TOWN OF WHITCHURCH-STOUFFVILLE NON-CORE ASSET MANAGEMENT PLAN

Final Presentation to Council

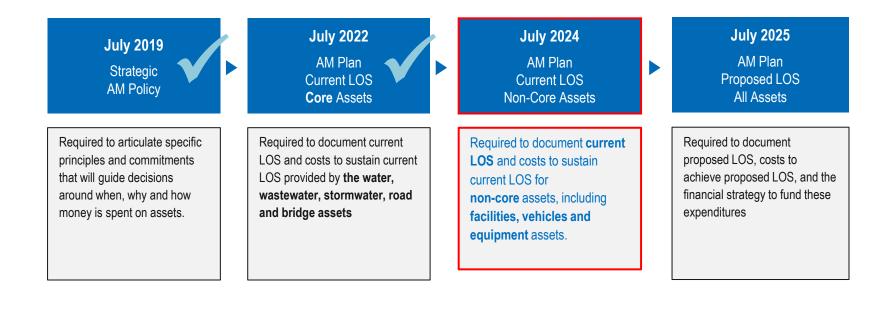


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AGENDA

- Introduction & Project Background
- State of Infrastructure
- Levels of Service
- Asset Management Strategy
- Financing Strategy
- Plan Improvement Opportunities
- Closing Remarks

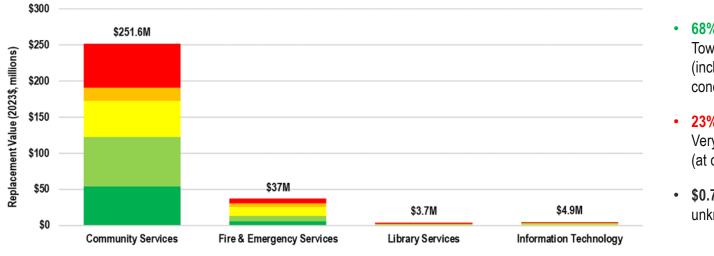
O.Reg. 588/17 for Asset Management Planning



Service	Asset Categories	Replacement Value (\$2024, millions)	Replacement Value (%)
Leisure & Community Services	Facilities, Parks Land Improvements, Playgrounds & Pergolas, Fleet - Leisure & Community, Other Equipment	\$251.6	84.65%
Fire & Emergency Services	Fleet, Equipment, Facilities - Fire Stations	\$37.0	12.46%
Library Services	Books/Media, Hardware, Software, Institutional Equipment	\$3.7	1.24%
Finanical Services & IT	End User Devices, Server Equipment, Networking Equipment	\$4.9	1.65%
TOTAL		\$297.2	100%

State of Infrastructure

Condition Grading Scheme



■ Very Good Good Fair Poor Very Poor (End-of-Life) Unknown

*Condition valuation was predominantly based on age for non-core assets

- 68% or \$202 million of the Town's non-core assets (incl. Library) are in Fair condition or better
- 23% or \$70 million are in Very Poor condition (at or past end-of-life)
- **\$0.7 million** assessed as unknown condition

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Levels of Service

Levels of Service Framework



	Levels of Service customer performance	State of Infrastructure asset performance	Risk Exposure current	Lifecycle Mgmt Strategy needed activities	Financing Strategy needed vs available funding	Risk Exposure residual
	Capacity and Use	Growth		Expansion	Development Charges assumed assets	
	Services have enough capacity and are accessible to everyone	Assets of sufficient capacity are available, convenient, and accessible		Activities to provide a new asset that did not exist previously		
Stouffville	Function	Upgrade		Upgrade		
Strategic Plan	Services meet customer needs while limiting impacts to health, safety, security, natural and heritage	Assets comply with regulations, perform their intended function and are safe, secure and sustainable	Risk of not meeting Customer	Activities to provide a higher level of service capability from an existing asset	Capital Budget	Risk of not meeting Customer
	Reliability and Quality	Renewal and O&M	and Asset Levels of	Renewal		and Asset Levels of
2022-2026	Services are reliable and responsive to customers	Assets are in adequate condition, are maintained as required, and respond to customer needs	Service	Activities to return the original service capability to an asset		Service
			-	Maintenance Activities to retain asset condition to enable services	Operating Budget	
	Affordability	Financial Sustainability		Operations	Operating Budget	
	Services are affordable, provided at lowest cost for both current and future customers	Assets are adequately funded in both the short and long term		Regular activities to provide services		

