



CORPORATION OF THE COUNTY OF RENFREW

ASSET MANAGEMENT PLAN

November 26, 2014

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1.0. EXECUTIVE SUMMARY

As a result of decades of insufficient investment in critical infrastructure by all levels of government, municipalities are beginning to confront infrastructure deficits, backlog of repairs and needed rehabilitation/reconstruction programs. It is fair to say that properly maintained infrastructure is the foundation of our economy. All stakeholders need quality roads and bridges, administrative and health care and emergency facilities, etc. to meet the expectations of our constituents.

In order to protect its infrastructure investment, the County of Renfrew must find creative financial solutions. One of the key tools to meet this objective is the implementation of an asset management plan to ensure that infrastructure is properly maintained and fully operational in order to meet service demands and to ensure that maintenance capital interventions are done at the lowest cost and in a timely manner.

The County’s Corporate Asset Management Plan (CAMP) will enable Council to make the most cost effective decisions with regards to the maintenance, rehabilitation and replacement of critical infrastructure. Through the Long-Term Financial Management Plan (LTFMP), strategies to provide sustainable funding and support of the multiyear maintenance and capital programs will be developed.

In early 2013, Council endorsed the development of the CAMP which was identified as one of seven initiatives contained within the Strategic Plan and Council Priorities 2013-2018 document. Prior to 2013, asset management plans were undertaken at a departmental level. These plans were based on applicable regulations, standards, codes and practices relevant to the specific infrastructure component under consideration. Capital funding in support of these asset management plans was subject to approval through the annual budget process. Subsequent to the County of Renfrew initiating its asset management plan process, the Province mandated the requirement for asset management plans.

The County’s strategic asset management plan is structured to ensure long-term community and corporate sustainability to meet the service objectives of the County. In 2013, County Council also endorsed a Management Strategy and work plan for the development of the CAMP. Work on the County’s asset management plan has been ongoing and has respected the milestones established in the work plan.

In the preparation of the CAMP, staff has conducted:

- a research of best practices,
- developed service level standards,
- identified rehabilitation strategies and associated costs,
- initiated software acquisition,
- undertaken data population of software.



It is acknowledged that asset management cannot be a “one time” undertaking – it is a continuous process. There must be a continuous flow of data information in and out of the asset management system. As such, the CAMP asset management data will be updated regularly as conditions change in the field, as improvement works are implemented, and as options and costs change over time.

The CAMP comprises a consolidated up-to-date inventory and condition rating of all the County’s major corporate assets and a summary of the corporate asset management policies, proposed levels of service and financing strategies used to manage the County’s assets addressed by this Plan. It has also involved the review and updating of data with respect to County assets in order to address the issue of long-term sustainability.

As the development of the Plan progresses, staff will be providing regular updates to the appropriate Standing Committees and Council. It is intended that the maintenance and capital priorities identified in CAMP will be considered by County Council as part of its 2015 budget deliberation process.

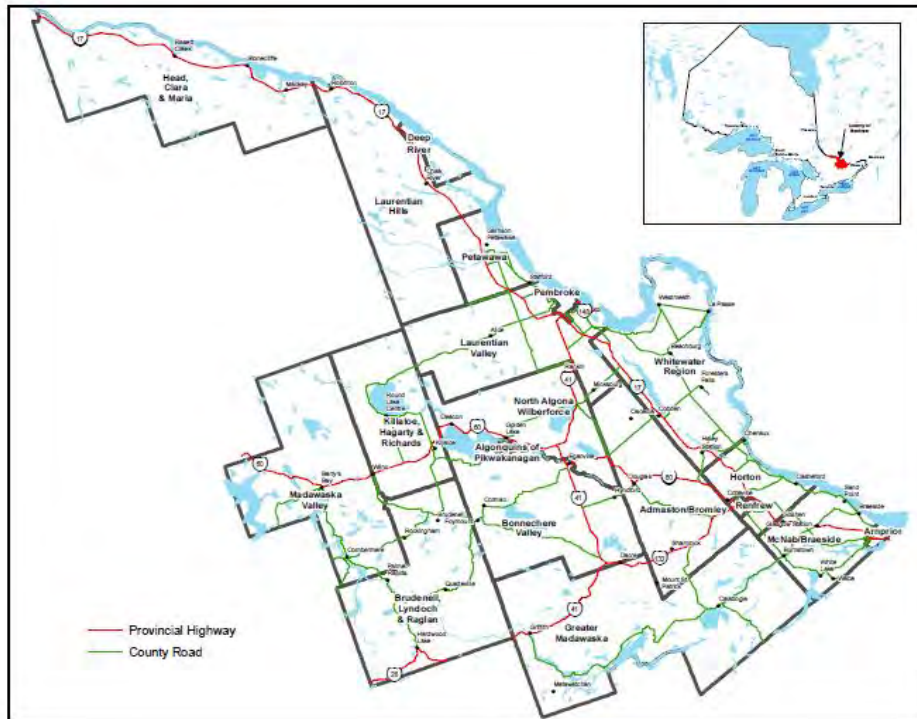


2.0 INTRODUCTION

Renfrew County is geographically located in Eastern Ontario in the heart of the Ottawa Valley. The County stretches from the outskirts of Canada's capital, the City of Ottawa to the east, and along the shores of the Ottawa River to the northern tip of Algonquin Park to the west. It encompasses 17 municipalities and has a geographic area of 7,645 km² - representing the largest (from a geographical perspective) county within the province.

Figure 1 is a location map highlighting the limits of the County of Renfrew.

Figure 1



This section of the County's asset management strategy report will address the following:

- define asset management,
- overview the objectives of the County's CAMP,
- identify the scope of infrastructure included in the plan,
- highlight the timeframe for asset management programs, identify the timing of updates and data verification processes,
- methodology for the development of CAMP,
- assumptions used in the development of CAMP.



In the last 6-7 years, the County has actively practiced the principles of asset management for many of its major assets. Multiyear capital works programs have been developed for buildings, fleet, roads and bridges. In many instances, these plans were developed based on predictable revenue streams. The CAMP has modified the approach to asset management by identifying appropriate levels of service for each asset, identifying funding gaps and developing sustainable financing strategies to deliver County services in keeping with stakeholder expectations.

2.1 Asset Management

Asset management planning represents a documented process that enables staff and Council to make the best possible decisions regarding the building, operating, maintaining, renewing, replacing and disposal of infrastructure assets. The CAMP identifies how infrastructure will be managed in order to ensure that it is capable of meeting approved levels of service to support the County's goals and meet stakeholder service expectations. It does, as well, require the County to assess, quantify and effectively manage risk while respecting the objective of developing sustainable financing strategies to support the implementation of timely intervention strategies.

In the development of the asset management plan, it was necessary to address the following questions:

1. What assets does the County have and where are they located?
2. What is the historical cost of our assets?
3. What is the current condition and the remaining service life of the County's assets?
4. What needs to be done and when?
5. What is the cost to affect timely maintenance and capital interventions?
6. How is long-term affordability attained?

Throughout the development of the Plan, staff identified and considered multiple strategies in determining how to implement financial investments. Section 5.0 of this report discusses this issue in greater detail. As referenced above, the asset evaluation process must be ongoing in order to identify the timely implementation of maintenance and capital interventions. This will result in cost-effective multiyear operating/capital programs over the lifecycle of the County's assets in order to meet specified levels of service. A sustainable financial plan for the management of identified asset categories represents the culmination of the asset planning process.

The County's asset management planning has also taken into account the interdependencies of various assets. As an example, infrastructure located within a road right-of-way may have differing lifecycles. The lifecycle of the paved roadway will be radically shorter than underground infrastructure such as storm and sanitary sewers, water mains, etc. Similarly, the various components of a building (e.g. roofing, compressors, HVAC systems, etc.) will have differing life cycles and yet must be considered in a holistic fashion within the Plan. It is, therefore, important to ensure that asset management intervention strategies are integrated and that interdependencies are identified and factored into the development of asset plans for each category of assets.



The objectives of the CAMP have been structured to promote:

- Enhanced decision-making accountability and transparency for Council,
- long-term impacts of infrastructure management investment decisions,
- improved customer service and strive to deliver services at an approved level of service,
- reduction in life cycle costs while maintaining assets in safe condition, and
- justification of infrastructure investment decisions and “link” these decisions to service outcomes.

The development of the CAMP was premised on the following guiding principles:

- **Stakeholder focused** - have clearly defined levels of service.
- **Service Focused** - consider all assets’ needs required to deliver a service to stakeholders.
- **Value-Based /Affordability** – implement decisions based on balancing service levels, risks and costs.
- **Risk-Based**- Safeguard public health and safety, protect the environment, and preserve assets.
- **Holistic** - develop a comprehensive approach that considers the combined impact of managing all aspects of the asset’s life cycle.
- **Systematic** - adopt a formal, consistent and repeatable approach.
- **Innovative** - continually improve how assets are managed by taking advantage of new technology and best practices.

2.2 Benefits and Objectives of Asset Management

A well developed and managed asset management plan provides a “blueprint” for Council in terms of identifying future planning processes and identifying timely and financially sustainable operating/capital expenditure needs over a predetermined period of time. Through the implementation of these strategic timely preventative maintenance and capital interventions, the County will be able to extend the life of its assets and thus avoid much more costly rehabilitation/replacement works.

In summary, the CAMP:

- defines policy goals that will guide the decision-making process for both staff and Council to ensure investment priorities are achieved,
- provides for a better decision-making environment with respect to the allocation of resources,
- identifies the total investment and strategies required to maintain infrastructure assets at prescribed levels of service,
- monitors the performance of assets over the long-term to ensure that levels of service are maintained,
- requires the County to assess and manage risk,
- provides for a long-term capital programming and financial strategy,
- enables a corporate approach to efficient data management,



- provides knowledge of total cost of ownership through lifecycle costing. It identifies the investment required to operate, maintain, renew and replace an asset,
- enables the implementation of cost-effective “just-in-time” preventative rehabilitation strategies,
- minimizes the likelihood of unforeseen infrastructure problems and crises. Decisions can be made between competing asset needs,
- enables staff to evaluate different capital program scenarios based on varying budget levels.

2.3 Provincial Directions

The Province of Ontario has provided guidance to municipalities for the preparation of comprehensive asset management Plans. The province’s *Building Together: Guide for Municipal Asset Management Plans* has been used by the County as a reference document for the development of this asset management plan. The elements of a detailed asset management plan (as referenced in Part 3 of the Guide) have been used to structure the County’s CAMP.

In August 2012, the Province of Ontario initiated a Municipal Infrastructure Strategy. This initiative placed a strong focus on the requirement for municipalities to have a comprehensive asset management plan in place. The Province has, on numerous occasions, clearly stated that any Ontario municipality seeking provincial capital funding in the future, must submit its asset management plan as part of the grant application process.

2.4 Infrastructure Included in CAMP

Currently, the County’s Public Sector Accounting Board (PSAB) considers the following tangible assets:

- Land improvements (e.g. parking lots, retaining walls, etc.)
- Buildings
- Leasehold improvements
- Linear Assets (e.g. roads, bridges, major culverts, communication networks, etc.)
- Roofing systems
- Machinery/equipment/furniture
- Vehicles
- Road allowances

In the future, the County may elect to expand the assets included in the CAMP.

2.5 Methodology

The four elements of an asset management plan are interdependent as illustrated in Figure 2 below.



Figure 2

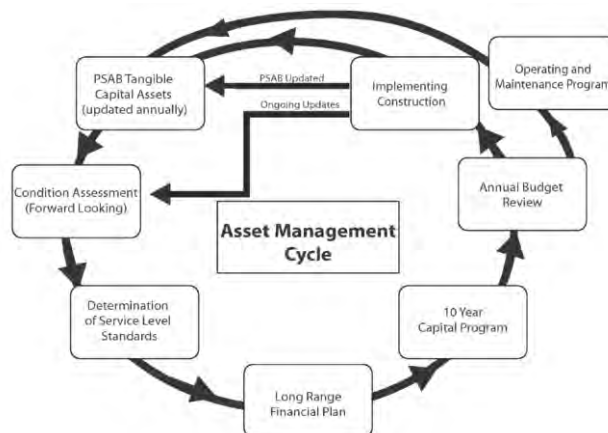


The County’s asset management plan has given consideration to costs associated with:

- Maintenance activities,
- replacement activities,
- disposal activities,
- expansion activities to meet growth means,
- identification of risks associated with the asset management strategy.

