



**TOWNSHIP OF WEST LINCOLN
ADMINISTRATION/FINANCE/FIRE COMMITTEE
AGENDA**

MEETING NO. SIX

Monday, June 20, 2022, 6:30 p.m.

Township Administration Building

318 Canborough Street, Smithville, Ontario

**** NOTE TO MEMBERS OF THE PUBLIC:**

Due to efforts to contain the spread of COVID-19 and to protect all individuals, the Council Chamber will not be open to the public to attend Standing Committee or Council meetings until further notice.

**** Virtual Attendance & Participation:**

Members of the public who wish to participate by providing oral comments for matters that are on the agenda must attend the virtual meeting by obtaining a Zoom invite in advance by emailing jscime@westlincoln.ca by June 20, 2022 before 4:30p.m. Those who wish to observe the meeting may view the meetings livestream which can be found on the Council and Committee Calendar on the Township's website.

Pages

1. CHAIR - Councillor Jason Trombetta

Prior to commencing with the Administration/Finance/Fire Committee meeting agenda, Chair Trombetta will make the following announcements:

1. Due to efforts to contain the spread of COVID-19 and to protect all individuals, the Council Chamber will not be open to the public to attend Standing Committee and Council meetings until further notice.
2. The public may submit comments for matters that are on the agenda to jscime@westlincoln.ca before 4:30 pm on the day of the meeting. Comments submitted will be considered as public information and read into public record.
3. This meeting will be livestreamed as well as recorded and will be available on the Township's website following the meeting.

2. LAND ACKNOWLEDGEMENT STATEMENT

The Township of West Lincoln, being part of Niagara Region is situated on treaty land. This land is steeped in the rich history of the First Nations such as the Hattiwendaronk (Hat-i-wen-DA-ronk), the Haudenosaunee (Hoe-den-no-SHOW-ee), and the Anishinaabe (Ah-nish-ih-NAH-bey), including the Mississaugas of the Credit First Nation. There are many First Nations, Métis, and Inuit people from across Turtle Island that live and work in Niagara today. The Township of West Lincoln, as part of the Regional Municipality of Niagara,

stands with all Indigenous people, past and present, in promoting the wise stewardship of the lands on which we live.

3. CHANGE IN ORDER OF ITEMS ON AGENDA

4. DISCLOSURE OF PECUNIARY INTEREST AND/OR CONFLICT OF INTEREST

5. APPOINTMENTS

5.1. ITEM A41-22

Steven Soos

Re: Motion for Township of West Lincoln to Declare a State of Emergency on Mental Health, Homelessness & Addiction

RECOMMENDATION:

WHEREAS According to the Province of Ontario Emergency Response Plan (2008), Canadian municipalities are free to declare states of emergencies in response to "any situation or impending situation caused by the forces of nature, an accident, an intentional act or otherwise that constitutes a danger of major proportions to life or property."

WHEREAS 11/12 of Niagara-area municipalities have unanimously requested that Niagara Region declare a state of emergency on mental health, homelessness, and addiction, West Lincoln previously unanimously supported a motion requesting the Niagara Region declare a state of emergency on mental health, homelessness, and addiction

WHEREAS Niagara EMS reported 1001 suspected opioid overdoses (2021) and 210 suspected opioid overdoses already this year (April 2022)

WHEREAS Niagara's suicide rate of 9.8 deaths per 100,000 is higher than the provincial average of 7.7 deaths per 1000,000 in Ontario (Stats Can)

BE IT RESOLVED That West Lincoln Township Council direct Mayor Dave Bylsma as the Head of Council to declare a state of emergency on mental health and addiction in the Township of West Lincoln.

FURTHERMORE, that the Ontario Minister of the Solicitor General, Emergency Management Ontario, the Premier of Ontario, the Ontario Ministry of Community and Social Services, the Ontario Associate Minister for Mental Health, all Niagara-area MPP's, and all Niagara-area Municipalities be copied on the resolution.

5.2. ITEM A42-22

Jordan Gonda, Senior Asset Management Consultant, PSD Citywide Inc.

Re: Township of West Lincoln Asset Management Plan
(Refer to Treasurer/Director of Finance Report No. T-19-2022)

6. REQUEST TO ADDRESS ITEMS ON THE AGENDA

7

NOTE: Procedural By-law Section 10.13(5) – General Rules
One (1) hour in total shall be allocated for this section of the agenda and each individual person shall only be provided with five (5) minutes to address their issue (some exceptions apply). A response may not be provided and the matter may be referred to staff.

- 1. The Chair to inquire if the IT Manager was aware if there were any attendees or panelist in attendance who wished to provide comments and/or ask questions with respect to the proposed update Council Remuneration By-law or if the Clerk had received any emails or correspondence.
- 2. The Chair to inquire if the IT Manager was aware if there were any members of the public who were in attendance virtually on the Zoom meeting call who wished to address another specific item on tonight's Administration/Finance/Fire Committee agenda, as permitted under Section 6.7 of the Procedural By-law.
- 3. The Chair to inquire if the Clerk had received any emails or correspondence from a member of the public prior to 4:30 p.m. today who wished to address a specific item on tonight's Administration/ Finance/Fire Committee agenda, as permitted under Section 6.7 of the Procedural By-law.

7. **CONSENT AGENDA ITEMS**

NOTE: All items listed below are considered to be routine and non-controversial and can be approved by one resolution. There will be no separate discussion of these items unless a Council Member requests it, in which case the item will be removed from the consent resolution and considered immediately following adoption of the remaining consent agenda items.

7.1. **ITEM A43-22**
CONSENT AGENDA ITEMS

RECOMMENDATION:

That the Administration/Finance/Fire Committee hereby approves the following Consent Agenda Items:

- 1. Item 1, 2 and 3 be and are hereby received for information
with the exception of Items #(s)_____
- 1. Information Report WLFD-08-2022 - Monthly Update May 2022 11
- 2. Information Report T-14-2022 - Development Charges 2021
Treasurer's Annual Statement 14
- 3. Information Report T-17-2022 - Financial Update as of May 31,
2022 19

8. **COMMUNICATIONS**

- 8.1. **ITEM A44-22** 27
Ann-Marie Norio, Regional Clerk
Re: Niagara Region Report PHD 2-2022 & By-law 2022-35 - Waterpipe
Smoking By-law

RECOMMENDATION:

That, the Council of The Township of West Lincoln consents to the passage of the Waterpipe By-law of the Regional Municipality of Niagara, being a by-law to regulate waterpipe smoking in the Region.

9. STAFF REPORTS

9.1. ITEM A45-22

54

Director of Finance and Treasurer (Donna DeFillippis)
Re: Recommendation Report T-19-2022 - Township of West Lincoln Asset Management Plan

RECOMMENDATION:

1. That, Council accept report T-19-2022 regarding the "Township of West Lincoln Asset Management Plan" as an item of information; and,
2. That, Council accept the Township's Asset Management Plan attached as Schedule B to this report as an item of information.

9.2. ITEM A46-22

186

Deputy Treasurer/Manager of Finance (Katelyn Hall) &
Treasurer/Director of Finance (Donna DeFilippis)
Re: Recommendation Report T-11-2022 - Proposed Changes to Finance and Public Works User Fees

RECOMMENDATION:

1. That, Recommendation Report T-11-2022, regarding "Proposed Changes to Finance and Public Works User Fees", dated June 20, 2022, be received; and,
2. That, Schedule A, outlining the updated Finance user fees and charges attached to this Report be approved with an effective date of October 1, 2022; and,
3. That, Schedule B, outlining the updated Public Works user fees and charges attached to this Report be approved with the effective dates as noted in Schedule B; and,
4. That, the applicable By-laws be passed to incorporate the new and revised Finance and Public Works fees and charges, with effective dates as indicated.

9.3. ITEM A47-22

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Director of Finance and Treasurer (Donna DeFillippis)
Re: Recommendation Report T-15-2022 - Elected Officials Remuneration for the 2022 to 2026 Term

RECOMMENDATION:

1. That, Recommendation Report T-15-2022 regarding "Elected Officials Remuneration for the 2022 to 2026 Term", dated June 20th, 2022, be received for information; and
2. That, a By-Law be presented at the June 27, 2022 Council

Meeting to address Council Remuneration, the draft of which can be found on Schedule A to this report; and,

3. That, the annual salary for the Mayor of West Lincoln be increased from \$38,310 to \$42,110, an annual increase of \$3,800, effective November 15, 2022; and,
4. That, the annual salary for a West Lincoln Councillor remain at \$21,423, effective November 15, 2022; and,
5. That, an annual increase to the above salaries be based on the same percentage increase and the same timing as reflected in the CUPE Local 1287 collective agreement, which is consistent with the current practice; and,
6. That, members of West Lincoln Council continue to have the opportunity to participate in the Township's Group Benefit plan.

9.4. ITEM A48-22

200

Director of Finance and Treasurer (Donna DeFillippis)

Re: Recommendation Report T-16-2022 - Members of Council Expense Policy

RECOMMENDATION:

1. That, Recommendation Report T-16-2022 regarding "Members of Council Expense Policy", dated June 20th, 2022, be received; and,
2. That, POL-T-02-2022 Council Expense Policy, attached as Schedule B to this report, be approved and adopted effective November 15, 2022.

10. OTHER BUSINESS

10.1. ITEM A49-22

209

CAO (Bev Hendry)

Re: Employment Recognition

1. Katelyn Hall - Award of Excellence in Municipal Accounting and Finance - Presentation at AMCTO Conference on June 14, 2022.
2. Jessica Dyson - Completion of Municipal Administration Program (MAP) - Unit 4.
3. Ontario Municipal Administrators' Association - Recognition of Bev Hendry, CAO - Presentation at the May 19, 2022 OMAA Awards Event.

10.2. ITEM A50-22

Councillor Shelley Bradaric

Re: Amend the Township of West Lincoln Procedural By-law to Change the Start Time for Council Meetings to 6:30 p.m.

RECOMMENDATION:

(1) That, Section 2.3 (Regular Meetings) of the Township of West Lincoln's Procedural By-law 2013-58 (as amended), be further amended to change the time Regular Meetings of Council, excluding the Inaugural Meeting, by removing "7:00 p.m." and replacing with "6:30 p.m." as the start time; and,

(2) That, the new time commence with the July 18, 2022 Council Meeting.

10.3. ITEM A51-22

Members of Committee

Re: Verbal Updates from Members of Boards and Committees - If required

10.4. ITEM A52-22

Members of Council

Re: Other Business Items of an Informative Nature

11. NEW BUSINESS

NOTE: Only for items that require immediate attention/direction and must first approve a motion to introduce a new item of business. (Motion Required)

12. CONFIDENTIAL MATTERS

There are no confidential matters.

13. ADJOURNMENT

The Chair to declare the meeting adjourned at the hour of [time]

From: True Politics with Steven Soos

Sent: May 30, 2022 1:03 PM

To: Joanne Scime <jscime@westlincoln.ca>; Dave Bylsma <dbylsma@westlincoln.ca>

Subject: State of Emergency for mental health, homelessness and addiction

Hello Joanne,

Hope all is well. I would like to ask for a delegation for the next meeting of West Lincoln Town Council to discuss a motion which would direct West Lincoln Mayor, Dave Bylsma as Head of Council to declare a state of emergency on mental health, homelessness and addiction.

This is a different item of discussion because the previous motion was a request to Niagara Regional Council to declare a state of emergency in the Region, this is an actual declaration of emergency in the Township.

I ask that this motion be included as correspondence to Council and am requesting a mover and seconder on the item.

Thank you Joanne,

Steve Soos

The motion is available here:

WHEREAS According to the Province of Ontario Emergency Response Plan (2008), Canadian municipalities are free to declare states of emergencies in response to "any situation or impending situation caused by the forces of nature, an accident, an intentional act or otherwise that constitutes a danger of major proportions to life or property."

WHEREAS 11/12 of Niagara-area municipalities have unanimously requested that Niagara Region declare a state of emergency on mental health, homelessness, and addiction, West Lincoln previously unanimously supported a motion requesting the Niagara Region declare a state of emergency on mental health, homelessness, and addiction

WHEREAS Niagara EMS reported 1001 suspected opioid overdoses (2021) and 210 suspected opioid overdoses already this year (April 2022)

WHEREAS Niagara's suicide rate of 9.8 deaths per 100,000 is higher than the provincial average of 7.7 deaths per 1000,000 in Ontario (Stats Can)

BE IT RESOLVED That West Lincoln Town Council direct Mayor Dave Bylsma as the Head of Council to declare a state of emergency on mental health and addiction in the Township of West Lincoln.

FURTHERMORE, that the Ontario Minister of the Solicitor General, Emergency Management Ontario, the Premier of Ontario, the Ontario Ministry of Community and Social Services, the Ontario Associate Minister for Mental Health, all Niagara-area MPP's, and all Niagara-area Municipalities be copied on the resolution.

Steven Soos,

TRUE 
POLITICS
with Steven Soos

Hello Joanne, here is the letter that I would like on the agenda as well with the two links.
Thank-you. Steven

From: True Politics with Steven Soos

Date: Sat, 28 May 2022 at 21:10

Subject: Complaint- State of Emergency Mental Health, Homelessness and Addiction

To: Lisa Fuser <lfuser@ombudsman.on.ca>, Norio, Ann-Marie <Ann-Marie.Norio@niagararegion.ca>, Bradley, Jim <jim.bradley@niagararegion.ca>, <Mike Britton

Good evening Ms. Fuser, Madame Clerk, Chair Bradley, and Councillor Britton,

I am writing this email to file a complaint regarding events that occurred at the October 21, 2021 meeting of Niagara Regional Council. Today, I phoned Councillor Mike Britton of St. Catharines to express my concerns about what occurred at the meeting in relation the motion for a state of emergency on mental health, homelessness and addiction.

The meeting I was referring to can be found here:

<https://www.youtube.com/embed/PBXc9dCQpCQ?rel=0&autoplay=1>

I believe that there were several violations to the Niagara Regional By-law during that meeting of Council a few months ago.

The procedural by-law can be found here:

<https://www.niagararegion.ca/government/bylaws/pdf/procedural-by-law.pdf>

In that meeting of Regional Council, the following events occurred:

Regional Councillors Rob Foster and Tom Insinna, who in my estimation pulled “political stunts” to shut down debate on Mayor Bylsma’s motion before council, which sought a declaration of a state of emergency with regard to mental health, homelessness, and addiction in

Council members were divided on the motion, having already acknowledged that a “significant crisis” exists in the region, in an alternative motion put forward previously by Insinna, which had been approved by council. Foster spoke on a point of order against revisiting the issue, and a council vote failed to obtain the two thirds majority needed to address it.

Delegates he had arranged to speak to his motion would not be able to address council, and also due to his view (supported by the council clerk) that the matter was not a “reconsideration,” having never been actually debated due to Insinna’s alternative motion being adopted. Delegates were not given the ability to speak despite being permitted to speak previously in the October 21, 2021 meeting.

How can it be a reconsideration if it was never voted on in the first place?

I request that the Clerk include this email in the correspondence for the next meeting of Niagara Regional Council.

I thank-you for your reviewing my complaint, and look forward to hearing back on the matter.

Thank-you,
Steven Soos,
Welland

DATE: June 20, 2022
REPORT NO: WLFD-08-2022
SUBJECT: **Monthly Update May 2022**
CONTACT: Dennis Fisher, Fire Chief

OVERVIEW:

- This report will address May 2022 fire responses and activities.

RECOMMENDATION:

That, Information Report WLFD-08-2022 regarding “Monthly Update – May 2022”, dated June 20, 2022, be received for information purposes.

ALIGNMENT TO STRATEGIC PLAN:

Theme #5

- Community Health and Safety – Fostering a safe community where residents can thrive throughout their lives.

Theme #6

- Efficient, Fiscally Responsible Operations – maintaining a lean organization with innovative approaches and strong asset management.

CURRENT SITUATION:

Emergency Response Calls – May 2022

Station # 1 – 29 Station # 2 – 6 Pelham – 2

Incident	Call Date	Call Time	Nature	District
2022-006834	2022-05-31	17:00:36	41 - Mvc Extrication	St # 1&2
2022-006826	2022-05-31	15:16:09	41 - Mvc Extrication	St # 1
2022-006756	2022-05-30	18:51:58	53 - Carbon Monoxide No Sympt	St # 1
2022-006747	2022-05-30	16:16:11	2 - Vehicle Fire	St # 1
2022-006722	2022-05-30	3:14:48	100 - Smoke In The Building	St # 1&2
2022-006690	2022-05-29	14:40:27	1 - Structure Fire	St # 1&2
2022-006686	2022-05-29	13:11:36	4 - Mvc Unknown Extrication	St # 1
2022-006629	2022-05-28	9:40:48	5 - Emergency Medical Assistance	Pel # 2
2022-006600	2022-05-27	15:11:41	116 - Ruptured/Damaged Gas Line	St # 1

2022-006583	2022-05-27	8:07:52	54 - Vsa/Unconscious	St # 1
2022-006581	2022-05-27	7:09:47	54 - Vsa/Unconscious	St # 1
2022-006556	2022-05-26	18:16:41	5 - Emergency Medical Assistance	St # 1
2022-006502	2022-05-25	18:34:01	41 - Mvc Extrication	St # 1
2022-006465	2022-05-24	23:11:45	5 - Emergency Medical Assistance	St # 1
2022-006436	2022-05-24	9:10:11	116 - Ruptured/Damaged Gas Line	St # 1
2022-006224	2022-05-20	3:24:42	4 - Mvc Unknown Extrication	St # 1
2022-006199	2022-05-19	13:19:18	5 - Emergency Medical Assistance	St # 1
2022-006129	2022-05-17	22:23:30	54 - Vsa/Unconscious	St # 1
2022-006114	2022-05-17	17:53:33	5 - Emergency Medical Assistance	St # 1
2022-006082	2022-05-17	7:14:49	41 - Mvc Extrication	St # 1
2022-006041	2022-05-16	11:59:41	54 - Vsa/Unconscious	St # 1
2022-005997	2022-05-15	16:16:24	114 - Remote Alarm From Security	St # 1
2022-005993	2022-05-15	14:27:30	5 - Emergency Medical Assistance	St # 1
2022-005876	2022-05-13	21:25:15	4 - Mvc Unknown Extrication	St #1&2
2022-005835	2022-05-13	10:58:59	6 - Hazardous Material - Single Resp	St #1&2
2022-005636	2022-05-10	12:53:54	118 - Arcing Hydro Lines/Pole	St #1
2022-005580	2022-05-09	12:02:27	5 - Emergency Medical Assistance	St #1&2
2022-005529	2022-05-08	9:33:01	4 - Mvc Unknown Extrication	Pel # 2
2022-005326	2022-05-04	1:49:48	5 - Emergency Medical Assistance	St # 1
2022-005299	2022-05-03	15:17:14	54 - Vsa/Unconscious	St # 1
2022-005218	2022-05-01	14:44:15	5 - Emergency Medical Assistance	St # 1

District Legend:

Grimsby = GR Pelham = Pel Haldimand = HD Lincoln = L

New Retirees

- Nothing to report

New Recruits

- New Recruit class training is moving towards Firefighter 1 certification

Promotion

- Mike Perry has been promoted to Lieutenant Training Officer for Station # 2
- Tamara Clark has been promoted to Lieutenant Fire Prevention / Public Education for Station # 1

Training

- **May Training**
 - May 4 – Forcible entry / Portable Extinguishers both stations
 - May 11 - Forcible entry / Portable Extinguishers both stations
 - May 18 - Officers meeting – ladders – both stations
 - May 25 - Business meeting / truck maintenance – both stations

- **June Training**

June 1- Ventilation – Water supply

June 8 – Water supply – Ventilation

June 15 - Officers meeting – Portable pumps – both stations

June 22 - Business meeting / truck maintenance – both stations

Fire Prevention

- Staff attended Caistor School, St Martins Catholic School and Gainsborough School Fun fairs.

Apparatus Fleet

- New Fire Tanker – Construction is ongoing still looking at October 2022 deliver

Fire Department Activities

- Station # 2 New Fire Hall – is moving forward, preconstruction meeting on June 17, 2022, I will inform Council of the Ground Breaker Ceremony coming up, tentatively looking at Friday June 24th – time TBA.

Mutual Aid

- Nothing to report

Prepared & Submitted by:



Dennis Fisher
Fire Chief / CEMC

Approved by:



Bev Hendry
CAO

DATE: June 20, 2022
REPORT NO: T-14-2022
SUBJECT: **Development Charges 2021 Treasurer's Annual Statement**
CONTACT: Donna DeFilippis, Director of Finance and Treasurer

OVERVIEW:

- Schedule A summarizes the activity within the Township's Development Fund Reserves for 2021

RECOMMENDATION:

1. That, Information Report T-14-2022, regarding "Development Charges 2021 Treasurer's Annual Statement", dated June 20, 2022 be received for information; and,
2. That, staff post report T-14-2022 and Schedule A on the Township's website.

ALIGNMENT TO STRATEGIC PLAN:

Theme # 1, 3, 5 and 6

- **Theme #1: Strong Transportation Connections-** Development Charges provide funding for projects that have a growth component
- **Theme #3: Strategic, Responsible Growth –** Development Charges act as a key funding component available to meet the infrastructure requirements brought on by growth
- **Theme #5: Community Health and Safety-** Development Charges provide funding for projects that have a growth component
- **Theme #6: Efficient, Fiscally Responsible Operations-**preparation and presentation of this report will ensure that the Township complies with legislated reporting obligations.

BACKGROUND:

Section 43(2) of the *Development Charges Act* (DCA) prescribes the information that must be included in the Treasurer's annual statement. The requirements are as follows:

- Opening and closing balances of the Reserve Funds
- All transactions in the fund
- Identify all assets funded by Development Charges (DCs) and how the portions not funded by DCs were funded

- A statement from the Treasurer that the Township is in compliance with section 59.1(1) of the *Development Charges Act* (DCA)
- This statement must be available to the public.

Section 59.1 of the *Development Charges Act* specifically prohibits municipalities from imposing additional payments on developers or requiring construction of a service unless specifically authorized under the DCA or another Act. This provision does not affect a municipality's right to include conditions for installation, or payment for local services, but is intended to close the door on other "voluntary" payments that may have been sought by municipalities outside the legislative framework. The importance that the Province places on this new section is reinforced by (a) requiring that the Treasurer's report must now include a statement confirming that the municipality is in compliance with Section 59.1(1); and, (b) granting extensive investigative powers to the Minister of Municipal Affairs and Housing to investigate whether a municipality is in compliance. The Township of West Lincoln complies with section 59.1(1) of the *Development Charges Act*.

CURRENT SITUATION:

Development charges are one-time fees collected on new residential and non-residential properties to finance a portion of the capital infrastructure requirements associated with growth. Amounts collected are held in the designated Development Charge Reserve Fund account and accumulate interest. The growth-related spending authority is approved annually as part of the Township's budget process with capital projects included in the current background study being eligible for development charge funding.

The statement (Schedule A) provides a summary of the financial activity of the various Development Charge Reserve Funds for the year ending December 31, 2021. Transfer into the reserve consist of contributions collected at the time of building permit issuance, plus interest earned in the fiscal year. Transfers for funding are made in accordance with the Township's 2019 Background Study in support of the Development Charge By-law 2019-51. The closing balance as at December 31, 2021 represents the cash balance in the Development Charge Reserve Account.

The Township received notice in August 2019 that Development Charge By-Law 2019-51 was appealed to the Local Planning Appeal Tribunal (LPAT). A representative from LPAT conducted a mediation session on Thursday, November 26, 2020 between the Township and the Appellant. These proceedings resulted in the reduction of the development charges on roads, storm-water, and wastewater and water services. These proceedings required the Township to issue refunds in 2021 totaling \$303,604 as follows:

- Road Services- \$81,863
- Storm Sewer Services - \$62,202
- Water Services - \$111,573
- Wastewater Services - \$47,966

The amounts refunded came from the applicable reserves and did not have any impact on the Township's operating results.

In 2021, Development Charges were collected on 51 applications as follows:

- 35 for Multiple Dwellings
- 12 for Single Family and Semi-Detached
- 3 for Non-residential
- 1 for Apartment (2nd dwelling)

Forty of the builds were within the Urban Boundary, which includes a charge for Water, Wastewater and Storm services, applications in the rural area of the municipality do not pay Development Charges for those services.

FINANCIAL IMPLICATIONS:

Development Charges (DCs) assist in financing a portion of growth related capital requirements and are legislated through the *Development Charges Act*. The DC By-law sets the fees for collection at the building permit stage. Fees are deposited into separate DC Reserve Funds in accordance with legislative requirements. Interest accrues on these funds and draws take place to fund eligible capital expenditures. Development Charges are revenue once funds are transferred to finance an approved Capital project. There is no financial impact to receiving this report.

INTER-DEPARTMENTAL COMMENTS:

The CAO has reviewed this report.

CONCLUSION:

It is recommended that the Development Charge Reserve Fund Activity Report for the year ended December 31, 2021 (Schedule A) be received and posted on the Township's website.

Prepared & Submitted by:



Donna DeFilippis, Director of Finance

Approved by:



Bev Hendry, CAO

Township of West Lincoln											
Statement of Development Charges Reserve Funds											
As at December 31, 2021											
		Administration	Roads	Fire	Recreation Outdoor	Recreation Indoor	Library	Storm Sewer	Sanitary Sewer	Water	Total
Balance, beginning of the year		252,941	2,099,386	258,823	35,373	158,573	36,859	103,965	724,278	639,345	4,309,543
											-
Transfer in:											-
Development Charges		15,504	258,376	17,710	33,204	96,788	23,718	5,486	17,594	41,658	510,038
Interest Income		2,435	20,382	2,150	373	1,512	251	718	6,736	5,742	40,299
											-
Total Revenues		17,939	278,758	19,860	33,577	98,300	23,969	6,204	24,330	47,400	550,337
											-
											-
Transfers out:											-
Transfer to Capital/Revenue Fund		8,668	84,305	82,726	25,489	95,550	44,491	-	-	-	341,229
Reimbursement of Fees as a result of By-Law Appeal		-	81,863	-	-	-	-	62,202	47,966	111,573	303,604
											-
Total Expenses		8,668	166,168	82,726	25,489	95,550	44,491	62,202	47,966	111,573	644,833
											-
Balance, end of year		262,212	2,211,976	195,957	43,461	161,323	16,337	47,967	700,642	575,172	4,215,047

Township of West Lincoln												
Statement of Development Charges Reserve Funds												
As at December 31, 2021												
2021 Projects Funded with Development Charges												
Project Name and Type		Total Project Cost	Operating Fund	Development Charges	Reserve Capital	Reserve Library	Reserve Planning	Reserve Community Fund	Reserve In Lieu of Parkland	Reserve Bridge	Debenture	Grants
		-	-	-	-	-					-	
URBAN BOUNDARY EXPANSION		9,631	-	8,668			963					
REPLACEMENT OF FIRE STATION 2		63,051	-	23,707			-	39,344				-
FIRE EXTRACTION EQUIPMENT		56,294	-	56,294								
EQUIPMENT FOR ADDITIONAL FIREFIGHTERS		2,725	-	2,725								
GENERAL ROAD IMPROVEMENTS		1,536,390	-	64,107	9,382				-		891,875	571,027
BRIDGE REHABILITATION AND REPLACEMENT		15,018	-	1,502					-	1,218		12,298
SIDEWALK-BROCK STREET		53,981	-	16,734	37,247							
SIDEWALK-INDUSTRIAL PARK RD		6,330	-	1,962			4,367					
MULTI USE RECREATION FACILITY DEBT REPAYMENT		1,221,663	1,106,542	\$115,121.00								
NEW PLAYGROUND EQUIPMENT CAISTORVILLE		71,668		20,246					51,422			
WELLANDPORT LIBRARY ADDITION		SEE NOTE BELOW		2,867								
SMITHVILLE LIBRARY ADDITION TO COLLECTION		14,241		12,900		1,341						
WELLANDPORT LIBRARY ADDITION TO COLLECTION		7,596		7,596		-						
CAISTORVILLE LIBRARY ADDTION TO COLLECTION		7,541		6,800		741						
Total		3,066,129	1,106,542	341,229	46,629	2,082	5,330	39,344	51,422	1,218	891,875	583,324
NOTE:												
The Wellandport Library Addition was constructed between 2017 and 2018 with a total cost of \$1,252,304. As per the 2019 Background Study, 9% of the project is funded through Development Charges.												
Prior to 2021, \$88,800 or 7% has been transferred from the Library Development Charges Account. Each year a portion of the Development Charges collected will be used to payback the Library Reserve until the 9% or \$112,707 is reached.												

DATE: June 20, 2022

REPORT NO: T-17-2022

SUBJECT: Financial Update as of May 31, 2022

CONTACT: Donna DeFilippis, Director of Finance/Treasurer

OVERVIEW:

- Presentation and analysis of operating and capital expenditures as of May 31, 2022

RECOMMENDATION:

That, Information Report T-17-2022, regarding the “Financial Update as of May 31, 2022”, dated June 20, 2022, be received for information.

ALIGNMENT TO STRATEGIC PLAN:

Theme #6

- Efficient, Fiscally Responsible Operations- the Township of West Lincoln is a lean organization that uses sustainable, innovative approaches and partnerships to streamline processes, deliver services and manage infrastructure assets.

BACKGROUND:

The Finance Department has completed a review of operating results up to the end of May 31, 2022. **Appendix A** is a summary of the Operating Revenues and Expenditures up to May 31, 2022. The analysis has taken into account the timing and seasonality of certain budget lines. The column titled “Budget” under the “Operating YTD” heading on the attached analysis indicates the portion of the budget that would be expected to be expended as of May 31, 2022. This report summarizes the actual operating expenditures up to May 31, 2022 by service area. **Appendix B** to this report is a presentation of May 31, 2022 results by “object” code and includes Capital expenditures. **Appendix C** to this report is a listing of the Township Reserve Balances projected to December 31, 2022. **Appendix D** to this report provides a summary of costs incurred as a result of the Covid-19 pandemic as of May 31, 2022.

CURRENT SITUATION:

Revenue Analysis:

All revenue items are currently on track, with the exception of Facility Rentals, which have been impacted by COVID-19 related closures. Details regarding COVID-19 are provided further in the report. Council has approved the final 2022 tax rates and final property tax bills will be issued in late June, with two instalment dates proposed for the end of July and the end of September.

Expenditure Analysis:

Township operating expenditures are currently within the approved budget. Staff are currently monitoring the impact that the current rate of inflation (6.8% as of April 2022) is having on Township operating costs. In particular, there is strong indication that natural gas and vehicle fuel costs will be exceeding 2022 approved budgets. Staff will be bringing Council more detail in future monthly updates and are hopeful that these additional costs can be offset by other items.

Financial Impact of COVID-19:

The COVID-19 pandemic continues to impact the finances of the Township in 2022.

Appendix D outlines the costs and lost revenue as a result of COVID-19 up to May 31, 2022. On January 3, 2022, the Provincial government announced that Ontario would move to a modified Step 2 of its Roadmap to Reopen, effective January 5, 2022 at 12:01a.m. This meant the closure of the Community Centre until January 30th, 2022, with a re-opening date of January 31, 2022. This closure impacted the Facility Rental Income that the Township collects. In addition, the Township was required to screen visitors to our facilities for proof of vaccination by QR (Quick Response) code and ID for all patrons 12 and over up to March 1, 2022.

We are fortunate that we have been in receipt of Provincial Funding to assist with the financial burden that the COVID-19 pandemic and response plan has had on the Township. In 2020, the Township received \$329,800 from the Province of Ontario through the Safe Restart Agreement, of which \$48,087 has been transferred into the Contingency Reserve to be used to fund 2021 COVID-19 costs. In December 2020, the Province announced that it would transfer an additional \$66,000 to the Township to assist with the COVID 19 impacts. Finally, on March 4th, 2021 funding of \$267,744 was announced from the Province through the 2021 COVID-19 Recovery Funding for Municipalities program. This last allocation was based on a formula that takes into account the proportion of COVID-19 cases in the local health unit between January 1 and February 18, 2021. In total, \$381,831 in funds were available in 2021 to assist with COVID-19 impacts to the Township Operating fund. At the end of 2021, staff were able to retain \$96,802.28 of this funding to use for 2022 COVID 19 costs.

In addition, Township staff made application through the Niagara Region for consideration for funding to assist with costs incurred and revenue lost in relation to the Township's role in hosting COVID-19 vaccination clinics. Staff were informed by Niagara Region staff on March 31st, 2022 that the full amount applied for: \$50,063.99 was approved by the Province and would be forwarded to the Township. This funding, along with previous unallocated provincial grants provides the Township **\$146,866.27** to fund

COVID-19 related costs and to off-set lost revenues. **Appendix D** indicates that as of May 31, 2022, the Township has incurred a total of \$92,950 in lost revenues and additional costs related to COVID-19.

Purchasing Activity:

The Township's purchasing policy grants the CAO purchasing authority up to \$100,000. The chart below summarizes the approvals from the CAO up to May 31, 2022.

Vendor	Amount	Project
ArbourHeights	Various	Tree Cutting- various prices per hour-bucket truck \$143, Chipper Truck \$140, Stump Grinder \$118.66, Labourer/Traffic \$115
Stewart Contracting	\$ 39,597.00	Townhall Shingle Rehab
Gauboc	\$ 48,250.00	Sidewalk Concrete Spot Repairs
Garden City Display Fireworks	\$ 10,000.00	Canada Day Fireworks
Associated Engineering	\$ 25,000.00	Pearson Bridge- design updates and tender
Fence Con Inc.	\$ 58,680.00	Leisureplex Fencing Project

FINANCIAL IMPLICATIONS:

Amendments to the approved budget are requested by staff when they become aware of changes to the original Council approved budget. As part of the 2022 budget approval, Council approved the following recommendation:

- “7. That, Council delegate authority to the CAO to approve in year 2022 budget amendments up to \$20,000 per item and to report to Council on a monthly basis regarding such amendments; and, “

Any amounts over \$20,000 would go directly to Council for approval.

To date, the following budget amendments have been approved:

Number	Description	Amount	Funding Source
BA2022-01	Finance Department Digitalization	\$ 143,000.00	Provincial Grant
		\$ 17,676.00	Contingency- Modernization Grant - leftover budget project
		\$ 10,000.00	Technology - leftover Financial software project
		\$ 7,324.00	Operating Budget- Consulting
		\$ 178,000.00	Total
BA2022-02	Grader Purchase	\$ 63,000.00	Equipment Reserve
BA2022-03	Road Rehabilitation Project	reallocation	reallocation
BA2022-04	Replacement of Fire Station 2	\$ 200,000.00	Canada Community-Building Fund
		\$ 650,000.00	Debenture Issue
		\$ 400,000.00	Contingency Reserve
		\$ 1,250,000.00	Total
BA2022-05	Campbell Bridge Deck Condition Survey	\$ 1,050.00	Development Charges
		\$ 9,450.00	Bridge Reserve
		\$ 10,500.00	Total

INTER-DEPARTMENTAL COMMENTS:

This report has been reviewed by the CAO.

CONCLUSION:

Staff is recommending that Council receive this report as an item of information.

ATTACHMENTS:

- Appendix A – summary of Operating Revenues and Expenditures up to May 31, 2022.
- Appendix B – presentation of May 31, 2022 results by “object” code and includes Capital expenditures.
- Appendix C – listing of the Township Reserve Balances projected to December 31, 2022.
- Appendix D – summary of costs incurred as a result of the Covid-19 pandemic as of May 31, 2022.

