



Asset Management Plan 2024



2024 Asset Management Plan

- Adopted Ontario Regulation 588/17 for asset management since 2018.
- First Asset Management Plan issued on July 1, 2019.
- Data is from Citywide for 2024.
- Includes proposed levels of service and financial strategy.
- Future updates are required to occur every five years, but internal reviews will continue.



Services Provided by the Town



•**Roads Services:** Maintains roads, bridges, culverts, streetlights, sidewalks, parking, and trails within the Town's right of way.



•**Water Distribution:** Manages watermains, service pipes, towers, wells, and meters for safe water delivery.



•**Parks and Outdoor Recreation:** Provides amenities for sports, leisure, and recreation in parks and natural areas.



•**Protection Services:** Includes fire stations, fleet, and equipment for emergency and fire response.



•**Recreation Facilities:** Operates community centres and arenas offering programs for all ages.



•**Administration Services:** Supports resident services through facilities, fleet, and equipment.

Impact of Population Growth:

- The Town’s population is expected to grow significantly over the next decade, increasing demand for infrastructure services and requiring both new assets and ongoing maintenance.

- The asset management plan must align with growth projections and integrate them into budget planning to assess financial impacts.

- Development charges are collected to help fund future infrastructure capital projects tied to growth.

	Year	Population (Including Census Undercount)	Population (Excluding Census Undercount)	Housing Units	Person/Unit
Historical	Mid 2011	11890	11418	3955	2.887
	Mid 2016	12910	11439	4110	2.783
	Mid 2021	12470	11981	4220	2.839
Forecast	Mid 2024	12790	12287	4333	2.836
	Buildout	26300	25500	9200	2.772

Asset Categories:

Core Assets:



Road Network



Bridges & Culverts



Water System



Waste Water

Non-Core Assets:



Buildings



Land Improvements

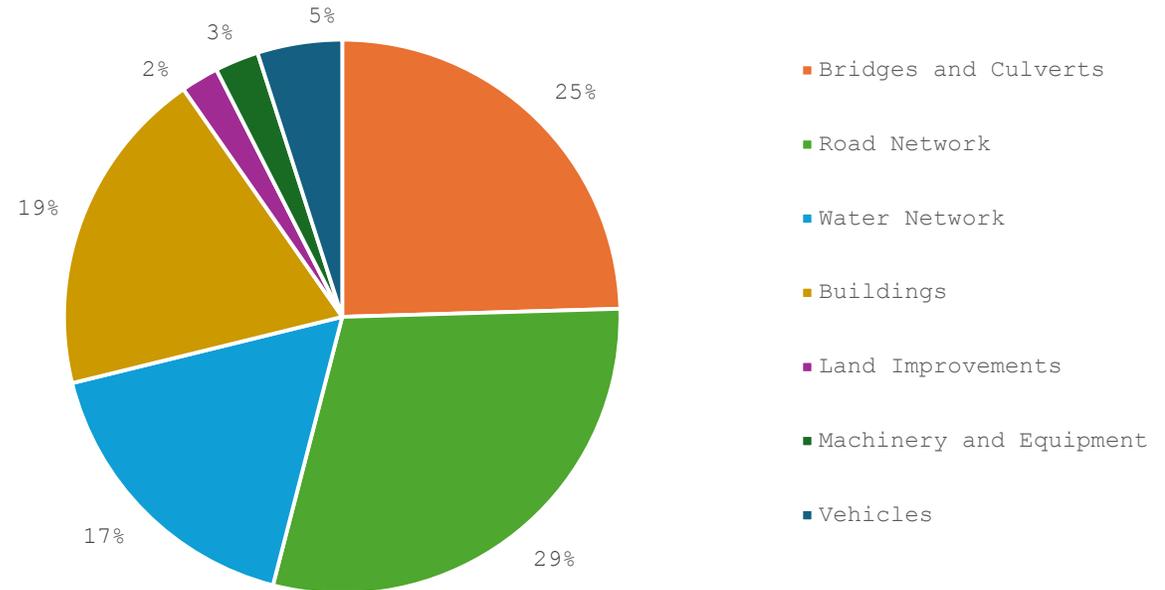


Machinery & Equipment



Vehicles

Distribution of Total Assets by Replacement Cost

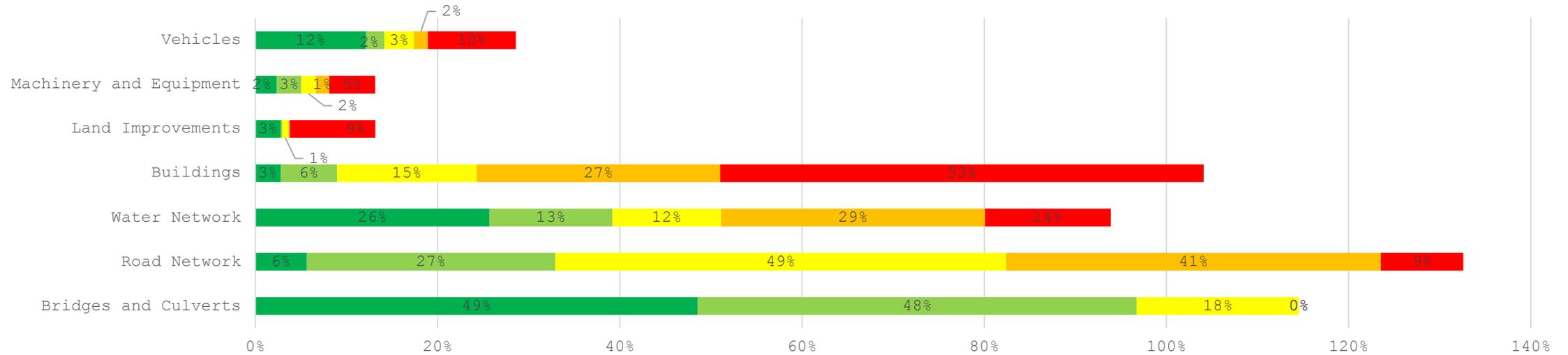


A total estimated replacement cost of **\$276 million** as of 2024.

Note: Excludes work-in-progress assets. (Wastewater, ECC Reno)

Asset Condition Breakdown:

Percentage of Condition Categories by distributed by Asset category Replacement Costs



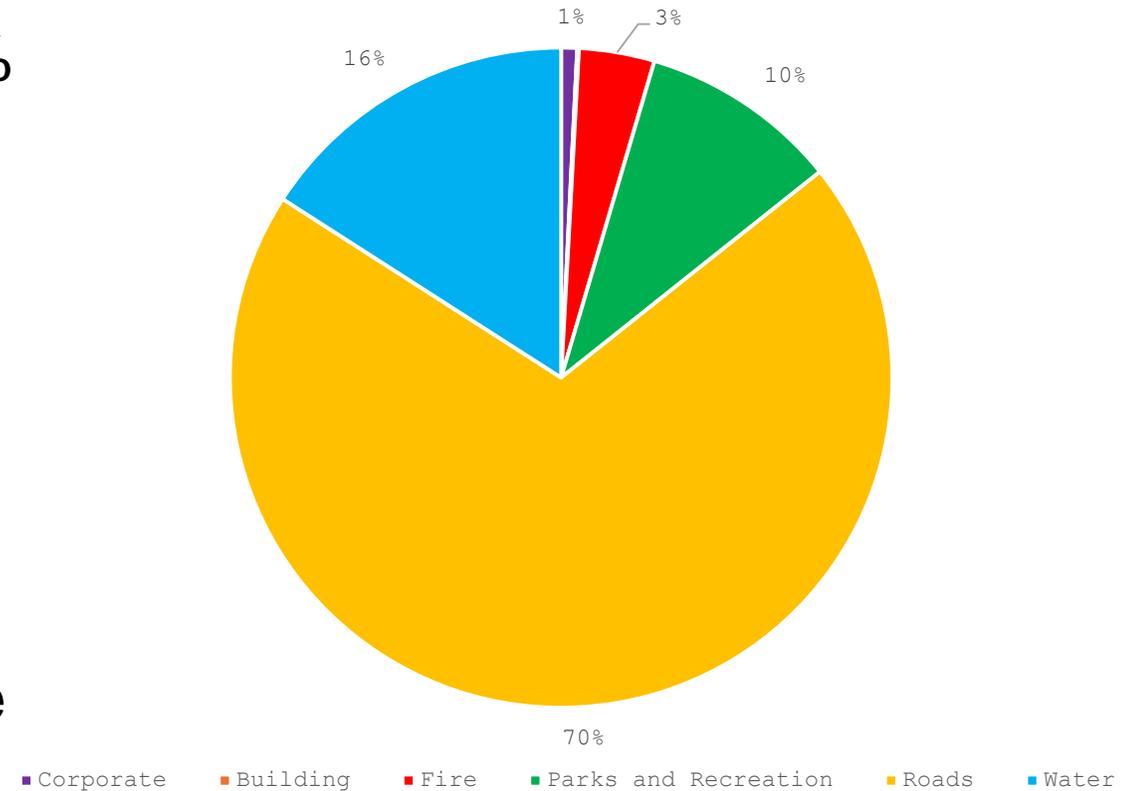
	Bridges and Culverts	Road Network	Water Network	Buildings	Land Improvements	Machinery and Equipment	Vehicles
Very Good	49%	6%	26%	3%	3%	2%	12%
Good	48%	27%	13%	6%	0%	3%	2%
Fair	18%	49%	12%	15%	1%	2%	3%
Poor	0%	41%	29%	27%	0%	1%	2%
Very Poor	0%	9%	14%	53%	9%	5%	10%

