



Meeting Date: May 20, 2026

Prepared by: Tiffany Farrell, CPA, CA, Chief Administrative Officer

Submitted by: Tiffany Farrell, CPA, CA, Chief Administrative Officer

Report No: CPS-30-2026

Subject: 2025 Annual Report on Development Charges

Recommendation:

THAT Report CPS-30-2026 re: 2025 Annual Report on Development Charges be received for information in accordance with the *Development Charges Act, 1997*, which requires the Treasurer to provide a financial statement relating to development charge by-laws and associated reserve funds;

AND THAT the Treasurer be directed to make the 2025 Annual Report on Development Charges available to the public on the municipal website to fulfill Council's obligation under the *Development Charges Act, 1997*;

AND FURTHER THAT the Treasurer be directed to provide the 2025 Annual Report on Development Charges to the Minister of Municipal Affairs and Housing by July 15, 2026.

Purpose:

To present to Council the Development Charges (DC) annual report on DC Reserve Funds in accordance with section 43 of the *Development Charges Act, 1997* (DCA).

Background:

DCs provide a method for municipalities to recover the capital costs of providing infrastructure and services associated with growth. In Ontario, the DCA governs the calculation of rates and the collection of DCs. As required by the DCA, the Municipality of Middlesex Centre conducts a DC Background Study to forecast the Municipality's future residential and non-residential growth to determine infrastructure needs and costs. The Municipality's study and By-law 2024-064 received approval in July 2024. Subsequently, the Development Charges By-law was amended in September 2025 (By-law 2025-064) to reference new development charge reduction incentives, revised exemptions, and updated payment timing. The resulting data inform the calculation of fees required from new developments to fund supporting infrastructure and services.

An important relationship exists between the projected amount of residential and non-residential growth and the Municipality’s investment in infrastructure projects. DC rate calculations are based on growth projections that determine servicing needs, which in turn establish DC rates.

Development charges play a critical role in ensuring the necessary infrastructure and municipal services are in place to support growth and development. If development charges were removed as a financial tool to support growth, it would place undue pressure on existing taxpayers. The following table shows the cost of growth projects for the municipality:

Table: Cost of Growth Projects – Middlesex Centre DC Study, 2024

Department/Service	Total - Benefit to Existing	Total Growth (DC)	Total Project
Fire	\$56,700	\$6,188,300	\$6,245,000
Parks and Recreation	\$23,001,900	\$13,184,309	\$36,186,209
Roads	\$29,641,200	\$29,232,069	\$58,873,269
Wastewater	\$18,074,800	\$60,881,850	\$78,956,650
Water	\$15,875,200	\$19,978,800	\$35,854,000
Total	\$86,649,800	\$129,465,328	\$216,115,128

Section 43 of the DCA requires the Treasurer of the municipality to provide to Council an annual financial statement relating to the DC By-law and any reserve funds established under the DCA. Section 43 (2) of the DCA and O. Reg. 82/98 prescribe the information that must be provided in the statement. Finally, Section 43 (3) of the DCA requires this statement to be sent to the Ministry of Municipal Affairs and Housing (MMAH) by July 15, 2026.

Additionally, subsection 35 (2) of the DCA requires a municipality to spend or allocate at least 60 per cent of the monies in the reserve funds for water, wastewater, and roads at the beginning of each year.

Analysis:

Compliance with Legislative Requirements

The attachments to this report include all the required information as outlined in Section 43 (2) of the DCA, 35 (2) of the DCA and O. Reg. 82/98. Specifically, the statement must provide the following:

1. A statement of the opening and closing balances of the reserve funds and any transactions relating to the funds (found in Attachment 1 - Annual Treasurer's Statement of Development Charge Reserve Funds);
2. A statement identifying all assets whose capital costs were funded under the DC By-law during the year and the source of the capital cost not funded under the DC By-law (found in Attachment 2 - Amount Transferred to Capital (or Other) Funds - Capital Fund Transactions);
3. A description of each service and/or service category for which the reserve fund was established. If the fund was established for a service category, the services in the category (found in Attachment 4 - Description of the Service (or Class of Service) for which each Development Charge Reserve Fund was Established);
4. The amount borrowed from the fund by the municipality and the purpose for which it was borrowed, and interest accrued during the previous year (no such borrowing occurred in 2025);
5. The amount and source of money used by the municipality to repay municipal obligations to the DC reserve funds (no such borrowing occurred in 2025), details are outlined in Attachment 1 - Annual Treasurer's Statement of Development Charge Reserve Funds);
6. A schedule that identifies credits recognized under section 17 and, for each credit recognized, sets out the value of the credit, the service against which the credit is applied, and the source of funds used to finance the credit (Attachment 5 - Statement of Credit Holder Transactions);
7. For each service for which a DC is collected during the year, whether, as of the end of the year, the municipality expects to incur the amount of capital costs that were estimated, in the relevant DC background study, to be incurred during the term of the applicable DC by-law. ii. If the answer to subparagraph (i) is no, the amount the municipality now expects to incur and a statement as to why this amount is expected (Attachment 6 - Statements Related to Development Charge Reserve Funds);
8. For any service for which a DC was collected during the year but in respect of which no money from a reserve fund was spent during the year, a statement as to why there was no spending during the year. O. Reg. 82/98, s. 12 (3); O. Reg. 438/22, s. 1 (Attachment 6 - Statements Related to Development Charge Reserve Funds);
9. A statement as to compliance with subsection 59.1 (1) that no other charge has been imposed related to a development or a requirement to construct a service related to development, except as permitted by the Act or another Act (Attachment 1 - Annual Treasurer's Statement of Development Charge Reserve Funds) and below:

As part of this report, the Treasurer further notes that the Municipality of Middlesex Centre is also in compliance with subsection 59.1(1) of the DCA as outlined below:

59.1 (1) A municipality shall not impose, directly or indirectly, a charge related to a development or a requirement to construct a service related to development, except as permitted by this Act or another Act. 2015, c.26, s.8.

