

TOWN OF ST.MARYS

# ASSET MANAGEMENT PLAN UPDATE & REPORT CARD

2018



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## 1. Introduction

The Town of St. Marys comprehensive Asset Management Plan (AMP) was last updated in 2016 utilizing 2015 year end data. The information was presented to Town Council in 2017 and provided a number of objectives moving forward. One of the objectives was to prepare and present annual report cards with this being the first report card since the AMP was last presented in 2017.

The following AMP update and report card presents information regarding the progress of the Town's AMP since the 2016 report and the next steps anticipated in advancing and improving the Town's asset management strategy. This update utilizes 2017 year end data.

The format of the information presented is meant to be consistent with the way the information was presented in the 2016 AMP. The assets included in this asset management plan update had a total 2018 valuation of \$219M.

## 2. Financial Plan & Infrastructure Deficit

The Town's infrastructure is funded from user-fees, taxes and upper level government grants. Water, Wastewater and Landfill are all services that are funded by user-fees. For the purposes of the 2016 AMP and this update, the landfill assets have been grouped with the tax funded assets because of how they were originally entered into the database. Staff will be adjusting the database so that the next AMP update and report card will include landfill assets separately from the tax funded assets.

Asset management planning is still relatively new in the municipal sector and many municipalities are still working toward the goal of having a fully funded plan. As such it is common for municipalities at this time to have an annual funding deficit between the amount of money available for annual budget and the annual requirement necessary to maintain assets in an acceptable condition.

The 2016 AMP presented a number of financial plan options for the Town to consider. Staff will be reviewing and presenting financial plan information for tax funded assets to council sometime in 2019. The review will consider the use of future debt drop off payments being directed towards the funding deficit as well as explore whether policies such as zero-debt policies are practical or even desirable.

### Tax-Funded Infrastructure Deficit

Tax funded assets include roads, bridges, storm sewers, machinery and equipment, buildings land improvements and vehicles. Reserve contributions are budgeted and if operational surpluses are realized at year end, the surplus is typically directed to the general reserve. Capital projects are then funded from the reserve as needed. Both new or upgraded assets as well as replacement assets are funded from this reserve. The 2016 AMP attempted to allocate the general reserve towards individual asset classes based on previous year trends. This resulted in some tax funded assets to appear well funded (i.e. roads appeared to be funded at 116% of their annual requirement), while other tax funded assets appeared to be extremely underfunded compared to their annual requirement (i.e. buildings appeared to be funded at 40% of their annual requirement). The Town's general reserve does not actually assign funds to a particular asset class, but rather appropriates funds to the asset class as-needed in a particular year. As such, this update does not attempt to split the available funding between the different classes but rather proportionally disperses the funding across all the classes. This has resulted in an impact to the individual asset score cards, with each of the tax funded asset classes being assigned the same funding rating score.

Projects related to new or upgraded infrastructure are also typically funded from the general reserve. The construction of new, upgraded or non-TCA infrastructure in 2018 was significant with a value of \$1.1M. The Old Water Tower is an example of an asset that is not considered a tangible capital asset and is not included in the asset management plan but draws funding from the general capital reserve.

The Town's debenture payments for museum debt ended in 2017 and the debenture payments were directed to the general reserve rather than operating. This is a good approach to continue addressing the annual infrastructure deficit without impacting the tax rate.

Table 1 - Tax Funded Asset Category Annual Requirement

<b>Tax Funded Assets</b>	
	<b>Average Annual Investment Required</b>
<b>Roads</b>	1,252,243
<b>Bridges</b>	287,209
<b>Storm Water</b>	189,402
<b>Machinery &amp; Equipment</b>	551,800
<b>Buildings</b>	763,146
<b>Land Improvements</b>	411,242
<b>Vehicles</b>	31,015
<b>TOTAL</b>	<b>3,486,057</b>

Table 2 - Tax Funded Assets Funding and Annual Deficit/Surplus

<b>Tax Funded Assets</b>					
	<b>Gas Tax/ OCIF</b>	<b>Taxes to Reserves</b>	<b>Total Funding Available</b>	<b>Average Annual Investment Required</b>	<b>Annual (Deficit)/Surplus</b>
<b>TOTAL Tax Funded Assets</b>	606,936	2,209,694	2,816,630	3,486,057	(669,427)

\*\* It should be noted that 2018 expenditures on new capital and non-TCA assets totaled \$1,131,000. If this level of investment becomes a trend this cost should be shown as a reduction in the total available funding and a corresponding increase in the annual deficit in the table above.

The tax funded assets have a total annual available funding 80% of the average annual investment required. This is

### Fee-Funded Infrastructure Deficit

The Town's fee funded assets include water, wastewater and landfill systems. The landfill assets have been grouped with the tax funded assets for this update but will be shown separately as a fee funded category in future updates. The new water reservoir being constructed in 2018 has had an impact on the total funding available for the water system as the Town will debenture the project at the end of 2018.

This has impacted the Water System 2018 annual deficit which has increased from a deficit value of \$0 in 2016.

Table 3 - Rate Funded Assets Funding and Annual Deficit/Surplus

<b>Rate Funded Assets</b>					
<b>Asset Class</b>	<b>Rates</b>	<b>To Operations</b>	<b>Total Funding Available</b>	<b>Average Annual Investment Required</b>	<b>Annual (Deficit)/Surplus</b>
<b>Wastewater</b>	1,700,372	(1,501,930)	198,442	529,417	(330,975)
<b>Water</b>	1,624,803	(1,301,199)	323,604	410,050	(86,446)

\* Water Operations costs include water reservoir debenture servicing

\*\*It should be noted that there is a planned additional debenture for the wastewater system for replacing the inlet works starting in 2020. This will reduce total available funding by \$220,000

In order to eliminate the annual funding deficit for the wastewater system in 2019, a 21% rate increase would be required. In order to eliminate the annual funding deficit for the water system in 2019, a 5% rate increase would be required.

Council has authorized a third party consulting firm to create a financial plan for the fee-funded water and wastewater systems in 2018. This financial plan will present options for phasing in of rate increases for Council to consider to reduce the funding deficit. The financial plan is likely to be presented in early 2019.

## Reserves

Reserves play a critical role in long term financial planning. Having sufficient reserves allows the Town to manage the use of debt and normalize infrastructure funding requirements. The table below outlines capital reserve values by asset class. All tax funded assets draw from the same general capital reserve and have therefore been grouped.

Table 4 - Summary of Available Capital Reserves

<b>Available Capital Reserves</b>	
<b>Asset Class</b>	<b>Balance at December 31, 2017</b>
Total Tax Funded Asset Classes	2,839,618
Water System	1,397,955
Sanitary System	294,167
Total Rate Funded	1,692,122

## Debt

The Town of St. Marys took on an additional \$1.4M in new debt at the start of 2018 with debentures for the landfill compactor and Wellington St. Bridge. The resulting annual principle and interest payments total \$126,000. The Town's Museum loan matured at the end of 2017 and the \$30,000 in principle and interest payments started being directed to the general reserve. The total annual debt servicing cost in 2018 for tax funded and landfill assets is \$1,008,000 while the annual debt servicing cost in 2018 for fee funded assets is \$351,000. The Town's total debenture debt at the end of 2017 was \$10M.

Future debt retirement is not included in the AMP as a funding source. Once a debt is retired, redirecting those debt payments towards the reserves is a way to improve the funding deficit without having to increase tax rates.

The 2018 Existing Debenture Schedule from the Towns 2018 Budget is shown on the following page.