Prepared & Submitted by:



Donna DeFilippis
Director of Finance/Treasurer

Approved by:



Bev Hendry
CAO

TOWNSHIP OF WEST LINCOLN

For the Five Months Ending May 31, 2022

	Actuals	Operating YTD		Variance (%)	Budget	Operating Total		Variance (%)
		Budget	Variance (\$)			Variance (\$)	Variance (%)	
General								
General	(\$4,572,153.17)	(\$4,133,100.00)	\$439,053.17	(11.%)	(\$9,919,570.00)	(\$5,347,416.83)	54.%	
Equipment	-226,900.92		226,900.92	0.%		226,900.92	0.%	
Total General	-4,799,054.09	-4,133,100.00	665,954.09	(16.%)	-9,919,570.00	-5,120,515.91	52.%	
General Government								
Governance	146,370.34	121,290.00	-25,080.34	(21.%)	297,400.00	151,029.66	51.%	
Corporate Management	470,702.14	749,221.65	278,519.51	37.%	1,809,670.00	1,338,967.86	74.%	
Total General Government	617,072.48	870,511.65	253,439.17	29.%	2,107,070.00	1,489,997.52	71.%	
Protection Services								
Fire	679,465.88	591,970.00	-87,495.88	(15.%)	1,367,480.00	688,014.12	50.%	
Building Permit & Inspection S	260,499.56	41,913.35	-218,586.21	(522.%)	102,510.00	-157,989.56	(154.%)	
Provincial Offences Act	-5,985.74	-9,800.00	-3,814.26	39.%	-23,500.00	-17,514.26	75.%	
Animal Control	4,983.76	8,950.00	3,966.24	44.%	21,500.00	16,516.24	77.%	
Total Protection Services	938,963.46	633,033.35	-305,930.11	(48.%)	1,467,990.00	529,026.54	36.%	
Transportation Services								
Roads Paved & Unpaved	1,107,135.79	952,380.00	-154,755.79	(16.%)	2,283,770.00	1,176,634.21	52.%	
Traffic Operations & Roadside	86,723.43	102,600.00	15,876.57	15.%	248,430.00	161,706.57	65.%	
Winter Control	543,239.39	270,580.00	-272,659.39	(101.%)	640,500.00	97,260.61	15.%	
Crossing Guards	29,788.66	33,150.00	3,361.34	10.%	67,320.00	37,531.34	56.%	
Streetlights	16,889.57	11,730.00	-5,159.57	(44.%)	28,300.00	11,410.43	40.%	
Bridges & Culverts	168,406.74	98,600.00	-69,806.74	(71.%)	236,700.00	68,293.26	29.%	
Total Transportation Services	1,952,183.58	1,469,040.00	-483,143.58	(33.%)	3,505,020.00	1,552,836.42	44.%	
Environmental Services								
Wastewater	414,109.50	-80,860.00	-494,969.50	612.%		-414,109.50	0.%	
Storm Sewer	3,448.78	48,150.00	44,701.22	93.%	115,500.00	112,051.22	97.%	
Water	568,720.21	-530.00	-569,250.21	107406.%		-568,720.21	0.%	
Total Environmental Services	986,278.49	-33,240.00	-1,019,518.49	3067.%	115,500.00	-870,778.49	(754.%)	
Heath Services								
Cemeteries	59,639.16	68,000.00	8,360.84	12.%	164,380.00	104,740.84	64.%	
Total Heath Services	59,639.16	68,000.00	8,360.84	12.%	164,380.00	104,740.84	64.%	
Recreation & Cultural Services								
Parks	127,963.88	193,005.00	65,041.12	34.%	490,730.00	362,766.12	74.%	
Recreation Programs	26,710.43	163,115.00	136,404.57	84.%	400,300.00	373,589.57	93.%	
Recreational Facilities	322,335.69	200,590.00	-121,745.69	(61.%)	514,650.00	192,314.31	37.%	
Libraries	270,816.15	293,660.00	22,843.85	8.%	720,100.00	449,283.85	62.%	
Total Recreation & Cultural Services	747,826.15	850,370.00	102,543.85	12.%	2,125,780.00	1,377,953.85	65.%	
Planning & Development								
Planning & Heritage	309,207.48	159,873.30	-149,334.18	(93.%)	384,560.00	75,352.52	20.%	
Drainage	12,771.99	18,300.00	5,528.01	30.%	43,880.00	31,108.01	71.%	
Farmers' Market	9,153.09	1,600.00	-7,553.09	(472.%)	5,390.00	-3,763.09	(70.%)	
Total Planning & Development	331,132.56	179,773.30	-151,359.26	(84.%)	433,830.00	102,697.44	24.%	
	834,041.79	-95,611.70	-929,653.49	972.%		-834,041.79	0.%	

TOWNSHIP OF WEST LINCOLN
Summary of All Units
For the Five Months Ending May 31, 2022

	YTD				Annual		
	Budget	Actual	Variance (\$)	Variance (%)	Budget	Remaining (\$)	Remaining (%)
Operating Revenue							
Tax Levy	\$3,532,300.00	\$4,114,293.21	(\$581,993.21)	(16.%)	\$8,477,470.00	\$4,363,176.79	51.1%
Street Light Levy	30,700.00	41,329.19	-10,629.19	(35.%)	73,590.00	32,260.81	44.1%
Sidewalk Levy	46,350.00	57,639.27	-11,289.27	(24.%)	111,180.00	53,540.73	48.1%
Supplemental Levy	25,500.00		25,500.00	100.0%	61,200.00	61,200.00	100.0%
Payment In Lieu	298,850.00	723,924.70	-425,074.70	(142.%)	717,300.00	-6,624.70	(1.1%)
User Fees	2,465,253.35	1,475,005.92	990,247.43	40.0%	5,917,140.00	4,442,134.08	75.1%
Government Transfers	449,100.00	610,777.84	-161,677.84	(36.%)	1,077,710.00	466,932.16	43.4%
Other Revenue	394,700.00	236,502.86	158,197.14	40.0%	947,360.00	710,857.14	75.0%
Allocation of Program Support	643,750.00	1,544,940.00	-901,190.00	(140.%)	1,544,940.00		0.0%
Funding From Reserves	673,285.00	45,000.00	628,285.00	93.0%	1,380,640.00	1,335,640.00	97.0%
Total Operating Revenue	8,559,788.35	8,849,412.99	-289,624.64	(3.3%)	20,308,530.00	11,459,117.01	56.4%
Operating Expenses							
Salaries and Wages	2,403,448.35	2,278,017.31	125,431.04	5.2%	5,783,110.00	3,505,092.69	61.0%
Benefits	695,610.00	598,022.92	97,587.08	14.2%	1,643,740.00	1,045,717.08	64.0%
Debt Interest	248,400.00	302,707.96	-54,307.96	(22.%)	596,070.00	293,362.04	49.2%
Administrative Expenses	138,650.00	86,395.60	52,254.40	38.0%	333,790.00	247,394.40	74.1%
Supplies and Equipment	178,430.00	138,072.79	40,357.21	23.0%	429,330.00	291,257.21	68.1%
Repairs and Maintenance (Materials Only)	720,700.00	564,240.29	156,459.71	22.0%	1,730,340.00	1,166,099.71	67.4%
Utilities	211,200.00	171,517.32	39,682.68	19.0%	507,580.00	336,062.68	66.4%
Insurance	133,650.00	134,225.08	-575.08	(0.4%)	320,620.00	186,394.92	58.1%
Subscriptions and Periodicals	3,250.00	5,144.72	-1,894.72	(58.6%)	7,860.00	2,715.28	35.0%
Contracted Services	1,530,570.00	753,153.58	777,416.42	51.0%	3,674,920.00	2,921,766.42	80.0%
Special Projects	240,208.30	429,426.43	-189,218.13	(79.%)	576,500.00	147,073.57	26.0%
Rents and Financial Expenses	18,800.00	8,463.09	10,336.91	55.0%	45,100.00	36,636.91	81.2%
External Transfers	15,950.00	35,000.00	-19,050.00	(119.%)	38,360.00	3,360.00	9.0%
Internal Functional Adjustments	288,100.00	691,140.00	-403,040.00	(140.%)	691,140.00		0.0%
Allocation of Program Support	355,750.00	853,800.00	-498,050.00	(140.%)	853,800.00		0.0%
Tax Write Off	38,050.00	24,460.33	13,589.67	36.0%	91,420.00	66,959.67	73.3%
Debt Principal	322,950.00	361,139.97	-38,189.97	(12.%)	774,950.00	413,810.03	53.3%
Contribution to Reserves	920,460.00	2,254,428.81	-1,333,968.81	(145.%)	2,209,900.00	-44,528.81	(2.0%)
Total Operating Expenses	8,464,176.65	9,689,356.20	-1,225,179.55	(14.4%)	20,308,530.00	10,619,173.80	52.3%
Operating Surplus/(Deficit)	95,611.70	-839,943.21	935,554.91	978.0%		839,943.21	0.0%
Capital Revenue							
User Fees	132,045.00		132,045.00	100.0%	316,900.00	316,900.00	100.0%
Government Transfers	987,290.00	437,601.49	549,688.51	56.0%	2,369,500.00	1,931,898.51	82.0%
Other Revenue	1,250.00	20,250.00	-19,000.00	(1520.0%)	3,000.00	-17,250.00	(575.0%)
TCA Sale Proceeds		-3,001.92	3,001.92	0.0%		3,001.92	0.0%
Funding From Reserves	680,980.00		680,980.00	100.0%	1,634,350.00	1,634,350.00	100.0%
Total Capital Revenue	1,801,565.00	454,849.57	1,346,715.43	75.0%	4,323,750.00	3,868,900.43	89.5%
Capital Expenditures							
Land Improvements	54,165.00		54,165.00	100.0%	130,000.00	130,000.00	100.0%
Facilities	383,335.00	67,901.37	315,433.63	82.0%	920,000.00	852,098.63	93.0%
Equipment	102,485.00	76,706.95	25,778.05	25.0%	245,950.00	169,243.05	69.0%
Rolling Stock	239,165.00	505,586.93	-266,421.93	(111.%)	574,000.00	68,413.07	12.0%
Transportation Infrastructure	987,500.00	159,892.25	827,607.75	84.0%	2,370,000.00	2,210,107.75	93.3%
Environmental Infrastructure	34,920.00	21,389.50	13,530.50	39.0%	83,800.00	62,410.50	74.0%
Total Capital Expenditures	1,801,570.00	831,477.00	970,093.00	54.0%	4,323,750.00	3,492,273.00	81.0%
Capital Surplus/(Deficit)	-5.00	-376,627.43	376,622.43	(753244.9%)		376,627.43	0.0%

RESERVE FUND AND RESERVE BALANCES PROJECTED TO DECEMBER 31, 2022

		CLOSING	COMMITMENTS	UNCOMMITTED
RESERVE FUNDS:				
BUILDING REVENUES RESERVE	\$	380,117	\$ 276,337	\$ 103,780
LIBRARY	\$	327,145	\$ 128,721	\$ 198,425
TOTAL RESERVE FUNDS	\$	707,263	\$ 405,058	\$ 302,205
RESERVES:				
HOSPITAL RESERVE	\$	1,452,167	\$ -	\$ 1,452,167
SEWER PROJECTS	\$	1,934,224	\$ 1,065,258	\$ 868,967
WIND TURBINE COMMUNITY FUND RESERVE	\$	945,023	\$ 623,656	\$ 321,366
CAPITAL	\$	1,992,059	\$ 1,105,202	\$ 886,857
CONTINGENCIES	\$	1,403,440	\$ 1,306,571	\$ 96,869
WINTER CONTROL	\$	638,000	\$ -	\$ 638,000
INDUSTRIAL PARK	\$	455,759	\$ -	\$ 455,759
WATER DEPT. PROJECTS	\$	1,367,493	\$ 513,800	\$ 853,693
SETTLEMENT ROAD AGREEMENT RESERVE	\$	957,204	\$ 582,443	\$ 374,761
FIRE RESERVE	\$	1,898,991	\$ 542,136	\$ 1,356,855
FACILITY RESERVE	\$	453,116	\$ 167,359	\$ 285,757
BRIDGES	\$	585,090	\$ 195,132	\$ 389,958
INSURANCE	\$	187,655	\$ 21,000	\$ 166,655
SIDEWALKS	\$	187,402	\$ -	\$ 187,402
ELECTION EXPENSE	\$	153,231	\$ 130,130	\$ 23,101
PLANNING RESERVE	\$	557,627	\$ 529,275	\$ 28,352
TECHNOLOGY	\$	194,363	\$ 82,918	\$ 111,446
STREET LIGHTS	\$	64,752	\$ -	\$ 64,752
WORKING FUNDS	\$	45,159	\$ 45,150	\$ 9
WLCC (WEST LINCOLN COMMUNITY CENTER)	\$	183,167	\$ -	\$ 183,167
CEMETARIES	\$	78,595	\$ 40,000	\$ 38,595
EQUIPMENT RESERVE	\$	1,569,254	\$ 1,629,472	\$ -60,218
TOTAL RESERVES	\$	17,303,771	\$ 8,579,503	\$ 8,724,268
TOTAL RESERVE FUNDS AND RESERVES				\$ 9,026,473

FINANCIAL IMPACT OF COVID-19 AS OF MAY 31,2022

REVENUE LOSS

Closures

Facility Rental	\$	47,910.00
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TOTAL REVENUE LOSS

\$	47,910.00
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ADDITIONAL EXPENSES

Supplies and Contracted Services	\$42,290.00
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Additional Staffing Costs	\$2,750.00
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TOTAL ADDITIONAL EXPENSES

\$	45,040.00
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COVID COSTS AND LOST REVENUE

\$	92,950.00
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Funds Available in Contingency Reserve

\$	146,866.27
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Balance

\$	53,916.27
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Administration

Office of the Regional Clerk

1815 Sir Isaac Brock Way, PO Box 1042, Thorold, ON L2V 4T7

Telephone: 905-980-6000 Toll-free: 1-800-263-7215 Fax: 905-687-4977

www.niagararegion.ca

May 25, 2022

CL 10-2022, May 19, 2022
PHSSC 5-2022, May 10, 2022
PHD 2-2022, May 10, 2022

LOCAL MUNICIPAL CLERKS**SENT ELECTRONICALLY****Re: Waterpipe Smoking By-law**

Regional Council, at its meeting of May 19, 2022, approved the following recommendation of its Public Health and Social Services Committee:

That Report PHD 2-2022, dated May 10, 2022, respecting Waterpipe Smoking By-law, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That Regional Council **APPROVE** the proposed by-law to regulate waterpipe use in the Regional Municipality of Niagara, outlined in Appendix 1 of Report PHD 2-2022;
2. That Regional Council **ADOPT** a by-law to regulate waterpipe smoking in the Regional Municipality of Niagara, outlined in Appendix 1 of Report PHD 2-2022, that will, if adopted, come into force and effect on January 1, 2023, provided that:
 - 2.1. A majority of the councils of the local area municipalities pass resolutions consenting to the by-law; and
 - 2.2. The total number of electors in the local municipalities that have passed resolution in support of the by-law form a majority of all electors in the Region of Niagara as established in the revised list of electors for the municipal election held in the year 2018; and
3. That, subject to the adoption of the aforementioned by-law, a copy of the by-law and Report PHD 2-2022 **BE CIRCULATED** to the Clerks of the 12 local area municipalities (LAMs) with a request that their councils adopt the following resolution and advise the Regional Clerk of the results of that consideration by August 1, 2022:

“That the Council of (name of municipality) consents to the passage of the Waterpipe By-law of the Regional Municipality of Niagara, being a by-law to regulate waterpipe smoking in the Region.”

Pursuant to Section 115(5) of the *Municipal Act, 2001*, a by-law passed under subsection 115(1) shall not come into force unless:

- a) A majority of all votes on the Council of the upper-tier municipality are cast in its favour;
- b) A majority of the Councils of all the lower-tier municipalities forming part of the upper-tier municipality for municipal purposes have passed resolutions giving their consent to the by-law; and
- c) The total number of electors in the lower-tier municipalities that have passed resolutions under clause (b) form a majority of all the electors in the upper-tier municipality.

We respectfully request that you place this matter before your Council at your earliest opportunity to consider a resolution consenting to the by-law and advise of the action taken by your Council no later than August 1, 2022.

A copy of Report PHD 2-2022 and By-law No. 2022-35 are enclosed for your information.

Thanking you in advance for your assistance and should you require anything further, please do not hesitate to contact me.

Yours truly,



Ann-Marie Norio
Regional Clerk

:kl

CLK-C 2022-073

cc: K. Grewal, Health Promoter, Chronic Disease & Injury Prevention
Dr. M. M. Hirji, Acting Medical Officer of Health
D. Teng, Manager, Chronic Disease & Injury Prevention
D. Lorenzo, Associate Director, Chronic Disease & Injury Prevention
W. Middleton, Executive Assistant to the Acting Medical Officer of Health

Subject: Waterpipe Smoking By-law

Report to: Public Health and Social Services Committee

Report date: Tuesday, May 10, 2022

Recommendations

1. That Regional Council **APPROVE** the proposed by-law to regulate waterpipe use in the Regional Municipality of Niagara, outlined in Appendix 1 of Report PHD 2-2022;
2. That Regional Council **ADOPT** a by-law to regulate waterpipe smoking in the Regional Municipality of Niagara, outlined in Appendix 1 of Report PHD 2-2022, that will, if adopted, come into force and effect on January 1, 2023, provided that:
 - 2.1. A majority of the councils of the local area municipalities pass resolutions consenting to the by-law; and
 - 2.2. The total number of electors in the local municipalities that have passed resolution in support of the by-law form a majority of all electors in the Region of Niagara as established in the revised list of electors for the municipal election held in the year 2018; and
3. That, subject to the adoption of the aforementioned by-law, a copy of the by-law and Report PHD 2-2022 **BE CIRCULATED** to the Clerks of the 12 local area municipalities (LAMs) with a request that their councils adopt the following resolution and advise the Regional Clerk of the results of that consideration by August 1, 2022:

‘That the Council of (name of municipality) consents to the passage of the Waterpipe By-law of the Regional Municipality of Niagara, being a by-law to regulate waterpipe smoking in the Region.’

Key Facts

- The purpose of this report is to seek Council’s approval to enact a by-law that prohibits tobacco and non-tobacco (i.e., herbal) waterpipe smoking in open and enclosed public spaces as described in the Policy Consideration section and Appendix 1 of Report PHD 2-2022.
- Taking a proactive approach to governing waterpipe use could prevent an influx in establishments coming to Niagara due to restrictions in neighbouring communities (e.g., Halton, Toronto, Peel Region and Durham Region), allow consistency of rules across the Golden Horseshoe, and give predictability and clarity to local businesses.

- Through an online survey, 60.8% of the general population was supportive of a waterpipe by-law to restrict use in public places. LAM members that participated in consultation were also supportive of a regional waterpipe by-law.

Financial Considerations

There are no financial implications of this report. The Ministry of Health provides funding under the Smoke-free Ontario Strategy in a cost shared (provincial and Regional levy) model for the Tobacco Control Program. Existing staff of this program will manage enforcement of the by-law should it be adopted within the existing budget.

Analysis

Current Legislation

The *Smoke-free Ontario Act, 2017 (SFOA)* prohibits spaces where waterpipe smoking of tobacco product is allowed, however has no restrictions to non-tobacco (i.e., herbal) products which are allowed in enclosed public spaces and outdoor spaces under the SFOA and By-law No. 112-2013.

Enforcement challenges arise when determining whether a product is tobacco or non-tobacco. Testing is offered through the provincial Ministry of Health and requires taking a sample and testing at a lab, making it difficult to know what is being used in waterpipe devices. Sampling of four establishments conducted between Dec. 2021 and March 2022 all came back positive with tobacco. Waterpipes therefore exploit a legislative and regulatory loophole to allow smoking of substances in otherwise regulated places.

Local Context

In Niagara, there are five waterpipe establishments in operation, three in Niagara Falls and two in St. Catharines. As by-laws are implemented across the GTHA to address the current regulatory gaps, there are concerns that more establishments may decide to relocate or open in Niagara given the absence of governing rules.

Healthy and Safety Concerns

Waterpipes filled with tobacco and/or herbal shisha contain harmful toxins and chemicals comparable to cigarette smoking, including particulate matter, polycyclic aromatic hydrocarbons, carbon monoxide, and heavy metals.¹ Non-tobacco and

tobacco shisha contain similar levels of toxins, thus health harms are due to the waterpipe device rather than the product itself.¹ Similar to cigarette smoking, waterpipe use is associated with increases in lung cancer and cardiovascular disease.^{1,2}

A waterpipe session lasts from 20 to 80 minutes, putting others at risk due to high levels of toxic compounds in second-hand smoke, irrespective of the product being used (i.e., tobacco or herbal).^{1,3} Non-smoking sections of waterpipe cafés have similar levels of toxins in the air as restaurants where cigarette smoking is allowed.¹ The chemicals and toxins in second-hand exposure lead to increased risk of cancer, cardiovascular disease, carbon monoxide poisoning and chronic obstructive pulmonary disease.¹

Waterpipe smokers often share a hose/mouthpiece in a communal environment, putting users at risk of contracting viruses and respiratory infections such as tuberculosis, hepatitis, herpes, influenza, COVID-19 and oral diseases.^{1,3}

Public Consultation

An online survey was conducted from February 8 to March 14, 2022, to gauge public opinion. To review the promotion of the survey, see Appendix 2 of Report PHD 2-2022. 956 surveys were completed and included in the analysis. See Appendix 3 of Report PHD 2-2022, for the breakdown of survey responses per municipality in Niagara Region.

Of the respondents, 10.4% had used a waterpipe in the last 12 months; use was highest among youth 17-24 year olds (16.9%). Of all respondents, 35% perceived waterpipe use as more socially acceptable than cigarettes. The flavouring, misperception of harm, accessibility, and social use are contributing factors to waterpipe use among youth.^{4,5}

2.9% of those who smoked waterpipe in the last 12 months were “very concerned” with the health effects as compared to 97.1% of non-users. 33.3% of users thought waterpipe use was a healthier alternative to cigarette smoking.

31.3% used waterpipes for cultural reasons. Waterpipes were most commonly used at waterpipe establishments (68.7%), at home (59.6%), or someone else’s home (55.6%). When asked about the primary reason for visiting a waterpipe establishment, ‘to socialize’ (34.5%) was the top reason; for ‘food and drink (26.7%)’ was second; ‘to smoke’ (21.6%) was ranked third.

60.8% of the respondents supported a by-law, 27.4% did not support, and 11.1% were ambivalent. The majority of respondents supported further restrictions in particular

locations including restaurants, lounges, and bars (67.8%), workplaces (81.2%), and patios (58.5%). See Appendix 4 of Report PHD 2-2022 for the breakdown of support for a by-law.

Owner/Operator Consultation

All five existing establishments participated in interviews. Establishments offered food and drink in addition to waterpipes. Some offered alcoholic beverages and live entertainment as well. Revenue from waterpipe sales ranged from three to 15%. Owners noted that demand had not changed, with the exception of a decline due to the pandemic, and they did not foresee a change in the future.

Two of the five establishments did not expect a prohibition to have a significant impact on their business, whereas others felt it would significantly affect revenue as waterpipe is what brings patrons into the establishment.

Municipal Consultation

Niagara Region Public Health & Emergency Services (NRPH&ES) consulted with the area CAOs to convene a representative group together from each LAM. The LAM group met on Dec. 6, 2021 and March 28, 2022. Background information, current research and evidence on waterpipe smoking was provided. As a group, decisions and guidance were provided for the public consultation survey including planning, implementation, and communication.

Consultation results were shared with LAM representatives in attendance. The LAM group was presented with items for consideration, a proposed by-law based on the consultations done, the opportunity to discuss whether amendments should be added, and the opportunity to either support or oppose the by-law. All LAMs in attendance were supportive of the by-law.

Policy Consideration

The Water Pipe Smoking By-law intends to address tobacco and non-tobacco (i.e. herbal) waterpipe smoking in Niagara. The by-law will address all areas currently covered by the *SFOA* and Niagara Region By-law 112-2013, which include enclosed public places, enclosed workplaces, parks, beaches, recreational trails, nine metres from public entrances, patios, sporting areas and their spectator areas, schools, and 20 metres from sporting and spectator areas, playgrounds and schools.

In alignment with GTHA jurisdictions, the fines will be no more than \$10,000 for the first offence, and \$25,000 for subsequent convictions, for individuals. For corporate offences are not more than \$50,000 for the first offence, and \$100,000 for subsequent offences.

Enforcement

There are five FTE Tobacco Control Officers currently supporting the existing provincial and local smoke-free legislation, and will support education and enforcement the new by-law. As part of routine *SFOA* inspections, waterpipe establishment education and sampling is already conducted on an annual basis.

Niagara takes a progressive enforcement approach, which entails providing education, then moving on to warn and/or enforce. The by-law will be monitored through routine inspections and on a complaint basis. Complaints are received through the NRPH Tobacco Hotline 1-888-505-6074 ext.7393 and NRPH&ES website.

Comprehensive education is fundamental to ensuring successful implementation. It is important to ensure that people know about the changes and NRPH&ES will ease into this change process with a similar approach to previous legislative changes.

Alternatives Reviewed

Through the consultation process, the owners/operators of waterpipe establishments suggested to continue allowing waterpipes in designated areas, at specific times (i.e., time of day or duration), or to remove hookah lounges from the by-law. Considering the health concerns due to second-hand smoke, difficulty with enforcement and previous experience with similar alternatives when prohibiting indoor smoking, Public Health recommends moving forward with restricting waterpipe use at all locations within the *SFOA* and current smoke-free Bylaw No. 112-2013.

Relationship to Council Strategic Priorities

Adoption of a by-law to regulate waterpipe use supports the Council Strategic Priority of Healthy and Vibrant Community by enabling Public Health to protect children and vulnerable persons from exposure to second-hand vapour from waterpipe sources.

Other Pertinent Reports

- [PHD 10-2021 – Waterpipe \(Hookah\) Smoking – Policy Consideration](https://pub-niagararegion.escibemeetings.com/filestream.ashx?DocumentId=19010)
(https://pub-niagararegion.escibemeetings.com/filestream.ashx?DocumentId=19010)
- [PHD 09-2019 – Amendments to By-law 112-2013 – A Regional By-law to Protect Children and Vulnerable Persons from Exposure to Outdoor Second-hand Smoke](https://pub-niagararegion.escibemeetings.com/filestream.ashx?DocumentId=3899)
(https://pub-niagararegion.escibemeetings.com/filestream.ashx?DocumentId=3899)

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Appendices

Appendix 1	Waterpipe By-Law
Appendix 2	Survey promotion for public consultation
Appendix 3	Number and Proportion of Respondents by Municipality
Appendix 4	Support Versus Opposition for a By-law by Municipality

Sources

¹ Public Health Ontario. (2021). Evidence Brief: Health Impacts of Waterpipe Smoking and Exposure. Retrieved from: (https://cm.publichealthontario.ca/-/media/documents/e/2021/eb-waterpipe-smoking-exposure.pdf?sc_lang=eng)

² U.S. Centers for Disease Control and Prevention. (2018). Smoking and tobacco use: hookahs. Retrieved from: (https://www.cdc.gov/tobacco/data_statistics/fact_sheets/tobacco_industry/hookahs/index.htm)

³ World Health Organization Study Group on Tobacco Product Regulation. (2005). Waterpipe tobacco smoking: Health effects, research needs and recommended actions by regulators. Geneva, Switzerland: World Health Organization. Retrieved from: (www.who.int/tobacco/global_interaction/tobreg/Waterpipe%20recommendation_Final.pdf)

⁴ Non-Smokers Rights Association. (2012). Waterpipe smoking in Canada: New trend, old tradition. Ottawa, ON: Non-Smokers Rights Association. Retrieved from: (https://nsra-adnf.ca/wp-content/uploads/2016/08/Waterpipe_SMoking_in_Canada_New_Trend_Old_Tradition_Feb_2012.pdf)

⁵ McKeown, D. (2015). Hookah (waterpipe) use in licensed establishments. Toronto, ON: City of Toronto. Retrieved from: (<http://www.toronto.ca/legaldocs/mmis/2015/hl/bgrd/backgroundfile-80194.pdf>)

THE REGIONAL MUNICIPALITY OF NIAGARA
BY-LAW NO.

A by-law to regulate water pipe smoking in the Regional Municipality of Niagara

WHEREAS, water pipe smoking has been associated with various disease and poor health outcomes, including lung cancer, negative pregnancy outcomes, poor oral health, dental disease, respiratory illness and impaired lung function linked to tobacco water pipe formulations, and carbon monoxide exposure and reduced lung capacity linked to non-tobacco formulations;

AND WHEREAS, water pipe smoking, in general, negatively affects indoor air quality for indicators including carbon monoxide and particulate matter, which are closely related to potential impacts on human health;

AND WHEREAS, subsection 11(2) of the Municipal Act, 2001, S.O. 2001, c. 25, provides that upper tier municipalities have the authority to pass by-laws respecting the health, safety and well-being of persons;

AND WHEREAS, subsection 115(1) of the Municipal Act, 2001, S.O. 2001, c. 25 provides that a municipality may prohibit or regulate the smoking of tobacco in public places and workplaces;

AND WHEREAS, it is desirable for the health, safety and well-being of the inhabitants of Niagara Region to prohibit the use of water pipes in enclosed public places, enclosed workplaces, and other specified areas within Niagara Region to protect individuals from conditions hazardous to human health;

NOW THEREFORE, the Council of the Regional Corporation enacts as follows:

DEFINITIONS

1. That in this By-law:

“Employee” means a person who performs any work for, or supplies any service to, an employer, or a person who receives any instruction or training in the activity, business, work, trade, occupation or profession of an employer;

“Employer” includes an owner, operator, proprietor, manager, superintendent, overseer, receiver or trustee of an activity, business, work, trade, occupation, profession, project or undertaking who has control or direction of, or is directly or indirectly responsible for, the employment of a person in it;

“Enclosed Public Place” means the inside of any place, building or structure, or vehicle or conveyance or a part of any of them,

- (a) That is covered by a roof; and
- (b) To which the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry.

“Enclosed Workplace” means the inside of any place, building or structure or vehicle or conveyance or a part of any of them,

- (a) That is covered by a roof; and
- (b) That employees work in or frequent during the course of their employment whether or not they are acting in the course of their employment at the time.

“Highway” means a highway as defined in the Municipal Act, 2001, S.O. 2001, c. 25

“Medical Officer of Health” means the Medical Officer of Health for The Regional Municipality of Niagara, duly appointed under the Health Protection and Promotion Act, R.S.O. 1990, c. H.7, as amended;

“Officer” means a Provincial Offences Officer, acting under the direction of the Medical Officer of Health;

“Order” has the meaning set forth in section 11 of this By-law.

“Person” means an individual or a corporation;

“Playground” means an area where the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry, that is primarily used for the purposes of children’s recreation, and is equipped with children’s play equipment including but not limited to slides, swings, climbing apparatuses, splash pads, wading pools, or sand boxes.

“Proprietor” means the person, governing body or agency which controls, governs or directs activity carried on within an Enclosed Public Place, Enclosed Workplace, or other area specified by this By-law and includes the person who is actually in charge thereof;

“Patio” means an area where the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry, or that is worked in or frequented by employees during the course of their employment, whether or not they are acting in the course of their employment at the time, and where food or drink is served or sold or offered for consumption, or that is part of or operated in conjunction with an area where food or drink is served or sold or offered.

“Property Owner” means a Person with a legal or beneficial ownership of a building or other structure that contains an Enclosed Public Place or an Enclosed Workplace operated either directly by the Property Owner or indirectly by a tenant, licensee or other Person operating in the building or structure with the permission of that Property Owner and includes:

- (a) the registered owner on title of the property
- (b) the person, for the time being, managing or receiving the rent of the land or premises in connection with which the word is used, whether on the person’s own account or as agent or trustee of any other person, or who would receive the rent if the land and premises were let; and,
- (c) the lessee or occupant of the property.

“Public Place” means

- (a) Any property owned, leased, or controlled by Niagara Region or any area municipality, including without limitation parks, playgrounds, sports or playing fields, recreational trails, beaches, arenas, recreational centers, community meeting areas, special events, farmers markets, bus shelters, splash pads, and pools;
- (b) Any outdoor area within a nine-metre radius of an entrance to or exit from a building located at any property owned, leased or controlled by Niagara Region or any area municipality; and
- (c) Any outdoor area that is within a nine-metre radius of an entrance to or exit from a public building or building generally accessible to the public, whether or not the building is leased, or controlled by Niagara Region or any area municipality, including places of employment, condominium buildings, apartment buildings and other similar residential buildings

“Roof” means a physical barrier of any size, whether temporary or permanent, that covers an area or place or any part of an area or place, and that is capable of excluding rain or impeding airflow, or both;

“School” means the lands or premises included in the definition of a school under the Education Act, R.S.O. 1990, c. E.2 or the building or the grounds surrounding the building of a private school as defined in the Education Act, where the private school is the sole occupant of the premises, or the grounds annexed to a private school as defined in the Education Act, where the private school is not the sole occupant of the premises.

“Spectator Area” means an area with tiered seating or benches;

“Smoke” or “Smoking” includes the use or carrying of any lighted or activated or heated Water pipe as well as the fumes or byproducts of heating or combustion associated with Water pipe use.

“Sporting Area” means an area where the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry, used primarily for the purposes of sports including, but without being limited to soccer, football, basketball, tennis, baseball, softball, cricket, skating, beach volleyball, running, swimming, or skateboarding.

“Water pipe” means any activated, lighted or heated smoking equipment used to burn or heat tobacco or a non-tobacco substance or a combination thereof, with which the vapor or smoke may be passed through a water basin before inhalation.

PROHIBITIONS

2. That no person shall Smoke a Water pipe in:
 - (a) an Enclosed Public Place;
 - (b) an Enclosed Workplace;
 - (c) a Patio;
 - (d) a Playground;
 - (e) a Public Place;
 - (f) a Sporting Area;
 - (g) a Spectator Area adjacent to a Sporting Area;
 - (h) a School; or
 - (i) any area that is within nine metres of any point on the perimeter of a Public Place, Playground, Sporting Area or Spectator Area adjacent to a Sporting Area.
3. That the prohibitions in this By-law shall apply whether or not a notice is posted that Water pipe Smoking is prohibited;
4. That no Person shall provide or supply a Water pipe for use in an area where Smoking a Water pipe is prohibited by this By-law;
5. That no Proprietor, Employer, or Employee shall encourage, entice, cause or permit the Smoking of a Water pipe within an Enclosed Public Place, Enclosed Workplace, or Restaurant or Patio or Sporting Area or Spectator Area;
6. No Property Owner, shall cause or permit use of a building or other structure that contains an Enclosed Public Place or an Enclosed Workplace building in which that Property Owner has a legal or beneficial interest to be used

EXEMPTIONS

7. That this By-law does not apply to a Highway including a pedestrian sidewalk adjacent to a Highway, but does apply to public transportation vehicles and taxicabs on a Highway;
8. That this By-law does not apply to the portion of a premises used primarily as a private dwelling;

ENFORCEMENT

9. That where any Person contravenes any provision of this By-law, an Officer may direct such Person to comply with this By-law. Every Person so directed shall comply with such direction without delay;
10. That where an Officer has reasonable grounds to believe that an offence has been committed by a Person, the Officer may require the name, address, and proof of identity of that Person, and the Person shall supply the required information;
11. In the event the Medical Officer of Health is satisfied that a contravention of this By-law has occurred, Niagara Region may make an order, as authorized by section 444(1) of the *Municipal Act, 2001* S.O. 2001 c25 (as amended or replaced from time to time) requiring the person who contravened the By-law or who caused or permitted the contravention or the Property Owner of the land on which the contravention occurred to discontinue the contravening activity and the Medical Officer of Health is by this By-law, delegated authority to issue such Orders.

INSPECTIONS

12. That an Officer may enter and inspect all buildings, structures or parts thereof that are subject to this By-law at any reasonable time for the purposes of determining whether there is compliance with this By-law;
13. That for the purposes of an inspection under this By-law, an Officer may:
 - (a) require the production for inspection of documents or things relevant to the inspection;
 - (b) inspect and remove documents or things relevant to the inspection for the purpose of making copies or extracts;
 - (c) require information from any person concerning a matter related to the inspection; and
 - (d) alone or in conjunction with a person possessing special or expert knowledge, make examinations or take tests, samples or photographs necessary for the purposes of the inspection.
14. In the event the Medical Officer of Health determines that it would be beneficial for the enforcement of the requirements of this By-law, Niagara Region shall have

all be entitled to:

- (a) seek a search warrant pursuant to section 439 of the *Municipal Act, 2001* S.O. 2001 c25 (as amended or replaced from time to time);
- (b) Apply to restrain any breach or continuing breach of the By-law pursuant to section 440 of the *Municipal Act, 2001* S.O. 2001 c25 (as amended or replaced from time to time); and

OBSTRUCTION

- 15. That no Person shall hinder or obstruct, or attempt to hinder or obstruct, an Officer lawfully carrying out a power, duty or direction under this By-law;

OFFENCES

- 16. That every Person other than a corporation who contravenes any provision of this By-law, is guilty of an offence and on conviction is liable, for every day or part thereof upon which such offence occurs or continues, to a fine of not more than \$10,000 for a first offence; and not more than \$25,000 for any subsequent conviction;
- 17. That every Person other than a corporation who fails to promptly comply with an Order issued pursuant to section 11 of this By-law, is guilty of an offence and on conviction is liable, for every day or part thereof upon which such offence occurs or continues, to a fine of not more than \$10,000 for a first offence; and not more than \$25,000 for any subsequent conviction;
- 18. That every corporation which contravenes any provision of this By-law, is guilty of an offence and on conviction is liable, for every day or part thereof upon which such offence occurs or continues, to a fine of not more than \$50,000 for a first offence and not more than \$100,000 for any subsequent conviction;
- 19. That every corporation which fails to promptly comply with an Order issued pursuant to section 11 of this By-law, is guilty of an offence and on conviction is liable, for every day or part thereof upon which such offence occurs or continues, to a fine of not more than \$50,000 for a first offence and not more than \$100,000 for any subsequent conviction;
- 20. That without limiting any other section of this By-law, every Person who contravenes any provision of this By-law is guilty of an offence and on conviction is liable to a fine in accordance with the *Provincial Offences Act*, R.S.O. 1990, c. P.33;
- 21. That without limiting any other section of this By-law, every Person who fails to promptly comply with an Order issued pursuant to section 11 of this By-law is guilty of an offence and on conviction is liable to a fine in accordance with the *Provincial Offences Act*, R.S.O. 1990, c. P.33;

22. That if any Person is in contravention of any provision of this By-law, and the contravention has not been corrected, the contravention of the provision shall be deemed to be a continuing offence for each day or part of a day that the contravention remains uncorrected;
23. That for the purposes of this By-law, subsequent conviction means a conviction for an offence which occurs after the date of conviction for an earlier offence under this By-law;
24. That where any Person contravenes any provision of this By-law, such person shall be responsible for all costs incurred by the Region directly related to the contravention;

SEVERABILITY

25. That if any section or sections of this By-law, or parts thereof are found by any court of competent jurisdiction to be illegal or beyond the power of Regional Council to enact, such section or sections or parts thereof shall be deemed to be severable from this By-law and all remaining sections or parts of this By-law shall be deemed to be separate and independent therefrom and to be properly enacted and to be of full force and effect;

CONFLICT

26. That in the event of a conflict between any provision of this By-law and any applicable Act or regulation, the provision that is the most restrictive prevails;

EFFECTIVE DATE

27. That this By-law shall come into force and take effect on **<insert date>**, provided that the conditions in subsection 115(5) of the *Municipal Act, 2001*, S.O. 2001, c. 25 have been satisfied;

SHORT TITLE

28. That the short title of this By-law is the "Niagara Region Water pipe Smoking By-law".

Appendix 2

Survey Promotion for Public Consultation

The target population for the public consultation survey was Niagara residents from all municipalities who were 16 and older. The survey was primarily promoted through paid advertisements on Niagara Region social media accounts (i.e. Twitter, Facebook, Instagram, and Snapchat). Advertisements were placed on the Niagara Region website Public Health landing page and the vine site. Municipal communications representatives for each LAM were provided a promotion toolkit enabling them to promote the survey through unpaid social media messages, email and/or newsletter, and other established communication channels. Finally, the survey may also have spread on social media organically and by word of mouth.

Appendix 3

Table 1 – Number and Proportion of Respondents by Municipality

Municipality	Population Estimate	Proportion of Total Niagara Population	Response Rate per Municipality	Number of Respondents	Proportion of Total Survey Respondents
Niagara Region	447,888	100%	0.21%	956	96.27%
St. Catharines	133,113	30%	0.25%	327	33.93%
Niagara Falls	88,071	20%	0.22%	191	19.23%
Welland	52,293	12%	0.19%	98	9.87%
Fort Erie	30,710	7%	0.25%	76	7.65%
Port Colborne	18,306	4%	0.25%	45	4.53%
Lincoln	23,787	5%	0.16%	39	3.93%
Niagara-on-the-Lake	17,511	4%	0.18%	31	3.12%
Grimsby	27,314	6%	0.13%	35	3.52%
Thorold	18,801	4%	0.26%	48	4.83%
Pelham	17,110	4%	0.22%	38	3.83%
West Lincoln	14,500	3%	0.09%	13	1.31%
Wainfleet	6,372	1%	0.16%	10	1.01%

Appendix 4

Table 2 – Support Versus Opposition for a By-law by Municipality

Municipality	Support Number of respondents	Support Proportion of respondents	Opposition Number of respondents	Opposition Proportion of respondents
Niagara Region	581	60.8%	269	28.1%
St. Catharines	197	60.2%	96	29.4%
Niagara Falls	115	60.2%	48	25.1%
Welland	56	57.1%	32	32.7%
Fort Erie	45	59.2%	21	27.6%
Port Colborne	23	51.1%	14	31.1%
Lincoln	23	59.0%	14	35.9%
Niagara-on- the-Lake	22	71.0%	7	22.6%
Grimsby	22	62.9%	9	25.7%
Thorold	31	64.6%	11	22.9%
Pelham	27	71.1%	10	26.3%
West Lincoln	Not reportable	Not reportable	Not reportable	Not reportable
Wainfleet	Not reportable	Not reportable	Not reportable	Not reportable

THE REGIONAL MUNICIPALITY OF NIAGARA

BY-LAW NO. 2022-35

A BY-LAW TO REGULATE WATER PIPE SMOKING IN THE
REGIONAL MUNICIPALITY OF NIAGARA

WHEREAS, water pipe smoking has been associated with various disease and poor health outcomes, including lung cancer, negative pregnancy outcomes, poor oral health, dental disease, respiratory illness and impaired lung function linked to tobacco water pipe formulations, and carbon monoxide exposure and reduced lung capacity linked to non-tobacco formulations;

WHEREAS, water pipe smoking, in general, negatively affects indoor air quality for indicators including carbon monoxide and particulate matter, which are closely related to potential impacts on human health;

WHEREAS, subsection 11(2) of the Municipal Act, 2001, S.O. 2001, c. 25, provides that upper tier municipalities have the authority to pass by-laws respecting the health, safety and well-being of persons;

WHEREAS, subsection 115(1) of the Municipal Act, 2001, S.O. 2001, c. 25 provides that a municipality may prohibit or regulate the smoking of tobacco in public places and workplaces; and

WHEREAS, it is desirable for the health, safety and well-being of the inhabitants of Niagara Region to prohibit the use of water pipes in enclosed public places, enclosed workplaces, and other specified areas within Niagara Region to protect individuals from conditions hazardous to human health.

NOW THEREFORE, the Council of the Regional Corporation enacts as follows:

DEFINITIONS

1. In this By-law:

“Employee” means a person who performs any work for, or supplies any service to, an employer, or a person who receives any instruction or training in the activity, business, work, trade, occupation or profession of an employer.

“Employer” includes an owner, operator, proprietor, manager, superintendent, overseer, receiver or trustee of an activity, business, work, trade, occupation, profession, project

or undertaking who has control or direction of, or is directly or indirectly responsible for, the employment of a person in it.

“Enclosed Public Place” means the inside of any place, building or structure, or vehicle or conveyance or a part of any of them:

- (a) that is covered by a roof; and
- (b) to which the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry.

“Enclosed Workplace” means the inside of any place, building or structure or vehicle or conveyance or a part of any of them:

- (a) that is covered by a roof; and
- (b) that employees work in or frequent during the course of their employment whether or not they are acting in the course of their employment at the time.

“Highway” means a highway as defined in the Municipal Act, 2001, S.O. 2001, c. 25.

“Medical Officer of Health” means the Medical Officer of Health for The Regional Municipality of Niagara, duly appointed under the Health Protection and Promotion Act, R.S.O. 1990, c. H.7, as amended.

“Officer” means a Provincial Offences Officer acting under the direction of the Medical Officer of Health;

“Order” has the meaning set forth in section 11 of this By-law.

“Person” means an individual or a corporation;

“Playground” means an area where the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry, that is primarily used for the purposes of children’s recreation, and is equipped with children’s play equipment including but not limited to slides, swings, climbing apparatuses, splash pads, wading pools, or sand boxes.

“Proprietor” means the person, governing body or agency which controls, governs or directs activity carried on within an Enclosed Public Place, Enclosed Workplace, or other area specified by this By-law and includes the person who is actually in charge thereof;

“Patio” means an area where the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry, or that is worked in or frequented by employees during the course of their employment, whether or not they are acting in the course of their employment at the time, and where food or drink is served or sold or offered for consumption, or that is part of or operated in conjunction with an area where food or drink is served or sold or offered.

“Property Owner” means a Person with a legal or beneficial ownership of a building or other structure that contains an Enclosed Public Place or an Enclosed Workplace operated either directly by the Property Owner or indirectly by a tenant, licensee or other Person operating in the building or structure with the permission of that Property Owner and includes:

- (a) the registered owner on title of the property;
- (b) the person, for the time being, managing or receiving the rent of the land or premises in connection with which the word is used, whether on the person’s own account or as agent or trustee of any other person, or who would receive the rent if the land and premises were let; and
- (c) the lessee or occupant of the property.

“Public Place” means:

- (a) any property owned, leased, or controlled by Niagara Region or any area municipality, including without limitation parks, playgrounds, sports or playing fields, recreational trails, beaches, arenas, recreational centers, community meeting areas, special events, farmers markets, bus shelters, splash pads, and pools;
- (b) any outdoor area within a nine-metre radius of an entrance to or exit from a building located at any property owned, leased or controlled by Niagara Region or any area municipality; and
- (c) any outdoor area that is within a nine-metre radius of an entrance to or exit from a public building or building generally accessible to the public, whether or not the building is leased, or controlled by Niagara Region or any area municipality, including places of employment, condominium buildings, apartment buildings and other similar residential buildings.

