



**ASSET MANAGEMENT PLAN**  
**TOWN OF COLLINGWOOD – NON-CORE ASSETS**  
**2024**





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## Executive Summary

The performance of a community's infrastructure provides the foundation for its economic development, competitiveness, prosperity, reputation, and the overall quality of life for its residents. Infrastructure assets that are reliable and in good condition are essential for the delivery of critical core services for the citizens of the municipality.

A technically precise and financially rigorous asset management plan diligently implemented will mean that sufficient investments are made to ensure delivery of sustainable infrastructure to current and future residents. The plan will also indicate the respective financial obligations required to maintain this delivery at established levels of service.

The Town of Collingwood has embarked on a comprehensive journey to manage its non-core assets effectively. This initiative is part of the broader Asset Management Planning (AMP) process, which aligns with Ontario Regulation 588/17, mandating municipalities to develop and implement robust asset management strategies.

Asset management planning is essential for municipalities to make informed, evidence-based decisions about their infrastructure assets. The Town of Collingwood has adhered to this strategic approach since 2014, progressively developing and refining its AMP.

The Town's AMP development has progressed through multiple phases:

- Phase I (Completed July 2022): Focused on core infrastructure assets like roads, bridges, and water systems.
- Phase II (Completed July 2024): Expands the AMP to include all non-core infrastructure assets.
- Phase III (Due July 2025): Requires detailed service levels, lifecycle management, and financial strategies for all assets.



Since the adoption of the Core AMP in 2022, significant progress has been made in cataloging and assessing non-core assets:

- Completed Milestones: Parks inventory, IT assets, fleet and equipment updates, facility assessments, and downtown parking evaluations.
- Ongoing Efforts: Condition assessments for fleet, streetlights, and traffic signals.

Non-core assets have been evaluated based on their remaining useful life and data maturity:

- Good: Assets with 75% or more of their useful life remaining.
- Fair: Assets with 35% to 74% of their useful life remaining.
- Poor: Assets with 34% or less of their useful life remaining.



The data maturity levels range from very good (A) to poor (D), indicating the quality and completeness of the data available for each asset category.

The annual lifecycle costs are based on actual projects required in specified years and are not simply funds identified to “save for a rainy day.” These costs for non-core assets are substantial, with an identified financing gap of \$4.6 million. This gap, combined with the core asset financing gap, totals \$5.8 million. To address this, several strategies have been proposed.

This Asset Management Plan (AMP) for the Town of Collingwood complies with the requirements as outlined in the provincial document Building Together Guide for Municipal Asset Management Plans. It will serve as a strategic, tactical, and financial document, ensuring the management of the municipal infrastructure follows sound asset management practices and principles, while optimizing available resources and establishing desired levels of service.

## Limitations and Constraints

This AMP was developed over several years and is based on best-available data at the time, and is subject to the following broad limitations, constraints, and assumptions:

1. The analysis within this AMP is highly sensitive to several key data fields, such as an asset’s estimated useful life, replacement cost, quantity, and in-service date. Any inaccuracies or imprecision in these fields can lead to significant and cascading effects on all related reporting and analytics.
2. User-defined and unit cost estimates, typically derived from staff judgment, recent projects, or technical studies, provide the most accurate approximations of current replacement costs. When this is not feasible, historical costs from the time of asset acquisition or construction may be adjusted for present-day values. While sometimes necessary, this approach, used in this AMP for certain asset groups, can yield significantly inaccurate estimates.
3. In the absence of condition assessment data, age has been used to estimate asset condition ratings. This method can either overstate or understate asset needs, leading to financial requirements that may differ from those produced by staff.
4. The risk models are intended to facilitate objective project prioritization and selection. However, like all models, they have inherent limitations and require accurate asset attribute data to ensure valid asset risk ratings and proper stratification within the risk matrix. Missing attribute data can result in asset misclassification. The risk models and analyses are defined and refined based on actual historical data. As this data is collected over time, the risk models will continue to evolve. These limitations directly impact the analysis presented in this AMP, including condition summaries, age profiles, long-term replacement and rehabilitation forecasts, and shorter-term 10-year forecasts generated from WorkTech, the Town’s primary asset management system. Overall, data confidence varies among assets and is addressed throughout this report, noting that increased focus on GIS and software tools will greatly enhance data confidence and improve the plans.

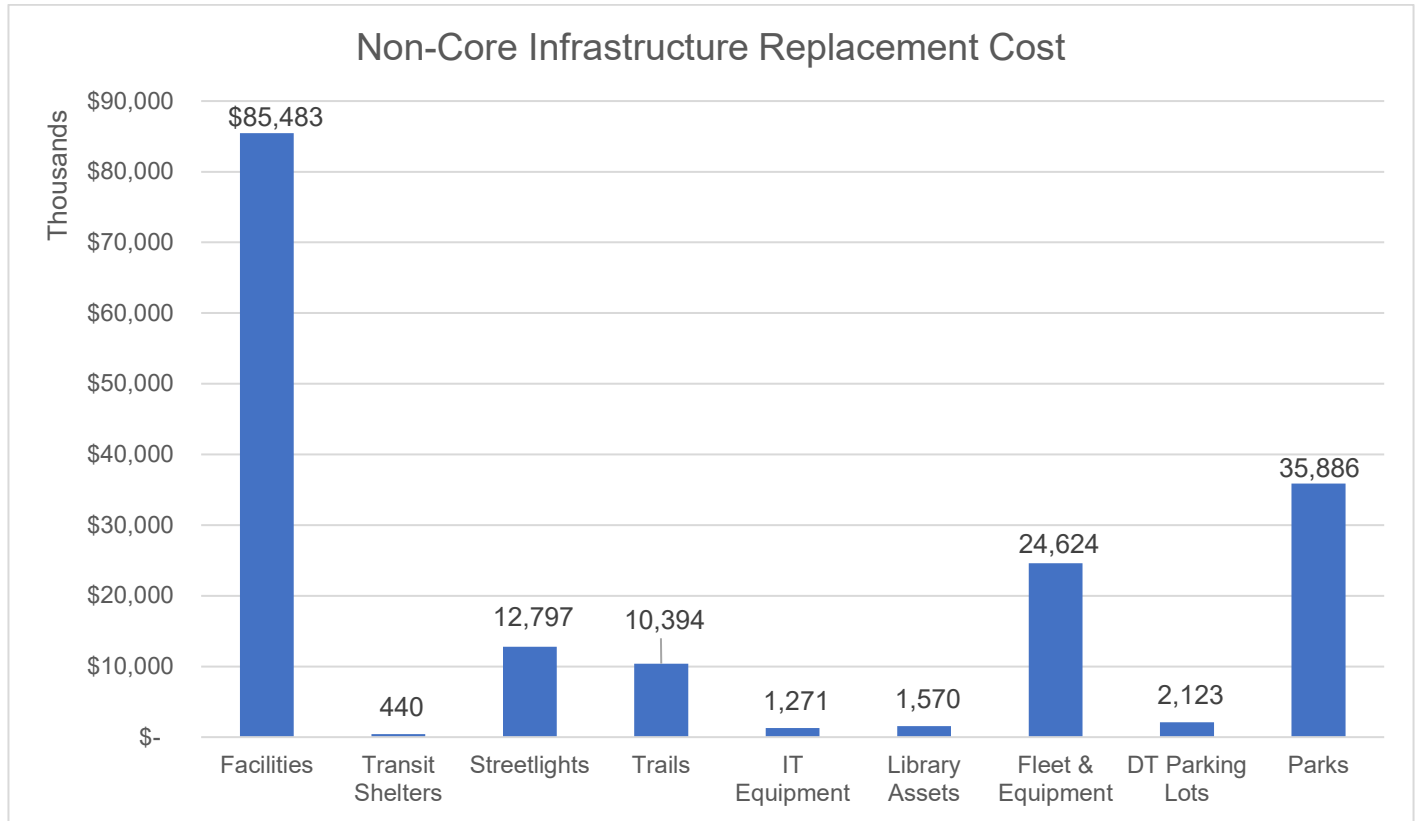
## Total Non-Core Assets Infrastructure Investment