**TOWN OF ST MARYS - EXISTING DEBENTURE SCHEDULE**  
**FOR THE YEAR ENDING: 2018**

<b>PUC RESERVE FUND - FUND 51</b>			2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
No.	Name																	
PRINCIPAL	<b>WATER WELL UPGRADES</b>	01-4330-8110	40,923	42,712														42,712
INTEREST	<i>Original \$355,000, Feb</i>	01-4330-8100	3,655	1,867														1,867
TOTAL DEB. P & I	12-2009 Feb 1		44,578	44,578														44,578
PRINCIPAL	<b>LANDFILL COMPACTOR</b>	01-4600-8110	26,983	27,763	28,565	29,391	30,240	31,114	32,013	32,938	33,890	34,870						280,784
INTEREST	<i>Original \$325,000 2.11%</i>	01-4600-8100	8,894	8,114	7,312	6,486	5,637	4,763	3,864	2,939	1,987	1,007						42,109
TOTAL DEB. P & I			35,877	35,877	35,877	35,877	35,877	35,877	35,877	35,877	35,877	35,877						322,893
<b>TOTAL - HYDRO RESERVE FUND:</b>			<b>12,549</b>	<b>9,981</b>	<b>7,312</b>	<b>6,486</b>	<b>5,637</b>	<b>4,763</b>	<b>3,864</b>	<b>2,939</b>	<b>1,987</b>	<b>1,007</b>						<b>43,976</b>
			<b>80,455</b>	<b>80,455</b>	<b>35,877</b>	<b>35,877</b>	<b>35,877</b>	<b>35,877</b>	<b>35,877</b>	<b>35,877</b>	<b>35,877</b>	<b>35,877</b>						<b>367,471</b>
<b>INFRASTRUCTURE ONTARIO</b>																		
PRINCIPAL	<b>MOC BUILDING (November 15 61-2007)</b>		122,952	129,290	135,954	142,963	150,332	158,081	166,230	174,799	183,809	193,284						1,434,742
	23% Water	01-4330-8110	28,279	29,737	31,270	32,881	34,576	36,359	38,233	40,204	42,276	44,455						
	15% Sanitary	01-4100-8110	18,443	19,393	20,393	21,444	22,550	23,712	24,934	26,220	27,571	28,993						
	9% Landfill	01-4600-8110	11,066	11,636	12,236	12,867	13,530	14,227	14,961	15,732	16,543	17,396						
	9% Building	01-2410-8110	11,066	11,636	12,236	12,867	13,530	14,227	14,961	15,732	16,543	17,396						
	21% Roads	01-3100-8110	25,820	27,151	28,550	30,022	31,570	33,197	34,908	36,708	38,600	40,590						
	23% Parks & Rec	01-7110-8110	28,279	29,737	31,270	32,881	34,576	36,359	38,233	40,204	42,276	44,455						
INTEREST			77,742	71,404	64,739	57,731	50,362	42,612	34,464	25,895	16,884	7,410						371,501
	23% Water	01-4330-8100	17,881	16,423	14,890	13,278	11,583	9,801	7,927	5,956	3,883	1,704						
	15% Sanitary	01-4100-8100	11,661	10,711	9,711	8,660	7,554	6,392	5,170	3,884	2,533	1,111						
	9% Landfill	01-4600-8100	6,997	6,426	5,827	5,196	4,533	3,835	3,102	2,331	1,520	667						
	9% Building	01-2410-8100	6,997	6,426	5,827	5,196	4,533	3,835	3,102	2,331	1,520	667						
	21% Roads	01-3100-8100	16,326	14,995	13,595	12,124	10,576	8,949	7,237	5,438	3,546	1,556						
	23% Parks & Rec	01-7110-8100	17,881	16,423	14,890	13,278	11,583	9,801	7,927	5,956	3,883	1,704						
TOTAL DEB. P & I	(payment May 15 & Nov 15)		200,694	200,694	200,694	200,694	200,694	200,694	200,694	200,694	200,694	200,694						1,806,242
PRINCIPAL	<b>PRC \$7.0M</b>	01-7329-8110	336,831	353,469	370,929	389,251	408,478	428,655	449,829	472,048	495,365	519,834	269,469					4,157,329
INTEREST	<i>December 15 (65-2007)</i>	01-7329-8100	215,255	198,617	181,158	162,835	143,608	123,431	102,258	80,038	56,721	32,252	6,575					1,087,494
TOTAL DEB. P & I	(payment May 15 & Nov 15)		552,087	552,087	552,087	552,087	552,087	552,087	552,087	552,087	552,087	552,087	276,044					5,244,823
PRINCIPAL	<b>PRC \$2.5M</b>	01-7329-8110	116,305	122,598	129,232	136,226	143,597	151,368	159,559	168,193	177,294	186,888	197,001					1,571,955
INTEREST	<i>November 3 (75-2008)</i>	01-7329-8100	88,621	82,327	75,693	68,700	61,328	53,558	45,367	36,733	27,631	18,038	7,925					477,300
TOTAL DEB. P & I	(payment May 15 & Nov 15)		204,926	204,926	204,926	204,926	204,926	204,926	204,926	204,926	204,926	204,926	204,926					2,049,256
PRINCIPAL	<b>WWTP \$1.9M</b>	01-4100-8110	203,698	211,533	219,669	112,983												544,185
INTEREST	<i>May 16 (18-2011)</i>	01-4100-8100	26,572	18,738	10,601	2,152												31,491
TOTAL DEB. P & I	(payment May 15 & Nov 15)		230,270	230,270	230,270	115,135												575,676
PRINCIPAL	<b>WELLINGTON ST. BRIDGE</b>	01-3100-8110	57,568.59	59,367.04	61,221.68	63,134.27	65,106.60	67,140.54	69,238.03	71,401.04	73,631.63	75,931.90	78,304.03	80,750.26	83,272.92	85,874.39	88,557.08	4,157,328.56
INTEREST	<i>\$1,080,500 15 years @ 3.28% unofficic</i>	01-3100-8100	33,052.77	31,254.32	29,399.68	27,487.09	25,514.76	23,480.82	21,383.33	19,220.32	16,989.73	14,689.46	12,317.33	9,871.10	7,348.44	4,746.97	2,064.22	1,087,494.10
TOTAL DEB. P & I			90,621	90,621	90,621	90,621	90,621	90,621	90,621	90,621	90,621	90,621	90,621	90,621	90,621	90,621	90,621	5,244,823
<b>TOTAL - INFRASTRUCTURE ONTARIO:</b>			<b>837,355</b>	<b>876,257</b>	<b>917,007</b>	<b>844,556</b>	<b>767,514</b>	<b>805,245</b>	<b>844,855</b>	<b>886,441</b>	<b>930,100</b>	<b>975,938</b>	<b>544,774</b>	<b>80,750</b>	<b>83,273</b>	<b>85,874</b>	<b>88,557</b>	<b>9,568,496.01</b>
			<b>441,243</b>	<b>402,340</b>	<b>361,591</b>	<b>318,906</b>	<b>280,813</b>	<b>243,082</b>	<b>203,472</b>	<b>161,886</b>	<b>118,227</b>	<b>72,389</b>	<b>26,817</b>	<b>9,871</b>	<b>7,348</b>	<b>4,747</b>	<b>2,064</b>	<b>2,654,797.11</b>
			<b>1,278,598</b>	<b>1,278,598</b>	<b>1,278,598</b>	<b>1,163,462</b>	<b>1,048,327</b>	<b>1,048,327</b>	<b>1,048,327</b>	<b>1,048,327</b>	<b>1,048,327</b>	<b>1,048,327</b>	<b>571,591</b>	<b>90,621</b>	<b>90,621</b>	<b>90,621</b>	<b>90,621</b>	<b>12,223,293.12</b>
<b>GRAND TOTAL:</b>	<b>PRINCIPAL</b>		905,261	946,732	945,572	873,947	797,754	836,359	876,868	919,379	963,990	1,010,808	544,774	80,750	83,273	85,874	88,557	9,959,898
	<b>INTEREST</b>		453,792	412,321	368,903	325,392	286,450	247,845	207,336	164,825	120,214	73,396	26,817	9,871	7,348	4,747	2,064	2,711,321
			<b>1,359,053</b>	<b>1,359,053</b>	<b>1,314,475</b>	<b>1,199,339</b>	<b>1,084,204</b>	<b>1,084,204</b>	<b>1,084,204</b>	<b>1,084,204</b>	<b>1,084,204</b>	<b>1,084,204</b>	<b>571,591</b>	<b>90,621</b>	<b>90,621</b>	<b>90,621</b>	<b>90,621</b>	<b>12,671,219</b>



### 3. Report Card Summary

A report card is meant to summarize the status of the Towns asset condition and funding levels. The 2016 AMP attempted to assign different funding levels to the various tax funded assets. This report has restated those 2016 values as a combined revenue source so that all tax funded assets score the same funding rating score. The letter grading for condition rating is determined as follows:

*Table 5 - Asset Condition Scale*

<b>Letter Grade</b>	<b>Rating</b>
A	Excellent
B	Good
C	Fair
D	Poor
F	Very Poor

The letter grading for financial rating is determined as follows:

*Table 6 - Financial Capacity Scale*

<b>Letter Grade</b>	<b>Rating</b>	<b>Funding Percentage</b>
A	Excellent	90-100%
B	Good	70-89%
C	Fair	60-69%
D	Poor	40-59%
F	Very Poor	0-39%

Table 7 provides a summary of the Town's asset condition and financial position by asset category.

Table 7 - 2018 Report Card Summary

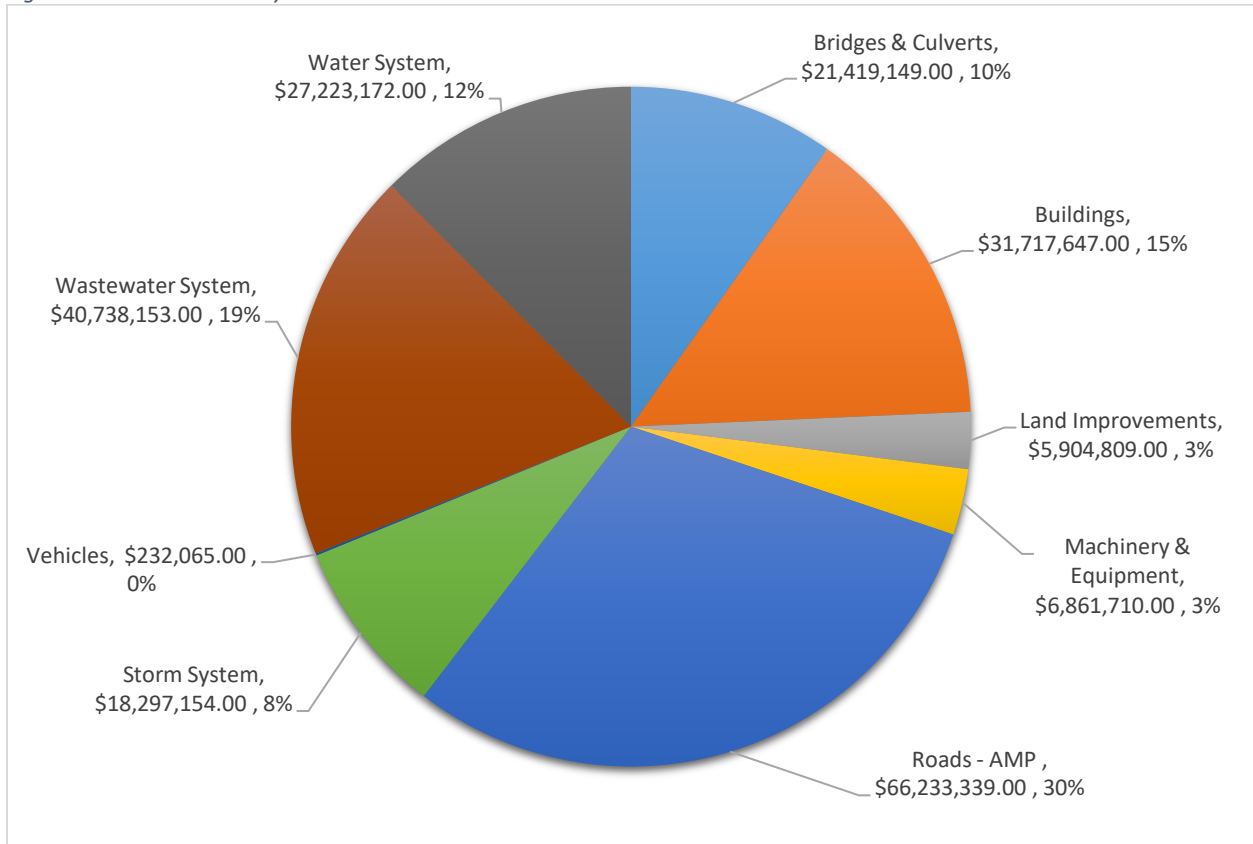
Asset Type	2016 Condition Rating	2018 Condition Rating	Restated 2016 Funding Rating	2018 Funding Rating	Comments
<b>Roads - AMP</b>	C	D	B	B	The condition rating of the Roads - AMP Assets dropped from a C in the 2016 AMP. The Funding Rating was calculated differently in 2018 and recalculated for 2016 to better represent the Town's accounting practices for tax funded capital expenditures.
<b>Bridges and Culverts</b>	C	B	B	B	The condition rating of the Bridge and Culvert Assets improved from a C in the 2016 AMP.
<b>Water System</b>	B	C	A	B	The condition rating of the Water System Assets dropped from a B in the 2016 AMP as a result of an overall increase in age of the assets. The water reservoir project debt financing lowered the Water Systems Funding Rating from an A in the 2016 AMP.
<b>Wastewater System</b>	C	B	F	F	The condition rating of the Wastewater System Assets improved from a C in the 2016 AMP as a result of roof replacements and replacement of the biosolids loading pump at the WWTP. The Wastewater Systems Funding Rating is consistent with the 2016 AMP.
<b>Storm System</b>	B	B	B	B	The condition and financial ratings of the Storm System Assets are consistent with the 2016 AMP.
<b>Buildings</b>	B	C	B	B	The condition rating of the Building Assets lowered from a B in the 2016 AMP.
<b>Machinery &amp; Equipment</b>	D	D	B	B	The condition and financial ratings of the Machinery & Equipment are consistent with the 2016 AMP.
<b>Land Improvements</b>	D	C	B	B	The condition rating of the Land Improvements improved from a D in the 2016 AMP. This improvement is mostly from the downtown Queen St. and Cadzow Playground investments.
<b>Vehicles</b>	C	C	B	B	The condition and financial ratings of the Vehicles Assets are consistent with the 2016 AMP.

## 4. State of Infrastructure

### Inventory and Replacement Value Summary

The Town has a total 2018 asset valuation of \$219M. Roads make up the highest percentage of asset classes at 30%, with wastewater making up 19%. The Town's asset valuation summary is below.

