Asset Management Plan

Township of South Frontenac

June 23, 2026

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Introduction

1. Introduction

1.1 Overview

The primary objective of an asset management plan is to leverage the best available information to support the long-term planning and stewardship of infrastructure assets. The plan also establishes a documented and structured framework for ongoing refinement and periodic updates, ensuring it remains relevant and responsive to changing conditions.

The Township of South Frontenac (Township) retained Watson & Associates Economists Ltd. (Watson) to support the development of a comprehensive asset management plan. This work built upon prior efforts undertaken for the Township's core assets[1] through the development of the 2023 Asset Management Plan and was completed in two phases.

The first phase focused on achieving compliance with the July 1, 2024 requirements of Ontario Regulation (O. Reg.) 588/17 for non-core[2] assets. This phase culminated in the Township's 2025 Asset Management Plan, which was adopted by Council in September 2025. The second phase focused on establishing proposed levels of service for both core and non-core assets and developing a financial strategy to support the implementation of the plan. This report represents the outcome of the second phase and brings the Township into compliance with the July 1, 2025 requirements of O. Reg. 588/17.

The estimated current replacement cost of the Township's infrastructure assets is $594 million. Transportation assets represent the largest share of the total replacement cost at $380 million (64%), followed by tax-funded facilities at $137 million (22%), tax-funded fleet and equipment at $44 million (7%), water assets at $16 million (3%), parks and recreation assets at $13 million (2%), and lastly, stormwater assets at $8 million (1%).

[1]Core infrastructure assets are defined by O. Reg. 588/17 as being roads, bridges, culverts, and any asset that is utilized in the provision of water, wastewater, and stormwater services.

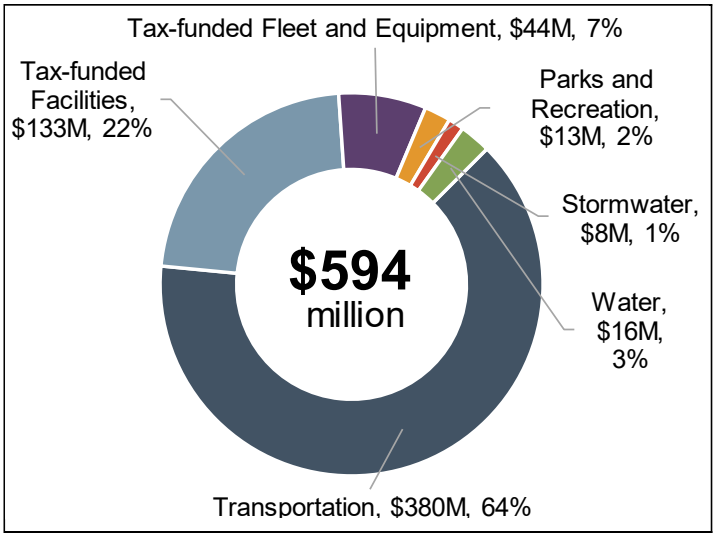
[2]Non-core infrastructure assets are any other assets owned and managed by a municipality that are not included within the definition of core infrastructure assets.

A breakdown of the replacement cost by asset category is provided in Table 1-1 and is further illustrated in Figure 1-1.

Table 1-1: Distribution of Replacement Cost by Asset Category

Asset Category	Current Replacement Cost
Transportation	$380,355,000
Tax-funded Facilities	$133,007,000
Tax-funded Fleet and Equipment	$43,948,000
Parks and Recreation	$13,223,000
Stormwater	$7,831,000
Water	$15,662,000
Total	**$594,026,000**

Figure 1-1: Distribution of Replacement Cost by Asset Category



1.2 Legislative Context for the Asset Management Plan

Asset management planning in Ontario has evolved significantly over the past decade.

Prior to 2009, it was common municipal practice to expense capital assets in the year of their acquisition or construction. Consequently, this meant that many municipalities did not have appropriate tracking of their capital assets, especially with respect to any

changes that capital assets may have undergone (e.g., betterments, disposals, etc.). Furthermore, this also meant that many municipalities had not yet established inventories of their capital assets, both in their accounting structures and financial statements. As a result of revisions to *Section 3150 – Tangible Capital Assets* of the *Public Sector Accounting Board* (PSAB) handbook, which came into effect for the 2009 fiscal year, municipalities were forced to change this long-standing practice and capitalize their tangible capital assets over the term of the asset's expected useful service life. In order to comply with this revision, municipalities needed to establish asset inventories, if none previously existed.

In 2012, the Province launched the Municipal Infrastructure Strategy, which required municipalities and local service boards seeking provincial funding to demonstrate how any proposed project fits within a broader asset management plan. In addition, asset management plans encompassing all municipal assets needed to be prepared by the end of 2016 to meet Federal Gas Tax (now the Canada Community-Building Fund) agreement requirements. To help define the components of municipal asset management plans, the Province produced a document entitled *Building Together: Guide for Municipal Asset Management Plans*. This document outlined the information and analyses that were required to be included in municipal asset management plans under this initiative.

The Province's *Infrastructure for Jobs and Prosperity Act, 2015* (IJPA) was proclaimed on May 1, 2016. This legislation detailed principles for evidence-based and sustainable long-term infrastructure planning. The IJPA also gave the Province the authority to guide municipal asset management planning by way of regulation. In late 2017, the Province introduced O. Reg. 588/17 under the IJPA. The intent of O. Reg. 588/17 is to establish standard content for municipal asset management plans. Specifically, the regulation requires that asset management plans be developed that define levels of service, identify the lifecycle activities that will be undertaken to achieve those levels of service, and provide a financial strategy to support the levels of service and lifecycle activities.

1.3 Asset Management Plan Development

The development of this asset management plan was guided by asset management strategies identified through discussions with the Township's asset managers, reviews of long-term planning documents and studies, service level objectives established

through engagement with staff and Council, and detailed analyses of the Township's asset and financial data. The key steps in the development process of this asset management plan are summarized below:

1. Update underlying asset data, including quantities, ages, condition ratings, useful service life expectations, replacement cost valuations, and lifecycle activity costs.
2. Establish targets for the levels of service the Township proposes to provide to the public over the long term through workshops held with staff. As part of these workshops, changes to existing lifecycle management strategies to support the proposed levels of service were identified. This step informed the development of 10-year forecasts of capital and significant operating expenditures to achieve and sustain the proposed levels of service.
3. Determine the level of annual capital funding necessary to sustain the proposed levels of service over the long term.
4. Analyze the Township's financial data and develop a financial strategy model to forecast the funding expected to be available to undertake the capital and significant operating expenditures identified previously. The financial strategy model was also utilized to determine the financial impacts associated with providing the proposed levels of service (i.e., estimated annual tax levy and tax rate increases to achieve a sustainable level of annual capital funding, additional debt requirements, impact on reserve and reserve fund balance, etc.).
5. Present the proposed levels of service and their associated financial impacts to Council in a workshop setting. Feedback received through this process helped to assess the appropriateness of the proposed levels of service and supported further refinement of the financial strategy.
6. Document the asset management plan in a formal report to inform future decision-making and to communicate the Township's long-term infrastructure planning approach to the public.

Chapter 2
State of Local Infrastructure and Levels of Service

2. State of Local Infrastructure and Levels of Service

2.1 Transportation

2.1.1 State of Local Infrastructure

The Township owns and manages a variety of transportation assets that enable the safe and efficient passage of vehicular and pedestrian traffic and contribute to the overall level of service provided by the Township. These assets comprise the Township's roads, bridges, culverts, and road-related assets such as traffic control signals, overhead flashing beacons, streetlights and sidewalks. The estimated current replacement cost of the Township's transportation assets is $380.4 million.

The Township's road network spans over 800 kilometres and comprises roads with three surface types: asphalt, surface treatment, and gravel. The estimated current replacement cost of the Township's roads is $292.3 million. Surface treated roads represent the largest share of replacement cost at $125.9 million (43%), followed by asphalt roads at $117.1 million (40%), and lastly, gravel roads at $49.4 million (17%). The average age of the Township's roads is 18.0 years.

Table 2-1 summarizes the length, average age, and estimated current replacement cost of the Township's roads by surface type. This information is further illustrated in Figure 2-1.

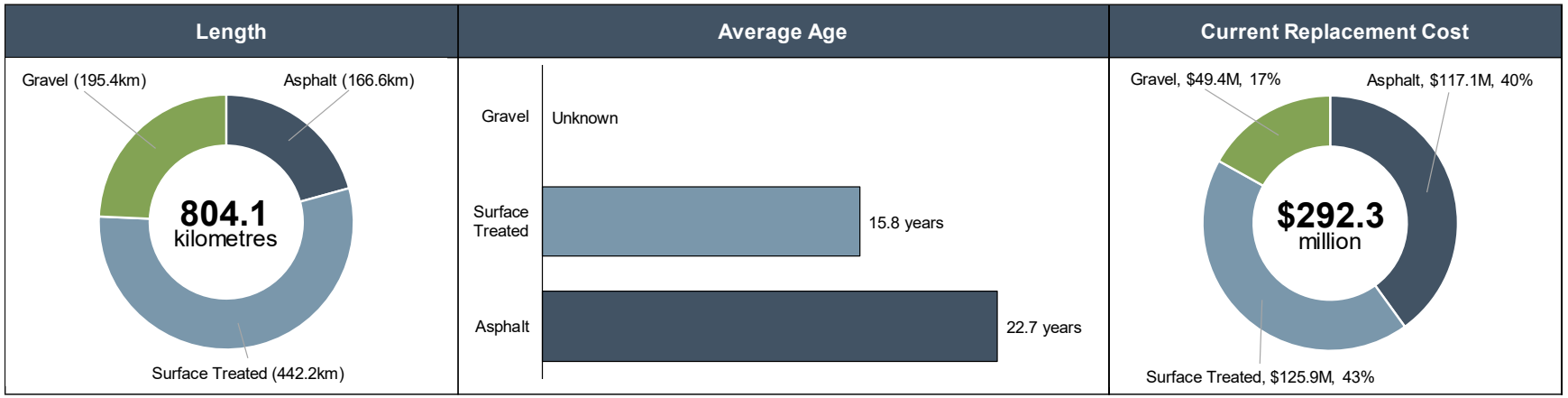
Table 2-1: Roads – Length, Average Age, and Replacement Cost by Surface Type

Surface Type	Length	Average Age[1]	Current Replacement Cost
Asphalt	166.6 km	22.7 years	$117,096,000
Surface Treated	442.2 km	15.8 years	$125,888,000
Gravel	195.4 km	Unknown[2]	$49,358,000
Total	**804.1 km**	**18.0 years**	**$292,342,000**

[1]Weighted average utilizing the surface area of road segments as weights.

[2]It is noted that the initial construction years for the Township's gravel roads are currently unknown. As such, the average age of gravel roads cannot be determined at this time.

Figure 2-1: Roads – Length, Average Age, and Replacement Cost by Surface Type



The Township's transportation network is also supported by 102 structures comprising 24 bridges, 21 structural[1] culverts, and 57 non-structural culverts. The estimated current replacement cost of the Township's structures is $80.5 million. Bridges represent the largest share of replacement cost at $46.8 million (58%), followed by structural culverts at $17.8 million (22%), and lastly, non-structural culverts at $15.9 million (20%). The average age of the Township's structures is 57.5 years.

Table 2-2 summarizes the quantity, average age, and estimated current replacement cost of the Township's structures by structure type. This information is further illustrated in Figure 2-2.

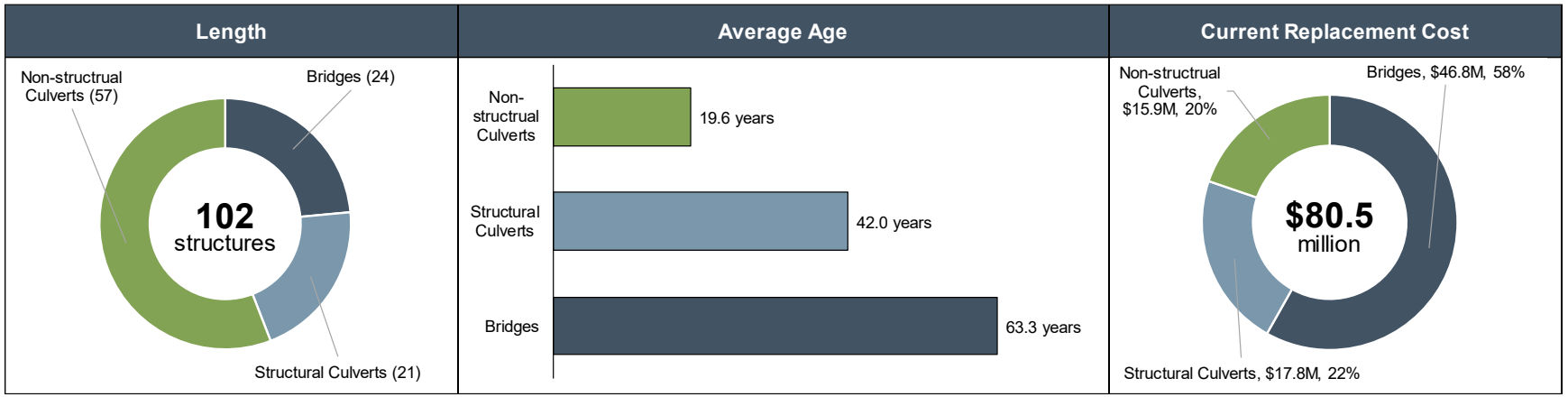
Table 2-2: Structures – Quantity, Average Age, and Replacement Cost by Structure Type

Structure Type	Quantity	Average Age[2]	Current Replacement Cost
Bridges	24	63.3 years	$46,801,000
Structural Culverts	21	42.0 years	$17,762,000
Non-structural Culverts	57	19.6 years	$15,906,000
Total	**102**	**57.5 years**	**$80,469,000**

[1]The *Ontario Structure Inspection Manual (2008)* defines structural culverts as structures that form an opening through soil and have a total span of three meters or more.

[2]Weighted average utilizing the replacement cost of each structure as weights.

Figure 2-2: Structures – Quantity, Average Age, and Replacement Cost by Structure Type



The Township also owns and manages a variety of road-related assets, which play a vital role in supporting its broader transportation network. These assets comprise traffic control signals, overhead flashing beacons, streetlights, and sidewalks located within the road right-of-way. The estimated current replacement cost of the Township's road-related assets is $7.5 million. Sidewalks represent the largest share of replacement cost at $4.8 million (64%), followed by streetlights at $2.0 million (26%), traffic control signals at $628,000 (8%), and lastly, overhead flashing beacons at $96,000 (1%). The average age of the Township's road-related assets is 22.0 years.

Table 2-3 summarizes the quantity, average age, and estimated current replacement cost of the Township's road-related assets by asset type. This information is further illustrated in Figure 2-3.

Table 2-3: Road-related Assets – Quantity, Average Age, and Replacement Cost by Asset Type

Asset Type	Quantity	Average Age[1]	Current Replacement Cost
Traffic Control Signals	2	19.5 years	$628,000
Overhead Flashing Beacons	9	5.0 years[2]	$96,000
Streetlights	606	8.9 years[3]	$1,981,000
Sidewalks	17.4 km	28.0 years	$4,839,000
Total		**22.0 years[4]**	**$7,544,000**

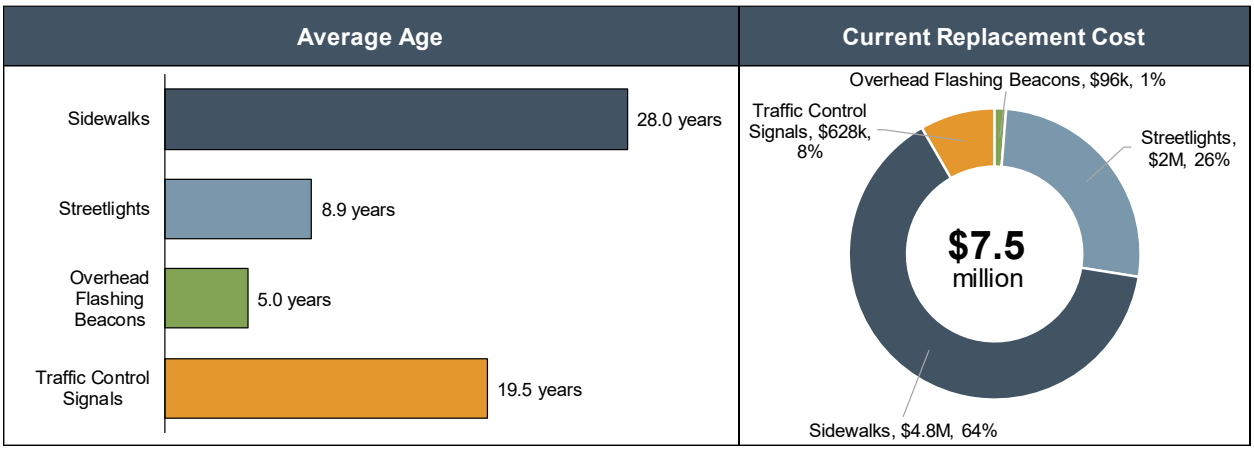
[1]Weighted average utilizing the length of each sidewalk and the replacement cost of other asset as weights.

[2]The year of construction of seven of the Township's overhead flashing beacons is not readily available. As such, these assets have been excluded from the calculation of weighted average age presented herein.

[3]The year of construction of 98 of the Township's streetlights is not readily available. As such, these assets have been excluded from the calculation of weighted average age presented herein.

[4]Weighted average utilizing the total replacement cost of each asset type as weights.

Figure 2-3: Road-related Assets – Average Age and Replacement Cost by Asset Type



2.1.2 Condition

The Township periodically completes physical condition assessments of its paved road network to evaluate the frequency and severity of observed pavement distresses. As part of these assessments, Pavement Condition Index (PCI) ratings are calculated for each paved road segment by assigning weighted values to observed base-related distresses (e.g., rutting, fatigue cracking, etc.) and surface-related distresses (e.g., raveling, shoving, etc.). Thus, PCI ratings also provide an indication of the structural integrity of the road segment and an objective rationale for forecasting upcoming lifecycle requirements.

PCI ratings are typically expressed on a scale from 0 to 100. A road segment with a PCI rating below 40 is typically characterized by severe surface distress and significant structural deterioration, resulting in very poor ride quality and an inability for road users to maintain posted speeds. Road segments in this condition usually require full-depth reconstruction to restore serviceability. Conversely, a road segment with a PCI rating above 85 is indicative of new or near-new pavement with minimal surface distress and structural deterioration. Road segments in this condition can be expected to provide a very smooth and comfortable ride quality.

To better communicate the condition of paved roads, PCI ratings have been segmented into qualitative condition states as summarized in Table 2-4.

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Table 2-4: Paved Roads – Definition of Qualitative Condition States

PCI Rating Range	Condition State	Example Photo
85 ≤ PCI ≤ 100	Very Good	
70 ≤ PCI < 85	Good	
55 ≤ PCI < 70	Fair	
40 ≤ PCI < 55	Poor	
0 ≤ PCI < 40	Very Poor	

The Township most recently assessed the PCI ratings of its paved (i.e., asphalt and surface treated) roads in 2025. Based on the results of this assessment, paved roads were estimated to have an average surface condition rating of 77.9. This would indicate that the Township's paved roads were in an overall 'Good' condition state (on average) at the time of the assessment.

Table 2-5 summarizes the average surface condition rating and associated condition states of the Township's paved roads by surface type.

Table 2-5: Paved Roads – Average PCI Rating and Associated Condition States by Surface Type

Surface Type	Average PCI Rating[1]	Condition State
Asphalt	87.1	Very Good
Surface Treated	73.8	Good
Average	**77.9**	**Good**

The distribution (surface area) of the Township's paved roads by condition state and surface type is illustrated in Figure 2-4, and by PCI rating range is illustrated in Figure 2-5.

[1]Weighted average utilizing the surface area of road segments as weights.

Figure 2-4: Paved Roads – Distribution (surface area) of Roads by Condition State and Surface Type

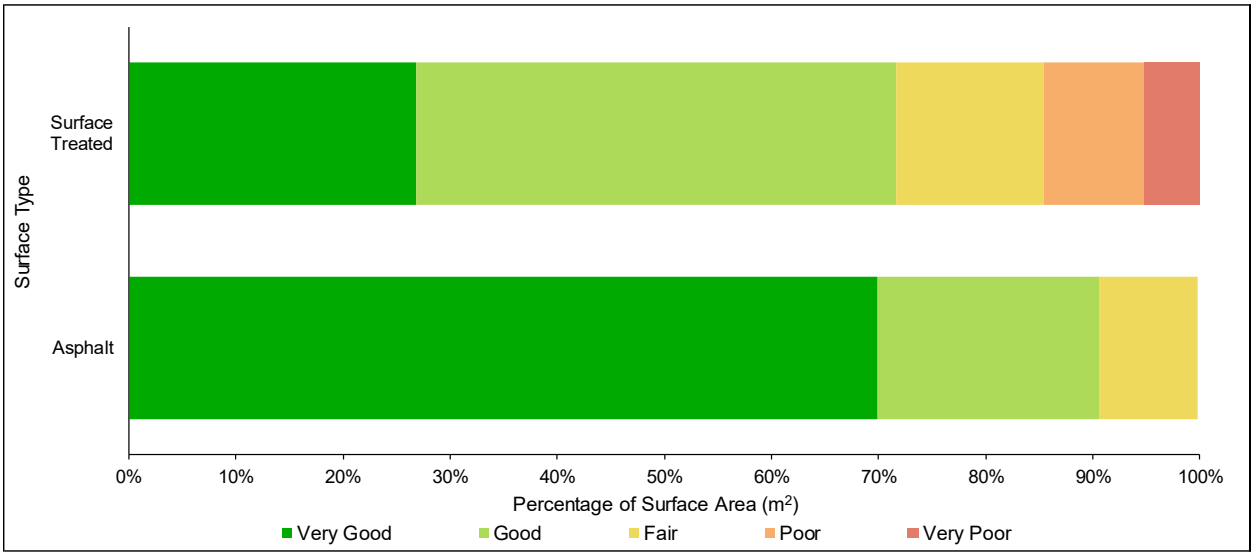
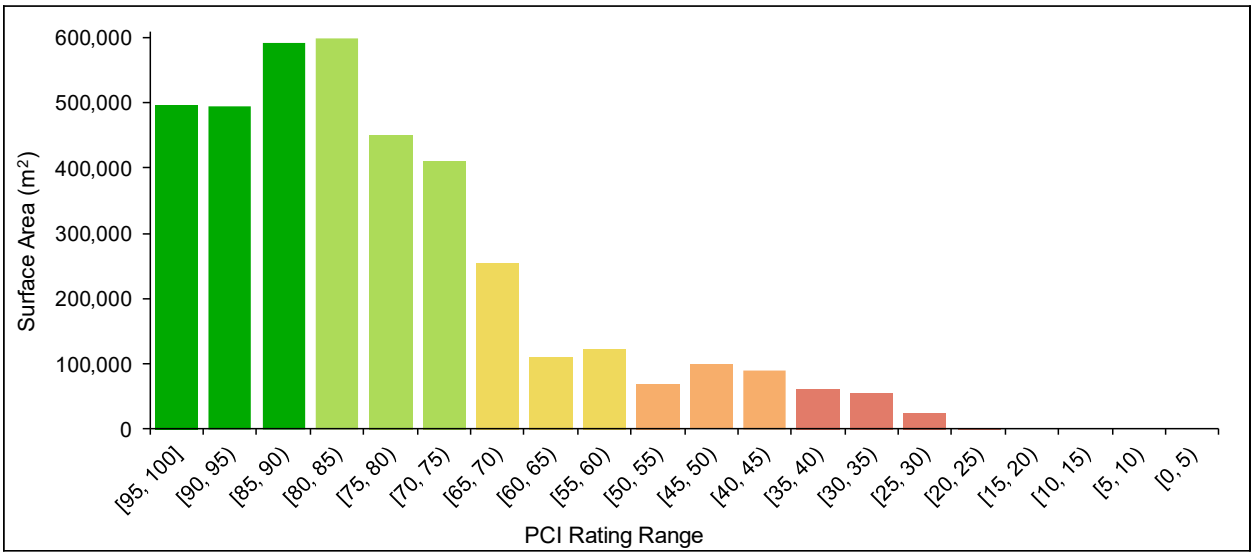


Figure 2-5: Paved Roads – Distribution (surface area) of Roads by PCI Rating Range



The Township also periodically evaluates the condition of its gravel roads based on their observed physical state. Similar to paved roads, PCI ratings are assigned to gravel roads to provide a quantitative representation of their condition. To better communicate the condition of the Township's gravel roads, PCI ratings have been segmented into qualitative condition states as summarized in Table 2-6.

Table 2-6: Gravel Roads – Definition of Qualitative Condition States

Surface Condition Rating Range	Condition State
80 ≤ PCI ≤ 100	Very Good
60 ≤ PCI < 80	Good
40 ≤ PCI < 60	Fair
20 ≤ PCI < 40	Poor
0 ≤ PCI < 20	Very Poor

The Township most recently assessed the PCI ratings of its gravel roads in 2022. Based on the results of this assessment, gravel roads were estimated to have an average PCI rating of 57.3. This would indicate that the Township's gravel roads were in an overall 'Fair' condition state (on average) at the time of the assessment.

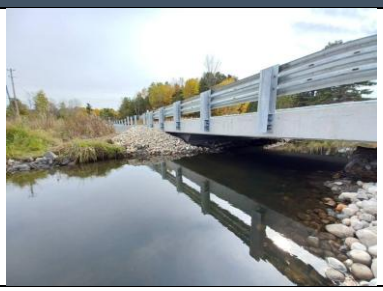
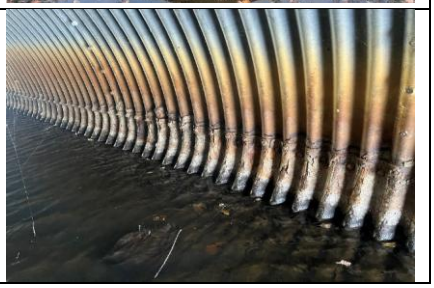
It is noted that the condition of gravel roads can vary significantly over short timeframes due to factors such as weather conditions and the timing of recent maintenance activities. As a result, the current condition of the Township's gravel roads may differ from the condition observed during the 2022 assessment.

In accordance with *Ontario Regulation 104/97: Standards for Bridges* (O. Reg. 104/97), the Township completes biennial inspections of its bridges and structural culverts based on the *Ontario Structure Inspection Manual* (OSIM). To provide an overall measure of condition, Bridge Condition Index (BCI) ratings are calculated by assigning weighted values to the condition of various structural (e.g., deck, foundation, superstructure, substructure, girders/beams, bearings, etc.) and non-structural elements (e.g., sidewalks, curbs, handrails, barriers, signage, etc.).

BCI ratings are typically expressed on a scale from 0 to 100. A structure with a BCI rating below 40 is indicative of severe structural deterioration requiring replacement or major rehabilitation to restore serviceability. Conversely, a structure with a BCI rating above 85 is indicative of new or near-new condition with minimal deterioration.

To better communicate the condition of the Township's bridges and structural culverts, BCI ratings have been segmented into qualitative condition states as summarized in Table 2-7.

Table 2-7: Bridges and Structural Culverts – Definition of Qualitative Condition States

BCI Rating Range	Condition State	Example Photo of Bridge	Example Photo of Structural Culvert
85 ≤ BCI ≤ 100	Very Good		
70 ≤ BCI < 85	Good		
60 ≤ BCI < 70	Fair		
40 ≤ BCI < 60	Poor		
0 ≤ BCI < 40	Very Poor		

Based on its 2025 OSIM Inspection Report, the Township's bridges and structural culverts have an average BCI rating of 62.4, indicating that, on average, structures are in a 'Fair' condition state.

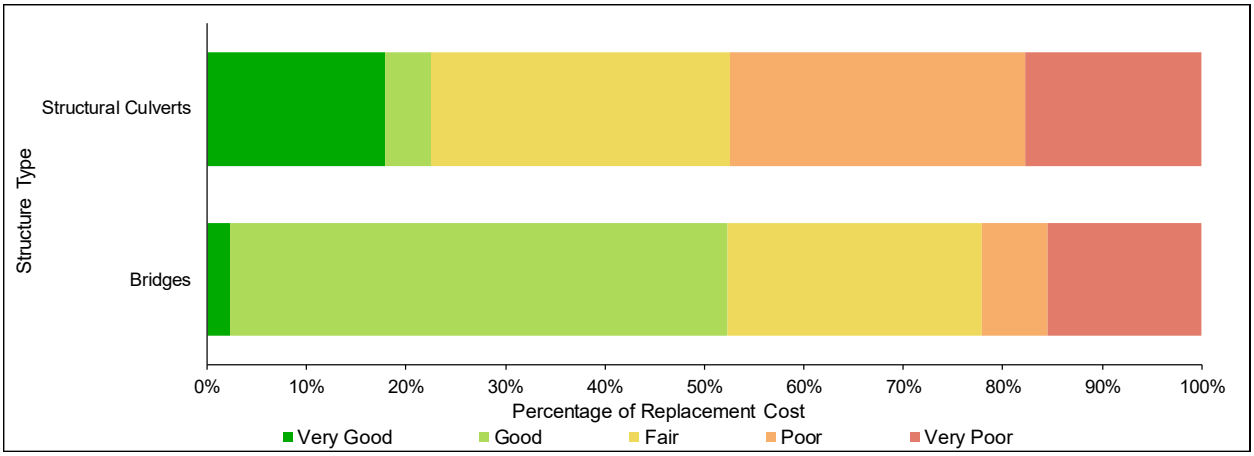
Table 2-8 summarizes the average BCI rating and associated condition states of the Township's bridges and structural culverts.

