

REPORT TO COUNTY COUNCIL

2025 Asset Management Plan

To: Warden and Members of County Council

From: Director of Corporate Services

RECOMMENDATION

1. That the 2025 Asset Management Plan as attached to Report CS 2025-19 be adopted.

REPORT HIGHLIGHTS

- The 2025 Asset Management Plan (AMP) includes updates to meet the July 1, 2025 requirements as set out in Ontario Regulation 588/17.
- The AMP updates include proposed levels of service and a financial strategy to achieve the proposed level of service.

IMPLEMENTATION POINTS

Upon Council approval, staff will proceed with publishing the 2025 Asset Management Plan to the County's website and continue to work on the areas of improvement identified throughout the AMP.

Further, Policy 6.22 Water and Wastewater Policy, which sets out the basis for how water and wastewater rates are calculated will require amendment to ensure the capital renewal contribution component of the fixed charge calculation aligns with the recommendations in the 2025 AMP. A report seeking Council approval to amend the Policy will be presented to Council prior to calculating rates for the 2026 budget.

Financial Impact

Approval of the recommendation contained within this report will have no financial impact beyond what has been approved in the current year's budget. Resource needs and financial requirements based on the strategies and recommendations identified in the AMP will be included in the 2026 Annual Business Plan and Budget process as applicable. Inflation figures

presented in the 2026 Budget may differ from those in the 2025 AMP as the Q2 2025 inflation figure used for the budget and was not available at the time of the AMP's completion.

Impacts on the 2026 water and wastewater rates will be calculated in accordance with the Water and Wastewater Policy 6.22, pending amendment to align with the updated AMP.

The financial strategy in the AMP relies on continuity of current capital funding from federal and provincial governments, therefore the County must conform to O.Reg. 588/17. Grant programs, such as the Canada Community Building Fund and the Ontario Community Infrastructure Fund, require that municipalities demonstrate the projects selected for funding require the funding to meet the planned outcomes of the AMP.

Communications

The draft water and wastewater system sections of the AMP were shared with the Area Municipalities for review and comment, with no comments being received.




The 2025 Asset Management Plan will be posted to the County's website for public information and will be promoted through the County website and social media channels by the County's Strategic Communication and Engagement Team.

2023-2026 STRATEGIC PLAN

Oxford County Council approved the **2023-2026 Strategic Plan** on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council's vision of "Working together for a healthy, vibrant, and sustainable future." These pillars are: (1) *Promoting community vitality*, (2) *Enhancing environmental sustainability*, and (3) *Fostering progressive government*.

The recommendation in this report supports the following strategic goals.

Strategic Plan Pillars and Goals

PILLAR 1	PILLAR 2	PILLAR 3
		
Promoting community vitality	Enhancing environmental sustainability	Fostering progressive government
<p>Goal 1.2 – Sustainable infrastructure and development</p> <p>Goal 1.4 – Connected people and places</p>	<p>Goal 2.1 – Climate change mitigation and adaptation</p> <p>Goal 2.2 – Preserve and enhance our natural environment</p>	<p>Goal 3.1 – Continuous improvement and results-driven solutions</p> <p>Goal 3.2 – Collaborate with our partners and communities</p> <p>Goal 3.4 – Financial sustainability</p>

See: [Oxford County 2023-2026 Strategic Plan](#)

DISCUSSION

Background

The Infrastructure for Jobs and Prosperity Act, 2015 was created to establish mechanisms to encourage principled, evidence-based and strategic long-term infrastructure planning. The Act sets out principles for asset management planning for the broader public sector, including municipalities.

Ontario Regulation (O.Reg.) 588/17 Asset Management Planning for Municipal Infrastructure, was filed on December 27, 2017 under the Infrastructure for Jobs and Prosperity Act, 2015. The purpose of the Regulation is to implement best practices throughout the municipal sector and provide a degree of consistency to support collaboration between municipalities and the Province. This Regulation aims to help municipalities more clearly identify their asset management needs, thus, helping municipalities work toward a more sustainable position regarding the funding of their assets. The Regulation also requires AMPs to provide planning for growth assets, including estimated capital expenditures and significant operating costs related to new construction or upgrades to existing municipal assets. In accordance with O.Reg. 588/17, an Asset Management Plan including proposed levels of service for all assets is required on or before July 1, 2025. The regulation sets out the components that must be included within the AMP which include:

- level of service proposed for each of the following 10 years;
- explanation of why the proposed levels of service are appropriate;
- current and proposed performance with respect to established performance measures;
- summary of assets, replacement cost and average age;

- asset conditions, including the approach used to assess the condition;
- lifecycle activities required to achieve proposed levels of service for the 10-year period;
- estimated capital expenditures and significant operating expenses to achieve the proposed levels of service;
- the funding projected to be available, by source;
- population and employment forecasts, as set out in the Official Plan; and
- identification of how the background information and report will be made available to the public.

Comments

The replacement value of the County's assets (excluding natural assets) is \$3.95 billion as identified throughout the AMP. Of the replacement value, 26% is related to wastewater; 24% to water; 26% to the transportation network; 11% to bridges and structural culverts; 4% to the stormwater network; with the remaining 9% related to the County's other services including facilities, information technology, fleet and equipment, waste management, housing, long-term care, paramedic services and library.

In recognition of the critical role that natural assets play in providing essential services and enhancing community resilience, the AMP now includes an initial iteration of the County's natural asset AMP. The AMP outlines actionable steps that staff can follow to advance the natural asset management initiative using a multi-disciplinary approach.