10. Middlesex Centre follows subsection 35 (2) of the DCA that requires a municipality to spend or allocate at least 60 per cent of the monies in the reserve funds for water, wastewater, and roads at the beginning of each year (Attachment 3 - Statement of Reserve Fund Balance Allocations).

For 2025, staff have prepared Attachment 3, which outlines planned future allocations not only for the previously identified three services, but also for fire protection and parks and recreation services. While there is no formal reporting requirement for these additional services under Section 35(2) of the Act, staff have completed the analysis to support transparency and accountability. It is important to note that the projects and funding amounts listed in Attachment 3 are subject to change; however, any updates will be appropriately documented. Additionally, the opening balances for two of the three identified services are still in a negative position, the 60% funding threshold required by the Ministry cannot be applied, however the information for future allocations is provided.

11. Section 35 of the DCA states that the money in a reserve fund established for a service may be spent only for capital costs determined under paragraphs 2 to 7 of subsection 5(1). This provision clearly establishes that reserve funds collected for a specific service are only to be used for that service, or to be used as a source of interim financing of capital undertakings for which a development charge may be spent. Middlesex Centre is following this requirement.

For the 2025 annual report on DC reserve funds, and for future reports, the Treasurer has introduced additional information on development charges revenue and expenditures to assist in monitoring the Municipality's DC commitments and balances as well as additional reporting around DC exemptions to enhance transparency.

Amendments to Act since January 1, 2020

Prior to January 1, 2020, DCs collected for new developments were only based on Council's approved DC rates in effect at time of subdivision approval or building permit issuance. Due to *More Homes, More Choice Act, 2019* (Bill 108), DCs are now collected based on rates in effect at either date of zoning by-law amendment or site plan application for the development. In typical by-law cycles of increasing DC rates, this would result in a discount from the prevailing rates, which would be recovered to an extent through the interest policy.

On November 28, 2022, *More Homes Built Faster Act* (Bill 23) introduced changes to the Act requiring new DC rates be phased in when a new DC by-law is passed. In addition, rental developments could receive discounts based on the number of

bedrooms, and other residential developments (such as secondary suites, non-profit housing, affordable and attainable housing) would be exempt from DCs.

On June 6, 2024, *Cutting Red Tape to Build More Homes Act* (Bill 185) repealed the phase-in provision of the Act, reverting DCs to full bylaw rates as well as reinstating development-related growth studies as DC-eligible.

On June 5, 2025, *Protect Ontario by Building Faster and Smarter Act* (Bill 17), allowed for the deferral of development charges until occupancy for non-rental residential developments and eliminated interest payments on deferred charges. Regulations brought this into effect as of November 3, 2025.

On November 27, 2025, *Fighting Delays, Building Faster Act* (Bill 60), instituted further disclosure requirements such as indicating how much was to be spent from all reserve funds, amount of debt accrued, and setting a deadline for when to send the memorandum to the MMAH.

Development Charge Debt

At present, the Municipality has five existing development charge supported outstanding debts, all of which are financed either entirely or in part by development charges. These borrowings support major capital projects, including infrastructure upgrades and expansions, and the portion paid by development charges reflects the growth-related share of each project. The following table provides details on each debt, including description, total loan amount, interest rate, percentage eligible for development charges, and maturity date. This approach helps ensure that growth pays for growth, aligning with legislative requirements and enhancing transparency for ratepayers.

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
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
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
Komoka Wellness Centre – This debt borrowing was for the construction of the building for the Wellness Centre.	5,546,814	3.69%	45%	2042
Total	21,926,588			

Monitoring Development Charges and Growth-Related Spending

With the passage of Bill 23, *More Homes Built Faster Act, 2022*, the DCA now requires that DC rates be reviewed and updated at least every ten years, an increase from the previous five-year cycle. This legislative change makes it even more critical to regularly monitor growth-related revenues and expenditures to ensure sufficient funds are collected to support timely infrastructure delivery and to maintain the financial health of the Municipality's reserve funds.

DC rates are established through a DC Background Study, which relies on hundreds of assumptions about future growth, development timing, and construction costs. These assumptions are based on high-level cost estimates from servicing master plans and are sometimes refined through Environmental Assessments and detailed design. As development proceeds and infrastructure projects are implemented, actual expenditures become available and are compared to the original assumptions. This comparison is essential for evaluating whether sufficient revenues are being collected and for identifying significant cost variances. Staff include this information in Attachment 3 - Statement of Reserve Fund Balance Allocations.

Monitoring focuses on whether project costs align with the estimates used to set DC rates. Projects that exceed approved budgets raise concerns about the adequacy of DC rates and the sustainability of the reserve funds. Conversely, projects delivered below budget can help offset revenue shortfalls, reduce the need for DC supported debt, or lead to lower future DC rates. Projects delivered within budget are considered neutral and typically not a focus of monitoring efforts. It is important to note that actual capital spending may occur several years after budget approval due to extended timelines for environmental assessments, detailed design, and procurement. Staff provide the impact to the Development Charge requirements and changes in Attachment 6 - Statements Related to Development Charge Reserve Funds.

Staff actively monitors growth-related capital spending to ensure alignment with Council-approved budgets, as outlined in Attachment 3. The analysis in Attachments 3 and 6 will help Council determine whether corrective actions are needed to address revenue shortfalls or escalating project costs and confirm compliance with legislation. Possible actions include adjusting the capital budget or initiating a new DC Background Study ahead of schedule to support continued infrastructure delivery. If significant concerns emerge through this monitoring process, staff will bring forward recommendations for appropriate adjustments.