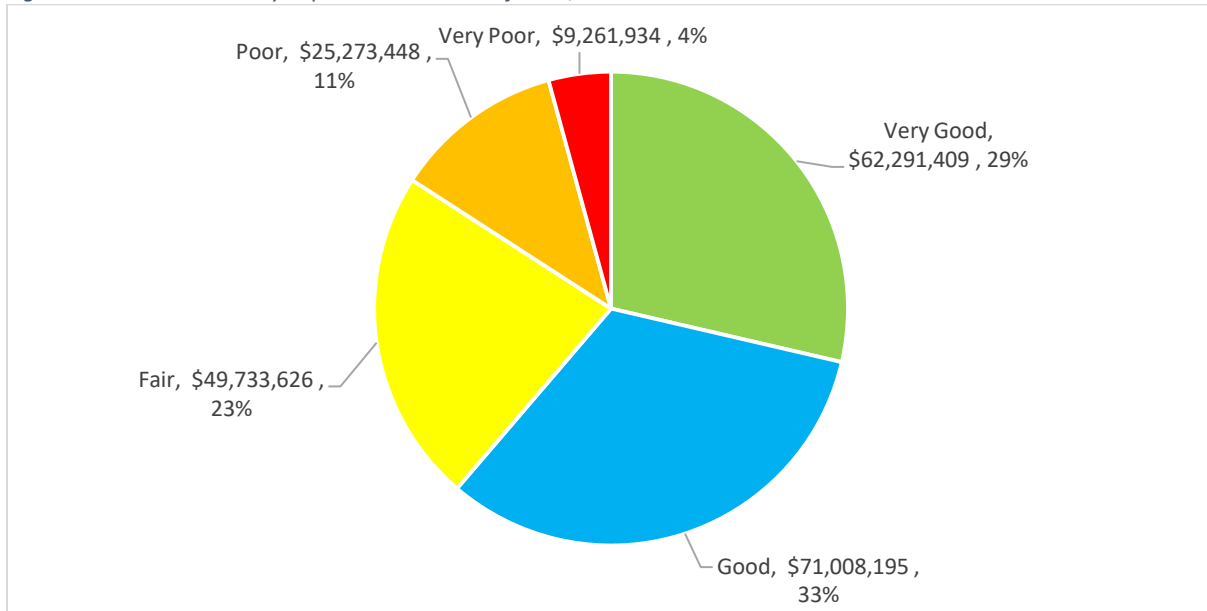
Figure 1 - Asset Valuation by Class



### Condition Summary

Most asset classes are assigned a condition based on their age. Road, sidewalk, and bridge assets have had actual condition assessments and the report utilizes those findings. The table below shows a summary of all Town asset conditions.

Figure 2 - Asset Condition by Replacement Cost as of Jan 1, 2018 - All Asset Classes



## Road Network

### Inventory & Replacement Value

The Town had several large capital road projects since the last AMP. The reconstruction of Queen St. from Tomas to Peel St, the completion of the St. Maria St. project, and the resurfacing of Queen St. E resulted in over \$1,600,000 of investment in road assets. The construction of Glass St. added to the road base asset component quantity. The reconstruction and paving of St. Maria St. reduced the Low Class Bituminous road quantities while increasing the High Class Bituminous quantities. Overall replacement costs increased from a 2016 value of \$65,380,276.

Table 8 - Road Inventory & Replacement Value

Asset Type	Asset Component	Quantity	2018 Overall Replacement Cost
Roads - AMP	Gravel	1,158 m	N/A
	Concrete	624 m	\$ 156,000
	Curb & Gutters	78 km	\$ 3,900,761
	High Class Bituminous (HCB)	39,908 m	\$ 9,948,750
	Low Class Bituminous (LCB)	13,810 m	\$ 3,452,500
	Road Base	54,193 m	\$ 40,645,059
	Sidewalks	45,348 m	\$ 5,709,894
	Street Lights	Pooled	\$ 1,746,223
	Traffic Lights	12	\$ 444,746
	Traffic Signs	1,066.00	\$ 212,624
	Warning Lights	7	\$ 16,783
<b>TOTAL</b>			\$ 66,233,339

## Useful Life & Annual Requirement

Useful life of road assets follows the Towns Tangible Capital Assets policy. Gravel roads are treated with additional gravel as needed and are not intended for replacement.

Table 9 - Road Useful Life & Annual Requirement

Asset Type	Asset Component	Useful Life (Years)	2018 Overall Replacement Cost	Annual Requirement
Roads - AMP	Gravel	15, 30	N/A	N/A
	Concrete	40	\$ 156,000	\$ 3,900
	Curb & Gutters	80	\$ 3,900,761	\$ 48,760
	High Class Bituminous (HCB)	15, 30	\$ 9,948,750	\$ 337,925
	Low Class Bituminous (LCB)	15	\$ 3,452,500	\$ 217,217
	Road Base	100	\$ 40,645,059	\$ 406,451
	Sidewalks	40	\$ 5,709,894	\$ 142,986
	Street Lights	25, 30	\$ 1,746,223	\$ 64,512
	Traffic Lights	50	\$ 444,746	\$ 8,895
	Traffic Signs	10	\$ 212,624	\$ 21,262
	Warning Lights	50	\$ 16,783	\$ 336
<b>Total</b>			\$ 66,233,339	\$ 1,252,243

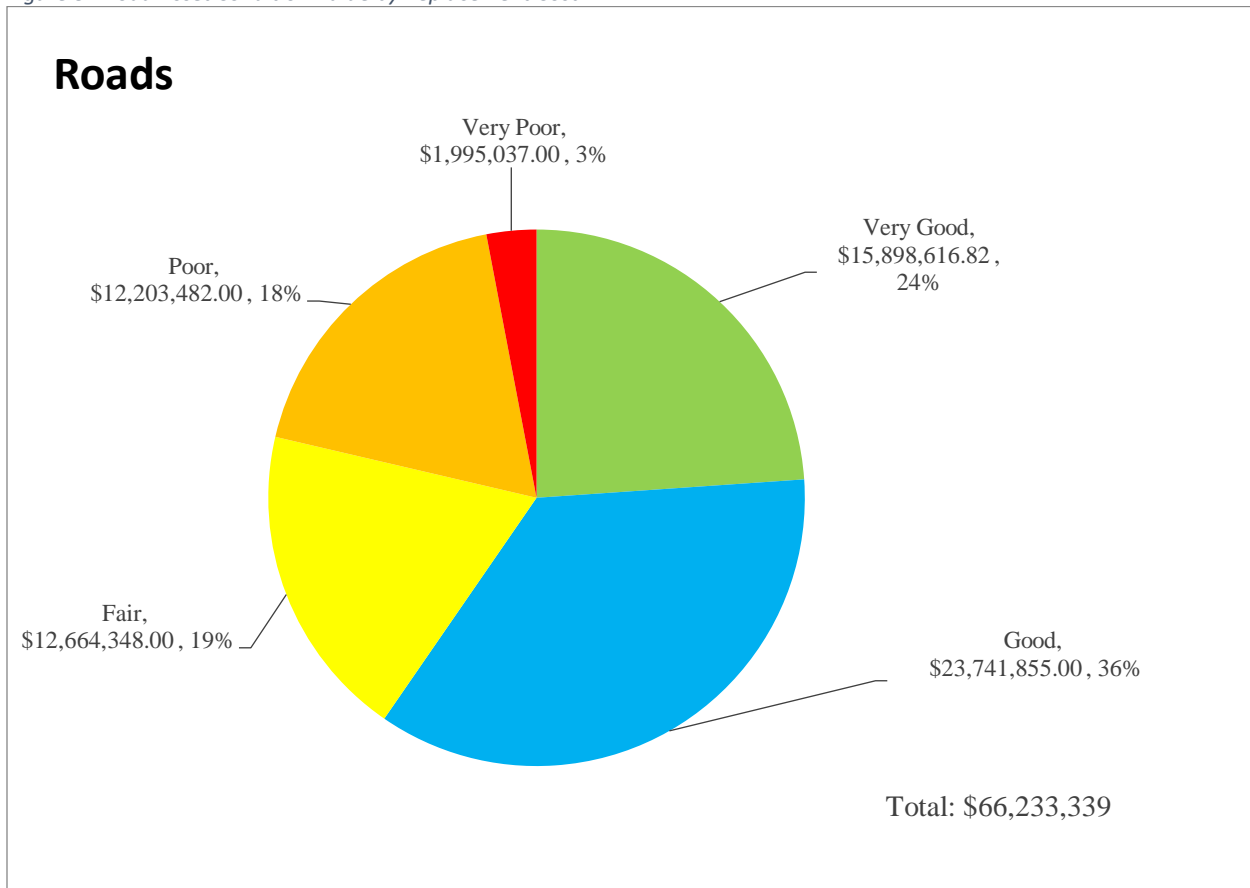
## Condition Rating

The Town had the conditions of roads and sidewalks assessed in 2014. The Towns asset management software automatically degrades an assets condition on an annual basis. An updated surveyed condition assessment is likely appropriate in 2019 as the 2014 assessment is becoming dated. Staff carried out internal condition assessments on the sidewalks in 2017, however the condition value shown below has not yet been updated with this information. The Traffic Signs conditions are currently age based and staff will be updating their condition values with the 2018 contracted sign inspection results. Warning Lights conditions are also currently age based but staff have inquired with CN Rail about receiving updated condition assessment values. These condition updates should result in an improved overall condition rating for the roads asset grouping in the next annual update.

Table 10 - Road Valuation Method & Condition Rating

Asset Type	Asset Component	Quantity	Valuation Method	Condition Value
Roads - AMP	Gravel	1,158 m	Not Planned for Replacement	N/A
	Concrete	624 m	\$250/m	67%
	Curb & Gutters	78 km	\$50,381 /km	66%
	High Class Bituminous (HCB)	39,908 m	\$250/m	77%
	Low Class Bituminous (LCB)	13,810 m	\$250/m	49%
	Road Base	54,193 m	\$750/m	65%
	Sidewalks	45,348 m	\$126.4/m	49%
	Street Lights	Pooled	\$1,144 - \$38,200/unit	11%
	Traffic Lights	12	\$35,820 - \$38,383/unit	81%
	Traffic Signs	1,066	\$151-\$230/unit	0%
	Warning Lights	7	\$2,397/unit	7%

Figure 3 - Road Asset Condition Value by Replacement Cost



## Report Card

Table 11 - Road Report Card

Asset Type	Condition Rating	Funding Rating	Comments
Roads - AMP	D	B	The condition rating of the Roads - AMP Assets dropped from a C in the 2016 AMP. The Funding Rating was calculated differently in 2018 to better represent the Town's accounting practices for tax funded capital expenditures.

## Bridges and Culverts

### Inventory & Replacement Value

The Town invested heavily in its bridge assets in 2016 and 2017 with the major rehabilitation of the Water St. Bridge, minor rehabilitation of the Victoria Bridge deck, and replacement of the Wellington St. Bridge totaling \$2,322,000. The Town also added the Mill Race Gates to the asset listing with their replacement in 2016. The replacement costs have been updated from the 2016 AMP report based on estimates from the 2017 OSIM inspection reports. The updated bridge asset replacement costs are \$1,006,500 more than the 2016 AMP report. The table below shows the Bridge and Culvert asset inventory and replacement values.

Table 12 - Bridges & Culverts Inventory & Replacement Value

Asset Type	Asset Component	Quantity	2018 Overall Replacement Cost
Bridges and Culverts	Bridges	8	\$ 19,788,692
	Culverts	2	\$ 685,860
	Dams	1	\$ 46,556
	Retaining Walls	2	\$ 898,041
<b>TOTAL</b>			\$ 21,419,149

### Useful Life & Annual Requirement

Useful life of bridge assets have been estimated by the engineers at BM Ross. The annual requirement value is determined by spreading the capital cost of the asset across the useful life of the asset. The table below shows the useful life of the various Bridge and Culvert asset components as well as their annual funding requirement.

