# The Town of Smiths Falls 2025 Asset Management Plan

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# Agenda

- What is Asset Management?
- Ontario Regulation 588/17
- Project Overview
  - Requirements
  - Timeline
  - Process

- Smiths Falls 2025 Asset Management Plan
  - Findings
  - Selecting Proposed Levels of Service
  - Financial Position
- Takeaways & Action Items
- Q&A



# What is Asset Management?



# Asset Management is Service Management

- The Asset is the conduit for the service
- Infrastructure provides key services to communities, enabling connectivity and convenience
  - Roads and Bridges provide a transportation service
  - Buildings and Equipment support service delivery







# What does Asset Management Involve?

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





# **Ontario Regulation 588/17**



## Timeline







# **Project Overview**



# Requirements

- Primary objective
  - Creation of a 2025 asset management plan, in compliance with Ontario Regulation 588/17
    - Proposed levels of service for the next 10 years
- Secondary objective
  - Consolidation and further refinement of municipal asset data



# Timeline

- Q4 2024 Q2 2025
- Data refinement
  - October 2024 March 2025
- Public engagement
  - November 2024 March 2025
- Staff WorkshopsApril
- Draft Process
  - May June



# Process

- Continuous improvement of the centralized asset register (CityWide)
  - Data gap analysis
  - Data refinement
    - Additional internal assessments to machinery, equipment, and vehicles
    - Future priorities
- Public engagement
  - Understand public sentiment around levels of service being provided
  - Priorities



# **Project Process**

- Staff Workshops
  - Leveraging subject matter expertise at the Town to understand and document how assets are managed
    - Operations & maintenance, rehabilitation, & replacement
  - Working sessions to understand what current LOS metrics are
  - Selecting proposed KPIs for the following 10 years
  - Understanding the financial picture



# **2025 Asset Management Plan**



# **Total Replacement Cost**

#### **Replacement Cost by Category**



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# Condition



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# Condition



Value and Percentage of Asset Segments by Replacement Cost

# Condition

Asset Category	% Assessed	Source of Condition Data
Pood Network	830/	Road Needs Study
	0370	Staff Assessments
Bridges	100%	OSIM Report
Storm Network	52%	CCTV Inspections
	JZ /0	Staff Assessments
Facilities	80%	Staff Assessments
Vehicles	74%	Staff Assessments
Machinery & Equipment	60%	Staff Assessments
Land Improvements	62%	Staff Assessments
Water Network	91%	Staff Assessments
Sonitory Sower Network	06%	CCTV Inspections
	9070	Staff Assessments
Total	85%	-

psdcitywide

# **Proposed Levels of Service (PLOS)**



# Legislative Requirements

- Annual reporting of identified LOS metrics for the next 10 years.
- Explanation on why the proposed level of service is appropriate:
  - Risks associated with proposed LOS and impact on long term sustainability
  - How they differ from current LOS
  - Are proposed LOS achievable?
  - Ability to afford the proposed LOS target
- KPIs over the next 10 years
- Updated lifecycle management strategy and financial strategy
- Growth assumptions: future changes in population and economic activity. Official plan, growth studies, etc.



## Process

- Current condition of asset portfolio
- Based on the Town's strategies, can we project the condition of our assets for the next 10 years?
- Update the Town's central asset management register (Citywide)
- Output:
  - Projected condition
  - Projected quantitative risk
  - Projected forecasted capital requirement



Asset Category	KPI	Current LOS	Proposed LOS
Pood Notwork	Average condition rating	61	64
Road Network	Average risk rating	5.8	5.7
Bridges	Average condition rating	69	56
	Average risk rating	7.8	10.7

Asset Category	KPI	Current LOS	Proposed LOS
Mator Notwork	Average condition rating	65	56
	Average risk rating	9.2	11.1
Sanitary Sewer	Average condition rating	37	53
Network	Average risk rating	15.4	12.8
	Average condition rating	58	67
Storm Network	Average risk rating	7	7.4



Asset Category	KPI	<b>Current LOS</b>	Proposed LOS
Facilities	Average condition rating	66	59
	Average risk rating	7.6	8.5
Land Improvements	Average condition rating	70	50
	Average risk rating	7	9.5

Asset Category	KPI	<b>Current LOS</b>	Proposed LOS
Vehicles	Average condition rating	52	42
	Average risk rating	9	13
Machinery &	Average condition rating	40	55
Equipment	Average risk rating	10.2	9.2

#### **Financial Outlook – Tax-Funded Assets**

	Average	Annual Funding Available						Increase	Total		
Asset Category	Category Annual Annual Annual D	Annual Deficit	Asset Category	Taxes	Taxes						
	Required Taxes CCBF OCIF Other Total Reserves		Road Network	-0.2%	18,957,650						
Road Network	2,308,000	783,000	606,000	965,000			2,354,000	-46,000	Bridges	0.5%	
Bridges	285,000	191,000					191,000	94,000	Storm Network Facilities	1.0% 6.7%	
Storm Network	440,000	257,000					257,000	183,000	Vehicles Machinery & Equipment Land Improvements <b>Total</b>	2.0%	
Facilities	1,699,000	436,000					436,000	1,263,000		2.6%	
Vehicles	439,000	58,000					58,000	381,000		0.4% <b>13.0%</b>	
Machinery & Equipment	536,000	43,000					43,000	493,000			
Land Improvements	98,000	21,000					21,000	77,000			
Total	5,805,000	1,789,000	606,000	965,000	0	0	3,360,000	2,445,000			



#### **Financial Outlook – Rate-Funded Assets**

	Average Annual	Annu	Annual			
Asset Category	Investment Required	Rates	To Operations	Total	Deficit	
Water Network	2,489,000	3,210,000	-2,629,000	581,000	1,908,000	
Sanitary Sewer Network	2,142,000	3,064,000	-2,349,000	715,000	1,427,000	
Total	4,631,000	6,274,000	-4,978,000	1,296,000	3,335,000	

Asset Category	Increase Required for Full Funding	Total Annual	
	Rates	Rates	
Water Network	59.4%	3,210,000	
Sanitary Sewer Network	46.6%	3,064,000	
Total	53.2%	6,274,000	



# **Financial Outlook**

Refer to section 1.4 of asset management plan





# **Takeaways & Action Items**



# **Takeaways & Action Items**

- Asset management is evolving
  - Good data is the backbone of setting, recording, and adjusting metrics
  - Start small, then expand (2030 and beyond)
  - PLOS metric projections are required for the next 10 years; however, they must be revisited in 5 years (2030)
- As updated data, reports, studies become available, it is crucial to integrate them into the Town's AM practices and asset register
- The Town has selected tangible, realistic, and financial sustainable targets for the next 10 years



## **Takeaways & Action Items**

- PSD recommendation: that Council, as per Section 8 of Ontario Regulation 588/17:
  - Approve, by resolution, the Asset Management Plan and;
  - Authorize staff to post the document to the Town's website
- Strongly recommend an update to the AMP next year. Why?
  - 1. IT Strategy
  - 2. Building Condition Assessments
  - 3. Internal Forecasted Capital Expenditure (5-10 years)
  - 4. Public Works Garage/impacted assets