Figure 3 provides a graphic illustration of the detailed asset management planning process that was and will continue to be used by the County.

Figure 3]



It is expected that there will be a continuous flow of data in and out of the County's asset management system. As stated in the province's asset management guidelines, asset management plans should represent a living document and as such, there is a need to update asset management information regularly as conditions change in the field, as improvement works are implemented, and as options and costs change over time.

2.6 County Asset Management Initiatives

County Council has endorsed a process to develop and maintain the CAMP. The following provides an overview of initiatives undertaken by the County to develop the CAMP:

- A staff committee was created and a critical path/timelines developed identifying key activities and associated milestones for the completion of the Plan in 2014,
- Asset inventories have been updated, condition assessments undertaken and costs have been determined for various asset rehabilitation/replacement strategies,
- Suitable asset management software packages for the various asset categories have been acquired. Data inventories are to be updated on an ongoing basis to facilitate evaluation and management of the identified asset categories,
- Asset levels of service have been developed (reference Section 4.0) in order to create the County's long-range capital programs,
- Development of long-range capital programs for each asset category,
- Identification of funding "gaps" and development of a financial sustainability model for each asset category.

In support of the above initiatives, County Council has also adopted the following:

(a) Surplus/Deficit Policy

In November 2011, County Council approved a Surplus/Deficit Policy. This document contained four recommendations. The review process in the development of this policy resulted in the following recommendations related to asset management:

1. That an electronic Capital Asset Management Plan be developed for all significant assets owned and maintained by the County of Renfrew. It is proposed that the Green Operations and Property Management Committee be tasked with responsibilities related to Capital Asset Management. This Committee has property representatives from all Departments with major capital assets.
2. That a long-term financing plan be developed to provide for the replacement of these significant assets.

(b) Green Operations and Asset Management Committee

In April, 2012, County Council approved a revised terms of reference for the Green Operations and Asset Management Committee. One of the key responsibilities of this



committee was that of capital asset management. The terms of reference stated that it is necessary to focus on the maintenance of existing infrastructure, capital funding options in the management of escalating infrastructure costs.

(c) Strategic Plan and Council Priorities 2013 - 2018

In 2013, County Council approved a Strategic Plan and Council Priorities 2013-2018 document that adopted seven strategic initiatives. Priority # 2 identified specific actions related to the development of a CAMP and a long-term financial plan to manage and sustain corporate assets. The action items included (but were not limited to) research of best practices, procuring asset management software, confirmation of asset inventory and condition assessments, development of a multiyear asset management program based on sustainable funding, etc.

(d) County Official Plan

The County Official Plan is currently in the process of being updated. A nine phase plan for the Official Plan 5-Year Review was approved by Renfrew County Council on May 29, 2012. In the Development & Property Committee report of April 9, 2013, Committee was advised that the initial draft of the updated County Official Plan was to be circulated to the Ministry of Municipal Affairs and Housing.

Included in the preliminary list of revisions for the Official Plan (as set out in the County Council report of May 2012) is the requirement to ensure that the Official Plan is consistent with the 2005 Provincial Policy Statement, and that it incorporates policies on active transportation.

The proposed Official Plan update is to be consistent with municipal and provincial land use policies and is intended to address the Provincial Policy Statement through the following:

1. **Building Stronger Communities:** Enhancement and make more efficient use of the existing infrastructure;
2. **Wise Use and Management of Resources:** The timely rehabilitation of aging infrastructure, maximize or extend the service life of the assets and;
3. **Protecting Public Health and Safety:** The improvements to infrastructure ensure that the County can provide needed infrastructure and services to the residents of the County.

2.7 Public Sector Accounting Board (PSAB) and Asset Management

There are some commonalities between an asset management plan and PSAB compliance. In both instances, it is necessary to know what infrastructure is owned by the County. PSAB requires the County to have an asset inventory and to value its assets based on historical costs. The County has, through its PSAB process, developed an inventory of its capitalized assets, determined original costs and calculated the accumulated depreciation of the asset from the time of acquisition.



PSAB historically “looks back” at a municipality’s financial status. It assesses net book value of an asset based on original costs, less depreciated costs. Asset management, on the other hand, “looks forward” by determining the remaining useful life of an asset and optimizing the timing and cost of maintenance and rehabilitation strategies to extend the life of the asset. The following direct quote from the County’s Treasurer/Deputy Clerk in his January 31, 2007 report to Council clearly confirms the distinction between PSAB and asset management:

“PSAB compliance is not the same as asset management. PSAB 3150 will require municipalities to have an asset inventory and to value their assets based on historical costs. However, it will not require the preparation of a forward-looking asset management plan based on lifecycle costing approaches. The asset inventory collected for PSAB will be the foundation for forward-looking asset management plans for all major asset classes. The asset inventory is the link between the tangible capital asset accounting and a full asset management plan.”



2.8 Assumptions

1. It is acknowledged that the County's CAMP will continue to evolve over time in order to address and respond to new technologies and changes in responsibilities. For the development of the CAMP, there was a decision to include the following assets in the Plan (which is consistent with the direction proposed by the province in its asset management guideline):
 - 815 km of paved roads
 - 74 bridges and 177 major culvert structures
 - 126 vehicles
 - 35 sites for Renfrew County Housing Corporation
 - 14 County building sites, including two long-term care facilities
2. Less significant assets such as streetlights and street signs have not been included. The maintenance of these assets is funded primarily through the annual operating budget. The plan also does not include County owned lands.
3. Changing one section of the plan will ultimately result in changes to other sections. During the creation of the CAMP and subsequent updates to the Plan, specific sections may need to be revisited if an identified financing strategy is not feasible or realistic. Changes to asset attributes, such as extending useful life, decreases in expected levels of service, or revisions to cost projections contained within the Strategy, will also impact the financing strategy.





VEHICLES

3.0 STATE OF INFRASTRUCTURE

3.1 Infrastructure Assessment

As noted earlier in this report, the County of Renfrew is responsible for public infrastructure assets consisting of 823 km of collector and arterial roads, 74 bridges, 180 culvert structures, numerous social housing units, municipal buildings, two long-term care facilities and various land holdings. The condition of these assets varies, and in many instances, is reaching the end of their service lives. It is noted that local municipal services, such as communal water and sewer systems as well as waste management are provided through the member lower tier local municipalities.

The County completed an inventory of its capital assets as part of the PSAB 3150 accounting process. The 2012 Financial Information Return (FIR), which has been submitted to the Ministry of Municipal Affairs & Housing, identified a current value for the County's public assets of \$293 million .

In 2012, the Public Works & Engineering Department retained two (2) consultants to: (a) complete a comprehensive update of the public works asset inventory, (b) provide condition ratings and, (c) undertake a needs assessment. The updated inventory provides a “base line” of current asset conditions and is an integral part of the evaluation and decision-making process for public works infrastructure. Assets are to be reviewed regularly and identified defects, deficiencies and improvements will be rated based on a degree of criticality/priority (i.e. risk assessment).

Since 1999, the Department has utilized the WorkTech “Asset Manager” and “Work Manager” software for the management and evaluation of public works assets. This software is updated via an annual maintenance agreement. In 2012, the County retained the engineering firm of Stantec Engineering to undertake a major update to the road inventory data and develop a financial plan to operate, maintain, and replace these assets.

Similarly, the County also retained the structural consulting firm of HP Engineering to undertake a review of the major bridge structures and to provide an update with respect to the condition ratings and rehabilitation/replacement strategies. This information, including that for the major culvert structures, is also maintained in the WorkTech system.

The Development & Property and Social Services Departments are jointly responsible for the operation and maintenance of County building facilities which includes administration buildings, ambulance bases, social housing units, long-term care facilities and related infrastructure. On November 2, 2012, the County Social Services Department received notification of MIII funding for the implementation of asset management. Subsequently, both departments entered into contracts with Ameresco to provide the required software and support services to manage these capital assets.

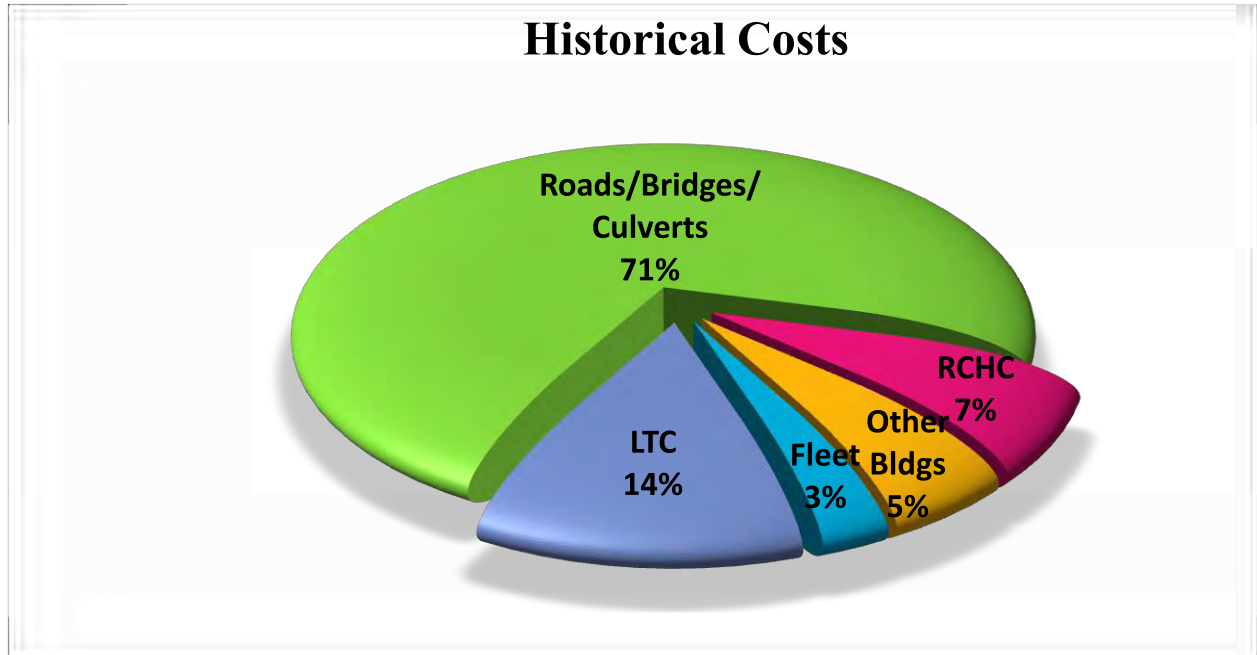


3.2 Asset Value/Replacement Values

The total historical cost of the County's assets is approximately \$404,328,000. The projected replacement value of these same assets (as of October 31, 2013) is estimated to be \$793,600,000. The replacement value was derived by indexing the historical costs by a factor of 3% annually.

Figure 4 provides a summary of the County's assets based on historical costs. It is noted that roads, culverts and bridges represent over 70% of the County's total assets.

