



# Asset Management Plan

Township of Wellesley

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Final Report

June 4, 2025

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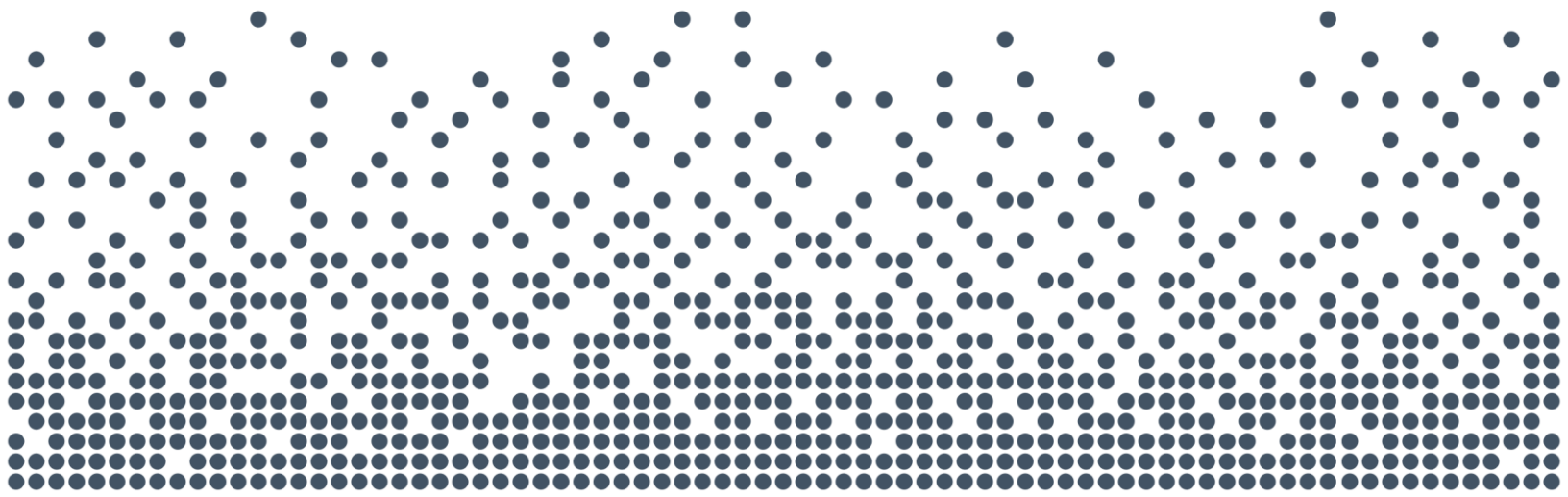
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# Report



# Chapter 1

## Introduction



# 1. Introduction

## 1.1 Overview

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The main objective of an asset management plan is to use a municipality's best available information to develop a long-term plan for capital assets. In addition, the plan should provide a sufficiently documented framework that will enable continual improvement and updates of the plan, to ensure its relevancy over the long term.

The Township of Wellesley (Township) retained Watson & Associates Economists Ltd. (Watson) to develop a comprehensive asset management plan. The project has been completed in two phases. The first phase focused on complying with the July 1, 2024 requirements of Ontario Regulation (O. Reg.) 588/17 and was completed in May 2024. The second phase of the project built on the work completed through the first phase, with a focus on identifying proposed levels of service and developing a financial strategy to support the asset management plan. This report is the outcome of the second phase and brings the Township into full compliance with the 2025 requirements of O. Reg. 588/17.

It should be noted that the information presented in this asset management plan is based on the best data available to the Township at this time. While best efforts have been taken to ensure the accuracy and completeness of the data used to develop this asset management plan, the plan is best viewed as a living document that will continue to be refined as newer/better information becomes available.

The total replacement cost for the Township's infrastructure assets is estimated to be approximately \$395.2 million. The Township shares responsibility for some roads and bridges with neighbouring municipalities. The Township's share of the total replacement cost is approximately \$387.1 million. Roads accounts for the largest share of replacement costs (42%), followed by facilities (26%), structures (15%), stormwater (10%), and all other assets (7%).

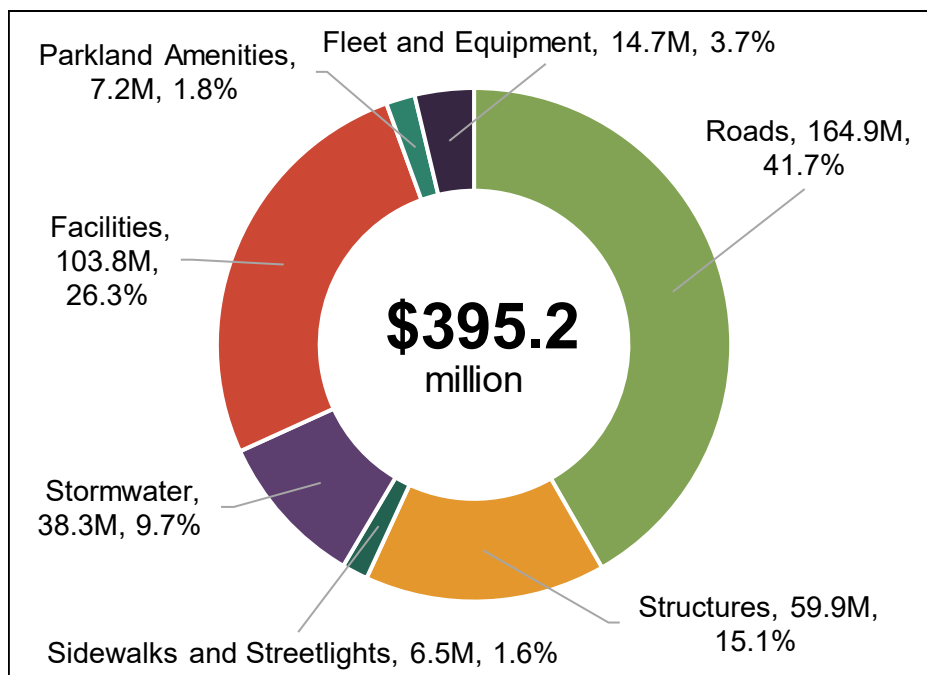
A breakdown of the replacement cost by asset class is provided in Table 1-1 and is further illustrated in Figure 1-1.



Table 1-1: Asset Classes and Replacement Costs

Asset Class	Replacement Cost (2025\$)	Township Share of Replacement Cost (2025\$)
Roads	\$164,850,000	\$159,190,000
Structures	\$59,870,000	\$57,420,000
Sidewalks and Streetlights	\$6,450,000	\$6,450,000
Stormwater	\$38,330,000	\$38,330,000
Facilities	\$103,800,000	\$103,800,000
Parkland Amenities	\$7,180,000	\$7,180,000
Fleet and Equipment	\$14,710,000	\$14,710,000
<b>Total</b>	<b>\$395,190,000</b>	<b>\$387,080,000</b>

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



## 1.2 Legislative Context for the Asset Management Plan

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



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

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

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

As noted earlier, the asset management plan presented herein brings the Township into full compliance with the 2025 requirements of O. Reg. 588/17.



## 1.3 Asset Management Plan Development

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The development of this asset management plan was guided by asset management strategies and objectives identified through discussions with the Township's staff, information gathered through reviews of various background documents and studies, and detailed analysis of the Township's capital asset data and financial information.

The key steps involved in the development of this asset management plan are summarized below:

1. Compile asset information into complete inventories that contain relevant asset attributes such as size, quantity, age, useful service life expectations, and replacement cost. As part of this step, replacement costs were updated to 2025 dollars, where required, using a combination of the Township's recent procurement data and/or applicable inflationary indices.
2. Define and assess the current condition of assets using a combination of staff input, existing background reports and studies (e.g. Road Needs Study, OSIM Bridge Inspections, Building Condition Assessments), and age-based condition analysis.
3. Define and document current levels of service based on the analysis of available data and consideration of various background reports.
4. Identify proposed levels of service for all performance measures.
5. Develop lifecycle management strategies that identify the activities required to sustain the proposed levels of service. The outputs of these strategies are summarized in the forecast of annual capital and operating expenditures required to achieve these levels of service outcomes.
6. Develop a financial strategy to support the lifecycle management strategy. The financial strategy informs how the capital and operating expenses arising from the asset management strategy will be funded over the forecast period, and how any existing funding gaps will be managed.
7. Document the comprehensive asset management plan in a formal report to inform future decision-making and to communicate planning to municipal stakeholders.



# Chapter 2

## State of Local Infrastructure and Levels of Service



## 2. State of Local Infrastructure and Levels of Service

### 2.1 Transportation

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#### **2.1.1 State of Local Infrastructure**

The Township owns and manages a variety of assets that support the safe and efficient passage of vehicular and pedestrian traffic and that contribute to the overall level of service provided by the Township. Transportation assets comprise roads, structures, sidewalks, and streetlights. The replacement cost of these assets is approximately \$231.2 million.

The road network comprises roads with two surface types: asphalt and gravel. Asphalt roads are further broken down by roadside environment – urban and rural. The estimated replacement cost of roads is approximately \$164.9 million. Responsibility for boundary roads is shared with neighbouring municipalities, reducing the total replacement cost that the Township is responsible for to approximately \$159.2 million.

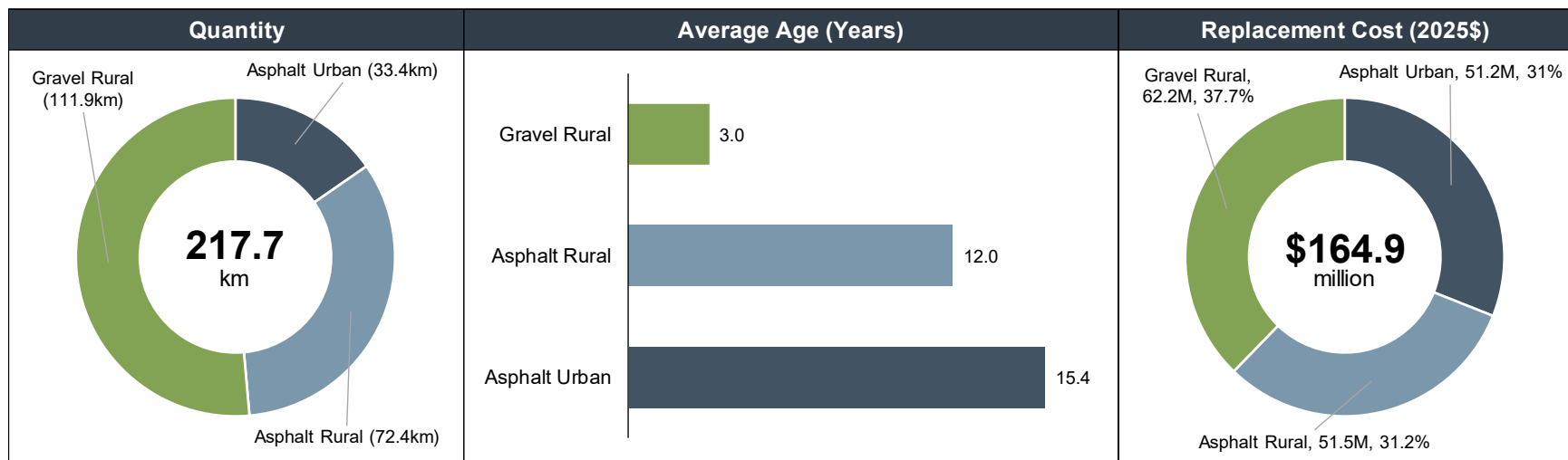
Table 2-1 provides a breakdown of the road network by surface type and roadside environment, showing centreline-kilometres, average age, replacement cost, and the share of the replacement cost that the Township is responsible for. A visual rendering of the data presented in Table 2-1 is provided in Figure 2-1.



Table 2-1: Road Network – Summary of Length, Age, and Replacement Cost by Surface Type

Surface Type	Roadside Environment	Centreline-kilometres	Average Age of Surface (years)	Replacement Cost (2025\$)	Township Ownership Share	Replacement Cost - Township Share (2025\$)
Asphalt	Urban	33.4	15.4	\$51,150,000	99.5%	\$50,900,000
Asphalt	Rural	72.4	12.0	\$51,480,000	94.3%	\$48,550,000
Gravel	Rural	111.9	3.0	\$62,220,000	96.0%	\$59,730,000
<b>Total</b>		<b>217.7</b>	<b>7.9</b>	<b>\$164,850,000</b>	<b>96.6%</b>	<b>\$159,180,000</b>

Figure 2-1: Road Network Summary Information





The Township has 28 vehicle bridges, 1 pedestrian bridge, 15 structural culverts (diameter  $\geq$  3m) and 41 non-structural culverts with an estimated combined replacement cost of \$59.9 million. The average age of structures is 61.7 years.<sup>1</sup> Thirteen of the Township's structures (four vehicle bridges, one structural culvert, and eight non-structural culverts) are on boundary roads. The costs related to these structures are shared with neighboring municipalities. Table 2-2 provides a breakdown of the asset quantities, average ages, replacement costs, and ownership shares by structure type. A visual rendering of the data presented in Table 2-2 is provided in Figure 2-2.

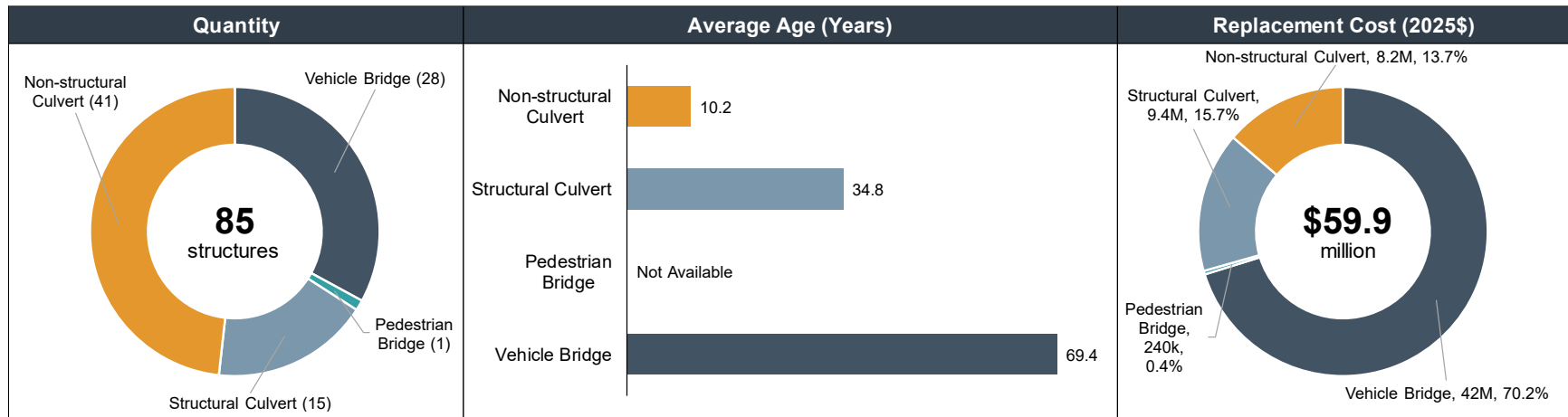
Table 2-2: Structures – Summary of Quantity, Age, and Replacement Cost by Structure Type

Structure Type	Quantity	Average Age (years)	Replacement Cost (2025\$)	Township Ownership Share	Replacement Cost - Township Share (2025\$)
Vehicle Bridge	28	69.4	\$42,030,000	95.6%	\$40,200,000
Pedestrian Bridge	1	Not Available	\$240,000	100%	\$240,000
Structural Culvert	15	34.8	\$9,390,000	98.4%	\$9,240,000
Non-structural Culvert	41	10.2	\$8,210,000	94.2%	\$7,730,000
<b>Total</b>	<b>85</b>	<b>61.7</b>	<b>\$59,870,000</b>	<b>95.9%</b>	<b>\$57,410,000</b>

<sup>1</sup> Age data was only available for 63% of structures. Age data was available for all vehicle bridges, no pedestrian bridges, 53% of structural culverts, and 44% of non-structural culverts. The reported averages are based on the structures with known age.



Figure 2-2: Bridge and Culvert Summary Information



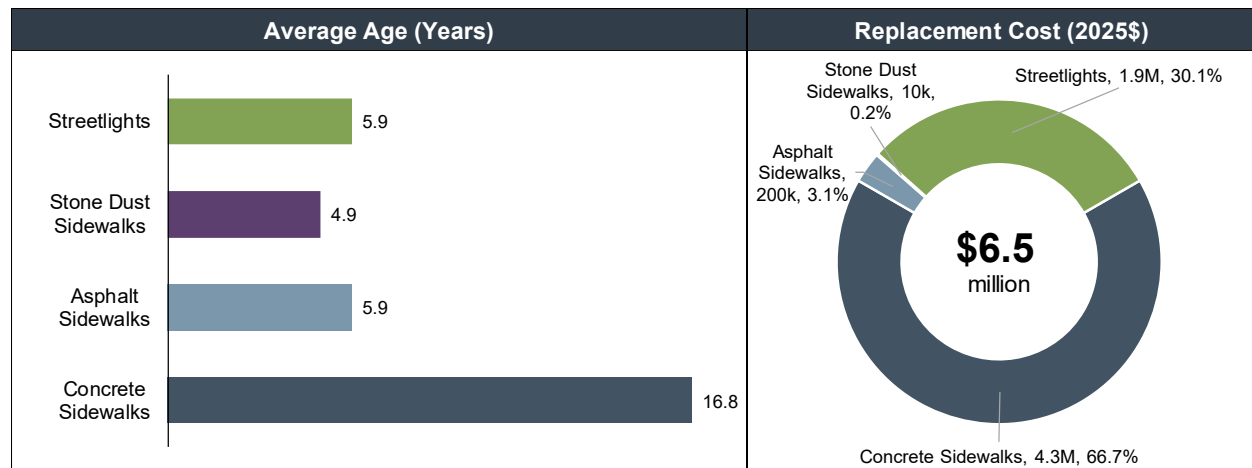


The Township has 31.6 kilometres of sidewalks and 571 streetlights with an estimated combined replacement cost of \$6.5 million. The average age of these assets is 13.2 years. Table 2-2 provides a breakdown of the quantity, average age, and replacement cost by asset category. A visual rendering of the data presented in Table 2-2 is provided in Figure 2-2.

