

2025 Asset Management Plan

Municipality of Brockton



Project Background

Asset Management Plan 2025

Municipality of Brockton

July 2025



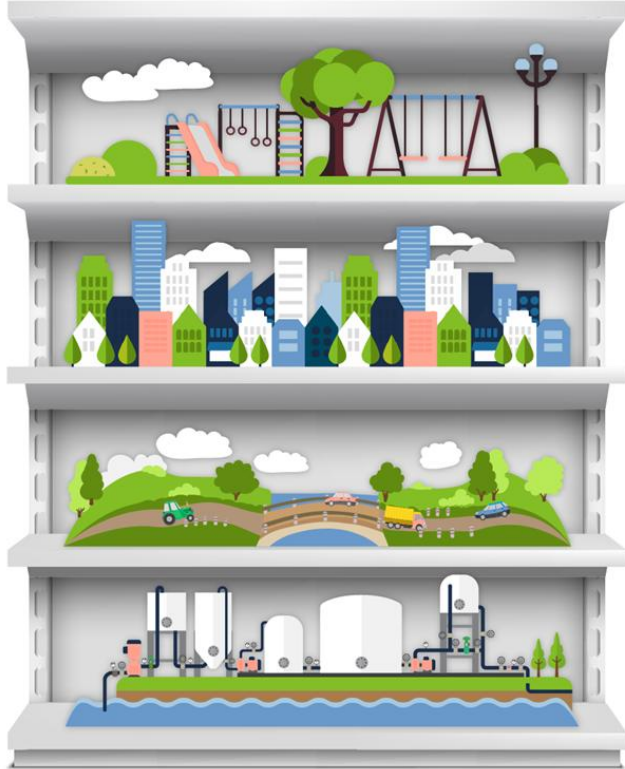
Primary Deliverable

AMP (2025 O. Reg. 588/17 Compliant)

Key Staff

- Trish Serratore, CFO
- Jessica Pinkse, Deputy Treasurer

Infrastructure assets are vital for communities

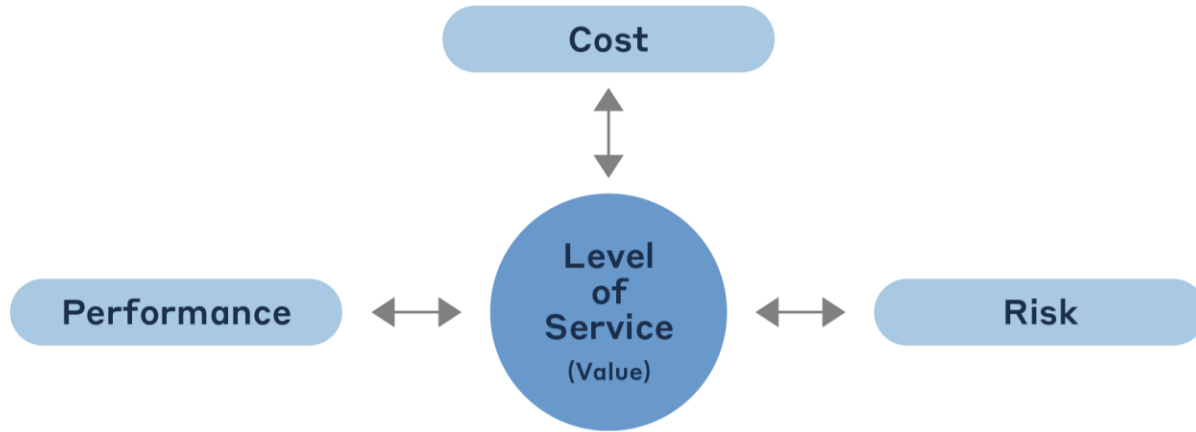


- ◆ We need a meaningful way to organize what we own
- ◆ We need a way to understand what services we provide
- ◆ We need a way to ensure accountability to our residents and stakeholders for the services they use