Table 2-8: Bridges and Structural Culverts – Average BCI Ratings and Condition States by Structure Type

Structure Type	Average BCI Rating[1]	Condition State
Bridges	63.1[2]	Fair
Structural Culverts	60.4	Fair
Average	**62.4**	**Fair**

The distribution (replacement cost) of the Township's bridges and structural culverts by condition state and structure type is illustrated in Figure 2-6, and by BCI rating range is illustrated in Figure 2-7.

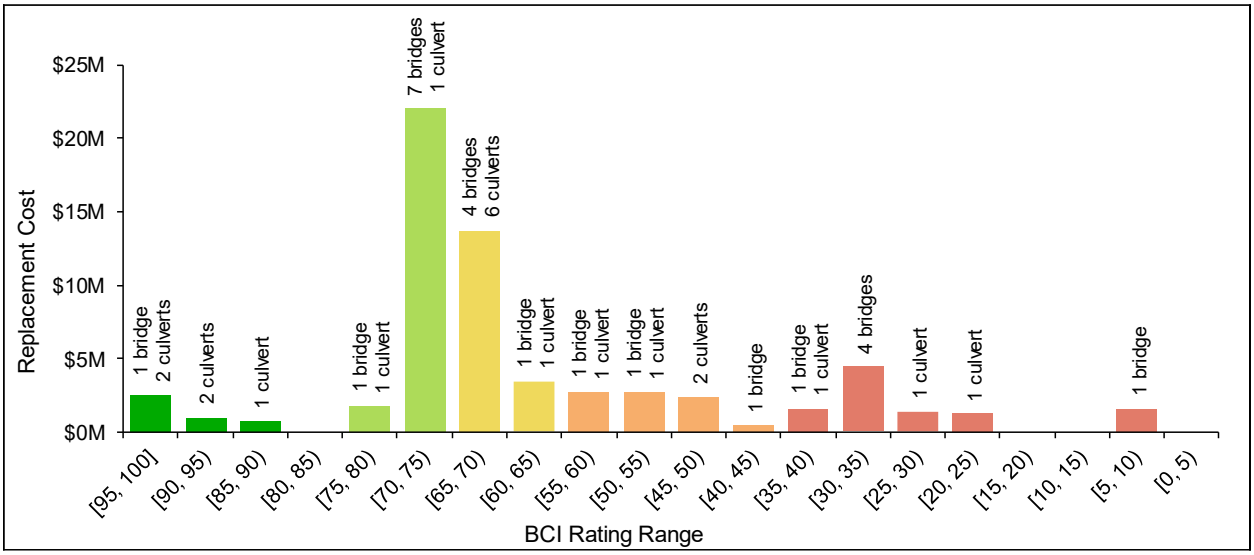
Figure 2-6: Bridges and Structural Culverts – Distribution (replacement cost) of Structures by Condition State and Structure Type



[1]Weighted average utilizing the replacement cost of structures as weights.

[2]It is noted that the Long Swamp Road Bridge (Structure No. B39) is currently closed due to advanced deterioration in its physical condition. As such, this structure has been excluded from the condition analyses presented in this section.

Figure 2-7: Bridges and Structural Culverts – Distribution (replacement cost) of Structures by BCI Rating Range



The Township evaluates the condition of its sidewalks through periodic physical condition assessments that examine the frequency and severity of observed defects (e.g., cracking, spalling, trip hazards, etc.). Sidewalk Condition Index (SCI) ratings are calculated for each sidewalk segment by assigning weighted values to the observed defects.

SCI ratings are typically expressed on a scale from 0 to 100. A sidewalk segment with a SCI rating below 20 is typically characterized by severe surface defects and structural deterioration, resulting in poor user accessibility. Sidewalk segments in this condition generally require reconstruction to restore serviceability. Conversely, a sidewalk segment with a SCI rating above 80 is indicative of new or near-new condition with minimal surface defects and no significant structural issues. Sidewalk segments in this condition can be expected to provide a smooth and accessible walking surface.

To better communicate the condition of sidewalks, SCI ratings have been segmented into qualitative condition states as summarized in Table 2-9.

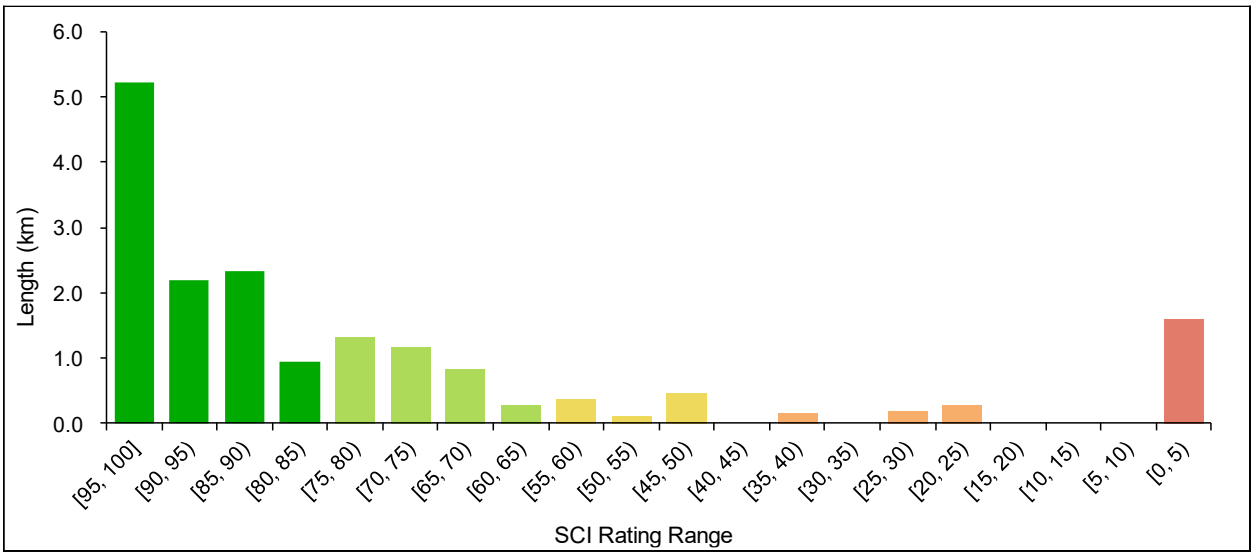
Table 2-9: Sidewalks – Definition of Qualitative Condition States

SCI Rating Range	Condition State
80 ≤ SCI ≤ 100	Very Good
60 ≤ SCI < 80	Good
40 ≤ SCI < 60	Fair
20 ≤ SCI < 40	Poor
0 ≤ SCI < 20	Very Poor

The Township most recently assessed the SCI ratings of its sidewalk segments in 2023. Based on the results of this assessment, sidewalks had an average[1] SCI rating of 75.6. This would indicate that they were in an overall 'Good' condition state (on average) at the time of the assessment.

The distribution (length) of the Township's sidewalks by SCI rating range is illustrated in Figure 2-8.

Figure 2-8: Sidewalks – Distribution (length) of Sidewalks by SCI Rating Range



The condition of the Township's non-structural culverts, traffic control signals, overhead flashing beacons, and streetlights is evaluated through staff-led inspections of each asset's observed physical condition. Based on these inspections, assets are assigned a

[1]Weighted average utilizing the length of sidewalk segments as weights.

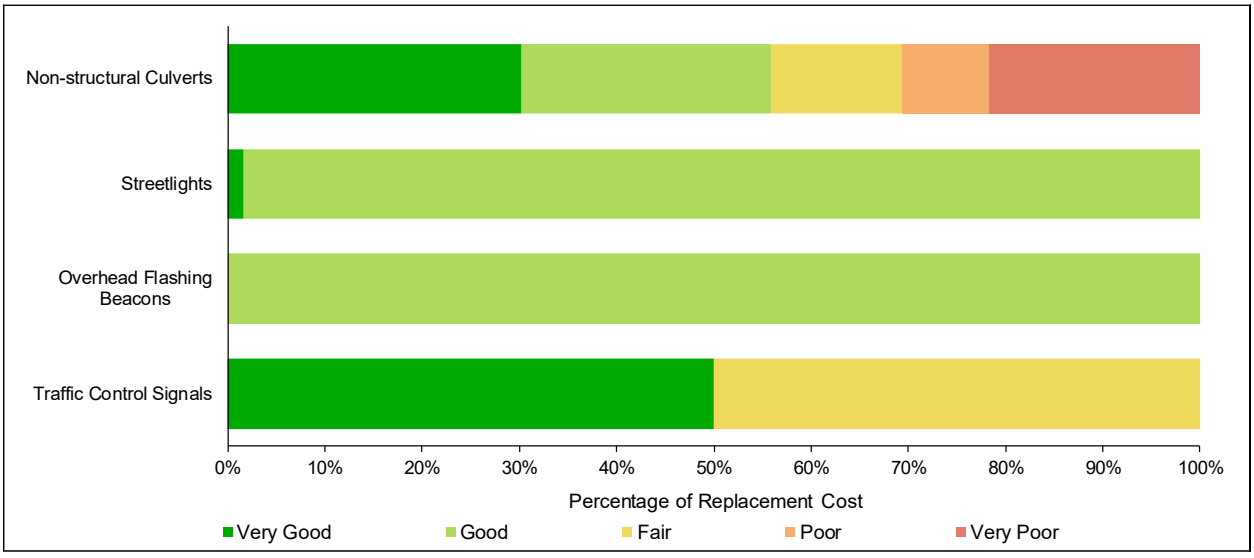
qualitative condition rating utilizing a five-point scale ranging from Very Good to Very Poor. Traffic control signals, overhead flashing beacons, and streetlights were most recently inspected in 2025, while non-structural culverts were inspected in 2026. Table 2-10 summarizes the average condition of these assets by asset type.

Table 2-10: Road-related Assets – Average Condition Rating by Asset Type

Asset Type	Average Condition State[1]
Traffic Control Signals	Good
Overhead Flashing Beacons	Good
Streetlights	Good
Non-structural Culverts	Fair

The distribution (replacement cost) of the Township's non-structural culverts, traffic control signals, overhead flashing beacons, and streetlights by condition rating and asset type is illustrated in Figure 2-9.

Figure 2-9: Road-related Assets – Distribution (replacement cost) of Assets by Condition Rating and Asset Type



[1]Weighted average utilizing the replacement cost of assets as weights.

2.1.3 Levels of Service

The levels of service currently provided by the Township's transportation assets are, in part, a result of the state of local infrastructure presented above. The levels of service framework presented in this subsection identifies both the levels of service that assets are currently providing as well as the proposed levels of service (i.e., target performance) that the Township is striving towards. The levels of service frameworks presented in this asset management plan were developed by identifying service aspects that would be of interest to end users (and more broadly, the general public) and in consideration of available data.

The Township's levels of service frameworks are organized in tables, which are structured as follows:

- The 'Service Attribute' column in Table 2-11 indicates the high-level attribute being addressed;
- The 'Community Levels of Service' column in Table 2-11 explains the Township's intent in plain language and provides additional information about the service being provided;
- The 'Performance Measure' column in Table 2-12 describes the performance measure(s) connected to the identified service attribute;
- The 'Current Performance' column in Table 2-12 identifies the current level of service with respect to each performance measure based on the best available data; and
- The 'Target Performance' column in Table 2-12 identifies the proposed level of service with respect to each performance measure.

Table 2-11: Transportation Assets – Community Levels of Service

Service Attribute	Community Levels of Service
Scope	The Township's transportation assets enable the safe and efficient movement of people and goods within the Township and provide connectivity to regional roads. In addition to passenger vehicles, the Township's transportation assets also support commercial truck traffic, movement of agricultural equipment, and reliable emergency vehicle access to all areas of the Township. The broader transportation network also supports active transportation modes such as walking and cycling.
Quality	The Township strives to maintain its transportation assets at a level that supports the safe and efficient passage of vehicular and pedestrian traffic.
	To aid in interpreting the condition of transportation assets, descriptions of different condition states are summarized in Section 2.1.2. General descriptions of how each condition state affects the use of assets is also provided in therein.

Table 2-12: Transportation Assets – Technical Levels of Service

Service Attribute	Performance Measure	Current Performance	Target Performance
Scope	Number of lane-kilometres of arterial roads as a proportion of square kilometres of land area of the Township.	0.33 km/km²	0.33 km/km²
	Number of lane-kilometres of collector roads as a proportion of square kilometres of land area of the Township.	0.12 km/km²	0.12 km/km²
	Number of lane-kilometres of local roads as a proportion of square kilometres of land area of the Township.	1.24 km/km²	1.24 km/km²

Service Attribute	Performance Measure	Current Performance	Target Performance
	Percentage (by quantity) of bridges in the Township with loading or dimensional restrictions.	13% (3 bridges[1])	Minimize
	Percentage (by length) of roads with an asphalt surface.	21%	22%[2]
	Percentage (by length) of roads with surface treatment.	55%	54%[2]
	Percentage (by length) of roads with a gravel surface.	24%	24%
Quality	For paved roads in the municipality, the average Pavement Condition Index value (and condition state).	78 (Good)	Maximize
	For unpaved roads in the Township, the average surface condition.	Fair[3]	Maximize
	Percentage (by surface area) of asphalt roads in a 'Very Poor' condition state (i.e., PCI < 40).	0%	Minimize
	Percentage (by surface area) of surface treated roads in a 'Very Poor' condition state (i.e., PCI < 40).	5.2%	Minimize
	For bridges in the Township, the average bridge condition index value (and condition state).	63 (Fair)	Maximize
	For structural culverts in the Township, the average bridge condition index value (and condition state).	60 (Fair)	Maximize

[1]It is noted that one of the Township's three bridges with operating restrictions is currently closed (Long Swamp Rd Bridge (Structure No. B39)).

[2]The Township plans to upgrade approximately 6.6 km of Sunbury Road from surface treatment to asphalt within the next ten years.

[3]The Township most recently assessed the surface condition of its gravel roads as part of its 2022 Road Needs Study.

Service Attribute	Performance Measure	Current Performance	Target Performance
	Percentage (by replacement cost) of bridges in a 'Very Poor' condition state (i.e., BCI < 40).	15.2%[1] (6 bridges[1])	0%
	Percentage (by replacement cost) of structural culverts in a 'Very Poor' condition state (i.e., BCI < 40).	17.7% (3 structural culverts)	0%
	Average condition rating (and condition state) of sidewalks.	76 (Good)	Maximize
	Percentage (by replacement cost) of non-structural culverts in a 'Fair' or better condition.	69%	Maximize
	Percentage (by length) of traffic control signals in a 'Fair' or better condition.	100%	Maximize
	Percentage (by replacement cost) of overhead flashing beacons in a 'Fair' or better condition.	100%	Maximize
	Percentage (by replacement cost) of streetlights in a 'Fair' or better condition.	100%	Maximize

2.2 Tax-funded Facilities

2.2.1 State of Local Infrastructure

The Township owns and manages 67 facilities that support the provision of various municipal services supported by the general tax levy (tax-funded facilities). Facilities supporting the provision of water services, which are funded by water rate revenues, are addressed separately in Section 2.6 of this report and thus excluded from the analyses presented in this section. A complete listing of the Township's 67 tax-funded facilities is provided in Appendix C.

[1]It is noted that the Long Swamp Road Bridge (Structure No. B39) is currently closed due to advanced deterioration in its physical condition. As such, the structure has been excluded from the current performance calculation for this level of service measure, although it is presumed to currently be in a 'Very Poor' condition state.

The estimated current replacement cost of Township's tax-funded facilities is $133.0 million. Public works facilities represent the largest share of replacement cost at $48.0 million (36%), followed by recreation and cultural facilities at $46.7 million (35%), fire halls at $23.9 million (18%), general government facilities at $8.4 million (6%), and lastly, the OPP station at $6.0 million (5%). The average age of the Township's tax-funded facilities is 43.7 years.

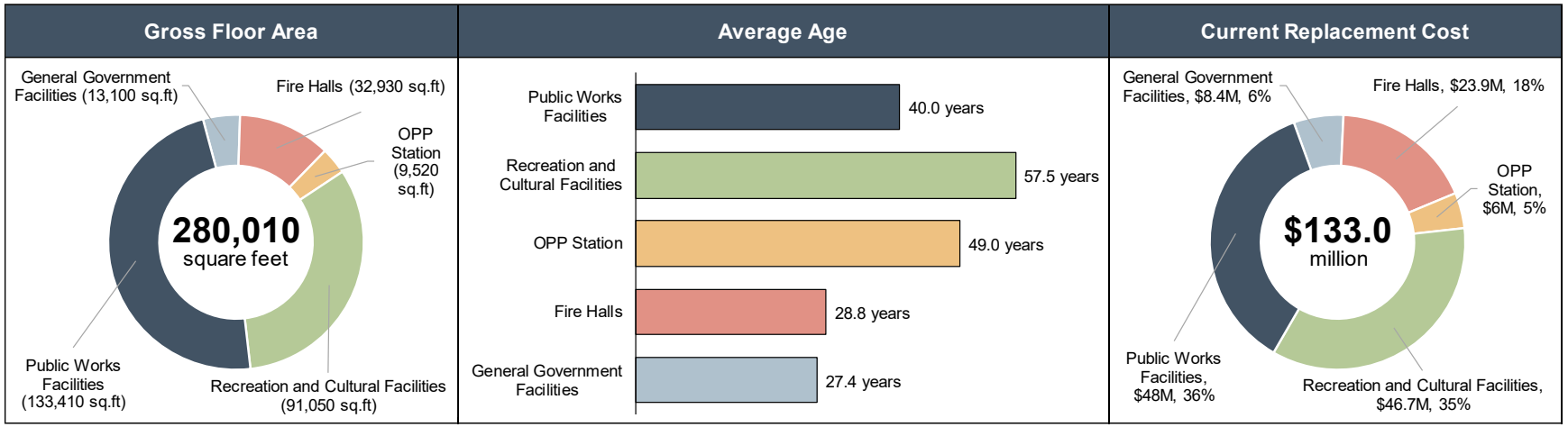
Table 2-13 summarizes the quantity, gross floor area, average age, and estimated current replacement cost of the Township's tax-funded facilities by facility type. This information is further illustrated in Figure 2-10.

Table 2-13: Tax-funded Facilities – Quantity, Gross Floor Area, Average Age, and Replacement Cost by Facility Type

Facility Type	Quantity	Gross Floor Area	Average Age[1]	Current Replacement Cost
General Government Facilities	7	13,100 ft^2	27.4 years	$8,389,000
Fire Halls	8	32,930 ft^2	28.8 years	$23,887,000
OPP Station	1	9,520 ft^2	49.0 years	$6,007,000
Recreation and Cultural Facilities	32	91,050 ft^2	57.5 years	$46,700,000
Public Works Facilities	19	133,410 ft^2	40.0 years	$48,024,000
Total	**67**	**280,010 ft^2**	**43.7 years**	**$133,007,000**

[1]Weighted average utilizing the gross floor area of each facility as weights.

Figure 2-10: Tax-funded Facilities – Gross Floor Area, Average Age, and Replacement Cost by Facility Type



2.2.2 Condition

The Township assesses the condition of its facilities through formal Building Condition Assessments (BCAs) completed by an external service provider and supplemented by staff input. The assessments identify repair, maintenance, rehabilitation, and replacement requirements for facilities at a component level. As part of the assessment process, individual facility components are inspected, and Facility Condition Index (FCI) ratings are calculated to provide an overall measure of each facility's condition. FCI ratings are derived by forecasting lifecycle requirements over a five-year planning horizon and expressing the sum of associated costs as a percentage of the facility's replacement value.

To better communicate the condition of facilities, FCI ratings have been segmented into qualitative condition states, as summarized in Table 2-14. Under this framework, a facility is considered to be in a "Good" condition state if the sum of forecasted lifecycle expenditures over a five-year period is less than 6% of its current replacement value. Conversely, facilities with forecasted five-year lifecycle expenditures exceeding 30% of current replacement value are deemed to be in a "Very Poor" condition state.

Table 2-14: Tax-funded Facilities – Definition of Condition States with Respect to FCI Rating

FCI Rating Range	Condition State
0% ≤ FCI < 6%	Good
6% ≤ FCI < 11%	Fair
11% ≤ FCI < 30%	Poor
30% ≤ FCI	Very Poor

The Township most recently completed BCAs on its facilities in 2025. For the purposes of this asset management plan, lifecycle requirements identified through the BCAs have been reviewed, refined, and re-prioritized by staff. The cumulative FCI rating of the Township's tax-funded facilities is 5.2%, indicating that, on average, facilities are in a 'Good' condition state. Table 2-15 summarizes the cumulative FCI ratings and associated condition states of the Township's tax-funded facilities by facility type.

Table 2-15: Tax-funded Facilities – Cumulative FCI Ratings and Condition States by Facility Type

Facility Type	Cumulative FCI Rating[1]	Condition State
General Government Facilities	2.4%	Good
Fire Halls	5.4%	Good
OPP Station	10.8%	Fair
Recreation and Cultural Facilities	7.3%	Fair
Public Works Facilities	2.9%	Good
Total	**5.2%[2]**	**Good**

The distribution (gross floor area) of the Township's tax-funded facilities by condition state and facility type is illustrated in Figure 2-11, and by FCI rating range is illustrated in Figure 2-12.

[1]Cumulative FCI ratings are derived by forecasting lifecycle expenditures for facilities within each facility type over a five-year planning horizon and expressing the total as a percentage of the aggregate replacement value for that facility type. Please refer to Table 2-13 for aggregate replacement values for each facility type.

[2]Derived by forecasting lifecycle expenditures for all tax-funded facilities over a five-year planning horizon and expressing the total as a percentage of the total replacement value of tax-funded facilities. Please refer to Table 2-13 for the total replacement value of tax-funded facilities.

Figure 2-11: Tax-funded Facilities – Distribution (gross floor area) of Facilities by Condition State and Facility Type

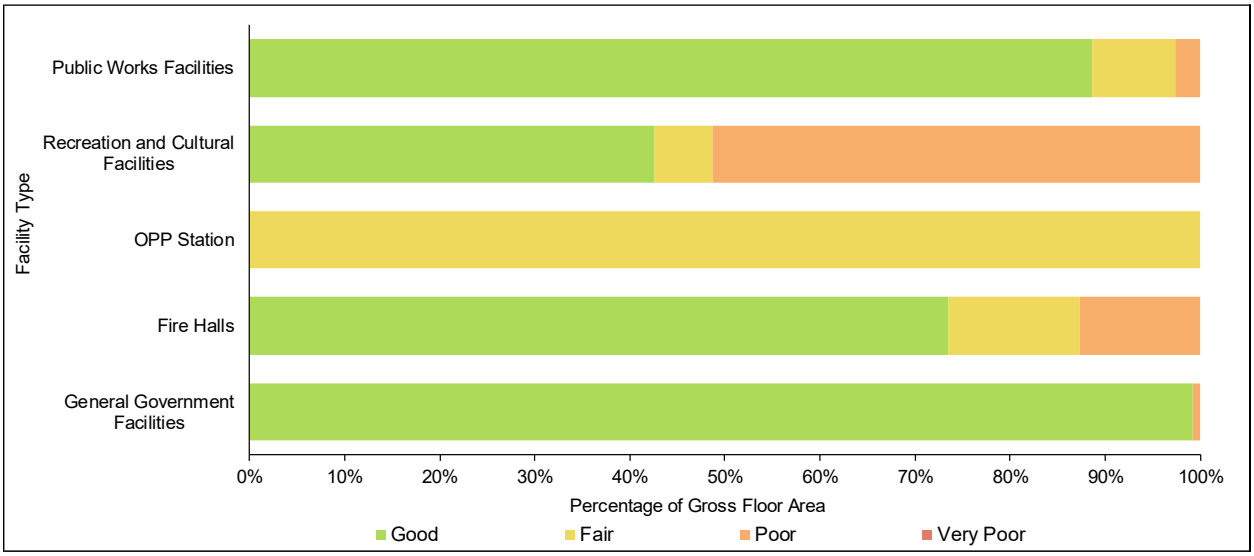
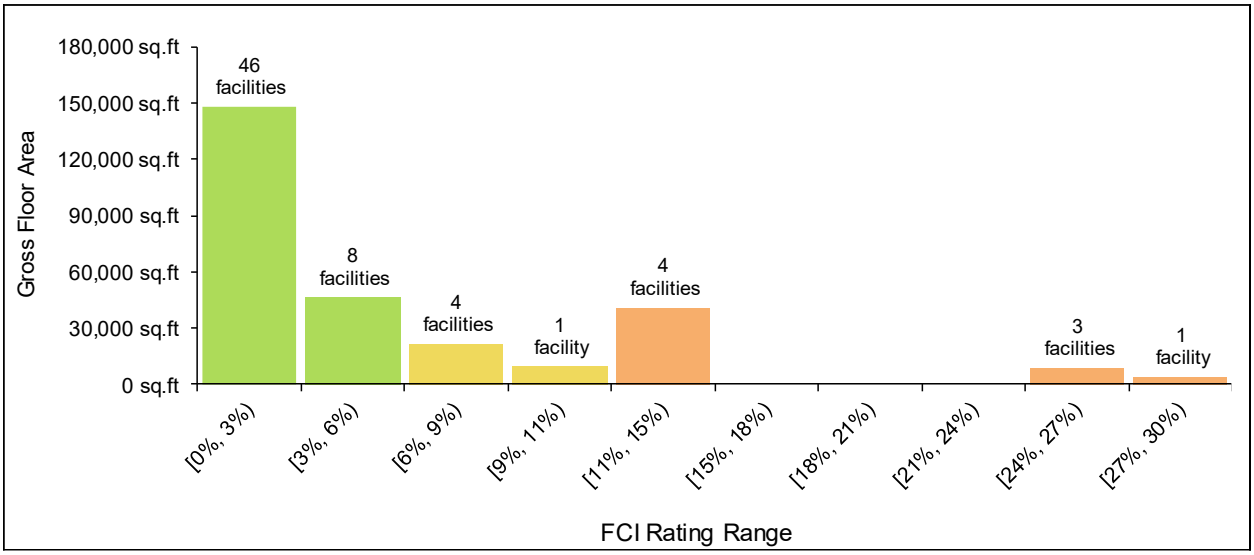


Figure 2-12: Tax-funded Facilities – Distribution (gross floor area) of Facilities by FCI Rating Range



2.2.3 Levels of Service

This subsection presents the Township's levels of service framework for facilities. Table 2-16 presents the Service Attributes and Community Levels of Service while Table 2-17 presents the Technical Levels of Service (i.e., performance measures). Please refer to section 2.1.3 for further details on the Township's levels of service framework.

Table 2-16: Facilities – Community Levels of Service

Service Attribute	Community Levels of Service
Capacity	The Township strives to align the capacity of its facilities with the service demands of its community.
Quality	The Township strives to maintain its facilities in adequate condition to continue effectively supporting the provision of municipal services.

Table 2-17: Facilities – Technical Levels of Service

Service Attribute	Performance Measure	Current Performance	Target Performance
Capacity	Gross floor area (square footage) of general government facilities per 100 residents.	63 ft^2 / 100 residents[1]	58 ft^2 / 100 residents[1]
	Gross floor area (square footage) of fire halls per 100 residents.	157 ft^2 / 100 residents[1]	151 ft^2 / 100 residents[1] [2]
	Gross floor area (square footage) of recreation and cultural facilities per 100 residents.	435 ft^2 / 100 residents[1]	486 ft^2 / 100 residents[1] [3]
	Gross floor area (square footage) of public works facilities per kilometre of roads.	166 ft^2 / kilometre	166 ft^2 / kilometre
Quality	Cumulative 5-year FCI rating of general government facilities.	2.4%	Minimize

[1]Target performance derived utilizing permanent population growth projections (excluding Census undercount) provided in the Township's 2024 Development Charges Background Study, as summarized in Section 2.7 of this report.

[2]Based on its 2024 Development Charges Background Study, the Township anticipates constructing a new fire hall within the next ten years. This facility is expected to replace one of the Township's existing fire halls and, based on the best information currently available, is anticipated to increase the total gross floor area of fire halls by approximately 1,200 square feet. It is noted that this level of service target may be refined as background studies and plans currently under development are completed.

[3]Based on its 2024 Development Charges Background Study, the Township plans to expand the gross floor area of its libraries, construct a new summer camp building at Centennial Park, and construct a new indoor recreation facility within the next ten years. Based on the best information currently available, these projects are anticipated to increase the total gross floor area of recreation and cultural facilities by approximately 19,000 square feet. It is noted that this level of service target may be refined as background studies and plans currently under development are completed.

Service Attribute	Performance Measure	Current Performance	Target Performance
	Cumulative 5-year FCI rating of fire halls.	5.4%	Minimize
	Cumulative 5-year FCI rating of recreation and cultural facilities.	7.3%	Minimize
	Cumulative 5-year FCI rating of public works facilities.	2.9%	Minimize

2.3 Tax-funded Fleet and Equipment

2.3.1 State of Local Infrastructure

The Township's owns and manages a diverse inventory of fleet and equipment assets that support the provision of various municipal services supported by the general tax levy (tax-funded fleet and equipment). This inventory includes passenger vehicles, pickup trucks, plow trucks, fire apparatus (e.g., tankers, pumpers, rescue vehicles), and other vehicles. The inventory also includes a range of equipment, including graders, backhoes, tractors, generators, steamers, trailers, and firefighting equipment (e.g., radios, extrication equipment, self-contained breathing apparatus).