Table 13 - Bridges & Culverts Useful Life & Annual Requirement

Asset Type	Asset Component	Useful Life (Years)	2018 Overall Replacement Cost	Annual Requirement
Bridges and Culverts	Bridges	75	\$ 19,788,692	\$ 63,849.22
	Culverts	50,75	\$ 685,860	\$ 9,807
	Dams	20	\$ 46,556	\$ 2,327
	Retaining Walls	80	\$ 898,041	\$ 11,225
<b>TOTAL</b>			\$ 21,419,149	\$ 287,209.73

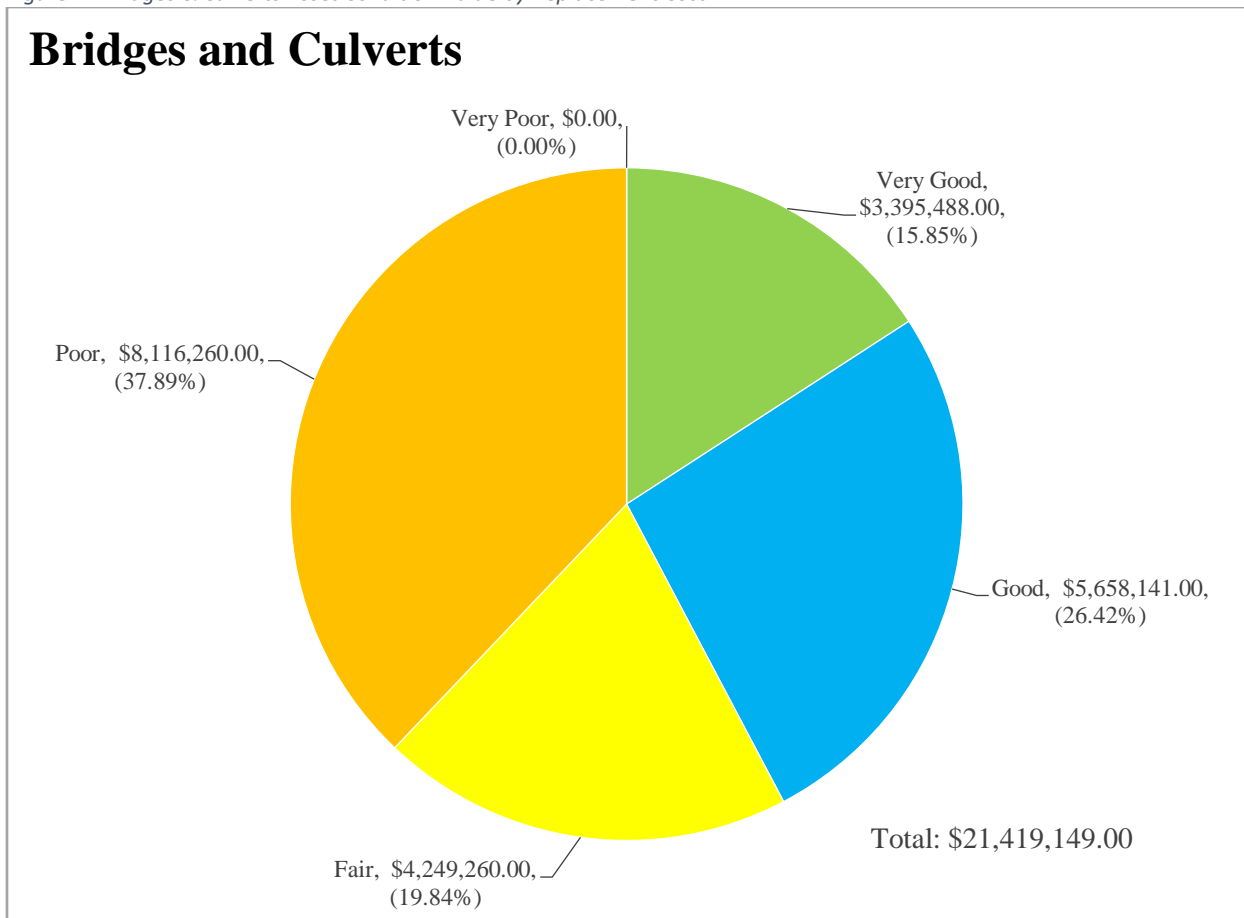
## Condition Rating

BM Ross & Associates carried out OSIM inspections on the Town's bridge structures in 2017. The condition ratings have been updated with the 2017 inspection findings. The condition ratings improved from the 2016 AMP report with the major investment in bridge assets in 2016 and 2017.

Table 14 - Bridges & Culverts Valuation Method & Condition Rating

Asset Type	Asset Component	Quantity	Valuation Method	Condition Value
Bridges and Culverts	Bridges	8	BM Ross 2017 Assessment	75%
	Culverts	2	BM Ross 2017 Assessment	52%
	Dams	1	NRBCPI (Toronto)	92%
	Retaining Walls	2	NRBCPI (Toronto)	75%

Figure 4 - Bridges & Culverts Asset Condition Value by Replacement Cost





## Report Card

Table 15 - Bridges & Culverts Report Card

Asset Type	Condition Rating	Funding Rating	Comments
Bridges and Culverts	B	B	The condition rating of the Bridge and Culvert Assets improved from a C in the 2016 AMP. The Funding Rating was calculated differently in 2018 to better represent the Town's accounting practices for tax funded capital expenditures.

## Water System

### Inventory & Replacement Value

The Town invested in water system assets including St. Maria watermain and Queen St. water services. The Town also improved the drinking water distribution system robustness by adding watermain connections on Glass St. and the Wellington St. Bridge. All existing asset replacement costs were inflated by the Non-Residential Building Construction Price Index from 2016. Overall the replacement value for the water system is up \$796,000 from the 2016 AMP.

Table 16 - Water System Inventory & Replacement Value

Asset Type	Asset Component	Quantity	2018 Overall Replacement Cost
Water	Booster Station - Buildings	1	\$ 338,002.00
	Booster Station - Equipment	3	\$ 117,282.00
	Booster Station - Linear	Pooled	\$ 193,921.00
	Hydrants	268	\$ 1,201,292.00
	Water Meters	2,577	\$ 1,298,727.00
	Water Meters Equipment	5	\$ 33,288.00
	Water Services	2,516	\$ 3,435,990.00
	Water Tower - Buildings	1	\$ 1,504,247.00
	Water Tower - Equipment	5	\$ 246,912.00
	Water Tower - Linear	Pooled	\$ 73,939.00
	Water Valves	629	\$ 1,128,753.00
	Watermains	52,190	\$ 12,404,225.00
	Well No. 1 - Buildings	1	\$ 424,756.00
	Well No. 1 - Equipment	Pooled	\$ 870,397.00
	Well No. 1 - Linear	Pooled	\$ 207,761.00
	Well No. 2 - Buildings	1	\$ 682,461.00
	Well No. 2 - Equipment	Pooled	\$ 491,939.00
	Well No. 2 - Linear	Pooled	\$ 350,174.00
	Well No. 3 - Buildings	1	\$ 552,212.00
	Well No. 3 - Equipment	Pooled	\$ 1,042,859.00
Well No. 3 - Linear	Pooled	\$ 624,035.00	
<b>TOTAL</b>			\$ 27,223,172.00

## Useful Life & Annual Requirement

The useful life of water system assets is consistent with the Town's Tangible Capital Asset Policy. The annual investment requirement is up from 402,000 in the 2016 AMP.

Table 17 - Water System Useful Life & Annual Requirement

Asset Type	Asset Component	Useful Life (Years)	2018 Overall Replacement Cost	Annual Requirement
Water	Booster Station - Buildings	100	\$ 338,002	\$ 3,380
	Booster Station - Equipment	50	\$ 117,282	\$ 2,346
	Booster Station - Linear	100	\$ 193,921	\$ 1,939
	Hydrants	60	\$ 1,201,292	\$ 20,022
	Water Meters	15	\$ 1,298,727	\$ 86,582
	Water Meters Equipment	15	\$ 33,288	\$ 2,219
	Water Services	100	\$ 3,435,990	\$ 34,360
	Water Tower - Buildings	20,100	\$ 1,504,247	\$ 31,033
	Water Tower - Equipment	15-100	\$ 246,912	\$ 3,384
	Water Tower - Linear	100	\$ 73,939	\$ 739
	Water Valves	60	\$ 1,128,753	\$ 18,813
	Watermains	100	\$ 12,404,225	\$ 126,571
	Well No. 1 - Buildings	100	\$ 424,756	\$ 4,248
	Well No. 1 - Equipment	50	\$ 870,397	\$ 17,408
	Well No. 1 - Linear	80,100	\$ 207,761	\$ 2,169
	Well No. 2 - Buildings	20-100	\$ 682,461	\$ 8,229
	Well No. 2 - Equipment	50	\$ 491,939	\$ 9,839
	Well No. 2 - Linear	80,100	\$ 350,174	\$ 3,791
	Well No. 3 - Buildings	100	\$ 552,212	\$ 5,522
	Well No. 3 - Equipment	50	\$ 1,042,859	\$ 20,857
Well No. 3 - Linear	80,100	\$ 624,035	\$ 6,601	
<b>TOTAL</b>			\$ 27,223,172	\$ 410,050

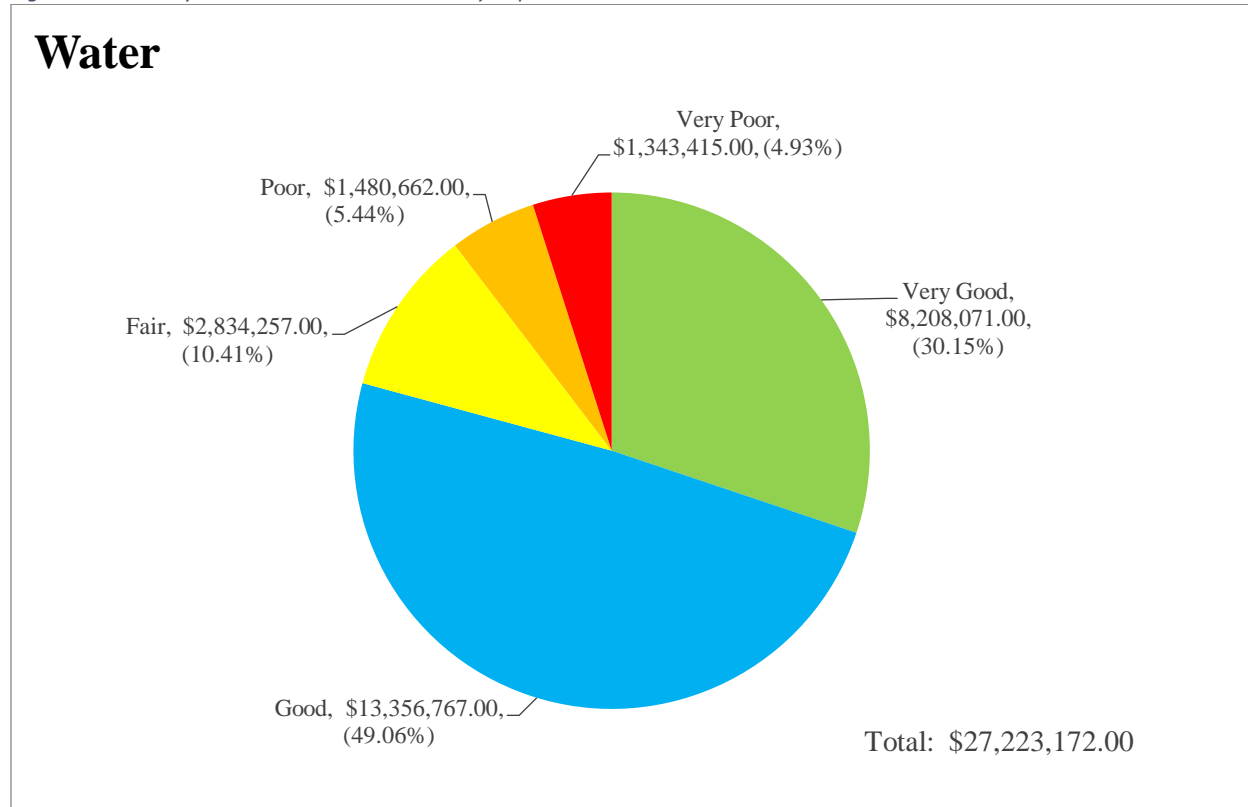
## Condition Rating

The water system asset conditions are assessed based on their age. The Town's asset management software degrades the condition of the age based assets with a straight line degradation curve.