“Roof” means a physical barrier of any size, whether temporary or permanent, that covers an area or place or any part of an area or place, and that is capable of excluding rain or impeding airflow, or both.

“School” means the lands or premises included in the definition of a school under the Education Act, R.S.O. 1990, c. E.2 or the building or the grounds surrounding the building of a private school as defined in the Education Act, where the private school is the sole occupant of the premises, or the grounds annexed to a private school as defined in the Education Act, where the private school is not the sole occupant of the premises.

“Spectator Area” means an area with tiered seating or benches.

“Smoke” or “Smoking” includes the use or carrying of any lighted or activated or heated Water pipe as well as the fumes or byproducts of heating or combustion associated with Water pipe use.

“Sporting Area” means an area where the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry, used primarily for the purposes of sports including, but without being limited to soccer, football, basketball, tennis, baseball, softball, cricket, skating, beach volleyball, running, swimming, or skateboarding.

“Water pipe” means any activated, lighted or heated smoking equipment used to burn or heat tobacco or a non-tobacco substance or a combination thereof, with which the vapor or smoke may be passed through a water basin before inhalation.

PROHIBITIONS

2. No person shall Smoke a Water pipe in:

- (a) an Enclosed Public Place;
- (b) an Enclosed Workplace;
- (c) a Patio;
- (d) a Playground;
- (e) a Public Place;
- (f) a Sporting Area;
- (g) a Spectator Area adjacent to a Sporting Area;
- (h) a School; or

- (i) any area that is within 9 metres of any point on the perimeter of a Public Place, Playground, Sporting Area or Spectator Area adjacent to a Sporting Area.
- 3. The prohibitions in this By-law shall apply whether or not a notice is posted that Water pipe Smoking is prohibited.
- 4. No Person shall provide or supply a Water pipe for use in an area where Smoking a Water pipe is prohibited by this By-law.
- 5. No Proprietor, Employer, or Employee shall encourage, entice, cause or permit the Smoking of a Water pipe within an Enclosed Public Place, Enclosed Workplace, or Restaurant or Patio or Sporting Area or Spectator Area.
- 6. No Property Owner, shall cause or permit use of a building or other structure that contains an Enclosed Public Place or an Enclosed Workplace building in which that Property Owner has a legal or beneficial interest to be used.

EXEMPTIONS

- 7. This By-law does not apply to a Highway including a pedestrian sidewalk adjacent to a Highway, but does apply to public transportation vehicles and taxicabs on a Highway.
- 8. This By-law does not apply to the portion of a premises used primarily as a private dwelling.

ENFORCEMENT

- 9. Where any Person contravenes any provision of this By-law, an Officer may direct such Person to comply with this By-law. Every Person so directed shall comply with such direction without delay.
- 10. Where an Officer has reasonable grounds to believe that an offence has been committed by a Person, the Officer may require the name, address, and proof of identity of that Person, and the Person shall supply the required information.
- 11. In the event the Medical Officer of Health is satisfied that a contravention of this By-law has occurred, Niagara Region may make an order, as authorized by section 444(1) of the Municipal Act, 2001 S.O. 2001 c25 (as amended or replaced from time to time) requiring the person who contravened the By-law or who caused or permitted the contravention or the Property Owner of the land on which the contravention occurred to discontinue the contravening activity and the

Medical Officer of Health is by this By-law, delegated authority to issue such Orders.

INSPECTIONS

12. An Officer may enter and inspect all buildings, structures or parts thereof that are subject to this By-law at any reasonable time for the purposes of determining whether there is compliance with this By-law.
13. For the purposes of an inspection under this By-law, an Officer may:
 - (a) require the production for inspection of documents or things relevant to the inspection;
 - (b) inspect and remove documents or things relevant to the inspection for the purpose of making copies or extracts;
 - (c) require information from any person concerning a matter related to the inspection; and
 - (d) alone or in conjunction with a person possessing special or expert knowledge, make examinations or take tests, samples or photographs necessary for the purposes of the inspection.
14. In the event the Medical Officer of Health determines that it would be beneficial for the enforcement of the requirements of this By-law, Niagara Region shall have all be entitled to:
 - (a) seek a search warrant pursuant to section 439 of the Municipal Act, 2001 S.O. 2001 c. 25 (as amended or replaced from time to time); and
 - (b) apply to restrain any breach or continuing breach of the By-law pursuant to section 440 of the Municipal Act, 2001 S.O. 2001 c. 25 (as amended or replaced from time to time).

OBSTRUCTION

15. No Person shall hinder or obstruct, or attempt to hinder or obstruct, an Officer lawfully carrying out a power, duty or direction under this By-law.

OFFENCES

16. Every Person other than a corporation who contravenes any provision of this By-law, is guilty of an offence and on conviction is liable, for every day or part thereof upon which such offence occurs or continues, to a fine of not more than \$10,000 for a first offence; and not more than \$25,000 for any subsequent conviction.
17. Every Person other than a corporation who fails to promptly comply with an Order issued pursuant to section 11 of this By-law, is guilty of an offence and on conviction is liable, for every day or part thereof upon which such offence occurs or continues, to a fine of not more than \$10,000 for a first offence; and not more than \$25,000 for any subsequent conviction.
18. Every corporation which contravenes any provision of this By-law, is guilty of an offence and on conviction is liable, for every day or part thereof upon which such offence occurs or continues, to a fine of not more than \$50,000 for a first offence and not more than \$100,000 for any subsequent conviction.
19. Every corporation which fails to promptly comply with an Order issued pursuant to section 11 of this By-law, is guilty of an offence and on conviction is liable, for every day or part thereof upon which such offence occurs or continues, to a fine of not more than \$50,000 for a first offence and not more than \$100,000 for any subsequent conviction.
20. Without limiting any other section of this By-law, every Person who contravenes any provision of this By-law is guilty of an offence and on conviction is liable to a fine in accordance with the Provincial Offences Act, R.S.O. 1990, c. P.33.
21. Without limiting any other section of this By-law, every Person who fails to promptly comply with an Order issued pursuant to section 11 of this By-law is guilty of an offence and on conviction is liable to a fine in accordance with the Provincial Offences Act, R.S.O. 1990, c. P.33.
22. If any Person is in contravention of any provision of this By-law, and the contravention has not been corrected, the contravention of the provision shall be deemed to be a continuing offence for each day or part of a day that the contravention remains uncorrected.
23. For the purposes of this By-law, subsequent conviction means a conviction for an offence which occurs after the date of conviction for an earlier offence under this By-law.

24. Where any Person contravenes any provision of this By-law, such person shall be responsible for all costs incurred by the Region directly related to the contravention.

SEVERABILITY

25. If any section or sections of this By-law, or parts thereof are found by any court of competent jurisdiction to be illegal or beyond the power of Regional Council to enact, such section or sections or parts thereof shall be deemed to be severable from this By-law and all remaining sections or parts of this By-law shall be deemed to be separate and independent therefrom and to be properly enacted and to be of full force and effect.

CONFLICT

26. In the event of a conflict between any provision of this By-law and any applicable Act or regulation, the provision that is the most restrictive prevails.


EFFECTIVE DATE

27. This By-law shall come into force and take effect on January 1, 2023, provided that the conditions in subsection 115(5) of the Municipal Act, 2001, S.O. 2001, c. 25 have been satisfied.

SHORT TITLE

28. The short title of this By-law is the "Niagara Region Water Pipe Smoking By-law".

THE REGIONAL MUNICIPALITY OF NIAGARA


James Bradley, Regional Chair


Ann-Marie Norio, Regional Clerk

Passed: May 19, 2022

DATE: June 20, 2022

REPORT NO: T-19-2022

SUBJECT: Township of West Lincoln Asset Management Plan

CONTACT: Donna DeFilippis, Director of Finance/Treasurer

OVERVIEW:

- Attached to this report is the Township's Asset Management Plan
- The attached plan meets the requirements of Ontario Regulation 588/2017

RECOMMENDATION:

1. That, Council accept report T-19-2022 regarding the "Township of West Lincoln Asset Management Plan" as an item of information; and,
2. That, Council accept the Township's Asset Management Plan attached as Schedule B to this report as an item of information.

ALIGNMENT TO STRATEGIC PLAN:

Theme #6 Efficient, Fiscally Responsible Operations

- Complete an asset management plan to prioritize investments based on evidence, and balance service levels with fiscal sustainability

BACKGROUND:

On December 13, 2017, the Province of Ontario approved a new municipal asset management planning regulation (O.Reg. 588/2017) under the *Infrastructure for Jobs and Prosperity Act*, 2015. The following are some of the key requirements of the legislation:

July 1, 2019 – all municipal governments are to have a Strategic Asset Management Policy in place. This policy is to be reviewed and updated every five years if necessary. The Township approved a Strategic Asset Management Policy on April 15, 2019 and is compliant with this requirement.

July 1, 2022- all municipal governments are to have an approved asset management plan for core assets (roads, bridges and culverts, water, wastewater and stormwater) that discussed current levels of service and the cost of maintaining those services. **The Asset Management Plan presented this evening meets the requirements of this section of the legislation.**

July 1, 2024 – all municipal governments are to have an Approved Asset Management Plan for all other infrastructure assets that discussed current levels of service and the cost of maintaining those services

July 1, 2025 – the Asset Management Plans are to include a discussion of proposed levels of service, the assumptions related to the proposed levels of service, what activities will be required to meet proposed levels of service, and a strategy to fund the activities.

Having a robust and active Asset Management System provides many benefits, some of which include:

- Easier access to information, data and documents in one centralized location
- Better communication between departments
- Provides an opportunity to optimize limited resources
- Ensures knowledge is not lost with staff changes
- Provides a structured approach to conducting business, guided by an Asset Management Plan that balances cost, risks and performance (service-delivery)
- Incorporates financial, technical and socio-political dimensions
- Facilitates informed decision-making

The Township's inventory database is held within Citywide software. This software is used by staff to update the Township's assets, including additions, deletions, historical costs, in-service dates, replacement values and condition assessments. The maintenance of this database is an on-going process as new information is always becoming available.

Jordan Gonda, Senior Asset Management Consultant from PSD Citywide, will be making a brief presentation this evening (see Schedule A to this report). Staff worked with PSD Citywide to assist with the development of key Asset Management plan components, such as:

- Condition Assessment Protocols
- Asset Management Risk Framework
- Lifecycle Strategies
- Levels of Service Framework
- Compilation of the Asset Management Plan document presented this evening

Staff were successful in retaining grant funding from FCM (Federation of Canadian Municipalities) of \$50,000 to assist with this project.

CURRENT SITUATION:

The Asset Management Plan presented this evening (see Schedule B) meets all requirements outlined under Ontario Regulation 588/17 that are due July 1, 2022. The Asset Management Plan is a large document that is data heavy. Some of the key takeaways are as follows:

Assets are traditionally valued using historical costs, being the amount that was paid to obtain and put an asset into service. The Township's 2022 Draft Financial Statements indicate a historical cost of assets totalling \$135.5 million. Asset Management takes a different approach to valuing assets; it is focussed on the replacement cost of assets. Replacement cost serves a much more practical role in municipal planning and budgeting and is a critical item of information. Staff is continually updating replacement costs, as new information is available. At the end of 2021, the Township's asset has an estimated replacement cost of \$385.4 million. This works out to a replacement cost of \$71,000 per West Lincoln household.

The condition of an asset is a key determinant as to when the asset needs to be replaced. The Asset Management process has allowed staff to consolidate all condition data into one database. Condition assessment information is compiled using either staff assessments or consultant assessments. Where neither is available, the age of the asset is used. At the end of 2021, 90% of the Townships assets are in Fair to Very Good condition.

The Asset Management Plan highlights that to meet full funding of assets; the Township's average annual capital requirement is \$12.7 million. Based on current funding of approximately \$2.9 million, there is a funding deficit of \$9.8 million. This translates to \$1,800 per household. This is important information to keep in mind as the Township approves future budgets.

As we progress along the Asset Management roadmap, staff will continue to track Current Levels of Service and commence the process of evaluating Proposed Levels of Service. In 2025, the Asset Management Plan will need to be updated to take into account the proposed levels of service and what will be required to meet this proposed level of service, including the funding impact.

FINANCIAL IMPLICATIONS:

As outlined above, the average annual capital requirement needed to ensure full funding for our asset replacements is \$12.7 million. This is a substantial figure and it will take some time for the Township to reach that funding target. At present, capital funding is approximately \$2.9 million on an annual basis. This funding is a combination of transfers from the operating fund (tax levy) grants and user fees. It is important to note that in 2022, the Township's base tax levy was \$8,351,670. Serious consideration must be taken in future Township budgets to increase the allocation to Capital funding. The Asset Management Plan is recommending an annual levy increase of 5% or \$417,600 annually. This increase would be necessary for full funding to be achieved. Staff recognize that this annual increase may be unattainable and the Township may have to compromise with less than full funding. Project prioritization and evaluation of desired levels of services will be key factors in managing the financing strategy. In addition, the Asset Management Plan is always evolving and new information regarding condition and replacement costs makes the annual funding requirement a dynamic figure.

INTER-DEPARTMENTAL COMMENTS:

The Asset Management Plan is the result of years of collaboration between all departments within the Township. A significant contribution came from Public Works, Parks, Facilities and Engineering, as these departments manage the bulk of Township assets. The Asset Management and GIS Coordinator compiled data from numerous sources, updated mapping and ensured that our Citywide database was accurate. The Asset Management Plan is a living document and revisions and updates will continue to be made as additional information is obtained.

The Township has an Asset Management Working Group that meets to discuss and work together on items that affect the Asset Management Plan. Going forward this will ensure that the Asset Management Plan will continue to evolve in an integrated manner. The members of the Asset Management Working Group include the following:

- Director of Finance
- Director of Public Works and Recreation
- Engineering Services Coordinator
- GIS and Asset Management Coordinator
- Manager of Operations
- Manager of Parks, Recreation and Facilities

The Director of Public Works and Recreation and the CAO reviewed this report.

CONCLUSION:

Staff recognize the support that Council has provided to ensure that the requirements of Ontario Regulation 588/17 are being met. The finalization of this Asset Management Plan is a key step in the Asset Management roadmap. Asset Management at the Township is a continuous process, where information is continually changing. The plan attached as Schedule B to this report highlights the current replacement cost of assets and the overall condition. It also recommends that more funds will need to be allocated to Township Capital needs in future budgets.

Prepared & Submitted by:



Donna DeFilippis
Director of Finance/Treasurer

Approved by:



Bev Hendry
CAO

Township of West Lincoln 2021 Asset Management Plan

Jordan Gonda, Senior Asset Management Consultant, PSD Citywide



Ontario Regulation 588/17

**One Year
Extension**
Established on
March 15, 2021

Asset Management Policy

AMP: All Assets

Same requirements as 2021, but to include core and non-core assets

You are here

2019

2020

2021

2022

2023

2024

2025

AMP: Core Assets

1. Current levels of service
2. Inventory analysis
3. Lifecycle activities to sustain LOS
4. Cost of lifecycle activities
5. Population and employment forecasts
6. Discussion of growth impacts

AMP: All Assets

1. Proposed levels of service for next 10 years
2. Updated inventory analysis
3. Lifecycle management strategy
4. Financial strategy and addressing shortfalls
5. Discussion of how growth assumptions impacted lifecycle and financial strategy

Asset Management Policy Update



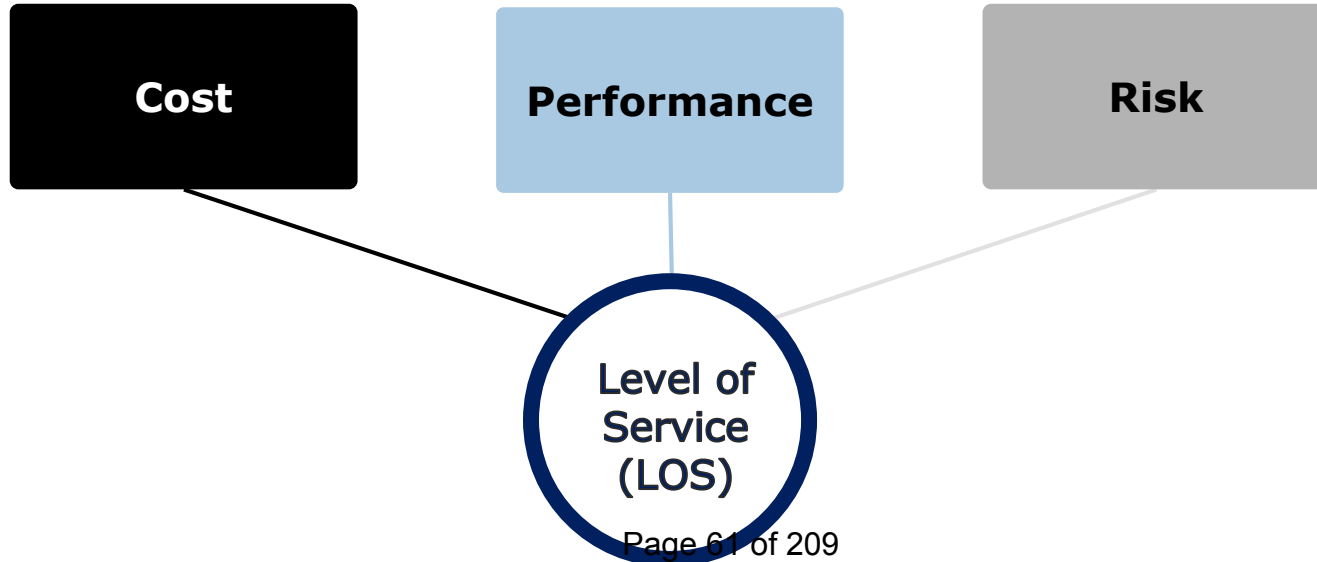
Asset Management = Service Management

- Roads and bridges allow for people and goods to move; [Transportation Service](#).
- Watermains provide safe, quality drinking water; [Environmental Service](#).
- Parks and arenas enhance the quality of life; [Recreational Service](#).
- Vehicles and equipment support service delivery; [Emergency Service](#).



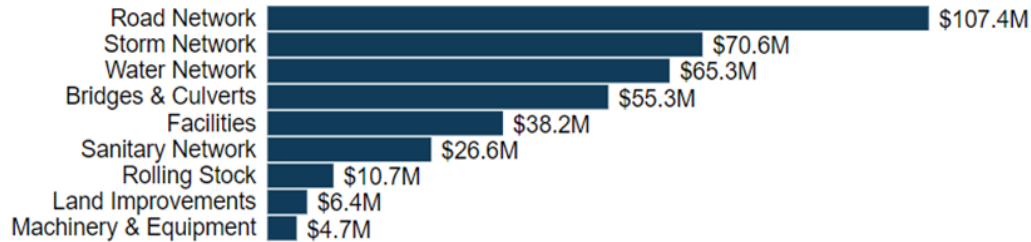
What does Asset Management involve?

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



Valuation of Asset Portfolio – 2021 Year End Data

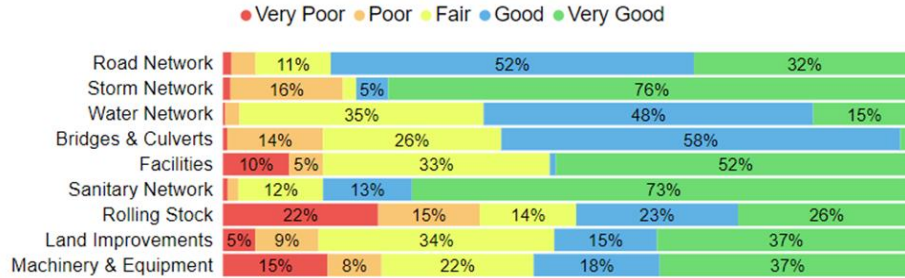
Total Replacement Cost
\$385.4M



Replacement cost
per household (2021 Census)
\$71,000

Asset Category	Replacement Cost Method	
	User-Defined	Historical Inflation
Road Network	100%	0%
Bridges & Culverts	100%	0%
Water Network	100%	0%
Sanitary Network	98%	2%
Storm Network	100%	0%
Facilities	49%	51%
Rolling Stock	90%	10%
Machinery & Equipment	0%	100%
Land Improvements	6%	94%
Overall	91%	9%

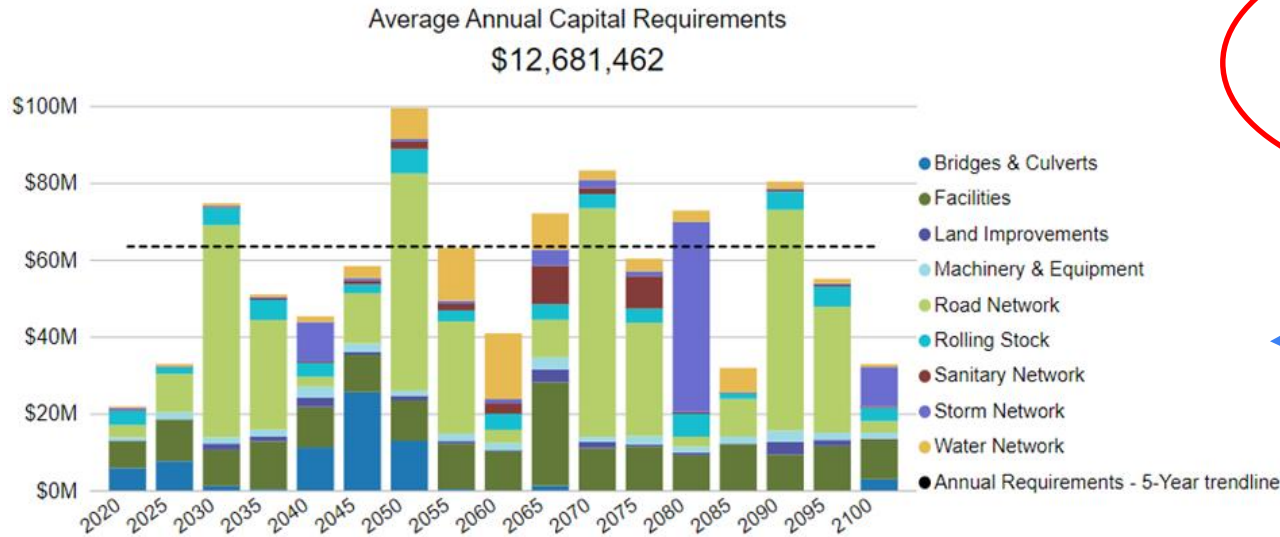
State of the Infrastructure - Condition



90% of assets are in Fair-Very Good Condition

Asset Category	Asset Segment	% of Assets with Assessed Condition	Source of Condition Data
Road Network	Paved & Unpaved Roads	100%	2019 Roads Needs Study
	Other	20%	Public Works Staff Assessments
Bridges & Culverts	All	100%	2021 bridge inspections
Water Network	All	<1%	Staff Assessments
Storm Network	All	0%	Age-Based
Sanitary Network	Sanitary Mains	96%	2020 CCTV inspections
	Sanitary Manholes	84%	
Facilities	All	100%	2020 Building Condition Assessments
Machinery & Equipment	All	0%	Age-Based
Rolling Stock	All	96%	Staff Assessments
Land Improvement	All	9%	Staff Assessments
Overall		62%	

Forecasted Capital Requirements



Includes scheduled capital rehabilitation for Bridges/Culverts & Roads assets

Infrastructure Deficit

Asset Type	Annual Capital Requirement	Funding Available	Annual Capital Deficit
Tax-Funded Assets	11,045,000	1,874,000	9,171,000
Rate-Funded Assets	1,636,000	1,011,000	625,000
Total:	12,681,000	2,885,000	9,796,000

The financial strategy and its recommendations are based on the capital replacement/rehabilitation needs required to maintain the **current** levels of service. As staff establish their **target/desired** levels of service, the required capital investment and financial strategy will be revised.

Financial Strategy

- Both sustainable and one-time grants/transfers will continue to be an essential source of revenue for investment in capital infrastructure
- Assumes no new debt will be taken on to pay for existing infrastructure
- Adjustments to taxes/rates should be supplemented with project prioritization and evaluation of desired level of service

Asset Type	Years Until Full Funding	Average Annual Tax/Rate Change
Tax-Funded Assets	20 Years	5.0%
Rate-Funded: Water Assets	15 Years	2.9%
Rate-Funded: Wastewater Assets	Maintain status quo	

Doesn't
include O&M
or Growth



Key AM Program Recommendations

1. Develop a data governance framework, including condition assessment strategy.
2. Continue to operationalize AMP findings in Citywide and update database regularly
3. Track **Current** Levels of Service and evaluate **Proposed** Levels of Service
 - Conduct Public Engagement survey
4. Continuous improvement and regular review
 - Continue to review and refine Citywide with different elements of asset management



Asset Management Plan

Township of West Lincoln

2021

This Asset Management Program was prepared by:



Empowering your organization through advanced
asset management, budgeting & GIS solutions

Key Statistics

Replacement cost of
asset portfolio

\$385.4 million

Replacement cost of
infrastructure per household

\$71,000 (2021 Census)

Percentage of assets in fair or
better condition

90%

Percentage of assets with
assessed condition data

62%

Annual capital
infrastructure deficit

\$9.8 million

Recommended timeframe
for eliminating annual
infrastructure deficit

15-20 Years

Target reinvestment
rate

3.3%

Actual reinvestment
rate

0.8%

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Executive Summary

Municipal infrastructure provides the foundation for the economic, social, and environmental health and growth of a community through the delivery of critical services. The goal of asset management is to deliver an adequate level of service in the most cost-effective manner. This involves the development and implementation of asset management strategies and long-term financial planning.

Scope

This Asset Management Plan (AMP) identifies the current practices and strategies that are in place to manage public infrastructure and makes recommendations where they can be further refined. Through the implementation of sound asset management strategies, the Township can ensure that public infrastructure is managed to support the sustainable delivery of municipal services.

This AMP includes the following asset categories:



With the development of this AMP the Township has achieved compliance with O. Reg. 588/17 to the extent of the requirements that must be completed by July 1, 2022. There are additional requirements concerning proposed levels of service and growth that must be met by July 1, 2024 and 2025.

Findings

The overall replacement cost of the asset categories included in this AMP totals \$385.4 million. 90% of all assets analysed in this AMP are in fair or better condition and assessed condition data was available for 62% of assets. For the remaining assets, assessed condition data was unavailable, and asset age was used to approximate condition – a data gap that persists in most municipalities. Generally, age misstates the true condition of assets, making assessments essential to accurate asset management planning, and a recurring recommendation in this AMP.

The development of a long-term sustainable financial plan requires an analysis of whole lifecycle costs. This AMP uses a combination of proactive lifecycle strategies (paved roads and bridges & culverts) and replacement-only strategies (all other assets) to determine the lowest cost option to maintain the current level of service.

To meet capital replacement and rehabilitation needs for existing infrastructure, prevent infrastructure backlogs, and achieve long-term sustainability, the Township's average annual capital requirement totals \$12.7 million. Based on a historical analysis of sustainable capital funding sources, the Township is committing approximately \$2.9 million towards capital projects or reserves per year. As a result, there is currently an annual funding deficit of \$9.8 million, translating to \$1,800 per household (2021 Census).

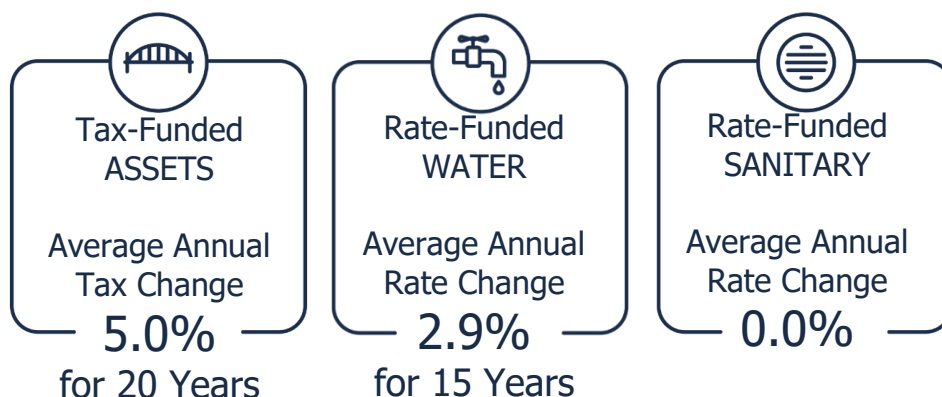
Annual Capital Deficit
Per Household



It is important to note that this AMP represents a snapshot in time and is based on the best available processes, data, and information at the Township. Strategic asset management planning is an ongoing and dynamic process that requires continuous improvement and dedicated resources.

Recommendations

A financial strategy was developed to address the annual capital funding gap. The following graphics show the annual tax/rate change required to eliminate the Township's infrastructure deficit:



Recommendations to guide continuous refinement of the Township's asset management program. These include:

- Develop a data governance framework, complete with a condition assessment strategy
- Regularly review and update data to maintain a complete and accurate inventory
- Incorporate lifecycle strategies, where possible, for more proactive capital planning
- Track current levels of service and identify sustainable proposed levels of service

1 Introduction & Context

Key Insights

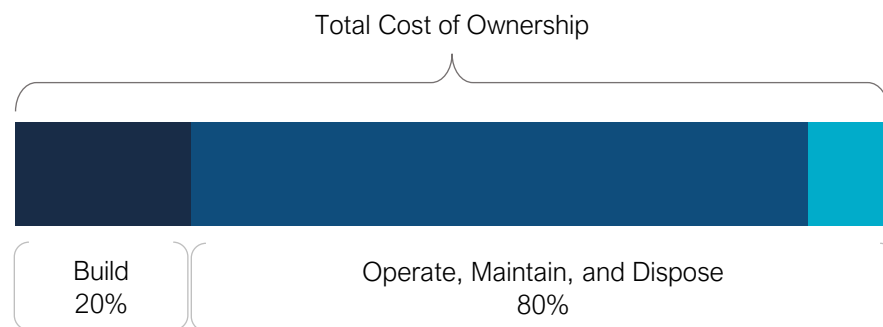
- The goal of asset management is to minimize the lifecycle costs of delivering infrastructure services, manage the associated risks while maximizing the value ratepayers receive from the asset portfolio
- The Township's asset management policy provides clear direction to staff on their roles and responsibilities regarding asset management
- An asset management plan is a living document that should be updated regularly to inform long-term planning
- Ontario Regulation 588/17 outlines several key milestones and requirements for asset management plans in Ontario between July 1st, 2022, and July 2025

An Overview of Asset Management

Municipalities are responsible for managing and maintaining a broad portfolio of infrastructure assets to deliver services to the community. This includes roads and bridges, to facilitate movement; water, sewer, and stormwater systems to provide clean drinking water and dispose of waste or excessive rainfall; and buildings, facilities, and parks to provide community and recreational spaces.

Planning for the sustainability of these assets requires a systematic and comprehensive plan for maintaining, rehabilitating, and replacing infrastructure at the lowest cost to the organization and its stakeholders. The goal of asset management is to minimize the lifecycle costs of delivering infrastructure services, manage the associated risks while maximizing the value ratepayers receive from the asset portfolio.

The acquisition of capital assets accounts for only 10-20% of their total cost of ownership. The remaining 80-90% derives from operations and maintenance. This AMP focuses its analysis on the capital costs to maintain, rehabilitate and replace existing municipal infrastructure assets.



These costs can span decades, requiring planning and foresight to ensure financial responsibility is spread equitably across generations. An asset management plan is critical to this planning, and an essential element of the broader asset management program. The industry-standard approach and sequence to developing a practical asset management program begin with a Strategic Plan, followed by an Asset Management Policy and an Asset Management Strategy, concluding with an Asset Management Plan.

This industry standard, defined by the Institute of Asset Management (IAM), emphasizes the alignment between the corporate strategic plan and various asset management documents. The strategic plan has a direct, and cascading impact on asset management planning and reporting.

Asset Management Policy

An asset management policy represents a statement of the principles guiding the municipality's approach to asset management activities. It aligns with the organizational strategic plan and provides clear direction to municipal staff on their roles and responsibilities as part of the asset management program.

In accordance with Ontario Regulation 588/17 the Township's Strategic Asset Management Policy (Policy number POL-ADMIN-02-2019) was approved and effective in late April 2019.

The policy identifies key principles to be followed when making asset management decisions, these include:

- Evidence based priorities & planning
- Financially sustainable planning & investment
- Adaptation of innovative infrastructure technology, services & practices
- Reliable planning & investment
- Environmentally conscious decisions

Asset Management Strategy

An asset management strategy outlines the translation of organizational objectives into asset management objectives and provides a strategic overview of the activities required to meet these objectives. It provides greater detail than the policy on how the Township plans to achieve asset management objectives through planned activities and decision-making criteria.

The Township's Asset Management Policy contains many of the key components of an asset management strategy and may be expanded on in future revisions or as part of a separate strategic document.

Asset Management Plan

The Asset Management Plan (AMP) presents the outcomes of the Township's asset management program and identifies the resource requirements needed to achieve a defined level of service. The AMP typically includes the following content:

- State of Infrastructure
- Asset Management Strategies
- Levels of Service (LOS)
- Financial Strategies

The AMP is a living document that should be updated regularly as additional assets and financial data become available. This will allow the Township to re-evaluate the state of infrastructure and identify how the organization's asset management and financial strategies are progressing.

Key Concepts in Asset Management

Effective asset management integrates several key components, including lifecycle management, risk management, and levels of service. These concepts are applied throughout this asset management plan and are described below in greater detail.

Lifecycle Management Strategies

The condition or performance of most assets will deteriorate over time. This process is affected by a range of factors including an asset's characteristics, location, utilization, maintenance history and environment. Asset deterioration has a negative effect on the ability of an asset to fulfill its intended function and may be characterized by increased cost, risk and even service disruption.

To ensure that municipal assets are performing as expected and meeting the needs of customers, it is important to establish a lifecycle management strategy to proactively manage asset deterioration. There are several field intervention activities that are available to extend the life of an asset. These activities can be generally placed into one of three categories: maintenance, rehabilitation, and replacement. The following table provides a description of each type of activity and the general difference in cost.

Lifecycle Activity	Description	Example (Roads)	Cost
Maintenance	Activities that prevent defects or deteriorations from occurring	Crack Sealing, Asphalt Patching	\$
Rehabilitation/ Renewal	Activities that rectify defects or deficiencies that are already present and may be affecting asset performance	Mill & Re-surface	\$\$
Replacement/ Reconstruction	Asset end-of-life activities that often involve the complete replacement of assets	Full Reconstruction	\$\$\$

Depending on initial lifecycle management strategies, asset performance can be sustained through a combination of maintenance and rehabilitation, but at some point, replacement is required. Understanding what effect these activities will have on the lifecycle of an asset, and their cost will enable staff to make better recommendations.

The Township's approach to lifecycle management is described within each asset category outlined in this AMP. Developing and implementing a proactive lifecycle strategy will help staff to determine which activities to perform on an asset and when they should be performed to maximize useful life at the lowest total cost of ownership.

Risk Management Strategies

Municipalities generally take a 'worst-first' approach to infrastructure spending. Rather than prioritizing assets based on their importance to service delivery, assets in the worst condition are often fixed first, regardless of their criticality. However, not all assets are created equal. Some are more important than others, and their failure or disrepair poses more risk to the community than that of others. For example, a road with a high volume of traffic that provides access to critical services poses a higher risk than a low volume rural road. These high-value assets should receive funding before others.

By identifying the various impacts of asset failure and the likelihood that it will fail, risk management strategies can identify critical assets, and determine where maintenance efforts, and spending, should be focused.

This AMP includes a high-level evaluation of asset risk and criticality. Each asset has been assigned a probability of failure score and consequence of failure score based on available asset data. These risk scores can be used to prioritize maintenance, rehabilitation, and replacement strategies for critical assets.

Levels of Service

A level of service (LOS) is a measure of what the Township is providing to the community and the nature and quality of that service. Within the core asset categories in this AMP, technical metrics and qualitative descriptions that measure both technical and community levels of service have been established and measured as data is available. For non-core assets, these metrics will be defined in the next iteration of the plan, in time for the 2024 O.Reg. requirements.

These measures include a combination of those that have been outlined in O. Reg. 588/17 in addition to performance measures identified by the Township as worth measuring and evaluating. The Township measures the level of service provided at two levels: Community Levels of Service and Technical Levels of Service.

Community Levels of Service

Community levels of service are a simple, plain language description or measure of the service that the community receives. For core asset categories (Roads, Bridges & Culverts, Water, Wastewater, Stormwater) the Province, through O. Reg. 588/17, has provided qualitative descriptions that are required to be included in this AMP.

Technical Levels of Service

Technical levels of service are a measure of key technical attributes of the service being provided to the community. These include mostly quantitative measures and tend to reflect the impact of the Township's asset management strategies on the physical condition of assets or the quality/capacity of the services they provide.

For core asset categories (Roads, Bridges & Culverts, Water, Wastewater, Stormwater) the Province, through O. Reg. 588/17, has provided technical metrics that are required to be included in this AMP.

Current and Proposed Levels of Service

This AMP focuses on measuring the current level of service provided to the community. Once current levels of service have been measured, the Township plans to establish proposed levels of service over a 10-year period, in accordance with O. Reg. 588/17.

Proposed levels of service should be realistic and achievable within the timeframe outlined by the Township. They should also be determined with consideration of a variety of community expectations, fiscal capacity, regulatory requirements, corporate goals, and long-term sustainability. Once proposed levels of service have been established, and prior to July 2025, the Township must identify a lifecycle management and financial strategy which allows these targets to be achieved.

Ontario Regulation 588/17

As part of the *Infrastructure for Jobs and Prosperity Act, 2015*, the Ontario government introduced Regulation 588/17 - Asset Management Planning for Municipal Infrastructure (O. Reg 588/17). Along with creating better performing organizations, more liveable and sustainable communities, the regulation is a key, mandated driver of asset management planning and reporting. It places substantial emphasis on current and proposed levels of service and the lifecycle costs incurred in delivering them.

The diagram below outlines key reporting requirements under O. Reg 588/17 and the associated timelines.

2019

Strategic Asset Management Policy

2024

Asset Management Plan for Core and Non-Core Assets

2022

Asset Management Plan for Core Assets with the following components:

1. Current LOS
2. Inventory analysis
3. Lifecycle activities to sustain LOS
4. Cost of lifecycle activities
5. Population and employment forecasts
6. Discussion of growth impacts

2025

Asset Management Policy Update and an Asset Management Plan for All Assets with the following additional components:

1. Proposed LOS for next 10 years
2. Updated inventory analysis
3. Lifecycle management strategy
4. Financial strategy and addressing shortfalls
5. Discussion of how growth assumptions impacted lifecycle and financial

O. Reg. 588/17 Compliance Review

The following table identifies the requirements outlined in Ontario Regulation 588/17 for municipalities to meet by July 1, 2022. Next to each requirement a page or section reference is included in addition to any necessary commentary.

Requirement	O. Reg. Section	AMP Section Reference	Status
Summary of assets in each category	S.5(2), 3(i)	4.1.1 - 5.2.1	Complete
Replacement cost of assets in each category	S.5(2), 3(ii)	4.1.1 - 5.2.1	Complete
Average age of assets in each category	S.5(2), 3(iii)	4.1.3 - 5.2.3	Complete
Condition of core assets in each category	S.5(2), 3(iv)	4.1.2 – 5.2.2	Complete
Description of Township's approach to assessing the condition of assets in each category	S.5(2), 3(v)	4.1.2 – 5.2.2	Complete
Current levels of service in each category	S.5(2), 1(i-ii)	4.1.6 - 5.2.6	Complete for Core Assets
Current performance measures in each category	S.5(2), 2	4.1.6 - 5.2.6	Complete for Core Assets
Lifecycle activities needed to maintain current levels of service for 10 years	S.5(2), 4	4.1.4 - 5.2.4	Complete for Core Assets
Costs of providing lifecycle activities for 10 years	S.5(2), 4	Appendix A	Complete
Growth assumptions	S.5(2), 5(i-ii) S.5(2), 6(i-vi)	6.1-6.2	Complete

2 Scope and Methodology

Key Insights

- This asset management plan includes nine (9) asset categories and is divided between tax-funded and rate-funded categories
- The source of replacement cost values impacts the accuracy and reliability of asset portfolio valuation; Replacement costs in this AMP are based on 2021-year end data, where available.
- Accurate and reliable condition data helps to prevent premature and costly rehabilitation or replacement and ensures that lifecycle activities occur at the right time to maximize asset value and useful life

2.1 Included Asset Categories

This asset management plan for West Lincoln Township is produced in compliance with Ontario Regulation 588/17. The July 2022 deadline under the regulation—the first of three AMPs deadlines—requires analysis of only core assets (roads, bridges & culverts, water, wastewater, and stormwater).

The AMP summarizes the state of the infrastructure for the Township’s asset portfolio, establishes current levels of service and the associated technical and customer-oriented key performance metrics, outlines lifecycle strategies for optimal asset management and performance, and provides financial strategies to reach sustainability for the asset categories listed below.

