessment	Growth	DC & Growth Fund	114,650	0	0	0	0	114,650
26-4128 - Komoka EA Archeological Assessment	Growth	DC & Growth Fund	371,765	0	0	0	0	371,765
26-4129 - Komoka WWTP - Concrete Floor Rehabilitation	Asset Management	Wastewater Capital Reserve Fund	60,893	0	0	0	0	60,893
26-4801 - Komoka WWTP Expansion Design	Growth	DC & Growth Fund	883,913	883,912	1,767,825	0	0	3,535,650
26-4806 - Upgrade Sewer Main on Komoka Rd.	Growth	DC & Growth Fund	0	178,080	1,653,600	0	0	1,831,680
27-4150 - New Delaware Sanitary Pumping Station	Growth	Development Charges	0	5,950,000	5,950,000	0	0	11,900,000
27-4802 - New Komoka Sewage Pump Station #2	Growth	DC & Growth Fund	0	405,780	5,816,220	0	0	6,222,000
28-4801 - Komoka WWTP Expansion Phase 1	Growth	DC & Growth Fund	0	0	20,035,350	0	0	20,035,350
28-4804 - New Arva SPS2	Growth	Development Charges	0	252,782	3,623,218	0	0	3,876,000
28-4805 - Upgrade Arva SPS1	Growth	DC & Growth Fund	0	93,130	1,334,870	0	0	1,428,000
29-4807 - New Sewer Main on Glendon Dr.	Growth	Development Charges	0	390,000	0	5,577,000	0	5,967,000
<b>Wastewater Total</b>			<b>2,981,087</b>	<b>13,706,881</b>	<b>45,748,422</b>	<b>5,785,650</b>	<b>100,000</b>	<b>68,322,040</b>
<b>Water:</b>								
21-4302 - Melrose Lake Huron Primary Water Supply Connection	Asset Management	Water Capital Reserve Fund	1,970,000	10,000	0	0	0	1,980,000
21-4399 - SCADA Replacement (2 of 2)	Asset Management	Water Capital Reserve Fund	426,843	207,882	222,025	208,650	100,000	1,165,400
22-4314 - Glendon Drive Watermain Twinning	Efficiency/ Improvement	Water Capital Reserve Fund	60,000	0	0	0	0	60,000



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
23-4328 - King and George St. Reconstruction - Oversizing of Watermain	Growth	DC & Growth Fund	35,000	0	495,000	0	0	530,000
24-4335 - Longwood Road Watermain Extension	Efficiency/ Improvement	Delaware Hydro Reserve Fund	60,000	0	0	0	0	60,000
28-4808 - New Arva Water Storage Facility and BPS	Growth	DC & Growth Fund	0	267,000	3,827,000	0	0	4,094,000
28-4812 - Expand Komoka BPS	Growth	Development Charges	0	75,000	1,063,000	0	0	1,138,000
28-4813 - Expand Komoka IPS	Growth	DC & Growth Fund	0	89,325	1,001,675	0	0	1,091,000
29-4814 - Glendon Dr. Watermain (Highway 402 E to W of Komoka Rd.)	Growth	Development Charges	0	0	386,000	5,530,000	0	5,916,000
29-4815 - Connect Arva to LHPWSS	Growth	DC & Growth Fund	0	0	133,000	1,907,000	0	2,040,000
30-4811 - New Ilderton Water Storage Facility	Growth	Development Charges	0	0	0	0	7,165,000	7,165,000
<b>Water Total</b>			<b>2,551,843</b>	<b>649,207</b>	<b>7,127,700</b>	<b>7,645,650</b>	<b>7,265,000</b>	<b>25,239,400</b>
<b>Environmental Services Total</b>			<b>8,341,384</b>	<b>21,256,088</b>	<b>53,371,122</b>	<b>13,431,300</b>	<b>7,365,000</b>	<b>103,764,894</b>
<b>Facility Services</b>								
<b>Arenas:</b>								
25-6705 - Komoka Wellness Centre - Lighting Retrofit Phase 2	Asset Management	Buildings & Facilities AMP Reserve Fund	25,000	0	0	0	0	25,000
25-6725 - Komoka Wellness Centre - Canadian Pad Sound System Replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	95,800	0	0	0	0	95,800
26-6104 - Komoka Wellness Centre - Refinish Gym Floor and all new sport lines	Asset Management	Buildings & Facilities AMP Reserve Fund	45,000	0	0	0	0	45,000
26-6107 - Komoka Wellness Centre - Replace cold floor P1 motor + pump	Asset Management	Buildings & Facilities AMP Reserve Fund	35,000	0	0	0	0	35,000
26-6129 - Ilderton Arena - Dehumidifier for Curling Club	Asset Management	Buildings & Facilities AMP Reserve Fund	48,000	0	0	0	0	48,000
26-6130 - Ilderton Arena - Lower-level window replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	78,500	0	0	0	0	78,500
26-6131 - Ilderton Arena - Accessible washroom improvement, curling club lobby	Asset Management	AMP & Efficiency/ Improvement	68,000	0	0	0	0	68,000
26-6704 - Komoka Wellness Centre- Splashpad Improvements	Asset Management	Buildings & Facilities AMP Reserve Fund	80,000	0	0	0	0	80,000
26-7225 - Ilderton Arena road sign replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	85,000	0	0	0	0	85,000
26-7227 - KWC - Replacement of the front sliding doors (2)	Asset Management	Buildings & Facilities AMP Reserve Fund	35,600	0	0	0	0	35,600