This Asset Management Plan has been prepared for the following asset categories, which are considered the “non-core” assets: Facilities, Transit Shelters, Streetlights, Trails, IT Equipment, Library Assets (includes Circulation materials), Fleet and Equipment, Downtown Parking Lots, Parks. Measured in 2024 dollars, the replacement value of the asset categories reported on total \$174.6 Million (noting that facilities exclude Water, Wastewater and Road buildings and structures as these were included in the Core Asset Planning) .





Figure 1 - Total Non-Core Assets Infrastructure Replacement Cost



Since the adoption of the Core AMP in 2022, staff have worked to develop an inventory, reviewed levels of service and condition assessments for all other assets not included in the previous plan. It is noted that the AMP is an evolution and is expected to be a living document and thus updated and refined as we mature in this AM journey. For this next step the following milestones have been reached:

- Parks inventory and staff reviewed condition assessments completed (trails, playground equipment, parking lots, lighting, shoreline, docking, comfort stations and storage areas);
- Information technology assets inventory refined and updated replacement cost information;
- Fleet/equipment inventory refined and updated replacement costs;
- Facility condition assessments reviewed and evaluation of lifecycle financing;
- Downtown parking lots condition assessments and replacement/refurbishment costs assigned;
- Streetlight inventory reviewed and assigned replacement costs;
- Transit Shelters inventories and replacement costs assigned; and
- Library Asset inventory and replacement costs assigned.

Still to do and/or update:

- Fleet and equipment condition assessments;
- Streetlights inventory requires review and improvement;
- Traffic signals review and inventory (note that currently included in road reconstruction costs); and
- Continued review and management of the inventory of all assets within the GIS Software is under review as we develop the current standards required to maintain the information and provide for clear processes.



## Financing Strategy

From a financing perspective, it is estimated that an overall annual investment of \$4.3 Million is required to fully fund these assets in a sustainable manner. Relative to that amount and our current funding mechanisms, there is an annual funding gap of approximately \$3.4M. Together with the Core Asset Financing gap this results in a total financing gap of \$4.6M.

It is proposed this funding gap be addressed via three financial mechanisms outlined below. It is important to recognize that the time value of investments is a very powerful tool and that relatively small changes in funding now can have a significant impact to reserve balances over extended periods of time. This is critical to understand when forecasting asset sustainability over lifecycle timelines of 50 and 75 years (or more).

1. Continue to add small increases to current 2.5% Special Capital Levy over the next 5 - 10 years – note that this only benefits tax-supported assets.
2. Retirement of debt: Redirect interest/principal expense savings to Lifecycle reserve fund contributions.
3. Increase lifecycle reserve fund contributions over 5 years. Note that a 5% increase to reserve funds over 5 years would have a tax rate impact of 2%. However, if we include growth as part of the contribution, it is possible that the tax rate is not impacted. Note that for User-Fee supported assets this would mean an increase to their rate.
4. Determine if some assets may be retired, or the level of service provided can be reduced (this is a part of the next phase of Asset Management, under the Province’s requirements for 2025).
5. Consider transitions to additional user fees or other partnerships.

## Cost per household

While the Town is responsible for the strategic direction of the municipality, it is the ratepayer that ultimately bears the financial burden. As such a “cost per household” analysis was completed for each of the asset categories to determine the financial obligation of each household in sharing the replacement cost of the Town’s assets. For example, based on 13,757 households in 2024, the cost per household for replacement of the Town’s facilities is \$6,214. A similar analysis was conducted for the other asset categories.

Figure 2 – Non-Core Asset Infrastructure Investment by household

	Replacement Cost	Household Count	Cost / Household
Facilities	\$ 85,482,893	13,757	\$ 6,214
Transit Shelters	440,000	13,757	32
Streetlights	12,797,000	13,757	930
Trails	10,394,000	13,757	756
IT Equipment	1,271,000	13,757	92
Library Assets	1,570,367	13,757	114
Fleet & Equipment	24,624,000	13,757	1,790
Downtown Parking Lots	2,123,099	13,757	154
Parks	35,886,157	13,757	2,609
	<b>\$ 174,558,516</b>		<b>\$ 12,691</b>

## Overview

This Asset Management Plan meets all provincial requirements as outlined within the Ontario Building Together Guide for Municipal Asset Management Plans. As such, the following key sections and content are included:

1. Executive Summary and Introduction
2. State of the Current Infrastructure
3. Desired Levels of Service
4. Asset Management Strategy
5. Financial Strategy

The following asset classes are addressed:

1. Facilities: this includes all exterior and interior building components but not machinery and equipment required within the facilities, to be clear for a pumping station for example this would only include the building itself i.e. roof, brick, windows, HVAC etc.;
2. Transit Shelters;
3. Streetlights: decorative and non-decorative – noting that portions of the streetlights were included within the road network of the “core” asset management plan – data maturity of this item is poor and will require further refinement as part of the next round of asset management planning;
4. Trails: asphalt and gravel/mulch pathways;
5. IT Equipment: desktops, laptops, servers, storage devices, network switching wireless Aps, UPS, displays, telephones, door locking systems and firewalls/security appliances;
6. Library Assets: furniture and equipment used by the public, circulation materials and other items;
7. Fleet & Equipment: includes all light duty and heavy duty vehicles, specialty equipment such as sidewalk plows, tractors, trailers and Fire rescue vehicles;
8. Downtown Parking Lots: parking lot areas and parking meters/pay display machines;
9. Parks: benches, sports equipment, bike racks, bleachers, park lighting, washrooms, docks, fencing, parking lots and playground structures.

This asset management plan will serve as a strategic, tactical, and financial document ensuring the management of the municipal infrastructure follows sound asset management practices and principles, while optimizing available resources and establishing desired levels of service.

**At a strategic level**, within the State of the Current Infrastructure section, it will identify current and future challenges that should be addressed, in order to maintain sustainable infrastructure services on a long-term, lifecycle basis.

**At a tactical level**, within the Asset Management Strategy section, it will develop an implementation process to be applied to the needs-identification and prioritization of renewal, and rehabilitation resulting in a 10-year plan that will include growth projections.

**At a financial level**, within the Financial Strategy section, a strategy will be developed that fully integrates with other sections of this asset management plan, to ensure an adequate 10-year infrastructure budget.

Through the development of this plan, all data, analysis, life cycle projections, and budget models were provided through the Worktech software product in conjunction with the Town’s Geographical Interface software (GIS), Great Plains Diamond Financial software and Questica Budgeting software. The software and plan continue to evolve together to eventually allow for easier updates, and reporting of performance measure results.





