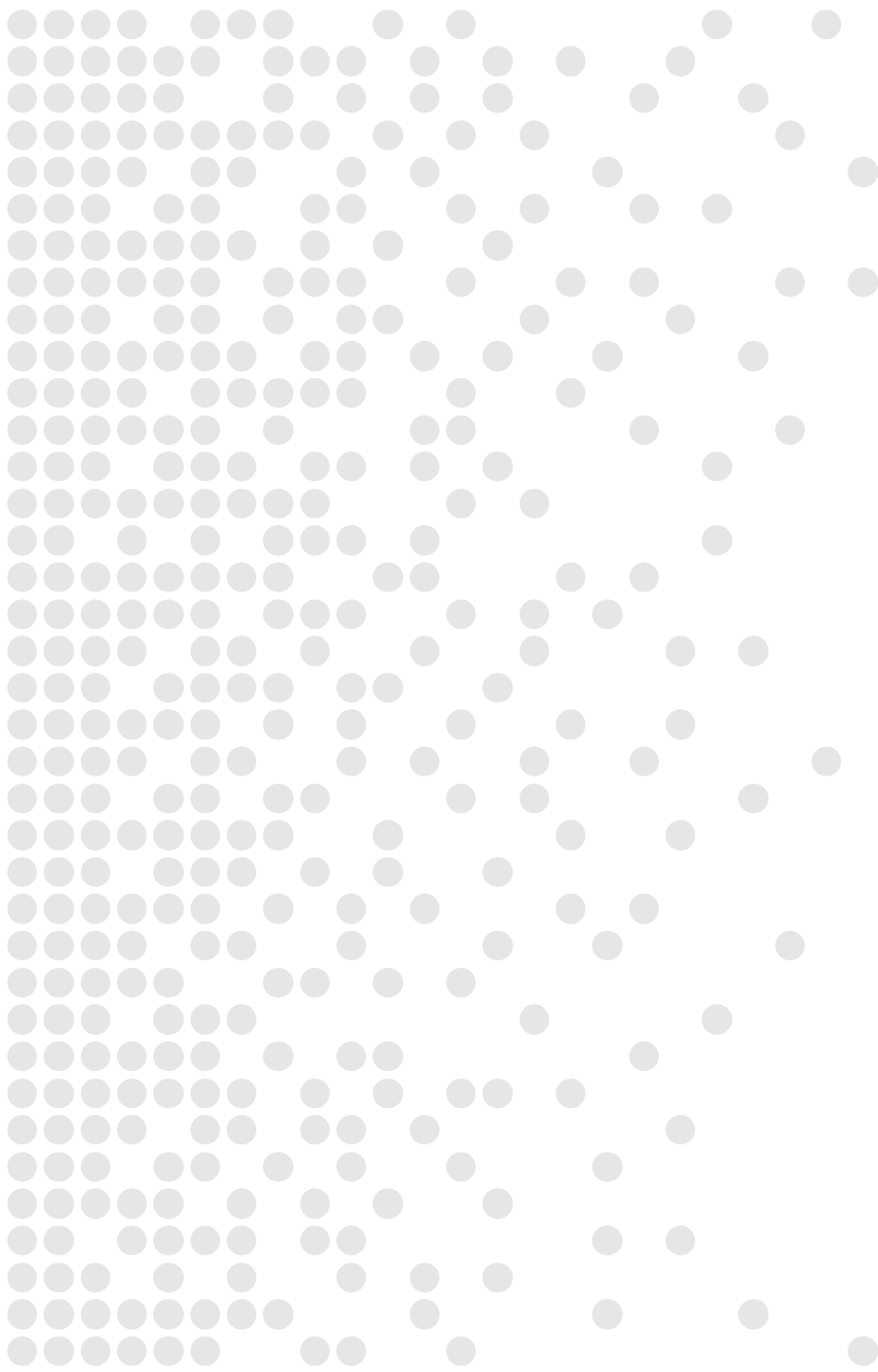


# Township of Wellesley 2026 Asset Management Progress Report

May 12, 2026



# Section 1

## Introduction

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# 2026 Asset Management Progress Report

## Introduction



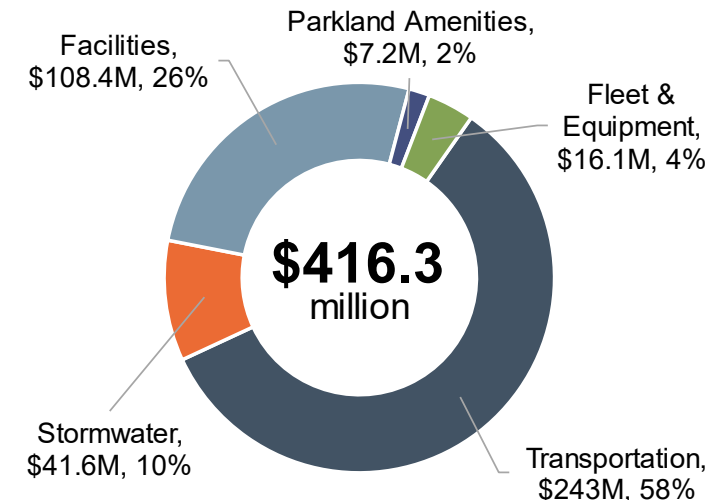
The Township of Wellesley (Township) owns and manages a wide range of infrastructure assets that support services for residents and businesses. The portfolio includes transportation assets (e.g., roads, bridges, culverts, sidewalks, etc.), buildings, fleet and equipment, and parkland amenities. As of 2025, the total replacement cost of this infrastructure (i.e., what it would cost to replace or rebuild it today) has been estimated at \$416 million. A breakdown of replacement costs by asset category is shown in Figure 1.

To support the long-term, sustainable management of these assets, the Township completed a comprehensive Asset Management Plan (AMP) in June 2025. The AMP was developed in accordance with Ontario Regulation 588/17, a provincial regulation that requires municipalities to plan for the care, renewal, and funding of their infrastructure. The 2025 AMP established a clear framework to help Council make informed, evidence-based decisions about infrastructure investment over the next 10 years.

Specifically, the AMP outlined:

- **State of infrastructure:** what assets the Township owns, what it would cost to replace or rebuild them, and their current condition.
- **Proposed levels of service:** the quality and performance residents can reasonably expect from municipal infrastructure, looking ahead to 2035;
- **Lifecycle management strategies** that describe how assets will be managed throughout their useful lives and identify the specific maintenance, rehabilitation, and replacement activities that are needed to achieve and sustain proposed levels of service, along with their estimated costs; and
- **Financial strategy** that lays out a plan for how the Township can fund the lifecycle activities required to achieve and sustain the proposed levels of service.

Figure 1



# 2026 Asset Management Progress Report



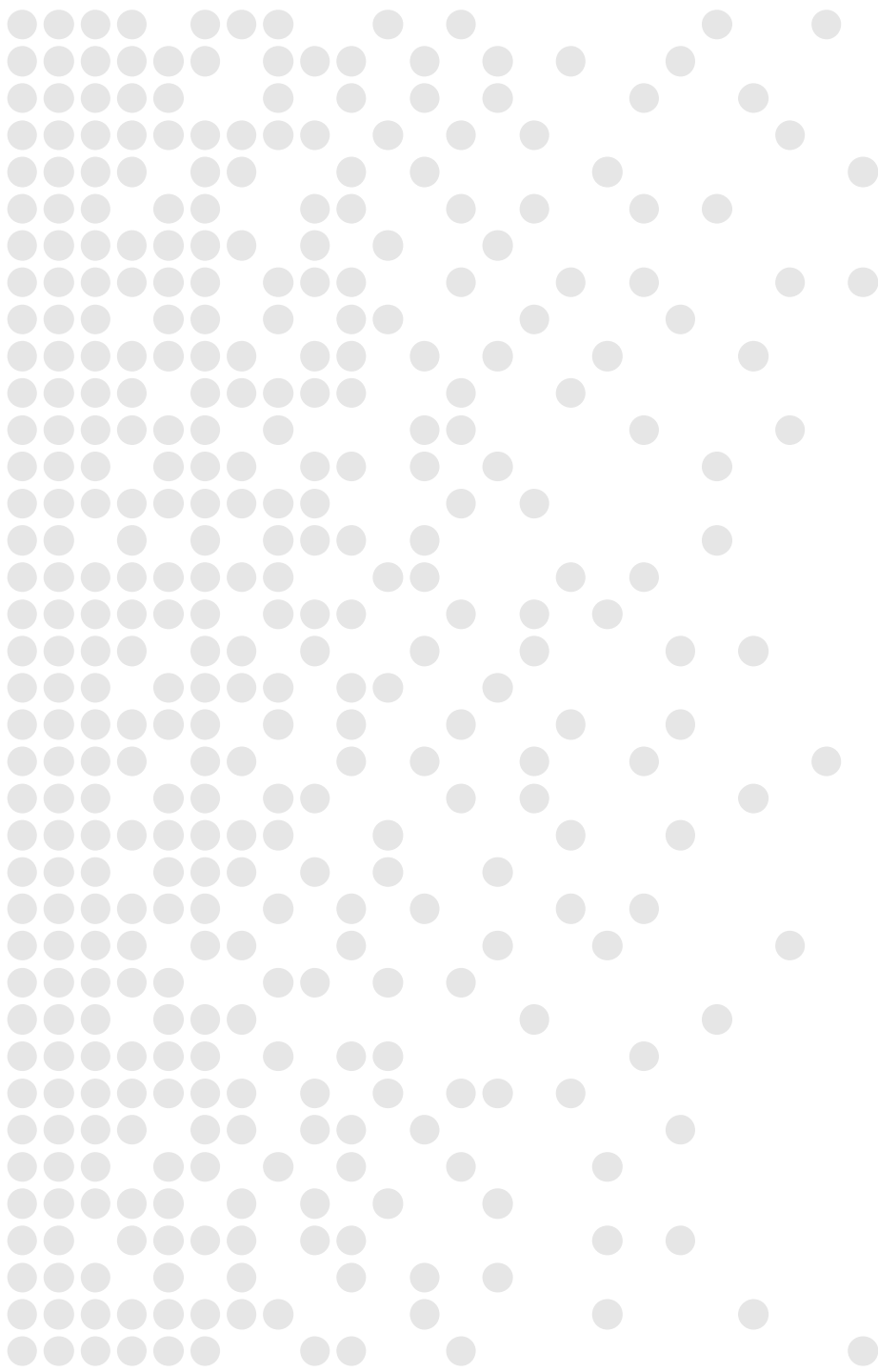
## Introduction (continued)

Under Ontario Regulation 588/17, Council is required to conduct annual reviews of asset management progress, beginning in 2026 and to be completed by July 1 of each year. These annual reviews are intended to support sound decision-making by tracking progress and identifying areas where adjustments may be needed. In accordance with the regulation, the annual review must:

- Assess progress in implementing the Asset Management Plan;
- Identify factors that may be limiting or delaying implementation; and
- Outline strategies to address those factors.

This Asset Management Progress Report has been prepared to support Council in meeting these requirements and to provide transparency to the public. The report is organized into the following three sections:

<b>State of Local Infrastructure</b>	This section provides an updated snapshot of the Township’s infrastructure portfolio, including changes in asset quantities, asset condition, and replacement cost valuations.
<b>Levels of Service</b>	The 2025 AMP established a levels of service framework that defines both current performance and long-term targets across multiple measures. Progress toward implementing the AMP can be assessed by examining whether these performance measures are moving toward their target levels. This section presents past, current, and target service levels for each major asset category.
<b>Financial Highlights</b>	The AMP includes a financial strategy to support sustainable infrastructure management. A key component of this strategy is the annual lifecycle funding target, which represents the level of annual investment required to maintain assets at the desired service levels over time. As a “living document,” the AMP and its funding targets are updated as asset information, costs, and management strategies change. This section presents the updated annual lifecycle funding target, along with the Township’s anticipated 2026 infrastructure funding gap (the difference between funding target and current funding).



