Township of O'Connor

2026 Asset Management Plan

UrbanRe Advisory Inc.
May 8, 2026

Report Information

Municipality: Township of O'Connor

Title: 2026 Asset Management Plan

Prepared by: UrbanRe Advisory Inc.

Disclaimer and Notices

This Asset Management Plan (AMP) has been prepared for the Township of O'Connor for the purpose of meeting the requirements of Ontario Regulation 588/17 and to inform long-term infrastructure and financial planning needs. It reflects the best available information at the time of publication and is intended to be a living document that will evolve as better data and methods become available.

The AMP is a strategic planning tool. It is not a capital budget, nor does it commit the Municipality to specific projects, funding levels, or service outcomes. All decisions regarding future investments, priorities, or service levels remain at the discretion of Council through the annual budget and capital planning process.

Financial figures contained in this document represent high-level estimates developed from available asset registers, staff input, condition assessments, and industry costing sources. These estimates are subject to change as new studies, inspections, or more detailed designs are completed.

The analysis within the AMP is based on the processes described herein, which include a series of assumptions using available data. While the Municipality strives for accuracy, some information may be incomplete, approximate, or based on best professional judgment. Updates to the AMP will continue to improve the quality of data and projections over time.

This document is provided for planning purposes only and should not be relied upon for litigation, claims, or other uses beyond its intended scope. Where consultants or third-party data sources have been used, liability is limited to the terms of those professional services agreements. The consultant's role in preparing this document was limited to the consolidation and presentation of available data and Township input, which is the sole basis for information and analysis provided herein.

This Asset Management Plan was developed with support from the Province of Ontario and the Municipal Finance Officers Association of Ontario (MFOA) through the AMP-it-Up 3.0 Program. The information and views contained herein are solely of the authors and contributors.

Contents

Glossary of Terms

Acronyms

AMP	Asset Management Plan
AODA	Accessibility for Ontarians with Disabilities Act
BCI	Bridge Condition Index
CCBF	Canada Community Building Fund
CRV	Current Replacement Value
EUL	Expected Useful Life
GHG	Greenhouse Gas
HCB	High-Class Bituminous
HVAC	Heating, Ventilation, and Air Conditioning
IJPA	Infrastructure for Jobs and Prosperity Act
LCB	Low-Class Bituminous
LOS	Levels of Service
MMS	Minimum Maintenance Standards
MTO	Ministry of Transportation Ontario
O.Reg 588/17 (Regulation)	Asset Management Planning for Municipal Infrastructure
OCIF	Ontario Community Infrastructure Fund
OSIM	Ontario Structure Inspection Manual
PCI	Pavement Condition Index
PM	Preventive Maintenance
RUL	Remaining Useful Life
TCA	Tangible Capital Asset

Definitions

Community Levels of Service	Community levels of service describe how residents and stakeholders experience, value, and assess the quality of municipal services, serving as a basis to evaluate whether community expectations are being met
Expected Useful Life	The expected useful life is the estimated duration during which an asset is anticipated to function effectively and deliver the required level of service
Financial Strategy	The financial strategy outlines the municipality's approach to meeting the requirements of Ontario Regulation 588/17, specifically detailing the costs necessary to maintain existing levels of service for municipal infrastructure assets
Funding Gap	A funding gap occurs when identified investment needs lack dedicated or assigned funding sources to carry out the planned activities required to maintain or improve municipal infrastructure
Levels of Service (LOS)	Levels of Service represent both qualitative descriptions and quantitative technical measures that define the municipality's commitments, standards, and expectations for the performance and reliability of infrastructure assets
Lifecycle Cost	Lifecycle cost refers to the total expenditure associated with an asset throughout its entire lifespan, including all phases such as planning, acquisition, construction, operation, maintenance, renewal, disposal, and the related engineering and design work
Lifecycle Management	Lifecycle management includes the processes and activities involved in overseeing infrastructure assets from planning through to disposal, and may include stages such as acquisition, construction, operation, maintenance, renewal, and associated engineering and design tasks.
Operating Costs	Operating costs represent the total expenses incurred to operate a municipal asset over its service life, which includes energy consumption, labor, materials, and other ongoing operational expenditures
Own Source Revenues	Own source revenues are funds generated directly by the municipality through taxation, licensing fees, user charges, or other municipal-imposed fees
Replacement Value/Replacement Cost	Replacement value (or replacement cost) is the estimated amount required to fully replace an asset with a new one of equivalent capacity and function, at current market prices
State of the Infrastructure	State of the Infrastructure provides a summary overview of the municipality's assets, including information on replacement costs, average asset ages, current conditions, and overall asset health, as required under O.Reg. 588/17
Technical Levels of Service	Technical levels of service consist of specific, measurable indicators used to assess and report whether the community and corporate levels of service targets are being achieved

Executive Summary

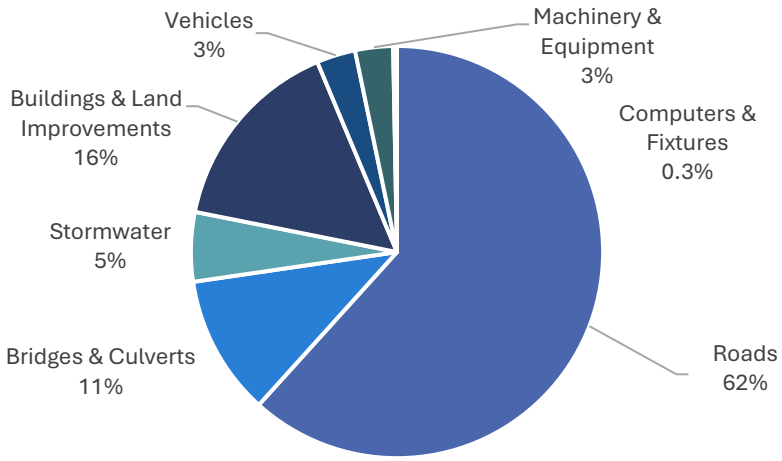
The Township of O'Connor manages a diverse portfolio of public infrastructure assets that provide important services for residents, businesses, and visitors. This portfolio includes Roads, Bridges & Culverts, Buildings & Land Improvements, Vehicles, and Machinery & Equipment. Together, these assets support the local economy, contribute to quality of life, and meet the community's day-to-day needs.

This Asset Management Plan (AMP) outlines the assets owned by the Township, their current condition, financial need, and a strategy to sustain them over the next 10 years. The AMP covers the assets recorded in the Township's Tangible Capital Asset (TCA) register and has been prepared in alignment with Ontario Regulation 588/17: *Asset Management Planning for Municipal Infrastructure*.

Asset Portfolio Overview

The current replacement value of the Township's asset portfolio is estimated to be **$36.4 million** across its seven major asset classes, of which most of the value is in the Township's roadways. A high-level breakdown of assets by value is shown in the chart below, with further details added in Section 2.

Figure 1: O'Connor Asset Portfolio, Percent of Value by Category



The condition and use of municipal assets influences their reinvestment needs over the next 10 years. Overall asset condition is estimated for each asset category and summarized in Section 2 of this report.

Asset Lifecycle Needs

Funding requirements for identified asset lifecycle activities total **$441,333** per year, on average based on values in 2026, over the next ten years. Major cost drivers include the need to replace older Vehicles and Equipment, as well as regular maintenance and upkeep of Roads, Buildings and other assets.

The funding needs total represents an annual reinvestment rate of approximately 1.2% of the Township's asset value, for maintaining and replacing assets as they wear and age, to meet service delivery expectations.

Unfunded Projects

Current funding levels through identified sources, including grants, totals approximately $370,000 per year. This leaves a funding gap of approximately $71,000 per year. This funding gap may be addressed through fundraising, grants, and other financial strategies as outlined in Section 10 of the AMP.

Specific assets requiring investment over the next 10 years but not fully funded through identified sources currently include:

- **Vehicles and equipment:** Replacements - High-value vehicles and equipment, in particular Fire trucks, are reaching or have passed the end of their useful life. These assets are expected to require replacement within the planning period.
- **Bridges and Buildings:** Reserve Funds - Bridge and Building asset repairs and retrofits can be costly when assets or their components fail or reach the end of their life. Reserving funds to offset these peak costs when they emerge is a funding need identified in the plan.

The Township will continue to pursue external sources of funding where possible, to supplement general revenues to cover the costs of all lifecycle activities identified in the AMP to achieve desired levels of service.

In addition, the Township is considering new community facilities, including a Playground and roof over the Rink, which would require additional capital and operating funds if they are procured. These would require additional funding and are not included in the fiscal need forecasts in this AMP.

Continued attention to asset needs, maintenance and repair costs, and seeking out good procurement opportunities when they arise, will help the Township manage its capital spending while maintaining its assets to meet community needs and expectations.

1. Introduction

1.1 Introduction to the Asset Management Plan

The Township of O'Connor (the "Township", "O'Connor", or "Municipality"), located west of Thunder Bay, Ontario, manages a diverse portfolio of municipal infrastructure assets that provide services for residents that also support local economic activity, protect the local environment, enhance quality of life. This Asset Management Plan (AMP) provides a framework for managing the Township's capital assets, including Roads, Bridges & Culverts, Stormwater, Facilities & Land Improvements, Vehicles, and Equipment assets.

The AMP presents an evaluation of asset data, professional assessments, and staff expertise, to identify capital needs to maintain these public services. It provides information regarding municipal assets, the state of infrastructure, investment priorities, and opportunities to strengthen asset management practices.

1.2 O'Connor Municipal Assets in Context

O'Connor is a rural municipality in northwestern Ontario with an area of approximately 108.6 km^2 that is home to 689 residents living in 283 dwellings, according to the 2021 census. Key municipal assets include roadways, bridges and culverts, several buildings and land improvements, vehicles and equipment. This AMP considers how to plan for the sustainable, long-term management of these assets, considering financial, population and environmental considerations.

Population Trends

The population of O'Connor has been relatively stable, with slight decline to 689 residents today from a population of 739 in 1996. The median age has increased to 46 years in 2021 from 42.4 in 2011, indicating an increase in average population age in recent years. Recent trends may point towards an increase in younger families, which may become apparent in the 2026 Census.

Population dynamics affect the management of Township assets in important ways:

- **Growth** can strain existing assets and systems, necessitating capacity upgrades, service expansions, and additional investment, depending on the locations where growth takes place.
- **Decline** may result in underutilized assets, rising per-user costs, and the need to review service levels to maintain affordability.

Overall, population trends suggest demand for municipal services may remain relatively stable over the next 10 years, with possible shifts in demand related to changes in the makeup of the local population.

Climate and Environment

Changes to the local climate and environment will present new challenges to maintaining municipal services, with extreme weather, shifting temperatures, and freeze-thaw cycles affecting asset performance. Events such as storms have immediate impacts and cleanup costs, while long-term stresses can affect maintenance costs for roads, roofs, and other exposed assets.

Overall, infrastructure and capital assets should be maintained in a condition that provides safe and functional services for residents, even in the face of changing service demands and climate-related challenges.

1.3 Asset Management Planning Approach

Ontario Regulation 588/17 requires each municipality complete an evaluation of the current state, condition, and performance needs of their assets. This AMP was developed using the Township's asset data, available consultant reports, and staff input, to assess the infrastructure portfolio, Levels of Service (LOS), and investments required to achieve proposed LOS over the next ten years. It is guided by principles of financial prudence, social responsibility, and environmental sustainability.

The following asset categories are addressed in this AMP:

Figure 1.1: O'Connor – Tangible Capital Asset Categories

Asset Category	Example assets
Roads	Gravel and paved roads
Bridges & Culverts	Bridges and structural culverts (over 3m in diameter)
Stormwater	Non-structural culverts and stormwater channels
Facilities & Land Improvements	Township office, fire hall, disposal site, recreation and community facilities, public works facilities, and cemetery
Vehicles	Fire and Public Works vehicles
Machinery & Equipment	Backhoe, grader, generators, ATVs, and tools
Computers & Fixtures	Computers, software programs, furniture and appliances

For each asset category, the following are outlined:

- *Current and proposed Levels of Service (LOS)*, including technical and community measures.
- *Estimated lifecycle costs* over the next 10 years for maintenance, rehabilitation, and renewal.
- *Financial forecasts* of funding needed to support sustainable long-term asset management.

AMP Contents

The AMP is organized with three main components:

1. **State of the Infrastructure** – Introduces the AMP and summarizes the size, value, and overall condition of the municipality's infrastructure.
2. **Management of Assets** – Provides detailed profiles of each major asset class, including inventory, condition, LOS, lifecycle activities, and financial requirements.
3. **Financial Strategy** – Consolidates investment needs across all asset classes into a 10-year financial outlook and discusses strategies for sustainable funding.

The development of this AMP followed a methodology designed to inform asset management decisions using credible data validated by Township staff. Key components include:

- **Asset Valuation:** Replacement values were derived using historical costs adjusted for inflation or third-party valuations, based on data sources shown in *Appendix B*. For age-based valuations, historical costs were escalated according to the Consumer Price Index since the year of acquisition.

- **Levels of Service (LOS):** Ontario Regulation 588/17 requires municipalities to document both current and proposed *community* and *technical* LOS for all assets:
    - *Community LOS* state residents' priorities and expectations for municipal services.
    - *Technical LOS* metrics quantify how these priorities or expectations are being met.

  LOS statements in this AMP were developed in discussion with municipal staff. They may continue to be refined in future AMP updates. Currently, for all assets the Township proposes to maintain its current level of service, and therefore cost projections to maintain current LOS are aligned with and equivalent to achieving proposed LOS. Continuous monitoring of LOS will assist in evaluating the impacts of asset lifecycle investments and setting priorities for future interventions.