Figure 4



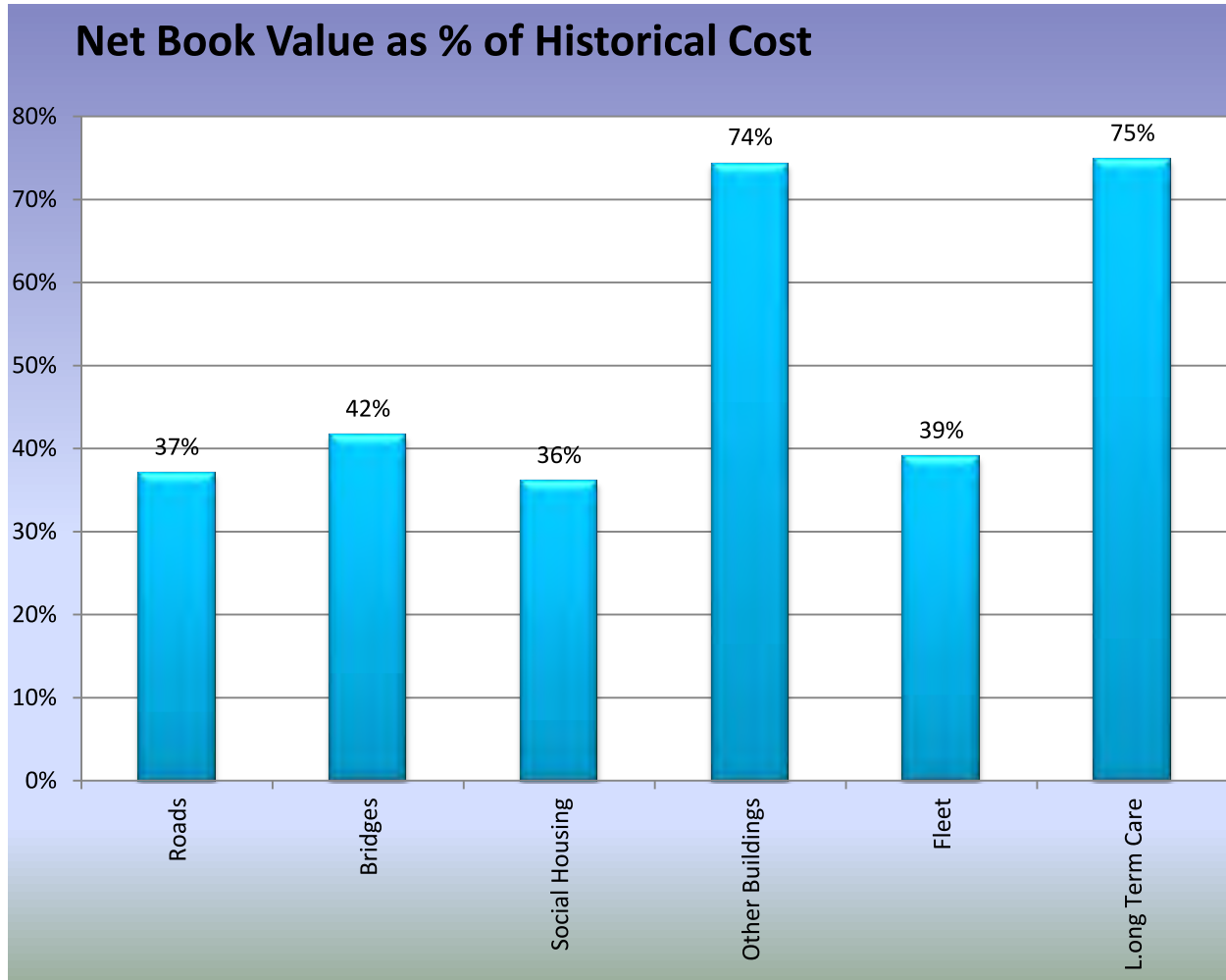
Total Historical Cost: \$404,328.05	
LTC	Long-Term Care
RCHC	Renfrew County Housing Corporation
Other Bldgs	- Includes Administration Building, Renfrew County Place, Paramedic Stations, Patrol Facilities



3.3 Age Distribution/Service Life

Figure 5 identifies, by asset category, the netbook value as a percentage of historical costs. This provides a useful overview of the remaining service life for each asset category. Generally speaking, other buildings and the two long-term care facilities still have about 75% left of their life expectancy, whereas, Renfrew County Housing Corporation has only about 36% of its remaining service life remaining. Similarly roads and bridges and fleet have approximately 39% of remaining service life.

Figure 5



Overall, the assets contained in the CAMP have a total netbook value of \$179,732,167 and a historical cost of \$391,703,141. This means that the cumulative remaining service life for the asset categories identified in this Plan is 45% of the total service life.

The netbook value is defined as the value of historical costs less the depreciation of the asset since it was acquired or constructed. While this accounting analysis provides some value in terms of estimating remaining service life of assets, it must be noted that even if assets become fully depreciated, in many instances these assets will still be able to provide a meaningful service to users.

3.4 Overall Asset Condition

The County of Renfrew has responsibility to manage more than \$794,000,000 in physical public assets. All of these assets exist for one purpose - to support either directly or indirectly, the delivery of municipal services to County stakeholders.

Table 3.4 summarizes the condition rating for buildings, fleet and transportation (Roads, Bridges & Culverts) services.

Table 3.4

Asset Condition Rating Summary

Service	2013 Status					
	Asset Replacement Value 2013 *	Overall Average Asset Condition Rating	% of Assets in Critical Condition #	% of Assets in Poor Condition	% of Assets in Fair Condition	% of Assets in Good Condition
Building	\$197,000,000	Good	1%	16%	25%	58%
Fleet	\$12,800,000	Good	4%	10%	30%	56%
Transportation	\$583,800,000	Fair	30 %	19%	24%	27%
Overall Summary	\$793,600,000	Fair to Good	12 % (\$95,232,000)	15% (\$119,040,000)	26% (\$206,336,000)	47% (\$372,992,000)



The condition ratings are defined as follows:

<p>Good - Generally approaching mid-stage of expected service life, meets current required level of service. Required maintenance costs are within acceptable standards but are increasing.</p>
<p>Fair - Signs of deterioration, some elements exhibit deficiencies. The asset is beginning to perform at a lower level than initially intended. Maintenance costs are beginning to exceed acceptable standards and are increasing. Asset is in the later stage of its expected life.</p>
<p>Poor - Approaching the latter stage of its expected service life, conditions below standard, large portion of system exhibits significant deterioration. Maintenance costs exceed acceptable standards and are increasing.</p>
<p>Now Need - Beyond expected service life and/or widespread signs of advanced deterioration. Some assets may be unusable and/or require immediate attention and/or repairs. Maintenance costs exceed acceptable standards.</p>

While the overall physical condition of the County's assets are in Fair to Good condition, it is acknowledged that continued reinvestment is essential to renew components that are in a Poor or Now Need to meet service-level standards. The CAMP relies on a risk management approach to determine the likelihood and consequence of failure in correlating the current condition of the asset to the timing type of appropriate intervention strategies.

Funding priority will be given to those asset investments that pose the highest service risk. The CAMP also recognizes the need to continue to invest in the large number of the County's assets that are in Good & Fair condition in order to optimize the life expectancy of these assets. If investment renewal strategies are delayed or deferred, these assets will deteriorate rapidly resulting in higher maintenance and rehabilitation costs as well as increased risk to stakeholders.

Managing the consequences of failure is vital. Not every asset presents the same failure risk or is equally critical to operations. It is important to establish which asset components are most critical to the delivery of required services. High risk assets will have a high likelihood of failure and a corresponding consequence if they do fail. Risk management is addressed (refer to Section 5.1 of this report) in the multiyear capital works programs and has influenced implementation priorities. Where there is a life-safety issue identified with respect to an asset, the County will exercise its due diligence to mitigate the asset risk.



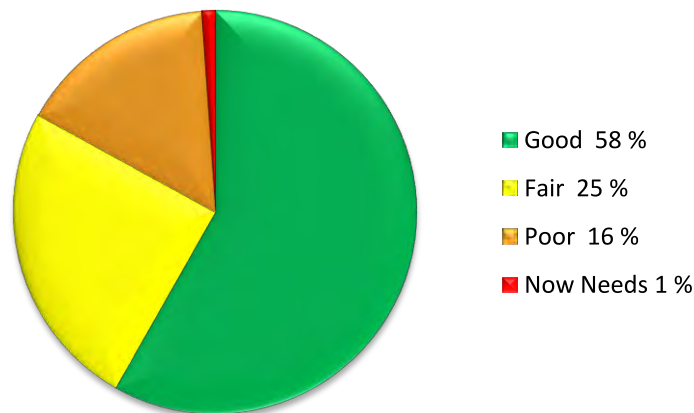
3.4.1 Buildings

The County’s asset management program has been designed to ensure the effective maintenance of County properties and buildings in order to meet and/or exceed legislative and regulatory obligations. Staff proposes to actively monitor and maintain the building components and equipment to ensure they meet their useful life expectations through diligent condition updates activities and “just-in-time” intervention strategies.

Figure 6 provides a summary condition rating for all 49 County building facilities, including the building assets of the Renfrew County Housing Corporation, a separate corporate entity. It is noted that over 80% of these buildings are in Good-Fair condition. The estimated cost to bring these assets up to a Good condition is \$23.8 million.

Figure 6

OVERALL BUILDING FACILITY CONDITION RATING



49 Sites:

Original Purchase Value -	\$107,200,000
2013 Value -	\$197,000,000
Cost to get to Good Condition -	\$ 23,815,000

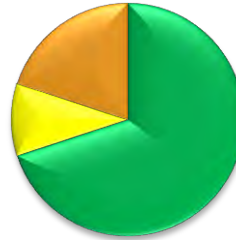
The building inventory comprises:

1. Development & Property: 3 sites (Renfrew County Place, County Administration Building, 80 McGonigal Street)
2. Public Works & Engineering: 3 sites
3. Emergency Services: 4 paramedic stations
4. Renfrew County Housing Corporation: 35 sites
5. Long-Term Care Facilities: 2 sites (Miramichi Lodge, Bonnechere Manor)



The individual facility conditional ratings are summarized as follows:

DEVELOPMENT & PROPERTY

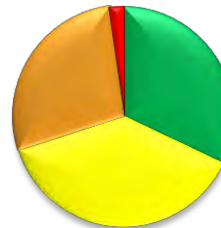


■ Good 70%
■ Fair 10%
■ Poor 20%
■ Now Needs 0%

3 SITES

Original Purchase Value -	\$ 18,000,000
2013 Value -	\$ 25,200,000
Cost to get to Good Condition -	\$ 800,000

PUBLIC WORKS & ENGINEERING



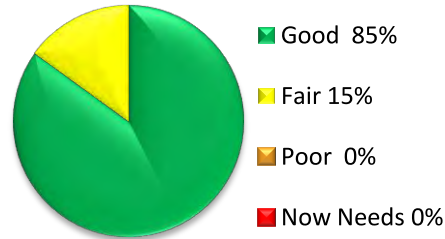
■ Good 32%
■ Fair 38%
■ Poor 28%
■ Now Needs 2%

5 SITES

Original Purchase Value -	\$ 1,900,000
2013 Value -	\$ 6,000,000
Cost to get to Good Condition -	\$ 1,000,000



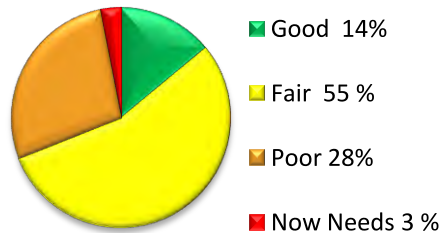
EMERGENCY SERVICES



4 SITES

Original Purchase Value -	\$ 2,600,000
2013 Value -	\$ 3,200,000
Cost to get to Good Condition -	\$ 15,000

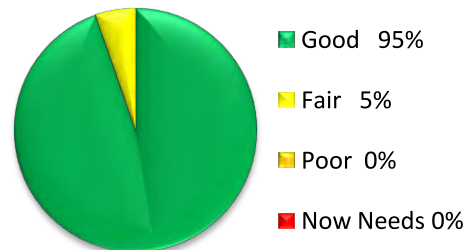
RENFREW COUNTY HOUSING CORPORATION



35 SITES

Original Purchase Value -	\$ 29,700,000
2013 Value PSAB -	\$ 79,500,000
Cost to get to Good Condition -	\$ 21,000,000

LONG-TERM CARE FACILITIES



2 SITES

Original Purchase Value -	\$ 55,000,000
2013 Value -	\$ 83,000,000



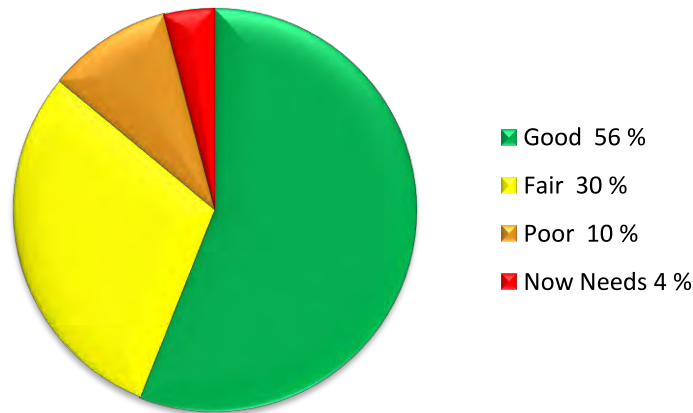
3.4.2 Fleet

Fleet and equipment assets are an integral component in the County’s ability to respond to the needs of the community and provide the levels of service that are both expected by our stakeholders and mandated by legislation. The maintenance and replacement of the County’s fixed assets rely on the availability, proper and timely replacement of the various vehicles and equipment assets owned by the County. Generally, vehicles and equipment are replaced as required based on an assessment of operating and maintenance costs and service life expectancy. The life expectancy of the County’s fleet assets varies from four (4) years to twenty (20) years, depending on the class of asset. The current ages of the fleet vehicles and equipment range from new (i.e. less than one (1) year of service) to twenty–nine (29) years. Approximately 60% of the fleet and equipment assets are considered to be in Good condition.