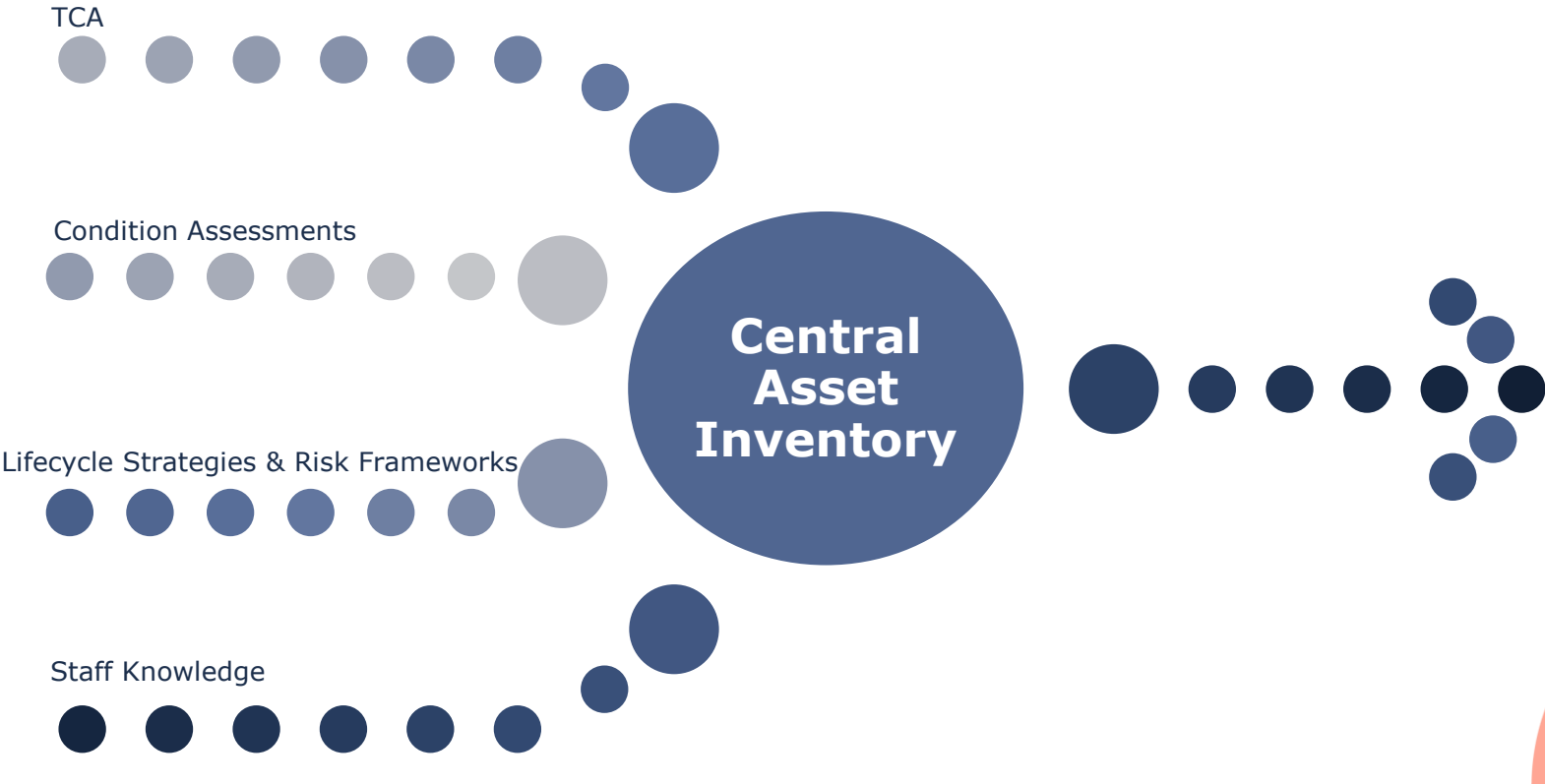


What does Asset Management involve?