Section 2:  
**State of Local Infrastructure Highlights**

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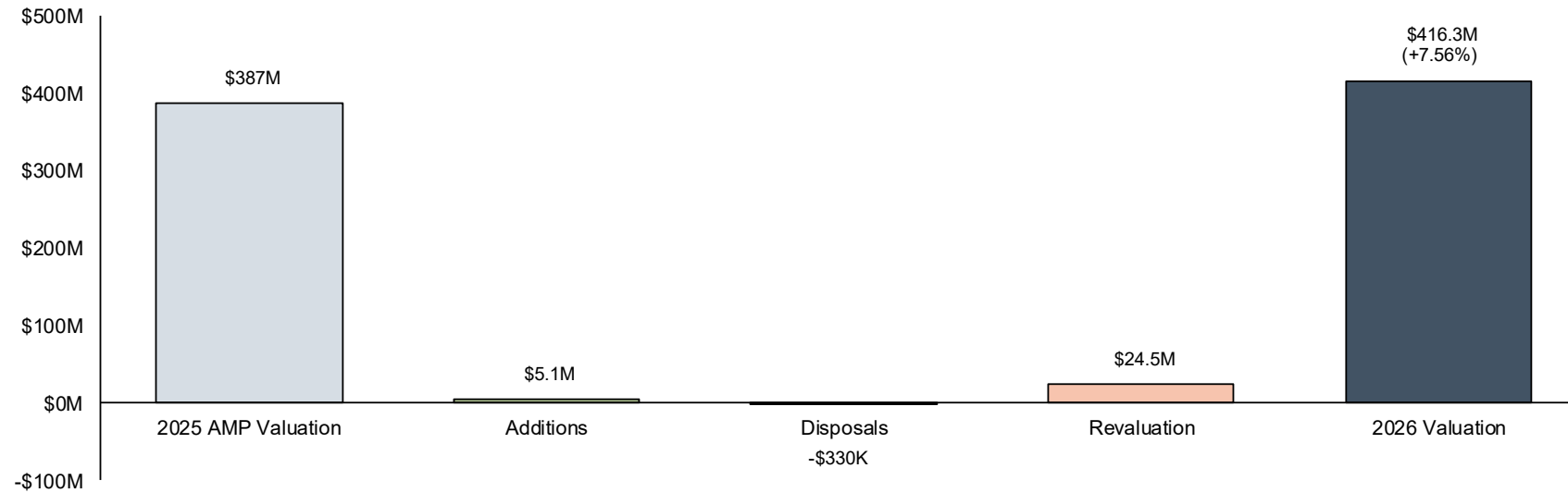
Portfolio-level Summary

# State of Local Infrastructure Highlights

## Portfolio-level Summary



Total Replacement Cost Valuation of Asset Portfolio



**2025 AMP Valuation:** Represents the 2025 replacement value of the Township’s infrastructure. This valuation reflects the Township’s share of ownership for any assets that exist on municipal boundaries. Ownership of assets located on municipal boundaries is typically split evenly with neighbouring municipalities (i.e., 50% cost-sharing).

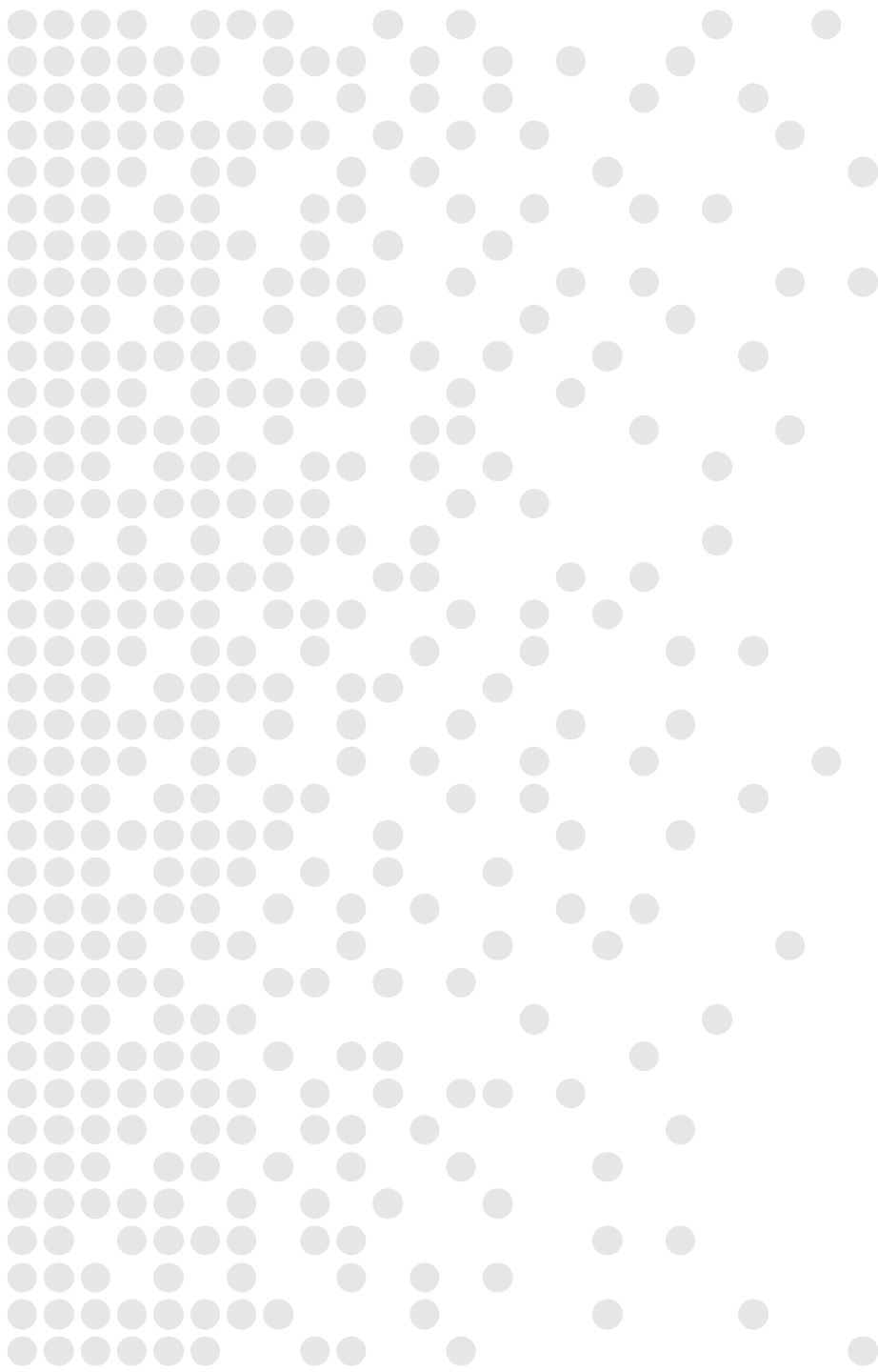
**Additions:** Represents the current (2026) replacement value of assets added to the Township’s inventories over the past year. Some asset additions are a result of capital purchases while others are a result of refinements to asset inventories to capture assets not included in the 2025 AMP. This information is detailed further for each asset category/type in the subsequent pages of this section.

**Disposals:** Represents the 2025 replacement value of assets the Township disposed over the past year.

**Revaluation:** Represents the sum of adjustments made to 2025 replacement values to provide estimates of 2026 replacement values. While most of these adjustments reflect inflationary indexing, some are based on new pricing information (e.g., based on recent quotes obtained by the Township) and others are a result of revisions to asset quantities and/or the Township’s shares of ownership of assets. This information is detailed further for each asset category in the subsequent pages of this section.

**2026 Valuation:** Represents the estimated 2026 replacement value of the Township’s infrastructure (reflecting the Township’s share of ownership for assets on municipal boundaries). This value is calculated as the sum of the four previous columns.

**Note:** The Township’s 2025 AMP assumed annual inflationary increases of 4.35% to the replacement value of the Township’s infrastructure. Therefore, the updated replacement cost for 2026, based on asset inventory updates completed in early 2026, is 3.08% higher than what the 2025 AMP predicted.

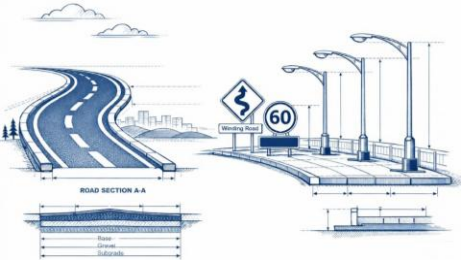


Section 2.1

# State of Local Infrastructure Highlights

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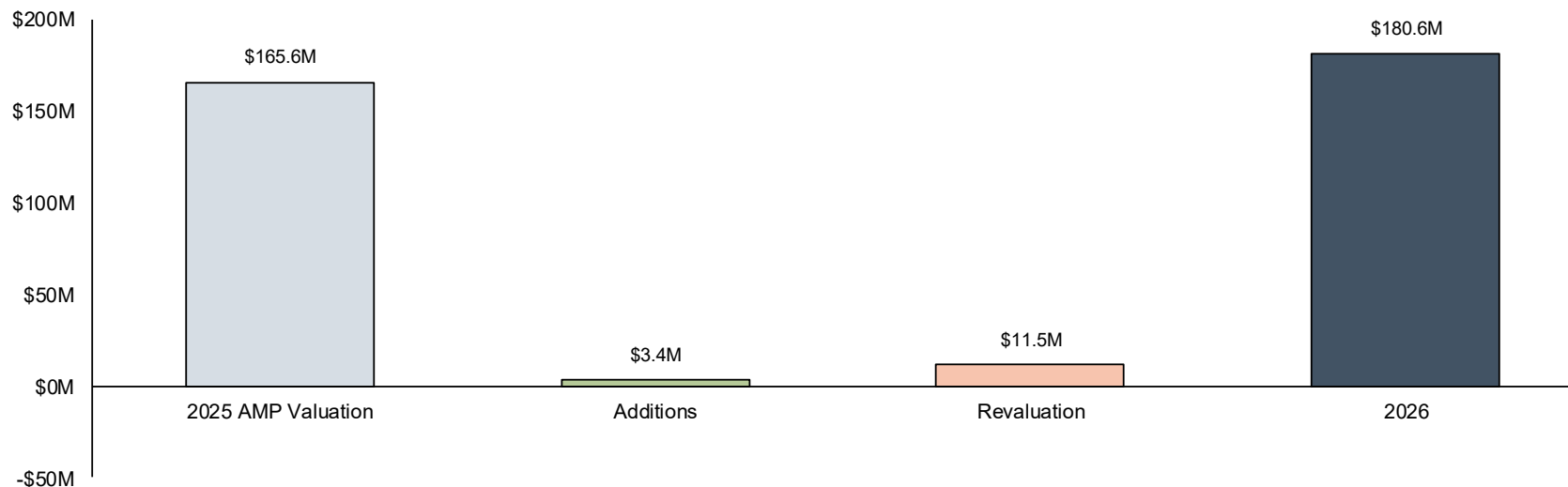
Details by Asset Class



# Roads & Road-related Assets



Replacement Cost Valuation

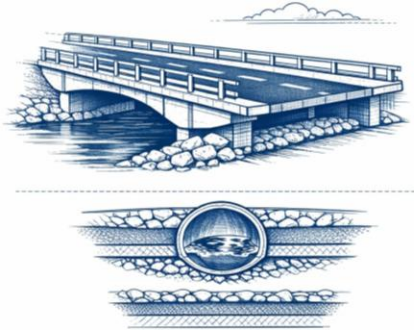


**Additions:** Approximately 10.5 km of roads have been added to the Township's inventory, as summarized below. These road segments were not captured in the 2025 AMP.

- Approximately 10.3 km of gravel roads on municipal boundaries. Replacement cost valuation of these roads reflects 50% ownership by the Township.
- Approximately 160 metres of asphalt roads (Albert Street). Replacement cost valuation of this road segment reflects 100% ownership by the Township.

**Revaluation:** Revaluation for 2026 is higher than estimated in the 2025 AMP and is a result of the following:

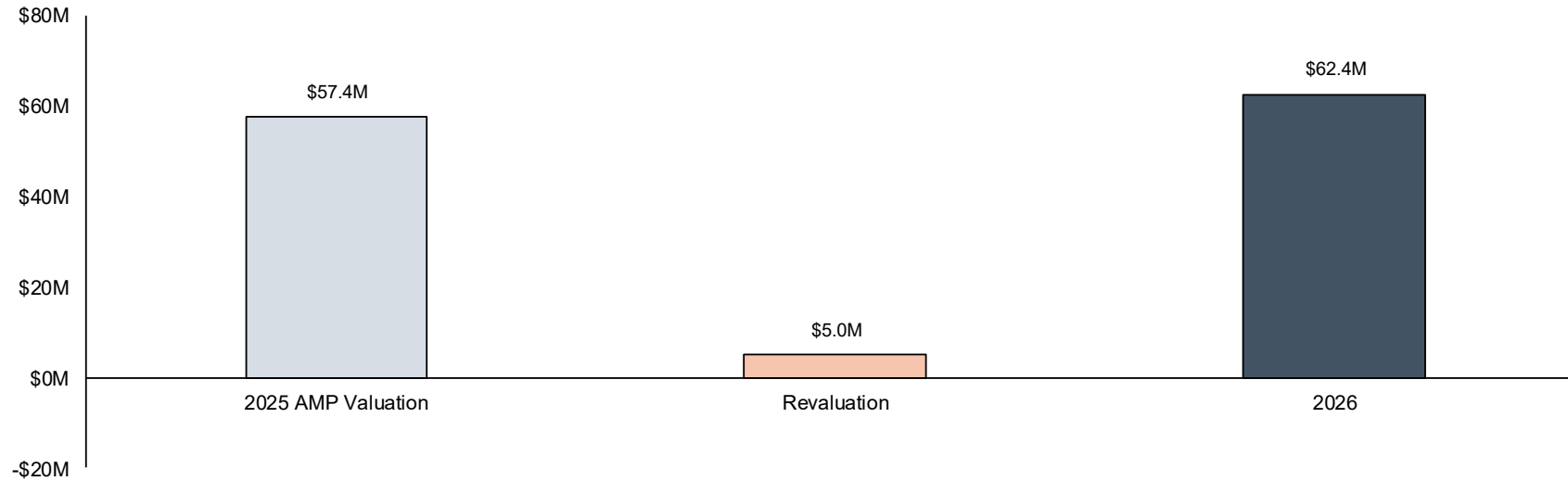
- Ownership shares of segments of Ament Line within municipal boundaries have been updated to reflect 100% ownership by the Township.
- Improved accuracy of road segment lengths. In total, the length of asphalt roads has increased by approximately 2.3 km, and the length of gravel roads has increased by approximately 1.0 km.
- Inflationary adjustments