Consistent with the treatment of facilities, equipment assets supporting the provision of water services (e.g., water treatment components), which are funded by water rate revenues, are addressed separately in section 2.6 of this report and thus excluded from the analyses presented in this section.

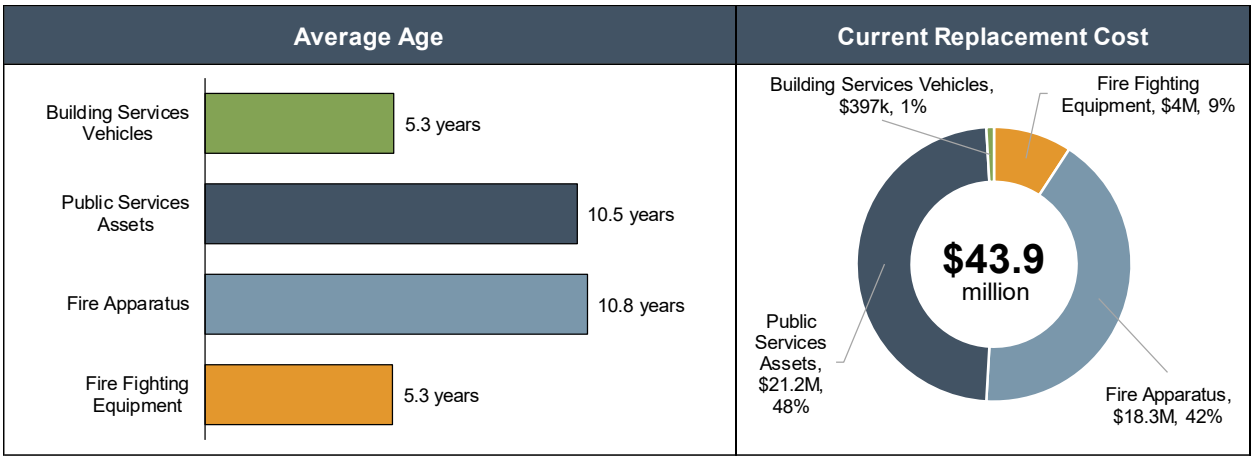
The estimated current replacement cost of the Township's fleet and equipment assets is $43.9 million. Public Services assets represent the largest share of replacement cost at $21.2 million (48%), followed by fire apparatus at $18.3 million (42%), fire fighting equipment at $4.0 million (9%), and lastly, Building Services vehicles at $397,000 (1%). The average age of the Township's tax-funded fleet and equipment assets is 10.6 years.

Table 2-18 summarizes the average age and estimated current replacement cost of the Township's tax-funded fleet and equipment assets by asset type. This information is further illustrated in Figure 2-13.

Table 2-18: Tax-funded Fleet and Equipment – Average Age and Replacement Cost by Asset Type

Asset Type	Average Age[1]	Current Replacement Cost
Fire Fighting Equipment	5.3 years	$4,047,000
Fire Apparatus	10.8 years	$18,322,000
Public Services Assets	10.6 years	$21,182,000
Building Services Vehicles	5.3 years	$397,000
Total	**10.6 years**	**$43,948,000**

Figure 2-13: Tax-funded Fleet and Equipment – Average Age and Replacement Cost by Asset Type



2.3.2 Condition

The condition of the majority of the Township's fleet and equipment assets has not been directly assessed through physical condition assessments. For the purposes of this asset management plan, condition ratings have been assigned to these assets based on their ages relative to their respective useful service life expectancies (i.e., based on the percentage of useful service life consumed (ULC%)). A brand-new asset would have a ULC% of 0%, indicating that none of the asset's life expectancy has been utilized. Conversely, an asset that has reached the end of its life expectancy would have a ULC% of 100%. It is possible for assets to have a ULC% greater than 100%, which occurs if the asset has exceeded its typical life expectancy but continues to be in

[1]Weighted average utilizing replacement costs of assets as weights.

service. This is not necessarily a cause for concern; however, it must be recognized that assets near or beyond their typical useful service life expectancy are likely to require replacement or rehabilitation in the near term, may exhibit reduced reliability, and may have increasing repair and maintenance costs.

To better communicate the condition of assets, ULC% ratings have been segmented into qualitative condition states, as summarized in Table 2-19. The scale is set to show that if assets are operated within their typical service life expectancies, they would be in a 'Fair' or better condition. For assets that remain in service beyond their useful service life expectancies (i.e., ULC% > 100%), probabilities of failure are assumed to have increased to a point where these assets would be characterized as being in a "Poor" or worse condition state.

Table 2-19: Definition of Condition States based on ULC% Ranges

ULC%	Condition State
0% ≤ ULC% ≤ 45%	Very Good
45% < ULC% ≤ 90%	Good
90% < ULC% ≤ 100%	Fair
100% < ULC% ≤ 125%	Poor
125% < ULC%	Very Poor

The condition of most of the Township's firefighting equipment has been evaluated through staff-led assessments of their observed physical condition. As part of these assessments, staff assign a qualitative condition rating to each asset utilizing a five-point scale ranging from Very Good to Very Poor. A ULC% score has not been calculated for these assets.

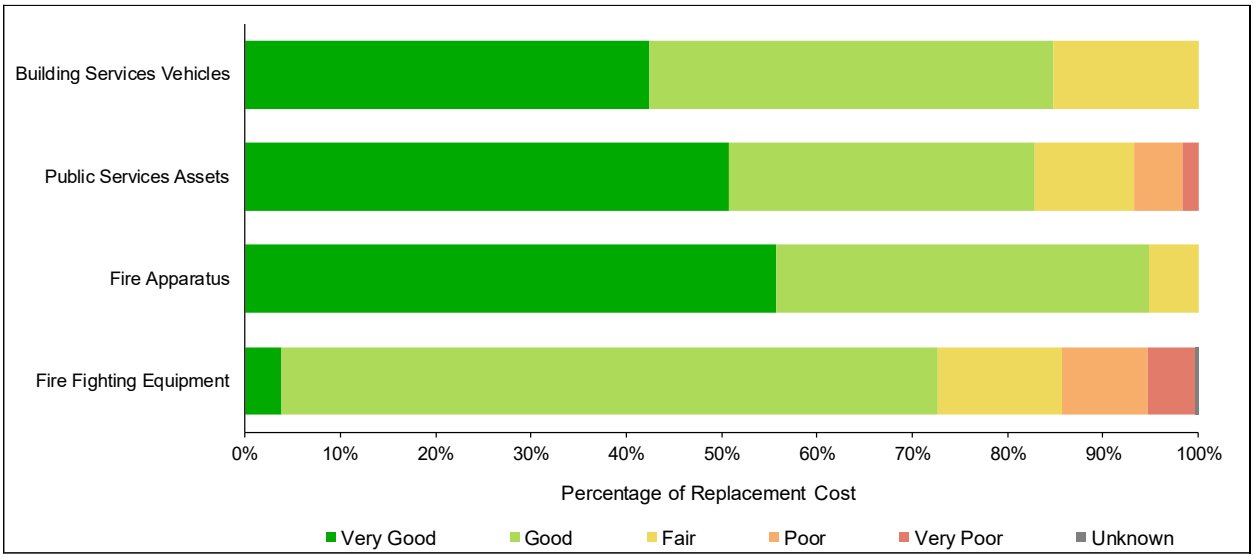
The average ULC% for fleet and equipment assets for which condition is assessed based on age relative to useful service life is 47.6%. This would indicate that, on average, these assets are currently in a 'Good' condition state based on their ages relative to their useful service life expectancies. Table 2-20 summarizes the average ULC% and condition states of the Township's tax-funded fleet and equipment assets by asset type.

Table 2-20: Tax-funded Fleet and Equipment – Average ULC% and Condition States by Asset Type

Asset Type	Average ULC%[1]	Condition State
Fire Fighting Equipment	52.8%[2]	Good[3]
Fire Apparatus	41.4%	Very Good
Public Services Assets	51.8%	Good
Building Services Vehicles	49.7%	Good
Average	**47.2%**	**Good**

The distribution (replacement cost) of these assets by condition state and asset type is illustrated in Figure 2-14, and by ULC% rating range is illustrated in Figure 2-15.

Figure 2-14: Fleet and Equipment Assets – Distribution (by replacement cost) of Assets by Condition State and Asset Type

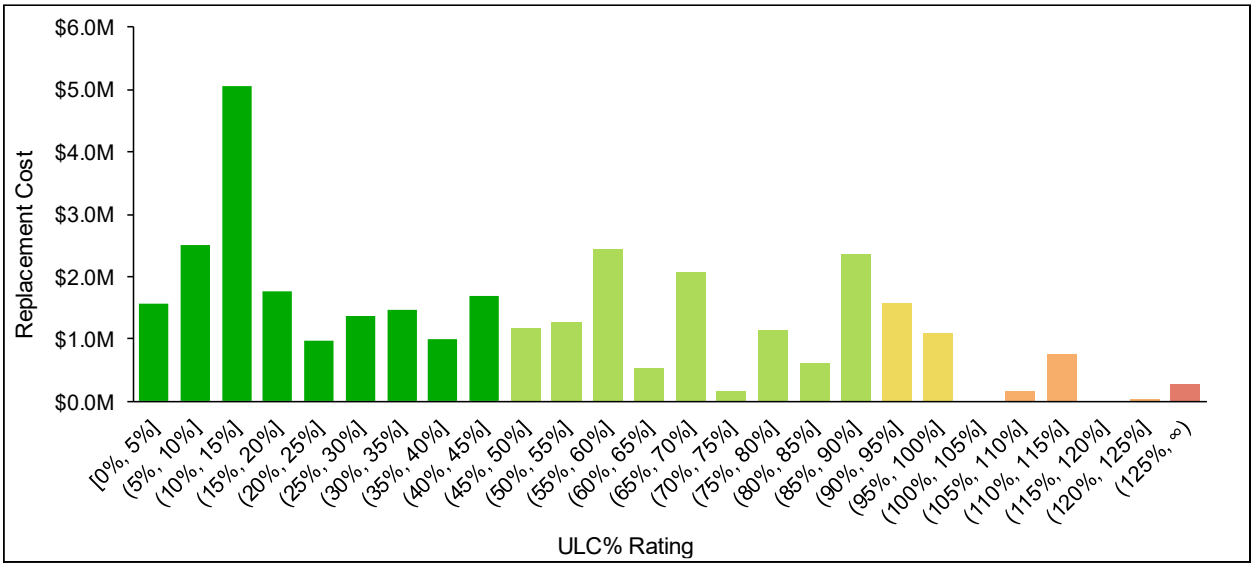


[1]Weighted average using replacement costs of assets as weights.

[2]The condition of approximately 3.5% (by replacement cost) of the Township's fire fighting equipment has not been assessed through physical condition inspections. For these assets, condition is estimated based on age relative to useful service life expectancy. Accordingly, the average ULC% for fire fighting equipment reflects only those assets whose condition was estimated using this age-based approach.

[3]Average condition state determined by combining results of staff-led physical condition assessments with age-based condition analyses.

Figure 2-15: Fleet and Equipment Assets – Distribution (by replacement cost) of Assets by ULC% Rating Range



2.3.3 Levels of Service

This subsection presents the Township's levels of service framework for fleet and equipment assets. Table 2-21 presents the Service Attributes and Community Levels of Service, while Table 2-22 presents the Technical Levels of Service (i.e., performance measures). Please refer to section 2.1.3 for further details on the Township's levels of service framework.

Table 2-21: Tax-funded Fleet and Equipment – Community Levels of Service

Service Attribute	Community Levels of Service
Reliability	The Township strives to minimize the number and impact of unplanned repair/maintenance activities performed on its fleet and equipment assets.

Table 2-22: Tax-funded Fleet and Equipment – Technical Levels of Service

Service Attribute	Performance Measure	Current Performance	Target Performance
Reliability	Percentage (by replacement cost) of fire fighting equipment in a 'Fair' or better condition state.	86%	Maximize

Service Attribute	Performance Measure	Current Performance	Target Performance
	Percentage (by replacement cost) of fire apparatus in a 'Fair' or better condition state.	100%	Maximize
	Percentage (by replacement cost) of Public Services assets in a 'Fair' or better condition state.	93%	Maximize
	Percentage (by replacement cost) of Building Services vehicles in a 'Fair' or better condition state.	100%	Maximize

2.4 Parks and Recreation

2.4.1 State of Local Infrastructure

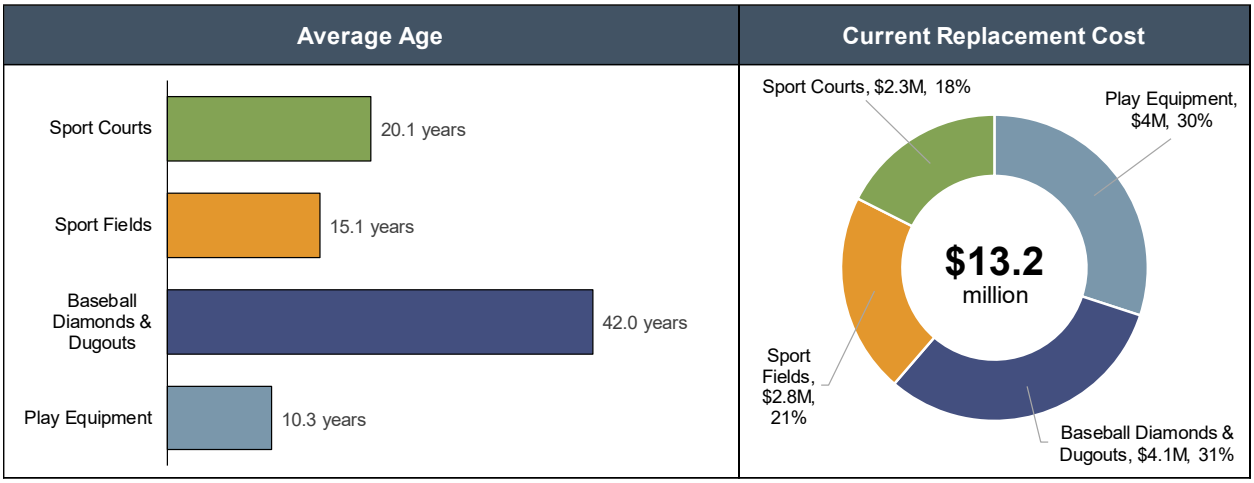
The Township owns and manages a variety of parks and recreation assets comprising play equipment and sports field/court infrastructure. The estimated current replacement cost of these assets is $13.2 million. Baseball diamonds and dugouts represent the largest share of this replacement cost at $4.1 million (31%), followed by play equipment at $4.0 million (30%), sport fields (i.e., soccer and football fields) at $2.8 million (21%), and lastly, sport courts (i.e., tennis courts, basketball courts, etc.) at $2.3 million (18%). The average age of the Township's parks and recreation assets is 15.2 years.

Table 2-23 summarizes the average age and estimated current replacement cost of the Township's parks and recreation assets by asset type and this information is further illustrated in Figure 2-16.

Table 2-23: Parks and Recreation – Average Age and Replacement Cost by Asset Type

Asset Type	Average Age[1]	Current Replacement Cost
Play Equipment	10.3 years	$3,971,000
Baseball Diamonds & Dugouts	42.0 years	$4,137,000
Sport Fields	15.1 years	$2,797,000
Sport Courts	20.1 years	$2,318,000
Total	**15.2 years**	**$13,223,000**

Figure 2-16: Parks and Recreation – Quantity, Average Age, and Replacement Cost by Asset Type



2.4.2 Condition

The condition of the Township's play equipment and 62% (by replacement cost) of sport fields, sport courts, and baseball diamond and dugouts has been evaluated through staff-led assessments of each asset's observed physical condition. The condition of approximately 38% (by replacement cost) of sport fields, sport courts, and baseball diamond and dugouts was assessed as part of Building Condition Assessments (BCAs) completed in 2025. Please refer to Section 2.2.2 for further information on the 2025 BCAs and the calculation of FCI ratings.

[1]Weighted average utilizing the replacement cost of each asset as weights.

Based on these assessments, a condition rating is assigned to each asset utilizing a three-point scale ranging from “Good” to “Poor”. On average, the Township’s parks and recreation assets are currently in ‘Fair’ condition.

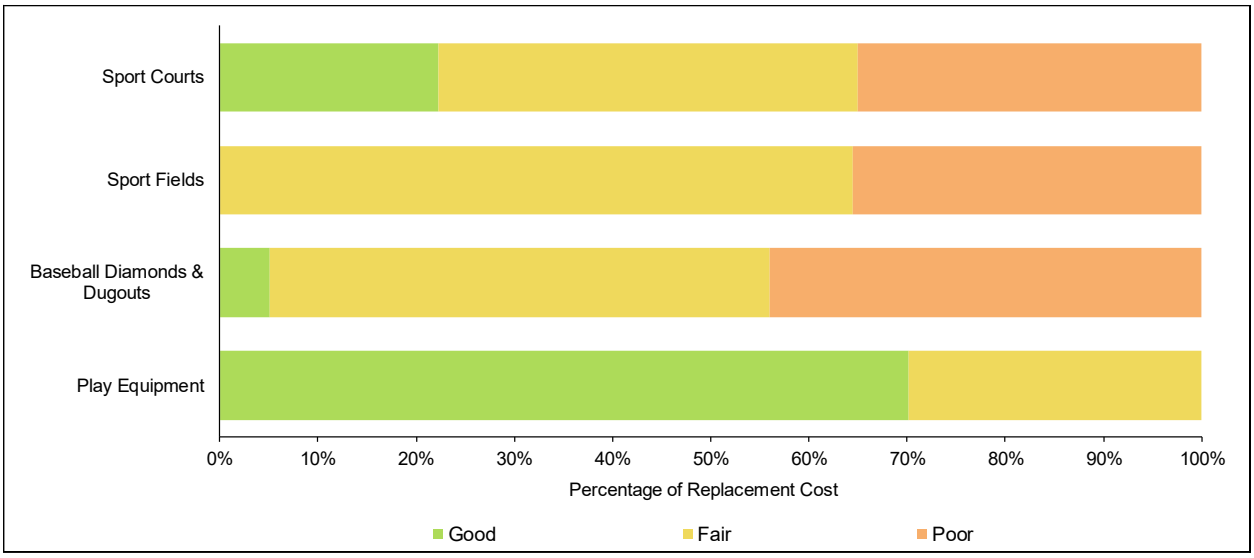
Table 2-24 summarizes the average condition of the Township’s parks and recreation assets by asset type.

Table 2-24: Parks and Recreation – Average Condition Rating by Asset Type

Asset Type	Average Condition State[1]
Play Equipment	Good
Baseball Diamonds & Dugouts	Fair
Sport Fields	Fair
Sport Courts	Fair
Average	**Fair**

The distribution (replacement cost) of the Township’s parks and recreation assets by condition rating and asset type is illustrated in Figure 2-17.

Figure 2-17: Parks and Recreation – Distribution (replacement cost) of Assets by Condition Rating and Asset Type



[1]Weighted average utilizing the replacement cost of each asset as weights.

2.4.3 Levels of Service

This subsection presents the Township's levels of service frameworks for its parks and recreation assets. Table 2-25 presents the Service Attributes and Community Levels of Service, while Table 2-26 presents the Technical Levels of Service (i.e., performance measures). Please refer to section 2.1.3 for further details on the Township's levels of service framework.

Table 2-25: Parks and Recreation – Community Levels of Service

Service Attribute	Community Levels of Service
Reliability	The Township strives to maintain its parks and recreation assets in adequate condition to continue providing a satisfactory user experience.

Table 2-26: Parks and Recreation – Technical Levels of Service

Service Attribute	Performance Measure	Current Performance	Target Performance
Reliability	Percentage (by replacement cost) of play equipment in a "Fair" or better condition state.	100%	Maximize
	Percentage (by replacement cost) of sport courts in a "Fair" or better condition state.	65%	Maximize
	Percentage (by replacement cost) of sport fields in a "Fair" or better condition state.	64%	Maximize
	Percentage (by replacement cost) of baseball diamonds and dugouts in a "Fair" or better condition state.	56%	Maximize

2.5 Stormwater

2.5.1 State of Local Infrastructure

The Township's stormwater system supports the management of stormwater runoff, provides flood protection, manages the rate of groundwater discharge while helping to recharge groundwater reserves, and helps stop contaminants from entering the water

supply. The system is supported by 10.7 km of stormwater mains, 398 storm structures (i.e., catch basins, ditch inlets, and manholes), four stormceptors, and one dry stormwater management pond.

The estimated current replacement cost of the Township's stormwater system assets is $7.8 million. Stormwater mains represent the largest share of the replacement cost at $5.4 million (69%), followed by storm structures at $2.2 million (27%), stormceptors at $250,000 (3%), and lastly, the stormwater pond at $63,000 (1%). The average age of the Township's stormwater system assets is 26.3 years.

Table 2-27 summarizes the average age and estimated current replacement cost of the Township's stormwater system assets by asset type and this information is further illustrated in Figure 2-19.

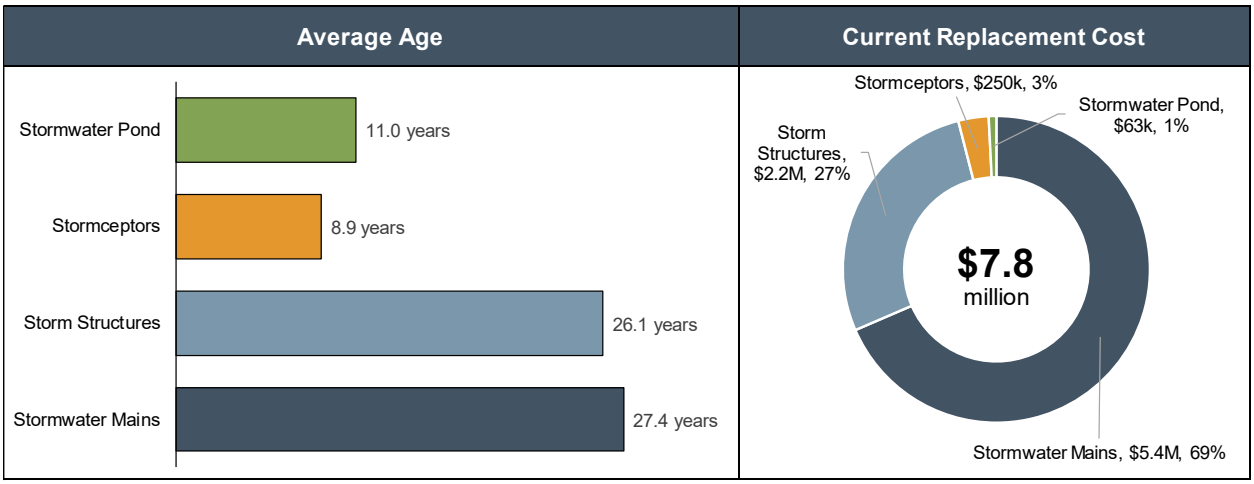
Table 2-27: Stormwater – Average Age and Replacement Cost by Asset Type

Asset Type	Average Age[1]	Current Replacement Cost
Stormwater Mains	27.4 years	$5,366,000
Storm Structures	26.1 years	$2,152,000
Stormceptors	8.9 years	$250,000
Stormwater Pond	11.0 years	$63,000
Total	**26.3 years[2]**	**$7,831,000**

[1]Weighted average utilizing the length of stormwater mains and replacement cost of other assets as weights.

[2]Weighted average utilizing the total replacement cost of each asset type as weights.

Figure 2-18: Stormwater – Average Age and Replacement Cost by Asset Type



2.5.2 Condition

The condition of the Township's stormwater system assets has not been directly assessed through physical condition assessments. For the purposes of this asset management plan, condition ratings have been assigned to assets based on age relative to useful service life (i.e. based on the percentage of useful service life consumed (ULC%)). To better communicate the condition of these assets, ULC% ratings have been segmented into qualitative condition states as summarized previously in Table 2-19. Please refer to Section 2.3.2 for further information on this condition assessment methodology.

The Township's stormwater assets have an average ULC% of 38.4%, indicating that, on average, assets are in a 'Very Good' condition state based on their ages relative to their useful service life expectancies.

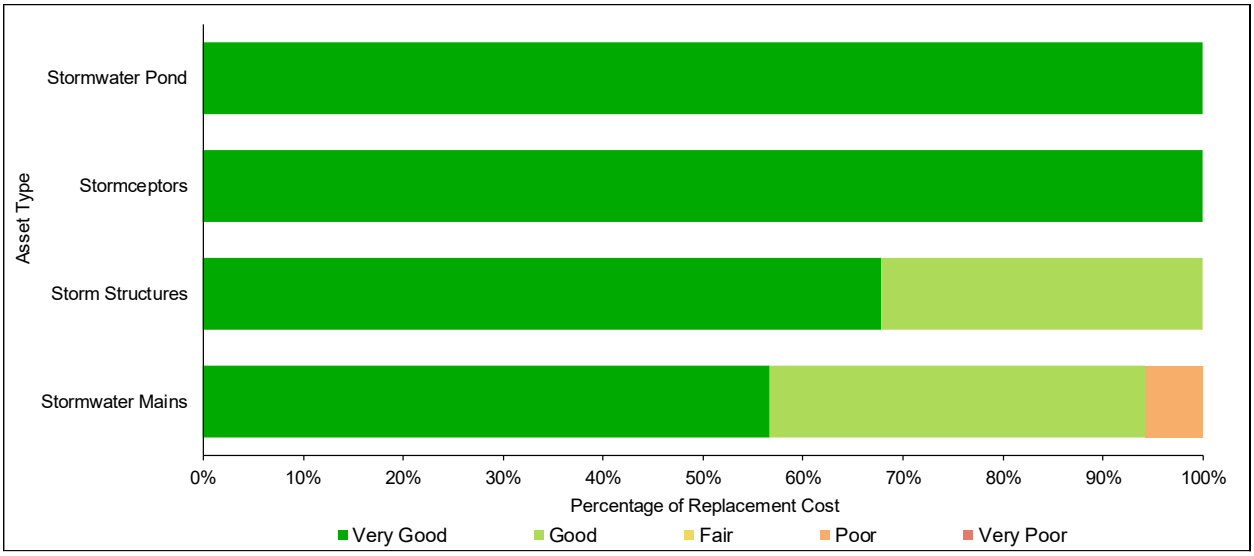
Table 2-28 summarizes the average ULC% and associated condition states of stormwater assets.

Table 2-28: Stormwater – Average ULC% and Condition States by Asset Type

Asset Type	Average ULC%[1]	Condition State
Stormwater Mains	41.9%	Very Good
Storm Structures	32.6%	Very Good
Stormceptors	17.8%	Very Good
Stormwater Pond	22.0%	Very Good
Average	**38.4%[2]**	Very Good

The distribution (replacement cost) of the Township's stormwater assets by condition state and asset type is illustrated in Figure 2-19 and by ULC% rating range is illustrated in Figure 2-20.

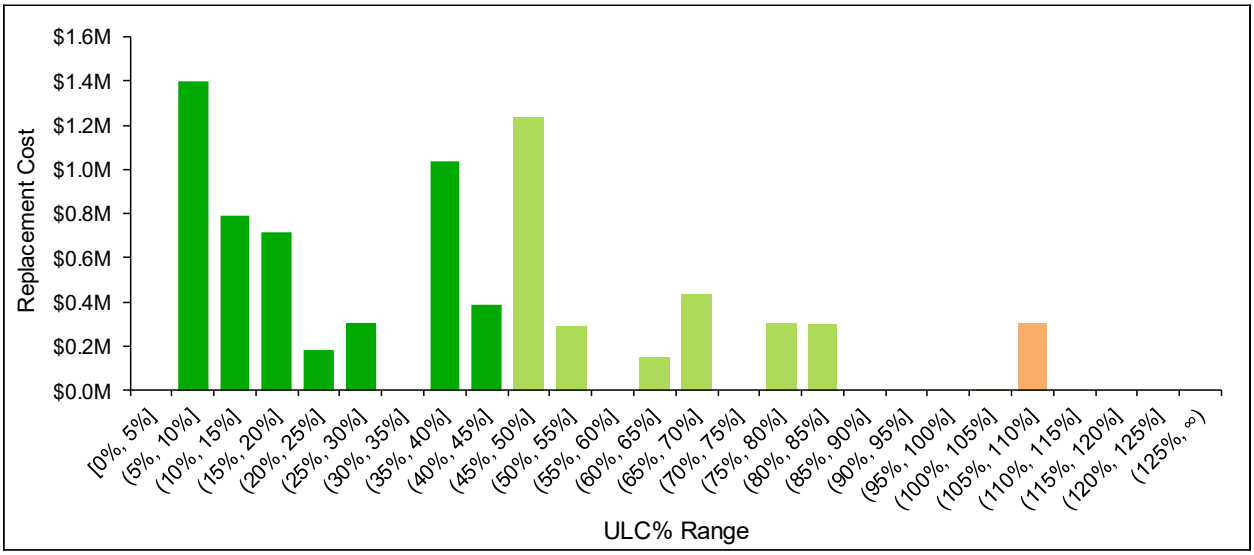
Figure 2-19: Stormwater – Distribution (by replacement cost) of Assets by Condition State and Asset Type



[1]Weighted average utilizing the length of stormwater mains and replacement cost of other assets as weights.

[2]Weighted average utilizing the replacement cost of assets as weights.

Figure 2-20: Stormwater – Distribution (by replacement cost) of Assets by ULC% Rating Range



2.5.3 Levels of Service

This section presents the Township's levels of service framework for stormwater assets. Table 2-29 presents the Service Attributes and Community Levels of Service, while Table 2-30 presents the Technical Levels of Service (i.e., performance measures). Please refer to section 2.1.3 for further details on the Township's levels of service framework.