Reserve Fund Analysis

Maintaining the financial health of the Municipality's reserve funds is essential to ensuring:

- that the timing of critical growth infrastructure is maintained, resulting in development proceeding as planned;

- that the Municipality does not develop an over reliance on debt financing and associated costs to service that debt (interest); and
- that the need to trigger a DC rate adjustment prior to the scheduled DC Background Study is avoided.

Staff actively monitors and reviews the health and financial sustainability of the Municipality's reserve funds. This analysis revealed a need to closely monitor the balance between the DC reserve funds and the reserve fund activity for Water and Wastewater. These services are currently in a negative reserve fund balance and have significant future projects to fund. The Municipality will need to rely heavily on debt to facilitate the timing of infrastructure construction because major expenditures for these services precede and facilitate growth; new investments are required well prior to development being possible in a new growth area. Staff have addressed this in the long-range financial plans as approved by Council in June 2025.

Therefore, the DC reserve funds that finance these services will need to rely on debt to finance the portion of the project costs identified for recovery beyond the time horizon of the DC Study. Staff will continue to monitor debt requirements and when the debt is issued it will be in accordance with the Council-approved Capital Financing and Debt Management Policy.

Development Charge Exemptions

The DCA permits several exemptions where DCs shall not be imposed for certain types of development. This list of exemptions under the DCA expanded at the end of 2022 with the passage of Bill 23 and was further refined in 2024 with the passage of Bill 185 and again in 2025 with the passage of Bill 17 *Protect Ontario by Building Faster and Smarter Act, 2025*. There are additional exemptions that have impacted the 2025 DCs beyond those required under the DCA that are outlined in the Municipality's DC Study 2024, DC By-laws 2024-064 and 2025-064.

Prior to the approval of the Municipality's Development Charge Exemption Policy #CPS-26-2024, the Municipality funded all exemptions for a study period in the final year of the study period. Therefore, all exemptions from July 2019 to July 2024 are funded in 2024. On a go forward basis, the Municipality will fund the exemptions in the year they occur as outlined in the policy.

DC exemptions from July 17, 2019, to December 31, 2023, totaled \$2,475,170.72.

DC exemptions in 2024 totaled \$915,238.11.

DC exemptions in 2025 totaled \$21,689.85.

Details of the DC exemptions is outlined in Attachment 7 (Summary of Development Charge Revenue Losses (Funding Development Charge Exemptions)).

Conclusion

In accordance with the DCA it is recommended that this report be received for information and be made available to the public on the Municipality's website. Staff have not identified any recommended actions to be taken because of the DC monitoring exercise, however debt requirements related to the Water and Wastewater DC projects will be discussed further in 2026. Although 2025 revenues are significantly below projected revenues, 2026 is anticipated to improve through higher residential and non-residential revenues because of the improving market conditions and drive to build more housing from both the federal and provincial governments. Staff will continue to actively monitor the health and financial sustainability of the reserve funds.

At the end of 2025, the DC reserve funds were no longer in a negative position, however, as of January 2026, they are once again in a negative position, and the Municipality is borrowing the funding from its general bank account to fund the deficit. All interest is borrowed at 4.75% in accordance with the DCA as outlined in the DC Background Study 2024.

Financial Implications:

When applicable, development charges are collected at the time of building permit issuance and are to be used to offset growth-related component of eligible capital works. Although this report details the receipt, retention, and application of those funds for capital purposes during the year, there is no financial impact to receiving this report. The amount of development charges can vary widely from year to year based on fluctuations on building activity, such as the number and size of non-residential developments or changes in the type and/or number of housing units.

Strategic Plan:

This matter aligns with the following strategic priorities:

- Responsive Municipal Government

The annual report on Development Charges (Treasurer Statement) is a legislative requirement under the Development Charges Act and additionally it responds directly to Objective 5.3– Foster a culture of innovation, continuous improvement, and cost-effective services by sharing information and gathering input, by continuing timely and effective communication to the public.

Attachments:

A1 - Annual Treasurer's Statement of Development Charge Reserve Funds

A2 - Amount Transferred to Capital (or Other) Funds - Capital Fund Transactions

A3 - Statement of Reserve Fund Balance Allocations

A4 - Description of the Service (or Class of Service) for which each Development Charge Reserve Fund was Established

A5 - Statement of Credit Holder Transactions

A6 - Statements Related to Development Charge Reserve Funds

A7 -Summary of Development Charge Revenue Losses (Funding Development Charge Exemptions)

Attachment 1
Municipality of Middlesex Centre
Annual Treasurer's Statement of Development Charge Reserve Funds

Description	Services to which the Development Charge Relates						Total
	Services Related to a Highway	Water Services	Wastewater Services	Fire Protection Services	Parks and Recreation Services	Growth-related Studies	
Opening Balance, January 1, 2025	1,326,660.43	(1,302,382.03)	(3,646,182.51)	1,568,634.77	1,850,374.50	(551,264.51)	(754,159.35)
Plus:							
Development Charge Collections	470,898.89	406,561.50	1,234,512.29	136,275.17	258,412.27	41,757.27	2,548,417.39
Interest Earned	56,156.77	-	-	55,771.58	59,545.63	-	171,473.98
Development Charge Collections from Exemptions ⁴	(838.92)	7,598.43	5,897.30	387.73	8,532.74	112.56	21,689.84
Repayment of Monies Borrowed from Fund and Associated Interest ¹							-
Sub-Total	526,216.74	414,159.93	1,240,409.59	192,434.48	326,490.64	41,869.83	2,741,581.21
Less:							
Amount Transferred to Capital Funds ²	23,041.32	-	264,365.72	-	150,810.59	-	438,217.63
Amount Transferred to Operating Funds ²	57,833.05	147,523.21	565,219.27	-	137,695.49	13,462.86	921,733.88
Interest Costs	-	38,609.74	119,945.16	-	-	19,352.91	177,907.81
Amounts Loaned to Other D.C. Service Category for Interim Financing	-	-	-	-	-	-	-
Credits ³	-	-	-	-	-	-	-
Sub-Total	80,874.37	186,132.95	949,530.15	-	288,506.08	32,815.77	1,537,859.32
Closing Balance, December 31, 2025	1,772,002.80	(1,074,355.05)	(3,355,303.07)	1,761,069.25	1,888,359.06	(542,210.45)	449,562.54

¹ Source of funds used to repay the D.C. reserve fund

² See Attachment 2 for details

³ See Attachment 5 for details

⁴ See Attachment 7 for details

The Municipality is compliant with s.s. 59.1 (1) of the *Development Charges Act*, whereby charges are not directly or indirectly imposed on development nor has a requirement to construct a service related to development been imposed, except as permitted by the *Development Charges Act* or another Act.