. It is required that the plan be revisited and updated every 5 years while the details of the inventory, Levels of Service, and potential treatments are continually updated and reviewed annually as part of the budget process. Additionally, there is a requirement that every year on or before July 1 there be a review of the progress and trajectory of the plan.

## Ontario Regulation 588/17

One of the main resources of this document is Ontario Regulation 588/17. Additional information can be obtained on the MFOA website at <https://www.ontario.ca/laws/regulation/r17588> on e-laws Ontario. The regulation requires all municipalities to prepare an asset management plan (AMP). Additionally, an AMP is required to be in place for many grant programs such as the Canada Community Building Fund (CCBF – formerly Federal Gas Tax) and Ontario Community Infrastructure Fund (OCIF) among others.

### 1) Service Levels

The regulation makes frequent mention of service levels. In phases 1 and 2 of the regulation the focus is on describing current levels of service and plans to maintain those levels of service. In Phase 3 municipalities will have more latitude to describe the proposed levels of service. For the purpose of this document and the analysis there are two types of indicators for service levels:

- Physical Condition – or the capacity, defined as the ability for the asset to meet usage demands; and
- Statistical Information - municipalities must be able to report on key statistics. Those statistics include replacement costs, age, condition, quantities and other service metrics.

### 2) Plan Requirements

- a) Municipalities must first determine the work (treatments) necessary to maintain current service levels in the most cost-effective manner. This plan must be at an activity level.
- b) Should a municipality be unable to deliver the recommended plan the municipality must define the activities it can fund and how risks associated with unfunded activities will be managed.

### 3) Endorsement and Approval

Every AMP must be:

- a) endorsed by the executive lead of the Municipality; and
- b) approved by a resolution passed by Council.

### 4) Updates and Annual Reviews

- a) The AMP is to be updated at least every 5 years after the year the plan is completed.
- b) Every year on or before July 1 starting the year after the AMP is completed there should be a review of the progress and trajectory – for the Town of Collingwood this is completed as part of the budget cycle each year.

### 5) Communication

- a) The Town is to post its Strategic Asset Management Policy and Asset Management Plan on a website available to the public and provide a copy to any person who requests it.

## Importance of Infrastructure

Municipalities throughout Ontario, large and small, own a diverse portfolio of infrastructure assets that in turn provide a varied number of services to their citizens. The infrastructure, in essence, is a conduit for the various public services the municipality provides, e.g., the roads supply a transportation network service; the water infrastructure supplies a clean drinking water service. A community's prosperity, economic development, competitiveness, image, and overall quality of life are inherently and explicitly tied to the performance of its infrastructure.

## Asset Management Plan – Relationship to Strategic Plan

The major benefit of strategic planning is the promotion of strategic thought and action. A strategic plan spells out its Vision of where an organization wants to go, how it's going to get there, and helps decide how and where to allocate resources, ensuring alignment to the strategic priorities and objectives. It will help identify priorities and guide how municipal tax dollars and revenues are spent into the future.

The strategic plan usually includes a vision and mission statement, and key organizational priorities with alignment to objectives and action plans. Given the growing economic and political significance of infrastructure, the asset management plan can be a component of the municipal strategic plan, influencing corporate priorities, objectives, and actions.

The Town of Collingwood's Current Community Based Strategic Plan was approved by Council June 15, 2020. The Vision in the Town of Collingwood's Strategic Plan is "People Thrive Here – Live more Now".

The 5 pillars of the plan are:

1. Transparent and Accountable Local Government
2. Public Connections to a Revitalized Waterfront
3. Support and Manage Growth and Prosperity
4. Enhance Community well Being and Sustainability
5. Encourage Diverse Culture and Arts Offerings

Within the first pillar of the plan: Transparent and Accountable Local Government is the following relative to Asset Management Planning:

1. Asset management planning for facilities is complete and the Capital Asset Management Plan for all assets is updated. Timeline: 1 to 3 years.
2. The financial components of all Master Plans (e.g. Transportation, Cycling, Waterfront) and the Capital Asset Management Plan are incorporated into a projection of longer-term capital and operating fund's needs. Timeline: 1 to 3 years. As much of this component relates to the expansion or enhancement of assets, it is not part of the Asset Management Plan, yet forms an expansion plan that will impact future Asset Management plans.

It is noted that at this time an updated Community Based Strategic Plan is in the process of being developed.

## Relationship to Other Plans

An asset management plan is a key component of the municipality's planning process. This planning process links the asset management plan with multiple other corporate plans and documents. For example:

- The Official Plan – The AMP should both utilize and conversely influence the land use policy directions

for long-term growth and development as provided through the Official Plan;

- The Long-Term Financial Plan – The AMP should both utilize and conversely influence the financial forecasts with the long-term financial plan.
- Capital Budget – The decision framework and infrastructure needs identified in the AMP forms a large portion of the basis on which future capital budgets are prepared.
- Infrastructure Master Plans – The AMP will utilize goals and projections from infrastructure master plans and in turn will influence future master plan recommendations.
- By-laws, standards, and policies – The AMP will influence standards, policies and by-laws related to infrastructure management practices and standards, such as the Levels of Service delivered by the Municipality.
- Regulations – The AMP must recognize and abide by industry and senior government regulations; and
- Business Plans – The service levels, policies, processes, and budgets defined in the AMP are incorporated into business plans as activity budgets, management strategies, and performance measures.

## Plan Elements

The approach and methodology consist of the following key components. These components are linked together to form the asset management plan.

### Overarching Municipality Strategic Plan and Directions

- Strategic plan goals
- Community expectations
- Legislated requirements

### State of the Current Infrastructure Reports

- Asset inventory
- Valuations
- Current condition and current performance

### Expected Levels of Service

- Performance Measures
- Public Engagement

### Asset Management Strategy

- Lifecycle Analysis
- Growth Requirements
- Risk Management
- Project Prioritization Methodologies

### Financing Strategy

- Available Revenue Analysis
- Developing Optional Scenarios
- Define Optimal Budget
- Financial Plan

### AMP Performance Reporting

- Project Implementation
- Key Performance Measures Tracked
- Progress Reported to Senior Management & Council

A municipality's infrastructure planning starts at the corporate level where it ties to the strategic plan, is aligned to the community's expectations, and complies with industry and government regulations.

Then through the State of the Infrastructure analysis that is completed, the overall asset inventory, asset valuation, asset condition and asset performance are reported.

A life cycle analysis of needs for each infrastructure class will be conducted, over a duration of at least one full life cycle for that asset type. This analysis will yield the sustainable funding level and compare that to actual current funding levels. This analysis will determine whether there is a funding surplus or deficit for each infrastructure type.

From the lifecycle analysis above, the municipality gains an understanding of the current condition-based levels of service provided today for each infrastructure class and the projected level of service for the future (these typically deteriorate over time, and not in a straight line). The next section of the AMP requires a municipality to develop a Desired Level of Service (or target service level) and develops performance measures to track the year-to-year progress towards this established target level of service.

Prior to using the software to analyze potentially millions of options for action on every asset segment in the municipality, for each asset type the potential interventions or treatments that can be used and the costs and potential LOS outcomes of each are set, leveraging best practices and methodologies for each asset type. Depending upon the condition of that asset segment, the typical deterioration curve, and other factors, the interventions which yield the best return on the Town's investments are selected and result in the first draft of the Asset Management Plan. This Plan identifies which asset segments should be addressed when and with what treatment to best apply the municipality's budget to achieve the Levels of Service set by Council.