Asset Category	Source of Funding
Roads Network	Tax Levy
Bridges & Culverts	
Facilities	
Machinery & Equipment	
Rolling Stock	
Land Improvements	
Storm Network	User Rates
Sanitary Network	
Water Network	

2.2 Deriving Replacement Costs

There are a range of methods to determine the replacement cost of an asset, and some are more accurate and reliable than others. This AMP relies on the following two costing methods:

- **User defined cost and cost/unit method:** costs are provided by municipal staff which could include average costs from recent contracts; data from engineering reports and assessments; and staff estimates based on knowledge and experience.
- **Cost Inflation/CPI Tables:** Historical cost of the asset is inflated based on Consumer Price Index or Non-Residential Building Construction Price Index. User-defined costs based on reliable sources are a reasonably accurate and reliable way to determine asset replacement costs.

Cost inflation is typically used in the absence of reliable replacement cost data. It is a reliable method for recently purchased and/or constructed assets where the total cost is reflective of the actual costs that the Township incurred. As assets age and new products and technologies become available, cost inflation becomes a less reliable method.

2.3 Estimated Useful Life

The estimated useful life (EUL) of an asset is the period over which the Township expects the asset to be available for use and remain in service before requiring replacement or disposal. The EUL for each asset in this AMP was assigned according to the knowledge and expertise of municipal staff and supplemented by existing industry standards when necessary.

2.4 Reinvestment Rate

As assets age and deteriorate they require additional investment to maintain a state of good repair. The reinvestment of capital funds, through asset renewal or replacement, is necessary to sustain an adequate level of service. The reinvestment rate is a measurement of available or required funding relative to the total replacement cost.

By comparing the actual vs. target reinvestment rate the Township can determine the extent of any existing funding gap. The reinvestment rate is calculated as follows:

$$\text{Target Reinvestment Rate} = \frac{\text{Annual Capital Requirement}}{\text{Total Replacement Cost}}$$

$$\text{Actual Reinvestment Rate} = \frac{\text{Annual Capital Funding}}{\text{Total Replacement Cost}}$$

2.5 Deriving Asset Condition

An incomplete or limited understanding of asset condition can mislead long-term planning and decision-making. Accurate and reliable condition data helps to prevent premature and costly rehabilitation or replacement and ensures that lifecycle activities occur at the right time to maximize asset value and useful life.

A condition assessment rating system provides a standardized descriptive framework that allows comparative benchmarking across the Township's asset portfolio. The table below outlines the condition rating system used in this AMP, for most assets, to determine asset condition. This rating system is aligned with the Canadian Core Public Infrastructure Survey which is used to develop the Canadian Infrastructure Report Card. When assessed condition data is not available, the service life remaining is used to approximate asset condition. The following table details standard condition ratings used in this AMP:

Condition	Description	Criteria	Service Life Remaining (%)
Very Good	Fit for the future	Well-maintained, good condition, new or recently rehabilitated	80 - 100
Good	Adequate for now	Acceptable, generally approaching mid-stage of expected service life	60 - 80
Fair	Requires attention	Signs of deterioration, some elements exhibit significant deficiencies	40 - 60
Poor	Increasing potential of affecting service	Approaching the end of service life, condition below standard, a large portion of the system exhibits significant deterioration	20 - 40
Very Poor	Unfit for sustained service	Near or beyond expected service life, widespread signs of advanced deterioration, some assets may be unusable	0 - 20

The analysis in this AMP is based on assessed condition data only as available. In the absence of assessed condition data, asset age is used as a proxy to determine asset condition.

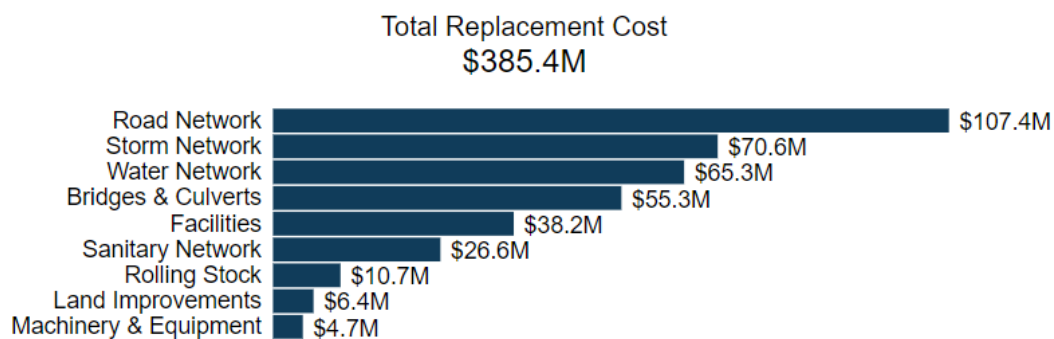
3 Portfolio Overview

Key Insights

- The total replacement cost of the Township's asset portfolio is \$385.4 million
- The Township's target re-investment rate is 3.3%, and the actual re-investment rate is 0.8%, contributing to an expanding infrastructure deficit
- 90% of all assets are in fair or better condition
- The average annual capital requirements total \$12.7 million per year across all asset categories

3.1 Total Replacement Cost of Asset Portfolio

The asset categories analysed in this AMP have a total replacement cost of \$385.4 million based 2021 year-end data. This data is housed in an asset management database called Citywide. This total was determined based on a combination of user-defined costs and inflation of historical cost. This estimate reflects the replacement of historical assets with similar, not necessarily identical, assets available for procurement today. The following graph displays the total 2021 replacement cost per asset category.

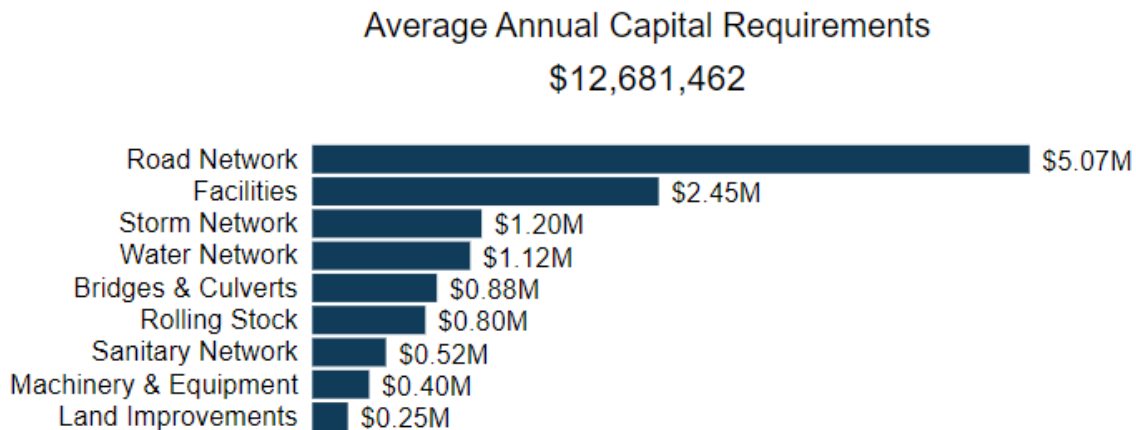


The following table identifies the methods employed to determine replacement costs across each asset category:

Asset Category	Replacement Cost Method		
	User-Defined	Historical Inflation	Notes
Road Network	100%	0%	Unit costs based on 2019 Road Needs Study and latest tender prices for all Road assets
Bridges & Culverts	100%	0%	Unit costs based on 2021 bridge inspections and latest tender prices
Water Network	100%	0%	Unit costs based on staff estimates and latest tender prices
Sanitary Network	98%	2%	
Storm Network	100%	0%	
Facilities	49%	51%	User-Defined Costs provided by Building Condition Inspections
Rolling Stock	90%	10%	Unit Cost based on departmental staff estimates
Machinery & Equipment	0%	100%	Inflation of historical costs
Land Improvements	6%	94%	Inflation of historical costs
Overall	91%	9%	

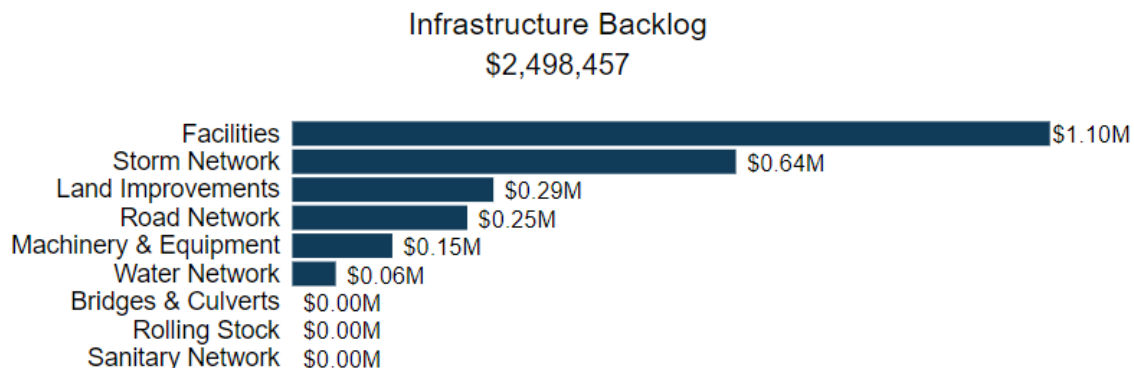
3.2 Average Annual Capital Requirements

Annual capital requirements represent the amount the Township should allocate annually to each asset category to meet rehabilitation and/or replacement needs as they arise, prevent infrastructure backlogs, and achieve long-term sustainability. This figure does not factor in costs associated with operations and maintenance.



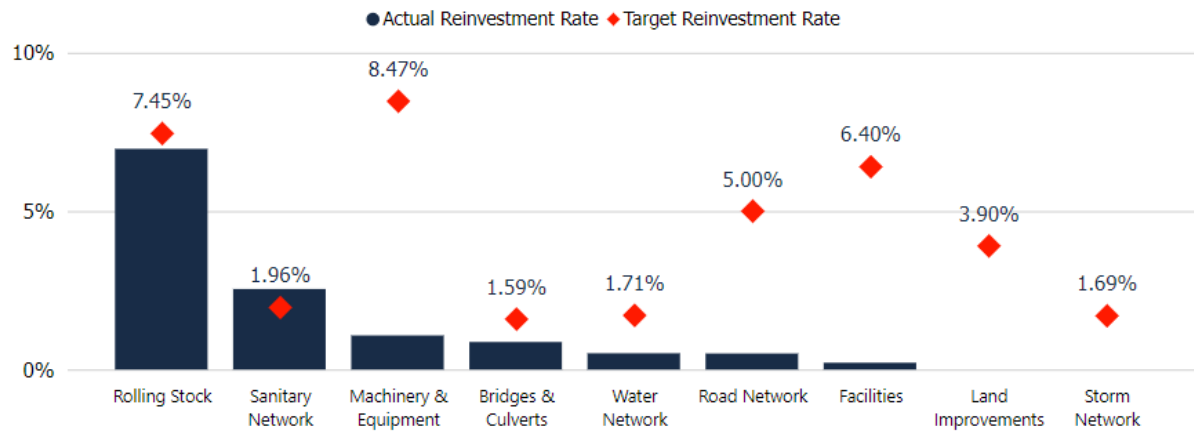
For most asset categories the annual requirement has been calculated based on a “replacement only scenario”, in which capital expenditures are only incurred at the construction and replacement of each asset. However, for paved roads, lifecycle management strategies have been developed, based on staff expertise and road needs study recommendations, to identify capital costs that are realized through strategic rehabilitation and renewal of the Township’s roads.

The annual requirements, however, do not incorporate the backlog costs of assets, shown in the graph below, that have reached the end of their useful life prior to the 2021 reporting year.



3.3 Target vs. Actual Reinvestment Rate

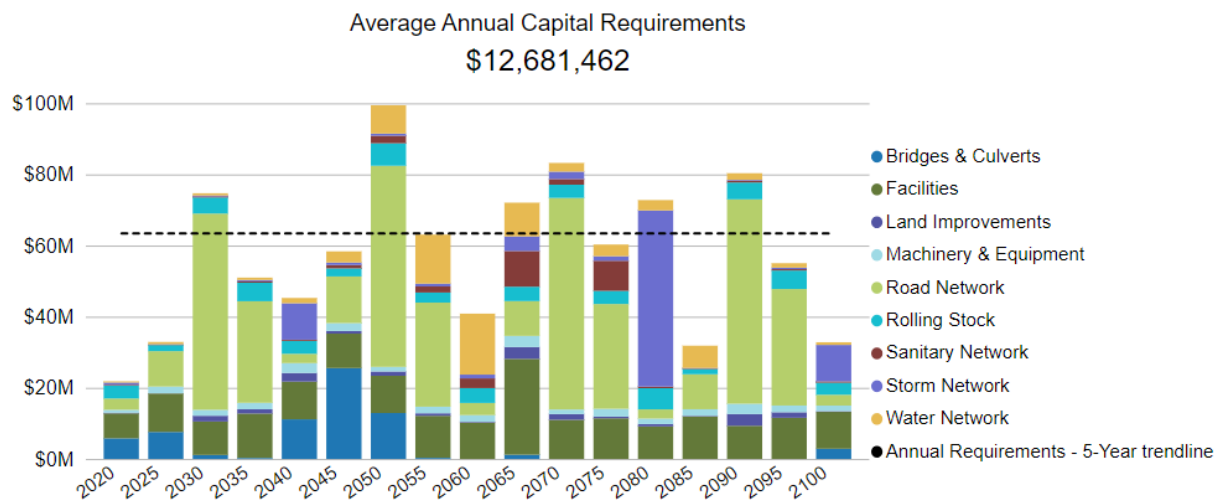
The graph below depicts funding gaps by comparing target vs actual reinvestment rate. To meet the long-term replacement needs, the Township should be allocating approximately \$12.7 million annually, for a target reinvestment rate of 3.3%. Actual annual spending on infrastructure totals approximately \$2.9 million, for an actual reinvestment rate of 0.8%.



3.4 Forecasted Capital Requirements

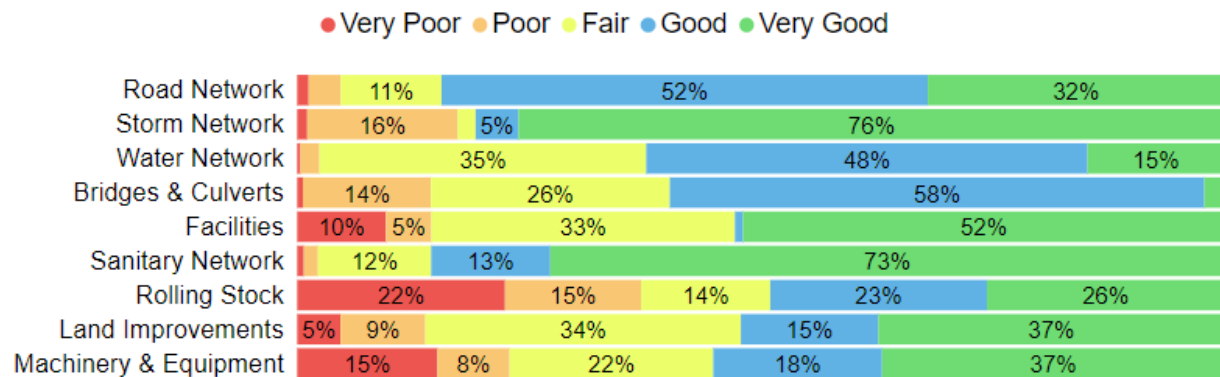
The development of a long-term capital forecast should include both asset rehabilitation and replacement requirements. With the development of asset-specific lifecycle strategies that include the timing and cost of future capital events, the Township can produce an accurate long-term capital forecast.

The following graph identifies capital requirements over the next 80 years. This projection is used as it ensures that every asset has gone through one full iteration of replacement. The forecasted requirements are aggregated into 5-year bins and the trend line represents the average 5-year capital requirements.



3.5 Condition of Asset Portfolio

The current condition of the assets is central to all asset management planning. Collectively, 90% of assets in West Lincoln are in fair or better condition. This estimate relies on both age-based and assessed condition data. Condition of each asset is weighted by replacement cost.



This AMP relies on assessed condition data for 62% of assets; for the remaining portfolio, age is used as an approximation of condition. Assessed condition data is invaluable in asset management planning as it reflects the true condition of the asset and its ability to perform its functions.

The table below identifies the source of condition data used throughout this AMP.

Asset Category	Asset Segment	% of Assets with Assessed Condition	Source of Condition Data
Road Network	Paved & Unpaved Roads	100%	2019 Roads Needs Study
	Other	20%	Public Works Staff Assessments
Bridges & Culverts	All	100%	2021 bridge inspections
Water Network	All	<1%	Staff Assessments
Storm Network		0%	Age-Based
Sanitary Network	Sanitary Laterals	0%	
	Sanitary Mains	96%	2020 CCTV inspections
	Sanitary Manholes	84%	
Facilities	All	100%	2020 Building Condition Assessments
Machinery & Equipment	All	0%	Age-Based
Rolling Stock	All	96%	Staff Assessments
Land Improvement	All	9%	Staff Assessments

4 Analysis of Tax-funded Assets

Key Insights

- Tax-funded assets have a current replacement value (CRV) of \$293.5 million
- 88% of tax-funded assets are in fair or better condition
- The average annual capital requirement to sustain the current level of service for tax-funded assets is approximately \$11.0 million
- Critical assets should be evaluated to determine appropriate risk mitigation activities and treatment options

4.1 Roads Network

The Road Network is a critical component of the provision of safe and efficient transportation services and represents is the second highest value asset category in the Township's asset portfolio. It includes all municipally owned and maintained roadways in addition to supporting roadside infrastructure including sidewalks, road culverts and streetlights.

The Township's roads and sidewalks are maintained by the Public Works department, which is also responsible for winter snow clearing, ice control, and snow removal operations.

The state of the infrastructure for roads is summarized in the following table.

Replacement Cost	Condition	Financial Capacity	
\$107.4 million	Good (72%)	Annual Requirement:	\$5,069,000
		Funding Available:	\$513,000
		Annual Deficit:	\$4,556,000

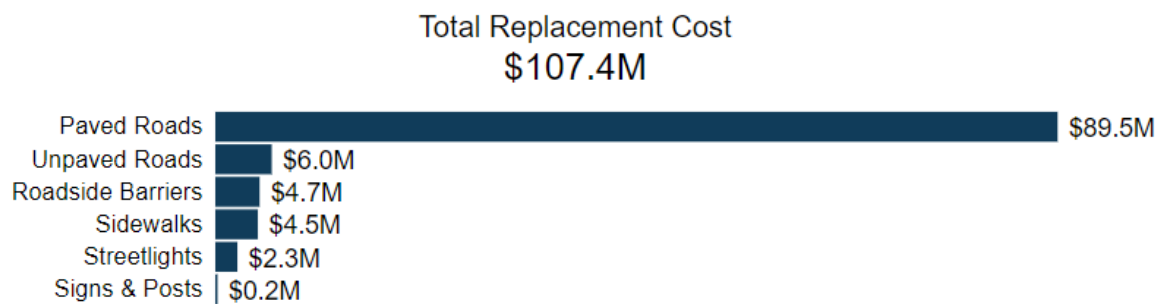
The following core values and level of service statements are a key driving force behind the Township's asset management planning.

Service Attribute	Level of Service Statement
Accessible & Reliable	The road network is reliable and provides reasonable access to properties throughout the municipality
Sustainable	There are long-term plans in place for the renewal and replacement of the road network

4.1.1 Asset Inventory & Costs

The table below includes the quantity, replacement cost method, and annual capital requirements of each asset segment in the Township's Roads Network inventory.

Asset Segment	Quantity	Replacement Cost	Annual Capital Requirement
Paved Roads ¹	260 km	\$89,544,000	\$4,477,000
Roadside Barriers	124	\$4,711,000	\$137,000
Sidewalks	28.9 kms	\$4,531,000	\$136,000
Signs & Posts	Pooled	\$236,000	\$24,000
Streetlights	1,104	\$2,349,000	\$62,000
Unpaved Roads ²	127 km	\$6,001,000	\$233,000
Total		\$107,369,000	\$5,069,000



Each asset's replacement cost should be reviewed periodically to determine whether adjustments are needed to represent capital requirements more accurately.

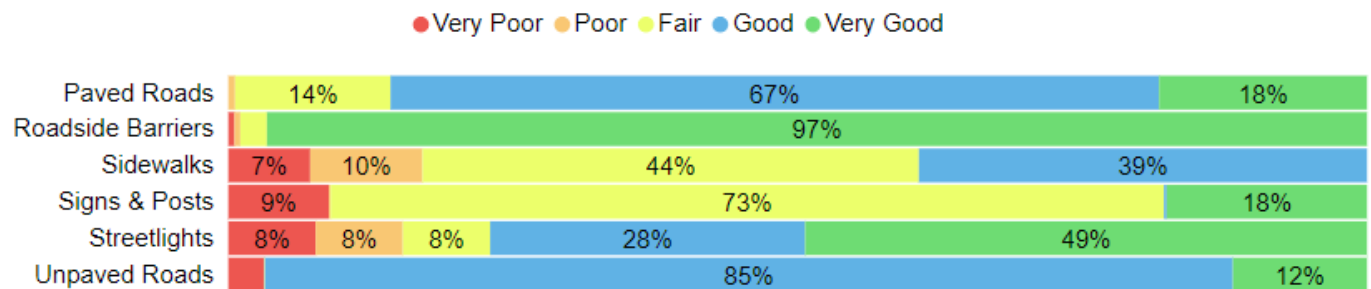
¹ Note: The replacement cost of Paved Roads includes the value of reconstructing the base layers also.

² Unpaved roads are typically managed under operating and maintenance (O&M) ; the costs included in this plan are from upgrading the unpaved roads, within the current 10-year capital plan, to hardtop.

4.1.2 Data Insights: Useful Life, Age & Condition

The table below identifies the current average condition, the average age, and the estimated useful life for each asset segment. The Average Condition (%) is a weighted value based on replacement cost. For Unpaved roads, the overall condition is Very Good since these assets are in a constant state of repair/maintenance.

Asset Segment	Estimated Useful Life (Years)	Average Age (Years)	Average Condition (%)
Paved Roads	15 - 50 Years	21.3	70% (Good)
Roadside Barriers	10 - 25 Years	2	96% (Very Good)
Sidewalks	25 - 40 Years	15.6	74% (Good)
Signs & Posts	5 - 10 Years	5	54% (Fair)
Streetlights	20 - 50 Years	7.1	73% (Good)
Unpaved Roads	N/A	59.2	73% (Good)
		6.9	72% (Good)



To ensure that the Township's roads continue to provide an acceptable level of service, the Township should monitor the average condition of all assets. If the average condition declines, staff should re-evaluate their lifecycle management strategy to determine what combination of maintenance, rehabilitation, and replacement activities is required to increase the overall condition of the Roads.

Each asset's Estimated Useful Life should also be reviewed periodically to determine whether adjustments need to be made to better align with the observed length of service life for each asset type.

Current Approach to Condition Assessment

Accurate and reliable condition data allows staff to determine the remaining service life of assets and identify the most cost-effective approach to managing assets more confidently. The following describes the Township's current approach:

- Every three years, a Road Needs Study is completed for all road segments. For most roads, the last Road Needs Study was completed in 2019.
- A sidewalk condition assessment was completed in 2021 by the Township and is typically performed on an annual basis to track and resolve any sidewalk deficiencies.
- Road signs undergo reflectivity testing and visual inspections in accordance with Minimum Maintenance Standards (MMS)
- Other road appurtenances are visually inspected during road patrols in accordance with MMS guidelines.

In this AMP the following rating criteria is used to determine the current condition of road segments and forecast future capital requirements:

Condition	Rating
Very Good	75 - 100
Good	61 - 74
Fair	51 - 60
Poor	41 - 50
Very Poor	0 - 40

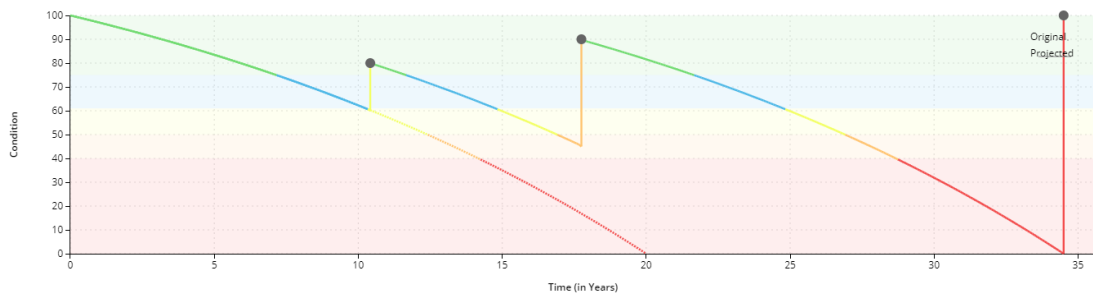
4.1.3 Lifecycle Management Strategy

Lifecycle Models

The condition or performance of most assets will deteriorate over time. This process is affected by a range of factors including an asset's characteristics, location, utilization, maintenance history and environment.

Staff utilize a road optimization tool, MESH, to manage and develop their lifecycle strategies. The following lifecycle strategies have been developed, in alignment with that tool, as a proactive approach to managing paved roads and extending their service life cost-effectively.

Paved Roads		
Event Name	Event Class	Event Trigger
Resurfacing	Rehabilitation	60% Condition
Major Rehabilitation	Rehabilitation	45%-60% Condition
Full Reconstruction	Replacement	0%-45% Condition



Lifecycle Strategies

The following table outlines the Township's current lifecycle management strategy

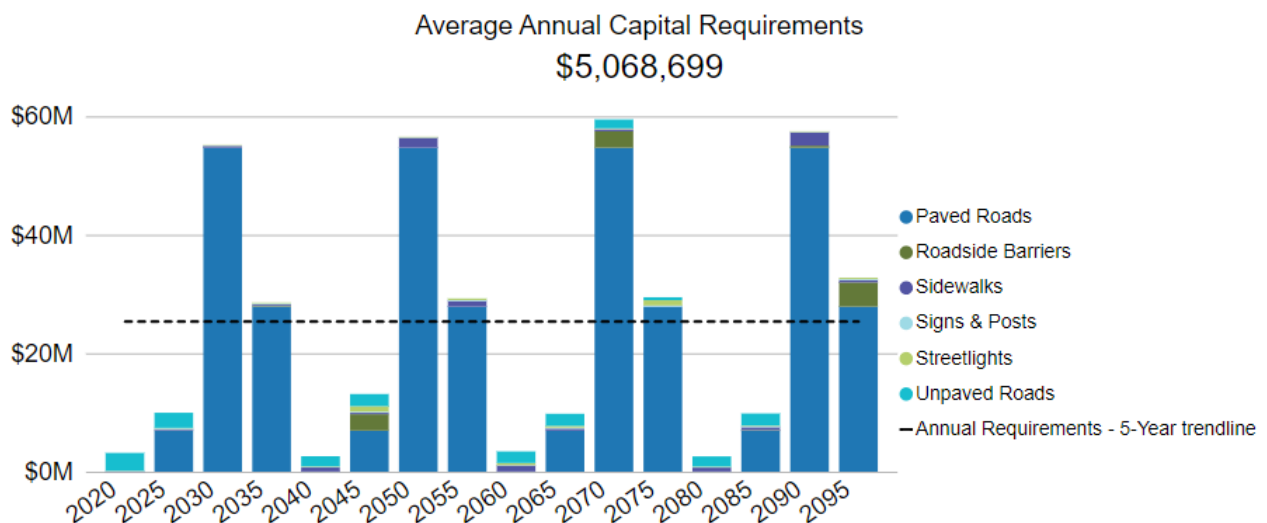
Activity Type	Description of Current Strategy
Maintenance	Annual winter control activities to meet Minimum Maintenance Standards including road and sidewalk plowing, snow removal and sanding.
	Activities such as deep patching, shallow patching and crack sealing are done on an as-needed basis depending on the performance and condition of the road segments and in accordance with MMS guidelines.
	Gravel roads require ongoing maintenance activities including <ul style="list-style-type: none"> Dust Control Application (annually) Grading (annually) Re-gravelling (as needed)

Rehabilitation	Road rehabilitation activities such as resurfacing, or Mill & Paves are triggered by the pavement condition index and pavement network value as outlined in the Township's RNS (Road Needs Study). These activities are refined annually.
	Some Gravel roads are determined to be viable options for upgrade to Chip Seal based on economic, social, and environmental factors.
Replacement	Full road reconstruction is coordinated effectively with other Right-of-Way assets, including linear underground assets.

4.1.4 Forecasted Capital Requirements

Based on the lifecycle strategies identified previously for Roads, and assuming end-of-life replacement of all other assets in this category, the following graph forecasts capital requirements for the Roads Network. The capital forecast generated from Citywide, however, may vary from the forecast generated by Road Matrix that staff primarily use for their strategic planning. As staff continue to utilize the Citywide database for their asset management purposes, the forecasting will be more keenly reviewed in order to improve the accuracy and reliability of the outcomes.

The annual capital requirement represents the average amount per year that the Township should allocate towards funding rehabilitation and replacement needs to meet future capital needs. The following graph identifies capital requirements over the next 75 years. This projection is used as it ensures that every asset has gone through one full iteration of replacement. The forecasted requirements are aggregated into 5-year bins and the trend line represents the average 5-year capital requirements.



The projected cost of lifecycle activities that will need to be undertaken over the next 10 years to maintain the current level of service can be found in Appendix A.

4.1.5 Risk & Criticality

Risk Matrix

The following risk matrix provides a visual representation of the relationship between the probability of failure and the consequence of failure road network assets based on 2021 inventory data. As staff update the Citywide database with more metrics and asset attributes, the risk models will become more comprehensive to align with staff's current prioritization methods.

Consequence	5	50 Assets 79,740.52 m, m2 \$22,453,528.00	100 Assets 117,470.06 m \$41,670,701.00	14 Assets 12,255.98 m \$8,080,288.00	6 Assets 2,318.84 m \$2,536,618.00	0 Assets - \$0.00
	4	28 Assets 9,441.55 m \$3,342,702.00	43 Assets 28,378.27 m \$5,141,348.00	6 Assets 3,366.93 m \$777,710.00	1 Asset 96.20 m \$102,857.00	2 Assets 245.62 m \$273,103.00
	3	27 Assets 5,564.36 m \$1,925,644.00	27 Assets 11,786.09 m2, m \$1,918,059.36	8 Assets 1,955.51 m, m2 \$452,125.20	6 Assets 2,233.84 m2, m \$477,778.52	4 Assets 696.28 m \$317,974.00
	2	18 Assets 2,151.35 unit(s), m \$688,679.00	28 Assets 6,083.81 m2, m \$1,009,776.36	24 Assets 6,920.20 m2, m \$859,220.36	7 Assets 2,181.13 m2, m \$241,759.08	5 Assets 1,339.56 m2 \$153,928.32
	1	358 Assets 46,714.66 unit(s), m2, m \$5,946,936.54	518 Assets 138,934.40 m2, unit(s), m \$6,563,322.56	94 Assets 8,989.45 m2, unit(s), m \$1,498,516.88	24 Assets 1,306.91 m2, unit(s), m \$349,239.36	36 Assets 12,244.58 m2, unit(s), m \$586,670.80
		1	2	3	4	5
		Probability				

Within the risk models developed in Citywide, the asset-specific metrics used when calculating risks scores and that staff utilize when prioritizing their road assets can be found below:

Probability of Failure (POF)	Consequence of Failure (COF)
Condition	Replacement Cost (Financial)
	Road Classification (Operational)

Risks to Current Asset Management Strategies

The following section summarizes qualitative risks that the road assets held. This is based on key trends and current and projected future challenges to service:



Climate Change & Extreme Weather Events

An increase in the frequency and intensity of precipitation events can result in flooding of sections of the road network. Further issues can arise as a result of flooding and poor drainage including accelerated deterioration caused by freeze/thaw cycles. To improve asset resiliency, Staff should continue to identify problem areas and improve drainage through enhanced lifecycle strategies.



Capital Funding Strategies

Major capital rehabilitation projects for roads are sometimes heavily dependant on the availability of grant funding opportunities. When grants are not available, rehabilitation projects may be deferred. A long-term capital funding strategy can reduce dependency on grant funding and help prevent the deferral of capital works.

4.1.6 Levels of Service

The following tables identify the Township’s current level of service for the Roads Network. These metrics include the technical and community level of service metrics that are required as part of O. Reg. 588/17 as well as any additional performance measures that the Township has selected for this AMP.

Community Levels of Service

The following table outlines the qualitative descriptions that determine the community levels of service provided by the Roads Network.

Service Attribute	Qualitative Description	Current LOS (2021)
Scope	Description, which may include maps, of the roads network in the Township and its level of connectivity	See Appendix B

Quality	Description or images that illustrate the different levels of road class pavement condition	<p>Every road section receives a Pavement Condition Index (PCI) rating (0-100). The rating incorporates pavement roughness measurements and surface distress (type, quantity, severity).</p> <p>Ratings are categorized into 4 general qualitative descriptors as detailed below.</p> <p>Very Good- 75 PCI and greater; Over 20 years of useful life remaining</p> <p>Good- 61 PCI and greater; 15-20 years remaining</p> <p>Fair- 51 PCI and greater; 10-15 years remaining</p> <p>Poor -0-50 PCI; Less than 10 years remaining</p>
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Technical Levels of Service

The following table outlines the quantitative metrics that determine the technical level of service provided by the Roads Network.

Service Attribute	Technical Metric	Current LOS (2021)
Accessibility & Reliability	Lane-km of arterial roads (MMS classes 1 and 2) per land area (km/km ²)	0.45
	Lane-km of collector roads (MMS classes 3 and 4) per land area (km/km ²)	0.29
	Lane-km of local roads (MMS classes 5 and 6) per land area (km/km ²)	0.25
Sustainable	Average pavement condition index for paved rural roads in the Township	70 (Good)
	Average pavement condition index for paved urban roads in the Township	70 (Good)
	Average surface condition for unpaved urban roads in the Township (e.g., excellent, good, fair, poor)	Fair-Good
	Average surface condition for unpaved rural roads in the Township (e.g., excellent, good, fair, poor) Capital reinvestment rate	Fair-Good
	Average condition of sidewalks in the Township	74% (Good)

4.1.7 Recommendations

Condition Assessment Strategies

- Both lifecycle strategies and risk analysis are informed, at least in part, by assessed condition. Information collected through Road Needs Studies and/or staff assessments should be regularly updated in Citywide so that decisions are based on the most recent and accurate information.

Lifecycle Management Strategies

- Implement the identified lifecycle management strategies for paved roads to realize potential cost avoidance and maintain a high quality of road pavement condition.
- Evaluate the efficacy of the Township's lifecycle management strategies at regular intervals to determine the impact on cost, condition, and risk.

Risk Management Strategies

- Implement risk-based decision-making as part of asset management planning and budgeting processes. This should include the regular review of high-risk assets to determine appropriate risk mitigation strategies.
- Review risk models on a regular basis and adjust according to an evolving understanding of the probability and consequences of asset failure. As feasible, collect and update attribute information identified as valuable to the risk models (i.e., daily traffic counts, road maintenance class, drainage adequacy, etc.).

Levels of Service

- Continue to measure current levels of service in accordance with the metrics identified in O. Reg. 588/17 and those metrics that the Township believes to provide meaningful and reliable inputs into asset management planning.
- Work towards identifying proposed levels of service as per O. Reg. 588/17 and identify the strategies that are required to close any gaps between current and proposed levels of service.

4.2 Bridges & Culverts

Bridges & Culverts represent a critical portion of the transportation services provided to the community. The Public Works department is responsible for the maintenance of all bridges and structural culverts located across municipal roads with the goal of keeping structures in an adequate state of repair and minimizing service disruptions.

The state of the infrastructure for bridges and structural culverts is summarized in the following table.

Segment	Replacement Cost	Condition	Financial Capacity	
Bridges & Culverts	\$55.3 million	Good (70%)	Annual Requirement:	\$880,000
			Funding Available:	\$481,000
			Annual Deficit:	\$399,000

The following core values and level of service statements are a key driving force behind the Township's asset management planning.

Service Attribute	Level of Service Statement
Accessible & Reliable	Bridges and culverts provide reliable access to the road network for vehicles and/or pedestrians
Sustainable	There are long-term plans in place for the renewal and replacement of all bridges and culverts

4.2.1 Asset Inventory & Costs

The table below includes the quantity, replacement cost method, and annual capital requirements of each asset segment in the Township's Bridges & Culverts inventory.

Asset Segment	Quantity	Replacement Cost	Annual Capital Requirement
Bridges	37	\$44,203,000	\$717,000
Major Culverts	51	\$11,142,000	\$164,000
Total		\$55,345,000	\$880,000

Total Replacement Cost
\$55.3M

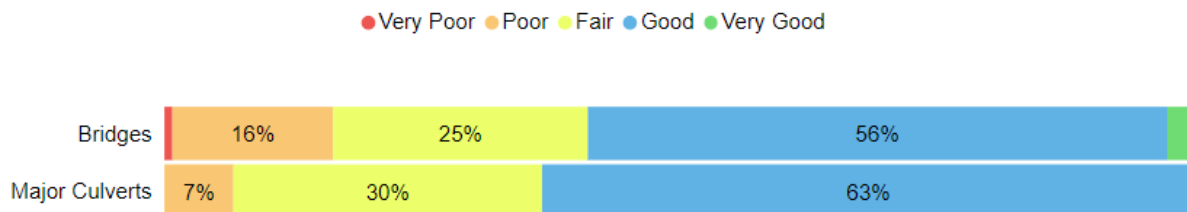


The replacement costs of all assets should be reviewed periodically to determine whether adjustments are needed to more accurately represent realistic capital requirements.

4.2.2 Asset Data: Useful Life, Age & Condition

The table below identifies the current average condition, the average age, and the estimated useful life for each asset segment. The average condition (%) is a weighted value based on replacement cost.

Asset Segment	Estimated Useful Life (Years)	Average Age (Years)	Average Condition (%)
Bridges	25 - 75 Years	12.7	70% (Good)
Major Culverts	25 - 75 Years	36.1	69% (Fair)
Average		28	70% (Good)



To ensure that the Township's bridges and culverts continue to provide an acceptable level of service, the Township should monitor the average condition of all assets. If the average condition declines, staff should re-evaluate their lifecycle management strategy to determine what combination of maintenance, rehabilitation, and replacement activities is required to increase the overall condition of the bridges and culverts.

Each asset's Estimated Useful Life should also be reviewed periodically to determine whether adjustments need to be made to better align with the observed length of service life for each asset type.

Current Approach to Condition Assessment

Accurate and reliable condition data allows staff to determine the remaining service life of assets and identify the most cost-effective approach to managing assets more confidently. The following describes the Township's current approach:

- Condition assessments of all bridges and structural culverts are completed every 2-4 years in accordance with the Ontario Structure Inspection Manuals (OSIMs).
- Staff visually inspect bridges and culverts on a regular basis, between OSIM inspections, to ensure that the assets are structurally and functionally adequate. These inspections are followed by annual bridge cleaning and erosion clean outs.

In this AMP, the following rating criteria is used to determine the current condition of bridges and culverts and forecast future capital requirements:

Condition	Rating
Very Good	80 - 100
Good	70 - 79
Fair	61 - 69
Poor	50 - 60
Very Poor	0 - 49

4.2.3 Lifecycle Management Strategy

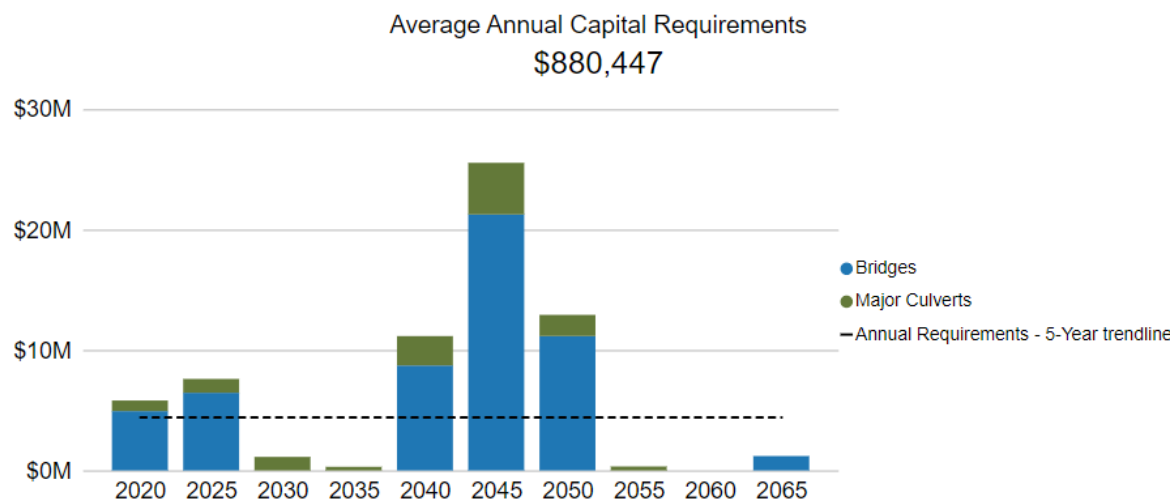
The condition or performance of most assets will deteriorate over time. To ensure that municipal assets are performing as expected and meeting the needs of customers, it is important to establish a lifecycle management strategy to proactively manage asset deterioration.