Tiffany Farrell, CPA, CA
 Chief Administrative Officer
 Municipality of Middlesex Centre

20-May-26
 Date

**Attachment 2
Municipality of Middlesex Centre
Amount Transferred to Capital (or Other) Funds - Capital Fund Transactions**

Capital Fund Transactions	Gross Capital Cost	D.C. Recoverable Cost Share					Non-D.C. Recoverable Cost Share				
		D.C. Forecast Period		Post D.C. Forecast Period			Other Reserve/Reserve Fund Draws	Tax Supported Operating Fund Contributions	Rate Supported Operating Fund Contributions	Debt Financing	Grants, Subsidies Other Contributions
		D.C. Reserve Fund Draw	D.C. Debt Financing	Grants, Subsidies Other Contributions	Post-Period Benefit/Capacity Interim Financing	Grants, Subsidies Other Contributions					
Services Related to a Highway											
Longwoods Pedestrian Crosswalk	\$ 65,832.34	\$ 23,041.32					\$ 42,791.02				
Sub-Total - Services Related to Highways	\$ 65,832.34	\$ 23,041.32	\$ -	\$ -	\$ -	\$ -	\$ 42,791.02	\$ -	\$ -	\$ -	\$ -
Parks and Recreation Services											
Timberwalk Trail	\$ 17,373.63	\$ 17,373.63									
Timberwalk Park	\$ 133,436.96	\$ 133,436.96									
Sub-Total - Parks and Recreation Services	\$ 150,810.59	\$ 150,810.59	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wastewater Services											
Ilderton Treatment Capacity Upgrades	\$ 52,913.26	\$ 52,913.26									
Komoka Wastewater Treatment Plan Sch C EA	\$ 257,868.85	\$ 211,452.46					\$ 46,416.39				
Sub-Total - Wastewater Services	\$ 310,782.11	\$ 264,365.72	\$ -	\$ -	\$ -	\$ -	\$ 46,416.39	\$ -	\$ -	\$ -	\$ -
Total Capital Fund Transactions	\$ 527,425.04	\$ 438,217.63	\$ -	\$ -	\$ -	\$ -	\$ 89,207.41	\$ -	\$ -	\$ -	\$ -

Amount Transferred to Operating (or Other) Funds - Operating Fund Transactions - Debt

Operating Fund Transactions	Annual Debt Repayment Amount	D.C. Reserve Fund Draw		Post D.C. Forecast Period			Non-D.C. Recoverable Cost Share		
		Principal	Interest	Principal	Interest	Source	Principal	Interest	Source
Services Related to a Highway									
Operation Centre	\$ 319,696.25	\$ 45,837.39	\$ 11,995.66				\$ 207,547.87	\$ 54,315.33	Tax Levy
Sub-Total - Services Related to a Highway	\$ 319,696.25	\$ 45,837.39	\$ 11,995.66	\$ -	\$ -	\$ -	\$ 207,547.87	\$ 54,315.33	Tax Levy
Parks and Recreation Services									
Wellness Centre	\$ 305,989.97	\$ 83,202.22	\$ 54,493.27				\$ 101,691.60	\$ 66,602.88	Tax Levy
Sub-Total - Parks and Recreation Services	\$ 305,989.97	\$ 83,202.22	\$ 54,493.27	\$ -	\$ -	\$ -	\$ 101,691.60	\$ 66,602.88	Tax Levy
Wastewater Services									
Timberwalk Pumping Station	\$ 80,762.08	\$ 36,664.30	\$ 17,607.82				\$ 17,895.67	\$ 8,594.29	User Fees
Komoka Wastewater Expansion	\$ 510,947.15	\$ 344,989.90	\$ 165,957.25						User Fees
Sub-Total - Wastewater	\$ 591,709.23	\$ 381,654.20	\$ 183,565.07	\$ -	\$ -	\$ -	\$ 17,895.67	\$ 8,594.29	User Fees
Water Services									
Kilworth/Komoka Waterline	\$ 280,782.66	\$ 117,922.01	\$ 29,601.20				\$ 106,520.33	\$ 26,739.12	User Fees
Sub-Total - Water	\$ 280,782.66	\$ 117,922.01	\$ 29,601.20	\$ -	\$ -	\$ -	\$ 106,520.33	\$ 26,739.12	User Fees
Total Operating Debt Transactions	\$ 1,498,178.11	\$ 628,615.82	\$ 279,655.20	\$ -	\$ -	\$ -	\$ 433,655.47	\$ 156,251.62	

Amount Transferred to Operating (or Other) Funds - Operating Fund Transactions

Operating Fund Transactions	D.C. Reserve Fund Draw	Non-D.C. Recoverable Cost Share	Source
Growth-Related Studies			
Active Transportation Master Plan	\$ 26,925.72	\$ 13,462.86	Tax Levy
Total Operating Transactions	\$ 26,925.72	\$ 13,462.86	\$ -

Attachment 3
Municipality of Middlesex Centre
Statement of Reserve Fund Balance Allocations

Service:	Water
Balance in Reserve Fund at Beginning of Year:	(1,302,382.03)
60% of Balance to be Allocated (at a minimum):	(781,429.22)

