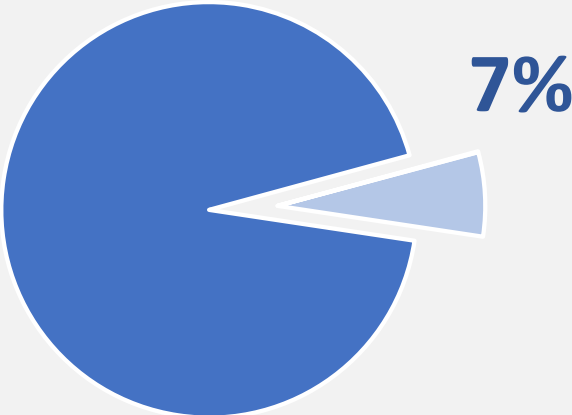




2020 Municipality of Middlesex Centre Fiscal Health & Sustainability Analysis

Tax receivables compared to taxes levied

| | 2020 | 2019 |
|------------------|------------|------------|
| Taxes Receivable | 1,472,334 | 1,346,483 |
| Taxes Levied | 19,805,495 | 18,249,219 |
| | 7% | 7% |



- Remained steady year-over-year showing stable base considering first year of COVID-19 pandemic
- Consistently below best practice level of 15%
- Reflects strong ability of residents to pay and effectiveness of tax collection procedures

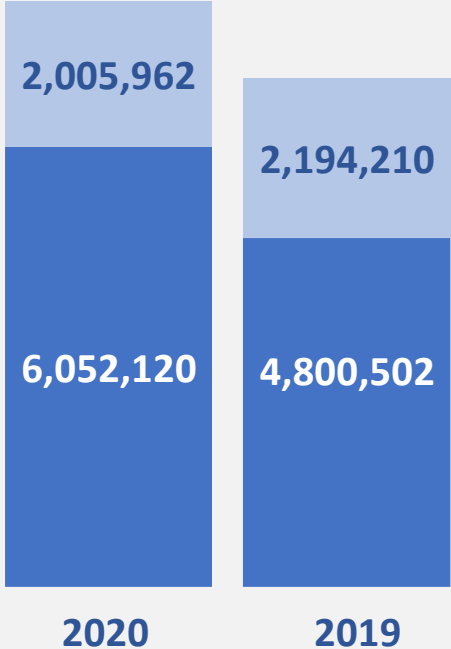


2020 Municipality of Middlesex Centre Fiscal Health & Sustainability Analysis

Debt Service Coverage Ratio

3.02

| | 2020 | 2019 |
|----------------------|-------------|-------------|
| Operating surplus | 6,052,120 | 4,800,502 |
| Principal & Interest | 2,005,962 | 2,194,210 |
| | 3.02 | 2.19 |



- Shows municipality’s ability to produce enough cash to cover debt payments
- Higher surplus and lower debt payments contribute to higher ratio year over 2019
- A three times coverage indicates healthy ability to meet debt obligations

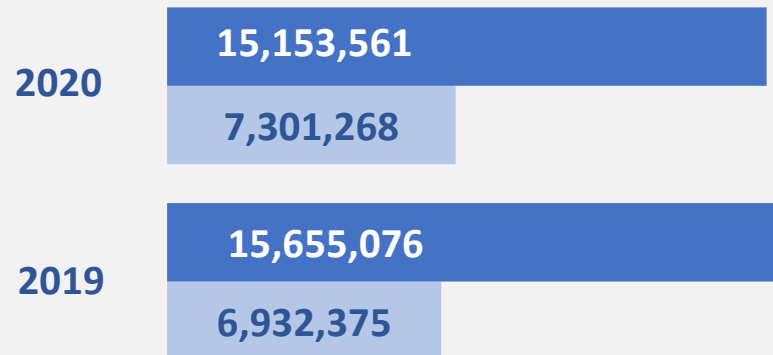


2020 Municipality of Middlesex Centre Fiscal Health & Sustainability Analysis

Asset Sustainability Ratio

2.08

| | 2020 | 2019 |
|--------------|-------------|-------------|
| Acquisitions | 15,153,561 | 15,655,076 |
| Amortization | 7,301,268 | 6,932,375 |
| | <u>2.08</u> | <u>2.26</u> |