Table 2-3: Sidewalks and Streetlights – Summary of Asset Quantity, Age, and Replacement Cost by Asset Category

Asset Category	Asset Quantity	Average Age	Replacement Cost (2025\$)
Concrete Sidewalks	26.5 km	16.8	\$4,300,000
Asphalt Sidewalks	3.6 km	5.9	\$200,000
Stone Dust Sidewalks	1.5 km	4.9	\$10,000
Streetlights	571	5.9	\$1,940,000
<b>Total/Average</b>		<b>13.2</b>	<b>\$6,450,000</b>

Figure 2-3: Sidewalks and Streetlights Summary Information



### 2.1.2 Condition

The Township assessed the cracks and rutting of its roads by estimating the severity and extent of distresses using the scales shown in Table 2-4 and Table 2-5. The assessment was done by road segment, typically intersection to intersection.



Table 2-4: Severity of Cracks and Rutting Distresses – Five-point Scale

Severity	Cracks	Rutting
No Defects (0 points)	No Cracks	No rutting
Very Slight (1 point)	Single hairline cracks, < 3mm width. or Alligator pattern forming.	3-6mm deep, usually no longitudinal cracks.
Slight (2 points)	Single cracks, 3 -12 mm width. or Alligator pattern established with block corners fracturing.	7-12mm deep, may include single longitudinal cracks.
Moderate (3 points)	Single cracks, 13-19 mm width. or Multiple cracks starting. or Alligator pattern established with spalling of blocks.	13-19mm deep, may include multiple longitudinal cracks. Dual rutting may begin to be visible.
Severe (4 points)	Single cracks, 20-25 mm width. or Multiple cracks with spalling starting. or Blocks begin to lift. Small potholes from missing blocks.	20-25mm deep, may include multiple longitudinal cracks. May include dual rutting.
Very Severe (5 points)	Single cracks, >25 mm width. or Multiple cracks with spalling developed. or Polygon blocks lifting. Potholes from missing blocks.	>25mm deep, may include multiple longitudinal cracks. Usually includes dual rutting.



Table 2-5: Extent of Cracks and Rutting Distresses – Five-point Scale

Extent	Percentage of Surface Affected
Few (1 point)	<10%
Intermittent (2 points)	10-20%
Frequent (3 points)	20-50%
Extensive (4 points)	50-80%
Throughout (5 points)	80-100%



The severity and extent assessments were combined into single indexes for cracks and rutting using the equation:  $Index = 20 \times \left[ 5 - Severity \times \left( 0.5 + \frac{Extent}{10} \right) \right]$ . The formula produces an index from 0 to 100 with 100 being a road with no cracking or rutting and 0 being a road with severe and extensive cracking or rutting. Table 2-6 shows the resulting index scores with condition states shown in Table 2-7.

Table 2-6: Mapping from Severity and Extent to Index


			Extent				
			<10%	10-20%	20-50%	50-80%	80-100%
			1	2	3	4	5
Severity	No Defects	0	100	100	100	100	100
	Very Slight	1	88	86	84	82	80
	Slight	2	76	72	68	64	60
	Moderate	3	64	58	52	46	40
	Severe	4	52	44	36	28	20
	Very Severe	5	40	30	20	10	0



Table 2-7: Condition States

Condition	Pavement Image	Description
<p style="text-align: center;">Very Good 85 ≤ Index ≤ 100</p>		<ul style="list-style-type: none"> <li>• Offers a smooth ride</li> <li>• Is aesthetically pleasing</li> <li>• Has no cracks/minor cracks</li> <li>• Has good drainage</li> <li>• Has no patching</li> </ul>
<p style="text-align: center;">Good 70 ≤ Index &lt; 85</p>		<ul style="list-style-type: none"> <li>• Offers a smooth ride</li> <li>• Is aesthetically pleasing</li> <li>• Has minor cracks</li> <li>• Has good drainage</li> <li>• Has no patching</li> </ul>
<p style="text-align: center;">Fair 55 ≤ Index &lt; 70</p>		<ul style="list-style-type: none"> <li>• Offers a decent ride</li> <li>• Has some cracks</li> <li>• Has patches</li> <li>• Repairs made but smooth</li> <li>• Has started to deteriorate</li> <li>• Resurfacing candidate</li> </ul>
<p style="text-align: center;">Poor 40 ≤ Index &lt; 55</p>		<ul style="list-style-type: none"> <li>• Provides a bumpy ride</li> <li>• Has several patches</li> <li>• Has sunken manhole covers</li> <li>• Many cracks</li> <li>• Requires reconstruction</li> </ul>



Condition	Pavement Image	Description
<b>Very Poor</b> $0 \leq \text{Index} < 40$		<ul style="list-style-type: none"> <li>Provides a bumpy ride</li> <li>Has several patches</li> <li>Has sunken manhole covers</li> <li>Many cracks</li> <li>Has poor drainage</li> <li>Top layer of asphalt is crumbling</li> <li>Requires reconstruction</li> </ul>

The distributions of road length by Cracking and Rutting indexes are shown in Figure 2-4 and Figure 2-5, respectively.

Figure 2-4: Distribution of Asphalt Road Length by Cracking Index

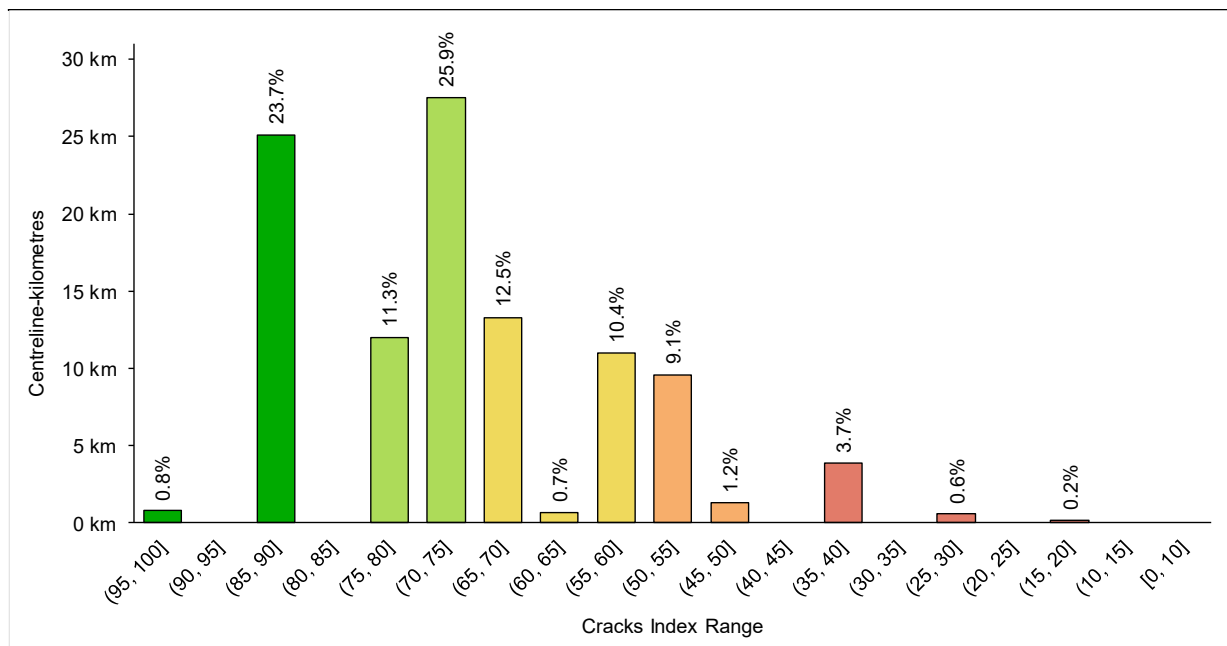
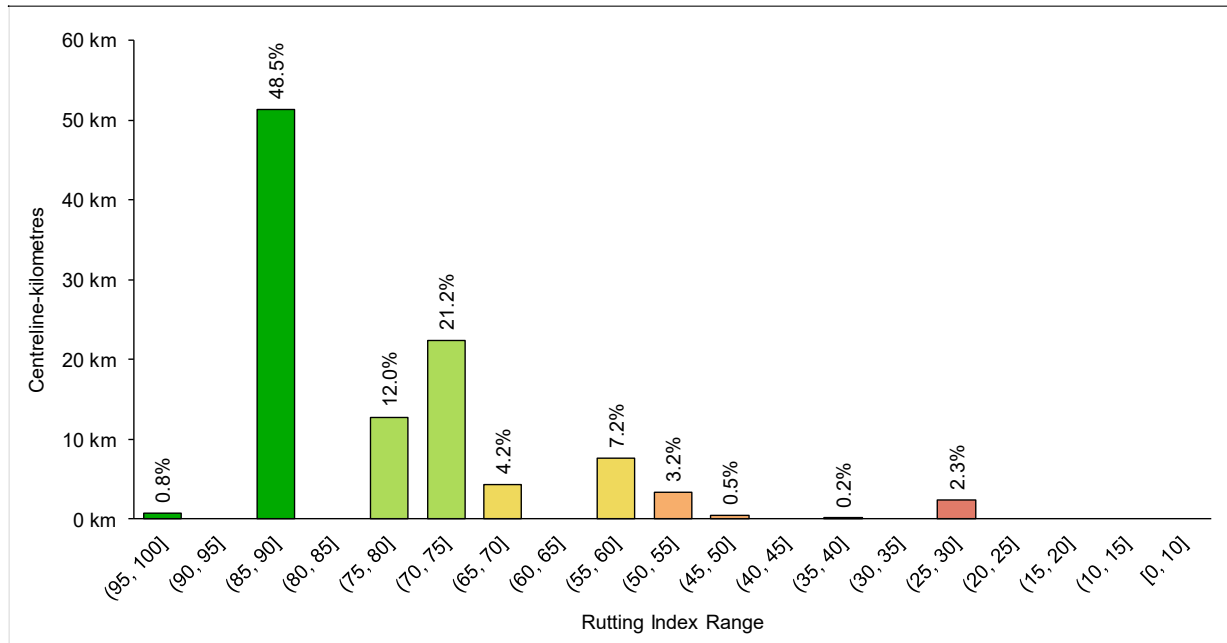


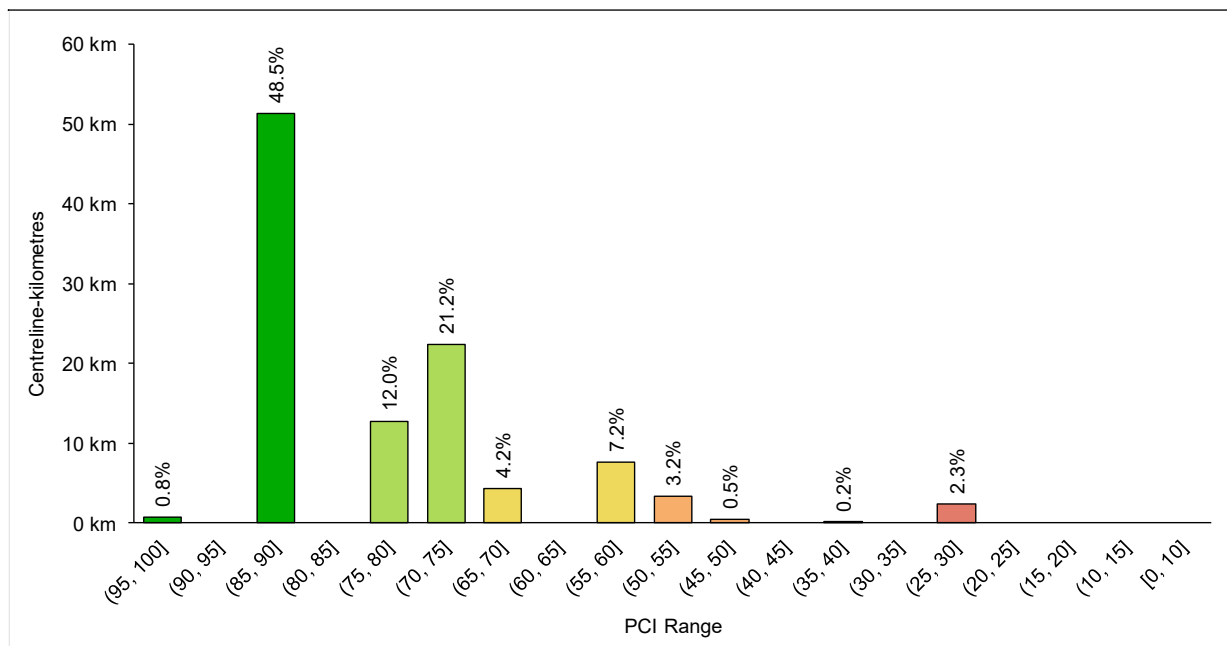


Figure 2-5: Distribution of Asphalt Road Length by Rutting Index



A single Pavement Condition Index (PCI) is created by averaging the Cracking Index and Rutting Index. Figure 2-6 shows the distribution of road length by PCI intervals.

Figure 2-6: Distribution of Asphalt Road Length by PCI





The Township re-gravels its roads on a 3-year cycle, aiming to maintain them in a condition of Fair to Good. While gravel roads were not assessed for condition, the Township believes that their re-gravelling plan is achieving the desired outcome.

Table 2-8 provides information on average cracking index, rutting index, PCI, and condition state of roads by surface type and roadside environment. On average, paved roads are in the Good condition state and gravel roads are in the Fair to Good condition state.








Table 2-8: Road Condition Analysis

Surface Type	Roadside Environment	Centreline-kilometres	Average Cracking Index	Average Rutting Index	Average PCI	Average Condition State
Asphalt	Urban	33.4	66.3	78.3	72.3	<b>Good</b>
Asphalt	Rural	72.4	72.9	76.8	74.8	<b>Good</b>
Gravel	Rural	111.9	Not Applicable	Not Applicable	Not Applicable	<b>Fair to Good</b>



In accordance with O. Reg. 104/97, the Township completes biennial inspections of its bridges and structural culverts following the OSIM. The most recent inspections were completed in 2024. Each bridge and culvert was assigned a Bridge Condition Index (BCI). The BCI is on a scale of 0 to 100, with 100 being an asset in as-new condition and 0 being a failed asset. Similar to the analysis for roads described above, the numeric condition ratings for bridges and structural culverts have been segmented into qualitative condition states. Photographs and descriptions of these condition states are provided to better communicate the condition to the reader. Table 2-9 summarizes the BCI ratings and the condition state they represent.

Table 2-9: Examples and Descriptions of Bridge and Culvert Condition States

Condition State	Bridge Photos	Culvert Photos	Description
<b>Good</b> $70 \leq \text{BCI} \leq 100$			
<b>Fair</b> $60 \leq \text{BCI} < 70$			Maintenance work is usually scheduled within the next five years. This is the ideal time to schedule major bridge repairs to get the most out of bridge spending.
<b>Poor</b> $0 \leq \text{BCI} < 60$			Maintenance work is usually scheduled within one year. Structure may be at increased risk of requiring a loading restriction to be posted.

The average BCI ratings and corresponding condition states for bridges and culverts are summarized in Table 2-10 below. On average, culverts are in the Fair condition state, vehicle bridges are in the Fair condition state, and the pedestrian bridge is in the

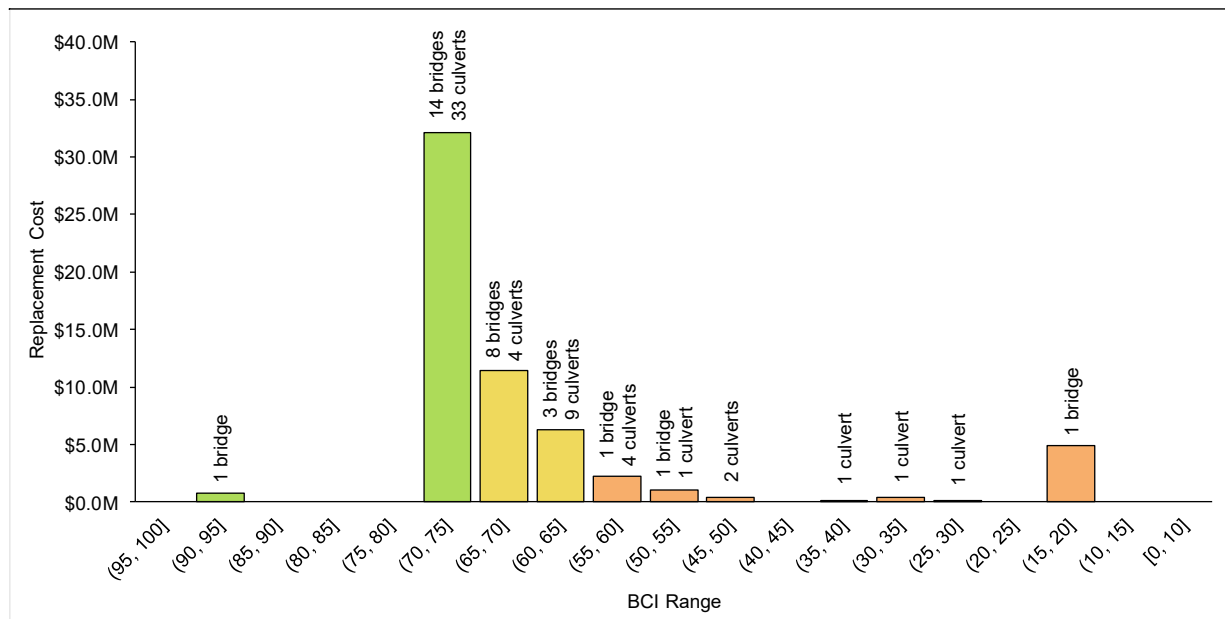


Good condition state. The distribution of structure condition (as measured by BCI) by structure replacement value by is presented in Figure 2-7.

Table 2-10: Bridges and Culverts Condition Analysis

Structure Type	Quantity	Condition (Weighted Average BCI)	Average Condition State
Vehicle Bridge	28	63.8	Fair
Pedestrian Bridge	1	75.0	Good
Structural Culvert	15	68.2	Fair
Non-structural Culvert	41	67.9	Fair
<b>Total</b>	<b>85</b>	<b>65.1</b>	<b>Fair</b>

Figure 2-7: Distribution of Structure Replacement Cost by BCI



The condition of the Township’s sidewalks and streetlights has not been directly assessed through a physical condition assessment. When the age and expected useful life of an asset is known, the condition is evaluated based on age relative to the expected useful life (i.e., based on the percentage of useful life consumed (ULC%)). A brand-new asset would have a ULC% of 0%, indicating that zero percent of the asset’s life expectancy has been utilized. On the other hand, an asset that has reached its life expectancy would have a ULC% of 100%. It is possible for assets to have a ULC%



greater than 100%, which occurs if an asset has exceeded its typical life expectancy but continues to be in service. This is not necessarily a cause for concern; however, it must be recognized that assets that are near or beyond their typical life expectancy are likely to require replacement or rehabilitation in the near term.