# Structures



Replacement Cost Valuation



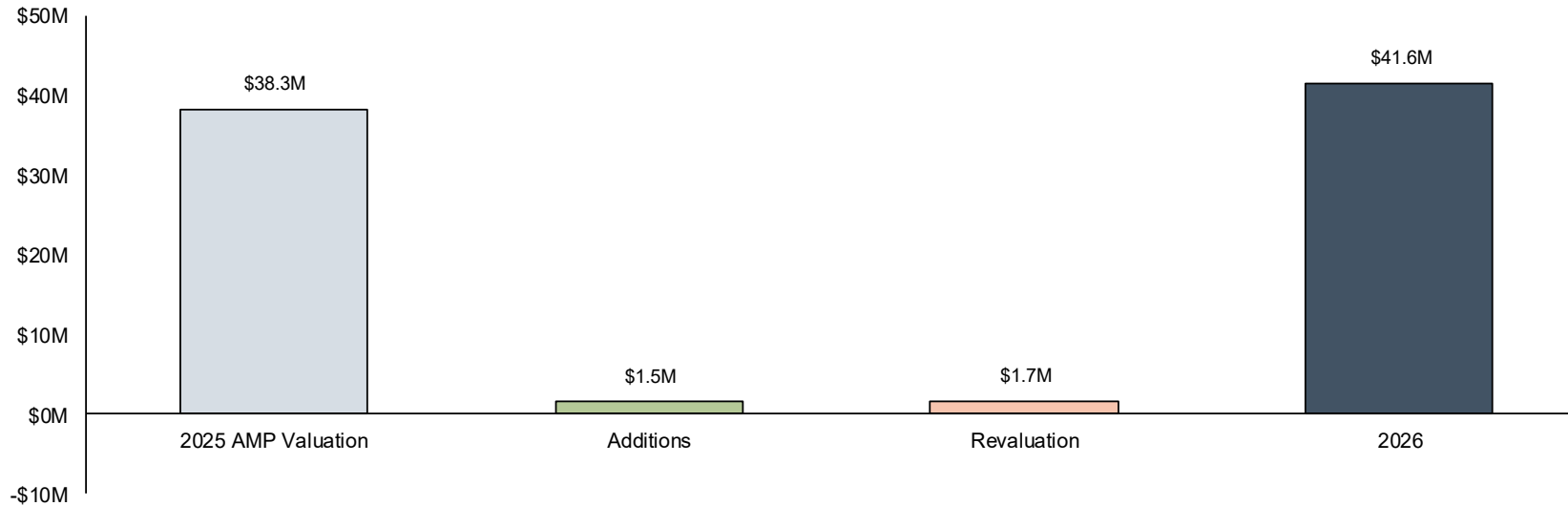
**Revaluation:** Revaluation for 2026 is higher than estimated in the 2025 AMP and is a result of the following:

- Ownership shares of 13 structures on Township Road 20 have been updated to reflect 50% ownership by the Township. Replacement cost valuations of these structures in the 2025 AMP reflected 25% ownership by the Township. Ownership of these structures is shared with the Township of Perth East.
  - This revision accounted for approximately \$2.7 million of revaluation
- Inflationary adjustments

# Stormwater Infrastructure



Replacement Cost Valuation

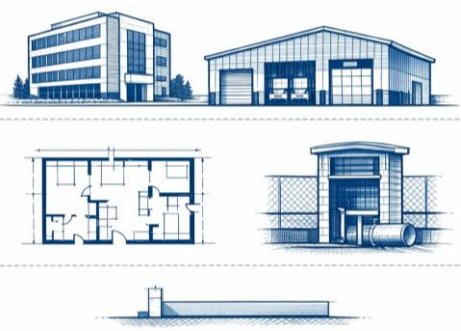


**Additions (ponds):** Four stormwater management ponds, which were not captured in the 2025 AMP, have been added to the Township’s inventory. Two of these ponds (located on Nithbank Road and Crab Apple Crescent) were recently assumed through development. It is noted that the pond located on Industrial Crescent is naturalized and, as such, is not expected to require any future capital investments and has no impact on the annual lifecycle funding target for stormwater infrastructure.

**Additions (pipelines):** Approximately 214 metres of stormwater mains have been added to the Township’s inventory. These mains were not captured within the 2025 AMP.

**Revaluation:** Revaluation is a result of inflationary adjustments and is in line with 2025 AMP estimates.

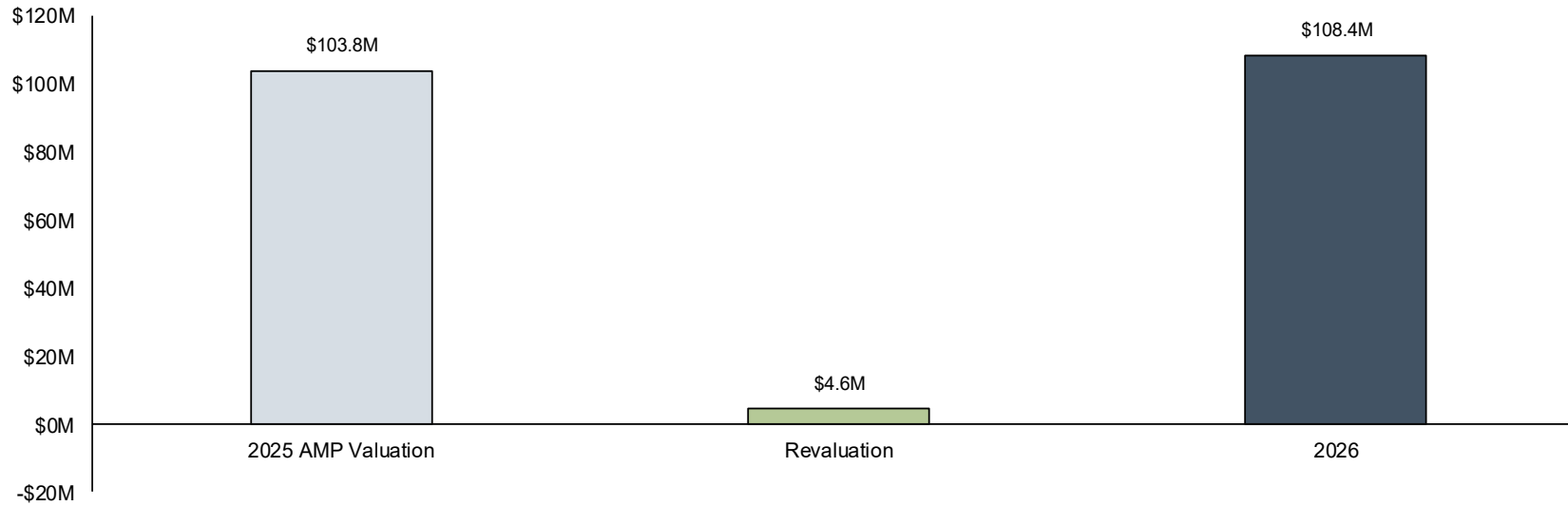
**Recommendation for Continuous Improvement:** The Township’s current inventory of stormwater assets does not include municipal drains. It is recommended that the Township continue compiling a comprehensive inventory of its municipal drains. It is also recommended that the Township identify its cost share for each drain, determine the timing of upcoming lifecycle requirements, and develop a lifecycle management strategy to maintain municipal drains in adequate condition over the long term.



# Facilities

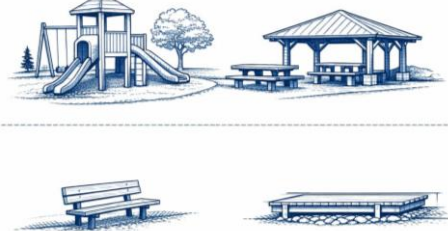


Replacement Cost Valuation



**Revaluation:** Revaluation is a result of inflationary adjustments and is in line with 2025 AMP estimates.

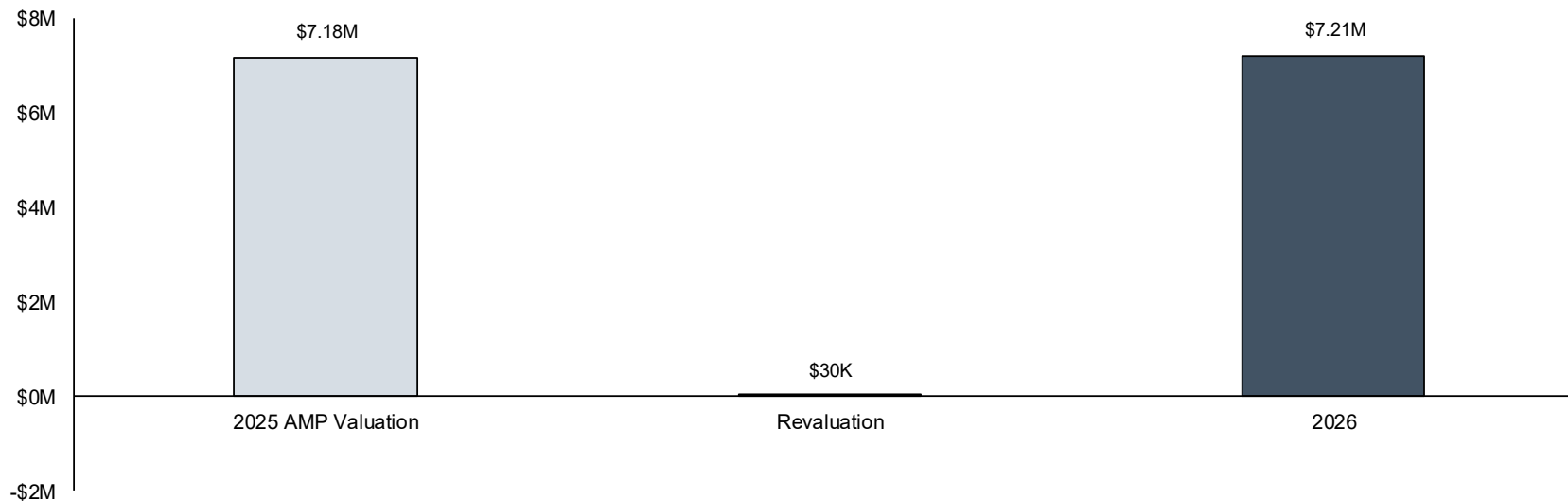
**Note:** The replacement cost valuation of the Township’s facilities includes the Wellesley Arena, Wellesley Community Centre, and Wellesley Storage Shed. Although not currently operational, these facilities are still owned by the Township. However, the AMP assumed that the Township would not be making any further capital investments into these facilities. Therefore, they have been excluded from the capital expenditure forecast and lifecycle funding targets. These facilities are currently under review and if Council decides to keep and reopen these facilities, the AMP will need to be updated accordingly.