Table 2-29: Stormwater – Community Levels of Service

Service Attribute	Community Levels of Service
Scope	The stormwater management system enables the collection and retention of stormwater within the Township.
Reliability	The Township strives to maintain its stormwater system assets in adequate condition to reliably provide flood protection to properties and roads, manage the rate of groundwater discharge, and assist in reducing the level of contamination entering the natural environment.

Table 2-30: Stormwater – Technical Levels of Service

Service Attribute	Performance Measure	Current Performance	Target Performance
Scope	Percentage of properties in municipality resilient to a 100-year storm.	Not Available[1]	Not Available[1]
	Percentage of the municipal stormwater management system resilient to a 5-year storm.	22.7%	22.7%
Reliability	Percentage (by length) of stormwater mains in a 'Fair' or better condition state.	94%	Maximize
	Percentage (by length) of storm structures in a 'Fair' or better condition state.	100%	Maximize
	Percentage (by replacement cost) of stormceptors in a 'Fair' or better condition state.	100%	Maximize
	Percentage (by replacement cost) of stormwater pond in a 'Fair' or better condition state.	100%	Maximize

2.6 Water

2.6.1 State of Local Infrastructure

The Township owns and manages one water system in the Village of Sydenham. The system provides potable water for residential and business consumption, fire suppression, and for the Township's own maintenance operations and facilities. It is supported by 7.2 km of watermains, including appurtenances such as valves and hydrants, one water treatment plant, one elevated storage tower, five sampling stations, and one bulk filling station. The Township owns all water system assets and is

[1]The Township does not currently have sufficient data to report on this level of service metric. The Township intends to update its floodplain mapping in the near future, which will support the reporting of this metric in future iterations of this asset management plan.

responsible for funding their lifecycle requirements; however, the operation of the Township's water system is contracted to Utilities Kingston.

The estimated current replacement cost of the Township's water system assets is $15.7 million. The water treatment plant represents the largest share of this replacement cost at $8.2 million (52%), followed by watermains at $3.5 million (22%), the water storage tower at $2.0 million (13%), service connections at $1.1 million (7%), hydrants at $391,000 (2%), valves at $377,000 (2%), and lastly, sampling and bulk filling stations at $132,000 (1%). The average age of the Township's water system assets is 20.1 years.

Table 2-31 summarizes the quantity, average age, and estimated current replacement cost of the Township's water system assets and this information is further illustrated in Figure 2-21.

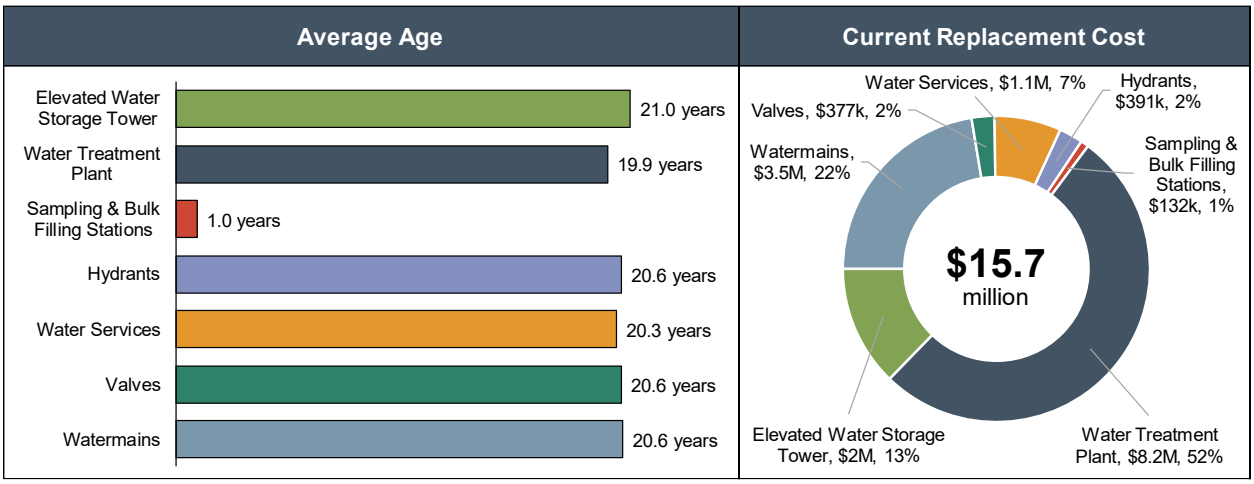
Table 2-31: Water – Quantity, Average Age, and Replacement Cost by Asset Type

Asset Type	Quantity	Average Age[1]	Current Replacement Cost
Watermains	7.2 km	20.6 years	$3,508,000
Valves	83	20.6 years	$377,000
Service Connections	288	20.3 years	$1,102,000
Hydrants	43	20.6 years	$391,000
Sampling and Bulk Filling Stations	6	1.0 years	$132,000
Water Treatment Plant	1	19.9 years	$8,156,000
Water Storage Tower	1	21.0 years	$1,996,000
Total		**20.1 years[2]**	**$15,662,000**

[1]Weighted average utilizing the length of watermains and the replacement cost of other assets as weights.

[2]Weighted average utilizing the total replacement cost of each asset type as weights.

Figure 2-21: Water – Average Age and Replacement Cost by Asset Type



2.6.2 Condition

The condition of the Township's watermains, sampling stations, and bulk filling station has not been directly assessed through physical condition assessments. For the purposes of this asset management plan, condition ratings have been assigned to assets based on age relative to useful service life (i.e. based on the percentage of useful service life consumed (ULC%)). To better communicate the condition of assets, ULC% ratings have been segmented into qualitative condition states, as summarized previously in Table 2-19. Please refer to Section 2.3.2 for further information on this condition assessment methodology.

The Township's watermains, sampling stations, and bulk filling station have an average ULC% of 28.1%. This would indicate that, on average, these assets are in a 'Very Good' condition state based on their ages relative to their useful service life expectancies.

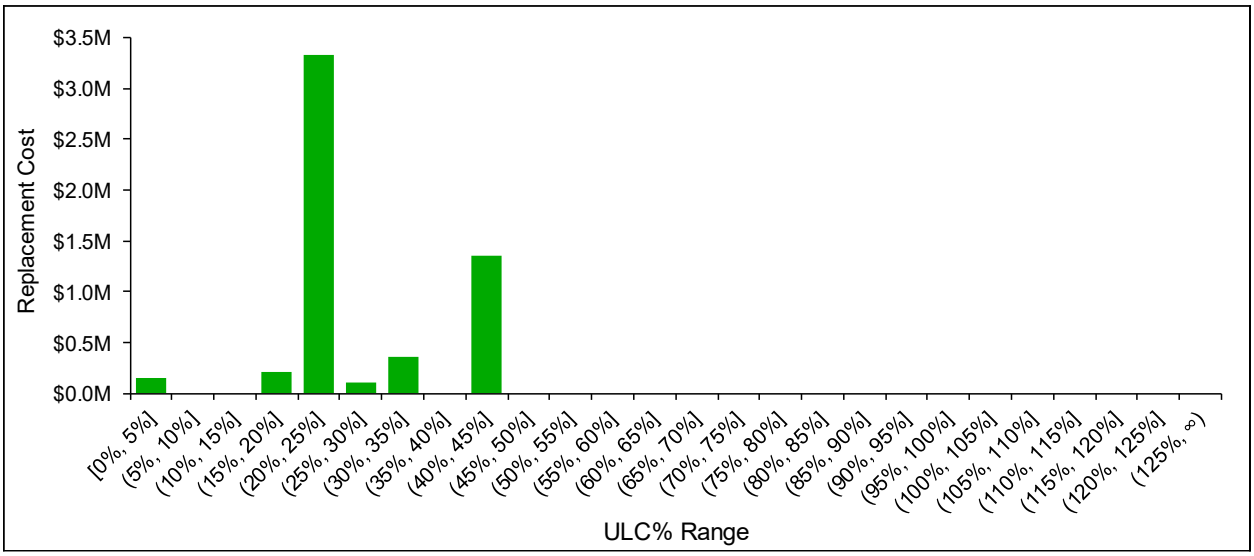
Table 2-32 summarizes the average ULC% ratings and associated condition states of the Township's watermains, sampling stations, and bulk filling station by asset type.

Table 2-32: Watermains, Sampling Stations, and Bulk Filling Station – Average ULC% and Condition States by Asset Type

Asset Type	Average ULC%[1]	Condition State
Watermains	22.9%	Very Good
Valves	41.1%	Very Good
Water Services	40.7%	Very Good
Hydrants	34.3%	Very Good
Sampling and Bulk Water Stations	2.9%	Very Good
Average	**28.1%[2]**	Very Good

The distribution (replacement cost) of the Township's watermains, sampling stations, and bulk filling station by ULC% rating range is illustrated in Figure 2-22.

Figure 2-22: Water Linear Assets – Distribution (by replacement cost) of Assets by ULC% Rating Range



The Township assesses the condition of its water treatment plant and storage tower through physical condition assessments completed by Utilities Kingston. As part of the assessment process, individual facility components (including water treatment

[1]Weighted average utilizing the length of water mains and the replacement cost of other assets as weights.

[2]Weighted average utilizing the total replacement cost of each asset type as weights.

components) are inspected to identify upcoming repair, maintenance, rehabilitation, and replacement requirements. To provide an overall measure of each facility's condition within this asset management plan, Facility Condition Index (FCI) ratings have been calculated and subsequently segmented into qualitative condition states, as summarized previously in Table 2-14. Additional details on the FCI ratings are provided in Section 2.2.2.

The cumulative FCI rating of the Township's water treatment plant and storage tower is 2.1%. This would indicate that, on average, water facilities are in a 'Good' condition state. Table 2-15 summarizes the cumulative FCI ratings and associated condition states of the Township's water treatment plant and storage tower.

Table 2-33: Water Facilities – Average FCI% and Condition States by Facility Type

Facility Type	Cumulative FC Rating[1]	Condition State
Water Treatment Plant	2.2%	Good
Elevated Water Storage Tower	2.1%	Good
Average	**2.1%[2]**	**Good**

2.6.3 Levels of Service

This subsection presents the Township's levels of service frameworks for its water assets. Table 2-34 presents the Service Attributes and Community Levels of Service while Table 2-35 presents the Technical Levels of Service (i.e., performance measures). Please refer to section 2.1.3 for further details on the Township's levels of service framework.

[1]Cumulative FCI ratings are derived by forecasting lifecycle expenditures for each facility over a five-year planning horizon and expressing the total as a percentage of the replacement value of that facility. Please refer to Table 2-31 for replacement values of water facilities.

[2]Derived by forecasting lifecycle expenditures for water facilities over a five-year planning horizon and expressing the total as a percentage of the total replacement value of water facilities. Please refer to Table 2-31 for replacement values of water facilities.

Table 2-34: Water – Community Levels of Service

Service Attribute	Community Levels of Service
Scope	The Township's water system provides potable water for residential and business consumption, fire suppression, and for the Township's own maintenance operations and facilities. The system provides fire flow to all connected properties.
Reliability	The Township manages its water system with the goal of reliably delivering clean drinking water while also minimizing service interruptions and occurrences of adverse water quality events. Boil water advisories can be triggered by adverse water quality reports from routine water testing or from ad hoc tests done after events that may have allowed contaminants into the system (e.g., watermain breaks). Service interruptions can be caused by routine municipal work, including watermain replacements, water system repairs, service connection repairs, and maintenance of water system facilities.

Table 2-35: Water – Technical Levels of Service

Service Attribute	Performance Measure	Current Performance	Target Performance
Scope	Percentage of properties connected to the municipal water systems.	1.8%[1]	Maximize[2]
	Percentage of properties where fire flow is available.	2.3%[3]	Maximize[4]
Reliability	The number of connection-days per year where a boil water advisory notice is in place compared to the	0 connection days / connection	0 connection days / connection

[1]Based on 231 properties in the Village of Sydenham with metered water accounts out of a total of 12,751 properties in the Township.

[2]The Township intends to gradually expand municipal water servicing within the Village of Sydenham to connect properties that are not currently serviced by the municipal water system. At present, 57 properties in the Village of Sydenham are not connected to the municipal water system.

[3]There are 288 properties in the Village of Sydenham where fire flow is available.

[4]It is noted that the Township does not currently anticipate expanding municipal water servicing beyond the Village of Sydenham. However, the performance of this measure may change over time, as the Township intends for fire flow to be available to any new properties brought into the service area.

Service Attribute	Performance Measure	Current Performance	Target Performance
	total number of properties connected to the municipal water systems.		
	The number of connection-days per year lost due to water main breaks compared to the total number of properties connected to the municipal water systems.	0 connection days / connection	0 connection days / connection
	Percentage (by length) of watermains in a 'Fair' or better condition state.	100%	Maximize
	Cumulative 5-year FCI rating of the water treatment plant.	2.1%	Minimize
	Cumulative 5-year FCI rating of the water storage tower.	2.0%	Minimize

2.7 Population and Employment Growth

Based on its 2024 Development Charges Background Study, the Township's population is expected to increase at a rate of approximately 0.80% annually, growing to approximately 22,283 residents by mid-2039. Furthermore, the same study also projects employment within the Municipality to increase at a rate of approximately 1.1% annually, growing to approximately 1,725 employees by mid-2039.

Continued population and employment growth will result in incremental service demands that are expected to impact levels of service. Service impacts resulting from growth have been incorporated into the proposed levels of service targets presented earlier in this chapter. The Township assesses these service impacts through master plans and development charges background studies, and imposes development charges on new development to fund growth-related infrastructure expansion and upgrades. Utilizing development charges helps alleviate the financial burden these growth-related expenditures would otherwise place on existing taxpayers.

Some of the major infrastructure-related investments the Township anticipates having to make in light of expected population and employment growth are listed below:

- Upgrading arterial roads from surface treatment to asphalt;
- Construction of a new fire hall;

- Construction of a new indoor recreation facility; and
- Expansion of libraries.

The estimated costs of anticipated growth-related infrastructure investments have been incorporated into the forecasts of lifecycle activities presented in Chapter 3 and the financial strategy presented in Chapter 4.

Chapter 3
Lifecycle Management Strategies

3. Lifecycle Management Strategies

3.1 Introduction

The lifecycle management strategies in this asset management plan identify the activities that would need to be undertaken to achieve and sustain the proposed levels of service presented in Chapter 2. Within this context, lifecycle activities are the actions undertaken to ensure assets are performing adequately and/or to extend their service lives[1]. These actions can be carried out on a planned schedule in a prescriptive manner, or through a dynamic approach where the lifecycle activities are only performed when specified conditions are met.

In accordance with Ontario Regulation 588/17, the lifecycle activities and associated costs presented in this chapter consider the full lifecycle of assets. In general terms, an asset's lifecycle starts with its initial planning and acquisition (or construction), includes both the capital and significant operating/maintenance activities the asset is expected to undergo throughout its life, and ends with its eventual disposal. The lifecycle management strategies presented in this asset management plan have been developed with the aim of identifying the set of lifecycle activities that can be undertaken at the lowest cost to achieve and sustain target service levels.

The following subsections summarize the ten-year forecasts of lifecycle activities and associated costs that would be required for the Township to provide the proposed levels of service. Brief descriptions of the methods and data sources utilized to develop the forecasts are also provided in the following subsections.

It is noted that the ten-year forecasts of lifecycle expenditures presented in this chapter do not account for unforeseen circumstances that may introduce additional costs (e.g., natural disasters, etc.). There is a level of inherent uncertainty in lifecycle forecasts, reinforcing the need to review and update this asset management plan on a regular basis.

[1]The full lifecycle of an asset includes activities such as initial planning and maintenance which are typically addressed through master planning studies and maintenance management, respectively.

3.2 Transportation

This section presents an estimate of costs associated with providing the proposed levels of service for the Township's transportation assets presented earlier in Section 2.1.3.

In general terms, the proposed levels of service involve:

- Maintaining road surfaces in adequate quality to provide a satisfactory user experience. The Township intends to achieve this by planning reconstruction activities for paved roads before they deteriorate to a 'Very Poor' condition state (i.e., PCI < 40), and by completing regular maintenance activities on gravel roads.
- Maintaining bridges in adequate condition to enable the safe and efficient passage of vehicular and pedestrian traffic. The Township intends to achieve this by planning rehabilitation and replacement activities identified through biennial OSIM inspections before bridges deteriorate to a 'Very Poor' condition state (i.e., BCI < 40).
- Maintaining structural culverts in adequate condition to efficiently convey hydraulic flows while safely supporting overlying traffic loads. Similar to bridges, the Township intends to achieve this by planning rehabilitation and replacement activities identified through biennial OSIM inspections before structural culverts deteriorate to a 'Very Poor' condition state (i.e., BCI < 40).
- Maintaining road-related assets so that they can effectively support the broader transportation network. The Township intends to achieve this by planning replacement activities prior to assets reaching the end of their useful service lives.

As part of the development of this asset management plan, upcoming lifecycle requirements for the Township's paved roads were comprehensively assessed and prioritized by staff. This process considered a range of factors, including surface condition, structural adequacy of the underlying road base, maintenance demand, average daily traffic volumes, etc. The resulting lifecycle expenditure forecast for paved roads includes several types of lifecycle activities, including:

- Micro-surfacing;
- Resurfacing (i.e., mill and pave or single surface treatment);
- Full-depth reconstruction.

The Township is currently gradually reconstructing its entire gravel road network to achieve desired service levels. Aligning with the Township's current strategy to fund these reconstruction activities, the lifecycle expenditure forecast includes an annual allowance of $340,000. In addition to these reconstruction activities, the Township also completes regular maintenance on its gravel roads. These maintenance activities (which include dust suppressant applications, periodic re-grading, periodic re-application of granular, etc.) are funded through the Township's annual operating budgets. Following the reconstruction of its gravel road network, the Township expects to maintain its gravel roads in adequate condition over the long-term through the completion of these regular maintenance activities. As such, once fully reconstructed, the Township does not expect to incur any future capital expenditures related to its gravel road network.

The lifecycle expenditure forecast for structures was developed based on recommendations in the Township's most recent (2025) OSIM inspection report. These recommended activities, intended to support the timely maintenance, rehabilitation, and replacement of structures, were subsequently refined and reprioritized through consultation with Township staff during the development of this asset management plan.

The Township undertakes the replacement/reconstruction of its streetlights and sidewalks in coordination with planned road work. The lifecycle expenditure forecast presented in this section includes an annual allowance to complete these replacement/reconstruction activities alongside planned road work. As such, the allowance varies annually based on the length of roads expected to be rehabilitated or reconstructed in a particular year.

The lifecycle expenditure forecast for the Township's traffic control signals and overhead flashing beacons includes costs associated with the replacement of assets based on best estimates of their useful service lives.

Lastly, the lifecycle expenditure forecast also includes the 'benefit to existing' portion of capital costs associated with the following growth-related projects identified through the Township's 2024 Development Charges Background Study:

- Construction of new paved shoulders on arterial roads; and
- Upgrading approximately 6.6 km of Sunbury Road from surface treatment to asphalt.

The 10-year lifecycle expenditure forecast for the Township's transportation network is illustrated in Figure 3-1 and provided in tabular form in Table 3-1. Average annual expenditures over the forecast period have been estimated at $9.6 million.

Figure 3-1: Transportation Assets – Lifecycle Expenditure Forecast (2026$)

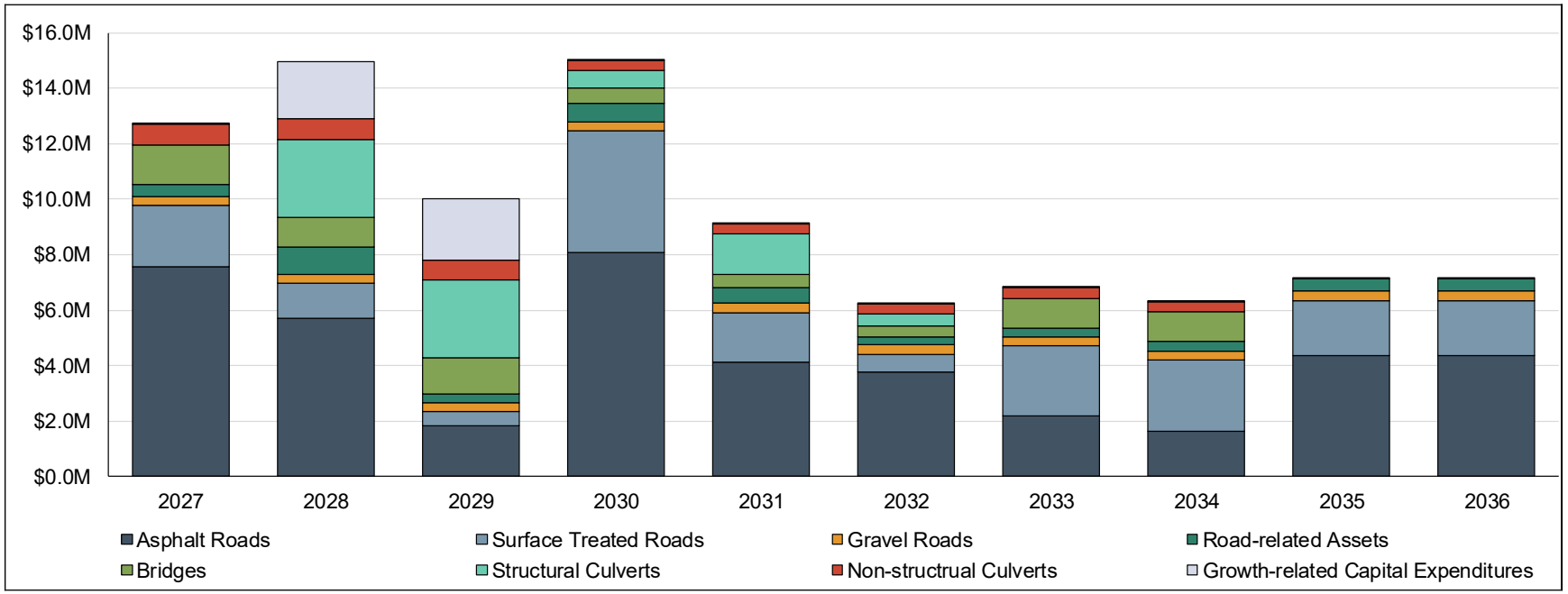


Table 3-1: Transportation Assets – Lifecycle Expenditure Forecast (2026$)

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Road Network										
Asphalt Roads	$ 7,572,000	$ 5,696,000	$ 1,838,000	$ 8,095,000	$ 4,107,000	$ 3,763,000	$ 2,189,000	$ 1,634,000	$ 4,362,000	$ 4,362,000
Surface Treated Roads	$ 2,192,000	$ 1,266,000	$ 496,000	$ 4,354,000	$ 1,793,000	$ 653,000	$ 2,517,000	$ 2,557,000	$ 1,979,000	$ 1,979,000
Gravel Roads	$ 340,000	$ 340,000	$ 340,000	$ 340,000	$ 340,000	$ 340,000	$ 340,000	$ 340,000	$ 340,000	$ 340,000
Road-related Assets	$ 427,000	$ 984,000	$ 308,000	$ 680,000	$ 551,000	$ 294,000	$ 320,000	$ 332,000	$ 440,000	$ 440,000
Growth-related Capital Expenditures	$ 27,000	$ 2,066,000	$ 2,194,000	$ 27,000	$ 27,000	$ 27,000	$ 27,000	$ 27,000	$ 27,000	$ 27,000
Subtotal: Road Network	*$ 10,558,000*	*$ 10,352,000*	*$ 5,176,000*	*$ 13,496,000*	*$ 6,818,000*	*$ 5,077,000*	*$ 5,393,000*	*$ 4,890,000*	*$ 7,148,000*	*$ 7,148,000*
Structures										
Bridges	$ 1,421,000	$ 1,056,000	$ 1,292,000	$ 555,000	$ 477,000	$ 397,000	$ 1,066,000	$ 1,066,000	$ -	$ -
Structural Culverts	$ -	$ 2,808,000	$ 2,798,000	$ 600,000	$ 1,465,000	$ 397,000	$ -	$ -	$ -	$ -
Non-structrual Culverts	$ 747,000	$ 747,000	$ 747,000	$ 376,000	$ 376,000	$ 376,000	$ 376,000	$ 376,000	$ -	$ -
Subtotal: Structures	*$ 2,168,000*	*$ 4,611,000*	*$ 4,837,000*	*$ 1,531,000*	*$ 2,318,000*	*$ 1,170,000*	*$ 1,442,000*	*$ 1,442,000*	*$ -*	*$ -*
Total: Transportation	**$ 12,726,000**	**$ 14,963,000**	**$ 10,013,000**	**$ 15,027,000**	**$ 9,136,000**	**$ 6,247,000**	**$ 6,835,000**	**$ 6,332,000**	**$ 7,148,000**	**$ 7,148,000**

3.3 Tax-funded Facilities

This section presents an estimate of costs associated with providing the proposed levels of service for the Township's tax-funded facilities presented earlier in Section 2.2.3.

In general terms, the proposed levels of service involve ensuring that the current capacity of facilities (i.e., gross floor area) is sufficient to meet the service demands of the community as well as ensuring that facilities are maintained in adequate condition to continue effectively supporting the provision of municipal services.

The lifecycle expenditure forecast for the Township's facilities was derived based on the recommendations provided in the 2025 Building Condition Assessments (BCAs). As mentioned in Section 2.2.2, the BCAs identify repair, maintenance, rehabilitation, and replacement requirements for facilities at a component level. For the purposes of this asset management plan, lifecycle requirements identified through the BCAs were reviewed, refined, and re-prioritized by staff.

Lastly, the lifecycle expenditure forecast also includes the 'benefit to existing' portion of capital costs associated with the following growth-related projects identified through the Township's 2024 Development Charges Background Study:

- Construction of a new fire hall;
- Construction of a new summer camp building at Centennial Park;
- Construction of a new indoor recreation facility; and
- Expansion of libraries.

The 10-year lifecycle expenditure forecast for the Township's facilities is illustrated in Figure 3-2 and provided in tabular form in Table 3-2. Average annual expenditures over the forecast period have been estimated at $2.4 million.

Figure 3-2: Facilities – Lifecycle Expenditure Forecast (2026$)

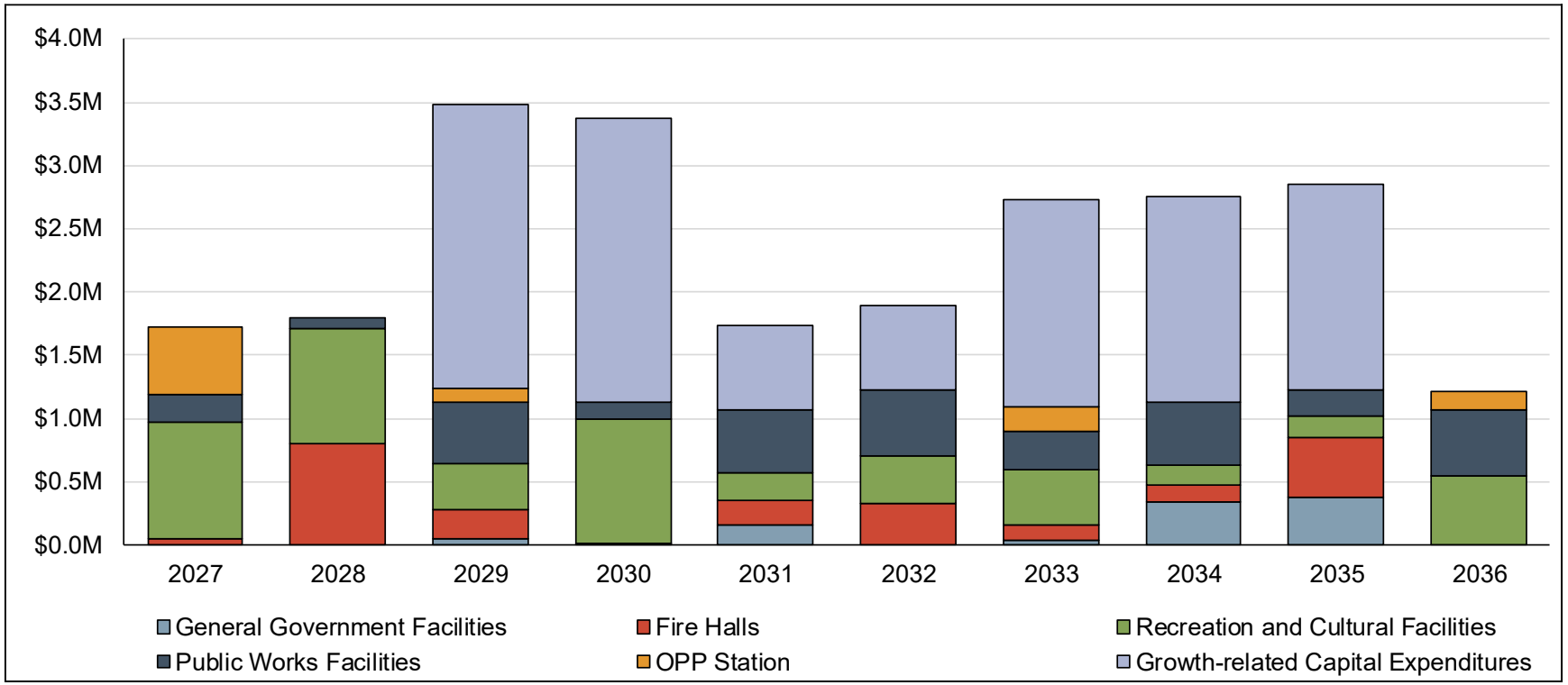


Table 3-2: Facilities - Lifecycle Expenditure Forecast (2026$)

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
General Government Facilities	$ -	$ -	$ 49,000	$ -	$ 156,000	$ -	$ 33,000	$ 343,000	$ 379,000	$ -
Fire Halls	$ 43,000	$ 805,000	$ 228,000	$ 14,000	$ 190,000	$ 323,000	$ 129,000	$ 127,000	$ 475,000	$ -
OPP Station	$ 537,000	$ -	$ 110,000	$ -	$ -	$ -	$ 191,000	$ -	$ -	$ 139,000
Recreation and Cultural Facilities	$ 933,000	$ 911,000	$ 364,000	$ 975,000	$ 228,000	$ 379,000	$ 437,000	$ 160,000	$ 164,000	$ 545,000
Public Works Facilities	$ 209,000	$ 79,000	$ 487,000	$ 140,000	$ 492,000	$ 520,000	$ 301,000	$ 493,000	$ 204,000	$ 528,000
Growth-related Capital Expenditures	$ -	$ -	$ 2,245,000	$ 2,245,000	$ 674,000	$ 674,000	$ 1,635,000	$ 1,635,000	$ 1,635,000	$ -
Total Capital Expenditures	**$ 1,722,000**	**$ 1,795,000**	**$ 3,483,000**	**$ 3,374,000**	**$ 1,740,000**	**$ 1,896,000**	**$ 2,726,000**	**$ 2,758,000**	**$ 2,857,000**	**$ 1,212,000**

3.4 Tax-funded Fleet and Equipment

This section presents an estimate of costs associated with providing the proposed levels of service for the Township's fleet and equipment assets presented earlier in Section 2.3.3.