Projects to Which Funds Will be Allocated

Project Description	Project Number	Total Growth-related Capital Cost in D.C. Study (2024)	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year	Total Non-Growth-related Capital Cost Remaining to be Funded
King and George St. Reconstruction - Oversizing of Watermain	23-4328	\$ 34,900.00	\$ 34,900.00	\$ -	\$ -	\$ 395,600.00
New Arva Water Storage Facility and BPS	28-4808	\$ 874,600.00	\$ 874,600.00	\$ -	\$ -	\$ 3,234,260.00
Expand Komoka BPS	28-4812	\$ 1,138,000.00	\$ 1,138,000.00	\$ -	\$ -	\$ -
Expand Komoka IPS	28-4813	\$ 601,300.00	\$ 601,300.00	\$ -	\$ -	\$ 221,084.00
Glendon Dr. Watermain (Highway 402 E to W of Komoka Rd.)	28-4814	\$ 5,916,000.00	\$ 5,916,000.00	\$ -	\$ -	\$ -
Connect Arva to LHPWSS	29-4815	\$ 435,800.00	\$ 435,800.00	\$ -	\$ -	\$ 1,611,600.00
New Ilderton Water Storage Facility	30-4811	\$ 7,165,000.00	\$ 7,165,000.00	\$ -	\$ -	\$ -
Replace Komoka Elevated Tank	34-4809	\$ 2,992,200.00	\$ 2,992,200.00	\$ -	\$ -	\$ 8,008,100.00
Expand On-grade Storage Reservoir (at Komoka BPS)	34-4810	\$ 821,000.00	\$ 821,000.00	\$ -	\$ -	\$ 2,197,300.00
Total		\$ 19,978,800.00	\$ 19,978,800.00	\$ -	\$ -	\$ 15,667,944.00

Service:	Wastewater
Balance in Reserve Fund at Beginning of Year:	(3,646,182.51)
60% of Balance to be Allocated (at a minimum):	(2,187,709.51)

Projects to Which Funds Will be Allocated

Project Description	Project Number	Total Growth-related Capital Cost in D.C. Study (2024)	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year	Total Non-Growth-related Capital Cost Remaining to be Funded
Ilderton Treatment Capacity Upgrades	21-4104	\$ 9,776,650.00	\$ 9,776,650.00	\$ -	\$ -	\$ -
New Komoka Sewage Pump Station #2	25-4802	\$ 1,908,100.00	\$ 1,908,100.00	\$ -	\$ -	\$ 4,313,900.00
New Arva SPS2	27-4804	\$ 3,876,000.00	\$ 3,876,000.00	\$ -	\$ -	\$ -
Upgrade Sewer Main on Komoka Rd.	27-4806	\$ 232,100.00	\$ 232,100.00	\$ -	\$ -	\$ 1,195,900.00
Komoka WWTP Expansion Phase 1	28-4801	\$ 19,396,700.00	\$ 19,396,700.00	\$ -	\$ -	\$ 4,174,300.00
Upgrade Arva SPS1	28-4805	\$ 482,300.00	\$ 482,300.00	\$ -	\$ -	\$ 945,700.00
New Sewer Main on Glendon Dr.	29-4807	\$ 4,590,000.00	\$ 4,590,000.00	\$ -	\$ -	\$ -
Komoka WWTP Expansion Phase 2	33-4801	\$ 19,149,800.00	\$ 19,149,800.00	\$ -	\$ -	\$ 4,121,200.00
Decommission Existing Komoka SPS1	33-4803	\$ 1,470,200.00	\$ 1,470,200.00	\$ -	\$ -	\$ 3,323,800.00
Total		\$ 60,881,850.00	\$ 60,881,850.00	\$ -	\$ -	\$ 18,074,800.00

Service:	Services Related to a Highway
Balance in Reserve Fund at Beginning of Year:	1,326,660.43
60% of Balance to be Allocated (at a minimum):	795,996.26

Projects to Which Funds Will be Allocated

Project Description	Project Number	Total Growth-related Capital Cost in D.C. Study (2024)	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year	Total Non-Growth-related Capital Cost Remaining to be Funded
New Street Sweeper Attachment	24-3252	\$ 16,700.00	\$ -	\$ 13,114.33	\$ 13,114.33	\$ -
New Compact Track Loader & Attachments	24-3527	\$ 160,000.00	\$ -	\$ 147,029.21	\$ 147,029.21	\$ -
King and George Street Reconstruction	23-3109	\$ 57,500.00	\$ 56,278.88	\$ 1,221.12	\$ -	\$ 517,500.00
New Pedestrian Crossing (Hyde Park Rd at Heritage Dr)	26-3826	\$ 33,600.00	\$ 33,600.00	\$ -	\$ -	\$ 61,400.00
Glendon Drive Urbanization (Komoka Rd to Jeffries Rd)	27-3125	\$ 924,400.00	\$ 924,400.00	\$ -	\$ -	\$ 1,386,600.00
New Delaware PWE Facility & Sand/Salt Storage	29-6802	\$ 9,829,700.00	\$ 9,829,700.00	\$ -	\$ -	\$ 11,194,300.00
Westbrook Dr (Stephen Moore to Kilworth Park Dr) - Complete Urbanization	30-3112	\$ 330,000.00	\$ 330,000.00	\$ -	\$ -	\$ 495,000.00
Oxbow Dr. W Urban (Komoka Rd to 375m west) - Upgrade	30-3122	\$ 627,214.00	\$ 627,214.00	\$ -	\$ -	\$ 412,200.00
Oxbow Dr. E (Union to Coldstream) Upgrade from LCB to HCB - Rural	30-3123	\$ 1,163,153.00	\$ 1,163,153.00	\$ -	\$ -	\$ 877,300.00