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
27-6108 - Komoka Wellness Centre - Replace cold floor P2 motor + pump	Asset Management	Buildings & Facilities AMP Reserve Fund	0	39,000	0	0	0	39,000
27-6109 - Komoka Wellness Centre - Refurbish small plate and frame heat exchanger	Asset Management	Buildings & Facilities AMP Reserve Fund	0	85,000	0	0	0	85,000
27-6111 - Komoka Wellness Centre - Replace kickstrip on Canadian + thresholds	Asset Management	Buildings & Facilities AMP Reserve Fund	0	42,000	0	0	0	42,000
27-6132 - Ilderton Arena - Second level window replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	80,000	0	0	0	80,000
27-6133 - Ilderton Arena - Front door replacement & vestibule for Curling Club	Asset Management	Buildings & Facilities AMP Reserve Fund	0	85,800	0	0	0	85,800
27-6136 - Ilderton Community Centre - South & West wall window and block sealing	Asset Management	Buildings & Facilities AMP Reserve Fund	0	36,000	0	0	0	36,000
27-6702 - Komoka Wellness Centre - Recondition Library + YMCA roof	Asset Management	Buildings & Facilities AMP Reserve Fund	0	410,000	0	0	0	410,000
27-6703 - Komoka Wellness Centre - Replace Outdoor Digital Sign	Asset Management	Buildings & Facilities AMP Reserve Fund	0	150,000	0	0	0	150,000
27-6706 - Komoka Wellness Centre - Gym HVAC Replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	75,000	0	0	0	75,000
27-6714 - Komoka Wellness Centre - Refrigeration plant generator	Asset Management	Buildings & Facilities AMP Reserve Fund	0	245,000	0	0	0	245,000
27-6718 - Komoka Wellness Centre - Replace Arid-Ice dehumidifier	Asset Management	Buildings & Facilities AMP Reserve Fund	0	248,900	0	0	0	248,900
27-6723 - Komoka Wellness Centre - Building Automation Upgrades	Asset Management	Buildings & Facilities AMP Reserve Fund	0	65,000	0	0	0	65,000
27-6727 - Komoka Wellness Centre - HVAC Replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	75,000	0	0	0	75,000
27-6740 - Komoka Wellness Centre - Plate & Frame Heat Exchange	Asset Management	Buildings & Facilities AMP Reserve Fund	0	35,800	0	0	0	35,800
27-7222 - KWC - replacement of kickstrip on Canadian rink	Asset Management	Buildings & Facilities AMP Reserve Fund	0	38,500	0	0	0	38,500
27-7223 - KWC - Replacement of skate tile rubber flooring at all wear points	Asset Management	Buildings & Facilities AMP Reserve Fund	0	48,600	0	0	0	48,600
27-7224 - KWC - Replacement of RTU-5 HVAC unit	Asset Management	Buildings & Facilities AMP Reserve Fund	0	65,000	0	0	0	65,000
27-7232 - KWC - Replace plates and gaskets in cold glycol Plate and Frame heat exchanger	Asset Management	Buildings & Facilities AMP Reserve Fund	0	85,200	0	0	0	85,200
28-6112 - Komoka Wellness Centre - Replace rubber flooring at wear points	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	38,500	0	0	38,500



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
28-6114 - Komoka Wellness Centre - Replace kickstrip on Coors + thresholds	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	42,000	0	0	42,000
28-6115 - Komoka Wellness Centre - Rink player gates refresh (thresholds, latches, hinges	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	48,500	0	0	48,500
28-6116 - Komoka Wellness Centre - Refurbish large cold floor plate and frame heat exchanger	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	125,600	0	0	125,600
28-6117 - Komoka Wellness Centre - Recondition roof membrane over rinks	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	480,000	0	0	480,000
28-6720 - Ilderton Arena Recondition of Existing Roof	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	350,000	0	0	350,000
28-6726 - Komoka Wellness Centre - HVAC equipment replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	49,800	0	0	49,800
28-7223 - KWC - Replacement of yellow kick strip on Coors ice pad	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	35,800	0	0	35,800
28-7224 - KWC - Replacement of RTU - 4 HVAC unit	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	65,000	0	0	65,000
28-7225 - KWC - replace 2 cold rink floor glycol pump motors	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	36,400	0	0	36,400
29-6121 - Komoka Wellness Centre - Playground replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	155,000	0	155,000
29-6123 - Komoka Wellness Centre - Recondition showers in all changerooms hockey + YMCA	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	64,500	0	64,500
29-7224 - KWC - replacement of rubber flooring in change rooms + hallway	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	95,000	0	95,000
29-7225 - KWC - playground replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	125,000	0	125,000
29-7226 - KWC - Plate and frame heat exchanger renewal for condenser	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	68,000	0	68,000
30-6126 - Komoka Wellness Centre - Replace C1, C2, C3 motors	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	0	100,000	100,000
30-6750 - Komoka Wellness Centre - Radiant Heaters	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	0	230,832	230,832
<b>Arenas Total</b>			<b>595,900</b>	<b>1,909,800</b>	<b>1,271,600</b>	<b>507,500</b>	<b>330,832</b>	<b>4,615,632</b>
<b>Community Centres:</b>								
25-6771 - Ilderton Community Centre - Main Hall Flooring refinish + repairs	Asset Management	Buildings & Facilities AMP Reserve Fund	15,000	0	0	0	0	15,000
26-6137 - Bryanston Community Centre - Lighting retrofit	Asset Management	AMP & Efficiency/ Improvement	35,000	0	0	0	0	35,000