The following charts provide a summary of the overall condition rating for the County’s fleet as well as condition assessments by Department.

Figure 7

OVERALL FLEET CONDITION RATING



126 units:

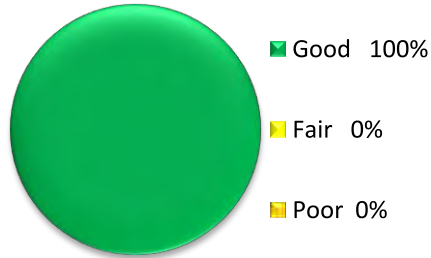
Original Purchase Value -	\$11,800,000
2013 Value -	\$12,800,000
Cost to get to Good Condition -	\$ 5,600,000





STATE OF INFRASTRUCTURE

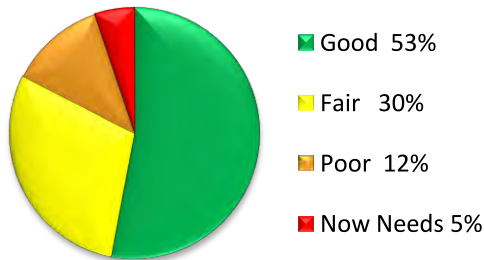
DEVELOPMENT & PROPERTY



3 UNITS

Original Purchase Value -	\$187,000
2013 Value -	\$157,500

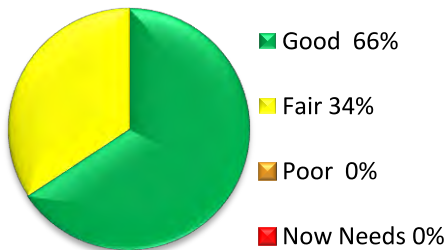
PUBLIC WORKS & ENGINEERING



80 UNITS

Original Purchase Value -	\$ 8,100,000
2013 Value -	\$ 8,900,000
Cost to get to Good Condition -	\$ 4,200,000

EMERGENCY SERVICES

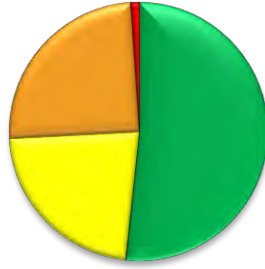


26 UNITS

Original Purchase Value -	\$ 3,100,000
2013 Value -	\$ 3,300,000
Cost to get to Good Condition -	\$ 1,100,000



RENFREW COUNTY HOUSING CORPORATION



- Good 52%
- Fair 22 %
- Poor 25%
- Now Needs 1 %

8 UNITS

Original Purchase Value -	\$ 329,000
2013 Value -	\$ 423,600
Cost to get to Good Condition -	\$ 265,000



3.4.3 Transportation

The County of Renfrew's transportation system has the highest replacement value of any County asset. It consists of a road network and structures that provide the primary physical linkage between various communities within the County. The transportation system must provide a safe, efficient, consistent and reliable transportation system.

The system consists of 815 km of arterial and collector roadways and 251 major bridge and culvert structures. The County has jurisdictional control over all major bridges and culverts with a span of three metres (3.0 m) or greater - many of which are located on local roads under the jurisdiction of lower-tier municipalities.

Transportation system assets are to be maintained in a safe condition. As many of the assets are reaching the end of their reasonable service lives, an elevated level of maintenance is required to maintain safe conditions. Approximately 79% of the roadways and 57% of the bridge and culvert structures need some form of capital investment to bring them to a Good condition.

Renewal investments will continue to be directed to those assets with the highest usage or risk to users. Generally, this translates into a greater emphasis/need on higher volume or arterial roads. Similarly, bridges with higher usage or risk of failure will receive a higher priority ranking for intervention works.

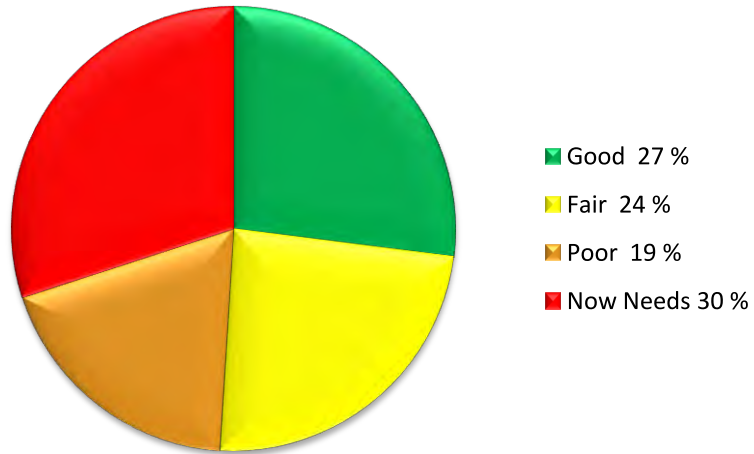
The County's transportation network continues to experience funding pressures due to increasing service level expectations in the more urban centers. Active transportation is one such example.

The charts below identify a summary condition assessment for transportation infrastructure, as well as individual condition assessments for roads, bridges and culverts.



Figure 8

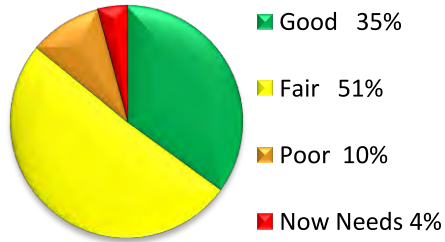
OVERALL TRANSPORTATION CONDITION RATING



699 Assets:

2013 Value -	\$583,800,000
Cost to get to Good Condition -	\$220,900,000

BRIDGES

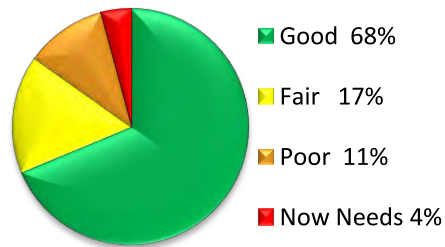


74 BRIDGES

2013 Value -	\$102,971,310
Cost to get to Good Condition -	\$ 29,500,000



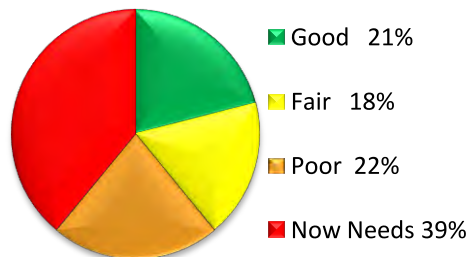
CULVERTS



177 CULVERTS

2013 Value - \$ 44,032,879
 Cost to get to Good Condition - \$ 20,100,000

ROADS



815 KM (448 Sections)

2013 Value - \$436,779,705
 Cost to get to Good Condition - \$ 171,400,000

The above condition ratings clearly support the position that the County's road network is in most need of rehabilitation. Over 60% of the road system is in either a Poor or Now Need condition rating.



3.5 Data Verification/Condition Assessments

Multiyear capital works plans are included in the CAMP and have been developed for a minimum 10-year timeframe. Asset condition updates will be undertaken as follows:

- Roads - every five years
- Bridges - every two years as per provincial legislation
- Buildings - every five years
- Fleet - every two years

Approved capital plans for each asset category will be assessed as part of the annual budget deliberation process, taking into consideration amended strategic goals, identified financing strategies and relevant condition updates. The County will also regularly update the asset database information with respect to the characteristics, value and condition of County assets.

4.0 LEVELS OF SERVICE

The establishment of levels of service for each asset category was a key component in the asset management process. The review of levels of service considered mandated (i.e. legislated) requirements and service-level expectations from asset users. It was acknowledged that establishing higher levels of service would increase financing needs, just as lower levels of service could result in unacceptable service standards for County ratepayers.

Every effort was made to develop the levels of service in a consistent manner. To that end, the levels of service for each asset category are broken down into three mandatory headings: legislative compliance, safety considerations and asset condition. For certain assets (e.g. roads and bridges), other factors were identified in the determination of the asset's level of service.

Historically, the Ontario Ministry of Transportation promoted an overall system adequacy of 75% for County road networks. The most recent evaluation of the County's road system indicated that 42% of the system has a "now" deficiency rating. Restated, the system's adequacy is 58%.

For the Public Works infrastructure, levels of service are currently established based on minimum maintenance standards. The level of service standards for the evaluation of roadway and structural asset conditions are based on industry standards. The County has not adopted specific performance measures related to the condition or performance of the linear roadway assets. The bridge and culvert structures are reviewed biannually in accordance with legislation and load posted as appropriate.

In the development of the asset management plan, consideration was given to reducing standards or system demands as a means of minimizing the cost of intervention strategies. As an example, reduced speed limits and seasonable load restrictions will be adopted to reduce capital funding



demands. Similarly, the use or occupancy of existing buildings could be reviewed and rationalized based on need or demand. This could anticipate partnering with other facility owners or leasing of suitable space from the private sector as a means of achieving the required level of service.

4.1 Mandated Levels of Service

There are a number of legislative requirements such as codes, standards, etc. that must be adhered to by a municipality. The most prevalent regulations that were identified in the development of CAMP are listed below:

- Ontario building code
- Ontario Fire Code
- Minimum Maintenance Standards
- Housing Services Act
- Residential Tenancies Act
- Accessibility for Ontarians with Disability Act
- LTC Homes Act 2007
- Highway Traffic Act
- Municipal Act
- Canadian Highway Bridge Design Code
- Highway Traffic Act
- Ambulance Act

These regulations have been acknowledged in the development of asset levels of service.

4.2 Recommended Service Levels

The recommended levels of service by asset category can be found in the following appendices:

Appendix A - Buildings

Appendix B - Social Housing

Appendix C - Long-Term Care Facilities (Bonnehocher Manor/Miramichi Lodge)

Appendix D - Roads

Appendix E - Bridges

Appendix F - Major Culverts

Appendix G - Fleet/Equipment (includes Paramedic vehicles).

A standard template was used to summarize the levels of service for each asset category. The following provides a brief overview of several terminologies found in this template.



Level of Service Objectives - this column identifies the areas that will be assessed in the determination of a level of service for an asset. For example, for the long-term care facilities, compliance with applicable legislation, achieving safety expectations of stakeholders and providing acceptable asset condition will be considered in the development of levels of service.

Levels of Service Components - this column provides a breakdown of the components that will be considered for each Level of Service Objective. As an example, for roads the Level of Service Objective, asset condition, is assessed in terms of paving condition and overall system adequacy, etc.

Performance Measure - identifies, in measurable terms, how levels of service are to be evaluated.

Existing/Recommended Level of Service - quantifies both the existing level of service and that recommended for the development of the multiyear capital programs.

Risk - identifies the level of risk (extreme, high, medium, or low) in the event that the recommended level of service is not achieved.

5.0 ASSET MANAGEMENT STRATEGY

This is a critical component of the County's asset management plan. It identifies the actions that will enable the assets to meet expected levels of service in a sustainable fashion. Risk management (refer to Section 5.1) was a key consideration in assessing maintenance and capital priorities. The CAMP has identified sustainable funding strategies over the long-term to ensure that sufficient monies are available to meet expected/targeted levels of service. The funding strategy may be influenced by future federal/provincial funding programs as they become available from time to time.