ISO 55000: “Coordinated activity of an organization to realize value from assets”

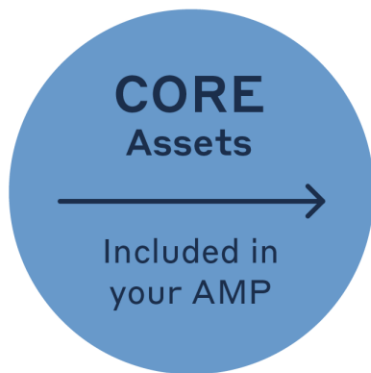


Municipality's Capital Asset Inventory



O. Reg. 588/17 Compliance

Phase I
2022



⋮

- Levels of Service
- Performance of each asset category
- Particulars per asset category
- Lifecycle activities to maintain current Level of Service per asset category

Phase II
2024



⋮

- Levels of Service
- Performance of each asset category
- Particulars per asset category
- Lifecycle activities to maintain current Level of Service per asset category

Phase III
2025



⋮

- Proposed Levels of Service
- Explanation of proposed Levels of Service
- Proposed performance of asset categories
- Lifecycle management and financial strategy

AMPs - Updating, Reviewing & Public Posting



- ◆ After 2025, asset management plans must be updated at least once every 5 years
- ◆ Every municipal council shall conduct an annual review of its asset management progress on or before July 1st
- ◆ The asset management policy and plan should be posted to the municipal website

Asset Management Plan (2024 year-end)

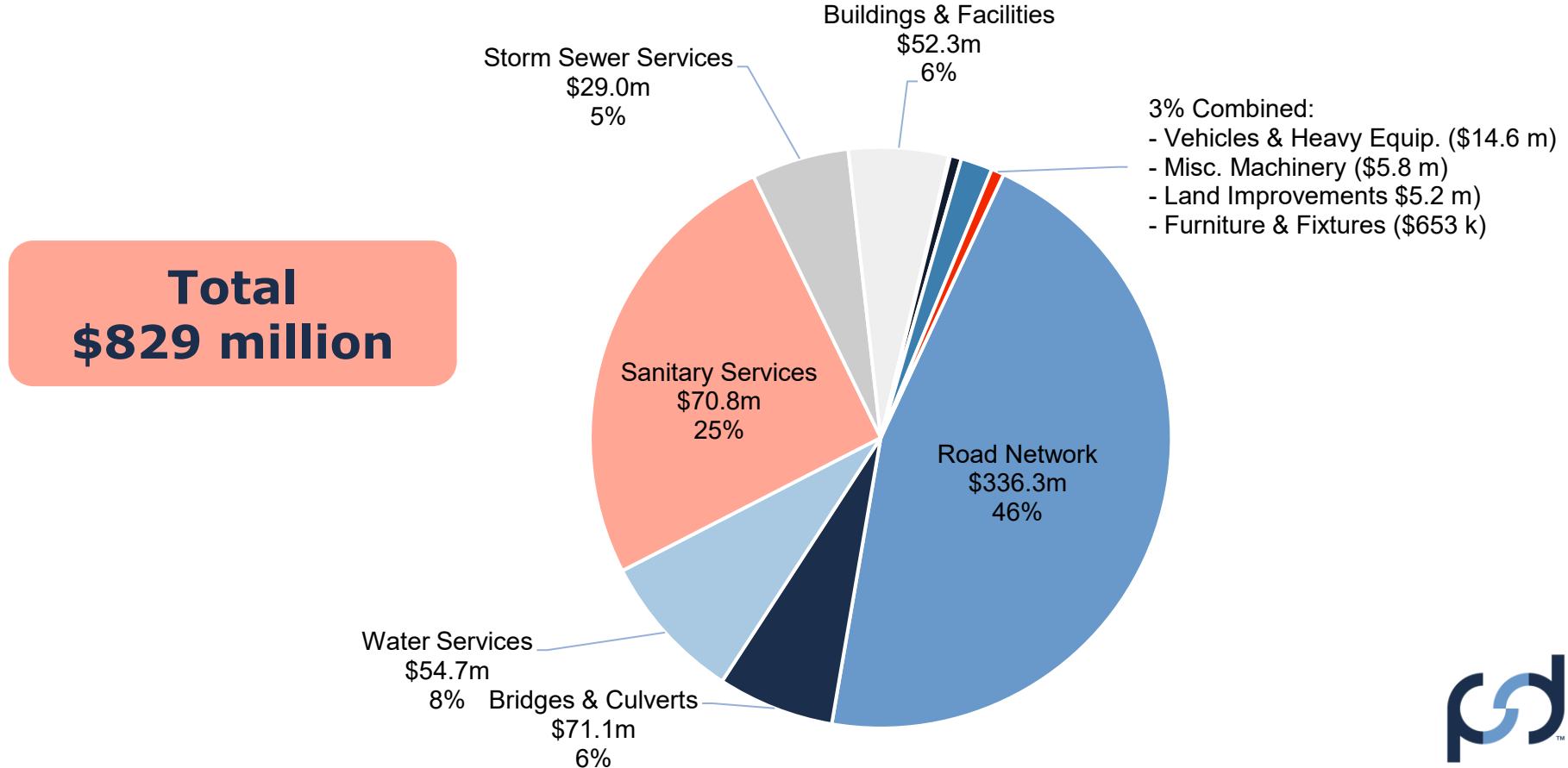
- 1 What is the current state of municipal infrastructure?
- 2 What process improvements can increase confidence in analysis and decision-making?
- 3 What is the Municipality's financial capacity to meet long-term capital requirements?



