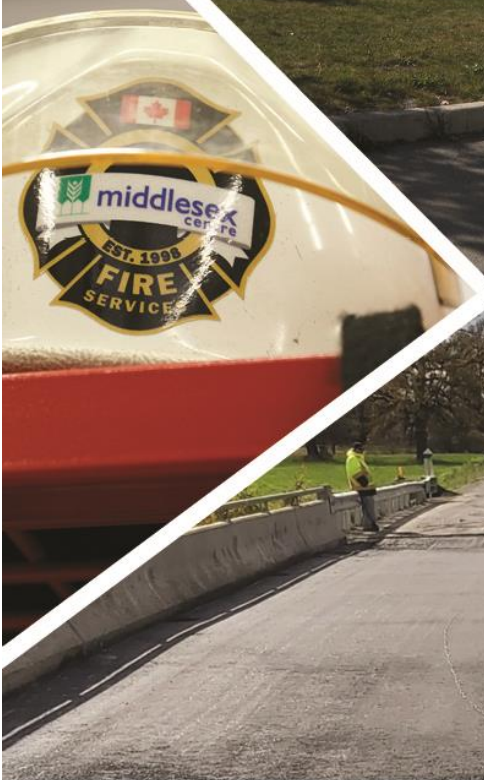


Municipality of Middlesex Centre

Budget 2022

March 2, 2022



About this Document

ABOUT THIS DOCUMENT

Acknowledgements

Middlesex Centre undertook a major revision of the content contained in the annual budget book this year. This update was to reflect the best practices for transparency in government budgeting as outlined through the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award Program.

Middlesex Centre staff looked to the budgets of the Town of LaSalle, Town of Tecumseh and City of Guelph, all of which have been recognized with Distinguished Budget Presentation Awards, in preparing this year's budget. We thank these organizations for the leadership they have shown in best practices for municipal budgeting.

Similarly, staff called on research by MTE Consultants and BMA Management Consulting Inc. to provide background to inform the budget development. We thank these firms for the services they have provided Middlesex Centre over the years.

Developing the budget is a significant undertaking that involved many Middlesex Centre Members of Council and staff. Thanks and appreciation is extended to the following their efforts in 2022:

- Budget Committee:
 - Councillor Hugh Aerts
 - Councillor Wayne Shipley
 - Michael Di Lullo, CAO
 - Tiffany Farrell, Director of Corporate Services
 - Melissa Kopal, Manager of Finance
 - Scott Mairs, Director of Community Services
 - Rob Cascaden, Director of Public Works and Engineering
 - Arnie Marsman, Director of Building Services, CBO
 - Colin Toth, Director of Fire and Emergency Services, Fire Chief
 - Sean Miller, Financial Analyst
- Budget Book Preparation:
 - Tiffany Farrell, Director of Corporate Services
 - Sean Miller, Financial Analyst
 - Heather Kepran, Communications Specialist

About this Document

Release Dates

To increase the time available for Council and the public to review specific sections of the budget, this document was released in two stages, as follows:

- Draft Version
 - Presented to Council at their December 8, 2021, meeting.
 - Included the information from the capital budget presentation made to council on November 24, 2021, and add in operating budget detail.
 - No changes were proposed to the draft version of the budget.
- Final Draft Version
 - Presented to Council at their December 15, 2021, meeting.
 - The final draft was approved with one notable change, to use \$125,000 from the Tax Stabilization Reserve. These funds were used to reduce the overall residential tax rate from 2.76% to 2.16%.

The final version of the budget with the change above incorporated was posted to the municipal website on January 12, 2022.

Clarifying information was added to this budget booklet on March 2, 2022; no financial information was changed, however the revenue allocation were updated. Links to the municipal website and email were also updated.

Accessibility

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

Municipality of Middlesex Centre

10227 Ilderton Rd.
Ilderton, ON, N0M 2A0

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

Email: customerservice@middlesexcentre.ca

Website: middlesexcentre.ca



Executive Summary

EXECUTIVE SUMMARY

Middlesex Centre's 2022 Budget reflects our vision as a municipality — to be a thriving, progressive and welcoming community that honours our rural roots and embraces our natural spaces. It reflects our organizational commitment to be collaborative, transparent, innovative and accountable, providing a financially responsible level of service to the community.

Developing the Budget

In preparing this year's budget, staff were mindful of the financial implications posed by the COVID-19 pandemic 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 our new spending. We also looked to increase our funding to reserve funds to assist in covering capital costs.

As you look through the budget, you'll see the municipality's planned capital (infrastructure) work for 2022, and the costs associated with the day-to-day operation of the organization. These were reviewed with the public through a survey in the summer of 2021, to ensure staff were on the right-track in setting their goals and objectives.

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

The goals of the budget are to:

- Delivery of a fiscally responsible budget, while maintaining a sustainable financial position for the municipality
- Continue analysis on reducing costs and creating more efficient processes
- Build Municipal Reserve Funds
- Priority focus on funding efforts in 2022 to address infrastructure deficit
- Implement the priorities in the Strategic Plan
 - Engaged Community
 - Balanced Growth
 - Vibrant Local Economy
 - Sustainable Infrastructure and Services
 - Responsive Municipal Government

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

- Enhancing transparency, accountability and incorporating public feedback gathered through the budget survey and other municipal outreach initiatives
- Ramifications of the delayed Property Tax Reassessment
- Residential building activity and growth pressures
- Balancing competing priorities
- Aging infrastructure and closing the infrastructure gap
- Unpredictability of Provincial and Federal funding



Executive Summary

- Challenges posed by COVID-19
- Inflationary pressures
- Service level enhancements
- External legislative requirements
- Vandalism and security costs
- Capital project carry forward costs

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

Considering these goals, priorities and issues, the Budget Committee comprising members of Council and staff worked through a six-month budget development process. Through their efforts and many iterations, they developed a responsible, fiscally prudent budget for 2022.

Budget Summary

The 2022 Middlesex Centre budget is \$65.2 million.

This compares to \$57.4 million in 2021.

The budget is split into operating and capital costs.

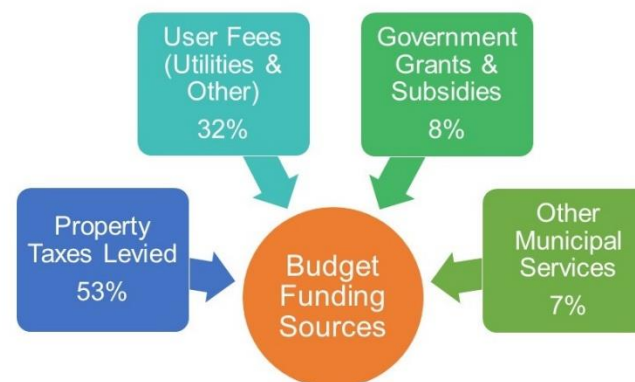
The operating budget looks at the day-to-day expenditures of the municipality. This includes wages, utilities, supplies, fuel and insurance, among other costs. Much like household bills, these costs increase with inflation – an increase that is outside of the control of the municipality.

- **2022 Operating Costs = \$40,247,520**
(2021: \$36,636,438)

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

- **2022 Capital Costs = \$24,974,753**
(2021: \$20,728,836)

The budget is funded from several sources. In 2022, revenues will come from property taxes (53%), user fees (32%), grants and subsidies (8%) and other sources (7%).



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.

- **2022 Transfers from Reserve Funds = \$23,549,759**
(2021: \$22,187,299)*
*All reserve funds, including Water, Wastewater, Stormwater, Building and Development Charges

Executive Summary

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

- **2022 Transfers to Reserve Funds = \$12,666,542**
(2021: \$9,744,516)*

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

Compared to 2021, the net operating budget decrease is \$12,593, or 0.06%. When we include the increase to transfer to reserve funds of \$1,177,400, this amount increases to \$1,164,807, resulting in the amount to be raised by property taxes, the **tax levy, of 5.77%**

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

- **2022 Tax Rate Increase = 2.16%**
(2021: 1.47%).

Within the recommended 2.16% 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 2022 budget addresses increasing costs due to inflation, maintains the current level of services and allows for much needed infrastructure construction and repair.

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 Rates and Fees By-law sets the fees for everything from building permits to public skating. The by-law for 2022 was approved by Council on November 10, 2021, 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.
- Waste and recycling fees are not changing for the coming year.
- Water rates are remaining unchanged for 2022, however rates associated with wastewater and stormwater are increasing by 2%. These rates were approved by Council at their meeting on November 24, 2021 (by-law passed on January 12, 2022). As a result, average users will see an annual increase of about \$21 on their water bill.

Table: Annual Combined Fees for Water, Wastewater and Stormwater, 2022

Annual Water Usage (m ³)	2021	2022	\$ Increase	% Increase
96	\$1,248.00	\$1,263.00	\$15.00	1.20%
180	\$1,807.44	\$1,828.32	\$20.88	1.16%
360	\$3,006.24	\$3,039.72	\$33.48	1.11%
Stormwater Only	\$184.44	\$188.16	\$3.72	2.0%



Executive Summary

Impact on Rate Payers

Taken together, increasing taxes and other municipal rates and fees will result in an additional cost of \$74 for the average residential property and \$33 for the average farm property in 2022.

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

Municipal Fees	Annual Change (\$)
Change in Municipal Property Tax	53.00
Change in Water, Wastewater and Stormwater Fees*	21.00
Change in Waste Management Fees	0.00
Change in User Fees	will vary by resident
Total Change – Middlesex Centre	74.00

**Based on usage of 180 m³ of water per year*

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

Municipal Fees	Annual Change (\$)
Change in Farm Property Tax	33.00
Change in Waste Management Fees	0.00
Change in User Fees	will vary by resident
Total Change – Middlesex Centre	33.00

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

Monitoring Expenditures throughout the Year

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

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Middlesex Centre: Community Profile

MIDDLESEX CENTRE: COMMUNITY PROFILE

The Municipality of Middlesex Centre is a growing community of 18,766 located north and west of the City of London. Home to the settlement areas of Arva, Delaware, Ilderton and Kilworth/Komoka, the municipality maintains a strong agricultural base. With a mix of rural charm and urban amenities, Middlesex Centre is a thriving, progressive and welcoming municipality.

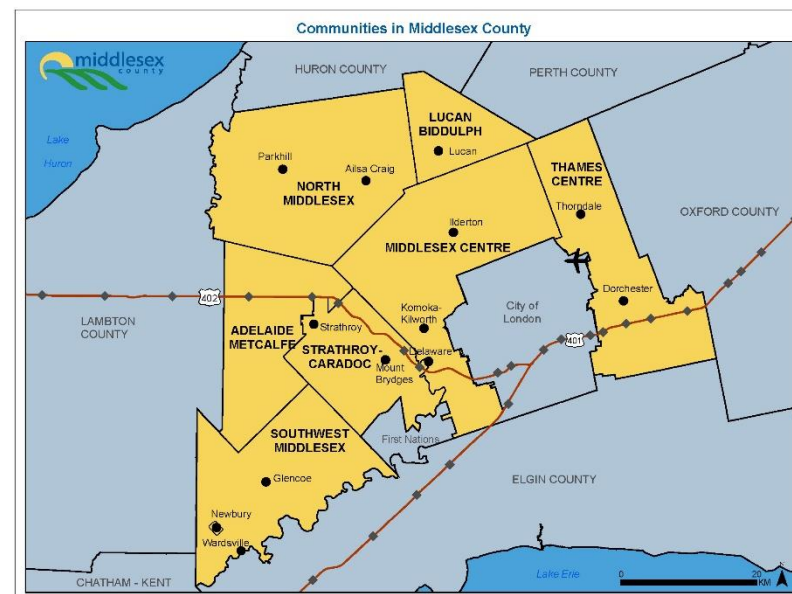
Middlesex Centre formed on January 1, 1998, with the amalgamation of the former Townships of Delaware, Lobo, and London.

Located in the Centre of it All

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

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

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



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

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



Middlesex Centre: Community Profile

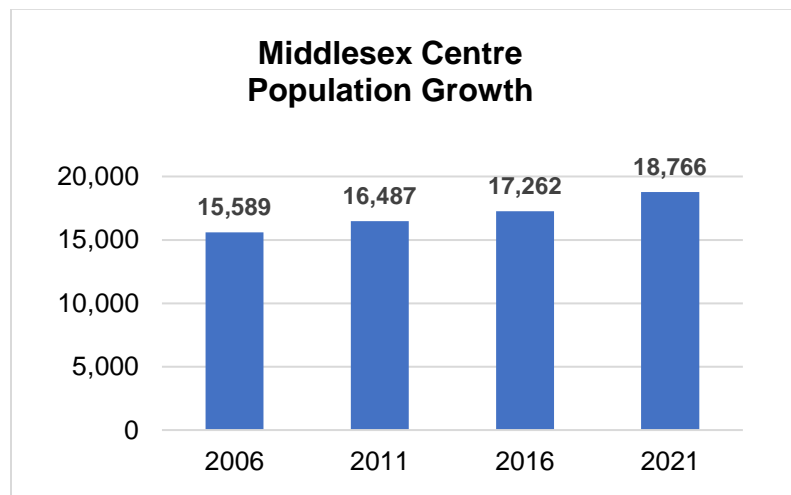
Demographics: Our Population

Note: Unless otherwise noted, all data in this section is from the 2021 Municipal Study, prepared by BMA Management Consulting Inc. In some cases, information is presented against a group of municipalities that are considered good comparators in terms of population growth patterns and proximity (with the addition of local comparators Strathroy-Caradoc and Tillsonburg). These comparators are taken from the Long-Range Financial Plan prepared by BMA Management Consulting Inc. in 2016.

Population

Middlesex Centre has a total population of 18,766 (2021). Over the period of 2011 to 2016 (last year of Statistics Canada data), the population grew by 4.7%.

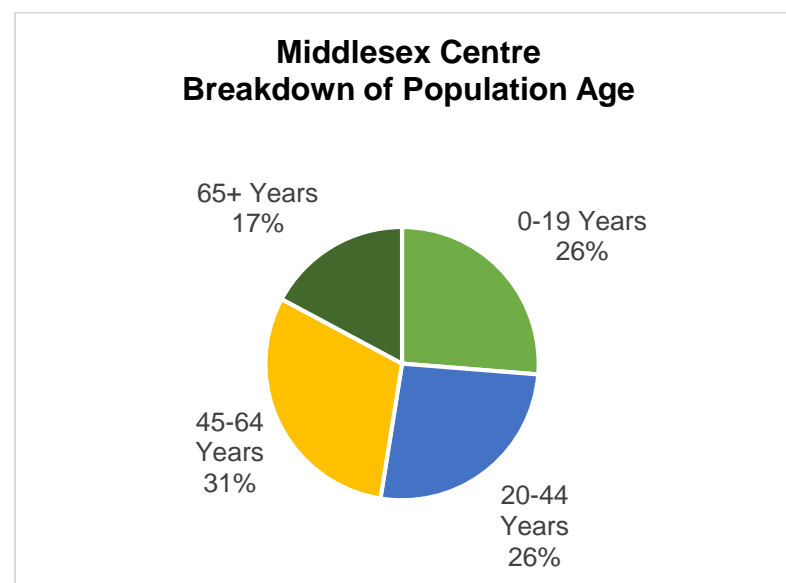
Figure: Middlesex Centre Population, 2006 to 2021



The population is expected to rise to between 26,600 (low scenario) to 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 2016 Census is shown below. Of note is that Middlesex Centre's population is also getting older. The share of population age 55+ age steadily increased from 25% in 2001 to 36% in 2016 (as above, Watson & Associates Economists. Ltd., 2021).

Figure: Middlesex Centre Population by Age, 2016

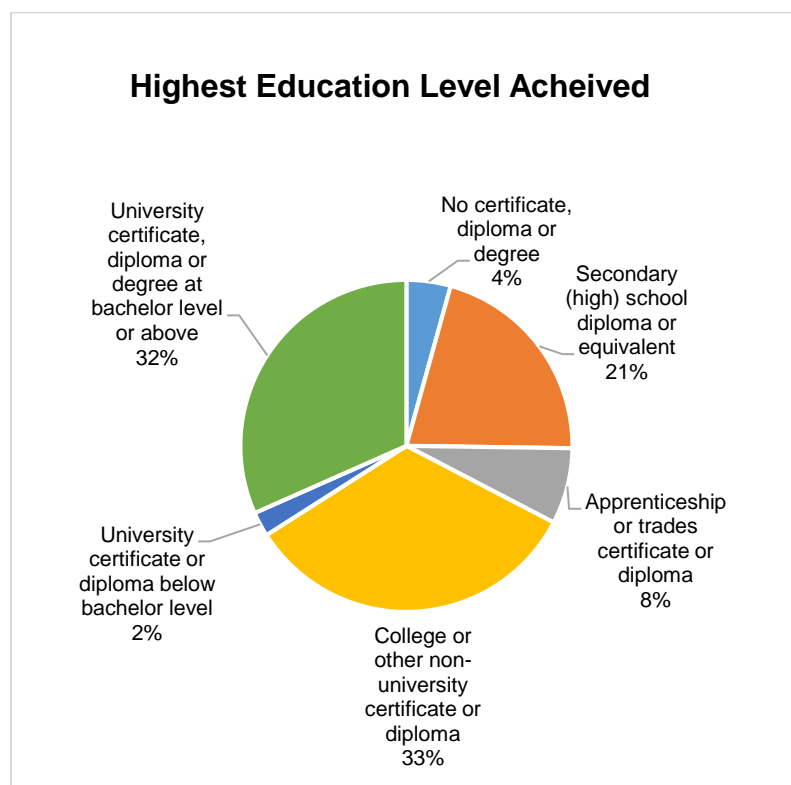


Middlesex Centre: Community Profile

Education

Middlesex Centre residents are highly educated, as indicated in the Statistics Canada data for 2016 census. Close to 75% of the working age population has training or degrees beyond high school, compared to 65.4% across the County.

Figure: Highest Education Level Achieved for the Population aged 25 to 64 years, Middlesex Centre 2016 Census Subdivision



Income

Middlesex Centre is ranked “high” for average household income in our geographic region (Southwestern Ontario). In fact, Middlesex Centre has the highest average household income of all municipalities in the region. The range was \$77,965 in Windsor to \$150,735 for Middlesex Centre, considerably higher than the next highest, Lakeshore, at \$134,145. (Note only the standard comparator group is shown in the table below.)

Table: Estimated Average Household Income, 2021

Municipality	Estimated Average Household Income
Tillsonburg	\$82,972
Lambton Shores	\$93,596
Strathroy-Caradoc	\$95,407
Prince Edward County	\$99,756
West Lincoln	\$114,600
Niagara-on-the-Lake	\$126,372
Wellesley	\$137,611
Woolwich	\$138,072
Middlesex Centre	\$150,735

Middlesex Centre: Community Profile

Land Area

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

Table: Land Area and Population Density, 2021

Municipality	Land Area (sq km)	2021 Population Density per sq km	Density Ranking
Prince Edward County	1,050	24	low
Middlesex Centre	588	32	low
Lambton Shores	331	34	low
West Lincoln	388	41	low
Wellesley	278	43	low
Woolwich	326	85	mid
Strathroy-Caradoc	271	85	mid
Niagara-on-the-Lake	133	147	mid
Tillsonburg	22	777	high

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/services/residents/economic-development

Local Community

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

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

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

Municipality of Middlesex Centre: Organizational Profile

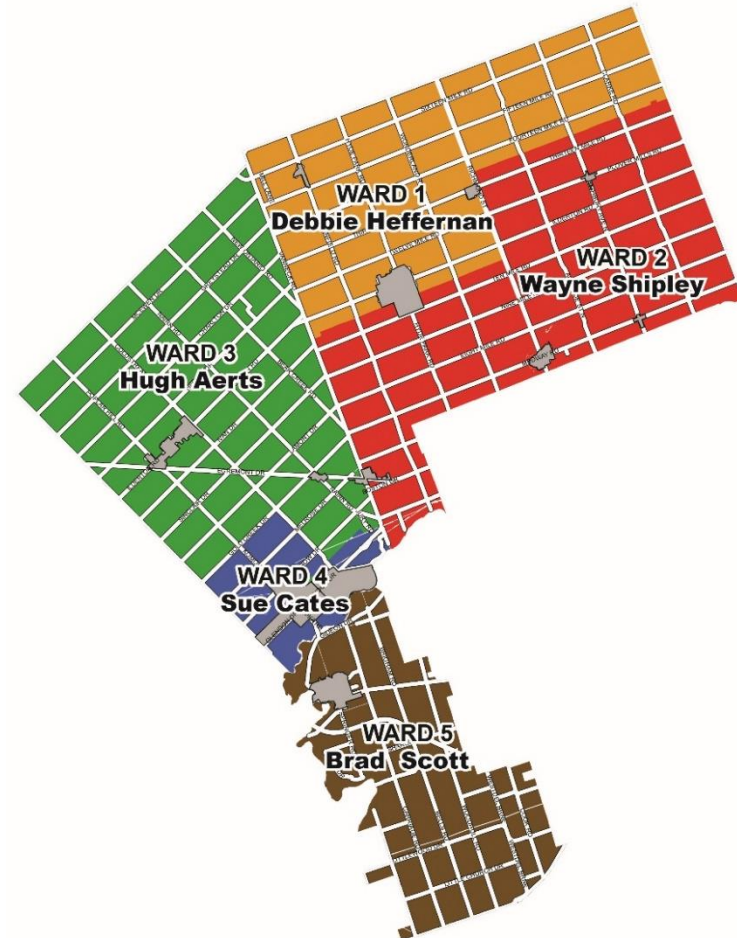
MUNICIPALITY OF MIDDLESEX CENTRE: ORGANIZATIONAL PROFILE

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
- 5 Ward Councillors (one elected per ward)
 - Councillor Debbie Heffernan, Ward 1
 - Councilor Wayne Shipley, Ward 2
 - Councillor Hugh Aerts, Ward 3
 - Councillor Sue Cates, Ward 4
 - Councillor Brad Scott, Ward 5

Council typically meets twice a month, on the first and third Wednesdays. Meetings are open to the public, although owing to COVID-19 meetings have been held electronically since March 2020. Meetings are broadcast on the Middlesex Centre YouTube channel.

Figure: Middlesex Centre Ward Map



Municipality of Middlesex Centre: Organizational Profile

Middlesex Centre employs about 116 staff (including full-time, part-time and contract), and an additional 118 paid-on call firefighters.

Headed by Chief Administrative Officer Michael Di Lullo, these professional staff provide 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 inspection
- 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
- Medical Centre

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



Municipality of Middlesex Centre: Organizational Profile

Municipal Organization Chart



In 2022, Middlesex Centre staff complement will include approximately 116 Full-Time Equivalent (FTEs) across all departments. Additionally, there are 7 Members of Council (part-time) and 118 paid-on-call firefighters.

Municipality of Middlesex Centre: Organizational Profile

Strategic Plan



Early in 2021, Council approved a new Strategic Plan for Middlesex Centre. Developed in consultation with the community, this plan reflects the input of residents, businesses and organizations.

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

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

Values:

- **Respect:** We are an open, courteous and inclusive workplace that values and celebrates the varied backgrounds and experiences of our community. We ensure every resident can participate in our community and engage with our municipal government.
- **Cooperation:** We work in a spirit of trust, collaboration and partnership across departments and with our community to achieve our shared goals.
- **Innovation:** We embrace innovation to improve our delivery of services. We take initiative, and are flexible and creative in anticipating and adapting to changing conditions.
- **Integrity:** We take accountability for our actions and deliver what we promise. We are truthful and honest in how we do our job. We inspire public confidence and trust in our municipal government.

Strategic Priorities:

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

Implementing the Priorities of the Strategic Plan

Implementing the Strategic Plan priorities requires they are 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 2022 budget was developed, with department heads linking the deliverables identified for 2022 with budget priorities. This is shown in the budget as “2022 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 reflect the priorities in the Strategic Plan.

With 2021 being the first year for the plan, reporting against performance metrics in earlier budgets was not possible, however staff made their best effort to reflect success against the Strategic Plan priorities. This is shown as “2021 Strategic Achievements” for each department.

Municipality of Middlesex Centre: Organizational Profile

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.
- ➔ **Review the full Middlesex Centre Strategic Plan at middlesexcentre.ca/stratplan**
- ➔ **Find the 2021 Strategic Plan Progress Report at middlesexcentre.ca/documents/strategic-plan-progress-report-2021**



Considerations in Developing the Budget

CONSIDERATIONS IN DEVELOPING THE BUDGET

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

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

Budget Goals

- Delivery of a fiscally responsible budget, while maintaining a sustainable financial position for the municipality
- Continue analysis on reducing costs and creating more efficient processes
- Build Municipal Reserve Funds
- Priority focus on funding efforts in 2022 to address infrastructure deficit
- Implement the priorities in the Strategic Plan

Key Factors – Priorities and Issues

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

There are a number of factors which the municipality has control over, such as enhancing service levels. There are also a number of factors which the municipality has little or no

control over, such as the rate of inflation, reliance on other organizations, and various standards that the municipality must meet. All factors may have significant impact on which services are provided and at what level. This section outlines these factors.

Many of the priorities and issues that drive the 2022 budget are similar to those in the prior years, however, 2022 has some unique challenges – specifically around: no reassessment in property taxes until 2024 at the earliest; service level enhancements; increasing vandalism and security costs; and the increasing inflationary pressures. Inflation is reaching levels not seen in many years, and with limited revenue earning opportunities the municipality has to do more with less to ensure the budget is balanced.

Enhancing Transparency, Accountability and Incorporating Public Feedback

In developing the 2022 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 in mid-July to August 24, 2021, and was advertised through a media release, social media, the residents' e-newsletter, the municipal office sign and the website. Two hundred and seven people responded to the survey. This was a lower response than in in past years, perhaps in part due to survey fatigue as the survey immediately followed public surveys on Community Services (Recreation) and Sidewalks & Streetlights.



Considerations in Developing the Budget

Key takeaways from the budget survey:

- 45% of respondents rated the overall value received for tax dollars as excellent or good; that number increases to 89% for those rating value as excellent, good and fair.
- Most (56%) of respondents felt we should maintain taxes and fees at their current level, even if that meant reducing some services to maintain others.
- By service, those with the most respondents indicating we should enhance or maintain service levels:
 - Community Safety – Policing and Fire Services
 - Transportation – Winter maintenance and street/road maintenance
 - Healthy, Livable Communities – parks & playgrounds. Outdoor recreation
 - Clean, Sustainable Communities – cleanliness and overall municipal maintenance
 - Growth and Economic Development (this was area residents were least satisfied with) – economic development planning/development
- The top three infrastructure spending priorities were:
 - maintaining streets and roads
 - upgrades to major roadways to provide increases capacity
 - (tied) maintain sidewalks, walkways & trails and, new sidewalk, bike lanes, walkways & trails
- Written-in comments and additional priorities identified included:
 - Water rates
 - More by-law enforcement

- Green bins/composting
- Affordable housing
- Climate change
- Trails
- Limiting and controlling growth
- Farm tax rate

The survey results were presented to Council in September.

Incorporating Public Input into the Budget

Here are a few examples of comments received through the survey, and how they are reflected in the 2022 budget.

Comment One: “Appropriate and sustainable funding to maintain infrastructure at a reasonable level (fair to excellent condition).”

- Note: Roads were rated the most important asset with 64.24% of respondents voting this way.

Comment is reflected in budget:

- Asphalt resurfacing \$1,100,000 (various roads)
- Tar & Chip resurfacing \$600,000 (various roads)
- Vanneck Road reconstruction \$1,370,000

Comment Two: “I would love to see more parks and trails in the Ilderton area. I think outdoor activity is so important for physical and mental health, it's important that we have the facilities to support that for our community members, young and older.”

Comment is reflected in budget:

- Clear Skies primary and secondary trails - \$387,679



Considerations in Developing the Budget

- Ilderton Optimist Park – Replace playground equipment - \$85,000
- Kilworth Optimist-Tridon Park Development - \$246,609
- Westbrook Park – Replace playground equipment - \$160,000

Comment Three: “I have read repeatedly about funds being put into reserve accounts for future use, one being the monies paid in lieu of a new municipal building in Komoka. The municipality needs to be more forthcoming as to where these funds have been directed or will be directed before explaining that costs are going up and hinting that taxes must go up, or service be reduced.”

Comment is reflected in budget:

- Additional \$1,000,000 contribution to Reserve Funds to support Asset Management in 2022 budget:
 - Buildings and Facilities Reserve Fund - \$150,000
 - Fire Vehicles and Equipment Reserve Fund - \$50,000
 - General Vehicles and Equipment Reserve Fund - \$250,000
 - Roads Capital Reserve Fund - \$550,000
- Budget presents full list of Reserves and Reserve Funds, their purpose and their current value.

Comment Four: “Building a sense of community connection - equity, diversity and inclusion. There is very much a sense of “us” and “them” in MxC. ...This is a critical issue that needs to be addressed so that all residents can feel safe and included in MxC.”

Comment is reflected in budget:

- In 2022, Middlesex Centre will be putting into place an internal Diversity and Inclusion Policy, with mandatory training for all employees and council.
- Staff will also be completing a Rainbow Crosswalk to celebrate diversity and inclusion in one of our communities.

Comment Five: “The municipality needs to develop more programs and use our existing facilities to the most such as the comm centre in Komoka. What about social programs for Youth? We have seen a lot of vandalism in our parks. This points to a larger problem.”

Comment is reflected in budget:

- In 2022, Middlesex Centre will be hiring a full-time Community Services Customer Service and Program Assistant that will be working on new programs municipal wide in 2022. The cost for this position is expected to be partially to fully funded by the revenue generated by the users of the recreational programs.
 - Staff are continuing to apply for grants related to a youth centre in the municipality and are working on a partnership program with a community group to support this.
- ➔ **For more information on the budget survey, including full results, visit middlesexcentre.ca/budget2022**



Considerations in Developing the Budget

Property Tax Assessment

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

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

Reassessment

As mentioned above, historically reassessment of existing buildings and properties occurs every four years. Decreases in assessments are written-off 100% in the first year of the assessment cycle. Then assessment increases occur equally at 25% per year over a four-year period. Although this type of assessment increase puts less pressure on the municipal tax rate, the total municipal tax paid by the tax payer will be higher each year.

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

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

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

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

The property tax assessment value for the 2021, 2022 and 2023 tax years will remain 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 2021 (January 1, 2016) will remain in effect.

Therefore, assessed market values from January 2016 will remain the benchmark for apportioning the municipal property tax burden for the 2022 and 2023 tax years. This decision is projected to produce significant tax shifts when new assessments are finally in place. This is resulting in the 2016 base year going on to be seven years old before it is replaced. Long delays in updating assessments have historically created inequities in taxation.

The major concern would be the gap between valuation dates. Depending on the state of things, this could easily produce tax

Considerations in Developing the Budget

shifts and swings such as those experienced when the Province first moved to Current Value Assessment in 1998.

In addition to the 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.

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 tax payers. This is why it is important to increase the municipality's assessment from new construction. However, there is a balance to be made between increase assessment from growth and increase costs related to growth.

Assessment Mix

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

Generally, a municipality's net operating costs (expenditure increase net of the associated growth in assessment) to service residential development is higher than the net operating cost of servicing commercial or industrial

development. The ideal condition is to have sufficient commercial and industrial development to offset the net increase in operating costs associated with residential development. Non-residential development is desirable in terms of developing a strong assessment base upon which to raise taxes and in providing employment opportunities.

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

Middlesex Centre lacks industrial and commercial properties and therefore the majority 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, 2022

Property Class	Assessment (\$)
Residential	2,637,207,977
Farm	1,622,982,754
Pipeline	125,940,000
Commercial	131,736,669
Exempt	113,805,600
Industrial	14,968,500
Other	47,355,200
Total Assessment	\$4,693,996,700

Phantom Assessment

The total municipal tax levy which is used to fund the Municipality's operations and capital/reserve funds

Considerations in Developing the Budget

contributions (excluding water, wastewater, stormwater and building services) is determined from a simple formula:

$$\text{Total Municipal Levy} = \text{Assessment Value} \times \text{Municipal Tax Rate}$$

What happens when the municipal budget is based on information that may not be correct, or to be more specific, based on phantom assessment? This is occurring each year at Middlesex Centre with some farm properties. When the roll is returned by MPAC (the assessment used to calculate the assessment value), historically it has contained multiple properties that have been identified as Residential (RT) properties, and however they are actually Farm (FT) properties, which are taxed at 25% of the Residential tax rate.

During the year, municipal staff process numerous Farm Tax Incentive Program applications (tax incentive approval), converting these properties back to farm properties from residential, and this results in large “adjustments” of taxes. In the 2022 budget, municipal staff have accounted for an estimated amount.

The financial impact shows the expected property tax income lost due to phantom assessment where the affected properties begin the year at RT and are changed to FT during the year lowering their expected property tax.

Table: Phantom Assessment, 2020, 2021 and 2022

Tax Year	2022	2021	2020
# of Affected Properties	32	25	38
Assessment Value	25,441,700	\$21,524,700	\$32,049,500
Residential Rate (\$)	159,404	\$132,012	\$193,706
Farm Rate (\$)	39,851	\$33,003	\$48,426
Financial Impact (\$)	\$119,553	\$99,009	\$145,280

**Budgeted \$160,000 for write offs in 2022 related to phantom assessment.*

Residential Building Activity / Growth Pressures

Middlesex Centre is a growing community. The building activity in the municipality has been steadily increasing over the past five years. This has resulted in increases in assessment from new construction activity which has benefited the municipal budget. However, this has also come at a cost to the municipality to manage the growth.

Increased growth has resulted in increased operating costs. Specifically, the need for more employees to assist in managing the growth, from the Building Department to our Community Services team members to our Transportation team. There are additional internal costs to support the growing community, which may be higher than the increases assessment each year. The municipality is working towards finding a financially sustainable strategy to managing the increased demands due to growth. In 2021, staff applied for a

Considerations in Developing the Budget

provincial grant to have an organizational review completed, with two of our neighbouring municipalities to assist in developing this strategy.

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

Table: Comparison of Building Construction Activity, 2020

Municipality	% Res. 2020	% Non-Res. 2020	2020 Building Permit Value Per Capita
Wellesley	51%	49%	\$2,962
West Lincoln	83%	17%	\$3,428
Prince Edward County	61%	39%	\$3,914
Tillsonburg	91%	9%	\$4,132
Strathroy-Caradoc	95%	5%	\$4,133
Woolwich	81%	19%	\$4,604
Niagara-on-the-Lake	48%	52%	\$5,491
Lambton Shores	66%	34%	\$5,849
Middlesex Centre	86%	14%	\$7,638

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

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 in municipal tax rate and the impact on residents must be considered. Generally speaking, 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, community surveys and review of the average household income in Middlesex Centre to determine affordability.

Considerations in Developing the Budget

Aging Infrastructure and Closing the Infrastructure Gap

The municipality has capital assets with a total replacement value of \$706,289,770. As the municipality continues to grow and existing infrastructure continues to age, the amount of infrastructure that needs to be replaced continues to grow, and with it, our infrastructure gap. 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 the municipality's Strategic Asset Management Policy. A major theme within that policy is for the municipality's physical assets to be managed in a manner that will support the sustainable provision of municipal services to residents. Through the implementation of the asset management plan, the municipality's practice should evolve to provide services at levels proposed within this document.

Moreover, infrastructure and other capital assets should be maintained at condition levels that provide a safe and functional environment for the municipality's residents. Therefore, the asset management plan and the progress with respect to its implementation will be evaluated based on the municipality's ability to meet these goals and objectives.

The annual lifecycle funding target is estimated at \$17.58 million. In comparison, the municipality budgeted to contribute approximately \$11.81 million towards capital-related needs in 2021. Included in this are budgeted contributions to capital-related reserve funds, reliable and long-term Federal and

Provincial grants, and the repayment of non-growth-related debentures. The sum of these components is the amount of funding the municipality contributed in 2021 to the provision of capital-related needs.

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 currently underfunding its infrastructure by approximately \$5.77 million annually.

To address the gap, Middlesex Centre is contributing more money to capital related Reserve Funds annually. In 2022, an additional \$1,000,000 above 2021 values was contributed to tax levy supported capital reserve funds, including the roads capital reserve fund and the general vehicles & equipment reserve fund.

The municipality is dependent upon maintaining healthy capital reserve funds in order 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.

One measure of the age of our municipal infrastructure is the Total Asset Consumption Ratio, as calculated by BMA Municipal Study, 2021. 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.



Considerations in Developing the Budget

Table: Total Asset Consumption Ratio, 2016 to 2020

Year	Middlesex Centre Total Asset Consumption Ratio
2016	32.1%
2017	32.6%
2018	33.7%
2019	34.1%
2020	34.7%

Unpredictability of Provincial and Federal Funding

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

- Climate change mitigation and adaptation. This includes responding to more frequent and severe flood events 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
- COVID-19 response

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

There are some grants that the municipality receives annually that the community can rely on to support the overall funding

strategy. Having predictable funding to municipalities is imperative for proper financial planning.

Annually the municipality receives:

- Ontario Municipal Partnership Fund
- Canada Community Benefit Fund (formally Federal Gas Tax)
- Ontario Community Infrastructure Fund (beyond 2022 is unknown)

Having access to more predictable and stable funding would assist municipalities in becoming financial sustainable.

COVID-19 Challenges

March 17, 2021, marked the one year anniversary to the Municipality of Middlesex Centre and the Province of Ontario declaring a state of emergency due to the COVID-19 pandemic. Since that time, the municipality's operations have changed significantly in response to this crisis. This included facility closures, specific financial measures being put in place to assist the community and various service and operational reductions/modifications.

Main findings with respect to COVID-19 include:

- The COVID-19 pandemic has and is expected to continue to impact the world economy.
- The Federal and Provincial governments have established and implemented numerous financial programs for residents and businesses impacted by the pandemic.

Considerations in Developing the Budget

- The Provincial government has announced many financial supports for municipalities, including the Safe Restart programs and recovery funding.
- Locally, the pandemic is creating financial challenges for the municipality:
 - Increased costs related to the COVID-19 pandemic, including cleaning supplies, personal protective equipment for employees, modifications to facilities for health and safety, and security personnel
 - Loss of revenues due to the pandemic due to closure of facilities, lower demand in services, and decrease in investment income
 - Loss of revenues due to financial measures implemented in response to the hardships faced by our residents and business community in 2020 and 2021

Municipal staff continue to monitor the financial situation at the municipality and provide recommendations on financial support measures to be implemented as appropriate.

In times like these, municipalities rely on property taxes and user fees to meet our financial obligations and to ensure we have the financial liquidity to meet the needs of residents and businesses who rely on us in an emergency.

The Municipality has been experiencing many impacts to capital and operating budgets in 2022 due to the ongoing COVID-19 pandemic. Specifically:

- Increase in material and manufacturing costs
- Increase in project delays
- Supply issues

- Increases to equipment and vehicles pricing in 2022, which are expected to increase 6% to 10% over 2021

For example, in 2019 the Westbrook Park Playground replacement project would have cost \$120,000. In 2022, this project is expected to cost \$160,000.