Oxbow Dr. W Rural (Amiens to 2000m east) Upgrade	30-3124	\$ 745,300.00	\$ 745,300.00	\$ -	\$ -	\$ 562,100.00
Oxbow Dr. E (Union to Coldstream) - Upgrade from LCB to HCB - Urban	30-3128	\$ 820,802.00	\$ 820,802.00	\$ -	\$ -	\$ 539,500.00
New Tri-Axle Truck	30-3265	\$ 550,000.00	\$ 550,000.00	\$ -	\$ -	\$ -
New 1/2 Ton Pickup Truck	30-3280	\$ 70,000.00	\$ 70,000.00	\$ -	\$ -	\$ -
New 1 Ton Pickup Truck	30-3281	\$ 140,000.00	\$ 140,000.00	\$ -	\$ -	\$ -
New Large Excavator	30-3425	\$ 550,000.00	\$ 550,000.00	\$ -	\$ -	\$ -
New Sidewalk Plow	30-3531	\$ 250,000.00	\$ 250,000.00	\$ -	\$ -	\$ -
New 55 Ton Float Trailer	30-3615	\$ 17,200.00	\$ 17,200.00	\$ -	\$ -	\$ 147,800.00
Road Cameras (4)	30-3631	\$ 5,000.00	\$ 5,000.00	\$ -	\$ -	\$ 9,000.00
Clarke Rd (Nine Mile Rd to Eight Mile Rd)	30-3802	\$ 446,300.00	\$ 446,300.00	\$ -	\$ -	\$ 336,600.00
Highway 402 & Carriage Rd Interchange	30-3824	\$ 4,446,100.00	\$ 4,446,100.00	\$ -	\$ -	\$ 6,627,200.00
New Staging/Storage Yard	30-3829	\$ 123,800.00	\$ 123,800.00	\$ -	\$ -	\$ 226,200.00
New 3/4 Plow Truck	31-3282	\$ 125,000.00	\$ 125,000.00	\$ -	\$ -	\$ -
Prospect Hill Rd LCB to HCB (10 Mile Rd to 9 Mile Rd)	31-3810	\$ 449,800.00	\$ 449,800.00	\$ -	\$ -	\$ 339,300.00
Prospect Hill Rd (9 Mile Rd to 8 Mile Rd)	31-3811	\$ 443,700.00	\$ 443,700.00	\$ -	\$ -	\$ 334,700.00
Prospect Hill Rd (8 Mile Rd to Thorndale Rd)	31-3812	\$ 190,500.00	\$ 190,500.00	\$ -	\$ -	\$ 143,600.00
Vanneck Rd (New Ontario Rd to Atwood Ln)	31-3815	\$ 100,000.00	\$ 100,000.00	\$ -	\$ -	\$ 75,500.00
New Pedestrian Crossing (Ilderton Rd at Bowman Dr)	31-3827	\$ 33,600.00	\$ 33,600.00	\$ -	\$ -	\$ 61,400.00
New Tandem Roll/Off Plow Truck	32-3275	\$ 500,000.00	\$ 500,000.00	\$ -	\$ -	\$ -
Amiens Rd (Glendon Dr to Oxbow Drive)	32-3801	\$ 461,200.00	\$ 461,200.00	\$ -	\$ -	\$ 347,800.00
Prospect Hill Rd (Plover Mills Rd to Ilderton Rd)	32-3808	\$ 530,500.00	\$ 530,500.00	\$ -	\$ -	\$ 400,100.00
Prospect Hill Rd LCB to HCB (Ilderton Rd to 10 Mile Rd)	32-3809	\$ 446,600.00	\$ 446,600.00	\$ -	\$ -	\$ 336,800.00
Active Trail Connection on Ilderton Road (Bowman Dr to Oxbow Public School)	32-3831	\$ 353,800.00	\$ 353,800.00	\$ -	\$ -	\$ 646,200.00
Oxbow Dr (Nairn Rd to Vanneck Rd)	33-3118	\$ 367,900.00	\$ 367,900.00	\$ -	\$ -	\$ 277,500.00
Prospect Hill Rd (14 Mile Rd to 13 Mile Rd)	33-3806	\$ 521,700.00	\$ 521,700.00	\$ -	\$ -	\$ 393,500.00
Prospect Hill Rd (13 Mile Rd to Plover Mills Rd)	33-3807	\$ 484,400.00	\$ 484,400.00	\$ -	\$ -	\$ 365,400.00
Pulham Rd (Vanneck Rd to Old River Rd)	33-3813	\$ 121,600.00	\$ 121,600.00	\$ -	\$ -	\$ 91,800.00
New Sidewalk Plow	34-3535	\$ 250,000.00	\$ 250,000.00	\$ -	\$ -	\$ -
New Tridem Dump Trailer	34-3626	\$ 120,000.00	\$ 120,000.00	\$ -	\$ -	\$ -
Prospect Hill Rd (Elginfield Rd to 16 Mile Rd)	34-3803	\$ 354,000.00	\$ 354,000.00	\$ -	\$ -	\$ 267,000.00
Prospect Hill Rd (16 Mile Rd to 15 Mile Rd)	34-3804	\$ 608,200.00	\$ 608,200.00	\$ -	\$ -	\$ 458,700.00
Prospect Hill Rd (15 Mile Rd to 14 Mile Rd)	34-3805	\$ 532,500.00	\$ 532,500.00	\$ -	\$ -	\$ 401,700.00
Coldstream Rd (270m North of Quaker Ln to Hedley Dr)	34-3818	\$ 104,600.00	\$ 104,600.00	\$ -	\$ -	\$ 355,400.00
Sunningdale Rd W (Denfield Rd to Vanneck Rd)	27-3814	\$ 792,100.00	\$ 792,100.00	\$ -	\$ -	\$ 597,400.00
New Pedestrian Crossing (Longwoods and Springer Rd)	25-3828	\$ 33,600.00	\$ -	\$ 23,041.32	\$ 23,041.33	\$ -
Total		\$ 29,232,069.00	\$ 29,020,547.88	\$ 184,405.98	\$ 183,184.87	\$ 29,286,500.00