# Parkland Amenities



Replacement Cost Valuation



**Revaluation:** Revaluation for 2026 is lower than estimated in the 2025 AMP and is a result of the following:

- Replacement of the Hawkesville Community Playground (completed in 2025) cost approximately 45% less than its replacement cost estimate in the 2025 AMP. The replacement cost valuations of other similarly sized playgrounds have been adjusted accordingly to reflect this new pricing information.
- Inflationary adjustments

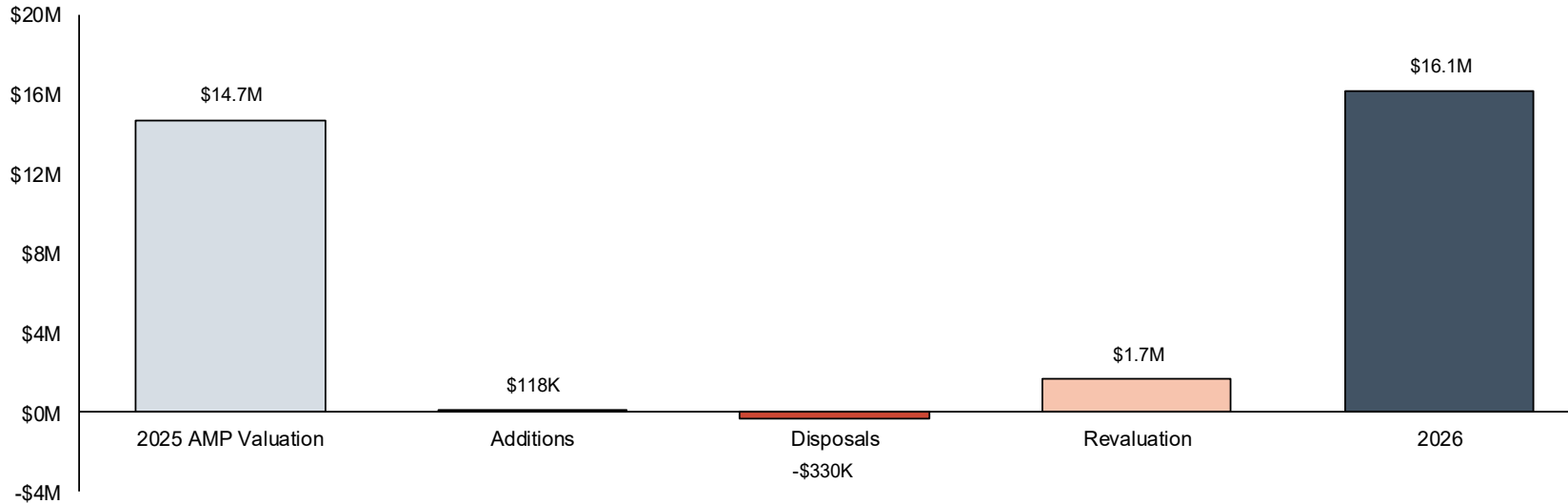
**Recommendation for Continuous Improvement:** The Township currently includes the asphalt surfaces of its trails within its inventory of sidewalks. It is recommended that the Township re-categorize these assets so that they are included within its inventory of parkland amenities. It is further recommended that the Township continue compiling a comprehensive inventory of its remaining trail infrastructure (e.g., signage, lighting, etc.), determine the timing of its upcoming lifecycle requirements, and develop a lifecycle management strategy to maintain its trails in satisfactory condition over the long term.



# Fleet & Equipment



Replacement Cost Valuation



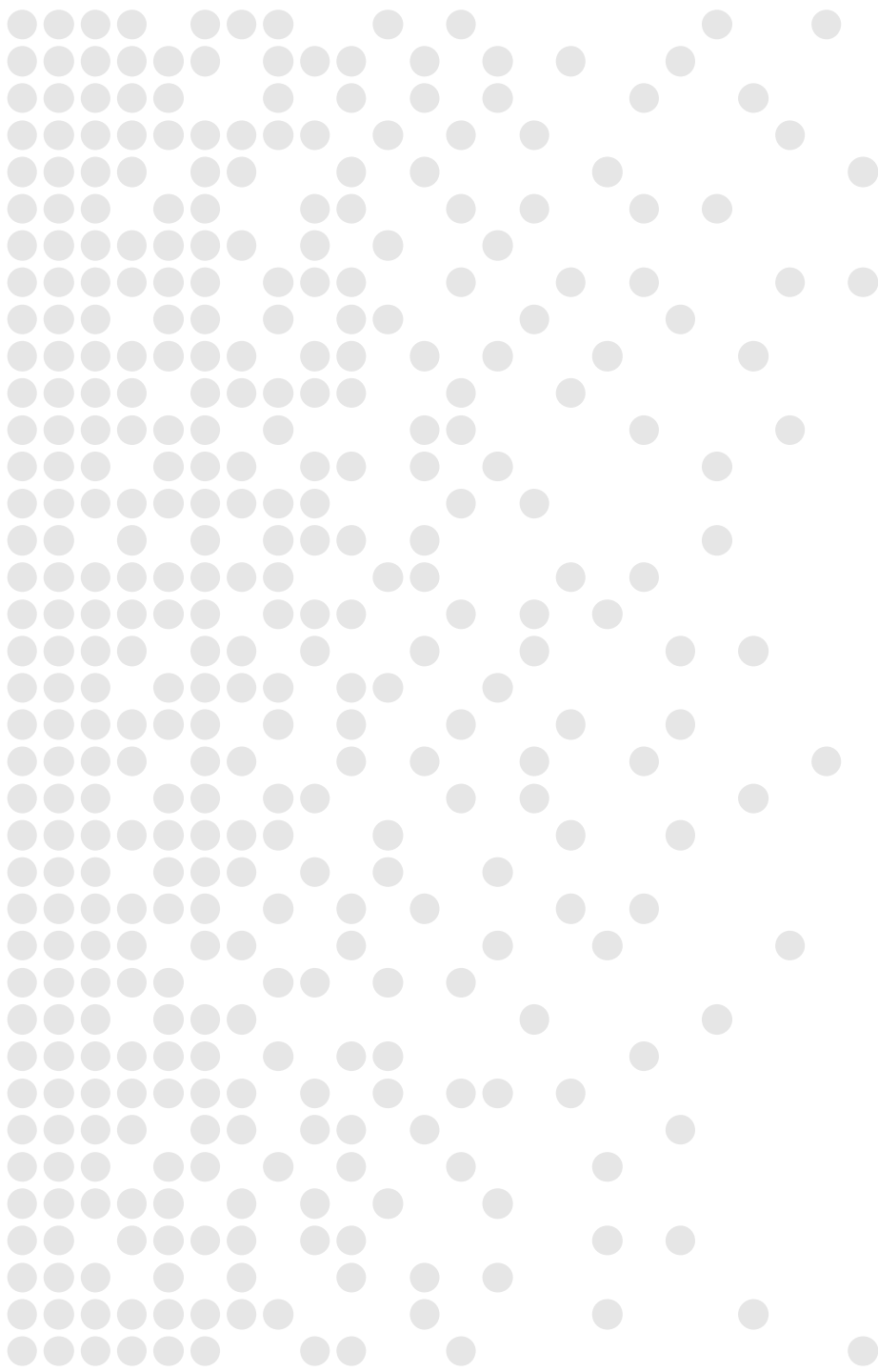
**Additions:** The following assets were 'net-new' additions to the Township's fleet and equipment inventory in 2025:

- 8.5'x18' trailer utilized by Fire Services, at a cost of approximately \$41,000 (2026\$)
- Tractor with mower and broom attachments utilized by Parks & Recreation, at a cost of approximately \$77,000 (2026\$)

**Disposals:** Approximately \$330,000 of firefighting equipment was disposed of in 2025. Some of these assets were replaced through capital purchases made in 2025 and the remainder will be replaced as part of capital purchases in 2026.

**Revaluation:** Revaluation for 2026 is higher than estimated in the 2025 AMP and is a result of the following:

- Replacement cost valuations of pumper trucks, ladder trucks, truck caps, and strut jacks utilized by Fire Services have been updated based on new pricing information (accounting for approximately \$1.4 million of the revaluation)
- Inflationary adjustments



Section 3  
Levels of Service Highlights

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# Levels of Service Highlights

## Introduction



Levels of service describe how well municipal assets support the services residents rely on every day. Assets such as roads, bridges, and facilities are not an end in themselves – they exist to provide safe and reliable services to the community. For this reason, it is important that municipal assets perform at a level that meets community expectations.

A clear and well-defined levels of service framework helps the Township to:

- Communicate expectations to Council, staff, and the public, including any planned changes to service levels;
- Track performance over time to identify issues or areas where service may need improvement; and
- Support informed budget decisions, allowing trade-offs to be made between cost, risk, and service outcomes.

The levels of service currently provided by the Township are influenced, in part, by the condition and performance of its infrastructure. To better understand and measure these service levels, the Township developed several performance metrics, as reported in its 2025 AMP. These metrics use available data to communicate performance relative to service aspects that matter to users and the broader public, such as reliability, safety, and quality.

The 2025 AMP also established targets for each performance metric that the Township is aiming to achieve by 2035. These targets reflect desired future performance and help guide long-term planning and investment decisions.

This section presents the past, current, and target performance of the key performance metrics for each asset category. While it is recommended that Council closely monitor all performance metrics, those highlighted in this section of the asset management progress report have a more direct impact on how assets are managed and, therefore, on the overall AMP. The full list of performance metrics is provided in Appendix B of this report.

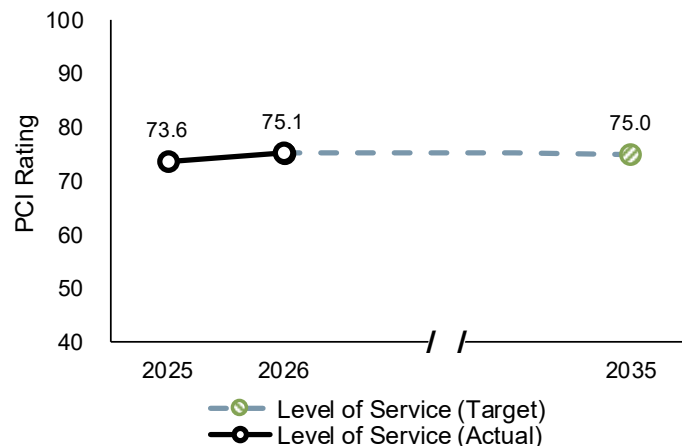
Regularly monitoring performance against the targets set out in the 2025 AMP will provide an important indicator of the Township's progress in implementing its asset management plan over time.



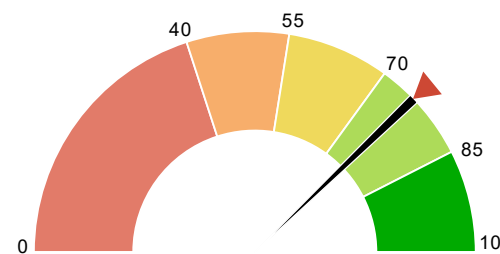
# Roads



Average Pavement Condition Index (PCI) Rating of Asphalt Roads



Average Pavement Condition Index (PCI) Rating of Paved Roads

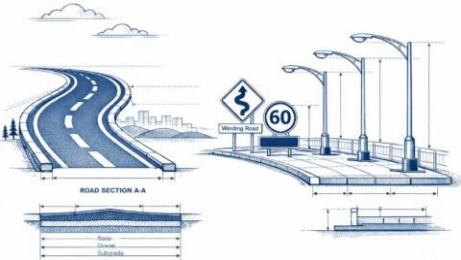


The Township evaluates the condition of its paved roads by completing visual assessments of the frequency and severity of pavement distresses. These assessments are completed internally by staff. As part of these assessments, pavement condition index (PCI) ratings are calculated for each road segment to provide an overall measure of condition. The most recent assessment was completed in 2023, and an update is planned to be completed in this year. Following this year's update, the Township intends to conduct these assessments every five years (i.e., next update planned for 2031).

Based on the assessments completed in 2025, the Township's paved roads had an average PCI rating of 73.6. To provide an estimate of the current condition of paved roads, the following adjustments were made to PCI ratings to account for rehabilitation activities completed after the 2025 assessments:

- PCI rating increased to 100 for approximately 1.8km of asphalt roads on Ament Line that were reconstructed in 2025.
- PCI rating increased to 100 for approximately 0.8km of asphalt roads on Queen's Bush Road that were reconstructed in 2025.

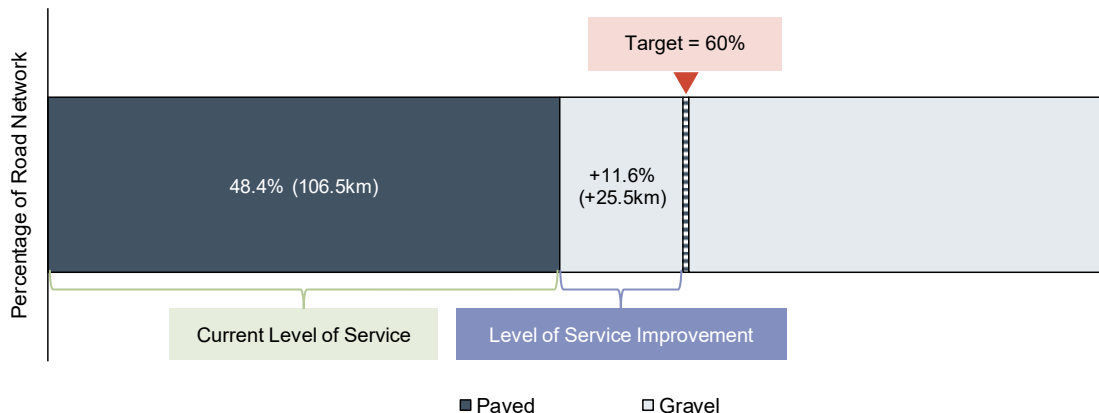
As a result of these adjustments, the Township's paved roads are estimated to have a current average PCI rating of 75.1. It is noted that this current average PCI rating of paved roads is a high-level estimate and does not account for any degradation in condition that road segments would have likely experienced since the completion of the 2023 assessment. As mentioned earlier, a comprehensive update of PCI ratings is planned to be completed this year.