Asset funding requirements should be all-inclusive and include costs associated with the operation, rehabilitation, disposal and replacement of an asset at the optimum time with the objective of achieving the lowest lifecycle cost.

The multiyear asset programs identified in attached Appendixes reflect the development of intervention option analyses based on a comparison of lifecycle costs (i.e. the total cost of constructing, maintaining, renewing and operating asset through its service life). Costs have, as well, been developed taking into consideration inflationary trends.

To date, the County's asset management plans have been developed based on an "available funding" model. Although efforts have been made to develop a comprehensive and sustainable plan for the management of assets, funding limitations have resulted in the continued decrease in the overall condition of County infrastructure. The County continues to utilize procurement strategies which involve partnering with local municipalities on local project work, innovative tendering and flexible work programs to optimize available funding. The County has also been successful in several infrastructure initiatives which have allowed partnering with other levels of government.



The CAMP has utilized level of service standards as a benchmark for the maintenance and rehabilitation of the County's assets. The asset management strategy considered planned actions with a view to optimizing available funding. The asset management strategy will assist the County in identifying suitable and sustainable funding levels for all capital programs. The strategy has also included the establishment of regular and cost effective maintenance programs, opportunities for renewal and rehabilitation of assets and a program for the replacement of capital assets as appropriate. These programs have been established considering industry standards in combination with local experience and the desired levels of service.

5.1 Risk Management

In order to assess the risks and impacts of failure associated with an asset, the County has undertaken an assessment of risk in order to develop a prioritized multiyear capital works programs.

The impact of an asset failure was determined based on the following formula:

$$\text{Risk of Failure} = \text{Probability of Failure} \times \text{Consequence of Failure}$$

The current condition of the County's assets was utilized to determine the probability of failure. A risk assessment has been undertaken for each asset and is reflected in the individual multiyear capital works programs. This assessment was instrumental in prioritizing the timing and type of maintenance and capital work interventions.

Consequence of failure has been determined by examining each asset type separately. Consequence refers to the impact on the County if a particular asset were to fail. Types of impacts include the following:

- **Safety:** potential for injury or death to persons
- **Cost impacts:** the cost of failure to the County (i.e. capital replacement, rehabilitation, fines and penalties, damages, etc.)
- **Levels of Service:** the impact of the asset failure on the County's ability to provide services at desired levels of service
- **Environmental impacts:** the impact of the asset failure on the environment
- **Location impact:** the varying impact of asset failure based on the asset's location within the town.

Each type of impact was discussed and evaluated with the consequence of failure for each asset type was then determined by using the information contained in Table 5-1 as a guide to assess the level of impact. Levels of impact were documented as ranging from "catastrophic" to "insignificant".

With both probability of failure and consequence of failure documented, total risk of asset failure was determined using the matrix contained in Table 5-2. Total risk has been classified under the following categories:



- Extreme Risk (E) : risk well beyond acceptable levels;
- High Risk (H): risk beyond acceptable levels;
- Medium Risk (M): risk at acceptable levels, monitoring required to ensure risk does not become high; and
- Low Risk (L): risk at or below acceptable levels.

In order to assess the risk of failure and its consequence for each asset, staff utilized the following matrix:

**Table 5-1
Consequence of Failure Matrix**

Consequence of Failure	Safety	Cost	Levels of Service	Environmental
Insignificant	No Injury	Negligible or insignificant Cost	No Interruptions	No Impact
Minor	Minor Injury	Small/Minor Cost- within Budget Allocations	Minor Interruptions	Short-term/Minor Impact- Fixable
Moderate	Moderate Injury	Considerable Cost- Requires revisions to Budget	Moderate Interruptions	Medium-term Impact- Fixable
Major	Major Injury	Substantial Cost- Multi-year Budget Impacts	Significant Interruptions	Long-term Impact- Fixable
Catastrophic	Death, Serious Injury	Significant Cost- Difficult to Recover	Major Interruptions	Long-term Impact- Permanent



**Table 5-2
Total Risk of Asset Failure Matrix**

Probability of Failure	Consequence of Failure				
	Insignificant	Minor	Moderate	Major	Catastrophic
Rare	L	L	M	M	H
Unlikely	L	M	M	M	H
Possible	L	M	M	H	E
Likely	M	M	H	H	E
Almost Certain	M	H	H	E	E

A risk assessment was completed for each project based on its current condition rating. These assessments were rated as high, medium or low risk as appropriate. The individual project assessments are found in the multiyear capital programs.

Risk levels can be reduced or mitigated through planned maintenance, rehabilitation and/or replacement. An objective of this asset management plan is to reduce risk levels where they are deemed to be too high, as well as ensure assets are maintained in a way that maintains risk at acceptable levels.



6.0 FINANCING STRATEGY

10-Year Capital Plan

County staff identified the capital needs for the organization over the next 10 years (Appendix H). These targets were arrived at after carefully considering current replacement values, asset condition, year of expected asset replacement, the level of service expected from each asset category and the risk to the organization based on the probability of asset failure. The current replacement cost (2014 values) of this capital needs study totals \$188,019,185.

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	All Priority
County Admin Building	75,000	300,000	260,000	155,380	236,464	76,425	25,000	-	88,163	70,000	1,286,433
Renfrew County Place	-	-	-	60,000	20,000	-	306,009	-	-	20,000	406,009
80 McGonigal	10,000	-	-	-	-	-	-	-	-	-	10,000
Miramichi Lodge	345,000	454,457	250,000	280,000	146,000	493,875	364,000	396,990	361,500	342,465	3,434,287
Bonnechere Manor	455,930	353,978	498,852	256,085	222,280	470,275	40,380	130,460	55,320	560,495	3,044,054
Arnprior Paramedic Base	8,500	-	-	-	-	8,500	-	-	-	-	17,000
Barry's Bay Paramedic Base	8,500	-	-	-	-	8,500	-	-	-	-	17,000
Petawawa Paramedic Base	18,500	-	-	-	-	-	8,500	-	-	-	27,000
Deep River Paramedic Base	-	-	-	-	8,500	-	-	-	-	-	8,500
Cobden Patrol	7,000	-	30,000	-	8,000	16,000	2,000	45,000	-	60,000	168,000
Goshen Patrol	-	30,000	60,000	60,000	-	20,000	43,594	-	-	-	213,594
Pembroke Patrol	30,000	-	-	-	-	-	-	40,625	-	60,000	130,625
Calabogie Patrol	-	-	-	-	-	-	-	-	-	40,625	40,625
Palmer Patrol	-	-	-	-	-	-	-	-	-	40,625	40,625
RCHC	1,819,700	1,366,650	1,179,700	1,339,800	1,991,429	1,638,386	1,562,800	2,175,805	3,861,083	2,513,738	19,449,091
Fleet - Light Duty	160,000	100,000	160,000	120,000	190,000	160,000	190,000	160,000	100,000	160,000	1,500,000
Fleet - Medium Duty	-	-	-	-	-	240,000	240,000	-	-	-	480,000
Fleet - Heavy Duty	750,000	750,000	750,000	250,000	-	250,000	500,000	250,000	-	-	3,500,000
Fleet - Tractors	8,000	33,000	185,000	45,000	85,000	15,000	-	130,000	8,000	20,000	529,000
Fleet - Backhoe / Loader	-	-	-	-	-	-	135,000	-	-	-	135,000
Fleet - Graders	-	200,000	-	-	-	-	-	-	-	-	200,000
Fleet - Trailers	40,000	20,000	40,000	-	40,000	-	-	10,000	-	40,000	190,000
Fleet - EMS	350,000	875,000	1,100,000	1,225,000	425,000	350,000	875,000	1,100,000	1,225,000	425,000	7,950,000
Roads	6,161,321	6,463,419	10,237,063	10,502,602	10,630,716	11,258,529	12,603,912	12,746,935	12,778,392	12,708,044	106,090,933
Culverts	1,546,894	1,747,128	1,912,597	1,621,582	1,619,135	1,438,540	1,343,428	1,668,310	1,286,573	1,580,967	15,765,154
Bridges	3,700,000	5,664,400	1,833,200	1,940,000	1,586,000	1,746,400	1,723,600	1,651,200	1,710,800	1,871,280	23,426,880
Totals	15,494,345	18,358,032	18,496,411	17,855,449	17,208,524	18,190,430	19,963,223	20,505,326	21,474,832	20,472,614	188,019,185

This 10 year plan is based upon County responsibilities at the present time and does not include any speculation based on increased program responsibilities in the future, not does this plan include additional revenues from senior levels of government that have not been announced to date. In addition, the initial asset management plan excluded major equipment items. However, the net book value of all County equipment is similar to the value of County vehicles, and therefore the long term financial plan includes an annual contribution of \$600,000 to cover the replacement of all major equipment items.

Assumptions

The results of long range financial projections are very dependent on the assumptions used to create the plan. The following assumptions form part of our base plan:

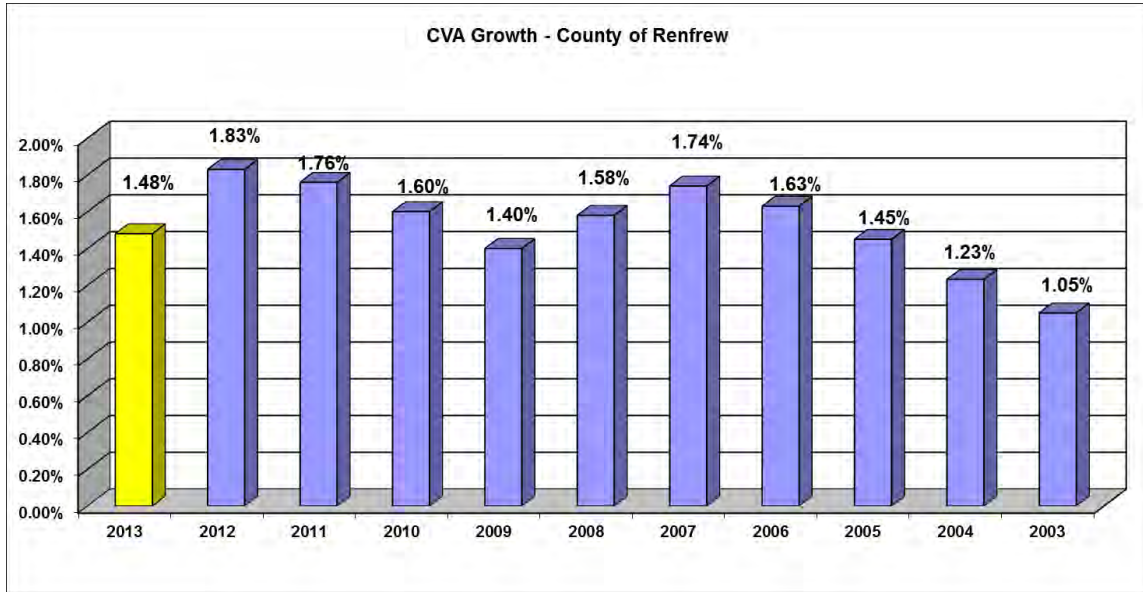
Level of capital investment – In 2014, the County of Renfrew invested \$11,027,153 in capital related activities. This includes \$1,716,258 in debt servicing costs, \$1,910,021 in transfer to capital reserves and \$7,400,874 in direct capital purchases or construction costs. This 2014 level of capital investment forms the starting point for building the long term financial plan.



Provincial / Federal Revenue – The Federal Gas Tax Programs forms the only other source of stable, predictable senior government funding available to assist with capital renewal plans. In 2014, Federal Gas Tax funding was \$2,505,628.

Reserves – At December 31, 2014 the anticipated capital reserve budget balance will be \$10,030,695. The base financing plan assumes that the capital reserve balance will not fall below \$10,000,000. Historically, many Federal and Provincial capital subsidy programs require a cost sharing arrangement with the municipality. Without this base level of reserve funds, the County of Renfrew may not be in a position to leverage senior government capital subsidies.