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
26-6140 - Delaware Community Centre - Bar Area rework & sound system	Asset Management	Buildings & Facilities AMP Reserve Fund	42,000	0	0	0	0	42,000
26-6141 - Delaware Library - Library and washroom accessibility	Asset Management	AMP & Efficiency/ Improvement	140,000	0	0	0	0	140,000
26-6716 - Komoka Community Centre - Asphalt Parking Lot	Asset Management	Buildings & Facilities AMP Reserve Fund	185,000	0	0	0	0	185,000
26-6758 - Ilderton Community Centre - Kitchen & Bar Appliances	Asset Management	Buildings & Facilities AMP Reserve Fund	44,500	0	0	0	0	44,500
26-7219 - Komoka Community Centre kitchen refresh	Asset Management	Buildings & Facilities AMP Reserve Fund	58,800	0	0	0	0	58,800
26-7222 - Delaware Community Centre kitchen renewal project	Asset Management	Buildings & Facilities AMP Reserve Fund	52,800	0	0	0	0	52,800
27-6138 - Bryanston Community Centre - Main hall flooring	Asset Management	Buildings & Facilities AMP Reserve Fund	0	47,500	0	0	0	47,500
27-6701 - Delaware Community Centre-Upper Roof Replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	175,800	0	0	0	175,800
27-6759 - Ilderton Community Centre - Hydro Panel Upgrade	Asset Management	Buildings & Facilities AMP Reserve Fund	0	42,000	0	0	0	42,000
27-6760 - Ilderton Community Centre - Bathroom Improvements	Asset Management	Buildings & Facilities AMP Reserve Fund	0	44,600	0	0	0	44,600
27-6761 - Ilderton Community Centre - LED Lighting upgrade	Asset Management	Buildings & Facilities AMP Reserve Fund	0	38,000	0	0	0	38,000
27-7218 - Komoka Community Centre kitchen appliances (commercial)	Asset Management	Buildings & Facilities AMP Reserve Fund	0	38,900	0	0	0	38,900
27-7220 - Komoka Community Centre - Basketball frame and hoist replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	39,500	0	0	0	39,500
27-7221 - Delaware Community Centre - Commercial kitchen appliances	Asset Management	Buildings & Facilities AMP Reserve Fund	0	44,500	0	0	0	44,500
28-6762 - Ilderton Community Centre - Roof Recondition/ Painting	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	58,200	0	0	58,200
30-6250 - Bryanston CC & FH Swatch Radiant Heater	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	0	60,016	60,016
<b>Community Centres Total</b>			<b>573,100</b>	<b>470,800</b>	<b>58,200</b>	<b>0</b>	<b>60,016</b>	<b>1,162,116</b>
<b>Fire Halls:</b>								
27-7165 - Delaware Firehall - Exterior lettering and exterior refresh (paint, eavestrough, stucco, etc.)	Asset Management	Buildings & Facilities AMP Reserve Fund	0	36,500	0	0	0	36,500
27-7166 - Ilderton Fire Hall - Parking Lot asphalt replacement/renewal	Asset Management	Buildings & Facilities AMP Reserve Fund	0	145,000	0	0	0	145,000
28-6201 - Bryanston CC and Firehall HVAC Replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	65,800	0	0	65,800



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
28-7165 - Coldstream Firehall - Trane Heat Pump #1	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	38,500	0	0	38,500
28-7166 - Ilderton Firehall- HVAC Renewal	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	44,600	0	0	44,600
28-7170 - Asphalt back parking lot + restripe	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	145,000	0	0	145,000
29-6110 - Additional Fire Facility Space	Growth	DC & Growth Fund	0	0	0	3,790,000	0	3,790,000
29-6155 - Bryanston Fire Hall - Tube Heater replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	36,500	0	36,500
29-6156 - Arva Fire Hall - back parking lot asphalt	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	145,500	0	145,500
29-7165 - Coldstream Firehall- Trane Heat Pump #2 update	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	38,500	0	38,500
30-6200 - Arva Firehall-Replace Roof	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	0	165,000	165,000
30-6251 - Ilderton Fire Hall Radiant Tube Heaters	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	0	45,900	45,900
<b>Fire Halls Total</b>			<b>0</b>	<b>181,500</b>	<b>293,900</b>	<b>4,010,500</b>	<b>210,900</b>	<b>4,696,800</b>
<b>Leased Properties:</b>								
26-6146 - Ilderton Medical Centre - HVAC 1 and 2 replacement	Asset Management	Medical Clinic Furniture & Equipment Reserve Fund	0	39,600	0	0	0	39,600
26-6163 - Medical Clinic - HVAC	Asset Management	Medical Clinic Furniture & Equipment Reserve Fund	12,500	0	0	0	0	12,500
27-6118 - Bryanston School - Asphalt Parking Lot Replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	195,000	0	0	0	195,000
27-6162 - Bryanston School - Hydronic heat valve refresh phase 1	Asset Management	Buildings & Facilities AMP Reserve Fund	0	35,000	0	0	0	35,000
27-6163 - Bryanston School - Gymnasium HVAC renewal	Asset Management	Buildings & Facilities AMP Reserve Fund	0	64,500	0	0	0	64,500
28-6145 - Ilderton Medical Centre - Parking lot asphalt	Asset Management	Medical Clinic Furniture & Equipment Reserve Fund	0	0	145,000	0	0	145,000
28-6162 - Bryanston School - Hydronic heat valve refresh phase 2	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	45,000	0	0	45,000
29-6147 - Ilderton Medical Centre - HVAC 3 and 4 replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	41,500	0	41,500
29-7150 - Medical Centre- Roof recondition of membrane	Asset Management	Medical Clinic Furniture & Equipment Reserve Fund	0	0	0	175,000	0	175,000