Very Good Good Fair Poor Very Poor

The Bars compare replacement costs of asset categories, and the percentages are based on the condition category (i.e. 49% of the town's value of very good condition assets are bridges and culverts)

Departmental Replacement Cost Breakdown

- Roads represent the largest share at 70% divided between vehicles, equipment, roads, bridges and culverts.
- Water accounts for 16% of the total cost mainly infrastructure.
- Parks and recreation make up 10% of the cost largely because of large facilities.



Maintenance Activities

In addition to replacement of assets there is work undergone to extend the service life of assets.



\$0.86 million on road maintenance.



\$1.4 million on maintaining water assets.



\$0.44 million on building maintenance.



\$0.11 million on maintaining land improvements.



\$0.065 million on machinery and equipment maintenance

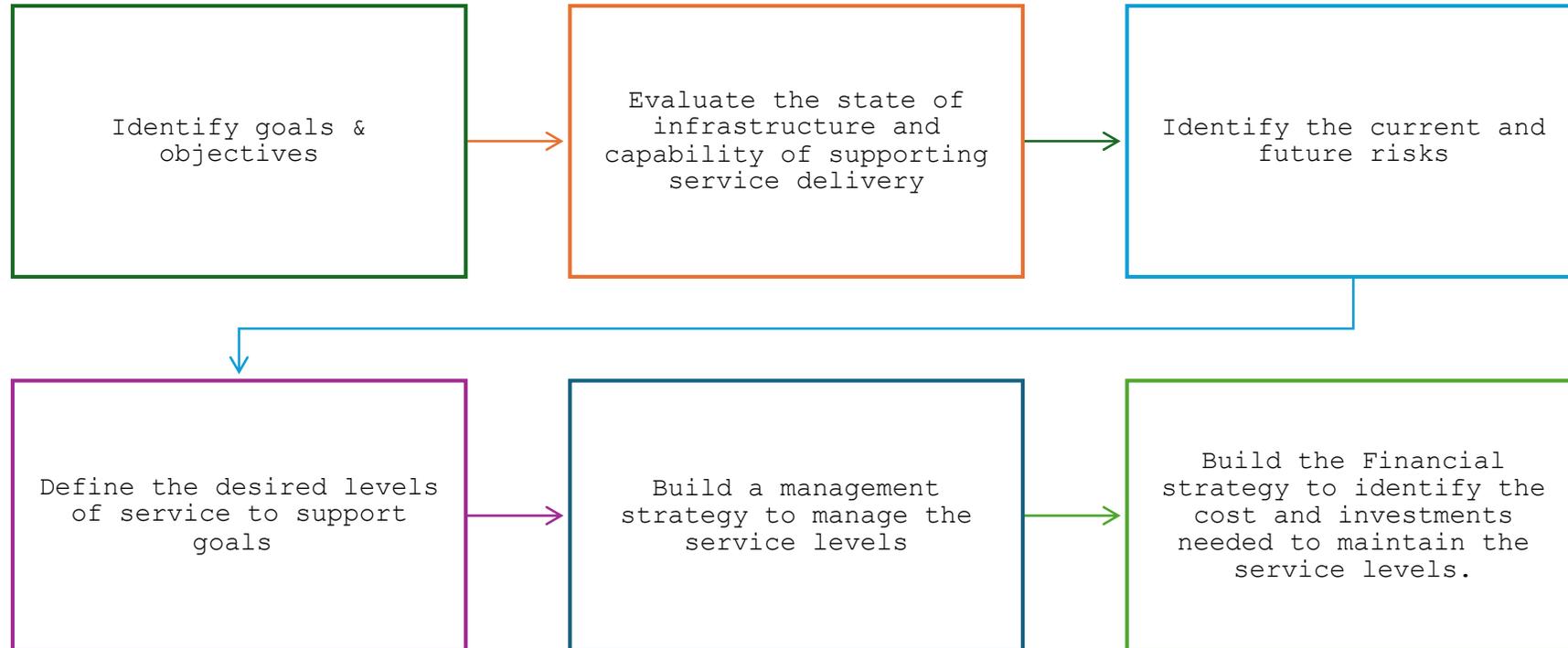


\$0.5 million on vehicle maintenance

In total in the year 2024 the Town of Erin spent \$3.38 million on maintenance activities.