- **Lifecycle Activities:** Lifecycle management includes activities to sustain asset performance throughout its service life, including design, construction, operation, maintenance, renewal, and decommissioning. *O.Reg. 588/17* requires that AMPs identify the lifecycle activities to maintain LOS over 10 years and to estimate associated costs.

- **Asset Financial Requirements:** Financial requirements for each asset class are presented at the end of each section, to estimate funding needed to achieve proposed LOS over a 10-year planning period. These requirements are then used to inform the Financial Strategy in Section 8.

Condition Assessment Methodology

Asset condition is reported in this AMP using available information – where possible, asset condition is drawn from recent technical assessments by professionals or staff. Where such data is not available, age-based estimates were applied using the methodology detailed in *Appendix C* and outlined below:

- **Formal Condition Assessments:** Inspections with needs assessments have been completed by professional engineers for Bridges & Culverts, and by staff for Buildings and Roads. The detailed condition information available for these assets is used to assess their condition in this AMP.

- **Age-Based Condition Estimates:** Where qualified condition assessments are not available, asset condition is estimated in this AMP based on the asset's current age and its expected useful life (EUL).

Figure 1.2: Age-Based Condition Rating Methodology

Condition Rating	Remaining Useful Life
Very Good	80% or higher
Good	60% to 79%
Fair	40% to 59%
Poor	20% to 39%
Very Poor	Less than 20%

The table above shows asset condition ratings based on asset age as a proportion of their total EUL. Assets beyond their EUL in this report are noted as being in 'Very Poor' condition. Staff may evaluate the actual condition of these assets as part of planning for their replacement, based on visual inspections and performance relative to need.

Continuous Improvement

This AMP provides a snapshot of asset information available in 2025-2026. Asset needs and conditions are constantly changing, and asset planning capacity also evolves through improvements to asset data, technology, and management practices.

As better condition assessments, refined valuation methods, and enhanced LOS tracking become available, future updates to the AMP will continue to strengthen the municipality's ability to plan and manage its infrastructure in a transparent, cost-effective, and sustainable manner. Updates will also reflect evolving strategic objectives to continue reflecting the Township's financial and policy priorities.

1.4 Data Sources

This AMP was developed using the most current and reliable asset information available at the time of preparation. Key data sources include:

1. **Technical Reports and Studies**
    - Professional reports on specific assets, evaluating asset condition, rehabilitation needs, and timelines for renewal.
    - Reports were recently completed for the Township's Bridges & Culverts and are completed every two years on a rotating schedule
2. **Tangible Capital Asset (TCA) Register**
    - Asset acquisition dates, estimated replacement values, and asset classifications.
    - Asset age information can be used to infer asset condition when professional evaluations are unavailable.
    - Where possible, TCA information was updated during the preparation of this AMP to reflect validated asset inventories and revised lifecycle activity needs.
3. **Financial Records and Capital Plans**
    - Municipal financial statements since 2019 show historical capital expenditures, reserves, and funding allocations that give an indication into the Township's financial capacity.

Data from these sources was combined to define and assess current asset conditions, supporting informed decision-making and prioritization of investments across asset classes. Preference has been given to verified and recent data to ensure the integrity of this AMP. Further details on data sources and methodology are provided in *Appendix B*.

1.5 Limitations of the AMP

A common challenge in asset management is the reliability of underlying data. While this AMP uses the best available information, data should be considered a reflection of the municipality's current asset records and subject to refinement as new information becomes available. Efforts to strengthen data

collection and analysis will support more accurate and informed decision-making in future AMP updates. Along with data limitations, other key limitations include:

- **Estimates for Asset Replacement Values:** Replacement cost estimates in this AMP provide indicative values for planning purposes. Actual costs for construction, rehabilitation, or acquisition will vary and be determined at the time of procurement. These estimates allow the municipality to understand the scale of expected capital investment in the coming 10 years.
- **Useful Life Projections:** Estimated remaining useful lives are derived from asset age, type, and municipal experience. Actual performance may differ due to factors such as usage intensity, environmental conditions, and maintenance practices. Regular asset condition assessments are essential for validating and refining these estimates.
- **Lifecycle Activity Assumptions:** Lifecycle forecasts are based on municipal staff input and calculated values based on Township policy. They do not consider specific details of condition, operational environment, or maintenance history, which affect asset capital planning.
- **Unforeseen Events and Changing Conditions:** Future events including extreme weather, usage shifts, or regulatory changes may impact asset performance and service demand in ways not anticipated in this AMP. These events may alter maintenance, rehabilitation, or replacement needs from the forecasts herein.

The quality of analysis is supported by quality data, which is used to determine lifecycle plans, to prepare expenditure forecasts, and ultimately to assess the Township's ability to sustainably meet proposed Levels of Service.

2. State of the Infrastructure

The State of the Infrastructure is an overview of the major capital assets owned and operated by the Township of O'Connor. As an introduction to the details of each asset category in the Township's asset portfolio, it outlines high-level facts including current replacement value, asset age, and asset condition investment needs. The data in this section is a snapshot of trends across the asset portfolio, to be assessed in greater detail in the sections that follow, for each asset class.

2.1 Asset Overview

O'Connor manages infrastructure assets with an estimated current replacement value of approximately $36.5 million across all asset categories included in this AMP.

Figure 2.1: Township Asset Value by Category

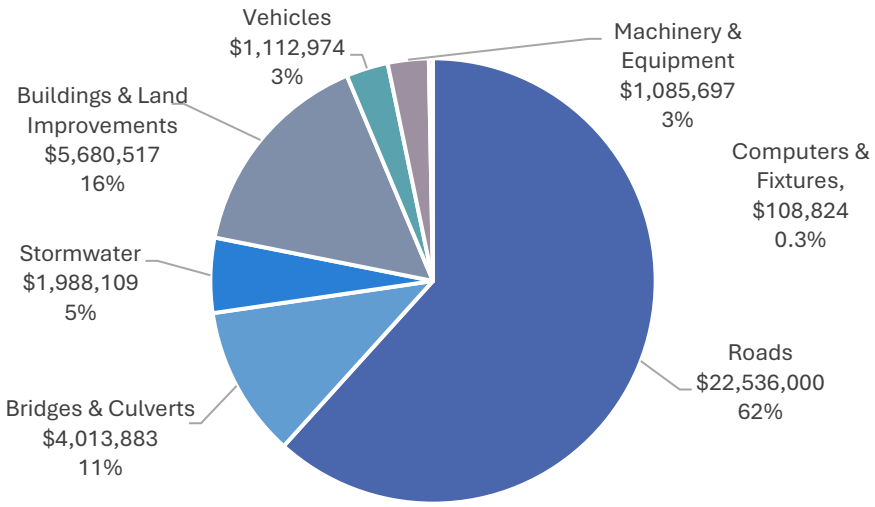


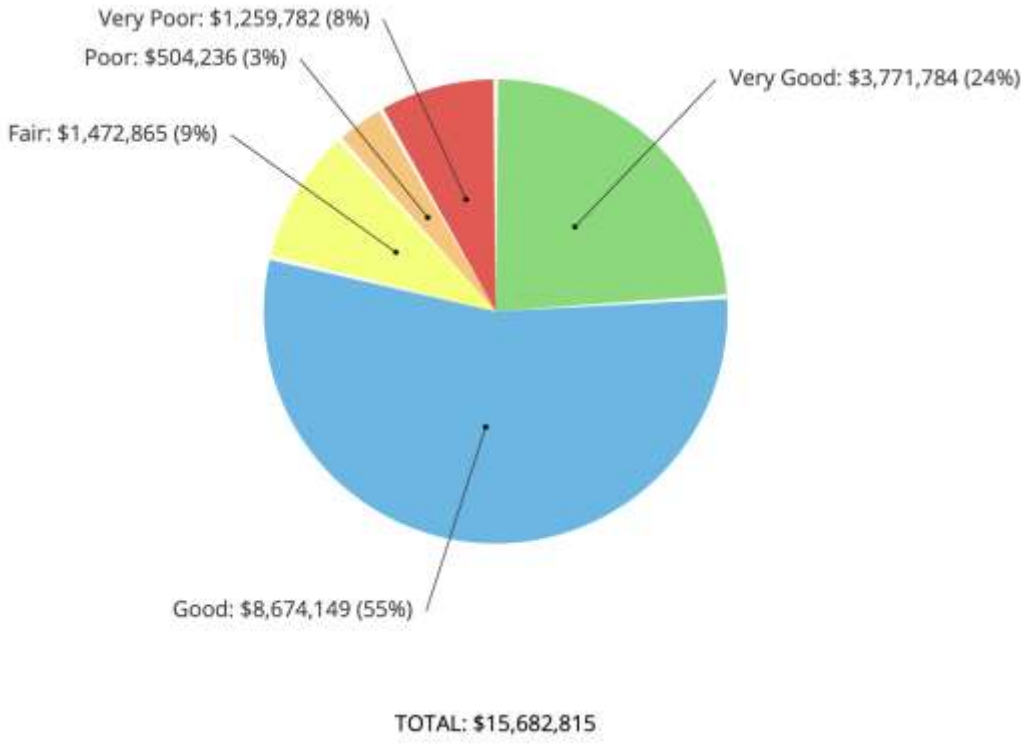
Figure 2.1 shows the relative value of each category of assets that the municipality owns. Roads are by far the most valuable asset category, with an estimated replacement value of approximately $22.5 million that accounts for over 60% of Township total asset value. Bridges & Culverts and Stormwater assets also support the road network, together with Roads these transportation-related assets represent $28.5 million or 78% of the Township's total assets by value. The following sections provide further details on the replacement value, condition, and planned lifecycle activities for each of these asset categories.

2.2 Asset Condition

The condition of the Township's assets has an important influence on the need for reinvestment. Asset condition has been assessed by professionals or Township staff in recent years or estimated according to the age-based methodology presented in *Appendix C*. A graph presenting an overview of the Township's

asset condition, for assets with a combined value of approximately $15.7 million included in the condition assessment, is presented in Figure 2.2.

Figure 2.2: Asset Condition, Assessed Assets, Overall



The graph above shows the condition relative to value of those assets that have been evaluated by professionals, by staff, or based on age. Overall, most of the assets that have been evaluated are rated or estimated to be in Good to Very Good condition. Among assets evaluated for condition, 89% are rated as Fair or better, while assets in Poor or Very Poor condition comprise just 11% of the Township's assessed assets. These include Vehicles, Equipment, Computers and Fixtures that have surpassed their expected useful life and may need replacement.

The above graph excludes the condition and value of road sub-bases, which account for a significant proportion of the Township's total asset value. However, the road sub-bases are not regularly replaced. Most assets that community members and Township staff interact with on a regular basis have their condition included in the assessment above.

These condition ratings are used to inform lifecycle planning and investment priorities in this AMP. Service capacity, reliability, and resilience of assets are all closely related to asset condition.

2.3 Portfolio Summary

A key objective of the AMP is to estimate the Lifecyle Activities and funding required to maintain assets and achieve proposed Levels of Service for the next 10 years. Table 2.1 below shows an overview of assets for each of the six asset classes. Annual funding needs demonstrate the average annual funding

estimated as required for major maintenance, rehabilitation, and replacement activities for each asset class, in year of expenditure, from 2026 to 2035.

The specific lifecycle activity requirements that form the basis of these annual funding needs are outlined in the subsequent sections of the AMP, for each asset class. Data sources used to develop these estimates are detailed in *Appendix B*.

Figure 2.3: Municipal Asset Portfolio Summary

Asset Category	Current Replacement Value (2025 Est.)	Quantity / Inventory of Assets	Average Expected Lifespan	Annual Funding Need (Average Estimate)
Roads	$22,536,000	68.4 km	8-12 years gravel surface	$142,250
Bridges & Culverts	$4,013,883	3 Bridges 7 Structural Culverts	30-45 years	$47,737
Stormwater	$1,988,109	268 Culverts	30 years	$45,000
Buildings & Land Improvements	$5,680,517	8 Structures	43 years	$24,800
Vehicles	$1,112,974	6 Vehicles	16 years	$84,000
Machinery & Equipment	$1,085,697	24 Assets	13 years	$84,100
Computers & Fixtures	$108,824	28+ Assets	5-10 years for computers, printers	$13,446
Total	**$36,526,004**	**-**	**-**	**$441,333**

Figure 2.3 displays the estimated asset value, inventory, expected useful life, and average annual funding need for each of the Township's asset classes over the next 10 years.

The top three asset categories driving the Township's funding needs include the regular maintenance of Roads, procurement of Machinery and Equipment assets (for renewal and replacement), replacement of Vehicle assets (including Fire vehicles) as required during the planning period.

This figure presents a high-level view into funding requirements to achieve the Township's proposed levels of service. Actual funding needs will depend on the projects that are approved in the Township's capital budgets and on supplier prices at the time of purchase.

3. Roads

The Municipality's road infrastructure includes gravel roads and one asphalt surfaced road. These assets enable the safe movement of people and goods. Road operations are to comply with Ontario's regulatory framework, including:

- *Ontario Highway Traffic Act (HTA)*
- Minimum Maintenance Standards for *Municipal Highways (O. Reg. 239/02)*
- Municipal by-laws and design standards governing construction, maintenance, and traffic safety

The Township's existing road network consists of 68.4 linear km of roads, mainly gravel roads with one asphalted road. Municipal roads may be considered Class 4 to 6 for Ontario Minimum Maintenance Standards, under O.Reg 239/02. Values and costs in this section are calculated based on Township experience with recent costs incurred for roadway projects.