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
<b>Leased Properties Total</b>			<b>12,500</b>	<b>334,100</b>	<b>190,000</b>	<b>216,500</b>	<b>0</b>	<b>753,100</b>
<b>Libraries:</b>								
27-6142 - Ilderton Library - Parking Lot Asphalt Renewal	Asset Management	Buildings & Facilities AMP Reserve Fund	0	138,500	0	0	0	138,500
27-6143 - Ilderton Library - HVAC replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	42,800	0	0	0	42,800
28-6144 - Ilderton Library - Roof replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	37,800	0	0	37,800
<b>Libraries Total</b>			<b>0</b>	<b>181,300</b>	<b>37,800</b>	<b>0</b>	<b>0</b>	<b>219,100</b>
<b>Municipal Office:</b>								
27-6148 - Municipal Office - Window replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	46,500	0	0	0	46,500
28-6153 - Municipal Office - Digital Sign replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	75,000	0	0	75,000
29-6154 - Municipal Office - Standby Generator replacement	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	129,900	0	129,900
<b>Municipal Office Total</b>			<b>0</b>	<b>46,500</b>	<b>75,000</b>	<b>129,900</b>	<b>0</b>	<b>251,400</b>
<b>PWE Operations Centres:</b>								
25-6306 - Denfield PWE - Wash bay structural steel posts	Asset Management	Buildings & Facilities AMP Reserve Fund	58,200	0	0	0	0	58,200
26-6157 - Delaware Operations Centre - Hot water boiler for heating system	Asset Management	Buildings & Facilities AMP Reserve Fund	42,500	0	0	0	0	42,500
26-6160 - Denfield Operations Centre - Wash bay power washer	Asset Management	Buildings & Facilities AMP Reserve Fund	36,000	0	0	0	0	36,000
26-7229 - Denfield PWE - Front gate automatic gate renewal project	Asset Management	Buildings & Facilities AMP Reserve Fund	42,500	0	0	0	0	42,500
27-6158 - Delaware Operations Centre - Hot water heater for domestic water	Asset Management	Buildings & Facilities AMP Reserve Fund	0	36,200	0	0	0	36,200
28-6300 - Recondition Delaware Roads Yard Roof	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	75,000	0	0	75,000
28-6301 - Denfield Roads Yard Recondition Roof	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	75,000	0	0	75,000
28-7227 - Denfield PWE - training room and office HVAC renewal	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	64,700	0	0	64,700
29-6802 - New Delaware PWE Facility & Sand/Salt Storage	Growth	DC & Growth Fund	0	0	0	21,024,000	0	21,024,000
29-7227 - Denfield PWE - recondition/renewal of lower flat roof	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	125,000	0	125,000



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
30-6350 - Denfield Operation Centre Exhaust Fan	Asset Management	Buildings & Facilities AMP Reserve Fund	0	0	0	0	158,076	158,076
<b>PWE Operations Centres Total</b>			<b>179,200</b>	<b>36,200</b>	<b>214,700</b>	<b>21,149,000</b>	<b>158,076</b>	<b>21,737,176</b>
<b>Facility Services Total</b>			<b>1,360,700</b>	<b>3,160,200</b>	<b>2,141,200</b>	<b>26,013,400</b>	<b>759,824</b>	<b>33,435,324</b>
<b>Fire and Emergency Operations</b>								
<b>Fire Operations:</b>								
26-2200 - Extrication Equipment	Asset Management	Fire Public Education Reserve Fund	75,000	0	0	0	0	75,000
28-6801 - Training Facility Space	Growth	DC & Growth Fund	0	0	75,000	0	0	75,000
29-2203 - Complete SCBA System Replacement	Asset Management	Fire Vehicles & Equipment AMP Reserve Fund	0	0	0	1,400,000	0	1,400,000
<b>Fire Operations Total</b>			<b>75,000</b>	<b>0</b>	<b>75,000</b>	<b>1,400,000</b>	<b>0</b>	<b>1,550,000</b>
<b>Fire and Emergency Operations Total</b>			<b>75,000</b>	<b>0</b>	<b>75,000</b>	<b>1,400,000</b>	<b>0</b>	<b>1,550,000</b>
<b>Fleet Services</b>								
<b>Building Fleet:</b>								
26-2501 - New Building Services Vehicle	Efficiency/ Improvement	Building Department Reserve Fund	60,000	0	0	0	0	60,000
<b>Building Fleet Total</b>			<b>60,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,000</b>
<b>Community Services Fleet:</b>								
26-7302 - Ilderton Arena- Replacement Ice Resurfacer	Asset Management	General Vehicles & Equipment AMP Reserve Fund	250,000	0	0	0	0	250,000
28-7229 - New 18' -20' Float Trailer	Growth	Development Charges	0	0	25,000	0	0	25,000
28-7335 - New Zero Turn Mower	Growth	Development Charges	0	0	30,000	0	0	30,000
28-7406 - New 1/2 Ton Truck	Growth	Development Charges	0	0	67,500	0	0	67,500
29-7231 - New 18' Trailer	Growth	Development Charges	0	0	0	25,000	0	25,000
29-7336 - New Zero Turn Mower	Growth	Development Charges	0	0	0	30,000	0	30,000
29-7410 - New 1/2 Ton Truck	Growth	Development Charges	0	0	0	67,500	0	67,500
30-7342 - Replacement Front Mount Mower	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	60,000	60,000
30-7343 - Replacement Zero Turn Mower	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	30,000	30,000