The Financing Strategy then considers the annual costs of the asset management plan (within and across all the asset types) and staff consider peaks and valleys in funding, integration of work (e.g. aligning under-road pipe work with road surface renewal), and the availability of resources to propose the 10-year infrastructure budget, and the specific projects anticipated in the first five years or so. All revenue sources available are reviewed, such as tax levy, debt allocation, user fees, reserves, grants, development charges, etc. and necessary budget allocations are analyzed to deliver infrastructure projects.

Finally, in subsequent updates to this AMP, actual project implementation will be reviewed and measured through the established performance metrics to quantify whether the desired level of service is achieved or achievable for each infrastructure type. If shortfalls in performance are observed, these will be discussed, and alternate financial models or service level target adjustments or treatment/intervention options will be presented.



## State of the Infrastructure

The Town has a detailed inventory listing of the core assets housed in the Worktech and GIS ESRI software systems and this inventory has been continually refined and enhanced since the Town began Asset Management in 2013. In addition, these same inventories are also used in Water and Wastewater Rate Studies and the Towns Development Charges (DC) studies with the most recent being completed in 2024. Much of this same information is also available in the Town’s Geographical Information System (GIS) system (linear). In the past 2 years, in addition to reviewing and updating these inventories, a strategy of centralizing these inventories in one system to have one common source of data and avoid duplication and conflicting data has been pursued. It has been a central accountability of the GIS coordinator role to be the keeper and overseer of all town linear asset data and extensive effort will be required to continuously update, review and rationalize the various data sets within GIS.

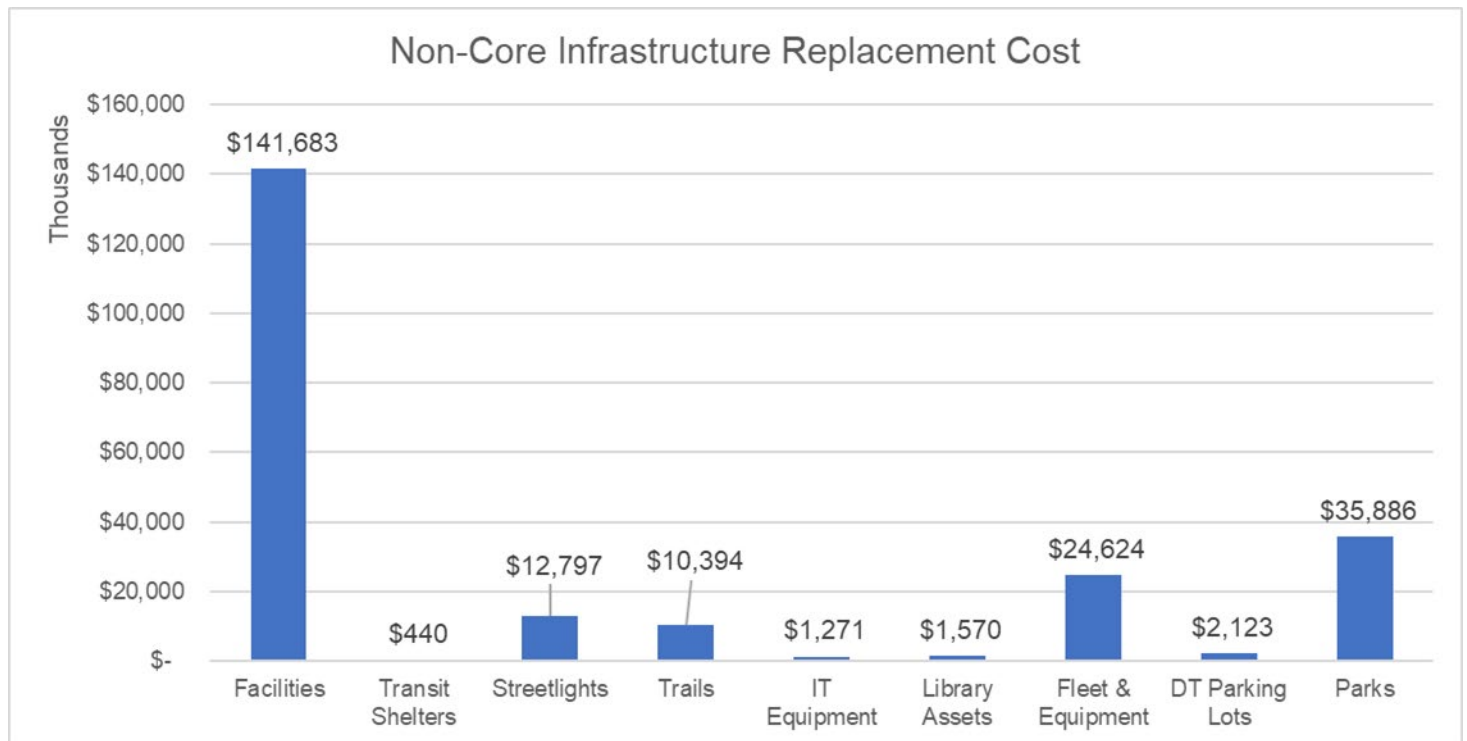
These inventories and replacement costs were reviewed and updated through the development and maintenance of many other Town initiated, studies such as:

- 1) the 2024 DC and Rate study; and
- 2) Accent Building sciences were engaged in 2021 to inventory all existing Town facility assets<sup>1</sup>.

## Capital Asset Overview – Non-Core Infrastructure

The Town presently owns and manages tax supported “core” capital assets with a 2024 replacement value of approximately \$230.8 Million.

Figure 3 - 2024 Non-Core Infrastructure Assets



<sup>1</sup> Assets related to just the building and structures. Does not include vertical assets in the case of Environmental services.



## Asset Condition / Age

An asset’s condition is a critical element in understanding its potential impact to the Town’s near- and long-term capital plans and in turn the potential resulting financial liability. The quickest and easiest indicator of an assets condition is its current age relative to it’s expected useful life. However, assets can sometimes exceed their useful life or inversely assets may require replacement earlier then expected as a result of a variety of factors such as volume of usage, maintenance history (has proper periodic maintenance occurred?), or even environmental considerations such as unusually cold winters or different types of soil conditions. As such, where possible asset condition assessments and inspections are the best indicator of an asset’s current status relative to its expected useful life and replacement / rehabilitation time date.

The rating scale that has been used for these assets is as follows:

Good – means the assets have 75% of their useful life remaining;

Fair – means the assets have between 35% and 74% of their useful life remaining; and

Poor – means the assets have 34% or less of their useful life remaining.

Where inspections/condition assessments have been completed the data from those reports serves as the rating the asset receives. In some cases like facilities these are consultant driven reviews and reports – see the [Facilities Asset Management Plan Update](#).

Additionally, the level of Data Maturity has been included using a scale as follows: A - Very Good; B – Good; C – Fair; and D – Poor. The table below details both the asset condition and the level of data maturity for each category of asset.