To better communicate the condition of sidewalks, streetlights, and other assets where ULC% will be used, the ULC% ratings have been segmented into qualitative condition states as summarized in Table 2-11. The scale is set to show that if assets are replaced around the expected useful life, they would be in the Fair condition state. Beyond 100% of useful life, the probability of failure is assumed to have increased to a point where performance would be characterized as Poor or Very Poor.

Table 2-11: Condition States Defined with Respect to ULC%

ULC%	Condition State
$0\% \leq \text{ULC}\% \leq 45\%$	<b>Very Good</b>
$45\% < \text{ULC}\% \leq 90\%$	<b>Good</b>
$90\% < \text{ULC}\% \leq 100\%$	<b>Fair</b>
$100\% < \text{ULC}\% \leq 125\%$	<b>Poor</b>
$125\% < \text{ULC}\%$	<b>Very Poor</b>

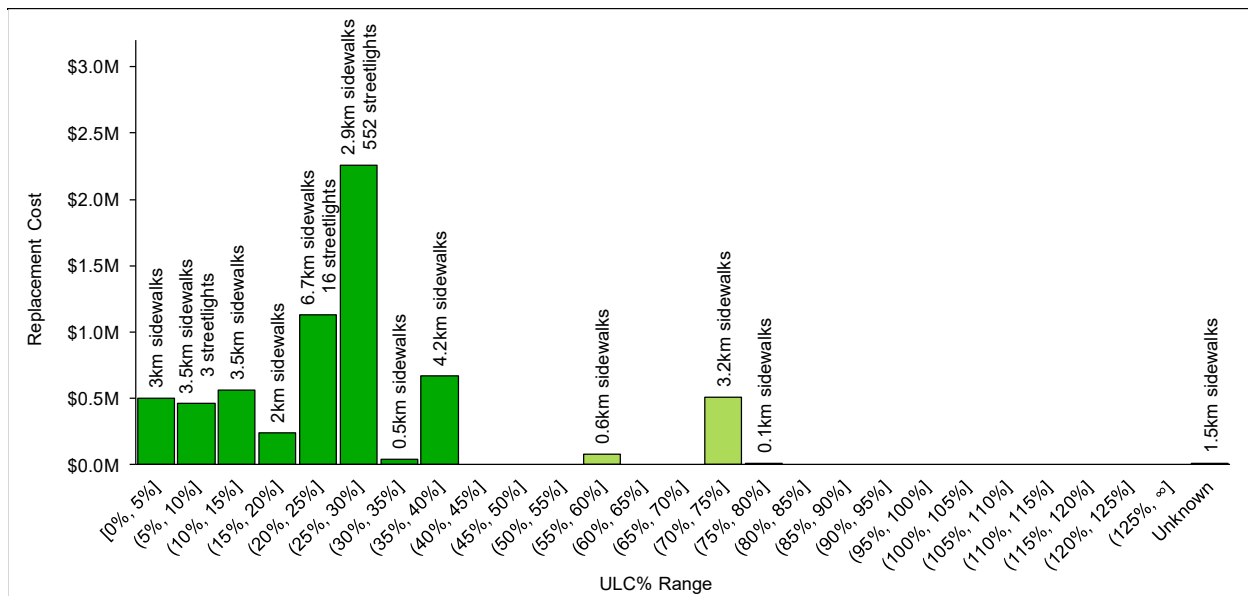
Table 2-12 shows a summary of the age-based condition for all sidewalks and streetlights except for stone dust sidewalks, which are maintained indefinitely through operating activities and thus do not have an expected useful life. Figure 2-8 shows the distribution of these sidewalk and streetlight assets (measured by replacement cost) by ULC%.



Table 2-12: Condition Analysis – Sidewalks and Streetlights

Asset Category	Average ULC%	Average Condition Rating
Concrete Sidewalks	30%	Very Good
Asphalt Sidewalks	20%	Very Good
Stone Dust Sidewalks	Not Available	Unknown
Streetlights	30%	Very Good
<b>Total/Average</b>	<b>30%</b>	<b>Very Good</b>

Figure 2-8: Distribution of Sidewalks and Streetlights by ULC%



### 2.1.3 Levels of Service

The levels of service currently provided by the Township’s transportation system are, in part, a result of the state of local infrastructure identified above. The levels of service framework presented in this subsection defines the current levels of service that will be tracked over time against the proposed levels of service that are set as performance measures presented below.

There are prescribed levels of service reporting requirements under O. Reg. 588/17 for some transportation assets (i.e., roads) that are included in Table 2-13 and Table 2-14.



The tables are structured as follows:

- The Service Attribute headings and columns indicate the high-level attribute being addressed;
- The Community Levels of Service column in Table 2-13 explains the Township's intent in plain language and provides additional information about the service being provided;
- The Performance Measure column in Table 2-14 describes the performance measure(s) connected to the identified service attribute; and
- The Current Performance column in Table 2-14 reports current performance for the performance measure based on the best available data; and
- The Target Performance column in Table 2-14 reports the 10-year target performance for the performance measure.



Table 2-13: Transportation Assets – Community Levels of Service

Service Attribute	Community Levels of Service
<b>Scope</b>	The Township’s transportation assets enable the movement of people and goods within the Township and provide connectivity to regional roads. In addition to passenger vehicles, the Township’s transportation assets also support public transit, commercial truck traffic, movement of agricultural equipment, and reliable emergency vehicle access to all areas of the Township. The broader transportation network also supports other transportation modes such as walking and cycling.
	The Township provides street lighting on almost all residential streets.
<b>Quality</b>	The Township strives to maintain road and bridge surfaces to a level that supports comfortable passage of vehicles.
	To aid in interpreting condition states, photos of roads, bridges, and culverts in different condition states are shown in Table 2-4, Table 2-5, and Table 2-9. A general description of how each condition state may affect the use of these assets is also provided in these tables.
<b>Safety</b>	The Township ensures that safety concerns related to sidewalks are addressed in a timely manner.
	The Township ensures that high-traffic rural intersections are well lit.
<b>Accessibility</b>	The Township strives to ensure that sidewalks are accessible for all users.

Table 2-14: Transportation Assets – Technical Levels of Service

Service Attribute	Performance Measure	Current Performance	Target Performance (2036)
<b>Scope</b>	Number of lane-kilometres of arterial roads as a proportion of square kilometres of land area of the municipality.	N/A	N/A
	Number of lane-kilometres of collector roads as a proportion of square kilometres of land area of the municipality.	1.23 km/km <sup>2</sup>	1.23 km/km <sup>2</sup>



Service Attribute	Performance Measure	Current Performance	Target Performance (2036)
	Number of lane-kilometres of local roads as a proportion of square kilometres of land area of the municipality.	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%
	Percentage of residential streets (by length) with street lighting	100%	100%
<b>Quality</b>	For paved roads in the municipality, the average pavement condition index value.	73.6	75.0
	For paved roads in the Township, the average cracking index value.	77.5	70.0
	For paved roads in the Township, the average rutting index value.	69.6	80.0
	For unpaved roads in the Township, the average surface condition.	Good to Fair	Good to Fair
	Percentage of gravel roads that have been re-gravelled at least once in the past three years	100%	100%
	Application of dust suppressant to gravel road surfaces	Once per year	Once per year
	Percentage of road network that is paved.	48.6%	60.3%
	Percentage of shoulders graded in past year	100%	100%
	For bridges in the Township, the average bridge condition index value.	63.9	79.0
	Number of bridges in the Poor condition state (BCI < 60)	3	0



Service Attribute	Performance Measure	Current Performance	Target Performance (2036)
	For structural culverts <sup>1</sup> in the Township, the average bridge condition index value.	68.1	79.0
	Number of structural culverts in the Poor condition state (BCI < 60)	1	0
<b>Safety</b>	Number (percentage) of bridges and culverts with guiderail deficiencies.	3 (3.5%)	Minimize
	Percentage of identified sidewalk discontinuities over 1/2 an inch that are addressed within the timeframe specified in Ontario Regulation 239/02	100%	100%
	Percentage of Township-owned intersections of asphalt roads in rural areas that have street lighting	100%	100%
<b>Accessibility</b>	Percentage of sidewalks (by length) that are at least 1.5 m wide	68%	Maximize

## 2.2 Stormwater

### 2.2.1 State of Local Infrastructure

The Township owns and manages a variety of assets that support the management of stormwater runoff within settlement areas. The Township's stormwater infrastructure comprises approximately 33 kilometres of stormwater mains (including appurtenances such as maintenance holes and catch basins), and eight stormwater ponds. The combined replacement cost of this infrastructure is estimated at \$38.3 million. Table 2-15 shows summary information for the Township's stormwater system, including quantities, average ages and replacement costs by asset category. A visual rendering of the data presented in Table 2-15 is provided in Figure 2-9.

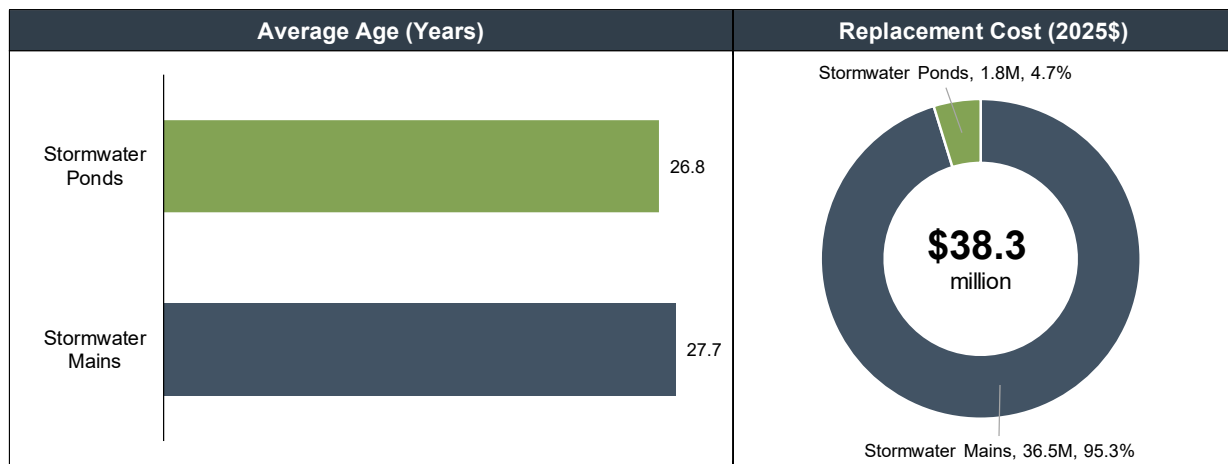
<sup>1</sup> Structural culverts are culverts with a diameter greater than or equal to three metres.



Table 2-15: Summary of Assets, Age, and Replacement Cost by Asset Category – Stormwater

Asset Category	Description of Assets	Average Age	Replacement Cost (2025\$)
Stormwater Mains	33.3 kilometres of stormwater mains, including associated assets such as maintenance holes and catch basins	27.7	\$36,510,000
Stormwater Ponds	8 stormwater ponds	26.8	\$1,820,000
<b>Total</b>		<b>27.7</b>	<b>\$38,330,000</b>

Figure 2-9: Summary Information – Stormwater



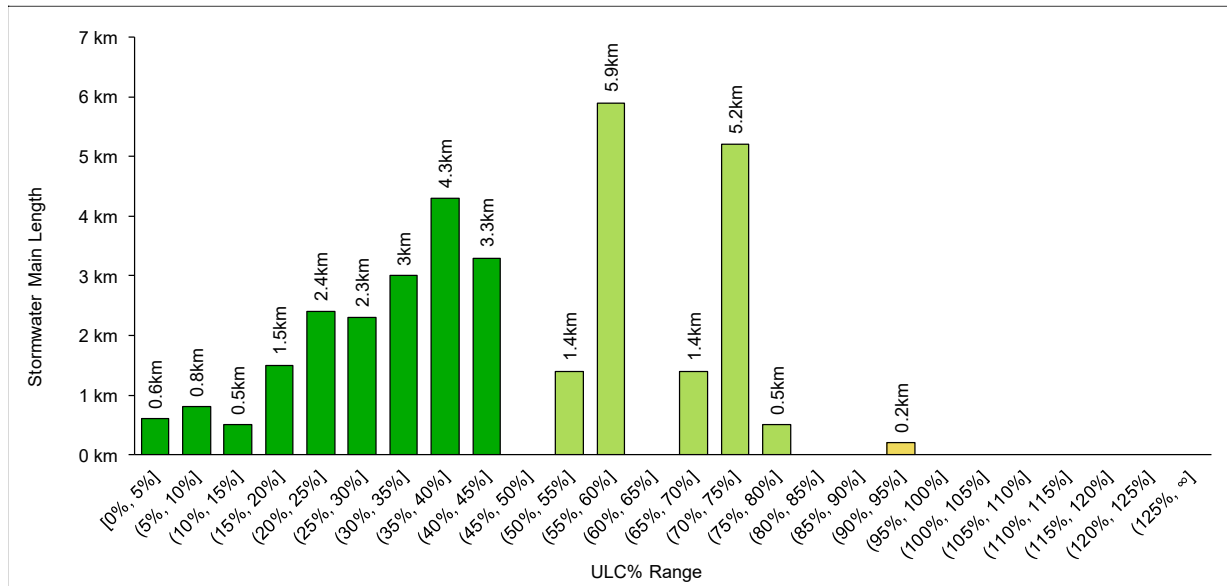
### 2.2.2 Condition

The condition of the Township’s stormwater mains was evaluated based on age relative to the expected useful life, as was done with sidewalks and streetlights (see Table 2-11). The average condition of the Township’s stormwater mains is a ULC% of 50%, which corresponds to an average condition state of “Good”. The distribution of the Township’s stormwater mains (as measured by ULC%) is presented in Figure 2-10.

The condition of the Township’s stormwater ponds was comprehensively assessed in 2023 by GM BluePlan. However, an overall condition rating was not provided through those assessments. The Township should consider developing a condition rating system for its stormwater ponds so that a summary of their condition can be reported in the next iteration of the asset management plan.



Figure 2-10: Distribution of Stormwater Mains by Condition State



### 2.2.3 Levels of Service

This subsection presents the Township’s levels of service framework for its stormwater assets. Table 2-16 presents the Township’s Service Attributes and Community Levels of Service for its stormwater assets while

Table 2-17 presents the Township’s Technical Levels of Service (i.e. performance measures) for its stormwater assets, including current and target performance. Please refer to Section 2.1.3 for further details on the Township’s levels of service framework.



Table 2-16: Stormwater – Community Levels of Service

Service Attribute	Community Levels of Service
<b>Scope</b>	The stormwater management system provides for the collection of stormwater in order to protect properties and roads from flooding, and to manage the volume and quality of stormwater discharged back into the environment.
	Settlement areas within the Township are serviced by municipal stormwater infrastructure.
<b>Reliability</b>	The Township inspects and maintains the stormwater system to ensure that it functions as intended.

Table 2-17: Stormwater – Technical Levels of Service

Service Attribute	Performance Measure	Current Performance	Target Performance (2035)
<b>Scope</b>	Percentage of properties in municipality resilient to a 100-year storm.	N/A <sup>1</sup>	N/A
	Percentage of the municipal stormwater management system resilient to a 5-year storm.	100% <sup>2</sup>	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)
	Percentage of SWM Pond inspected (sedimentation) at least once in the past 10 years	100%	100%
	Percentage of SWM ponds visually inspected in past year	0%	Maximize
	Frequency of catch basin cleanouts	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



## 2.3 Facilities

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### 2.3.1 *State of Local Infrastructure*

The Township owns and manages a variety of facilities that support the provision of Public Works, Fire, and Parks and Recreation services. The replacement cost of these facilities is approximately \$103.8 million. Parks and Recreation facilities account for approximately 75% of the replacement cost, followed by Public Works facilities (14%) and Fire facilities (11%). Table 2-18 provides a breakdown of facilities by department, showing descriptions, average age, and replacement cost. A visual rendering of the data presented in Table 2-18 is provided in Figure 2-11.

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100-year storm. The Township will further assess resiliency as part of its ongoing asset management planning efforts.

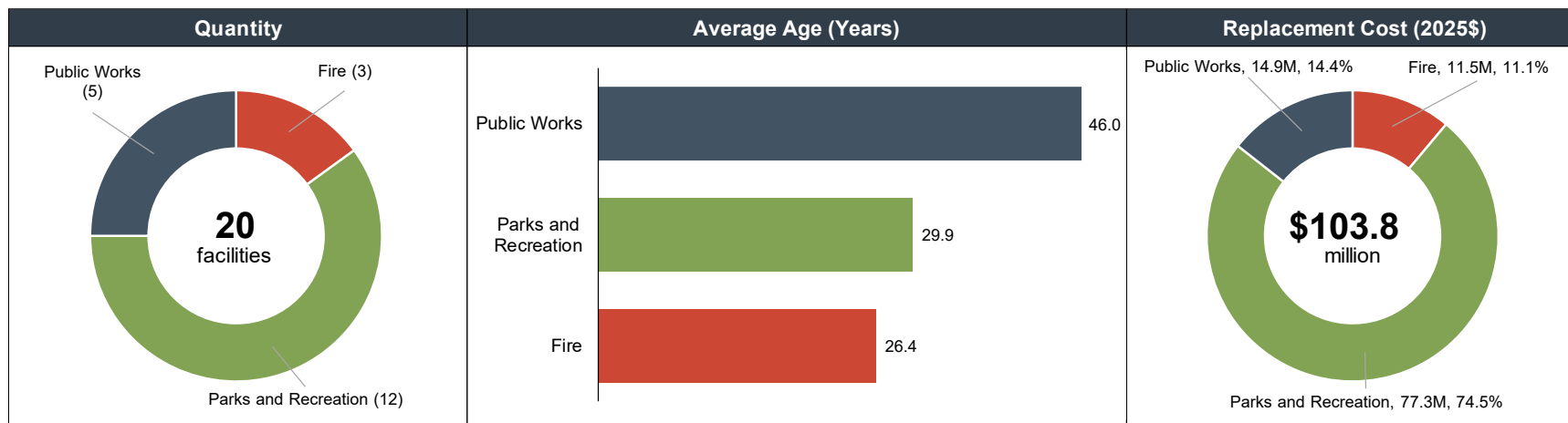
<sup>2</sup> This is a preliminary estimate. The Township will further evaluate resiliency of its stormwater management system as part of its ongoing asset management planning efforts.