3.1 Asset Overview

The Municipality's Road infrastructure is comprised mainly of gravel roads. The estimated replacement value of road assets is approximately $22.5 million, as calculated based on an average replacement value per linear kilometer of $300,000 for new base and sub-base, $280,000 for asphalt surface, and $25,000 for gravel road surface.

Figure 3.1: Inventory Overview - Roads

Road Type	Length	Installation Cost, per km	Current Replacement Value (2026 Est.)	% of Assets in Fair or better Condition
Gravel Surface	67.2 km	$25,000	$1,680,000	91.4%
Asphalt Surface	1.2 km	$280,000	$336,000	98%
Base & Sub-Base	68.4 km	$300,000	$20,520,000	N/A
Total	**68.4 km**	**-**	**$22,536,000**	**92.5%**

The Township paved one road in late 2024. Updated asset information and lifecycle needs on this paved road segment will be included in the next iteration of the Township's AMP.

Asset Condition

Road asset condition ratings are based on staff inspections completed during Summer 2025. The condition chart for roads is on the following page.

Figure 3.2: Asset Condition – Road Surfaces

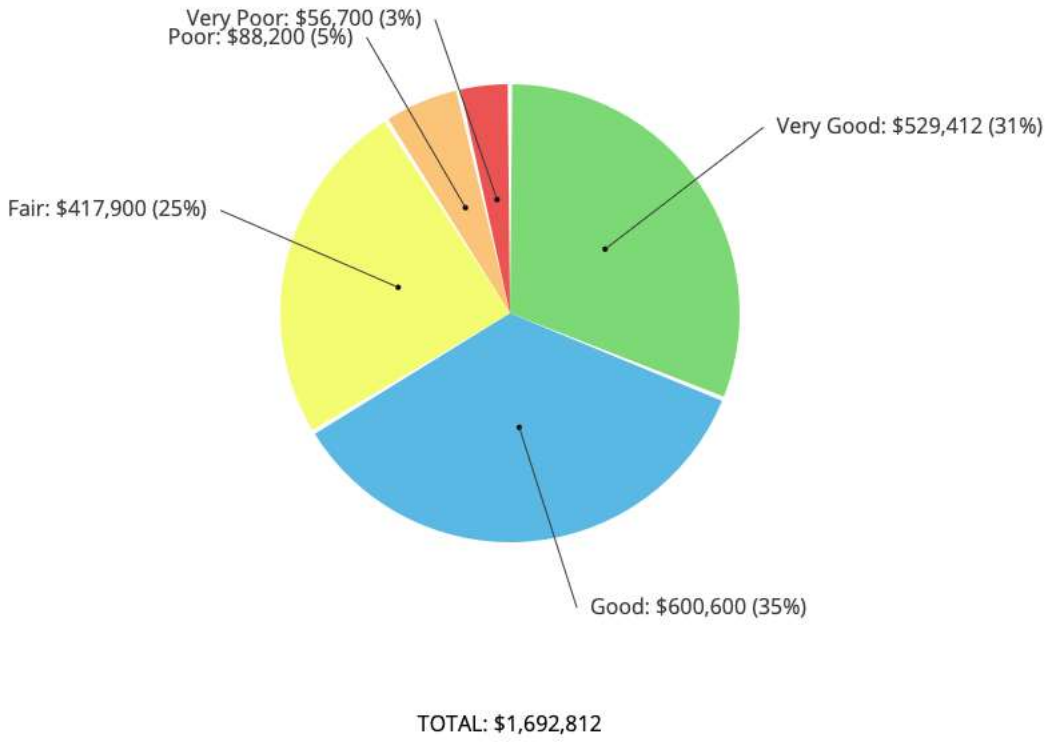


Figure 3.1 shows the distribution of road surface condition, with road surfaces predominantly in Good and Very Good condition. Discrepancies in the value of road surfaces in the condition graph, above, and the calculated total value of road surfaces in Table 3.1 are related to individual asset record details, as compared to the estimated replacement value based on roadway length.

- The road network is overall in good condition, with an average surface condition rating of *69* (*good*).
- Approximately 66% of gravel road surfaces are in *good or very good* condition, with approximately 91% of gravel roads rated as *fair* or better.

A limited number of the Township's road assets are dead-end roads, providing access to only a few properties, that are not regularly maintained by the Township.

Figure 3.3: Images of Asset Condition - Roads

 **Very Good - Asphalt**	 **Very Good - Gravel**	 **Good**
 **Fair**	 **Poor**	 **Very Poor**

The images in Table 3.3 demonstrate roads of various qualities in the Township. These images also respond to the Levels of Service - Quality statement in Table 3.4.

3.2 Levels of Service (LOS)

O. Reg. 588/17 provides a set of LOS tables for municipalities to report on *Community* and *Technical* Levels of Service for Road assets, using defined metrics and criteria.

The Township's current and proposed, community and technical LOS are as shown in the following tables.

Figure 3.4: Community LOS – Roads

Attribute	Description	Current LOS	Proposed LOS
Scope	Description, which may include maps, of the road network in the municipality and its level of connectivity.	See map in Appendix A	Same as current, with potential for future additions
Quality	Description or images that illustrate the different levels of road class surface condition.	See images in Table 3.3	Follow Provincial Minimum Maintenance Standard

Figure 3.5: Technical LOS – Roads

Attribute	Metric	Current LOS	Proposed LOS
Scope	Number of lane-kilometres of each of arterial roads, collector roads and local roads as a proportion of square kilometres of land area of the municipality.	Local: 1.26 lane-km per km² (136.8 lane-km / 108.6 km² area) Collector: 0 Arterial: 0	Maintain the extent of the current road network
Quality	1. For paved roads in the municipality, the average pavement condition index value. 2. For unpaved roads in the municipality, the average surface condition (e.g. excellent, good, fair or poor).	1. Paved Road PCI = 98 2. Unpaved Surface Condition = 69.0 (Good)	1. TBD. Traffic on this road includes heavy trucks and industrial vehicles, with a high volume of traffic. 2. Maintain unpaved road surface condition average across the network at 60 or above.

**Note:* One section of roadway was paved with asphalt in late 2024 and assessed for condition in January 2026. The Township has not yet proposed a Level of Service for maintaining this section of roadway, but is currently identifying maintenance practices suited to high-volume truck traffic.

3.3 Lifecycle Activities

Effective lifecycle management assists in retaining road asset value and meeting proposed service levels, while managing costs over the lifespan of road network assets.

Key lifecycle activities include the following:

- **Maintenance**
  - Routine pothole repairs of gravel roads and calcium treatment to extend surface life.
  - Regular inspection and maintenance of roadside ditches, culverts, and shoulders to maintain drainage capacity.
  - Winter control operations, including snow plowing, sanding, and salting, to maintain safe road conditions.
- **Rehabilitation**
  - Resurfacing of surface treated roads using overlays, slurry seals, and other treatments to extend treated surface life.
  - Structural rehabilitation of deteriorated road sections and drainage features.
  - Re-gravelling and applying dust suppression coating for gravel roads based on usage and wear.
- **Replacement and Disposal**
  - Full-depth reconstruction of roads when rehabilitation is no longer cost-effective or does not address safety concerns and/or other needs.
  - Replacement of culverts and drainage structures nearing end-of-life.
  - Environmentally responsible recycling and disposal of pavement and granular materials.
- **Network Expansion and Improvements**
  - Adoption of newly treated or gravel roads following new developments.
  - Strategic upgrades to road geometry, drainage, and structures to improve safety and performance.

This lifecycle framework promotes proactive planning and risk-based prioritization, to maintain quality services across the road network in line with proposed LOS.

Asset Financial Requirements

Sustaining safe and reliable road infrastructure requires ongoing investment in maintenance, rehabilitation, and renewal. Key planned works over the next 10 years include:

- Routine re-gravelling of high-use gravel roads and upgrades to improve durability and longevity.
- Related drainage and brushing activities are recorded in the Stormwater section that follows (Section 5).

Figure 3.6: Annual Lifecycle Activities – Roads

Road Type	Activity	Total Roadway Length	Annual Rehabilitation	Cost per km	Annual Cost, 2026
Gravel	Regrading, new gravel lifts	67.2 km	As needed	$25,000	$160,000
Asphalt	Crack sealing, pothole filling, line painting	1.2 km	As needed	TBD	TBD

Figure 3.6 shows the average annual rehabilitation funding needs for roadway surfaces, based on staff indications of the current cost to rehabilitate sections of gravel roads, and historical budget allocations. Note, maintenance of newly paved roads will require additional budget as that asset ages and wears.

The Township identified road maintenance and upkeep projects that require funding in the coming years, outlined in Figure 3.7

Figure 3.7: Planned Works, 2026-2029 – Roads

Road Name	Roadway Length, km	Cost, Est.	Year	Notes
Pool Rd	1.6	$40,000	2026	Hwy 590 to Cronk
Earl Rd	1.6	$40,000	2026	Hwy 595 to Sitch
Broome Rd	1.6	$40,000	2026	Hwy 595 to Garbutt
Holomego Rd	1.6	$40,000	2026	Hwy 595 to Garbutt
Earl Rd	3.2	$82,000	2027	Allan to Sitch
Smith Rd	1.6	$42,000	2027	E of Hwy 595
Sitch Rd	3.2	$84,000	2028	Connolly to Earl
Rosengren Rd	0.3	$5,000	2028	W of Sitch
Broome Rd	1.6	$42,000	2028	Garbutt to Cedar Falls
Wheal Rd	0.8	$25,000	2029	E of Allan
Holomego Rd	1.6	$42,000	2029	E of Garbutt
Allan Rd	1.6	$42,000	2029	Earl to Wheal
Connolly Rd	1.6	$45,000	2029	Hwy 595 to Sitch

These investments respond to projected needs, aim to maintain a safe and reliable road network, and respond to community expectations for road service quality. Costs are estimated based on recent projects. Actual costs may vary, and projected costs may increase with each coming year. Actual project implementation will depend on budget approvals and costs at the time of each project.

Figure 3.8: Annual Funding Needs Projection - Roads

Year	2026	2027	2028	2029	Annual Average
Funding $	$160,000	$124,000	$131,000	$154,000	**$142,250**

Table 3.8 outlines the annual funding needs to maintain road levels of service for the coming years, based on planned works in Table 3.7. On average, the Township expects an annual roadway funding allocation of **$142,250** per year over the forecasted period.

4. Bridges and Culverts

The Municipality owns and maintains a set of bridges and culverts that provide transportation links and permit the flow of watercourses. These assets support community connectivity and should comply with Ontario's regulatory framework, including:

- *Ontario Public Transportation and Highway Improvement Act (PTHIA),* O. Reg. 104/97
- *Ontario Structure Inspection Manual (OSIM)* standards for bridge and culvert inspections

Under PTHIA standards for bridges, the structural integrity, safety and condition of every bridge shall be determined by an inspection in accordance with the Ontario Structure Inspection Manual (OSIM) every two years. It also states that every bridge shall be kept safe and in good repair.

4.1 Asset Overview

The Municipality's Bridge and Culvert portfolio includes 3 bridges and 7 structural culverts (over 3 m in diameter), as well as components such as guardrails and embankments. For AMP purposes, typical useful lives are estimated at up to 60-75 years for bridges and 35-50 years for major culverts.

Figure 4.1: Inventory Overview – Bridges and Culverts

Inventory of Assets	Current Replacement Value (Est)	Average Age (Years)	Remaining Useful Life (Est avg %)	% of Assets in Fair or Better Condition
3 Bridges 7 Culverts	$4,013,883	33 years	28%	100%

Asset Condition

Bridge and Culvert condition ratings are assessed every two years by a qualified professional to comply with OSIM-mandated inspection processes. The Township's last inspections were completed in 2024 and 2025 by JML Engineering.

Key findings of those inspections are summarized in the following figures:

Figure 4.2: Asset Condition – Bridges and Culverts

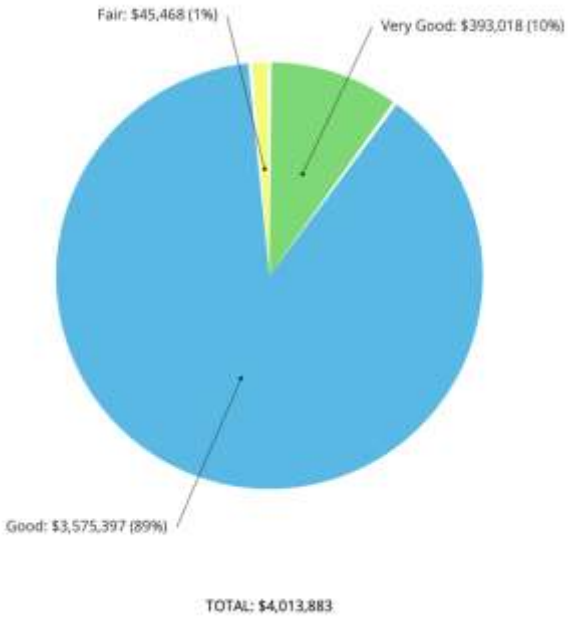


Figure 4.2 shows the Township's Bridge and Culvert conditions by value, with the following observations:

- Most structures are noted as being in Good or Very Good condition.
- A numerical Bridge Condition Index (BCI) is provided and used in the LOS figures below.

Figure 4.3: Images of Asset Condition – Bridges and Culverts

Bridges	 **Bridge - Good**	 **Bridge - Good**	 **Bridge - Fair**
Culverts	 **Culvert - Very Good**	 **Culvert - Good**	 **Culvert - Good**

Table 4.2 presents images as examples of O'Connor Bridges and Culverts. Condition has an important bearing on asset rehabilitation and replacement needs.