- Shows the extent that assets are being replaced as they reach the end of their useful lives as they wear out
- Measured by capital expenditure on TCA relative to amortization
- While slightly down from 2019, still well above standard of .90
- Shows consistent reinvestment Tangible Capital Assets (TCA)



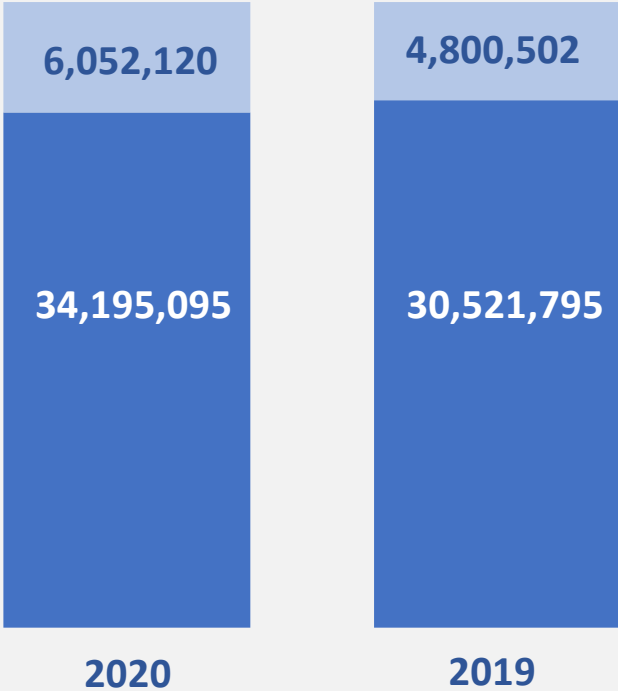
2020 Municipality of Middlesex Centre Fiscal Health & Sustainability Analysis

Operating Surplus Ratio

| | 2020 | 2019 |
|-------------------|------------|------------|
| Operating surplus | 6,052,120 | 4,800,502 |
| Operating revenue | 34,195,095 | 30,521,795 |
| | 18% | 16% |

- The ability to cover operational costs and have revenues available for capital funding or other purposes
- Positive ratio shows % of own source revenue available to fund capital expenditures or reserves
- Increasing ratio from 2019 indicates increased funds for capital funding and reserves

18%



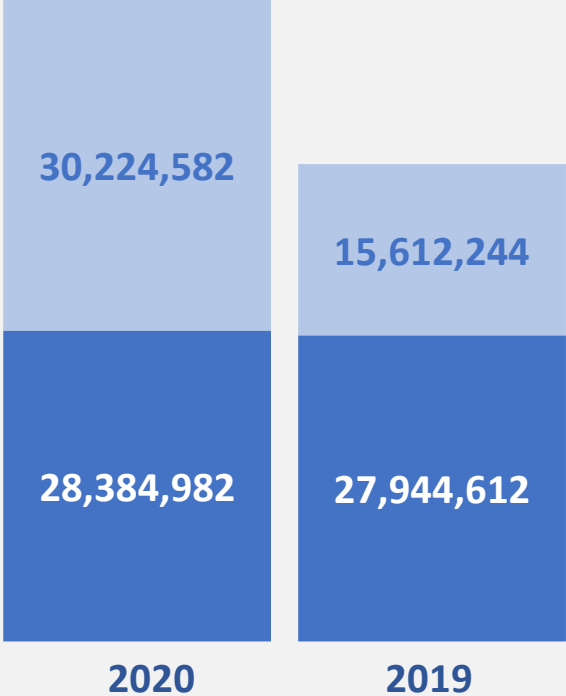


2020 Municipality of Middlesex Centre Fiscal Health & Sustainability Analysis

Reserves compared to Operating expenses

1.06

| | 2020 | 2019 |
|--------------------|-------------|-------------|
| Reserves | 30,224,582 | 15,612,244 |
| Operating expenses | 28,384,982 | 27,944,612 |
| | <u>1.06</u> | <u>0.56</u> |



- Reserves greater than 20% indicates that funds are being set aside for future needs
- Both Specific Purpose Reserves & Obligatory Reserves increased over 2019
- Indicates well positioned to meet unexpected financial needs