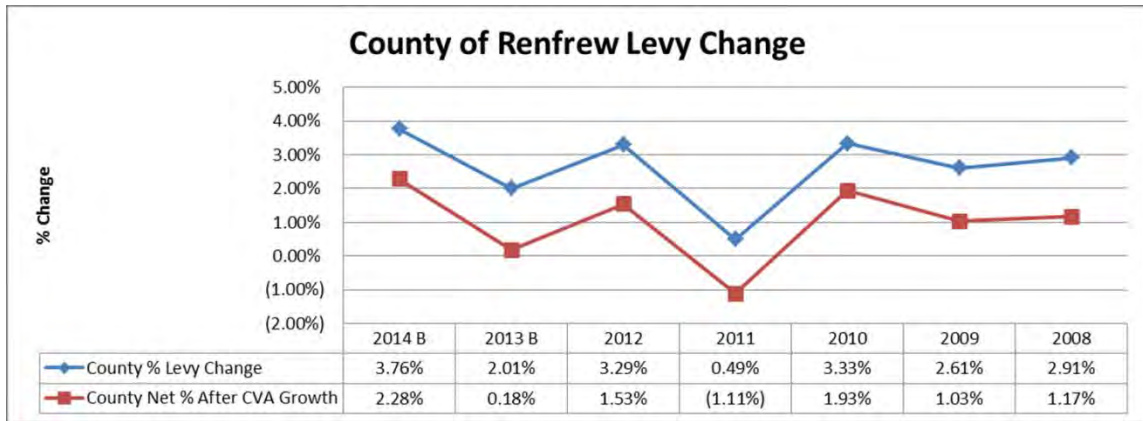
Weighted Current Value Assessment (CVA) – Historically, County wide weighted CVA growth has averaged 1.52%. In 2014, weighted CVA growth was 1.48% and this was used as the target for the base long term financial plan.



Interest Income – The County is a member of the Renfrew Area Administrators Group (RAAG) and as a result, enjoys a favourable return on the daily balance held in our operating accounts. The agreement guarantees a return at bank prime lending rates less 1.55%. We anticipate bank prime to remain at it’s current level of 3.0% therefore our interest earned on our capital reserve balance is expected at 1.45%.

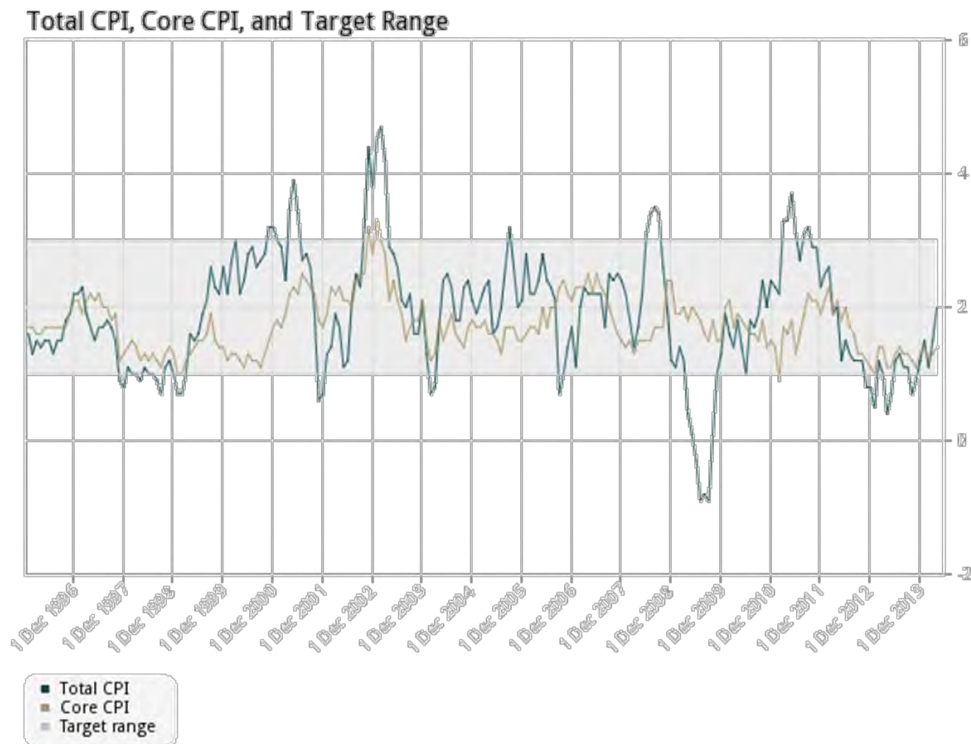
County Levy Target – Council has restricted the increase in the County levy to an average of only 1.0014% over the last seven years, excluding weighted CVA growth. However, in 2014 Council approved a levy increase of 2.28% and this forms the target levy increase for the next 10 years.





Interest Income – The County is a member of the Renfrew Area Administrators Group (RAAG) and as a result, enjoys a favourable return on the daily balance held in our operating accounts. The agreement guarantees a return at bank prime lending rates less 1.55%. We anticipate bank prime to remain at its current level of 3.0% therefore our interest earned on our capital reserve balance is expected at 1.45%.

Inflation - The Bank of Canada’s target range for inflation is 1 to 3 percent with the monetary policy aimed at the 2% target midpoint. Staff assumed this level of inflation for the purpose of the long term plan. Historically, the actual inflation rate has aligned very closely with Bank of Canada monetary policy.



Interest on New Debt – Our long term financial plan anticipates borrowing from the Infrastructure Ontario loan program for municipalities at 3% over a 10 year term.

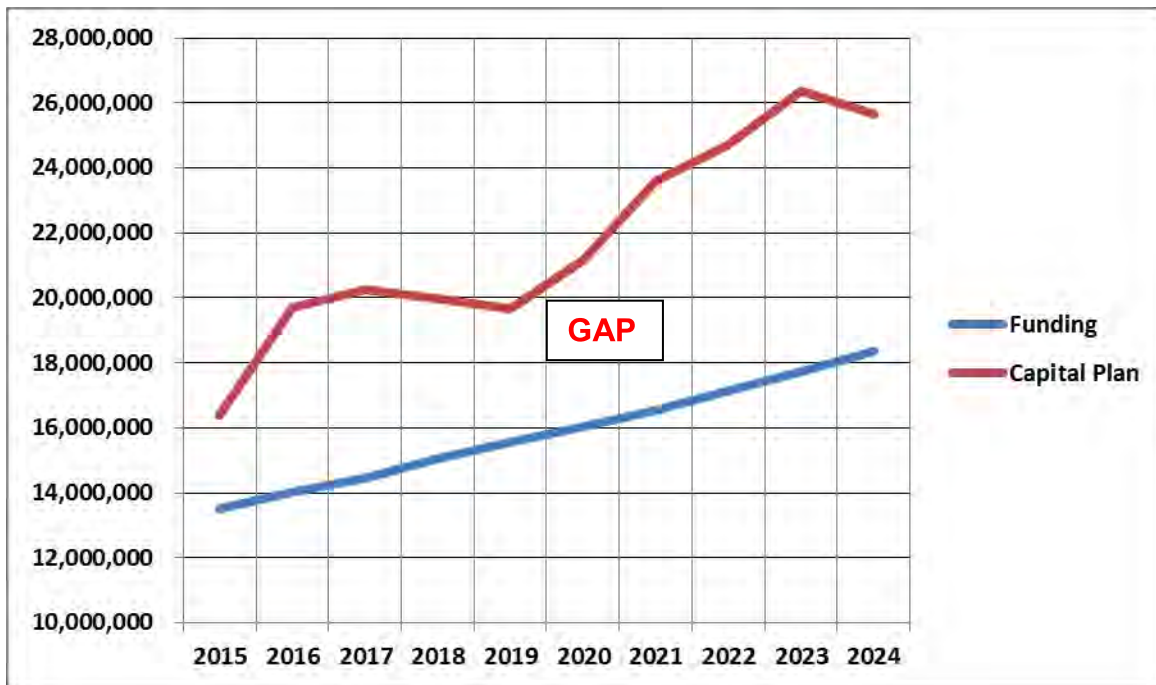


Equipment – The original asset management program did not consider machinery and equipment. However, the value of this asset category at December 31, 2013 was \$8.5 million, almost equal to the value of our fleet program at \$11.3 million. Staff decided that the creation of a long term financial plan would not be complete unless it also provided for the replacement of equipment items in addition to the existing categories of buildings, fleet, roads, bridges and culverts. Therefore, the base long term financial plan provides for \$600,000 of equipment renewal annually.

Gap Analysis

The full value of the 10 year County of Renfrew capital plan (\$188,019,185) must be adjusted to include the annual \$600,000 purchase of major equipment items and the impact of 2% inflation compounded on an annual basis. The revised cost of the 10 year County of Renfrew capital plan is \$217,491,736.

The financial model, based on the assumptions reviewed in the preceding section, anticipates a funding shortfall or funding gap of \$59,081,815.



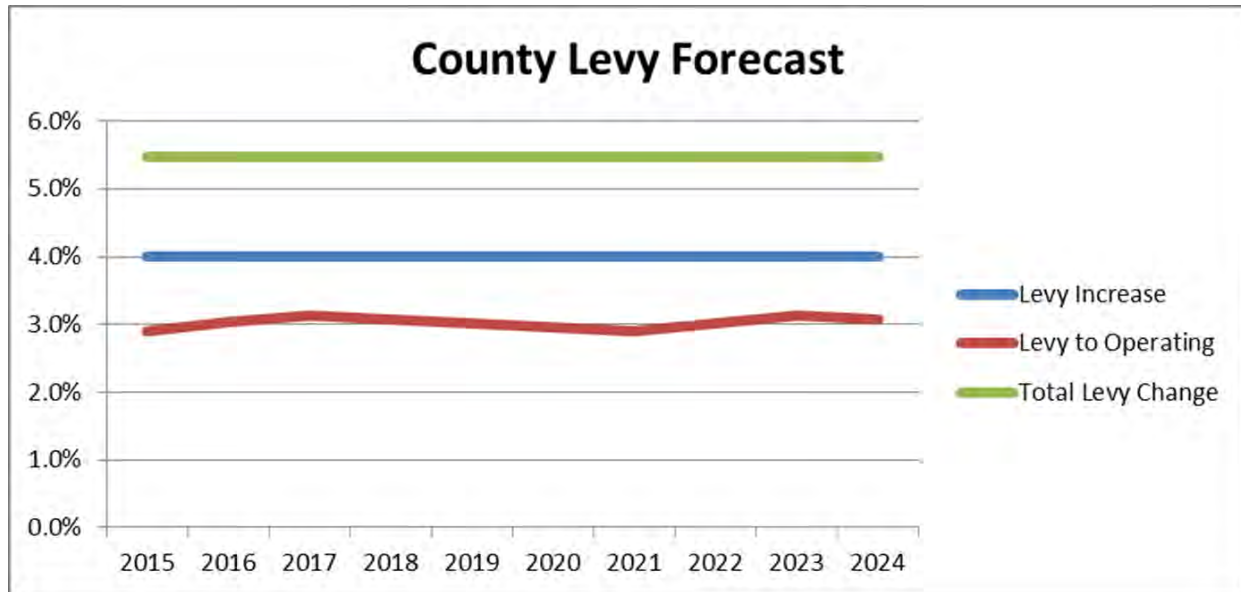
Strategies to Deal With the Funding Gap

In the absence of significant, predictable and stable Provincial and or Federal infrastructure funding, County staff are recommending that Council consider the following plan (Appendix H). It should be noted that although Council has received a presentation of this long term financial plan, Council has not endorsed or accepted or approved the plan. County staff anticipate that Council will provide direction early in 2015.