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
30-7344 - Replacement Progressive Finishing Mower	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	45,000	45,000
30-7349 - Replacement Zero Turn Mower	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	30,000	30,000
30-7409 - Replacement 1/2 Ton Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	70,000	70,000
30-7414 - Replacement 3/4 Ton Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	90,000	90,000
<b>Community Services Fleet Total</b>			<b>250,000</b>	<b>0</b>	<b>122,500</b>	<b>122,500</b>	<b>325,000</b>	<b>820,000</b>
<b>Environmental Services Fleet:</b>								
29-4310 - Replacement Cargo Trailer	Asset Management	Water Capital Reserve Fund	0	0	0	35,000	0	35,000
30-4322 - Replacement Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	75,000	75,000
30-4323 - Replacement Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	75,000	75,000
<b>Environmental Services Fleet Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>35,000</b>	<b>150,000</b>	<b>185,000</b>
<b>Fire Fleet:</b>								
27-2264 - Replacement Arva Pumper/ Tanker	Asset Management	Fire Vehicles & Equipment AMP Reserve Fund	0	780,000	0	0	0	780,000
28-2267 - Replacement Multi-Use Pickup	Asset Management	Fire Vehicles & Equipment AMP Reserve Fund	0	0	80,000	0	0	80,000
28-2269 - Replacement Coldstream Engine	Asset Management	Fire Vehicles & Equipment AMP Reserve Fund	0	0	850,000	0	0	850,000
29-2262 - New Aerial Vehicle (100' Platform)	Growth	Development Charges	0	0	0	2,300,000	0	2,300,000
30-2265 - Replacement Coldstream Rescue	Asset Management	Fire Vehicles & Equipment AMP Reserve Fund	0	0	0	0	400,000	400,000
30-2268 - Fire Prevention Vehicle (FPO) - Headquarters	Asset Management	Fire Vehicles & Equipment AMP Reserve Fund	0	0	0	0	60,000	60,000
<b>Fire Fleet Total</b>			<b>0</b>	<b>780,000</b>	<b>930,000</b>	<b>2,300,000</b>	<b>460,000</b>	<b>4,470,000</b>



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
<b>PWE Transportation Fleet:</b>								
26-3200 - Replacement Tri-Axle Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	600,000	0	0	0	0	600,000
26-3325 - Replacement Grader	Asset Management	General Vehicles & Equipment AMP Reserve Fund	750,000	0	0	0	0	750,000
27-3262 - Replacement Roll Off Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	550,000	0	0	0	550,000
27-3267 - Replacement Single Axle Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	350,000	0	0	0	350,000
27-3418 - Replacement Backhoe	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	300,000	0	0	0	300,000
28-3263 - Replacement Tandem Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	500,000	0	0	500,000
28-3285 - Replacement Tri-Axle Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	600,000	0	0	600,000
28-3291 - Replacement 1/2 Ton Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	70,000	0	0	70,000
28-3420 - Replacement Backhoe	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	300,000	0	0	300,000
28-3504 - Replacement Sidewalk Plow	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	250,000	0	0	250,000
28-3536 - Replacement Road Widener Attachment	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	85,000	0	0	85,000
29-3268 - Replacement 1 Ton Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	150,000	0	150,000
29-3283 - Replacement 1/2 Ton Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	70,000	0	70,000
29-3293 - Replacement Single Axle Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	375,000	0	375,000



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
29-3295 - Replacement Tandem Truck (Oiler)	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	450,000	0	450,000
29-3532 - Replacement Sidewalk Plow	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	250,000	0	250,000
29-3538 - Replacement Forklift	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	50,000	0	50,000
29-3540 - Replacement Roadside Mower	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	25,000	0	25,000
29-3632 - Replacement Chip Spreader	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	300,000	0	300,000
29-3633 - Replacement Rubber Tire Roller	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	200,000	0	200,000
30-3266 - Replacement Single Axle Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	375,000	375,000
30-3286 - Replacement 3/4 ton Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	140,000	140,000
30-3290 - Replacement 1 Ton Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	150,000	150,000
30-3292 - Replacement 1/2 Ton Truck	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	70,000	70,000
30-3631 - Road Cameras (4)	Growth	DC & Growth Fund	0	0	0	0	14,000	14,000
30-3635 - Replacement Trailer	Asset Management	General Vehicles & Equipment AMP Reserve Fund	0	0	0	0	15,000	15,000
<b>PWE Transportation Fleet Total</b>			<b>1,350,000</b>	<b>1,200,000</b>	<b>1,805,000</b>	<b>1,870,000</b>	<b>764,000</b>	<b>6,989,000</b>
<b>Fleet Services Total</b>			<b>1,660,000</b>	<b>1,980,000</b>	<b>2,857,500</b>	<b>4,327,500</b>	<b>1,699,000</b>	<b>12,524,000</b>
<b>Public Works &amp; Engineering</b>								
<b>Transportation:</b>								
21-3137 - Old River Road (Glendon Dr to Pulham Rd)	Asset Management	Roads Capital AMP Reserve Fund	3,283,927	0	0	0	0	3,283,927