Table 18 - Water System Valuation Method & Condition Rating

Asset Type	Asset Component	Quantity	Valuation Method	Condition Value
Water	Booster Station - Buildings	1	NRBCPI (Toronto)	72%
	Booster Station - Equipment	3	NRBCPI (Toronto)	43%
	Booster Station - Linear	Pooled	NRBCPI (Toronto)	72%
	Hydrants	268	NRBCPI (Toronto)	58%
	Water Meters	2,577	NRBCPI (Toronto)	1%
	Water Meters Equipment	5	NRBCPI (Toronto)	3%
	Water Services	2,516	NRBCPI (Toronto)	73%
	Water Tower - Buildings	1	NRBCPI (Toronto)	70%
	Water Tower - Equipment	5	NRBCPI (Toronto)	68%
	Water Tower - Linear	Pooled	NRBCPI (Toronto)	70%
	Water Valves	629	NRBCPI (Toronto)	55%
	Watermains	52,190	NRBCPI (Toronto)	72%
	Well No. 1 - Buildings	1	NRBCPI (Toronto)	88%
	Well No. 1 - Equipment	Pooled	NRBCPI (Toronto)	75%
	Well No. 1 - Linear	Pooled	NRBCPI (Toronto)	87%
	Well No. 2 - Buildings	1	NRBCPI (Toronto)	75%
	Well No. 2 - Equipment	Pooled	NRBCPI (Toronto)	77%
	Well No. 2 - Linear	Pooled	NRBCPI (Toronto)	88%
	Well No. 3 - Buildings	1	NRBCPI (Toronto)	67%
	Well No. 3 - Equipment	Pooled	NRBCPI (Toronto)	33%
Well No. 3 - Linear	Pooled	NRBCPI (Toronto)	66%	

Figure 5 - Water System Asset Condition Value by Replacement Cost



## Report Card

Table 19 - Water System Report Card

Asset Type	Condition Rating	Funding Rating	Comments
Water System	C	B	The condition rating of the Water System Assets dropped from a B in the 2016 AMP as a result of an overall increase in age of the assets. The water reservoir project debt financing lowered the Water Systems Funding Rating from an A in the 2016 AMP.

## Wastewater System

### Inventory & Replacement Value

The Wastewater inventory was mostly consistent with the 2016 AMP. Roof replacements and the upgraded biosolids loading pump increased the sewage plant quantities. The overall replacement value increased from \$40,326,522 mostly as a result of updated replacement cost values for new assets.

Table 20 - Wastewater System Inventory & Replacement Value

Asset Type	Asset Component	Quantity	2018 Overall Replacement Cost
Wastewater	Landfill	2	\$ 191,322
	Pumping Station #1	5	\$ 108,684
	Pumping Station #2	5	\$ 107,713
	Pumping Station #3	6	\$ 493,907
	Sanitary Maintenance Holes	603	\$ 2,675,027
	Sanitary Services	2,508.00	\$ 4,293,437
	Sanitary Sewer Mains	49.15	\$ 10,883,593
	Wastewater Treatment Plant - Buildings	13	\$ 4,220,006
	Wastewater Treatment Plant - Components	135	\$ 17,764,464
<b>TOTAL</b>			<b>\$ 40,738,153</b>

### Useful Life & Annual Requirement

Wastewater assets useful life is consistent with the Town's TCA policy. The annual requirement for wastewater assets increased from the 2016 AMP value of \$521,000.

Table 21 - Wastewater System Useful Life & Annual Requirement

Asset Type	Asset Component	Useful Life (Years)	2018 Overall Replacement Cost	Annual Requirement
Wastewater	Landfill	100	\$ 191,322	\$ 1,913
	Pumping Station #1	50,100	\$ 108,684	\$ 1,280
	Pumping Station #2	50,100	\$ 107,713	\$ 1,269
	Pumping Station #3	40	\$ 493,907	\$ 12,348
	Sanitary Maintenance Holes	100	\$ 2,675,027	\$ 26,750
	Sanitary Services	100	\$ 4,293,437	\$ 42,934
	Sanitary Sewer Mains	100	\$ 10,883,593	\$ 109,337
	Wastewater Treatment Plant - Buildings	20-100	\$ 4,220,006	\$ 50,056
	Wastewater Treatment Plant - Components	10-100	\$ 17,764,464	\$ 283,530
<b>TOTAL</b>			<b>\$ 40,738,153</b>	<b>\$ 529,418</b>

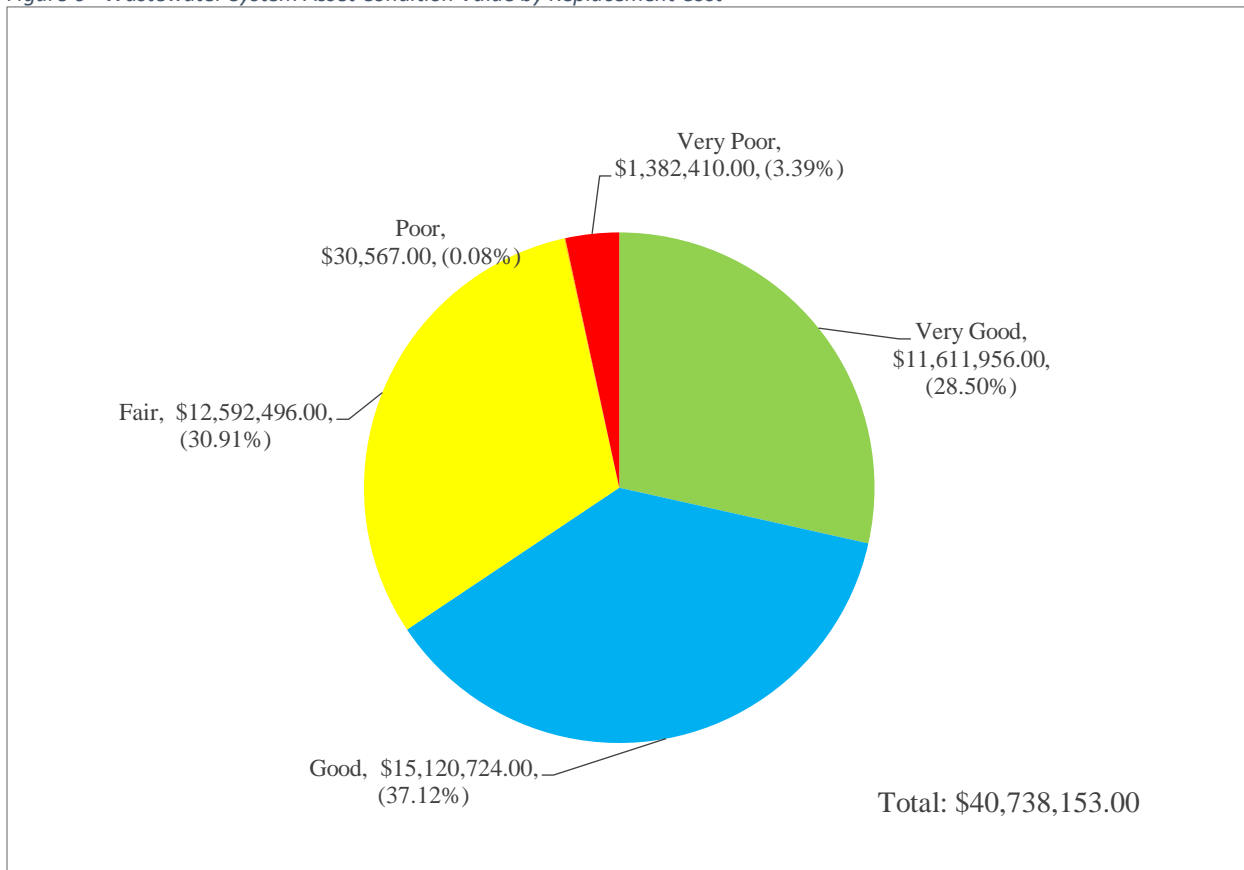
## Condition Rating

The wastewater system asset conditions are assessed based on their age. The Town's asset management software degrades the condition of the age based assets with a straight line degradation curve.

Table 22 - Wastewater Valuation Method & Condition Rating

Asset Type	Asset Component	Quantity	Valuation Method	Condition Value
Wastewater	Landfill	2	NRBCPI (Toronto)	93%
	Pumping Station #1	5	NRBCPI (Toronto)	35%
	Pumping Station #2	5	NRBCPI (Toronto)	43%
	Pumping Station #3	6	NRBCPI (Toronto)	76%
	Sanitary Maintenance Holes	603	NRBCPI (Toronto)	69%
	Sanitary Services	2,508.00	NRBCPI (Toronto)	68%
	Sanitary Sewer Mains	49.15	NRBCPI (Toronto)	67%
	Wastewater Treatment Plant - Buildings	13	NRBCPI (Toronto)	79%
	Wastewater Treatment Plant - Components	135	NRBCPI (Toronto)	68%

Figure 6 - Wastewater System Asset Condition Value by Replacement Cost



## Report Card

Table 23 - Wastewater System Report Card

Asset Type	Condition Rating	Funding Rating	Comments
Wastewater System	B	F	The condition rating of the Wastewater System Assets improved from a C in the 2016 AMP as a result of roof replacements and replacement of the biosolids loading pump at the WWTP. The Water Systems Funding Rating is consistent with the 2016 AMP.

## Storm System

### Inventory & Replacement Value

The Town's Storm Sewer System has an overall 2018 replacement value of \$18,297,154. This is up from the 2016 AMP value of \$17,876,448 as a result of the St. Maria/Wellington St. S. construction project. The Storm System quantities are also up as a result of that project.

Table 24 - Storm System Inventory & Replacement Value

Asset Type	Asset Component	Quantity	2018 Overall Replacement Cost
Storm System	Backflow Preventers	4	\$ 3,217
	Catch Basins	1,047	\$ 2,673,925
	Culverts	46	\$ 1,518,166
	Detention Ponds	8	\$ 910,753
	Manholes	266	\$ 1,291,941
	Outfall	11	\$ 4,154
	Storm Lines	32,015	\$ 11,894,998
<b>TOTAL</b>			\$ 18,297,154

### Useful Life & Annual Requirement

Storm System assets useful life is consistent with the Town's TCA policy. The Annual Funding Requirement increased by \$4,000 from the 2016 AMP.