4.2 Levels of Service (LOS)

The regulation *O. Reg. 588/17* provides Community and Technical Levels of Service metrics for Bridges and Culverts, while the municipality may opt to add its own metrics to assess the performance of these assets.

Figure 4.4: Community LOS – Bridges and Culverts

Attribute	Description	Current LOS	Proposed LOS
Scope	Description of the traffic that is supported by municipal bridges (e.g., heavy transport vehicles, motor vehicles, emergency vehicles, pedestrians, cyclists).	Heavy transport, motor, and emergency vehicles. Some bridges are used by pedestrians and cyclists.	Maintain support for current traffic levels.
Quality	1. Description or images of the condition of bridges and how this would affect use of the bridges. 2. Description or images of the condition of culverts and how this would affect use of the culverts.	Images are provided in Figure 4.3, above. Condition does not restrict the use of bridges and culverts.	Conduct regular inspections as required and complete maintenance as recommended by qualified professionals.

Figure 4.5: Technical LOS – Bridges and Culverts

Attribute	Metric	Current LOS	Proposed LOS
Scope	Percentage of bridges in the municipality with loading or dimensional restrictions.	Smith Road Bridge No. 2 has loading restrictions. The rest do not.	Maintain current bridge and culvert performance.
Quality	1. For bridges in the municipality, the average bridge condition index value. 2. For structural culverts in the municipality, the average bridge condition index value.	Bridge BCI: 74 Culvert BCI: 75	Maintain BCI in compliance with regulatory requirements.

4.3 Lifecycle Activities

Proactive lifecycle management will allow bridges and culverts to provide safe, reliable, and cost-effective service throughout their lifespan, including the following key activities:

- **Maintenance**
  - Routine inspections in accordance with Ontario Structure Inspection Manual (OSIM) requirements.
  - Periodic cleaning of drainage channels, joints, and bearing assemblies to prevent deterioration. Debris and sediment removal, vegetation management.
- **Rehabilitation**
  - Structural repairs to decks, superstructures, and substructures extending useful life.
  - Concrete patching, bearing replacement, joint sealing, and corrosion protection for steel components.
- **Replacement and Disposal**
  - Replacement of bridges and culverts where rehabilitation is no longer cost-effective.
  - Full reconstruction of end-of-life structures, including upgrades to meet current design and loading standards.

These Lifecycle Activities, over the lifecycle of these assets, serve to reduce unplanned closures, schedule capital investments when needed, and maintain compliance with regulatory standards.

Asset Financial Requirements

Maintaining safe and reliable bridge and culvert infrastructure requires ongoing investment over the asset lifecycle. The JML Engineering reports outline specific projects to repair, rehabilitate, and maintain the Township's bridges and culverts over the next 5 years with costs estimated up to $398,600.

Township staff reviewed the recommendations from the inspectors and provided a forecast investment requirement, based on Township costs to complete the required works, as follows:

Figure 4.6: Lifecycle Funding Needs – Bridges and Culverts

Bridge / Culvert	Lifecycle Activity (LCA)	LCA Year	LCA Cost
Garbutt Road Culvert at Cedar Creek	Refasten cable, remove beaver dam and brush	2026	$525
Harstone Road Culvert at Cedar Creek	Replace damaged guiderail and delineator	2026	$2,097
Blaikie Road Bridge No. 1	Repair guiderail and remove gravel	2026	$8,698
Smith Road Bridge No. 3	Repair curb, guiderail and posts	2026	$1,330
Smith Road No. 2 Bridge	Repair or replace surface planks, curbs, guide rails, protection and signage	2026	$33,516
Holomego Road Culvert	Replace posts, maintain barrel and remove alders	2027	$3,609

Sitch Road Multiplate Culvert	Debris and signage	2027	$745
Broome Road Culvert at Cedar Creek	Repair guiderail, vegetation, tieback plate	2027	$760
Harstone Road Concrete Culvert at Cedar Creek	Maintain cables and remove vegetation	2028	$855
Smith Road Bridge No. 3	Remove debris and provide rock protection	2028	$1,913
Earl Road Concrete Box Culvert at Beaver Dam Creek	Replace posts, maintain guiderail and surface	2029	$3,766
Blaikie Road Bridge No. 1	Patch and repair steel, concrete, and expansion joints	2030	$64,000
Smith Road Bridge No. 3	Replace wearing surface, jack bridge and provide new bearings	2035	$155,555
Total (2026-2035)			**$277,369**

The above works are based on cost estimates to complete works in the Township's 2024 and 2025 Bridge Condition Assessments. The total forecast cost is $277,369, averaging $27,737 per year in specific, costed expenses identified as of 2026.

Bridge and Culvert Reserves

Bridges and Culverts are high-value assets that require regular maintenance and inspections, as regulated by the Province. Stringent maintenance is required to avoid risks including weight limitations and bridge closures, which could result in lengthy detours or even loss of access to certain properties.

Bridges may have service lives of 50 years or more, but when renewal or replacement is required, costs can be substantial. In addition to completing the works above, a modest reserve of 5% of the value of bridges or $200,000 can be built over the next 10 years, through a contribution of $20,000 per year. Future investment needs may be difficult to predict, therefore, these reserve funds will help offset large financial pressures when a bridge or culvert requires major works in the future.

Together, the $27,737 in identified annual costs and $20,000 in reserve funding this creates an annual funding need of **$47,737** for Bridge and Culvert assets.

5. Stormwater

O'Connor owns and maintains a set of culverts and related ditches, inverts, and outflows, for the management of stormwater, specifically around Township roads. Stormwater assets are to be managed in compliance with Ontario's regulatory and safety framework, including:

- *Ontario Water Resources Act (ORWA):* Regulates discharges that impair water quality
- *Drainage Act:* Requirements for the maintenance of municipal drains
- *Acts and standards* related to the protection of fisheries, Conservation Authorities, as relevant.

5.1 Stormwater Overview

The Municipality's stormwater assets comprise non-structural culverts, as well as ditches and other assets supporting the conveyance of stormwater from public roadways.

Figure 5.1: Inventory Overview – Stormwater

Asset Category	Count of Assets	Current Replacement Value (Est.)	Average Assessed Condition (Est.)
Culverts (Non-Structural)	268 Culverts	$1,988,109	Good

Asset Condition

Culvert condition ratings are based on staff assessments, or where condition assessments are not available, based on age of asset relative to expected useful life. Most culverts are assessed as being in **Good to Very Good** condition. Further details on asset condition will be added as data becomes available.

5.2 Levels of Service (LOS)

The Municipality has defined a set of LOS to monitor stormwater assets for their continued use:

Figure 5.2: Community LOS – Stormwater

Attribute	Description	Current LOS	Proposed LOS
Scope	Description, which may include maps, of the user groups or areas of the municipality that are protected from flooding, including the extent of the protection provided by the municipal stormwater management system.	The municipal stormwater system protects its roadways from flooding and is located along and through the roads.	Municipality will continue to maintain ditches, culverts, and watercourses to protect the roadways.

Figure 5.3: Technical LOS – Stormwater

Attribute	Metric	Current LOS	Proposed LOS
Suitability	1. Percentage of properties in municipality resilient to a 100-year storm. 2. Percentage of the municipal stormwater management system resilient to a 5-year storm.	1. To be determined. Whitefish River is at risk of overflowing its banks in the spring. Harstone, Blaikie and Diana Road are at risk of flooding due to overland flooding. 2. Overland flooding occurs almost annually, exceeding the capacity of the storm system and local drainage.	Periodic, localized flooding may continue, but the Township is exploring solutions to protect roadways from erosion due to flooding. As culverts are replaced, they will be assessed for capacity increase and may be upsized.

Tables 5.2 and 5.3 outline metrics with current and proposed LOS for Stormwater assets.

5.3 Lifecycle Activities

Lifecycle management supports the continued safety, functionality, and cost efficiency of the Municipality's stormwater infrastructure. Lifecycle activities include:

- **Maintenance**
  - Routine inspections (visual condition, blockage, erosion, inlet/outlet stability).
  - Cleaning and debris / sediment removal to maintain hydraulic capacity.
  - Minor repairs (spot erosion control, joint sealing, end treatment upkeep).
- **Rehabilitation**
  - Structural repairs or lining (e.g., patching, sliplining, invert repair).
  - Inlet/outlet upgrades (headwalls, aprons, erosion protection).
  - Ditch regrading or reshaping to restore drainage function and stability.
- **Replacement or Disposal**
  - Full culvert replacement due to structural failure, undersizing, or end-of-life.
  - Realignment, resizing, or material change to address capacity or risk issues.
  - Decommissioning or infilling where drainage is no longer required.

Lifecycle planning is guided by condition to support continuity of drainage services.

Asset Funding Needs

The Township's stormwater assets require regular investment in maintenance and rehabilitation to maintain levels of service. The Township has forecast a need of $30,000 per year for ditching and brushing along roadways, and $15,000 for culvert repairs and replacements to maintain stormwater flows. The annual financial requirement estimated by the Township for its stormwater assets is **$45,000 annually,** including the maintenance of minor culvert assets.

6. Buildings & Land Improvements

O'Connor owns and maintains a portfolio of municipal buildings and land improvements that support administrative, public works, fire, recreation and community services. These assets exist to provide safe, functional, and accessible spaces for municipal staff, residents and visitors. Facilities are to be managed in compliance with Ontario's regulatory and safety framework, including:

- *Ontario Building Code (OBC)* – structural, safety, and design standards
- *Fire Protection and Prevention Act (FPPA)* – fire safety system maintenance and operations
- *Accessibility for Ontarians with Disabilities Act (AODA)* – accessibility for public-facing buildings
- *Occupational Health and Safety Act (OHSA)* – health and safety of municipal staff and visitors

The municipality may also follow its own by-laws and facility operating procedures.

6.1 Buildings & Land Improvements Overview

The Municipality's Buildings include an administrative office, public works office and garage, recycling building and afire hall. Components of buildings include mechanical and electrical items, and other building upgrades.

Land Improvements include the Township's baseball diamond, skating rink and rink shack, wells and septic. As of 2026, their combined replacement value is estimated at **$5.68 million**.

Figure 6.1: Inventory Overview – Facilities

Asset Category	Count of Assets	Current Replacement Value (Est.)	Average Assessed Condition (Est.)
Buildings	8 Structures 10 Components	$5,491,397	76%
Land Improvements	9 Improvements	$189,120	75%
Total	27 Assets	$5,680,517	76%

Asset Condition

Building and Land Improvement condition ratings are based on staff assessments of facility condition, or where condition assessments are not available, based on age of asset relative to expected useful life.

Figure 6.2: Asset Condition – Buildings

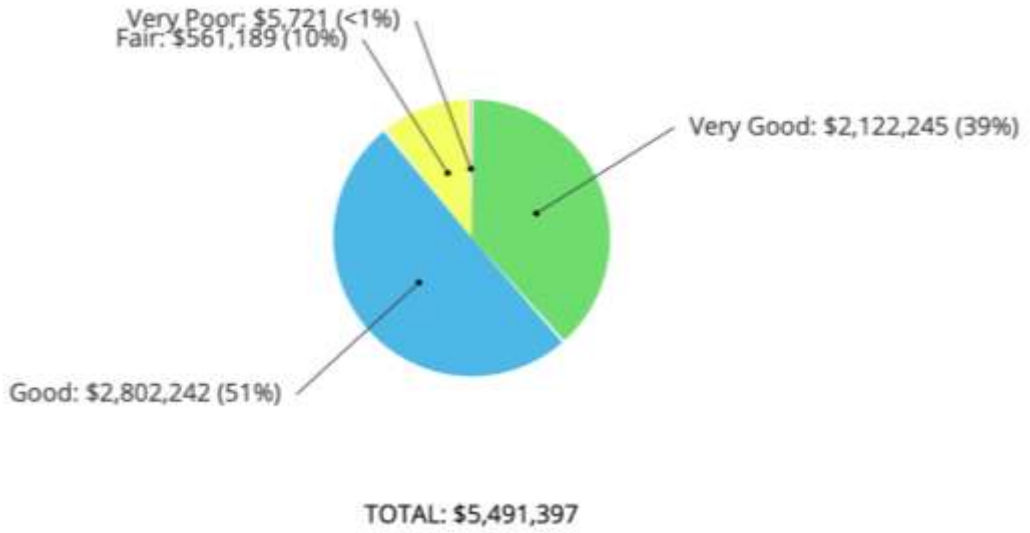


Figure 6.2 illustrates the distribution of asset conditions across Buildings, based on staff assessments of building condition with details regarding asset condition and pending asset maintenance needs. Most facilities are assessed as being in **Good to Very Good** condition. Not all Land Improvements have a current condition assessment, therefore condition details are not provided in this report. Staff estimate that Land Improvement assets are generally in **Good** condition.

6.2 Levels of Service (LOS)

The Municipality has a set of LOS for its Buildings and Land Improvements:

Figure 6.3: Community LOS – Buildings and Land Improvements

Attribute	Description	Current LOS	Proposed LOS
Service	List of services required to be provided by municipal buildings and land improvements.	Council Chambers and Administrative Office Fire Hall Community Centre Outdoor Recreation Space Landfill Cemetery Garage and Storage Buildings	Municipality continues to provide suitable facilities to enable these activities.
Quality and Suitability	Description of key criteria to consider buildings and land improvements to be suited to purpose.	**Condition** – free from structural defects or health and safety hazards **Accessibility** – contains elements compliant with AODA standards **Suitability** – of a suitable size and layout to support its intended function	Municipality will work toward facilities in a state of good repair, with appropriate accessible elements, and suited to purpose.