Service:	Protection
Balance in Reserve Fund at Beginning of Year:	1,568,634.77
60% of Balance to be Allocated (at a minimum):	941,180.86

Projects to Which Funds Will be Allocated

Project Description	Project Number	Total Growth-related Capital Cost in D.C. Study (2024)	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year	Total Non-Growth-related Capital Cost Remaining to be Funded
New Support and Response Vehicle	24-2260	\$ 80,000.00	\$ -	\$ 69,130.70	\$ 69,130.70	\$ -
New Aerial Vehicle (100' Platform)	29-2262	\$ 2,300,000.00	\$ 2,300,000.00	\$ -	\$ -	\$ -
Additional Fire Facility Space (5,000 sq. Ft.)	29-6110	\$ 3,790,000.00	\$ 3,790,000.00	\$ -	\$ -	\$ -
Training Facility Space	28-6801	\$ 18,300.00	\$ 18,300.00	\$ -	\$ -	\$ 56,700.00
Total		\$ 6,188,300.00	\$ 6,108,300.00	\$ 69,130.70	\$ 69,130.70	\$ 56,700.00

Service:	Parks and Recreation Services
Balance in Reserve Fund at Beginning of Year:	1,850,374.50
60% of Balance to be Allocated (at a minimum):	1,110,224.70

Projects to Which Funds Will be Allocated

Project Description	Project Number	Total Growth-related Capital Cost in D.C. Study (2024)	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year	Total Non-Growth-related Capital Cost Remaining to be Funded
Tridon Park Development	21-7114	\$ 61,834.00	\$ -	\$ 246,816.16	\$ 58,092.04	\$ -
Timberwalk Park	24-7119	\$ 177,125.00	\$ -	\$ 133,436.96	\$ 133,436.96	\$ -
Komoka Civic Square Design	22-7124	\$ 58,880.00	\$ 58,880.00	\$ -	\$ -	\$ 88,722.00
Clear Skies Primary Trail	25-7110	\$ 401,500.00	\$ 401,500.00	\$ -	\$ -	\$ -
Clear Skies Park	25-7120	\$ 300,000.00	\$ 300,000.00	\$ -	\$ -	\$ -
Timberwalk Phase 5 Trail	25-7802	\$ 152,000.00	\$ 152,000.00	\$ 17,373.63	\$ 17,373.63	\$ -
Edgewater Trail	27-7124	\$ 160,200.00	\$ 160,200.00	\$ -	\$ -	\$ -
New 18' -20' Float Trailer	27-7201	\$ 25,000.00	\$ 25,000.00	\$ -	\$ -	\$ -
New Zero Turn Mower	27-7335	\$ 30,000.00	\$ 30,000.00	\$ -	\$ -	\$ -
New Zero Turn Mower	27-7336	\$ 30,000.00	\$ 30,000.00	\$ -	\$ -	\$ -
New 1/2 Ton Truck	27-7406	\$ 67,500.00	\$ 67,500.00	\$ -	\$ -	\$ -
New 1/2 Ton Truck	27-7410	\$ 67,500.00	\$ 67,500.00	\$ -	\$ -	\$ -
Komoka Civic Square Construction	28-7125	\$ 258,920.00	\$ 258,920.00	\$ -	\$ -	\$ 897,078.00
Brantam Park Development	28-7127	\$ 200,000.00	\$ 200,000.00	\$ -	\$ -	\$ -
New 18' Trailer	28-7230	\$ 25,000.00	\$ 25,000.00	\$ -	\$ -	\$ -
Bryanston Community Park	28-7804	\$ 1,181,800.00	\$ 1,181,800.00	\$ -	\$ -	\$ 811,300.00
New Trail (London to Denfield)	30-7801	\$ 1,207,150.00	\$ 1,207,150.00	\$ -	\$ -	\$ 3,744,700.00
New Trail (South of Medway Rd.)	30-7803	\$ 200,000.00	\$ 200,000.00	\$ -	\$ -	\$ -
Ilderton Recreation Facility (Phase 1 - New Arena)	34-7805	\$ 8,296,700.00	\$ 8,296,700.00	\$ -	\$ -	\$ 14,911,300.00
New Operations Space	34-7806	\$ 283,200.00	\$ 283,200.00	\$ -	\$ -	\$ 2,548,800.00
Total		\$ 13,184,309.00	\$ 12,945,350.00	\$ 397,626.75	\$ 208,902.63	\$ 23,001,900.00

Attachment 4

Municipality of Middlesex Centre

Description of the Service (or Class of Service) for which each Development Charge Reserve Fund was Established

Service/Class of Service	Description
Services Related to a Highway	The fund is used for growth-related projects for roads, bridges, structures, active transportation, streetlights, sidewalks, and other related road infrastructure
Water Services	The fund is used for growth-related projects for water treatment, supply, storage, pumping, distribution, and other water related infrastructure
Wastewater Services	The fund is used for growth-related projects for wastewater treatment, storage, pumping, collection, and other wastewater related infrastructure
Fire Protection Services	The fund is used for growth-related projects supporting fire protection services, including facilities, vehicles, equipment, and gear
Parks and Recreation Services	The fund is used for growth-related projects related to parkland development, parkland amenities, recreational trails, parkland buildings, recreation facilities, and parks & recreation vehicles and equipment
Growth-related Studies	The fund is used for growth-related studies

Attachment 5
Municipality of Middlesex Centre
Statement of Credit Holder Transactions

Credit Holder	Applicable D.C. Reserve Fund	Credit Balance Outstanding Beginning of Year 2025	Additional Credits Granted During Year	Credits Used by Holder During Year	Credit Balance Outstanding End of Year 2025
Credit Holder A					
Credit Holder B					
Credit Holder C					
Credit Holder D					
Credit Holder E					
Credit Holder F					

There are no credit holder transactions at December 31, 2025

Attachment 6
Municipality of Middlesex Centre
Statements Related to Development Charge Reserve Funds

Compliance with s.s. 59(1) of the D.C.A.:

Provide a statement that confirms that the municipality did not impose, directly or indirectly, a charge related to a development or a requirement to construct a service related to development, except as permitted by the D.C.A., except as permitted by the D.C.A.