Figure 4 - Asset Class Condition Summary

	Total Replacement Cost	Average Condition Basis	Average Condition Assessment	Data Maturity
Facilities	\$ 85,482,893	Building Condition Assessment	<b>FAIR</b>	<b>A</b>
Transit Shelters	440,000	Age	<b>GOOD</b>	<b>B</b>
Streetlights	12,797,000	Age	<b>FAIR</b>	<b>D</b>
Trails	10,394,000	Inspection and Age Based	<b>GOOD</b>	<b>C</b>
IT Equipment	1,271,000	Age	<b>GOOD</b>	<b>B</b>
Library Assets	1,570,367	Inspection and Age Based	<b>FAIR</b>	<b>B</b>
Fleet & Equipment	24,624,000	Age	<b>GOOD</b>	<b>C</b>
DT Parking Lots	2,123,099	Staff assessment	<b>FAIR to POOR</b>	<b>B</b>
Parks	35,886,157	Inspection and Age Based	<b>GOOD</b>	<b>C</b>
<b>Total</b>	<b>\$ 174,588,516</b>			



## Levels of Service (LOS)

Levels of Service (LOS) Analysis is a critical component of asset management planning that has a significant impact on municipal operations. It is essential for municipalities to remain focused on their core mission: providing services to residents and other stakeholders. Assets play a vital role in delivering these services, and much of the resources allocated to asset management planning are directed toward infrastructure. However, physical assets represent just one part of what is necessary to achieve the various levels of service defined by the municipality. It is crucial for the municipality to ensure that infrastructure performs in a way that meets level of service goals at a cost that is both affordable and sustainable.

The objective of an LOS analysis is to strike a balance between the expected level of service and the cost of delivering that service. An LOS analysis includes the following step as described in “The Municipal Finance Officers Association of Ontario (MFOA) Asset Management Framework document<sup>2</sup>:

- Identifying the services to be provided, along with the assets involved and the stakeholders affected.
- Determining community expectations regarding these services.
- Establishing strategic levels of service based on community expectations (often referred to as customer levels of service).
- Defining technical levels of service for each strategic level of service.
- Comparing existing levels of service to the expected strategic/technical levels of service.
- Utilizing performance measures to compare current service levels with expected levels.
- Assessing the lifecycle cost implications of moving from current levels of service to desired levels over a forecasted period.

These components of the LOS analysis can be viewed hierarchically (see Figure 5). Technical levels of service are required to achieve strategic levels of service, which in turn are necessary to meet community expectations, all of which are based on the specific service or services being provided.

Understanding how well assets are performing their intended functions to the community is done by measuring that performance against LOS.

Setting LOS targets that are connected to the Town’s Strategic plan provides focus and

direction to identifying the needs of the assets, in turn helping to identify where Town resources should be committed. The LOS metrics should represent the expectations of the community while taking into consideration the costs to deliver those expectations.

LOS metrics are divided into two categories: Community LOS measure how the community receives the services using attributes like reliability, quality, safety, efficiency and capacity. Technical LOS measure how well the services are being delivered using quantitative, operational and technical measures. Technical LOS

Figure 5



<sup>2</sup> Municipal Finance Officers Association of Ontario (MFOA) Asset Management Framework document can be found at this link [http://mfoa-amp.ca/AMF/AMF\\_04C.pdf](http://mfoa-amp.ca/AMF/AMF_04C.pdf).



often relate to attributes like cost to deliver services, levels of compliance with legislation, condition of the assets measured using design standards etc., and are generally referred to as Level of Service (LOS).

Decisions about LOS are important as they establish policies for Work Plans and asset condition responses that ultimately impact the level of funding required.

It is not uncommon that a municipality's current and historical level of service is largely the result of reactive responses to asset conditions and performance levels (i.e., break/fix approach). This can be driven by financial and budget process pressures whereby seemingly minor reductions in maintenance budgets can unknowingly have significant impacts on the total lifecycle cost of an asset. For example, minor cutbacks in an annual asset maintenance can lead to shorter asset life spans and hence the extensive and expensive rehabilitation or replacement decades earlier than expected.

The Town's Level of Service (LOS) measures include those mandated by O.Reg. 588/17, as well as additional metrics established by the Town to align with its strategic objectives and goals for sustainable infrastructure. These LOS measures generally fall into three categories:

- Capacity & Use LOS assess whether services have sufficient capacity and are accessible to the community.
- Functional LOS evaluate whether services meet the community's needs and fulfill their intended purpose.
- Reliability LOS focus on ensuring that services are dependable and responsive, with assets maintained in good condition.

Overall, LOS are shaped by a combination of customer expectations, legislative requirements, internal guidelines, policies, and affordability considerations. Effective asset management necessitates formalizing these LOS through a structured framework of performance measures, targets, and timeframes. Additionally, it is crucial to understand the costs associated with delivering the documented LOS.

## Climate Change

As written in the Strategic Asset Management Policy:

“The Town will leverage new and existing opportunities for reducing greenhouse gas emissions (mitigation) and building resiliency to projected climate change impacts (adaptation) into corporate asset management practices. Applying climate change mitigation and adaptation lenses will be achieved by strategically embedding tactical, operational and reflexive considerations related to climate change into lifecycle management practices. This will reduce vulnerabilities and promote adaptation and resiliency to climate change impacts, incrementally over time.” Further details can be found in the [Town's Climate Change Action Plan](#).

## Facilities – Non-Core

There are 54 Town Facilities with a combined replacement cost of \$141.7M, of which 25 facilities form part of the Non-core category with a replacement cost of \$85.5M (i.e. excludes Water, Wastewater and Roads facilities).

## Condition / Age Profile - Facilities

The condition assessments for these buildings are based on the Facility Condition Index (FCI) and are on average in poor condition.

Figure 6 – FCI Range

FCI Range	Rating
0% 5%	Good
5.01% 10%	Fair
10.01% 20%	Poor
Greater than 20%	Very Poor

Figure 7 - Facilities - Condition Assessment

Building /Structure Name	Facility Type	Year Built	Gross Area (ft <sup>2</sup> )	FCI
Town Hall	Administration	1889	20,600	10.0%
Business Development Centre	Administration	1984	3,542	9.7%
Environmental Services Administration / EPCOR	Administration & Operations	1989	21,000	9.3%
Fire Station	Fire Station	2013	18,000	2.7%
Fire Station - Storage Building	Fire Station	2013	792	7.4%
Library	Library	2009	34,035	64.5%
The Station (Museum)	Museum	1998	5,518	3.9%
Lawn Bowling Club House	Parks	1975	1,132	16.5%
Lawn Bowling Storage Shed	Parks	1975	334	37.5%
Central Park Washrooms	Parks	1987	1,076	37.2%
Sunset Pt. Park Pavillion	Parks	1955	1,115	11.6%
Sunset Pt. Park Storage - By Volleyball Courts	Parks	1950	400	108.0%
Sunset Pt. Park Washrooms	Parks	1972	663	36.3%
Sunset Pt. Park Canteen	Parks	1987	1,292	13.4%
Sunset Pt. Enviro Park Washroom	Parks	2022	1,100	0.5%
Parks Building	Administration & Operations	2009	16,716	3.0%
OPP Station	Police Station	1981	23,406	9.7%
OPP Station - Storage Building	Police Station	2006	1,352	10.6%
Transit Terminal	Public Transit	2018	580	0.0%
Eddie Bush Memorial Arena	Recreation Facilities	1948	36,081	25.7%
Curling Club	Recreation Facilities	1939	21,076	8.8%
F.W. Watts Boathouse	Recreation Facilities	1884	1302	14.3%
Centennial Aquatic Centre (Pool)	Recreation Facilities	2013	18,934	2.8%
Red Brick Building	Recreation Facilities	1950	2,562	41.8%