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Levels of Service

Levels of Service Framework



	Levels of Service customer performance	State of Infrastructure asset performance	Risk Exposure current	Lifecycle Mgmt Strategy needed activities	Financing Strategy needed vs available funding	Risk Exposure residual
	Capacity and Use Services have enough capacity and are accessible	Growth Assets of sufficient capacity are available, convenient,	_	Expansion Activities to provide a new asset that did not	Development Charges assumed assets	
Stouffville	Function	Upgrade		exist previously Upgrade		
Strategic Plan	Services meet customer needs while limiting impacts to health, safety, security, natural and heritage	Assets comply with regulations, perform their intended function and are safe, secure and sustainable	Risk of not meeting Customer	Activities to provide a higher level of service capability from an existing asset	Capital renewal budget for	Risk of not meeting Customer
2022-2026	Reliability and Quality Facilities are in a state of good repair	Renewal and O&M % facility assets in fair or better condition	and Asset Levels of Service	Renewal Activities to return the original service capability to an asset	Facilities	and Asset Levels of Service
				Maintenance Activities to retain asset condition to enable services	Operating Budget	
	Affordability	Financial Sustainability		Operations	operating budget	
	Services are affordable, provided at lowest cost for both current and future customers	Assets are adequately funded in both the short and long term		Regular activities to provide services		

Risk Management Strategy

Risk Exposure for the Town

	Risk exposure in ye	ear 2023 \$, millions			
Certain	\$0.02	\$1.49	\$20.23	\$45.18	\$2.71
Likely	\$0.00	\$0.97	\$18.44	\$3.89	\$0.85
Possible	\$0.03	\$0.49	\$49.12	\$13.28	\$2.24
Unlikely	\$0.10	\$1.48	\$37.73	\$24.74	\$12.95
Rare	\$0.01	\$3.01	\$41.12	\$15.22	\$1.05
	Insignificant	Minor	Moderate	Major	Catastrophic
		Co	nsequence of Fail	Iro	

Consequence of Failure

Risk Exposure Ratings

Very High	\$48.7	16.4%
High	\$58.1	19.6%
Moderate	\$128.6	43.3%
Low	\$57.9	19.5%
Very Low	\$3.1	1.0%
Unknown	\$0.7	0.2%
Total	\$297.2	100.0%

Asset Management Strategy

Growth Needs Forecast



Several growth initiatives exist within the Town's Capital Plan which are currently Unfunded

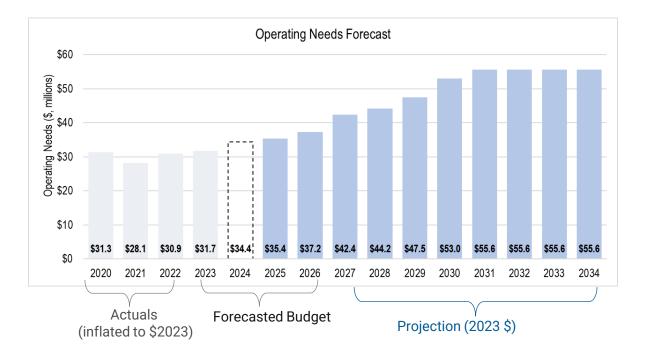
Close to \$120M of growth expected over the next 10 years

Growth projects determined based Service Area growth project projections (i.e. master plans)

Major growth projects include:

- New Main Branch Hwy 48 Corridor in 2029 (\$40M)
- Additional Ballantrae library project in 2026 (\$10M)
- Aquatic Centre Expansion Project in 2026 (\$16M+)
- New Fire Stations 53, 54, 55 (\$13M+)
- New neighbourhood parks

Operating Needs Forecast



- 2020 2022 historicals provided by the Town (inflated to \$2023)
- 2023 2026 forecasted budget
 provided by the Town

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- 2027-2034 forecast based on YOY
 asset growth
- O&M needs may change based on outcomes of future Master Servicing Plans

Lifecycle Management Strategy

Renewal and condition forecasts:

1) Maintaining the Current LOS

This scenario shows renewal activities that would be required to prevent the current renewal backlog from growing.