- Accounting for 2019 in today's dollars with normal inflation (historical) at approximately 3% a year, this project would cost \$130,800
- Therefore the estimated increase due to COVID-19 pricing is approximately \$30,000 or 23%

Similarly, at the beginning of 2021, the project to Construct New Storage Shed at Denfield was expected to cost \$100,000. In mid-year 2021, Council approved an increase in the budget to \$137,500. Since then, staff have amended the budget for 2022 to \$200,000. This represents an overall increase of \$100,000 or 100% over a 12-month period.

Inflationary Pressures

Inflation is commonly defined as the general increase in prices for goods and services in an economy over a period of time. The Consumer Price Index (CPI) is used as an indicator of the changes in consumer prices and is tracked and circulated monthly by the Bank of Canada. In October 2021, CPI rose 4.7% on a year-over-year basis. Typically municipal costs of goods trend higher than the general CPI rate.

Annual inflationary increases generally increase the cost to “do business.” This is similar to annual increases consumers experience for groceries. These are the increased costs of delivering the same service or program to residents.

Considerations in Developing the Budget

What are the municipality's inflationary cost pressures?

- Wages and benefits represent a large portion of the municipal budget. In 2022, the cost of living increase applied to wages was 2%, with a general increase for benefits of 5%.
- Paying utility bills for municipally owned buildings and facilities – to keep the water running and lights on.
- Maintenance and fuel for our vehicle and equipment fleet; we maintain over 90 fleet assets including fire trucks, snow plows, community services trucks, ice resurfacers and building and bylaw fleet. We need to keep these in good working order to deliver service to the community. It is being projected that the cost of fuel could reach \$2/litre within the next 12 months. A combination of rising oil prices, the state of the Canadian dollar, provincial taxes and the federal government's Clean Fuel Standard (CFS), which comes into effect Dec. 1, 2022, could result in significantly increased fuel costs.
- Many of the construction materials and supplies used by the municipality rise in price at a generally higher rate than household items. The construction costs normally increase along with the Construction Price Index, which rose to 11.6% on a year-over-year basis in the third quarter of 2021.
- Increased pressure due to rise in costs for contracted services such as waste haulage, and software licensing
- Market prices for insurance have been increasing at a higher than most general goods and services at a 20% projected increase for 2022.

How does Middlesex Centre mitigate inflationary pressures?

Like a business, the municipality looks within with a focus on cost containment and continuous improvement to find ways to do more with less resources. Examples of successful initiatives in 2021 that are lowering the inflationary pressure on the budget include:

- Departmental efficiency targets through the 2021 budget development, and continuing into 2022
- Continued energy efficiency initiatives that are mitigating utility cost increases
- The implementation of an automated accounts payable management system reducing the cost of paper, printing costs, and staff time involved in this process
- Implementation of digital meeting functionality reducing mileage costs and staff and council time commuting between facilities
- Investing in innovation and digital modernization like Questica (budgeting software), Cloudpermit (building permit software), Book King (facility booking software)
- Review of the municipal cell phone plan, resulting in savings of 6%-30% of the base monthly cost
- Implementation of a new paper contract resulting in 26% savings
- Switching providers for long-term disability and life insurance as part of the employee benefits programs, resulting in a savings of 9.62% and 27% respectively
- Annual user fee and rate revenues review completed



Considerations in Developing the Budget

- Assessment base management review completed to improve timing of revenues earned from changes in assessment (growth)
- Long Range Water Financial Plan completed in 2021
- Creating new operating reserve funds to enable the municipality to stabilize cost fluctuations such as legal costs and fuel costs

Service Level Enhancements

With every service enhancement, there is a corresponding cost that has to be funded from an increase in the Municipal tax levy. Some major proposed service level enhancements that have been identified are as follows:

- Master Plans – The municipality has scheduled or planned to contract several master plans relating to various areas or services such as transportation, fire services, and water, wastewater and stormwater services in 2022. These plans may recommend various levels of service enhancements which in order to implement would require both significant capital and ongoing annual operational funding.
- New Programming – As a result of the municipality's Community Services Master Plan in 2021, the municipality has budgeted for enhanced recreational programming in 2022. The costs include salaries and benefits for an employee and subcontract costs. The costs may be fully or partially offset by user fees, however there is a risk of having a significant loss which the municipality would be responsible for the salaries and benefits costs at a minimum.

External Legislative Requirements

The municipality is required to follow legislation, and each year there seems 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.

- *Municipal Act, 2001* changes
 - Reg. 353/20, Tax Matters - Transition Ratios and Average Transition Ratios
 - Reg. 295/20, Tax Matters - Vacant Unit Rebate
 - Reg. 296/20, Tax Matters - Special Tax Rates & Limits
 - Reg. 131/20, Limitation Under Section 451.1 of the Act, Noise By-Laws in Connection with Construction
 - Reg. 70/20, Limitation under section 451.1 of the Act, Noise By-Laws in Connection with Delivery of Goods
- Bill 148, Fair Workplaces, Better Jobs Act, 2017
- Bill 108, More Homes, More Choices Act, 2019 this legislation includes amendments in relation to development charges and introduces a Community Benefit Charge relating to new construction.
- Bill 229 (Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020.) introduced broad-based changes that had significant impacts on the Conservation Authorities Act, the Municipal Act and LPAT (Local Planning Appeals Tribunal)
- Bill 215, Main Street Recovery Act, 2020 came into effect September 2021 and impacted business (noise regulations/deliveries)



Considerations in Developing the Budget

- Bill 213, Better for People, Smarter for Business Act, 2020 (Amended 27 Acts impacting municipalities)
- Vital Statistics Act, August 2021, Due to COVID

Vandalism and Security Costs

Additional spending is included in the 2022 operating and capital budgets to respond to the ongoing vandalism problem in Middlesex Centre, as well as increased patron screening required under COVID-19 legislation.

Capital costs:

- \$21,500 for security cameras at park buildings
- \$42,500 security system upgrade for the Wellness Centre

Operating costs:

- \$47,200 for repairs and maintenance of park buildings due to vandalism in 2022
- \$50,000 for security on site at the Wellness Centre and Ilderton Arena due to mandatory COVID-19 vaccination requirements

Capital Project Carried Forward

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

Each year, capital projects are carried forward for a number of 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 2022 are valued at \$9,196,773 (in 2021 dollars) and \$12,876,013 (in 2022 dollars). The change in value is due to increases in cost or adding the next phases/new components of the projects (construction).

Projects being carried forward have already received Council's approval.



Changes and Improvements to the Budget

CHANGES AND IMPROVEMENTS TO THE BUDGET

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

Incorporated into the 2022 Budget:

- Proposed Council approval of multi-year capital budget with project commitments along with cash flow forecasting projected for 2022-2026
- Developed long-term reserve fund requirements for tax levy supported assets that aligns with the Municipal Asset Management Plan (AMP)
- Developed long-term reserve fund requirements for water assets that aligns with the AMP
- Aligned Financial Strategy with Development Charge Study amendment 2021
- Aligned Financial Strategy with AMP
- Managed capital commitments with cash flows (5 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

Ongoing Improvements:

- Council approval of multi-year capital and operating project commitments along with cash flow forecasting projected for 2024-2026 capital budget
- Develop long-term reserve fund requirements that aligns with the municipal AMP for Wastewater and Stormwater supported assets
- Refine the financial strategy and set financial policy



Budget Summary

BUDGET SUMMARY

The Big Picture

- 5.77% Tax Levy Increase (2021: 2.85%)
- 2.16% Tax Rate Increase (2021: 1.47%)
- \$40,247,520 in Operating Costs (2021: \$35,671,580)
- \$24,974,753 in Capital Projects (2021: \$20,728,836)
- \$65,222,273 Total Municipal Budget (2021: \$57.4 million)
- \$12,666,546 Transfers to Reserve Funds (2021: \$9,744,516)*
- \$23,549,759 Transfers from Reserve Funds (2021: \$22,187,299)*

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

Operating Budget

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

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

The financial decisions we make today are critical to the long-term sustainability of our municipality. The 2022 budget reflects corporate strategic plans and the needs of the community. During the 2022 budget process, staff worked diligently to ensure sufficient operating funding is available to deliver efficient services and good value for your tax dollars.



Budget Summary

Operating Budget Revenue

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

- Property Taxes
 - Largest source of municipal revenue, this is calculated by applying the municipal tax rate by the property assessment as determined by MPAC.
- Grants from Federal and Provincial Governments (transfers)
 - The Municipality receives grants from the Provincial and Federal government on an annual basis. These grants are budgeted based on information received by the federal and provincial governments. If the information is not received prior to the budget being passed, staff budget based on a five year historical trend. The 2022 budget includes the following grants:
 - Ontario Municipal Partnership Fund (OMPF)
 - Ontario Community Infrastructure Fund (OCIF)
 - Canada Community-Building Fund (formerly Federal Gas Tax Fund)
- User Fees – General (revenue from services such as recreation, planning applications, building permits etc.)
 - These fees are paid for by the specific user or group of users, including visitors and non-residents, rather than property owners through the municipal tax base.
- User Fees – Water, Wastewater and Stormwater Rates (funded directly by users)
 - Water consumption and wastewater usage charges are based on how much water property uses. Consumption is measured by the water meter. The stormwater user fee is a flat fee set by council each year.
- Other miscellaneous revenues such as permits and licenses

Using a variety of revenue sources ensures tax fairness based on an understanding of who benefits from the services being delivered: an individual user (a public skating enthusiast) or a group (motorists who park in downtown areas) 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 these specific services.

Additionally, the funding received by 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 Revenue Type for 2022 with 3-year Comparison

Revenue Type	2022 Dollar (\$)	2022 Percentage	2021 Dollar (\$)	2021 Percentage	2020 Dollar (\$)	2020 Percentage
Property Taxes Levied	21,351,812	53%	20,187,005	55%	19,627,208	57%
User Fees (Utilities & Other)	12,884,305	32%	12,090,025	33%	12,055,620	35%
Government Grants & Subsidies	3,079,666	8%	2,198,186	6%	1,033,339	3%
Other Municipal Services	2,931,737	7%	2,161,222	6%	1,728,462	3%
TOTAL	\$40,247,520	100%	\$36,636,438	100%	\$34,444,629	100%

Budget Summary

Operating Budget Expenses

The total operating budget for 2022 is \$40,247,520.

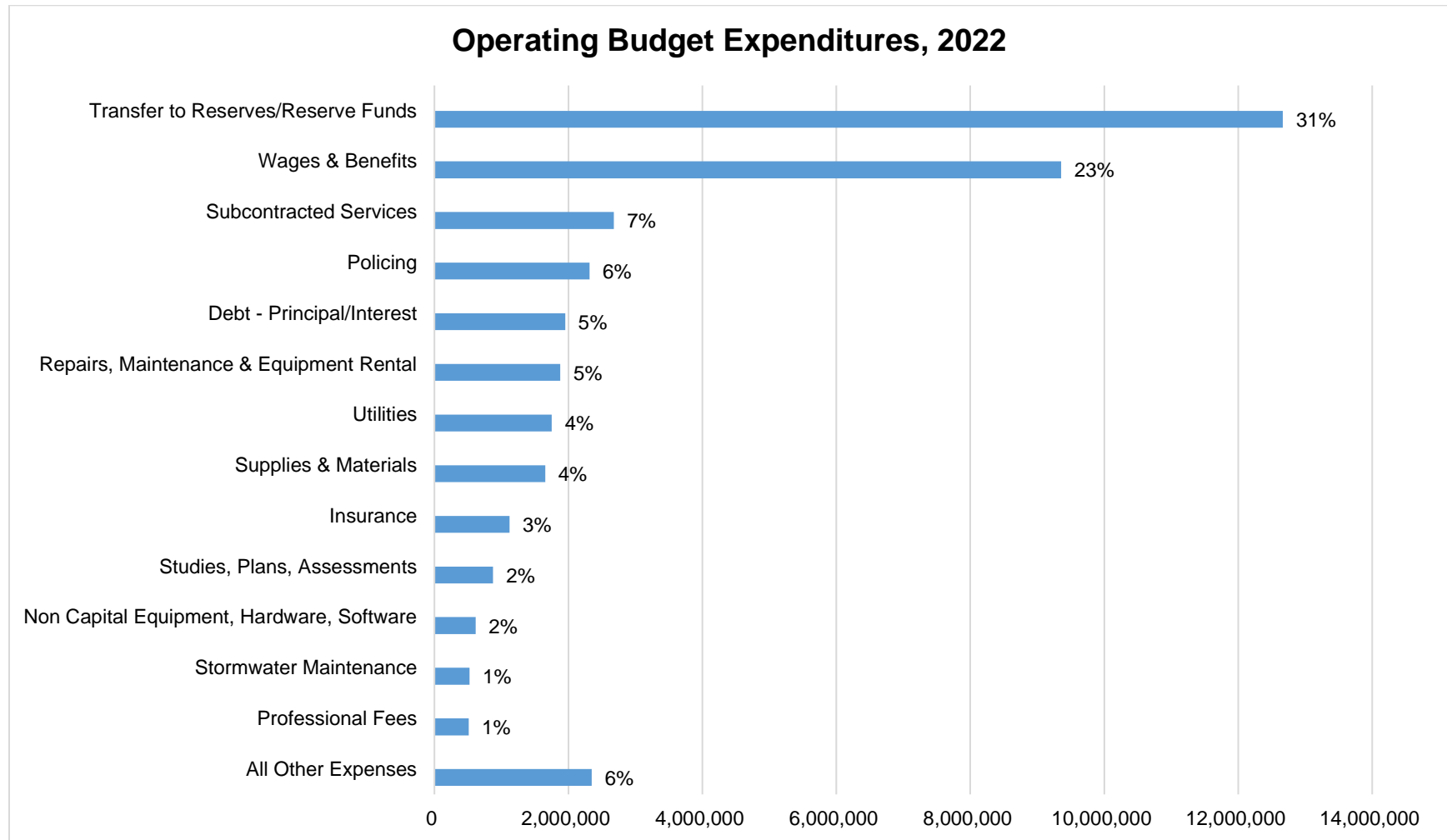
Ten expenditure categories account for 90% of the operating budget. These costs are presented in the table below. Note that the majority of the transfer to reserve funds are for capital projects.

Table: Top 10 Operating Expenses for 2022 with 3-year Comparison

Operating Expenditures	2022 Dollar (\$)	2022 Percentage	2021 Dollar (\$)	2021 Percentage	2020 Dollar (\$)	2020 Percentage
Transfer to Reserves/Reserve Funds	12,666,546	31.5%	10,636,196	29.0%	9,839,756	26.9%
Wages & Benefits	9,356,289	23.2%	8,676,946	23.7%	8,409,294	23.0%
Subcontracted Services	2,679,973	6.7%	2,508,381	6.8%	2,559,590	7.0%
Policing	2,315,475	5.8%	2,309,856	6.3%	2,326,740	6.4%
Debt - Principal/Interest	1,952,570	4.9%	1,983,761	5.4%	2,033,055	5.5%
Repairs, Maintenance & Equipment Rental	1,878,724	4.7%	1,196,956	3.3%	1,694,255	4.6%
Utilities	1,750,947	4.4%	1,109,269	3.0%	1,706,973	4.7%
Supplies & Materials	1,653,326	4.1%	1,079,237	2.9%	1,968,573	5.4%
Insurance	1,120,238	2.8%	900,158	2.5%	696,091	1.9%
Studies, Plans, Assessments	876,775	2.2%	847,070	2.3%	450,000	1.2%
TOTAL	36,250,862	90.1%	31,247,830	85.3%	31,684,327	86.5%

Budget Summary

Figure: 2022 Operating Budget by Expenditure



Budget Summary

Items of Note

Two items of note: Transfer to reserve funds and Staffing account for just under 55% of the operating budget.

Reserve Funds

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

Notable Reserve Funds changes for 2022 include:

- Additional \$1,000,000 transferred to reserve funds in 2022 to build these balances to cover capital asset requirements as outlined in the Municipality's asset management plan

Salaries & Benefits

These funds cover the costs of having municipal staff deliver services. We use a zero-based budgeting model, meaning that each year we build the budget starting at zero, and look at the costs associated with each staff position. The 2022 budget includes an allowance for an overall increase of approximately 2.0 full time equivalent employees. Additional staff resources are recommended to facilitate desired service level enhancements and/or increased workloads.

Notable salary and benefits changes for 2022 include:

- a salary cost of living increase of 2.0%
- pay-grid step increases of 4%, with 38 full-time employees eligible for increases
- new or modified staff positions:
 - Public Works & Engineering – Asset Management and Sustainability Coordinator
 - Community Services – Full-Time Customer Service and Program Assistant
 - Building Department – Building Co-op Student
- health and dental benefits cost increases of 5%
- the implementation of a performance management module at a cost of \$2,500

The total cost of operations by department for 2022 is presented in the chart below.



Budget Summary

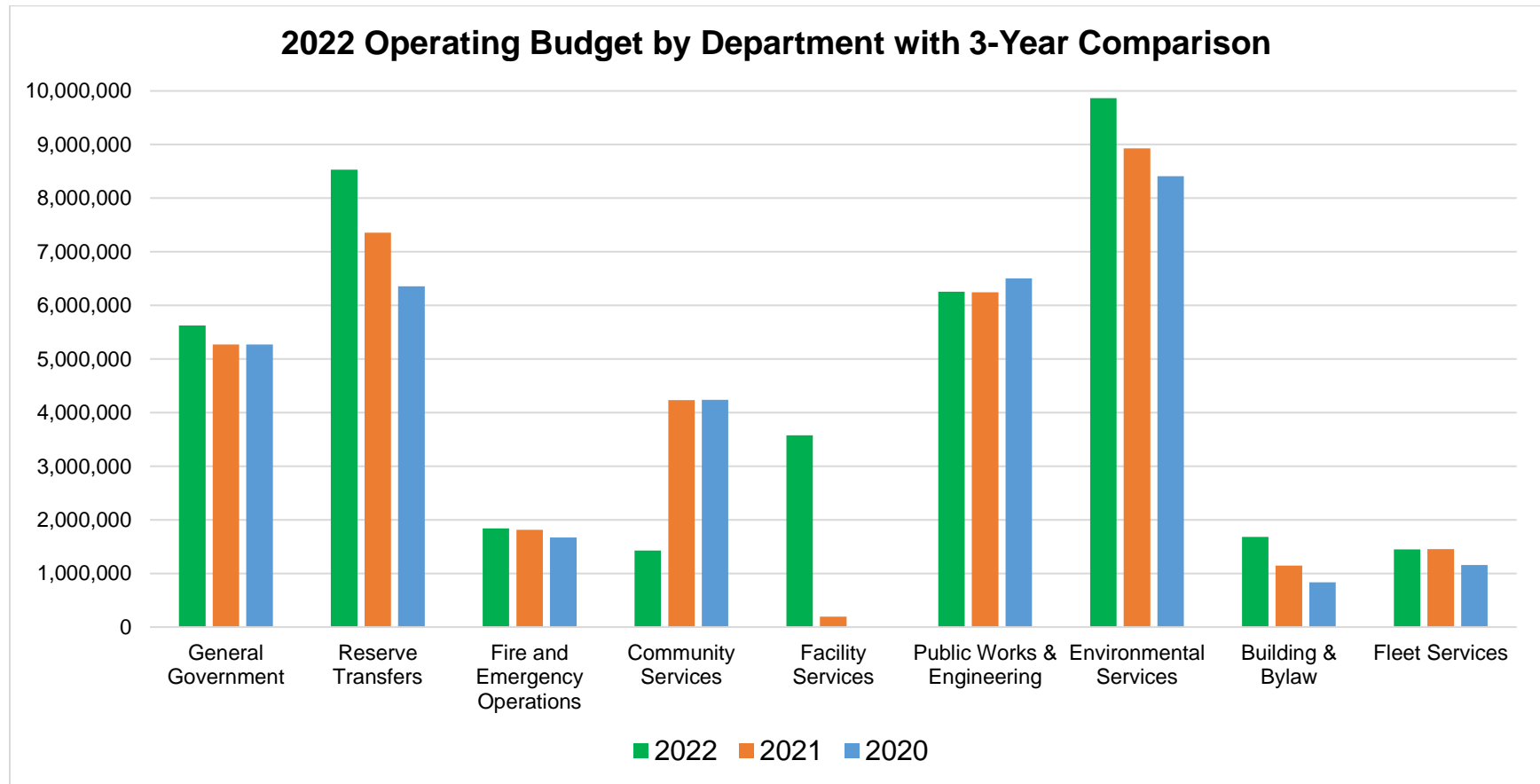
Table: 2022 Total Operating Budget by Department with 3-year Comparison

Department	2022 Total Operating Budget (\$)	2021 Total Operating Budget (\$)	2020 Total Operating Budget (\$)
General Government	5,625,593	5,268,247	5,272,457
Transfer to Reserves/Reserve Funds	8,530,416	7,355,016	6,354,526
Building & Bylaw	1,680,262	1,146,742	834,152
Fire and Emergency Operations	1,843,272	1,814,877	1,673,495
Community Services	1,425,595	4,233,009	4,238,410
Facility Services	3,576,746	196,790	Nil
Public Works & Engineering	6,254,129	6,242,800	6,502,444
Environmental Services	9,864,234	8,926,302	8,411,174
Fleet Services	1,447,273	1,452,655	1,157,971
Grand Total	40,247,520	36,636,438	34,444,629

Note that the Reserve Fund Transfers percentage does not include user fee generated reserve funds such as water, wastewater, stormwater and building. Facilities department was created in 2021 and expanded in 2022 to include other departments outside community services.

Budget Summary

Figure: 2022 Operating Budget by Department with 3-year comparison



Budget Summary

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

Department	2022 Budget			2021 Budget			Y/Y Change			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenue	Expenses	Taxes	% Change
General Government										
1100 - General Administration	2,929,961	2,559,387	(370,574)	2,167,607	2,356,129	188,522	726,354	203,258	(559,096)	-296.57%
Reserve Funds	1,562,416	8,530,416	6,968,000	1,564,416	7,355,016	5,790,600	(2,000)	1,175,400	1,177,400	20.33%
1220 - Policing	0	2,315,475	2,315,475	0	2,309,856	2,309,856	0	5,619	5,619	0.24%
1230 - Conservation Authorities	0	346,030	346,030	0	295,741	295,741	0	50,289	50,289	17.00%
1300 - Council	0	237,588	237,588	0	221,666	221,666	0	15,922	15,922	7.18%
1400 - Economic Development	0	74,328	74,328	0	66,613	66,613	0	7,715	7,715	11.58%
1500 - COVID-19	0	75,850	75,850	0	0	0	0	75,850	75,850	0.00%
5100 - Cemeteries	2,250	16,935	14,685	6,650	18,243	11,593	(4,400)	(1,308)	3,092	26.67%
General Government Total	4,494,627	14,156,009	9,661,382	3,738,673	12,623,263	8,884,590	630,955	1,532,746	776,792	8.74%
Fire and Emergency Operations										
2100 - Fire Operations	77,000	1,106,118	1,029,118	83,000	1,181,882	1,098,882	(6,000)	(75,764)	(69,764)	-6.35%
2118 - Special Operations	0	18,000	18,000	0	12,525	12,525	0	5,475	5,475	43.71%
2119 - Fire Administration	69,300	602,185	532,885	9,400	511,073	501,673	59,900	91,112	31,212	6.22%
2120 - Fire Prevention	60,000	112,018	52,018	82,980	106,696	23,716	(22,980)	5,322	28,302	119.34%
2400 - Emergency Operations		4,950	4,950		2,700	2,700	0	2,250	2,250	83.33%
Fire and Emergency Operations Total	206,300	1,843,272	1,636,972	175,380	1,814,877	1,639,497	30,920	28,395	(2,525)	-0.15%

Budget Summary

Department	2022 Budget			2021 Budget			Y/Y Change			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenue	Expenses	Taxes	% Change
Community Services										
7100 - Parks & Open Space	105,723	577,576	471,853	140,806	589,551	448,745	(35,083)	(11,975)	23,108	5.15%
7199 - Administration	5,000	848,018	843,018	2,500	740,411	737,911	2,500	107,607	105,107	14.24%
7200 - Community Centres	0		0	81,570	315,499	233,929	(81,570)	(315,499)	(233,929)	-100.00%
7300 - Arenas	0		0	1,786,421	2,587,548	801,127	(1,786,421)	(2,587,548)	(801,127)	-100.00%
Community Services Total	110,723	1,425,595	1,314,872	2,011,297	4,233,009	2,221,712	(1,900,574)	(2,807,415)	(906,841)	-40.82%
Facility Services										
6000 - Administration	0	15,000	15,000	0	0	0	0	15,000	15,000	0.00%
6110 - Municipal Office	0	139,659	139,659	0	0	0	0	139,659	139,659	0.00%
6120 - Leased Properties	238,539	238,539	0	155,243	155,243	0	83,296	83,296	0	0.00%
6200 - Fire Halls	0	99,134	99,134	0	0	0	0	99,134	99,134	0.00%
6300 - PWE Operations Centres	0	224,390	224,390	0	0	0	0	224,390	224,390	0.00%
6700 - Community Centres	52,350	291,920	239,570	0	0	0	52,350	291,920	239,570	0.00%
6730 - Arenas	1,856,598	2,522,611	666,013	0	0	0	1,856,598	2,522,611	666,013	0.00%
6750 - Libraries	48,419	45,493	(2,926)	46,421	41,547	(4,874)	1,998	3,945	1,948	-39.96%
Facility Services Total	2,195,906	3,576,746	1,380,840	201,664	196,790	(4,874)	1,994,242	3,379,956	1,385,714	*See note below
Public Works & Engineering (PWE)										
3000 - Transportation	43,000	4,141,931	4,098,931	43,000	4,239,318	4,196,318	0	(97,387)	(97,387)	-2.32%
3319 - Administration	204,743	1,523,016	1,318,273	125,562	1,397,731	1,272,168	79,181	125,286	46,105	3.62%
8100 - Planning	359,600	397,663	38,063	420,900	448,903	28,003	(61,300)	(51,240)	10,060	35.92%
8300 - Drainage	68,000	137,727	69,727	30,000	131,594	101,594	38,000	6,133	(31,867)	-31.37%
8405 - Tile Drainage	20,516	20,516	0	20,516	20,516	0	0	0	0	0.00%
8410 - Municipal Drainage	33,275	33,275	0	4,738	4,738	0	28,537	28,537	0	0.00%

Budget Summary

Department	2022 Budget			2021 Budget			Y/Y Change			
	Revenues	Expenses	Taxes	Revenues	Expenses	Taxes	Revenue	Expenses	Taxes	% Change
PWE Total	729,135	6,254,129	5,524,994	644,717	6,242,800	5,598,083	84,418	11,329	(73,089)	-1.31%
Environmental Services										
4100 - Wastewater	3,609,607	3,609,607	0	3,259,020	3,259,020	0	350,587	350,587	(0)	-77.65%
4200 - Stormwater	1,079,088	1,079,088	(0)	1,007,352	1,007,352	0	71,736	71,736	(0)	0.00%
4300 - Water	3,793,721	3,793,721	(0)	3,363,548	3,363,548	0	430,173	430,173	(0)	-102.59%
4500 - Waste Management	1,055,200	1,381,818	326,618	995,683	1,296,382	300,699	59,517	85,436	25,919	8.62%
Environmental Services Total	9,537,616	9,864,234	326,618	8,625,603	8,926,302	300,699	912,013	937,932	25,919	8.62%
Building & Bylaw										
2500 - Building	1,523,200	1,523,200	(0)	1,004,200	1,004,200	0	519,000	519,000	(0)	0.00%
2510 - By-Law	17,900	114,533	96,633	17,900	87,728	69,828	0	26,806	26,806	38.39%
2700 - Animal Control	4,460	42,528	38,068		54,815	54,815	4,460	(12,286)	(16,746)	-30.55%
Building & Bylaw Total	1,545,560	1,680,262	134,702	1,022,100	1,146,742	124,642	523,460	533,519	10,059	8.07%
Fleet Services										
9100 - Administration Fleet	45,841	321,321	275,480	0	348,155	348,155	45,841	(26,834)	(72,675)	-20.87%
9200 - Fire Fleet	30,000	120,897	90,897	30,000	131,326	101,326	0	(10,429)	(10,429)	-10.29%
9250 - Building Fleet	0	8,006	8,006	0	4,065	4,065	0	3,941	3,941	96.94%
9300 - PWE Transportation Fleet	0	819,752	819,752	0	824,301	824,301	0	(4,548)	(4,548)	-0.55%
9400 - Water/Wastewater Fleet	0	37,835	37,835	0		0	0	37,835	37,835	0.00%
9700 - Community Services Fleet	0	139,463	139,463	0	144,808	144,808	0	(5,345)	(5,345)	-3.69%
Fleet Services Total	75,841	1,447,273	1,371,433	30,000	1,452,655	1,422,655	45,841	(5,381)	(51,222)	-3.60%
Grand Total	18,895,708	40,247,520	21,351,812	16,449,434	36,636,438	20,187,005	2,446,274	3,611,082	1,164,807	5.77%

*Facility Services was not fully implemented in 2021 so a year over year comparison is not possible.

Budget Summary

Capital Budget

Middlesex Centre's capital budget covers large infrastructure and other long-term projects. The municipality presents a 5-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 efficient and effective capital budget.

The financial decisions we make today are critical to the long-term sustainability of our municipality. The 2022 budget reflects corporate strategic plans and the needs of 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.

There are five main sources of funding for Middlesex Centre's capital projects: reserve funds, debt financing, development charges, donations and grants. Projects can receive funding from a single source, but many of the projects are funded through multiple sources.

Municipal staff is faced with the challenge of balancing the needs of the community against the resources and funding sources available. To assist in the development of the budget, capital projects have been grouped into three categories:

1. Asset Management related capital projects
2. Growth related capital projects
3. Service-level changes, improvements, or efficiency improvements capital projects



Budget Summary

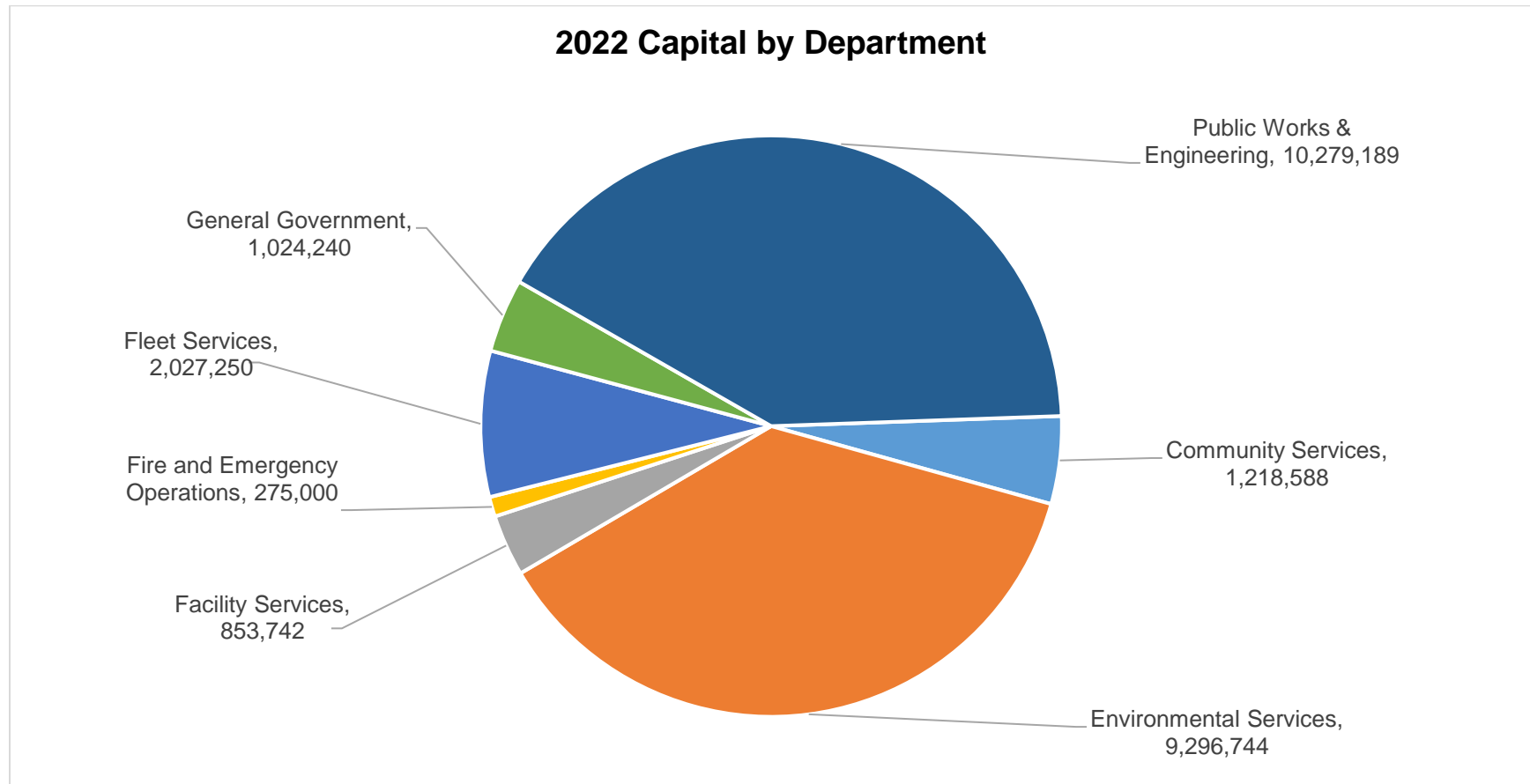
Table: Summary of Recommended Capital Projects for 2022 by Department

Department	2022	2021
General Government	\$1,024,240	\$1,084,400
Building Department	\$0	\$0
Fire Department	\$275,000	\$65,600
Community Services	\$1,218,588	\$1,772,000
PWE - Transportation	\$10,279,189	\$7,653,000
PWE - Environmental Services:		
Water & Wastewater	\$7,007,219	\$7,637,836
Stormwater	\$2,289,525	\$1,625,000
Facility Services	\$853,742	\$891,000
Fleet Services	\$2,027,250	\$0
Total	\$24,974,753	\$20,728,836

Note: Change in presentation compared to past years as Fleet Services are now being shown as a separated rather than being included in departmental budgets.