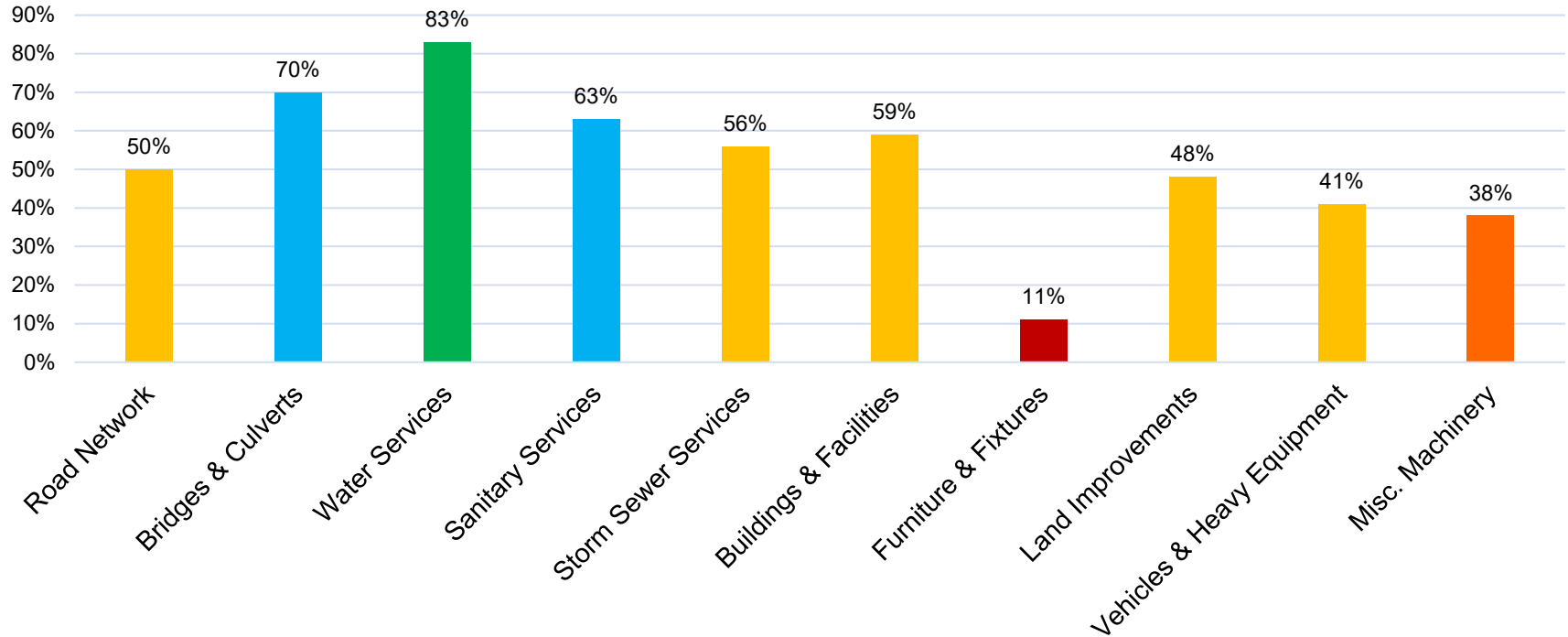
State of the Infrastructure



Total Replacement Cost of the Asset Portfolio



Overall Condition of the Asset Portfolio



51% assets are in fair or better condition



Condition Assessments in the Asset Portfolio

Asset Category	Asset Segment(s)	% of Assets with Assessed Conditions	Source of Condition Data
Road Network	Hot Mix Roads	83%	2019 Road Condition Assessment by BM Ross
	Surface Treated Roads	92%	
	Gravel Roads	96%	
Bridges & Culverts	All	100%	2021/22 Ontario Structure Inspection Manual (OSIM) report
Sanitary Services	Pollution Control Plant	100%	Staff Assessment
Buildings & Facilities	All	93%	2023 Building Condition Assessments
Vehicles & Heavy Equipment	All	93%	Staff Assessments
Misc Machinery	All	5%	Staff Assessments

**Age-based condition data typically overstates needs and overall deficit.
Assessed condition data builds confidence in decision making.**