Figure 6.4: Technical LOS – Buildings and Land Improvements

Attribute	Metric	Current LOS	Proposed LOS
Quality and Suitability	Number and list of assets with identified suitability, condition, or accessibility issues and a description of their deficiency.	Staff identified buildings with limitations to meeting service needs: • Annex Building: Condition • Fire Dept Cold Storage: Suitability	The Township will work towards reducing these deficiencies as budgets allow.

Figures 6.3 and 6.4 outline the Township's LOS metrics as well as current and proposed LOS for Buildings and Land Improvements.

6.3 Lifecycle Activities

Lifecycle management supports the continued safety, functionality, and cost efficiency of the Municipality's Buildings and Land Improvements. Continued service relies on preventive maintenance and timely rehabilitation. Lifecycle activities include:

- **Maintenance**
  - Regular inspections, minor repairs and preventive maintenance.
  - Scheduled cleaning and servicing of HVAC, plumbing, and electrical systems.
  - Routine upkeep of recreational facilities, including monthly safety inspections of recreation area and fixed equipment.
- **Rehabilitation**
  - Renewal of building envelopes (roofs, siding, windows) and mechanical systems approaching end-of-life.
  - Upgrades for accessibility, energy efficiency, and compliance with safety standards.
  - Rehabilitation of common spaces, HVAC systems, and recreational facilities to support continued community use.
- **Replacement or Disposal**
  - Full rehabilitation, replacement or removal of facilities that have reached the end of their structural life or no longer meet operational needs.
  - Planned renewal of recreational improvements, structures, and fixed equipment to maintain safety and usability.

Lifecycle planning is guided by asset age, condition, maintenance histories, and operational risk to support cost-effective reinvestment and service continuity.

Asset Financial Requirements

The Township has identified the following specific lifecycle activity expenses to maintain its Building and Land Improvement assets over the coming 10 years:

Figure 6.5: Asset Lifecycle Needs – Facilities and Land Improvements

Asset	Install Year	Lifecycle Activities	Planned Year	Forecast Cost
Community Centre	1949	Flooring Repairs Accessibility improvements	2028	$35,000
Multiple Facilities	-	Lighting improvements	2027	$8,000
Fire Hall	1991	Furnace replacement	2027	$15,000
Garage Annex	1920	Remove / dispose	2035	-
Municipal Garage	1971	Furnace replacement	2026	$30,000
Baseball diamond	1999	Repairs to fencing, equipment, lighting and dugouts	2027	$20,000
Facilities Total				**$108,000**

The Township estimated funding needs for identified capital requirements averages **$10,800 per year**.

Potential New Assets

The Township is considering developing two new Buildings and Land Improvement assets that, if implemented, may represent an increase to service levels. These projects are a new Playground and a Roof over the Rink. Together, these projects have a forecast capital need of $525,000.

Figure 6.6: Potential New Assets – Facilities and Land Improvements

New Asset	Timeline	Forecast Cost
Playground	Fundraising ongoing; as funding is available	**$175,000**
Roof over Rink	As funding is available; estimate by 2035	**$350,000**
Facilities Total		**$525,000**

Currently these projects are not fully funded, and they are not formally proposed within the Township's Levels of Service framework. If they are completed, they would increase the Township's service levels and have a corresponding impact on lifecycle needs and costs to operate these new assets. Costs would include inspections, maintenance, and in the long-term, rehabilitation and asset renewal.

Building and Land Improvement Financial Need

Buildings and Land Improvements include high-value assets, such as the Fire Hall, that are essential for services and require periodic reinvestment to remain in service. In addition to the lifecycle activities outlined above, developing a reserve of 2.5% of the value of these assets at $140,000 over the next 10 years, or $14,000 per year, will help to manage these high-cost repairs and retrofits when required.

Based on a review of asset condition and remaining useful life, the Township has identified a need for $108,000 in capital expenditures, or $10,800 on average. Building a reserve through contributions of $14,000 per year creates an average annual funding requirement of **$24,800** to maintain current levels of service for this asset types. Adding new assets would increase these annual financial needs.

7. Vehicles

The Municipality owns and operates a fleet of vehicles that support the key municipal services, including emergency response, roadway and winter maintenance. These assets are in regular use to support municipal service delivery and community well-being. Vehicle assets are managed in compliance with Ontario's regulatory and safety framework, including:

- *Highway Traffic Act (HTA)* – licensing, vehicle safety standards, and operational requirements.
- *Occupational Health and Safety Act (OHSA)* – vehicle operations protect staff and the public.
- *Ministry of Transportation (MTO)* Vehicle Inspection Standards – preventive maintenance, safety inspections, and roadworthiness.
- *Environmental Protection Act (EPA)* – emissions standards and environmental protection.
- *National Fire Protection Association (NFPA)* – industry standards for the maintenance and replacement of Fire vehicles.

7.1 Asset Overview

The Municipality's vehicles consist of 3 fire vehicles and 3 public works and general-use vehicles. In 2025, their replacement value is estimated at **$1.11 million**, an overview is provided below:

Figure 7.1: Inventory Overview – Fleet

Department	Vehicles	Current Replacement Value	Remaining Useful Life (Avg. Est.)	Average Expected Useful Life
Public Works	3	$447,974	82%	13 years
Fire Dept	3	$665,000	16%	18 years
Total	6	$1,112,974	42%	16 years

Asset Condition

Vehicle condition is estimated based on asset age relative to expected service life as outlined in *Appendix C*. Overall, the fleet is in **fair condition**, with Fire vehicles approaching the end of their useful lives. Some units have surpassed their expected service lives but continue to meet operational requirements.

Figure 7.2: Asset Condition – Vehicles

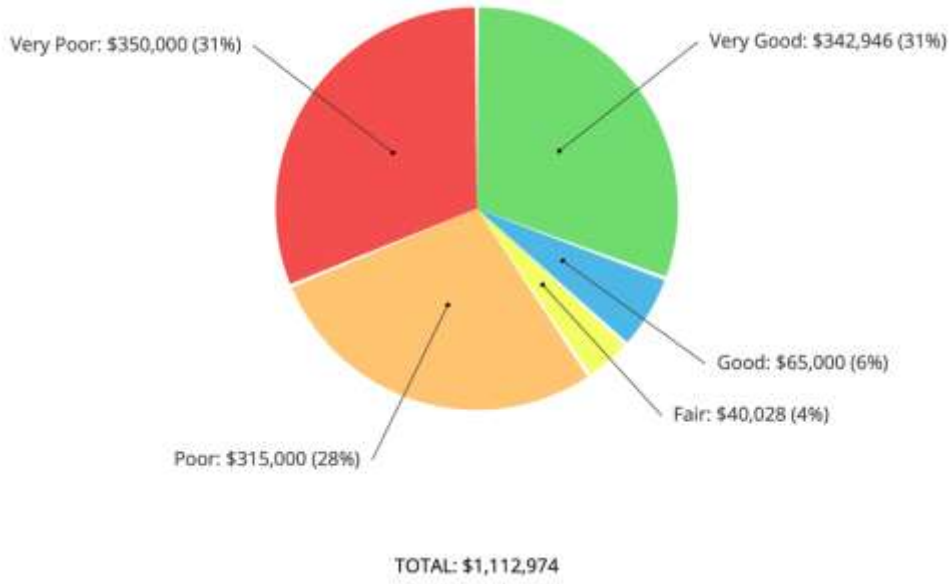


Figure 7.2 shows the distribution of asset conditions across municipal vehicles. The Public Works and Fire Departments have 3 vehicles each. While some vehicles are in Very Good condition, high-value vehicle assets including Fire vehicles in Poor or Very Poor condition indicate a need to plan for their replacement.

7.2 Levels of Service (LOS)

The regulation for asset management requires municipalities to define and monitor their own *Community* and *Technical* Levels of Service for non-core assets, including Fleet.

The Municipality monitors LOS for its vehicle Fleet to support municipal service delivery, operational efficiency, and public safety.

Levels of service are outlined in the following figures.

Figure 7.3: Community LOS – Vehicles

Attribute	Description	Current LOS	Proposed LOS
Services	Description of the duties expected by Township Vehicles	Staff and goods transportation Maintenance of public spaces Cemetery Maintenance Road Maintenance Snow Removal Landfill Maintenance Fire/Emergency Response	Maintain current. Vehicles actively used across service areas. Maintain Fleet size and composition to meet operational demands.
Maintenance and Safety	Description of vehicle inspection and maintenance processes.	Vehicles are replaced as required for safety and based on reliability and use.	Maintain current availability of vehicles. Maintain vehicle safety standards

Figure 7.4: Technical LOS – Vehicles

Attribute	Metric	Current LOS	Proposed LOS
Services	Number and description of services, where vehicles are inadequate or insufficient to meet demand.	Currently 2 vehicles are at risk of not meeting service expectations due to age: • Fire Pumper • Fire Tanker	Vehicles to be replaced as required or as funding allows.

7.3 Lifecycle Activities

Fleet reliability calls for timely maintenance, rehabilitation of heavy-duty vehicles, and replacement of vehicles at end-of-life. Typical lifecycle activities for vehicles include:

- **Maintenance**
  - Daily pre-operation inspections (circle checks), regular preventive maintenance, and scheduled servicing per manufacturer guidelines.
  - Regular monitoring of fluid levels, tire condition, braking systems, and safety equipment.
  - National Fire Protection Association (NFPA 1911) standards for inspection and testing of fire apparatus.
- **Rehabilitation**
  - Mid-life overhauls for fire and high-value heavy-duty vehicles, to extend operational life.
  - Refurbishment of critical components (e.g., hydraulic systems, mounted equipment, and drivetrains).
  - Targeted upgrades for emissions systems, safety technology, and service-specific modifications according to operational requirements.
- **Replacement and Disposal**
  - Planned replacement of vehicles that have reached the end of their useful life or are no longer cost-effective to maintain.

- Good quality, used vehicles are considered for purchase rather than new vehicles.
- Evaluation of remounting or reusing equipment before vehicle replacement.
- Decommissioning, sale, and/or environmentally compliant disposal of retired vehicles.

The Township has outlined the following forecast replacement schedule for major vehicle assets:

Figure 7.5: Asset Replacement Needs - Vehicles

Fleet Asset	Model Year	Lifecycle Activity	LCA Year	LCA Cost
Pumper Truck - Unit #44	1999	Replace with good quality used vehicle (2018+)	2026	$450,000
Rescue Van - Unit #45	2000	Replace with good quality used vehicle (2018+)	2031	$85,000
Tanker Truck - Unit #42	1987	Replace with good quality used vehicle (2018+)	2027	$130,000
Chev 2500 HD 4x4 Truck	2017	Replace with new truck at end of life	2033	$105,000
International Plow Truck #11	2006	Replace with good quality used vehicle (2018+)	2032	$70,000
All Vehicles				$840,000

Asset Funding Requirements

The asset lifecycle funding needs for the Township's vehicles is for replacement at the end of asset service life. The funding requirements were estimated by staff according to the expected useful life of each Fleet asset. Depending on the actual purchase price of the vehicles, the annual financial need for Township vehicles is **$84,000** on average per year over the next 10 years.

Excluded from this cost are costs to maintain vehicles to meet safety requirements. Staff estimate $5,000 to $7,000 are spent every year on overhauls and replacements to maintain the current vehicles in operating condition. These maintenance costs are expected to rise as vehicles age but may be controlled if ageing vehicles are replaced.

8. Machinery & Equipment

The Municipality owns and operates Machinery & Equipment that support winter maintenance, waste management, and operations. Equipment assets are managed in compliance with Ontario's regulatory and safety framework, including:

- *Occupational Health and Safety Act (OHSA)* – equipment operations protect staff and the public
- *Ministry of Transportation (MTO)* Vehicle Inspection Standards – preventive maintenance, safety inspections, and roadworthiness for licensed vehicles such as public works machinery
- *Environmental Protection Act (EPA)* – environmental protection for equipment operations.

The municipality may also follow its own equipment management policies for scheduling, operational readiness, and lifecycle planning including replacement.

8.1 Machinery & Equipment Overview

The Township's Machinery & Equipment consists of operational, emergency, and community service equipment. Included are fire suppression materials, grader, backhoe, and generators. The estimated replacement value is **$1.1 million** including assets in fixed locations and mobile machinery.

Figure 8.1: Inventory Overview – Machinery & Equipment

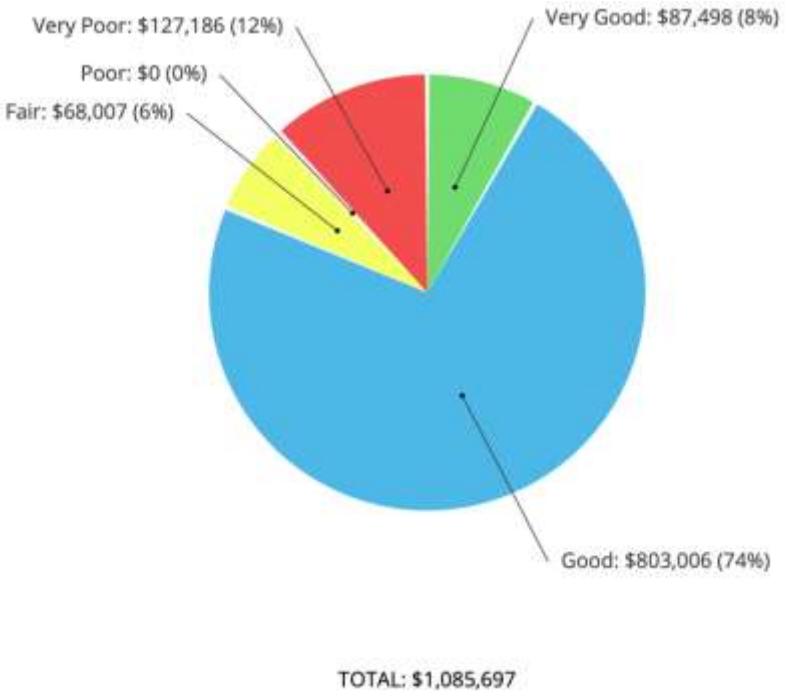
Asset Category	Count of Assets (Est.)	Current Replacement Value (Est.)	Average Condition Rating
Machinery & Equipment	24	$1,085,697	59%

Asset Condition

Equipment condition ratings are evaluated based on staff assessments of asset condition, where available, or on age relative to useful life.