Budget Summary

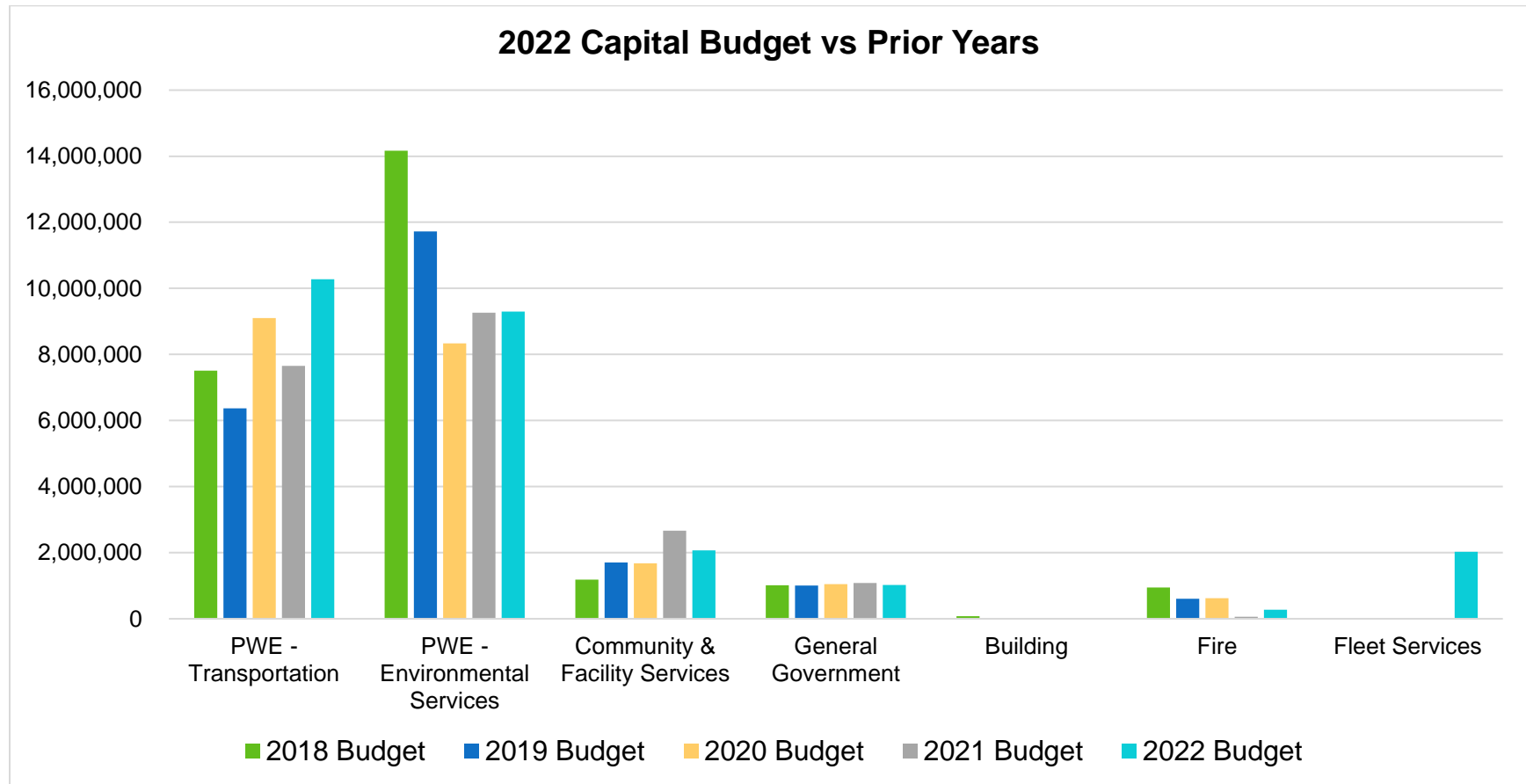
Figure: 2022 Capital Budget by Department



Note: Includes 2021 carryover and new projects for 2022

Budget Summary

Figure: 2022 Capital Budget by Department – Comparison with Previous Years



Note: Fleet displayed as separate department in 2022

Budget Summary

Table: 5-Year Capital Expenditures by Department, Summary

**Municipality of Middlesex Centre
Capital Expenditure Summary by Department
2022 Budget 5-Year Forecast**

Department	2022	2023	2024	2025	2026	Total 5-Year Plan
General Government	1,024,240	0	0	0	0	1,024,240
Fire and Emergency Operations	275,000	15,000	120,000	80,000	0	490,000
Community Services	1,218,588	2,054,600	2,279,900	250,000	111,000	5,914,088
Facility Services	853,742	3,708,850	10,121,070	16,219,850	909,500	31,813,012
Environmental Services	9,296,744	11,893,665	13,541,307	2,650,175	1,551,685	38,933,576
Public Works & Engineering	10,279,189	12,036,600	9,600,000	9,013,824	4,855,000	45,784,613
Fleet Services	2,027,250	3,342,000	3,024,000	3,977,000	2,484,000	14,854,250
Grand Total	24,974,753	33,050,715	38,686,277	32,190,849	9,911,185	138,813,779

Budget Summary

Table: 5-Year Capital Expenditures by Department, Detail

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
General Government									
General Administration	Industrial Land Purchase	Build Middlesex Centre	1,000,000	0	1,000,000	0	0	0	0
	Municipal Office Phone System	Modernization	20,000	4,240	24,240	0	0	0	0
General Administration Total			1,020,000	4,240	1,024,240	0	0	0	0
General Government Total			1,020,000	4,240	1,024,240	0	0	0	0
Fire and Emergency Operations									
Fire Operations	Decon and Rehab Shelter	Fire Vehicles & Equip	0	0	0	0	25,000	0	0
	Extrication Equip	Fire Vehicles & Equip	0	200,000	200,000	0	0	0	0
	Extrication Equip	Fire Vehicles & Equip	0	0	0	0	80,000	0	0
	Extrication Equip	Fire Vehicles & Equip	0	0	0	0	0	80,000	0
	Hose and Hose Accessories	Fire Vehicles & Equip	0	15,000	15,000	0	0	0	0
	Hose and Hose Accessories	Fire Vehicles & Equip	0	0	0	0	15,000	0	0
	Personal Protective Equip (PPE)	Fire Vehicles & Equip	0	60,000	60,000	0	0	0	0
	SCBA and Accessories	Fire Vehicles & Equip	0	0	0	15,000	0	0	0
Fire Operations Total			0	275,000	275,000	15,000	120,000	80,000	0
Fire and Emergency Operations Total			0	275,000	275,000	15,000	120,000	80,000	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
Community Services									
Parks & Open Space	Brantam Park Development	Development Charges	0	0	0	0	160,000	0	0
	Caverhill Park- Curbing for existing playground	Building & Facility	0	10,000	10,000	0	0	0	0
	Clear Skies Park	Development Charges	0	0	0	250,000	0	0	0
	Clear Skies Primary Trail	Development Charges	215,000	0	215,000	0	0	0	0
	Clear Skies Secondary Trail	Development Charges	0	172,679	172,679	0	0	0	0
	Coldstream Storage Shed - Roof Replacement	Building & Facility	0	0	0	55,000	0	0	0
	Deerhaven Park - Tennis Court Lighting	Building & Facility	0	0	0	0	60,000	0	0
	Deerhaven Park - Asphalt Gravel Parking Lot	Building & Facility	0	0	0	85,000	0	0	0
	Deerhaven Park- Repaint Tennis and Multi Use Court	Building & Facility	0	0	0	30,000	0	0	0
	Deerhaven Park- Solar Park Lighting and Poles	Building & Facility	0	20,000	20,000	0	0	0	0
	Delaware Lions Park - Replace/Extend Ball Hockey Fence	Building & Facility	0	10,000	10,000	0	0	0	0
	Delaware Lions Park- Asphalt Parking Lots Upper & Lower	Building & Facility	0	0	0	95,000	0	0	0
	Delaware Lions Park- Irrigate Ball Diamond	Building & Facility	0	0	0	0	55,000	0	0
	Delaware Lions Park- New Tennis Nets & Posts	Building & Facility	0	10,500	10,500	0	0	0	0
	Delaware Lions Park- Paint Tennis Courts	Building & Facility	0	26,000	26,000	0	0	0	0
	Delaware Municipal Park - Replace Bleachers	Building & Facility	0	0	0	24,000	0	0	0
	Delaware Municipal Park Enclose Dugouts	Building & Facility	0	0	0	0	15,000	0	0
	Delaware Municipal Park- Security Camera	Building & Facility	0	4,000	4,000	0	0	0	0
	Denfield Park - Replace Bleachers	Building & Facility	0	0	0	15,000	0	0	0
	Denfield Park- Asphalt Parking Lot	Building & Facility	0	0	0	65,000	0	0	0
	Denfield Park- Replace Tennis Net & Posts & Ground Sleeves	Building & Facility	0	4,800	4,800	0	0	0	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Denfield Park- Security Camera and Security Improvements	Building & Facility	0	5,000	5,000	0	0	0	0
	Denfield Park-Replace Diamond Backstop	Building & Facility	0	0	0	0	18,500	0	0
	Edgewater Trail	Development Charges	0	0	0	0	120,400	0	0
	Heritage Park - Backstop Upgrade on Main Diamond	Building & Facility	0	0	0	40,000	0	0	0
	Heritage Park - LED Lighting Upgrade	Building & Facility	0	0	0	0	28,500	0	0
	Heritage Park - Replace Shade Structure	Building & Facility	0	0	0	0	15,000	0	0
	Heritage Park- Asphalt to Pavilion/Barn	Building & Facility	0	0	0	35,000	0	0	0
	Heritage Park- Pavilion Upgrades	Building & Facility	0	0	0	100,000	0	0	0
	Heritage Park Splash Pad Upgrades	Building & Facility	0	0	0	0	0	25,000	0
	ILDERTON OPTIMIST-REPLACE PLAYGROUND EQUIP	Building & Facility	85,000	0	85,000	0	0	0	0
	KILWORTH OPTIMIST-TRIDON PARK DEVELOPMENT	Development Charges	246,609	0	246,609	0	0	0	0
	Komoka Civic Square Construction	Multiple	0	0	0	0	1,500,000	0	0
	Komoka Civic Square Design	Multiple	0	185,000	185,000	0	0	0	0
	Komoka Park - Replace Front Soccer Field	Building & Facility	0	0	0	100,000	0	0	0
	Komoka Park- Security Camera System	Building & Facility	0	4,000	4,000	0	0	0	0
	Komoka Park Tennis Courts - LED Lighting Retrofit	Building & Facility	0	0	0	15,800	0	0	0
	Komoka Park-Replace Playground	Building & Facility	0	0	0	0	160,000	0	0
	Meadow Creek Park- Parking Lot Solar Light	Building & Facility	0	11,500	11,500	0	0	0	0
	Meadow Creek Park- Security Camera System	Building & Facility	0	4,000	4,000	0	0	0	0
	Meadowcreek Park - Replace Playground	Building & Facility	0	0	0	160,000	0	0	0
	Playground netting for merry go-round	Building & Facility	0	15,000	15,000	0	0	0	0
	Pleasant Park - Replace Parking Lot Barricade	Building & Facility	0	0	0	10,000	0	0	0
	Poplar Hill Park - Diamond Backstop and Fence- Clay Diamond	Building & Facility	0	0	0	0	28,000	0	0
	Poplar Hill Park - Regrade & New Material for Infield	Building & Facility	0	0	0	45,000	0	0	0
	Poplar Hill Park - UV Filtration System	Building & Facility	0	0	0	0	0	0	6,000

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Poplar Hill Park - Washroom Upgrades	Building & Facility	0	0	0	50,000	0	0	0
	Poplar Hill Park- Asphalt Roadway by pavilion	Building & Facility	0	0	0	0	0	45,000	0
	Poplar Hill Park- Baseball Diamond Backstop and Fence	Building & Facility	0	0	0	28,000	0	0	0
	Poplar Hill Park- Grand Stand Improvements - North side	Building & Facility	0	25,000	25,000	0	0	0	0
	Poplar Hill Park- Multi Surface re-surfacing and new lines and nets	Building & Facility	0	0	0	0	15,000	0	0
	Poplar Hill Park- Solar Light & Pole by pavilion	Building & Facility	0	0	0	4,800	0	0	0
	Prince Andrew Park/School - Ball Diamond Improvements	Building & Facility	0	0	0	0	0	105,000	0
	Prince Andrew Park/School - Resurface Tennis Court + New Nets	Building & Facility	0	0	0	0	0	0	105,000
	Timberwalk Park	Multiple	0	0	0	150,000	0	0	0
	Tridon Park Development Phase 2	Development Charges	0	0	0	250,000	0	0	0
	Weldon Park - Ball Diamond backstop replacement	Building & Facility	0	0	0	0	19,500	0	0
	Weldon Park - Pavilion Upgrades	Building & Facility	0	0	0	50,000	0	0	0
	Weldon Park - Remove Chips and Dust and change to clay	Building & Facility	0	0	0	0	70,000	0	0
	Weldon Park - Renovate Electrical Storage Shed	Building & Facility	0	0	0	42,000	0	0	0
	Weldon Park - Replace Backstop on Main Diamond	Building & Facility	0	0	0	25,000	0	0	0
	Weldon Park - Replace Main Diamond Infield	Building & Facility	0	0	0	55,000	0	0	0
	Weldon Park - Resurface Tennis Court	Building & Facility	0	0	0	100,000	0	0	0
	Weldon Park- Asphalt access road + up to tennis courts, add parking	Building & Facility	0	0	0	145,000	0	0	0
	Weldon Park- Replace Jr. Playground	Building & Facility	0	0	0	0	0	50,000	0
	Weldon Park- Security Camera System	Building & Facility	0	4,500	4,500	0	0	0	0
	Westbrook Park - Multi Purpose Court Resurfacing	Building & Facility	0	0	0	15,000	0	0	0
	Westbrook Park - Replace Shade Structure	Building & Facility	0	0	0	0	15,000	0	0
	Westbrook Park - Tennis Court Lighting Retrofit	Building & Facility	0	0	0	15,000	0	0	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Westbrook Park- Replace Play Equip	Building & Facility	0	160,000	160,000	0	0	0	0
	Westbrook Park- Splash Pad Upgrades	Building & Facility	0	0	0	0	0	25,000	0
Parks & Open Space Total			546,609	671,979	1,218,588	2,054,600	2,279,900	250,000	111,000
Community Services Total			546,609	671,979	1,218,588	2,054,600	2,279,900	250,000	111,000
Facility Services									
Arenas	Ilderton Arena - Brine Pipe Replacement	Building & Facility	0	0	0	5,000	0	0	0
	Ilderton Arena - Build Indoor Snow Melting Pit Inside Ice Resurfacers Room	Building & Facility	0	0	0	0	0	0	250,000
	Ilderton Arena - Dressing Room HVAC	Building & Facility	0	0	0	0	68,850	0	0
	Ilderton Arena - Electrical Room Clean Up & Additional Panel	Building & Facility	0	0	0	6,000	0	0	0
	Ilderton Arena - Header Replacement	Building & Facility	0	0	0	75,000	0	0	0
	Ilderton Arena - Lobby Renovation	Building & Facility	0	0	0	0	0	1,500,000	0
	Ilderton Arena - New Rink Boards and Glass	Building & Facility	0	0	0	0	400,000	0	0
	Ilderton Arena - Replace Brine Pump & Motor	Building & Facility	0	0	0	12,500	0	0	0
	Ilderton Arena - Replace Compressor #1	Building & Facility	0	0	0	18,600	0	0	0
	Ilderton Arena - Replace Compressor #2	Building & Facility	0	0	0	0	18,600	0	0
	Ilderton Arena - Replace Cooling Tower	Building & Facility	0	0	0	0	100,000	0	0
	Ilderton Arena - Replace Floor Scrubber	Building & Facility	0	0	0	9,000	0	0	0
	Ilderton Arena - Replace main Rink Chiller	Building & Facility	0	0	0	0	100,000	0	0
	Ilderton Arena & Curling Club- CO + CO2 Gas Detection Systems	Building & Facility	0	5,600	5,600	0	0	0	0
	Ilderton Arena- First Floor Furnace	Building & Facility	0	0	0	0	0	8,600	0
	Ilderton Arena- Hydronic Heating Boiler	Building & Facility	0	0	0	0	0	0	11,500
	Ilderton Arena- Ice Edger - Battery Powered	Building & Facility	0	5,990	5,990	0	0	0	0
	Ilderton Arena- Refrigeration room heat recovery improvements	Building & Facility	0	0	0	18,500	0	0	0
	Ilderton Arena- Roof Access Safety Railing & Ladder	Building & Facility	0	12,500	12,500	0	0	0	0
	Ilderton Arena- Security System Install	Building & Facility	0	0	0	18,200	0	0	0
	Ilderton Arena-Facility Lighting Replacement	Building & Facility	0	0	0	0	150,000	0	0
	Ilderton Arena-Hockey Goal Frame Replacement	Building & Facility	0	0	0	0	0	5,250	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Ilderton Recreation Facility	Multiple	0	0	0	1,700,000	8,148,520	14,000,000	0
	Komoka Wellness Centre- General - Storage Shed for Parks Equip	Building & Facility	0	0	0	0	150,000	0	0
	Komoka Wellness Centre- Refrigerant Cooling Tower Replacement	Building & Facility	0	0	0	0	0	0	140,000
	Komoka Wellness Centre- Replace Outdoor Digital Sign	Building & Facility	0	0	0	0	0	0	28,500
	Komoka Wellness Centre-Gym HVAC Replacement	Building & Facility	0	0	0	0	0	110,000	0
	Komoka Wellness Centre-Hockey Goal Frame -New Set	Building & Facility	0	0	0	0	0	4,500	0
	Komoka Wellness Centre-Lighting Retrofit-Phase 2	Building & Facility	0	0	0	0	0	120,000	0
	Komoka Wellness Centre-Splash Pad Improvements	Building & Facility	0	0	0	0	0	0	35,000
	KWC-C2 Compressor replacement	Building & Facility	0	28,500	28,500	0	0	0	0
	KWC-Condenser water plate and frame regasket	Building & Facility	0	18,000	18,000	0	0	0	0
	KWC-Desiccant dehumidifier repairs (duct and wheel)	Building & Facility	0	26,500	26,500	0	0	0	0
	KWC-Replace infra-red cameras on rinks	Building & Facility	0	6,450	6,450	0	0	0	0
	KWC-Replace Kaivac Sanitizing Cleaning System at Wellness Centre	Building & Facility	0	12,500	12,500	0	0	0	0
	KWC-Roof and Eavestrough Repairs	Building & Facility	0	17,800	17,800	0	0	0	0
	KWC-RTU 8 replacement	Building & Facility	0	85,000	85,000	0	0	0	0
	KWC-Security camera system upgrade	Building & Facility	0	42,500	42,500	0	0	0	0
	Wellness Centre - Air Quality Monitoring System	Building & Facility	0	0	0	17,000	0	0	0
	Wellness Centre - Building Automation Upgrades	Building & Facility	0	0	0	53,000	0	0	0
	Wellness Centre - Compressor 3 Replacement	Building & Facility	0	0	0	29,000	0	0	0
	Wellness Centre - Library Carpet Replacement	Building & Facility	0	0	0	25,000	0	0	0
	Wellness Centre - Lighting Retrofit Phase 1	Building & Facility	0	0	0	0	50,000	0	0
	Wellness Centre - Lobby Furniture Re-Fresh	Building & Facility	0	0	0	10,000	0	0	0
	Wellness Centre - Plate & Frame Heat Exchange	Building & Facility	0	0	0	0	32,500	0	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Wellness Centre - Replace Change Room Sinks & Counters	Building & Facility	0	0	0	0	37,200	0	0
	Wellness Centre - Replace Front Sliding Doors	Building & Facility	0	0	0	0	25,000	0	0
	Wellness Centre - Replace Sound System on Coors Pad	Building & Facility	0	0	0	0	60,000	0	0
	Wellness Centre - YMCA Improvements	Building & Facility	0	0	0	0	75,000	0	0
	Wellness Centre Canadian Pad Sound System Replacement	Building & Facility	0	0	0	85,000	0	0	0
	Wellness Centre Cooling Tower Rebuild	Building & Facility	0	0	0	22,000	0	0	0
	Wellness Centre Rink Shielding for Players Benches	Building & Facility	0	0	0	16,500	0	0	0
Arenas Total			0	261,340	261,340	2,120,300	9,415,670	15,748,350	465,000
Community Centres	Bryanston Community Centre - Floor Scrubber Replacement	Building & Facility	0	0	0	0	0	9,000	0
	Bryanston Community Centre - HVAC Condensing Unit	Building & Facility	0	0	0	6,850	0	0	0
	Bryanston Community Centre - New Furnace	Building & Facility	0	0	0	6,800	0	0	0
	Bryanston Community Centre - Paint Interior Walls	Building & Facility	0	0	0	0	10,000	0	0
	Bryanston Community Centre- Bar Fridge/Cooler	Building & Facility	0	0	0	0	0	0	4,500
	Coldstream Community Centre - Asphalt Kitchen Service Laneway	Building & Facility	0	0	0	9,500	0	0	0
	Coldstream Community Centre - Kitchen Upgrades	Building & Facility	0	0	0	0	38,500	0	0
	Coldstream Community Centre - Replace Floor Scrubber	Building & Facility	0	0	0	9,000	0	0	0
	DCC-Replace Meeting Room Floor	Building & Facility	0	18,000	18,000	0	0	0	0
	Delaware Community Centre - Lighting Update in Facility - Phase 2	Building & Facility	0	0	0	0	0	75,000	0
	Delaware Community Centre - Replace Floor Scrubber	Building & Facility	0	0	0	0	9,500	0	0
	Delaware Community Centre - Replace Lennox Rooftop Units	Building & Facility	0	0	0	0	60,000	0	0
	Delaware Community Centre - Upgrade Lighting	Building & Facility	0	0	0	0	75,000	0	0
	Delaware Community Centre Replace Rooftop Exhaust Fans	Building & Facility	0	0	0	12,500	0	0	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Delaware Community Centre- Upper Roof Replacement	Building & Facility	0	0	0	0	0	0	190,000
	Delaware Community Centre-Lower Parking Lot-Security Gate Arm	Building & Facility	0	0	0	0	0	35,000	0
	ICC- Replace Exhaust fans for Kitchen and Washrooms	Building & Facility	0	10,000	10,000	0	0	0	0
	ICC- Replacement of Water Heater	Building & Facility	0	4,800	4,800	0	0	0	0
	Ilderton Community Centre - Floor Scrubber	Building & Facility	0	0	0	0	9,000	0	0
	Ilderton Community Centre - HVAC Replacement	Building & Facility	0	0	0	0	45,000	0	0
	Ilderton Community Centre - Resurface asphalt parking lot and service entrance.	Building & Facility	0	0	0	0	0	160,000	0
	Ilderton Community Centre Automatic Door	Building & Facility	0	0	0	14,500	0	0	0
	KCC- HVAC replacement with heat pumps (main hall)	Building & Facility	0	0	0	49,500	0	0	0
	KCC- replace library flooring	Building & Facility	0	0	0	5,400	0	0	0
	Komoka Community Centre	Building & Facility	0	0	0	0	5,400	0	0
	Komoka Community Centre - Bar Fridge Replacement	Building & Facility	0	0	0	6,500	0	0	0
	Komoka Community Centre - Re-Asphalt Parking Lot	Building & Facility	0	0	0	0	185,000	0	0
	Komoka Community Centre - Washroom Accessibility Upgrades	Building & Facility	0	0	0	100,000	0	0	0
	Komoka Community Centre Floor Scrubber Replacement	Building & Facility	0	0	0	9,000	0	0	0
	Komoka Community Centre Roof Replacement	Building & Facility	0	0	0	0	0	75,000	0
	Komoka Community Centre- Roof Replacement (Upper)	Building & Facility	0	0	0	0	0	0	165,000
	Komoka Community Centre-Lighting Upgrade - Entire Facility	Building & Facility	0	0	0	0	0	65,000	0
Community Centres Total			0	32,800	32,800	229,550	437,400	419,000	359,500
Fire Halls	Arva Fire Station - Radiant Heat in Apparatus Bays	Building & Facility	0	0	0	14,000	0	0	0
	Arva Fire hall - Replace Farmco Air Compressor	Building & Facility	0	0	0	0	7,500	0	0
	Arva Fire hall-Replace read west overhead door	Building & Facility	0	0	0	0	0	15,000	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Arva Fire hall-Replace Roof	Building & Facility	0	0	0	0	0	0	85,000
	Coldstream Fire hall- UV Light Water Treatment System	Building & Facility	0	6,500	6,500	0	0	0	0
	Delaware Fire hall Sign	Delaware Hydro Reserve Fund	0	0	0	40,000	0	0	0
	Ilderton Fire Station - Replace VCT Flooring	Building & Facility	0	0	0	5,000	0	0	0
	Ilderton Fire hall- Replace Radiant Heaters	Building & Facility	0	0	0	0	0	7,500	0
Fire Halls Total			0	6,500	6,500	59,000	7,500	22,500	85,000
Leased Properties	BRYANSTON PRINCE ANDREW- Replace Hydrotherm Boiler	Building & Facility	47,202	0	47,202	50,000	0	0	0
	Ilderton Medical Centre - Replace Roof Top Unit #1	Medical Centre Reserve Fund	0	0	0	30,000	0	0	0
	Ilderton Medical Centre - Replace Roof Top Unit (Staggered replacement)	Medical Centre Reserve Fund	0	0	0	0	0	30,000	0
	Ilderton Medical Centre - Roof Seam Sealing & Cleaning	Medical Centre Reserve Fund	0	0	0	15,000	0	0	0
	Ilderton Medical Centre-Replace Roof Top Unit	Medical Centre Reserve Fund	0	0	0	0	30,000	0	0
	Ilderton Medical Clinic- Parking Lot Improvements	Medical Centre Reserve Fund	0	15,000	15,000	0	0	0	0
	Ilderton Medical- VCT Tile Replacement/ Repairs	Medical Centre Reserve Fund	0	12,500	12,500	0	0	0	0
	Prince Andrew - Asphalt Parking Lot	Building & Facility	0	0	0	150,000	0	0	0
	Prince Andrew Park/School - Roof Replacement	Building & Facility	0	0	0	0	200,000	0	0
	Prince Andrew School- Replace Hot Water Tanks	Building & Facility	0	0	0	20,000	0	0	0
Leased Properties Total			47,202	27,500	74,702	265,000	230,000	30,000	0
Libraries	Delaware Library - Flooring Replacement	Building & Facility	0	0	0	15,000	0	0	0
	Ilderton Library- Parking Lot Improvements	Building & Facility	0	21,500	21,500	0	0	0	0
	Ilderton Library Replace South Facing Windows	Building & Facility	0	0	0	7,500	0	0	0
Libraries Total			0	21,500	21,500	22,500	0	0	0
Municipal Office	Coldstream Community Centre - HVAC in Main Hall	Building & Facility	0	0	0	12,500	0	0	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Municipal Office- Consulting for Detailed Design for Renovations	Building & Facility	0	100,000	100,000	0	0	0	0
	Municipal Office HVAC- West Office Area	Building & Facility	0	45,000	45,000	0	0	0	0
	Municipal Office Renovations/Upgrades	Building & Facility	0	0	0	1,000,000	0	0	0
Municipal Office Total			0	145,000	145,000	1,012,500	0	0	0
PWE Operations Centres	Delaware PWE - Air Quality Monitoring System	Building & Facility	0	0	0	0	12,500	0	0
	Delaware PWE- SWDS system replacement	Building & Facility	0	18,400	18,400	0	0	0	0
	Delaware PWE- Washbay overhead door & opener	Building & Facility	0	24,500	24,500	0	0	0	0
	Denfield Ops-Construct New Storage Shed	Development Charges	137,500	62,500	200,000	0	0	0	0
	Denfield Ops-Replace Hard surface Flooring	Building & Facility	10,000	12,000	22,000	0	0	0	0
	Denfield PWE - Replace Ceiling Tiles Admin area	Building & Facility	0	0	0	0	18,000	0	0
	Denfield PWE- Air quality monitoring system	Building & Facility	0	12,500	12,500	0	0	0	0
	Denfield PWE- Replace 2-3 Garage door openers	Building & Facility	0	14,500	14,500	0	0	0	0
	Denfield PWE- Washbay Heating System Replacement	Building & Facility	0	20,000	20,000	0	0	0	0
PWE Operations Centres Total			147,500	164,400	311,900	0	30,500	0	0
Facility Services Total			194,702	659,040	853,742	3,708,850	10,121,070	16,219,850	909,500
Environmental Services									
Stormwater	Coldstream Road Realignment - Storm Servicing	Storm Water	0	31,500	31,500	451,500	0	0	0
	Delaware Municipal Drain Replacement	Storm Water	97,110	0	97,110	0	0	0	0
	Future projects from the Delaware SWM Master Plan	Storm Water	0	0	0	500,000	500,000	500,000	500,000
	Garden Avenue / Wellington Road Reconstruction	Storm Water	1,275,000	129,000	1,404,000	0	0	0	0
	King/George Street Reconstruction	Storm Water	0	23,915	23,915	368,915	0	0	0
	Komoka Drain No. 1 - SWM pond	Debt	150,000	350,000	500,000	4,050,000	0	0	0
	Komoka Drain No.3 - Union Ave. Branch	Storm Water	100,000	133,000	233,000	0	0	0	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Melrose Stormwater System - Relocate Drainage Systems	Storm Water	0	0	0	35,000	376,250	0	0
Stormwater Total			1,622,110	667,415	2,289,525	5,405,415	876,250	500,000	500,000
Wastewater	Coldstream Road Realignment - Sanitary Servicing	Wastewater	0	16,500	16,500	231,500	0	0	0
	Concrete rehab and sealing	Wastewater	0	75,256	75,256	0	0	0	0
	Design Komoka WWTP - Headworks	Multiple	140,000	0	140,000	0	3,650,000	0	0
	Hand Rail & Kick Plate Installation	Wastewater	0	64,068	64,068	0	0	0	0
	Horizontal wastewater system rehabilitation	Wastewater	0	50,000	50,000	0	0	0	0
	Horizontal wastewater system rehabilitation	Wastewater	0	0	0	50,000	0	0	0
	Horizontal wastewater system rehabilitation	Wastewater	0	0	0	0	50,000	0	0
	Horizontal wastewater system rehabilitation	Wastewater	0	0	0	0	0	50,000	0
	Horizontal wastewater system rehabilitation	Wastewater	0	0	0	0	0	0	50,000
	Ilderton Treatment Capacity Upgrades	DC	0	0	0	0	5,800,000	0	0
	Ilderton Treatment Capacity Upgrades	Wastewater	337,650	0	337,650	242,350	200,000	150,000	0
	Influent channel flow monitoring design	Wastewater	0	236,250	236,250	0	0	0	0
	Komoka - Upgrade Pumping Station	Multiple	48,000	12,000	60,000	537,500	0	0	0
	Komoka Road Forcemain Replacement	Multiple	112,500	7,500	120,000	1,720,000	0	0	0
	Komoka Wastewater Treatment Plant Schedule C Environmental Assessment	Wastewater	0	0	0	300,000	0	0	0
	Komoka WWTP - Aeration, Blower and HVAC Improvements	Wastewater	0	500,000	500,000	0	0	0	0
	Komoka WWTP - Filter Upgrades	Wastewater	1,565,000	0	1,565,000	0	0	0	0
	SCADA Replacement	Wastewater	140,000	0	140,000	0	0	0	0
	SCADA Replacement	Wastewater	0	0	0	50,000	50,000	50,000	75,000
	Servicing of Tunks Lane	Wastewater	100,000	0	100,000	0	0	0	0
	Vertical Wastewater Systems Facilities Improvements	Wastewater	0	60,000	60,000	0	0	0	0
	Vertical Wastewater Systems Facilities Improvements	Wastewater	0	0	0	60,000	0	0	0
	Vertical Wastewater Systems Facilities Improvements	Wastewater	0	0	0	0	60,000	0	0
	Vertical Wastewater Systems Facilities Improvements	Wastewater	0	0	0	0	0	60,000	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Vertical Wastewater Systems Facilities Improvements	Wastewater	0	0	0	0	0	0	60,000
	Wastewater Pump Station Equip Improvement	Wastewater	0	0	0	75,000	0	0	0
	Wastewater Pump Station Equip Improvements	Wastewater	0	75,000	75,000	0	0	0	0
	Wastewater Pump Station Equip Improvements	Wastewater	0	0	0	0	75,000	0	0
	Wastewater Pump Station Equip Improvements	Wastewater	0	0	0	0	0	75,000	0
	Wastewater Pump Station Equip Improvements	Wastewater	0	0	0	0	0	0	75,000
	Wastewater Submersible Pump Replacement and Rebuild	Wastewater	0	55,000	55,000	0	0	0	0
	Wastewater Submersible Pump Replacement and Rebuild	Wastewater	0	0	0	15,000	0	0	0
	Arva WWTP - New Facility	Development Charges	166,263	0	166,263	240,000	1,620,000	1,620,000	0
	Demolishing of the Kilworth WWTP	Multiple	1,070,000	0	1,070,000	0	0	0	0
Wastewater Total			3,679,413	1,151,574	4,830,987	3,521,350	11,505,000	2,005,000	260,000
Water	Arva Water main replacement & twinning	Water	0	0	0	913,050	0	0	0
	Arva Water Plant Upgrades	Water	0	37,300	37,300	0	0	0	0
	Birr Equip Improvements	Water	0	36,000	36,000	0	0	0	0
	Birr Equip Improvements	Water	0	0	0	0	86,250	9,375	11,718
	Building Mechanical, Structural & Site Work	Water	0	64,700	64,700	0	0	0	0
	Building Mechanical, Structural & Site Work	Water	0	0	0	199,600	38,000	24,500	17,000
	Coldstream Road Realignment - Water Servicing	Development Charges	0	13,500	13,500	188,500	0	0	0
	Delaware Water Supply Interconnection Phase 2	Multiple	250,000	0	250,000	0	0	0	0
	Garden Avenue / Wellington Road Reconstruction	Water	0	467,000	467,000	0	0	0	0
	Glendon Drive Watermain Twinning	Development Charges	0	440,000	440,000	0	0	0	0
	Instrumentation & Control, electrical generator and ATS	Water	0	150,000	150,000	0	0	0	0
	Instrumentation & Control, electrical generator and ATS	Water	0	0	0	37,000	245,500	17,500	12,210



Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Komoka & Ilderton Water tanks & reservoir Inspections and cleanout	Water	0	38,600	38,600	0	0	0	0
	Linear Watermain Replacement	Water	0	0	0	0	500,000	0	500,000
	Longwood Road Watermain Extension	Delaware Hydro Reserve Fund	0	60,000	60,000	0	0	0	0
	Melrose Equip Improvements	Water	0	60,125	60,125	0	0	0	0
	Melrose Lake Huron Primary Water Supply Connection	Water	93,750	0	93,750	1,343,750	0	0	0
	Replacement of swing check valve - Ilderton Water Booster Station	Water	0	47,250	47,250	0	0	0	0
	SCADA Replacement	Water	150,000	0	150,000	50,000	50,000	75,000	75,000
	Servicing of Tunks Lane	Water	60,000	0	60,000	0	0	0	0
	Vertical Water System Improvements	Water	0	0	0	0	150,000	0	0
	Vertical Water System Improvements	Water	0	0	0	0	0	0	150,000
	Vertical Water Systems Improvements	Water	0	150,000	150,000	0	0	0	0
	Water Facilities - Process Mechanical Improvements	Water	0	47,700	47,700	235,000	80,000	18,800	15,450
	Well Maintenance	Water	0	10,307	10,307	0	10,307	0	10,307
Water Total			553,750	1,622,482	2,176,232	2,966,900	1,160,057	145,175	791,685
Environmental Services Total			5,855,273	3,441,471	9,296,744	11,893,665	13,541,307	2,650,175	1,551,685
Public Works & Engineering									
Transportation	Adelaide Street Reconstruction (15 mile to 16 mile)	Roads Capital	0	0	0	0	0	1,100,000	0
	Adelaide Street Reconstruction (16 mile to Elginfield)	Roads Capital	0	0	0	0	0	0	1,100,000
	Amiens Road CN Overpass Drainage Improvements	Roads Capital	0	40,000	40,000	0	0	0	0
	Arva Street Light Expansion	Roads Capital	0	0	0	0	0	0	310,000
	Asphalt Resurfacing	OCIF	0	1,100,000	1,100,000	0	0	0	0
	Asphalt Resurfacing	Roads Capital	0	0	0	1,150,000	0	0	0
	Carriage Road Rebuild	Roads Capital	0	1,070,000	1,070,000	0	0	0	0
	Coldstream Road Realignment	Roads Capital	0	1,300,000	1,300,000	0	0	0	0
	Commuter Parking Lots	Roads Capital	0	0	0	100,000	0	0	0
	Electric Vehicle Charging Stations	General Vehicles & Equip	0	0	0	60,000	0	0	0
	Garden Avenue / Wellington Road Reconstruction	Roads Capital	800,000	109,000	909,000	0	0	0	0



Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Glendon Drive and Jeffries Intersection Improvements	Roads Capital	0	0	0	325,000	0	0	0
	Glendon Drive and Kilworth Park Drive	Roads Capital	0	0	0	50,000	0	0	0
	Glendon Drive Widening (2-4 lanes)	Multiple	0	0	0	0	0	4,993,824	0
	Gravel Road Conversion	Roads Capital	0	0	0	0	0	0	400,000
	Hot Mix Resurfacing	Roads Capital	0	0	0	0	1,175,000	0	0
	Hot Mix Resurfacing	Roads Capital	0	0	0	0	0	1,200,000	0
	Hot Mix Resurfacing	Federal Gas Tax	0	0	0	0	0	0	1,250,000
	Hyde Park Road Reconstruction (15 mile road to 13 mile Road)	Roads Capital	0	0	0	0	2,080,000	0	0
	Hyde Park Road Reconstruction (Elginfield Road to 15 Mile Road)	Roads Capital	0	0	0	1,900,000	0	0	0
	Ilderton Road Reconstruction & Urbanization	Development Charges	0	0	0	1,150,000	0	0	0
	Jeffries Road Reconstruction (Glendon Drive to S. Limit)	Multiple	0	0	0	0	1,150,000	0	0
	King and George Street Reconstruction	Multiple	0	0	0	575,000	0	0	0
	Martin Road Reconstruction (Wellington to Harris)	Roads Capital	0	0	0	90,000	0	0	0
	Melrose Street Light Pole Replacement	Roads Capital	100,000	360,000	460,000	0	0	0	0
	New Sign Printing Equip	Roads Capital	0	50,000	50,000	0	0	0	0
	Old River Road (Glendon Dr to Pulham Rd)	Debt	250,000	800,000	1,050,000	2,257,500	185,000	0	0
	Old River Road and Glendon Drive Intersection Realignment	Debt	0	0	0	507,000	0	0	0
	Oxbow Drive W. Rural	Multiple	0	0	0	191,800	0	0	0
	Oxbow Drive W. Urban	Multiple	0	0	0	448,300	0	0	0
	Poplar Hill Stormwater Easement	Roads Capital	0	30,000	30,000	0	0	0	30,000
	Reconstruct Oxbow Drive Nairn Road to Vanneck Road	Multiple	0	0	0	650,000	0	0	0
	Rehabilitate Bridge B-140	Roads Capital	0	0	0	207,500	0	0	0
	Rehabilitate Bridge B-301	Federal Gas Tax	0	0	0	357,500	0	0	0
	Rehabilitate Bridge B-529	Roads Capital	0	0	0	200,000	0	0	0
	Rehabilitate Bridge B-530	Roads Capital	0	0	0	365,000	0	0	0
	Rehabilitate Bridge B-537	Roads Capital	0	0	0	202,000	0	0	0
	Rehabilitate Bridge B-537	Roads Capital	0	0	0	0	180,000	0	0
	Rehabilitate Bridge B-505	Federal Gas Tax	0	0	0	0	140,000	0	0
	Rehabilitate Bridge B-529	Roads Capital	0	0	0	0	1,095,000	0	0
	Rehabilitate Culvert C-102	Federal Gas Tax	0	0	0	0	0	150,000	0



Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Replace Superstructure on Bridge B-124	Federal Gas Tax	125,000	825,000	950,000	0	0	0	0
	Replace Superstructure on Bridge B-146	Federal Gas Tax	125,000	825,000	950,000	0	0	0	0
	Sidewalk Expansion	Roads Capital	0	0	0	150,000	0	0	0
	Sidewalk Expansion	Roads Capital	0	0	0	0	150,000	0	0
	Sidewalk Expansion	Roads Capital	0	0	0	0	0	150,000	0
	Sidewalk Expansion	Roads Capital	0	0	0	0	0	0	150,000
	Sidewalk Expansion and Replacement	Roads Capital	0	150,000	150,000	0	0	0	0
	Street Light Expansion	Roads Capital	0	0	0	500,000	0	0	0
	Street Light Expansion	Roads Capital	0	0	0	0	510,000	0	0
	Street Light Expansion	Roads Capital	0	0	0	0	0	520,000	0
	Street Light Expansion	Roads Capital	0	0	0	0	0	0	550,000
	Street Light Replacement/Expansion Program	Roads Capital	120,189	50,000	170,189	0	0	0	0
	Tar & Chip Resurfacing	Roads Capital	0	600,000	600,000	0	0	0	0
	Tar & Chip Resurfacing	Roads Capital	0	0	0	600,000	0	0	0
	Tar & Chip Resurfacing	Roads Capital	0	0	0	0	610,000	0	0
	Tar & Chip Resurfacing	Roads Capital	0	0	0	0	0	620,000	0
	Tar & Chip Resurfacing	Roads Capital	0	0	0	0	0	0	630,000
	Urban Street Furniture	Roads Capital	0	20,000	20,000	0	0	0	0
	Vanneck Road (Ilderton to Sinclair)	OCIF	35,000	0	35,000	0	0	0	0
	Vanneck Road Reconstruction	Roads Capital	0	1,370,000	1,370,000	0	0	0	0
	Vanneck Road Reconstruction (Sunningdale Road and Egremont Drive)	Roads Capital	0	0	0	0	600,000	0	0
	Water Proof & Pave Bridge B-108	Federal Gas Tax	0	0	0	0	0	115,000	0
	Water Proof & Pave Bridge B-130	Federal Gas Tax	0	0	0	0	0	90,000	0
	Water Proof & Pave Bridge B-512	Federal Gas Tax	0	0	0	0	0	75,000	0
	Westbrook Drive Reconstruction (Stephen Moore to Kilworth Park Drive)	Multiple	0	0	0	0	1,725,000	0	0
	Westbrook Street Light Expansion	Roads Capital	0	0	0	0	0	0	435,000
	Willow Ridge Road - Road, Pathway & Park Drainage I	Roads Capital	25,000	0	25,000	0	0	0	0
Transportation Total			1,580,189	8,699,000	10,279,189	12,036,600	9,600,000	9,013,824	4,855,000
Public Works & Engineering Total			1,580,189	8,699,000	10,279,189	12,036,600	9,600,000	9,013,824	4,855,000



Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
Fleet Services									
Building Fleet	Replacement Vehicle	Building Department Reserve Fund	0	0	0	60,000	0	0	0
	Replacement Vehicle	Building Department Reserve Fund	0	0	0	60,000	0	0	0
	Replacement Vehicle	Building Department Reserve Fund	0	0	0	60,000	0	0	0
Building Fleet Total			0	0	0	180,000	0	0	0
Community Services Fleet	Ilderton Arena- New Electric Ice Resurfacer	General Vehicles & Equip	0	0	0	0	0	0	160,000
	New 2 x 1/4 Tonne Pick Up Trucks	Development Charges	0	0	0	130,000	0	0	0
	New 2 x 18' Trailers	Development Charges	0	0	0	60,000	0	0	0
	New 2 x Zero Turn Mowers	Development Charges	0	0	0	60,000	0	0	0
	New Drop in 3/4 ton Dump Box	General Vehicles & Equip	0	12,500	12,500	0	0	0	0
	New Towed Leaf Vacuum	General Vehicles & Equip	0	8,250	8,250	0	0	0	0
	Replace 18-20" float Trailer	General Vehicles & Equip	0	0	0	20,000	0	0	0
	Replace Zero Turn Mower	General Vehicles & Equip	0	0	0	30,000	0	0	0
	Replacement 1/2 Ton Pickup Truck	General Vehicles & Equip	0	0	0	0	0	60,000	0
	Replacement 1/2 Ton Pickup Truck	General Vehicles & Equip	0	0	0	0	0	60,000	0
	Replacement 1/2 Ton Pickup Truck	General Vehicles & Equip	0	0	0	0	0	60,000	0
	Replacement 18' LT Tandem Float Trailer	General Vehicles & Equip	0	20,000	20,000	0	0	0	0
	Replacement 3/4 Ton Pickup Truck	General Vehicles & Equip	0	0	0	0	0	80,000	0
	Replacement Diamond Groomer	General Vehicles & Equip	0	0	0	0	0	8,000	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Replacement Drum Roller	General Vehicles & Equip	0	0	0	15,000	0	0	0
	Replacement Ice Edger	General Vehicles & Equip	0	0	0	8,000	0	0	0
	Replacement Ice Resurfacer	General Vehicles & Equip	0	150,000	150,000	0	0	0	0
	Replacement Ice Resurfacer	General Vehicles & Equip	0	0	0	150,000	0	0	0
	Replacement Mower	General Vehicles & Equip	0	0	0	0	0	0	20,000
	Replacement Tractor and Snow Blade	General Vehicles & Equip	0	130,000	130,000	0	0	0	0
	Replacement Trailer	General Vehicles & Equip	0	0	0	0	0	25,000	0
	Replacement Tri-plex Mower	General Vehicles & Equip	0	40,000	40,000	0	0	0	0
	Replacement Van	General Vehicles & Equip	0	0	0	0	50,000	0	0
	Replacement Zero Turn Mower	General Vehicles & Equip	0	25,000	25,000	0	0	0	0
	Replacement Zero Turn Mower	General Vehicles & Equip	0	0	0	30,000	0	0	0
	Small Engine Equip	General Vehicles & Equip	0	6,000	6,000	0	0	0	0
	Small Engine Equip	General Vehicles & Equip	0	0	0	6,000	0	0	0
	Small Engine Equip	General Vehicles & Equip	0	0	0	0	6,000	0	0
	Small Engine Equip	General Vehicles & Equip	0	0	0	0	0	6,000	0
	Small Engine Equip	General Vehicles & Equip	0	0	0	0	0	0	6,000
Community Services Fleet Total			0	391,750	391,750	509,000	56,000	299,000	186,000
Fire Fleet	New 1/2 Ton Truck - Deputy Fire Chief	Development Charges	0	0	0	57,500	0	0	0
	New Aerial Fire Truck (100 ft Non-Platform)	Development Charges	0	0	0	0	0	1,215,000	0
	Replacement Pumper/Tanker for Arva	Fire Vehicles & Equip	0	0	0	0	615,000	0	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Replacement Pumper/Tanker for Ilderton	Fire Vehicles & Equip	0	0	0	0	0	615,000	0
	Small Engine Equip	Fire Vehicles & Equip	0	6,000	6,000	0	0	0	0
	Small Engine Equip	Fire Vehicles & Equip	0	0	0	6,000	0	0	0
	Small Engine Equip	Fire Vehicles & Equip	0	0	0	0	6,000	0	0
	Small Engine Equip	Fire Vehicles & Equip	0	0	0	0	0	6,000	0
	Small Engine Equip	Fire Vehicles & Equip	0	0	0	0	0	0	6,000
Fire Fleet Total			0	6,000	6,000	63,500	621,000	1,836,000	6,000
PWE Transportation Fleet	New 1 Ton Truck	Development Charges	0	140,000	140,000	0	0	0	0
	New Brush Chipper	General Vehicles & Equip	0	0	0	130,000	0	0	0
	New Compact Track Loader & Attachments	Development Charges	0	0	0	165,000	0	0	0
	New Crack Sealing and Roadway Maintenance Equip	DC Development Charges	0	0	0	150,000	0	0	0
	New Dozer	Development Charges	0	0	0	200,000	0	0	0
	New Forklift	General Vehicles & Equip	0	0	0	45,000	0	0	0
	New Guardrail Mower	General Vehicles & Equip	0	30,000	30,000	0	0	0	0
	New Highway Traffic Line Marker	DC Development Charges	0	0	0	0	525,000	0	0
	New Hydro Vacuum Truck	Development Charges	0	0	0	525,000	0	0	0
	New Roll Off Hydro Seeder	Multiple	0	0	0	105,000	0	0	0
	New Roll Off Water & Anti Icing Tank	Multiple	0	0	0	60,000	0	0	0
	New Sidewalk Plow	Development Charges	0	0	0	0	0	225,000	0
	New Street Sweeper	Development Charges	0	0	0	425,000	0	0	0
	New Tandem Truck	Development Charges	0	0	0	0	400,000	0	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	New Topsoil & Sand Screener	Development Charges	0	0	0	0	0	210,000	0
	New Zero Turn Mower	Multiple	0	0	0	30,000	0	0	0
	Replacement 1 Ton Truck	General Vehicles & Equip	0	0	0	0	145,000	0	0
	Replacement 1 Ton Truck	General Vehicles & Equip	0	0	0	0	0	0	150,000
	Replacement 1/2 Ton Pickup Truck	General Vehicles & Equip	0	0	0	0	60,000	0	0
	Replacement 1/2 Ton Pickup Truck	General Vehicles & Equip	0	0	0	0	60,000	0	0
	Replacement 1/2 Ton Pickup Truck	General Vehicles & Equip	0	0	0	0	60,000	0	0
	Replacement 1/2 ton truck	General Vehicles & Equip	0	0	0	57,500	0	0	0
	Replacement Backhoe	General Vehicles & Equip	0	0	0	0	275,000	0	0
	Replacement Brush Chipper	General Vehicles & Equip	0	0	0	0	0	140,000	0
	Replacement Grader	General Vehicles & Equip	0	485,000	485,000	0	0	0	0
	Replacement Grader	General Vehicles & Equip	0	0	0	485,000	0	0	0
	Replacement Grader	General Vehicles & Equip	0	0	0	0	0	495,000	0
	Replacement Grader	General Vehicles & Equip	0	0	0	0	0	0	500,000
	Replacement Loader	General Vehicles & Equip	0	0	0	0	400,000	0	0
	Replacement Loader	General Vehicles & Equip	0	0	0	0	0	0	420,000
	Replacement Roadside Mower	General Vehicles & Equip	0	30,000	30,000	0	0	0	0
	Replacement Rubber Tire Roller	General Vehicles & Equip	0	0	0	200,000	0	0	0
	Replacement Single Axle Truck	General Vehicles & Equip	0	0	0	0	0	300,000	0
	Replacement Single Axle Truck	General Vehicles & Equip	0	0	0	0	0	0	300,000
	Replacement Single Axle Truck	General Vehicles & Equip	0	0	0	0	0	0	300,000

Budget Summary

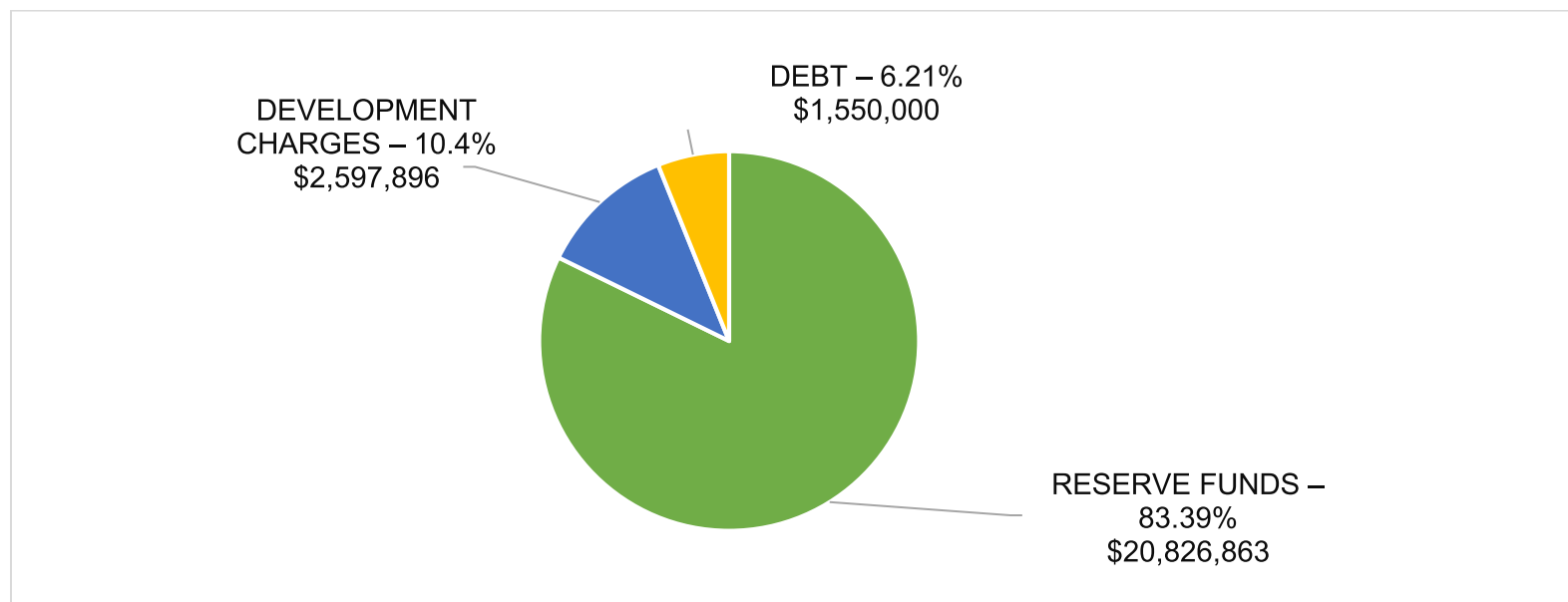
Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Replacement Stacker	General Vehicles & Equip	0	180,000	180,000	0	0	0	0
	Replacement Tandem Truck	General Vehicles & Equip	0	380,000	380,000	0	0	0	0
	Replacement Tandem Truck	General Vehicles & Equip	0	0	0	0	390,000	0	0
	Replacement Tandem Truck	General Vehicles & Equip	0	0	0	0	0	400,000	0
	Replacement Tandem Truck	General Vehicles & Equip	0	0	0	0	0	0	400,000
	Replacement Tractor and Attachments	General Vehicles & Equip	0	225,000	225,000	0	0	0	0
	Replacement Vehicle	General Vehicles & Equip	0	0	0	0	0	0	60,000
	Small Engine Equip	General Vehicles & Equip	0	6,000	6,000	0	0	0	0
	Small Engine Equip	General Vehicles & Equip	0	0	0	6,000	0	0	0
	Small Engine Equip	General Vehicles & Equip	0	0	0	0	6,000	0	0
	Small Engine Equip	General Vehicles & Equip	0	0	0	0	0	6,000	0
	Small Engine Equip	General Vehicles & Equip	0	0	0	0	0	0	6,000
PWE Transportation Fleet Total			0	1,476,000	1,476,000	2,583,500	2,321,000	1,776,000	2,136,000
Water/Wastewater Fleet	New 1/2 Ton Truck	Water	0	57,500	57,500	0	0	0	0
	Replacement 1 Ton Truck	Water	0	0	0	0	0	0	150,000
	Replacement 1/2 Ton Pickup Truck	Wastewater	0	0	0	0	0	60,000	0
	Replacement Cargo Trailer	Water	0	0	0	0	20,000	0	0
	Replacement Truck	Wastewater	0	45,000	45,000	0	0	0	0
	Replacement Truck	Wastewater	0	45,000	45,000	0	0	0	0
	Small Engine Equip	Wastewater	0	6,000	6,000	0	0	0	0
	Small Engine Equip	Water	0	0	0	6,000	0	0	0
	Small Engine Equip	Water	0	0	0	0	6,000	0	0

Budget Summary

Department / Division	Project	Financing (Reserve Funds)	Carry Forward 2021	2022	Carry Forward + 2022 Total	2023	2024	2025	2026
	Small Engine Equip	Wastewater	0	0	0	0	0	6,000	0
	Small Engine Equip	Wastewater	0	0	0	0	0	0	6,000
Water/Wastewater Fleet Total			0	153,500	153,500	6,000	26,000	66,000	156,000
Fleet Services Total			0	2,027,250	2,027,250	3,342,000	3,024,000	3,977,000	2,484,000
Grand Total			9,196,773	15,777,980	24,974,753	33,050,715	38,686,277	32,190,849	9,911,185

Funding Capital Projects

Figure: Breakdown of Capital Funding Sources



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

Budget Summary

Table: Funding of Capital Projects, Reserve Fund Breakdown

Funding Source	Total 2022	% Allocation
BUILD MIDDLESEX CENTRE RESERVE FUND	\$ 1,154,475	5.54%
BUILDING DEPARTMENT RESERVE FUND	\$ -	0.00%
BUILDINGS & FACILITIES RESERVE FUND	\$ 1,025,542	4.92%
DELAWARE HYDRO RESERVE FUND	\$ 60,000	0.29%
FIRE VEHICLES & EQUIPMENT RESERVE FUND	\$ 281,000	1.35%
GAS TAX REBATE RESERVE FUND	\$ 1,900,000	9.12%
GENERAL VEHICLES & EQUIPMENT RESERVE FUND	\$ 1,727,750	8.30%
ILDERTON LIONS PARK RESERVE FUND	\$ -	0.00%
MEDICAL CLINIC FURNITURE & EQUIPMENT RESERVE FUND	\$ 27,500	0.13%
MODERNIZATION RESERVE FUND	\$ 24,240	0.12%
OCIF RESERVE FUND	\$ 1,135,000	5.45%
ROADS CAPITAL RESERVE FUND	\$ 6,194,195	29.74%
STORM WATER CAPITAL RESERVE FUND	\$ 1,789,525	8.59%
WASTEWATER CAPITAL RESERVE FUND	\$ 3,812,904	18.31%
WATER CAPITAL RESERVE FUND	\$ 1,694,732	8.14%
TOTAL	\$ 20,826,863	100%

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

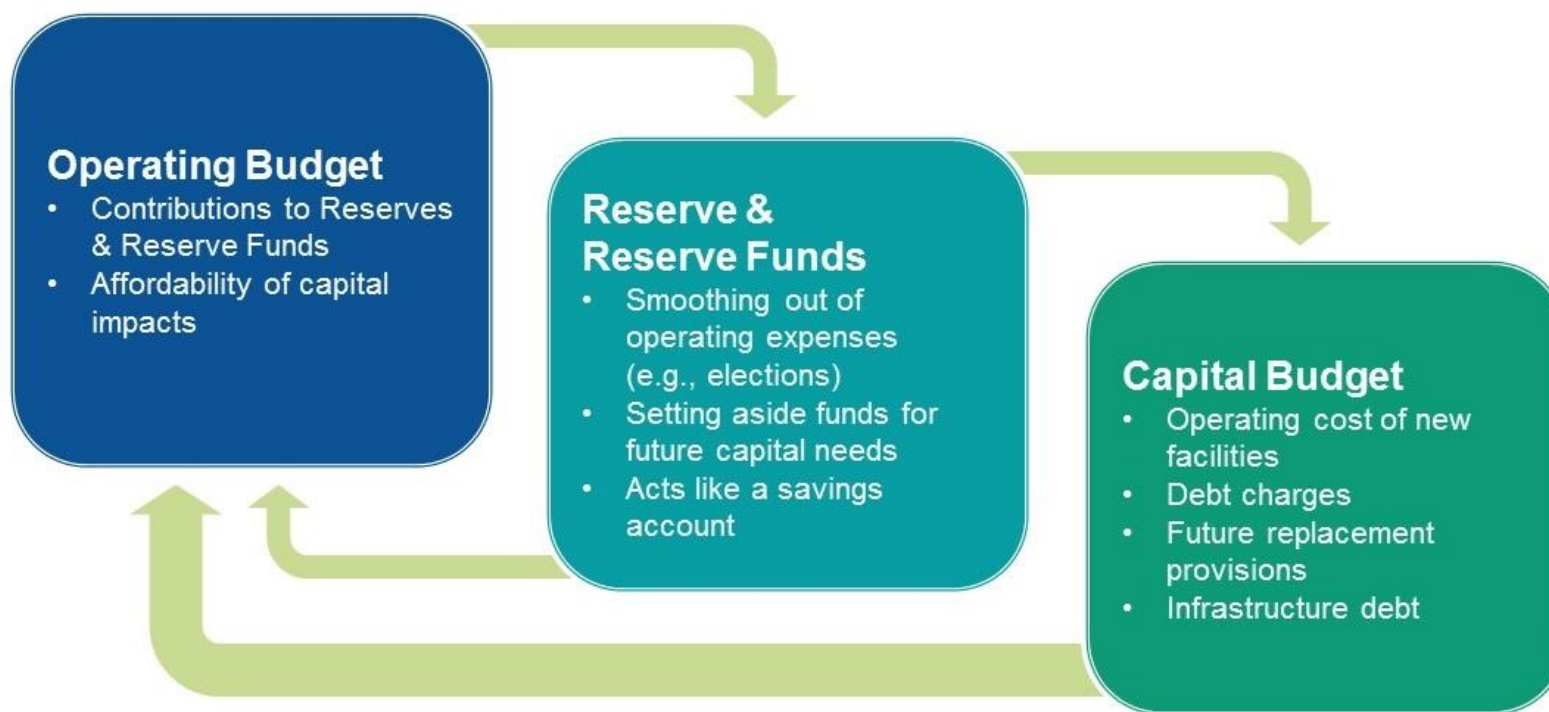
Budget Summary

Combined Operating and Capital Budget

Connecting the capital and operating budgets forms the total 2022 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



Budget Summary

Revenue and Expenditure Summary

Table: Total Revenue and Expenditure Summary, Operating and Capital Budget, 2022

Department	2022 Budget			2021 Taxes Raised	Change	
	Revenues	Expenses	Taxes	Taxes	\$	%
General Government						
1100 - General Administration	3,954,201	3,583,627	(370,574)	188,522	(559,096)	-296.57%
Reserve Funds	1,562,416	8,530,416	6,968,000	5,790,600	1,177,400	20.33%
1220 - Policing	0	2,315,475	2,315,475	2,309,856	5,619	0.24%
1230 - Conservation Authorities	0	346,030	346,030	295,741	50,289	17.00%
1300 - Council	0	237,588	237,588	221,666	15,922	7.18%
1400 - Economic Development	0	74,328	74,328	66,613	7,715	11.58%
1500 - COVID-19	0	75,850	75,850	0	75,850	0.00%
5100 - Cemeteries	2,250	16,935	14,685	11,593	3,092	26.67%
General Government Total	5,518,867	15,180,249	9,786,382	8,884,590	776,792	8.74%
Fire and Emergency Operations						
2100 - Fire Operations	352,000	1,381,118	1,029,118	1,098,882	(69,764)	-6.35%
2118 - Special Operations	0	18,000	18,000	12,525	5,475	43.71%
2119 - Fire Administration	69,300	602,185	532,885	501,673	31,212	6.22%
2120 - Fire Prevention	60,000	112,018	52,018	23,716	28,302	119.34%
2400 - Emergency Operations		4,950	4,950	2,700	2,250	83.33%
Fire and Emergency Operations Total	481,300	2,118,272	1,636,972	1,639,497	(2,525)	-0.15%
Community Services						
7100 - Parks & Open Space	1,324,311	1,796,164	471,853	448,745	23,108	5.15%
7199 - Administration	5,000	848,018	843,018	737,911	105,107	14.24%
7200 - Community Centres	0		0	233,929	(233,929)	-100.00%
7300 - Arenas	0		0	801,127	(801,127)	-100.00%
Community Services Total	1,329,311	2,644,183	1,314,872	2,221,712	(906,841)	-40.82%

Budget Summary

Department	2022 Budget			2021 Taxes Raised	Change	
	Revenues	Expenses	Taxes	Taxes	\$	%
Facility Services						
6000 - Administration	0	15,000	15,000	0	15,000	0.00%
6110 - Municipal Office	145,000	284,659	139,659	0	139,659	0.00%
6120 - Leased Properties	313,241	313,241	0	0	0	0.00%
6200 - Fire Halls	6,500	105,634	99,134	0	99,134	0.00%
6300 - PWE Operations Centres	311,900	536,290	224,390	0	224,390	0.00%
6700 - Community Centres	85,150	324,720	239,570	0	239,570	0.00%
6730 - Arenas	2,117,938	2,783,951	666,013	0	666,013	0.00%
6750 - Libraries	69,919	66,993	(2,926)	(4,874)	1,948	-39.96%
Facility Services Total	3,049,648	4,430,488	1,380,840	(4,874)	1,385,714	-28431.85%
Public Works & Engineering						
3000 - Transportation	10,322,189	14,421,120	4,098,931	4,196,318	(97,387)	-2.32%
3319 - Administration	204,743	1,523,016	1,318,273	1,272,168	46,105	3.62%
8100 - Planning	359,600	397,663	38,063	28,003	10,060	35.92%
8300 - Drainage	68,000	137,727	69,727	101,594	(31,867)	-31.37%
8405 - Tile Drainage	20,516	20,516	0	0	0	0.00%
8410 - Municipal Drainage	33,275	33,275	0	0	0	0.00%
Public Works & Engineering Total	11,008,324	16,533,318	5,524,994	5,598,083	(73,089)	-1.31%
Environmental Services						
4100 - Wastewater	8,440,594	8,440,594	0	0	(0)	-77.66%
4200 - Stormwater	3,368,613	3,368,613	(0)	0	(0)	0.00%
4300 - Water	5,969,953	5,969,953	(0)	0	(0)	-102.59%
4500 - Waste Management	1,055,200	1,381,818	326,618	300,699	25,919	8.62%
Environmental Services Total	18,834,360	19,160,978	326,618	300,699	25,919	8.62%

Budget Summary

Department	2022 Budget			2021 Taxes Raised	Change	
	Revenues	Expenses	Taxes	Taxes	\$	%
Building & Bylaw						
2500 - Building	1,523,200	1,523,200	(0)	0	(0)	0.00%
2510 - By-Law	17,900	114,533	96,633	69,828	26,806	38.39%
2700 - Animal Control	4,460	42,528	38,068	54,815	(16,746)	-30.55%
Building & Bylaw Total	1,545,560	1,680,262	134,702	124,642	10,059	8.07%
Fleet Services						
9100 - Administration Fleet	45,840	321,320	275,480	348,155	(72,675)	-20.87%
9200 - Fire Fleet	36,000	126,897	90,897	101,326	(10,429)	-10.29%
9250 - Building Fleet	0	8,006	8,006	4,065	3,941	96.94%
9300 - PWE Transportation Fleet	1,476,000	2,295,752	819,752	824,301	(4,548)	-0.55%
9400 - Water/Wastewater Fleet	153,500	191,335	37,835	0	37,835	0.00%
9700 - Community Services Fleet	391,750	531,212	139,463	144,808	(5,345)	-3.69%
Fleet Services Total	2,103,090	3,474,522	1,371,432	1,422,655	(51,222)	-3.60%
Grand Total	43,870,461	65,222,273	21,351,812	20,187,005	1,164,807	5.77%

Budget Summary

Budget Implications for Rate Payers

The cost that falls to taxpayers for services, after offsetting revenue like grants are incorporated, is presented in the chart below. Note that the Reserve Transfers percentage does not include user fee generated reserve funds such as water, wastewater, stormwater and building.

Tax Levy

The 2022 Middlesex Centre budget is \$65.2 million

(2021: \$57.4 million).

The budget is split into operating and capital costs:

- *Operating Costs of \$40,247,520*
(2021: \$36,636,438)
- *Capital Costs of \$24,974,753*
(2021: \$20,728,836)

Compared to 2021, the net operating budget decrease is \$12,593, or 0.06%. When we include the increase to reserve funds, this amount increases to \$1,164,807 resulting in a tax levy (the amount to be raised by property taxes) of 5.77%.

Table: Increase in Municipal Service Costs, 2022, by Service Area

Municipal Service Area	2022 Increase
General Government (excluding reserve funds)	(\$400,608)
Fire and Emergency Operations	(\$2,525)
Public Works & Engineering	(\$73,089)
Environmental Services	\$25,919
Community Services	(\$906,841)
Facility Services	<u>\$1,385,714</u>
Community Services & Facilities	\$478,873*
Building & Bylaw	\$10,059
Fleet Services	(\$51,222)
Total	\$(12,593)
→ 0.06% decrease without reserve funds transfer	
Add: Reserve Fund Transfer Increase from General Government	\$1,177,400
Total to be Raised on Municipal Taxes	\$1,164,807
→ 5.77% tax levy	

**The creation of the new Facility Services cost division resulted in redistribution expenses such as insurance and administration related costs. The normalized increase for Community and Facility Services is approximately \$47,000 combined.*

Budget Summary

Tax Rate

The 2022 tax rate increase is 2.16% (2021 - 1.47%).

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) will deliver the 2022 final assessment to Middlesex Centre by mid-December 2021.

2020 Assessment Updated Postponed for Second 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 2022 will continue to be based on the fully phased-in January 1, 2016, current value assessments.

This means property assessment for the 2022 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.

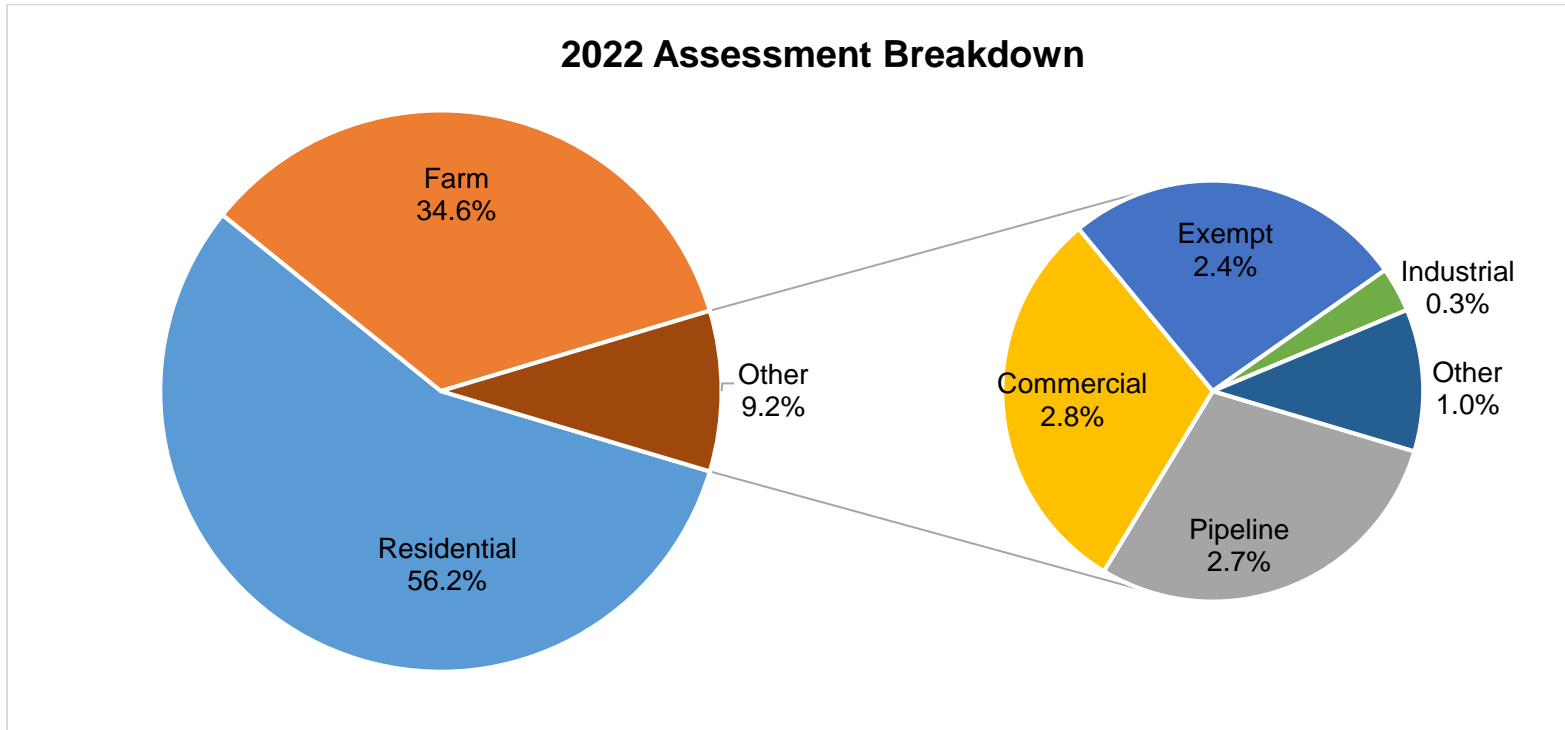
Table: Total Tax Assessment Value by Property Class, 2022

Property Class	Assessment (\$)
Residential	2,637,207,977
Farm	1,622,982,754
Pipeline	125,940,000
Commercial	131,736,669
Exempt	113,805,600
Industrial	14,968,500
Other	47,355,200
Total Assessment	\$4,693,996,700



Budget Summary

Figure: 2022 Assessment Breakdown



Budget Summary

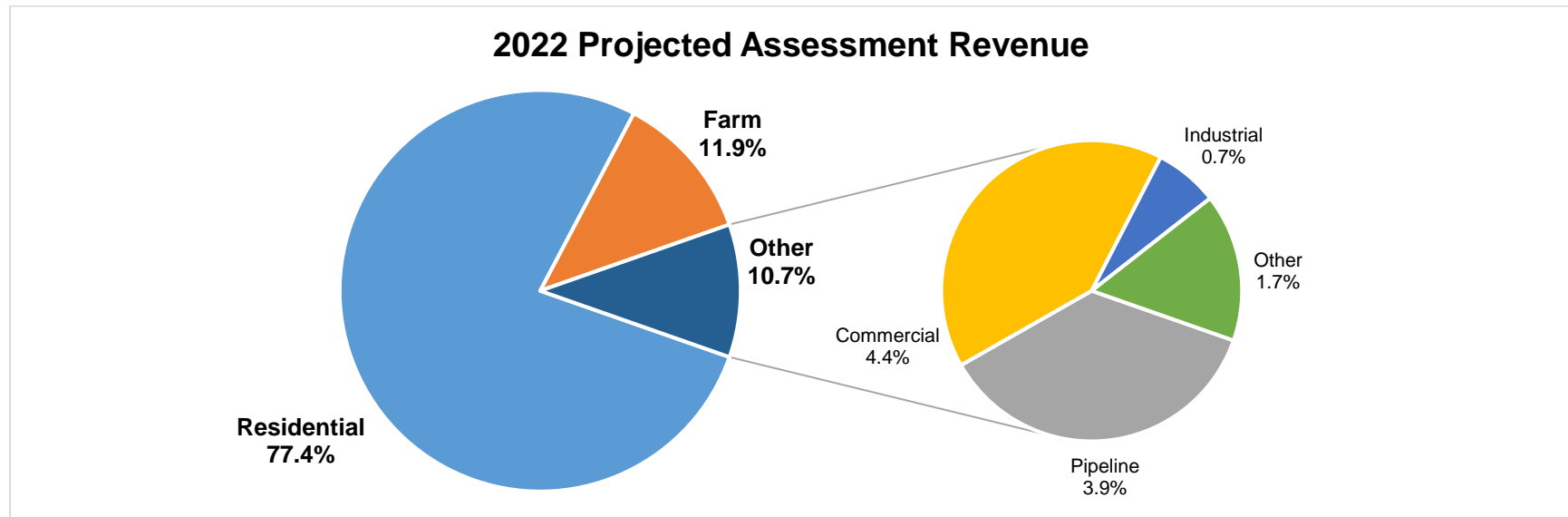
Tax Revenue from All Property Types

Table: Total Municipal Tax Revenue for 2022 with 3-year Comparison

Property Type	2022 (\$)	2021 (\$)	2020 (\$)
Residential	16,522,222	15,518,359	15,094,149
Farm	2,542,191	2,493,530	2,426,497
Pipeline	832,868	813,654	795,384
Commercial	933,885	935,238	920,525
Industrial	156,959	127,284	124,879
Other	363,687	298,939	265,773
Total Assessment Revenue	21,351,812	20,187,004	19,627,207

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

Figure: Sources of 2022 Projected Assessment Revenue



Budget Summary

What is the residential tax impact?

For the average Middlesex Centre residential homeowner, municipal taxes will increase by \$53 in 2022 (excluding the education tax and Middlesex County taxes).

It is important to note that there were no re-assessment increases in 2022. Your property assessment will be the same as it was in 2020, unless you had a change to your property that was being assessed such as new home, addition, etc.

Table: Average Residential Tax Rate and Assessment Increases for 2022, with 3-year Comparison

Tax Rate/Assessment	2022	2021	2020	Notes
Average Residential Property Assessment (as determined by MPAC)	\$400,000	\$400,000	\$400,000	Assessment values are determined by MPAC. They have not changed over this period owing to COVID-19.
Middlesex Centre Property Tax (based on tax levy approved by Council)	\$2,506	\$2,453	\$2,418	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	+\$53	+\$36	+\$98*	2020 included an increase due to a large assessment value increase on properties. Assessment does not have an impact in 2022/2021

Budget Summary

What is the farm tax impact?

For the average Middlesex Centre farm owner, municipal taxes will increase by \$33 in 2022 (excluding the education tax and Middlesex County taxes).

It is important to note that there were no re-assessment increases in 2022. Your property assessment will be the same as it was in 2020, unless you had a change to your property that was being assessed such as new home, addition, etc.

Table: Average Farm Tax Rate and Assessment Increases for 2022, with 3-year Comparison

Tax Rate/Assessment	2022	2021	2020	Notes
Average Farm Property Assessment (as determined by MPAC)	\$1,000,000	\$1,000,000	\$1,000,000	Assessment values are determined by MPAC. They have not changed over this period owing to COVID-19.
Middlesex Centre Property Tax (based on tax levy approved by Council)	\$1,566	\$1,533	\$1,511	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	+\$33	+\$22	+\$229	2020 included an increase due to a large assessment value increase on properties. Assessment does not have an impact in 2022/2021

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 Ontario Regulation 453/7. The self-funding of the wastewater and stormwater systems is a municipal decision but not currently required by regulation.

Municipal 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.

- 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 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.

Table: Annual Combined Fees for Water, Wastewater and Stormwater, 2022

Annual Water Usage (m ³)	2021	2022	\$ Increase	% Increase
96	\$1,248.00	\$1,263.00	\$15.00	1.20%
180	\$1,807.44	\$1,828.32	\$20.88	1.16%
360	\$3,006.24	\$3,039.72	\$33.48	1.11%
Stormwater Only	\$184.44	\$188.16	\$3.72	2.0%

The Municipality calculates the budgeted revenue for water, wastewater and stormwater by multiplying the rate as determined in the annual Fees and Charges By-law by the current consumption, adding in additional revenue for the projected future properties due to growth.

Middlesex Centre continues to be faced with the challenge of costly water and wastewater systems to operate with relatively fewer customers to support these costs however Middlesex Centre rates have only had minor increases since 2016 unlike large rate increases seen in many other municipalities including some within Middlesex County. In addition, a recent study has determined that Middlesex Centre is underfunded for future lifecycle replacements (primarily for wastewater and stormwater). Future increases may be established after a more in-depth long-range financial plan for wastewater and stormwater is completed.

For 2022, the water rate remains unchanged while the wastewater and stormwater rates are increased by 2%. For the average Middlesex Centre residential homeowner who used 180 cubic metres a year, the combined municipal utility charge will increase by \$20.88 (or \$1.74 per month) in 2022.

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

Budget Summary

Waste Management Fees

Waste and recycling services are provided for the municipality by Bluewater Recycling Association.

Middlesex Centre has a user pay program for waste and recycling. Those who produce the least waste pay the least. This is an excellent opportunity for residents to reduce, reuse and recycle as much as they can. Residents pay for the size of waste bin their household requires.

Waste bins come in three sizes. The annual cost is associated with the size of bin selected. There are no changes to the bin rates for 2022.

Waste Bin Charges, 2022:

- Small Bin: \$120
- Medium Bin: \$222
- Large Bin: \$324

Recycling bins come in two sizes, medium and large. There is no charge for these bins.

The Municipality calculates the budgeted revenue for waste management by multiplying the rate as determined in the contract with the third-party provider by the current waste bin amounts, adding in additional revenue for the projected future properties to growth.

→ More information on waste management fees is available at middlesexcentre.ca/waste

Municipal Fees Charges (User Fees)

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

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

User fees ensure tax fairness based on an understanding of who benefits from the services being delivered: an individual user (a public skating enthusiast) or a group (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 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.