Assessed Condition Data in AM Decision Making



Mitigation of risks associated with asset failure

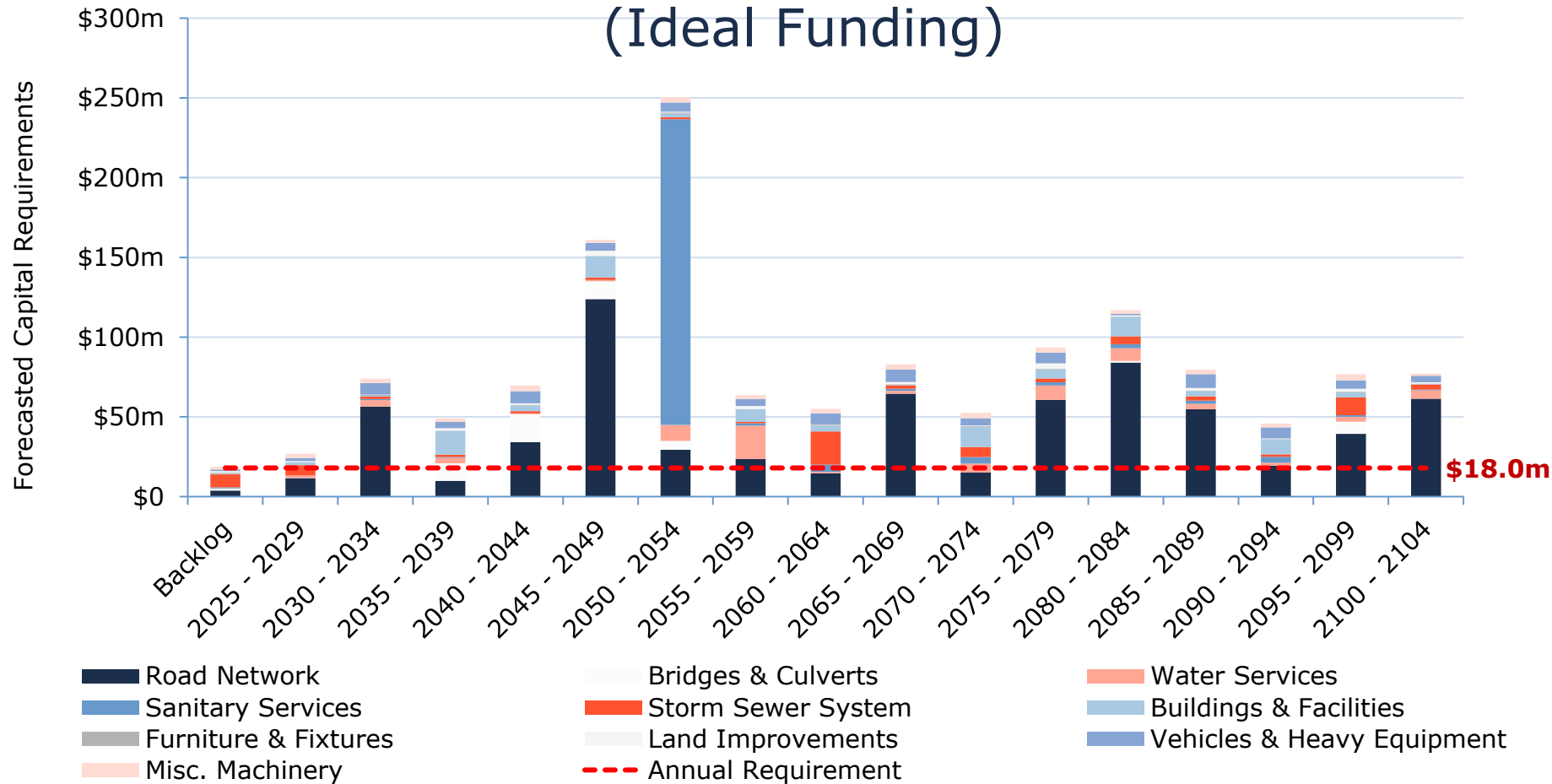


Identifying the most economic intervention



Accurate predication of future expenditure requirements

Forecasted Long-Term Capital Requirements (Ideal Funding)



Annual Capital Requirement & Infrastructure Deficit (Ideal Funding)

Sustainable Funding Sources:
CCBF, OCIF, Reserves, etc.