Table 25 - Storm System Useful Life & Annual Requirement

Asset Type	Asset Component	Useful Life (Years)	2018 Overall Replacement Cost	Annual Requirement
Storm System	Backflow Preventers	100	\$ 3,217	\$ 32.17
	Catch Basins	100	\$ 2,673,925	\$ 26,739.25
	Culverts	50,100	\$ 1,518,166	\$ 19,204.83
	Detention Ponds	100	\$ 910,753	\$ 9,107.53
	Manholes	100	\$ 1,291,941	\$ 12,919.41
	Outfall	100	\$ 4,154	\$ 41.54
	Storm Lines	100	\$ 11,894,998	\$ 121,357.27
<b>TOTAL</b>			<b>\$ 18,297,154</b>	<b>\$ 189,402.00</b>

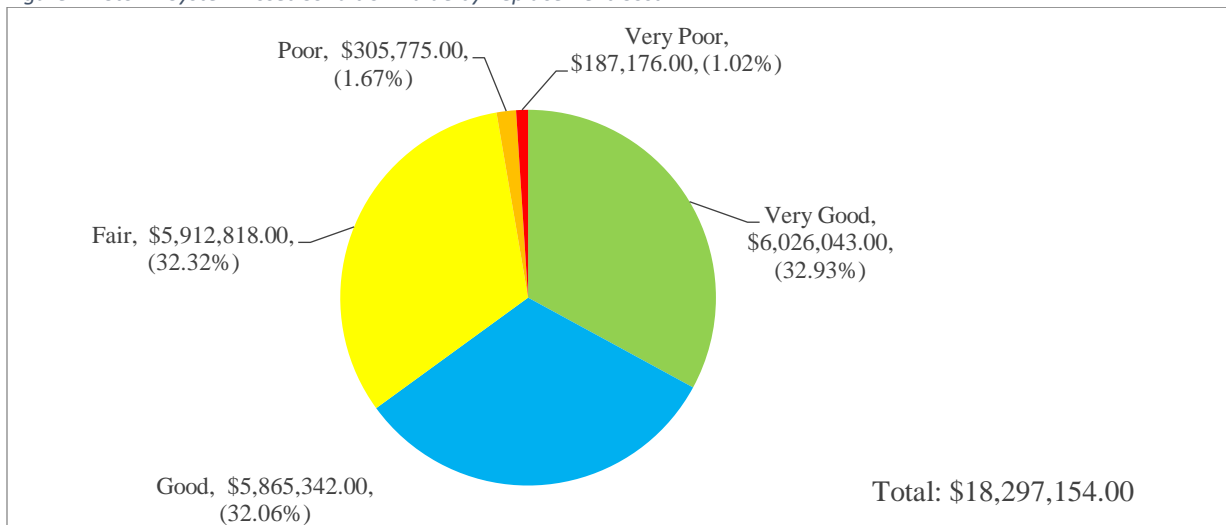
### Condition Rating

The storm system asset conditions are assessed based on their age. The Town’s asset management software degrades the condition of the age based assets with a straight line degradation curve. There was little change in the condition values for the storm system from the 2016 AMP.

Table 26 - Storm System Valuation Method & Condition Rating

Asset Type	Asset Component	Quantity	Valuation Method	Condition Value
Storm System	Backflow Preventers	4	NRBCPI (Toronto)	72%
	Catch Basins	1,047	NRBCPI (Toronto)	74%
	Culverts	46	NRBCPI (Toronto)	38%
	Detention Ponds	8	NRBCPI (Toronto)	85%
	Manholes	266	NRBCPI (Toronto)	68%
	Outfall	11	NRBCPI (Toronto)	67%
	Storm Lines	32,015	NRBCPI (Toronto)	68%

Figure 7 - Storm System Asset Condition Value by Replacement Cost





## Report Card

Table 27 - Storm System Report Card

Asset Type	Condition Rating	Funding Rating	Comments
Storm System	B	B	The condition rating of the Storm System Assets maintained a B from the 2016 AMP. The Funding Rating was calculated differently in 2018 to better represent the Town's accounting practices for tax funded capital expenditures.

## Buildings

### Inventory & Replacement Value

The inventory for buildings changed slightly as the ELC Childcare facility was disposed in 2017. The asset database was also corrected to show the previous disposal of the Youth Centre that had not been disposed of in the database for the 2016 AMP. The disposals resulted in a drop in overall replacement cost for buildings from a value of \$33,184,659 in 2016.

Table 28 - Buildings Inventory & Replacement Value

Asset Type	Asset Component	Quantity	2018 Overall Replacement Cost
Buildings	Administration	2	\$ 1,962,482
	Cemetery	2	\$ 385,543
	Commercial & Industrial (VIA)	1	\$ 486,150
	Fire	1	\$ 790,901
	Libraries	1	\$ 1,135,193
	Museum	1	\$ 969,966
	Public Works	1	\$ 3,071,261
	Recreation	6	\$ 22,859,819
	Waste	2	\$ 56,332
<b>TOTAL</b>			<b>\$ 31,717,647</b>

### Useful Life & Annual Requirement

The useful life values are consistent with the Town's TCA policy. The asset disposals since the 2016 AMP resulted in a reduced annual requirement from \$775,000.

Table 29 - Buildings Useful Life & Annual Requirement

Asset Type	Asset Component	Useful Life (Years)	2018 Overall Replacement Cost	Annual Requirement
Buildings	Administration	20-75	\$ 1,962,482	\$ 64,491
	Cemetery	20-75	\$ 385,543	\$ 5,666
	Commercial & Industrial (VIA)	20-75	\$ 486,150	\$ 9,084
	Fire	20-75	\$ 790,901	\$ 13,706
	Libraries	20-75	\$ 1,135,193	\$ 27,144
	Museum	20-75	\$ 969,966	\$ 28,670
	Public Works	20-75	\$ 3,071,261	\$ 66,544
	Recreation	20-75	\$ 22,859,819	\$ 546,431
	Waste	20-75	\$ 56,332	\$ 1,408
<b>TOTAL</b>			\$ 31,717,647	\$ 763,146

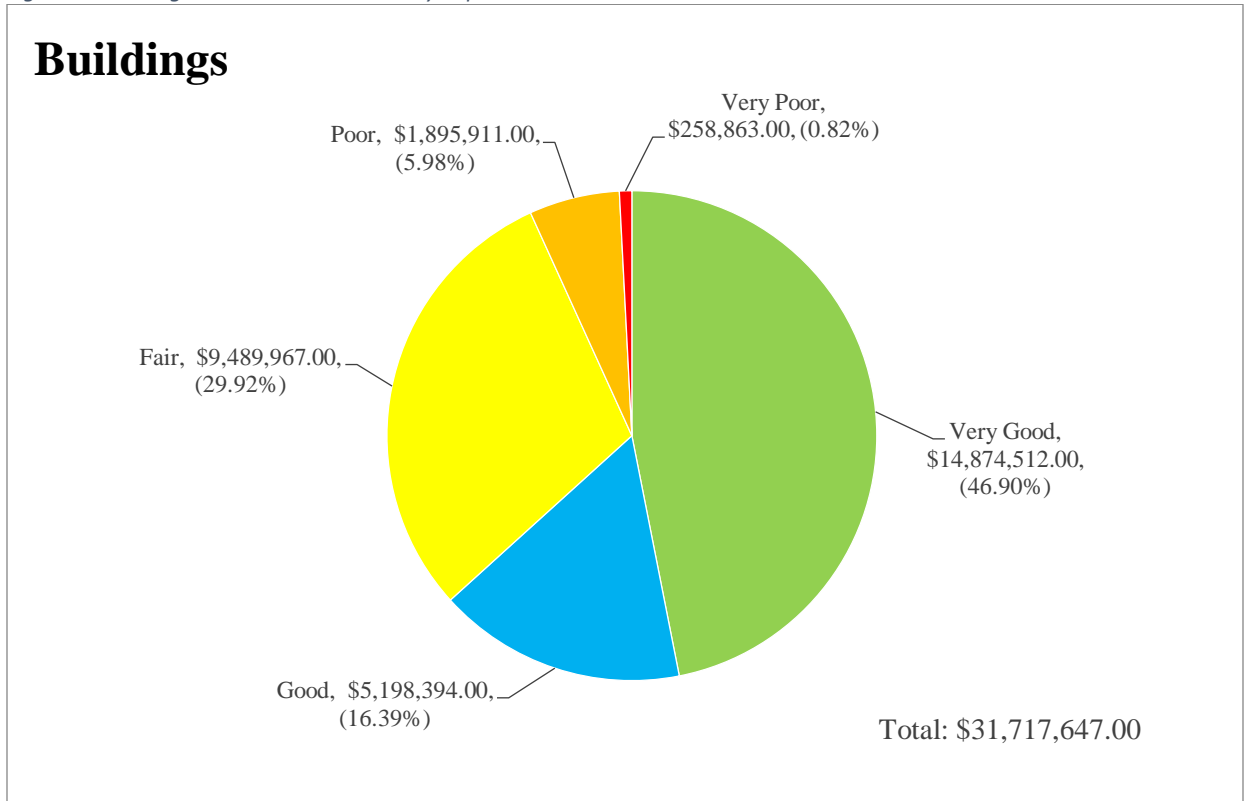
### Condition Rating

The overall condition ratings dropped from the 2016 AMP as a result of normal annual degradation. Condition ratings are currently based on asset age. Town goal is to complete internal condition assessments of the Town's building assets for the 2019 AMP Update.

Table 30 - Buildings Valuation Method & Condition Rating

Asset Type	Asset Component	Quantity	Valuation Method	Condition Value
Buildings	Administration	2	CPI (ON)	64%
	Cemetery	2	CPI (ON)	52%
	Commercial & Industrial (VIA)	1	CPI (ON)	63%
	Fire	1	CPI (ON)	42%
	Libraries	1	CPI (ON)	35%
	Museum	1	CPI (ON)	66%
	Public Works	1	CPI (ON)	68%
	Recreation	6	CPI (ON)	54%
	Waste	2	CPI (ON)	66%

Figure 8 - Buildings Asset Condition Value by Replacement Cost



## Report Card

Table 31 - Buildings Report Card

Asset Type	Condition Rating	Funding Rating	Comments
<b>Buildings</b>	C	B	The condition rating of the Building Assets lowered from a B in the 2016 AMP. The Funding Rating was calculated differently in 2018 to better represent the Town's accounting practices for tax funded capital expenditures.

## Machinery & Equipment

### Inventory & Replacement Value

The Towns Machinery and Equipment Assets are valued at 6.9M based on 2018 replacement costs. The Town replaced equipment such as the landfill compactor, Fire Department SCBA units, a Zamboni ice resurfer, Public Works dump truck as well as added the Quarry trampoline and high dive. These increased the replacement value by approximately \$300,000 from the 2016 AMP.

Table 32 - Machinery & Equipment Inventory & Replacement Value

Asset Type	Asset Component	Quantity	2018 Overall Replacement Cost
<b>Machinery &amp; Equipment</b>	Administration	Pooled	\$ 93,551
	Assistance to Aged	Pooled	\$ 152,661
	Childcare	Pooled	\$ 9,704
	Commercial & Industrial	Pooled	\$ 14,518
	Fire Equipment	Pooled	\$ 1,125,543
	Fire Trucks and Engines	3	\$ 897,333
	Information Technology	Pooled	\$ 243,874
	Libraries	Pooled	\$ 811,482
	Museum	Pooled	\$ 62,139
	Parks	Pooled	\$ 157,272
	Public Works	Pooled	\$ 1,982,846
	Recreation	Pooled	\$ 996,171
	Waste	Pooled	\$ 314,616
<b>TOTAL</b>			\$ 6,861,710

## Useful Life & Annual Requirement

The useful life of the Towns machinery and equipment assets is consistent with the Towns TCA policy. The annual funding requirement for machinery and equipment assets increased by \$13,000 from the 2016 AMP.