Levels of Service

The Process:



Levels of Service Types:

1. Current Levels of Service:

- The Town developed the Levels of Services framework in 2020 for its core assets and expanded it to include all assets in 2023 AMP as required by O.Reg.588/17.
- The Levels of service are categorized into two primary categories:
 - Community LOS
 - Technical LOS

2. Proposed Levels of Service:

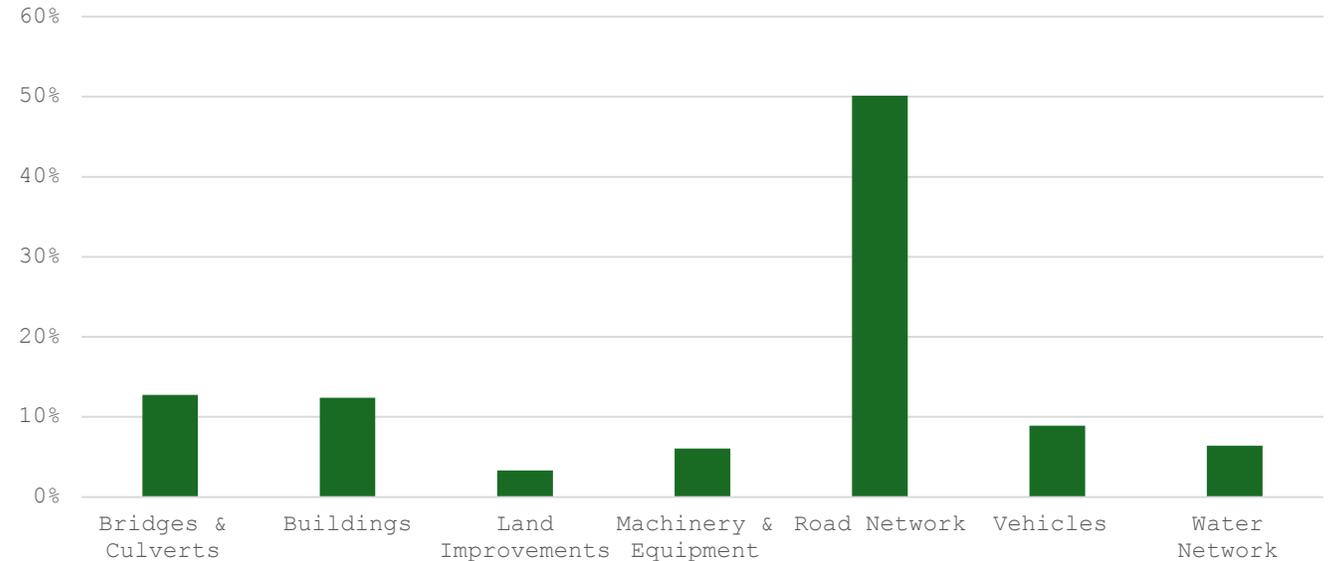
- O.Reg.588/17 required municipalities to include their proposed levels of service for the next 10 years as of July 1, 2025.
- The Town's proposed levels of service are set up for each department to meet the requirements and to align with the corporate strategic plan.

Financial Strategy:

Annual Requirement

The 2024 average annual capital requirements are approximately \$8.0 million, compared to \$6.2 million in 2023.

Note: The capital requirement is a division of total replacement cost by expected usable life remaining



Annual Capital requirements vs Annual

Year	Targeted Capital Reinvestment Ratio	Actual Capital Reinvestment Ratio	Deficit
2024	2.6%	1.1%	1.5%
2023	2.9%	1.3%	1.6%

A deficit of 1.5% is due to the expanding infrastructure deficit of \$4.2 million.

Long Term Financial Plan:

The forecasted long-term financial plan for 20 years is based on the changes in debt costs with fixed infrastructure deficit. To maintain existing assets, an increase of 2.5% in tax revenues is needed for the next 20 years compared to 2.2% in 2023:

Long Term Financial Plan				
Taxes Revenues Increase %	Years			
	<u>5</u>	<u>10</u>	<u>15</u>	<u>20</u>
Annually	11.5%	5.5%	3.6%	2.5%

Questions?