Funding Source	Annual Capital Requirement	Funding Available	Annual Capital Deficit
Tax-Funded Assets	\$13,452,000	\$2,828,000	\$7,433,000
Water Rate-Funded	\$1,038,000	\$380,000	\$658,000
Sanitary Rate-Funded	\$3,496,000	\$371,000	\$3,125,000
Total:	\$17,986,000	\$3,579,000	\$14,407,000

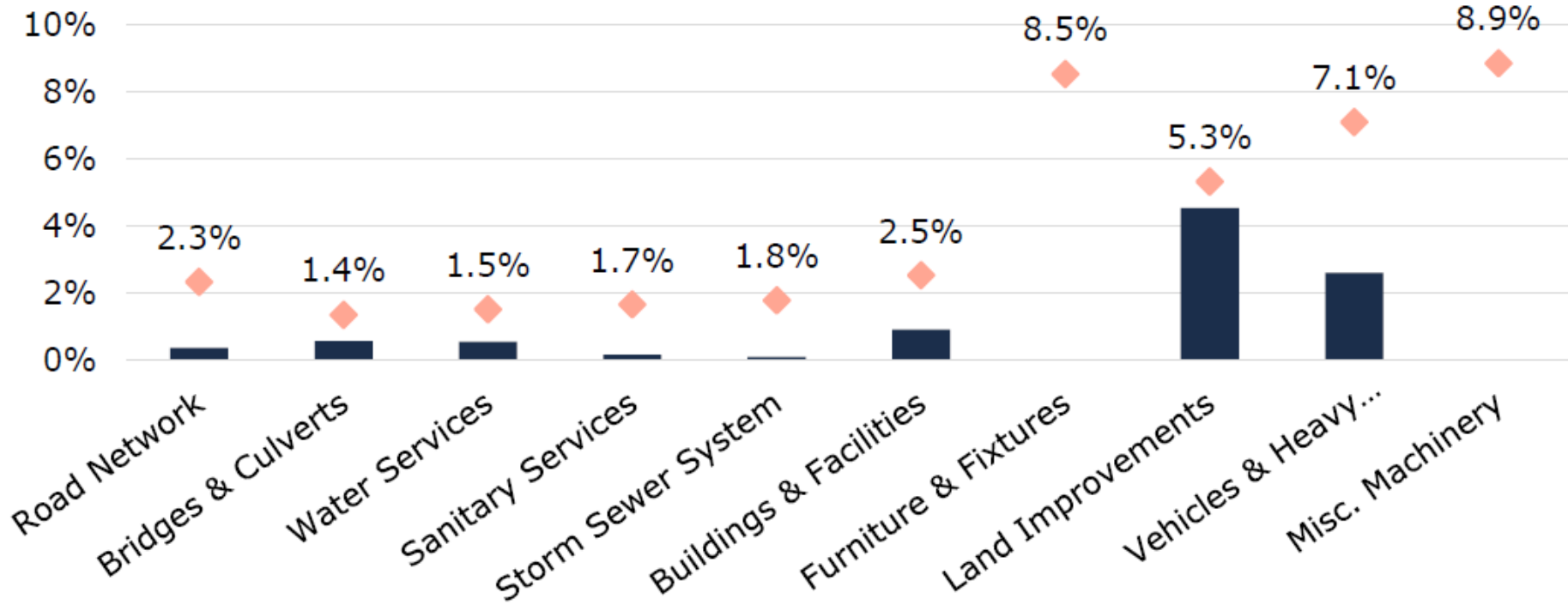
Assets are currently funded at **20%** of their long-term capital requirements
(Tax Funded at 21%, Water at 37%, Sanitary at 11%)