Table 33 - Machinery & Equipment Useful Life & Annual Requirement

Asset Type	Asset Component	Useful Life (Years)	2018 Overall Replacement Cost	Annual Requirement
Machinery & Equipment	Administration	4-7	93,551	13,933
	Assistance to Aged	20	152,661	7,633
	Childcare	4-10	9,704	2,133
	Commercial & Industrial	10	14,518	1,452
	Fire Equipment	10-15	1,125,543	95,066
	Fire Trucks and Engines	15-20	897,333	48,455
	Information Technology	4-10	243,874	45,823
	Libraries	4-20	811,482	88,816
	Museum	10-30	62,139	3,822
	Parks	5-30	157,272	10,691
	Public Works	7-15	1,982,846	136,618
	Recreation	5-20	996,171	76,384
	Waste	15	314,616	20,974
<b>TOTAL</b>			6,861,710	551,801

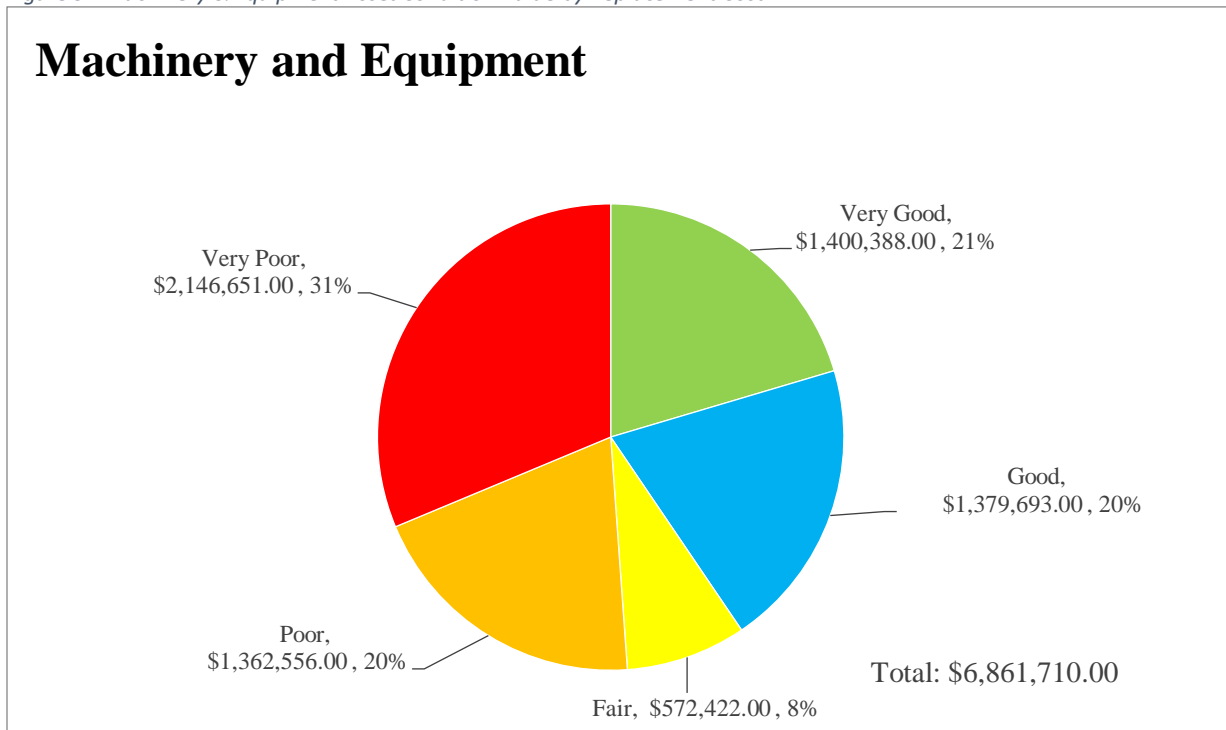
## Condition Rating

Machinery and Equipment asset condition values are age based. The condition values are consistent with the 2016 AMP report. There is an opportunity to complete condition assessments of existing equipment stock and update the condition values with observed conditions as it is likely that the existing equipment that has outlasted its original life expectancy is still functional and not in need of replacement.

Table 34 - Machinery & Equipment Valuation Method & Condition Rating

Asset Type	Asset Component	Quantity	Valuation Method	Condition Value
Machinery & Equipment	Administration	Pooled	CPI (ON)	16.43%
	Assistance to Aged	Pooled	CPI (ON)	32.50%
	Childcare	Pooled	CPI (ON)	16.67%
	Commercial & Industrial	Pooled	CPI (ON)	0%
	Fire Equipment	Pooled	CPI (ON)	39.50%
	Fire Trucks and Engines	3	CPI (ON)	36.81%
	Information Technology	Pooled	CPI (ON)	37.51%
	Libraries	Pooled	CPI (ON)	37.19%
	Museum	Pooled	CPI (ON)	13.96%
	Parks	Pooled	CPI (ON)	36.67%
	Public Works	Pooled	CPI (ON)	44.89%
	Recreation	Pooled	CPI (ON)	39.05%
	Waste	Pooled	CPI (ON)	90%

Figure 9 - Machinery & Equipment Asset Condition Value by Replacement Cost



## Report Card

Table 35 - Machinery & Equipment Report Card

Asset Type	Condition Rating	Funding Rating	Comments
Machinery & Equipment	D	B	The condition rating of the Machinery & Equipment is consistent with the D in the 2016 AMP. The Funding Rating was calculated differently in 2018 to better represent the Town's accounting practices for tax funded capital expenditures.

## Land Improvements

### Inventory & Replacement Value

Land improvement assets include assets such as parking lots, recreation fields, playgrounds, bleachers, and other improvements to municipal property. The replacement value of land improvements increased \$300,000 from the 2016 AMP. This was a result in investment of downtown core event power during the Queen St. project, replacement of the Library front steps, replacement and upgrade of the Cadzow playground equipment and completion of the Rec & Leisure Master Plan.

Table 36 - Land Improvements Inventory & Replacement Value

Asset Type	Asset Component	Quantity	2018 Overall Replacement Cost
Land Improvements	Administration	Pooled	\$ 57,144
	Commercial & Industrial	Pooled	\$ 136,212
	Facilities	Pooled	\$ 89,865
	Libraries	Pooled	\$ 58,622
	Parking Lots	Pooled	\$ 941,078
	Parks	Pooled	\$ 1,014,627
	Public Works (trails, MOC parking Lot)	Pooled	\$ 665,953
	Recreation	Pooled	\$ 2,237,036
	Waste	Pooled	\$ 704,272
<b>TOTAL</b>			<b>\$ 5,904,809</b>

## Useful Life & Annual Requirement

The useful life of Land improvement assets is consistent with the Towns TCA Policy. The Annual requirement increased by \$20,000 from the 2016 AMP.

Table 37 - Land Improvements Useful Life & Annual Requirement

Asset Type	Asset Component	Useful Life (Years)	2018 Overall Replacement Cost	Annual Requirement
Land Improvements	Administration	20-40	\$ 57,144	\$ 1,574
	Commercial & Industrial	25	\$ 136,212	\$ 5,448
	Facilities	20	\$ 89,865	\$ 4,493
	Libraries	75	\$ 58,622	\$ 782
	Parking Lots	20-40	\$ 941,078	\$ 46,720
	Parks	20	\$ 1,014,627	\$ 50,731
	Public Works	30	\$ 665,953	\$ 26,910
	Recreation	20-75	\$ 2,237,036	\$ 113,655
	Waste	4-7	\$ 704,272	\$ 160,928
<b>TOTAL</b>			\$ 5,904,809	\$ 411,242

## Condition Rating

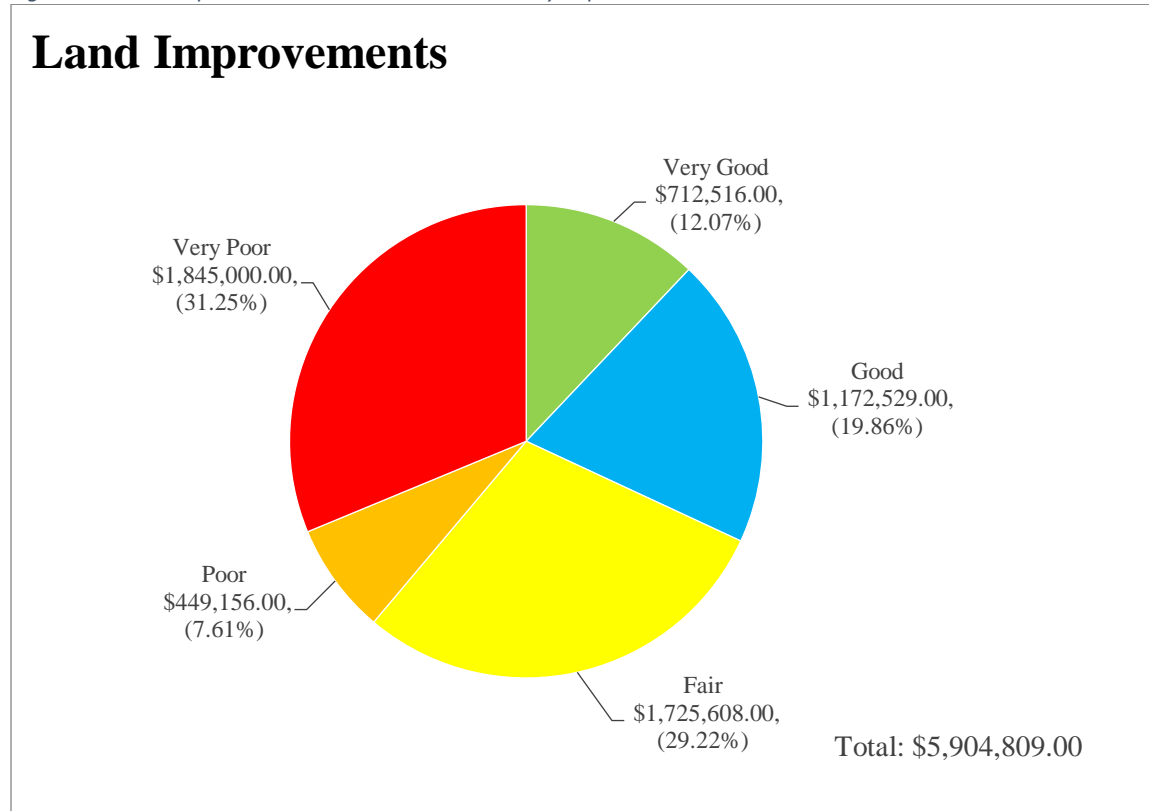
The condition ratings of land improvements are aged based. Condition ratings improved from the 2016 AMP as a result of the amount of new investment in this category.

Table 38 - Land Improvements Valuation Method & Condition Rating

Asset Type	Asset Component	Quantity	Valuation Method	Condition Value
Land Improvements	Administration	Pooled	CPI (ON)	98%
	Commercial & Industrial	Pooled	CPI (ON)	94%
	Facilities	Pooled	CPI (ON)	41%
	Libraries	Pooled	CPI (ON)	99%
	Parking Lots	Pooled	CPI (ON)	17%
	Parks	Pooled	CPI (ON)	43%
	Public Works	Pooled	CPI (ON)	50%
	Recreation	Pooled	CPI (ON)	50%
	Waste	Pooled	CPI (ON)	0%



Figure 10 - Land Improvements Asset Condition Value by Replacement Cost



## Report Card

Table 39 - Land Improvements Report Card

Asset Type	Condition Rating	Funding Rating	Comments
Land Improvements	C	B	The condition rating of the Land Improvements improved from a D in the 2016 AMP. This improvement is mostly from the downtown Queen St. and Cadzow Playground investments. The Funding Rating was calculated differently in 2018 to better represent the Town's accounting practices for tax funded capital expenditures.

## Vehicles

### Inventory & Replacement Value

The overall replacement value increased by \$4,000 from the 2016 AMP. A Public Works vehicle was replaced in 2017 and the inventory is consistent from 2016.

Table 40 - Vehicles Inventory & Replacement Value

Asset Type	Asset Component	Quantity	2018 Overall Replacement Cost
Vehicle	Cemetery	1	\$ 37,635
	Fire	1	\$ 33,490
	Public Works	5	\$ 160,940
<b>TOTAL</b>			\$ 232,065

### Useful Life & Annual Requirement

The useful life for vehicles is consistent with the Towns TCA Policy. The annual requirement increased slightly from \$30,000 in 2016.