Building /Structure Name	Facility Type	Year Built	Gross Area (ft <sup>2</sup> )	FCI
Yacht Club	Recreation Facilities	Unknown	1,087	19.7%
Central Park Arena	Recreation Facilities	2013	36,920	3.0%

## Levels of Service - Facilities

The Town is committed to maintaining facilities that are accessible, environmentally sustainable, and conducive to effective work. Currently, our municipal facilities meet the following levels of service:

- **Accessibility:** We are aiming to ensure that facilities are accessible to all residents, including those with disabilities. At this time the Town is striving to achieve full adherence to the Accessibility for Ontarians with Disabilities Act (AODA) standards, to remove barriers and improve inclusivity.
- **Climate-Friendly Operations:** as we begin the to work through the Climate Action Plan, the Town is working to ensure our facilities are designed and managed with a focus on sustainability. Energy-efficient systems, waste reduction initiatives, and climate-resilient infrastructure are key components of our service delivery. We continuously seek to reduce our carbon footprint and mitigate the impact of climate change on our operations.
- **Work Environment:** The facilities are maintained to provide a safe, healthy, and productive environment for staff and visitors. This includes ergonomic workspaces, adequate lighting, heating, ventilation, and air conditioning (HVAC) systems, and the integration of modern technology to support efficient workflows.

## Financing - Facilities

Facilities in general are unique with respect to assets in that they can have extremely long-life spans (for example Town Hall built 1860). They are also complicated structures comprised of many different asset types (HVAC, Roof, walls, electrical etc.) with varying life spans and maintenance needs. So, while we have provided a replacement cost (the cost to completing rebuild a structure of same specifications) we look to the 10-year work plan as the more relevant indicator of financial liability. Often, a building is not replaced if it can still function appropriately and support the programs and services it houses. This would be the most cost-efficient level of service approach to managing a facility. The 10-year average cost for the 10-year work plan is \$0.375M annually and \$3.8 M in total with significant immediate needs which would be spread out of several years in order to “catch up” while maintaining and even annual spending amount as much as possible.

## Transit Shelters

The Town owns and maintains 22 Transit Shelters with a replacement cost of \$440,000. In general, these shelters are in good working condition and are on average 15 years old.

## Levels of Service – Transit Shelters

The Town is dedicated to providing transit shelters that ensure a comfortable and safe experience for all users. Our current levels of service for transit shelters include:



- Cleanliness: We maintain a regular cleaning schedule to ensure that all transit shelters are kept clean and free of debris, providing a welcoming environment for residents and visitors.
- Weather Protection: Our transit shelters are designed and maintained to be leak-proof, offering reliable protection from rain, snow, wind, and other elements. This ensures that residents can wait for public transportation in comfort, regardless of the weather conditions.

## Financing – Transit Shelters

The average life span for transit shelters is expected to be 30 years, as such financing is expected to be approximately \$15K per year (i.e. \$440K/30 years) that is included in the overall AMP strategy.

## Streetlights

As noted earlier in this document the data to produce the inventory for Streetlights is at a very low level of maturity. The Town is continuing to improve the GIS information related to this inventory and will include updated data in the next version of the AMP. At this point the total replacement cost for Streetlights is calculated to be \$12.8M, this includes 3 different types of lights (Cobras, Decorative and Non-decorative) along with concrete and decorative poles.

## Condition/Age Profile – Streetlights

As part of the AMP work staff have set an average life expectancy of 25 years for non-decorative and cobra lamps and 10 years for decorative lamps. At this time much of the inventory was replaced in 2016 and thus are generally in fair condition.

## Levels of Service – Streetlights

The Town is committed to maintaining decorative streetlights that enhance the aesthetic appeal of our community while adhering to essential maintenance standards. Our current levels of service for streetlights include:

- Aesthetic Maintenance: We ensure that all decorative streetlights are regularly inspected. This includes repainting and repair work to keep the lights looking their best and contributing to the overall visual charm of our public spaces.
- Functional Reliability: While prioritizing their decorative nature, we also adhere to minimum maintenance standards to ensure that these streetlights function reliably. This includes regular checks for electrical issues, bulb replacements, and any necessary repairs to keep them operational and safe for public use.

## Financing – Streetlights

Over a 10 year timeframe, the annual investment requirements are \$742K per year. Again as detailed earlier in this report the data maturity of this inventory is quite low and an updated full assessment will be completed over the next several months.

## Trails

The Town is very proud of the trail network which encompasses over 60 kilometers of recreational trails for cyclists, walkers, joggers, cross country skiers and snowshoers. There is a trail leading to every major point of interest in the Town including the George Christie Nature trails, the shoreline of Sunset Point Park, the scenic lookout at Millennium Park, the tranquil gardens of the Arboretum, the Labyrinth, the Museum and Historic Downtown Collingwood. These trails consist of granular, concrete, asphalt, wooden boardwalks and natural surfaces. The total inventory of trails has a replacement cost of \$10.4M and are in general managed as part of the operating maintenance budget and are in good condition based on staff inspection and age.

### Levels of Service – Trails

The Town is committed to providing well-maintained and safe trails that encourage outdoor recreation and connectivity within the community. Our current levels of service for trails include:

- **Safety:** We regularly inspect and maintain all trails to ensure they are safe. This includes clearing debris, repairing any damage, and ensuring surfaces are stable and free of hazards. Signage and wayfinding markers are also kept clear and up to date.
- **Environmental Stewardship:** We manage our trails with a focus on preserving the surrounding natural environment. This includes regular maintenance to prevent erosion and ensuring that the trails are in harmony with local ecosystems.
- **User Experience:** We aim to enhance the user experience by maintaining scenic views, rest areas, and amenities such as benches, waste receptacles, and informational signage. The trails are kept clean, with litter removal and vegetation management conducted regularly to provide a pleasant and enjoyable environment for all users.

### Financing – Trails

As part of the AMP program only replacement of asphalt trails is included within the annual lifecycle amount, while replacement for gravel and mulch is included within the operating program. The total amount estimated per year is set at \$207K over the next 10 years based on age and use of the trail system.

## Information Technology (IT) Equipment

Information Technology (IT) equipment plays a critical role in supporting the Town's operations and service delivery. This equipment includes computers, servers, networking devices, and peripherals that are essential for managing data, facilitating communication, and ensuring the smooth operation of various municipal functions. IT equipment is used across all departments to enhance productivity, enable efficient workflows, and support decision-making processes. From managing public records and providing online services to ensuring cybersecurity and data integrity, IT infrastructure is vital for maintaining the municipality's daily operations and long-term strategic goals.

The total replacement cost for these assets is \$1.27M.





## Condition/Age Profile – IT Equipment

The Town has incorporated a regular replacement program for its IT equipment for several years, as such the equipment is in good condition based on age and staff's assessment.