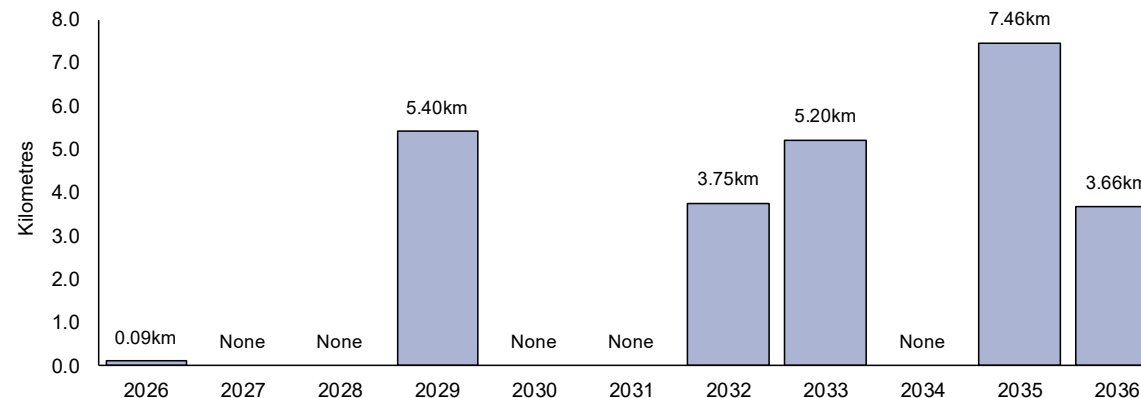
# Roads



Distribution (by length) of Road Network by Surface Type

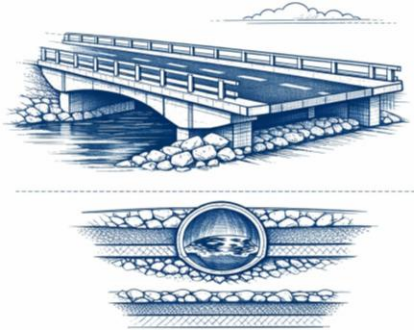


Forecast of Gravel-to-Paved Surface Road Conversions



The Township currently maintains approximately 106.5 km of paved (asphalt) roads, representing approximately 48.4% of its road network. The Township intends to increase the level of service provided by its road network and, through its 2025 AMP, set a target of upgrading approximately 25.5 km of gravel roads to asphalt surface by 2035. The selection of these road segments was based on several factors such as traffic volumes (in light of anticipated population growth) and the types of traffic the respective roads support (and will be expected to support in the future). Assuming no roads are added or removed, approximately 60.0% of Township roads are expected to have an asphalt surface by 2035.

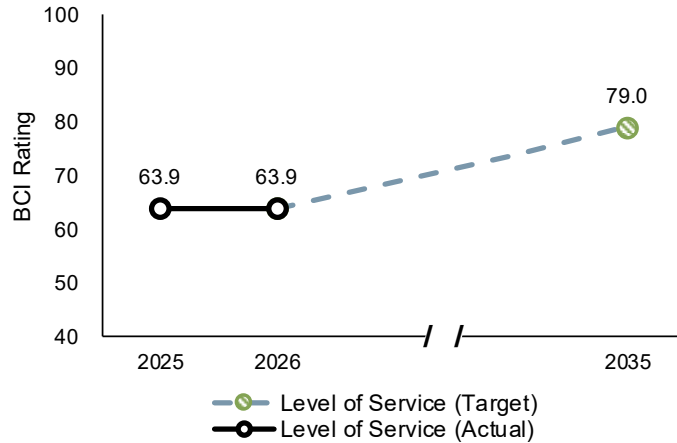
The Township plans on upgrading approximately 90 metres of gravel roads to asphalt surface in 2026. Based on the Township's current forecast of gravel-to-paved surface conversions, it is expected that approximately 21.9 km of gravel roads will be upgraded to asphalt surface by 2035. To meet this level of service target by 2035, the Township will need to increase its pace of gravel-to-paved surface conversions and upgrade an additional 3.66 km of gravel roads (which are currently planned to be upgraded in 2036) to asphalt surface over the next nine years. It is also recommended that the Township closely monitor the cost of gravel-to-paved surface conversions and adjust its annual budgetary allocations accordingly to ensure sufficient capital financing is available to fund these upgrades.



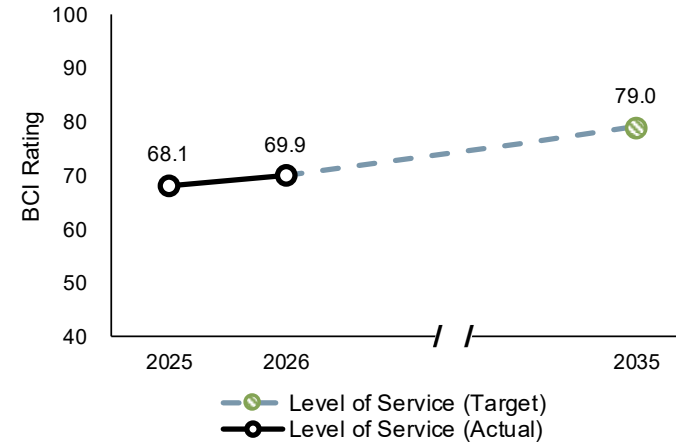
# Structures



Average Bridge Condition Index (BCI) Rating of Vehicle Bridges



Average Bridge Condition Index (BCI) Rating of Structural Culverts

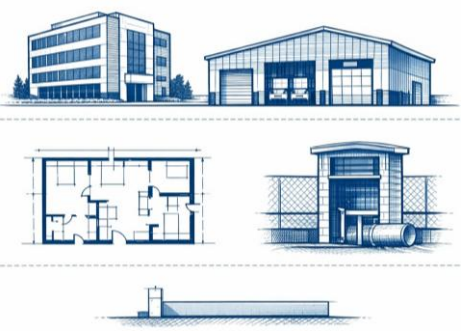


In accordance with Ontario Regulation 104/97: Standards for Bridges (O. Reg. 104/97), the Township completes biennial inspections of its structures (i.e., bridges and culverts) based on the Ontario Structure Inspection Manual (OSIM). To provide an overall measure of condition, Bridge Condition Index (BCI) ratings are calculated by assigning weighted values to the condition of various structural (e.g., deck, foundation, superstructure, substructure, girders/beams, bearings, etc.) and non-structural elements (e.g., sidewalks, curbs, handrails, barriers, signage, etc.). BCI ratings are typically represented on a scale of 0 to 100, with 100 being a structure in new or as-new condition.

The most recent inspections of the Township's structures were completed in 2024, and an update is planned to be completed later this year (i.e., 2026). Based on its 2024 inspections, the Township's vehicle bridges had an average BCI rating of 63.9 and its structural culverts had an average BCI rating of 68.1. To provide an estimate of current average BCI ratings, the following adjustments were made to account for rehabilitation/replacement activities completed after the 2024 inspections:

- BCI rating of structural culvert on Posey Line (replaced in 2025) increased to 100.

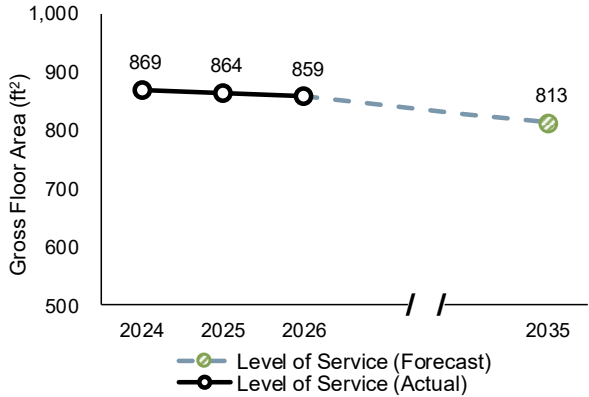
As a result of this adjustment, the Township's structural culverts are estimated to have a current average BCI rating of 69.9. There was no change to the average BCI rating of vehicle bridges. Similar to the current average PCI rating estimate for paved roads, it is noted that the current average BCI ratings of structures are a high-level estimate and do not account for any degradation in condition that structures would have likely experienced since the completion of the 2024 inspections.



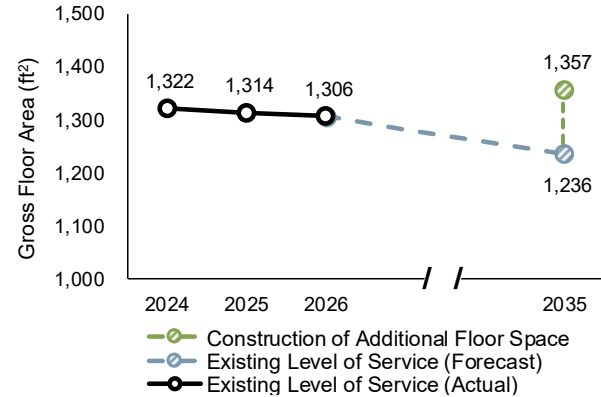
# Facilities



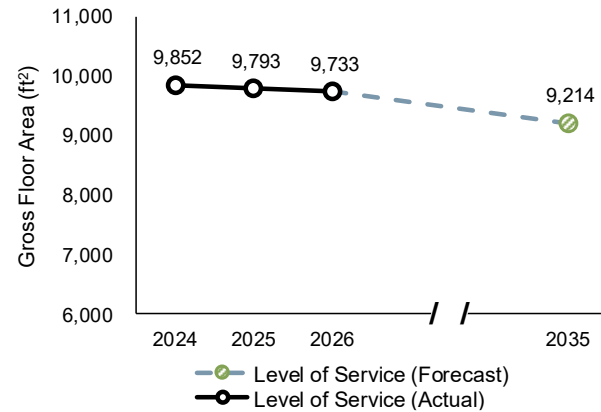
Administrative Facility Space per 1,000 Residents



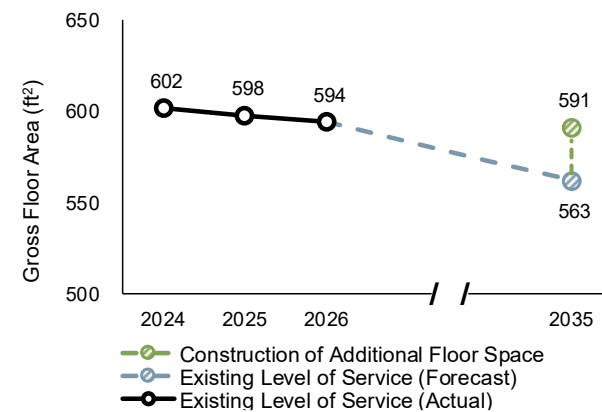
Public Works Maintenance Facility Space per 1,000 Residents



Community Centre Space per 1,000 Residents



Library Space per 1,000 Residents



The Township currently maintains approximately 9,900 ft<sup>2</sup> of floor space for administrative facilities, 15,050 ft<sup>2</sup> of floor space for public works maintenance facilities, 112,200 ft<sup>2</sup> of floor space for community centres, and 6,850 ft<sup>2</sup> of floor space for libraries. By 2035, the Township plans to expand public works facility space by approximately 1,475 ft<sup>2</sup> and library facility space by approximately 350 ft<sup>2</sup>. Construction costs associated with these floor space expansions are expected to be partly funded through Development Charges.

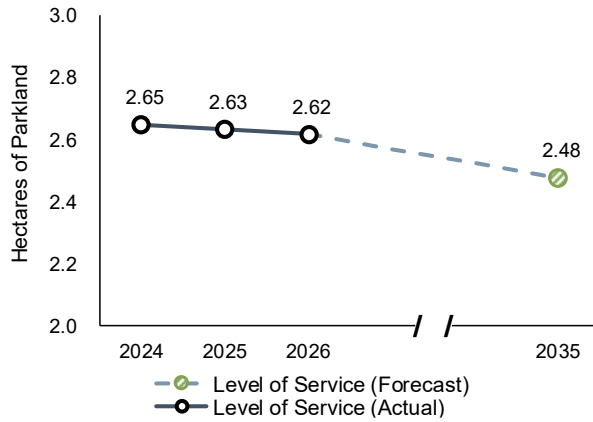
It is noted that the level of service forecasts for facilities rely on population growth estimates provided in the Township's 2024 Development Charges Background Study. As the Township's population increases over time, floor space per 1,000 residents will gradually decline unless expansions are undertaken. The current forecast of anticipated population growth within the Township is summarized in Appendix A of this report.