Staff reviewed multiple levels of service scenarios for each portfolio centered around budget, condition or useful life depending on the type of asset, using a decision support module within asset management software. Each scenario is reviewed over a 100-year period (unless specified otherwise) to identify the proposed sustainable level of service, while continuing to balance risk to the service provided. Based on the recommended scenarios, the proposed investment represents the amount of capital funding required to renew and maintain existing assets so services can continue to be delivered at the desired level.

Table 1 reflects the proposed investment requirement based on current County owned assets. The requirements for the stormwater network are excluded from Table 1 due to significant data gaps that are now being addressed through a new Public Works Technician position approved in the 2025 Budget process. In the meantime, financial recommendations to be presented in the 2026 Budget for stormwater will be based on lifecycle needs identified in the 2026 Capital Plan.

Table 1 – Investment Summary (millions)

Asset Appendix	2025 Investment (100% Funded)	2025 Proposed Investment Requirement	2025 Budget Investment	2025 Investment Surplus/ (Deficit)
Wastewater - Woodstock	\$6.19	\$3.72	\$2.54	\$(1.18)
Wastewater - Tillsonburg	2.39	1.43	2.05	0.62
Wastewater - Ingersoll	2.35	1.41	2.26	0.85
Wastewater - Norwich	0.58	0.35	0.60	0.26
Wastewater - Tavistock	0.83	0.50	1.79	1.29
Wastewater - Plattsville	0.44	0.27	0.30	0.04
Wastewater - Thamesford	0.63	0.38	0.51	0.13
Wastewater - Drumbo	0.41	0.25	0.02	(0.22)
Wastewater – Mt. Elgin	0.59	0.35	0.12	(0.23)
Wastewater - Embro	0.35	0.21	0.18	(0.03)
Wastewater - Innerkip	0.27	0.16	0.15	(0.01)
Water – Woodstock	5.78	4.62	4.57	(0.06)
Water – Tillsonburg	2.61	2.09	2.02	(0.07)
Water – Ingersoll	1.99	1.59	1.36	(0.23)
Water – Townships	4.30	3.44	1.78	(1.67)
Rate Supported	\$29.71	\$20.77	\$20.25	\$(0.50)
Bridges and structural culverts	7.55	6.85	4.78	(2.06)
Transportation network	26.39	18.57	12.40	(6.18)
Stormwater network	N/A	N/A	N/A	N/A
Corporate facilities	2.15	1.51	1.20	(0.31)
Fleet and equipment	3.25	3.41	3.69	0.28
Information technology	0.42	0.42	0.32	(0.10)
Waste management	1.12	1.04	0.80	(0.25)
Community housing	2.72	2.04	1.44	(0.59)
Long-term care	2.45	1.96	1.78	(0.18)
Paramedic services	1.31	1.04	1.31	0.26
Library	0.70	0.49	0.44	(0.05)
Levy Supported	\$48.06	\$37.33	\$28.16	\$(9.18)
Overall Total	\$77.77	\$58.10	\$48.41	\$(9.68)

A financial plan is a critical component of the AMP and brings the AMP into action. A sound financial plan demonstrates that the County has integrated the AMP into financial planning and budgets, and that it has utilized all available funding tools. Using the anticipated lifecycle needs associated with the proposed level of service, along with the current investment level, staff can propose a financial strategy to achieve sustainability at that service level. The recommended approach throughout each service area considers use of available reserve balances, interest revenue, debt funding, reliable grant funding, and an increase or decrease in levy contributions or user fees (rates).

Table 2 summarizes the 2026 proposed investment changes identified by budget source. The capital contribution figure includes forecasted interest contributions to the reserve (based on the lifecycle needs and recommendations identified throughout the AMP) along with the anticipated contribution increases resulting from growth. The percentage of levy increase presented for the general and library levy is based on the 2025 approved budget, whereas the water and wastewater percentage increase is based on the 2025 approved rate revenue. The recommended changes to the investment level for water and wastewater varies by system.

Table 2 – Proposed 2026 Investment Summary (millions)

	General Levy	Library Levy	Water and Wastewater Rates
Required Investment	\$38.0	\$0.50	\$21.5
Less:			
Capital Contribution	28.3	0.45	19.1
Inflation	0.2	0.01	0.2
Proposed Investment Change	0.4	-	(0.9)
Unfunded Requirement	9.1	0.04	3.2
% Increase	0.7%	0.1%	(1.5%)

Key improvement areas have been identified throughout the 2025 AMP. These improvements include the following:

- reducing asset data gaps to ensure that a high level of confidence is obtained for effective decision-making;
- documenting lifecycle history on assets within the asset management systems, to ensure the asset lifecycle needs projected by the system are representative of where each asset is within its lifecycle;
- refining the risk assessment approach at the component level to ensure that projects are prioritized based on impacts that failure of the asset has on delivery of the services that contribute to our community wellbeing; and
- implementing and expanding upon physical condition assessment programs to ensure the analysis is based on a true reflection of actual state of the asset as opposed to a theoretical age-based condition.

CONCLUSIONS

The 2025 Asset Management Plan meets the requirements as outlined in O.Reg. 588/17, providing proposed levels of service along with a proposed financial strategy. Asset management planning is vital to the long-term sustainability of assets. Significant investment increases are required for services funded by the general levy to ensure lifecycle needs are completed in a sustainable manner. The AMP is intended to be a living document, and staff are committed to monitoring the industry and implementing best practices as they evolve.

SIGNATURES

Report author:

Original signed by

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Departmental approval:

Original signed by

Lynn S. Buchner, CPA, CGA
Director of Corporate Services

Approved for submission:

Original signed by

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ATTACHMENT

Attachment 1 – 2025 Asset Management Plan, dated June 2025 (link only)