The following table outlines the Township’s current lifecycle management strategy.

Activity Type	Description of Current Strategy
Maintenance, Rehabilitation & Replacement	All lifecycle activities are driven by the results of mandated structural inspections completed according to the Ontario Structure Inspection Manual (OSIM).
	Staff perform visual inspections regularly Internal annual bridge cleaning and erosion clean-outs are performed

4.2.4 Forecasted Capital Requirements

The following graph forecasts long-term capital requirements. The annual capital requirement represents the average amount per year that the Township should allocate towards funding rehabilitation and replacement needs. The following graph identifies capital requirements over the next 45 years. This projection is used as it ensures that every asset has gone through one full iteration of replacement. The forecasted requirements are aggregated into 5-year bins and the trend line represents the average 5-year capital requirements.



The projected cost of lifecycle activities that will need to be undertaken over the next 10 years to maintain the current level of service can be found in Appendix A.

4.2.5 Risk & Criticality

Risk Matrix

The following risk matrix provides a visual representation of the relationship between the probability of failure and the consequence of failure for bridge and structural culvert assets based on 2021 inventory data.



Within the risk models developed in Citywide, the asset-specific metrics that determine the risk scores as shown above and that staff utilize when prioritizing their bridges and structural culvert assets are as follows:

Probability of Failure (POF)		Consequence of Failure (COF)	
Condition		Replacement Cost (Financial)	
		Priority Rating (Operational)	
		Implementation Ranking (Operational)	

Risks to Current Asset Management Strategies

In addition to the quantified risks illustrated above, the Township faces qualitative risks for its bridge and culvert assets.



Capital Funding

The Township has a large inventory of bridges and structural culverts that require regular and often costly, lifecycle activities. Limited funding may necessitate the deferment of major capital rehabilitation projects. The need to defer due to budget constraints may be challenged by assets that have dire consequences of failure. Identifying the long-term capital funding needs of this asset class and incorporating into the asset management database can enable proactive and effective capital planning to minimize potential risks.

4.2.6 Levels of Service

The following tables identify the Township’s current level of service for bridges and Culverts. These metrics include the technical and community level of service metrics that are required as part of O. Reg. 588/17 as well as any additional performance measures that the Township has selected for this AMP.

Community Levels of Service

The following table outlines the qualitative descriptions that determine the community levels of service provided by Bridges & Culverts.

Service Attribute	Qualitative Description	Current LOS (2021)
Accessible & Reliable	Description of the traffic that is supported by municipal bridges (e.g. heavy transport vehicles, motor vehicles, emergency vehicles, pedestrians, cyclists)	Most of the Township’s structures do not have loading or dimensional restrictions meaning that most traffic, including heavy transport, motor vehicles, emergency vehicles and cyclists can be supported.
Sustainable	Description or images of the condition of bridges and how this would affect use of the bridges	Good (70-100): considered to be in good-excellent condition, and repair work is not required in the short-term. Fair (50-70): considered to be in good-fair condition. Repair work is ideally scheduled to be completed within the next 5 years.
	Description or images of the condition of culverts and how this would affect use of the culverts	Poor (< 50): considered poor with lower numbers representing structures nearing the end of their service life. The repair of these structures is best scheduled within a year.

Technical Levels of Service

The following table outlines the quantitative metrics that determine the technical level of service provided by Bridges & Culverts.

Service Attribute	Technical Metric	Current LOS (2021)
Accessible & Reliable	% of bridges in the Township with loading or dimensional restrictions	1%
Sustainable	Average bridge condition index value for bridges in the Township	70
	Average bridge condition index value for structural culverts in the Township	69

4.2.7 Recommendations

Data Review/Validation

- Continue to review and validate inventory data, assessed condition data and replacement costs for all bridges and structural culverts upon the completion of OSIM inspections every 2 years.
- Ensure updated OSIM report information is consistently uploaded into Citywide to enable the most accurate planning and analysis

Risk Management Strategies

- Implement risk-based decision-making as part of asset management planning and budgeting processes. This should include the regular review of high-risk assets to determine appropriate risk mitigation strategies.
- Review risk models on a regular basis and adjust according to an evolving understanding of the probability and consequences of asset failure.

Levels of Service

- Continue to measure current levels of service in accordance with the metrics identified in O. Reg. 588/17 and those metrics that the Township believes to provide meaningful and reliable inputs into asset management planning.
- Work towards identifying proposed levels of service as per O. Reg. 588/17 and identify the strategies that are required to close any gaps between current and proposed levels of service.

4.3 Storm Network

Storm services are provided by the Township and overseen by the Publics Works Department. The Township's stormwater network includes catch basins, manholes, outfalls, storm mains, and stormwater management ponds. The state of the infrastructure for stormwater is summarized in the following table:

Replacement Cost	Condition	Financial Capacity (rounded)	
\$70.6 million	Very Good (86%) ³	Annual Requirement:	\$1,196,000
		Funding Available:	\$0
		Annual Deficit:	\$1,196,000

The following core values and level of service statements are a key driving force behind the Township's asset management planning.

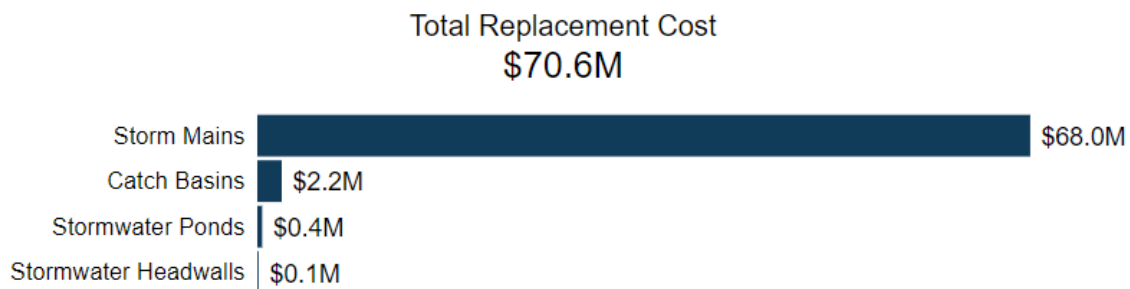
Service Attribute	Level of Service Statement
Safety & regulatory	The stormwater network supports the protection of the Township from impacts of climate change and/or extreme weather events by complying with the necessary regulatory requirements and following best industry practices, where applicable.
Sustainable	There are long-term plans in place for the renewal and/or replacement of stormwater infrastructure, where required, to ensure its resilience and capacity meets requirements.

³ As staff continue to collect condition information on their storm assets, especially underground mains, a more accurate assessment will be provided.

4.3.1 Asset Inventory & Costs

The table below includes the quantity, replacement cost method, and annual capital requirements of each asset segment in the Township's Storm Network inventory.

Asset Segment	Quantity	Replacement Cost	Annual Capital Requirement
Catchbasins	495 ⁴	\$2,151,000	\$38,000
Storm Mains	27 kms	\$67,966,000	\$1,141,000
Stormwaterwater Headwalls	7	\$96,000	\$3,000
Stormwater Ponds	6	\$427,000	\$15,000
Total		\$70,639,000	\$1,196,000



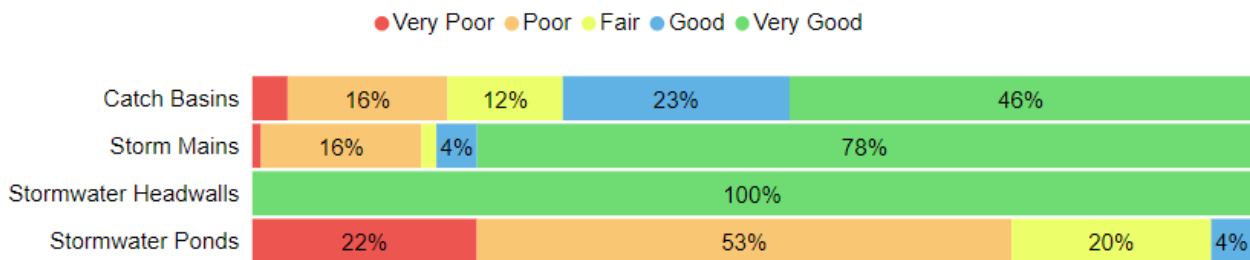
Each asset's replacement cost should be reviewed periodically to determine whether adjustments are needed to more accurately represent realistic capital requirements.

⁴ Staff are currently reviewing and updating their inventory of catchbasins as some of them may be mislabelled as manholes and vice versa.

4.3.2 Asset Data: Useful Life, Age & Condition

The table below identifies the current average condition, the average age, and the estimated useful life for each asset segment. The Average Condition (%) is a weighted value based on replacement cost.

Asset Segment	Estimated Useful Life (Years)	Average Age	Average Condition (%)
Catchbasins	45 - 60 Years	20.8	71% (Good)
Stormwater Mains	60 Years	22	84% (Very Good)
Stormwater Headwalls	50 - 60 Years	5.8	91% (Very Good)
Stormwater Ponds	20 - 30 Years	18.9	30% (Poor)
Average		19.8	84% (Very Good)



To ensure that the Township's stormwater network continues to provide an acceptable level of service, the Township should monitor the average condition of all assets. If the average condition declines, staff should re-evaluate their lifecycle management strategy to determine what combination of maintenance, rehabilitation and replacement activities is required to increase the overall condition of the sewer network.

Each asset's Estimated Useful Life should also be reviewed periodically to determine whether adjustments need to be made to better align with the observed length of service life for each asset type.

Current Approach to Condition Assessment

Accurate and reliable condition data allows staff to determine the remaining service life of assets and identify the most cost-effective approach to managing assets more confidently.

- CCTV inspections are completed on a project-by-project basis for storm mains; however, staff are considering assessing the entire network throughout a 5-year cycle moving forward.
- Manholes and other point assets are visually inspected as needed and/or whenever CCTV inspections are completed.

In this AMP, the following rating criteria is used to determine the current condition of Storm Network assets and forecast future capital requirements:

Condition	Rating
Very Good	80 - 100
Good	60 - 79
Fair	40 - 59
Poor	20 - 39
Very Poor	0 - 19

As staff perform network-wide CCTV inspections and upload these assessments to the Citywide database, the Condition Rating scale will change to align with the 5-point scale used by the North American standard - Pipeline Assessment Certification Program (PACP).

4.3.3 Lifecycle Management Strategy

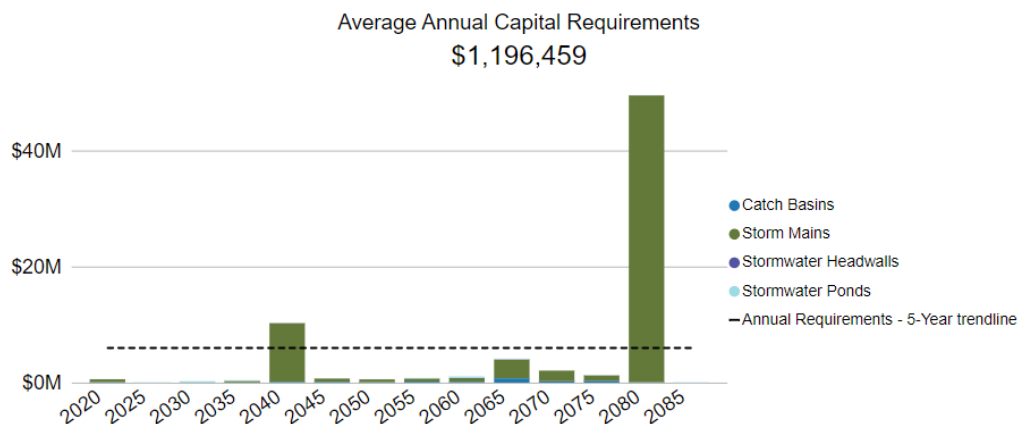
The condition or performance of most assets will deteriorate over time. To ensure that municipal assets are performing as expected and meeting the needs of customers, it is important to establish a lifecycle management strategy to proactively manage asset deterioration.

The following table outlines the Township's current lifecycle management strategy:

Activity Type	Description of Current Strategy
Maintenance	CCTV camera inspections are performed on an as-needed basis.
	Unique storm mains are cleaned and flushed annually to maintain flow rate and clear obstructions.
	Catch basin cleaning, manhole repairs, and stormwater pond maintenance are performed regularly. Outfalls are inspected regularly in the summer months.
	Oil grit separators are cleaned and inspected on an annual basis.
Rehabilitaiton/ Replacement	Trenchless Relining is performed on an as-needed basis according to CCTV inspection results and inflow and infiltration (I&I) study recommendations.
	Storm infrastructure replacements are coordinated with nearby road and/or underground infrastructure replacements.

4.3.4 Forecasted Capital Requirements

The following graph forecasts long-term capital requirements. The annual capital requirement represents the average amount per year that the Township should allocate towards funding rehabilitation and replacement needs. The following graph identifies capital requirements over the next 65 years. This projection is used as it ensures that every asset has gone through one full iteration of replacement. The forecasted requirements are aggregated into 5-year bins and the trend line represents the average 5-year capital requirements.



The projected cost of lifecycle activities that will need to be undertaken over the next 10 years to maintain the current level of service can be found in Appendix A.

4.3.5 Risk & Criticality

Risk Matrix

The following risk matrix provides a visual representation of the relationship between the probability of failure and the consequence of failure for stormwater assets based on 2021 inventory data.

Consequence	5	5 Assets 175.56 km, m \$49,214,190.00	0 Assets - \$0.00	0 Assets - \$0.00	1 Asset 950.00 m \$6,365,000.00	0 Assets - \$0.00
	4	14 Assets 1.20 km \$937,460.00	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00
	3	45 Assets 3.13 km \$1,560,194.00	29 Assets 2.97 km \$1,247,775.00	18 Assets 1.82 km \$697,680.00	62 Assets 9.70 km \$2,812,340.00	6 Assets 2.04 km \$572,040.00
	2	30 Assets 13.16 unit(s), km \$453,611.10	0 Assets - \$0.00	0 Assets - \$0.00	1 Asset 185.00 m \$832,500.00	0 Assets - \$0.00
	1	152 Assets 235.41 unit(s), km \$1,130,627.00	134 Assets 133.00 unit(s), m2 \$549,466.00	51 Assets 3,750.00 m2, unit(s) \$285,341.00	88 Assets 9,886.00 m2, unit(s) \$572,655.00	21 Assets 4,169.00 m2, unit(s) \$172,017.00
		1	2	3	4	5
		Probability				

Within the risk models developed in Citywide, the asset-specific metrics that determine the risk scores as shown above and that staff utilize when prioritizing their storm network assets are as follows:

Probability of Failure (POF)	Consequence of Failure (COF)
Condition	Replacement Cost (Financial)
Pipe Material	Pipe Diameter (Operational)

Risks to Current Asset Management Strategies

The following section summarizes key trends, challenges, and risks to service delivery that the Township is currently facing:



Asset Data & Information

All Storm Network assets currently utilize age-based condition, which is not always accurate and can lead to limited confidence in the available inventory data for Storm Network assets. However, CCTV camera inspections are planned for completion every five (5) years moving forward. Once completed, there will provide greater confidence in the development of data-driven strategies to address infrastructure needs.

4.3.6 Levels of Service

The following tables identify the Township's current level of service for the Stormwater Network. These metrics include the technical and community level of service metrics that are required as part of O. Reg. 588/17 as well as any additional performance measures that the Township has selected for this AMP.

Community Levels of Service

The following table outlines the qualitative descriptions that determine the community levels of service provided by Storm Network.

Service Attribute	Qualitative Description	Current LOS (2021)
Safe & Regulatory	Description, which may include maps, of the user groups or areas of the Township that are protected from flooding, including the extent of the protection provided by the municipal stormwater management system.	See Appendix B
Sustainable	Description of the current condition of the stormwater network and the plans that are in place to maintain or improve the provided level of service	<p>The Storm Network is in overall fair condition. Staff perform regular visual inspections to ensure that assets are performing optimally to maintain the desired level of service.</p> <p>When necessary, staff employ appropriate lifecycle strategies (i.e., trenchless relining, maintenance, replacement) to assets. In the near future CCTV inspections are planned and are expected to be completed every five years.</p>

Technical Levels of Service

The following table outlines the quantitative metrics that determine the technical level of service provided by the Storm Network.

Service Attribute	Technical Metric	Current LOS (2021)
Safe & Regulatory	% of properties in municipality resilient to a 100-year storm	TBD
	% of the municipal stormwater management system resilient to a 5-year storm	100%
Sustainable	% of the Storm Network system that is in good or very good condition	81%
	% of the Storm Network system that is in poor or very poor condition	17%

4.3.7 Recommendations

Condition Assessment Strategies

- Implement a CCTV inspection program for the storm network and regularly update condition assessment information to Citywide for more accurate capital planning.
- Utilize a simple 1-5 condition rating system that can be applied to assets during staff visual inspections and upload this information regularly in the asset management database.

Risk Management Strategies

- Review risk models on a regular basis and adjust according to an evolving understanding of the probability and consequences of asset failure.
- Implement risk-based decision-making as part of asset management planning and budgeting processes. This should include the regular review of high-risk assets to determine appropriate risk mitigation strategies.

Lifecycle Management Strategies

- Evaluate the efficacy of the Township's lifecycle management strategies at regular intervals to determine the impact cost, condition, and risk.
- Review the performance of mains that have received trenchless re-lining to better understand its value as a rehabilitation strategy.

Levels of Service

- Continue to measure current levels of service in accordance with the metrics identified in O. Reg. 588/17 and those metrics that the Township believes to provide meaningful and reliable inputs into asset management planning.
- Work towards identifying proposed levels of service as per O. Reg. 588/17 and identify the strategies that are required to close any gaps between current and proposed levels of service.

4.4 Facilities

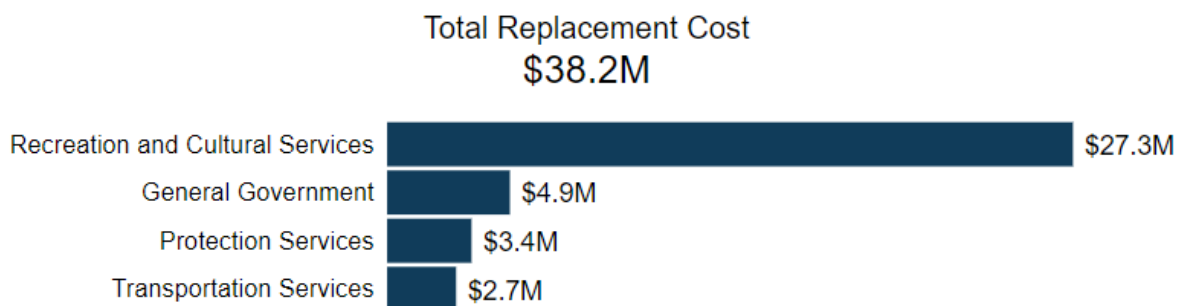
The Township of West Lincoln owns and maintains several facilities that provide key services to the community. These facilities include:

- Two Fire Stations
- Three Community Halls
- West Lincoln Community Center (includes an arena, library branch and gymnasium)
- Two rural library branches
- Administration Building
- Public works garages and storage sheds

4.4.1 Asset Inventory & Costs

The table below includes the quantity, replacement cost method, and annual capital requirements of each asset segment in the Township's Facilities inventory.

Asset Segment	Quantity (Components)	Replacement Cost	Annual Capital Requirement
General Government	1 (160)	\$4,881,000	\$694,000
Protection Services	3 (212)	\$3,355,000	\$288,000
Recreation & Culture Services	7 (454)	\$27,266,000	\$1,211,000
Transportation Services	2 (100)	\$2,744,000	\$257,000
Total		\$38,245,000	\$2,448,000

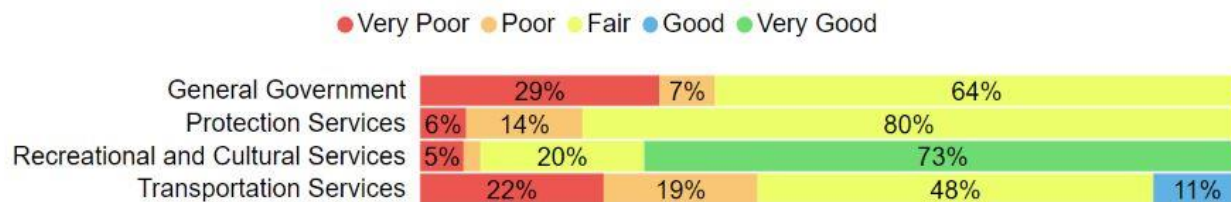


Each asset's replacement cost should be reviewed periodically to determine whether adjustments are needed to more accurately represent realistic capital requirements.

4.4.2 Asset Data: Useful Life, Age & Condition

The table below identifies the current average condition, the average age, and the estimated useful life for each asset segment. The Average Condition (%) is a weighted value based on replacement costs.

Asset Segment	Estimated Useful Life (Years)	Average Age	Average Condition (%)
General Government	5 - 50 Years	25.3	37% (Poor)
Protection Services	5 - 50 Years	18.6	47% (Fair)
Recreation & Culture Services	5 - 50 Years	22.6	80% (Very Good)
Transportation Services	5 - 50 Years	26.8	40% (Fair)
Average		22.7	69% (Good)

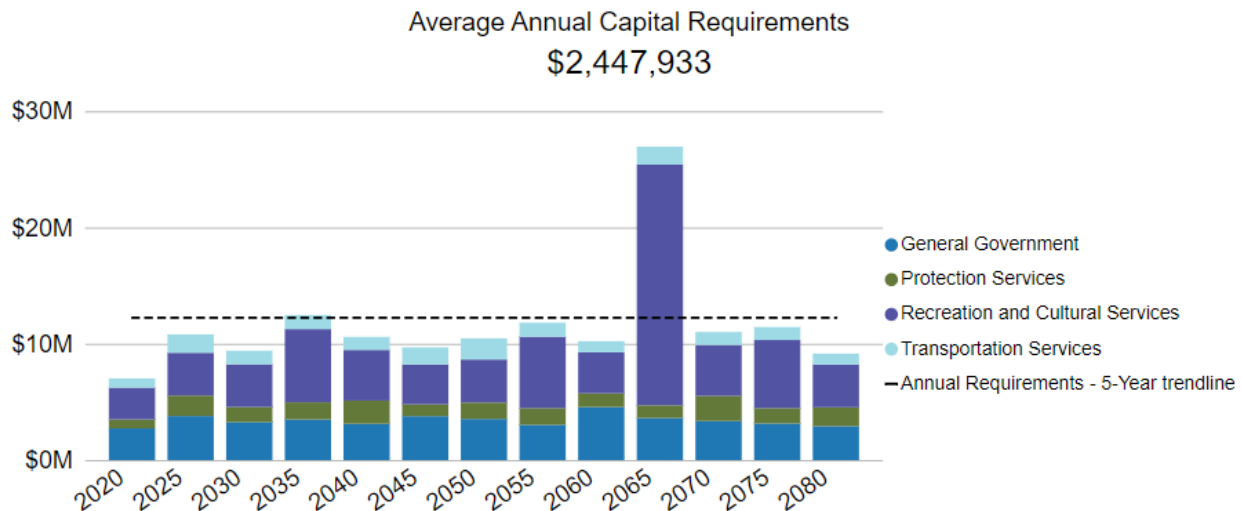


To ensure that the Township's facilities continue to provide an acceptable level of service, their average condition should be monitored. If the average condition declines, staff should re-evaluate their lifecycle management strategy to determine what combination of maintenance, rehabilitation and replacement activities is required to increase the overall condition of their facilities.

Each asset's Estimated Useful Life should also be reviewed periodically to determine whether adjustments need to be made to better align with the observed length of service life for each asset type.

4.4.3 Forecasted Capital Requirements

The following graph forecasts long-term capital requirements. The annual capital requirement represents the average amount per year that the Township should allocate towards funding rehabilitation and replacement needs. The following graph identifies capital requirements over the next 60 years. This projection is used as it ensures that every asset has gone through one full iteration of replacement. The forecasted requirements are aggregated into 5-year bins and the trend line represents the average 5-year capital requirements.



The projected cost of lifecycle activities that will need to be undertaken over the next 10 years to maintain the current level of service can be found in Appendix A.

4.4.4 Asset Management Strategies

The documentation of lifecycle management strategies, current levels of service, and risk are critical to the development of a comprehensive asset management program. These components of the asset management plan support effective short-term and long-term capital planning and contribute to more proactive asset management practices, thus extending the estimated useful life of many assets and providing a higher level of service.

- In accordance with O. Reg. 588/17, the Municipality will continue to gather data and information to detail and review the lifecycle management strategies, levels of service, and risk of all non-core asset categories by July 1, 2024.

4.4.5 Recommendations

Replacement Costs

- Most replacement costs currently in Citywide are user defined based on the 2019 Building Condition Assessment completed by MacIntosh Perry. Assuming replacement costs are predicated on accurate quantity and unit pricing information this is the recommended costing approach. Going forward, replacement costs will require regular review and update to ensure they remain accurate and useful to the Township for capital planning purposes.

Condition Assessment Strategies

- Staff should continue conducting Building Condition Assessment (BCAs) on all its major critical buildings. What data is collected, and the format should be carefully considered to ensure the collected information can be appropriately populated into Citywide and provide meaningful analysis for asset management purposes.
- As a best practice data should be collected using Building Unifomat coding classification; Level Two is recommended. If feasible, BCAs should be completed on all facilities.

Risk Management Strategies

- Implement risk-based decision-making as part of asset management planning and budgeting processes. This should include the regular review of high-risk assets to determine appropriate risk mitigation strategies.
- Review risk models on a regular basis and adjust according to an evolving understanding of the probability and consequences of asset failure.

Levels of Service

- Begin documenting and measuring current levels of service in preparation of the O.Reg. 588/17 2024 requirements. Additional metrics can be established as they are determined to provide meaningful and reliable inputs into asset management planning.
- Regularly review the LOS metrics to identify any issues or trends and respond through the appropriate lifecycle activity (i.e., increased maintenance, enhanced rehabilitation and/or adjustment to frequency of the above)

4.5 Rolling Stock

To maintain the high quality of public infrastructure and support the delivery of core services, Township staff own and employ various types of rolling stock assets. This includes:

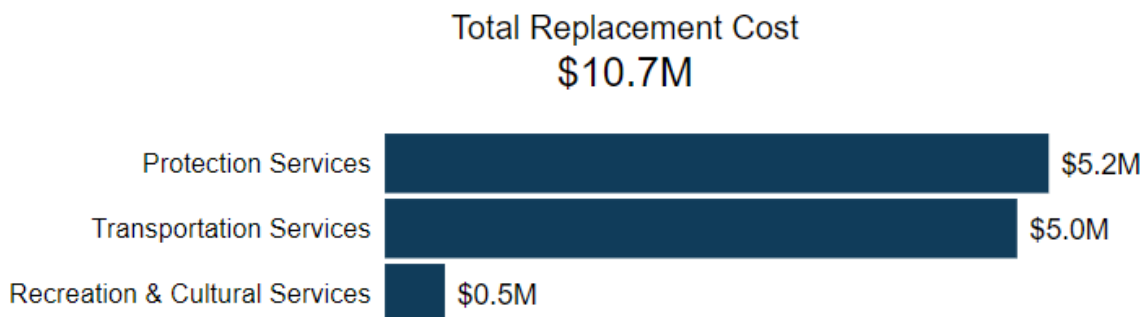
- Fire trucks and associated fire vehicle assets
- Ice resurfacing equipment
- Lawn maintenance assets (i.e., mowers)
- Various utility vehicles like plows, tractors, and trailers

Keeping rolling stock assets in an adequate state of repair is important to maintain a high level of service.

4.5.1 Asset Inventory & Costs

The table below includes the quantity, replacement cost method, and annual capital requirements of each asset segment in the Township's Rolling Stock inventory.

Asset Segment	Quantity	Replacement Cost	Annual Capital Requirement
Protection Services	16	\$5,249,000	\$373,000
Recreation & Cultural Services	13	\$475,000	\$47,000
Transportation Services	36	\$4,999,000	\$380,000
Total		\$10,723,000	\$799,000

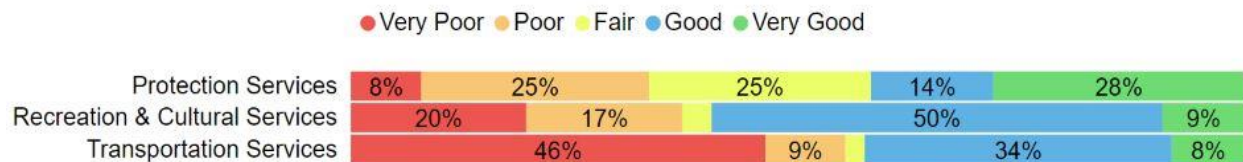


Each asset's replacement cost should be reviewed periodically to determine whether adjustments are needed to more accurately represent realistic capital requirements.

4.5.2 Asset Data: Useful Life, Age & Condition

The table below identifies the current average condition, the average age, and the estimated useful life for each asset segment. The Average Condition (%) is a weighted value based on replacement cost.

Asset Segment	Estimated Useful Life (Years)	Average Age	Average Condition (%)
Protection Services	5 - 20 Years	9.9	55% (Fair)
Recreation & Cultural Services	7 - 15 Years	6.5	52% (Fair)
Transportation Services	5 - 15 Years	6.8	42% (Fair)
Average		7.4	49% (Fair)

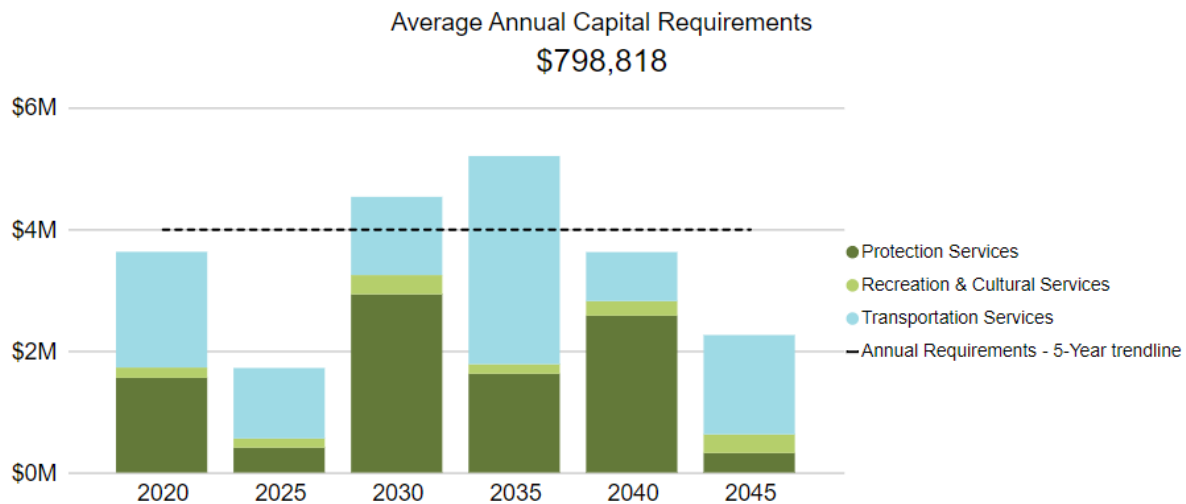


To ensure that the Township's rolling stock continues to provide an acceptable level of service, the Township should monitor the average condition of all assets. If the average condition declines, staff should re-evaluate their lifecycle management strategy to determine what combination of maintenance, rehabilitation and replacement activities is required to increase the overall condition of rolling stock assets.

Each asset's Estimated Useful Life should also be reviewed periodically to determine whether adjustments need to be made to better align with the observed length of service life for each asset type.

4.5.3 Forecasted Capital Requirements

The following graph forecasts long-term capital requirements. The annual capital requirement represents the average amount per year that the Township should allocate towards funding rehabilitation and replacement needs. The following graph identifies capital requirements over the next 25 years. This projection is used as it ensures that every asset has gone through one full iteration of replacement. The forecasted requirements are aggregated into 5-year bins and the trend line represents the average 5-year capital requirements.



The projected cost of lifecycle activities that will need to be undertaken over the next 10 years to maintain the current level of service can be found in Appendix A.

4.5.4 Asset Management Strategies

The documentation of lifecycle management strategies, current levels of service, and risk are critical to the development of a comprehensive asset management program. These components of the asset management plan support effective short-term and long-term capital planning and contribute to more proactive asset management practices, thus extending the estimated useful life of many assets and providing a higher level of service.

In accordance with O. Reg. 588/17, the Municipality will continue to gather data and information in order to detail and review the lifecycle management strategies, levels of service, and risk of all non-core asset categories by July 1, 2024.

4.5.5 Recommendations

Replacement Costs

- Ensure that all assets have up-to-date replacement costs that have been evaluated for their accuracy and reliability. Accurate replacement costs are foundational to deriving the most value from asset management practices.

Condition Assessment Strategies

- Identify condition assessment strategies for high-value and high-risk assets.
- Review assets that have surpassed their estimated useful life to determine if immediate replacement is required or whether these assets are expected to remain in-service. Adjust the service life and/or condition ratings for these assets accordingly.

Risk Management Strategies

- Implement risk-based decision-making as part of asset management planning and budgeting processes. This should include the regular review of high-risk assets to determine appropriate risk mitigation strategies.
- Review risk models on a regular basis and adjust according to an evolving understanding of the probability and consequences of asset failure.

Levels of Service

- Document and measure current levels of service in preparation of the O.Reg. 588/17 2024 requirements.
- Regularly review the level of service performance metrics and consider these results when making lifecycle decisions.

4.6 Machinery & Equipment

To maintain the high quality of public infrastructure and support the delivery of core services, Township staff own and employ various types of machinery and equipment. This includes:

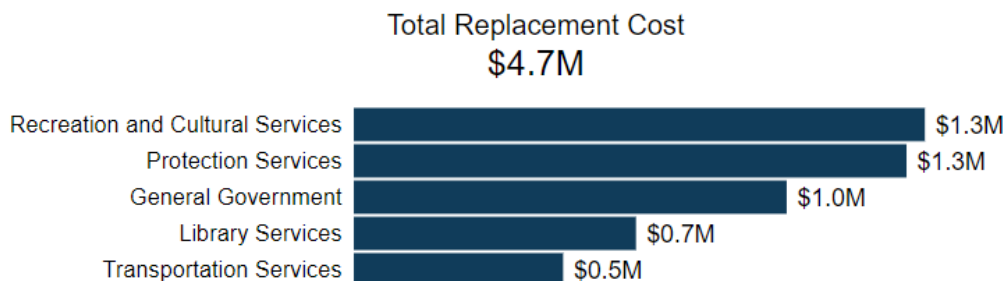
- Pooled library assets (i.e., books)
- Miscellaneous road equipment (e.g., snowploughs)
- Fire Equipment (i.e., hoses, bunker gear)
- Video Equipment (i.e., thermal imaging camera, security cameras etc.)

Keeping machinery & equipment in an adequate state of repair is important to maintain a high level of service.

4.6.1 Asset Inventory & Costs

The table below includes the replacement cost method and annual capital requirements of each asset segment in the Township's Machinery & Equipment inventory. Quantity is not defined as many of the assets are of a pooled and dynamic nature.

Asset Segment	Replacement Cost	Annual Capital Requirement
General Government	\$1,003,000	\$122,000
Library Services	\$654,000	\$74,000
Protection Services	\$1,280,000	\$113,000
Recreational & Cultural Services	\$1,323,000	\$62,000
Transportation Services	\$485,000	\$33,000
Total	\$4,742,000	\$402,000

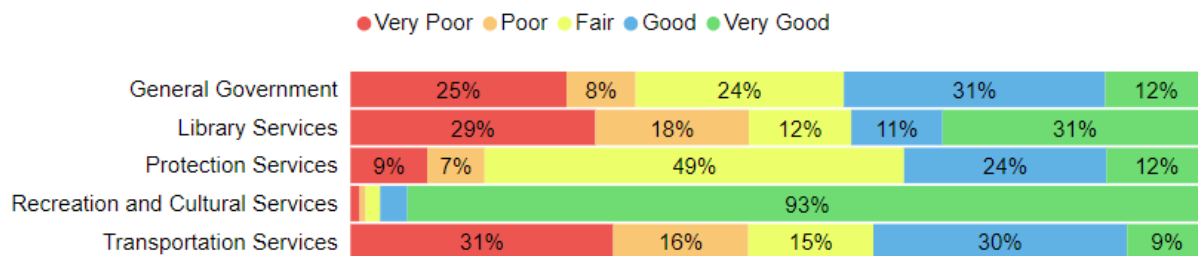


Each asset's replacement cost should be reviewed periodically to determine whether adjustments are needed to more accurately represent realistic capital requirements.

4.6.2 Asset Data: Useful Life, Age & Condition

The table below identifies the current average condition, the average age, and the estimated useful life for each asset segment. The Average Condition (%) is a weighted value based on replacement cost.

Asset Segment	Estimated Useful Life (Years)	Average Age	Average Condition (%)
General Government	5 - 25 Years	7.3	54% (Fair)
Library Services	5 - 20 Years	8.2	54% (Fair)
Protection Services	3 - 20 Years	5.6	61% (Good)
Recreational & Cultural Services	5 - 30 Years	3.9	89% (Very Good)
Transportation Services	10 - 20 Years	9.9	44% (Fair)
Average		7.2	65% (Good)

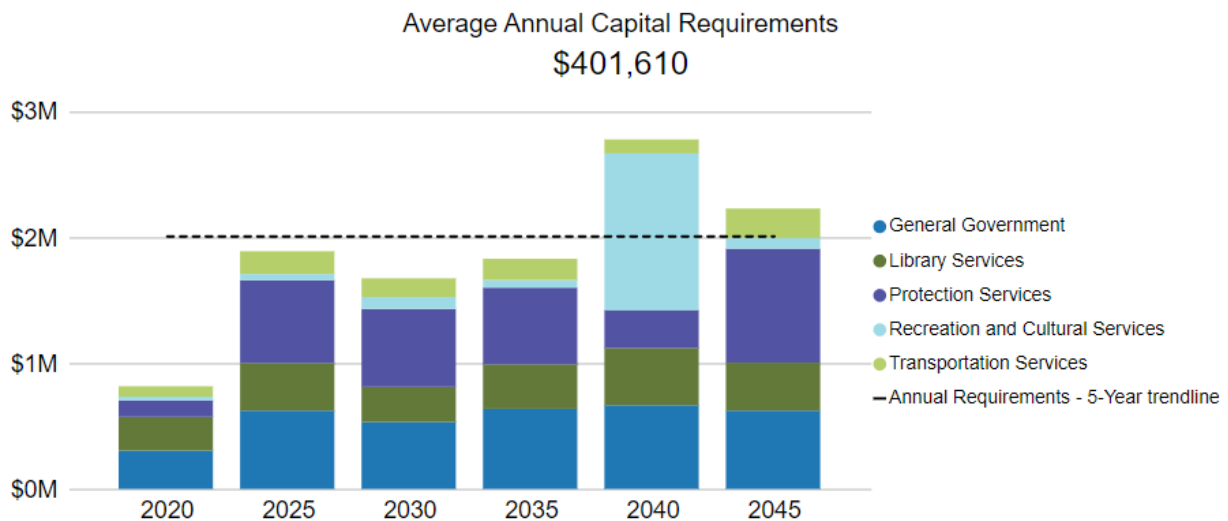


To ensure that the Township's Machinery & Equipment continues to provide an acceptable level of service, the average condition of all assets should be monitored. If the average condition declines, staff should re-evaluate their lifecycle management strategy to determine what combination of maintenance, rehabilitation and replacement activities is required to increase the overall condition of the Machinery & Equipment.

Each asset's Estimated Useful Life should also be reviewed periodically to determine whether adjustments need to be made to better align with the observed length of service life for each asset type.

4.6.3 Forecasted Capital Requirements

The following graph forecasts long-term capital requirements. The annual capital requirement represents the average amount per year that the Township should allocate towards funding rehabilitation and replacement needs. The following graph identifies capital requirements over the next 25 years. This projection is used as it ensures that every asset has gone through one full iteration of replacement. The forecasted requirements are aggregated into 5-year bins and the trend line represents the average 5-year capital requirements.



The projected cost of lifecycle activities that will need to be undertaken over the next 10 years to maintain the current level of service can be found in Appendix A.

4.6.4 Asset Management Strategies

The documentation of lifecycle management strategies, current levels of service, and risk are critical to the development of a comprehensive asset management program. These components of the asset management plan support effective short-term and long-term capital planning and contribute to more proactive asset management practices, thus extending the estimated useful life of many assets and providing a higher level of service.

In accordance with O. Reg. 588/17, the Municipality will continue to gather data and information in order to detail and review the lifecycle management strategies, levels of service, and risk of all non-core asset categories by July 1, 2024.

4.6.5 Recommendations

Replacement Costs

- Continue to update replacement costs of all assets and review for accuracy and reliability. Accurate replacement costs are foundational to deriving the most value from asset management practices.