Table 2-18: Summary of Assets, Age, and Replacement Cost by Department – Facilities

Department	Description of Facilities	Quantity	Average Age	Replacement Cost (2025\$)
Fire	Fire halls	3	26.4	\$11,510,000
Parks and Recreation	Arena, sports complexes, community centres, libraries, outdoor washroom, ball press box, storage sheds	13 <sup>[1]</sup>	29.9	\$77,340,000 <sup>[1]</sup>
Public Works	Administration building, Council chambers, public works shops, salt dome	5	46.0	\$14,940,000
<b>Total</b>		<b>20</b>	<b>31.8</b>	<b>\$103,790,000</b>

Figure 2-11: Summary Information – Facilities



<sup>[1]</sup> Includes three facilities at the old Wellesley Arena Lands that are still owned by the Township but currently not in use (i.e., Wellesley Arena, Wellesley Community Centre, and Wellesley Storage Shed).



### 2.3.2 Condition

Condition assessments were completed for nine<sup>[1]</sup> of the Township's 20 facilities by Witzel Dyce Engineering Inc. in 2024. As part of the assessments, assessors estimated the cost of capital projects they thought would be required over the next 10 years. This information, combined with estimates of the replacement cost of facilities, can be used to calculate Facility Condition Index (FCI) ratings to provide an overall measure of each facility's condition. FCI ratings are calculated by expressing the sum of identified capital requirements as a percentage of the replacement cost of the facility. FCI ratings are subsequently converted to a qualitative condition state. Table 5-2 summarizes condition states based on FCI.

Table 2-19: Condition States Defined with Respect to FCI

FCI	Condition State
$0\% \leq \text{FCI} < 2.5\%$	<b>Very Good</b>
$2.5\% \leq \text{FCI} < 5\%$	<b>Good</b>
$5\% \leq \text{FCI} < 10\%$	<b>Fair</b>
$10\% \leq \text{FCI} < 30\%$	<b>Poor</b>
$30\% \leq \text{FCI}$	<b>Very Poor</b>

FCIs were estimated to be 0% for the St. Clements fire station and the Bill Gies Complex because they were constructed within the last five years and no capital projects are anticipated over the next 10 years. In all, FCI-based condition states were evaluated for 11 of the Township's 20 facilities.

Six of the nine remaining facilities were assessed by Township staff using a 5-point component condition rating scale<sup>[2]</sup>. In each of the facilities between six and 13 components were assessed depending on the complexity of the facility. An overall

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<sup>[1]</sup> The following facilities were assessed by Witzel Dyce Engineering Inc.: Administration building, Public Works shop 1, Council chambers, Linwood fire station, Wellesley fire station, Wellesley library, St. Clements recreation complex, Hawkesville community centre, and Linwood community centre.

<sup>[2]</sup> The following facilities were assessed by Township staff: Public Works Shop 2, Salt Dome, St. Clements Ball Press Box, St. Clements Library, St. Clements Outdoor Washrooms, Linwood Storage Shed.



condition state was evaluated for each facility by averaging the condition ratings of the components.

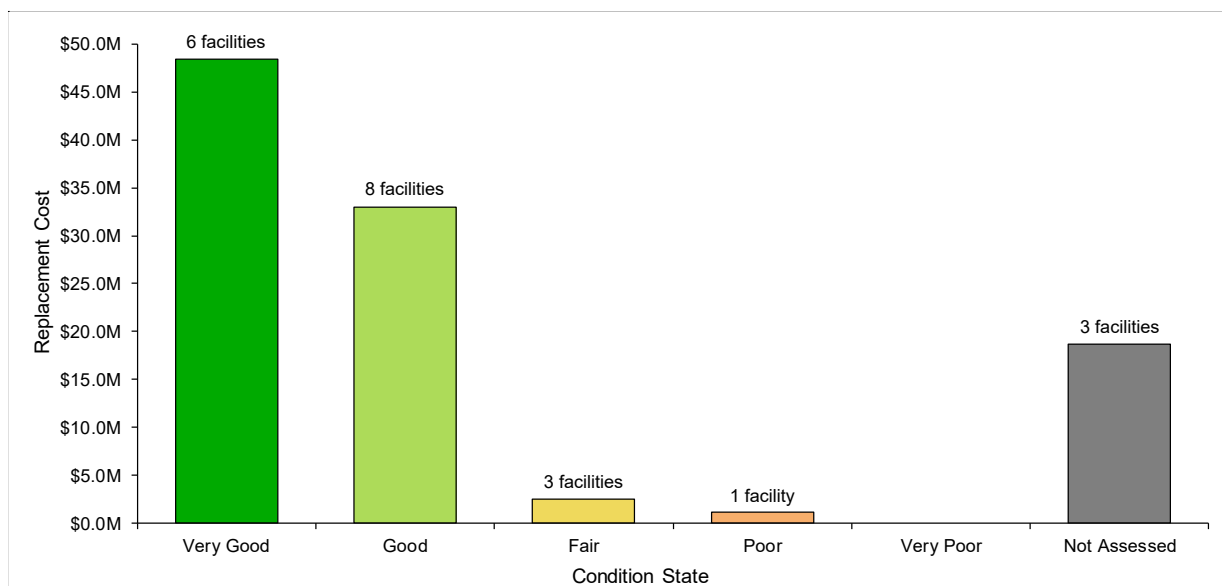
The three facilities at the Wellesley Arena<sup>[1]</sup> were not assessed because the facilities are not currently in use.

Table 2-20 shows a summary of the average condition state of facilities by department. Figure 2-12 shows the distribution of these facilities (measured by replacement cost) by condition state.

Table 2-20: Facility Condition Assessment – Average Condition of Facilities by Department

Department	Average Condition State
Fire	Very Good
Parks and Recreation	Fair
Public Works	Good

Figure 2-12: Distribution of Facilities by Condition State



<sup>[1]</sup> The closed Wellesley Arena includes the following facilities: Wellesley Arena, Wellesley Community Centre, and Wellesley Storage Shed (old fire station).



### 2.3.3 Levels of Service

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

Table 2-21: Facilities – Community Levels of Service

<b>Service Attribute</b>	<b>Community Levels of Service</b>
<b>Quality</b>	The Township strives to maintain facilities in a good state of repair.
<b>Capacity</b>	The Township strives to maintain the capacity of its facilities.
<b>Security</b>	The Township takes steps to deter criminal activities at its facilities.



Table 2-22: Facilities – Technical Levels of Service

Service Attribute	Performance Measure	Current Performance	Target Performance (2035)
<b>Quality</b>	Average Condition Rating of Facilities	Good	Maximize
	Percentage of facilities with a condition rating of Fair or better (by replacement cost)	99%	100%
<b>Capacity</b>	Gross floor area of municipal administration facilities per 1,000 population	869 ft <sup>2</sup>	813 ft <sup>2</sup>
	Gross floor area of public works maintenance facilities per 1,000 population	1,322 ft <sup>2</sup>	1,357 ft <sup>2</sup>
	Number of ice pads per 1,000 population	0.18	0.16
	Gross floor area of community centres per 1,000 population	9,852 ft <sup>2</sup>	9,214 ft <sup>2</sup>
	Gross floor area of libraries per 1,000 population	602 ft <sup>2</sup>	591 ft <sup>2</sup>
<b>Security</b>	Percentage of facilities (by number) with security cameras	25%	Maximize
	Percentage of facilities (by number) with door card reader systems	25%	Maximize
	Percentage of facilities (by number) with adequate perimeter lighting	70%	Maximize

## 2.4 Parkland Amenities

### 2.4.1 State of Local Infrastructure

The Township owns and manages a variety of parkland amenities assets that support the provision of active recreation services. The replacement cost of these assets is approximately \$7.2 million, with ball diamonds and playground equipment accounting for almost two-thirds of the replacement cost (61%). The remaining 39% of



replacement cost is accounted for by soccer fields (15%), sports pads/skate parks (12%), lights (6%), shelters (5%), and general park assets (2%).

Table 2-23 provides a breakdown of parkland amenities by asset category, showing descriptions, average age<sup>1</sup>, and replacement cost. A visual rendering of the age and replacement cost data presented in Table 2-23 is provided in Figure 2-13.

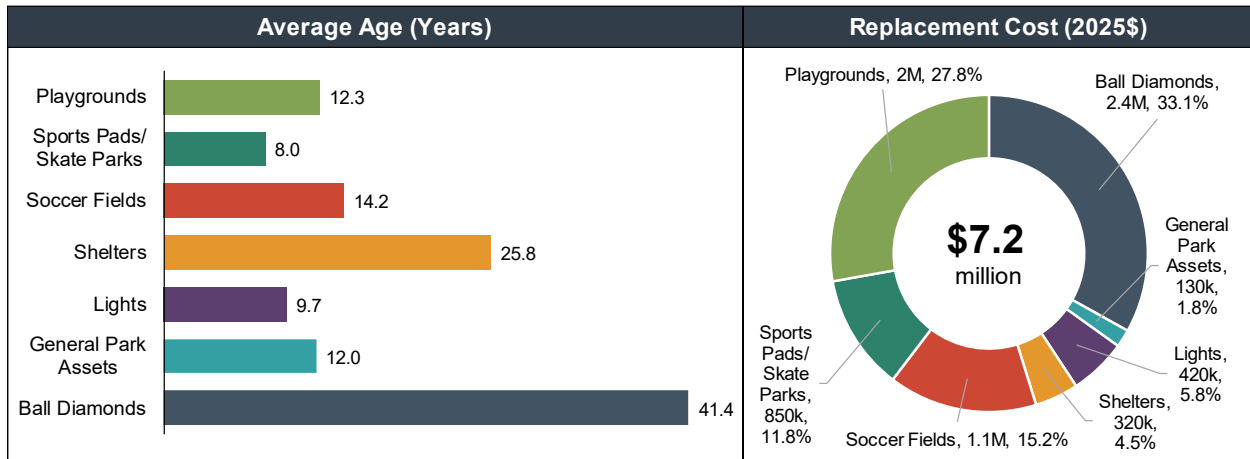
Table 2-23: Description of Assets, Average Age, and Replacement Cost by Asset Category – Parkland Amenities

Asset Category	Description of Assets	Average Age	Replacement Cost (2025\$)
Ball Diamonds	Ball diamonds (incl. fencing)	41.4	\$2,380,000
General Park Assets	Benches, garbage and recycling cans, fencing, nets	12.0	\$130,000
Lights	Lighting (incl. posts) at various locations (e.g., parking lots, trails, sport fields)	9.7	\$420,000
Playgrounds	Playground equipment	12.3	\$2,000,000
Shelters	Pavilions, gazebos, picnic shelters	25.8	\$320,000
Soccer Fields	Soccer fields and goal posts	14.2	\$1,090,000
Sports Pads/Skate Parks	Multi-use sports pads, skate parks	8.0	\$850,000
<b>Total</b>		<b>21.0</b>	<b>\$7,190,000</b>

<sup>1</sup> It is noted that the age is unknown for 25 parkland amenity assets (representing approximately 8% of the total replacement cost). These assets are excluded from the average age values presented in this report.



Figure 2-13: Summary Information – Parkland Amenities



### 2.4.2 Condition

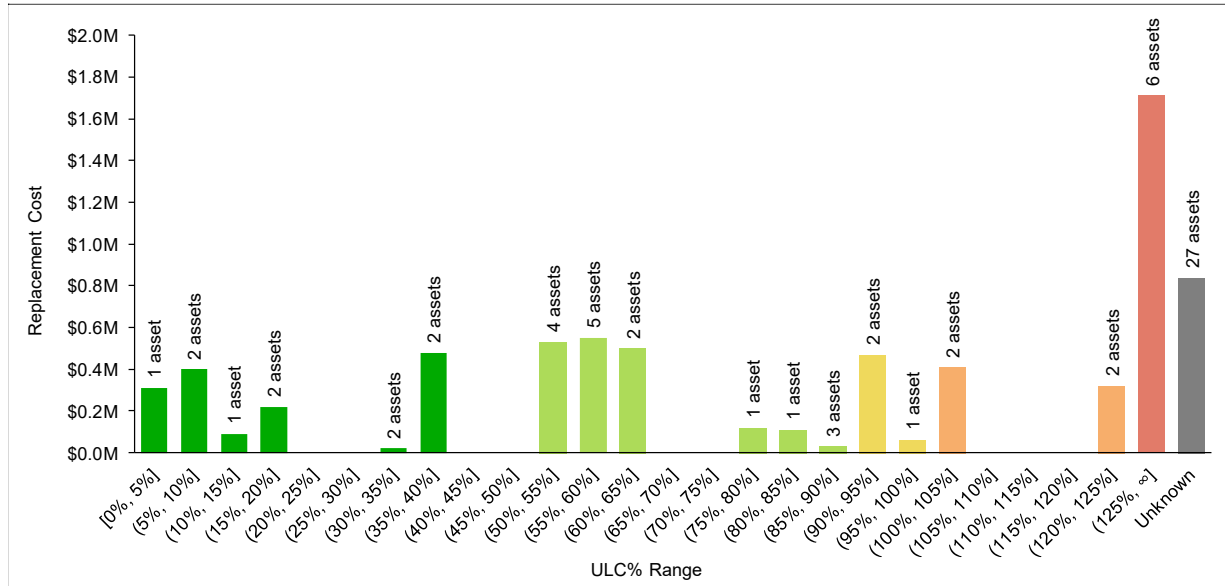
The condition of the Township’s parkland amenities was evaluated based on age relative to the expected useful life, as was done with sidewalks and streetlights (see Table 2-11). Table 2-24 shows a summary of the average age-based condition of parkland amenities by asset category, along with the corresponding condition state. Figure 2-14 shows the distribution of parkland amenity replacement cost by condition state (as measured by ULC%).

Table 2-24: Condition Analysis – Parkland Amenities

Asset Category	Average ULC%	Average Condition State
Ball Diamonds	210%	Very Poor
General Park Assets	10%	Good
Lights	30%	Very Good
Playgrounds	50%	Good
Shelters	50%	Good
Soccer Fields	50%	Good
Sports Pads/Skate Parks	40%	Good



Figure 2-14: Distribution of Parkland Amenity Assets by Condition State



### 2.4.3 Levels of Service

This subsection presents the Township’s levels of service framework for its parkland amenity assets. Table 2-25 presents the Township’s Service Attributes and Community Levels of Service for its parkland amenity assets while Table 2-26 presents the Township’s Technical Levels of Service (i.e., performance measures) for its parkland amenity assets, including their current and target performance. Please refer to Section 2.1.3 for further details on the Township’s levels of service framework.

Table 2-25: Parkland Amenities – Community Levels of Service

Service Attribute	Community Levels of Service
<b>Quality</b>	The Township strives to ensure parks and park amenities are attractive to park users and function as intended.
<b>Availability</b>	The Township provides lighting at some sports amenities to allow evening access to users.
<b>Capacity</b>	The Township strives to maintain the capacity of parks and park amenities.
<b>Accessibility</b>	The Township strives to ensure everyone can use parks.
<b>Safety</b>	The Township strives to ensure playgrounds are safe.



Table 2-26: Parkland Amenities – Technical Levels of Service

Service Attribute	Performance Measure	Current Performance	Target Performance (2035)
<b>Capacity</b>	Percentage of playground play surfaces with water ponding issues	11.1%	Minimize
	Percentage of playgrounds with condition ratings of fair or better	100%	100%
	Percentage of park sports amenities with water ponding issues	31.6%	Minimize
	Percentage of multi-use pads that have concrete surfaces (versus asphalt surfaces)	80.0%	80.0%
	Percentage of trails (by length) with asphalt surfaces (versus gravel, crushed stone, or wood chip surfaces)	69.8%	69.8%
<b>Availability</b>	Percentage of playgrounds with lighting	33.3%	33.3%
	Percentage of ball diamonds with lighting	71.4%	71.4%
	Percentage of soccer fields with lighting	0.0%	0.0%
	Percentage of multi-use pads with lighting	75.0%	75.0%
	Percentage of skate parks with lighting	50.0%	100%
<b>Capacity</b>	Park area (hectares) per 1,000 population	2.65	2.48
	Number of playgrounds per 1,000 population	0.79	0.74
	Number of ball diamonds per 1,000 population	0.61	0.57
	Number of soccer fields per 1,000 population	0.61	0.57



<b>Service Attribute</b>	<b>Performance Measure</b>	<b>Current Performance</b>	<b>Target Performance (2035)</b>
	Number of multi-use pads per 1,000 population	0.35	0.33
	Number of skate parks per 1,000 population	0.18	0.08
<b>Accessibility</b>	Percentage of playgrounds with accessible play surfaces (rubberized, engineered wood fiber, or artificial grass)	77.8%	Maximize
	Percentage of playgrounds with one or more accessible components	55.6%	Maximize
	Percentage of park amenities with accessible approaches from a parking lot	41.9%	Maximize
<b>Safety</b>	Percentage of playgrounds that passed the most recent CSA safety inspection	100%	100%



## 2.5 Fleet & Equipment

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### 2.5.1 State of Local Infrastructure

The Township owns and manages a variety of fleet and equipment assets that support the provision of Public Works<sup>1</sup>, Fire, and Parks and Recreation services. The replacement cost of these assets is approximately \$14.7 million, with Fire assets accounting for almost two-thirds of the replacement cost (61%). The remaining 39% of replacement cost is accounted for by Public Works assets (33%) and Parks and Recreation assets (6%).

Table 2-27 provides a breakdown of fleet and equipment assets by department, showing descriptions, quantity, average age<sup>2</sup>, and replacement cost. A visual rendering of the age and replacement cost data presented in Table 2-27 is provided in Figure 2-15.

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<sup>1</sup> Public Works includes one vehicle used by the building department and one vehicle used for by-law enforcement.