A summary of the condition of Machinery & Equipment assets is provided in the following figure.

Figure 8.2: Asset Condition - Machinery & Equipment



Overall, the Township's Machinery & Equipment is estimated to be in Good condition, while some units are nearing or past the end of their expected useful life. Inspection and evaluation of these assets may determine if they require rehabilitation or replacement.

8.2 Levels of Service (LOS)

Ontario Regulation *O. Reg. 588/17* requires municipalities to define and monitor both *Community* and *Technical* Levels of Service for non-core assets. The Municipality monitors LOS for its Equipment to support municipal service delivery, operational efficiency, and public safety.

Figure 8.3: Community LOS – Machinery & Equipment

Attribute	Description	Current LOS	Proposed LOS
Services	Description of the duties expected by Township Machinery & Equipment	Computers and Software Office Equipment Furniture Heavy Equipment / Public Works Tools Fire and Rescue	Maintain current services.
Lifecycle Management	Approach to Machinery & Equipment replacements	Pieces of Machinery & Equipment are replaced as required for safety and based on reliability and use.	Maintain current availability of equipment.

Figure 8.4: Technical LOS – Machinery & Equipment

Attribute	Metric	Current LOS	Proposed LOS
Services and Suitability	Number and description of services required from equipment, where equipment is inadequate or insufficient to meet demand.	The following pieces of equipment are at risk of no longer meeting service needs: • Fire: Side-by-side ATV age and condition • Fire: Scott Air-Paks risk of becoming obsolete	Equipment to be replaced as required or as funding allows.

8.3 Lifecycle Activities

Effective lifecycle management supports reliable, safe, and cost-effective equipment management. Activities across maintenance, rehabilitation, replacement, and expansion include:

- **Maintenance**
  - Routine inspections, lubrication, and calibration per manufacturer recommendations and operational needs. Monitoring of wear components to prevent premature failure.
  - Compliance with applicable safety standards (e.g., CSA, OHSA) for inspection, guarding, and safe operation of equipment.
- **Rehabilitation**
  - Mid-life refurbishment or rebuilds of key equipment (e.g., loaders, mowers, compressors, and pumps) to extend useful service life.
  - Upgrading attachments or technology (e.g., control systems, sensors, or energy-efficient motors) to improve performance and safety.
- **Replacement and Disposal**
  - Planned replacement of machinery and equipment that have reached the end of their useful or economic life, or where repair is no longer cost-effective.
  - Assessment of potential component reuse, trade-in value, or repurposing opportunities before full disposal.
  - Environmentally responsible decommissioning and disposal in accordance with regulatory requirements.
- **Expansion**
  - Procurement of additional or specialized machinery and equipment to support new or expanded municipal services, aligned with best practices and service delivery goals, for example, as practices for fire suppression or road treatment change.

Asset Funding Requirements

Township staff have identified specific lifecycle activities for Machinery and Equipment assets to maintain Levels of Service, including asset replacements at end-of-life, as shown in Figure 8.5.

Figure 8.5: Asset Funding Requirements - Equipment

Machinery & Equipment	Install Year	Lifecycle Activity	LCA Year	LCA Cost
Club Cadet Side-by-side	2017	Replace, with funding support from a grant	2026	$30,000
Scott Air-Paks (2002)	2002	Risk of obsolescence. Upgrade to 4500 PSI models	2028	$90,000
Culvert Steamer	1994	Replace with new unit (or quality used)	2028	$20,000
Tanker Pump	2009	New fire hose	2030	$35,000
Grader - Volvo G960	2008	Replace with a quality used (<5 years)	2031	$300,000
Scott AirPaks (2024)	2024	Risk of obsolescence. Upgrade to 4500 PSI models	2032	$90,000
Air Fill Station	2009	Improved Scott Air-Paks @ 4500 PSI - Require new compressor, filter, cascade	2032	$50,000
Backhoe - 420 CAT	2014	Replace with a quality used (<5 years)	2034	$140,000
Tire Air Compressor	-	New Air Compressor	2034	$6,000
Turnout Gear Purchase	2019	Risk of obsolescence, only good for 10 years	Annual	$8,000
Total Equipment		**10-Year**	**Total**	**$841,000**

In addition, the Township will continue maintaining its garbage compactor truck at the landfill site. It may consider purchasing a new fire hose as well as hose testing equipment. Currently the Township relies on fire testing equipment owned by the Municipality of Oliver Paipoonge.

Based on the current age and condition, to maintain current LOS, Machinery & Equipment is estimated to require **$84,100** in funding, on average per year over the next 10 years. The key cost driver is replacement of equipment assets at the end of service life for safety and continued reliability.

9. Computers & Fixtures

The Municipality owns and operates Computers & Fixtures that mainly support administrative services. These assets are managed in compliance with Ontario's regulatory and safety framework, including:

- *Occupational Health and Safety Act (OHSA)* – equipment operations protect staff and the public
- *Environmental Protection Act (EPA)* – environmental protection for equipment operations.

9.1 Computers & Fixtures Overview

The Township's Computers & Fixtures portfolio consists mainly of office equipment including laptops, printers, kitchen equipment and related. The estimated replacement value is approximately **$109,000**.

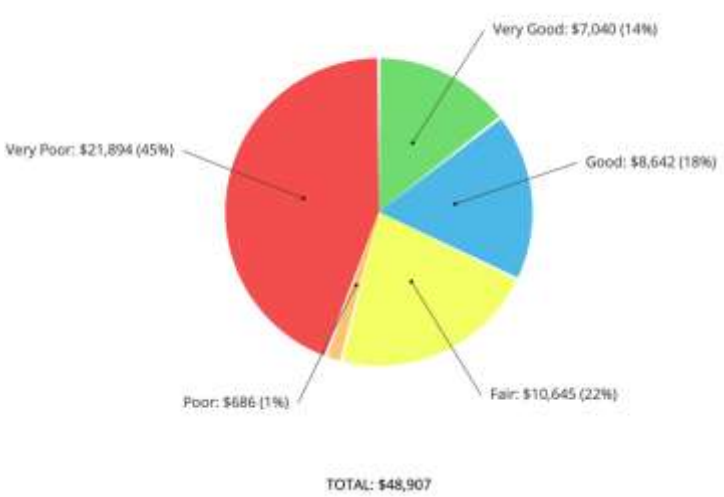
Figure 9.1: Inventory Overview – Computers & Fixtures

Department	Count of Assets (Est.)	Current Replacement Value (Est.)	Average Condition Rating
Computer	22 Computers + Additional Equipment	$48,907	37%
Furniture & Fixtures	6 Fixtures	$59,917	52%
Total		**$108,824**	45%

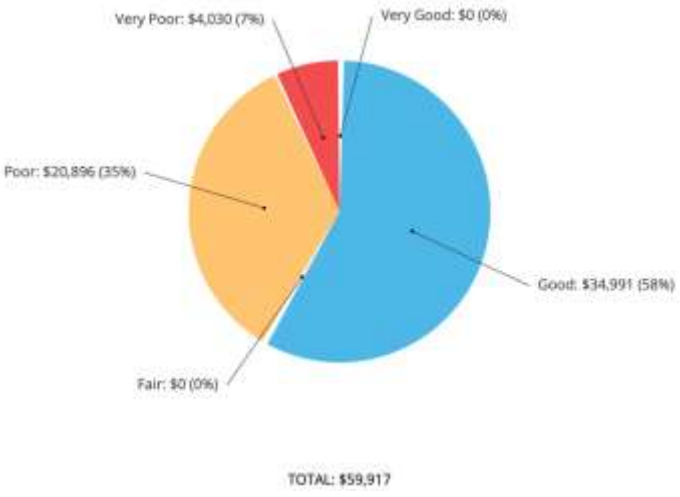
Asset Condition

Condition is evaluated based on asset age relative to estimated useful life, as outlined in *Appendix B*.

Figure 9.2: Asset Condition - Computers & Fixtures



Computers, Condition Estimate



Fixtures, Condition Estimate

Condition of Computers & Fixtures assets is based on asset age relative to useful life. Overall, these assets are estimated to be in mixed condition. Some units are at or past the end of their estimated lifecycle. Inspection of these assets may determine if they require rehabilitation or replacement.

9.2 Levels of Service (LOS)

The Municipality monitors LOS for its Computers and Fixtures to support municipal service delivery and operational efficiency.

Figure 9.3: Community LOS – Computers & Fixtures

Attribute	Description	Current LOS	Proposed LOS
Services	Description of the duties expected by Township Computers & Fixtures	Computers and Software Office Equipment Furniture Community Centre Kitchen Equipment & Fixtures	Maintain assets to support current services.
Lifecycle Management	Approach to asset replacements	Computers and Fixtures are replaced as required for safety and based on reliability and use.	Maintain current availability.

Figure 9.4: Technical LOS – Computers & Fixtures

Attribute	Metric	Current LOS	Proposed LOS
Services and Suitability	Number and description of furniture and fixtures that are inadequate or insufficient to meet demand.	Currently, the Township has a limited number of Computers & Fixtures that are not in service.	Equipment to be replaced as required or as funding allows.

9.3 Lifecycle Activities

Effective lifecycle management supports reliable, safe, and cost-effective equipment management. Activities across maintenance, rehabilitation, replacement, and expansion include:

- **Maintenance**
  - Maintenance and repair of furniture and fixtures as required to remain in service.
  - Maintaining computer software, regular updates and security fixes.
- **Rehabilitation**
  - Replacement, rehabilitation, or renewal of furniture and fixtures as recommended by staff to restore serviceability and function.
  - Updates and replacements of computer hardware, peripherals, and related equipment.
- **Replacement and Disposal**

- Planned replacement of furniture, fixtures, and computers at end of useful life.
- Environmentally responsible decommissioning and disposal in accordance with regulatory requirements.

Asset Funding Requirements

For Computer and Fixture assets, the funding need estimate was generated by the Township's asset management platform based on the current age, value, and useful life of these assets. To maintain current and achieve proposed LOS, Computers are expected to have an annual funding need of $9,781, while Furniture and Fixtures call for $3,665 per year, for a combined total of **$13,446** per year.

10. Financial Strategy

This section presents the financial requirements to sustain the municipality's tangible capital assets over a 10-year planning horizon. Based on findings of previous sections, it presents a consolidated investment and funding outlook. Investment priorities are derived from lifecycle needs identified for each asset category, to maintain service levels and mitigate the risks of deferred maintenance or loss of service.

Key considerations shaping this Financial Strategy include:

- *Financial context*: The fiscal constraints within which the municipality operates, based on historical sources of funding, spending, and reserves.
- *Lifecycle Perspective:* Asset funding projections are based on the lifecycle activities to sustain or achieve target levels of service, as detailed for each asset class in the previous sections.
- *Data-Driven Refinement:* Projections are based on the current state of assets and available condition data. The financial strategy will be refined through continuous improvement as information matures.

The AMP Financial Strategy complements the Municipality's capital planning work, annual budgeting processes, and long-term financial planning frameworks. It aims to support improved evidence-based decision-making, helping the Municipality allocate resources effectively across its assets.

10.1 Financial Context

Under *O. Reg. 588/17*, municipalities must demonstrate internal capacity to meet long-term rehabilitation and replacement obligations. The Municipality's financial capacity to meet its asset funding needs can be estimated based on historic capital additions, funding sources, and reserves.

Recent Capital Budgets

The Township has set out a capital budget in recent years that allocates internal funding, including confirmed external source and reserves, to address capital investment priorities, as follows:

Figure 10.1: Capital Budgets, 2020-2024

Year	2020	2021	2022	2023	2024	Five-Year Average
Capital Budget ($)	**248,305**	**156,931**	**606,898**	**324,086**	**522,506**	**371,745**

Based on discussions with the Township, the financial capacity of the Township is estimated to be **$370,000 per year**, including local revenues and contributions from regular grant funds such as the OCIF and CCBF. This is in line with recent budgets and reflects the finances that are expected to be available to undertake the lifecycle initiatives presented in this AMP.

Recent Capital Additions

Tangible capital asset (TCA) investment trends offer useful context for planning. The Municipality's audited financial statements show annual additions ranging from a low of **$236,627** in **2021** to a high of

$840,530 in **2022**. Over the **2020-2024** period, the annual average net capital addition was **$428,159**. Major additions included Buildings and Vehicles in 2022 and Roads in 2024. Not all capital additions have been drawn from Township funds; some capital contributions may have come from other funding sources, or transfers in-kind.