→ Fees are updated at the end of each year for the following year at middlesexcentre.ca/rates-and-fees



Budget Summary

The Bottom Line – Impact on Rate Payers

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

Municipal Fees	Annual Change (\$)
Change in Municipal Property Tax	53.00
Change in Water, Wastewater and Stormwater Fees*	21.00
Change in Waste Management Fees	0.00
Change in User Fees	will vary by resident
Total Change – Middlesex Centre	74.00

**Based on usage of 180 m³ of water per year*

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

Municipal Fees	Annual Change (\$)
Change in Farm Property Tax	33.00
Change in Waste Management Fees	0.00
Change in User Fees	will vary by resident
Total Change – Middlesex Centre	33.00

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

General Government

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 100-year asset management planning.
 - Corporate Services support and assist 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

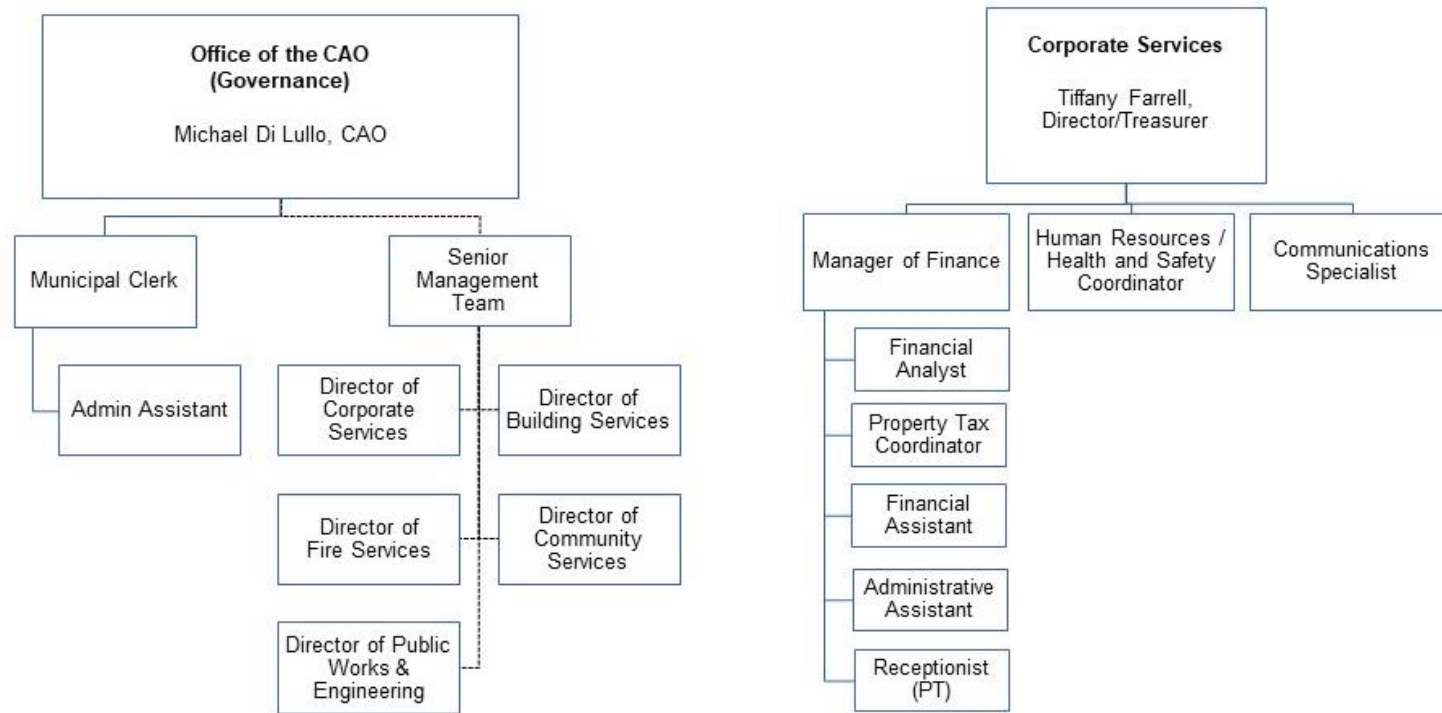


Table: General Government Staffing Resources

Divisions	2020	2021	2022 FTEs
General Administration	10.1	10.90	10.90
Economic Development	0.30	0.30	0.30
Staffing Total	10.40	11.20	11.20
PLUS - Members of Council	7 (part-time)	7 (part-time)	7 (part-time)

General Government

2021 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s General Governance staff delivered a variety of services in 2021 including:

- Held 23 council meetings in 2021
- Issued 44 marriage licenses, conducted 5 marriage ceremonies and issued 6 lottery licenses (to November 1, 2021)
- Commissioned 109 documents (to November 1, 2021)
- Held online Mayor’s Town Hall meeting with 43 registrants
- Coordinated four Official Plan Review open houses/public meetings (virtual), with over 320 people registered to participate
- Kept residents informed through the municipal website and social media (10,000 plus website views monthly, up from about 7,000 per month in the previous year)
- Published monthly (12) full-page “Municipal Minute” Middlesex Centre updates in the Middlesex Banner newspaper
- Published monthly (12) Middlesex Centre e-newsletters to residents that have signed up for that service (1,461 as of November 2021).
- Issued 64,000 water bills, 15,552 property tax bills, 533 supplemental and omitted property tax bills
- Processed 40 severances which resulted in 350 new lots
- \$513,327 earned in supplemental residential tax revenue in 2021 compared to only \$239,331 earned in 2020
- Completed 100 tax adjustments
- Processed 320 new meter installs and 540 final reads
- Processed over 98,000 tax and water bill payments and 6,000 vendor payments annually
- Responded to an average of 1,740 customer calls a month at the front counter
- Hired 42 team members (January 1 to November 23, 2021), via 30 job postings
- Coordinated staff training, with 688 HR Downloads courses completed
- Completed Physical Demand Analysis for two positions, equipment operator (snow removal) and administration (covering all office roles); the former was done early in the year, the latter is expected to be completed by end-of-year.
- Continued increase in liquidity as evident by the increase in the cash ratio, which indicates how much cash and liquid investments could be available to cover current obligations.

Table: Liquidity Indicator (Cash Ratio), 2018 to 2021

Liquidity Indicator	2021	2020	2019	2018
Cash Ratio	TBD	2.71:1	1.62:1	1.21:1



General Government

- Revamped records training for municipal staff, with the inclusion of a Records 101 session for new and existing employees, as well as revised MFIPPA and Privacy Training offered by the Clerk.
- Revised the records inventory project, with progress made on the physical records located at the Municipal Office. This multi-year project will continue in 2022.
- Completed 111 by-laws completed to end of Nov 2021, including new election voting methods, interim control bylaw and civil marriage solemnization
- Updated or implemented numerous corporate policies, including social media, three billing and collection policies, statutory holidays, working from home, vacation policy, On Farm Wedding Venue Review policy and election policies

Table: 2021 Strategic Accomplishments for General Governance: Corporate Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Paymentus – introduce online credit card payment option	2021	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> ▪ Beginning in 2022, Increase electronic payments by 1% 	n/a – internal staff time
Reserve Contributions for Asset Management	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	<ul style="list-style-type: none"> ▪ Increase in liquidity ▪ Increase in affordability of capital projects 	\$ 300,000
New Municipal Phone System	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Decrease in call wait times by 5% ▪ Staff working from home can answer the calls on their computer in real time, vs people leaving a message and having a call back ▪ NOTE: not completed in 2021, carried forward to 2022 	\$ 80,000

General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
IT Master Plan	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Beginning in 2022, develop and implement 100% of the IT Department Transformation in a staged delivery with all the components implemented by the end of 2026 	\$ 40,000
Asset Management Plan	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	<ul style="list-style-type: none"> ▪ Tie to Asset Management Plan 2021: <ul style="list-style-type: none"> ○ Completeness of assets inventory ○ Accuracy of asset details ○ Improvement of assets tied to budget process - increase from 2021 ○ Compliance with Ontario Regulation requirements for 2021 	\$ 17,200
Development Charge Amendment 2021	2021	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	<ul style="list-style-type: none"> ▪ Improvement of data required for growth to be included in Development Charge amount for 2022 and onward ▪ Compliance with current legislation 	\$ 15,000
Monthly “Middlesex Centre” page in local paper (Middlesex Banner)	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Diversify channels used to communicate with residents ▪ Residents indicating they have seen the page through surveys (tag-along question) 	\$ 13,500

General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
MTE Assessment Base Management Review	2021	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	<ul style="list-style-type: none"> ▪ Increase supplemental revenue in 2021 by 20% 	\$ 10,000
Questica implementation	2021	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> ▪ Decrease finance staff time on developing budget by 10% ▪ Increase in transparency with publishing information on website in real time 	\$ 10,000
HR Downloads Implementation	2021	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<ul style="list-style-type: none"> ▪ Increase number of courses completed by five per employee 	\$ 6,000
Donation to Archives	2021-2026	Strat Plan 1 - Engaged Community	1.3 - Celebrate our rural and agricultural heritage	<ul style="list-style-type: none"> ▪ Increase in documents/items in the archives for the public to view 	\$ 5,000
Physical Demand Analysis	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<ul style="list-style-type: none"> ▪ Complete analysis on two positions 	\$ 5,000
Website Enhancements	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> ▪ Increase in the number of transactions on the web each year from 2015 to 2018 	\$ 5,000

General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
MTE Training Treasurers	2021	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> ▪ Increase knowledgebase of municipal finance staff specializing the property tax 	\$ 3,000
Respect in the Workforce Training	2021	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<ul style="list-style-type: none"> ▪ Increase the percentage of employees, over the 2018 baseline, who indicate that they are satisfied at work 	\$ 3,000
Tax Calculation on the website	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Decrease in staff time by 5% for answering simple tax questions ▪ NOTE: not completed in 2021, carried forward to 2022 	\$ 2,500
Enhanced Outreach for Municipal Initiatives	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> ▪ Increase in customer service (to be measured once customer service survey and service delivery is completed) ▪ Increase visits to website by 5% annually 	\$ 400

Table: 2021 Strategic Accomplishments for General Governance: Office of the CAO

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Industrial Land Purchase	2021-2022	Strat Plan 3 – Vibrant Local Economy	3.2 - Ensure that appropriate sites are available for commercial and industrial businesses	<ul style="list-style-type: none"> ▪ Improve assessment mix in municipality by 2% ▪ NOTE: not completed in 2021, carried forward to 2022. 	\$1,000,000

General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Expansion of the Community Improvement Plan: <ul style="list-style-type: none"> ▪ to support the revitalization of the settlement areas throughout Middlesex Centre ▪ to expand the range of incentives offered to businesses and landowners 	2021-2026	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	<ul style="list-style-type: none"> ▪ Increase access to the Community Improvement Plan to include 100% of the business community ▪ Increase in the building façade condition assessment for businesses that received grants ▪ Increase in the assessment value of the properties who received funding ▪ Satisfaction survey noting business satisfied with the support during pandemic 	\$30,000
Manager Training through University of Waterloo	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Increase manager skills ▪ Improve manager/staff working relationships as evaluated by the employee satisfaction surveys 	\$5,000
Mayor's Town Hall	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Increase in number of people attending 	\$2,500



General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Official Plan Review	2021	Strat Plan 2 – Balanced Growth	2.2 - Manage the pace of new residential development and encourage complementary amenities	<ul style="list-style-type: none"> ▪ Public involvement in the review process: <ul style="list-style-type: none"> ○ Number of people engaging in process through public meetings and written comments ○ Number of stakeholder and technical meetings held ○ Number of public meetings and open houses held ▪ Open and Transparent Process: <ul style="list-style-type: none"> ○ All documents, presentations, etc. made available on the municipal website 	\$60,000

Table: 2021 Strategic Accomplishments for General Governance: Office of the Clerk

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Cloudpermit Launch for development and planning review	2022-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Decrease in the time it takes to complete a development and planning application ▪ NOTE: not completed in 2021, carried forward to 2022. 	\$15,000

General Government

2022 Strategic Goals

Table: 2022 Strategic Goals for General Governance: Corporate Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Donation to Archives	2021-2026	Strat Plan 1 - Engaged Community	1.3 - Celebrate our rural and agricultural heritage	<ul style="list-style-type: none"> ▪ Increase in documents/items in the archives for the public to view. 	\$ 5,000
Organizational Review	2022	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	<ul style="list-style-type: none"> ▪ Increase in employee retention ▪ Increase in customer satisfaction 	\$ 70,000
Customer Service Modernization Service Delivery and Policy	2022	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> ▪ Increase in customer satisfaction ▪ Decrease in wait times for customers calling in 	\$ 75,000
Reserve Contributions for Asset Management	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.3 - Continue with asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure	<ul style="list-style-type: none"> ▪ Increase in liquidity ▪ Increase in affordability of capital projects 	\$ 1,000,000
Questica open book implementation	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> ▪ Publish 50% of the operating and 100% of the capital budget details online 	\$ 19,500

General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Diversity and Inclusion Training	2022	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<ul style="list-style-type: none"> ▪ Increase the percentage of employees who are advancing equity and inclusion in their work in the categories specified in the equity and inclusion lens ▪ Create a policy ▪ Internal training 	\$ 5,000
Long Range Financial Plan - Operating	2022	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	<ul style="list-style-type: none"> ▪ 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
Learning portal in HRIS system - training	2022-2026	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<ul style="list-style-type: none"> ▪ Increase number of courses completed by five per employee 	\$ 5,000
Physical Demand Analysis	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<ul style="list-style-type: none"> ▪ Complete analysis on two positions 	\$ 5,000

General Government

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Website Enhancements	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> ▪ Increase in the number of transactions on the web each year 	\$ 10,000
Corporate Communications Plan	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<ul style="list-style-type: none"> ▪ Completion of Plan (with metrics to be determined within plan) 	Completed in-house
New Municipal Phone System	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Decrease in call wait times by 5% ▪ Staff working from home can answer the calls on their computer in real time, vs people leaving a message and having a call back 	\$ 82,400
Tax Calculation on the website	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Decrease in staff time by 5% for answering simple tax questions ▪ NOTE: not completed in 2021, carried forward to 2022 	\$ 2,500

General Government

Table: 2022 Strategic Goals for General Governance: Office of the CAO

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Zoning Bylaw	2022	Strat Plan 2 – Balanced Growth	2.2 - Manage the pace of new residential development and encourage complementary amenities	<ul style="list-style-type: none"> ▪ Decreased number of zoning bylaw amendments ▪ Incorporate a higher intensity and complex development, and to create clear parameters to inform the granting of variances or provide direction to Direct Control Zone regulations in specific cases where standard zones are not appropriate 	\$60,000
Industrial Land Purchase	2021-2022	Strat Plan 3 – Vibrant Local Economy	3.2 - Ensure that appropriate sites are available for commercial and industrial businesses	<ul style="list-style-type: none"> ▪ Improve Assessment mix in municipality by 2% 	\$1,000,000
Mayors Town Hall/Middlesex Centre Day	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Increase in number of people attending 	\$4,000
Community Improvement Plan: <ul style="list-style-type: none"> ▪ to support the revitalization of the settlement areas throughout Middlesex Centre ▪ to expand the range of incentives offered 	2021-2026	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	<ul style="list-style-type: none"> ▪ Increase access to the Community Improvement Plan to include 100% of the business community ▪ Increase in the Building façade condition assessment for businesses that received grants. ▪ Increase in the assessment value of the properties who received funding ▪ Survey noting business satisfied with the support during pandemic 	\$30,000



General Government

Table: 2022 Strategic Goals for General Governance: Office of the Clerk

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Cloudpermit Launch for development and planning review	2022-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Decrease in the time it takes to complete a development and planning application 	\$15,000
Significant Event guide and associated revenue	2022-2026	Strat Plan 1 - Engaged Community	1.1 - Support community organizations and opportunities for volunteer involvement in the community	<ul style="list-style-type: none"> ▪ Improvement of process, reduction in days spent by resident and staff by 2 days 	\$300
DocuSign	2022-2026	Strat Plan 5 – Responsive Municipal Government	5.1 - Enhance customer service	<ul style="list-style-type: none"> ▪ Number of documents completed electronically. ▪ Savings is staff time by 5% 	\$10,000
Election	2022	Strat Plan 5 – Responsive Municipal Government	5.2 - Foster a culture of mutual trust and respect within Council and between Council and staff	<ul style="list-style-type: none"> ▪ Increase election voting by 2% in 2022 over 2018 	\$47,100

General Government

Departmental Budget Highlights

Trends/Issues

- Effects of the global COVID-19 pandemic (decreasing revenues, limited services, financial measures to support the community)
- Impact of the lack of commercial and industrial assessments in the assessment mix
- Continued decrease in the revenue collected through the Provincial Offences Act (POA)
- Interest rates have decreased from previous levels
- Requirement of more detailed governmental reporting for grants and annual reports
- Legislative changes
- Development and administration of Risk Management for new and expanded services
- Balancing the need for efficient technology solutions in a cost effective manner
- Managing cyber security corporate wide and new requirements annually (examples: multi factor authentication and privileged access managing tool (PAM))
- Expanding on various software packages and programs that will create efficient throughout various departments
- Managing the internal costs of a growing municipality with the pressures of additional customer service and services while maintaining costs low

- Health and safety
- Increase in insurance costs province wide
- Workforce automation
- 2022 Election

Service Level Changes

- \$1,000,000 increase in the contribution to Reserve Funds to align with the Municipality's Asset Management plan for tax levy supported capital projects. This is needed for the continued improvement and rehabilitation of our capital assets. This initiative cannot be completed without increasing the annual contribution to capital.
- Completion of an Information Technology Master Plan in 2021 and developing the plan for implementing the recommendations over 2022-2026.
- Continued improvement to the municipality's Human Resource Information System. Addition of a learning support module and performance management module in 2022.
- Increased communications and engagement with the public through an additional insert in the Villager magazines in different settlement areas.
- Completion of a Customer Service delivery review in 2022, with possible recommendations for changes in 2022 and beyond.



General Government

Operating Budget Details

General Government has 35% of total operating costs. However, of the 35% transfers to reserve funds accounts for 21% and general government is actually accounts for only 14%.

Table: 2022 Operating Budget for General Government by Cost Centre

Division	Cost Centre	Total (\$)
1100 - General Administration		11,089,803*
1220 - Policing		2,315,475
1230 - Conservation Authorities	01-2305 - Ausable Bayfield	111,883
	01-2310 - Kettle Creek	16,867
	01-2315 - Lower Thames	29,542
	01-2320 - St.Clair	64,874
	01-2325 - Upper Thames	122,864
1230 - Conservation Authorities Total		346,030
1300 - Council		237,588
1400 - Economic Development		74,328
1500 - COVID-19		75,850
5100 - Cemeteries		16,935
General Government Total		14,156,009

*Amount includes \$8,530,416 of reserve transfers

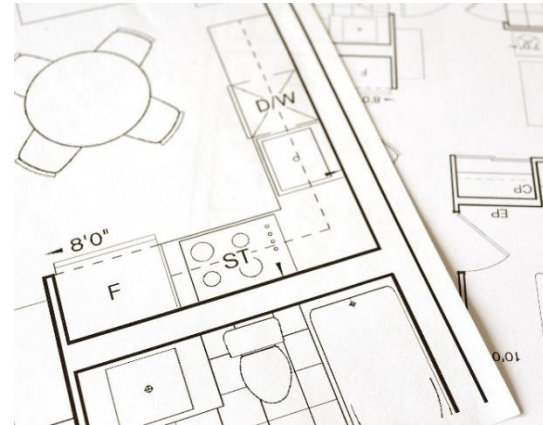
Capital Budget Details

Table: 2022 Capital Budget for General Government by Cost Centre and Project

Division	Project	Carry Forward (\$)	2022 Budget (\$)	Total (\$)
General Administration	Municipal Office Phone System	20,000	4,240	24,240
	Industrial Land Purchase	1,000,000	0	1,000,000
General Government Total				1,024,240

Building & By-law Services

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, 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 added to building division due to the increase in building permit activity and the new service agreements.

Building Division is entirely self-funded by building permit fees.

Permits:

- At the end of the third quarter of 2021, Building Services had issued 643 building permits, with the total value of construction activity of \$185 million. These both exceed the previous years' year-end totals (see accomplishments).

Enforcement:

- Investigated over 100 complaints pertaining to illegal dumping, illegal building, parking, zoning infractions, animal control, dogs at large and/or vicious, property/occupancy standards and fencing.

Building & By-law Services

Staffing

Figure: Building & By-law Services Organizational Chart

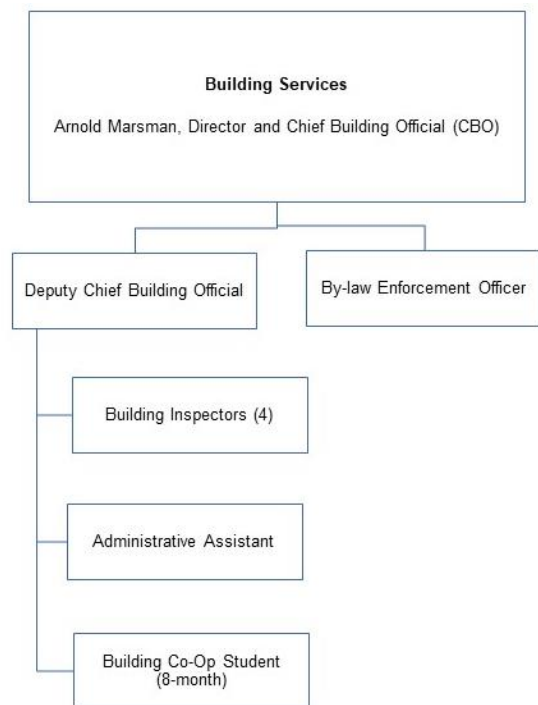


Table: Building Services Staffing Resources

Divisions	2020 FTEs	2021 FTEs	2022 FTEs
Building	3.65	7.0	7.65
By-law	.75	.75	0.75
Animal Control	.25	.25	0.25
Staffing Total	4.65	8.00	8.65

2021 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s Building & By-law staff delivered a variety of services in 2021 including:

- Hired a new building inspector and administrative assistant due to the building boom for Middlesex Centre.
- Entered into Building Inspection Service Agreement with North Middlesex, Adelaide Metcalfe and Southwest Middlesex.
- Hired two more building inspectors to meet the demands of our new service delivery agreements.
- Undertook ongoing professional training for team members, training costs for all building services staff are approximately \$10,000.
- Continued improvements to the Cloudpermit system, integrating with our accounting software and MPAC
- Conducted sewage system maintenance inspections at 33 properties in Birr and Melrose as required for Source Water Protection
- Created a Shed Brochure to assist the public in designing residential accessory buildings.
- Presented at OBOA and AMO Conferences regarding e-permitting
- Fully recovered the costs of the building division budget through permit fees and service agreement payments

Building & By-law Services

Table: 2021 Building Permit Activity to end of Third Quarter 2021 in Comparison to 2020-2019 Year Ends

Year	# of Building Permits Issued	# of New Dwellings	Estimated Cost of Construction (\$)
2021 (third quarter complete)	643	247	185,000,000
2020 Year End	636	258	143,000,000
2019 Year End	545	159	101,000,000

Table: 2021 Strategic Accomplishments Building & By-law Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Building Services - Municipal Partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> ▪ Maintained service levels by continuing to exceed provincial standards in building permit issuance during significant building boom ▪ Issued 390 building permits for four other municipalities at end of third quarter 2021 ▪ Hosted workshop for builders and developers ▪ Hosted working group with community representatives to review proposed Mobile Food Truck By-law 	\$346,000
Continued Implementation of Cloudpermit online building permit system	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Decrease in time it takes to submit information to MPAC for assessment; this information is now submitted as soon as the permit is issued – previously it was monthly or bimonthly 	\$13,000

Building & By-law Services

2022 Strategic Goals

Table: 2022 Strategic Goals for Building & By-law Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Building Services - Municipal Partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> ▪ Maintained service levels by continuing to exceed provincial standards in building permit issuance ▪ Host workshop for builders/developers ▪ Member of AMO 'One Ontario' working group ▪ during Increase in compliance to provincial regulations ▪ Bring Mobile Food Truck By-law to Council for approval ▪ Develop Deck Brochure to assist public in designing residential decks 	\$346,000
Expedite MPAC's Assessment of new Construction	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Partnering in pilot program with MPAC in providing MPAC with direct access to Cloudpermit thereby eliminating need for staff to upload plans to MPAC directly. This expedites assessment in most efficient manner 	\$13,000



Building & By-law Services

Departmental Budget Highlights

Trends

- Ongoing professional training for our team members, training costs for all building services staff are approximately \$15,000.
- Full cost recovery of building division budget to continue through building permit fees and service charges to municipal partners
- Tablets to be used by staff in field for better access to permit and inspection information in the field
- Partnering in pilot program with MPAC in providing MPAC with direct access to Cloudpermit
- Hiring co-op student for 8 month term

Service Levels

- Anticipated continued high demand for residential development in Middlesex Center and throughout Middlesex County
- Continuing to find efficiencies in providing building inspection services to our four partners in Middlesex County



Building & By-law Services

Operating Budget Details

Building & By-law Services has 4% of total operating costs.

Table: 2022 Operating Budget for Building Services by Cost Centre

Division	Cost Centre	Total (\$)
2500 - Building	01-2505 - Building Inspection	1,180,959
	01-2506 - Building Inspection - Lucan Biddulph	74,610
	01-2507 - Building Inspection - North Middlesex	124,149
	01-2508 - Building Inspection - Southwest Middlesex	83,223
	01-2509 - Building Inspection - Adelaide Metcalfe	60,259
2500 - Building Total		1,523,200
2510 - By-Law		114,533
2700 - Animal Control		42,528
Building & By-law Total		1,680,262

Note there are no capital expenditures associated with Building & By-law Services for 2022.



Community Services

COMMUNITY SERVICES



About Community Services

Community Services oversees the operation and management of Parks & Open Space (trails, sport fields, playgrounds, and forestry), Facility Services & Customer Service/Recreation. It also provides supports to minor sport, special events & community engagement.

Community Services maintains and is responsible for:

- 3 ice surfaces between 2 arenas
- 5 indoor community centres
- 19 parks
- 20 soccer fields
- 15 ball diamonds
- 16 tennis/pickleball courts
- 4 basketball courts
- 12 playgrounds
- 3 splash pads
- 2 skate parks
- 6 outdoor park pavilions
- 2 off-leash dog areas
- 78 hectares of parkland
- 6.4 km of trails



Community Services

Staffing

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

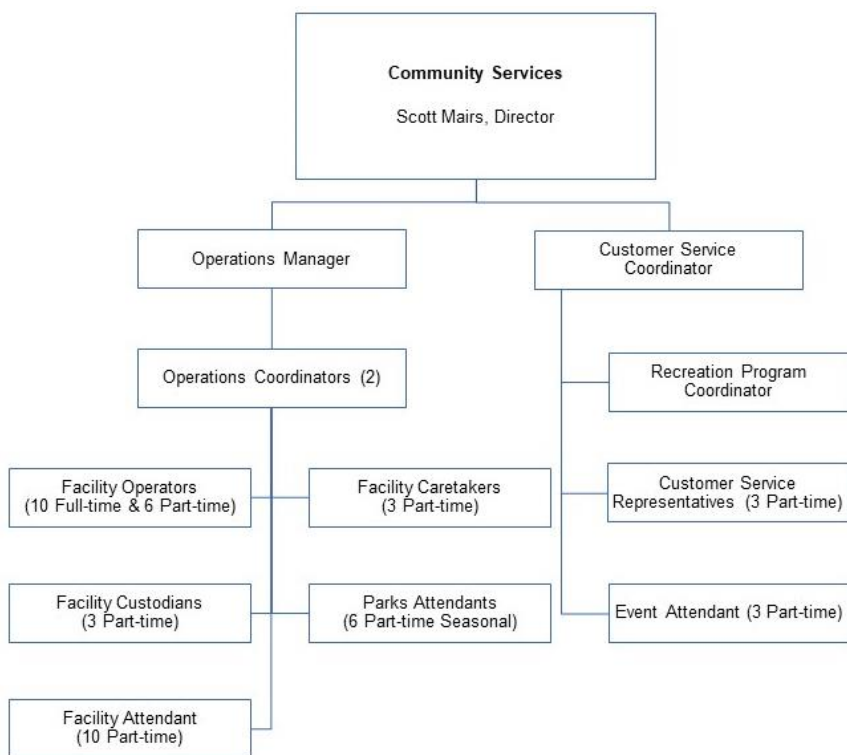


Table: Community Services Staffing Resources (additional staffing resources under Facility Services)

Divisions	2020 FTEs	2021 FTEs	2022 FTEs
Parks & Open Space	5.44	5.44	5.44
Administration	8.10	8.10	9.60
Staffing Total	13.54	13.54	15.04

Community Services

2021 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s Community Services staff delivered a variety of services in 2021 including:

- Operated successfully with anticipated decrease in revenues due to the impact of COVID-19 for ice rentals, community centres, playfields, concessions, advertising and YMCA shared surplus.
- Completed \$80,000 in the equipment and building repairs and maintenance at the Ilderton Arena.
- Completed \$35,100 in refrigeration plant upgrades at the Wellness Centre to repair safety related items and to improve efficiencies.
- Launched a program to deal with Invasive Species challenges such as LDD Moths at a cost of \$35,000
- Installed a Security Gate for \$40,000 at Douglas B. Weldon Park
- Installed the new Denfield Park Playground Equipment for \$80,000
- Completed Field Irrigation improvements for \$75,000 at Komoka park
- Re-surfaced Westbrook Park Tennis Court for \$43,000
- Completed the Douglas B. Weldon Park Accessible Washroom Construction for \$300,000

Table: 2021 Strategic Accomplishments for Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
LDD Moth Strategy	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	▪ Complete an aerial spray of 87 acres identified	\$35,000



Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Ilderton Youth Centre	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> ▪ Increase program opportunities to Ilderton Youth 	Being completed in house.
Community Services Master Plan	2021-2026	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	<ul style="list-style-type: none"> ▪ Identify key service delivery priorities & long term strategies 	Being completed in house.
Age Friendly Community Action Plan	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Completion of a framework that encompasses the 8 dimensions of community life as identified by the World Health Organization 	\$43,000

2022 Strategic Goals

Table: 2022 Strategic Goals for Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Breakfast with Community Services	2022-2026	Strat Plan 1 - Engaged Community	1.1 - Support community organizations and opportunities for volunteer involvement in the community	<ul style="list-style-type: none"> ▪ Register a minimum of 50 attendees from the community at large, user groups, minor sport and service clubs 	\$1,500
Farmers Market Agreements	2022-2026	Strat Plan 1 - Engaged Community	1.3 - Celebrate our rural and agricultural heritage	<ul style="list-style-type: none"> ▪ Completion of two agreements for each of the farmers markets 	To be completed in house.

Community Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Community Services Master Plan	2022-2026	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	▪ Identify key service delivery priorities & long term strategies	To be completed in house.
Ilderton Arena Facility Task Force	2022-2026	Strat Plan 1 - Engaged Community	5.1 - Enhance customer service	▪ Identify a number of recommendations to continue advancing the project forward	To be completed in house.
Special Event Guidance Document	2022-2026	Strat Plan 1 - Engaged Community	5.1 - Enhance customer service	▪ Completion and launch of the document prior to spring 2022	To be completed in house.
Update Ice Allocation Policy	2022-2026	Strat Plan 1 - Engaged Community	5.1 - Enhance customer service	▪ Increase available prime time hours for youth	To be completed in house.

Departmental Budget Highlights

Trends/Issues

Specific trends impacting Community Services include:

- Increased vandalism in municipal parks and facilities
- Increased material and construction costs
- Legislative requirements due to COVID-19
- Increased demand for passive recreation amenities (trails, walking, cycling)
- Increased demand for youth programming and older adult programming

Service Level Changes

- Implementation of online facility booking software
- Addition of youth programming in the Ilderton community
- Introduction of recreation programming
- New partnerships (e.g., BGC London)
- Initiatives coming out of the completion of the Community Service Master Plan Update and the Age Friendly Community Action Plan

Community Services

Operating Budget Details

Community Services has 4% of total operating costs.

Table: 2022 Operating Budget for Community Services by Cost Centre

Division	Cost Centre	Total (\$)
7100 - Parks & Open Space	01-7105 - Park - Arva Weldon	69,614
	01-7106 - Park - Community Landscape Features	32,233
	01-7110 - Park - Bryanston Prince Andrew	11,779
	01-7120 - Park - Delaware Lions	39,136
	01-7125 - Park - Delaware Municipal	29,136
	01-7127 - Park - Delaware Pleasant	3,246
	01-7130 - Park - Delaware Tiffany	254
	01-7135 - Park - Denfield	25,407
	01-7140 - Park - Ilderton Optimist	39,278
	01-7145 - Park - Ilderton Heritage	75,955
	01-7150 - Park - Ilderton Junction	2,735
	01-7151 - Park - Ilderton Meadowcreek	31,275
	01-7152 - Park - Ilderton Lions	12,000
	01-7153 - Park - Kilworth Optimist	9,657
	01-7154 - Park - Kilworth River Flats	3,437
	01-7155 - Park - Kilworth Westbrook	53,727
	01-7160 - Park - Komoka	44,687
	01-7163 - Park - Komoka Caverhill	7,342
	01-7165 - Park - Poplar Hill	45,560
		01-7600 - Recreation Programs
7100 - Parks & Open Space Total		577,576
7199 - Administration		848,018
Community Services Total		1,425,595



Community Services

Capital Budget Details

Figure: Map of Community Services Capital Projects for 2022



Community Services

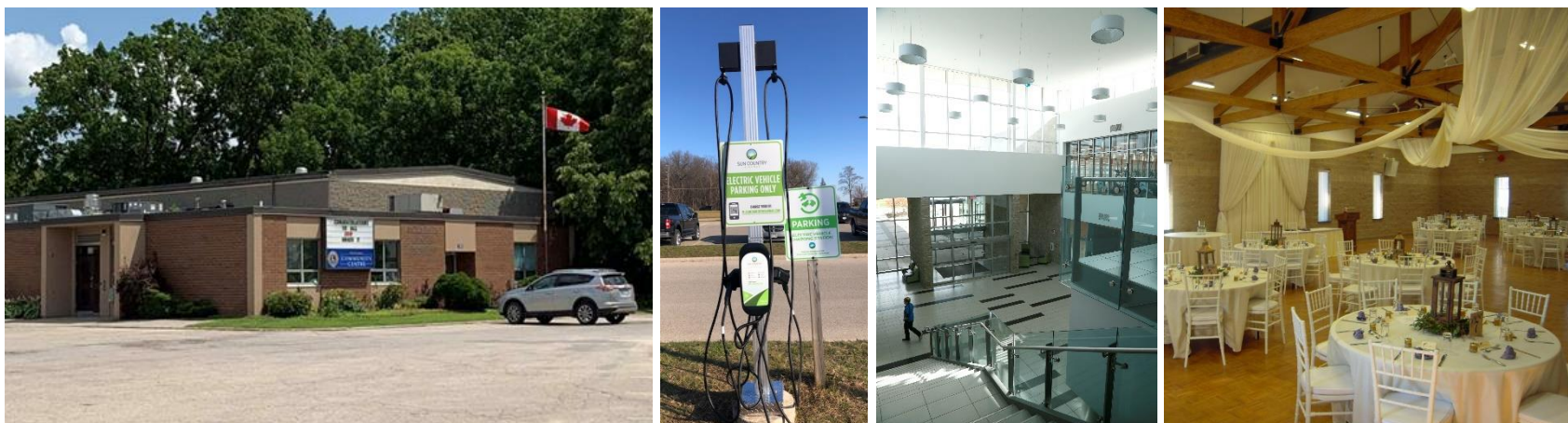
Table: 2022 Capital Budget for Community Services by Cost Centre and Project

Division	Project	Carry Forward (\$)	2022 Budget (\$)	Total (\$)
Parks & Open Space	Komoka Civic Square Design	0	185,000	185,000
	Clear Skies Secondary Trail	0	172,679	172,679
	Westbrook Park- Replace Play Equipment	0	160,000	160,000
	Delaware Lions Park- Paint Tennis Courts	0	26,000	26,000
	Poplar Hill Park- Grand Stand Improvements - North side	0	25,000	25,000
	Deerhaven Park- Solar Park Lighting and Poles	0	20,000	20,000
	Playground netting for merry go-round	0	15,000	15,000
	Meadow Creek Park- Parking Lot Solar Light	0	11,500	11,500
	Delaware Lions Park- New Tennis Nets & Posts	0	10,500	10,500
	Caverhill Park- Curbing for existing playground	0	10,000	10,000
	Delaware Lions Park - Replace/Extend Ball Hockey Fence	0	10,000	10,000
	Denfield Park- Security Camera and Security Improvements	0	5,000	5,000
	Denfield Park- Replace Tennis Net & Posts & Ground Sleeves	0	4,800	4,800
	Weldon Park- Security Camera System	0	4,500	4,500
	Delaware Municipal Park- Security Camera	0	4,000	4,000
	Komoka Park- Security Camera System	0	4,000	4,000
	Meadow Creek Park- Security Camera System	0	4,000	4,000
	Ilderton Optimist – Replace Playground Equipment	85,000	0	85,000
	Clear Skies Primary Trail	215,000	0	215,000
	Kilworth Optimist-Tridon Park Development	246,609	0	246,609
Community Services Total				1,218,588



Facility Services

FACILITY SERVICES



About Facility Services

Facility Services is a division under the Community Services Department 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 (Prince Andrew School – OPP Training Centre)



Facility Services

Staffing

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

Table: Facility Services Staffing Resources

Divisions	2020	2021	2022 FTEs
Municipal Office	0.62	0.62	0.62
Leased Properties	0.32	0.32	0.32
Fire Halls	0.38	0.38	0.38
PWE Operations Centres	0.29	0.29	0.29
Community Centres	3.13	3.13	3.13
Arenas	28.15	28.15	28.15
Libraries	0.34	0.34	0.34
Staffing Total	33.23*	33.23	33.23

**Facility Services was incorporated with Community Services prior to 2021*

2021 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s Facility Services staff delivered a variety of capital projects in 2021, including:

- Ilderton Arena & Delaware Community Centre parking lot re-construction \$325,000
- Delaware Community Centre Lower Roof Replacement \$135,000
- Life Safety Improvements at Delaware Community Centre \$18,500
- Replace safeties on refrigeration plant at Wellness Centre \$15,000
- Paint administration wing at Denfield Operations Centre \$10,000
- Rebuild Ilderton Arena Compressors \$8,000
- Replace pump #5 at Wellness Centre \$4,900
- Ammonia Detection at Ilderton Arena \$4,500

Facility Services

Table: 2021 Strategic Accomplishments for Facility Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Launch of Book King Program - Recreational booking	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Streamline booking approach ▪ Increase customer satisfaction ▪ Decrease staff time on filing and speaking with residents by 5% 	\$5,082
YMCA Partnership Management Fee	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> ▪ Increase number of people accessing fitness services 	\$45,900

2022 Strategic Goals

Table: 2022 Strategic Goals for Facility Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Launch of Book King Program - Recreational booking	2021-2022	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Streamline recreational booking. ▪ Increase customer satisfaction ▪ Complete 100% assessment and documentation of the end-to-end business needs in support of a common registration, booking and payment experience for municipal programs and services by Q2 2016 	\$4,692

Facility Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
YMCA Partnership Management Fee	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	▪ Increase number of people accessing fitness services	\$45,900

Departmental Budget Highlights

Trends/Issues

- Labour shortages specifically in facility maintenance
- Increased insurance & utility costs
- Increased material costs
- Equipment & parts delays
- Climate change and the need for more sustainable facilities
- Investments in smart building technology

Service Level Changes

- Increased building security
- New online work order management system (Asset Essentials)
- Increased cleaning and sanitization of facilities
- Security for vaccine screening

Operating Budget Details

Facility Services has 9% of total operating costs.