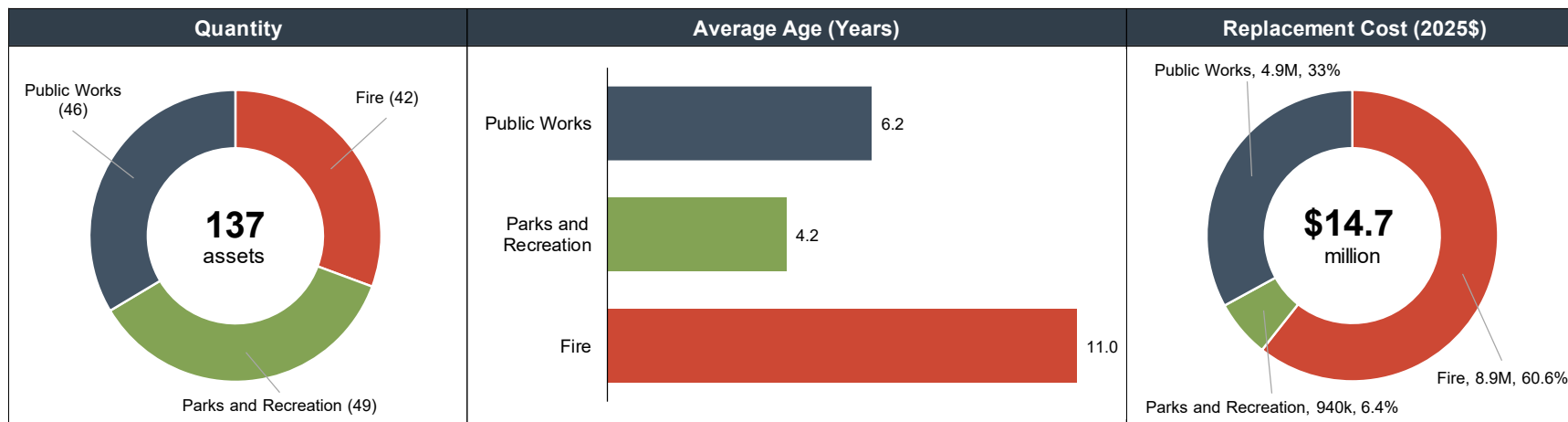
<sup>2</sup> It is noted that the age is unknown for 10 fleet and equipment assets (representing approximately 7% of the total fleet and equipment assets). These assets are excluded from the average age values presented in this report.



Table 2-27: Description of Assets, Average Age, and Replacement Cost by Department – Fleet and Equipment

Department	Description of Assets	Quantity	Average Age	Replacement Cost (2025\$)
Fire	Fire apparatus, firefighter gear, extraction tools, communications radios, etc.	42 <sup>1</sup>	11.0	\$8,920,000
Parks and Recreation	Vehicles, trailers, vehicle attachments, mowers, utility tractors, loaders, fork lifts, rollers, groomers, trimmers, other small equipment	49	4.2	\$940,000
Public Works	Pickup trucks, dump trucks, backhoe, loader, graders, tractors, steamer, sweeper/vacuum truck, roller, trailers, wood chipper	46	6.2	\$4,850,000
<b>Total</b>		<b>137</b>	<b>9.0</b>	<b>\$14,710,000</b>

Figure 2-15: Summary Information – Fleet and Equipment



<sup>1</sup> The quantity does not reflect personal protective clothing/equipment and certain other small equipment assets.



## **2.5.2 Condition**

The condition of the Township's fleet and equipment was assessed by Township staff using the 5-point condition rating scale shown in Table 2-28. The condition of the Township's other equipment assets was evaluated based on age relative to the expected useful life, as was done with sidewalks and streetlights (see Table 2-11).

Table 2-29 shows the average condition ratings of fleet and equipment assets by department, along with the corresponding condition state. Table 2-30 shows the average ULC% ratings of small equipment assets by department, along with the corresponding condition state. The average condition state of the Township's fleet and equipment assets is "Good" across all departments and other equipment assets is "Fair" across all departments.

Figure 2-16 shows the distribution of fleet and equipment asset replacement cost by condition rating. Figure 2-17 shows the distribution small equipment asset replacement cost by condition (as measured by ULC%).



Table 2-28: Condition Grading Scale for Public Works Vehicles and Equipment

Condition Grade	Description
1 (Very Good)	Equipment is physically sound and performing as intended.
2 (Good)	Minor signs of equipment deterioration such as increased vibration, looseness, misalignment, slight leaks. Protective coating still evident. Efficiency undiminished. Minor oil leaks and gland wear becoming more evident.
3 (Fair)	Showing signs of equipment deterioration. All components functioning acceptably but showing significant wear and tear. Efficiency diminished. Minor failures with increasing corrosion of metal components, bearings and or gland wear (vibration) becoming more evident.
4 (Poor)	Significant leaks, vibration, looseness, misalignment or out of balance. Parts and components function but require significant maintenance to remain operational.
5 (Very Poor)	Unreliable with frequent breakdowns and adverse impact on performance. Effective life exceeded and equipment now incurring excessive maintenance costs compared to replacement costs.

Table 2-29: Condition Summary – Fleet and Equipment

Department	Average Condition Grade	Rating System	Average Condition State
Fire	2	Condition Grade	Good
Parks and Recreation	1	Condition Grade	Very Good
Public Works	2	Condition Grade	Good

Table 2-30: Condition Summary – Small Equipment

Department	Average Condition Rating	Rating System	Average Condition State
Fire	67%	ULC%	Good
Parks and Recreation	32%	ULC%	Very Good
Public Works	98%	ULC%	Fair



Figure 2-16: Distribution of Fleet and Equipment Assets by Condition Grade

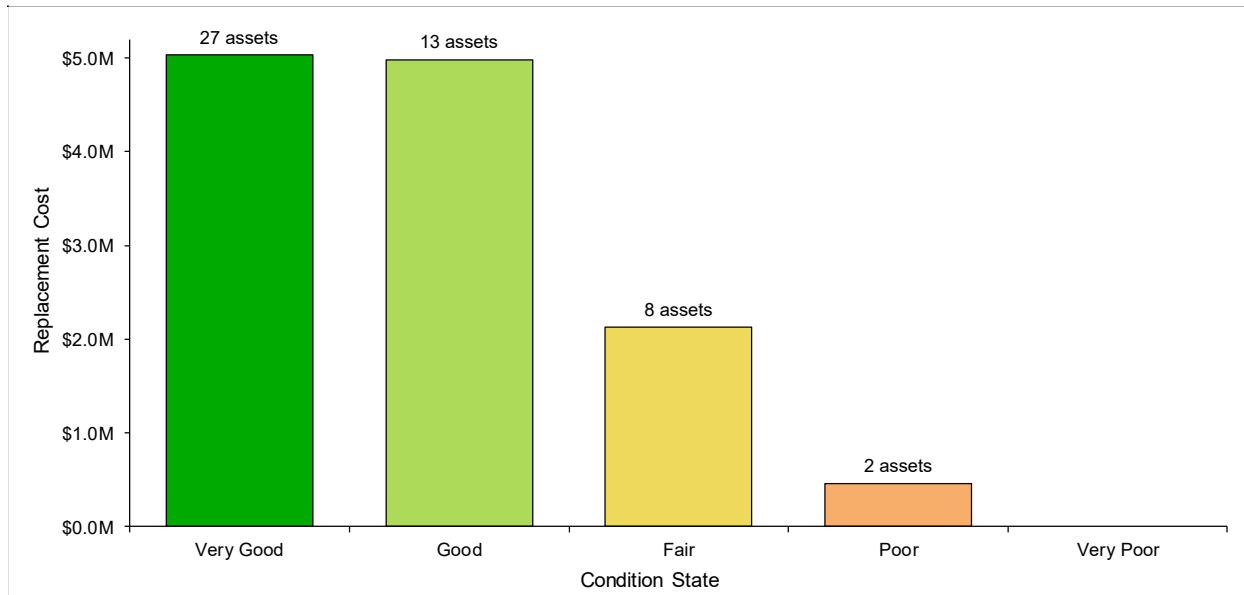
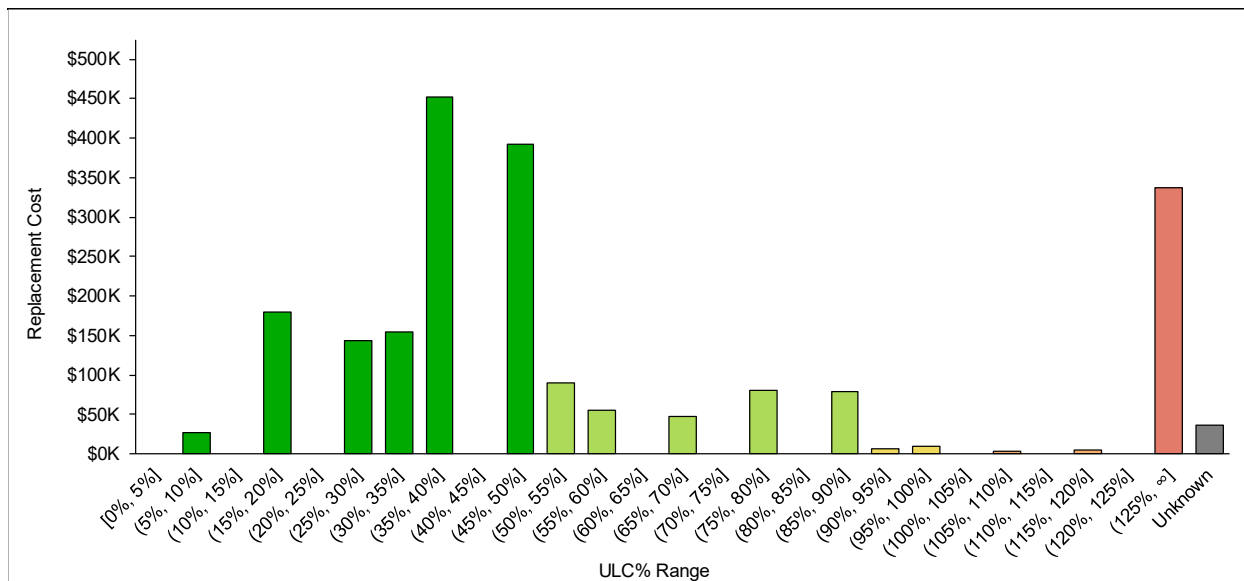


Figure 2-17: Distribution of Small Equipment Assets by Condition State



### 2.5.3 Levels of Service

This subsection presents the Township’s levels of service framework for its fleet and equipment assets. Table 2-31 presents the Township’s Service Attributes and Community Levels of Service for its fleet and equipment assets while Table 2-32 presents the Township’s Technical Levels of Service (i.e., performance measures) for



its fleet and equipment assets, including their current and target performance. Please refer to Section 2.1.3 for further details on the Township’s levels of service framework.

Table 2-31: Fleet and Equipment – Community Levels of Service

<b>Service Attribute</b>	<b>Community Levels of Service</b>
<b>Quality/Condition</b>	The Township strives to ensure that its vehicles and equipment function as intended.
<b>Reliability</b>	The Township strives to minimize failures of its Fire vehicles and equipment during callouts.
<b>Minimize Lifecycle Cost</b>	The Township strives to manage its vehicles and equipment efficiently.

Table 2-32: Fleet and Equipment – Technical Levels of Service

<b>Service Attribute</b>	<b>Performance Measure</b>	<b>Current Performance</b>	<b>Target Performance (2035)</b>
<b>Quality/Condition</b>	Percentage of licensed Public Works vehicles (by replacement cost) with a condition rating of fair or better	83.8%	100%
	Percentage of unlicensed Public Works vehicles (by replacement cost) with a condition rating of fair or better	98.8%	100%
	Percentage of Public Works small equipment (by replacement cost) with an age-based condition rating of fair or better	63.1%	100%
	Percentage of Parks and Recreation vehicles and equipment (by replacement cost) with a condition rating of fair or better	100%	100%



Service Attribute	Performance Measure	Current Performance	Target Performance (2035)
	Percentage of Parks and Recreation small equipment (by replacement cost) with an age-based condition rating of fair or better	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%
	Percentage of Fire equipment (by replacement cost) that is beyond its expected useful life.	17.2%	0%
<b>Minimize Lifecycle Cost</b>	Annual maintenance and repair costs of licensed Public Works vehicles as a percentage of replacement cost.	1.8%	Minimize
	Annual maintenance and repair costs of unlicensed Public Works vehicles as a percentage of replacement cost.	1.3%	Minimize

## 2.6 Population and Employment Growth

Based on the 2021 census, the Township had a population of 11,318 in 2021. Based on the growth forecast contained in the Township’s 2024 Development Charges (D.C.) Background Study, the Township’s population is anticipated to reach 12,105 by 2034.

This growth in population is expected to result in incremental service demands that may impact the current levels of service. Infrastructure expansion and upgrade projects related to development in the Township are summarized in the Township’s 2024 D.C. Background Study. These growth-related infrastructure expansion and upgrade projects are reflected in the proposed levels of service identified earlier in this chapter and have been incorporated into the financial strategy in Chapter 4.



# Chapter 3

## Lifecycle Management Strategies



## 3. Lifecycle Management Strategies

### 3.1 Introduction

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The lifecycle management strategies in this asset management plan identify the lifecycle activities that would need to be undertaken to sustain the level of service targets identified in Chapter 2. Within the context of this asset management plan, lifecycle activities are the specified actions that can be performed on an asset in order to ensure it is performing at an appropriate level, and/or to extend its service life.<sup>[1]</sup> These actions can be carried out on a planned schedule in a prescriptive manner, or through a dynamic approach where the lifecycle activities are only carried out when specified conditions are met.

O. Reg. 588/17 requires that all potential lifecycle activity options be assessed, with the aim of identifying the set of lifecycle activities that can be undertaken at the lowest cost to maintain current levels of service. Asset management plans must include a ten-year capital forecast, identifying the lifecycle activities resulting from the lifecycle management strategy.

The following subsections show summaries of the lifecycle models developed for the Township's assets and detail the ten-year forecasts of lifecycle activities and associated costs that would be required for the Township to achieve and sustain the proposed levels of service identified in Chapter 2. The 10-year lifecycle expenditure forecasts are estimates generated based on the lifecycle management models and current condition/age profile of the assets.

### 3.2 Transportation

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#### 3.2.1 Roads

This subsection presents an estimate of the costs associated with achieving and sustaining the proposed level of service for the Township's roads.

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

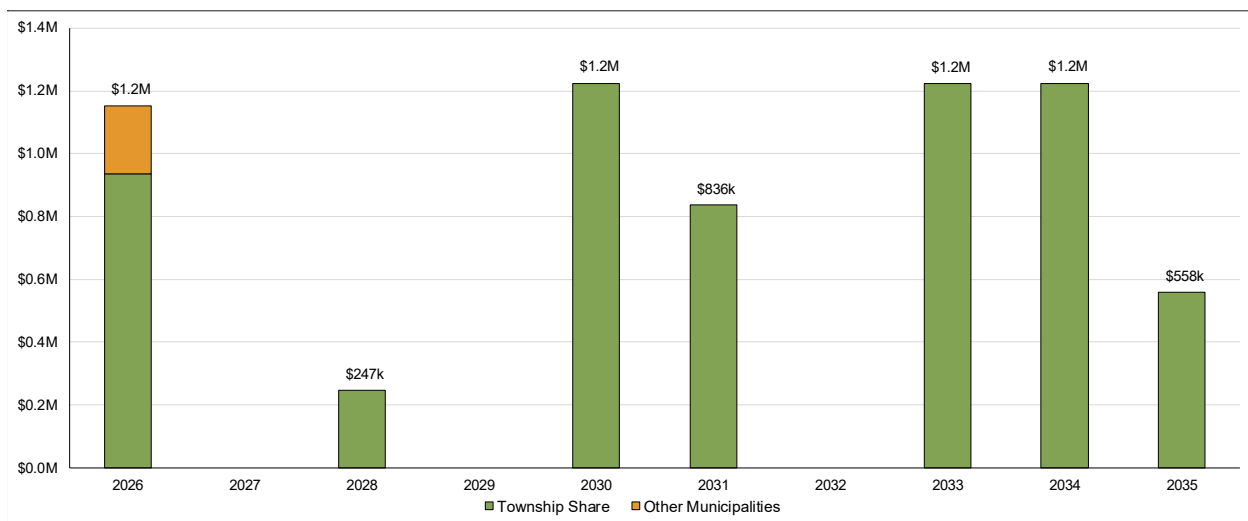
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The lifecycle expenditure forecast was developed by applying lifecycle models to the Township’s road inventory. These lifecycle models were developed using input from Township staff and include various rehabilitation activities as summarized in Table 3-2. Lifecycle activities were forecast by first estimating where each road segment is in its lifecycle (using results from the condition assessment described in Table 2-7) and then forecasting lifecycle activities and costs using the lifecycle model applicable to each road segment based on road surface and classification.

The 10-year lifecycle expenditure forecast for the Township’s roads is summarized in Figure 3-1 and provided in tabular form in Table 3-1. Average annual expenditures over the forecast period have been estimated at approximately \$0.65 million, with the Township’s share being approximately \$0.63 million.

Figure 3-1: Lifecycle Expenditure Forecast for Roads (2025\$)



The lifecycle models were also used to estimate the average annual lifecycle cost for the Township’s roads. Table 3-2 shows the parameters of the generalized lifecycle model for roads. The total average annual lifecycle cost for the Township’s roads is estimated to be \$1.11 million. The Township’s share of these costs is estimated to be \$1.09 million.