## Levels of Service – IT Equipment

The Town is committed to maintaining high-performance Information Technology (IT) equipment to support the efficient operation of municipal services. Our current levels of service for IT equipment include:

- **Reliability and Uptime:** We ensure that all IT equipment is regularly maintained and upgraded to minimize downtime and disruptions. This includes routine hardware inspections, software updates, and proactive monitoring to identify and resolve issues before they impact operations as well as adherence to replacement schedules (i.e. laptops – 4 years; desktops – 5 years etc.).
- **Security and Compliance:** Our IT equipment is managed with strict adherence to cybersecurity best practices and compliance standards. This includes regular security updates, data encryption, and access controls to protect sensitive information and ensure the integrity of our digital infrastructure.
- **Scalability and Future-Proofing:** We regularly assess and upgrade our IT equipment to meet the evolving needs of the municipality. This includes planning for future growth, adopting new technologies, and ensuring that our IT infrastructure can scale to support new initiatives and services.

## Financing – IT Equipment

Over a 10 year timeframe, the annual investment requirements are \$183K per year based on the Town's typical replacement and maintenance program.

## Library Assets – Circulation Materials and Public Furniture

The Town's library is a vital community resource that provides access to a wide range of materials and comfortable spaces for public use. Key library assets include:

- **Circulation Materials:** Our libraries offer an extensive collection of circulation materials, including books, magazines, DVDs, digital media, and more. These materials are curated to meet the diverse interests and needs of our community, supporting education, entertainment, and personal growth. Regular updates to our collection ensure that residents have access to the latest and most relevant resources.
- **Public Furniture:** The library's public spaces are equipped with comfortable and functional furniture to create inviting environments for reading, studying, and community gatherings. This includes seating areas, tables, and shelving that are regularly maintained and arranged to maximize accessibility and usability for all patrons.

The total replacement costs for these assets is \$1.57M.



## Condition/Age Profile – Library Assets

The circulation materials within the library are maintained and updated on an annual basis and are in good condition based on age and staff inspection. While the furniture and equipment used by the general public is in poor to fair condition and is on average nearly 15 years old.

## Levels of Service – Library Assets

The Town is committed to maintaining high standards for our library assets, ensuring that they continue to serve as valuable resources for the community. Our current levels of service for library assets include:

- **Circulation Materials:** We regularly update and expand our collection of circulation materials to reflect the evolving interests and needs of our community. This includes acquiring new books, audiobooks, and other resources, as well as removing outdated or damaged items. We ensure that our materials are well-organized, easily accessible, and in good condition for public use.
- **Public Furniture:** The library's public furniture is maintained to provide a comfortable and welcoming environment for all visitors. We conduct regular inspections and maintenance of seating, tables, and other furnishings to ensure they are in good repair, clean, and ergonomically supportive. Furniture layouts are designed to maximize space, accessibility, and user comfort.
- **User Experience:** We prioritize creating an inclusive and enjoyable experience for all library users. This includes maintaining a welcoming environment, with clear signage and responsive customer service. We regularly seek feedback from patrons to improve our services and ensure that the library meets the needs of the community.

## Financing – Library Assets

Over a 10 year timeframe, the annual investment requirements are \$114K per year based on the current condition.

## Fleet and Equipment

The Town relies on a diverse fleet and a wide range of equipment to support the efficient delivery of municipal services. Our fleet includes vehicles used for public works, emergency response, transportation, and maintenance activities, while our equipment encompasses everything from heavy machinery to smaller tools necessary for day-to-day operations. Together, these assets are essential for maintaining infrastructure, ensuring public safety, and providing vital services to our community. Regular maintenance, timely upgrades, and strategic management of our fleet and equipment are key to sustaining the high level of service that residents expect.

The total replacement cost of these assets is \$24.6M.

## Condition/Age Profile – Fleet and Equipment

The Town has incorporated a regular replacement program for its fleet and equipment which is as follows:

- Light Duty Vehicles – 8 years
- Heavy Duty Vehicles/Equipment – 10 years
- Equipment (i.e. lawn mowers, trailers and etc.) – 15 years
- Trackless Sidewalk Plows – 7 years.



It is noted that the above schedules are used in combination with review and inspection of these assets to assess the reliability and necessity for replacement and/or rebuild.

## Levels of Service – Fleet and Equipment

The Town is committed to maintaining a reliable and efficient fleet, along with the equipment necessary to support the diverse needs of our community. Our current levels of service for fleet and equipment include:

- **Reliability and Availability:** We ensure that all vehicles and equipment are regularly maintained to maximize their reliability and availability. This includes scheduled maintenance, prompt repairs, and proactive replacement of aging assets to minimize downtime and ensure that our services remain uninterrupted.
- **Safety and Compliance:** Our fleet and equipment are managed in strict adherence to safety regulations and industry standards. Regular safety inspections, operator training, and adherence to compliance protocols ensure that all assets are safe for use and meet regulatory requirements.
- **Sustainability:** In line with our commitment to environmental stewardship, we actively seek to reduce the environmental footprint of our fleet and equipment. This includes exploring alternative fuel options, investing in energy-efficient equipment, and adopting practices that reduce emissions and resource consumption.
- **Lifecycle Management:** We manage the lifecycle of our fleet and equipment strategically, planning for timely replacements and upgrades to ensure that assets remain functional and cost-effective. This approach helps to optimize performance, reduce long-term costs, and ensure that the municipality is well-equipped to meet future demands.

## Financing – Fleet and Equipment

Over a 10 year timeframe, the annual investment requirements are \$1.7M per year based on the current condition assessments.

## Parking Lots (Downtown)

The Town provides convenient and accessible paid parking options in the heart of our downtown area. These parking lots are strategically located to support local businesses, facilitate access to public amenities, and accommodate the needs of residents, visitors, and commuters. Our paid parking facilities are designed to offer a balance between availability and affordability, ensuring that downtown remains a vibrant and thriving destination. Regular maintenance, clear signage, and user-friendly payment systems are key components of our approach to managing these parking assets, contributing to a positive downtown experience for all.

The total replacement cost of these assets is \$2.1M and is fully user fee supported (i.e. not supported by tax funding).

## Condition/Age Profile – Parking Lots (Downtown)

The current conditions of the downtown parking lots are poor to fair following staff inspection and assessment. The assessment included a thorough evaluation of surface rideability, with a focus on identifying and addressing cracks, potholes, and other surface imperfections. This review ensures that the parking lots



provide a smooth and safe experience for all users, while also maintaining the overall quality and longevity of the facilities.

## Levels of Service – Parking Lots (Downtown)

The Town is committed to maintaining downtown paid parking lots that provide convenience, safety, and accessibility for all users. Our current levels of service for these parking lots include:

- **Surface Condition and Rideability:** The Town strives address cracks, potholes, and other surface imperfections to provide a smooth and safe experience for vehicles and pedestrians alike.
- **Cleanliness and Appearance:** We maintain our parking lots to be clean and manage regular cleaning schedules to remove litter, debris, and other waste.
- **Payment and User Convenience:** We provide user-friendly payment options, including multiple payment methods (e.g., cash, credit/debit, mobile apps) and clear instructions to facilitate a hassle-free parking experience. Payment systems are regularly maintained and updated to ensure reliability and ease of use.

## Financing – Parking Lots (Downtown)

At the time of inspection on average these assets were considered to be in poor to fair condition. Over a 10 year timeframe, the annual investment requirements are \$55k per year.