In general terms, the proposed levels of service for fleet and equipment assets involve maintaining assets in adequate condition to continue performing as expected and reliably support the provision of municipal services. The Township will accomplish this by undertaking timely replacements of ageing and poorly performing assets and through the completion of regular maintenance activities.

The capital expenditure forecast for the majority of the Township's fleet and equipment assets includes replacements of assets based on staff's current best estimates of their remaining useful service lives. For assets with unknown ages, the lifecycle expenditure forecast includes an annual allowance based on each asset's estimated average annual lifecycle cost. This approach ensures that sufficient funds are being allocated on an annual basis to fund the asset's eventual replacement.

Additionally, the Township also plans to purchase a number of 'net-new' fleet and equipment assets to support growth and address current operational capacity constraints. Based on the Township's 2024 Development Charges Background Study, these purchases are expected to be partly funded through development charges. The lifecycle expenditure forecast presented herein also includes the cost associated with the purchase of these additional assets, net of anticipated financial recoveries through development charges.

The 10-year lifecycle expenditure forecast for the Township's fleet and equipment assets is illustrated in Figure 3-3 and provided in tabular form in Table 3-3. Average annual expenditures over the forecast period have been estimated at $2.3 million.

The current backlog of the Township's fleet and equipment assets has been estimated at $1.7 million. This represents the estimated replacement value of all fleet and equipment assets that are currently in service beyond their expected useful service lives. The timing and prioritization of replacement activities for these assets have been established in consultation with Township staff.

Figure 3-3: Fleet and Equipment – Lifecycle Expenditure Forecast (2026$)

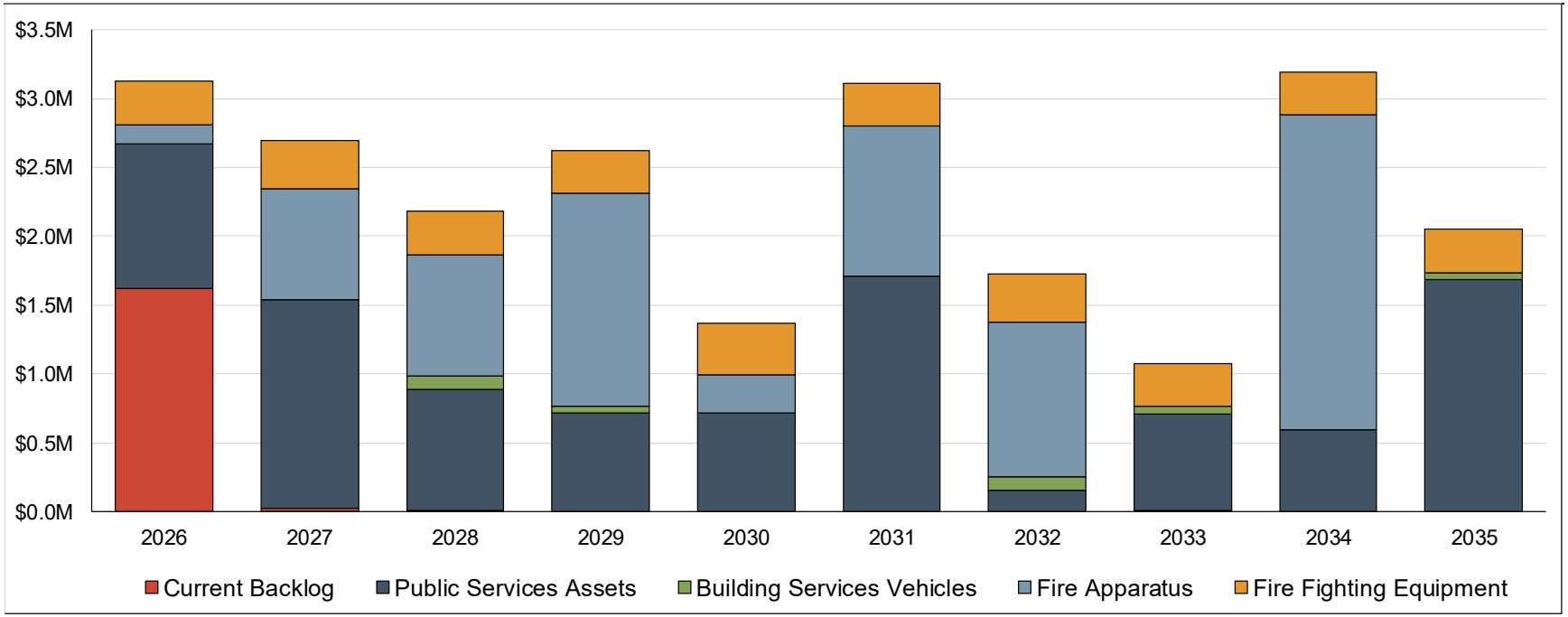


Table 3-3: Fleet and Equipment – Lifecycle Expenditure Forecast (2026$)

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Fire Fighting Equipment	$ 311,000	$ 351,000	$ 311,000	$ 311,000	$ 372,000	$ 311,000	$ 351,000	$ 311,000	$ 311,000	$ 311,000
Fire Apparatus	$ 140,000	$ 808,000	$ 878,000	$ 1,542,000	$ 282,000	$ 1,092,000	$ 1,124,000	$ -	$ 2,285,000	$ -
Public Services Assets	$ 1,053,000	$ 1,510,000	$ 878,000	$ 721,000	$ 716,000	$ 1,710,000	$ 160,000	$ 700,000	$ 596,000	$ 1,686,000
Building Department Vehicles	$ -	$ -	$ 99,000	$ 47,000	$ -	$ -	$ 94,000	$ 52,000	$ -	$ 52,000
Current Backlog	$ 1,620,000	$ 26,000	$ 13,000	$ -	$ -	$ -	$ -	$ 10,000	$ -	$ -
Total Capital Expenditures	**$ 3,124,000**	**$ 2,695,000**	**$ 2,179,000**	**$ 2,621,000**	**$ 1,370,000**	**$ 3,113,000**	**$ 1,729,000**	**$ 1,073,000**	**$ 3,192,000**	**$ 2,049,000**

3.5 Parks and Recreation

This section presents an estimate of costs associated with providing the proposed levels of service for the Township's parks and recreation assets presented earlier in Section 2.4.3.

Similar to fleet and equipment assets, the proposed levels of service for the parks and recreation assets aim to maintain assets in adequate condition to continue providing a satisfactory user experience. The Township will accomplish this by undertaking timely replacements of ageing and poorly performing assets and through the completion of regular maintenance activities.

The capital expenditure forecast for the Township's parks and recreation assets includes:

- Costs associated with the recommendations provided in the 2025 Building Condition Assessments (BCAs) for 38% (by replacement cost) of sport fields, sport courts, and baseball diamond and dugouts;
- Cost of age-based replacements of play equipment, sport fields, sport courts, and baseball diamond and dugouts not assessed through the 2025 BCAs; and
- Annual allowances based on estimated average annual lifecycle costs for assets not assessed through the 2025 BCAs and for which ages are not currently known. This approach ensures that sufficient funds are being allocated on an annual basis to fund the eventual replacement of these assets.

The 10-year lifecycle expenditure forecast for the Township's parks and recreation assets is illustrated in Figure 3-4 and provided in tabular form in Table 3-4. Average annual expenditures over the forecast period have been estimated at $513,000.

The current backlog of the Township's parks and recreation assets has been estimated to be approximately $388,000. This represents the estimated replacement value of all parks and recreation assets that are currently in service beyond their expected useful service lives.

Figure 3-4: Parks and Recreation – Lifecycle Expenditure Forecast (2026$)

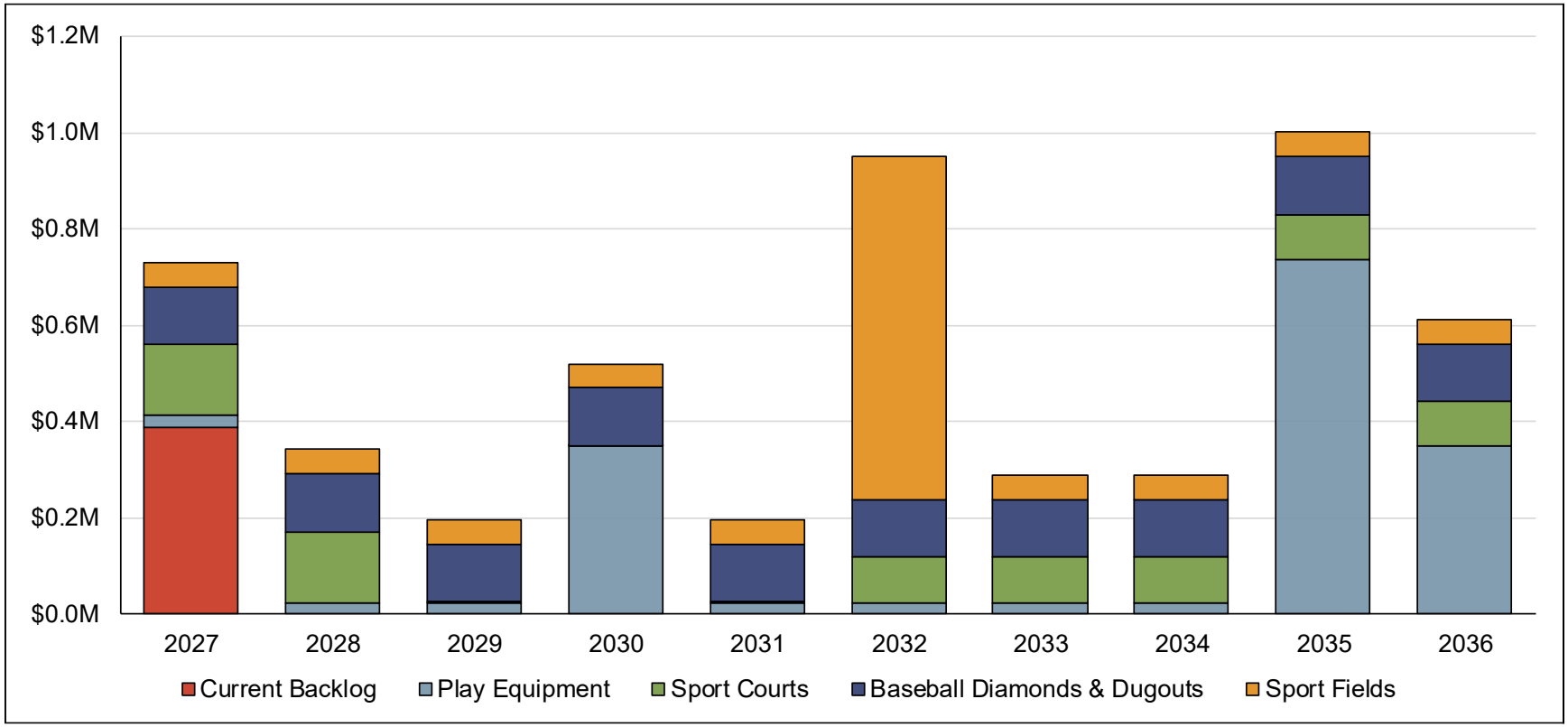


Table 3-4: Parks and Recreation – Lifecycle Expenditure Forecast (2026$)

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Play Equipment	$ 24,000	$ 24,000	$ 24,000	$ 347,000	$ 24,000	$ 24,000	$ 24,000	$ 24,000	$ 736,000	$ 347,000
Baseball Diamonds & Dugouts	$ 119,000	$ 119,000	$ 119,000	$ 119,000	$ 119,000	$ 121,000	$ 121,000	$ 121,000	$ 121,000	$ 121,000
Sport Fields	$ 51,000	$ 51,000	$ 51,000	$ 51,000	$ 51,000	$ 713,000	$ 51,000	$ 51,000	$ 51,000	$ 51,000
Sport Courts	$ 148,000	$ 148,000	$ 3,000	$ 3,000	$ 3,000	$ 93,000	$ 93,000	$ 93,000	$ 93,000	$ 93,000
Current Backlog	$ 388,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Capital Expenditures	**$ 730,000**	**$ 342,000**	**$ 197,000**	**$ 520,000**	**$ 197,000**	**$ 951,000**	**$ 289,000**	**$ 289,000**	**$ 1,001,000**	**$ 612,000**

3.6 Stormwater

This section presents an estimate of costs associated with achieving the proposed levels of service for the Township's stormwater system assets presented earlier in Section 2.4.3.

In general terms, the proposed levels of service for the Township's stormwater system assets involve maintaining assets in adequate condition to reliably provide flood protection, manage the rate of groundwater discharge, and assist in reducing the level of contamination entering the natural environment. The Township will accomplish this by ensuring the timely replacement of ageing and poorly assets and through the completion of as-needed maintenance activities. The lifecycle expenditure forecast presented in this section includes the costs associated with the replacement of assets based on current best estimates of their useful service lives.

The 10-year lifecycle expenditure forecast for the Township's stormwater system assets is illustrated in Figure 3-3 and provided in tabular form in Table 3-3. Average annual expenditures over the forecast period have been estimated at $136,000.

Figure 3-5: Stormwater – Lifecycle Expenditure Forecast (2026$)

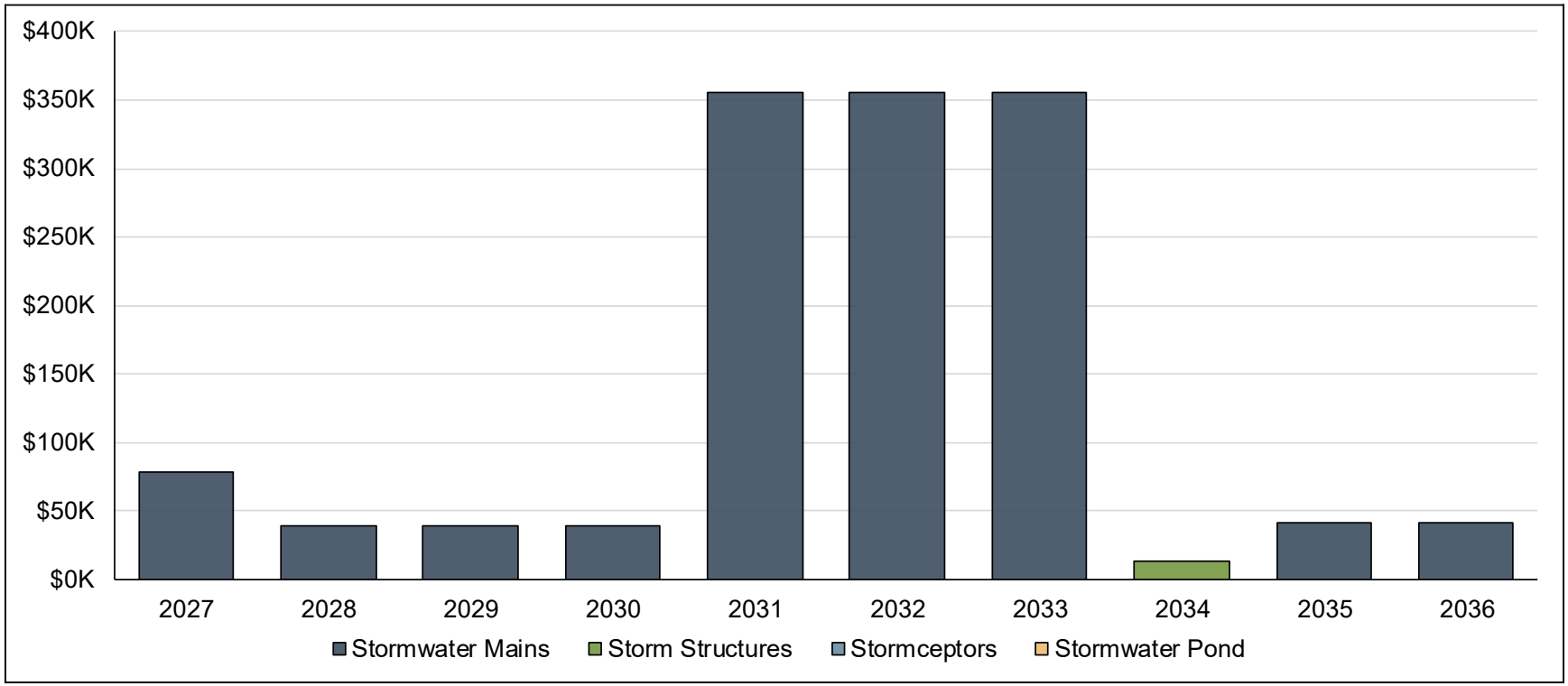


Table 3-5: Stormwater – Lifecycle Expenditure Forecast (2026$)

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Stormwater Mains	$ 79,000	$ 39,000	$ 39,000	$ 39,000	$ 356,000	$ 356,000	$ 356,000	$ -	$ 42,000	$ 42,000
Storm Structures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 14,000	$ -	$ -
Stormceptors	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Stormwater Pond	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Capital Expenditures	**$ 79,000**	**$ 39,000**	**$ 39,000**	**$ 39,000**	**$ 356,000**	**$ 356,000**	**$ 356,000**	**$ 14,000**	**$ 42,000**	**$ 42,000**

3.7 Water

This section presents an estimate of costs associated with providing the proposed levels of service for the Township's water system assets presented earlier in Section 2.6.3.

In general terms, the proposed levels of service for the Township's water system assets include maintaining assets in adequate condition to reliably support the provision of safe drinking water while minimizing service interruptions and occurrences of adverse water quality events. The Township will accomplish this by ensuring the timely replacement of ageing and poorly performing assets and through the completion of regular maintenance activities.

The lifecycle expenditure forecast presented in this section includes:

- Cost of upcoming lifecycle activities related to the water treatment plant, water storage tower, service connections, and hydrants identified by Utilities Kingston; and
- Cost of age-based replacements of other assets based on best estimates of their useful service lives.

The 10-year lifecycle expenditure forecast for the Township's water system assets is summarized in Figure 3-6 and provided in tabular form in Table 3-6. Average annual expenditures over the forecast period have been estimated at approximately $40,000.

Figure 3-6: Water – Lifecycle Expenditure Forecast (2026$)

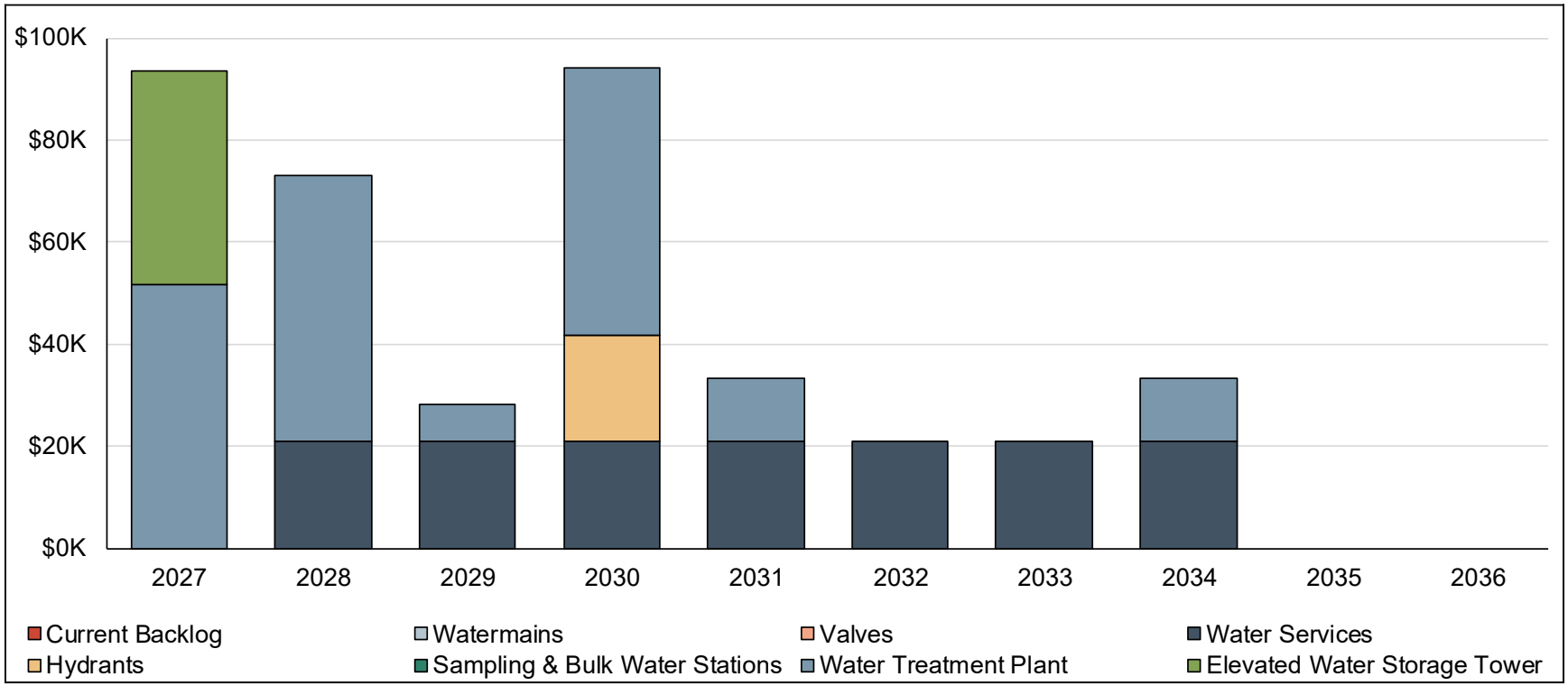


Table 3-6: Water – Lifecycle Expenditure Forecast (2026$)

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Watermains	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Valves	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Water Services	$ -	$ 21,000	$ 21,000	$ 21,000	$ 21,000	$ 21,000	$ 21,000	$ 21,000	$ -	$ -
Hydrants	$ -	$ -	$ -	$ 21,000	$ -	$ -	$ -	$ -	$ -	$ -
Sampling & Bulk Water Stations	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Water Treatment Plant	$ 52,000	$ 52,000	$ 7,000	$ 52,000	$ 13,000	$ -	$ -	$ 13,000	$ -	$ -
Water Storage Tower	$ 42,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Capital Expenditures	**$ 94,000**	**$ 73,000**	**$ 28,000**	**$ 94,000**	**$ 34,000**	**$ 21,000**	**$ 21,000**	**$ 34,000**	**$ -**	**$ -**

Chapter 4
Financial Strategy

4. Financial Strategy

4.1 Introduction

The financial strategy that supports this asset management plan is designed to fulfill the following key objectives:

- Identify the sources and levels of capital financing available to undertake the lifecycle activities presented previously in Chapter 3, which respond to the Township's proposed levels of service outlined earlier in Chapter 2; and
- Develop a strategy to achieve financial sustainability and intergenerational equity as it relates to the Township's infrastructure assets over the long term.

In support of these objectives, a comprehensive financial strategy model was developed utilizing the Township's financial data, which included:

- 2026 operating budget;
- 2026 capital budget;
- Reserve and reserve fund continuity schedules; and
- Debt continuity schedules.

Subsequent sections of this chapter identify how the Township will fund the forecasts of lifecycle activities presented in Chapter 3. This chapter also identifies the level of sustainable funding that should be provided to assets on an annual basis to maintain the proposed levels of service over the long term (i.e., the annual lifecycle funding target). Relative to the funding target, the Township's current annual infrastructure funding gap is identified based on the level of capital funding that was included in the Township's 2026 budget. Lastly, this chapter identifies the financial impacts of gradually eliminating the current annual infrastructure funding gap on the Township's financial position and its taxpayers and ratepayers.

The sections of this chapter related to the Township's tax-funded assets examine the financial outlook and impact on taxpayers associated with the following two scenarios:

- Scenario 1: Eliminating the current annual infrastructure funding gap over a 10-year period (i.e., by 2036); and

- Scenario 2: Eliminating the current annual infrastructure funding gap over a 15-year period (i.e., by 2041).

It is noted that the financial strategies presented herein are suggested approaches which should be examined and re-evaluated as part of the annual budgeting process to ensure continual alignment with the Township's changing financial position and evolving asset management environment.

4.2 Assets Funded by the General Tax Levy

4.2.1 Annual Capital Expenditure Forecast

This section summarizes the expenditures associated with undertaking the lifecycle activities identified earlier in Chapter 3 for the Township's infrastructure assets that are funded through its general tax levy (i.e., transportation assets, tax-funded facilities, fleet and equipment assets, parks and recreation assets, and the stormwater system).

Capital expenditures over the 10-year forecast horizon are expected to total $148.8 million in current (2026) dollars (i.e., uninflated). Inflation on capital costs has been estimated based on the historical 20-year annual average rate of inflation as witnessed in the Statistics Canada Non-residential Building Construction Price Index and is expected to be approximately 4.52% annually. Once inflationary impacts are incorporated, lifecycle expenditures over the next 10 years are expected to total $186.7 million.

Figure 4-1 presents the inflated capital expenditure forecast for the Township's tax-funded assets and this information is provided in tabular form in Table 4-1.