Table 3-1: Lifecycle Expenditure Forecast for Roads (2025\$)

Category	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Gross Capital Expenditures</b>										
Asphalt – Urban	\$717,000	\$-	\$247,000	\$-	\$907,000	\$243,000	\$-	\$-	\$180,000	\$558,000
Asphalt - Rural	\$437,000	\$-	\$-	\$-	\$318,000	\$593,000	\$-	\$1,224,000	\$1,045,000	\$-
<b>Total Gross Capital Expenditures</b>	<b>\$1,154,000</b>	<b>\$-</b>	<b>\$247,000</b>	<b>\$-</b>	<b>\$1,225,000</b>	<b>\$836,000</b>	<b>\$-</b>	<b>\$1,224,000</b>	<b>\$1,225,000</b>	<b>\$558,000</b>
<b>Capital Recoveries</b>										
Asphalt – Urban	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Asphalt - Rural	\$218,000	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
<b>Total Capital Recoveries</b>	<b>\$218,000</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>
<b>Net Capital Expenditures</b>										
Asphalt – Urban	\$717,000	\$-	\$247,000	\$-	\$907,000	\$243,000	\$-	\$-	\$180,000	\$558,000
Asphalt - Rural	\$219,000	\$-	\$-	\$-	\$318,000	\$593,000	\$-	\$1,224,000	\$1,045,000	\$-
<b>Total Net Capital Expenditures</b>	<b>\$936,000</b>	<b>\$-</b>	<b>\$247,000</b>	<b>\$-</b>	<b>\$1,225,000</b>	<b>\$836,000</b>	<b>\$-</b>	<b>\$1,224,000</b>	<b>\$1,225,000</b>	<b>\$558,000</b>



Table 3-2: Generalized Lifecycle Model for Roads

Road Type	Lifecycle Activity	Frequency (years)	Unit Cost (per centreline-m)	Average Annual Lifecycle Cost (per centreline-m)	Length (m) - Total	Average Annual Lifecycle Cost	Length (m) - Township Share	Average Annual Lifecycle Cost - Township Share
Asphalt – Urban (with stormwater)	Mill and overlay	24	\$196.31	\$22.75	29,101	\$661,936	28,939	\$658,239
	Reconstruction	96	\$1,594.70					
Asphalt – Urban	Mill and overlay	24	\$196.31	\$8.18	4,286	\$35,058	4,286	\$35,058
Asphalt – Rural	Overlay	24	\$85.78	\$5.76	72,424	\$416,840	68,302	\$393,116
	Pulverize and pave	72	\$242.84					
<b>Total</b>						<b>\$1,113,834</b>		<b>\$1,086,413</b>



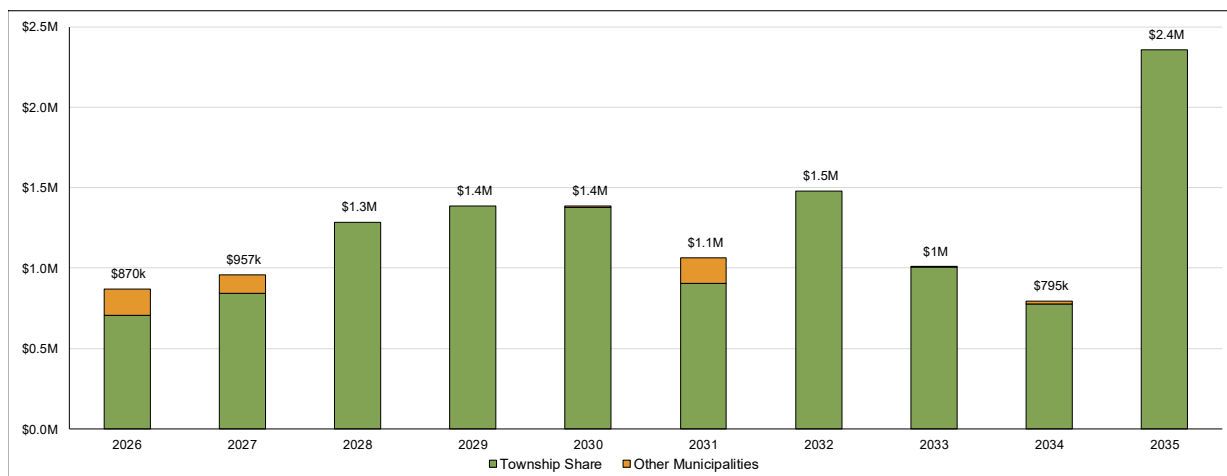
### 3.2.2 Structures

This section presents an estimate of the costs associated with achieving and sustaining the proposed level of service for the Township's structures.

The biennial OSIM reports required by O. Reg. 104/97 form a starting point for short- and medium-term planning. They include recommendations for lifecycle activities that should be completed over a ten-year timeframe. These recommendations are reviewed by Township staff to ensure they are affordable and that potential lower cost alternatives have been explored. Township staff regularly visit each structure during road patrols. If issues are observed, they are assessed for criticality and addressed appropriately.

The 10-year lifecycle expenditure forecast for structures is summarized in Figure 3-2 and is further broken down in Table 3-3. Average annual expenditures over the forecast period have been estimated at approximately \$1.26 million. Of this amount, the Township's share is approximately \$1.21 million (96%).

Figure 3-2: Lifecycle Expenditure Forecast for Structures (2025\$)



The annual lifecycle cost for the Township's structures were estimated by applying generalized lifecycle models. The generalized lifecycle models for structures include rehabilitation for vehicle bridges and concrete culverts and replacement and end of life for all structures. The costs of rehabilitation activities are captured in the generalized lifecycle model as a percentage of replacement cost that is expected to be needed over the lifespan of the structures.



Average annual lifecycle capital costs have been estimated at 2% of replacement cost for all structure types. The total average annual lifecycle cost for the Township's structures is estimated to be \$1.20 million. The Township's share of these costs is estimated to be \$1.15 million.



Table 3-3: Lifecycle Expenditure Forecast for Structures (2025\$)

Category	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Gross Capital Expenditures</b>										
Bridges	\$310,000	\$717,500	\$1,285,000	\$1,385,000	\$1,340,000	\$50,000	\$850,000	\$1,007,500	\$320,000	\$2,025,000
Structural Culverts	\$480,000	\$-	\$-	\$-	\$22,500	\$295,000	\$470,000	\$-	\$-	\$330,000
Non-structural Culverts	\$80,000	\$240,000	\$-	\$-	\$25,000	\$720,000	\$160,000	\$-	\$475,000	\$-
<b>Total Gross Capital Expenditures</b>	<b>\$870,000</b>	<b>\$957,500</b>	<b>\$1,285,000</b>	<b>\$1,385,000</b>	<b>\$1,387,500</b>	<b>\$1,065,000</b>	<b>\$1,480,000</b>	<b>\$1,007,500</b>	<b>\$795,000</b>	<b>\$2,355,000</b>
<b>Capital Recoveries</b>										
Bridges	\$125,000	\$76,250	\$-	\$-	\$-	\$-	\$-	\$3,750	\$20,000	\$-
Structural Culverts	\$-	\$-	\$-	\$-	\$11,250	\$120,000	\$-	\$-	\$-	\$-
Non-structural Culverts	\$40,000	\$40,000	\$-	\$-	\$-	\$40,000	\$-	\$-	\$-	\$-
<b>Total Capital Recoveries</b>	<b>\$165,000</b>	<b>\$116,250</b>	<b>\$-</b>	<b>\$-</b>	<b>\$11,250</b>	<b>\$160,000</b>	<b>\$-</b>	<b>\$3,750</b>	<b>\$20,000</b>	<b>\$-</b>
<b>Net Capital Expenditures</b>										
Bridges	\$185,000	\$641,250	\$1,285,000	\$1,385,000	\$1,340,000	\$50,000	\$850,000	\$1,003,750	\$300,000	\$2,025,000
Structural Culverts	\$480,000	\$-	\$-	\$-	\$11,250	\$175,000	\$470,000	\$-	\$-	\$330,000
Non-structural Culverts	\$40,000	\$200,000	\$-	\$-	\$25,000	\$680,000	\$160,000	\$-	\$475,000	\$-
<b>Total Net Capital Expenditures</b>	<b>\$705,000</b>	<b>\$841,250</b>	<b>\$1,285,000</b>	<b>\$1,385,000</b>	<b>\$1,376,250</b>	<b>\$905,000</b>	<b>\$1,480,000</b>	<b>\$1,003,750</b>	<b>\$775,000</b>	<b>\$2,355,000</b>



### 3.2.3 Sidewalks and Streetlights

This section presents an estimate of the costs associated with achieving and sustaining the proposed level of service for the Township's sidewalks and street lights. The lifecycle expenditure forecast is based on ages and expected useful lives of individual assets.

Using asset age and expected useful life to forecast lifecycle expenditures did not identify any lifecycle expenditures over the forecast period except for one small section of sidewalk that is due for replacement in 2031 at a cost of \$6,000.

The annual lifecycle cost for the Township's sidewalks and streetlights is estimated to be approximately \$160,000. Table 3-4 provides a breakdown of the annual lifecycle costs of sidewalks and streetlights by asset type.

Table 3-4: Average Annual Lifecycle Costs by Asset Type – Sidewalks and Streetlights (2025\$)

Asset Type	Average Annual Lifecycle Cost
Concrete Sidewalks	\$68,265
Asphalt Sidewalks	\$8,056
Stone Dust Sidewalks <sup>1</sup>	\$0
Streetlights	\$81,030
<b>Total</b>	<b>\$157,351</b>

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<sup>1</sup> Stone Dust sidewalks are not expected to require capital renewal and therefore the average annual lifecycle cost is zero. It is noted that these sidewalks do require periodic maintenance which would be funded from the Township's operating budget.



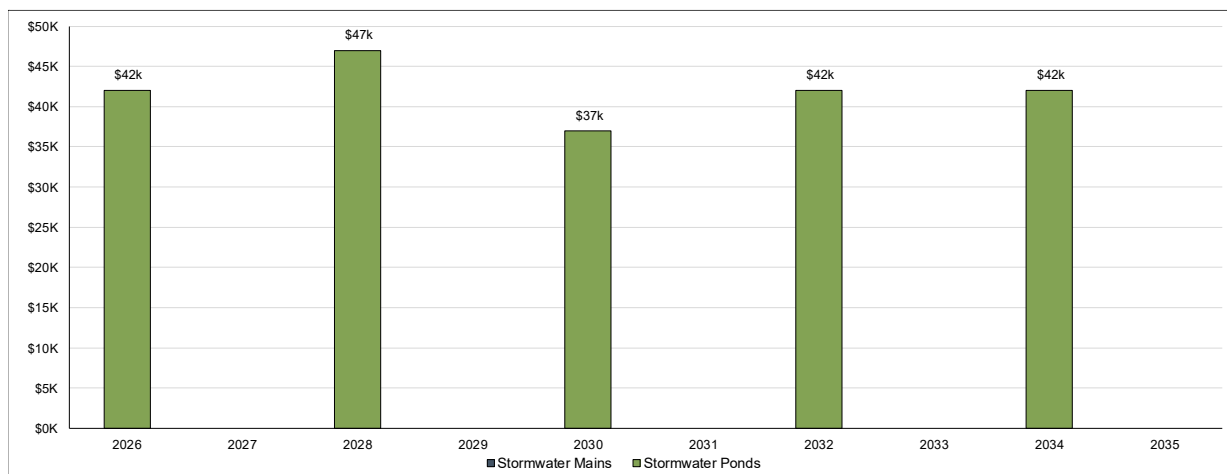
### 3.3 Stormwater

This section presents an estimate of the costs associated with achieving and sustaining the proposed level of service for the Township’s stormwater assets. The lifecycle expenditure forecast was developed using the following information:

- For stormwater mains, the lifecycle expenditure forecast is based on ages and expected useful lives of individual assets.
- For stormwater ponds, the lifecycle expenditure forecast is based on the anticipated timing of cleanouts and the associated cost. The timing of cleanouts is informed by sedimentation levels identified through periodic inspections.

The ten-year lifecycle expenditure forecast is summarized in Figure 3-3 and Table 3-6. Average annual expenditures over the forecast period have been estimated at approximately \$21,000. All of the identified capital expenditures over the forecast period are related to stormwater pond cleanouts. Given the current age profile of the Township’s stormwater mains, no replacements are expected over the 2026-2035 period. It should be noted, however, that age is not the only factor that determines when a replacement of a stormwater main may be required. Increase in stormwater runoff due to development and changing weather patterns are some examples of other factors that may result in replacement being required earlier than the expected useful life.

Figure 3-3: Lifecycle Expenditure Forecast for Stormwater Infrastructure (2025\$)





The annual lifecycle cost for the Township's stormwater infrastructure is estimated to be approximately \$410,860. The annual lifecycle costs were estimated as follows:

- For stormwater mains, the average annual lifecycle cost is derived from the replacement cost of individual mains, divided by the expected useful life.
- For stormwater ponds, the average annual lifecycle cost is based on the cleanout costs specific to each pond and an estimated cleanout frequency of 27 years.

Table 3-5 provides a breakdown of the annual lifecycle costs of stormwater infrastructure assets by type.

Table 3-5: Average Annual Lifecycle Costs by Asset Type – Stormwater (2025\$)

<b>Asset Type</b>	<b>Average Annual Lifecycle Cost</b>
Stormwater Mains	\$398,360
Stormwater Ponds	\$12,500
<b>Total</b>	<b>\$410,860</b>



Table 3-6: Lifecycle Expenditure Forecast for Stormwater Infrastructure (2025\$)

Asset Type	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Stormwater Mains	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Stormwater Ponds	\$42,000	\$-	\$47,000	\$-	\$37,000	\$-	\$42,000	\$-	\$42,000	\$-
<b>Total Capital Expenditures</b>	<b>\$42,000</b>	<b>\$-</b>	<b>\$47,000</b>	<b>\$-</b>	<b>\$37,000</b>	<b>\$-</b>	<b>\$42,000</b>	<b>\$-</b>	<b>\$42,000</b>	<b>\$-</b>

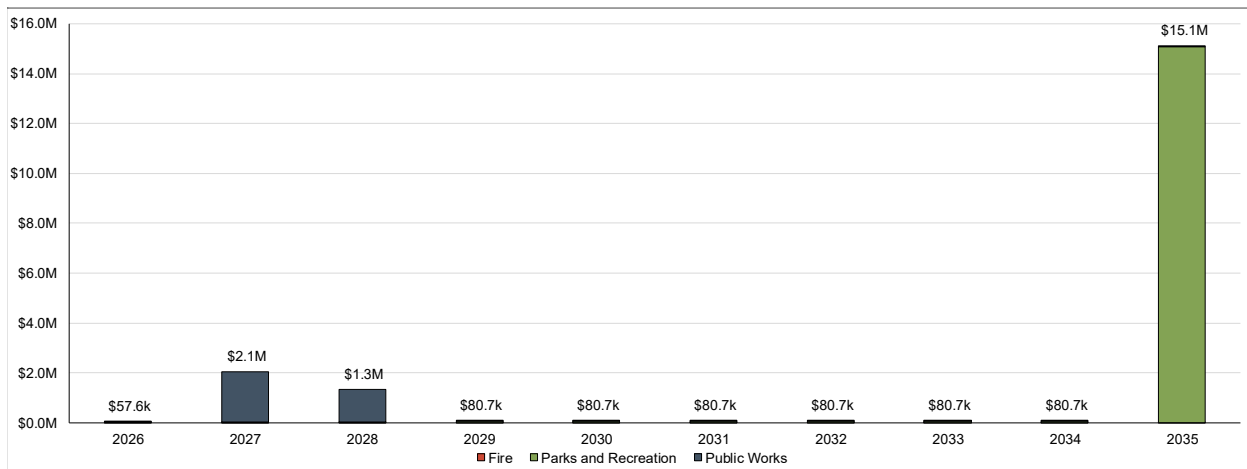


### 3.4 Facilities

This section presents an estimate of the costs associated with achieving and sustaining the proposed level of service for the Township’s facility assets. For facilities that were included in the 2024 condition assessment by Witzel Dyce Engineering Inc., the lifecycle expenditure forecast is based repair expenditures identified in the building condition assessment reports. For facilities that were not part of the 2024 condition assessment by Witzel Dyce Engineering Inc., the lifecycle expenditure forecast includes an annual allowance equivalent to 0.4% of replacement cost. It is noted that the Wellesley Arena, Wellesley Community Centre, and Wellesley Storage Shed were excluded from the lifecycle expenditure forecast. While the Township still owns these facilities, they are currently not in use and no further investment into lifecycle renewal of these facilities is expected at this time. If a decision is made in the future to keep these facilities in service, the lifecycle expenditure forecast would need to be updated.

The ten-year lifecycle expenditure forecast is summarized in Figure 3-4 and Table 3-8. Average annual expenditures over the forecast period have been estimated at approximately \$1.90 million. The high peak in forecasted lifecycle expenditures in 2035 of approximately \$15.1 million is mainly attributable to the planned major rehabilitation/replacement of St. Clements Recreation Complex.

Figure 3-4: Lifecycle Expenditure Forecast for Facilities (2025\$)





The annual lifecycle cost for the Township’s facility assets is estimated to be approximately \$1.70 million. This estimate was derived by applying an annual reinvestment rate of 2% to the estimated replacement costs. The annual reinvestment rate of 2% is intended to capture replacement and repair of facility components as they come due, as well as larger-scale renovations/rehabilitations. Table 3-7 provides a breakdown of the annual lifecycle costs of facility assets by department. It is noted that the Wellesley Arena, Wellesley Community Centre, and Wellesley Storage Shed were excluded from the annual lifecycle costs identified in Table 3-7. While the Township still owns these facilities, they are currently not in use and no further investment into lifecycle renewal of these facilities is expected at this time. If a decision is made in the future to keep these facilities in service, their annual lifecycle costs (approximately \$374,000) would need to be accounted for in the financial strategy.

Table 3-7: Average Annual Lifecycle Costs by Department – Facilities (2025\$)

<b>Department</b>	<b>Average Annual Lifecycle Cost</b>
Fire	\$230,260
Parks and Recreation	\$1,173,100
Public Works	\$298,840
<b>Total</b>	<b>\$1,702,200</b>



Table 3-8: Lifecycle Expenditure Forecast for Facilities (2025\$)

Department	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Fire	\$11,200	\$11,200	\$11,200	\$12,700	\$12,700	\$12,700	\$12,700	\$12,700	\$12,700	\$12,700
Parks and Recreation	\$37,615	\$37,615	\$37,615	\$55,815	\$55,815	\$55,815	\$55,815	\$55,815	\$55,815	\$15,055,815
Public Works	\$8,800	\$2,008,800	\$1,276,800	\$12,200	\$12,200	\$12,200	\$12,200	\$12,200	\$12,200	\$12,200
<b>Total Capital Expenditures</b>	<b>\$57,615</b>	<b>\$2,057,615</b>	<b>\$1,325,615</b>	<b>\$80,715</b>	<b>\$80,715</b>	<b>\$80,715</b>	<b>\$80,715</b>	<b>\$80,715</b>	<b>\$80,715</b>	<b>\$15,080,715</b>

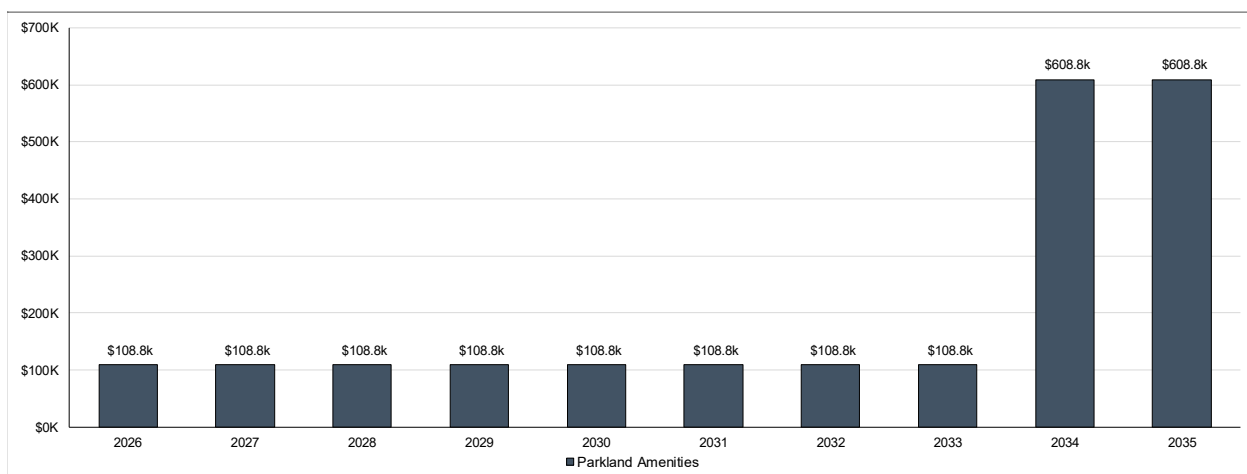


### 3.5 Parkland Amenities

This section presents an estimate of the costs associated with achieving and sustaining the proposed level of service for the Township’s park amenities. The lifecycle expenditure forecast for playgrounds is based on ages and expected useful lives of individual assets. For other park amenities, the lifecycle expenditure forecast includes an annual allowance which is based on the average annual lifecycle cost.