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
23-3109 - King and George Street Reconstruction	Growth	DC & Growth Fund	45,000	0	620,000	0	0	665,000
24-3118 - Elmhurst St & Parkland Pl Urbanization	Efficiency/ Improvement	Roads Capital AMP Reserve Fund	709,880	0	0	0	0	709,880
25-3114 - Rehabilitate Bridge B-140, Fourteen Mile Rd.	Asset Management	Canada Community Building Fund (CCBF) Reserve Fund	319,900	0	0	0	0	319,900
25-3117 - Replace Culvert C-560, Poplar Hill Rd.	Asset Management	Ontario Community Infrastructure Fund (OCIF) Reserve Fund	408,801	0	0	0	0	408,801
25-3119 - Replace Culvert C-567, McEwen Dr.	Asset Management	OCIF Reserve Fund	375,536	0	0	0	0	375,536
25-3120 - Replace Culvert C-556, Fernhill Dr.	Asset Management	OCIF Reserve Fund	544,649	0	0	0	0	544,649
25-3122 - Replace Culvert C-568, Gold Creek Dr.	Asset Management	CCBF Reserve Fund	369,649	0	0	0	0	369,649
25-3126 - Relining Arva Dam Outlet Pipe	Asset Management	Roads Capital AMP Reserve Fund	75,000	725,000	0	0	0	800,000
26-3101 - Hot Mix Resurfacing	Asset Management	Roads Capital AMP Reserve Fund	1,100,000	0	0	0	0	1,100,000
26-3102 - Tar & Chip Resurfacing	Asset Management	Roads Capital AMP Reserve Fund	767,500	0	0	0	0	767,500
26-3104 - Sidewalk Replacement (Ilderton)	Asset Management	Roads Capital AMP Reserve Fund	200,000	0	0	0	0	200,000
26-3111 - Waterproof & Pave Bridge B-130, Twelve Mile Road	Asset Management	CCBF Reserve Fund	0	0	0	25,000	150,000	175,000
26-3114 - Repair Bridge B-113, Eight Mile Road	Asset Management	CCBF Reserve Fund	42,000	275,000	0	0	0	317,000
26-3115 - Repair Bridge B-528, Oxbow Drive	Asset Management	OCIF Reserve Fund	0	60,000	446,000	0	0	506,000
26-3118 - Replace Bridge B-132, Ilderton Road	Asset Management	OCIF Reserve Fund	0	0	0	210,000	1,400,000	1,610,000
26-3122 - Oxbow Dr. W Urban (Komoka Rd to 375m west) - Upgrade	Growth	DC & Growth Fund	75,000	1,014,414	0	0	0	1,089,414
26-3126 - Replace Culvert C-161, Sixteen Mile Road	Asset Management	OCIF Reserve Fund	0	0	66,000	350,000	0	416,000
26-3127 - Repair Culvert C-520, Ivan Drive	Asset Management	CCBF Reserve Fund	22,500	150,000	0	0	0	172,500
26-3128 - Replace Culvert C-503; Amiens Road	Asset Management	OCIF Reserve Fund	35,000	230,000	0	0	0	265,000
26-3130 - Replace Culvert C-310; Woodhull Road	Asset Management	OCIF Reserve Fund	82,500	550,000	0	0	0	632,500



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
26-3132 - Vanneck Road Reconstruction (Egremont Drive to Medway Road)	Asset Management	Roads Capital AMP Reserve Fund	1,357,500	0	0	0	0	1,357,500
26-3139 - Replacement Delaware Wash Bay Equipment	Asset Management	General Vehicles & Equipment AMP Reserve Fund	40,000	0	0	0	0	40,000
26-3140 - Replacement Denfield Wash Bay Equipment	Asset Management	General Vehicles & Equipment AMP Reserve Fund	40,000	0	0	0	0	40,000
27-3101 - Hot Mix Resurfacing	Asset Management	Roads Capital AMP Reserve Fund	0	1,100,000	0	0	0	1,100,000
27-3102 - Tar & Chip Resurfacing	Asset Management	Roads Capital AMP Reserve Fund	0	800,000	0	0	0	800,000
27-3141 - Carriage Road Reconstruction (800m South of Gideon to Longwoods Road)	Asset Management	Roads Capital AMP Reserve Fund	0	1,915,000	0	0	0	1,915,000
27-3142 - Carriage Road Reconstruction (Little Wood Drive to Southdel Bourne)	Asset Management	Roads Capital AMP Reserve Fund	0	1,400,000	0	0	0	1,400,000
27-3814 - Sunningdale Rd W (Denfield Rd to Vanneck Rd)	Growth	DC & Growth Fund	0	1,389,500	0	0	0	1,389,500
28-3101 - Hot Mix Resurfacing	Asset Management	Roads Capital AMP Reserve Fund	0	0	1,100,000	0	0	1,100,000
28-3102 - Tar & Chip Resurfacing	Asset Management	Roads Capital AMP Reserve Fund	0	0	800,000	0	0	800,000
28-3110 - Coldstream Road Reconstruction (Oxbow Drive to Glendon Drive)	Asset Management	Roads Capital AMP Reserve Fund	0	0	2,000,000	0	0	2,000,000
28-3120 - Replace Culvert C-571, Ivan Drive	Asset Management	CCBF Reserve Fund	0	0	0	66,000	514,000	580,000
28-3121 - Replace Culvert C-578, Fernhill Drive	Asset Management	OCIF Reserve Fund	0	0	0	66,000	494,000	560,000
28-3122 - Rehabilitate Bridge B-529, Oxbow Drive	Asset Management	OCIF Reserve Fund	0	200,000	1,321,000	0	0	1,521,000
28-3123 - Replace Culvert C-119, Nine Mile Road	Asset Management	CCBF Reserve Fund	66,000	440,000	0	0	0	506,000
28-3125 - Glendon Drive Urbanization (Komoka Rd to Jeffries Rd)	Growth	DC & Growth Fund	0	0	1,155,500	1,100,000	0	2,255,500
28-3136 - Replace Culvert C-547, Oxbow Drive	Asset Management	OCIF Reserve Fund	0	71,250	554,000	0	0	625,250
28-3137 - Replace Culvert C-102, Thirteen Mile Road	Asset Management	CCBF Reserve Fund	0	0	66,000	440,000	0	506,000
29-3029 - Replace Culvert C-581; Coldstream Road	Asset Management	Roads Capital AMP Reserve Fund	0	0	66,000	566,000	0	632,000



# Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
29-3101 - Hot Mix Resurfacing	Asset Management	Roads Capital AMP Reserve Fund	0	0	0	1,100,000	0	1,100,000
29-3102 - Tar & Chip Resurfacing	Asset Management	Roads Capital AMP Reserve Fund	0	0	0	800,000	0	800,000
29-3106 - Wonderland Road Reconstruction (Ilderton Road to 13 Mile)	Asset Management	Roads Capital AMP Reserve Fund	0	0	0	2,300,000	0	2,300,000
29-3107 - Reconstruct Clarke Road (Medway Road to 8 Mile Road)	Asset Management	OCIF Reserve Fund	0	0	0	720,000	0	720,000
29-3108 - Repair Bridge B-139, Fourteen Mile Road	Asset Management	OCIF Reserve Fund	0	0	0	53,000	353,000	406,000
29-3115 - Reconstruction of Railway Ave & Tunks Ln	Efficiency/ Improvement	AMP & Efficiency/ Improvement	0	0	0	250,000	1,600,000	1,850,000
29-3116 - Rehabilitate Bridge B-537, Oxbow Drive	Asset Management	CCBF Reserve Fund	0	200,000	1,226,000	0	0	1,426,000
29-3117 - Repair Bridge B-134, Thirteen Mile Road	Asset Management	OCIF Reserve Fund	0	0	0	50,000	200,000	250,000
29-3124 - Oxbow Dr. W Rural (Amiens to 2000m east) Upgrade	Growth	DC & Growth Fund	0	0	0	180,000	1,127,400	1,307,400
29-3128 - Replace Bridge B-312, Cook Road	Asset Management	OCIF Reserve Fund	0	0	87,750	585,000	0	672,750
30-3101 - Hot Mix Resurfacing	Asset Management	Roads Capital AMP Reserve Fund	0	0	0	0	1,250,000	1,250,000
30-3102 - Tar & Chip Resurfacing	Asset Management	Roads Capital AMP Reserve Fund	0	0	0	0	800,000	800,000
30-3106 - Wonderland Road Reconstruction (15 Mile to Elginfield)	Asset Management	Roads Capital AMP Reserve Fund	0	0	0	0	1,975,000	1,975,000
30-3112 - Westbrook Dr (Stephen Moore to Kilworth Park Dr) - Complete Urbanization	Growth	DC & Growth Fund	0	0	0	0	825,000	825,000
30-3117 - Wonderland Road Reconstruction (13 Mile to 15 Mile)	Asset Management	Roads Capital AMP Reserve Fund	0	0	0	0	2,300,000	2,300,000
30-3128 - Oxbow Dr. E (Union to Coldstream) - Upgrade from LCB to HCB - Urban	Growth	DC & Growth Fund	0	0	0	0	1,360,302	1,360,302
30-3802 - Clarke Rd (Nine Mile Rd to Eight Mile Rd)	Growth	DC & Growth Fund	0	0	0	0	782,900	782,900
30-3824 - Highway 402 & Carriage Rd Interchange	Growth	DC & Growth Fund	0	0	0	0	11,073,300	11,073,300
30-3829 - New Staging/Storage Yard	Growth	DC & Growth Fund	0	0	0	0	350,000	350,000
31-2123 - Rehabilitate Bridge B-502	Asset Management	CCBF Reserve Fund	0	0	0	0	30,000	30,000