Table 41 - Vehicles Useful Life & Annual Requirement

Asset Type	Asset Component	Useful Life (Years)	2018 Overall Replacement Cost	Annual Requirement
Vehicle	Cemetery	5-10	\$ 37,635	\$ 6,812
	Fire	7	\$ 33,490	\$ 4,784
	Public Works	7-10	\$ 160,940	\$ 19,419
<b>TOTAL</b>			\$ 232,065	\$ 31,015

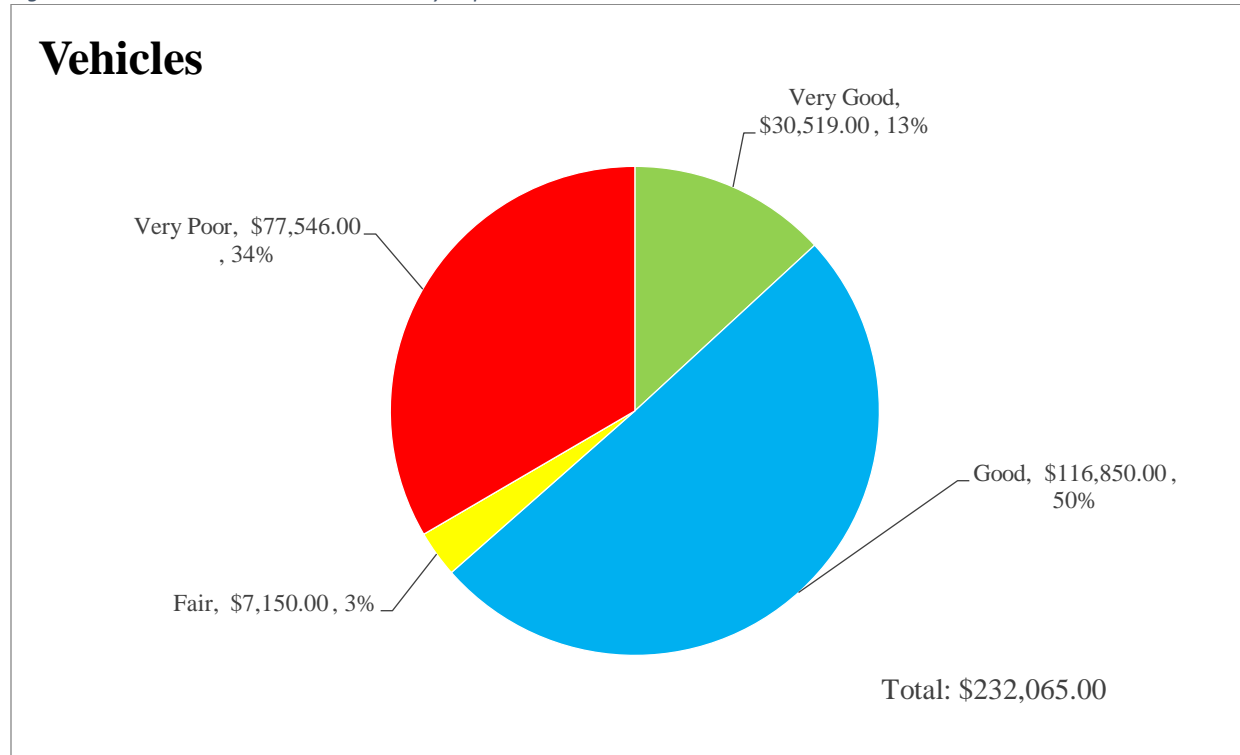
### Condition Rating

Vehicle asset condition values are age based. The overall condition rating was consistent from the 2016 AMP.

Table 42 - Vehicles Valuation Method & Condition Rating

Asset Type	Asset Component	Quantity	Valuation Method	Condition Value
Vehicle	Cemetery	1	CPI (ON)	24%
	Fire	1	CPI (ON)	64%
	Public Works	5	CPI (ON)	58%

Figure 11 - Vehicles Asset Condition Value by Replacement Cost



## Report Card

Table 43 - Vehicles Report Card

Asset Type	Condition Rating	Funding Rating	Comments
Vehicles	C	B	The condition rating of the Vehicles Assets is consistent with the C in the 2016 AMP. The Funding Rating was calculated differently in 2018 to better represent the Town's accounting practices for tax funded capital expenditures.

## 5. Asset Management Strategy

The Town categorized its asset management strategy into objectives described in the 2016 AMP. The objectives are summarized in the following table

Town of St. Marys Asset Management Program Strategy – 2018 AMP Update

AMP Objectives	Progress since 2016 AMP	Objective Timeframe	ETA from 2016 AMP	Revised ETA
<b>Develop Robust Inventory</b>				
<p>This work was largely completed during the preparation of the 2016 AMP. Staff are working to update GIS files to better sync with the asset database so that GIS can be incorporated into various asset management activities.</p>	<p>This activity was more time consuming than originally anticipated. Staff are working towards completing by the end of 2018.</p>	Short Term	2017	2018
<b>Current Valuation - Asset Conditions</b>				
<p>There is an opportunity to improve the overall accuracy of the AMP's condition values. Surveyed condition assessment values for roads, bridges and sidewalks are included in the AMP. The remainder of asset categories were assigned condition values based on their age and estimated useful life. While age is generally a good indicator of an asset's condition, performing a condition inspection of the asset provides a more accurate representation of its physical health. The Town should continue to incorporate condition assessment information as much as possible in the plan.</p>	<p>Sidewalk condition assessments were carried out internally by Public Works Staff in 2017. OSIM Bridge Inspections were completed by BM Ross and condition values updated in 2017. A third party condition assessment of the Museum is budgeted for 2018. Staff will utilize the opportunity to learn how to carry out internal ongoing (exact frequency yet to be determined) condition assessments to ensure data stays accurate. Staff are looking at the potential to update the road condition values in 2019 with a third party assessment and working with surrounding municipalities to develop an internal condition assessment program.</p>	Mid Term	2019	2020

AMP Objectives	Progress since 2016 AMP	Objective Timeframe	ETA from 2016 AMP	Revised ETA
<b>Lifecycle Analysis - Lifecycle Events</b>				
<p>The AMP currently only assesses the replacement costs of the Town's current assets and has not yet progressed to a point where other lifecycle events are integrated back into the asset database. Lifecycle events such as major and minor maintenance activities can significantly impact the amount of life an asset provides to the Town. These maintenance activities also impact the overall lifecycle cost an asset requires to provide its intended service.</p> <p>Integrating maintenance activities into the asset management strategy can require significant staff time. A review of lifecycle costs and the various maintenance activities for the various asset categories is required to determine what maintenance activities can be effectively tracked to capture as much asset information as possible, without impacting staff levels.</p>	<p>The Facilities Department will start utilizing the electronic work order system in 2018 that is currently utilized by the Public Works Department. This software directly links work orders to the Towns asset database to track lifecycle events. Further effort is required to develop a complete portfolio of maintenance requirements</p>	Mid Term	2019	2019
<b>Risk &amp; Prioritization</b>				
<p>Risk is utilized in asset management to determine priority. Risk is determined by multiplying an asset's probability of failure value by its consequence of failure value. If the failure of an asset has a high probability, or has a high consequence of failure, it's risk value increases and is escalated in the list of competing priorities.</p> <p>The continuation of condition assessment activities will improve the accuracy of the probability of failure value assigned to an asset. Consequence of failure values are currently determined by the asset replacement cost, but undertaking a review at the asset condition level with department heads will improve the precision of consequence of failure values assigned to assets.</p>	<p>Starting in 2018, staff have been utilizing a software developed by the University of Waterloo for prioritizing road maintenance and rehabilitation activities. Condition value review with departments reps is anticipated late 2018/early 2019.</p>	Mid Term	2019	2020

AMP Objectives	Progress since 2016 AMP	Objective Timeframe	ETA from 2016 AMP	Revised ETA
<b>Financial Sustainability - Financial Strategy</b>				
<p>Public Sector Digest included a financial strategy in the 2016 AMP report for the Town to achieve financial sustainability with full funding of tax and user rate funded assets over 15 years. This strategy included reallocating debt cost reductions to the infrastructure deficit, increasing tax revenues by 0.5% above inflation each year for the next 15 years solely for the purpose of phasing in full funding to the asset categories covered in the AMP, and allocating gas tax and OCIF revenue to the infrastructure deficit.</p> <p>This funding strategy was developed by Public Sector Digest as an option that Council could consider to meet the long term full funding requirements and reach fiscal sustainability. However, the strategy has not been dissected by staff to determine an appropriate implementation strategy or the impact on Council's other strategic priorities. A report by staff of the financial strategy, detailing its potential implementation and its impact on other Council priorities would be appropriate as a next step.</p>	<p>BM Ross is currently working on a Financial Plan for the water and wastewater system assets.</p> <p>Staff will present financial strategy options for reducing the funding deficit of tax-funded assets during the 2019 budget deliberations.</p>	Mid Term	2019	2019
<b>Service Level Targets</b>				
<p>Defining service level targets is imperative to ensure acceptable and sustainable capital programming is established. Service level targets need to be consistent with the expectations of the public. However, if service levels are set too high, the program will not be financially sustainable.</p> <p>The process of setting service level targets will include a public consultation period where the public provides input on their expectations for levels of service provided by the Town's capital assets. In order to have a holistic conversation during that public consultation, the Town will have to develop and track Key Performance Indicators (KPI). Determining the KPI's should be a short term goal (2018) so that annual tracking can commence. The public consultation period for setting service level targets is a mid-term objective, likely not undertaken until 2020.</p>	<p>A working group has been created at the staff level for municipalities within the geographic area of Perth County. The working group has discussed a desire to have consistent metrics for measuring levels of service. This will allow Levels of Service to be compared between municipalities. The release of O.Reg. 588/17 has shifted the priority of this item, as the Town focuses its efforts on the short term regulatory requirement of a Strategic Asset Management Policy.</p> <p>Levels of Service will be a focus towards the end of 2019 into 2020.</p>	Long Term	2018	2020

AMP Objectives	Progress since 2016 AMP	Objective Timeframe	ETA from 2016 AMP	Revised ETA
<b>Continuous Processes</b>				
<p>Continuous processes are already in place to ensure the asset database is kept current and accurate. Database updates now occur during the year-end financial reconciliation process. The continuous processes objective will continue to improve as more lifecycle events from operational activities are linked to the asset database through the Town's work order software.</p>	<p>This objective is in place.</p>	<p>Short Term</p>	<p>2018</p>	<p>2018</p>
<b>Decision Making &amp; Transparency</b>				
<p>The updated AMP now provides a baseline replacement cost for all future capital asset replacement projects. Moving forward this can be incorporated into business decision making and financial planning by senior management and Council when developing and analyzing capital plans. This short term goal can be implemented in 2017.</p>	<p>The 2019 capital budget will include a summary of the proposed capital budget that shows the new projects that are in addition to existing AMP as well as any impact to the funding deficit from the proposed capital plan.</p>	<p>Short Term</p>	<p>2017</p>	<p>2018</p>
<b>Monitoring &amp; Reporting – Annual Report Cards</b>				
<p>The AMP presents a report card which is meant to simplify and present the status of the Town's asset management program. Developing a process where a report card is created on an annual basis will allow a quick reference as to the Town's progress towards its program objectives. Ongoing evaluation and reporting will be key to the success of the implementation of long range objectives in the plan. This monitoring system can be implemented now and reported to Council on an annual basis moving forward.</p>	<p>This objective is in place.</p>	<p>Short Term</p>	<p>2018</p>	<p>2018</p>