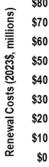
2) Existing Funding Scenario

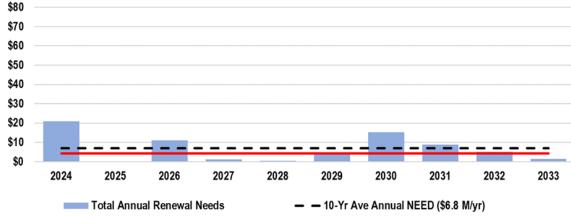
To be examined in Proposed LOS AM Plan This scenario examines the impacts to Town's infrastructure based on existing funding levels

3) Proposed LOS Funding Scenario

This scenario shows renewal activities that the Town has chosen to undertaken to achieve their proposed service levels.

Cost to Maintain Current Level of Service



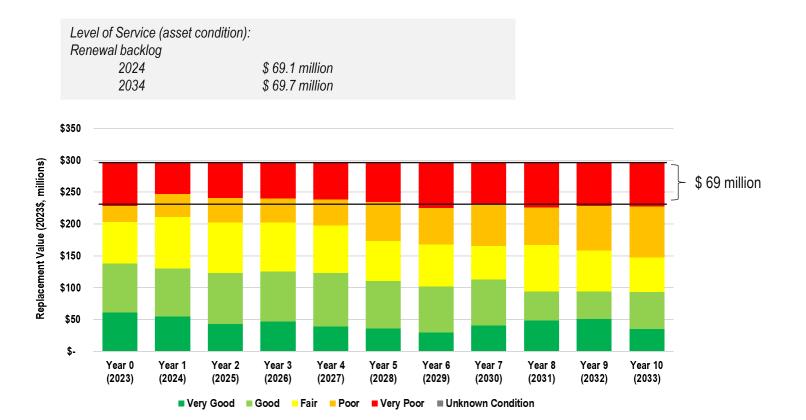


Anticipated Annual FUNDING (\$4.3 M/yr)

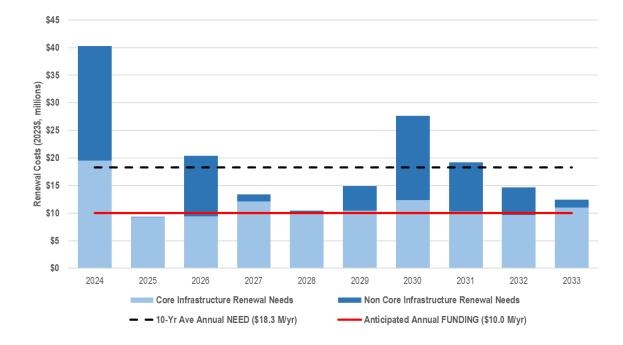
- The Town does not have • sufficient funding in place to maintain their current service levels
- \$2.5M/yr infrastructure gap • to Maintain LOS

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Cost to Maintain Current Level of Service



Stouffville Overall Renewal Needs – Core + Non-Core



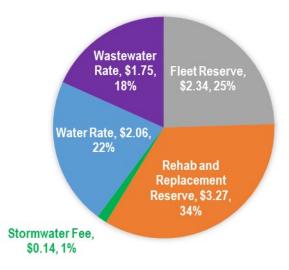
 Infrastructure renewal deficit from 2022 Core Asset Management Plan added (assume funded backlog projects from 2022 & 2023 have been undertaken)

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• \$8.3M/yr infrastructure gap overall

Stouffville Town Funding Sources – Asset Management

Infrastructure renewal funding sources (2024)



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Options for Closing the Infrastructure Gap

Increase Revenues:

- Increase Capital dedicated Levy
- Grants and other revenue sources
- Increase of Rates

Borrow from future or past:

- Debenture funding
- Reserves

Reduce Expenditures:

- Defer renewals
 - prioritize renewals based on risk exposure
 - adjust maintenance practices to mitigate risks associated with aging assets and deferred renewals (e.g. increase inspections)
- Reduce service levels or adjust as appropriate
- Reduce size of asset portfolio and associated operating and renewal needs
- Non infrastructure solutions (i.e. management strategy, policy)

Next Steps

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For the 2024 AM Plan:

• Ministry will confirm compliance at or before July 1, 2024 for the Current LOS AM Plan

And beyond:

- Development of the 2025 AM Plan with proposed LOS (July 1, 2025)
- Annual reporting on progress implementing the AM Plan
- AM Plans to be updated at least every 5-years
- Asset Management Plans will support future budgeting and business planning

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