## Supplementary Information

Department/ Project	Project Type	Financing	2026 (\$)	2027 (\$)	2028 (\$)	2029 (\$)	2030 (\$)	Total (\$)
31-3126 - Oxbow Dr. E (Union to Coldstream) Upgrade from LCB to HCB - Rural	Growth	DC & Growth Fund	0	0	0	0	440,000	440,000
31-3128 - Bridge B-512 Rehabilitation	Asset Management	OCIF Reserve Fund	0	0	0	0	225,000	225,000
33-3122 - Replace Culvert C-554; Greystead Drive	Asset Management	Roads Capital AMP Reserve Fund	0	0	0	0	65,000	65,000
<b>Transportation Total</b>			<b>9,960,342</b>	<b>10,520,164</b>	<b>9,508,250</b>	<b>8,861,000</b>	<b>27,314,902</b>	<b>66,164,658</b>
<b>Public Works &amp; Engineering Total</b>			<b>9,960,342</b>	<b>10,520,164</b>	<b>9,508,250</b>	<b>8,861,000</b>	<b>27,314,902</b>	<b>66,164,658</b>
<b>Total</b>			<b>21,867,926</b>	<b>38,547,452</b>	<b>70,122,272</b>	<b>56,432,000</b>	<b>42,290,576</b>	<b>229,260,226</b>

*Note: The 5-year capital forecast includes 2025 carry forward project amounts.*

➔ The detailed 5-year capital budget is also available in Middlesex Centre's Open Budget.



# Supplementary Information

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## Acronyms

ABCA – Ausable Bayfield Conservation Authority	DC – Development Charge(s)
AMCTO – Association of Municipal Managers, Clerks and Treasurers of Ontario	DCBS – Development Charges Background Study
AMO – Association of Municipalities of Ontario	DEI – Diversity, Equity and Inclusion
AMP – Asset Management Plan	DWQMS – Drinking Water Quality Management Standard
AMPS – Administrative Monetary Penalty System	ECDM – Energy Conservation and Demand Management Plan
AODA – Accessibility for Ontarians with Disabilities Act	EMOP – Elgin Middlesex Oxford Purchasing Cooperative
ARL – Annual Repayment Limit (Debt)	FCM – Federation of Canadian Municipalities
BCA – Building Condition Assessment	FIR – Financial Information Return
BCI – Bridge Condition Index	FOI – Freedom of Information
BCPI – Building Construction Price Index	FTE – Full-Time Equivalent Position
BMA – BMA Management Consultants Inc.	GAAP – Generally Accepted Accounting Principles
BRA – Bluewater Recycling Association	GFOA – Government Finance Officers Association
CAO – Chief Administration Officer	GIS – Geographic Information System
CCBF – Canada Community-Building Fund	GPS – Global Positioning system
CDM – Conservation and Demand Management	HAF – Housing Accelerator Fund
CICA – Canadian Institute of Chartered Accountants	HCB – High Class Bituminous (Asphalt)
CSMP – Community Services Master Plan	HR – Human Resources
COLA – Cost of Living Allowance	HVAC – Heating Ventilation Air Conditioning
CPI – Consumer Price Index	IT – Information Technology
CPA – Chartered Professional Accountant	KCCA – Kettle Creek Conservation Authority
CRV – Current Replacement Value	km – kilometres
CVA – Current Value Assessment	KPI – Key Performance Indicator



# Supplementary Information

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LCB – Low Class Bituminous (Tar & Chip)

LED – Light Emitting Diode

LOS – Level of Service

LRFP – Long Range Financial Plan

LHPWSS – Lake Huron Primary Water Supply System

LTVCA – Lower Thames Valley Conservation Authority

MCFS – Middlesex Centre Fire Services

MMAH – Ministry of Municipal Affairs and Housing

MMS – Minimum Maintenance Standards

MPAC – Municipal Property Assessment Corporation

MTO – Ministry of Transportation

NBV – Net Book Value

OCWA – Ontario Clean Water Agency

OCIF – Ontario Community Infrastructure Fund

OFM – Ontario Fire Marshal

OMERS – Ontario Municipal Employees Retirement System

OMP – 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

PPE – Personal Protective Equipment

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

SCBA – Self-Contained Breathing Apparatus

SCRCA – St. Clair Region Conservation Authority

SMT – Senior Management Team

SWM – Stormwater Management

TCA – Tangible Capital Asset

TMP – Transportation Master Plan

UTRCA – Upper Thames River Conservation Authority

WSIB – Workplace Safety and Insurance Board



# Supplementary Information

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## Glossary of Terms

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

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

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

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

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

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

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

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

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

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

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

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

**Building Construction Price Index (BCPI)** – The Building Construction Price Indexes (BCPI) are quarterly series that measure change over time in the prices that contractors charge to construct a range of new commercial, institutional, industrial and residential buildings.

**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.



# Supplementary Information

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

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

**Consumer Price Index (CPI)** – A statistical description of price levels provided add construction 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 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

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**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/Net Position** – 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.

**Key Performance Indicator (KPI)** – is a measurable value demonstrating how effectively an organization achieves objectives, offering insights into progress and success towards strategic goals. Metrics vary by context.

**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.



# Supplementary Information

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

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

**Modified Accrual** - modified accrual basis of budgeting combines aspects of the accrual basis and cash basis of accounting.

**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 full-time 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.



# Supplementary Information

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

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

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

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

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

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

**Strong Mayor Powers** – Additional powers afforded to the position of Mayor under the Municipal Act, O.Reg. 530/22 and O.Reg. 580/22 to help accelerate the implementation of key priorities shared by both local and provincial governments. These powers include appointment of the CAO, hiring certain department heads and reorganizing departments, creating committees of council, proposing the municipal budget, and certain veto powers, among others.

**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).

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