Figure 10.2: Capital Additions, 2020-2024

Asset Type / Year	2020	2021	2022	2023	2024	Five-Year Average
Roads	$82,044	$128,973	$109,662	$241,727	$434,590	**$199,399**
Bridges and Culverts	$140,663	$9,259	$14,311	$3,991	$9,817	**$35,608**
Buildings	$4,125	$-	$359,794	$70,511	$8,090	**$88,504**
Land and Land Improvements	$-	$-	$57,934	$-	$-	**$11,587**
Vehicles	$-	$-	$282,706	$-	$-	**$56,541**
Machinery and Equipment	$14,815	$98,395	$16,123	$-	$53,266	**$36,520**
Total	**$241,647**	**$236,627**	**$840,530**	**$316,229**	**$505,763**	**$428,159**

Figure 10.2 shows the value of additions to assets of all types from 2020 to 2024. Note, the Township's financial statements combine certain assets in a manner slightly different than those used in this AMP. This table gives an indication of asset additions for comparison with projections in the AMP.

Township Reserves

At the end of 2024, the Municipality had reserves of **$204,448** for activities as outlined in the table below:

Figure 10.3: Reserve Balances, 2023-2024

Reserve	2023	2024
Disposal Site	$62,719	$65,719
Fire Training and Equipment	$16,441	$24,946
Infrastructure	-	$7,800
Levy Stabilization	$38,300	-
Municipal Building	$6,023	-
Office Equipment	$21,258	$17,623
Roads Equipment	$22,488	$51,614
Working Capital	$40,477	$36,746
Total Reserves	**$207,706**	**$204,448**

Reserves can be used to address multiple needs:

- *Smoothing Investment Peaks:* Offsetting costs in years where lifecycle requirements exceed annual capital budgets.
- *Funding Strategic Projects:* Allowing for multi-year accumulation of funds to meet the Municipality's share of major rehabilitation or renewal projects.
- *Strategic Contributions:* Having funds available when external matching funding opportunities arise for identified capital projects.
- *Risk Management:* Maintaining a minimum reserve balance to address emergency needs and unexpected asset failures that could carry significant financial and service-level impacts.

Reserves may continue to be used for these needs, and should not be considered an accumulated surplus, rather, as funds that may be used with appropriate discretion and oversight as required by law and according to the Township's reserve policies.

10.2 Asset Investment Needs

The combined funding need identified in this AMP is **$441,333 per year**, on average for all assets over the next 10 years. Timely investments will assist the Township with avoiding cost escalation and service disruptions that may result from deferring projects. Figure 10.4 below summarizes the estimated funding needs across the municipality's portfolio over the next 10 years:

Figure 10.4: Annual Asset Funding Needs, Average, 2026-2035

Asset Category	Current Replacement Value (CRV, Est.)	Annual Funding Need (Avg. Est.)	Funding as % of Asset CRV
Roads	$22,536,000	$142,250	0.63%
Bridges and Culverts	$4,013,883	$47,737	1.19%
Stormwater	$1,988,109	$45,000	2.26%
Buildings and Land Improvements	$5,680,517	$24,800	0.44%
Fleet	$1,112,974	$84,000	7.55%
Machinery and Equipment	$1,085,697	$84,100	7.75%
Computers and Fixtures	$108,824	$13,446	12.4%
Total (Annual Funding)	**$36,526,004**	**$441,333**	**1.21%**

Figure 10.4 shows investment needs across major asset categories, based on the lifecycle activities and costs discussed in each section of the AMP. This indicates the financial resources necessary to achieve proposed LOS. Assets with shorter lifespans such as vehicles, equipment, and fixtures, typically need to be replaced more often, resulting in higher annual funding needs relative to value.

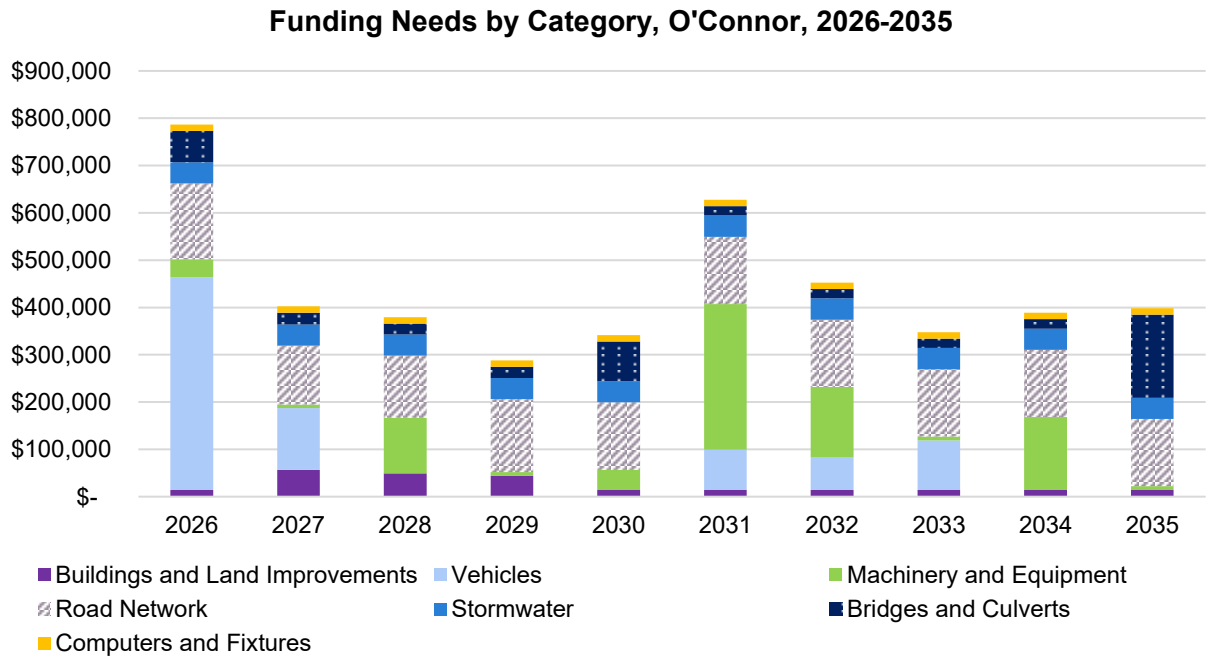
Overall, these funding need projections reflect:

- *Rehabilitation and Maintenance Needs:* Investments to maintain current and target levels of service, including rehabilitation of infrastructure and planned replacement of critical assets as they reach the end of their service life.
- *Asset Replacement at End of Life:* As each specific asset, such as fire vehicles, reach the end of their life, the average forecast cost for replacement of these assets is factored into the annual need.

Forecast Funding Need by Year

Figure 10.5 shows the breakdown of funding needs per year over the timeframe of the AMP. Peaks in 2026 are due to the timing for required investments in vehicles, specifically the Pumper Truck which may be scheduled for replacement. Peaks in 2031 and 2032 reflect replacements of machinery and equipment, specifically the Grader and Fire equipment including Scott Air-Paks.

Figure 10.5: Annual Funding Needs by Asset Category



Overall, the distribution of asset needs across years has peaks in 2026 at $786,612, 2031 at $627,696, and 2035 at $748,251. These annual expense forecasts are representative, based on staff estimate of asset needs. They may be adjusted prior to being included in municipal budget deliberations.

The detailed breakdown by asset class is shown in Figure 10.6 below.

Figure 10.6: Asset Funding Needs by Year

Asset ($/yr)	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Roads	160,000	124,000	131,000	154,000	142,250	142,250	142,250	142,250	142,250	142,250	**1,422,500**
Bridges	66,166	25,114	22,768	23,766	84,000	20,000	20,000	20,000	20,000	175,555	**477,369**
Stormwater	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	**450,000**
Buildings	14,000	57,000	49,000	44,000	14,000	14,000	14,000	14,000	14,000	14,000	**248,000**
Vehicles	450,000	130,000	-	-	-	85,000	70,000	105,000	-	-	**840,000**
Machinery	38,000	8,000	118,000	8,000	43,000	308,000	148,000	8,000	154,000	8,000	**841,000**
Computers	13,446	13,446	13,446	13,446	13,446	13,446	13,446	13,446	13,446	13,446	**134,460**
Total ($)	**786,612**	**402,560**	**379,214**	**288,212**	**341,696**	**627,696**	**452,696**	**347,696**	**388,696**	**398,251**	**4,413,329**

The full breakdown of forecast funding needs in 2026 dollars, based on the total costs of activities for each asset category in previous sections of the AMP, is outlined above.

Potential Increases in Levels of Service

Overall, the Lifecycle Activities in this AMP demonstrate projected costs to maintain current LOS across all asset categories. The Township identified two potential projects for Buildings and Land Improvements that would result in an increase in Levels of Service. These are a roof over the rink and a playground.

The estimated initial capital funding need for these initiatives is $525,000, with additional lifecycle costs (e.g. maintenance) to be determined. The Township is currently raising funds for the playground from community sources and may seek external funding for the roof over the rink.

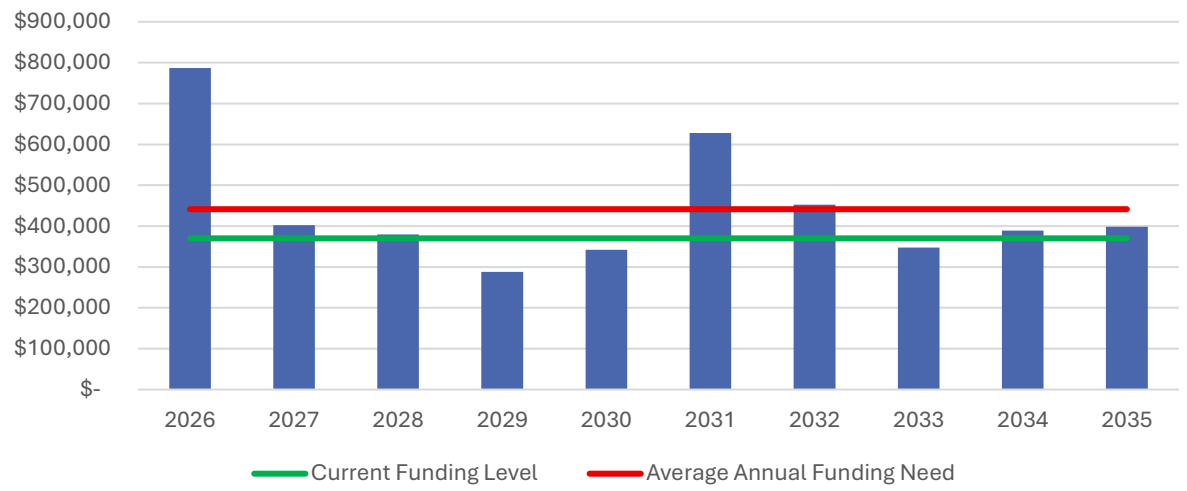
Funding Needs and Reserves

The Township's financial capacity to undertake the lifecycle activities outlined in this AMP is estimated to be $370,000 in 2026 dollars. Based on an estimated funding need of approximately $441,000 each year for the next 10 years in 2026 dollars, this leaves a funding gap of approximately $71,000 per year.

Figure 10.7 shows the total estimated funding need, the annual average funding need, and the current level of funding available.

In years where available funding exceeds required expenditures, the Township may contribute to reserves, to offset the funding needs in the years that follow. This offers a strategic approach to reserving funds in years when projects are not required, so that it can be available for years when more funding is required.

Figure 10.7: Asset Funding Needs vs. Funding Capacity



The actual funding needs in each year will depend on the lifecycle activities that are approved and funded in the Township's budget. The Township will continue its policy of reserving funds in years when funding is available, to cover costs in later years when funding is needed.

Risks due to Unfunded Projects

The Township has identified several projects that are not fully funded through confirmed sources of funding. These are presented in figure 10.8 and represent an estimated funding need of $131,000 per year over the next 10 years. These include partially funded lifecycle activities.

O.Reg 588/17 requires a risk assessment for projects that are unfunded through the AMP. A brief risk evaluation was completed by staff and is presented below for Council consideration. Council maintains the authority to evaluate these risks and allocate funding according to its processes and priorities.

Figure 10.8: Risks due to Unfunded Projects

Activity	Annual Need	Risk Statement
Vehicle Replacements	$86,000	**Loss of service:** Vehicles out of service when required. **Regulatory:** Non-compliance with MOTI, FUS, OFM or NFPA standards or requirements. **Financial:** Inability to respond to emergencies, resulting in significant financial impacts related to emergency support from third parties which places significant liability risks on the township **Reputation:** Loss of public confidence in municipal service.
Bridge Reserve	$20,000	**Loss of service:** Bridges may require costly repairs and replacements, or face loading restrictions or bridge closures. Township may not have funds available to maintain bridges or return them to service.
Building Reserve	$25,000	**Loss of service:** Buildings may require emergency maintenance, repairs, or regulated improvements for which funding is unavailable, resulting in unplanned closures.

10.3 Funding Strategies

Overall, maintaining the Township's asset portfolio will depend on access to external funding programs and aligning capital budgets with the reinvestment needs of the asset portfolio. This will support the Municipality's ability to deliver services and manage risks, while responsibly managing revenues.

Revenue Sources

Municipal assets are funded from multiple revenue streams, aligned with the nature of the service:

- *Tax-Supported Assets:* Most assets in this AMP are funded from the general tax levy.
- *External Grants and Contributions:* The Township receives stable funding contributions through sources such as the Ontario Community Infrastructure Fund (OCIF) which may support eligible projects such as roadway maintenance and rehabilitation.
- *New External Grants:* Projects identified in the AMP may be eligible for funding through other existing and new grant programs. The municipality will continue to leverage the AMP and supporting documentation to apply for these opportunities as they arise.
- *Community fundraising:* Members of the community may contribute funds toward specific projects, for example, the proposed playground.

External programs, including federal and provincial grants, increasingly tie project funding eligibility to specific policy objectives. The Municipality may monitor and pursue opportunities to align projects with available funding streams. Proactive project planning supports the Township's ability to capitalize on short-lived funding windows. The AMP itself provides the supporting evidence required by many programs, by identifying and prioritizing certain projects that serve community needs.