Table: 2022 Operating Budget for Facility Services by Cost Centre

Division	Cost Centre	Total (\$)
6000 - Administration		15,000
6110 - Municipal Office		139,659

Facility Services

Division	Cost Centre	Total (\$)
6120 - Leased Properties	01-6120 - Facility: Bryanston Prince Andrew	83,296
	01-6129 - Facility: Medical Clinic	155,243
6120 - Leased Properties Total		238,539
6200 - Fire Halls	01-6211 - Facility: Arva Fire Hall	23,864
	01-6214 - Facility: Bryanston Fire Hall	18,764
	01-6215 - Facility: Coldstream Fire Hall	14,708
	01-6216 - Facility: Delaware Fire Hall	18,968
	01-6218 - Facility: Ilderton Fire Hall	22,831
6200 - Fire Halls Total		99,134
6300 - PWE Operations Centres	01-6331 - Facility: Denfield Operations Centre	135,109
	01-6332 - Facility: Delaware Operations Centre	89,281
6300 - PWE Operations Centres Total		224,390
6700 - Community Centres	01-6720 - Facility: Komoka Community Centre	70,924
	01-6724 - Facility: Bryanston Community Centre	34,700
	01-6725 - Facility: Coldstream Community Centre	45,254
	01-6726 - Facility: Delaware Community Centre	63,931
	01-6728 - Facility: Ilderton Community Centre	77,112
6700 - Community Centres Total		291,920
6730 - Arenas	01-6738 - Facility: Ilderton Arena	758,770
	01-6739 - Facility: Wellness Centre	1,763,841
6730 - Arenas Total		2,522,611
6750 - Libraries	01-6755 - Facility: Coldstream Library	8,566
	01-6756 - Facility: Delaware Library	10,233
	01-6758 - Facility: Ilderton Library	26,694
6750 - Libraries Total		45,493
Facility Services Total		3,576,746

Facility Services

Capital Budget Details

Table: 2022 Capital Budget for Facility Services by Cost Centre and Project

Division	Project	Carry Forward (\$)	2022 Budget (\$)	Total (\$)
Arenas	KWC-RTU 8 replacement	0	85,000	85,000
	KWC-Security camera system upgrade	0	42,500	42,500
	KWC-C2 Compressor replacement	0	28,500	28,500
	KWC-Desiccant dehumidifier repairs (duct and wheel)	0	26,500	26,500
	KWC-Condenser water plate and frame regasket	0	18,000	18,000
	KWC-Roof and Eavestrough Repairs	0	17,800	17,800
	KWC-Replace Kaivac Sanitizing Cleaning System at Wellness Centre	0	12,500	12,500
	Ilderton Arena- Roof Access Safety Railing & Ladder	0	12,500	12,500
	KWC-Replace infrared cameras on rinks	0	6,450	6,450
	Ilderton Arena- Ice Edger - Battery Powered	0	5,990	5,990
	Ilderton Arena & Curling Club- CO + CO2 Gas Detection Systems	0	5,600	5,600
Arenas Total				261,340
Community Centres	DCC-Replace Meeting Room Floor	0	18,000	18,000
	ICC- Replace Exhaust fans for Kitchen and Washrooms	0	10,000	10,000
	ICC- Replacement of Water Heater	0	4,800	4,800
Community Centres Total				32,800
Fire Halls	Coldstream Fire Hall- UV Light Water Treatment System	0	6,500	6,500
	Delaware Fire Hall Sign	0	0	0
Fire Halls Total				6,500
Leased Properties	Ilderton Medical Clinic- Parking Lot Improvements	0	15,000	15,000
	Ilderton Medical- VCT Tile Replacement/ Repairs	0	12,500	12,500
	BRYANSTON PRINCE ANDREW-Replace Hydrotherm Boiler	47,202	0	47,202
	Leased Properties Total			

Facility Services

Division	Project	Carry Forward (\$)	2022 Budget (\$)	Total (\$)
Libraries	Ilderton Library- Parking Lot Improvements	0	21,500	21,500
Libraries Total				21,500
Municipal Office	Municipal Office- Consulting for Detailed Design for Renovations	0	100,000	100,000
	Municipal Office HVAC- West Office Area	0	45,000	45,000
Municipal Office Total				145,000
PWE Operations Centres	Denfield Ops-Construct New Storage Shed	137,500	62,500	200,000
	Delaware PWE- Washbay overhead door & opener	0	24,500	24,500
	Denfield PWE- Washbay Heating System Replacement	0	20,000	20,000
	Delaware PWE- SWDS system replacement	0	18,400	18,400
	Denfield PWE- Replace 2-3 Garage door openers	0	14,500	14,500
	Denfield PWE- Air quality monitoring system	0	12,500	12,500
	Denfield Ops-Replace Hard surface Flooring	10,000	12,000	22,000
PWE Operations Centres Total				311,900
Facility Services Total				853,742

Fire & Emergency Services

FIRE & EMERGENCY SERVICES



About Fire & Emergency Services

Middlesex Centre Fire Services offers a first-line of emergency response, fire prevention, and investigative services to our local communities. Our professional paid-on-call firefighters, fire prevention officer and headquarters staff work out of five fire stations located across the municipality.

Fire Prevention:

- Conducted 328 inspections and 10 fire investigations in support of 2 additional municipalities.

Public Education:

- By acquiring a grant the department was able to shift public education delivery models, in part, to a virtual platform. Taking this in to account, a number of new enhanced programs have been deployed and met with overwhelming success.

Emergency Response:

- As of mid-November 2021, fire crews had responded to 361 calls, trending upwards to meet or exceed 400. This includes fires, vehicle collisions, open air burning, technical rescue and requests for medical support.

Training:

- Department level training has been modified to make training more conducive to firefighter's schedules. At a higher level, the development and partnership with the Fire Marshal's Office, shared fire certification training has evolved to be a regional training centre. This partnership encompasses Elgin, Middlesex and Oneida First Nations.

Apparatus:

- 18 fire vehicles in 5 stations including engines, tankers, an off-road vehicle and a water rescue boat/rapid deployment craft (RDC).

Fire & Emergency Services

Staffing

Figure: Fire & Emergency Services Organizational Chart

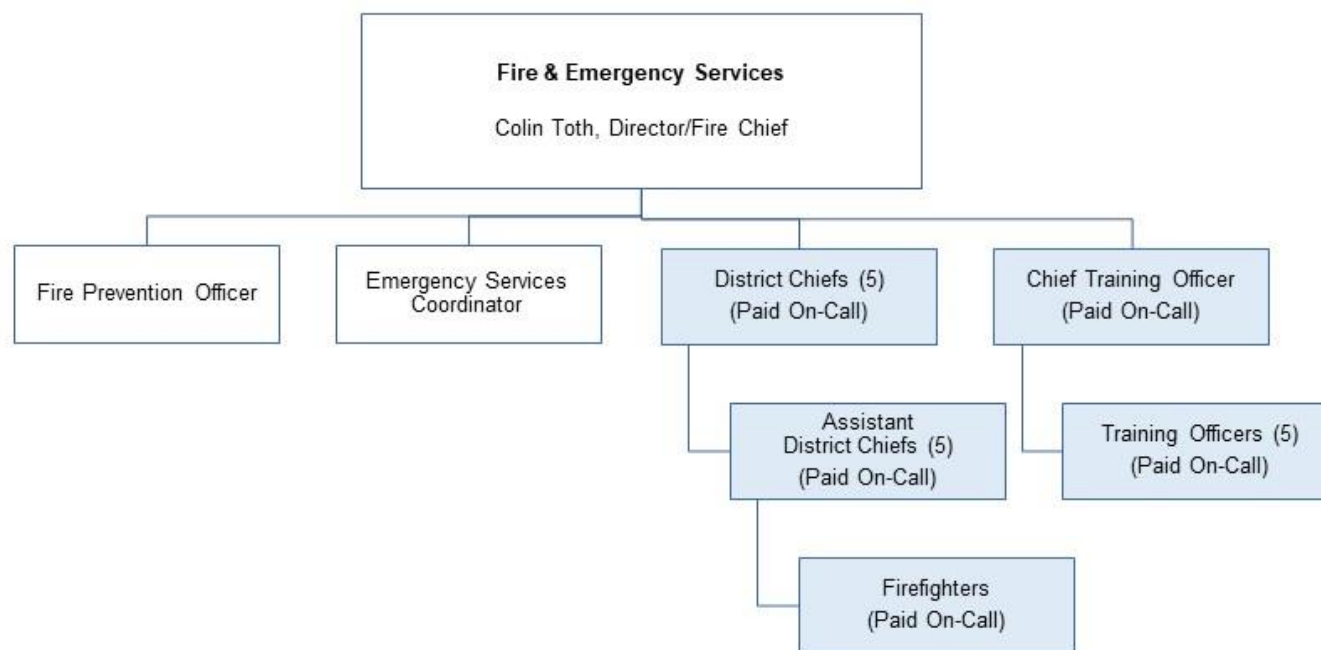


Table: Fire & Emergency Services Staffing Resources

Divisions	2020 FTEs	2021 FTEs	2022 FTEs
Fire Administration	2.00	2.00	2.00
Fire Prevention	1.00	1.00	1.00
Staffing Total	3.00	3.00	3.00
PLUS Fire Operations	111 Paid-On-Call Firefighters (including chiefs / training officers)	114 Paid-On-Call Firefighters (including chiefs / training officers)	118 Paid-On-Call Firefighters (including chiefs / training officers)

Fire & Emergency Services

2021 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre's Fire & Emergency Services staff delivered a variety of services in 2021 including:

- Continuation of the Personal Protective Equipment (PPE) cyclical replacement program at \$110,125. This figure accounts for 2 budget years due to COVID cost-containment.
- Non-capital equipment including additional medical defibrillators, pagers, portable radios, ancillary equipment, and the replacement of outdated tools in the amount of \$49,500.
- Ongoing training, including probationary firefighter and driver training, existing certification upkeep, and specific medical training at a cost of \$48,800.
- Enhanced training program in partnership with Elgin County, Oneida First Nations and the Ontario Fire Marshal's Office.
- Continued delivery of a Fire Prevention and Investigation program in support of two (2) neighboring municipalities producing an average revenue stream of \$62,000 annually.
- Departmental shift in public education delivery models, in part, to a virtual platform.
- Engaging with neighboring municipalities to develop service agreements for the delivery of special operations teams such as high-angle rope, ice/water and off-road rescue services.
- Continued development of the new fire report and asset management system in partnership with Strathroy Dispatch and Fire Services.
- Acquired three significant fire service grants – Enbridge, Fire House Subs & Provincial Fire Safety Grant. These will enhance and support multiple fire department projects.



Fire & Emergency Services

Table: 2021 Strategic Accomplishments for Fire & Emergency Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Fire Prevention Services - Municipal partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> 214 fire inspections completed for other municipalities 	\$82,980
Tablets supplementing the new report management system for in-field use for Fire Services	2021	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> Decrease in staff time by 15% for data input 	\$6,000

2022 Strategic Goals

Table: 2022 Strategic Goals for Fire & Emergency Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Master Plan - Fire and Community Risk Assessment	2022	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	<ul style="list-style-type: none"> Improvement of data required for growth to be included in Development Charge study 2023 	\$50,000 (Potential grant offset)
Fire Prevention Services - Municipal Partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> 214 fire inspections completed for other municipalities Continued partnership with Fanshawe College 	\$60,000

Fire & Emergency Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Fire Operations - Municipal Partnerships	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.4 - Expand our partnerships	<ul style="list-style-type: none"> Report Management System - Computer Aided Dispatch integration - partnership with Strathroy Fire, Police and Dispatch Centre 	\$20,000
Fire Services - Fire Underwriters Review	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> Five year review by Fire Underwriters (FUS) and on completion, this organization provides an overall safety and efficiency rating for our Municipality 	To be completed in house

Departmental Budget Highlights

Trends/Issues

- Rate of growth and current economic climate continues to affect call volume which has increased at a rate of 11% for 2021. This equates to increased operating costs including, equipment requirements and maintenance.
- As requirements in the fire service continue to expand, new regulations are established to which we are required to adhere. Examples for 2022 include: Community Risk Assessment, training/certifications & Fire Underwriters Survey review.

Service Level Changes

- Low angle rescue training upgraded to include high angle rescue techniques.
- Supplement special rescue techniques to include grain bin extrication.

Fire & Emergency Services

Operating Budget Details

Fire & Emergency Services has 5% of total operating costs.

Table: 2022 Operating Budget for Fire & Emergency Services by Cost Centre

Division	Cost Centre	Total (\$)
2100 - Fire Operations	01-2101 - Fire Hall - Arva	236,557
	01-2104 - Fire Hall - Bryanston	159,293
	01-2105 - Fire Hall - Coldstream	241,834
	01-2106 - Fire Hall - Delaware	249,203
	01-2108 - Fire Hall - Ilderton	219,231
2100 - Fire Operations Total		1,106,118
2118 - Special Operations		18,000
2119 - Fire Administration		602,185
2120 - Fire Prevention	01-2120 - Fire Prevention	57,498
	01-2121 - Fire Prevention - North Middlesex	21,901
	01-2122 - Fire Prevention Thames Centre	32,619
2120 - Fire Prevention Total		112,018
2400 - Emergency Operations		4,950
Fire & Emergency Operations Total		1,843,272



Fire & Emergency Services

Capital Budget Details

Table: 2022 Capital Budget for Fire & Emergency Services by Cost Centre and Project

Division	Project	Carry Forward (\$)	2022 Budget (\$)	Total (\$)
Fire Operations	Extrication Equipment	0	200,000	200,000
	Personal Protective Equipment (PPE)	0	60,000	60,000
	Hose and Hose Accessories	0	15,000	15,000
Fire and Emergency Operations Total				275,000

Public Works & Engineering: Transportation & Administration

PUBLIC WORKS & ENGINEERING: TRANSPORTATION & ADMINISTRATION



About PWE: Transportation & Administration

The roads services offered under public works and engineering are critical to keeping Middlesex Centre moving. Staff manage a busy, year-round portfolio, including summer construction and winter maintenance.

Public Works and Engineering (PWE) maintains:

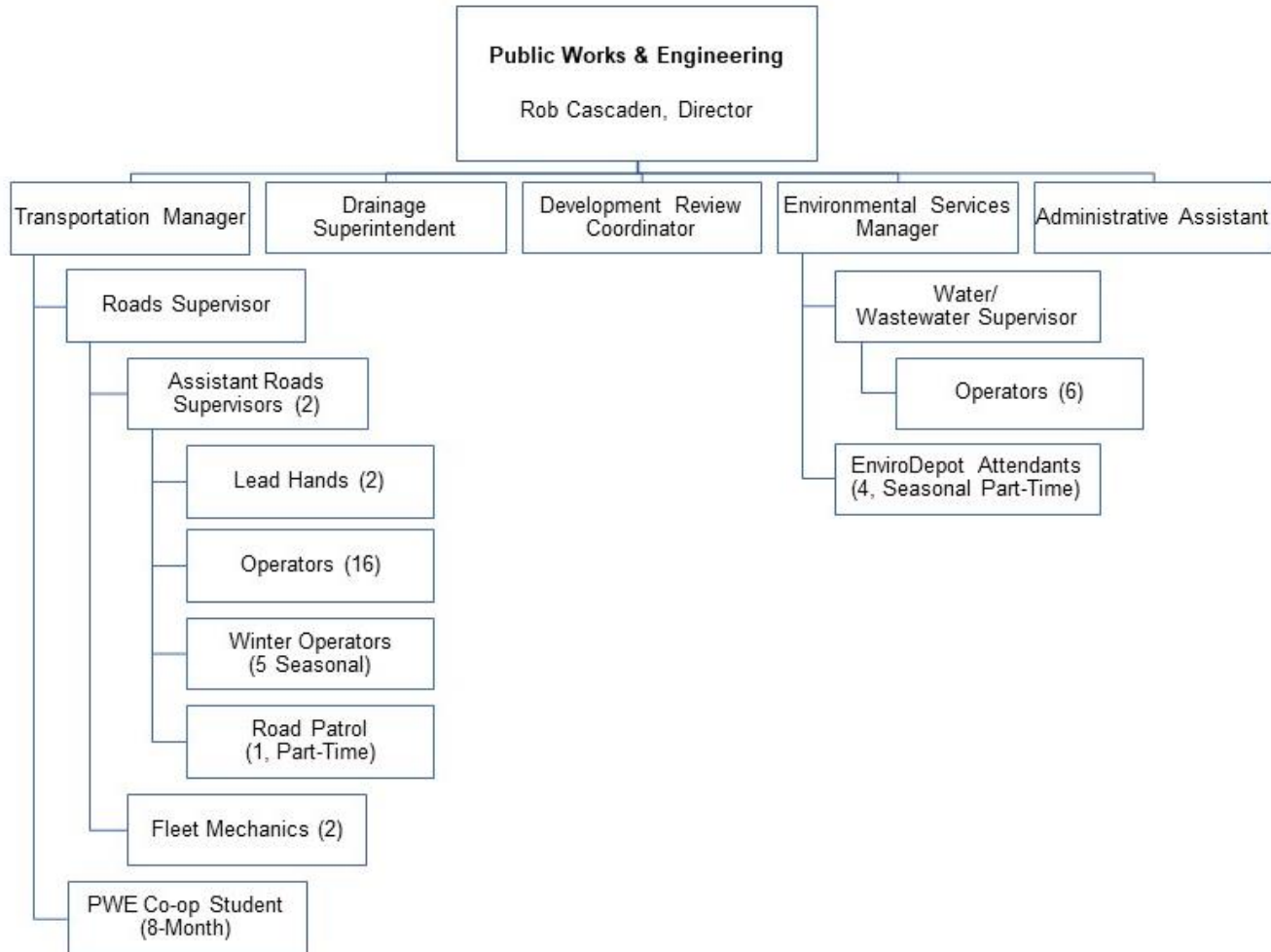
- 313 km of paved roads (with 220 km of those roads rated as being in good to very good condition) and 270 km of gravel roads
- 583 km of roads for winter maintenance
- 49 bridges, 56 large culverts (3m diameter or larger) and many smaller diameter culverts
- 2 Enviro Depots for waste management (Denfield Road, Longwoods Road). The Try Recycling Depot on Clarke Road is also available for residents to use.

PWE also provides engineering expertise, capital planning, 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).

Public Works & Engineering: Transportation & Administration

Staffing

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



Public Works & Engineering: Transportation & Administration

Table: PWE: Transportation & Administration Staffing Resources (Environmental Services and Fleet Services FTEs are reported below)

Divisions	2020 FTEs	2021 FTEs	2022 FTEs
Transportation	25.50	26.50	26.50
Administration	5.0	3.89	4.89
Planning	0.00	1.10	1.10
Drainage	1.00	1.00	1.00
Staffing Total	31.49	32.49	33.49

2021 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s PWE: Transportation & Administration staff delivered a variety of services in 2021 including:

- Structures Inventory Assessment completed for \$75,000
- Hired multiple subcontractors to complete a variety of projects. Specifically, subcontractors are brought in for items where we need additional seasonal capacity, do not have the required specialized equipment to complete components of a project/task or where specialized experience is required; for example:
 - hauling materials, restoration measures such as seeding and planting, asphalt and concrete, spraying roadside ditches, urban road sweeping in spring, guiderail installations, traffic sign retro-reflectivity, street lighting maintenance
- Completed Hardtop Patching, Resurfacing and Shoulder Maintenance at a cost of \$98,700. Approximately 30 km of centerline road length was resurfaced with tar and chip. Middlesex Centre has approximately 180 km of tar and chip surfaced roads.
- Completed loose top resurfacing, loose top grading and dust control at cost of \$720,000.
- Implementation of traffic calming measures in support of the Vision Zero campaign at a cost of \$60,000.
- Completed winter patrols, snowplowing, sanding and salting costs \$630,000
 - approximately 583 km
 - Includes cost of sand/salt and labour



Public Works & Engineering: Transportation & Administration

- Completed Centerline marking for 2021
 - This includes line painting of stop bars within our settlement communities, crosswalks, edge lines and centerline of all rural surface treated and asphalt roads.
 - This is typically completed in late fall following construction projects/tar and chip at approximately \$40,000.
- Reconstruction and Upgrading of Vanneck Road (Ilderton Road to Sinclair) for \$1,550,000
- Resurfacing of Wynfield Lane, Westbrook Drive for \$105,000
- Drainage improvements at Meadowcreek Park and access walkway from Willow Ridge Road for \$70,000
- Construction of new entrance and laneway at Sunningdale Aggregate Pit for \$150,000

Table: 2021 Strategic Accomplishments for PWE: Transportation & Administration

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Structures Inventory Assessment 2021	2021	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	<ul style="list-style-type: none"> ▪ Tie to Asset Management Plan 2021: <ul style="list-style-type: none"> ○ Number of the Municipality's bridges and culverts currently have load or dimensional restrictions ○ For bridges in the Municipality, the average bridge condition index value ○ For structural culverts in the Municipality, the average bridge condition index value ○ Number of bridges and culverts with a BCI < 40 	\$75,000

Public Works & Engineering: Transportation & Administration

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Road Safety - Traffic Calming	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.1 - Improve safety for road users	<ul style="list-style-type: none"> ▪ Decrease in speed related accidents ▪ Decrease in speed related traffic tickets ▪ Improve the safety of pedestrians and bicyclists 	\$60,000
Tree Planting	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Minimum of 25 new trees planted annually 	\$20,000
Asset Essentials Implementation	2021-2022	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	<ul style="list-style-type: none"> ▪ Tie to Asset Management Plan 2021: <ul style="list-style-type: none"> ○ Completeness of asset inventory ○ Accuracy of asset details ○ Improvement of assets tied to budget process - increase from 2021 ○ Compliance with Ontario Regulation requirements for 2021 	\$ 23,730

Public Works & Engineering: Transportation & Administration

2022 Strategic Goals

Table: 2022 Strategic Goals for PWE: Transportation & Administration

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Roads Needs Study 2022	2022	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	<ul style="list-style-type: none"> ▪ Tie to Asset Management Plan 2021: <ul style="list-style-type: none"> ○ Lane-kilometers of road type per square kilometer of land. ○ Average PCI, weighted by centreline-kilometres ○ Centreline-kilometres of HCB and LCB roads with PCI < 40 	\$75,000
Asset Management Coordinator	2022	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	<ul style="list-style-type: none"> ▪ Tie to Asset Management Plan 2021: <ul style="list-style-type: none"> ○ Increase completeness of Assets Inventory ○ Increase accuracy of Asset Details ○ Improvement of assets tied to budget process - increase from 2021 percentage 	\$90,501
Master Plan - Transportation	2022	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	<ul style="list-style-type: none"> ▪ Improvement of data required for growth to be included in Development Charge study 2023 	\$125,000



Public Works & Engineering: Transportation & Administration

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Road Safety - Traffic Calming	2021-2026	Strat Plan 4 – Sustainable Infrastructure and Services	4.1 - Improve safety for road users	<ul style="list-style-type: none"> ▪ Decrease in speed related accidents ▪ Decrease in speed related traffic tickets ▪ Improves the safety of pedestrians and bicyclists 	\$30,000
Tree Planting	2021-2026	Strat Plan 5 – Responsive Municipal Government	5.3 - Foster a culture of innovation, continuous improvement, and cost-effective service delivery	<ul style="list-style-type: none"> ▪ Minimum of 30 new trees planted annually 	\$20,000

Departmental Budget Highlights

Trends/Issues

- Labour shortages with general contractors and subcontractors
- Difficulty in maintaining contract time lines
- Limited labour pool for seasonal operators
- Increased insurance costs
- Increased material costs, impacting all aspects.
- Equipment & parts delays
- Climate change impact on built infrastructure

Service Level Changes

- Improved tracking of assets replacements and conditions
- New online work order management system (Asset Essentials) intended to come into use in 2022



Public Works & Engineering: Transportation & Administration

Operating Budget Details

Public Works & Engineering has 16% of total operating costs.

Table: 2022 Operating Budget for PWE: Transportation & Administration by Cost Centre

Division	Cost Centre	Total (\$)
3000 - Transportation	01-3004 - Adelaide Metcalfe Boundary Road Maintenance	8,000
	01-3005 - Bridge Maintenance	70,000
	01-3010 - Cross Culvert Maintenance	25,000
	01-3055 - Cutting & Spraying	42,000
	01-3060 - Brush & Tree Removal	15,500
	01-3065 - Ditching	17,000
	01-3070 - Catchbasin Maintenance	18,500
	01-3080 - Debris & Litter Pickup	4,000
	01-3110 - Hardtop Patching	90,000
	01-3115 - Hardtop Sweeping	43,500
	01-3120 - Hardtop Shoulder Maintenance	6,000
	01-3130 - Line Marking	63,000
	01-3135 - Curb & Gutter	7,500
	01-3151 - Slurry Seal & Rout and Seal	40,000
	01-3160 - Loosetop Grading / Dragging	12,000
	01-3165 - Loosetop Dust Control	285,000
	01-3170 - Loosetop Resurfacing	330,000
	01-3214 - Snow Removal	1,500
	01-3215 - Snow Plowing	37,500
	01-3216 - Sod Restoration	2,500
	01-3217 - Tree Planting	20,000
	01-3220 - Sanding & Salting	277,500
	01-3225 - Ice Blading	4,000
	01-3255 - Traffic Signs	40,000
	01-3256 - Traffic Signal Maintenance	7,500



Public Works & Engineering: Transportation & Administration

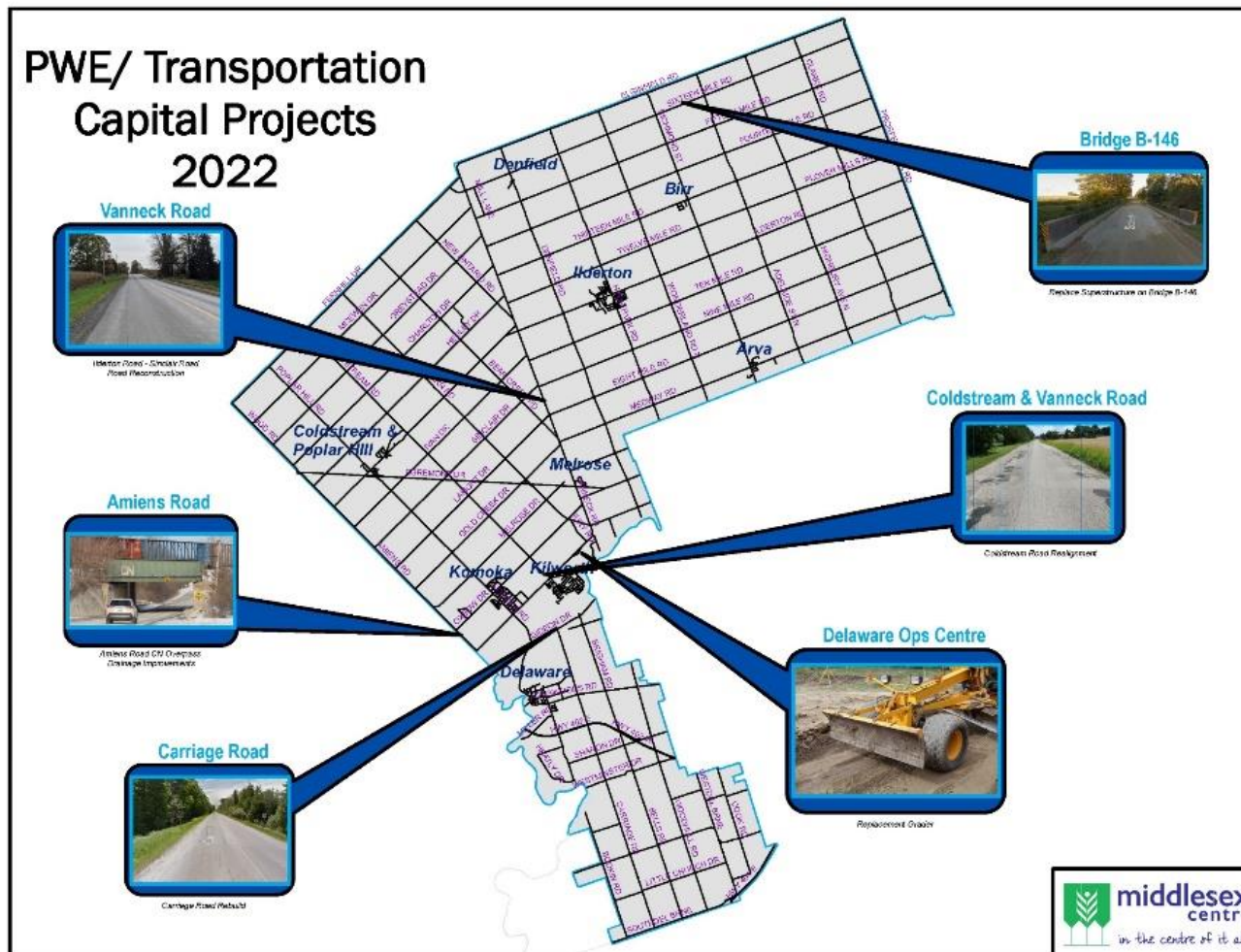
Division	Cost Centre	Total (\$)
	01-3260 - Guard Rails	25,000
	01-3270 - Railroad Charges	9,900
	01-3275 - Traffic Counts	5,800
	01-3301 - PWE Operations (Incl. wages)	2,185,583*
	01-3355 - Pit #1 - Olalondo	57,981
	01-3360 - Pit #2 - Sunningdale Road Sand	30,800
	01-3365 - Pit #3 - Hokkanson	16,700
	01-3405 - Municipal Drain Charges	200,000
	01-3710 - Municipal Parking Lot - Arva	3,000
	01-3715 - Municipal Parking Lot - Ilderton	3,000
	01-3901 - Streetlighting	76,667
	01-3994 - Sidewalks	30,000
	01-3996 - Traffic Calming	30,000
3000 - Transportation Total		4,141,931
3319 - Administration		1,523,016
8100 - Planning		397,663
8300 - Drainage		137,727
8405 - Tile Drainage		20,516
8410 - Municipal Drainage		33,275
PWE: Transportation & Administration Total		6,254,129

Note: *Operation wages are budgeted in PWE Operations account 01-3301 and will then be distributed to the other operation costs throughout the year as work is completed

Public Works & Engineering: Transportation & Administration

Capital Budget Details

Figure: Map of PWE: Transportation Capital Projects for 2022



Public Works & Engineering: Transportation & Administration

Table: 2022 Capital Budget for PWE: Transportation & Administration by Cost Centre and Project

Division	Project	Carry Forward (\$)	2022 Budget (\$)	Total (\$)
Transportation	Vanneck Road Reconstruction	0	1,370,000	1,370,000
	Coldstream Road Realignment	0	1,300,000	1,300,000
	Asphalt Resurfacing	0	1,100,000	1,100,000
	Carriage Road Rebuild	0	1,070,000	1,070,000
	Replace Superstructure on Bridge B-146	125,000	825,000	950,000
	Replace Superstructure on Bridge B-124	125,000	825,000	950,000
	Tar & Chip Resurfacing	0	600,000	600,000
	Old River Road (Glendon Dr to Pulham Rd)	250,000	800,000	1,050,000
	Melrose Street Light Pole Replacement	100,000	360,000	460,000
	Sidewalk Expansion and Replacement	0	150,000	150,000
	New Sign Printing Equipment	0	50,000	50,000
	Street Light Replacement/Expansion Program	120,189	50,000	170,189
	Garden Avenue / Wellington Road Reconstruction	800,000	109,000	909,000
	Amiens Road CN Overpass Drainage Improvements	0	40,000	40,000
	Poplar Hill Stormwater Easement	0	30,000	30,000
	Urban Street Furniture	0	20,000	20,000
	Vanneck Road (Ilderton to Sinclair)	35,000	0	35,000
	Willow Ridge Road - Road, Pathway & Park Drainage I	25,000	0	25,000
	PWE: Transportation			
Total				



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. They play a crucial role in protecting public and environmental health in the community.

Middlesex Centre owns and operates two wastewater treatment plants, one in Ilderton and one in Komoka. These plants receive and treat wastewater 24 hours a day, 7 days a week. We also operate:

- 13 water facilities (wells, booster stations, towers and standpipes) for drinking water supplies.
- 8 wastewater pumping stations
- 5 stormwater management ponds (4 with permanent pools, 1 dry)

Staffing

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

Table: PWE: Environmental Services Staffing Resources

Divisions	2020 FTEs	2021 FTEs	2022 FTEs
Wastewater	3.58	4.08	4.08
Stormwater	0.15	0.15	0.15
Water	3.58	4.08	4.08
Waste Management	1.00	1.00	1.00
Staffing Total	8.31	9.31	9.31

Public Works & Engineering: Environmental Services

2021 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s PWE: Environmental Services staff delivered a variety of services in 2021 including:

- Maintain service levels
 - Management of water and wastewater treatment and distribution infrastructure through operator-controlled and automated processes, and schedule preventative maintenance of asset components
 - Protection of the environment through quality and quantity control of stormwater
- Completed the Water Financial Plan in May of 2021 for \$15,000
- Completed Condition Assessment for wastewater \$107,070
- Installed new software, specifically, new versions and software upgrades for programs used to monitor and maintain databases for regulatory and process data, at a total cost of \$17,500 for upgrades and maintenance service agreements

Table: 2021 Strategic Accomplishments for PWE: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Water Financial Plan	2021	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	<ul style="list-style-type: none"> ▪ Calculate long term replacement cost of water assets with an age-based approach. ▪ New ten year financial plan ▪ Rate stability (and predictability) for residents ▪ Ensure adequate transfers to reserve funds 	\$15,000



Public Works & Engineering: Environmental Services

2022 Strategic Goals

Table: 2022 Strategic Goals for PWE: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Master Plan - Wastewater	2022	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	<ul style="list-style-type: none"> ▪ Improvement of data required for growth to be included in Development Charge study 2023 ▪ Establishing a road map for future upgrades and expansion 	\$125,000
Master Plan - Water	2022	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	<ul style="list-style-type: none"> ▪ Improvement of data required for growth to be included in Development Charge study 2023 ▪ Establishing a road map for future upgrades and expansion 	\$125,000
Master Plan - Stormwater	2022	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	<ul style="list-style-type: none"> ▪ Improvement of data required for growth to be included in Development Charge study 2023 ▪ Establishing a road map for future upgrades and expansion 	\$75,000



Public Works & Engineering: Environmental Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Wastewater and Stormwater Financial Plan	2022	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	<ul style="list-style-type: none"> 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

Departmental Budget Highlights

Trends/Issues

- Labour shortages with general contractors and subcontractors
- Difficulty in maintaining contract time lines
- Increased insurance costs and utility costs
- Increased material costs, impacting all aspects.
- Equipment and parts delays
- Climate change impact on built infrastructure and consideration in future design
- Calls for lower water, wastewater and stormwater rates from residents and businesses

Service Level Changes

- Improved tracking of asset replacements and asset conditions
- New online work order management system (Asset Essentials) intended to come into use in 2022

Public Works & Engineering: Environmental Services

Operating Budget Details

Environmental Services has 25% of total operating costs.

Table: 2022 Operating Budget for Public Works & Engineering: Environmental Services by Cost Centre

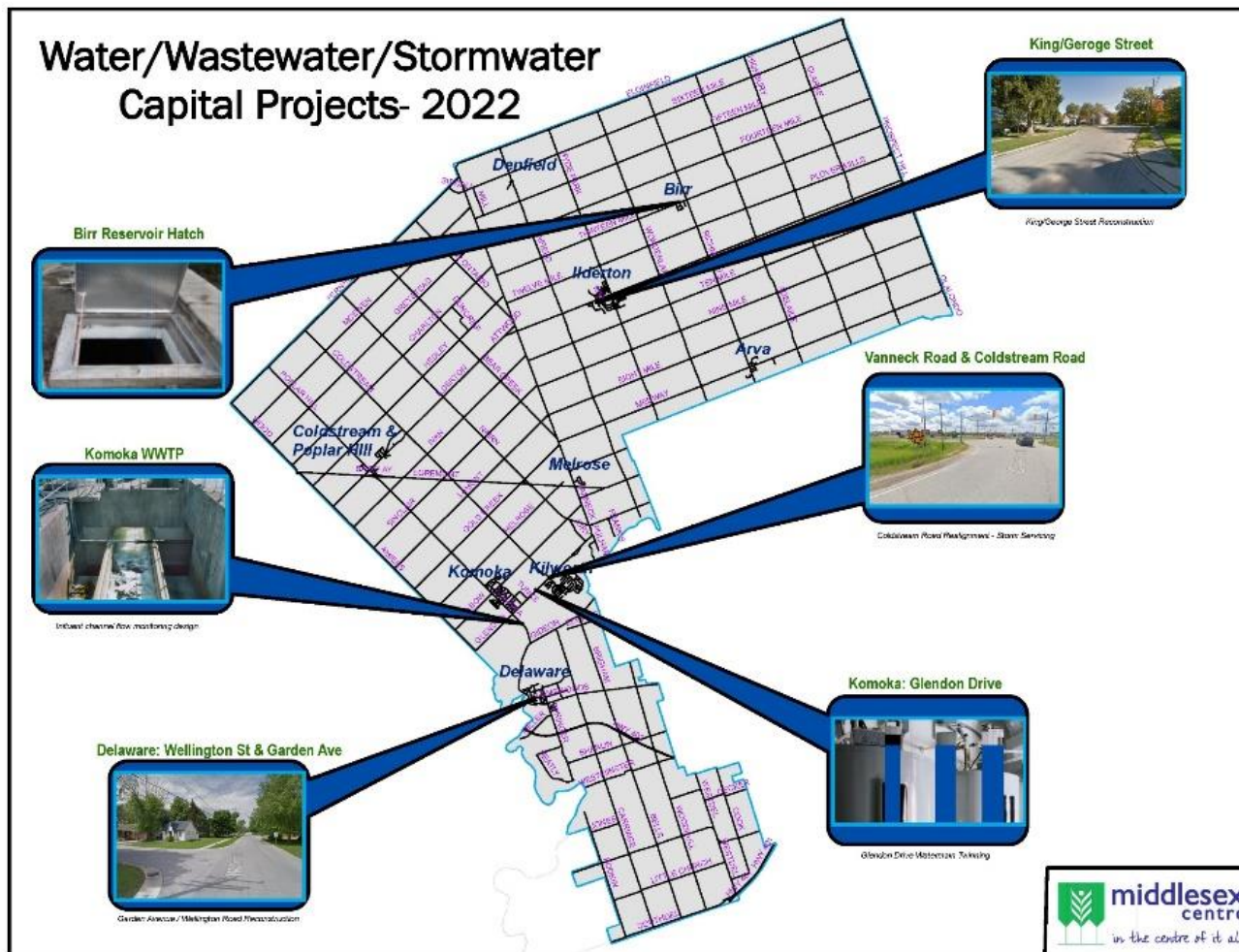
Division	Cost Centre	Total (\$)
4100 - Wastewater		3,609,607
4200 - Stormwater		1,079,088
4300 - Water		3,793,721
4500 - Waste Management	01-4505 - Garbage Collection	460,464
	01-4510 - Garbage Disposal	318,541
	01-4515 - Recycling	523,534
	01-4530 - ENVIRO DEPOTS	79,279
4500 - Waste Management Total		1,381,818
		9,864,234



Public Works & Engineering: Environmental Services

Capital Budget Details

Figure: Map of Water, Wastewater and Stormwater Capital Projects for 2022



Public Works & Engineering: Environmental Services

Table: 2022 Capital Budget for Public Works & Engineering (Environmental Services) by Cost Centre and Project

Division	Project	Carry Forward (\$)	2022 Budget (\$)	Total (\$)
Stormwater	Komoka Drain No. 1 - SWM pond	150,000	350,000	500,000
	Komoka Drain No.3 - Union Ave. Branch	100,000	133,000	233,000
	Coldstream Road Realignment - Storm Servicing	0	31,500	31,500
	Garden Avenue / Wellington Road Reconstruction	1,275,000	129,000	1,404,000
	King/George Street Reconstruction	0	23,915	23,915
	Delaware Municipal Drain Replacement	97,110	0	97,110
	Stormwater Total			
Wastewater	Komoka WWTP - Aeration, Blower and HVAC Improvements	0	500,000	500,000
	Influent channel flow monitoring design	0	161,250	161,250
	Concrete rehab and sealing	0	75,256	75,256
	Wastewater Pump Station Equipment Improvements	0	75,000	75,000
	Influent channel flow monitoring design	0	75,000	75,000
	Hand Rail & Kick Plate Installation	0	64,068	64,068
	Vertical Wastewater Systems Facilities Improvements	0	60,000	60,000
	Wastewater Submersible Pump Replacement and Rebuild	0	55,000	55,000
	Horizontal wastewater system rehabilitation	0	50,000	50,000
	Coldstream Road Realignment - Sanitary Servicing	0	16,500	16,500
	Komoka - Upgrade Pumping Station	48,000	12,000	60,000
	Komoka Road Forcemain Replacement	112,500	7,500	120,000
	SCADA Replacement	140,000	0	140,000
	Arva WWTP - New Facility	166,263	0	166,263
	Komoka WWTP - Filter Upgrades	200,000	0	200,000
	Design Komoka WWTP - Headworks	140,000	0	140,000
	Komoka WWTP - Filter Upgrades	1,365,000	0	1,365,000
	Ilderton Treatment Capacity Upgrades	337,650	0	337,650
	Demolishing of the Kilworth WWTP	1,070,000	0	1,070,000
	Servicing of Tunks Lane	100,000	0	100,000

Public Works & Engineering: Environmental Services

Division	Project	Carry Forward (\$)	2022 Budget (\$)	Total (\$)
Wastewater Total				4,830,987
Water	Glendon Drive Watermain Twinning	0	440,000	440,000
	Garden Avenue / Wellington Road Reconstruction	0	435,000	435,000
	Instrumentation & Control, electrical generator and ATS	0	150,000	150,000
	Vertical Water Systems Improvements	0	150,000	150,000
	Building Mechanical, Structural & Site Work	0	64,700	64,700
	Melrose Equipment Improvements	0	60,125	60,125
	Longwood Road Watermain Extension	0	60,000	60,000
	Water Facilities - Process Mechanical Improvements	0	47,700	47,700
	Komoka & Ilderton Water tanks & reservoir Inspections and cleanout	0	38,600	38,600
	Arva Water Plant Upgrades	0	37,300	37,300
	Birr Equipment Improvements	0	36,000	36,000
	Replacement of swing check valve - Ilderton Water Booster Station	0	34,750	34,750
	Garden Avenue / Wellington Road Reconstruction	0	32,000	32,000
	Coldstream Road Realignment - Water Servicing	0	13,500	13,500
	Replacement of swing check valve - Ilderton Water Booster Station	0	12,500	12,500
	Well Maintenance	0	10,307	10,307
	Delaware Water Supply Interconnection Phase 2	250,000	0	250,000
	SCADA Replacement	150,000	0	150,000
	Melrose Lake Huron Primary Water Supply Connection	93,750	0	93,750
	Servicing of Tunks Lane	60,000	0	60,000
Water Total				2,176,232
PWE: Environmental Services Total				9,296,744

Fleet Services

FLEET SERVICES



About Fleet Services

Fleet Services look after all of the municipality’s vehicles – everything from snow plows to fire engines to ice resurfacers. The current municipal fleet of more than 90 vehicles includes:

- 2 fully electric and 2 hybrid vehicles
- 5 fire engines
- 4 fire tankers
- 6 rescue trucks
- 12 light-duty trucks and automobiles
- 3 medium-duty trucks
- 14 heavy-duty trucks
- 3 ice resurfacers
- numerous mowers, tractors, graders, etc.