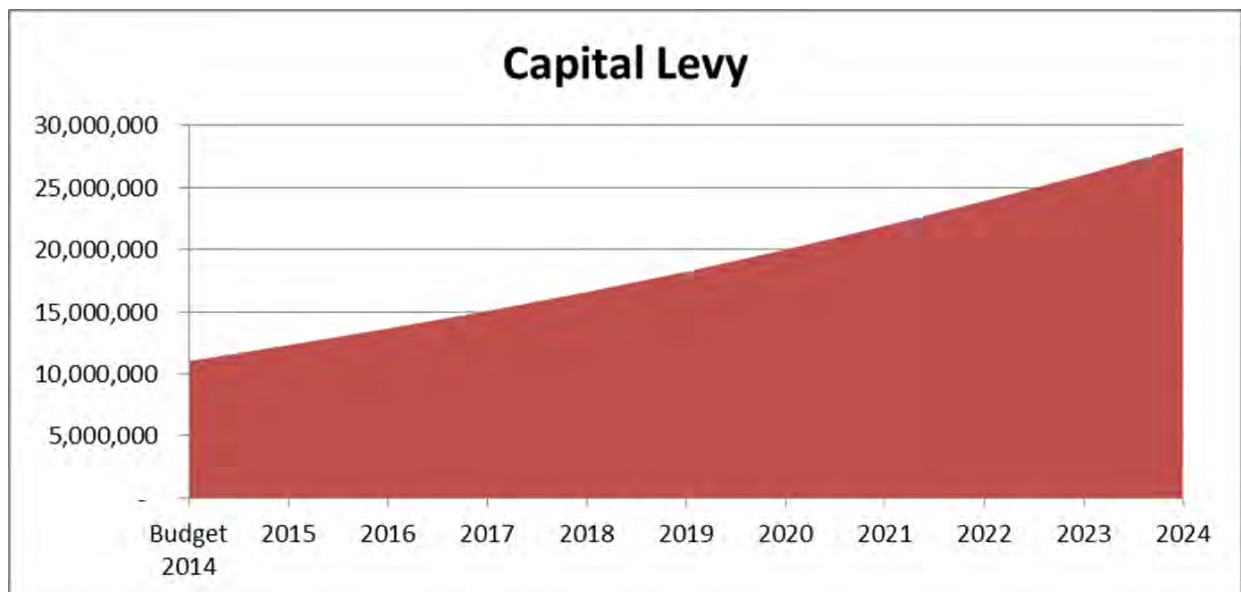
The optimal long term financial plan provides funding for all assets found in the 10 year capital plan and does not restrict any of these projects based on risk assessment (low, medium, high or extreme). The plan suggests that the County of Renfrew levy be increased at 4% per year in **addition to our anticipated**



CVA weighted annual growth of 1.48%. The County levy, however, will be restricted with respect to operating expenses at a 3% increase over the prior year.

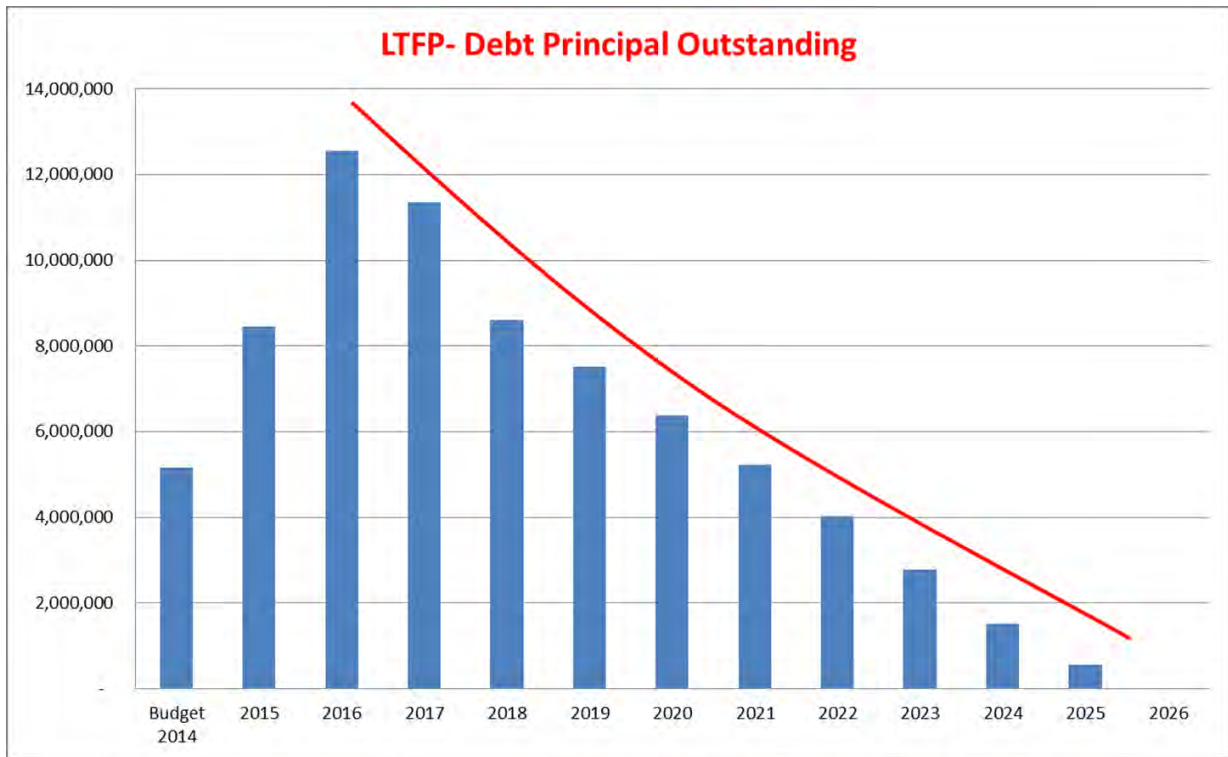


The combination of 4% total County levy increase, the restriction in the use of that levy to only 3% per year for operating expenses, and the utilization of the CVA weighted annual growth of 1.48%, allows the levy dollars designated for capital to increase from the current (2014) level of \$11,027,153 to \$28,252,411 in 2024.

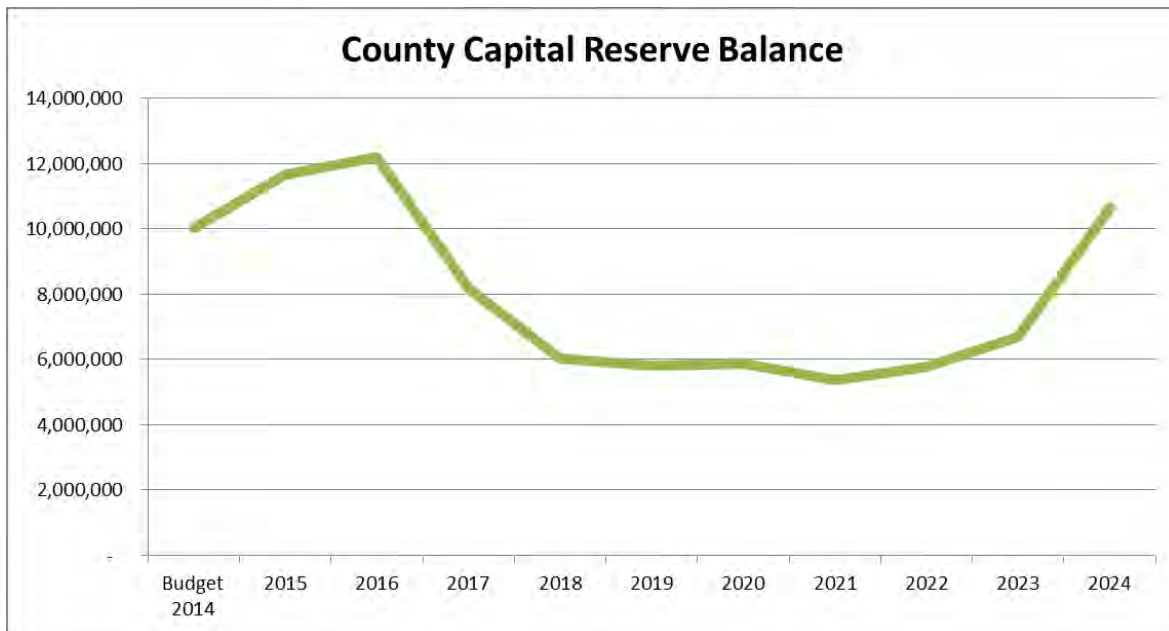


This optimal plan also utilizes debt, but only for individual projects in excess of \$3 million. New debt would be issued in 2015 (\$3,700,000) and in 2016 (\$4,864,400). The principal portion of total County debt would not exceed \$12,558,041 at its highest level and would be repaid fully in 2026.





This plan would place a significant drain on capital reserves. Our reserve position would fall from its current level (2014) of \$10,030,695 to a low point of \$5,373,163



APPENDICES
&
LEVELS OF SERVICE

Level of Service (LOS) Analysis

County Buildings

Appendix 'A'

Level of Service Objectives	Level of Service Components	Performance Measure	Existing LOS	Recommended LOS	Risk	Comments
Legislative Compliance	Ontario Building Code	Compliance with the Code	100 %	100%	High	Monitor Compliance through audits and inspection programs.
	Accessibility for Ontarians with Disability Act	Compliance with the Act	100 %	100 %	High	
	Ontario Fire Code	Compliance with the Code	100 %	100 %	High	
Safety	OH & S Act	Compliance with the Act	100 %	100 %	High	Monitor Compliance through audits and inspection programs
Asset Condition	Building & System Components in Good Condition	Admin Buildings	70 %	80%	Med-High	Monitor Compliance through audits and inspection programs
		Paramedic Facilities	85%	85%		
		Public Works Yards	32%	50%		

Assumptions:

- Annual Operational Budgets are maintained and sustained by cost of living increases
- Capital funding is maintained and sustained as per the Asset Management Forecast
- No major changes in the relevant Acts in terms of compliance
- Operational Compliance with the following building systems is maintained – Foundation; Facility Superstructure; Building Envelope; Roofing System; Mechanical Systems; Electrical Systems; Life Safety Systems; and the Specialties as required by the paramedics and Public Works yards

**Level of Service (LOS) Analysis
Renfrew County Housing Corporation – Social Housing**

Level of Service Objectives	Level of Service Components	Performance Measures	Existing LOS	Recommended LOS	Risk	Comments
Legislative Compliance	Housing Services Act 2011	Compliance with Act	100%	100%	High	Monitor compliance through action/audits and inspection programs
	Residential Tenancies Act2006	Compliance with Act	100%	100%	High	
	Ontario Building Code	Compliance with Code	100%	100%	High	
	Ontario Fire Code	Compliance with Code	100%	100%	High	
Safety	Ontario Health & Safety Act	Compliance with Act	100%	100%	High	Monitor compliance through training, audits and inspection programs
Asset Condition	Buildings and System Components	Renfrew County Housing Corporation Units Building Condition Assessments	69%	75%	Medium/High	Repairs/Maintenance performed based on annual operating plan/budget

Assumptions:

- Annual Operational Budgets are maintained and sustained by cost of living increases.
- Capital funding is maintained and sustained as per the Asset Management Forecast.
- No major changes in the relevant Acts in terms of compliance.
- Operational Compliance with the following building systems is maintained – Foundation; Facility Superstructure; Building Envelope; Roofing System; Mechanical Systems; Electrical Systems; Plumbing Systems; and Life Support and Safety Systems.