Target vs. Actual Reinvestment Rate (Ideal Funding)

Target Reinvestment Rate
2.2%

Actual Reinvestment Rate
0.4%

■ Actual Reinvestment Rate ◆ Target Reinvestment Rate





Proposed Levels of Service



What are Proposed Levels of Service (LOS)?

- ◆ Current LOS are the past performance metrics of an asset category up until present day.
- ◆ In contrast, Proposed LOS looks toward the municipality's goal for asset performance by a defined future date.

Note: O. Reg 588/17 does not dictate which proposed LOS metrics municipalities need to strive for. A proposed LOS will be very specific to each community's resident desires, political goals, and financial capacity.



PLOS Stakeholder Engagement – Public Survey

82 Survey Responses

Location

62%
Urban

28%
Rural

10%
Semi-
Urban

Age

6%
15-29
years

32%
30-44
years

30%
45-64
years

32%
65+ years

Services with Highest Satisfaction

Roads/ Bridges

Emergency Services

Outdoor Spaces

Services with Lowest Satisfaction

Sidewalks

Libraries/ Recreation Facilities



PLOS Stakeholder Engagement – Public Survey

General Themes of Comments:

- ◆ The majority of respondents favored maintaining or increasing spending on roads, utilities, parks, and recreational services. There is clear public support for additional investment in infrastructure that directly impacts daily life.
- ◆ Geographic Inequity: Many rural residents feel that spending is too concentrated in Walkerton or urban areas, leading to a sense of neglect in rural regions.
- ◆ Comments pointed toward a desire for balanced growth that prioritizes core services while also ensuring fiscal responsibility. Residents advocated for transparency in spending decisions, emphasizing that investments should equitably benefit both current and future community members.



PLOS Scenarios Modelled

Scenario	Pros	Cons
Scenario 1: Maintain Existing Funding Levels	◆ Least expensive option for residents. ◆ Lowest financial burden for residents and businesses (no additional tax or rate increases)	◆ Significantly increased infrastructure backlog. ◆ Underfunding risks asset failure and service impact. ◆ Heavy reliance on grants and future funding uncertainty.
Scenario 2: 60% Funding in 15 Years	◆ More manageable increases. ◆ Balances service delivery with financial feasibility.	◆ Potential infrastructure backlog. ◆ Increased reliance on grants may lead to future funding instability.
Scenario 3: 100% Funding in 15 Years	◆ Full funding for infrastructure. ◆ Gradual rate increases. ◆ Clear path to achieve full funding.	◆ High long-term financial burden. ◆ Delayed asset renewal (while ramping up to full funding), risking asset failure. ◆ Missed opportunities for lifecycle efficiency.