Staffing

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

Table: Fleet Services Staffing Resources

Divisions	2020 FTEs	2021 FTEs	2022 FTEs
Administration	2.00	2.00	2.00
Fleet (Mechanics)			
Staffing Total	2.00	2.00	2.00

Fleet Services

2021 Accomplishments

In addition to the strategic accomplishments outlined below, Middlesex Centre’s Fleet Services staff delivered a variety of services in 2021 including:

- Minimized outsourcing of repairs.
- Continued to prioritize repairs and needs of various departments to ensure all departments are well serviced.
- Purchased a heritage Oshkosh plow truck for refurbishment to be used for displays

Table: 2021 Strategic Accomplishments for Fleet Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Heritage Truck PWE Display	2021-2022	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	▪ Not identified in 2021, purchased in 2021, but put into service in 2022	\$2,425

2022 Strategic Goals

Table: 2022 Strategic Goals for Fleet Services

Task/Project	Timing	Strategic Alignment - Priority	Strategic Alignment - Objective	Performance Measures	Budget
Heritage Truck PWE Display	2021-2022	Strat Plan 1 - Engaged Community	1.2 - Enhance the vitality of our villages	▪ Participate in 2 parades or special events, due to its historical ties to London Township.	\$7,500
Tablets for in-field use for Asset Management	2022	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	\$6,000

Fleet Services

Departmental Budget Highlights

Trends/Issues

- Fuel, oil, repairs and maintenance increases
 - We have all seen the significant increase in fuel and oil prices over the course of 2021. Fortunately this had been hedged for in our 2021 budget thus the 2022 budget for fuel and oil has not changed significantly. It is uncertain if there will be continued upward pressures on fuel prices but we do not anticipate seeing the same increases that were experienced in 2021. The cost of parts in 2022 is anticipated to be higher than 2021 but an accurate projection is difficult with the market volatility.
- Insurance increases
 - Insurance is seeing a significant increase of nearly 20% or \$20,080 due to the overall insurance market.

Operating Budget Details

Fleet Services has 4% of total operating costs.

Table: 2022 Operating Budget for Fleet Services by Cost Centre

Division	Cost Centre	Total (\$)
9100 - Administration Fleet		321,321
9200 - Fire Fleet		120,897
9250 - Building Fleet		8,006
9300 - PWE Transportation Fleet		819,752
9400 - Water/Wastewater Fleet		37,835
9700 - Community Services Fleet		139,463
Fleet Services Total		1,447,273

Fleet Services

Capital Budget Details

Table: 2022 Capital Budget for Fleet Services by Cost Centre and Project

Division	Project	Carry Forward (\$)	2022 Budget (\$)	Total (\$)
Fire Fleet	Small Engine Equipment	0	6,000	6,000
Fire Fleet Total				6,000
PWE Transportation Fleet	Replacement Grader	0	485,000	485,000
	Replacement Tandem Truck	0	380,000	380,000
	Replacement Tractor and Attachments	0	225,000	225,000
	Replacement Stacker	0	180,000	180,000
	New 1 Ton Truck	0	140,000	140,000
	Replacement Roadside Mower	0	30,000	30,000
	New Guardrail Mower	0	30,000	30,000
	Small Engine Equipment	0	6,000	6,000
PWE Transportation Fleet Total				1,476,000
PWE: Environmental Services Fleet	New 1/2 Ton Truck	0	57,500	57,500
	Replacement Truck	0	45,000	45,000
	Replacement Truck	0	45,000	45,000
	Small Engine Equipment	0	6,000	6,000
PWE: Environmental Services Fleet Total				153,500
Community Services Fleet	Replacement Ice Resurfacer	0	150,000	150,000
	Replacement Tractor and Snow Blade	0	130,000	130,000
	Replacement Tri-plex Mower	0	40,000	40,000
	Replacement Zero Turn Mower	0	25,000	25,000
	Replacement 18' LT Tandem Float Trailer	0	20,000	20,000
	New Drop in 3/4 ton Dump Box	0	12,500	12,500
	New Towed Leaf Vacuum	0	8,250	8,250
	Small Engine Equipment	0	6,000	6,000
Community Services Fleet Total				391,750
Fleet Services Total				2,027,250

Asset Management

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 the how the assets should last and perform over their life cycle to achieve the municipality's organizational objectives.

The main objective of an asset management plan (AMP) is to use the municipality's best available information to develop a comprehensive long-term plan for capital assets. In addition, the plan should provide a sufficiently documented framework that will enable continuous improvement and updates of the plan, to ensure its relevancy over the long term.

Middlesex Centre's AMP was completed and approved June 2021. It has been used to develop the 2022-2026 capital budget.

- The plan meets the requirements for Ont. Reg. 588/17.
- Significant improvements on condition data included.
- Focus is on reasonable funding levels needed to sustain current service levels, which has been built into the 2022 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 a number of 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: Asset Classes and Replacement Cost

Asset Class	Replacement Value
Roads	\$135,130,374
Sidewalks and Street Lights	\$18,685,035
Bridges and Structural Culverts	\$117,864,041
Facilities	\$101,038,760
Water	\$77,067,633
Wastewater	\$125,629,211
Stormwater	\$110,653,607
Fleet	\$18,361,061
Equipment	\$1,860,048
Total	\$706,289,770



Asset Management

Asset Management Financing Strategy



One of our Asset Management goals is that the Municipality's physical assets be managed in a manner that will support the sustainable provision of municipal services to residents. Through the implementation of the asset management plan, 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. Therefore, the asset management plan and the progress with respect to its implementation will be 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 maintain expected levels of service at a sustainable level. Our plan integrates both of these requirements into one strategy.

O. Reg. 588/17 requires a 10-year capital plan that forecasts the costs of implementing the lifecycle management strategy and the lifecycle activities required therein.

Various financing options, including reserve funds, debt, and grants were considered during the process of developing the financing strategy.

The lifecycle costs required to sustain established level of service targets are being recovered through several methods:

- Ontario Community Infrastructure Fund (OCIF) formula-based funding is identified for years in which the funding amount is known (2021). The 2021 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 benefit fund (Gas tax funding) has been shown as a stable and long-term funding source for eligible capital projects. Annual funding estimates are based on the Municipality's 2022 funding level.
- The Municipality will be dependent upon maintaining healthy capital reserve funds in order to provide the remainder of the required lifecycle funding over the forecast period. This will require the Municipality to proactively increase amounts being transferred to these capital reserve funds during the annual budget process.
- Development Charge funding has been shown in years where growth-related capital needs have been identified by the Municipality. It has been assumed that the development charge reserve funds will have sufficient balances to fully fund all growth-related capital expenditures in the years in which they arise.

Asset Management

- 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.

This financing strategy has been developed to be fully funded, and therefore no funding shortfall has been identified over the next 10 years. However, this means that if identified grants are not received at expected amounts then shortfalls may present themselves. In such an event, the difference could be made up through increases to the tax levy/user rates over-and-above those presented hereafter.

It is noted that this fully funded financing strategy phases-in annual contributions towards capital such that the Municipality reaches full lifecycle funding levels by 2030.

As noted throughout this document, our financing strategy is dependent on the municipality's reserve funds.

- Our strategy has been improved for the 2022 budget (tax levy supported and water assets)
- More work is needed on Wastewater and Stormwater financing strategy in 2022

There is a need for and benefit from further investment in order to protect, sustain, and maximize the use of Middlesex Centre's infrastructure assets.

- A number of strategies to "close the gap" have been considered/incorporated in the 2022 budget.

Asset Management and Budget 2022

- 63% of all capital projects planned for 2022 were from the AMP
 - Example: Replacement of Ice Resurfacer - \$150,000
 - Example: Replace Superstructure on Bridge 124 (Located on 10 Mile Road just east of Hyde Park Road) and Bridge 146 (located on 16 Mile Road just east of Richmond Street) - \$1,900,000
- 6% of the projects planned are growth related
 - Example: Kilworth Optimist-Tridon Park - \$246,609
- 31% of the projects planned for 2022 are related to service level changes, improvements, or efficiency improvements (and combined other criteria, such as growth and AMP)
 - Example: Amiens Road CN Overpass Drainage Improvements (AMP and Efficiency) - \$40,000

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

Debt

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 as prescribed by the Province of Ontario is 25% of own source revenue. 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 10.07%.

The Municipality does not have a bond rating.

Overall, debt repayments account for 4.9% of the operating budget.

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

Table: Debt Details: Outstanding Debt

Description	Total Loan (\$)	Interest Rate	% DC Eligible	Maturity
Ilderton Medical Clinic	311,419	0.00%	0%	2023
Kilworth Komoka Water Line	3,142,193	3.72%	50%	2031
Denfield Operations Centre	5,067,705	3.61%	18%	2032
Ilderton Timberwalk Pumping Station	1,097,583	4.00%	67%	2034
LED & Street Lights Upgrades	1,261,629	3.36%	0%	2037
Komoka Wastewater Treatment Facility Expansion	7,072,293	3.63%	70%	2038
Coldstream Fire Hall	2,237,008	4.00%	0%	2038
Komoka Wellness Centre	5,546,814	3.69%	44%	2042
Total	27,836,645			

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



Debt

Table: Debt Principal and Interest Details for 2022: Budget Impact

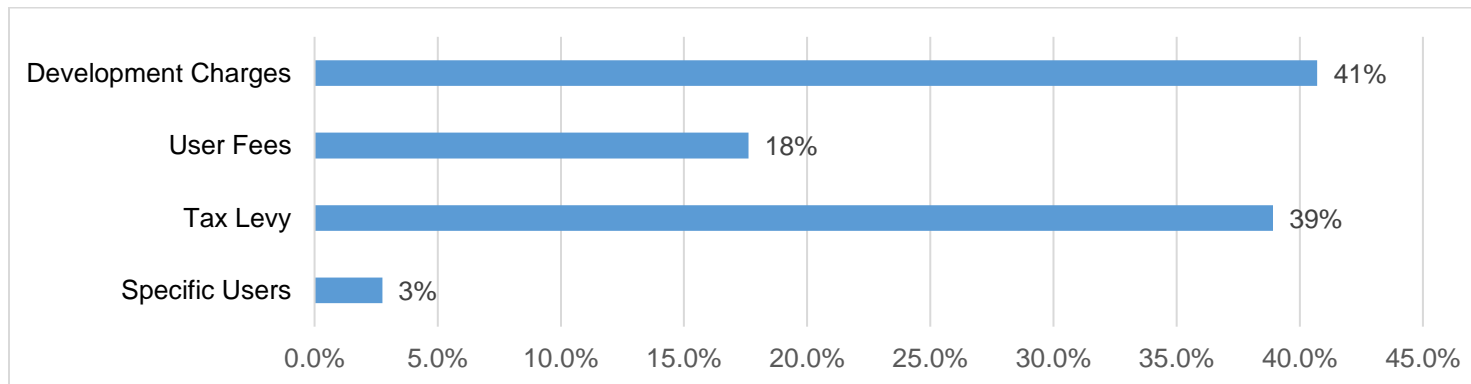
Description	2022 Principal Payment (\$)	2022 Interest Payment (\$)	Total 2022 Payments (\$)	Remaining Principal (\$)
Ilderton Medical Clinic	31,142	-	31,142	62,283
Kilworth Komoka Water Line	224,442	81,388	305,830	2,244,423
Denfield Operations Centre	253,385	93,753	347,138	2,660,545
Ilderton Timberwalk Pumping Station	48,504	32,258	80,762	804,596
LED & Street Lights Upgrades	63,081	32,321	95,403	977,763
Komoka Wastewater Treatment Facility Expansion	344,990	203,527	548,517	5,692,333
Coldstream Fire Hall	84,234	79,295	163,529	2,000,170
Komoka Wellness Centre	184,894	141,564	326,458	3,882,770
Total	1,234,672	664,106	1,898,778	18,324,884

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

Debt Burden

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 61% of debt repayment costs.

Figure: Distribution of Debt Burden



Debt

New Debt Proposed for 2022

Two projects have been identified for Debt Financing for 2022:

1. *Old River Road Project (multi-year Transportation project)*

- Glendon Drive to Pulham Road and Glendon Drive Intersection Realignment
- Total Debt borrowing for project from 2022-2024 - \$3,999,500
- Debt payments will be 100% funded by the tax levy over 20 years and will be approximately \$294,290 based on a 4% interest rate
- Payments would occur in 2024/2025 once project is complete
- Interim financing will be borrowed from internal reserve funds or capital financing loan

2. *Komoka Drain No. 1 SWM Pond (multi-year Stormwater project)*

- Total Debt borrowing for project from 2022-2023 - \$4,550,000
- Debt payments will be 100% funded by the Stormwater Reserve Fund over 20 years and will be approximately \$334,797 based on a 4% interest rate
- Payments would occur in 2023/2024 once project is complete
- Interim financing will be borrowed from internal reserve funds or capital financing loan

If approved, these projects would result in our borrowing as a percentage of own source revenues increasing to 12.13%.

New Debt Proposed for 2022-2026

Four projects have been identified for Debt Financing for 2022-2026 period:

1. *Old River Road Project (multi-year Transportation project) 2022-2024 - \$3,999,500 (mentioned above)*

2. *Komoka Drain No. 1 SWM Pond (multi-year Stormwater project) 2022-2023 - \$4,550,000 (mentioned above)*

3. *Glendon Drive Widening (2-4 lanes) Transportation Project 2025 - \$4,993,824*

- Total Debt borrowing for project from Debt payments will be 60% funded by the tax levy and 40% funded by Development Charges over 20 years and will be approximately \$367,454 based on a 4% interest rate

4. *Ilderton Recreation Facility (Ilderton Arena) 2023-2025 - \$23,848,520*

- Total Debt borrowing for project from Debt payments will be 92.1% funded by the tax levy and 7.9% funded by Development Charges over 40 years and will be approximately \$1,204,910 based on a 4% interest rate

If approved, these projects would result in our borrowing as a percentage of own source revenues becoming 17.28%, above our approved municipal limit, however own source revenues will increase and this will be adjusted down.



Development Charges

DEVELOPMENT CHARGES

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

Over the past four years, projects have been occurring earlier than the funding is coming in, and this will continue into 2022 and beyond resulting in a cash flow issue for Development Charges.

A Development Charge Study was completed July 2019 and by-law passed by Council at that time. The projects that can be funded by Development Charges were identified in that study.

Additionally, a Development Charge Amendment is being completed fall 2021, and additional projects and adjustments have been included. All projects identified for Development Charge funding have been included and financed accordingly in the 5 year capital plan 2022-2026.

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

Municipal-wide Services

- Roads;
- Public Works;
- Fire Protection;
- Parks and Recreation;
- Library; and
- Administration – Studies

Area-Specific – Water and Sewer Service Areas

- Water Services; and
 - Wastewater Services
- ➔ **Learn more about Development Charges at middlesexcentre.ca/development-charges**



Development Charges

Table: Development Charge Funding of Capital Projects

Funding Source	Carry Forward from 2021	2022	Total 2022	2023	2024	2025
Development Charges Funded Annually	\$ 1,851,609	\$ 865,398	\$ 2,963,615	\$ 5,877,410	\$ 12,228,833	\$ 6,373,530

Notes:

Projected Development Charge Funding for 2022-2026

Line of credit for underfunded Development Charges will be paid off by end of year 2022

Additional borrowing to support Development Charges projected for 2024

Table: Development Charge Projected Balances 2021-2026

Reserve Name	2021	2022	2023	2024	2025	2026
Development Charges Reserve Fund	\$ (4,623,354)	\$ (1,319,560)	\$ (2,985,779)	\$ (9,483,222)	\$ (11,687,560)	\$ (7,518,369)

Notes:

Projected Development Charge Balances 2021-2026

Assumptions: \$5,000,000 Development Charges collected annually

Reserves and Reserve Funds

RESERVES AND RESERVE FUNDS

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

Reserves and reserve funds allow us:

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

If we don't 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 policies are discussed with Council.
- 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 on a monthly basis. These schedules show balances and movements to and from the various reserves and reserve funds. All transfers are approved by the treasurer.

Capital Projects Financed from Reserves/Reserve Funds:

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

Reserves/Reserve Fund Borrowing:

- Any money that is borrowed internally from a reserve or reserve fund is charged interest and kept track of on a monthly basis until it is paid back to the appropriate reserve or reserve fund.



Reserves and Reserve Funds

How Reserves and Reserve Funds Work



Established by Council or Province

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

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

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



Strategy for Funding Programs and Projects

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

These funds help offset unexpected expenses or revenue shortfalls.

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



Flexible or Committed Funds

Reserve funds are either obligatory or discretionary.

Discretionary reserve funds are set by municipal councils for specific purposes. Councils can have flexibility to decide how the money is used.

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



Tool for Long-term Financial Sustainability

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

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

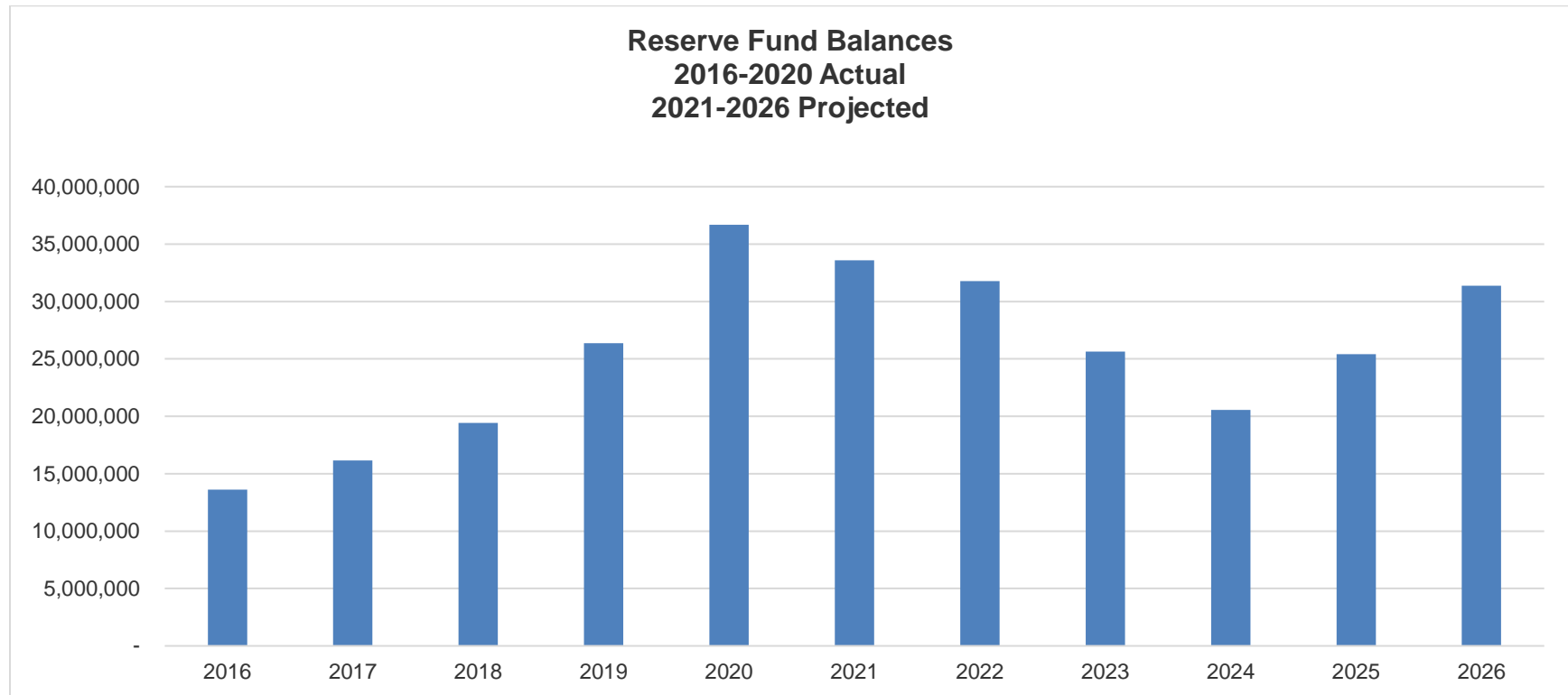
- A list of all Middlesex Centre Reserve Funds and their purpose is presented in the Supplemental Information section of this document.
- Learn more about Reserves and Reserve Funds at middlesexcentre.ca/budget under “Long-Term Plans”



Reserves and Reserve Funds

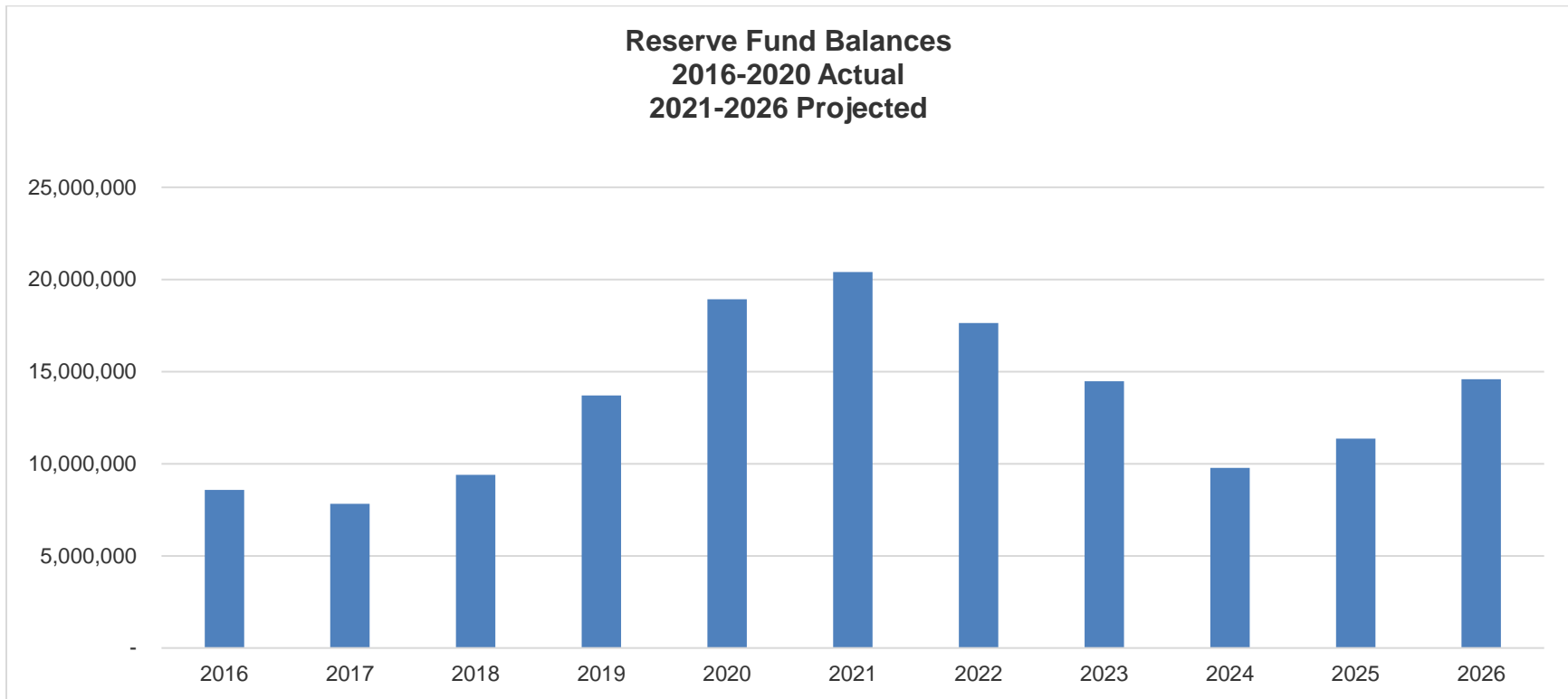
Reserve Fund Balances

Figure: Reserve Funds Over Time – All



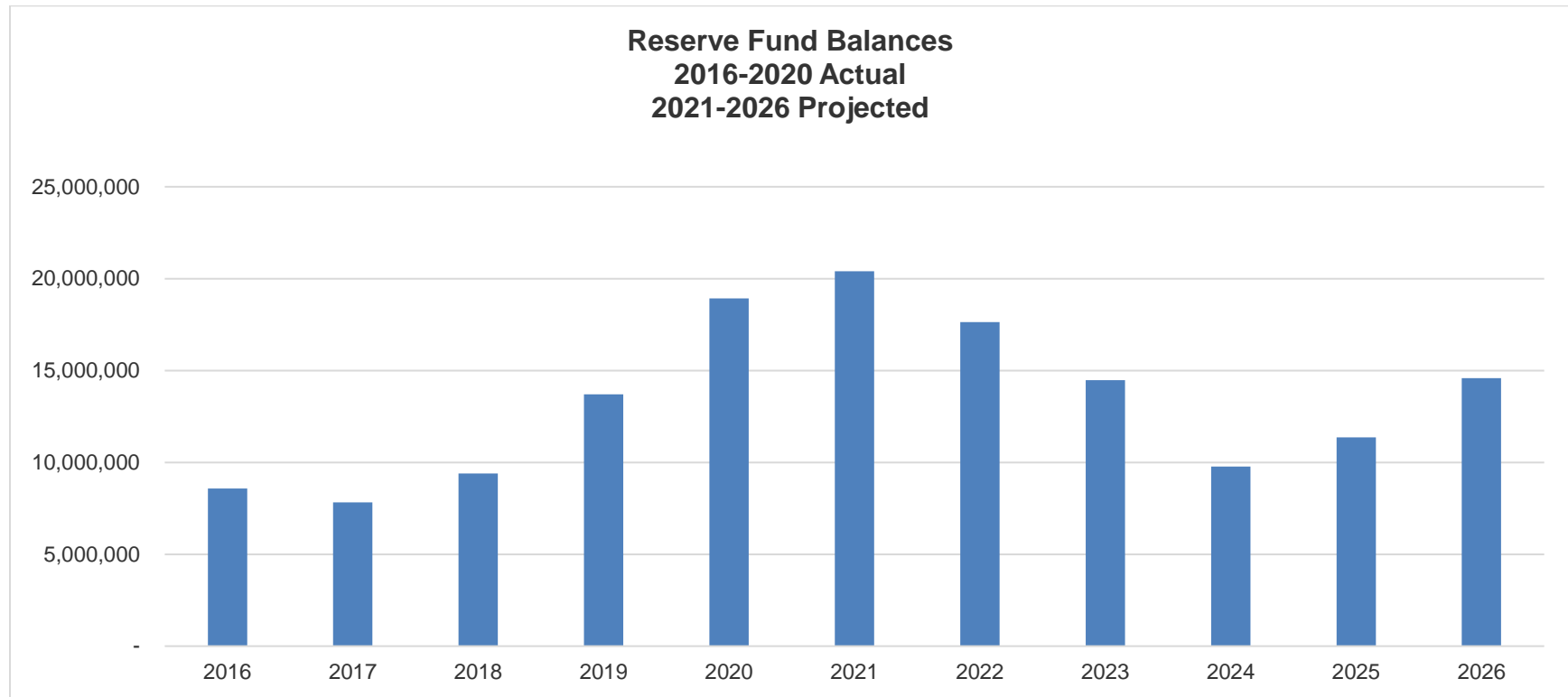
Reserves and Reserve Funds

Figure: Reserve Funds Over Time – Asset Management: Tax Levy Supported



Reserves and Reserve Funds

Figure: Reserve Funds Over Time – Asset Management: User Fee Supported



Reserves and Reserve Funds

Table: Middlesex Centre Reserve Fund Balances

Reserve Name	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Projected	2022 Projected	2023 Projected	2024 Projected	2025 Projected	2026 Projected
Cash-in-Lieu of Parking Reserve Fund	7,393	7,465	7,538	7,629	7,721	7,792	7,864	7,937	8,010	8,084	8,159
Delaware Hydro Reserve Fund	863,140	838,605	846,219	854,379	863,694	870,728	813,782	776,310	778,117	780,315	782,533
Insurance Claims Reserve Fund	153,748	355,068	357,194	441,787	497,052	481,643	486,099	490,595	495,133	499,713	504,335
Legal Reserve Fund					100,000	100,921	101,854	102,797	103,748	104,707	105,676
Election Reserve	-	-	-	15,000	30,222	45,501	421	15,425	30,567	45,850	46,274
Winter Maintenance Reserve Fund	109,835	310,175	311,861	365,594	369,680	373,095	376,546	380,029	383,544	387,092	390,672
Computer Replacement Reserve Fund	-	-	50,000	50,450	51,057	51,528	52,005	52,486	52,971	53,461	53,956
Future Roads Capital Reserve Fund	-	-	-	59,977	88,610	133,721	134,958	136,207	137,466	138,738	140,021
Modernization Reserve Fund	-	-	-	610,207	613,746	414,915	345,166	348,359	351,581	354,833	358,116
Employee Benefits Reserve Fund	183,334	194,908	213,005	233,429	256,462	270,831	283,336	295,957	308,695	321,550	334,524
Medical Centre Reserve Fund	25,643	63,509	97,269	129,447	189,804	265,435	315,390	348,307	396,529	445,197	524,315
Waste Management	169,735	171,192	172,873	174,942	177,046	178,681	180,334	182,002	183,686	185,385	187,100
Gravel Pit Rehabilitation	453,000	472,790	489,667	517,323	536,960	553,920	571,043	588,326	605,768	623,371	641,137
Buildings and Facilities Reserve Fund	1,744,734	847,186	1,861,023	3,154,462	5,435,307	5,183,788	5,851,398	4,229,073	3,628,142	3,173,853	4,284,711

Reserves and Reserve Funds

Reserve Name	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Projected	2022 Projected	2023 Projected	2024 Projected	2025 Projected	2026 Projected
Fire Vehicles and Equipment Reserve Fund	1,062,462	877,906	324,641	426,776	619,402	834,526	886,246	1,248,443	943,992	726,723	1,302,446
Fire Public Education Reserve Fund	72,132	87,751	96,807	140,080	141,696	150,505	144,897	139,238	133,525	127,761	121,942
General Vehicles and Equipment Reserve Fund	596,427	674,809	911,914	1,494,128	1,916,968	1,903,482	1,398,339	1,655,273	1,968,585	2,346,794	2,296,502
Build Middlesex Centre Reserve Fund	676,095	771,340	956,175	954,700	956,702	3,536,538	3,384,776	3,386,085	2,134,907	2,124,655	2,114,308
Ontario Community Infrastructure Fund (OCIF) Reserve Fund	-	-	-	281,174	674,566	28,316	(78,472)	(79,198)	(79,930)	(80,670)	(81,416)
Federal Gas Tax Reserve Fund	679,564	323,346	54,425	1,009,825	447,139	840,032	(254,732)	(43,318)	387,551	532,406	(141,399)
Ilderton Lions Park Reserve Fund	22,736	36,080	53,238	53,875	66,575	79,190	91,922	(227)	(229)	(232)	(234)
Safe Restart Reserve Fund					80,000	0	0	0	0	0	0
Poplar Hill Log Cabin Reserve Fund	22,736	36,080	6,473	6,550	6,629	6,690	6,752	6,815	6,878	6,941	7,006
Tax Rate Stabilization Reserve Fund	1,975,789	1,986,397	2,005,897	2,896,907	2,808,474	2,859,417	2,885,866	2,912,561	2,939,502	2,966,692	2,994,134
Building Department Reserve Fund	110,278	466,676	756,178	1,292,007	2,094,888	2,378,243	2,800,242	3,046,144	3,474,321	3,906,459	4,342,594

Reserves and Reserve Funds

Reserve Name	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Projected	2022 Projected	2023 Projected	2024 Projected	2025 Projected	2026 Projected
Administrative Support Reserve Fund	40,436	81,364	122,721	164,882	207,414	249,329	291,636	334,333	377,426	420,917	464,811
Road Capital Reserve Fund	2,908,555	3,396,628	4,296,640	4,677,363	7,057,672	6,305,861	4,865,184	2,556,627	(794,724)	907,925	3,086,323
Wastewater Capital Reserve Fund	184,206	1,021,700	1,806,189	1,633,870	3,737,968	1,828,403	1,711,353	70,118	(1,254,250)	(471,158)	554,007
Storm Water Capital Reserve Fund	773,881	1,121,214	1,372,687	1,954,441	2,184,393	945,710	1,137,042	592,145	521,372	826,195	1,133,837
Water Capital Reserve Fund	783,962	2,001,834	2,261,267	2,766,107	4,461,921	2,702,077	3,102,374	1,941,384	2,426,972	4,022,450	4,901,196
Total Reserve Fund	13,619,821	16,144,024	19,431,901	26,367,311	36,679,767	33,580,820	31,893,624	25,720,233	20,650,229	25,486,386	31,457,965

Notes:

Assumes \$1,000,000 additional reserve fund transfer annually from 2022-2026 for tax supported asset management reserve funds.

Assumes a 4% increase in Wastewater Reserve Fund Transfers

Assumes transfers according to Water Financial Plan, 2021



Final Considerations

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.

→ Copies of the monthly budget monitoring are available as part of each month's Council meeting agenda, and can be found at middlesexcentre.ca/council-meetings

Outstanding Items

There are still some outstanding items at this time:

- Ontario Community Infrastructure Funding (OCIF) has been announced, however the Municipal amount has not been released. Staff have budgeted the 2022 value at the same amount as 2021.
 - OCIF amounts for 2022 were announced by the Province on January 6, 2022. Middlesex Centre will receive \$2,064,113. This will be formally presented to Council at their meeting on January 26, 2022, in report CPS-03-2022.
- Federal and Provincial grant opportunities have been announced and staff continues to actively pursue all viable grant opportunities to leverage wherever possible, however no funding is confirmed and included in the 2022 budget, unless it has been confirmed.



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:

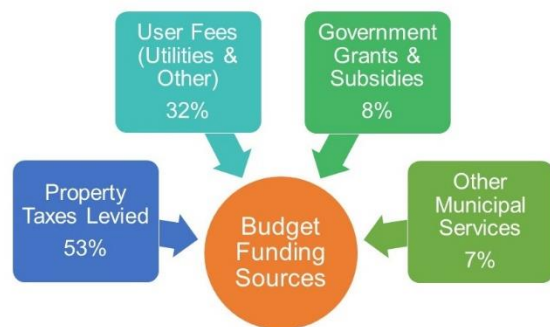
- Property taxes
- Grants from Federal and Provincial Governments
- User fees – General (revenue from services such as recreation, planning applications, building permits etc.)
- User Fees – Water, Wastewater and Stormwater rates (funded directly by users)
- Transfers from Municipal Reserve Funds – includes 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: 2022 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. In 2021, staff applied for 25 grants.

In 2020, the Municipality received \$80,000 for 2021 that was placed in the Safe Restart obligatory reserve fund. Additionally, the municipality received \$254,118 in COVID-19

recovery funding from the Province for 2021. Therefore there was a total of \$334,118 in funding to support financial losses related to COVID-19. No additional funding support has been announced for 2022 related to COVID-19.

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.

Supplementary Information

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 Ontario Regulation 453/7.