Figure 4-1: Tax-funded Assets – Overall Capital Expenditure Forecast (Inflated)

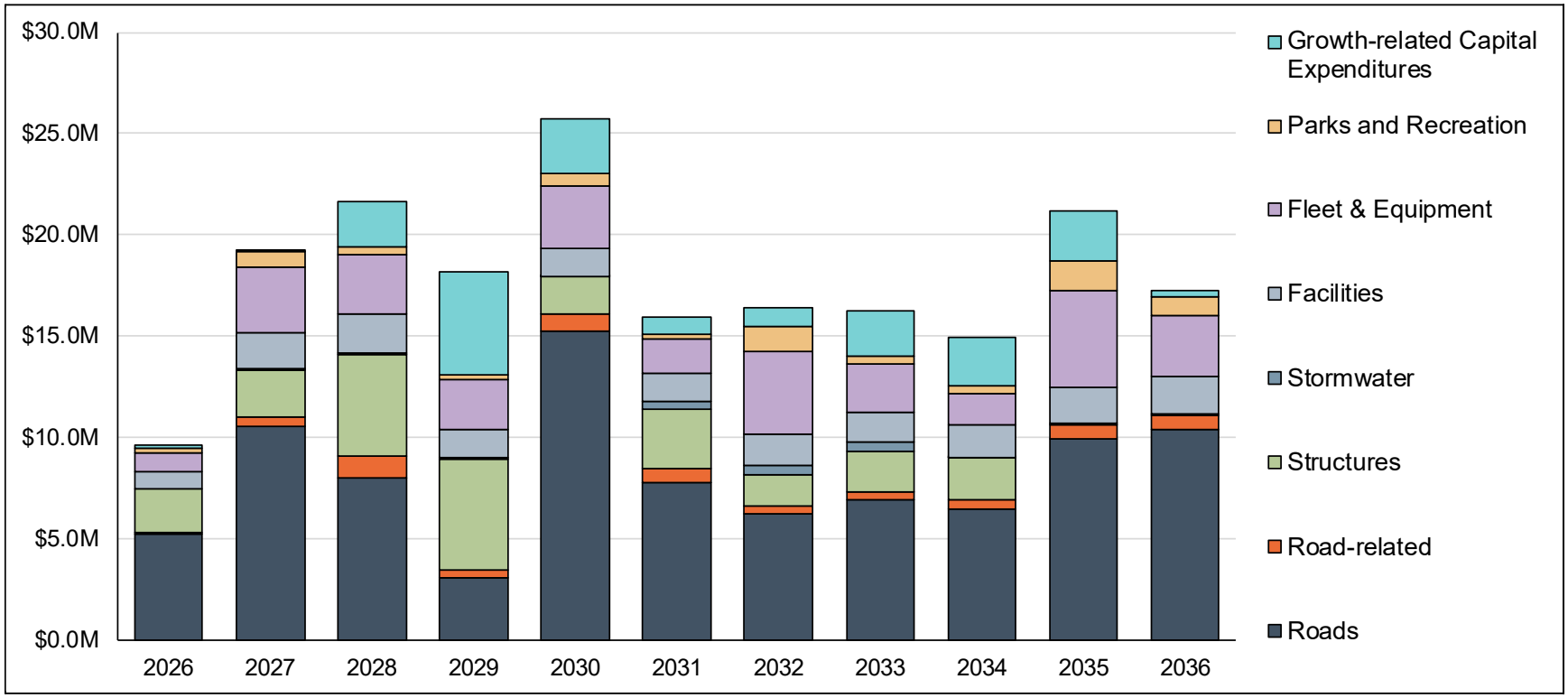


Table 4-1: Tax-funded Assets – Overall Capital Expenditure Forecast (Inflated)

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Capital Expenditures										
Capital Expenditures for Roads & Road-related Assets	$ 11,008,000	$ 9,052,000	$ 3,405,000	$ 16,075,000	$ 8,471,000	$ 6,583,000	$ 7,312,000	$ 6,926,000	$ 10,598,000	$ 11,078,000
Capital Expenditures for Structures	$ 2,266,000	$ 5,037,000	$ 5,522,000	$ 1,827,000	$ 2,890,000	$ 1,524,000	$ 1,965,000	$ 2,053,000	$ -	$ -
Capital Expenditures for Stormwater Assets	$ 82,000	$ 43,000	$ 45,000	$ 47,000	$ 444,000	$ 464,000	$ 485,000	$ 20,000	$ 62,000	$ 65,000
Capital Expenditures for Tax-funded Facilities	$ 1,799,000	$ 1,960,000	$ 1,413,000	$ 1,347,000	$ 1,330,000	$ 1,593,000	$ 1,487,000	$ 1,598,000	$ 1,819,000	$ 1,887,000
Capital Expenditures for Tax-funded Fleet & Equip. Assets	$ 3,266,000	$ 2,945,000	$ 2,488,000	$ 3,128,000	$ 1,709,000	$ 4,059,000	$ 2,356,000	$ 1,530,000	$ 4,752,000	$ 2,966,000
Capital Expenditures for Parks & Recreation Assets	$ 763,000	$ 373,000	$ 224,000	$ 621,000	$ 245,000	$ 1,240,000	$ 394,000	$ 411,000	$ 1,490,000	$ 953,000
Growth-related Capital Expenditures	$ 28,000	$ 2,257,000	$ 5,068,000	$ 2,711,000	$ 875,000	$ 914,000	$ 2,265,000	$ 2,367,000	$ 2,474,000	$ 265,000
Total Capital Expenditures	**$ 19,212,000**	**$ 21,667,000**	**$ 18,165,000**	**$ 25,756,000**	**$ 15,964,000**	**$ 16,377,000**	**$ 16,264,000**	**$ 14,905,000**	**$ 21,195,000**	**$ 17,214,000**

4.2.2 Annual Capital Financing Forecast

This section summarizes the recommended strategy to finance the capital expenditures identified in Section 4.2.1. Lifecycle expenditures are expected to be financed from the following sources:

- Annual Ontario Community Infrastructure Fund (OCIF) formula-based funding. It is noted that the Ministry of Infrastructure announced a temporary increase to province-wide OCIF support in 2022, effectively doubling investment in Ontario's infrastructure for a five-year period ending in 2027. Correspondingly, it is assumed that the Township's annual OCIF funding will be reduced by 50% beginning in 2027, declining from approximately $690,000 in 2026 to approximately $345,000 in 2027 and held constant thereafter. It is further noted that the Ministry of Infrastructure recently shifted from using historical costs to using replacement costs in the formula used for calculating annual OCIF funding allocations. As a result of this formula change, the Township's OCIF allocation may continue to change in the coming years. The amount of OCIF funding will need to be monitored by Township staff and, if a significant variance occurs relative to the estimate provided in this asset management plan, the financial strategy may need to be updated;
- Annual Canada Community-Building Fund (CCBF) funding. CCBF funding is expected to be a stable and long-term funding source for eligible capital projects. Annual funding estimates are based on the Township's allocations for 2026 to 2028, with 4% increases for every two-year period thereafter. As such, the Township's annual CCBF funding is expected to increase from approximately $661,000 in 2026 to approximately $804,000 by 2036;
- County of Frontenac Annual CCBF funding. Through funding arrangements with the County, the Township is responsible for funding ongoing lifecycle requirements associated with County roads, road-related assets, and structures located within its municipal boundaries. To help fund these infrastructure costs, the County allocates a portion of its annual CCBF funding to the Township. Future apportionments have been modelled based on the Township's 2026 allocation, with assumed increases of 4% every two years. As such, the Township's annual share of the County's CCBF funding is expected to increase from approximately $562,000 in 2026 to approximately $684,000 by 2036;
- Funds projected to be available in capital reserves and reserve funds. To manage risks associated with unexpected capital expenditures that may arise,

the financial strategy maintains a minimum balance in capital reserve and reserve funds. The minimum balance was set at 10% of average annual capital expenditures over the forecast period, or approximately $1.9 million; and

- Proceeds from external debt financing. The financial strategy for Scenario 1 proposes approximately $55.6 million in additional debt financing to fund forecasted capital expenditures, while the financial strategy for Scenario 2 proposes $81.9 million in additional debt.

Table 4-2 summarizes the capital financing forecast for the Township's tax-funded infrastructure assets under Scenario 1, while Table 4-3 summarizes the same under Scenario 2.

Table 4-2: Scenario 1 – Capital Financing by Source (2027-2036)

Capital Financing Source	Total Capital Financing
Transfer Payment Revenues (i.e., OCIF + CCBF + County CCBF)	$17,229,000
Contributions from Capital Reserves and Reserve Funds	$113,925,000
Proceeds from External Debt Financing	$55,564,000
Total	**$186,718,000**

Table 4-3: Scenario 2 – Capital Financing by Source (2027-2036)

Capital Financing Source	Total Capital Financing
Transfer Payment Revenues (i.e., OCIF + CCBF + County CCBF)	$17,229,000
Contributions from Capital Reserves and Reserve Funds	$87,859,000
Proceeds from External Debt Financing	$81,630,000
Total	**$186,718,000**

4.2.3 Current Annual Lifecycle Funding Target & Infrastructure Funding Gap

An annual lifecycle funding target represents the level of funding that would be required annually to fully finance a lifecycle management strategy over the long term. By planning to achieve this annual funding level, the Township would theoretically be able to fully fund capital works as they arise. In practice, however, capital expenditures are characterized by peaks and valleys and often fluctuate year-to-year based on the

lifecycle activities being undertaken. By planning to achieve the lifecycle funding target over the long term, the periods of relatively low capital needs would allow for the building up of lifecycle reserve funds that could be drawn upon in times of relatively high capital needs.

Table 4-4 summarizes the modelling approaches that have been utilized to derive the annual lifecycle funding target for tax-funded assets.

Table 4-4: Modelling Approaches Utilized to Determine Annual Lifecycle Funding Targets by Asset Category

Asset Category	Modelling Approach
Transportation	Roads, Bridges, and Structural Culverts: Based on lifecycle management strategy determined through staff consultations. Road-related Assets and Non-structural Culverts: Useful life analysis (i.e., determined by dividing the current replacement cost of each asset by its expected useful service life)
Tax-funded Facilities	Annual reinvestment rate equal to 2.1% of current replacement cost
Tax-funded Fleet and Equipment	Useful life analysis (i.e., determined by dividing the current replacement cost of each asset by its expected useful service life)
Parks and Recreation	
Stormwater	

The annual lifecycle funding target for the Township's tax-funded assets is $17.4 million (in 2026 dollars). A breakdown of the lifecycle funding target by asset category for illustrated in Figure 4-2 and provided in tabular form in Table 4-5.

Figure 4-2: Tax-funded Assets – Annual Lifecycle Funding Target (2026$) by Asset Category

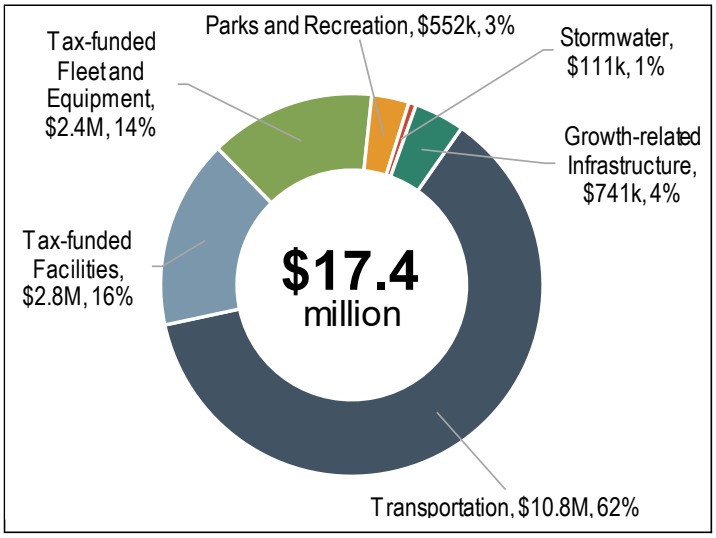


Table 4-5: Tax-funded Assets – Annual Lifecycle Funding Target (2026$) by Asset Category

Asset Category	Annual Lifecycle Funding Target (2026$)
Transportation	$10,801,000
Tax-funded Facilities	$2,793,000
Tax-funded Fleet & Equipment	$2,446,000
Parks and Recreation	$552,000
Stormwater	$111,000
Growth-related Infrastructure	$741,000
Total	**$17,444,000**

Relative to this annual lifecycle funding target, the Township allocated approximately $7.9 million in its 2026 budget towards capital-related needs for tax-funded assets. A breakdown of the capital funding budgeted in the Township's 2026 Council-approved budget for tax-supported assets is illustrated in Figure 4-3 and provided in tabular form in Table 4-6.

Figure 4-3: Tax-funded Assets – Capital Funding Included in 2026 Budget

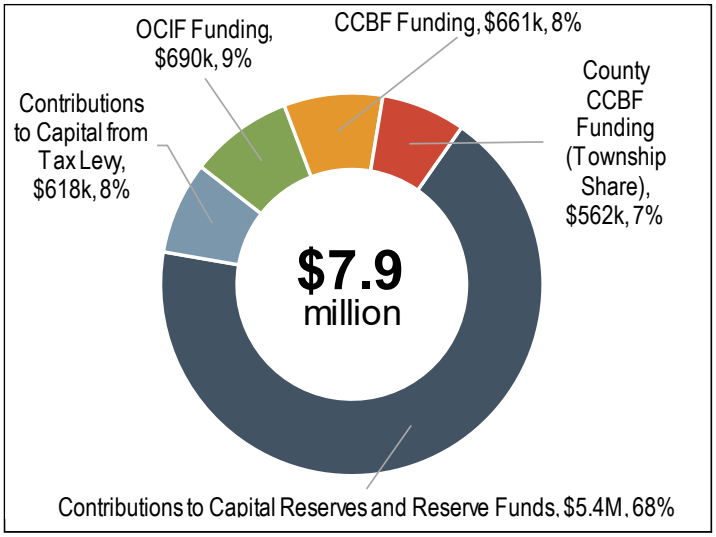


Table 4-6: Tax-funded Assets – Capital Funding Allocated in 2026 Budget

Capital Funding Source	Capital Funding Budgeted in 2026
Contributions to Capital Reserves and Reserve Funds	$5,377,000
Contributions to Capital from Tax Levy	$618,000
OCIF Funding	$690,000
CCBF Funding	$661,000
County CCBF Funding (Township Share)	$562,000
Total	**$7,908,000**

The difference between the annual lifecycle funding target and the currently budgeted capital funding represents the Township's annual infrastructure funding gap for its tax-funded assets. Based on this analysis, the Township is facing a tax-based annual infrastructure funding gap of $9.5 million.

4.2.4 Overall Financial Forecast and Estimated Impact on Tax Levy

4.2.4.1 Scenario 1: 10-year AMP Phase-in Period

This section presents the overall impacts on the Township's financial position of gradually eliminating the funding gap by 2035.

As noted earlier in Section 4.2.2, the capital financing forecast proposes additional debt financing of approximately $55.6 million over the forecast period under Scenario 1. The Township does not currently have any outstanding debt related to prior capital asset purchases. As such, annual repayments on external debt are expected to begin in 2028 and rise from approximately $958,000 to approximately $5.1 million by 2036.

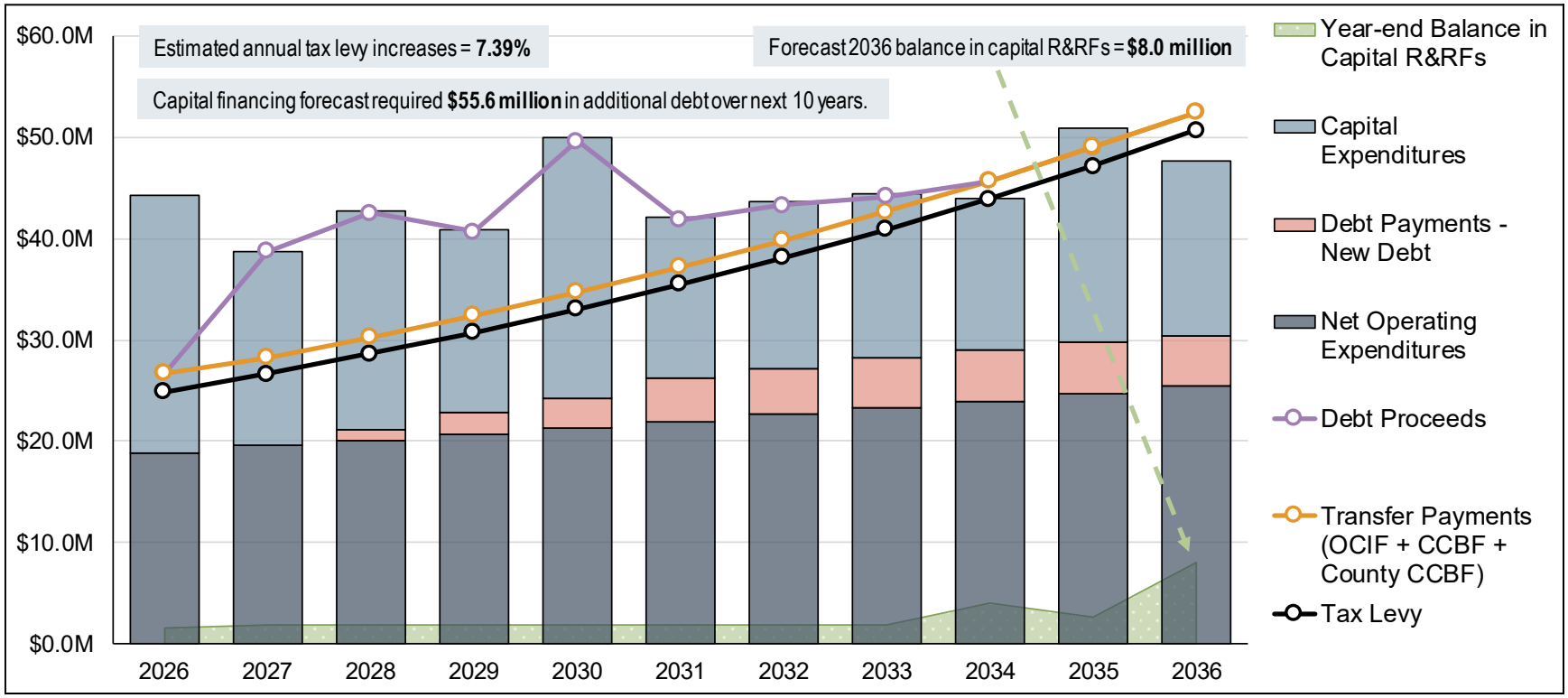
The Township is expected to have approximately $1.6 million in its capital reserves and reserve funds at the end of 2026. By 2036, that balance is expected to grow to approximately $8.0 million. A detailed continuity schedule of capital reserves and reserve funds can be found in Appendix A.

In order to fund the recommended lifecycle management strategy and gradually eliminate the infrastructure funding gap over the next 10 years, the Township's tax levy would need to increase by 7.39% annually from 2027 to 2036. The tax levy is forecast to rise from the current level of approximately $24.85 million in 2026 to approximately $50.69 million by 2036.

The taxation impacts identified above include inflationary adjustments to the Township's operating costs and revenues as identified in its 2026 budget (i.e., general operating inflation of 2.72% annually).

Figure 4-4 illustrates the overall financial forecast for the Township under Scenario 1. Full details of the financial strategy are provided in Appendix A.

Figure 4-4: Scenario 1 – Overall Financial Forecast (Inflated)



4.2.4.2 Scenario 2: 15-year AMP Phase-in Period

This section presents the overall impacts on the Township's financial position of gradually eliminating the funding gap by 2041.

As noted earlier in Section 4.2.2, the capital financing forecast proposes additional debt financing of approximately $81.6 million over the forecast period under Scenario 2. Furthermore, as noted earlier in Section 4.2.4.1, the Township does not currently have any outstanding debt related to prior capital asset purchases. As such, annual repayments on external debt are expected to begin in 2028 and rise from approximately $985,000 to approximately $7.2 million by 2036.

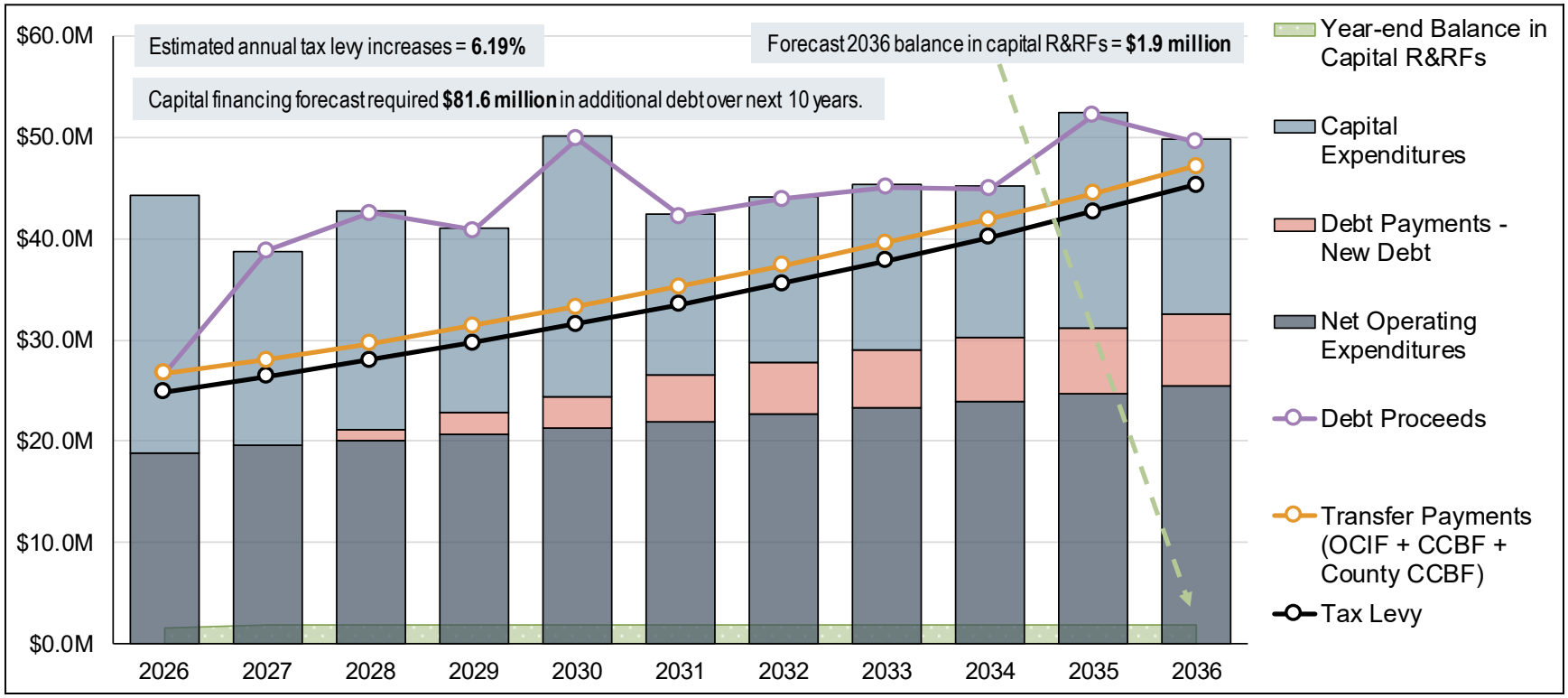
As noted earlier in Section 4.2.4.1, the Township is expected to have approximately $1.6 million in its capital reserves and reserve funds at the end of 2026. By 2036, that balance is expected to grow slightly to approximately $1.9 million in this scenario. A detailed continuity schedule of capital reserves and reserve funds can be found in Appendix B.

In order to fund the recommended lifecycle management strategy and gradually eliminate the infrastructure funding gap over the next 15 years, the Township's tax levy would need to increase by 6.19% annually from 2027 to 2041. The tax levy is forecast to rise from the current level of approximately $24.85 million in 2026 to approximately $45.31 million by 2036, and further rise to approximately $61.19 million by 2041.

The taxation impacts identified above include inflationary adjustments to the Township's operating costs and revenues as identified in its 2026 budget (i.e., general operating inflation of 2.72% annually).

Figure 4-5 illustrates the overall financial forecast for the Township under Scenario 2. Full details of the financial strategy are provided in Appendix B.

Figure 4-5: Scenario 2 – Overall Financial Forecast (Inflated)



4.2.5 Estimated Impact on Tax Bills (2026-2035)

4.2.5.1 Scenario 1: 10-year AMP Phase-in Period

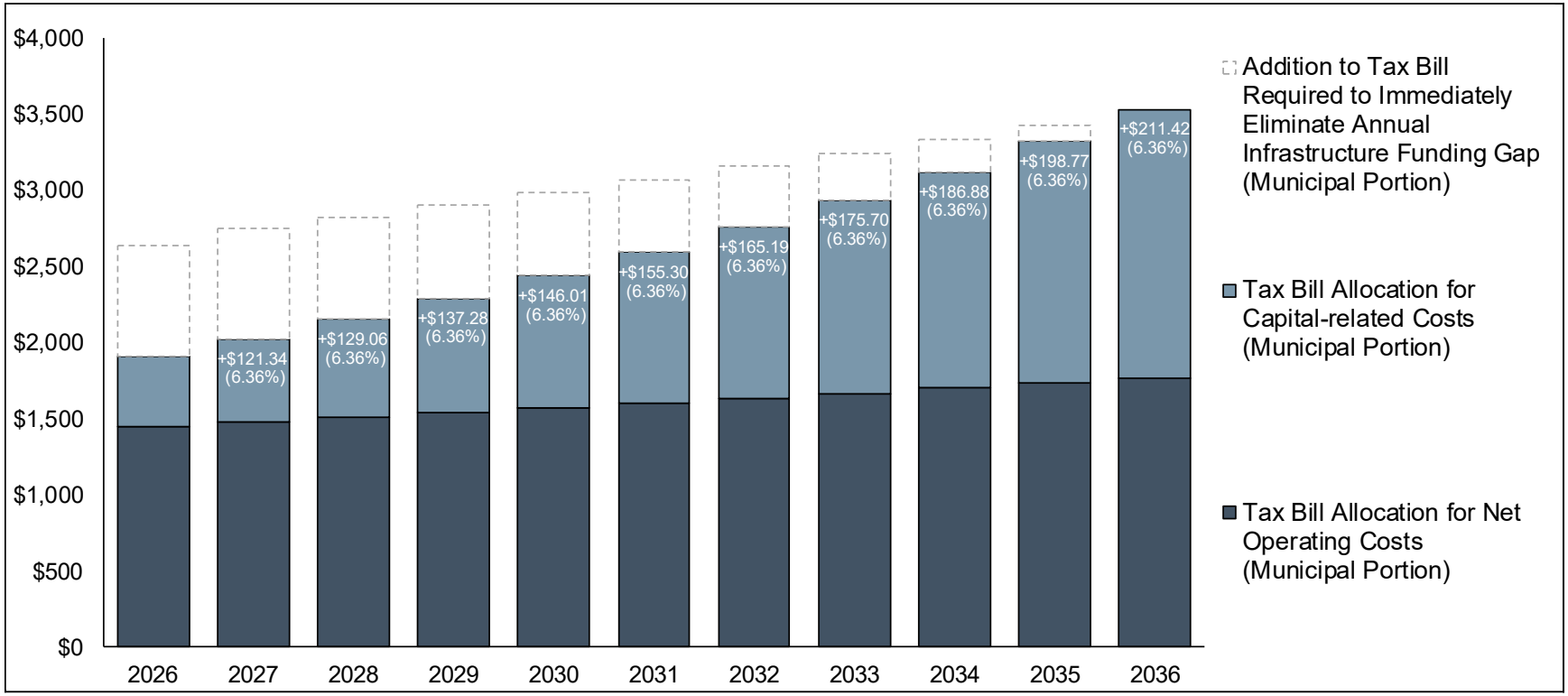
This section presents the estimated impact resulting from Scenario 1 on the annual tax bill of a typical single-family detached house in the Township with a current value assessment of $278,000[1].

As noted in Section 4.2.4.1, the Township would need to increase its tax levy from approximately $24.85 million in 2026 to approximately $50.69 million by 2036. Layering on assessment increases resulting from new assessment growth, assumed to be 0.97% annually over the forecast period, the impact on the municipal portion of individual property tax bills would be increases of 6.36% annually from 2027 to 2036. A typical single-family detached house in the Township with a current value assessment of $278,000 would see the municipal portion of its tax bill rise from approximately $1,907 as of 2026 to approximately $3,534 by 2036.

Figure 4-6 illustrates the estimated impact on the municipal portion of the tax bill for a typical single-family detached house with a current value assessment of $278,000 under Scenario 1.

[1]Current Value Assessment is determined by MPAC for taxation purposes and is not reflective of average market value.

Figure 4-6: Scenario 1 - Estimated Impact on the Municipal Portion of the Tax Bill for Typical Single-family Detached House Assessed at $278,000 (2026-2036)



4.2.5.2 Scenario 2: 15-year AMP Phase-in Period

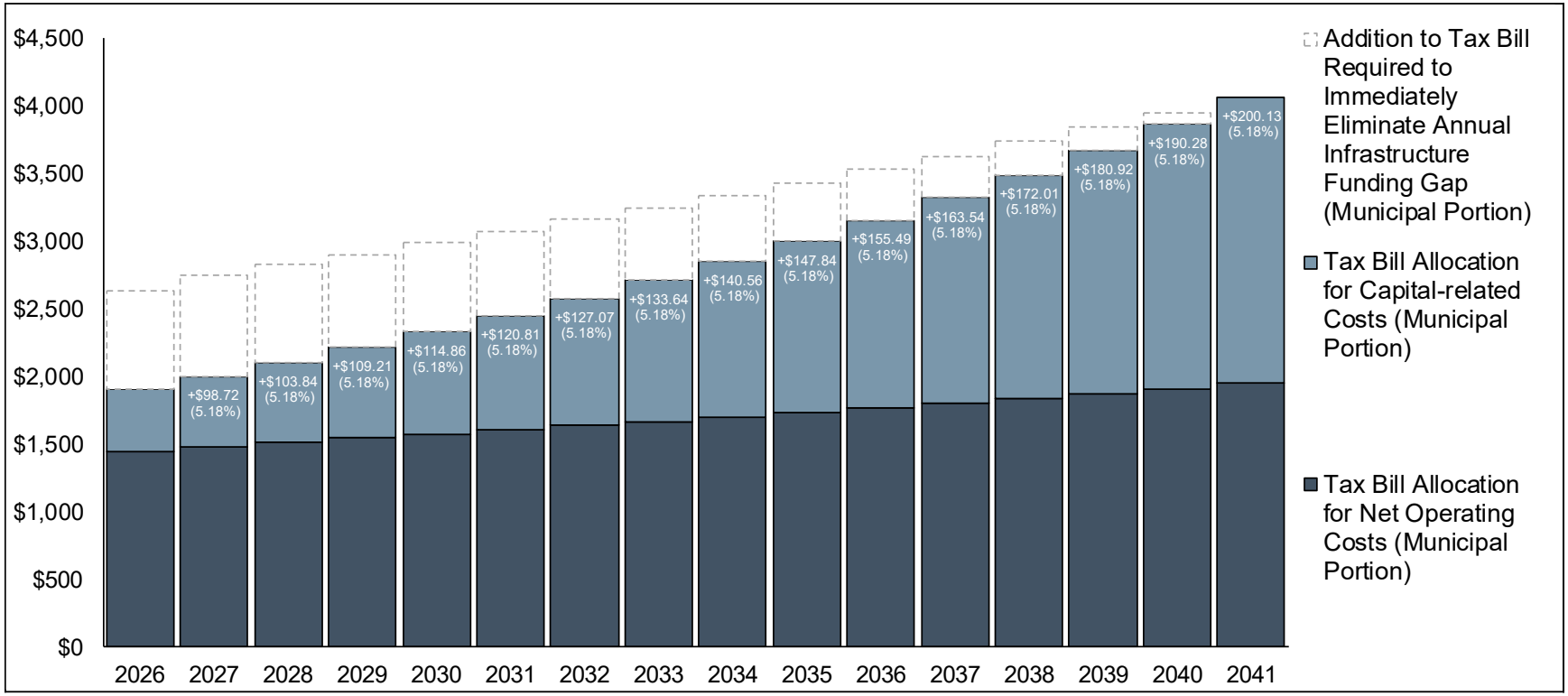
This section presents the estimated impact resulting from Scenario 2 on the annual tax bill of a typical single-family detached house in the Township with a current value assessment of $278,000[1].