Condition Assessment Strategies

- Identify condition assessment strategies for high-value and high-risk equipment.
- Review assets that have surpassed their estimated useful life to determine if immediate replacement is required or whether these assets are expected to remain in-service. Adjust the service life and/or condition ratings for these assets accordingly.

Risk Management Strategies

- Implement risk-based decision-making as part of asset management planning and budgeting processes. This should include the regular review of high-risk assets to determine appropriate risk mitigation strategies.
- Review risk models on a regular basis and adjust according to an evolving understanding of the probability and consequences of asset failure.

Levels of Service

- Document and measure current levels of service in preparation of the O.Reg. 588/17 2024 requirements.
- Regularly review the level of service performance metrics and consider these results when making lifecycle decisions.

4.7 Land Improvements

West Lincoln Township owns several assets that are considered Land Improvements, including:

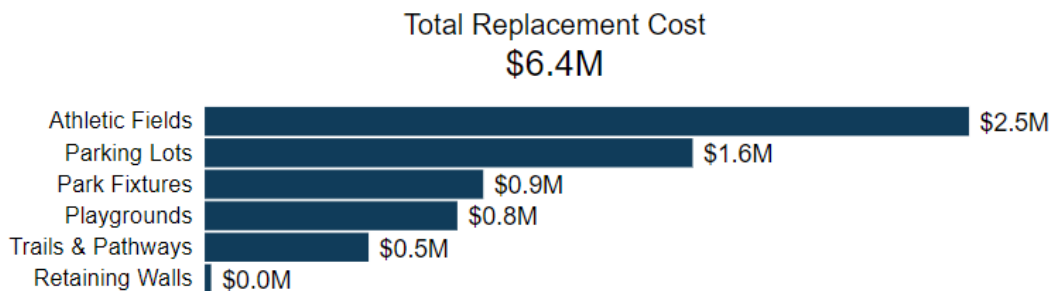
- Parking lots for municipal facilities
- Fencing and gates
- Playground Equipment
- Various athletic fields (e.g., Baseball Diamonds, Soccer fields)

4.7.1 Asset Inventory & Costs

The table below includes replacement cost method and annual capital requirements of each asset segment in the Township's Land Improvements inventory. Quantity is not defined as many of the assets are of a pooled and dynamic nature.

Asset Segment	Total Replacement Cost	Annual Capital Requirement
Athletic Fields	\$2,519,000	\$100,000
Park Fixtures	\$918,000	\$32,000
Parking Lots	\$1,608,000	\$65,000
Playgrounds	\$833,000	\$34,000
Retaining Walls	\$21,000	\$1,000
Trails & Paths	\$540,000	\$22,000
Total	\$6,438,000	\$251,000

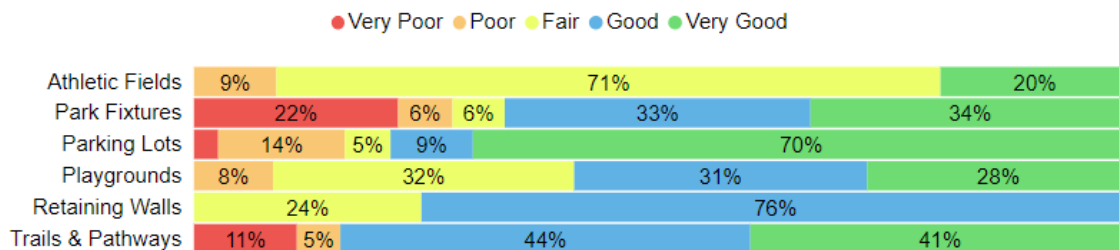
Each asset's replacement cost should be reviewed periodically to determine whether adjustments are needed to more accurately represent realistic capital requirements.



4.7.2 Asset Data: Useful Life, Age & Condition

The table below identifies the current average condition, the average age, and the estimated useful life for each asset segment. The Average Condition (%) is a weighted value based on replacement cost.

Asset Segment	Estimated Useful Life (Years)	Average Age	Average Condition (%)
Atheltic Fields	15 - 40 Years	38.1	56% (Fair)
Park Fixtures	20 - 40 Years	11.9	60% (Good)
Parking Lots	12 - 25 Years	18.6	79% (Good)
Playgrounds	15 - 25 Years	12.7	84% (Very Good)
Retaining Walls	25 - 33 Years	8.6	87% (Very Good)
Trails & Pathways	20 - 40 Years	12.1	68% (Good)
Average		19.1	67% (Good)

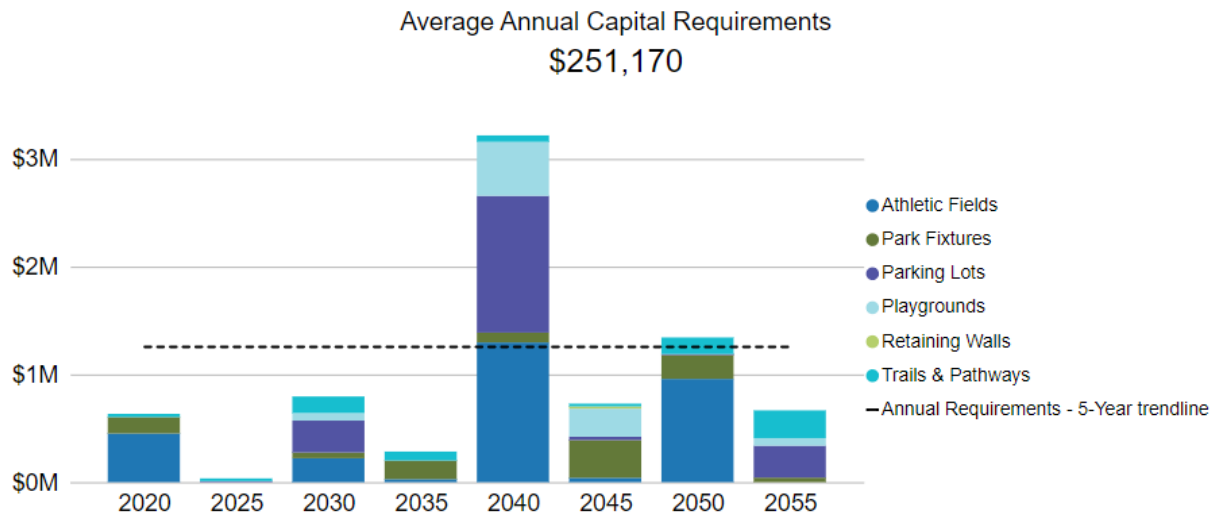


To ensure that the Township's Land Improvements continue to provide an acceptable level of service, the average condition of all assets should be monitored. If the average condition declines, staff should re-evaluate their lifecycle management strategy to determine what combination of maintenance, rehabilitation and replacement activities is required to increase the overall condition of the Land Improvements.

Each asset's Estimated Useful Life should also be reviewed periodically to determine whether adjustments need to be made to better align with the observed length of service life for each asset type.

4.7.3 Forecasted Capital Requirements

The following graph forecasts long-term capital requirements. The annual capital requirement represents the average amount per year that the Township should allocate towards funding rehabilitation and replacement needs. The following graph identifies capital requirements over the next 35 years. This projection is used as it ensures that every asset has gone through one full iteration of replacement. The forecasted requirements are aggregated into 5-year bins and the trend line represents the average 5-year capital requirements.



The projected cost of lifecycle activities that will need to be undertaken over the next 10 years to maintain the current level of service can be found in Appendix A.

4.7.4 Asset Management Strategies

The documentation of lifecycle management strategies, current levels of service, and risk are critical to the development of a comprehensive asset management program. These components of the asset management plan support effective short-term and long-term capital planning and contribute to more proactive asset management practices, thus extending the estimated useful life of many assets and providing a higher level of service.

In accordance with O. Reg. 588/17, the Municipality will continue to gather data and information in order to detail and review the lifecycle management strategies, levels of service, and risk of all non-core asset categories by July 1, 2024.

4.7.5 Recommendations

Replacement Costs

- Most replacement costs used in this AMP were based on the inflation of historical costs, with a small portion being user defined. All costs, and especially inflated costs should be evaluated to determine their accuracy and reliability. Replacement costs should be updated according to the best available information on the cost to replace the asset in today's value.

Condition Assessment Strategies

- Identify condition assessment strategies for high-value and high-risk assets.
- Review assets that have surpassed their estimated useful life to determine if immediate replacement is required or whether these assets are expected to remain in-service. Adjust the service life and/or condition ratings for these assets accordingly.

Risk Management Strategies

- Implement risk-based decision-making as part of asset management planning and budgeting processes. This should include the regular review of high-risk assets to determine appropriate risk mitigation strategies.
- Review risk models on a regular basis and adjust according to an evolving understanding of the probability and consequences of asset failure.

Levels of Service

- Begin documenting and measuring current levels of service in preparation of the O.Reg. 588/17 2024 requirements. Additional metrics can be established as they are determined to provide meaningful and reliable inputs into asset management planning.
- Regularly collect levels of service performance metrics and incorporate data into decision feedback; consider sharing with staff to gain engagement, cultivate asset management understanding and interest, and incentive staff to work towards continual improvement.

5 Analysis of Rate-funded Assets

Key Insights

- Rate-funded assets are valued at \$91.9 million
- 98% of rate-funded assets are in fair or better condition
- The average annual capital requirement to sustain the current level of service for rate-funded assets is approximately \$1.6 million
- Critical assets should be evaluated to determine appropriate risk mitigation activities and treatment options

5.1 Water Network

The water services provided by the Township are overseen by the Public Works Department and include the following assets:

- Underground water mains and above ground assets such as meters, valves, and hydrants
- Water vehicles and equipment
- Water buildings and stations

The state of the infrastructure for water network is summarized in the following table.

Replacement Cost	Condition	Financial Capacity	
\$65.3 million	Good (66%)	Annual Requirement:	\$1,116,000
		Funding Available:	\$ 335,000
		Annual Deficit:	\$ 781,000

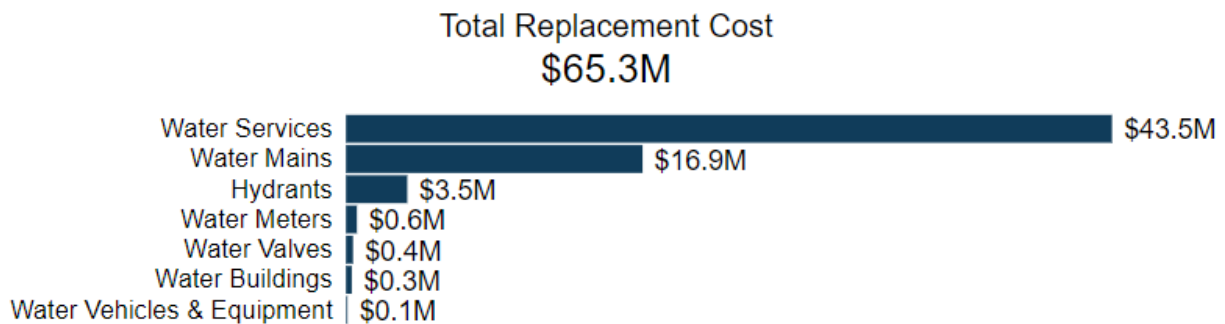
The following core values and level of service statements are a key driving force behind the Township's asset management planning.

Service Attribute	Level of Service Statement
Accessible & Reliable	A reliable water supply is provided with minimal service disruptions
Safe & Regulatory	Water supply is safe to drink and meets all regulatory requirements
Sustainable	There are long-term plans in place for the renewal and replacement of all water infrastructure

5.1.1 Asset Inventory & Costs

The table below includes the quantity, replacement cost method, and annual capital requirements of each asset segment in the Township's Water Network inventory.

Asset Segment	Quantity (components)	Replacement Cost	Annual Capital Requirement
Hydrants	260	\$3,483,000	\$51,000
Water Buildings	2 (59)	\$329,000	\$61,000
Water Mains	35 kms	\$16,857,000	\$216,000
Water Meters	Pooled	\$621,000	\$42,000
Water Services	Pooled ⁵	\$43,537,000	\$729,000
Water Valves	317	\$398,000	\$12,000
Water Vehicles & Equipment	5	\$82,000	\$9,000
Total		\$65,304,000	\$1,116,000



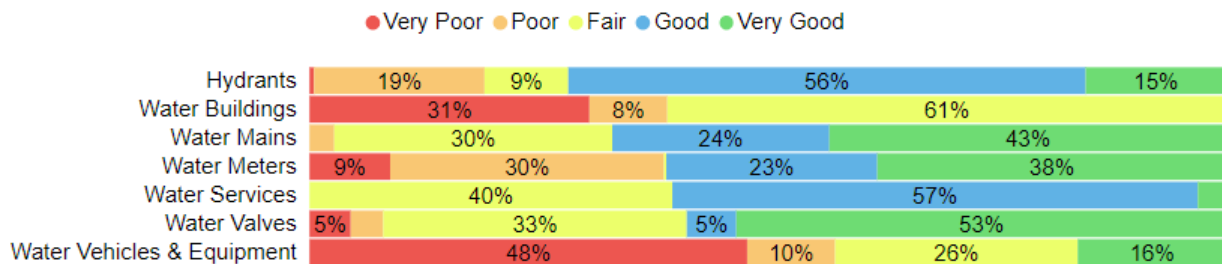
Each asset's replacement cost should be reviewed periodically to determine whether adjustments are needed to more accurately represent realistic capital requirements.

⁵ Water services include curb stops and service connections that are replaced on a regular basis. These assets are pooled.

5.1.2 Asset Condition

The table below identifies the current average condition, the average age, and the estimated useful life for each asset segment. The Average Condition (%) is a weighted value based on replacement cost.

Asset Segment	Estimated Useful Life (Years)	Average Age	Average Condition (%)
Hydrants	50 - 70 Years	30.8	68% (Good)
Water Buildings	5 - 50 Years	21.6	35% (Poor)
Water Mains	80 Years	21.3	71% (Good)
Water Meters	15 Years	13.3	63% (Good)
Water Services	45 - 60 Years	22.3	64% (Good)
Water Valves	25 - 40 Years	13.8	72% (Good)
Water Vehicles & Equipment	8 - 20 Years	7.1	37% (Poor)
Average		22.6	66% (Good)



To ensure that the Township's Water Network continues to provide an acceptable level of service, the average condition of all assets should be regularly monitored. If the average condition declines, staff should re-evaluate their lifecycle management strategy to determine what combination of maintenance, rehabilitation and replacement activities is required to increase the overall condition of the Water Network.

Each asset's Estimated Useful Life should also be reviewed periodically to determine whether adjustments need to be made to better align with the observed length of service life for each asset type.

Current Approach to Condition Assessment

Accurate and reliable condition data allows staff to determine the remaining service life of assets and identify the most cost-effective approach to managing assets more confidently.

- Staff primarily rely on the age, pipe material, and the number of breaks to determine the projected condition of water mains. The Township has recently completed hydraulic modelling to model water flow and capacity.
- Hydrants, valves, and other point assets are visually inspected on a regular basis and repaired/replaced as needed.
- Water buildings are inspected in accordance with Health and Safety standards and the Building Code Act. A recent 2020 Building Condition Assessment was conducted and provided condition ratings for all major components of the buildings.
- Water vehicles are inspected and serviced in accordance with Commercial Vehicle Operators Registration (CVOR) requirements

In this AMP the following rating criteria is used to determine the current condition of Water Network assets and forecast future capital requirements:

Condition	Rating
Very Good	80 - 100
Good	60 - 79
Fair	40 - 59
Poor	20 - 39
Very Poor	0 - 19

5.1.3 Lifecycle Management Strategy

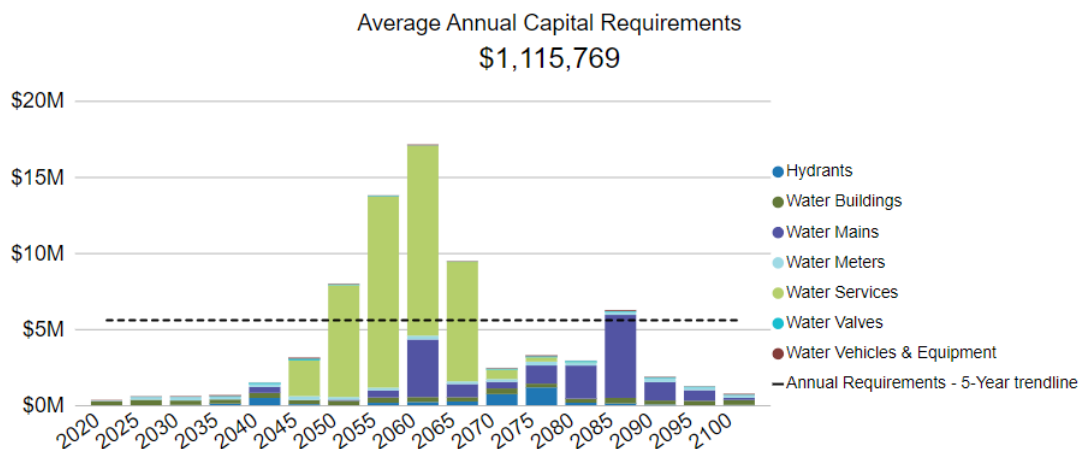
The condition or performance of most assets will deteriorate over time. To ensure that municipal assets are performing as expected and meeting the needs of customers, it is important to establish a lifecycle management strategy to proactively manage asset deterioration.

The following table outlines the Township's current lifecycle management strategy for their water assets:

Activity Type	Description of Current Strategy
Maintenance	Annual watermain flushing, hydrant maintenance, and valve exercising is complete. Staff have a dedicated water meter replacement program (\$30,000/year). A water loss and leak detection program has been developed for regular inspections.
Rehabilitation	The Township has experienced very few main breaks historically and addresses these on a reactive basis as necessary. Many of the Township's watermains are PVC are in Good-Very Good condition.
Replacement	Prioritization focuses on affordability, coordination with other projects, and health & safety impacts as key indicators.

5.1.4 Forecasted Capital Requirements

The following graph forecasts long-term capital requirements. The annual capital requirement represents the average amount per year that the Township should allocate towards funding rehabilitation and replacement needs. The following graph identifies capital requirements over the next 80 years. This projection is used as it ensures that every asset has gone through one full iteration of replacement. The forecasted requirements are aggregated into 5-year bins and the trend line represents the average 5-year capital requirements.



The projected cost of lifecycle activities that will need to be undertaken over the next 10 years to maintain the current level of service can be found in Appendix A.

5.1.5 Risk & Criticality

Risk Matrix

The following risk matrix provides a visual representation of the relationship between the probability of failure and the consequence of failure for water work assets. Risk outputs are based on 2021 inventory data.

Consequence	5	5 Assets 1,562.00 m \$778,580.00	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00
	4	21 Assets 604.74 km, unit(s), m \$1,907,287.00	7 Assets 1.53 km \$952,200.00	12 Assets 2.87 km \$1,748,750.00	0 Assets - \$0.00	0 Assets - \$0.00
	3	58 Assets 109.91 km, m \$3,641,920.00	0 Assets - \$0.00	26 Assets 3,776.50 km, unit(s), sq ft \$422,882.00	7 Assets 14,306.00 sq ft, unit(s) \$21,900.00	12 Assets 1,803.00 unit(s), sq ft, feet \$52,605.00
	2	75 Assets 10.39 km, unit(s) \$3,684,301.00	22 Assets 2.88 km \$1,094,400.00	34 Assets 6.14 km, unit(s) \$1,955,700.00	1 Asset 1.00 unit(s) \$6,000.00	7 Assets 54.00 unit(s), sq ft \$15,150.00
	1	134 Assets 3,029.30 unit(s), m \$3,135,368.50	12,289 Assets 12,287.00 unit(s) \$27,085,735.00	8,154 Assets 9,888.00 unit(s), sq ft \$17,784,873.00	236 Assets 586.00 unit(s) \$854,864.00	122 Assets 122.00 unit(s) \$161,300.00
		1	2	3	4	5
		Probability				

Within the risk models developed in Citywide, the asset-specific metrics that determine the risk scores for water mains assets and that staff utilize when prioritizing replacement are as follows:

Probability of Failure (POF)	Consequence of Failure (COF)
Age	Replacement Cost (Financial)
Breaks per Segment	Pipe Diameter (Operational)
Pipe Material	

Risks to Current Asset Management Strategies

The following section summarizes key trends, challenges, and risks to service delivery that the Township is currently facing:



Asset Data & Information

Staff are actively working towards improving the quality of the available inventory data for the water network. Staff plan to prioritize data refinement efforts to increase confidence in the accuracy and reliability of asset data and information. To improve the inventory and accuracy of condition data, third party building condition assessments were recently completed for the Township’s water buildings. As this data becomes more integrated into asset management decisions it will improve confidence in strategies and decisions.

5.1.6 Levels of Service

The following tables identify the Township’s current level of service for the Water Network. These metrics include the technical and community level of service metrics that are required as part of O. Reg. 588/17 as well as some additional performance measures that the Township has selected for this AMP.

Community Levels of Service

The following table outlines the qualitative descriptions that determine the community levels of service provided by Water Network.

Service Attribute	Qualitative Description	Current LOS (2021)
Accessible & Reliable	A Description, which may include maps, of the user groups or areas of the municipality that are connected to the municipal water system	See Appendix B
	Description, which may include maps, of the user groups or areas of the municipality that have fire flow	
Safe & Regulatory	Description of boil water advisories and service interruptions	In 2021, there were no boil water advisories within West Lincoln. Water service interruptions may occur due to main breaks, maintenance work or projects. Staff provide notice for planned interruptions and respond in a timely manner.

Sustainable	Description of the current condition of the water network and the plans that are in place to maintain or improve the provided level of service	Except for buildings, the condition of the water network is age-based and ranges by segment; most segments have an average condition rating of good. Water network assets are replaced in coordination with other projects (i.e., roads) with additional considerations for affordability and health and safety impacts.
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Technical Levels of Service

The following table outlines the quantitative metrics that determine the technical level of service provided by the Water Network.

Service Attribute	Technical Metric	Current LOS (2021)
Accessible & Reliable	% of properties connected to the municipal water system	100%
	% of properties where fire flow is available	100% ⁶
	# of connection-days per year where a boil water advisory notice is in place compared to the total number of properties connected to the municipal water system	0
Safe & Regulatory	# of connection-days per year where water is not available due to water main breaks compared to the total number of properties connected to the municipal water system	0 ⁷
	# of water quality customer complaints received annually related to the water system	3
Sustainable	% of the water system that is in good or very good condition	62%
	% of the water system that is in poor or very poor condition	3%

⁶ 100% of properties in urban areas have fire flow.

⁷ Most water main breaks are addressed immediately allowing a return to service within the same day.

5.1.7 Recommendations

Asset & Data Information

- Review asset quantities to ensure asset management inventory is comprehensive and accurate. This is particularly relevant for smaller point assets that are generally pooled and replaced as needed.

Condition Assessment Strategies

- Identify condition assessment strategies for high-value and high-risk water network assets. Update the asset management database with the collected condition information.
- Where possible, collect other relevant asset attribute information (i.e., material, bury depth etc.) alongside the condition assessments.

Risk Management Strategies

- Implement risk-based decision-making as part of asset management planning and budgeting processes. This should include the regular review of high-risk assets to determine appropriate risk mitigation strategies.
- Review risk models on a regular basis and adjust according to an evolving understanding of the probability and consequences of asset failure.

Levels of Service

- Continue to measure current levels of service in accordance with the metrics identified in O. Reg. 588/17 and those metrics that the Township believes to provide meaningful and reliable inputs into asset management planning.
- Work towards identifying proposed levels of service as per O. Reg. 588/17 and identify the strategies that are required to close any gaps between current and proposed levels of service.
- On a regular basis review the performance of established levels of service and incorporate performance results in lifecycle decisions, risks assessment evaluations, and other asset management practices (i.e., internal information sharing and reporting).

5.2 Sanitary Network

The sewer services provided by the Township are overseen by the Publics Work Department. The Sanitary Network includes underground mains, manholes, and laterals.

The state of the sanitary network infrastructure is summarized in the following table.

Replacement Cost	Condition	Financial Capacity	
\$26.6 million	Very Good (83%)	Annual Requirement:	\$521,000
		Funding Available:	\$676,000
		Annual Surplus:	\$155,000

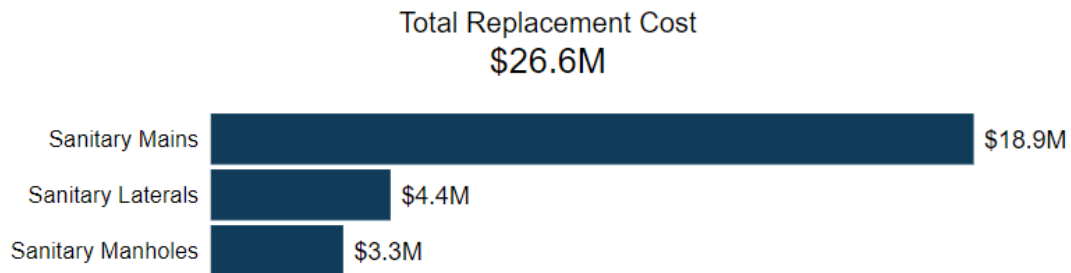
The following core values and level of service statements are a key driving force behind the Township's asset management planning.

Service Attribute	Level of Service Statement
Accessible & Reliable	A reliable wastewater service is provided with minimal service disruptions
Safe & Regulatory	Wastewater services are managed in accordance with regulatory requirements
Sustainable	There are long-term plans in place for the renewal and replacement of wastewater infrastructure

5.2.1 Asset Inventory & Costs

The table below includes the quantity, replacement cost method, and annual capital requirements of each asset segment in the Township's Sanitary Network inventory.

Asset Segment	Quantity	Replacement Cost	Annual Capital Requirement
Sanitary Laterals	18 kms	\$4,448,000	\$77,000
Sanitary Mains	32 kms	\$18,872,000	\$375,000
Sanitary Manholes	440	\$3,276,000	\$70,000
Total		\$26,595,000	\$521,000

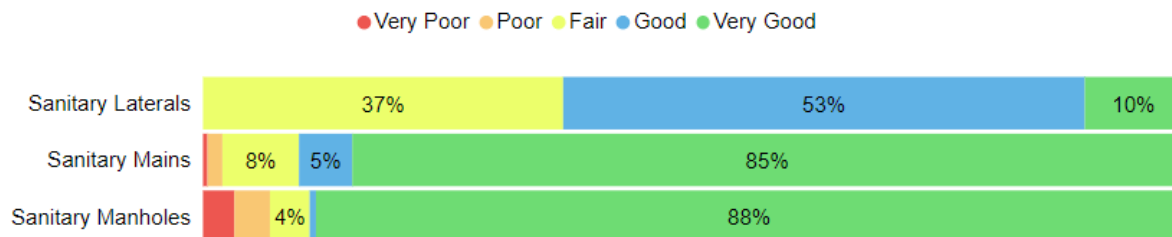


All replacement cost should be reviewed periodically to determine whether adjustments are needed to deliver more accurate capital requirements forecasts.

5.2.2 Asset Data: Useful Life, Age & Condition

The table below identifies the current average condition, the average age, and the estimated useful life for each asset segment. The Average Condition (%) is a weighted value based on replacement cost.

Asset Segment	Estimated Useful Life (Years)	Average Age	Average Condition (%)
Sanitary Laterals	60 Years	16.3	66% (Good)
Sanitary Mains	60 Years	34.7	87% (Very Good)
Sewer Manholes	60 Years	33.9	88% (Very Good)
Average		35.8	83% (Good)



To ensure that the Township's sanitary network continues to provide an acceptable level of service, the average condition of all assets should be monitored. If the average condition declines, staff should re-evaluate their lifecycle management strategy to determine what combination of maintenance, rehabilitation and replacement activities is required to increase the overall condition of the sewer network.

Each asset's Estimated Useful Life should also be reviewed periodically to determine whether adjustments need to be made to better align with the observed length of service life for each asset type.

Current Approach to Condition Assessment

Accurate and reliable condition data allows staff to determine the remaining service life of assets and identify the most cost-effective approach to managing assets more confidently. The following describes the Township's current approach:

- CCTV inspections are completed every 3-5 years on sanitary mains to document their condition. Manholes are inspected and rated alongside the mains, when possible.
- Other sanitary assets are inspected on an as-needed visual basis.

In this AMP the following rating criteria is used to determine the current condition of the sewer network assets and forecast future capital requirements:

Condition	Rating
Very Good	80 - 100
Good	60 - 79
Fair	40 - 59
Poor	20 - 39
Very Poor	0 - 19

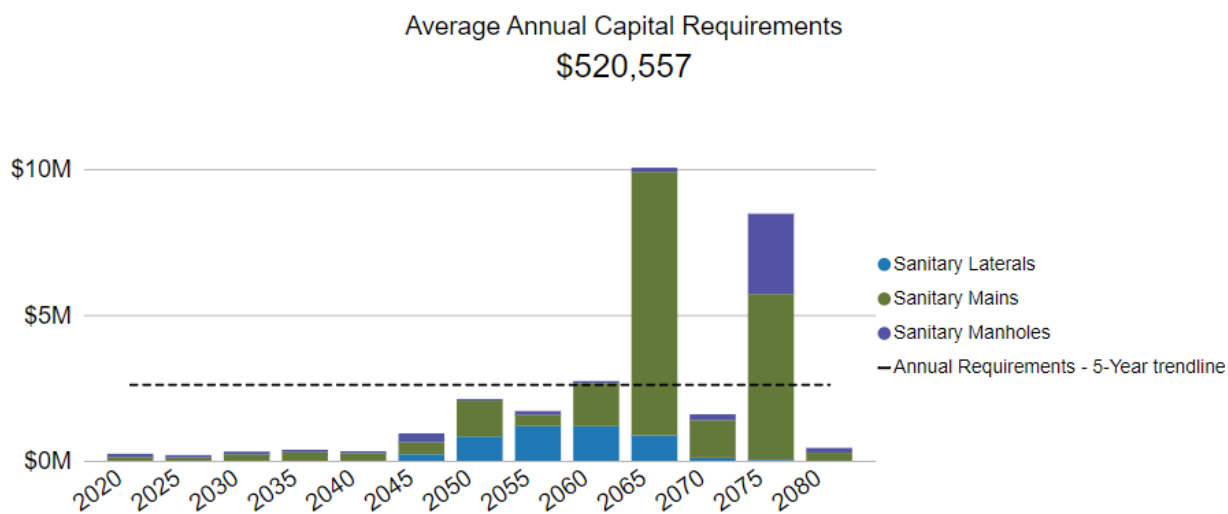
5.2.3 Lifecycle Management Strategy

The condition or performance of most assets will deteriorate over time. To ensure that municipal assets are performing as expected and meeting the needs of customers, it is important to establish a lifecycle management strategy to proactively manage asset deterioration. The following table outlines the Township's current lifecycle management strategy:

Activity Type	Description of Current Strategy
Maintenance	Annual sanitary sewer flushing, and inspection activities are completed regularly
	Sanitary manhole repairs and inspections are performed as needed
	CCTV camera inspections are completed every 3 years
Rehabilitation	Inflow & Infiltration (I&I) studies are performed, when needed, to identify trouble areas in both the sanitary and storm networks (\$250,000)
	After inspections, smoke testing and/or rodding & boring is performed as needed.
	At this time trenchless re-lining activities are performed on an as-needed basis based after an evaluation of potential cost savings, bury depth, pipe size, and condition/performance of above ground assets.
Replacement	Replacements are prioritized based on the sewer mains' condition ratings from the CCTV inspections, and areas that have capacity or infiltration issues

5.2.4 Forecasted Capital Requirements

The following graph forecasts long-term capital requirements. The annual capital requirement represents the average amount per year that the Township should allocate towards funding rehabilitation and replacement needs. The following graph identifies capital requirements over the next 60 years. This projection is used as it ensures that every asset has gone through one full iteration of replacement. The forecasted requirements are aggregated into 5-year bins and the trend line represents the average 5-year capital requirements.



The projected cost of lifecycle activities that will need to be undertaken over the next 10 years to maintain the current level of service can be found in Appendix A.

5.2.5 Risk & Criticality

Risk Matrix

The following risk matrix provides a visual representation of the relationship between the probability of failure and the consequence of failure for sanitary network assets based on 2021 inventory data.

Consequence	5	3 Assets 16.00 km \$8,020,000.00	4 Assets 0.36 km \$216,000.00	1 Asset 0.04 km \$24,000.00	0 Assets - \$0.00	0 Assets - \$0.00
	4	11 Assets 1.26 km \$633,000.00	10 Assets 1.17 km \$587,000.00	0 Assets - \$0.00	0 Assets - \$0.00	0 Assets - \$0.00
	3	80 Assets 2,078.81 km, m \$1,886,192.00	31 Assets 7,502.00 km, m \$2,347,420.00	8 Assets 0.65 km \$250,500.00	0 Assets - \$0.00	0 Assets - \$0.00
	2	110 Assets 543.05 km, m \$2,318,179.50	100 Assets 3,187.42 km, m \$3,027,935.00	46 Assets 5,303.24 km, m \$2,183,722.50	3 Assets 0.20 km \$60,180.00	0 Assets - \$0.00
	1	461 Assets 2,748.73 unit(s), m, km \$4,102,993.50	4 Assets 80.60 unit(s), m \$59,800.00	28 Assets 2,117.43 m, unit(s) \$614,779.00	19 Assets 139.10 unit(s), m \$155,630.00	16 Assets 22.50 unit(s), m \$107,250.00
		1	2	3	4	5
		Probability				

Within the risk models developed in Citywide, the asset-specific metrics that determine the risk scores for sanitary mains and that staff utilize when prioritizing replacement are as follows:

Probability of Failure (POF)	Consequence of Failure (COF)
Condition	Replacement Cost (Financial)
Pipe Material	Pipe Diameter (Operational)
	Inflow & Infiltration (Operational)

5.2.6 Levels of Service

The following tables identify the Township's current level of service for Sewer Network. These metrics include the technical and community level of service metrics that are required as part of O. Reg. 588/17 as well as any additional performance measures that the Township has selected for this AMP.

Community Levels of Service

The following table outlines the qualitative descriptions that determine the community levels of service provided by Sewer Network.

Service Attribute	Qualitative Description	Current LOS (2021)
Accessible & Reliable	Description, which may include maps, of the user groups or areas of the Township that are connected to the municipal wastewater system	See Appendix B
	Description of how combined sewers in the municipal wastewater system are designed with overflow structures in place which allow overflow during storm events to prevent backups into homes	
Safe & Regulatory	Description of the frequency and volume of overflows in combined sewers in the municipal wastewater system that occur in habitable areas or beaches	Not Applicable. There are no combined sewers in the Township
	Description of how stormwater can get into sewers in the municipal wastewater system, causing sewage to overflow into streets or backup into homes	

Service Attribute	Qualitative Description	Current LOS (2021)
	Description of how sanitary sewers in the municipal wastewater system are designed to be resilient to stormwater infiltration	The municipality follows a series of design standards that integrate servicing requirements and land use considerations when constructing or replacing sanitary sewers. These standards have been determined with consideration of the minimization of sewage overflows and backups.
	Description of the effluent that is discharged from sewage treatment plants in the municipal wastewater system	Effluent refers to water pollution that is discharged from a wastewater treatment plant, and may include suspended solids, total phosphorous and biological oxygen demand. The Environmental Compliance Approval (ECA) identifies the effluent criteria for municipal wastewater treatment plants
Sustainable	Description of the current condition of the wastewater network and the plans that are in place to maintain or improve the provided level of service	The condition of the sanitary network is in overall good condition. Where possible, trenchless relining is performed, and assets are replaced as required to maintain the quality and performance of the system.

Technical Levels of Service

The following table outlines the quantitative metrics that determine the technical level of service provided by the Sanitary Network.

Service Attribute	Technical Metric	Current LOS (2021)
Accessibility & Reliable	% of properties connected to the municipal wastewater system	100%
	# of events per year where combined sewer flow in the municipal wastewater system exceeds system capacity compared to the total number of properties connected to the municipal wastewater system	N/A
Safety & Regulatory	# of connection-days per year having wastewater backups compared to the total number of properties connected to the municipal wastewater system	0 (managed by Region)
	# of connection-days per year due to sanitary service backups compared to the total number of properties connected to the municipal wastewater system	2 : 2,800
	# of effluent violations per year due to wastewater discharge compared to the total number of properties connected to the municipal wastewater system	4 : 2,800
Sustainable	% of the wastewater system that is in good or very good condition	86%
	% of the wastewater system that is in poor or very poor condition	2%

5.2.7 Recommendations

Asset & Data Information

- Review asset quantities to ensure asset management inventory is comprehensive and accurate. The quantities for sanitary laterals and sanitary mains should be reviewed in order to align them with the records staff have in their GIS inventory.

Condition Assessment Strategies

- Continue completing CCTV inspections of the sanitary network. Regularly update collected information into Citywide to ensure that analysis and resultant decisions are based on the best available information.

Risk Management Strategies

- Review risk models on a regular basis and adjust according to an evolving understanding of the probability and consequences of asset failure.
- Implement risk-based decision-making as part of asset management planning and budgeting processes. This should include the regular review of high-risk assets to determine appropriate risk mitigation strategies.

Lifecycle Management Strategies

- Evaluate the efficacy of the Township's lifecycle management strategies at regular intervals to determine the impact cost, condition, and risk.
- As the trenchless re-lining strategy is utilized, continue to monitor its performance, cost, and other project benefits and risks of the approach to better understand the value of the rehabilitation approach.

Levels of Service

- Continue to measure current levels of service in accordance with the metrics identified in O. Reg. 588/17 and those metrics that the Township believes to provide meaningful and reliable inputs into asset management planning.
- Work towards identifying proposed levels of service as per O. Reg. 588/17 and identify the strategies that are required to close any gaps between current and proposed levels of service.
- Review and consider LOS performance metrics to better understand asset performance and trends and utilize this information in conjunction with risk and other Township considerations when making asset lifecycle decisions.

6 Impacts of Growth

Key Insights

- Understanding the key drivers of growth and demand will allow the Township to plan for new infrastructure, and the upgrade or disposal of existing infrastructure more effectively
- Relatively modest population and employment growth is expected
- The costs of growth should be considered in long-term funding strategies that are designed to maintain the current level of service

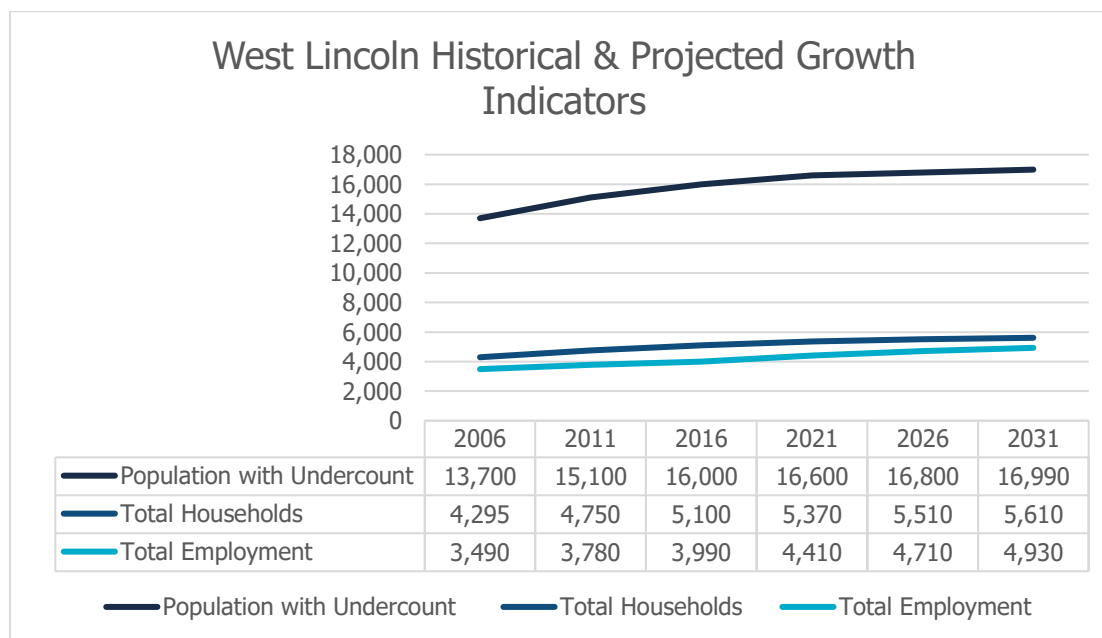
6.1 Description of Growth Assumptions

The demand for infrastructure and services will change over time based on a combination of internal and external factors. Understanding the key drivers of growth and demand will allow the Township to plan for new infrastructure more effectively, and the upgrade or disposal of existing infrastructure. Increases or decreases in demand can affect what assets are needed and what level of service meets the needs of the community.

6.1.1 West Lincoln Township: Strategic Plan

The Township of West Lincoln's Official Plan was adopted by the Ontario Municipal Board in 2015 with the latest amendment dated, November of 2019. The plan's objective is to provide general guidance for growth and development until 2031.

As illustrated in the figure below, West Lincoln's population is projected to grow by 19.36% from 2006 to 2031. Total households and employment indicators are projected to grow at a similar rate, with the former growing by 23.44%, and the latter, by 29.21%.