The ten-year lifecycle expenditure forecast is summarized in Figure 3-5 and Table 3-10. Average annual expenditures over the forecast period have been estimated at approximately \$209,000. The high peak in forecasted lifecycle expenditures in 2034 and 2035 of approximately \$610,000 is mainly attributable to the planned replacement of several playgrounds that will reach the end of their expected useful life.

Figure 3-5: Lifecycle Expenditure Forecast for Park Amenities (2025\$)





The annual lifecycle cost for the Township's parkland amenities is estimated to be approximately \$190,000. Table 3-9 provides a breakdown of the annual lifecycle costs of park amenity assets by department.

Table 3-9: Average Annual Lifecycle Costs by Asset Type – Park Amenities (2025\$)

<b>Asset Type</b>	<b>Average Annual Lifecycle Cost</b>
Lights	\$49,877
Soccer Fields	\$2,638
Ball Diamonds	\$8,765
Shelters	\$6,680
Sports Pads/Skate Parks	\$22,886
General Park Assets	\$17,945
Playground	\$80,000
<b>Total</b>	<b>\$188,791</b>



Table 3-10: Lifecycle Expenditure Forecast for Park Amenities (2025\$)

Asset Type	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Lights	\$49,877	\$49,877	\$49,877	\$49,877	\$49,877	\$49,877	\$49,877	\$49,877	\$49,877	\$49,877
Soccer Fields	\$2,638	\$2,638	\$2,638	\$2,638	\$2,638	\$2,638	\$2,638	\$2,638	\$2,638	\$2,638
Ball Diamonds	\$8,765	\$8,765	\$8,765	\$8,765	\$8,765	\$8,765	\$8,765	\$8,765	\$8,765	\$8,765
Shelters	\$6,680	\$6,680	\$6,680	\$6,680	\$6,680	\$6,680	\$6,680	\$6,680	\$6,680	\$6,680
Sports Pads/Skate Parks	\$22,886	\$22,886	\$22,886	\$22,886	\$22,886	\$22,886	\$22,886	\$22,886	\$22,886	\$22,886
General Park Assets	\$17,945	\$17,945	\$17,945	\$17,945	\$17,945	\$17,945	\$17,945	\$17,945	\$17,945	\$17,945
Playground	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$500,000	\$500,000
<b>Total Capital Expenditures</b>	<b>\$108,791</b>	<b>\$108,791</b>	<b>\$108,791</b>	<b>\$108,791</b>	<b>\$108,791</b>	<b>\$108,791</b>	<b>\$108,791</b>	<b>\$108,791</b>	<b>\$608,791</b>	<b>\$608,791</b>



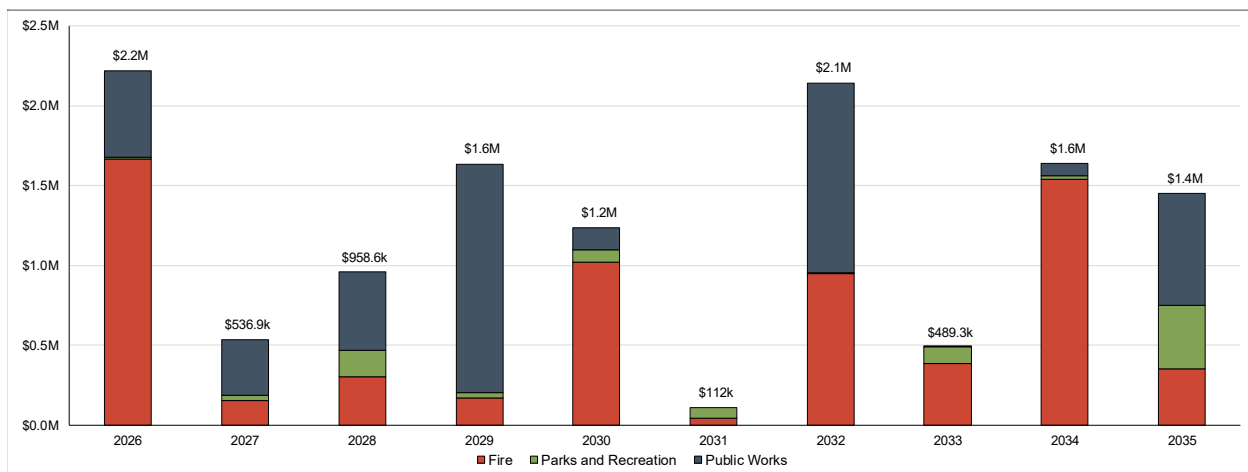
## 3.6 Fleet & Equipment

This section presents a preliminary estimate of the costs associated with achieving and sustaining the proposed levels of service for the Township's fleet and equipment assets.

The lifecycle expenditure forecast is based on ages and expected useful lives of individual assets. For assets where age data is not available, the lifecycle expenditure forecast includes an annual allowance which is based on the average annual lifecycle cost.

The 10-year lifecycle expenditure forecast for the Township's fleet and equipment assets is summarized in Figure 3-6 and provided in tabular form in Table 3-12. Average annual expenditures over the forecast period have been estimated at approximately \$1.24 million.

Figure 3-6: Fleet and Equipment – Lifecycle Expenditure Forecast (2025\$)



The annual lifecycle cost for the Township's fleet and equipment assets is estimated to be approximately \$1.05 million. Table 3-11 provides a breakdown of the annual lifecycle costs of fleet and equipment assets by department.



Table 3-11: Average Annual Lifecycle Costs by Department – Fleet and Equipment  
(2025\$)

Department	Average Annual Lifecycle Cost
Fire	\$500,352
Parks and Recreation	\$88,538
Public Works	\$462,845
<b>Total</b>	<b>\$1,051,735</b>



Table 3-12: Fleet and Equipment - Lifecycle Expenditure Forecast (2025\$)

Service Area	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Capital Expenditures</b>										
Fire	\$1,666,820	\$155,720	\$301,020	\$170,020	\$1,021,620	\$44,600	\$949,800	\$387,100	\$1,541,000	\$351,000
Parks and Recreation	\$9,213	\$32,883	\$166,603	\$32,883	\$78,343	\$67,443	\$2,383	\$101,683	\$20,683	\$396,633
Public Works	\$543,220	\$348,320	\$491,020	\$1,432,320	\$136,520	\$-	\$1,189,000	\$500	\$76,300	\$701,000
<b>Total</b>	<b>\$2,219,253</b>	<b>\$536,923</b>	<b>\$958,643</b>	<b>\$1,635,223</b>	<b>\$1,236,483</b>	<b>\$112,043</b>	<b>\$2,141,183</b>	<b>\$489,283</b>	<b>\$1,637,983</b>	<b>\$1,448,633</b>



# Chapter 4

## Financial Strategy



## 4. Financial Strategy

### 4.1 Introduction

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This chapter outlines the financial strategy that would sustainably fund the lifecycle management strategies presented in Chapter 3. This financial strategy focuses on examining how the Township can fund the lifecycle activities required to achieve the proposed levels of service, as identified in Chapter 2. The strategy presented is a suggested approach which should be examined and re-evaluated during the annual budgeting processes to ensure the sustainability of the Township's financial position as it relates to its assets.

O. Reg. 588/17 requires, at minimum, a 10-year capital plan that forecasts the costs of implementing the lifecycle management strategy and the lifecycle activities required therein. The financial strategy in this asset management plan has been developed for a 10-year forecast period to be in compliance with this requirement.

Various financing options, including reserve funds, debt, and grants, were considered during the process of developing the financial strategy and are described in more detail in section 4.4 below.

### 4.2 Annual Contribution and Lifecycle Funding Target

---

An annual lifecycle funding target represents the amount of funding that would be required annually to fully finance a lifecycle management strategy over the long term. By planning to achieve this annual funding level, the Township would theoretically be able to fully fund capital works as they arise. In practice, capital expenditures often fluctuate year-to-year based on the asset replacement and renewal/rehabilitation projects being undertaken in a particular year. By planning to achieve the lifecycle funding target over the long term, however, the periods of relatively low capital needs would allow for the building up of lifecycle reserve funds that could be drawn upon in times of relatively high capital needs. The annual lifecycle funding target is \$5.75 million. A breakdown of the lifecycle funding target by asset class is provided in Table 4-1.



Table 4-1: Average Annual Lifecycle Cost by Asset Class

Asset Class	Average Annual Lifecycle Cost
Roads	\$1,086,413
Structures	\$1,148,350
Sidewalks and Streetlights	\$157,351
Stormwater	\$410,860
Facilities	\$1,702,200
Parkland Amenities	\$188,791
Fleet and Equipment	\$1,051,735
<b>Total</b>	<b>\$5,745,700</b>

In comparison, the Township budgeted to contribute approximately \$3.98 million from the tax levy and other current revenue sources towards capital-related needs in 2025. Included in this are budgeted contributions to capital-related reserves and reserve funds, debt servicing costs related to outstanding debt (excluding portions of debt servicing costs funded from development charges), and ongoing federal and provincial grants (i.e., Canada Community-Building Fund (CCBF) and Ontario Community Infrastructure Fund (OCIF)).

The difference between the annual lifecycle funding target and current annual contribution is referred to as the lifecycle funding gap. Based on this analysis, the Township is currently facing an annual lifecycle funding gap of approximately \$1.77 million.

### 4.3 Capital Expenditure Forecast

---

The combined 10-year (2026 to 2035) capital expenditure forecast for the Township's assets is presented in Table A-1 in Appendix A. This expenditure forecast is based on the Township's 2025 capital budget and the lifecycle activities identified in preceding sections of this plan for 2026 and onwards (see Chapter 3 for details). Growth-related projects identified in the Township's 2024 D.C. Background Study have also been incorporated into the capital expenditure forecast presented in Table A-1.



The expenditure forecast presented in Appendix A includes a capital inflation factor of 4.35% annually, which is based on the historical 20-year annual average rate of inflation as witnessed in Statistics Canada Non-residential Building Construction Price Index.

## 4.4 Funding

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Table A-6 in Appendix A summarizes the recommended strategy to finance the asset lifecycle costs identified in Table A-1. This funding forecast was based on the funding sources identified in the Township's 2025 budget.

The lifecycle costs required to sustain established level of service targets are being partially recovered through several external funding sources:

- OCIF formula-based funding is maintained based on the Township's 2025 allocation (i.e., approximately \$755,800). It is noted that the Ministry of Infrastructure recently shifted from using historical costs to using replacement costs in the formula used for calculating annual OCIF funding allocations. As a result of this formula change, the Township's OCIF allocation may continue to change in the coming years. The amount of OCIF funding will need to be monitored by Township staff and, if a significant variance occurs relative to the estimate provided in this asset management plan, the financial strategy may need to be updated.
- CCBF funding has been shown as a stable and long-term funding source for eligible capital projects. Annual funding estimates are based on the Township's allocations for 2026 and 2027, and held constant thereafter (approximately \$385,500 annually from 2027 onwards).
- Additional (application-based) grant funding has been included in the financial strategy forecast, covering approximately 5% of future capital expenditures.

This financial strategy has been developed to be fully funded, and therefore no funding shortfall has been identified. This means, however, that if identified grants are not received at expected amounts, shortfalls may present themselves. In such an event, the difference could be made up through increases to the tax levy/user rates over and above those presented hereafter.

It is noted that this fully funded financial strategy phases in annual contributions towards capital such that the Township reaches full lifecycle funding levels by 2035.



## 4.5 Tax Levy Impact

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As discussed in section 4.2, while the extent of capital expenditures will fluctuate from year to year, it is important for the Township to implement a consistent, yet increasing, annual investment in capital so that the excess annual funds can accrue in capital reserve funds. Table A-7 in Appendix A presents a summary of the impacts on the tax levy as a result of this financial strategy.

In order to fund the recommended lifecycle management strategy using the Township's own available funding sources (i.e., using taxation, CCBF funding, OCIF funding, and additional application-based grant funding), an increase in the Township's taxation levy of 5.85% annually would be required from 2026 to 2035.

Consideration for cash flow and positive reserve fund balances has been included in setting the capital reserve transfer amounts. A detailed continuity schedule of all capital-related reserves/reserve funds related to assets can be found in Table A-4 in Appendix A.

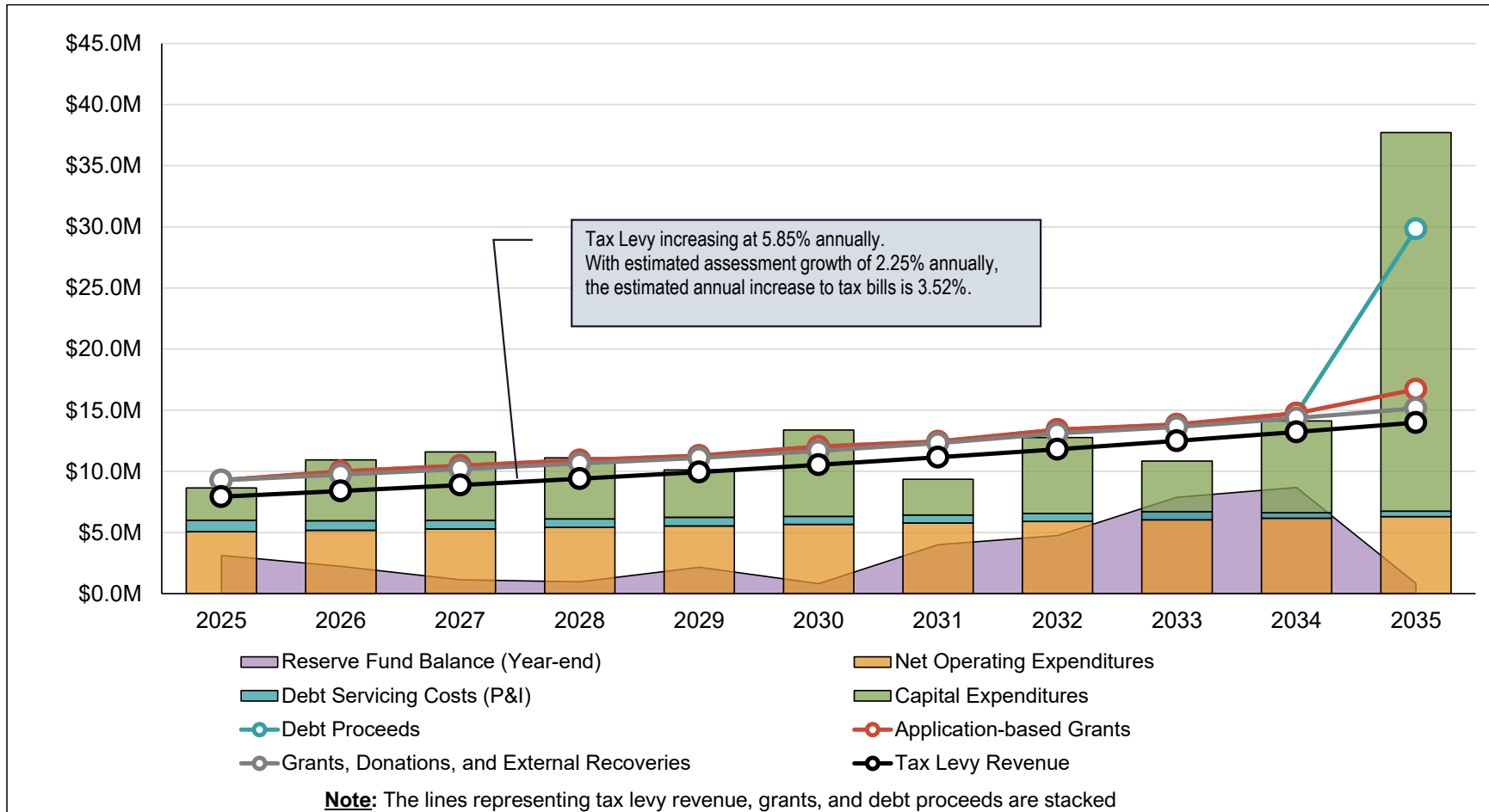
Layering on assessment increases resulting from new assessment growth, assumed to be 2.25% annually, the impacts on individual property tax bills resultant from the financial strategy are estimated to be increases of 3.52% annually from 2026 to 2035.

The taxation impacts identified above include inflationary adjustments to the Township's operating costs and revenues as identified in its 2025 budget (i.e., general operating inflation of 2.2% annually). If, however, other funding sources become available (as mentioned above), or if maintenance practices allow for the deferral of capital works, the impact on the Township's taxation levy would potentially decrease.

Figure 4-1 illustrates the overall financial forecast, with full details of the Financial Strategy provided in Appendix A.