As noted in Section 4.2.4.2, the Township would need to increase its tax levy from approximately $24.85 million in 2026 to approximately $61.19 million by 2041. Layering on assessment increases resulting from new assessment growth, assumed to be 0.97% annually over the forecast period, the impact on the municipal portion of individual property tax bills would be increases of 5.18% annually from 2027 to 2041. A typical single-family detached house in the Township with a current value assessment of $278,000 would see the municipal portion of its tax bill rise from approximately $1,907 as of 2026 to approximately $3,159 by 2036, and further increase to approximately $4,066 by 2041.

Figure 4-7 illustrates the estimated impact on the municipal portion of the tax bill for a typical single-family detached house with a current value assessment of $278,000 under Scenario 2.

[1]Current Value Assessment is determined by MPAC for taxation purposes and is not reflective of average market value.

Figure 4-7: Scenario 2 - Estimated Impact on the Municipal Portion of the Tax Bill for Typical Single-family Detached House Assessed at $278,000 (2026-2041)



4.3 Assets Funded by Water Rates

4.3.1 Annual Capital Expenditure Forecast

This section summarizes the expenditures associated with undertaking the lifecycle activities identified earlier in Chapter 3 for the Township's water assets.

Capital expenditures over the 10-year forecast horizon are expected to total $398,000 in current (2026) dollars (i.e., uninflated). Inflation on capital costs has been estimated based on the historical 20-year annual average rate of inflation as witnessed in the Statistics Canada Non-residential Building Construction Price Index and is expected to be approximately 4.52% annually. Once inflationary impacts are incorporated, lifecycle expenditures over the next 10 years are expected to total $467,000.

Figure 4-8 presents the inflated capital expenditure forecast for the Township's water and this information is provided in tabular form in Table 4-7.

Figure 4-8: Water – Overall Capital Expenditure Forecast (Inflated)

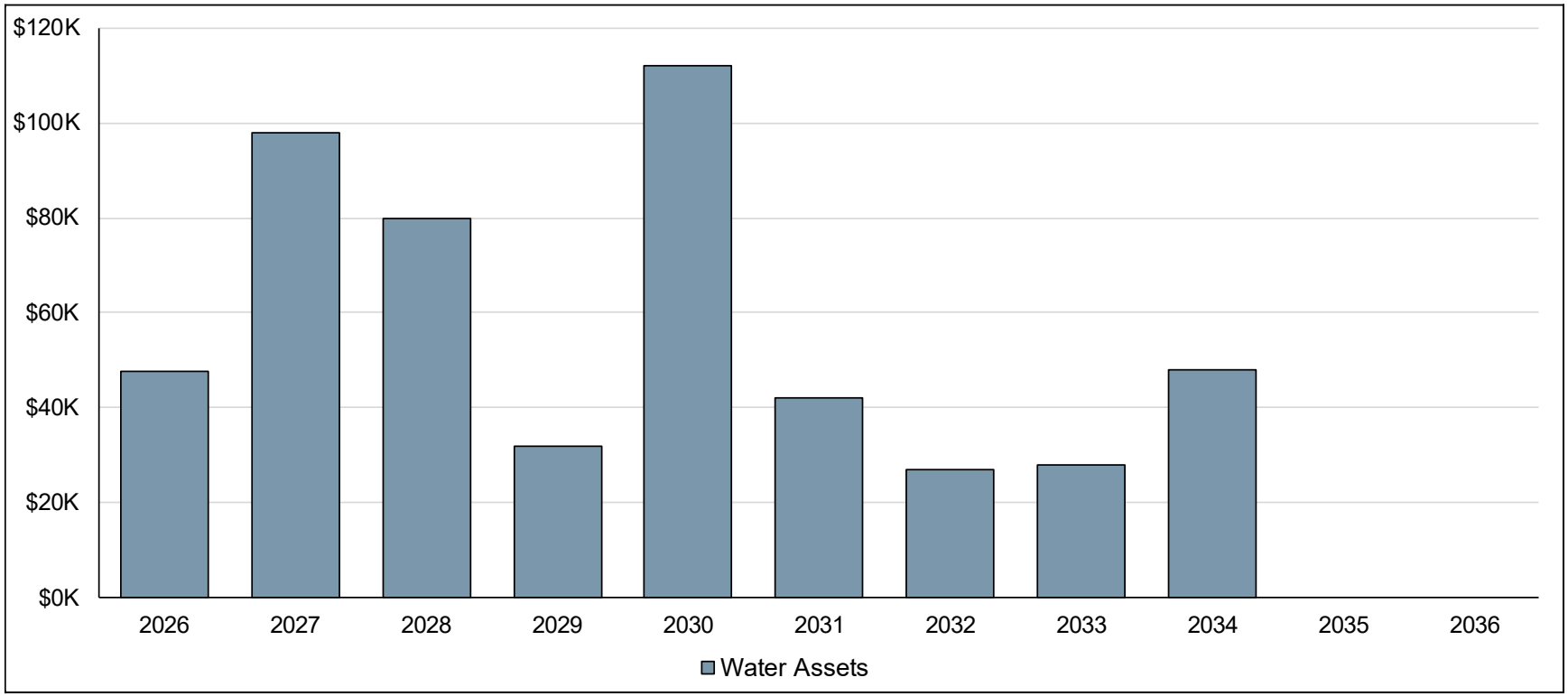


Table 4-7: Water – Overall Capital Expenditure Forecast (Inflated)

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Capital Expenditures										
Capital Expenditures for Water Assets	$ 98,000	$ 80,000	$ 32,000	$ 112,000	$ 42,000	$ 27,000	$ 28,000	$ 48,000	$ -	$ -
Total Capital Expenditures	**$ 98,000**	**$ 80,000**	**$ 32,000**	**$ 112,000**	**$ 42,000**	**$ 27,000**	**$ 28,000**	**$ 48,000**	**$ -**	**$ -**

4.3.2 Annual Capital Financing Forecast

This section summarizes the recommended strategy to finance the capital expenditures identified in Section 4.3.1. Lifecycle expenditures are expected to be financed from funds projected to be available in capital reserves and reserve funds. To manage risks associated with unexpected capital expenditures that may arise, the financial strategy maintains a minimum balance in capital reserve and reserve funds. The minimum balance was set at 10% of average annual capital expenditures over the forecast period, approximately $5,000.

In total, capital reserves and reserve funds for water assets will need to provide $467,000 in capital financing to fund capital expenditures over the 10-year forecast horizon.

4.3.3 Current Annual Lifecycle Funding Target & Infrastructure Funding Gap

The current annual lifecycle funding target for the Township's water assets is $293,000 (in 2026 dollars). Please refer to Section 4.2.3 for further information on annual lifecycle funding targets.

Table 4-8 summarizes the modelling approaches that have been utilized to derive the annual lifecycle funding target for water assets.

Table 4-8: Modelling Approaches Utilized to Determine Annual Lifecycle Funding Targets by Asset Category

Asset Category	Modelling Approach
Water	Watermains, Hydrants, Valves, Service Connections, Sampling Stations, and Bulk Filling Station: Useful life analysis (i.e., determined by dividing the current replacement cost of each asset by its expected useful service life) Water Treatment Plan and Storage Tower: Annual reinvestment rate equal to 2.1% of current replacement cost

A breakdown of the lifecycle funding target by asset type is illustrated in Figure 4-9 and provided in tabular form in Table 4-9.

Figure 4-9: Water – Annual Lifecycle Funding Target (2026$) by Asset Type

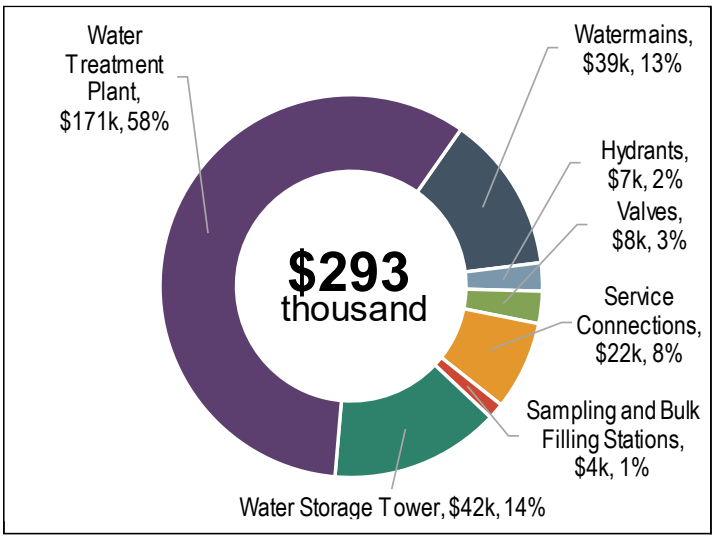


Table 4-9: Water – Annual Lifecycle Funding Target (2026$) by Asset Type

Asset Type	Annual Lifecycle Funding Target (2026$)
Watermains	$39,000
Hydrants	$7,000
Valves	$8,000
Service Connections	$22,000
Sampling and Bulk Filling Stations	$4,000
Water Storage Tower	$42,000
Water Treatment Plant	$171,000
Total	**$293,000**

Relative to this annual lifecycle funding target, the Township allocated approximately $84,000 million towards capital-related needs in its 2026 budget for water assets, which comprised contributions made into the Township's water rate-funded capital reserves and reserve funds. The difference between the annual lifecycle funding target and the currently budgeted capital funding represents the Township's annual infrastructure funding gap for its water and wastewater assets.

Based on this analysis, the Township is currently facing a water rate-based annual infrastructure funding gap of approximately $209,000 (in 2026 dollars).

4.3.4 Overall Financial Forecast and Estimated Impact on Tax Levy

This section presents the overall impacts on the Township's financial position of gradually eliminating the funding gap by 2036.

The capital financing forecast for water assets does not require any additional debt financing over the 10-year forecast period. Furthermore, the Township does not have any outstanding debt related to prior capital asset purchases for its water system. As such, there are no debt payments forecast for the 10-year forecast period.

The Township is expected to have approximately $1.8 million in its water rate-funded capital reserves and reserve funds at the end of 2026. By 2036, this balance is expected to grow to approximately $4.6 million. A detailed continuity schedule of water and wastewater rate-funded capital reserves/reserve funds can be found in Appendix B.

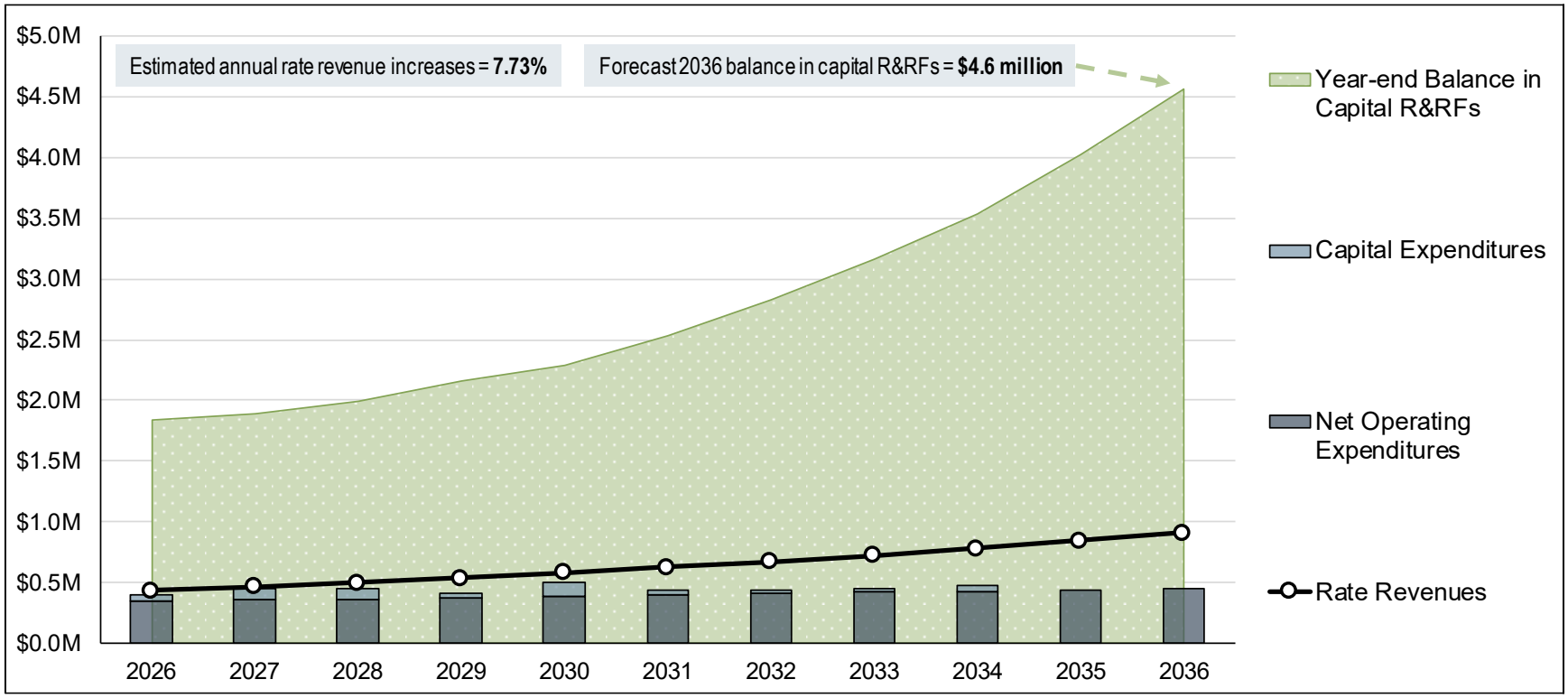
In order to fund the recommended lifecycle management strategy and eliminate the infrastructure funding gap for water assets, the Township's water rate revenues would need to increase by 7.73% annually from 2027 to 2036[1]. Rate revenues are forecasted to rise from the current level of approximately $431,000 to approximately $907,000 by 2036.

The identified rate-revenue impacts include inflationary adjustments to the Township's operating costs and revenues as identified in its 2026 budget (i.e., general operating inflation of 2.72% annually).

Figure 4-10 illustrates the overall financial forecast for the Township's water assets, with full details of the Financial Strategy provided in Appendix B.

[1]Please note that this may not necessarily lead to an equivalent increase in the water rates that are charged to users. The Township's water rates are determined as part of its annual budgeting process and are dependent on other factors (such as the total number of customers and metered consumption), which are outside the scope of the analysis presented herein.

Figure 4-10: Water – Overall Financial Forecast (Inflated)



Chapter 5
Recommendations and Next Steps

5. Recommendations and Next Steps

5.1 Recommendations

The following recommendations are provided for the Township's consideration:

- That the Township of South Frontenac Asset Management Plan be received and approved by Council based on:
    - One of the following financial strategy scenarios for tax-funded assets:
        - Scenario 1: Addressing the current annual infrastructure funding gap over a 10-year period (i.e., by 2036); or
        - Scenario 2: Addressing the current annual infrastructure funding gap over a 15-year period (i.e., by 2041)
    - Addressing the current annual infrastructure funding gap for water assets over a 10-year period (i.e., by 2036); and
- That consideration be made as part of the annual budgeting process to support the availability of sufficient capital funding to implement the asset management plan.

5.2 Next Steps

Following the approval of this asset management plan by Council, the Township's asset management journey will transition from developing the plan to its operationalization. The Township will need to establish processes and implement systems to keep asset information (e.g., condition, replacement costs, etc.) updated and relevant, so that it can be relied on to identify capital priorities and inform the annual budget process.

To ensure ongoing compliance with O. Reg. 588/17, the Township will need to start conducting annual reviews of the progress being made towards implementing the asset management plan, with the first review required to be conducted prior to July 1, 2027. The annual reviews must identify any factors preventing progress towards full implementation and outline a strategy to address those impeding factors. Following the completion of this asset management plan, the Township should shift its focus to

developing the format and content of these annual reviews to enable informed decision-making by Council and staff.

Furthermore, O. Reg. 588/17 requires updates to this asset management plan to be conducted at a minimum every five years. To maximize the reliability of the updated analyses, the Township should proactively plan to conduct updates of background studies and underlying asset data in a timely manner prior to undertaking an update of this asset management plan. The Township should also plan to proactively update the underlying data utilized to inform the current performance of the included level of service measures on a regular basis. Tracking the current performance of included measures over time relative to their targeted performance provides a key measure of success in fully implementing the asset management plan.

Appendix A
Financial Strategy Tables for Tax-funded Assets

Table A-1: Tax-supported Capital Budget Forecast for Scenario 1 (Inflated)
Township of South Frontenac

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Capital Expenditures										
Roads	$ 10,561,000	$ 7,977,000	$ 3,054,000	$ 15,263,000	$ 7,783,000	$ 6,200,000	$ 6,876,000	$ 6,454,000	$ 9,944,000	$ 10,394,000
Road-related	$ 447,000	$ 1,075,000	$ 351,000	$ 812,000	$ 688,000	$ 383,000	$ 436,000	$ 472,000	$ 654,000	$ 684,000
Structures	$ 2,266,000	$ 5,037,000	$ 5,522,000	$ 1,827,000	$ 2,890,000	$ 1,524,000	$ 1,965,000	$ 2,053,000	$ -	$ -
Stormwater	$ 82,000	$ 43,000	$ 45,000	$ 47,000	$ 444,000	$ 464,000	$ 485,000	$ 20,000	$ 62,000	$ 65,000
Facilities	$ 1,799,000	$ 1,960,000	$ 1,413,000	$ 1,347,000	$ 1,330,000	$ 1,593,000	$ 1,487,000	$ 1,598,000	$ 1,819,000	$ 1,887,000
Fleet & Equipment	$ 3,266,000	$ 2,945,000	$ 2,488,000	$ 3,128,000	$ 1,709,000	$ 4,059,000	$ 2,356,000	$ 1,530,000	$ 4,752,000	$ 2,966,000
Parks and Recreation	$ 763,000	$ 373,000	$ 224,000	$ 621,000	$ 245,000	$ 1,240,000	$ 394,000	$ 411,000	$ 1,490,000	$ 953,000
Growth-related Capital Expenditures	$ 28,000	$ 2,257,000	$ 5,068,000	$ 2,711,000	$ 875,000	$ 914,000	$ 2,265,000	$ 2,367,000	$ 2,474,000	$ 265,000
Total Capital Expenditures	**$ 19,212,000**	**$ 21,667,000**	**$ 18,165,000**	**$ 25,756,000**	**$ 15,964,000**	**$ 16,377,000**	**$ 16,264,000**	**$ 14,905,000**	**$ 21,195,000**	**$ 17,214,000**
Capital Financing										
OCIF Transfer Payment Revenues	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000
CCBF Transfer Payment Revenues	$ 688,000	$ 688,000	$ 715,000	$ 715,000	$ 744,000	$ 744,000	$ 773,000	$ 773,000	$ 804,000	$ 804,000
County CCBF Transfer Payment Revenues	$ 585,000	$ 585,000	$ 608,000	$ 608,000	$ 632,000	$ 632,000	$ 658,000	$ 658,000	$ 684,000	$ 684,000
Contributions from Capital Reserves and Reserve Funds	$ 7,093,000	$ 7,799,000	$ 8,213,000	$ 9,133,000	$ 9,593,000	$ 11,174,000	$ 13,046,000	$ 13,129,000	$ 19,362,000	$ 15,381,000
Proceeds from External Debt Financing	$ 10,501,000	$ 12,250,000	$ 8,284,000	$ 14,955,000	$ 4,650,000	$ 3,482,000	$ 1,442,000	$ -	$ -	$ -
Total Capital Financing	**$ 19,212,000**	**$ 21,667,000**	**$ 18,165,000**	**$ 25,756,000**	**$ 15,964,000**	**$ 16,377,000**	**$ 16,264,000**	**$ 14,905,000**	**$ 21,195,000**	**$ 17,214,000**

Table A-2: Tax-supported Schedule of Debt Payments for Scenario 1 (Inflated)
Township of South Frontenac

Description	New Debt	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
2027	$ 10,501,000		$ 958,000	$ 958,000	$ 958,000	$ 958,000	$ 958,000	$ 958,000	$ 958,000	$ 958,000	$ 958,000
2028	$ 12,250,000			$ 1,117,000	$ 1,117,000	$ 1,117,000	$ 1,117,000	$ 1,117,000	$ 1,117,000	$ 1,117,000	$ 1,117,000
2029	$ 8,284,000				$ 756,000	$ 756,000	$ 756,000	$ 756,000	$ 756,000	$ 756,000	$ 756,000
2030	$ 14,955,000					$ 1,364,000	$ 1,364,000	$ 1,364,000	$ 1,364,000	$ 1,364,000	$ 1,364,000
2031	$ 4,650,000						$ 424,000	$ 424,000	$ 424,000	$ 424,000	$ 424,000
2032	$ 3,482,000							$ 318,000	$ 318,000	$ 318,000	$ 318,000
2033	$ 1,442,000								$ 131,000	$ 131,000	$ 131,000
2034	$ -									$ -	$ -
2035	$ -										$ -
2036	$ -										
Total Annual Debt Payments	**$ 55,564,000**	**$ -**	**$ 958,000**	**$ 2,075,000**	**$ 2,831,000**	**$ 4,195,000**	**$ 4,619,000**	**$ 4,937,000**	**$ 5,068,000**	**$ 5,068,000**	**$ 5,068,000**

Table A-3: Tax-supported Schedule of Capital Reserves and Reserve Funds Continuity for Scenario 1 (Inflated)
Township of South Frontenac

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Opening Balance	$ 1,607,000	$ 1,867,000	$ 1,867,000	$ 1,867,000	$ 1,867,000	$ 1,867,000	$ 1,867,000	$ 1,867,000	$ 4,036,000	$ 2,610,000
Add: Contributions from Operating	$ 7,146,000	$ 7,579,000	$ 7,983,000	$ 8,885,000	$ 9,335,000	$ 10,886,000	$ 12,720,000	$ 14,927,000	$ 17,470,000	$ 20,240,000
Add: OCIF Transfer Payment Revenues	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000
Add: CCBF Transfer Payment Revenues	$ 688,000	$ 688,000	$ 715,000	$ 715,000	$ 744,000	$ 744,000	$ 773,000	$ 773,000	$ 804,000	$ 804,000
Add: County CCBF Transfer Payment Revenues	$ 585,000	$ 585,000	$ 608,000	$ 608,000	$ 632,000	$ 632,000	$ 658,000	$ 658,000	$ 684,000	$ 684,000
Add: Interest Earned	$ 207,000	$ 220,000	$ 230,000	$ 248,000	$ 258,000	$ 288,000	$ 326,000	$ 371,000	$ 466,000	$ 494,000
Less: Contributions to Fund Capital Expenditures	$ (8,711,000)	$ (9,417,000)	$ (9,881,000)	$ (10,801,000)	$ (11,314,000)	$ (12,895,000)	$ (14,822,000)	$ (14,905,000)	$ (21,195,000)	$ (17,214,000)
Closing Balance	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 4,036,000**	**$ 2,610,000**	**$ 7,963,000**
Minimum Balance Threshold	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*

Table A-4: Tax-supported Operating Budget Forecast for Scenario 1 (Inflated)
Township of South Frontenac

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Expenditures										
Operating Expenditures										
General Government	$ 3,593,000	$ 3,691,000	$ 3,791,000	$ 3,894,000	$ 4,000,000	$ 4,109,000	$ 4,221,000	$ 4,336,000	$ 4,454,000	$ 4,575,000
Parks, Recreation and Cemeteries	$ 1,797,000	$ 1,846,000	$ 1,896,000	$ 1,948,000	$ 2,001,000	$ 2,055,000	$ 2,111,000	$ 2,169,000	$ 2,228,000	$ 2,288,000
Planning and Development	$ 976,000	$ 1,003,000	$ 1,030,000	$ 1,058,000	$ 1,087,000	$ 1,116,000	$ 1,147,000	$ 1,178,000	$ 1,210,000	$ 1,243,000
Protection to Persons and Property	$ 7,506,000	$ 7,710,000	$ 7,920,000	$ 8,135,000	$ 8,357,000	$ 8,584,000	$ 8,818,000	$ 9,058,000	$ 9,304,000	$ 9,557,000
Solid Waste Management	$ 2,921,000	$ 3,000,000	$ 3,082,000	$ 3,166,000	$ 3,252,000	$ 3,341,000	$ 3,431,000	$ 3,525,000	$ 3,621,000	$ 3,719,000
Transportation Services	$ 8,564,000	$ 8,797,000	$ 9,037,000	$ 9,283,000	$ 9,535,000	$ 9,795,000	$ 10,061,000	$ 10,335,000	$ 10,616,000	$ 10,905,000
Contributions to Operating Reserves	$ 527,000	$ 542,000	$ 556,000	$ 572,000	$ 587,000	$ 603,000	$ 619,000	$ 636,000	$ 654,000	$ 671,000
Subtotal: Operating Expenditures	**$ 25,884,000**	**$ 26,589,000**	**$ 27,312,000**	**$ 28,056,000**	**$ 28,819,000**	**$ 29,603,000**	**$ 30,408,000**	**$ 31,237,000**	**$ 32,087,000**	**$ 32,958,000**
Capital-related Expenditures										
Contributions to Capital Reserves and Reserve Funds	$ 7,146,000	$ 7,579,000	$ 7,983,000	$ 8,885,000	$ 9,335,000	$ 10,886,000	$ 12,720,000	$ 14,927,000	$ 17,470,000	$ 20,240,000
Debt Payments (Principal + Interest)	$ -	$ 958,000	$ 2,075,000	$ 2,831,000	$ 4,195,000	$ 4,619,000	$ 4,937,000	$ 5,068,000	$ 5,068,000	$ 5,068,000
Subtotal: Capital-related Expenditures	**$ 7,146,000**	**$ 8,537,000**	**$ 10,058,000**	**$ 11,716,000**	**$ 13,530,000**	**$ 15,505,000**	**$ 17,657,000**	**$ 19,995,000**	**$ 22,538,000**	**$ 25,308,000**
Total: Expenditures	**$ 33,030,000**	**$ 35,126,000**	**$ 37,370,000**	**$ 39,772,000**	**$ 42,349,000**	**$ 45,108,000**	**$ 48,065,000**	**$ 51,232,000**	**$ 54,625,000**	**$ 58,266,000**
Revenues										
Tax Levy	$ 26,685,000	$ 28,657,000	$ 30,775,000	$ 33,049,000	$ 35,492,000	$ 38,114,000	$ 40,931,000	$ 43,955,000	$ 47,203,000	$ 50,692,000
Supplementary Taxation and PILs	$ 255,000	$ 262,000	$ 269,000	$ 276,000	$ 284,000	$ 292,000	$ 300,000	$ 308,000	$ 316,000	$ 325,000
Penalties and Interest	$ 390,000	$ 402,000	$ 412,000	$ 424,000	$ 435,000	$ 447,000	$ 460,000	$ 472,000	$ 485,000	$ 497,000
General Government	$ 838,000	$ 861,000	$ 885,000	$ 909,000	$ 934,000	$ 959,000	$ 985,000	$ 1,012,000	$ 1,039,000	$ 1,068,000
Parks, Recreation and Cemeteries	$ 289,000	$ 297,000	$ 305,000	$ 313,000	$ 322,000	$ 331,000	$ 340,000	$ 349,000	$ 358,000	$ 368,000
Planning and Development	$ 262,000	$ 269,000	$ 277,000	$ 284,000	$ 292,000	$ 300,000	$ 308,000	$ 316,000	$ 325,000	$ 334,000
Protection to Persons and Property	$ 1,291,000	$ 1,326,000	$ 1,362,000	$ 1,399,000	$ 1,438,000	$ 1,477,000	$ 1,517,000	$ 1,558,000	$ 1,600,000	$ 1,644,000
Solid Waste Management	$ 266,000	$ 274,000	$ 281,000	$ 289,000	$ 297,000	$ 305,000	$ 313,000	$ 322,000	$ 330,000	$ 339,000
Transportation Services	$ 99,000	$ 102,000	$ 105,000	$ 107,000	$ 110,000	$ 113,000	$ 116,000	$ 120,000	$ 123,000	$ 126,000
OMPF Transfer Payment Revenues	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000
Contributions from Operating Reserves	$ 801,000	$ 822,000	$ 845,000	$ 868,000	$ 891,000	$ 916,000	$ 941,000	$ 966,000	$ 992,000	$ 1,019,000
Total: Revenues	**$ 33,030,000**	**$ 35,126,000**	**$ 37,370,000**	**$ 39,772,000**	**$ 42,349,000**	**$ 45,108,000**	**$ 48,065,000**	**$ 51,232,000**	**$ 54,625,000**	**$ 58,266,000**

Table A-5: Tax Levy Forecast for Scenario 1 (Inflated)
Township of South Frontenac

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Prior Year Tax Levy	$ 24,849,000	$ 26,685,000	$ 28,657,000	$ 30,775,000	$ 33,049,000	$ 35,492,000	$ 38,114,000	$ 40,931,000	$ 43,955,000	$ 47,203,000
Add: Tax Revenues from Incremental Assessment Growth	$ 240,000	$ 258,000	$ 277,000	$ 297,000	$ 319,000	$ 342,000	$ 368,000	$ 395,000	$ 424,000	$ 456,000
Add: Tax Revenues from Existing Assessment Base	$ 1,596,000	$ 1,714,000	$ 1,841,000	$ 1,977,000	$ 2,124,000	$ 2,280,000	$ 2,449,000	$ 2,629,000	$ 2,824,000	$ 3,033,000
Total Tax Levy	**$ 26,685,000**	**$ 28,657,000**	**$ 30,775,000**	**$ 33,049,000**	**$ 35,492,000**	**$ 38,114,000**	**$ 40,931,000**	**$ 43,955,000**	**$ 47,203,000**	**$ 50,692,000**
Tax Levy Increase %	*7.39%*	*7.39%*	*7.39%*	*7.39%*	*7.39%*	*7.39%*	*7.39%*	*7.39%*	*7.39%*	*7.39%*
Tax Rate Increase %	*6.36%*	*6.36%*	*6.36%*	*6.36%*	*6.37%*	*6.36%*	*6.36%*	*6.36%*	*6.36%*	*6.36%*