Statements related to the Amount Anticipated to be spent during the life of the D.C. By-law

For each service where D.C.s were collected during the year, whether the municipality expects to incur the amount of capital costs that were estimated, in the relevant D.C. background study, to be incurred during the term of the applicable development charge by-law. If the answer is no, the amount the municipality now expects to incur and a statement as to why this amount is expected

Service/Class of Service	Amount of Capital Costs Estimated in D.C. Study Are Anticipated to be Incurred During Life of By-law (Y/N)	Amount of Capital Costs Estimated in D.C. Study Now Expected to be Incurred During Life of By-law	Required if answer in Column C is N
			Why Revised Amount is Expected to be Incurred During Life of By-law
Services Related to a Highway	N	\$ 29,204,992.58	2024 Opening Balance to be funded \$29,332,069 (Attachment 3) <u>2024 Changes:</u> Glendon Drive Widening (Komoka Rd to Amiens Rd) project that was supposed to be funded by the Municipality was funded by the County of Middlesex. Impact on the DC Study is \$100,000 less or a decrease in the overall costs by 0.3% New Street Sweeper Attachment project is complete and is \$3,585.67 less than budgeted in the 2024 DC Study. Impact on the DC Study is a decrease in the overall costs by 0.02%. New Compact Track Loader & Attachments is complete and is \$12,970.79 less than budgeted in the 2024 DC Study. Impact on the DC Study is a decrease in the overall costs by 0.044% Revised Balance end of 2024 \$29,215,551.25 <u>2025 Changes:</u> Longwoods Pedestrian Crosswalk project is complete and is \$10,558.67 less than budgeted in the 2024 DC Study. Impact on the DC Study is a decrease in the overall costs by 0.008% For the ten year period 2024-2034, the total capital costs estimated in the DC Study decreased from \$29,215,551.25 to \$29,204,992.58.
Water Services	Y		
Wastewater Services	Y		
Fire Protection Services	N	\$ 6,177,430.70	2024 Opening Balance to be funded \$6,188,300.00 (Attachment 3) <u>2024 Changes:</u> New Support and Response Vehicle is complete and is \$10,869.30 less than budgeted in the 2024 DC Study. Impact on the DC Study is a decrease in the overall costs by 0.02% Revised Balance end of 2024 \$6,177,430.70
Parks and Recreation Services	Y	\$ 13,325,603.12	
Growth-related Studies	Y		

Statements related to the Amount Collected During the Year Where No Money was Spent

For each service where D.C.s were collected during the year and no money was spent during the year, a statement as to why there was no spending.

Service/Class of Service	Reason for No Spending of D.C. Funds Collected During the Year
Services Related to a Highway	Not Applicable, money was spent in 2025
Water Services	Not Applicable, money was spent in 2025
Wastewater Services	Not Applicable, money was spent in 2025
Fire Protection Services	No money was spent in 2025 for fire protection services as the projects identified to be funded are included in the 5-year forecast.
Parks and Recreation Services	Not Applicable, money was spent in 2025
Growth-related Studies	Not Applicable, money was spent in 2025

Attachment 7

Municipality of Middlesex Centre

Summary of Development Charge Revenue Losses (Funding Development Charge Exemptions)

Note schedule is not required by the Act to be included in the statements, however, this information outlines the impact of Policies both Mandatory and Discretionary and budgeting/justifying the amount that needs to be funded from other municipal sources related to the loss of D.C. revenues due to mandatory & discretionary exemptions and discounts.

Authority	Type of D.C. Revenue Loss	Category of Revenue Loss	Revenue Loss
D.C.A.	Non-Residential	50% Industrial Expansion Exemption	\$ -
D.C.A.	Non-Residential	Municipal Facility including Local Boards	\$ -
D.C.A.	Non-Residential	Local School Board Facility	\$ -
D.C.A.	Non-Residential	Long-term Care Homes	\$ -
D.C.A.	Residential	Additional Residential Units/Ancillary Units	\$ -
D.C.A.	Residential	Site Plan/Zoning Bylaw Amendment Frozen fees and/or Rental Housing Discount - 2025	\$ 7,766.32
D.C.A.	Residential	Non-Profit Housing Exemption	\$ -
D.C.A.	Residential	Affordable Housing Exemption	\$ -
D.C.A.	Residential	Attainable Housing Exemption	\$ -
D.C. By-law 2024-064	Non-Residential	Agricultural Exemptions - 2025	\$ 13,923.52
Total			\$ 21,689.84



**Middlesex Centre Council Resolution
Regular Meeting of Council (Planning)**

Agenda Number: 8.1.
Resolution Number 2026-110
Title: 2025 Annual Report on Development Charges
Date: May 20, 2026

Moved by: Councillor Cates
Seconded by: Councillor Shipley

THAT Report CPS-30-2026 re: 2025 Annual Report on Development Charges be received for information in accordance with the *Development Charges Act, 1997*, which requires the Treasurer to provide a financial statement relating to development charge by-laws and associated reserve funds;

AND THAT the Treasurer be directed to make the 2025 Annual Report on Development Charges available to the public on the municipal website to fulfill Council's obligation under the *Development Charges Act, 1997*;

AND FURTHER THAT the Treasurer be directed to provide the 2025 Annual Report on Development Charges to the Minister of Municipal Affairs and Housing by July 15, 2026.

CARRIED