Figure 4-1: Overall Financial Forecast (Inflated)





# Chapter 5

## Recommendations and Next Steps



## 5. Recommendations and Next Steps

### 5.1 Recommendations

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

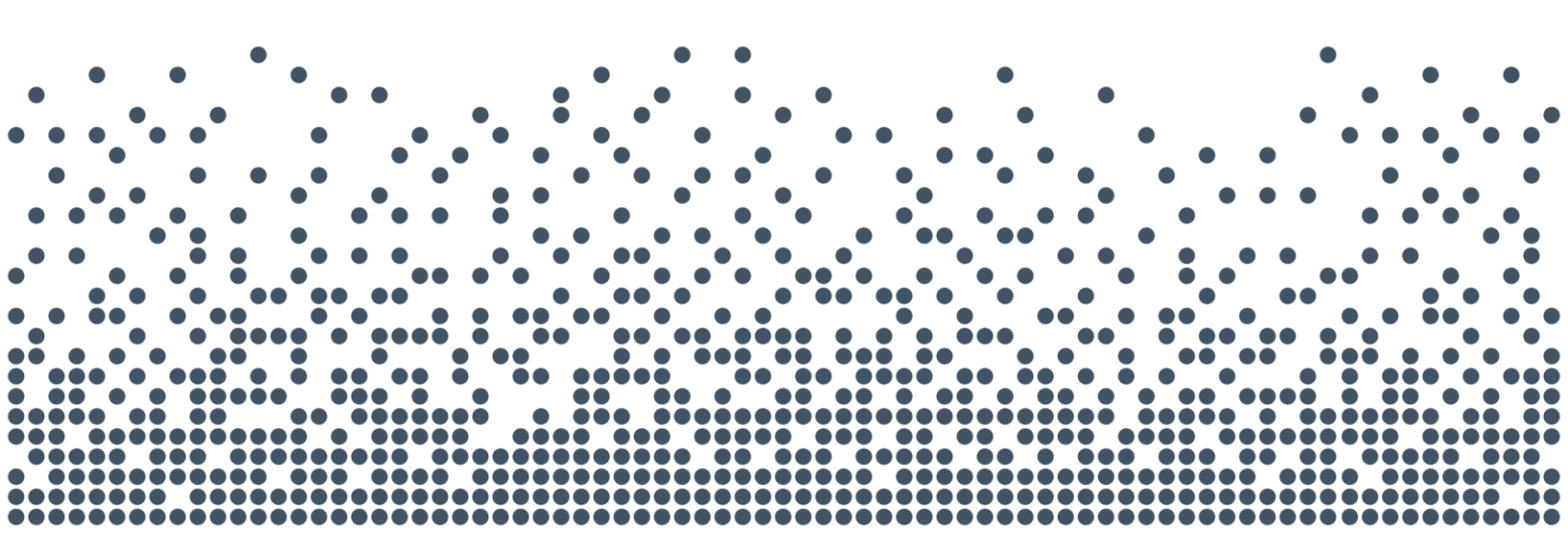
- That the Township of Wellesley Asset Management Plan be received and approved by Council; and
- That consideration be made as part of the annual budgeting process to ensure sufficient capital funding is available to implement the asset management plan.

### 5.2 Next Steps

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Following the approval of this asset management plan by Council, the Township's asset management journey will transition from developing the plan to its operationalization. The Township will need to establish processes and implement systems to keep asset information (e.g., condition, replacement costs, etc.) updated and relevant, so that it can be relied on to identify capital priorities and inform the annual budget process. Furthermore, the Township will need to establish a format and process for the annual updates to Council on asset management progress, as required by O. Reg. 588/17.

The asset management plan should be updated as the strategic priorities and capital needs of the Township change. This can be accomplished in conjunction with specific legislative requirements (i.e., five-year review of the asset management plan as required by O. Reg. 588/17), as well as the Township's annual budget process..



# Appendices



# Appendix A

## Financial Strategy Tables



**Table A-1**  
**Township of Wellesley**  
**Financial Strategy**  
**Capital Budget Forecast**  
 Inflated \$

Description	Total (2025-2035)	Budget 2025	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Lifecycle Renewal &amp; Replacement</b>												
Roads	9,358,006	859,872	1,205,260	-	281,548	-	1,522,067	1,085,432	-	1,731,946	1,810,229	861,653
Structures	16,825,675	412,128	908,616	1,044,387	1,463,818	1,647,764	1,724,009	1,382,030	2,005,815	1,426,053	1,175,220	3,635,834
Stormwater	465,907	203,520	43,864	-	53,540	-	45,974	-	56,922	-	62,087	-
Parkland Amenities	2,923,624	20,352	113,619	118,663	123,930	129,430	135,175	141,175	147,442	153,986	899,953	939,899
Facilities	28,046,402	305,000	60,172	2,244,330	1,510,085	96,028	100,291	104,742	109,392	114,247	119,318	23,282,796
Fleet and Equipment	16,778,961	903,948	2,317,759	585,646	1,092,046	1,945,460	1,536,367	145,396	2,901,904	692,550	2,421,371	2,236,514
Sidewalks and Street Lights	7,786	-	-	-	-	-	-	7,786	-	-	-	-
<b>Sub-Total: Lifecycle Renewal &amp; Replacement</b>	<b>74,406,362</b>	<b>2,704,820</b>	<b>4,649,291</b>	<b>3,993,025</b>	<b>4,524,967</b>	<b>3,818,683</b>	<b>5,063,883</b>	<b>2,866,562</b>	<b>5,221,475</b>	<b>4,118,782</b>	<b>6,488,177</b>	<b>30,956,696</b>
<b>Growth-related Expansion &amp; Upgrades</b>												
Fire	1,028,467	-	45,017	-	-	-	-	983,451	-	-	-	-
Roads & Related	8,921,400	-	-	1,972,800	1,413,600	-	2,580,375	296,220	1,419,628	30,301	1,208,475	-
Parks & Recreation	1,044,357	-	314,070	-	-	-	-	118,488	-	611,798	-	-
Library	473,571	-	-	-	-	-	-	-	-	-	473,571	-
Studies	864,363	160,000	104,690	118,039	28,685	325,890	81,741	-	-	-	45,318	-
<b>Sub-Total: Growth-related Expansion &amp; Upgrades</b>	<b>12,332,158</b>	<b>160,000</b>	<b>463,777</b>	<b>2,090,840</b>	<b>1,442,285</b>	<b>325,890</b>	<b>2,662,116</b>	<b>1,398,159</b>	<b>1,419,628</b>	<b>642,100</b>	<b>1,727,365</b>	<b>-</b>
<b>Total Capital Expenditures</b>	<b>86,738,520</b>	<b>2,864,820</b>	<b>5,113,068</b>	<b>6,083,865</b>	<b>5,967,252</b>	<b>4,144,573</b>	<b>7,725,998</b>	<b>4,264,721</b>	<b>6,641,102</b>	<b>4,760,882</b>	<b>8,215,542</b>	<b>30,956,696</b>
<b>Capital Financing</b>												
Contributions from Operating Reserves	160,000	160,000	-	-	-	-	-	-	-	-	-	-
Other Capital Funding	60,000	60,000	-	-	-	-	-	-	-	-	-	-
External Recoveries	702,306	-	226,056	165,000	116,250	-	-	11,250	160,000	-	3,750	20,000
Grants (other than OCIF and CCBF)	3,912,507	-	248,547	279,870	249,274	194,557	353,594	145,805	310,092	207,368	375,565	1,547,835
Contributions from Capital Reserves & Reserve Funds	62,915,575	2,410,772	4,496,328	5,152,535	4,619,953	3,696,589	6,718,288	2,759,049	5,731,753	3,939,984	7,131,988	16,258,336
Non-Growth Related Debenture Requirements	13,130,525	-	-	-	-	-	-	-	-	-	-	13,130,525
Contributions from Development Charges Reserve Fund	5,857,607	234,048	142,137	486,460	981,775	253,427	654,117	1,348,616	439,258	613,530	704,239	-
Growth Related Debenture Requirements	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Financing</b>	<b>86,738,520</b>	<b>2,864,820</b>	<b>5,113,068</b>	<b>6,083,865</b>	<b>5,967,252</b>	<b>4,144,573</b>	<b>7,725,998</b>	<b>4,264,721</b>	<b>6,641,102</b>	<b>4,760,882</b>	<b>8,215,542</b>	<b>30,956,696</b>



**Table A-2**  
**Township of Wellesley**  
**Financial Strategy**  
**Schedule of Non-Growth Related Debenture Repayments**  
 Inflated \$

Debenture Year	New Debt (Inflated)	Budget 2025	Forecast										
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
2025	-		-	-	-	-	-	-	-	-	-	-	-
2026	-			-	-	-	-	-	-	-	-	-	-
2027	-				-	-	-	-	-	-	-	-	-
2028	-					-	-	-	-	-	-	-	-
2029	-						-	-	-	-	-	-	-
2030	-							-	-	-	-	-	-
2031	-								-	-	-	-	-
2032	-									-	-	-	-
2033	-										-	-	-
2034	-											-	-
2035	13,130,525												
<b>Total Annual Debt Repayments</b>	<b>13,130,525</b>	-	-	-	-	-	-	-	-	-	-	-	-

**Table A-3**  
**Township of Wellesley**  
**Financial Strategy**  
**Schedule of Growth Related Debenture Repayments**  
 Inflated \$

Debenture Year	New Debt (Inflated)	Budget 2025	Forecast										
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
2025	-		-	-	-	-	-	-	-	-	-	-	-
2026	-			-	-	-	-	-	-	-	-	-	-
2027	-				-	-	-	-	-	-	-	-	-
2028	-					-	-	-	-	-	-	-	-
2029	-						-	-	-	-	-	-	-
2030	-							-	-	-	-	-	-
2031	-								-	-	-	-	-
2032	-									-	-	-	-
2033	-										-	-	-
2034	-											-	-
2035	-												-
<b>Total Annual Debt Repayments</b>	-	-	-	-	-	-	-	-	-	-	-	-	-



**Table A-4**  
**Township of Wellesley**  
**Financial Strategy**  
**Schedule of Capital Reserves & Reserve Funds Continuity**  
 Inflated \$

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance	2,441,533	3,137,265	2,238,100	1,131,392	957,388	2,161,794	823,952	3,999,678	4,743,663	7,889,851	8,679,277
Transfer from Operating	1,918,500	2,426,790	2,882,328	3,285,861	3,717,292	4,222,973	4,715,035	5,241,409	5,790,154	6,609,917	7,247,744
OCIF Revenue	755,823	755,823	755,823	755,823	755,823	755,823	755,823	755,823	755,823	755,823	755,823
CCBF Revenue	370,666	370,666	385,493	385,493	385,493	385,493	385,493	385,493	385,493	385,493	385,493
Transfer to Capital	2,410,772	4,496,328	5,152,535	4,619,953	3,696,589	6,718,288	2,759,049	5,731,753	3,939,984	7,131,988	16,258,336
Interest Earned	61,515	43,884	22,184	18,772	42,388	16,156	78,425	93,013	154,703	170,182	16,200
<b>Closing Balance</b>	<b>3,137,265</b>	<b>2,238,100</b>	<b>1,131,392</b>	<b>957,388</b>	<b>2,161,794</b>	<b>823,952</b>	<b>3,999,678</b>	<b>4,743,663</b>	<b>7,889,851</b>	<b>8,679,277</b>	<b>826,200</b>

**Table A-5**  
**Township of Wellesley**  
**Financial Strategy**  
**Schedule of Development Charges Reserve Funds Continuity**  
 Inflated \$

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance	1,366,667	1,817,200	2,253,166	2,374,560	2,022,191	2,435,901	2,480,909	1,851,469	2,171,636	2,352,397	2,481,693
Development Charge Revenue	648,950	674,885	701,971	730,260	759,804	790,659	822,885	856,540	891,690	928,399	966,738
Transfer to Capital	234,048	142,137	486,460	981,775	253,427	654,117	1,348,616	439,258	613,530	704,239	-
Transfer to Operating (debt payments)	-	140,962	140,678	140,504	140,430	140,180	140,012	139,696	143,524	143,524	143,524
Interest Earned	35,631	44,180	46,560	39,651	47,763	48,645	36,303	42,581	46,125	48,661	66,098
<b>Closing Balance</b>	<b>1,817,200</b>	<b>2,253,166</b>	<b>2,374,560</b>	<b>2,022,191</b>	<b>2,435,901</b>	<b>2,480,909</b>	<b>1,851,469</b>	<b>2,171,636</b>	<b>2,352,397</b>	<b>2,481,693</b>	<b>3,371,005</b>



**Table A-6**  
**Township of Wellesley**  
**Financial Strategy**  
**Operating Budget Forecast**  
 Inflated \$

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Expenditures</b>											
<b>Operating Expenditures</b>											
Council/Committee & Election	427,122	436,500	446,100	455,900	466,000	476,200	486,700	497,400	508,300	519,500	531,000
Administration	690,096	705,300	720,800	736,700	752,900	769,400	786,300	803,600	821,300	839,400	857,900
Finance	807,959	825,700	843,900	862,500	881,400	900,800	920,700	940,900	961,600	982,800	1,004,400
Information Technology	281,239	287,400	293,700	300,200	306,800	313,600	320,500	327,500	334,700	342,100	349,600
By-Law & Animal Control	56,658	57,900	59,200	60,500	61,800	63,200	64,600	66,000	67,400	68,900	70,400
Fire Department	1,106,384	1,130,700	1,155,600	1,181,000	1,207,000	1,233,600	1,260,700	1,288,400	1,316,800	1,345,700	1,375,400
EMO	5,200	5,300	5,400	5,600	5,700	5,800	5,900	6,100	6,200	6,300	6,500
Building Department	551,327	563,500	575,900	588,500	601,500	614,700	628,200	642,000	656,200	670,600	685,400
Public Works	2,908,159	2,972,100	3,037,500	3,104,400	3,172,600	3,242,400	3,313,800	3,386,700	3,461,200	3,537,300	3,615,200
Admin Building	39,600	40,500	41,400	42,300	43,200	44,200	45,100	46,100	47,100	48,200	49,200
Council Chambers	9,071	9,300	9,500	9,700	9,900	10,100	10,300	10,600	10,800	11,000	11,300
Cemetery	6,200	6,300	6,500	6,600	6,800	6,900	7,100	7,200	7,400	7,500	7,700
Recreation	2,086,231	2,132,100	2,179,000	2,227,000	2,276,000	2,326,000	2,377,200	2,429,500	2,483,000	2,537,600	2,593,400
Library	19,550	20,000	20,400	20,900	21,300	21,800	22,300	22,800	23,300	23,800	24,300
Planning Department	472,636	483,000	493,700	504,500	515,600	527,000	538,600	550,400	562,500	574,900	587,500
<b>Sub-Total Operating Expenditures</b>	<b>9,467,432</b>	<b>9,675,600</b>	<b>9,888,600</b>	<b>10,106,300</b>	<b>10,328,500</b>	<b>10,555,700</b>	<b>10,788,000</b>	<b>11,025,200</b>	<b>11,267,800</b>	<b>11,515,600</b>	<b>11,769,200</b>
<b>Capital Related Expenditures</b>											
Contributions to Capital Reserves	1,918,500	2,426,790	2,882,328	3,285,861	3,717,292	4,222,973	4,715,035	5,241,409	5,790,154	6,609,917	7,247,744
Existing Non Growth Debt Payments (Principal & Interest)	935,582	779,493	700,632	700,097	699,866	654,565	654,047	653,072	664,893	443,195	443,195
New Non Growth Debt Payments (Principal & Interest)	-	-	-	-	-	-	-	-	-	-	-
Existing Growth Debt Payments (Principal & Interest)	-	140,962	140,678	140,504	140,430	140,180	140,012	139,696	143,524	143,524	143,524
New Growth Debt Payments (Principal & Interest)	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total Capital Related Expenditures</b>	<b>2,854,082</b>	<b>3,347,244</b>	<b>3,723,637</b>	<b>4,126,463</b>	<b>4,557,588</b>	<b>5,017,718</b>	<b>5,509,094</b>	<b>6,034,178</b>	<b>6,598,571</b>	<b>7,196,636</b>	<b>7,834,463</b>
<b>Total Expenditures</b>	<b>12,321,514</b>	<b>13,022,844</b>	<b>13,612,237</b>	<b>14,232,763</b>	<b>14,886,088</b>	<b>15,573,418</b>	<b>16,297,094</b>	<b>17,059,378</b>	<b>17,866,371</b>	<b>18,712,236</b>	<b>19,603,663</b>
<b>Revenues</b>											
By-Law & Animal Control	59,100	60,400	61,700	63,100	64,500	65,900	67,300	68,800	70,300	71,900	73,500
Fire Department	97,009	99,100	101,300	103,600	105,800	108,200	110,500	113,000	115,500	118,000	120,600
Building Department	557,327	569,600	582,100	594,900	608,000	621,400	635,100	649,000	663,300	677,900	692,800
Public Works	160,000	163,500	167,100	170,800	174,600	178,400	182,300	186,300	190,400	194,600	198,900
Cemetery	560	600	600	600	600	600	600	700	700	700	700
Recreation	1,120,730	1,145,400	1,170,600	1,196,300	1,222,700	1,249,600	1,277,000	1,305,100	1,333,900	1,363,200	1,393,200
Library	20,000	20,400	20,900	21,300	21,800	22,300	22,800	23,300	23,800	24,300	24,900
Planning Department	160,950	164,500	168,100	171,800	175,600	179,500	183,400	187,400	191,600	195,800	200,100
Non-departmental: General Revenue	898,651	918,400	938,600	959,300	980,400	1,001,900	1,024,000	1,046,500	1,069,500	1,093,100	1,117,100
Non-departmental: Supplemental and Payments in Lieu	57,160	58,400	59,700	61,000	62,400	63,700	65,100	66,600	68,000	69,500	71,100
Non-departmental: Grants	987,400	1,009,100	1,031,300	1,054,000	1,077,200	1,100,900	1,125,100	1,149,900	1,175,200	1,201,000	1,227,400
Non-departmental: Contributions from Operating Reserves	276,688	282,800	289,000	295,400	301,900	308,500	315,300	322,200	329,300	336,500	344,000
Transfer from DC Reserve Funds	-	140,962	140,678	140,504	140,430	140,180	140,012	139,696	143,524	143,524	143,524
<b>Total Revenues</b>	<b>4,395,575</b>	<b>4,633,162</b>	<b>4,731,678</b>	<b>4,832,604</b>	<b>4,935,930</b>	<b>5,041,080</b>	<b>5,148,512</b>	<b>5,258,496</b>	<b>5,375,024</b>	<b>5,490,024</b>	<b>5,607,824</b>



**Table A-7**  
**Township of Wellesley**  
**Financial Strategy**  
**Tax Levy Forecast**  
Inflated \$

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Prior Year Tax Levy		7,925,939	8,389,683	8,880,560	9,400,158	9,950,158	10,532,339	11,148,582	11,800,882	12,491,347	13,222,211
Add: Tax Revenues from Incremental Assessment		178,334	188,768	199,813	211,504	223,879	236,978	250,843	265,520	281,055	297,500
Tax Revenues at 0% Tax Rate Increase		8,104,272	8,578,450	9,080,373	9,611,662	10,174,037	10,769,316	11,399,425	12,066,401	12,772,402	13,519,711
Additional Increase in Tax Levy		285,410	302,110	319,786	338,496	358,302	379,266	401,457	424,946	449,809	476,127
<b>Total Tax Revenues</b>		<b>8,389,683</b>	<b>8,880,560</b>	<b>9,400,158</b>	<b>9,950,158</b>	<b>10,532,339</b>	<b>11,148,582</b>	<b>11,800,882</b>	<b>12,491,347</b>	<b>13,222,211</b>	<b>13,995,838</b>
<b>Estimated Impact on Tax Bills</b>		<b>3.52%</b>	<b>3.52%</b>	<b>3.52%</b>	<b>3.52%</b>	<b>3.52%</b>	<b>3.52%</b>	<b>3.52%</b>	<b>3.52%</b>	<b>3.52%</b>	<b>3.52%</b>