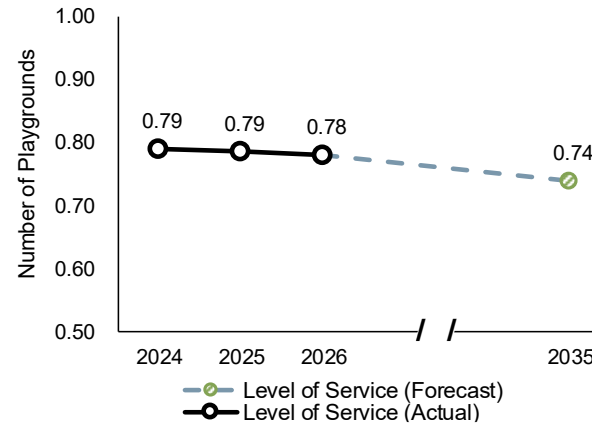
# Parkland Amenities



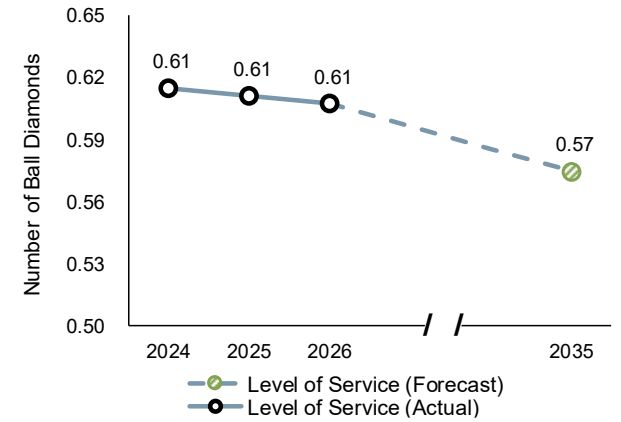
Hectares of Parkland per 1,000 Residents



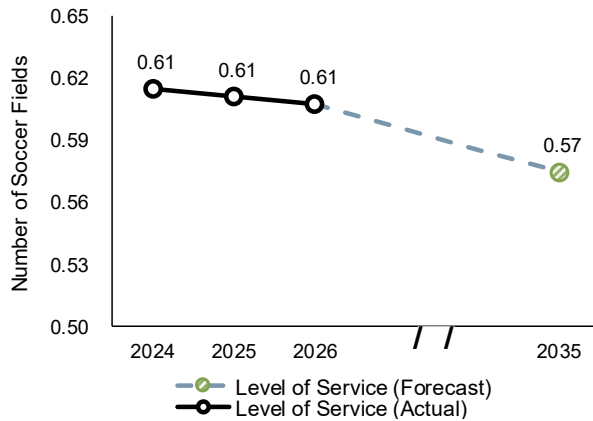
Number of Playgrounds per 1,000 Residents



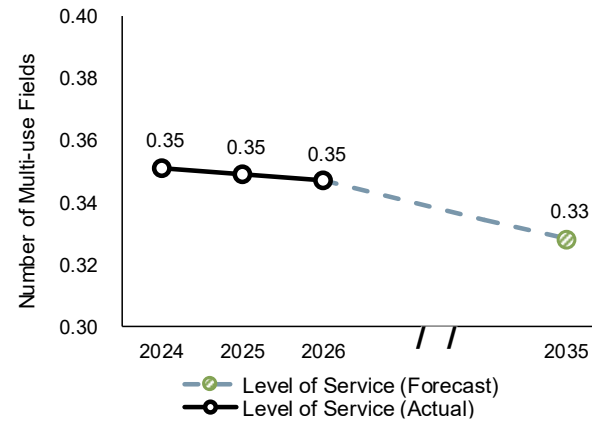
Ball Diamonds per 1,000 Residents



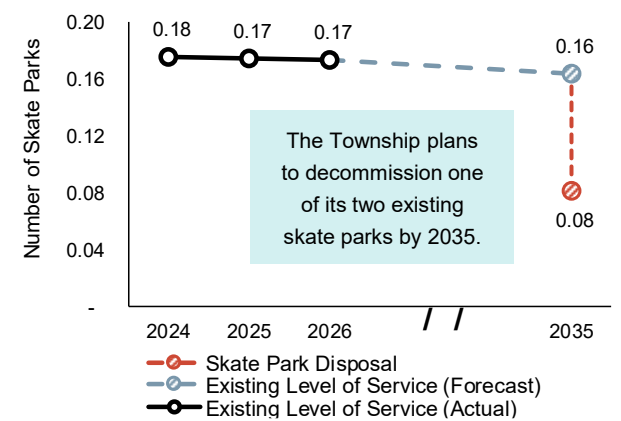
Soccer Fields per 1,000 Residents



Multi-use Fields per 1,000 Residents



Skate Parks per 1,000 Residents



Similar to the level of service forecasts for facilities, the level of service forecasts for parkland amenities rely on population growth estimates provided in the Township's 2024 Development Charges Background Study. As the Township's population increases over time, the amount of parkland and parkland amenities per 1,000 residents will gradually decline. The current forecast of anticipated population growth within the Township is summarized in Appendix A of this report.



# Fleet & Equipment



Distribution of Assets (Replacement Cost) by Condition State

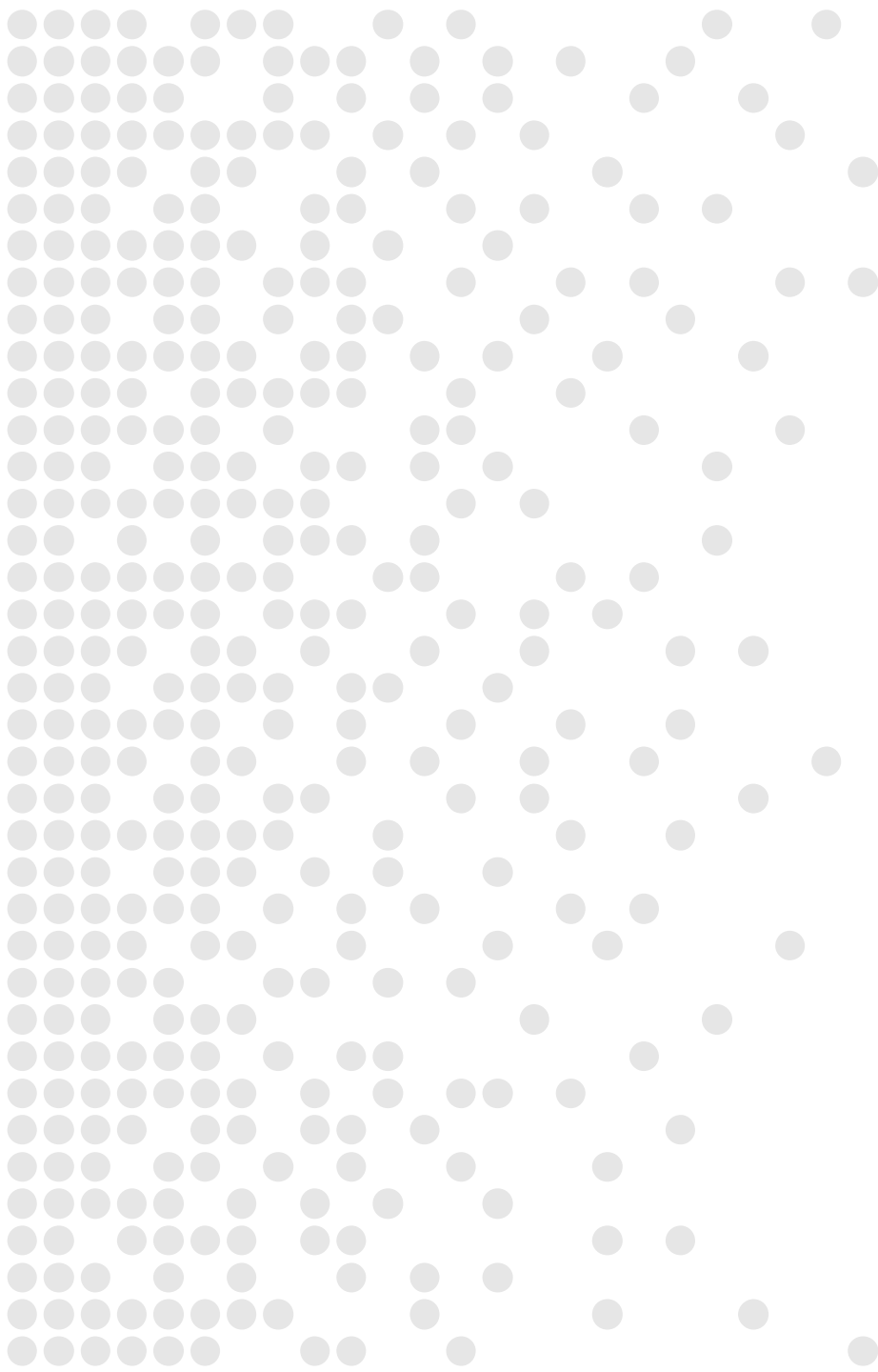


Description	Percentage of Assets in 'Fair' or Better Condition	
	2025	2026
Licensed Public Works Vehicles	83.8%	83.8%
Unlicensed Public Works Vehicles	98.8%	98.8%
Public Works Small Equipment	63.1%	63.1%
Parks & Recreation Vehicles	100%	100%
Parks & Recreation Small Equipment	74.1%	74.1%
Fire Vehicles	100%	100%
Fire Equipment	82.8%	100%
<b>Total</b>	<b>94.2%</b>	<b>96.7%</b>

The Township evaluates the condition of most of its fleet and equipment assets through staff-led inspections. The condition of smaller equipment assets is estimated using an age-based approach (i.e., age relative to useful life expectancy). To ensure the reliability and functionality of its fleet and equipment assets, the Township has set a target of all assets being in a 'Fair' or better condition by 2035. The Township plans to accomplish this by undertaking timely replacement of ageing and poorly performing assets and through the completion of regular maintenance activities.

In 2025, approximately 94.2% of the Township's fleet and equipment assets were assessed to be in 'Fair' or better condition. As a result of disposing/replacing some older equipment, an increased proportion (approximately 96.7%) of fleet and equipment assets are currently estimated to be in 'Fair' or better condition.

Note: Ages of approximately 0.2% (by replacement cost) of fleet and equipment assets are currently unknown. As such, age-based condition assessments cannot be completed for these assets at this time.



## Section 4

# Financial Strategy

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# Financial Strategy

## Introduction



The Township's 2025 AMP includes a comprehensive financial strategy designed to support long-term financial sustainability and intergenerational equity (i.e., ensuring that infrastructure lifecycle needs are being met without placing an unfair burden on future residents).

A key building block of this strategy is the annual lifecycle funding target. In simple terms, this target represents the amount of funding the Township would need to secure each year to properly maintain, rehabilitate, and replace its infrastructure over its full lifecycle, in order to sustain the desired levels of service.

If this funding level could be achieved consistently each year, the Township would theoretically be able to fully fund required capital works as they arise. During years when capital needs are relatively low, the Township can use the annual funding to build up lifecycle reserve funds. These reserves can then be used to supplement annual funding in years when capital needs are higher, helping to smooth out funding requirements over time and reduce financial risk.

Through the 2025 AMP, the Township has set a goal of achieving its annual lifecycle funding target by 2035. Reaching this goal will require a gradual increase in the share of sustainable annual revenues dedicated to infrastructure-related needs through future municipal budgets.

The Township's annual capital funding currently comes from three main sources:

- Property taxes; and
- Provincial and federal funding programs, including Ontario Community Infrastructure Fund (OCIF) and Canada Community-Building Fund (CCBF).

The difference between the annual lifecycle funding target and the capital funding currently included in the budget is known as the Township's annual infrastructure funding gap. This section of the report presents the updated annual lifecycle funding target, reflecting recent updates to the State of Local Infrastructure and the Township's anticipated 2026 infrastructure funding gap.

# Financial Strategy

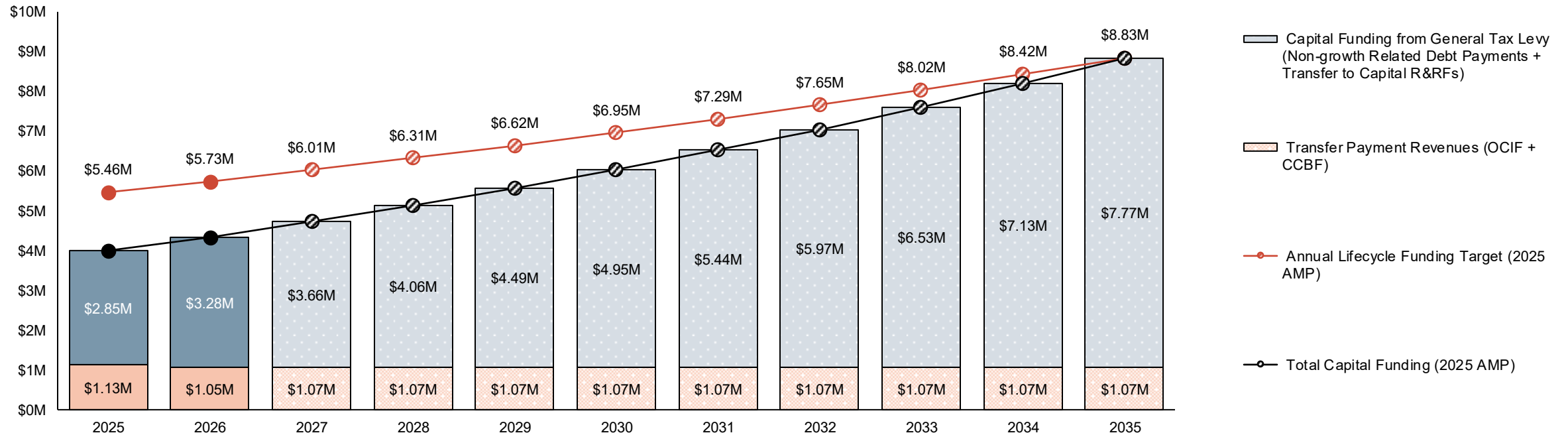
## Introduction (continued)



Successful implementation of the AMP will depend on ongoing attention to financial planning and budget decisions. It is recommended that Council closely monitor annual capital funding levels in upcoming budgets to ensure the Township remains on track to achieve its lifecycle funding target by 2035 and to support informed, sustainable decisions about infrastructure investment.