Expenditures

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

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

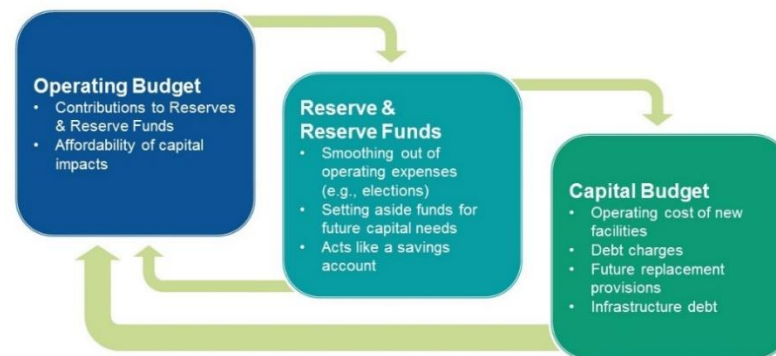
The **capital budget** looks at new big investments by the municipality, and the costs of rehabilitating or replacing current municipal assets. Middlesex Centre has an **asset management plan** that lists all of the municipal assets, everything from roads to buildings to vehicles and equipment, their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

Like other municipalities in Ontario, Middlesex Centre continues to struggle with closing the infrastructure gap that was identified in our 2013 Asset Management Plan, and re-evaluated in our 2020 plan (approved June 2021). Maintaining and improving Middlesex Centre's municipal infrastructure requires ongoing investment. The municipality has and will

continue to take advantage of any available federal and/or provincial funding to offset the costs associated with significant infrastructure projects.

In 2016, Middlesex Centre completed a **long-range financial plan** for operations and capital requirements; this plan ensures the sustainability of municipal services. A new plan will be completed in 2022.

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

Supplementary Information

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.



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.

2022 Assessment Update

As part of the Ontario Government's Fall Economic and Fiscal Update, the Minister of Finance, announced the Province's decision to postpone the 2020 Assessment Update for 2022 and 2023.

The Ontario Government has indicated that property assessments for the 2022 and 2023 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 2022 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.

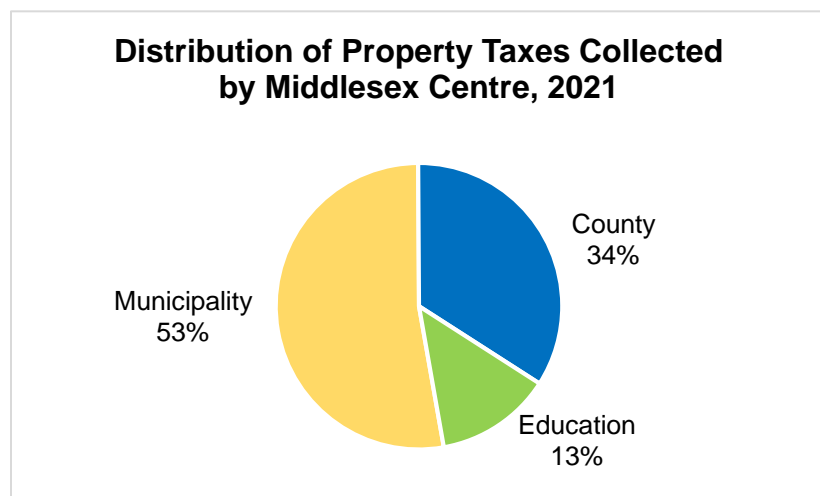
Supplementary Information

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, 2021



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

¹ Association of Municipalities of Ontario (AMO). 2015. "What's next Ontario? Imagining a prosperous future for our communities." Accessed at amo.on.ca on November 17, 2020.

of Ontario respectively. The municipality collects and forwards these amounts to the respective agencies.

Share of Tax Revenues

It should be noted that for each dollar of taxes paid by Canadians, on average municipalities receive only 9 cents.¹



Supplementary Information

Budget Development Process

It takes many months to develop the Middlesex Centre budget.

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

- **Budget Webpage** – In July, staff created a dedicated Budget 2022 webpage (middlesexcentre.ca/budget2022) on the municipal website, with a link from the homepage. This page houses all of the budget documentation and information about ways to provide input.
- **Budget Survey** – In mid-July, staff conducted a budget survey to gather feedback from the public. The survey ran July 19 to August 24, 2021, and was advertised through social media, the residents' e-newsletter, the municipal page in the Middlesex Banner, the municipal office sign and the website. Two hundred and seven people responded. This was lower than in past year, but that may be explained as the survey immediately followed public surveys on Community Services (Recreation) and Sidewalks & Streetlights. The survey results were presented to council and posted to the website.
- **Public Outreach** – COVID-19 made public open houses on the budget difficult to arrange, and in past years these open houses have been poorly attended. In lieu, the

directors of Corporate Services and Community Services instead attended the Farmer's Markets in Ilderton and Komoka to provide information on the budget process and other municipal activities.

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 senior management team and two members of Council form an ad hoc budget committee. This committee discusses the development of the budget in detail and completes a line-by-line budget review.

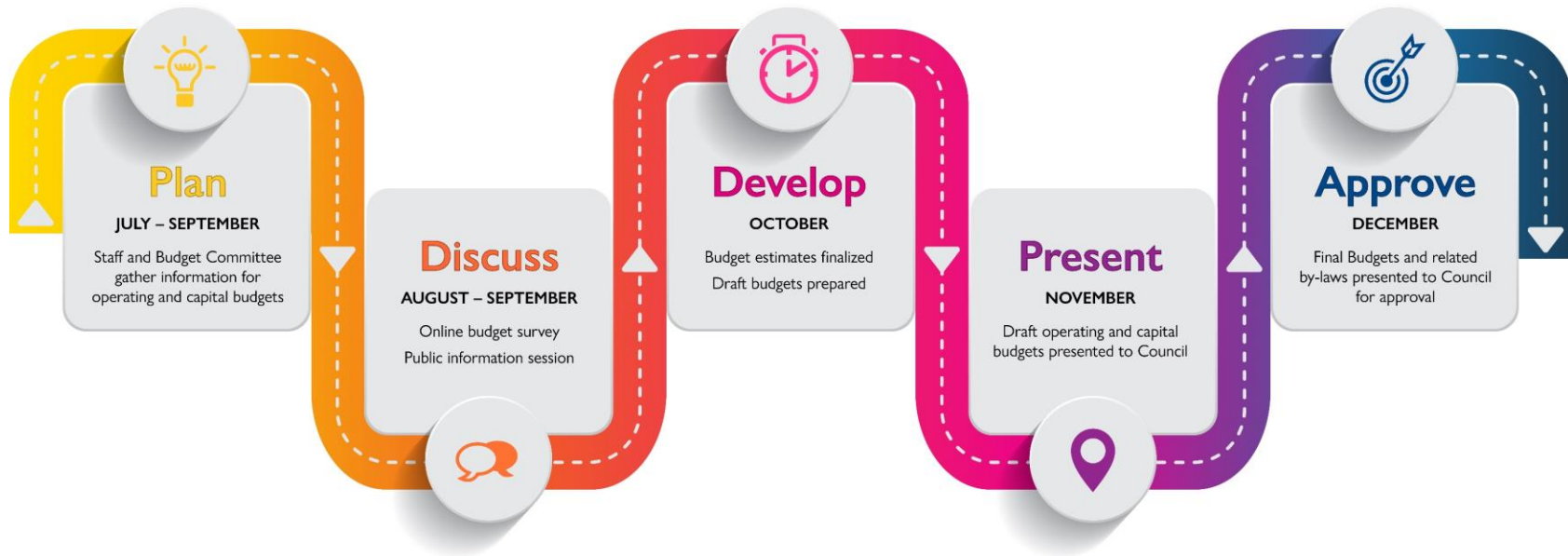
Once a consolidated and cohesive budget package has been completed, it is presented to Council for their review. The budget package presents the funding and priorities for the coming fiscal year. When the budget has met the approval of Council, a budget by-law is passed.

➔ **For more information on the budget process, visit middlesexcentre.ca/budget2022.**



Supplementary Information

Middlesex Centre BUDGET ROAD MAP



Supplementary Information

Property Tax Rate Details

Preliminary Assessments and Tax Rate Summary

Table: Preliminary Assessments and Tax Rate, 2022

RTQ	Description	Taxable 2022 Assessments	2022 Tax Rate	2021 Tax Rate	Y/Y Tax Rate Change	% Change	2022 Revenue (using 2022 Tax Rates)
CT	Commercial: Full	117,060,169	0.00717335	0.00702175	0.00015160	2.16%	839,713
CU	Commercial: Excess Land	456,700	0.00502134	0.00491523	0.00010612	2.16%	2,293
CF	Commercial PIL: Full	5,845,800	0.00717335	0.00702175	0.00015160	2.16%	41,934
CG	Commercial PIL: General	3,669,000	0.00717335	0.00702175	0.00015160	2.16%	26,319
CZ	Commercial PIL: General, Vacant Land	413,400	0.00502134	0.00491523	0.00010612	2.16%	2,076
CX	Commercial: Vacant Land	4,291,600	0.00502134	0.00491523	0.00010612	2.16%	21,550
	Commercial	131,736,669					933,885
E	Exempt	113,805,600	-	-	-		-
FP	Farm PIL: Full, Taxable Tenant of Province	144,600	0.00156637	0.00153327	0.00003310	2.16%	227
FT	Farm	1,622,838,154	0.00156637	0.00153327	0.00003310	2.16%	2,541,964
	Farm	1,622,982,754					2,542,191
IT	Industrial: Full	12,978,100	0.01093389	0.01070282	0.00023107	2.16%	141,901
IH	Industrial: Full, Shared PIL	238,300	0.01093389	0.01070282	0.00023107	2.16%	2,606
IU	Industrial: Excess Land	876,800	0.00710703	0.00695683	0.00015019	2.16%	6,231
IX	Industrial: Vacant Land	875,300	0.00710703	0.00695683	0.00015019	2.16%	6,221
	Industrial	14,968,500					156,959

Supplementary Information

RTQ	Description	Taxable 2022 Assessments	2022 Tax Rate	2021 Tax Rate	Y/Y Tax Rate Change	% Change	2022 Revenue (using 2022 Tax Rates)
JT	Industrial New	689,500	0.01093389	0.01070282	0.00023107	2.16%	7,539
MT	Multi-Residential	11,914,000	0.01108802	0.01085369	0.00023433	2.16%	132,103
PT	Pipeline	125,940,000	0.00661321	0.00647345	0.00013976	2.16%	832,868
R1	Residential: Farmland 1	523,000	0.00407256	0.00398650	0.00008606	2.16%	2,130
RL	Residential: Upper-tier & Education Only	18,000	0.00626548	-	0.00626548	0.00%	113
RG	Residential PIL: General	503,000	0.00626548	0.00613307	0.00013241	2.16%	3,152
RT	Residential: Full	2,636,163,977	0.00626548	0.00613307	0.00013241	2.16%	16,516,828
	Residential	2,637,207,977					16,522,222
ST	Shopping Centre	229,200	0.00717335	0.00702175	0.00015160	2.16%	1,644
TT	Managed Forest	4,349,200	0.00156637	0.00153327	0.00003310	2.16%	6,812
WT	Railway Right-of-Way	0	-	-	-	0.00%	-
XT	Commercial (New Construction): Full	29,776,100	0.00717335	0.00702175	0.00015160	2.16%	213,594
XU	Commercial (New Construction): Excess Land	397,200	0.00502134	0.00491523	0.00010612	2.16%	1,994
	Commercial New	30,173,300					215,589
HF	Landfill PIL: Full	0	0.00689203	-	0.00689203	0.00%	-

Supplementary Information

RTQ	Description	Taxable 2022 Assessments	2022 Tax Rate	2021 Tax Rate	Y/Y Tax Rate Change	% Change	2022 Revenue (using 2022 Tax Rates)
UH	Utility Transmission/Distribution: Full, Shared PIL	0	-	-	-	0.00%	-
	Total	4,693,996,700					21,351,812

Supplementary Information

Municipal Tax Rates over Time

Table: Municipal Tax Rate Increases over Time, 2013 to 2022

Year	Residential Tax Rate Increase
2022	2.16%
2021	1.47%
2020	2.23%
2019	1.77%
2018	1.99%
2017	2.38%
2016	3.0%
2015	1.7%
2014	1.57%
2013	2.6%

Table: Residential Property Tax Rates over Time, 2006 to 2021

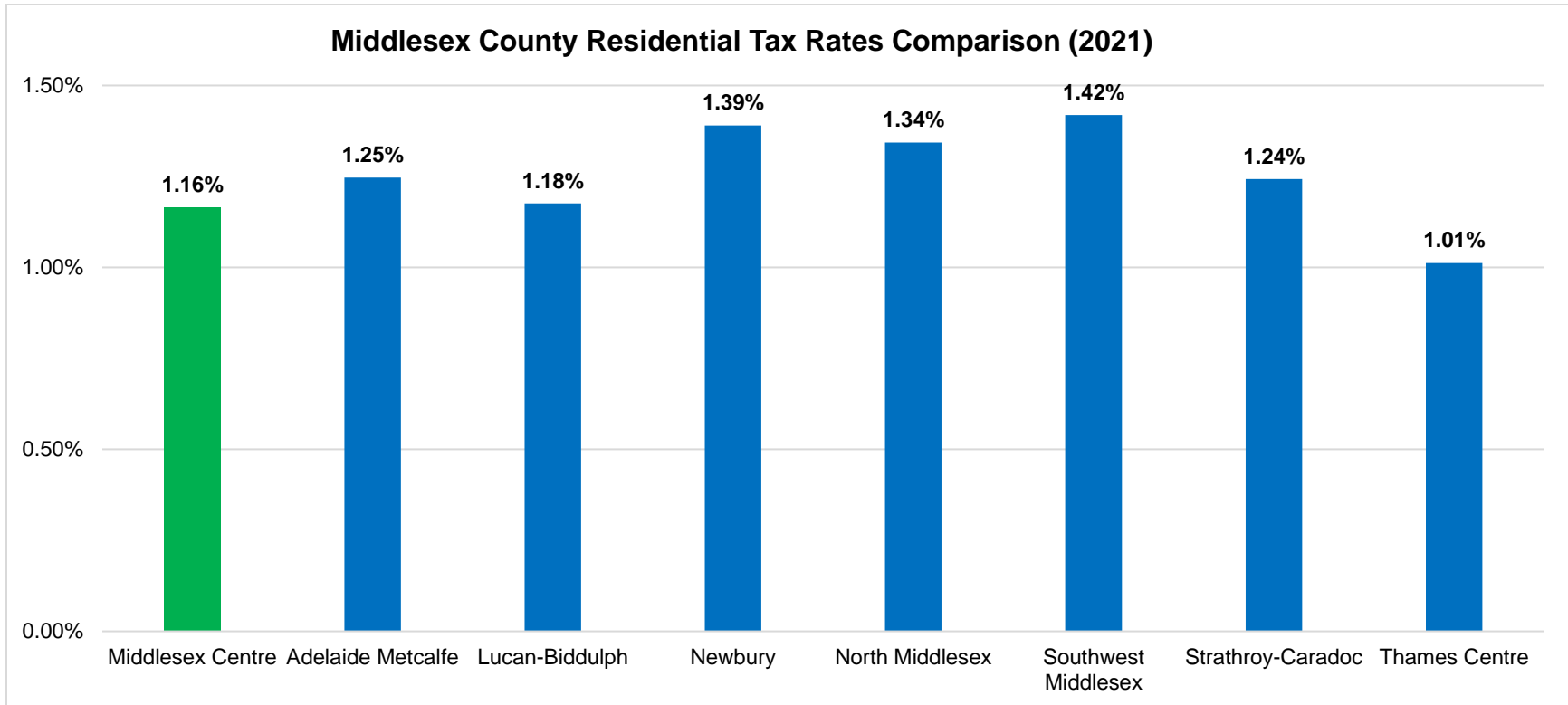
Residential Property Tax Rates 2006-2021					
Year	Municipal	County	School	Total	% Change
2006	0.00414647	0.00414074	0.00264000	0.01092721	-
2007	0.00465505	0.00407087	0.00264000	0.01136592	4.01%
2008	0.00511823	0.00400554	0.00264000	0.01176377	3.50%
2009	0.00487454	0.00391717	0.00252000	0.01131171	-3.84%
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%



Supplementary Information

Middlesex County Residential Tax Rate Comparison

Figure: Residential Tax Rate Comparison, Middlesex County, 2021



Supplementary Information

2022 Operating LRFP Analysis

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

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

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

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

Middlesex Centre has budgeted to have a new LRFP completed in 2022. This new plan will incorporate other important documents that drive the municipality's direction.

→ The LRFP is available at middlesexcentre.ca/documents/long-range-financial-plan



Supplementary Information

Table: 2022 Operating Budget: 2022 Budget Increase vs Long Range Financial Plan Forecasted Increase

Revenue	2022 Budget (\$)	2021 Budget (\$)	Variance (\$)	% Increase			Notes
				2022 Budget	2022 LFRP	Variance	
User Fees	2,799,557	2,750,198	49,359	1.79%	2.00%	-0.21%	
Revenue Miscellaneous	689,736	602,726	87,010	14.44%	1.00%	13.44%	A
OMPF Grant	1,291,800	1,203,800	88,000	7.31%	-5.00%	12.31%	B
Licence Permits	1,305,150	1,080,700	224,450	20.77%	2.00%	18.77%	C
Supplementary Property Tax Revenue	357,000	35,000	322,000	920.00%	2.00%	918.00%	D

Expenditures	2022 Budget (\$)	2021 Budget (\$)	Variance (\$)	2022 Budget	2022 LFRP	Variance	
Police Officers	2,315,475	2,309,856	5,619	0.24%	3.00%	-2.76%	F
Sub-Contract	2,512,530	2,326,805	185,725	7.98%	3.00%	4.98%	G
Hydro	789,173	783,742	5,431	0.69%	4.00%	-3.31%	J
Insurance	1,120,238	900,158	220,080	24.45%	3.00%	21.45%	H
Equipment Repairs & Maintenance	324,400	316,160	8,240	2.61%	3.75%	-1.15%	F
Building Repairs & Maintenance	258,050	177,500	80,550	45.38%	3.75%	41.63%	I
Heating	95,286	129,439	(34,153)	-26.39%	3.50%	-29.89%	F
Water	199,766	227,705	(27,939)	-12.27%	3.50%	-15.77%	F
Office Supplies	46,504	41,171	5,333	12.95%	2.00%	10.95%	J

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

Supplementary Information

Notes to the Table

- A- Large increase in Revenue Miscellaneous over prior year that exceeds the projected 1% is due to the following:
- Increase in 2022 over 2021, due to COVID-19 closures of facilities and therefore rental income in 2021.
 - In particular, \$43,200 budgeted for new recreation program revenue from running 30 new programs throughout the year (new service added)
 - Additional revenue streams have been budgeted for since 2016, including but not limited to; commission of oaths service, civil marriage ceremonies, administration fees, ownership changes fees, contracted snow plowing for subdivisions.
- B- Middlesex Centre has been receiving steady increases in OMPF funding annually, when in 2016 the projection was decreases to align with what was happening province wide.
- C- Large increase in permit revenue to due increased growth in Kilworth/ Komoka and Ilderton leading to more building permits annually.
- D- Supplementary property tax revenue is increasing substantially from what was planning in 2016 due to the building boom in Middlesex Centre. This revenue comes from growth and the increase in new homes being built, tying to note C above.
- E- Salary & Benefits year-over-year increase due to an increase in new staff at Middlesex Centre, therefore less team members are at job rate for their pay and are eligible for the 4% step increase. Additionally, there is an increase due to new staff positions each year to meet needs of our growing community.
- F- Costs have not been increasing as predicted. Facilities costs are lower than projected due to the closure of some facilities for periods of time during the pandemic and the change in behaviour of our staff and residents in usage of buildings.
- G- Sub-contract is over the estimated amount in 2022 due to the five master plans being completed.
- H- Insurance rates are expected rise year over year seeing an anticipated rise of 24.45% compared to the LFRP of 6%. This is happening province wide in the industry. Cyber insurance is a new insurance package that the municipality has been purchasing in the last few years and it is expected to double or triple in costs for 2022.
- I- Building repairs and maintenance is expected to increase as the municipality has recently completed their updated asset management plan which includes capital and operating costs. Reviewing this plan for the budget, the municipality has noted additional repairs and maintenance items to be completed to ensure our assets are in proper condition. Additionally, Building maintenance increasing maintenance costs and vandalism measures, specifically the Komoka Wellness Centre and Ilderton Arena requiring combined \$65,000 and upgrades to the Denfield Operations Centre of \$33,000
- J- Office supply costs have increased due to new positions and requirement of additional printers and scanners at locations outside of the municipal office.



Supplementary Information

Financial Key Performance Indicators

While financial statements offer a wealth of information, review can be 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 our Municipality's efforts towards accountability, openness and transparency regarding municipal financial information.

The financial dashboard brings together in one place some of the Municipality's financial performance indicators that showcase the Municipality's performance on an annual basis. The document displays the results in a way that our residents can access easily and understand.

The Financial Dashboard helps measure success across the municipality, specifically financially related. The report is an important part of our work to build greater trust with the

community. They help us demonstrate that we are a transparent and accountable government. They enhance public communication.

Additionally, the dashboards help improve our decision making. With better data, comes better decisions. It also allows us to be more efficient and allow for better benchmarking. Overall, with baseline data in place, over time, we will be able to see trends, and respond accordingly. Finally, the dashboards promote our culture of continuous improvement. We are striving to be better and more effective.

Below are some selected financial performance indicators. These are taken from the 2021 Municipal Study, prepared by BMA Management Consulting Inc.

➔ **Learn more about Middlesex Centre's financial performance at middlesexcentre.ca/budget under "Financial Reports"**

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Financial Position per Capita Comparison

The Financial Position per Capita is an indicator of municipality's overall financial position (financial assets less liabilities) over time on a per capita basis. Middlesex Centre's financial position has been steadily improving over time.

Table: Financial Position per Capita Compared to Comparator Group (2016 to 2020). This table shows a comparison of a municipality's overall financial position (financial assets less liabilities) over time on a per capita basis.

Municipality	2016 (\$ per capita)	2017 (\$ per capita)	2018 (\$ per capita)	2019 (\$ per capita)	2020 (\$ per capita)
Prince Edward County	-1,446	-1,366	-1,285	-1,237	-1,404
Tillsonburg	52	230	-64	-8	-23
West Lincoln	1,068	1,343	222	225	262
Wellesley	904	890	893	867	929
Middlesex Centre	-408	-152	81	476	1,098
Woolwich	1,169	1,100	1,112	1,273	1,311
Strathroy-Caradoc	638	832	1,167	1,377	1,500
Lambton Shores	222	655	833	1,418	1,912



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Asset Consumption

The Total Asset Consumption Ratio seeks to highlight the aged condition of the 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.

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, 2016 to 2020, Compared to Comparator Group

Municipality	2016	2017	2018	2019	2020
Prince Edward County	43.6%	44.9%	46.2%	46.9%	48.3%
Tillsonburg	43.9%	44.1%	44.4%	43.4%	44.1%
West Lincoln	37.0%	38.0%	34.6%	29.6%	30.4%
Wellesley	69.2%	71.6%	72.1%	72.5%	73.6%
Middlesex Centre	32.1%	32.6%	33.7%	34.1%	34.7%
Woolwich	29.0%	29.8%	30.2%	32.0%	33.0%
Strathroy-Caradoc	42.3%	42.8%	43.8%	44.3%	45.1%
Lambton Shores	29.4%	31.0%	31.4%	33.0%	33.6%

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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 increase 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 been improving over time and there are no issues noted related to the municipality's economic health.

Table: Middlesex Centre's Overall Taxes Receivable as a Percentage of Taxes Levied, 2016 to 2020, Compared to Comparator Group

Municipality	2016	2017	2018	2019	2020
Prince Edward County	10.5%	8.6%	6.1%	7.1%	10.9%
Tillsonburg	3.0%	2.6%	2.4%	3.0%	1.5%
West Lincoln	9.4%	10.2%	8.3%	7.3%	7.3%
Wellesley	2.6%	3.7%	2.2%	2.3%	2.4%
Middlesex Centre	6.1%	5.1%	4.7%	3.5%	3.6%
Woolwich	4.8%	3.8%	4.5%	4.2%	4.2%
Strathroy-Caradoc	6.0%	5.3%	4.0%	3.4%	3.3%
Lambton Shores	7.9%	6.1%	5.5%	5.6%	6.3%

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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.

Table: Rates Coverage Ratio, Compared to Comparator Group (2020).

Municipality	2020
Prince Edward County	85.2%
Tillsonburg	92.0%
West Lincoln	89.9%
Wellesley	69.2%
Middlesex Centre	115.1%
Woolwich	88.0%
Strathroy-Caradoc	130.3%
Lambton Shores	99.9%

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Accounting Principles

Basis of Budgeting

The Municipality of Middlesex Centre prepares the annual budget using the cash basis.

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

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

Municipal Act, 2001, Section 291:

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

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

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

The Municipality is required by provincial law to balance its operating budget each year. To balance the budget, the

Municipality can either: Increase its revenue stream through raised property taxes and fees; or manage expenses through adapting or reducing the cost of programs and services.

Fund Accounting

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

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

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

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

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

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



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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.

2022 Budget Reconciliation for PSAB Adjustments

The Public Sector Accounting Board (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 for those expenses noted above.

As a municipality, Middlesex Centre is required to follow the accounting standards established by the Public Sector Accounting Board (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.”

The Ontario Regulation 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



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

The Municipality of Middlesex Centre's 2021 proposed budget and associated tax levy excludes the following:

1. Amortization expenses, estimated at \$6.93M, since amortization is a non-cash expense.
2. Post-employment benefits expense, estimated at \$3,606 (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 landfill sites.

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 2022 is \$3,826.

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 take into account 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 2022 is estimated at \$7.50M.

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 landfill sites.

Estimate of the Change in Accumulated Surplus due to Excluded Expenses

The chart below starts with the 2022 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.

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Table: 2022 Proposed Budget – Cash Based

	Value (\$)
Proposed Budget Tax Levy	21,351,812
Proposed Budget Revenues	43,870,461
Proposed Budget Expenditures	65,222,273
Surplus/(Deficit)	0
Add Expenditures Excluded from Cash Based Budget	
Post-employment benefits expense	(3,826)
Amortization expense	(7,501,269)
Exclusion impact on Accumulated Surplus/(Deficit)	(7,505,095)
Remove Non PSAB Items from Cash Based Budget	
Debenture Principal Repayments	1,278,305
Transfer to Reserve Funds	12,666,546
Contributions from Reserve Funds	(20,951,863)
Contributions from Development Charges	(2,597,896)
Funds from Debenture Issuances	(1,550,000)
Fixed Asset/TCA Expenditures	24,974,753
Total Impact on 2021 Accumulated Surplus/(Deficit)	6,314,750

Overall, amortization listed above has a major impact on the 2022 accumulated surplus amount. The amortization expense reduces the surplus amount and also reduces the net book value of the Tangible Capital Assets reported on the annual audited statement of financial position.

Fixed asset purchases of \$24,974,753 documented above are higher than the amortization. This is positive as the Municipalities 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. It does not include a projection for assets not yet in service or new assets that haven't yet been recorded in the fixed asset sub ledger.

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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).

Financial Management Policies

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

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

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

support the delivery of sustainable community services now and in the future

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

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

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

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

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



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Generally Accepted Accounting Principles (GAAP) and pronouncements of the Public Sector Accounting Board (PSAB) specifically PS 3150.

Revenue Policies

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

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

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

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

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

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

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

Expenditure Policies

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

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

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

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



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Financial Controls and Reporting Policies

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

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

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

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

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

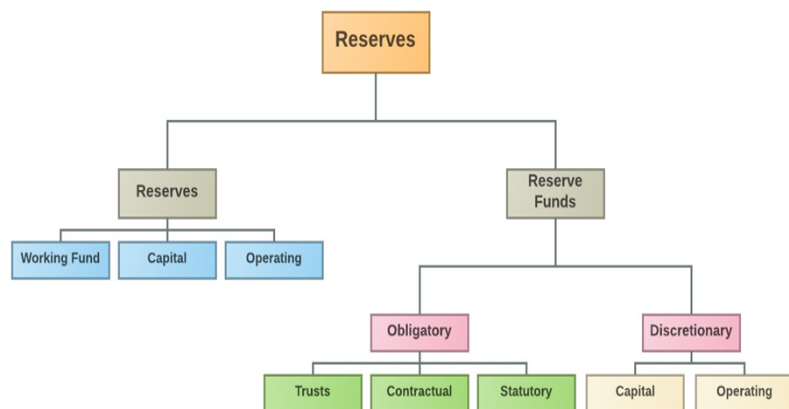
Financial Information Return – A Financial Information Return (FIR) will be submitted to the Ministry of Municipal

Affairs and Housing (MMAH) on an annual basis. The information in the FIR will be consistent with the information in the audited financial statements.

Supplementary Information

Middlesex Centre Reserves and Reserve Funds

Figure: Hierarchy of Reserves and Reserve Funds



Definitions for Reserves and Reserve Funds

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

“Discretionary Reserve Fund” means reserve funds created at the discretion of Council whenever revenues are earmarked to finance future expenditures of a purpose

designated by Council. Revenues set aside for acquisition of fixed assets is an example of discretionary reserve funds.

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

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

Supplementary Information

Table: List of Middlesex Centre Reserves and Reserve Funds

Title	Type	Category	Purpose	Funding Source
Working Fund	Reserves	Working Fund	To assist in periods throughout the year when cash balances are low and there is a requirement to cover payments and expenses, before tax levies, grants and other revenues become available	Established annual operating budget contribution. Allocation of yearend surpluses.
Capital Project Carryforward	Reserves	Capital	To finance the completion in the current year of capital projects where contracts had been previously awarded by council and for which funding was committed to in the prior year budget.	The amount of the commitment is carried forward from one budget year to the next, recognizing the timing difference between when the projects were budgeted in the annual estimates and when projects were started and completed.
Operating Project Carryforward	Reserves	Operating	To finance the completion in the current year of operating projects where funding was committed to in the prior year budget.	The amount of the commitment is carried forward from one budget year to the next, recognizing the timing difference between when the projects were budgeted in the annual estimates and when projects were started and completed.
Development Charges (DC) Reserve Fund roads; public works; fire protection, parks and recreation; library; administration; water; wastewater	Reserve Funds: Obligatory	Statutory Development Charges Act Sections 33-36	Holding account(s) for levies from developers to be used for approved DC programs/ projects	DC collections and credits Interest earned

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Title	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 to the Planning Act- this reserve is dedicated for the purchase and development of parkland in developing areas and redeveloping areas and/or support the upgrading of existing parks/facilities provided the need to upgrade is due to intensification of the surrounding neighborhood	Developer contributions received in lieu of land being conveyed to the Municipality for parkland requirements as per Planning Act Interest earned
Federal Gas Tax Reserve Fund	Reserve Funds: Obligatory	Contractual Federal Transfer Payments	For infrastructure in accordance with the Federal Gas Tax Agreement. (Note: The Gas Tax was renamed to the Canada Community-Building Fund (CCBF) in 2021.)	Funding provided by the Government of Canada under the agreement signed with the Government of Ontario and the Association of Municipalities of Ontario (AMO, who calculates the allocation for each municipality). Interest earned.
Cash-in-Lieu of Parking Reserve Fund	Reserve Funds: Obligatory	Statutory Planning Act S40	In accordance to the Planning Act- this reserve is dedicated to cover costs of the Municipality maintaining parking for owner/occupants of a building that is required to provide and maintain parking facilities on the land but cannot and therefore exempt from providing or maintaining parking facilities.	Monies provided through an agreement with owner/occupant of a building that is exempt from providing or maintain parking facilities as per Planning Act. Interest earned
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.	Yearend surpluses from Building and Inspection services net of year end deficits. Interest earned
Ilderton Lions Park Reserve Fund (Lions Club Fund)	Reserve Funds: Discretionary	Capital	To provide a source of funding for expenditures related to the purchase of capital assets as per Lions Club for the Ilderton Park	Funding through personal/corporate donations collected by the Lions Club and provided to the Municipality. Interest earned

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Title	Type	Category	Purpose	Funding Source
Poplar Hill Log Cabin Reserve Fund	Reserve Funds: Discretionary	Operating	To provide a source of funding for expenditures related to the maintenance of the Poplar Hill Log Cabin.	Funding through personal/corporate donations and grants. Interest earned
Delaware Hydro Reserve Fund	Reserve Funds: Discretionary	Operating and Capital	This fund contains monies received from the sale of the former Delaware hydro utility. Unless otherwise approved by specific Council resolution or by- law and amendment made to this Policy statement, expenditures from the Fund shall be limited to 50% of the interest earned by the Fund in the previous year, for the Village of Delaware.	Interest earned
Employee Benefits Reserve Fund	Reserve Funds: Discretionary	Operating	To fund future employee costs with respect to employee benefits. To fund any deficits in the municipal administrative services benefit plan, employee benefit costs, any employee wellness or training programs.	Yearly surpluses in the Municipal administrative services only benefit plan and the unspent funding in the employee health care spending account. 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
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
Build Middlesex Centre Reserve Fund	Reserve Funds: Discretionary	Operating	To provide funding for municipal strategic investments. Funding will be made available for projects that have potential of increasing the assessment base. Eligible projects include: downtown improvement projects in settlement areas, development of lands around the Wellness Centre, improvement of public lands, strategies to locate businesses in the municipality.	Funding through municipal land sales (net proceeds of land sales in excess of Land Acquisition and disposal costs). Interest earned

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Title	Type	Category	Purpose	Funding Source
Waste Management	Reserve Funds: Discretionary	Capital	To fund major maintenance and replacement of waste management facilities and landfill rehabilitation.	Interest earned
Gravel Pit Rehabilitation	Reserve Funds: Discretionary	Operating	To fund the future rehabilitation and purchases of the gravel pits in the Municipality	Funding through royalty received yearly on behalf of Aggregate Resources Trust, in addition to an established annual operating budget contribution. Interest earned
Computer Replacement Reserve Fund	Reserve Funds: Discretionary	Capital	To fund new and replacement equipment	Established annual operating budget contribution. 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
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
Fire Public Education Reserve Fund	Reserve Funds: Discretionary	Operating	To fund operating costs of the Fire Department. Funding to be used for the following expenditures: public education program, training and fire vehicles and equipment.	Funded through revenue earned under the Fire Marque program. Interest earned

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Title	Type	Category	Purpose	Funding Source
Buildings and Facilities Reserve Fund	Reserve Funds: Discretionary	Capital	To fund refurbishment, and replacement costs associated with Municipal Facilities	Established annual operating budget contribution calculated as the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation. 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
General Vehicles and Equipment Reserve Fund	Reserve Funds: Discretionary	Capital	To fund the purchase of new and replacement costs associated with vehicles and equipment	Established annual operating budget contribution calculated as half the estimated yearly depreciation on the replacement cost of the asset adjusted for inflation. Interest earned
Ontario Community Infrastructure Fund (OCIF) Reserve Fund	Reserve Funds: Discretionary	Contractual Provincial Transfer Payments	For infrastructure in accordance with the OCIF Agreement. Funds are not to be used for growth-related expansion projects.	Funding provided by the Province of Ontario under the agreement signed with the Government of Ontario Interest earned
Administrative Support Reserve Fund	Reserve Funds: Discretionary	Operating and Capital	To fund operational costs of the administrative functions provided at the Municipality for other departments. Funds raised are to be used to upgrade or replace the municipal administration building.	Established annual operating budget contribution based on an allocation from other departments that are funded by specific user fees/permits. 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.	Yearend surpluses from Transportation services net of year end deficits.

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Title	Type	Category	Purpose	Funding Source
Election Reserve	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
Wastewater Capital Reserve Fund	Reserve Funds: Discretionary	Capital and Operating	To fund maintenance and replacement of wastewater facilities and linear assets. It is also used to finance the non- growth component of new wastewater assets and has provided wastewater rate stabilization from year to year.	Funding is a result of surcharges on the wastewater user rate. In addition, any surplus in the wastewater annual operating budget has been contributed to supplement the reserve balance.
Water Capital Reserve Fund	Reserve Funds: Discretionary	Capital and Operating	To fund maintenance and replacement of water facilities and linear assets. It is also used to finance the non- growth component of new water assets and has provided water rate stabilization from year to year.	Funding is a result of surcharges on the water user rate. In addition, any surplus in the water annual operating budget has been contributed to supplement the reserve balance.
Storm Water Capital Reserve Fund	Reserve Funds: Discretionary	Capital and Operating	To fund maintenance and replacement of storm water assets and municipal drains.	Funding is a result of surcharges on the storm water user rate. In addition, any surplus in the storm water annual operating budget has been contributed to supplement the reserve balance.
Future Roads Upgrades Reserve Fund	Reserve Funds: Discretionary	Capital	To fund refurbishment, rehabilitation and replacement costs associated with identifiable roads infrastructure	Established in consent requirements from time to time. 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.

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Acronyms

ABCA – Ausable Bayfield Conservation Authority

AMCTO – Association of Municipal Managers, Clerks and Treasurers of Ontario

AMO – Association of Municipalities of Ontario

AMP – Asset Management Plan

BRA – Bluewater Recycling Association

CAO – Chief Administration Officer

CCBF – Canada Community-Building Fund

CICA – Canadian Institute of Chartered Accountants

CPI – Consumer Price Index

CPA – Chartered Professional Accountant

CVA – Current Value Assessment

DC – Development Charge

FCM – Federation of Canadian Municipalities

FIR – Financial Information Return

FTE – Full-Time Equivalent Position

GAAP – General Accepted Accounting Principles

HR – Human Resources

IT – Information Technology

KCCA – Kettle Creek Conservation Authority

LRFP – Long Range Financial Plan

LHPWSS – Lake Huron Primary Water Supply System

LVTCA – Lower Thames Valley Conservation Authority

MMAH – Ministry of Municipal Affairs and Housing

MPAC – Municipal Property Assessment Corporation

OCWA – Ontario Clean Water Agency

OCIF – Ontario Community Infrastructure Fund

OMERS – Ontario Municipal Employees Retirement System

OMPF – Ontario Municipal Partnership Fund

PSA – Public Sector Accounting

PSAB – Public Sector Accounting Board

PTE – Part-Time Equivalent Position

PWE – Public Works and Engineering

SCRCA – St. Clair Region Conservation Authority

TCA – Tangible Capital Asset

UTRCA – Upper Thames River Conservation Authority



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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.

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.

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.

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

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

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

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

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

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

Consumer Price Index (CPI) – A statistical description of price levels provided by Statistics Canada. The index is used



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as a measure of the increase in the cost of living (i.e., economic inflation).

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.

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.

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

Expenditure – The disbursement of appropriated 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 projection of revenues and expenditures for future years.

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

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



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

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

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

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

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

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

Liability – A financial obligation of the Municipality to others.

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

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

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

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

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



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not require the physical segregation of money or assets. Reserves are part of the revenue fund and, therefore, do not earn interest on their own, as in the case of reserve funds. Any earnings derived from investment of reserves' money are reported as revenue in the operating fund. Reserves are generally more flexible, as they are created by Council and can be amended if required.

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

Revenue – Monies received from all sources (with 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 required. Service level reductions or deletions generally result in less required funding.

Stakeholders – The person, group or organization that has 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 organizations effectiveness in attaining its mission, priorities, goals and objectives.

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

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

Tangible Capital Asset (TCA) – Non-financial assets that have a lifespan that extends beyond an accounting period and is 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 bylaw.

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).