## Parks

The Town takes pride in its well-maintained and diverse parks, which serve as vital community spaces for recreation, relaxation, and connection with nature. Our parks are equipped with a wide range of amenities designed to cater to the varied needs of our residents and visitors. The inventory includes playgrounds for children, parking lots, sports field lighting and shoreline and docking facilities that enhance our waterfront areas. Additionally, our parks feature comfort stations and storage areas that support the functionality and enjoyment of these spaces.

The total replacement cost of these assets is \$35.9M.

## Condition/Age Profile – Parks

The current conditions of parks is good based on staff inspection and age.

## Levels of Service – Parks

The Town is dedicated to providing high-quality parks that offer safe, enjoyable, and accessible spaces for all community members. Our current levels of service for parks include:

- **Safety and Accessibility:** We ensure that all park facilities, including playgrounds, sports fields, and other amenities, are regularly inspected and maintained to meet safety standards. Accessibility is a priority, with many features designed to accommodate individuals of all abilities.



- Facility Maintenance and Cleanliness: Our parks are kept in good condition through regular maintenance. We maintain a cleaning schedule to keep these spaces free of litter and debris, providing a clean and welcoming environment for all visitors.
- Aesthetic and Environmental Quality: We strive to preserve and enhance the natural beauty of our parks. This includes landscaping, tree care, and the maintenance of green spaces to create visually appealing and environmentally sustainable areas for recreation and relaxation.
- Amenity Availability and Functionality: Our parks are equipped with a variety of amenities, such as playgrounds, sports fields, and comfort stations, that are kept in good working order. We regularly assess these facilities to ensure they meet the needs of the community, and we make necessary upgrades or repairs to maintain their functionality.
- Ongoing Improvement and Data Management: While our parks are generally in good condition, we recognize the need for continued improvement, particularly in the management of our asset data. With a current data maturity level of C, we are committed to enhancing the quality and accuracy of our parks inventory data to support better decision-making and resource allocation.

## Financing – Parks

Over a 10 year timeframe, the annual investment requirements are \$926K per year.

## Overall Financing Strategy

For an Asset Management Plan to be effectively put into action, it must be integrated with financial planning and long-term budgeting. The development of a comprehensive financial plan will allow the Town of Collingwood to identify the financial resources required for sustainable asset management based on the existing asset inventories, desired levels of service and projected growth requirements.

As we have reviewed each individual asset category on its own the final step of understanding the needs of the AMP is to combine the information and review the different available financing options. The chart below summarizes the discussions held above, and totals nearly \$10.1M.

Figure 8 - Total funding requirement

Asset Group	Annual Lifecycle Amount - 2024\$
Facilities	\$375,720
Transit Shelters	14,667
Streetlights	742,130
Trails	207,880
IT Equipment	182,280
Library Assets	114,000
Fleet & Equipment	1,713,894
Downtown Parking Lots	53,077
Parks	925,999
<b>Total</b>	<b>\$4,329,646</b>

Although \$4.3M is a large amount of funds to manage and comprehend, it is crucial that we recognize the multiple sources of funding and then clearly define the gap between what is needed and what we currently spend/generate each year. There are multiple sources of funding and they include:



- Reserves/Reserve Funds
- Grants
- Debt Financing – both internal and external
- Tax Levy
- User Fees
- Operational Sources (maintenance budgets)

## Tax-Supported Assets versus User Fee Supported Assets

The town has primarily used contributions to reserves, grants, debt financing, user fees and the tax levy to fund or support capital projects. The split between what is tax supported and what is user fee supported is detailed below:

Figure 9 - Tax Supported Non-Core Annual Investment Requirements

Type	Amount
Facilities	\$375,720
Transit Shelters	14,667
Streetlights	742,130
Trails	207,880
IT Equipment	138,022
Library Assets	114,000
Fleet & Equipment	1,562,160
Parks	925,999
<b>Total annual investment required</b>	<b>\$4,080,578</b>

Figure 10 – User Fee Supported Non-Core Annual Investment Requirements

Type	Amount
IT Equipment	\$44,258
Fleet & Equipment	151,734
Parking Lots	53,077
<b>Total annual investment required</b>	<b>\$249,069</b>

Based on current spending patterns and contributions from the operating budget for tax supported assets of \$916K, the total Financing gap for Non-core assets is estimated to be \$3.4M and is detailed in Figure 11 below:

Figure 11 – Total Financing Gap – Non-Core Assets

Item	Amount
Total annual investment Tax Supported Assets	\$4,080,578
Total annual investment User Fee Supported Assets	249,069
Total Annual Investment All Non-Core Assets	\$4,329,646
Less: Operational Budget Amounts	(916,000)
<b>Annual Financing Gap</b>	<b>\$3,413,646</b>

When this is incorporated with the Core Asset Financing Gap it means a total Financing Gap of \$4.6M.



Given all the information and the understanding of how vitally important it is that we continue to invest today to protect the future sustainability of the town. It is also important to understand that we are not alone in this, most municipalities are facing similar financing deficits and struggling to find ways to mitigate these issues. It is also important however to understand that there are ways to assist in closing this gap that may not be overly burdensome to the taxpayer/user rates for example:

1. Continue to add small increases to the Special Capital Levy over the next 5 – 10 years (benefits tax-supported only).
2. As old debt expires use the tax levy component to create a future Debt Reserve (to assist in Asset Management). More details will come forward as the Debt Policy is reviewed however to provide some context – the current debt levy requirement is approximately \$1.5M over time this will deteriorate by about 15% per year which would mean approximately \$225K per year. This assumes that no new debt is issued however, even if 50% was available small amounts could be saved.
3. Slowly raise the contribution to Reserve Funds over time. Today 1% point increase of the tax rate equates to approximately \$370K, if we exclude growth and we increase the reserve contribution by 5% over the next 6 years this would mean a total tax rate impact of approximately 2%. However, if we include growth as part of the contribution, it is possible that the tax rate is not impacted. Note that for User-Fee supported assets this would mean an increase to their rate.
4. Determine if some assets may be retired, or the level of service provided can be reduced (this is a part of the next phase of Asset Management, under the Province's requirements for 2025).
5. Consider transitions to additional user fees or other partnerships.

## Conclusion and Recommendation

The following recommendations have been provided for consideration:

- That the Town of Collingwood Asset Management Plan – Non-Core Assets be received and approved by Council;
- That consideration of this Asset Management Plan – Non-Core Assets (including the financing options) be considered as part of the annual budgeting process to ensure sufficient capital funds are available to fund requirements;
- That this Asset Management Plan – Non-Core Assets be reviewed on an annual basis to reflect the current assets held by the Town; and
- The Asset Management Plan – Non-Core Assets report be updated every five years and presented to Council for endorsement.

As outlined in the financing strategy section, the current funding levels for asset replacement and renewal in the Town are insufficient to fully address our capital needs or close the existing infrastructure funding gap. However, these gaps are not insurmountable and can likely be addressed through the strategic mechanisms detailed in the financing strategy. To ensure that we effectively manage this challenge, it is recommended that the Asset Management Plan (AMP) and its funding requirements be reviewed and updated annually as part of the budget process. Consideration should also be given to increasing contributions to the reserve funds to strengthen our financial position.



The status of the funding gap and reserve balances is expected to fluctuate annually due to a variety of factors, including changes in investment earnings, the inflationary impacts on project costs, evolving project work plans and priorities, and the occurrence of unplanned or emergency capital projects. Given these potential fluctuations, it is crucial that the AMP's funding requirements receive priority consideration during the budget process.