# Financial Strategy

## 2025 Asset Management Plan

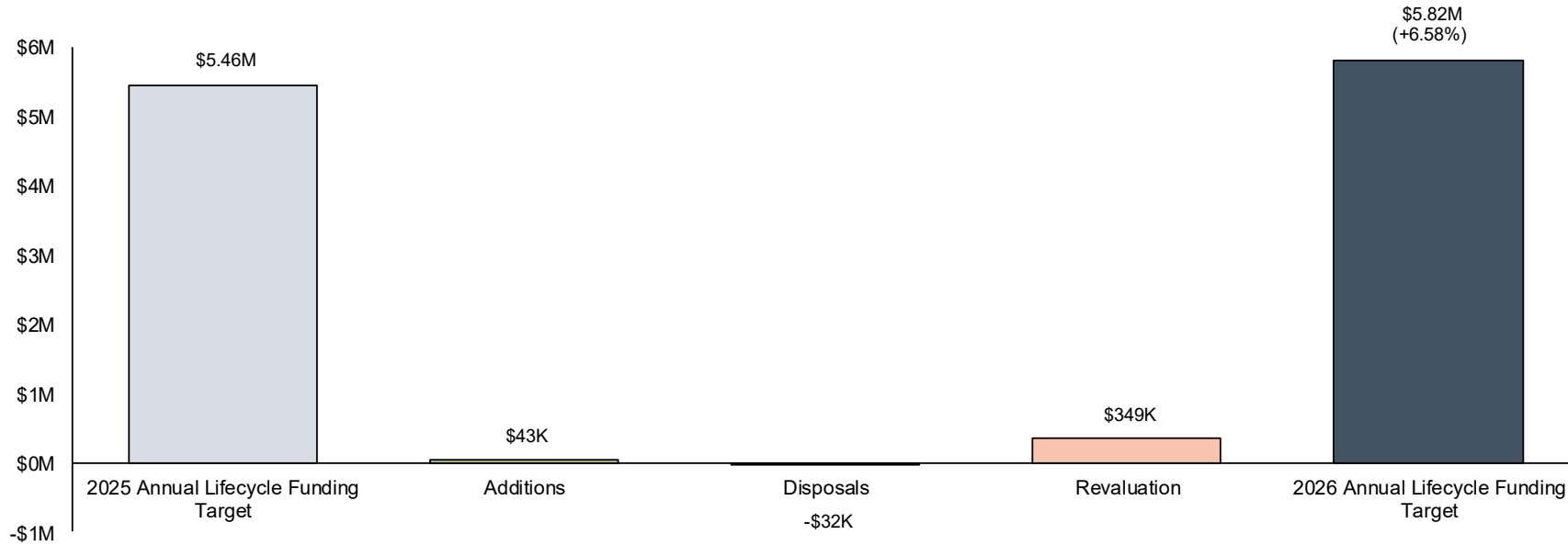


The Township's annual lifecycle funding target was estimated to be approximately \$5.46 million in 2025. This target was expected to rise at a rate of approximately 4.93% annually as the Township expands its infrastructure portfolio to support anticipated population and employment growth, and as the cost of lifecycle activities rises due to inflation. As such, the target was expected to total approximately \$8.83 million by 2035. In 2025, the Township budgeted approximately \$3.98 million of capital funding. Of this amount, approximately \$1.13 million was generated from external sources (i.e., annual OCIF and CCBF funding) and the remaining \$2.85 million was generated directly from the tax levy. The financial strategy was designed to achieve the annual lifecycle funding target in 2035 (\$8.83 million) by gradually increasing the level of annual capital funding over a 10-year phase-in period (i.e., 2025-2035).

In 2026, the Township saw its annual transfer payment revenues decrease to approximately \$1.05 million, a decrease of \$76,000 (6.7%) relative to 2025. However, the Township made up this difference by increasing the portion of capital funding generated from the tax levy beyond the amount recommended in the 2025 AMP. In 2026, the Township increased this portion to approximately \$3.28 million, an increase of \$428,000 (14.99%) from 2025. Therefore, capital funding in 2026 amounted to approximately \$4.33 million, which was consistent with the amount recommended in the 2025 AMP.

# Financial Strategy

## 2026 Annual Lifecycle Funding Target



It is important to highlight that the annual lifecycle funding target is not static and requires regular review and updating as the Township's infrastructure portfolio evolves. The annual lifecycle funding target is directly influenced by changes in the Township's state of local infrastructure, the lifecycle management strategies utilized, and the costs of lifecycle activities.

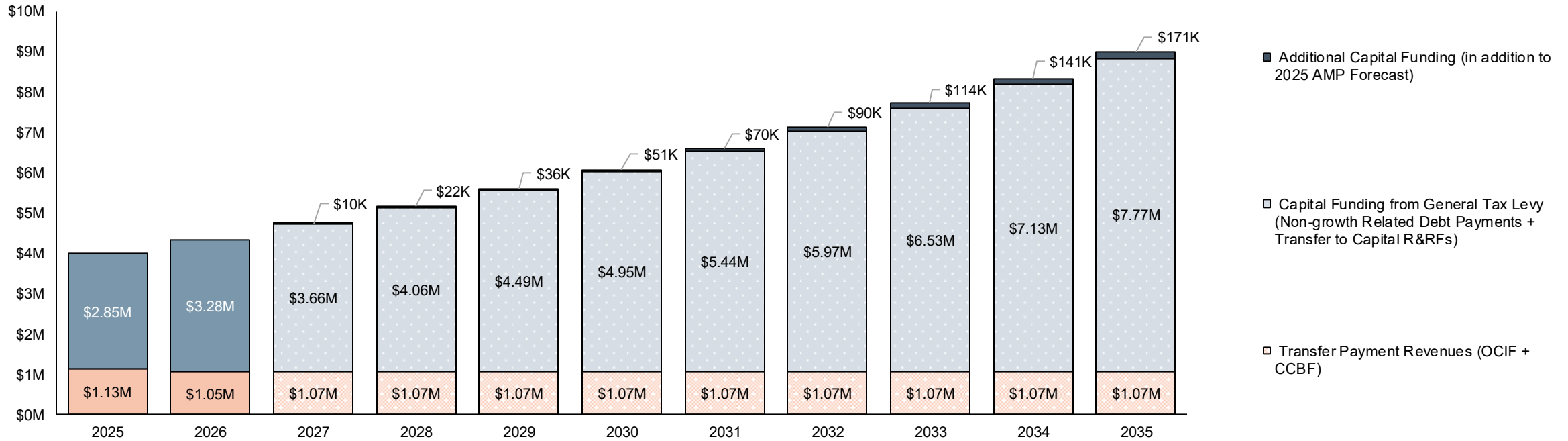
As noted earlier, the Township's 2025 AMP estimated the annual lifecycle funding target at approximately \$5.46 million in 2025. The lifecycle funding target was expected to increase at approximately 4.93% annually, reaching \$5.73 million in 2026.

As a result of the changes to the Township's infrastructure portfolio presented earlier in Section 2.1, the annual lifecycle funding target rose by approximately \$359,000 (or 6.58%) in 2026. The Township's annual lifecycle funding target is now estimated at approximately \$5.82 million in 2026, representing an increase of approximately \$90,000 (or 1.57%) relative to the 2025 AMP's forecast for 2026. Based on 2026 budgeted capital funding of \$4.33 million (see previous page for details), the Township's 2026 infrastructure funding gap is estimated at \$1.49 million.

It is noted that 2025 AMP assumed that the Township would be successful in securing application-based grant funding, averaging 5% of future capital expenditures. As such, average annual lifecycle costs for all asset categories were reduced by 5% in the calculation of the annual lifecycle funding target.

# Financial Strategy

## Updated Capital Funding Forecast (Inflated)



The Township's annual lifecycle funding target is now expected to total approximately \$9.0 million by 2035, rising at a rate of approximately 4.97% annually from 2027 to 2035. This represents an increase of approximately \$171,000 relative to the \$8.83 million target previously forecasted for 2035 in the Township's 2025 AMP. To ensure that it achieves the annual lifecycle funding target by 2035, the Township will need to increase the level of annual capital funding included in its upcoming budgets beyond the increases previously forecasted in the 2025 AMP.

In 2027, the Township should budget approximately \$4.73 million of total capital funding. This amount is approximately \$10,000 higher than the 2025 AMP's forecast amount for 2027. Based on current estimates, approximately \$1.07 million of capital funding is expected to be sourced from annual transfer payment revenues (OCIF & CCBF). The remaining approximately \$3.67 million will need to be generated directly from the tax levy. Of this portion, approximately \$701,000 is expected to be directed to principal and interest payments on outstanding debt related to capital asset construction/purchases (net of development charge funding). Consequently, the Township will need to contribute approximately \$2.97 million to its capital reserves and reserve funds in 2027 to keep pace with the financial strategy. It is noted that the Township's annual transfer payment allocations may continue to change in the coming years and will need to be closely monitored. If a significant variance occurs relative to current estimates, the capital funding forecast should be updated.



Appendix A  
Population Growth Forecast

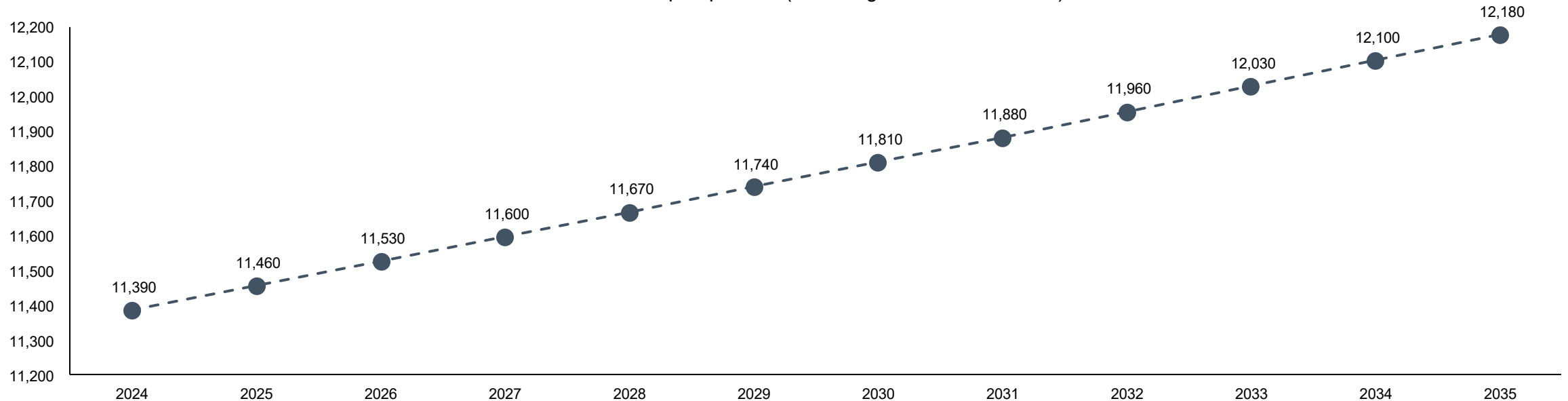
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# Population Growth Forecast