Procurement

Township staff identified procurement opportunities, especially for Vehicles and Equipment, where quality used assets may become available at a more affordable price than replacing with new. This aims to replace ageing assets with those that have 10 to 15 years of useful life remaining. To seize these opportunities when they arise, the Township may build reserves to have funds available when needed.

Funding Variability

The financial planning approach with average capital costs over the 10-year planning period will encourage the Municipality to leverage important funding strategies:

- *Dedicated Capital Reserves:* To offset costs in years where required investments exceed average annual budgets.
- *External Funding Sources:* Including provincial or federal grants, low-interest loans, community fundraising and donations, and other strategic partnerships with local and regional groups to reduce the burden on municipal revenues, especially for environment, community, and tourism-oriented initiatives.
- *Asset Prioritization Frameworks:* Increasing use of tools such as an asset risk framework to review funding priorities and direct available funds to where they are needed most.

Supplementary Local Funding Strategies

In addition to grants and transfers, the Municipality may adopt or expand local revenue measures to enhance long-term funding sustainability:

- *Capital Levies:* Targeted levies can be introduced to address specific infrastructure renewal needs or to maintain service levels, with Council-approved adjustments reflecting annual investment priorities.
- *Capital Reserve Contributions:* Where actual expenditures fall below projected needs or funding becomes available, unspent amounts are allocated to reserves. This provides financial flexibility for years of increased financial need, supporting consistent levels of service over time.
- *Debt Financing:* O'Connor monitors borrowing capacity under Ministry guidelines and may re-evaluate debt utilization as existing debentures and/or other loan instruments mature. As debt capacity becomes available, the Township may review debt funding for future projects.

A robust funding strategy requires a balanced approach: maximizing external funding opportunities, maintaining stable local contributions, and strengthening reserves to offset funding variability.

10.4 Financial Strategy Summary

The Municipality's ability to provide reliable and sustainable services depends on a financial strategy that balances long-term investment needs with available funding. This financial strategy translates asset conditions, lifecycle requirements, risk considerations, and levels of service into a 10-year investment roadmap to be funded through internal and identified external funding sources. Key findings include:

- **Investment Requirements:** Forecasted needs vary over the 10-year horizon, with peaks associated with major capital projects.
- **Financial Context:** The use of external grants, as well as current spending and reserve management practices, influences the Municipality's capacity to meet these needs.
- **Fiscal Sustainability:** The approach will draw on tax revenues, reserves, external grants, and, when available, debt financing, to fund projects based on priorities.
- **Procurement:** The Township aims to find value through procurement, seeking opportunities to buy quality used assets where possible, to lower upfront capital costs and prolong service life.
- **Future Readiness:** Continuing to strengthen capital reserves, refining financial forecasts as data improves, and aligning budgets with long-term priorities will position the municipality to respond to planned rehabilitation and unforeseen events. Preparing "shovel-ready" projects will also improve the Municipality's ability to capture time-limited funding opportunities.
- **Continuous Improvement:** As data quality improves, projected investment requirements will be refined to enhance the accuracy of this and future iterations of the Township's AMP.

This financial strategy provides the foundation for informed decision-making, reduces the risk of deferred maintenance, and supports the continued delivery of essential services. By committing to continuous improvement grounded in reliable data, sound asset management practices, and ongoing collaboration, the Township aims toward financial resilience.

11. Conclusion and Next Steps

The Municipality's ability to deliver reliable, sustainable services is supported through effective asset management that aligns lifecycle investment requirements with available funding. Looking ahead, the Township of O'Connor may continue to refine its financial forecasts through continuous improvement to asset management capabilities. Capital budgets will be better aligned with long-term priorities, maintaining a balance between affordability and service reliability.

This AMP is intended to support informed decision-making to support the sustainable delivery of municipal services. In addition, by making a commitment to improvement in asset management practices, such as with effective data management and collaboration among staff, the Township will be better equipped to manage its assets for reliable service delivery.

11.1 Continuous Improvement

There are opportunities to strengthen asset management practices for the Township over time. Continuous improvement helps infrastructure investment decisions to become evidence-based, financially sustainable, and aligned with the service expectations of the community.

Key Activities to Strengthen Asset Management

Sustained progress in asset management calls for focused actions to improve data quality, analytical tools, and decision-making processes:

- *Software and Data Management:* The Municipality's asset management software consolidates asset information but maintaining accurate and up-to-date records is an ongoing challenge for many municipalities. Dedicating resources from across departments to maintain asset records may help improve data accessibility and reliability for data-informed planning and reporting.
- *Data Collection:* Targeted efforts to gather asset condition and performance data, particularly for high-value or high-risk assets such as Facilities, will enhance the Municipality's ability to prioritize interventions and refine lifecycle investment forecasts.
- *Levels of Service (LOS):* Continuous refinement of LOS metrics, as defined in this AMP, helps investment decisions to better align with both community expectations and regulatory requirements. Additional metrics can identify when service expansion, upgrades, or replacements are warranted.

Next Steps for Asset Management

Building on these activities, the Municipality may consider the following initiatives over the coming years:

- *Refinement of Proposed Levels of Service:* Incorporate community engagement and strategic planning insights to define and track LOS performance. Establishing clear processes for consultation will help service delivery goals to remain aligned with community priorities.

- *Integration with Financial Strategy:* Use enhanced data, refined LOS, and updated risk assessments to strengthen the financial planning framework outlined in Section 9, to relate asset needs, funding strategies, and long-term service sustainability.

By committing to these continuous improvement actions, the Municipality will build a more resilient and adaptive asset management framework, one capable of supporting informed decisions, optimizing investments, and safeguarding the long-term delivery of municipal services.

11.2 Conclusion

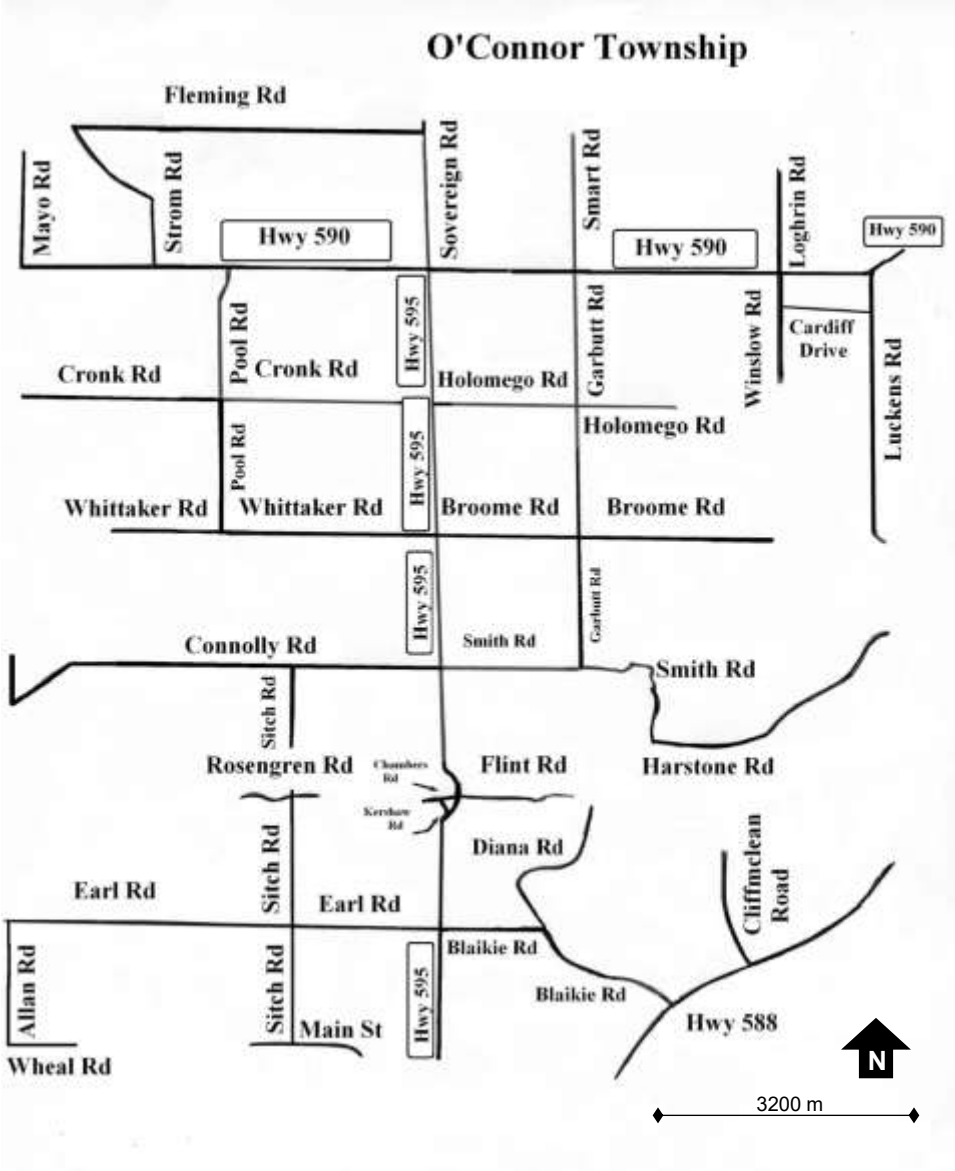
O'Connor manages a diverse portfolio of assets that provide essential services, support community well-being, and sustain long-term economic, social, and environmental resilience. Many of these assets are in Good or Very Good condition, but some have reached or surpassed their expected service life. Addressing challenges such as aging infrastructure, growing service demands, and funding pressures requires a shift toward proactive, data-driven asset management.

Moving forward, O'Connor will focus on strengthening asset data, refining levels of service, and prioritizing investments that deliver value to residents. The financial strategies in Section 9 and continuous improvement initiatives will enable the Township to anticipate future funding requirements, plan capital projects efficiently, and mitigate the risks of deferred maintenance.

This AMP reflects a commitment to building a stronger, more resilient community. Through its commitment to AM, O'Connor can maintain confidence that its infrastructure is managed responsibly and sustainably, for reliable service delivery today and in the years to come.

Appendix A: Service Area View

The following map views illustrate the spatial extent of municipal roads, as required for Levels of Service in Section 3: Roads. Stormwater assets are also aligned with Township roadways.



Appendix B: Data Sources

The asset condition, lifecycle activity, and financial projections in this AMP are based on the best available data at the time of preparation. Data was consolidated from multiple sources to create a reliable foundation for asset management planning. Continuous improvement to data will assist in maintaining the reliability of asset condition and cost information.

Figure A.1: Primary Data Sources by Asset Class

Asset Category	Asset Data Sources	Asset Condition Basis	Lifecycle & Financial Basis
Roads	TCA Inventory	Inspection-based	Lifecycle costing and Township staff input
Bridges & Culverts	TCA Inventory, Structure Inspection Reports	Inspection-based	Based on study with staff assessment of costs
Stormwater	TCA inventory	Inspection-based	Staff assessment of asset replacement needs
Buildings	TCA Inventory	Age-based	Estimated useful life and staff assessment of renovation needs
Vehicles	TCA Inventory	Age-based	Estimated useful life and staff assessment of replacement needs
Machinery & Equipment	TCA Inventory	Age-based	Estimated useful life and staff assessment of replacement needs
Computers & Fixtures	TCA Inventory	Age-based	Estimated useful life

In addition, the Municipality's audited financial returns from **2019 to 2024** were used to provide historical financial context in Section 9 of this AMP.

Why Data Sources Matter

Reliable, consistent data underpins all aspects of this AMP, from asset condition ratings and lifecycle planning to financial forecasting and risk assessment. Continuous refinement of these data sources will improve investment planning accuracy, strengthen the Municipality's funding strategies, and support evidence-based decisions on service levels and priorities.

Appendix C: Asset Condition Assessment

Remaining Useful Life Approach

Asset conditions presented in this AMP are based on the most reliable assessment data available for each asset category, as outlined in *Appendix B: Data Sources*. Where direct condition inspections were unavailable, asset condition has been estimated using an age-based approach.

The remaining useful life (RUL) of each asset is calculated as:

RUL (%) = (Useful Life – Current Age) ÷ Useful Life

For example:

- An asset installed in **[Year]** is **[XX]** years old as of **[Current Year]**.
- With an estimated useful life of **[YY]** years, the remaining useful life is:
    - (**[YY] – [XX]**) ÷ **[YY]** = **[X%]**.
- This equates to **[Remaining Years]** years remaining out of an expected **[YY]** years.

Condition ratings based on remaining useful life:

Condition Rating	RUL (%)
Very Good	80% or higher
Good	60% to 79%
Fair	40% to 59%
Poor	20% to 39%
Very Poor	Less than 20%

Integration with Asset Management Planning

- *Lifecycle Forecasting:* RUL estimates guide capital planning.
- *Risk-Based Decision-Making:* Combined with asset criticality and performance, RUL informs prioritization of investments where failure risks are highest.
- *Financial Strategy Alignment:* Age-based condition data underpin the funding forecasts used to link asset condition to forecast reinvestment needs.

Limitations of the Age-Based Approach

While practical and consistent, this method provides only an approximation of actual asset condition. Factors such as operating environment, usage intensity, maintenance history, and unforeseen deterioration can significantly affect asset condition. Consequently:

- Age-based ratings may *over- or under-estimate* remaining service life.
- Actual asset inspections remain the preferred method for validating condition and refining lifecycle forecasts.

As part of continuous improvement, condition assessments including regular field inspections and standardized evaluation templates will enhance the accuracy of future asset condition reporting.