Table A-6: Tax-supported Capital Budget Forecast for Scenario 2 (Inflated)
Township of South Frontenac

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Capital Expenditures										
Roads	$ 10,561,000	$ 7,977,000	$ 3,054,000	$ 15,263,000	$ 7,783,000	$ 6,200,000	$ 6,876,000	$ 6,454,000	$ 9,944,000	$ 10,394,000
Road-related	$ 447,000	$ 1,075,000	$ 351,000	$ 812,000	$ 688,000	$ 383,000	$ 436,000	$ 472,000	$ 654,000	$ 684,000
Structures	$ 2,266,000	$ 5,037,000	$ 5,522,000	$ 1,827,000	$ 2,890,000	$ 1,524,000	$ 1,965,000	$ 2,053,000	$ -	$ -
Stormwater	$ 82,000	$ 43,000	$ 45,000	$ 47,000	$ 444,000	$ 464,000	$ 485,000	$ 20,000	$ 62,000	$ 65,000
Facilities	$ 1,799,000	$ 1,960,000	$ 1,413,000	$ 1,347,000	$ 1,330,000	$ 1,593,000	$ 1,487,000	$ 1,598,000	$ 1,819,000	$ 1,887,000
Fleet & Equipment	$ 3,266,000	$ 2,945,000	$ 2,488,000	$ 3,128,000	$ 1,709,000	$ 4,059,000	$ 2,356,000	$ 1,530,000	$ 4,752,000	$ 2,966,000
Parks and Recreation	$ 763,000	$ 373,000	$ 224,000	$ 621,000	$ 245,000	$ 1,240,000	$ 394,000	$ 411,000	$ 1,490,000	$ 953,000
Growth-related Capital Expenditures	$ 28,000	$ 2,257,000	$ 5,068,000	$ 2,711,000	$ 875,000	$ 914,000	$ 2,265,000	$ 2,367,000	$ 2,474,000	$ 265,000
Total Capital Expenditures	**$ 19,212,000**	**$ 21,667,000**	**$ 18,165,000**	**$ 25,756,000**	**$ 15,964,000**	**$ 16,377,000**	**$ 16,264,000**	**$ 14,905,000**	**$ 21,195,000**	**$ 17,214,000**
Capital Financing										
OCIF Transfer Payment Revenues	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000
CCBF Transfer Payment Revenues	$ 688,000	$ 688,000	$ 715,000	$ 715,000	$ 744,000	$ 744,000	$ 773,000	$ 773,000	$ 804,000	$ 804,000
County CCBF Transfer Payment Revenues	$ 585,000	$ 585,000	$ 608,000	$ 608,000	$ 632,000	$ 632,000	$ 658,000	$ 658,000	$ 684,000	$ 684,000
Contributions from Capital Reserves and Reserve Funds	$ 6,789,000	$ 7,122,000	$ 7,084,000	$ 7,459,000	$ 7,268,000	$ 8,076,000	$ 9,038,000	$ 10,222,000	$ 11,771,000	$ 13,028,000
Proceeds from External Debt Financing	$ 10,805,000	$ 12,927,000	$ 9,413,000	$ 16,629,000	$ 6,975,000	$ 6,580,000	$ 5,450,000	$ 2,907,000	$ 7,591,000	$ 2,353,000
Total Capital Financing	**$ 19,212,000**	**$ 21,667,000**	**$ 18,165,000**	**$ 25,756,000**	**$ 15,964,000**	**$ 16,377,000**	**$ 16,264,000**	**$ 14,905,000**	**$ 21,195,000**	**$ 17,214,000**

Table A-7: Tax-supported Schedule of Debt Payments for Scenario 2 (Inflated)
Township of South Frontenac

Description	New Debt	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
2027	$ 10,805,000		$ 985,000	$ 985,000	$ 985,000	$ 985,000	$ 985,000	$ 985,000	$ 985,000	$ 985,000	$ 985,000
2028	$ 12,927,000			$ 1,179,000	$ 1,179,000	$ 1,179,000	$ 1,179,000	$ 1,179,000	$ 1,179,000	$ 1,179,000	$ 1,179,000
2029	$ 9,414,000				$ 859,000	$ 859,000	$ 859,000	$ 859,000	$ 859,000	$ 859,000	$ 859,000
2030	$ 16,630,000					$ 1,517,000	$ 1,517,000	$ 1,517,000	$ 1,517,000	$ 1,517,000	$ 1,517,000
2031	$ 6,976,000						$ 636,000	$ 636,000	$ 636,000	$ 636,000	$ 636,000
2032	$ 6,579,000							$ 600,000	$ 600,000	$ 600,000	$ 600,000
2033	$ 5,450,000								$ 497,000	$ 497,000	$ 497,000
2034	$ 2,907,000									$ 265,000	$ 265,000
2035	$ 7,591,000										$ 692,000
2036	$ 2,353,000										
Total Annual Debt Payments	**$ 81,632,000**	**$ -**	**$ 985,000**	**$ 2,164,000**	**$ 3,023,000**	**$ 4,540,000**	**$ 5,176,000**	**$ 5,776,000**	**$ 6,273,000**	**$ 6,538,000**	**$ 7,230,000**

Table A-8: Tax-supported Schedule of Capital Reserves and Reserve Funds Continuity for Scenario 2 (Inflated)
Township of South Frontenac

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Opening Balance	$ 1,607,000	$ 1,867,000	$ 1,867,000	$ 1,867,000	$ 1,867,000	$ 1,867,000	$ 1,867,000	$ 1,867,000	$ 1,867,000	$ 1,867,000
Add: Contributions from Operating	$ 6,849,000	$ 6,915,000	$ 6,876,000	$ 7,243,000	$ 7,055,000	$ 7,847,000	$ 8,790,000	$ 9,950,000	$ 11,468,000	$ 12,700,000
Add: OCIF Transfer Payment Revenues	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000	$ 345,000
Add: CCBF Transfer Payment Revenues	$ 688,000	$ 688,000	$ 715,000	$ 715,000	$ 744,000	$ 744,000	$ 773,000	$ 773,000	$ 804,000	$ 804,000
Add: County CCBF Transfer Payment Revenues	$ 585,000	$ 585,000	$ 608,000	$ 608,000	$ 632,000	$ 632,000	$ 658,000	$ 658,000	$ 684,000	$ 684,000
Add: Interest Earned	$ 200,000	$ 207,000	$ 208,000	$ 216,000	$ 213,000	$ 229,000	$ 248,000	$ 272,000	$ 303,000	$ 328,000
Less: Contributions to Fund Capital Expenditures	$ (8,407,000)	$ (8,740,000)	$ (8,752,000)	$ (9,127,000)	$ (8,989,000)	$ (9,797,000)	$ (10,814,000)	$ (11,998,000)	$ (13,604,000)	$ (14,861,000)
Closing Balance	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**	**$ 1,867,000**
Minimum Balance Threshold	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*	*$ 1,867,000*

Table A-9: Tax-supported Operating Budget Forecast for Scenario 2 (Inflated)
Township of South Frontenac

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Expenditures										
Operating Expenditures										
General Government	$ 3,593,000	$ 3,691,000	$ 3,791,000	$ 3,894,000	$ 4,000,000	$ 4,109,000	$ 4,221,000	$ 4,336,000	$ 4,454,000	$ 4,575,000
Parks, Recreation and Cemeteries	$ 1,797,000	$ 1,846,000	$ 1,896,000	$ 1,948,000	$ 2,001,000	$ 2,055,000	$ 2,111,000	$ 2,169,000	$ 2,228,000	$ 2,288,000
Planning and Development	$ 976,000	$ 1,003,000	$ 1,030,000	$ 1,058,000	$ 1,087,000	$ 1,116,000	$ 1,147,000	$ 1,178,000	$ 1,210,000	$ 1,243,000
Protection to Persons and Property	$ 7,506,000	$ 7,710,000	$ 7,920,000	$ 8,135,000	$ 8,357,000	$ 8,584,000	$ 8,818,000	$ 9,058,000	$ 9,304,000	$ 9,557,000
Solid Waste Management	$ 2,921,000	$ 3,000,000	$ 3,082,000	$ 3,166,000	$ 3,252,000	$ 3,341,000	$ 3,431,000	$ 3,525,000	$ 3,621,000	$ 3,719,000
Transportation Services	$ 8,564,000	$ 8,797,000	$ 9,037,000	$ 9,283,000	$ 9,535,000	$ 9,795,000	$ 10,061,000	$ 10,335,000	$ 10,616,000	$ 10,905,000
Contributions to Operating Reserves	$ 527,000	$ 542,000	$ 556,000	$ 572,000	$ 587,000	$ 603,000	$ 619,000	$ 636,000	$ 654,000	$ 671,000
Subtotal: Operating Expenditures	**$ 25,884,000**	**$ 26,589,000**	**$ 27,312,000**	**$ 28,056,000**	**$ 28,819,000**	**$ 29,603,000**	**$ 30,408,000**	**$ 31,237,000**	**$ 32,087,000**	**$ 32,958,000**
Capital-related Expenditures										
Contributions to Capital Reserves and Reserve Funds	$ 6,849,000	$ 6,915,000	$ 6,876,000	$ 7,243,000	$ 7,055,000	$ 7,847,000	$ 8,790,000	$ 9,950,000	$ 11,468,000	$ 12,700,000
Debt Payments (Principal + Interest)	$ -	$ 985,000	$ 2,164,000	$ 3,023,000	$ 4,540,000	$ 5,176,000	$ 5,776,000	$ 6,273,000	$ 6,538,000	$ 7,230,000
Subtotal: Capital-related Expenditures	**$ 6,849,000**	**$ 7,900,000**	**$ 9,040,000**	**$ 10,266,000**	**$ 11,595,000**	**$ 13,023,000**	**$ 14,566,000**	**$ 16,223,000**	**$ 18,006,000**	**$ 19,930,000**
Total: Expenditures	**$ 32,733,000**	**$ 34,489,000**	**$ 36,352,000**	**$ 38,322,000**	**$ 40,414,000**	**$ 42,626,000**	**$ 44,974,000**	**$ 47,460,000**	**$ 50,093,000**	**$ 52,888,000**
Revenues										
Tax Levy	$ 26,388,000	$ 28,022,000	$ 29,757,000	$ 31,600,000	$ 33,556,000	$ 35,634,000	$ 37,840,000	$ 40,184,000	$ 42,672,000	$ 45,314,000
Supplementary Taxation and PILs	$ 255,000	$ 262,000	$ 269,000	$ 276,000	$ 284,000	$ 292,000	$ 300,000	$ 308,000	$ 316,000	$ 325,000
Penalties and Interest	$ 390,000	$ 400,000	$ 412,000	$ 423,000	$ 436,000	$ 445,000	$ 460,000	$ 471,000	$ 484,000	$ 497,000
General Government	$ 838,000	$ 861,000	$ 885,000	$ 909,000	$ 934,000	$ 959,000	$ 985,000	$ 1,012,000	$ 1,039,000	$ 1,068,000
Parks, Recreation and Cemeteries	$ 289,000	$ 297,000	$ 305,000	$ 313,000	$ 322,000	$ 331,000	$ 340,000	$ 349,000	$ 358,000	$ 368,000
Planning and Development	$ 262,000	$ 269,000	$ 277,000	$ 284,000	$ 292,000	$ 300,000	$ 308,000	$ 316,000	$ 325,000	$ 334,000
Protection to Persons and Property	$ 1,291,000	$ 1,326,000	$ 1,362,000	$ 1,399,000	$ 1,438,000	$ 1,477,000	$ 1,517,000	$ 1,558,000	$ 1,600,000	$ 1,644,000
Solid Waste Management	$ 266,000	$ 274,000	$ 281,000	$ 289,000	$ 297,000	$ 305,000	$ 313,000	$ 322,000	$ 330,000	$ 339,000
Transportation Services	$ 99,000	$ 102,000	$ 105,000	$ 107,000	$ 110,000	$ 113,000	$ 116,000	$ 120,000	$ 123,000	$ 126,000
OMPF Transfer Payment Revenues	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000	$ 1,854,000
Contributions from Operating Reserves	$ 801,000	$ 822,000	$ 845,000	$ 868,000	$ 891,000	$ 916,000	$ 941,000	$ 966,000	$ 992,000	$ 1,019,000
Total: Revenues	**$ 32,733,000**	**$ 34,489,000**	**$ 36,352,000**	**$ 38,322,000**	**$ 40,414,000**	**$ 42,626,000**	**$ 44,974,000**	**$ 47,460,000**	**$ 50,093,000**	**$ 52,888,000**

Table A-10: Tax Levy Forecast for Scenario 2 (Inflated)
Township of South Frontenac

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Prior Year Tax Levy	$ 24,849,000	$ 26,388,000	$ 28,022,000	$ 29,757,000	$ 31,600,000	$ 33,556,000	$ 35,634,000	$ 37,840,000	$ 40,184,000	$ 42,672,000
Add: Tax Revenues from Incremental Assessment Growth	$ 240,000	$ 255,000	$ 270,000	$ 287,000	$ 305,000	$ 324,000	$ 344,000	$ 365,000	$ 388,000	$ 412,000
Add: Tax Revenues from Existing Assessment Base	$ 1,299,000	$ 1,379,000	$ 1,465,000	$ 1,556,000	$ 1,651,000	$ 1,754,000	$ 1,862,000	$ 1,979,000	$ 2,100,000	$ 2,230,000
Total Tax Levy	**$ 26,388,000**	**$ 28,022,000**	**$ 29,757,000**	**$ 31,600,000**	**$ 33,556,000**	**$ 35,634,000**	**$ 37,840,000**	**$ 40,184,000**	**$ 42,672,000**	**$ 45,314,000**
Tax Levy Increase %	*6.19%*	*6.19%*	*6.19%*	*6.19%*	*6.19%*	*6.19%*	*6.19%*	*6.19%*	*6.19%*	*6.19%*
Tax Rate Increase %	*5.18%*	*5.18%*	*5.18%*	*5.18%*	*5.17%*	*5.18%*	*5.18%*	*5.18%*	*5.18%*	*5.18%*

Appendix B
Financial Strategy Tables for Water Assets

Table B-1: Water and Wastewater Capital Budget Forecast (Inflated)
Township of South Frontenac

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Capital Expenditures										
Water Assets	$ 98,000	$ 80,000	$ 32,000	$ 112,000	$ 42,000	$ 27,000	$ 28,000	$ 48,000	$ -	$ -
Total Capital Expenditures	**$ 98,000**	**$ 80,000**	**$ 32,000**	**$ 112,000**	**$ 42,000**	**$ 27,000**	**$ 28,000**	**$ 48,000**	**$ -**	**$ -**
Capital Financing										
Contributions from Capital Reserves and Reserve Funds	$ 98,000	$ 80,000	$ 32,000	$ 112,000	$ 42,000	$ 27,000	$ 28,000	$ 48,000	$ -	$ -
Proceeds from External Debt Financing	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Capital Financing	**$ 98,000**	**$ 80,000**	**$ 32,000**	**$ 112,000**	**$ 42,000**	**$ 27,000**	**$ 28,000**	**$ 48,000**	**$ -**	**$ -**

Table B-2: Water and Wastewater Schedule of Debt Payments (Inflated)
Township of South Frontenac

Description	New Debt	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
2027	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2028	$ -			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2029	$ -				$ -	$ -	$ -	$ -	$ -	$ -	$ -
2030	$ -					$ -	$ -	$ -	$ -	$ -	$ -
2031	$ -						$ -	$ -	$ -	$ -	$ -
2032	$ -							$ -	$ -	$ -	$ -
2033	$ -								$ -	$ -	$ -
2034	$ -									$ -	$ -
2035	$ -										$ -
2036	$ -										
Total Annual Debt Payments	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Table B-3: Water and Wastewater Schedule of Capital Reserves and Reserve Funds Continuity (Inflated)
Township of South Frontenac

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Opening Balance	$ 1,843,000	$ 1,893,000	$ 1,989,000	$ 2,162,000	$ 2,292,000	$ 2,530,000	$ 2,825,000	$ 3,167,000	$ 3,542,000	$ 4,023,000
Add: Contributions from Operating	$ 109,000	$ 135,000	$ 163,000	$ 195,000	$ 229,000	$ 266,000	$ 307,000	$ 353,000	$ 402,000	$ 454,000
Add: Interest Earned	$ 39,000	$ 41,000	$ 42,000	$ 47,000	$ 51,000	$ 56,000	$ 63,000	$ 70,000	$ 79,000	$ 90,000
Less: Contributions to Fund Capital Expenditures	$ (98,000)	$ (80,000)	$ (32,000)	$ (112,000)	$ (42,000)	$ (27,000)	$ (28,000)	$ (48,000)	$ -	$ -
Closing Balance	**$ 1,893,000**	**$ 1,989,000**	**$ 2,162,000**	**$ 2,292,000**	**$ 2,530,000**	**$ 2,825,000**	**$ 3,167,000**	**$ 3,542,000**	**$ 4,023,000**	**$ 4,567,000**
Minimum Balance Threshold	*$ 5,000*	*$ 5,000*	*$ 5,000*	*$ 5,000*	*$ 5,000*	*$ 5,000*	*$ 5,000*	*$ 5,000*	*$ 5,000*	*$ 5,000*

Table B-4: Water and Wastewater Operating Budget Forecast (Inflated)
Township of South Frontenac

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Expenditures										
Operating Expenditures										
Water Operating Expenditures	$ 367,000	$ 377,000	$ 388,000	$ 398,000	$ 409,000	$ 420,000	$ 432,000	$ 443,000	$ 455,000	$ 468,000
Subtotal: Operating Expenditures	**$ 367,000**	**$ 377,000**	**$ 388,000**	**$ 398,000**	**$ 409,000**	**$ 420,000**	**$ 432,000**	**$ 443,000**	**$ 455,000**	**$ 468,000**
Capital-related Expenditures										
Contributions to Capital Reserves and Reserve Funds	$ 109,000	$ 135,000	$ 163,000	$ 195,000	$ 229,000	$ 266,000	$ 307,000	$ 353,000	$ 402,000	$ 454,000
Debt Payments (Principal + Interest)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal: Capital-related Expenditures	**$ 109,000**	**$ 135,000**	**$ 163,000**	**$ 195,000**	**$ 229,000**	**$ 266,000**	**$ 307,000**	**$ 353,000**	**$ 402,000**	**$ 454,000**
Total: Expenditures	**$ 476,000**	**$ 512,000**	**$ 551,000**	**$ 593,000**	**$ 638,000**	**$ 686,000**	**$ 739,000**	**$ 796,000**	**$ 857,000**	**$ 922,000**
Revenues										
Water Rate Revenues	$ 464,000	$ 500,000	$ 539,000	$ 580,000	$ 625,000	$ 673,000	$ 725,000	$ 782,000	$ 842,000	$ 907,000
Other Revenues	$ 12,000	$ 12,000	$ 12,000	$ 13,000	$ 13,000	$ 13,000	$ 14,000	$ 14,000	$ 15,000	$ 15,000
Total: Revenues	**$ 476,000**	**$ 512,000**	**$ 551,000**	**$ 593,000**	**$ 638,000**	**$ 686,000**	**$ 739,000**	**$ 796,000**	**$ 857,000**	**$ 922,000**

Appendix C
Inventory of Tax-funded Facilities

Table C-1: Inventory of Tax-funded Facilities
Township of South Frontenac

Facility Name	Facility Type	Location	Year of Construction	Gross Floor Area (ft^2)	Replacement Cost (2026$)	5-year FCI Rating
Administration Office	General Government Facilities	4432 George St, Sydenham	2025	6,749	$4,231,000	1.28%
Arena	Recreation and Cultural Facilities	4299 Arena Boundary Rd, Godfrey	1975	37,090	$14,989,000	11.71%
Battersea Ball Park Canteen / Storage	Recreation and Cultural Facilities	5167 Battersea Road, Battersea,	1989	256	$140,000	0.00%
Battersea Ball Park Washrooms	Recreation and Cultural Facilities	5167 Battersea Road, Battersea,	1989	100	$102,000	14.45%
Battersea Firehall (Station # 8)	Fire Halls	4490 Battersea Road, Battersea	2022	7,935	$6,824,000	0.00%
Bedford Garage	Public Works Facilities	1389 Westport Road, Godfrey	1974	11,640	$5,615,000	2.87%
Bedford Sand Dome	Public Works Facilities	1389 Westport Road, Godfrey	1990	6,500	$1,209,000	0.00%
Bedford Sand Dome-Fabric	Public Works Facilities	1389 Westport Road, Godfrey	2014	9,385	$2,280,000	0.00%
Bradshaw Firehall (Station # 1)	Fire Halls	11 Steele Rd, Tichborne	1995	1,740	$1,161,000	2.56%
Bradshaw Schoolhouse	Recreation and Cultural Facilities	7 Steele Rd, Tichborne	1903	850	$756,000	1.38%
Burridge Firehall (Station # 2)	Fire Halls	237 Burridge Road, Tichborne	1979	3,680	$1,920,000	2.68%
Centennial Park Gazebo	Recreation and Cultural Facilities	4500 Centennial Park Drive, Harrowsmith	2015	1,140	$215,000	0.00%
Centennial Park Grand Pavilion	Recreation and Cultural Facilities	4500 Centennial Park Drive, Harrowsmith	2023	5,880	$773,000	0.00%
Centennial Park Utility Building	Recreation and Cultural Facilities	4500 Centennial Park Drive, Harrowsmith	2023	100	$22,000	0.00%
Centennial Park Washroom	Recreation and Cultural Facilities	4500 Centennial Park Drive, Harrowsmith	1980	730	$1,134,000	0.00%
Dave Bowes Memorial Park Gazebo	Recreation and Cultural Facilities	2042 Park Valley Road, Sydenham	1992	800	$786,000	0.00%
DBM Utility Building	Recreation and Cultural Facilities	2042 Park Valley Road, Sydenham	2004	100	$40,000	0.00%
DBM Washrooms/Canteen	Recreation and Cultural Facilities	2042 Park Valley Rd, Sydenham	1993	1,225	$1,069,000	4.11%
Fermoy Community Hall	Recreation and Cultural Facilities	3874 Westport Road, Godfrey	1950	820	$791,000	0.00%
Gerald Ball Park Washrooms/Storage	Recreation and Cultural Facilities	3364 Moreland-Dixon Rd, Inverary,	1992	1,200	$635,000	0.00%
Gilmour Point Park Multi Purpose Building	Recreation and Cultural Facilities	1763 Wellington Street, Battersea,	2019	915	$1,037,000	0.00%
Gilmour Point Park Pavilion	Recreation and Cultural Facilities	1763 Wellington St, Battersea	1999	290	$91,000	0.00%
Glendower Community Hall	Recreation and Cultural Facilities	1381 Westport Road, Godfrey	1863	8,740	$3,342,000	24.21%
Glendower Garage Shed & Playground	Recreation and Cultural Facilities	1381 Westport Road, Godfrey	2004	580	$211,000	0.00%
Harris Park Community Hall	Recreation and Cultural Facilities	5612 Perth Road Crescent, Perth Road	1976	2,520	$1,485,000	6.18%
Harrowsmith Cemetery Shingles Shed	General Government Facilities	4195 Colebrook Rd, Harrowsmith	1984	100	$50,000	24.28%

Facility Name	Facility Type	Location	Year of Construction	Gross Floor Area (ft²)	Replacement Cost (2026$)	5-year FCI Rating
Harrowsmith Cemetery Stone Shed	General Government Facilities	4195 Colebrook Rd, Harrowsmith	1979	360	$356,000	0.00%
Hartington Firehall (Station # 4)	Fire Halls	4808 Holleford Rd, Hartington	1958	4,555	$3,791,000	8.86%
Hartington Sand Dome	Public Works Facilities	5286 Hinchinbrook Rd, Hartington	1978	6,400	$1,741,000	1.02%
Hartington Garage & Truck Storage	Public Works Facilities	5286 Hinchinbrook Rd, Hartington	1978	5,570	$3,335,000	0.00%
HHW Building	Public Works Facilities	2491 Keeley Road, Sydenham	2009	480	$710,000	0.00%
HHW Building – Baler Shed	Public Works Facilities	2491 Keeley Road, Sydenham	2009	225	$118,000	0.00%
Inverary Ball Park Shed by Diamond	Recreation and Cultural Facilities	4772 Latimer Road, Inverary	1980	270	$485,000	0.00%
Inverary Ball Park Storage	Recreation and Cultural Facilities	4772 Latimer Rd, Inverary	1980	310	$80,000	0.00%
Inverary Ball Park Washrooms	Recreation and Cultural Facilities	4772 Latimer Rd, Inverary	1980	100	$273,000	24.01%
Keeley Sand Dome	Public Works Facilities	2490 Keeley Road, Sydenham	2009	13,800	$2,530,000	0.00%
Keeley Sand Dome (Shingle roof)	Public Works Facilities	2490 Keeley Road, Sydenham	1984	7,855	$1,347,000	2.33%
Latimer Firehall (Station # 7)	Fire Halls	3516 Latimer Road, Inverary	1993	2,120	$1,356,000	3.91%
Loughborough Garage	Public Works Facilities	4264 Stage Coach Rd, Sydenham	1979	3,520	$2,321,000	14.29%
Loughborough Storage Shed	Public Works Facilities	4264 Stage Coach Road, Sydenham	2008	4,600	$1,610,000	0.00%
Maltby Centre	General Government Facilities	2876 Campbell Road, Sydenham	1984	2,060	$1,397,000	2.62%
McMullen Beach Camp House	Recreation and Cultural Facilities	6089 Carleton Drive, Verona,	2000	750	$949,000	1.46%
OPP Station	OPP Station	5282 Hinchinbrooke Road, Hartington	1977	9,515	$6,007,000	10.77%
Perth Road Firehall (Station # 6)	Fire Halls	5582 Perth Road, Perth Road	2018	5,655	$4,243,000	0.00%
Picadilly Yard Main Building	Public Works Facilities	7635 Road 38, Piccadilly,	1960	4,285	$2,865,000	0.00%
Portland Garage	Public Works Facilities	5286 Hinchinbrooke Road, Hartington	1975	3,820	$3,258,000	3.98%
Portland Sand Dome	Public Works Facilities	5286 Hinchinbrooke Road, Hartington	2011	11,600	$2,568,000	7.35%
Princess Anne Center / Library	Recreation and Cultural Facilities	5597 Road. 38, Harrowsmith	1950	3,060	$1,544,000	7.40%
Public Services Garage	Public Works Facilities	2490 Keeley Road, Sydenham	1972	19,960	$9,797,000	4.80%
Public Services Office Building	Public Works Facilities	2490 Keeley Road, Sydenham	1989	2,000	$952,000	2.74%
Public Services South Shed	Public Works Facilities	2490 Keeley Road, Sydenham	1989	6,570	$1,630,000	1.75%
Sandhill Cemetery Maintenance Shed	General Government Facilities	4448 Battersea Rd, Battersea	1979	220	$73,000	0.00%
Scale House - Portland Landfill	Public Works Facilities	6085 Road 38, Verona	2014	100	$308,000	0.00%
South Frontenac Museum	Recreation and Cultural Facilities	5595 Road. 38, Harrowsmith	1903	1,695	$1,708,000	0.00%

Facility Name	Facility Type	Location	Year of Construction	Gross Floor Area (ft^2)	Replacement Cost (2026$)	5-year FCI Rating
SPP Canteen	Recreation and Cultural Facilities	4410 Point Road, Sydenham	1970	640	$612,000	13.66%
SPP Storage	Recreation and Cultural Facilities	4410 Point Road, Sydenham	1970	440	$329,000	3.98%
SPP Washrooms	Recreation and Cultural Facilities	4410 Point Road, Sydenham	1970	360	$388,000	0.00%
Storrington Center/Library	Recreation and Cultural Facilities	3910 Battersea Road, Battersea	1969	12,395	$7,401,000	4.82%
Storrington Sand Dome	Public Works Facilities	3910 Battersea Rd, Battersea	2016	15,100	$3,830,000	0.55%
Sydenham Firehall Station # 5	Fire Halls	4233 Stagecoach Road, Sydenham	1972	4,160	$2,569,000	28.31%
Sydenham Library	Recreation and Cultural Facilities	4412 Wheatley St, Sydenham	2011	6,710	$4,321,000	0.88%
Sydenham Point Park Gazebo	Recreation and Cultural Facilities	4410 Point Rd, Sydenham	1970	435	$167,000	0.00%
Verona Cemetery – Building	General Government Facilities	6084 Cemetery Road, Verona	1959	280	$210,000	0.00%
Verona Firehall Station # 3	Fire Halls	6930 Rd. 38, Verona	1997	3,085	$2,023,000	4.10%
Verona Medical Building	General Government Facilities	6582 Rd. 38, Verona	1963	3,335	$2,072,000	4.91%
Wilmer Ball Park Canteen/Washrooms	Recreation and Cultural Facilities	5178 Wilmer Rd, Perth Road	1997	420	$789,000	0.00%
Wilmer Ball Park Storage	Recreation and Cultural Facilities	5178 Wilmer Road, Perth Road	1997	130	$36,000	0.00%
Total				**280,010**	**$137,007,000**	**5.22%**