It is noteworthy that while there will be considerable growth across the mentioned indicators, the Township's rate of growth between 2026 and 2031 is projected to decrease from previous years. This is evidenced in the table below:

Years	% Change in Population	% Change in Households	% Change in Employment
2006-2011	9.27	9.58	7.67
2011-2016	5.63	6.86	5.26
2016-2021	3.61	5.03	9.52
2021-2026	1.19	2.54	6.37
2026-2031	1.12	1.78	4.46

6.1.2. Niagara Region Official Plan (June 2014)

West Lincoln is one of 12 lower tier municipalities in Niagara Region. By virtue of the municipal tier system Niagara Region implements Provincial Policy over all the regional municipalities. Niagara Region's existing Official Plan was written in 1970 and most recently amended in 2014. Niagara Region is currently in the final stages of releasing a brand-new Official Plan which will include the following related Provincial and local plans:

1. Niagara Escarpment Plan (2017)
2. A Place to Grow: Growth plan for the Greater Golden Horseshoe (2019)
3. Greenbelt Plan (2017)
4. Provincial Policy Statement (2020)

The 2014 Niagara Region Official Plan identifies both *Intensification* and *Greenfield Growth* as two approaches to expanding Niagara Region's growth. Niagara Region's intensification target rate is 40% for a minimum of 10 years, starting in 2015. The Township of West Lincoln's minimum residential intensification target is 15%.

The *Greenfield Density* target for Niagara Region is 50 people per hectare across all Designated Greenfield Areas. To achieve this, municipalities within Niagara Region will:

1. Accommodate a range of land uses including residential, commercial, institutional, recreational, employment, and other uses.
2. Contribute to the growth of the respective *Urban Areas*.
3. Provide opportunities for integrated, mixed land uses.
4. Create street patterns that are fine grain and in grid pattern, with supporting active transit within the area; and
5. Ensuring the Greenfield development is sequential and orderly with existing built-up areas.

6.2 Impact of Growth on Lifecycle Activities

Future versions of the Township's asset management plan must include assumptions regarding projected changes in population and economic activity informing the preparation of lifecycle management and financial strategies.

Planning for forecasted population growth may require the expansion of existing infrastructure and services. As growth-related assets are constructed or acquired, they should be integrated into the Township's AMP. While the addition of residential units will add to the existing assessment base and offset some of the costs associated with growth, the Township will need to review the lifecycle costs of growth-related infrastructure. These costs should be considered in long-term funding strategies that are designed to, at a minimum, maintain the current level of service.

The Township has developed and adopted numerous documents and policies to guide population and economic growth. This includes the West Lincoln Official Plan (specifically Section 5), the Community Strategic Plan, the Economic Development Plan (2020), Trails and Corridors Master Plan, and the Urban Settlement Area Expansion Analysis Report. In addition to these documents, the Township plans to invest in an updated Development Charge Background study at least by 2024. Existing and future Development Charge Studies will provide the basis for expected population growth, the associated infrastructure costs, and the required development charges to cover the costs of growth to infrastructure.

These future studies and reports are expected to assist the Township as they begin to gather data to support future O. Reg. requirements including developing proposed levels of service and identifying risks associated with their asset management program.

7 Financial Strategy

Key Insights

- The Township is committing approximately \$2.9 million towards capital projects per year from sustainable revenue sources
- Given the annual capital funding investment of \$12.7 million, there is currently a funding gap of \$9.8 million annually
- For tax-funded assets, we recommend increasing tax revenues by 5.0% each year for the next 20 years to achieve a sustainable level of funding
- For the Water Network, we recommend increasing rate revenues by 2.9% annually for the next 15 years to achieve a sustainable level of funding
- For the Sanitary Network, we recommend maintaining the current rate revenues annually to achieve a sustainable level of funding

7.1 Financial Strategy Overview

For an asset management plan to be effective and meaningful, it must be integrated with a long-term financial plan (LTFP). The development of a comprehensive financial plan will allow the West Lincoln Township to identify the financial resources required for sustainable asset management based on existing asset inventories, desired levels of service, and projected growth requirements.

This report develops such a financial plan by presenting several scenarios for consideration and culminating with final recommendations. As outlined below, the scenarios presented model different combinations of the following components:

1. The financial requirements for:
 - a. Existing assets
 - b. Existing service levels
 - c. Requirements of contemplated changes in service levels (none identified for this plan)
 - d. Requirements of anticipated growth (none identified for this plan)
2. Use of traditional sources of municipal funds:
 - a. Tax levies
 - b. User fees
 - c. Reserves
 - d. Debt
 - e. Development charges
3. Use of non-traditional sources of municipal funds:
 - a. Reallocated budgets
 - b. Partnerships
 - c. Procurement methods
4. Use of Senior Government Funds:
 - a. Gas tax
 - b. Annual grants

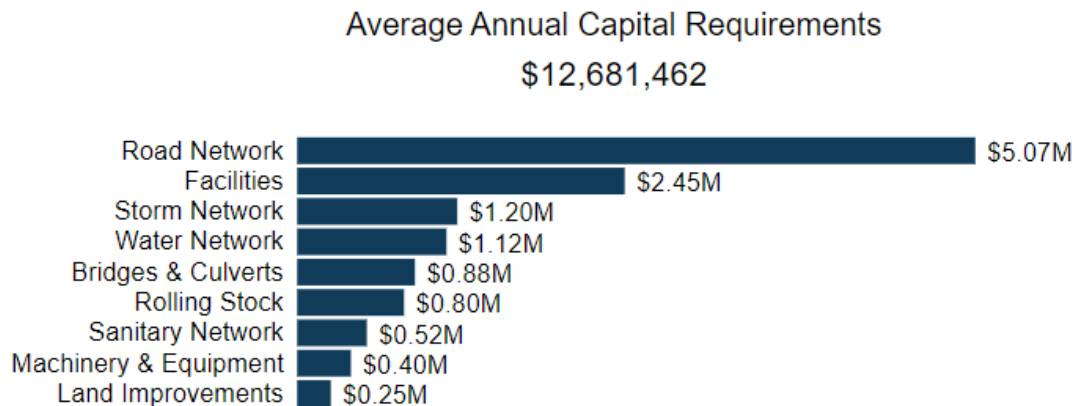
Note: Periodic grants are normally not included due to Provincial requirements for firm commitments. However, if moving a specific project forward is wholly dependent on receiving a one-time grant, the replacement cost included in the financial strategy is the net of such grant being received. If the financial plan component results in a funding shortfall, the Province requires the inclusion of a specific plan as to how the impact of the shortfall will be managed. In determining the legitimacy of a funding shortfall, the Province may evaluate a Township's approach to the following:

1. In order to reduce financial requirements, consideration has been given to revising service levels downward.
2. All asset management and financial strategies have been considered. For example:
 - a. If a zero-debt policy is in place, is it warranted? If not the use of debt should be considered.
 - b. Do user fees reflect the cost of the applicable service? If not, increased user fees should be considered.

7.1.1 Annual Requirements & Capital Funding

Annual Requirements

The annual requirements represent the amount the Township should allocate annually to each asset category to meet replacement needs as they arise, prevent infrastructure backlogs, and achieve long-term sustainability. In total, the Township must allocate approximately \$12.7 million annually to address capital requirements for the assets included in this AMP.



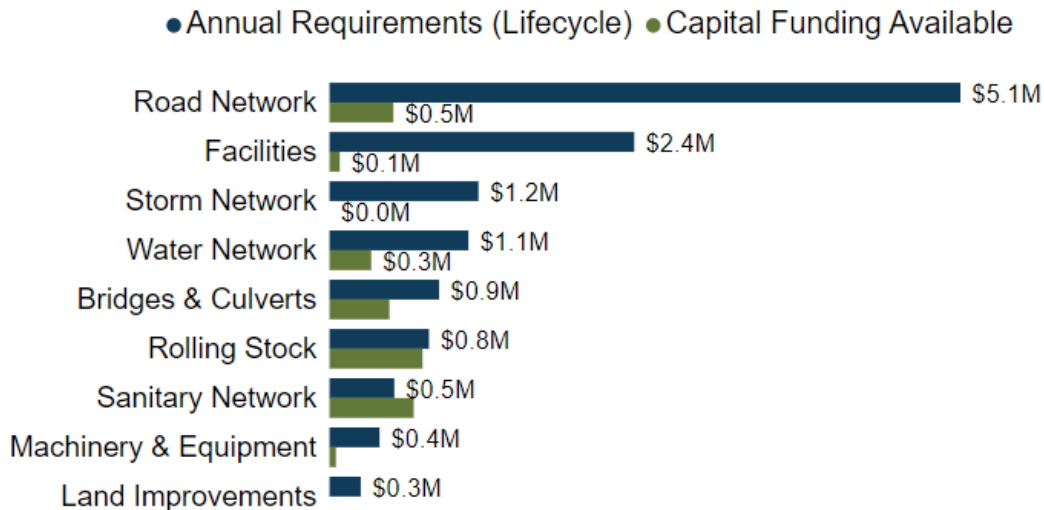
For most asset categories the annual requirement has been calculated based on a “replacement only” scenario, in which capital costs are only incurred at the construction and replacement of each asset. However, for the Road Network and Bridges & Culverts, lifecycle management strategies have been developed to identify capital costs that are realized through strategic rehabilitation and renewal of the Township’s roads, bridges and culverts. The development of these strategies allows for a comparison of potential cost avoidance if the strategies were to be implemented.

- **Replacement Only Scenario:** Based on the assumption that assets deteriorate and – without regularly scheduled maintenance and rehabilitation – are replaced at the end of their service life.
- **Lifecycle Strategy Scenario:** Based on the assumption that lifecycle activities are performed at strategic intervals to extend the service life of assets until replacement is required

The implementation of a proactive lifecycle strategy can lead to direct and indirect cost savings. Potential cost savings are influenced by current rehabilitation and reconstruction costs, the coordination of projects, and the criticality of the assets. Beyond cost avoidance, having proactive lifecycle strategies can also improve other valuable levels of service to the Township such as lowering health and safety hazards, decreasing the number of complaints received, and meeting Public expectations.

Annual Funding Available

Based on a historical analysis of sustainable capital funding sources, the Township is committing approximately \$2.9 million towards capital projects per year. Given the annual capital requirement of \$12.7 million, there is currently a funding gap of \$9.8 million annually.



7.2 Funding Objective

We have developed a scenario that would enable West Lincoln Township to achieve full funding within 1 to 20 years for the following assets:

1. **Tax Funded Assets:** Road Network, Bridges & Culverts, Storm Network, Facilities, Machinery & Equipment, Land Improvements, Rolling Stock
2. **Rate-Funded Assets:** Water Network, Sanitary Network

For each scenario developed we have included strategies, where applicable, regarding the use of cost containment and funding opportunities.

7.3 Financial Profile: Tax Funded Assets

7.3.1 Current Funding Position

The following tables show, by asset category, West Lincoln Township 's average annual capital expenditure requirements, current funding positions, and funding increases required to achieve full funding on tax-funded assets.

Asset Category	Avg. Annual Requirement	Annual Funding Available				Annual Deficit
		To Capital Reserves	Gas Tax	OCIF	Total Available	
Road Network	5,069,000	148,000	220,000	145,000	513,000	4,556,000
Storm Network	1,196,000				0	1,196,000
Bridges & Culverts	880,000	133,000	220,000	128,000	481,000	399,000
Facilities	2,448,000	82,000			82,000	2,366,000
Machinery & Equipment	402,000	51,000			51,000	351,000
Land Improvements	251,000				0	251,000
Rolling Stock	799,000	747,000			747,000	52,000
Total	11,045,000	1,161,000	440,000	273,000	1,874,000	9,171,000

The average annual capital expenditure requirement for the above categories is \$11 million. Annual revenue currently allocated to these assets for capital purposes is \$1.9 million leaving an annual deficit of \$9.2 million. Put differently, these infrastructure categories are currently funded at 17% of their long-term requirements.

7.3.2 Full Funding Requirements

In 2021, West Lincoln had annual tax revenues of \$8.8 million. As illustrated in the following table, without consideration of any other sources of revenue or cost containment strategies, full funding would require the following tax change over time:

Asset Category	Tax Change Required for Full Funding
Road Network	51.6%
Storm Network	13.5%
Bridges & Culverts	4.5%
Facilities	26.8%
Machinery & Equipment	4.0%
Land Improvements	2.8%
Rolling Stock	0.6%
Total	103.8%

The following changes in costs and/or revenues over the next number of years should also be considered in the financial strategy:

- West Lincoln's formula based OCIF grant is scheduled to remain at \$272,786 in 2020 and \$272,786 in 2021.
- West Lincoln's debt payments for these asset categories will be decreasing by \$105,000 over the next 5 years and by \$236,000 over the next 10 years. Although not shown in the table, debt payment decreases will be \$335,000 and \$433,000 over the next 15 and 20 years respectively.

Our recommendations include capturing the above changes and allocating them to the infrastructure deficit outlined above. The table below outlines this concept and presents several options:

	Without Capturing Changes				With Capturing Changes			
	5 Years	10 Years	15 Years	20 Years	5 Years	10 Years	15 Years	20 Years
Infrastructure Deficit	9,171,000	9,171,000	9,171,000	9,171,000	9,171,000	9,171,000	9,171,000	9,171,000
Change in Debt Costs	N/A	N/A	N/A	N/A	-105,000	-236,000	-335,000	-433,000
Change in OCIF Grants	N/A	N/A	N/A	N/A	0	0	0	0
Resulting Infrastructure Deficit	9,171,000	9,171,000	9,171,000	9,171,000	9,066,000	8,935,000	8,836,000	8,738,000
Tax Increase Required	103.9%	103.9%	103.9%	103.9%	102.7%	101.2%	100.1%	99.0%
Annually	20.8%	10.4%	6.9%	5.2%	20.5%	10.1%	6.7%	5.0%

7.3.3 Financial Strategy Recommendations

Considering all the above information, we recommend the 20-year option. This involves full capital expenditures (CapEx) funding being achieved over 20 years by:

- a) when realized, reallocating the debt cost reductions to the infrastructure deficit as outlined above.
- b) increasing tax revenue by 5.0% each year for the next 20 years solely for the purpose of phasing in full funding to the asset categories covered in this section of the AMP.
- c) adjusting tax revenue increases in future year(s) when allocations to CapEx exceed or fail to meet budgeted amounts.
- d) allocating the current gas tax and OCIF revenue as outlined previously.
- e) allocating the scheduled OCIF grant increases to the infrastructure deficit as they occur.
- f) reallocating appropriate revenue from categories in a surplus position to those in a deficit position.
- g) increasing existing and future infrastructure budgets by the applicable inflation index on an annual basis in addition to the deficit phase-in.

Notes:

- 1. As in the past, periodic senior government infrastructure funding will most likely be available during the phase-in period. By Provincial AMP rules, this periodic funding cannot be incorporated into an AMP unless there are firm commitments in place. We have included any applicable OCIF formula-based funding since this funding is a multi-year commitment⁸.
- 2. We realize that raising tax revenues by the amounts recommended above for infrastructure purposes will be very difficult to do. However, considering a longer phase-in window may have even greater consequences in terms of infrastructure failure.

Although this option achieves full CapEx funding on an annual basis in 20 years and provides financial sustainability over the period modeled, the recommendations do require prioritizing capital projects to fit the resulting annual funding available. Current data shows a pent-up investment demand of \$254,000 for the Road Network, \$0 for Bridges & Culverts, 644,000 for the Storm Network, \$1,100,000 for the Facilities, \$145,000 for Machinery & Equipment, \$292,000 for Land Improvements, and \$0 for Rolling Stock.

Prioritizing future projects will require the current data to be replaced by condition-based data. Although our recommendations include no further use of debt, the results of the condition-based analysis may require otherwise.

⁸ The Township should take advantage of all available grant funding programs and transfers from other levels of government. While OCIF has historically been considered a sustainable source of funding, the program is currently undergoing review by the provincial government. This review may impact its availability.

7.4 Financial Profile: Rate Funded Assets

7.5 Current Funding Position

The following tables show, by asset category, West Lincoln's average annual capital expenditures (CapEx) requirements, current funding positions, and funding increases required to achieve full funding on rate-funded assets.

Asset Category	Avg. Annual Requirement	Annual Funding Available			Annual Deficit
		Rates	To Operations	Total Available	
Water Network	1,116,000	1,820,000	(1,485,000)	335,000	781,000
Sanitary Network	521,000	2,173,000	(1,497,000)	676,000	(156,000)
Total	1,636,000	3,993,000	(2,982,000)	1,011,000	625,000

The average annual investment requirement for the above categories is \$1.6 million. Annual revenue currently allocated to these assets for capital purposes is \$1.0 million leaving an annual deficit of \$625,000. Put differently, these infrastructure categories are currently funded at 62% of their long-term requirements.

7.6 Full Funding Requirements

In 2021, West Lincoln had annual sanitary revenues of \$2.2 million and annual water revenues of \$1.8 million. As illustrated in the table below, without consideration of any other sources of revenue, full funding would require the following changes over time:

Asset Category	Rate Change Required for Full Funding
Water Network	42.9%
Sanitary Network	N/A%
Total	15.7%

In the following tables, we have expanded the above scenario to present multiple options. Due to the significant increases required, we have provided phase-in options of up to 20 years:

	Water Network				Sanitary Network			
	5 Years	10 Years	15 Years	20 Years	5 Years	10 Years	15 Years	20 Years
Infrastructure Deficit	781,000	781,000	781,000	781,000	-156,000	-156,000	-156,000	-156,000
Rate Increase Required	42.9%	42.9%	42.9%	42.9%	N/A	N/A	N/A	N/A
Annually:	8.6%	4.3%	2.9%	2.1%	0.0%	0.0%	0.0%	0.0%

7.7 Financial Strategy Recommendations

Considering the above information, we recommend the 15-year option for the Water Network and maintaining status quo for the Sanitary Network. This involves full CapEx funding being achieved over 15 years by:

- a) increasing rate revenues by 2.9% for the Water Network each year for the next 15 years & maintaining status quo for Sanitary Network revenues.
- b) these rate revenue increases are solely for the purpose of phasing in full funding to the respective asset categories covered in this AMP.
- c) increasing existing and future infrastructure budgets by the applicable inflation index on an annual basis in addition to the deficit phase-in.

Notes:

- 1. As in the past, periodic senior government infrastructure funding will most likely be available during the phase-in period. This periodic funding should not be incorporated into an AMP unless there are firm commitments in place.
- 2. We realize that raising rate revenues for infrastructure purposes will be very difficult to do. However, considering a longer phase-in window may have even greater consequences in terms of infrastructure failure.
- 3. Any increase in rates required for operations would be in addition to the above recommendations.

Although this strategy achieves full CapEx funding for rate-funded assets over 15 years, the recommendation does require prioritizing capital projects to fit the annual funding available. Current data shows a pent-up investment demand of \$63,000 for the Water Network and \$0 for the Sanitary Network.

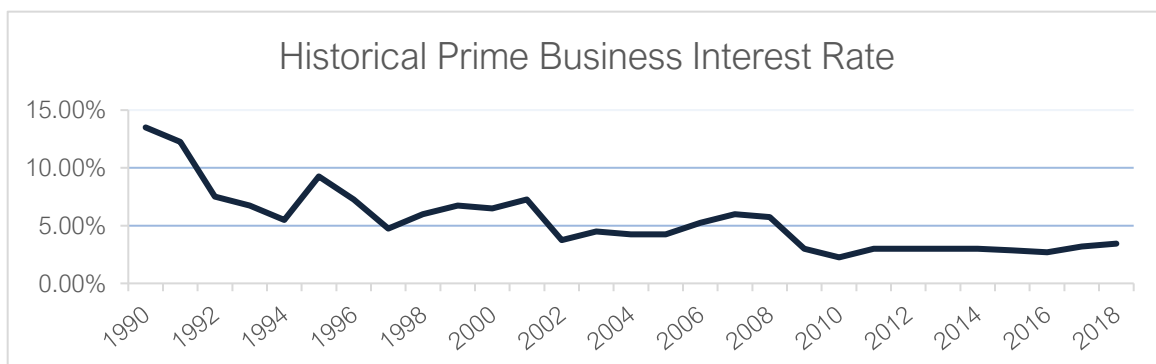
Prioritizing future projects will require the current data to be replaced by condition-based data. Although our recommendations include no further use of debt, the results of the condition-based analysis may require otherwise.

7.5 Use of Debt

For reference purposes, the following table outlines the premium paid on a project if financed by debt. For example, a \$1 million project financed at 3.0%⁹ over 15 years would result in a 26% premium or \$260,000 of increased costs due to interest payments. For simplicity, the table does not consider the time value of money or the effect of inflation on delayed projects.

Interest Rate	Number of Years Financed					
	5	10	15	20	25	30
7.0%	22%	42%	65%	89%	115%	142%
6.5%	20%	39%	60%	82%	105%	130%
6.0%	19%	36%	54%	74%	96%	118%
5.5%	17%	33%	49%	67%	86%	106%
5.0%	15%	30%	45%	60%	77%	95%
4.5%	14%	26%	40%	54%	69%	84%
4.0%	12%	23%	35%	47%	60%	73%
3.5%	11%	20%	30%	41%	52%	63%
3.0%	9%	17%	26%	34%	44%	53%
2.5%	8%	14%	21%	28%	36%	43%
2.0%	6%	11%	17%	22%	28%	34%
1.5%	5%	8%	12%	16%	21%	25%
1.0%	3%	6%	8%	11%	14%	16%
0.5%	2%	3%	4%	5%	7%	8%
0.0%	0%	0%	0%	0%	0%	0%

It should be noted that current interest rates are near all-time lows. Sustainable funding models that include debt need to incorporate the risk of rising interest rates. The following graph shows where historical lending rates have been:



⁹ Current municipal Infrastructure Ontario rates for 15-year money is 3.2%.

A change in 15-year rates from 3% to 6% would change the premium from 26% to 54%. Such a change would have a significant impact on a financial plan.

The following tables outline how West Lincoln has historically used debt for investing in the asset categories as listed. There is currently \$16,514,000 of debt outstanding for the assets covered by this AMP with corresponding principal and interest payments of \$1,188,000, well within its provincially prescribed maximum of \$5,366,000.

Asset Category	Current Debt Outstanding	Use of Debt in the Last Five Years				
		2016	2017	2018	2019	2020
Road Network						
Storm Network						
Bridges & Culverts	217,000			275,000		
Facilities	16,297,000			13,645,000	3,700,000	
Machinery & Equipment						
Land Improvements						
Rolling Stock						
Total Tax Funded:	16,514,000	0	0	13,920,000	3,700,000	0
Water Network						
Sanitary Network						
Total Rate Funded:	0	0	0	0	0	0

Asset Category	Principal & Interest Payments in the Next Ten Years						
	2020	2021	2022	2023	2024	2025	2030
Road Network							
Storm Network							
Bridges & Culverts	37,000	36,000	35,000	34,000	33,000	32,000	
Facilities	1,151,000	1,130,000	1,110,000	1,091,000	1,072,000	1,051,000	952,000
Machinery & Equipment							
Land Improvements							
Rolling Stock							
Total Tax Funded:	1,188,000	1,166,000	1,145,000	1,125,000	1,105,000	1,083,000	952,000
Water Network							
Sanitary Network							
Total Rate Funded:	0	0	0	0	0	0	0

The revenue options outlined in this plan allow West Lincoln to fully fund its long-term infrastructure requirements without further use of debt.

7.6 Use of Reserves

7.6.1 Available Reserves

Reserves play a critical role in long-term financial planning. The benefits of having reserves available for infrastructure planning include:

- a) the ability to stabilize tax rates when dealing with variable and sometimes uncontrollable factors
- b) financing one-time or short-term investments
- c) accumulating the funding for significant future infrastructure investments
- d) managing the use of debt
- e) normalizing infrastructure funding requirement

By asset category, the table below outlines the details of the reserves currently available to West Lincoln.

Asset Category	Balance at December 31, 2020
Road Network	495,000
Storm Network	-
Bridges & Culverts	236,000
Facilities	1,424,000
Machinery & Equipment	981,000
Land Improvements	1,667,000
Rolling Stock	1,405,000
Total Tax Funded:	6,208,000
Water Network	995,000
Sanitary Network	1,485,000
Total Rate Funded:	2,480,000

There is considerable debate in the municipal sector as to the appropriate level of reserves that a Township should have on hand. There is no clear guideline that has gained wide acceptance. Factors that municipalities should consider when determining their capital reserve requirements include:

- a) breadth of services provided
- b) age and condition of infrastructure
- c) use and level of debt
- d) economic conditions and outlook
- e) internal reserve and debt policies.

These reserves are available for use by applicable asset categories during the phase-in period to full funding. This coupled with West Lincoln's judicious use of debt in the past, allows the scenarios to assume that, if required, available reserves and debt capacity can be used for high priority and emergency infrastructure investments in the short- to medium-term.

7.6.2 Recommendation

In 2025, Ontario Regulation 588/17 will require West Lincoln Township to integrate proposed levels of service for all asset categories in its asset management plan update. We recommend that future planning should reflect adjustments to service levels and their impacts on reserve balances.

8 Appendices

Key Insights

- Appendix A identifies projected 10-year capital requirements for each asset category
- Appendix B includes several maps and images that have been used to visualize the current level of service

Appendix A: 10-Year Capital Requirements

The following tables identify the capital cost requirements for each of the next 10 years to meet projected capital requirements and maintain the current level of service.

Facilities											
Segment	Backlog	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
General Government	\$539,000	\$617,000	\$449,000	\$578,000	\$439,000	\$975,000	\$433,000	\$647,000	\$501,000	\$1,295,000	\$355,000
Protection Services	\$157,000	\$17,000	\$148,000	\$154,000	\$164,000	\$161,000	\$362,000	\$325,000	\$163,000	\$756,000	\$171,000
Recreation & Culture Services	\$366,000	\$301,000	\$752,000	\$538,000	\$568,000	\$495,000	\$597,000	\$1,044,000	\$442,000	\$1,189,000	\$421,000
Transportation Services	\$40,000	\$526,000	\$34,000	\$105,000	\$56,000	\$595,000	\$59,000	\$85,000	\$235,000	\$608,000	\$141,000
Total	\$1,100,000	\$1,459,000	\$1,382,000	\$1,374,000	\$1,226,000	\$2,225,000	\$1,449,000	\$2,099,000	\$1,340,000	\$3,846,000	\$1,086,000

Machinery & Equipment											
Segment	Backlog	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
General Government	\$91,000	\$0	\$90,000	\$53,000	\$163,000	\$82,000	\$207,000	\$108,000	\$87,000	\$141,000	\$56,000
Library Services	\$0	\$0	\$82,000	\$82,000	\$106,000	\$91,000	\$87,000	\$82,000	\$54,000	\$66,000	\$61,000
Protection Services	\$11,000	\$16,000	\$37,000	\$39,000	\$29,000	\$41,000	\$82,000	\$468,000	\$48,000	\$22,000	\$61,000
Recreation & Culture Services	\$0	\$8,000	\$8,000	\$10,000	\$7,000	\$6,000	\$5,000	\$8,000	\$23,000	\$11,000	\$6,000
Transportation Services	\$45,000	\$0	\$38,000	\$22,000	\$23,000	\$41,000	\$41,000	\$28,000	\$68,000	\$5,000	\$2,000
Total	\$146,000	\$23,000	\$253,000	\$204,000	\$327,000	\$260,000	\$420,000	\$692,000	\$277,000	\$244,000	\$185,000

Rolling Stock											
Segment	Backlog	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Protection Services	\$0	\$0	\$440,000	\$0	\$1,117,000	\$214,000	\$0	\$53,000	\$36,000	\$107,000	\$10,000
Recreation & Culture Services	\$0	\$0	\$0	\$90,000	\$80,000	\$0	\$50,000	\$19,000	\$59,000	\$23,000	\$0
Transportation Services	\$0	\$0	\$82,000	\$1,028,000	\$795,000	\$77,000	\$412,000	\$171,000	\$260,000	\$241,000	\$49,000
Total	\$0	\$0	\$522,000	\$1,118,000	\$1,992,000	\$291,000	\$462,000	\$243,000	\$355,000	\$371,000	\$59,000

Land Improvements											
Segment	Backlog	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Athletic Fields	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,000	\$222,000
Park Fixtures	\$201,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,000
Parking Lots	\$32,000	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0	\$34,000
Playgrounds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retaining Walls	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Trails & Pathways	\$59,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000	\$0
Total	\$292,000	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$0	\$53,000	\$289,000

Water Network											
Segment	Backlog	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Buildings	\$64,000	\$10,000	\$55,000	\$46,000	\$54,000	\$59,000	\$32,000	\$94,000	\$39,000	\$119,000	\$60,000
Water Mains	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Meters	\$0	\$0	\$55,000	\$0	\$0	\$51,000	\$68,000	\$68,000	\$1,000	\$1,000	\$1,000
Water Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Valves	\$0	\$0	\$0	\$0	\$0	\$4,000	\$0	\$0	\$15,000	\$0	\$0
Water Vehicles & Equipment	\$0	\$0	\$39,000	\$0	\$0	\$0	\$22,000	\$8,000	\$0	\$0	\$39,000
Total	\$64,000	\$10,000	\$148,000	\$46,000	\$54,000	\$113,000	\$121,000	\$169,000	\$54,000	\$119,000	\$99,000

Storm Network											
Segment	Backlog	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Catch Basins	\$72,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000
Storm Mains	\$572,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,000
Stormwater Headwalls	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Stormwater Ponds	\$0	\$0	\$0	\$27,000	\$0	\$0	\$0	\$70,000	\$0	\$0	\$0
Total	\$644,000	\$0	\$0	\$27,000	\$0	\$0	\$0	\$70,000	\$0	\$0	\$26,000

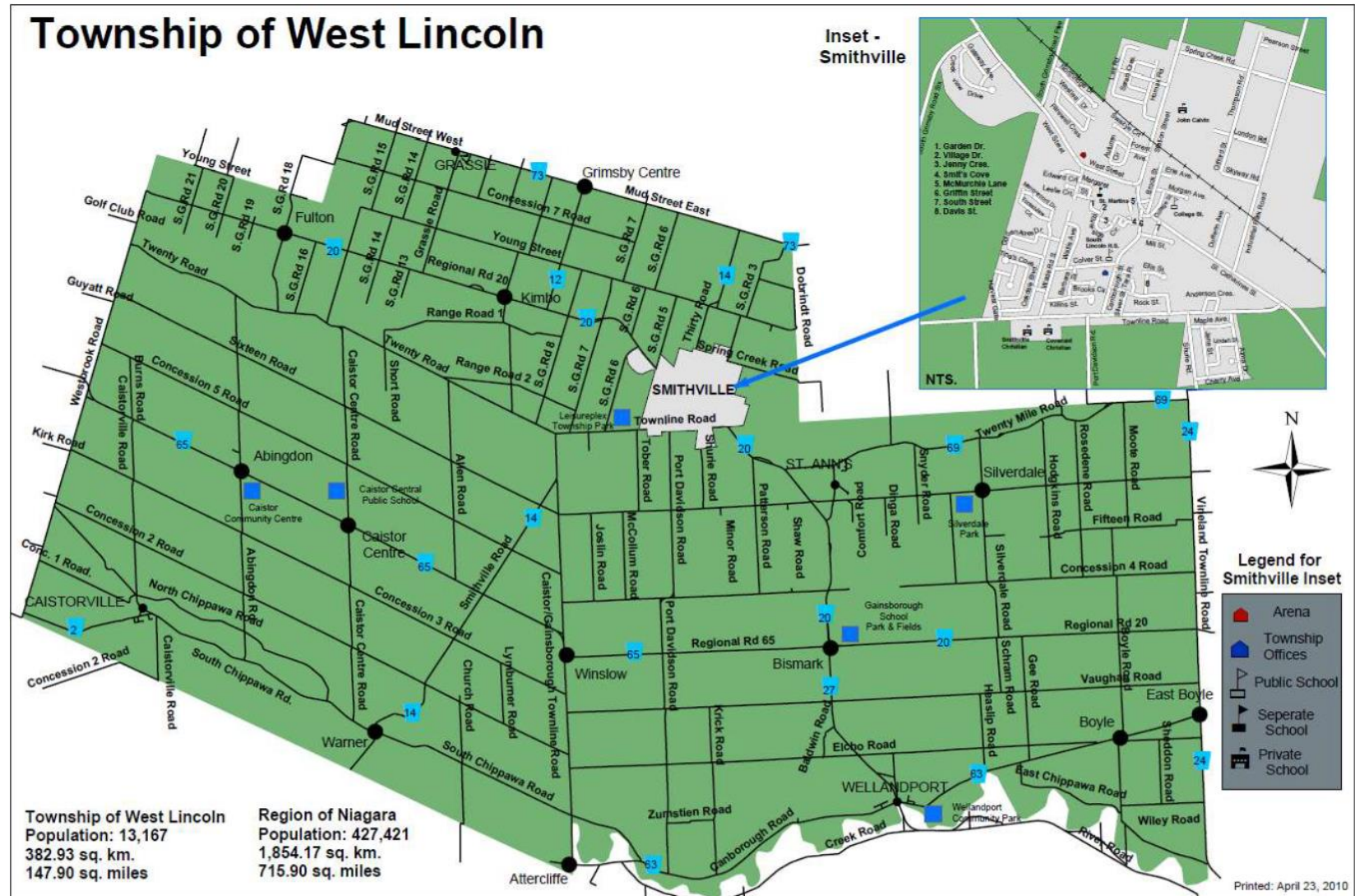
Sanitary Network											
Segment	Backlog	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Sanitary Laterals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sanitary Mains	\$0	\$0	\$73,000	\$3,000	\$52,000	\$3,000	\$52,000	\$3,000	\$52,000	\$3,000	\$105,000
Sanitary Manholes	\$0	\$0	\$84,000	\$28,000	\$0	\$28,000	\$0	\$28,000	\$0	\$28,000	\$0
Total	\$0	\$0	\$157,000	\$31,000	\$52,000	\$31,000	\$52,000	\$31,000	\$52,000	\$31,000	\$105,000

Bridges & Culverts											
Segment	Backlog	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Bridges	\$0	\$1,253,000	\$1,398,000	\$982,000	\$1,303,000	\$663,000	\$965,000	\$2,005,000	\$1,760,000	\$1,065,000	\$0
Major Culverts	\$0	\$807,000	\$23,000	\$35,000	\$15,000	\$334,000	\$10,000	\$0	\$345,000	\$460,000	\$610,000
Total	\$0	\$2,059,000	\$1,421,000	\$1,016,000	\$1,318,000	\$996,000	\$975,000	\$2,005,000	\$2,105,000	\$1,525,000	\$610,000

Road Network											
Segment	Backlog	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Paved Roads	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$653,000	\$1,729,000	\$4,554,000	\$4,915,000
Roadside Barriers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$26,000	\$0
Sidewalks	\$66,000	\$0	\$0	\$39,000	\$0	\$20,000	\$87,000	\$0	\$52,000	\$23,000	\$173,000
Signs & Posts	\$0	\$0	\$21,000	\$1,000	\$1,000	\$1,000	\$175,000	\$0	\$0	\$0	\$19,000
Streetlights	\$0	\$0	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000
Unpaved Roads	\$189,000	\$0	\$1,300,000	\$1,100,000	\$625,000	\$1,200,000	\$1,350,000	\$0	\$0	\$0	\$0
Total	\$255,000	\$0	\$1,339,000	\$1,157,000	\$644,000	\$1,238,000	\$1,629,000	\$671,000	\$1,799,000	\$4,620,000	\$5,124,000

Appendix B: Level of Service Metrics

Roads Network Map



Water Network Map



Sanitary Network

Township of West Lincoln - Sanitary Network

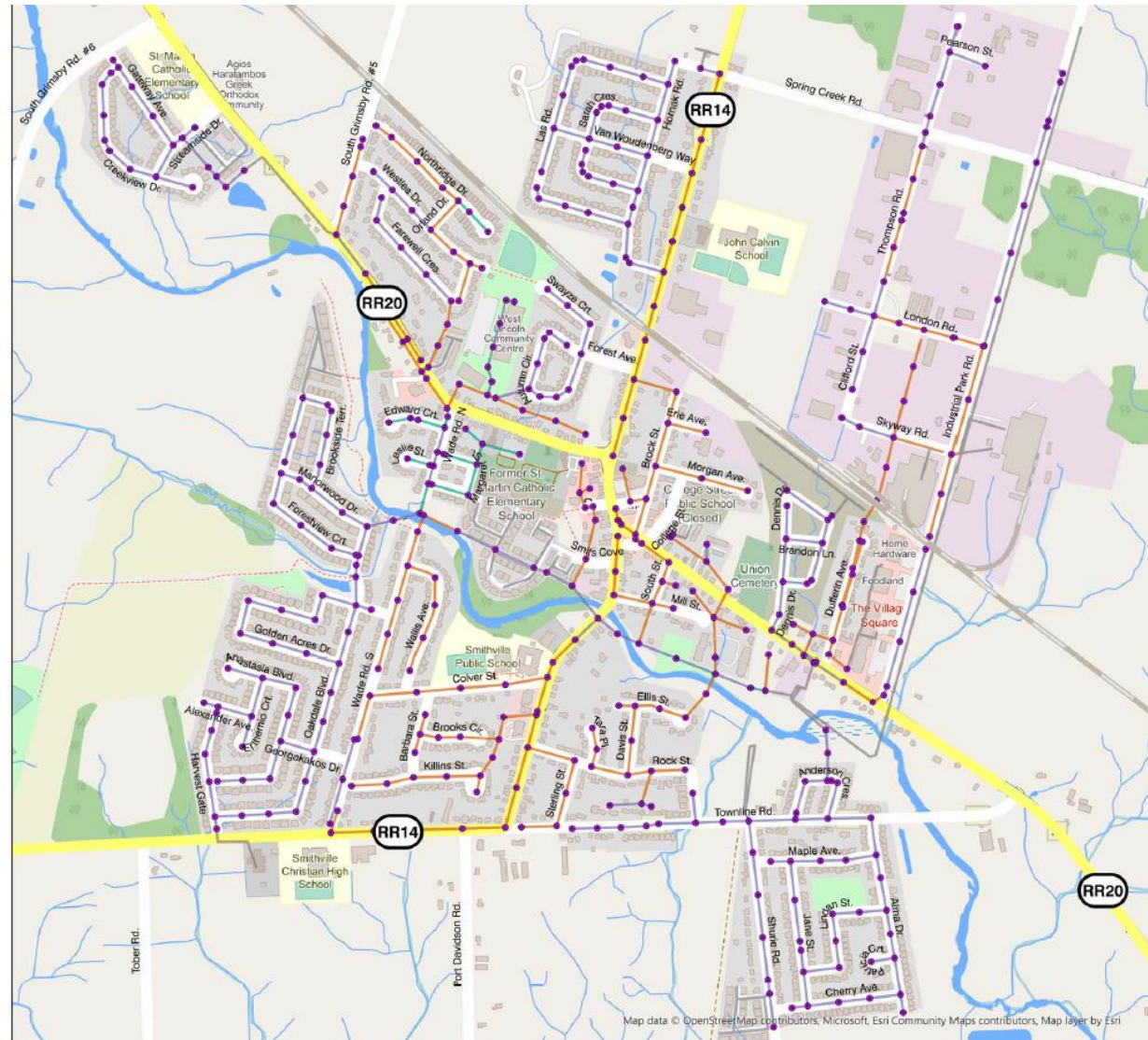


0 250 500 750 1,000
Meters

Sanitary Manholes

Sanitary Mains

- AC-Asbestos Cement
- CON-Concrete
- PVC-Polyvinyl Chloride
- Non-Township Mains