Financial Strategy



How to Achieve the Proposed Levels of Service

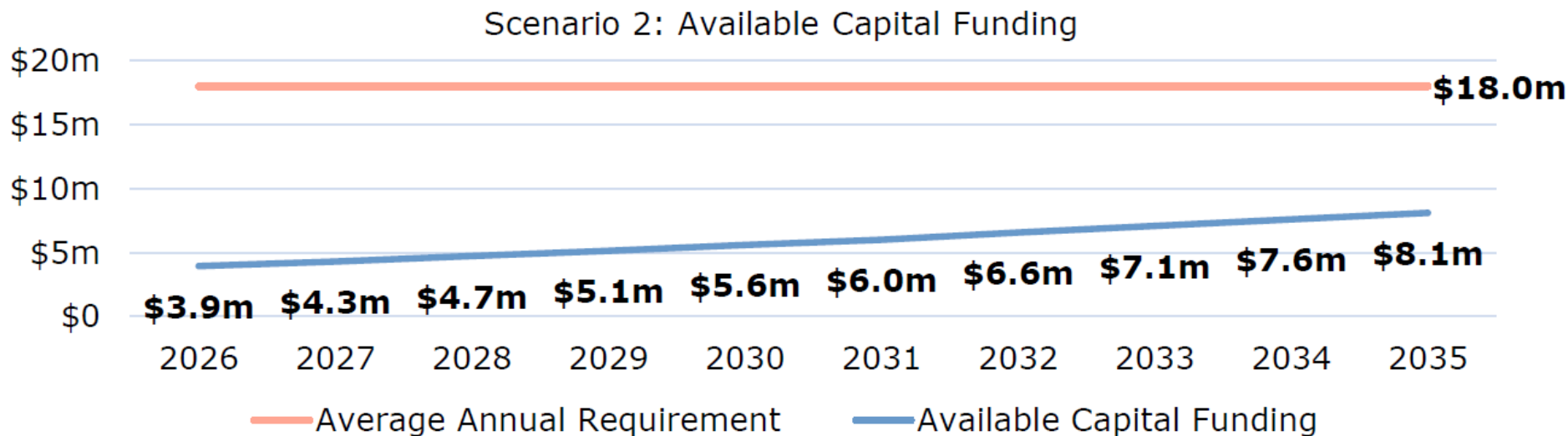
Scenario	Description	Annual Tax Increase	Annual Water Rate Increase	Annual Wastewater Rate Increase
Scenario 1	Maintain Funding	0%	0%	0%
Scenario 2	60% in 15 years	2.1%	1.1%	4.6%
Scenario 3	100% in 15 years	3.8%	2.7%	7.0%

- Both sustainable and one-time grants/transfers will continue to be an essential source of revenue for investment in capital infrastructure
- Adjustments to taxes should be supplemented with project prioritization and evaluation of the desired levels of service



10-Year Outlook of Financial Strategy

Scenario 2: 60% Funding in 15 Years





Recommendations & Next Steps



Recommendations

1

Asset Inventory

- ◆ Regularly update the asset management software with accurate replacement costs, particularly following significant asset replacements or condition assessments, to ensure capital projections are accurate.

2

Continuous Improvement and Regular Review

- ◆ An asset management plan is a **living document** that should be updated regularly to inform long-term planning
- ◆ Accordingly, the yearly capital operating budget should include funding for the assessment of the Municipality's assets that will be used to update future iterations of the plan
- ◆ Consider conducting a water/sanitary rate study

3

Levels of Service

- ◆ Measure levels of service according to the metrics identified in the AMP, ensuring these metrics align with the Municipality's goals for meaningful asset management planning.



Next Steps

- ◆ Review and consider the findings of the Asset Management Plan in future budget deliberations
- ◆ Consider what supports administration may need to improve the confidence in asset management planning (i.e. staffing, condition assessments, consultant assistance)
- ◆ Develop a process for regular review and tracking of asset management progress, including reporting to Council

Per O. Reg. 588/17, the next iteration of the Municipality's Asset Management Plan is due in 2030





Questions?