Note:

The overview of the Levels of Service is as per the following:

RENFREW COUNTY HOUSING CORPORATION ASSET	CURRENT PERFORMANCE	DESIRED LEVEL OF SERVICE	EXPECTED PERFORMANCE OVER THE NEXT 10 YEARS
Housing/Unit Structure	Fair/Good	Good	Increase current level

The following scale was used to assess Renfrew County Housing Corporation assets:

	State of Asset
Good – Generally approaching mid-stage of expected service live.	14%
Fair – Signs of deterioration, some elements exhibit deficiencies.	55%
Poor – Approaching end of service life, conditions below standard, large portion of system exhibits significant deterioration.	28%
Now Needs – Beyond expected service life and/or widespread signs of advanced deterioration and/or some assets may be unusable and/or requires immediate attentions and/or repairs.	3%

**County of Renfrew
Levels of Service Analysis
Long Term Care Homes**

Level of Service Objectives	Level of Service Components	Performance Measure	Existing LOS	Recommended LOS	Risk	Comments
Legislative Compliance	LTC Homes Act 2007	Compliance with the Act	100%	100%	High	Monitor Compliance through audits and inspection program. Annual costs would be as per 10 year forecast of Asset Management Program
	Ontario Regulation 79 - 10	Compliance with the Regulation	100%	100%		
Safety	OH&S Act Ontario Fire Code Building Code	Compliance with the Act	100%	100%	High	Monitor Compliance through audits and inspection program. Annual costs would be as per 10 year forecast of Asset Management Program
Asset Condition	Building & System Components	Operational Compliance	100%	100%	Low	Monitor Compliance through audits and inspection program. Annual costs would be as per 10 year forecast of Asset Management Program

Assumptions:

- Annual Operational Budgets are maintained and sustained by cost of living increases
- Capital funding is maintained and sustained as per the Asset Management Forecast
- No major changes in the relevant Acts in terms of compliance
- Operational Compliance with the following building systems is maintained – Foundation; Facility Superstructure; Building Envelope; Roofing System; Mechanical Systems; Electrical Systems; Life Safety Systems; and the Specialties as required by Long-Term Care

Note:

The overview of the Levels of Service for the two long-term care homes can be simply stated as per the following:

COUNTY ASSET	CURRENT PERFORMANCE	DESIRED LEVEL OF SERVICE	EXPECTED PERFORMANCE OVER THE NEXT 10 YEARS
Bonnechere Manor	Good	Good	Maintain Current Level
Miramichi Lodge	Good	Good	Maintain Current Level

Level of Service (LOS) Analysis

Appendix 'D'

Roads

Level of Service Objectives	Level of Service Components	Performance Measure	Existing LOS	Recommended LOS (Long-Range)	Risk	Comments
Legislative Compliance	Highway Traffic Act, Municipal Act	Compliance with Acts and Regulations.	100%	100%	High	Roads to be maintained in safe condition, minimum maintenance standards.
Safety	Compliance with industry standards (TAC, OPS, Minimum Maintenance Standards)	Regular patrols, Annual inspections, documentation of conditions and actions.	100%	100%	High	Regular inspection program to track any deterioration of conditions, safety and warning signs, and mitigation measures.
Asset Condition	Roads can be maintained in safe conditions	Roads are open and available for normal use.	100%	100%	High	Ensure public access, Emergency response and service continuity.
	County Roads without seasonal load posting	% km of roads without seasonal load restrictions.	40%	50% (75%)	Medium	Long term objective to remove spring load restrictions on all County Roads. Risk to business continuity.
	Pavement condition	Average PCI (pavement condition index).	65.7	70.0 (72.5)	High	Maintain average PCI (High) Priority to improve average pavement condition on highest volume roads. (Medium)
System Adequacy	Availability	System (roads bridges and culverts) open and passable year round with posted limitations.	100%	100%	High	Ensures access to all areas of County at basic level of service in safe condition. (Roads, bridges and culverts) open and passable year-round
	Overall System Adequacy	Percentage of roads without immediate rehabilitation needs.	58.7%	60% (75%)	High	Achieve established minimum standard for upper tier system, comparable to peer group. Provide good quality, safe, reliable, year-round road system to sustain local economy and provide core services.

Level of Service (LOS) Analysis

Appendix 'E'

Bridges

Level of Service Objectives	Level of Service Components	Performance Measure	Existing LOS	Recommended LOS	Risk	Comments
Legislative Compliance	Canadian Highway Bridge Design Code	Compliance with Acts and Regulations	100%	100%	High	All new bridges to be designed to comply with current design standards.
Safety	Ontario Municipal Act	Bi-annual OSIM Inspections	100%	100%	High	Regular inspection program
Asset Condition	All bridges on County Roads and on local roads with AADT >400	No Load restrictions	100%	100%	High	Ensure Emergency response and business continuity
	Maintains two-way traffic	Sufficient Bridge deck width for two travel lanes	AADT <50 0% 50-200 25% >200 95%	AADT <50 25% 50-201 50% >200 95%	Low Medium High	Temporary and Single Lane Bridges Acceptable if existing and in good condition or when on low volume road.
System Adequacy	All bridges are open and available for use with posted restrictions where applicable.	Restricted Capacity Bridges only on local roads with alternate routes.	100%	100%	High	Bridge posting by-law; Bridge rehabilitation or replacement based on BCI
	Overall System condition	Structures without immediate repair or rehabilitation needs	76%	75%	High	Bridge rehabilitation or replacement based on BCI. Includes width deficient temporary single-lane bridges.

Level of Service (LOS) Analysis

Major Culverts (over 3.0 m in Span)

Level of Service Objectives	Level of Service Components	Performance Measure	Existing LOS	Recommended LOS	Risk	Comments
Legislative Compliance	Canadian Highway Bridge Design Code	Compliance with Acts and Regulations	100%	100%	High	All new bridges to be designed to comply with current design standards. No critical deficiencies on existing bridges.
Safety	Ontario Municipal Act	Bi-annual OSIM Inspections	100%	100%	High	Regular inspection program to confirm structure condition and required repair or maintenance
Asset Condition	Culverts on all County Roads and local roads with AADT >400	No Load restrictions	100%	100%	High	Ensure Emergency response and business continuity
	Platform width and barriers	Compliance with design Standards	AADT <50 25% 50-200 65% >200 92%	AADT <50 25% 50 – 200 75% >200 95%	Low Medium High	Single lane width acceptable as existing or as temporary on low volume road.
System Adequacy	All culverts are open and available for use with posted restrictions where applicable.	Restricted Capacity structures only on local roads with alternate routes..	100%	98%	High	Bridge posting by-law
	Overall System condition	Structures without immediate needs	93%	90%	High	Consider rehabilitation or replacement based on BCI and individual assessment of risk.

**County of Renfrew
Level of Service (LOS) Analysis
Fleet Vehicles and Equipment**

Appendix 'G'

Level of Service Objectives	Level of Service Components	Performance Measure	Existing LOS	Recommended LOS	Risk	Comments
Legislative Compliance	Highway Traffic Act (HTA) and Regulations	Compliance with the Acts and Regulations	100%	100%	High	Monitor compliance through mandatory inspections.
	Ambulance Act and Associated Standards					Annual costs in accordance with the 10 Year Asset Management Plan forecasts.
Safety	OH&S Act and Regulations	Compliance with the Acts and Regulations	100%	100%	High	Monitor compliance through mandatory inspections and audits. Annual costs in accordance with the 10 Year Asset Management Plan forecasts.
Asset Condition	Vehicle and Equipment Components	Operational Compliance	100%	100%	Minor	Monitor through routine inspections and audits. Timely and appropriate repairs and maintenance of the fleet.
Capital Replacement	Heavy Duty Trucks	Replace at End of Useful Life (EUL)	14 Years/ 300,000 km	14 Years/ 300,000 km	Moderate	Annual Capital expenditures in accordance with the 10 Year Asset Management Plan forecasts to ensure that Levels of Service delivered to the client base are consistent with policies and legislative requirements.
	Medium Duty Trucks	Replace (EUL)	10 Years/ 300,000 km	10 Years/ 300,000 km	Minor	
	Light Duty Trucks	Replace (EUL)	7 Years/ 300,000 km	6 Years/ 300,000 km	Minor	
	Tractors	Replace (EUL)	15 Years/ 10,000 hours	15 Years/ 10,000 hours	Minor	

**County of Renfrew
Long Term Financing Plan - Debt & Interest**

	Principal	Rate	Budget 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Prior	2,864,546		1,716,258	276,191	276,191	276,191	276,191	276,191	276,191	276,191	251,535	210,173	126,646	126,646	126,646	126,646	126,646
2014	3,000,000	3.0%		351,692	351,692	351,692	351,692	351,692	351,692	351,692	351,692	351,692	351,692				
2015	3,700,000	3.0%			433,753	433,753	433,753	433,753	433,753	433,753	433,753	433,753	433,753	433,753			
2016	4,864,400	3.0%				570,256	570,256	570,256	570,256	570,256	570,256	570,256	570,256	570,256	570,256		
2017	-	3.0%					-	-	-	-	-	-	-	-	-	-	-
2018	-	3.0%						-	-	-	-	-	-	-	-	-	-
2019	-	3.0%							-	-	-	-	-	-	-	-	-
2020	-	3.0%								-	-	-	-	-	-	-	-
2021	-	3.0%									-	-	-	-	-	-	-
2022	-	3.0%										-	-	-	-	-	-
2023	-	3.0%											-	-	-	-	-
2024	-	3.0%												-	-	-	-
2025		3.0%															
2026		3.0%															
2027		3.0%															
2028		3.0%															
2029		3.0%															
2030		3.0%															
2031		3.0%															
2032		3.0%															
2033		3.0%															
2034		3.0%															
Total			1,716,258	627,883	1,061,635	1,631,891	1,631,891	1,631,891	1,631,891	1,631,891	1,607,235	1,565,873	1,482,346	1,130,655	696,902	126,646	126,646

**County of Renfrew
Long Term Financing Plan - Reserve Balance**

	Rate	Budget 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Reserves												
Opening Balance		11,597,534	10,030,695	11,660,142	12,202,197	8,182,943	6,039,168	5,820,366	5,870,784	5,373,163	5,788,296	6,693,746
Transfer From Operating		1,910,021	11,682,606	12,589,371	13,425,685	14,945,420	16,586,500	18,357,660	20,268,228	22,295,501	24,432,737	26,770,065
Transfer To Capital		(3,476,860)	(10,198,604)	(12,216,388)	(17,621,871)	(17,207,847)	(16,892,870)	(18,391,636)	(20,850,975)	(21,958,278)	(23,611,217)	(22,916,867)
Interest Earned	1.45%		145,445	169,072	176,932	118,653	87,568	84,395	85,126	77,911	83,930	97,059
Closing Balance		10,030,695	11,660,142	12,202,197	8,182,943	6,039,168	5,820,366	5,870,784	5,373,163	5,788,296	6,693,746	10,644,002

County of Renfrew
 Long Term Financing Plan - Tax Levy Impact

	Rate	Budget 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Tax Levy Impact												
Prior Year Tax Levy		36,052,253	37,406,801	39,456,694	41,618,921	43,899,638	46,305,339	48,842,872	51,519,462	54,342,728	57,320,709	60,461,883
Wtd CVA Growth	1.48%	540,784	553,621	583,959	615,960	649,715	685,319	722,875	762,488	804,272	848,346	894,836
Target Levy Increase (2015 Forward)	4.00%	813,764	1,496,272	1,578,268	1,664,757	1,755,986	1,852,214	1,953,715	2,060,778	2,173,709	2,292,828	2,418,475
Estimated County Tax Levy		37,406,801	39,456,694	41,618,921	43,899,638	46,305,339	48,842,872	51,519,462	54,342,728	57,320,709	60,461,883	63,775,194
% of Tax Levy For Capital		29.48%	31.20%	32.80%	34.30%	35.80%	37.30%	38.80%	40.30%	41.70%	43.00%	44.30%
Levy Available for Capital and Debt Service		11,027,153	12,310,489	13,651,006	15,057,576	16,577,311	18,218,391	19,989,551	21,900,119	23,902,736	25,998,610	28,252,411
Debt Service Costs		(1,716,258)	(627,883)	(1,061,635)	(1,631,891)	(1,631,891)	(1,631,891)	(1,631,891)	(1,631,891)	(1,607,235)	(1,565,873)	(1,482,346)
Available Capital Funding		9,310,895	11,682,606	12,589,371	13,425,685	14,945,420	16,586,500	18,357,660	20,268,228	22,295,501	24,432,737	26,770,065
Transferred To Capital Reserves		1,910,021	11,682,606	12,589,371	13,425,685	14,945,420	16,586,500	18,357,660	20,268,228	22,295,501	24,432,737	26,770,065
Capital Paid by Direct Levy Support		7,400,874	-	-	-	-	-	-	-	-	-	-
Annual Capital Investment Impact		9,310,895	11,682,606	12,589,371	13,425,685	14,945,420	16,586,500	18,357,660	20,268,228	22,295,501	24,432,737	26,770,065
Tax Levy Available for Operating		26,379,648	27,146,205	27,967,915	28,842,062	29,728,028	30,624,481	31,529,911	32,442,609	33,417,973	34,463,273	35,522,783
Change in Operating Levy			766,557	821,710	874,147	885,966	896,453	905,430	912,698	975,364	1,045,300	1,059,510