## 2024 Development Charges Background Study

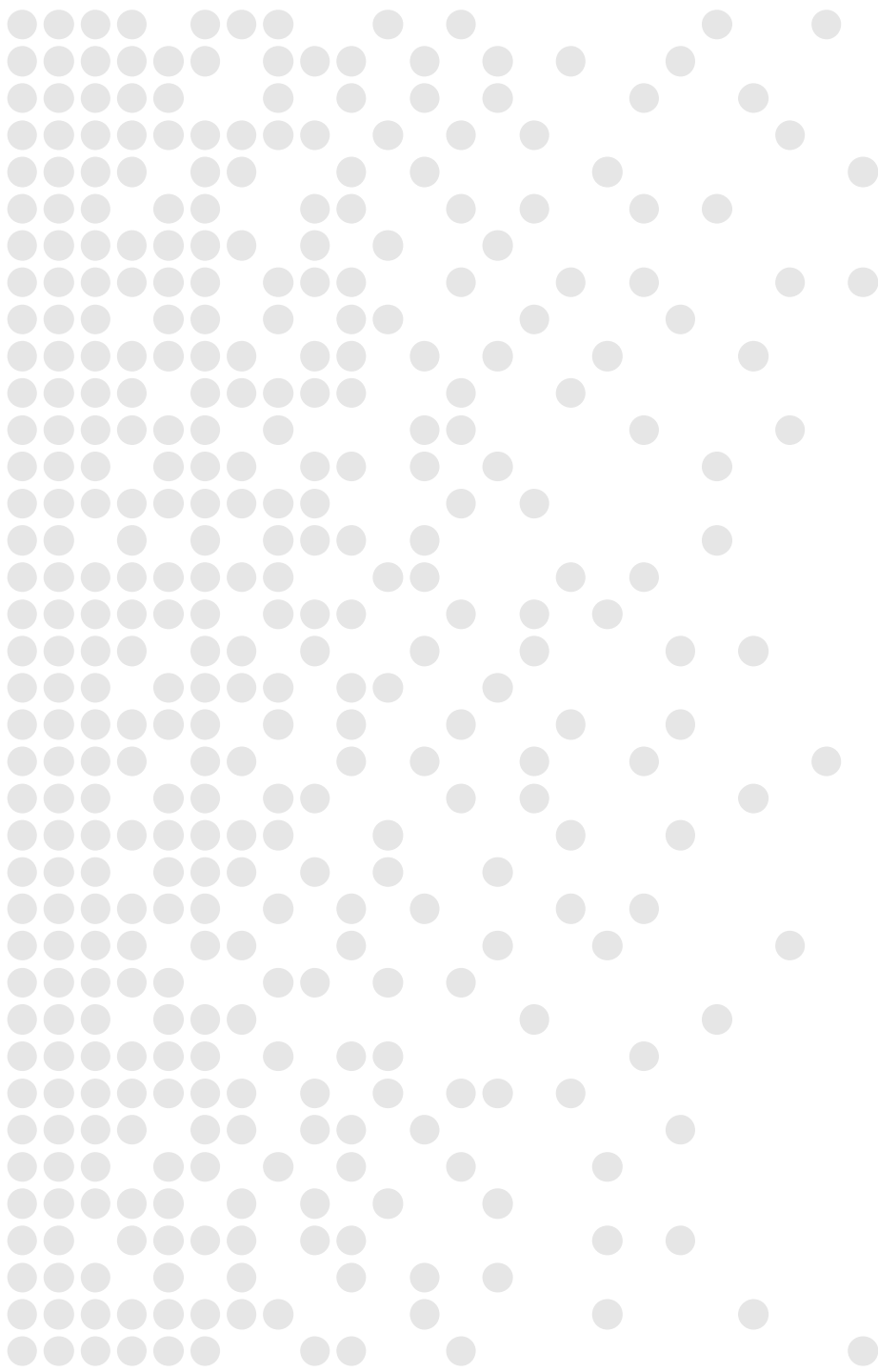


Estimated Township Population (Excluding Census Undercount)



The Township's 2024 Development Charges Background Study contained a forecast of population growth which was derived based on the level of development anticipated in the Township over the study's 10-year forecast horizon. More specifically, through discussions with Township staff and detailed reviews of background documents (e.g., Region of Waterloo Official Plan) and historical census data, the study assessed the residential and non-residential development potential for the Township. Based on this assessment, the study forecasted the Township's population to rise at a rate of approximately 0.60% annually, growing to approximately 12,100 residents by 2034. Although the study did not provide a population estimate for 2035, for the purposes of this report, 2035 population has been estimated by applying the 0.60% annual growth rate to the forecast 2034 population.

It is important to highlight the relationship between population growth and levels of service. As the Township's population increases over time, it will have to make strategic investments in its infrastructure portfolio to support the higher population level while also ensuring that its levels of service targets are being achieved by 2035. Furthermore, while the Township imposes development charges on new development to fund the initial acquisition (or construction) of growth-related infrastructure, ongoing lifecycle costs associated with these assets cannot be funded through development charges. The financial strategy presented in the Township's 2025 AMP estimated the annual financial impact of funding the ongoing lifecycle costs of growth-related assets and an update of this analysis is included in the financial impacts presented in Section 4 of this report.



## Appendix B

# Levels of Service Tables

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# Levels of Service Framework

## Transportation Assets



Service Attribute	Performance Measure	2025 Performance	2026 Performance	Target Performance
<b>Scope</b>	Number of lane-kilometres of arterial roads as a proportion of square kilometres of land area of the Township.	N/A	N/A	N/A
	Number of lane-kilometres of collector roads as a proportion of square kilometres of land area of the Township.	1.23 km / km <sup>2</sup>	1.23 km / km <sup>2</sup>	1.23 km / km <sup>2</sup>
	Number of lane-kilometres of local roads as a proportion of square kilometres of land area of the Township.	0.34 km / km <sup>2</sup>	0.34 km / km <sup>2</sup>	0.34 km / km <sup>2</sup>
	Percentage of bridges in the Township with loading or dimensional restrictions.	0%	0%	0%
	Percentage of residential streets (by length) with street lighting.	100%	100%	100%
<b>Quality</b>	For paved roads in the Township, the average pavement condition index value.	73.6	75.1	75.0
	For paved roads in the Township, the average cracking index value.	69.6	71.8	70.0
	For paved roads in the Township, the average rutting index value.	77.5	78.4	80.0
	For unpaved roads in the Township, the average surface condition.	Good to Fair	Good to Fair	Good to Fair
	Percentage of gravel roads that have been resurfaced at least once in the past three years.	100%	100%	100%

# Levels of Service Framework

## Transportation Assets (cont'd)



Service Attribute	Performance Measure	2025 Performance	2026 Performance	Target Performance
<b>Quality</b> (cont'd)	Application of dust suppressant to gravel road surfaces.	Annually	Annually	Annually
	Percentage of road network that is paved.	48.4%	48.4%	60.0%
	Percentage of shoulders graded in past year.	100%	100%	100%
	For bridges in the Township, the average bridge condition index value.	63.9	63.9	79.0
	Number of bridges in a Poor condition state (BCI < 60).	3	3	0
	For structural culverts in the Township, the average bridge condition index value.	68.1	69.9	79.0
	Number of structural culverts in a Poor condition state (BCI < 60).	1	10	0
<b>Safety</b>	Number (percentage) of bridges and culverts with guiderail deficiencies.	3 (3.5%)	3 (3.5%)	Minimize
	Percentage of identified sidewalk discontinuities over ½ an inch that are addressed within the timeframe specified in Ontario Regulation 239/02.	100%	100%	100%
	Percentage of Township-owned intersections of asphalt roads in rural areas that have street lighting.	100%	100%	100%
<b>Accessibility</b>	Percentage of sidewalks (by length) that are at least 1.5m wide.	68%	71%	Maximize

# Levels of Service Framework Stormwater



Service Attribute	Performance Measure	2025 Performance	2026 Performance	Target Performance
<b>Scope</b>	Percentage of properties in municipality resilient to a 100-year storm.	N/A <sup>[1]</sup>	N/A	N/A
	Percentage of the municipal stormwater management system resilient to a 5-year storm.	100%	100%	100%
<b>Reliability</b>	Frequency of CCTV inspections of SW mains.	As-needed (e.g., as part of road reconstruction projects)	As-needed (e.g., as part of road reconstruction projects)	As-needed (e.g., as part of road reconstruction projects)
	Percentage of SWM Pond inspected (sedimentation) at least once in the past 10 years.	100%	100%	100%
	Percentage of SWM ponds visually inspected in past year.	0%	0%	Maximize
	Frequency of catch basin cleanouts.	Reactive (when blockages occur)	Reactive (when blockages occur)	Reactive (when blockages occur)

<sup>[1]</sup>The Township has not received any reports of flooding during recent significant rainfall events. Therefore, it would appear that most properties in the Township are resilient to a 100-year storm. The Township will further assess resiliency as part of its ongoing asset management planning efforts.

# Levels of Service Framework Facilities



Service Attribute	Performance Measure	2025 Performance	2026 Performance	Target Performance
Scope	Average Condition Rating of Facilities.	Good	Good	Maximize
	Percentage of facilities with a condition rating of Fair or better (by replacement cost).	99%	99%	100%
Capacity	Gross floor area of municipal administration facilities per 1,000 population.	864 ft <sup>2</sup>	859 ft <sup>2</sup>	813 ft <sup>2</sup>
	Gross floor area of public works maintenance facilities per 1,000 population.	1,314 ft <sup>2</sup>	1,306 ft <sup>2</sup>	1,357 ft <sup>2</sup>
	Number of ice pads per 1,000 population.	0.18	0.18	0.16
	Gross floor area of community centres per 1,000 population.	9,793 ft <sup>2</sup>	9,733 ft <sup>2</sup>	9,214 ft <sup>2</sup>
	Gross floor area of libraries per 1,000 population.	598 ft <sup>2</sup>	594 ft <sup>2</sup>	591 ft <sup>2</sup>
Security	Percentage of facilities (by number) with security cameras.	25%	25%	Maximize
	Percentage of facilities (by number) with door card reader systems.	25%	25%	Maximize
	Percentage of facilities (by number) with adequate perimeter lighting.	70%	70%	Maximize

# Levels of Service Framework

## Parkland Amenities



Service Attribute	Performance Measure	2025 Performance	2026 Performance	Target Performance
<b>Quality</b>	Percentage of playground play surfaces with water ponding issues.	11.1%	11.1%	Maximize
	Percentage of playgrounds with condition ratings of fair or better.	100%	100%	100%
	Percentage of park sports amenities with water ponding issues.	31.6%	31.6%	Minimize
	Percentage of multi-use pads that have concrete surfaces (versus asphalt surfaces).	80.0%	80.0%	80.0%
	Percentage of trails (by length) with asphalt surfaces (versus gravel, crushed stone, or wood chip surfaces).	73.0%	73.0%	73.0%
<b>Availability</b>	Percentage of playgrounds with lighting.	33.3%	33.3%	33.3%
	Percentage of ball diamonds with lighting.	71.4%	71.4%	71.4%
	Percentage of soccer fields with lighting.	0.0%	0.0%	0.0%
	Percentage of multi-use pads with lighting.	75.0%	75.0%	75.0%
	Percentage of skate parks with lighting.	50.0%	50.0%	100%
<b>Capacity</b>	Park area (hectares) per 1,000 population.	2.63	2.62	2.48
	Number of playgrounds per 1,000 population.	0.79	0.78	0.74

# Levels of Service Framework

## Parkland Amenities (cont'd)



Service Attribute	Performance Measure	2025 Performance	2026 Performance	Target Performance
<b>Capacity</b>	Number of ball diamonds per 1,000 population.	0.61	0.61	0.57
	Number of soccer fields per 1,000 population.	0.61	0.61	0.57
	Number of multi-use pads per 1,000 population.	0.35	0.35	0.33
	Number of skate parks per 1,000 population.	0.17	0.17	0.08
<b>Accessibility</b>	Percentage of playgrounds with accessible play surfaces (rubberized, engineered wood fiber, or artificial grass).	77.8%	88.9%	Maximize
	Percentage of playgrounds with one or more accessible components.	55.6%	66.7%	Maximize
	Percentage of park amenities with accessible approaches from a parking lot.	41.9%	44.4%	Maximize
<b>Safety</b>	Percentage of playgrounds that passed the most recent CSA safety inspection.	100%	100%	100%

# Levels of Service Framework

## Fleet and Equipment



Service Attribute	Performance Measure	2025 Performance	2026 Performance	Target Performance
<b>Quality/ Condition</b>	Percentage of licensed Public Works vehicles (by replacement cost) with a condition rating of fair or better.	83.8%	83.8%	100%
	Percentage of unlicensed Public Works vehicles (by replacement cost) with a condition rating of fair or better.	98.8%	98.8%	100%
	Percentage of Public Works small equipment (by replacement cost) with an age-based condition rating of fair or better.	63.1%	63.1%	100%
	Percentage of Parks and Recreation vehicles and equipment (by replacement cost) with a condition rating of fair or better.	100%	100%	100%
	Percentage of Parks and Recreation small equipment (by replacement cost) with an age-based condition rating of fair or better.	74.1%	74.1%	100%
<b>Reliability</b>	Percentage of Fire vehicles and equipment (by replacement cost) with a condition rating of fair or better.	100%	100%	100%
	Percentage of Fire equipment (by replacement cost) that is beyond its expected useful life.	17.2%	0%	0%
<b>Minimize Lifecycle Cost</b>	Annual maintenance and repair costs of licensed Public Works vehicles as a percentage of replacement cost.	1.8%	3.8%	Minimize
	Annual maintenance and repair costs of unlicensed Public Works vehicles as a percentage of replacement cost.	1.3%	3.3%	Minimize