Storm Network - Urban

Township of West Lincoln - Stormwater Network



0 150 300 600 900 1,200
Meters

Stormwater Manholes

Stormwater Mains

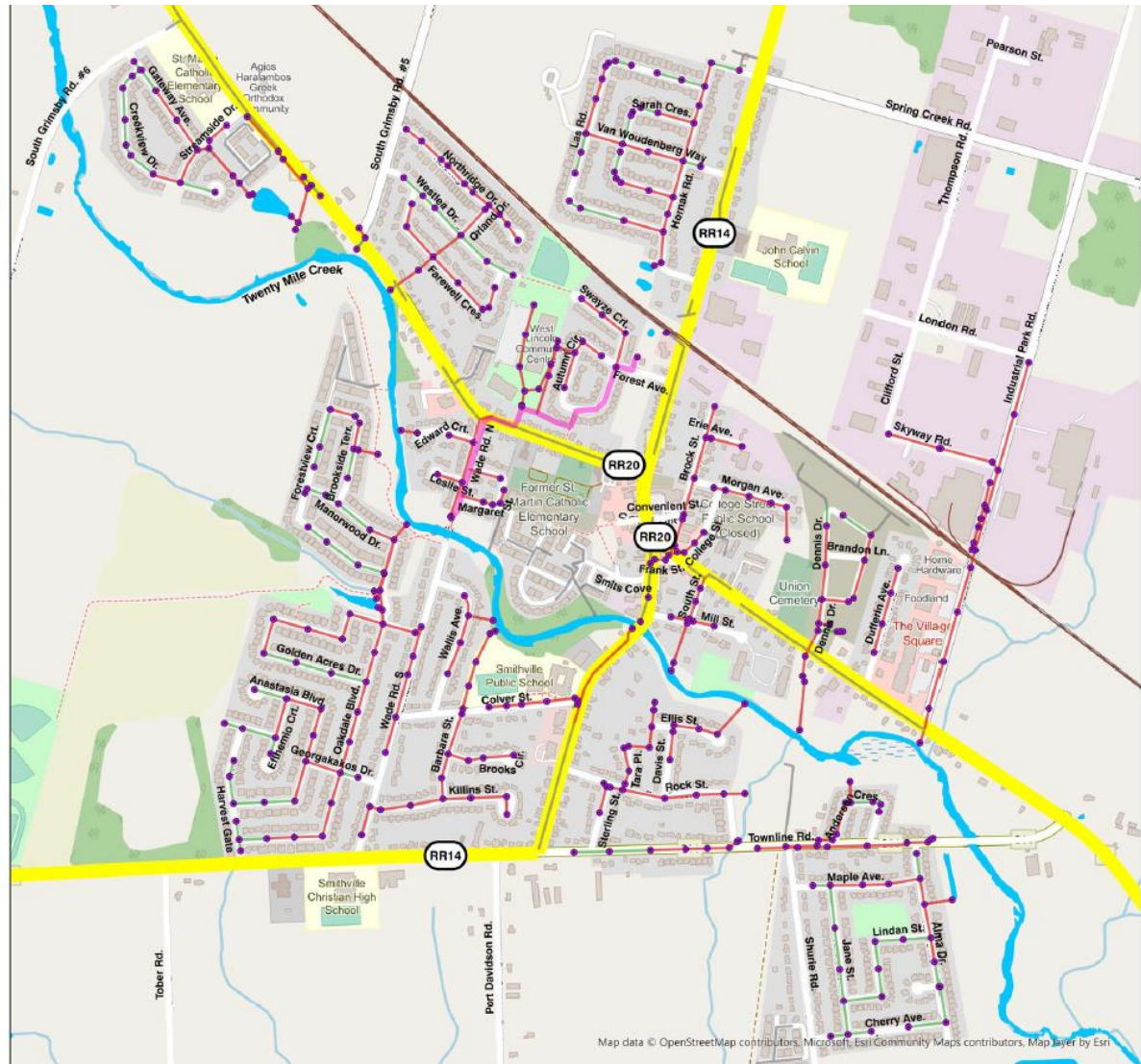
— CON-Concrete

— HDPE-High Density Polyethylene

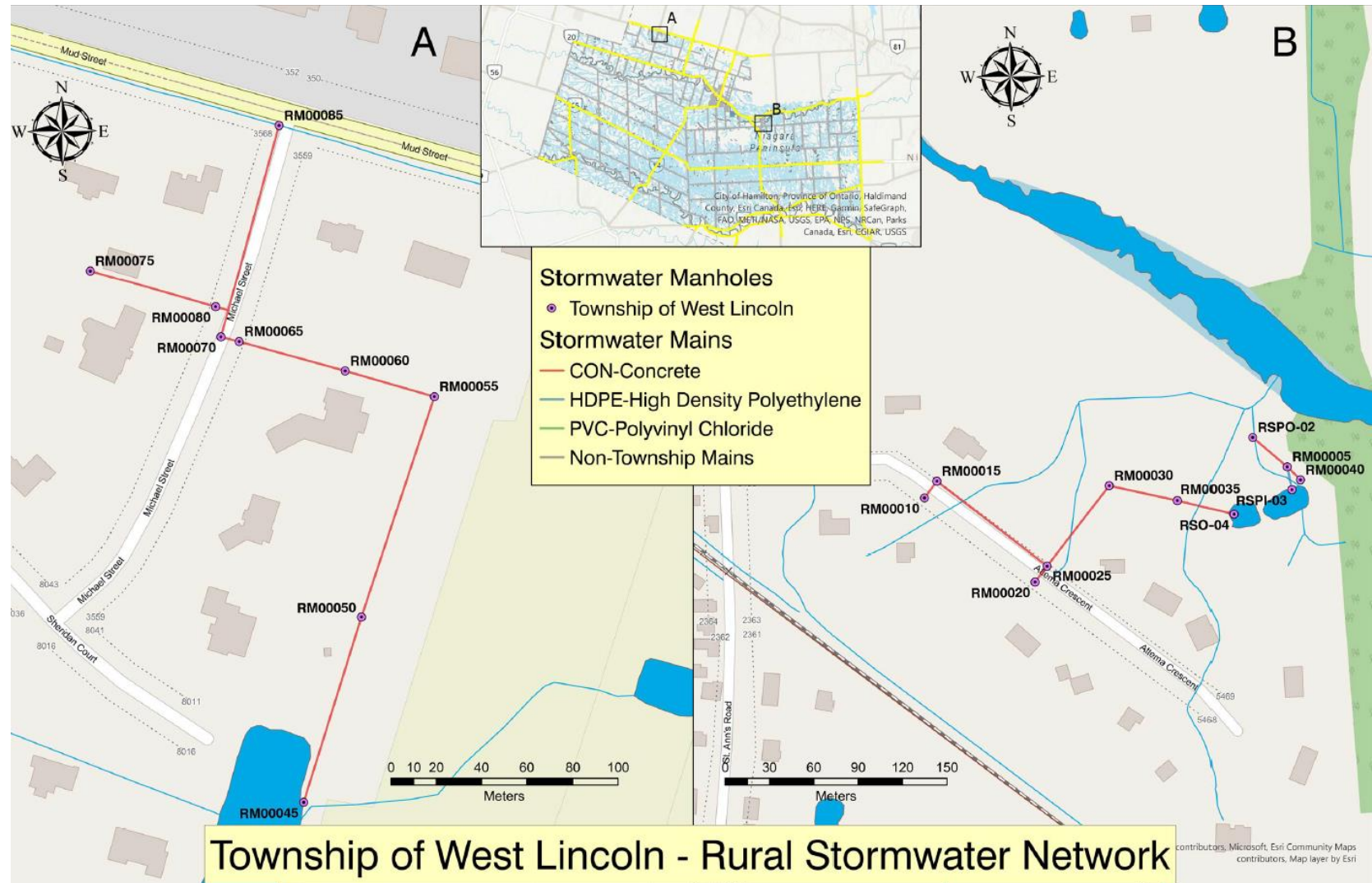
— PVC-Polyvinyl Chloride

— Non-Township Mains

— Grassie Estates Box Culvert



Storm Network – Rural



DATE: June 20, 2022

REPORT NO: T-11-2022

SUBJECT: **Proposed Changes to Finance and Public Works User Fees**

CONTACT: Katelyn Hall, CPA, CA Deputy Treasurer/Manager of Finance
Donna DeFilippis, CPA, CA Treasurer/Director of Finance

OVERVIEW:

- Staff are proposing changes to the user fees and charges related to Finance and Public Works, and are seeking Council approval to proceed.
- These fee changes are aligned with the recommendations put forth by BMA Management Consulting Inc.'s "Comprehensive Study of Fees and Charges" report, which was presented to Council for information in January 2022.
- The updated Finance user fees and charges are proposed to come into effect October 1, 2022, while the majority of the Public Works user fees and charges are proposed to come into effect July 1, 2022, unless otherwise indicated.
- Once approved, Staff will prepare the applicable by-laws concerning these updated user fees, with presentation to Council at its June 27, 2022 meeting.

RECOMMENDATION:

1. That, Recommendation Report T-11-2022, regarding "Proposed Changes to Finance and Public Works User Fees", dated June 20, 2022, be received; and,
2. That, Schedule A, outlining the updated Finance user fees and charges attached to this Report be approved with an effective date of October 1, 2022; and,
3. That, Schedule B, outlining the updated Public Works user fees and charges attached to this Report be approved with the effective dates as noted in Schedule B; and,
4. That, the applicable By-laws be passed to incorporate the new and revised Finance and Public Works fees and charges, with effective dates as indicated.

ALIGNMENT TO STRATEGIC PLAN:

Theme # 6

- Efficient, Fiscally Responsible Operations – The Township of West Lincoln is a lean organization that uses sustainable, innovative approaches and partnerships to streamline processes, deliver services and manage infrastructure assets.

BACKGROUND:

At the January 17, 2022 Administration/Finance/Fire Committee meeting, Council received Report T-03-2022 “Comprehensive User Fee Review”, and directed Staff to implement all of the recommendations as outlined in the “Comprehensive Study of Fees and Charges” report, as prepared by BMA Management Consulting Inc. This staff report was presented for information only, and no user fees and charges were changed at that time.

BMA’s “Comprehensive Study of Fees and Charges” report made recommendations of appropriate fees and charges based on relevant data and methodology (such as process mapping and activity-based costing) for each Township department. Staff have reviewed these recommended fees, and are now bringing these forward to Council for consideration to approve the fees and charges.

To date, the user fees and charges in the following service areas have been updated to reflect those recommended fees under the BMA report: Recreation, Cemetery, Planning and Building. This report brings forward the user fees and charges pertaining to the Finance and Public Works service areas. Staff plan to review and bring forward all other changes to user fees and charges over the next several months, which will include Fire and Clerks. It is Staff’s hope that an annual, consolidated user fee bylaw is implemented starting January 1, 2023.

CURRENT SITUATION:

Attached to this report are the proposed, updated fees: Schedule A (Finance User Fees and Charges) and Schedule B (Public Works User Fees and Charges).

All proposed fees (whether new or revised) within the attached schedules align with BMA’s report of recommended user fees and charges (the only exception to this is for some of the Finance fees; see more on this below). Please refer to BMA’s report for more information on how the fees were calculated and/or rationalized. Note that the schedule of fees is not inclusive of harmonized sales tax, which will be charged as applicable.

Staff would like to highlight a few important items related to the Finance fees:

- All Finance fees per Schedule A will come into effect October 1, 2022. This effective date is intentional, to better align with the implementation of the new MyWESTLINCOLN portal, which is expected to launch this summer. MyWESTLINCOLN is an online platform that allows customers to electronically receive, manage and pay their property tax, water, and general receivable accounts. Staff hope that a delayed effective date provides customers with sufficient time to set-up their MyWESTLINCOLN accounts, as to provide them another avenue to access their account information, rather than contacting Staff members directly and possibly incurring the new user fees and charges, depending on their request.

- All Finance user fees proposed by BMA are included in Schedule A; however, some of the rates are slightly lower than BMA's recommendation; in particular, for new user fees and charges (such as new water account set-up and transfer/refund of incorrect payment). This was done to ease/transition customers into the new user fees and charges. Staff will increase the fees to the level recommended by BMA in the future.

Staff would also like to highlight an important item related to the Public Works fees:

- All revised and new Public Works fees will be implemented July 1, 2022, with the following exceptions that will come into effect October 1, 2022:
 - Water Same Day Read fee – this is a new fee that will be charged to customers (or those acting on their behalf, such as a lawyer) that request a water meter read be performed the same day as the request. Usually meter read requests are made several business days before the read is performed. Previously, no fee was charged for this service but in the past, it has resulted in disruption to staff daily workload, therefore a user fee is warranted for this specific service.
 - Water Turn On/Off fee (during and outside normal business hours) – this is not a new fee; however, the charge has increased. As this is a more commonly charged fee, staff propose to delay its increase until October 1, 2022 to allow more time for customers to transition.

Once approved by Committee, Staff will update and repeal all applicable By-laws that contain the fees and charges contained within this Report and present to Council for approval. Once approved by Council, Staff will take the necessary steps to update the user fees and charges within the Township website and all external/internal materials.

FINANCIAL IMPLICATIONS:

If approved, the updated user fees and charges will be charged to ratepayers starting at the effective dates. Given these fees represent increases over the previously approved fees, this will result in increased revenue opportunities. Further, there are several new user fees that are proposed in this report, which will provide new revenue streams for the Township, as no fee was previously charged for the associated service performed by staff.

INTER-DEPARTMENTAL COMMENTS:

The contents of this Report have been reviewed by the Director of Public Works and Recreation, as well as the CAO.

CONCLUSION:

In summary, Staff recommend that the proposed rates and fees as shown in the attached Schedule A – Finance User Fees and Charges and Schedule B – Public Works User Fees and Charges be approved and that the rates and fees take effect as per the effective dates indicated.

ATTACHMENTS:

- Schedule A – Finance User Fees and Charges
- Schedule B – Public Works User Fees and Charges

Prepared & Submitted by:



Katelyn Hall, CPA, CA
Deputy Treasurer/Manager of Finance

Approved by:



Bev Hendry
CAO



Donna DeFilippis, CPA, CA
Treasurer/Director of Finance

Report T-11-2022 - Schedule A - Finance User Fees and Charges

Finance Fees - General	Rate	Effective Date
Returned Payment Fee (Non-Sufficient Funds)	\$35.00	October 1, 2022
Transfer/Refund of Incorrect Payment on Account	\$45.00	October 1, 2022
Penalty for Late Account Payment (per month)	1.25%	October 1, 2022
Replacement of Lost/Stolen Vendor Cheque	\$40.00	October 1, 2022
Finance Fees - Property Tax	Rate	Effective Date
Penalty for Late Tax Account Payment (per month)	1.25%	October 1, 2022
Tax & Water Certificate	\$45.00	October 1, 2022
Tax & Water Certificate - Rush (within 1 business day)	\$50.00	October 1, 2022
Tax Bill - Duplicate Copy	\$7.00	October 1, 2022
Tax Statement	\$7.00	October 1, 2022
New Roll Number Account Set-Up (per roll)	\$40.00	October 1, 2022
Mortgage Company Administration - New or Amendment	\$20.00	October 1, 2022
Overdue Non-Water Account Transfer to Taxes	\$45.00	October 1, 2022
POA Administration /Fines Added to Taxes	\$45.00	October 1, 2022
Finance Fees - Water Administration	Rate	Effective Date
New Account Set-Up	\$15.00	October 1, 2022
Late Payment Penalty (per quarter)	5%	October 1, 2022
Final Reminder Notice	\$22.00	October 1, 2022
Transfer Overdue Account to Taxes	\$35.00	October 1, 2022
Water Bill - Duplicate Copy	\$7.00	October 1, 2022
Water Statement	\$7.00	October 1, 2022
Tax & Water Certificate	\$45.00	October 1, 2022
Tax & Water Certificate - Rush (within 1 business day)	\$50.00	October 1, 2022
Bulk Water Temporary Account Set-Up	\$40.00	October 1, 2022
Minimum Bulk Water Usage Charge	\$14.00	October 1, 2022

Report T-11-2022 - Schedule B - Public Works User Fees and Charges

Public Works Fees - General	Rate	Effective Date
Engineering Reports/ Drawings/ Studies - Printed	\$0.25 /page	July 1, 2022
Curb & Sidewalk Repair	Actual Cost + 10% Administration Fee	July 1, 2022
Driveway/ Entrance	Actual Cost + 10% Administration Fee	July 1, 2022
Culvert Inspection	\$150.00	July 1, 2022
Public Works Fees - Oversize/Overweight Load	Rate	Effective Date
Single Trip	\$50.00	July 1, 2022
Three Month	\$100.00	July 1, 2022
Annually	\$150.00	July 1, 2022
Public Works Fees - Water	Rate	Effective Date
Water Turn On/Off - During Normal Business Hours	\$80.00	October 1, 2022
Water Turn On/Off - Outside Normal Business Hours	\$240.00	October 1, 2022
Water Same Day Read	\$100.00	October 1, 2022
Public Sewer Hook-Up	Actual Cost + 10% Administration Fee	July 1, 2022
Water on Construction - Residential	\$290.00	July 1, 2022
Water on Construction - Non-Residential	\$490.00	July 1, 2022
Installation of New 5/8" Meter (includes installation)	\$540.00	July 1, 2022
Installation of New 3/4" Meter (includes installation)	\$600.00	July 1, 2022
Installation of New 1" Meter (includes installation)	\$720.00	July 1, 2022
Installation of New 1 1/2" Meter (includes installation)	\$1,090.00	July 1, 2022
Installation of New 2" Meter (excludes installation)	\$1,220.00	July 1, 2022
Installation of New 3" Meter (excludes installation)	\$4,540.00	July 1, 2022
Installation of New 4" Meter (excludes installation)	\$5,830.00	July 1, 2022
Installation of New 6" Meter (excludes installation)	\$8,950.00	July 1, 2022
Installation of New 8" Meter (excludes installation)	\$12,640.00	July 1, 2022
Installation of New 3/4" Service (meter not included)	Actual Cost + 10% Administration Fee	July 1, 2022
Installation of New Service > 3/4" (meter not included)	Actual Cost + 10% Administration Fee	July 1, 2022
Tapping Service Exceeding 3/4" up to 2"	\$268.00	July 1, 2022
Staff and Equipment Charge-Out Rates	Rate	Effective Date
Vehicles (per hour)		
<i>Based on the Ontario Provincial Standards Specifications, Schedule of Rental Rates.</i>		
Pick-Up	\$29.00	July 1, 2022
Grader	\$86.45	July 1, 2022
Tandem	\$91.90	July 1, 2022
One Ton	\$35.25	July 1, 2022
Backhoe	\$57.80	July 1, 2022
Van	\$29.00	July 1, 2022
Employees (per hour)		
Truck Driver	\$51.31	July 1, 2022
Backhoe Operator	\$60.47	July 1, 2022
Grader Operator	\$60.47	July 1, 2022
Water & Wastewater Operator	\$60.47	July 1, 2022
Engineering Staff	\$96.00	July 1, 2022

DATE: June 20, 2022
REPORT NO: T-15-2022
SUBJECT: **Elected Officials Remuneration for the 2022 to 2026 Term**
CONTACT: Donna DeFilippis, Director of Finance and Treasurer

OVERVIEW:

- This report applies to the 2022 to 2026 term of Council, which commences on November 15, 2022
- Data was collected from all lower tier municipalities in Niagara, as well from the Niagara Region
- Staff is recommending no changes to Councilors' compensation
- Staff is recommending an increase of \$3,800 to the Mayor's compensation in order for West Lincoln to remain within the 50th percentile of all Niagara municipalities
- Staff is recommending no changes to the provision of group benefits to Elected Officials, given the prevalence of this compensation item among Niagara municipalities

RECOMMENDATION:

1. That, Recommendation Report T-15-2022 regarding "Elected Officials Remuneration for the 2022 to 2026 Term", dated June 20th, 2022, be received for information; and
2. That, a By-Law be presented at the June 27, 2022 Council Meeting to address Council Remuneration, the draft of which can be found on Schedule A to this report; and,
3. That, the annual salary for the Mayor of West Lincoln be increased from \$38,310 to \$42,110, an annual increase of \$3,800, effective November 15, 2022; and,
4. That, the annual salary for a West Lincoln Councillor remain at \$21,423, effective November 15, 2022; and,
5. That, an annual increase to the above salaries be based on the same percentage increase and the same timing as reflected in the CUPE Local 1287 collective agreement, which is consistent with the current practice; and,
6. That, members of West Lincoln Council continue to have the opportunity to participate in the Township's Group Benefit plan.

ALIGNMENT TO STRATEGIC PLAN:

Theme #6

- Efficient, Fiscally Responsible Operations- the Township of West Lincoln is a lean organization that uses sustainable, innovative approaches and partnerships to streamline processes, deliver services and manage infrastructure assets.

BACKGROUND:

The 2022 Budget deliberations included discussion regarding the compensation model provided to West Lincoln Elected Officials. This report recommends a compensation strategy for the term of Council that will commence on November 15, 2022. Staff will also update By-Law 2019-29 that outlines Council Remuneration. This item was last reviewed in 2019 when the elimination of the one-third tax-free allowance was addressed. Section 238 of the *Municipal Act* requires that a Public Meeting be held to review Council Remuneration, as such; the Township has provided notice of this meeting through both paper and social media sources. In terms of reporting, Section 284 of the *Municipal Act* requires the Treasurer to provide on an annual basis a summary of remuneration and expenses paid to Council Members. Also included in the Administrative Agenda this evening is a report and policy to address Council expenses, which is a separate item from remuneration.

CURRENT SITUATION:

Staff collected information from all lower-tier municipalities in the Niagara Region, as well as from the Region itself. That information is available on Schedule B to this report. Staff are using the 50th percentile when analysing the data set. The 50th percentile is also sometimes referred to as the median, which cuts the data set in half. For this report, it means that half of the municipalities are above this number, and half are below this number. The 50th percentile is a consistent approach that was used for the non-union compensation review that was approved by Council in 2021. In addition, for analysis purposes, staff used the same municipalities that were part of the non-union compensation review. They are listed below and are shaded on Schedule B to this report:

- Pelham
- Niagara-on-the-Lake
- Port Colborne
- Thorold
- Lincoln
- Grimsby
- Fort Erie
- Wainfleet

The position of Mayor has a 50th percentile value of \$42,122. The salary currently paid to the West Lincoln Mayor is \$38,310, which falls below the 50th percentile. Staff is recommending an increase of \$3,800 to the Mayor's salary when the new term of Council commences in November 2022. The position of Councillor has a 50th percentile value of \$16,623. The salary currently paid to West Lincoln Councillor's is \$21,423, which is above the 50th percentile. Staff is recommending no changes to Councillors' salary.

The data on Schedule B outlines the approach each municipality has in terms of participation in a Group Benefit Plan. Seven out of the twelve municipalities offer a full benefit plan, with an additional two offering limited plan participation. Staff is not recommending any change to the Township's current policy of offering Group Benefits to Elected Officials.

An update to the Council Remuneration By-Law will include the formalization of the method used to calculate an annual adjustment to compensation. Based on past practice, and confirmed through resolution on March 2, 1987, adjustments to Council salary are based on the same percentage increases that is outlined in the CUPE Local 1287 (Canadian Union of Public Employees) collective agreement. The draft By-Law found on Schedule A to this report, also has wording that provides an opportunity for a member of Council to "opt out" of an annual salary increase. If a member of Council so chooses to "opt out" of receiving a salary increase, a written request shall be submitted to the Director of Legislative Services/Clerk by April 1 each year.

FINANCIAL IMPLICATIONS:

Schedule C presents the 2022 approved budget for Elected Officials. In terms of Wages and Benefits specifically, the budget for the Mayor is \$44,270 and the budget for the Councillors is \$175,020.

The increase to the Mayor salary effective November 15th, 2022 is estimated to have an impact of under \$500 to the 2022 budget. However, it will affect the 2023 budget by the full \$3,800 increase as recommended in this report.

INTER-DEPARTMENTAL COMMENTS:

The Director of Legislative Services/Clerk and the CAO have reviewed this report.

CONCLUSION:

This report is outlining a compensation model for the Township of West Lincoln elected officials that will commence their term on November 15, 2022.

Prepared & Submitted by:



Donna DeFilippis
Director of Finance and Treasurer

Approved by:



Bev Hendry
CAO

THE CORPORATION OF THE TOWNSHIP OF WEST LINCOLN

BY-LAW NO. 2022- XX

**A BY-LAW TO PROVIDE FOR PAYING REMUNERATION
AND EXPENSE ALLOWANCES TO THE MEMBERS OF
COUNCIL**

WHEREAS Section 283(1) of the Municipal Act, SO 2001, c. 25, provides that, a municipality may pay any part of the remuneration and expenses of the members of any local board of the municipality and of the officers and employees of the local board.

AND WHEREAS Section 283(2) of the Municipal Act, SO 2001, c. 25, provides that despite any Act, a municipality may only pay the expenses of the members of its council or of a local board of the municipality and of the officers and employees of the municipality or local board if the expenses are of those persons in their capacity as members, officers or employees and if,

- (a) the expenses are actually incurred; or
- (b) the expenses are, in lieu of the expenses actually incurred, a reasonable estimate, in the opinion of the council or local board, of the actual expenses that would be incurred. 2001, c. 25, s. 283 (2);

AND WHEREAS Section 283(4) of the Municipal Act, SO 2001, c. 25, provides that no part of the remuneration of a member of a council or local board paid under this section is deemed to be for expenses incidental to his or her duties as a member and a municipality or local board shall not provide that any part of the remuneration is for such deemed expenses.

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF
WEST LINCOLN ENACTS AS FOLLOWS:**

1.
 - (a) The Mayor of the Corporation of the Township of West Lincoln shall be paid, for his/her services as head of the Council an annual remuneration in the amount of \$42,110 and such annual remuneration may be paid in bi-weekly instalments and shall be modified in accordance with negotiated CUPE Local 1287 (Canadian Union of Public Employees) cost of living adjustments.
 - (b) Councillors of the Township of West Lincoln shall be paid an annual remuneration of \$21,423 and such annual remuneration may be paid in bi-weekly instalments and shall be modified in accordance with negotiated CUPE Local 1287 (Canadian Union of Public Employees) cost of living adjustments.
 - (c) Each Member of Council shall be eligible to participate in the Township of West Lincoln's Group Benefit Plan.
 - (d) Each Member of Council can choose not to accept annual cost of living adjustments as set out in this by-law by opting out in writing to the Clerk by

April 1st or within ten (10) days of any remuneration adjustment approvals.

2. That, By-law 2019-29 be and is hereby repealed as of November 15, 2022.
3. That, this by-law shall be effective on November 15, 2022 and remain in force and effect until amended or repealed by Council direction.

**READ A FIRST, SECOND AND THIRD
TIME AND FINALLY PASSED THIS 27th
DAY OF JUNE, 2022.**

MAYOR DAVE BYLSMA

JOANNE SCIME, CLERK

Elected Officials Remuneration Survey 2022

	Population	Mayor/Regional Chair	Councillors	Groups Benefits
West Lincoln	15,454	\$ 38,310.00	\$ 21,423.00	Yes
Pelham	17,110	\$ 37,355.00	\$ 17,121.00	Yes
NOTL	19,800	\$ 50,144.02	\$ 15,829.65	Yes
Port Colborne	20,033	\$ 46,145.00	\$ 11,489.00	Yes
Thorold	23,816	\$ 42,122.00	\$ 16,623.00	AD&D only
Lincoln	27,500	\$ 41,357.65	\$ 21,117.50	Yes
Grimsby	27,000	\$ 48,950.00	\$ 22,100.00	No
Fort Erie	30,710	\$ 72,041.39	\$ 15,743.40	Yes
Wainfleet	6,300	\$ 23,364.64	\$ 12,268.88	No
St.Catherines	140,370	\$ 118,420.00	\$ 25,368.50	Yes Mayor Only
Welland	52,293	\$ 82,069.00	\$ 29,462.00	Yes-single only
Niagara Region	433,604	\$ 132,477.01	\$ 39,290.72	Yes
Niagara Falls	88,071	\$ 118,288.00	\$ 26,946.00	Yes
50th Percentile-Shaded		\$ 42,122.00	\$ 16,623.00	
50th Percentile-All		\$ 48,950.00	\$ 21,117.50	

The Municipalities that are shaded are the municipalities that were used for the non-union compensation study completed in 2021.

Multiple Sub Function Summary
GOV-MAY
2022 Budget Details

T-15-2022
SCHEDULE C

Objects	2022 Budget
Expenses	
Wages and Benefits	
505110 - SALARY	38,130
505201 - CPP	1,970
505203 - EHT	740
505205 - OMERS	3,430
505206 - GROUP BENEFITS	-
Total	44,270
Administrative Expenses	
515120 - MILEAGE	1,100
515190 - PROTOCOL MAYOR	8,220
Total	9,320
Supplies and Equipment	
515205 - OFFICE SUPPLIES	-
515225 - SMALL FURNITURE & FIXTURES	-
Total	-
Insurance	
515510 - INSURANCE	-
Total	-
Total Expenses	53,590
Net Total	(53,590)

Multiple Sub Function Summary

GOV-COU

2022 Budget Details

Objects	2022 Budget
Expenses	
Wages and Benefits	
505110 - SALARY	127,980
505201 - CPP	6,120
505203 - EHT	2,520
505205 - OMERS	11,520
505206 - GROUP BENEFITS	26,880
Total	175,020
Administrative Expenses	
515120 - MILEAGE	1,020
515125 - MEMBERSHIPS	200
515155 - AWARDS	2,040
515160 - BENEVOLENCE	1,120
515193 - PROTOCOL M. REHNER	3,160
515194 - PROTOCOL J. TROMBETTA	3,160
515195 - PROTOCOL JONKER	3,160
515196 - PROTOCOL REILLY	3,160
515197 - PROTOCOL GANANN	3,160
515198 - PROTOCOL BRADARIC	3,160
Total	23,340
Supplies and Equipment	
515205 - OFFICE SUPPLIES	510
515225 - SMALL FURNITURE & FIXTURES	2,040
Total	2,550
Insurance	
515510 - INSURANCE	6,900
Total	6,900
Total Expenses	207,810
Net Total	(207,810)

DATE: June 20, 2022

REPORT NO: T-16-2022

SUBJECT: **Members of Council Expense Policy**

CONTACT: Donna DeFilippis, Director of Finance/Treasurer

OVERVIEW:

- The current policy regarding Members of Council expenses was last reviewed in 2005
- A new policy is being recommended that would come into effect for the new term of Council, which will commence on November 15, 2022

RECOMMENDATION:

- 1) That, Recommendation Report T-16-2022 regarding “Members of Council Expense Policy”, dated June 20th, 2022, be received; and,
- 2) That, POL-T-02-2022 Council Expense Policy, attached as Schedule B to this report, be approved and adopted effective November 15, 2022.

ALIGNMENT TO STRATEGIC PLAN:

Theme #6

- Efficient, Fiscally Responsible Operations – Maintaining a lean organization with innovative approaches and strong asset management.

BACKGROUND:

The Township currently has in place POL-F-01-00 Alderman Protocol Account Policy, which was last reviewed in 2005. This policy is attached as Schedule A to this report. Many changes have taken place since this report was approved and staff are recommending that a new policy, POL-T-02-2022, found as Schedule B to this report, be approved and adopted effective November 15, 2022.

CURRENT SITUATION:

The current policy regarding Member of Council expense reimbursement was last reviewed in 2005. Since then, many changes have taken place, such as the introduction of mobile phones, the internet and mobile desktops. In addition, further clarity is needed as to what is eligible and what is not eligible. Some of the key items to note in POL-T-02-2022 are as follows:

- Clarification is provided under section 4 regarding Election Year Restrictions. Township funds or assets cannot be used in any campaign related activities.
- General Office Expenses are outlined under section 9 and examples of eligible expenses are provided
- Section 10 of the policy addresses Information Technology. This is an area that is not addressed at all in the current policy. This section outlines what the Township will provide to Members of Council. It is important to note that the cost of a tablet and mobile phone will not be charged to Member's protocol accounts. These amounts are budgeted elsewhere.
- Section 11 of the policy addresses Mobile Phones. The policy states that all Members of Council will be provided a Township mobile phone. The Township mobile phone plan is very cost effective. For those Councillor's currently using Township issued phones, the monthly fee is less than \$30/month. The Township's cost for mobile phones is very reasonable and less than what most typical consumers would pay. In addition, it would mean that the Township's IT department could support the device. Finally, best practice is that Township and personal business be kept separate. If a Member of Council chooses to use their personal phones and opt of using a Township phone a monthly reimbursement claim is to be submitted and reimbursement will be a maximum of \$40/month.

FINANCIAL IMPLICATIONS:

The annual budget includes a recommended amount for Members of Council expenditures. The 2022 budget includes a budget of \$8,220 for the Mayor's Protocol and each individual Councillor has an allocation of \$3,160 for their protocol budget. The approval of POL-T-02-2022 will have no financial impact. The policy outlines the guidelines regarding the reimbursement of expenditures. The total annual amount that can be reimbursed is approved during annual budget proceedings.

INTER-DEPARTMENTAL COMMENTS:

Policy POL-T-02-2022, Council Expense Policy was reviewed by the Manager of Finance/Deputy Treasurer, the IT Manager, the Director of Legislative Services/Clerk and the CAO. All provided input into the development of this policy. This report was reviewed by the CAO.

CONCLUSION:

Staff is recommending that Council approved POL-T-02-2022. This policy would replace POL-F-01-00, effective November 15, 2022.

Prepared & Submitted by:



Donna DeFilippis
Director of Finance/Treasurer

Approved by:



Bev Hendry
CAO

TOWNSHIP OF WEST LINCOLN

ALDERMAN PROTOCOL ACCOUNT **POLICY**

POLICY NO.: POL-F-01-00 (**AS AMENDED** by Reports RFD-F-16-04 & RFD-F-33-05)

AMENDED: May 10, 2004 & December 12, 2005

TITLE: Alderman's Protocol Account – Approved Expenditures (**AS AMENDED**)

AUTHORITY: Finance and Administration Committee

EFFECTIVE DATE: December 12, 2005

PURPOSE: To establish guidelines for what constitutes allowable expenses for Alderman's Protocol Account.

DEFINITIONS:

"In their capacity" shall mean: the attendance at any event, programme, presentation or similar activity where the alderman is representing the municipality in response to an official invitation or on direction from council or the office of the Mayor.

POLICY STATEMENT:

The following items are considered to be acceptable items for "Alderman's Protocol" expenditures:

1. Office Supplies
2. Conventions
3. Training
4. ~~Donation to Local Groups and/or Community Projects~~ (**Removed per Report RFD-F-16-04**)
4. Expenses incurred as a result of acting in their capacity as a member of Council either within or outside the municipality

THE FOLLOWING ITEMS WERE ADDED BY REPORT RFD-F-33-05:

5. Christmas Appreciation Dinner (Added per Report RFD-F-33-05)
6. Flowers/donation for bereavement and illness (amount to be at the discretion of the Mayor)

TITLE: Council Expense Policy

POLICY NO: POL-T-02-2022

SUPERCEDES NO: Alderman's Protocol Account
Approved Expenditures, as amended
Policy F-01-00 (dated January 1, 2000)

EFFECTIVE DATE: November 15, 2022

Policy Statement:

The Council Expense Policy establishes the guidelines for the reimbursement of expenses incurred by Members of Council while carrying out their respective roles and responsibilities.

1. Purpose:

This policy provides clarity to the Members of Council and the public by identifying:

- The resources that are provided by the Township to Members of Council
- The type of expenses that are eligible for reimbursement
- The process for submitting and approving expense reimbursements

This policy does not establish the amount of funds available to the Mayor and Members of Council for expenses. The annual approved budget determines the amount of funds available.

2. Scope:

This policy applies to all Members of Council and establishes the basis upon which the Members will be reimbursed or have payment coverage for Eligible Expenses incurred while undertaking activities related to Township Business while acting in their role as an elected official. This policy is in addition to the other applicable policies and legislation, including but not limited to the following:

- Travel and Corporate Expense Policy
- By-Law for paying remuneration and expense allowances to the Members of Council
- Code of Conduct for Members of Council and Local Boards
- Mobile Device Technology Policy
- Technology Use Policy
- Software Use Policy

3. General Requirements:

- a) Expenses must be incurred in relation to the individual's duties as a Member of Council.
- b) Eligible cost should be reasonable and reflect what the public expects of a Member of Council.
- c) Reimbursement of an expense should not result in a Member of Council receiving any product, service or asset for personal use, benefit or gain.
- d) Expenses must be claimed in the year the cost was incurred.
- e) No goods or services shall be purchased in excess of what the Member of Council requires to complete their term of office.
- f) Any assets purchased using Township funds, remain the property of the Township and must be returned to the Township in the event that the individual is no longer a Member of Council.
- g) Goods purchased that have a useful life beyond the term of Council shall become the property of the Township and returned to the Township at the end of the term.
- h) Funds cannot be transferred between Councillors.
- i) Unspent balances in the Member of Council's expense account cannot be carried over into a subsequent year.
- j) The Township Travel and Corporate Expense Policy is to be adhered to when submitting expense claims.

4. Election Year Restrictions:

In accordance with the Municipal Elections Act, Members of Council in a campaign period are not permitted to:

- a) Use equipment, supplies, services, staff or other resources of the municipality for any campaign or campaign related activities;
- b) Use Township funds to acquire any resources for any campaign or campaign related activities, including ordering of stationery and office supplies;
- c) Use Township funds to print or distribute any material that makes reference to, or contains the names or photographs, or identifies candidates or registered third parties.

5. Corporate Resources Provided to the Mayor:

- a) Office Space – a furnished office at the Township Administrative Building consistent with the standard Page 204 of 209 used by the Township.

- b) Staffing – the Administrative services of the Executive Assistant (a shared resource with the CAO).

6. Advertising and Promotions:

- a) Design and Production costs for advertising related to Township business or that supplements Township promotion of programs and events is an eligible expense.
- b) Any Township branded clothing that is provided to all staff would also be provided to Members of Council. This would not be charged to individual protocol accounts. The purchase of any additional approved Township branded clothing for use by the Member at official functions or events is an eligible expense. The purchase will be coordinated through the Township, with costs charged to the appropriate expense/protocol account.
- c) Advertising or promotions for for-profit organizations, third parties, other levels of government or candidates in any election are deemed to be ineligible expenses.

7. Books and Subscriptions:

- a) Books, magazines, newspapers and periodicals that are related to the business of the Township in general, or support Members of Council in serving as elected officials is an eligible expense.

8. Civic Receptions, Public Functions, Meals and Hospitality:

- a) Eligible Expenses include the following:
 - Food and non-alcoholic beverages when attending a business meeting for discussing matters of official Township business.
 - A ticket for a Member to attend a charitable or fund-raising event organized by a charitable/non-profit organization where funds raised will support services provided to the residents of West Lincoln and/ or the Region of Niagara.
 - Meeting rooms to conduct official Township business.
 - The catering of light snacks and refreshments.
- b) Alcohol and expenditures related to a meeting of personal nature is not an eligible expense.
- c) Additional tickets other than those for the Member of Council are ineligible expenditures
- d) Raffle tickets, silent auctions and table prize tickets are ineligible expenditures

9. General Office Expenses:

- a) Members of Council will receive a quantity of business cards at the beginning of each term. The design and content will be in accordance with the Township's standards.
- b) All eligible reimbursable expenditures must be directly related to carrying out the duties as a Member of Council and include the following:

- Stationary and Office Supplies
 - Printing Supplies
 - Canada Post and courier delivery charges
 - Hardware, software and related peripherals beyond the corporate resources provided. Such items must comply with corporate standard and be approved in order to be connected to Corporate-issued hardware
 - Photocopying and reproduction costs
- c) Home office furniture is not an eligible expense. This would include items such as tables, desks, chairs and cabinets.

10. Information Technology Equipment & Services:

- a) At the commencement of each Term of Council, each Member of Council will receive the following:
- A standard Township tablet/mobile desktop with the appropriate Township supported software
 - Township email account
 - Mobile Phone
- b) The cost of the equipment replacement referred to above shall be charged to a separate account and is not considered as an expense to a Member of Council's individual expense/protocol account.
- c) Township staff does not provide support to computers, computer equipment or software that is not owned by the Township.
- d) Township equipment requiring replacement and/or services must be brought to the IT Manager.
- e) The technology equipment/software provided to Members of Council remains the property of The Township and shall be returned to the Township when it is replaced, or in the event that the Mayor or Councillor is no longer a Member of Council. In that case, the Mayor or Councilor who will not be returning may purchase from their own personal funds, the assets originally paid using Township funds, for an amount based on Net Book Value of the asset at the time of purchase.
- f) The use of this technology is in accordance with the Mobile Device Technology Policy, Technology Use Policy and Software Use Policy and any other pertinent policies that may be approved.
- g) Replacement computer hardware will only be reimbursed if it is lost or stolen, or no longer operates and cannot be repaired to its initial operating specifications. The old equipment must be returned, and /or written confirmation if the equipment has been lost or stolen.

11. Mobile Phones/ Telecommunication Services:

- a) As outlined under section 10.0, the Township will supply a mobile phone to

Members of Council. The monthly service fees are paid by the Township and will be charged to the appropriate expense/protocol account. The initial purchase of the mobile device will not be charged to the Member's expense/protocol account.

- b) Members of Council shall arrange with the IT Manager for an appropriate out of country mobile device plan in order to avoid excessive roaming charges if required for Township business.
- c) The Mobile Device Technology Policy is to be followed.
- d) The Member of Council agrees to have their Township issued mobile phone number advertised for public use.

The following pertains to the Use of a Personal Phone

- e) The additional costs associated with the initial capital cost of purchasing a mobile phone or costs associated with mobile phone replacements or upgrades are not eligible for reimbursement.
- f) If a Member of Council declines a Township mobile phone, reimbursement of a personal monthly cellular bill is an eligible expense; however, reimbursement will be a maximum of \$40/month. An expense report shall be completed and submitted in order to receive this reimbursement.
- g) The Member of Council is responsible for maintenance and support of the device through the plan or device provider. Township staff will only provide support with the installation of the Member's Township email account on the device.
- h) The mobile phone number for which the Member receives monthly reimbursement shall not be used for election campaign purposes.
- i) If, from the day of filing their nomination until Election Day, the Member wishes to use the mobile phone number, for which they receive monthly reimbursement, for campaign purposes, the Member shall notify the CAO and shall cease to receive reimbursement for that period.
- j) The Member of Council agrees to have their personal mobile phone number advertised for public use.
- k) Internet services including monthly charges and usage charges for Township related business are eligible costs. Penalty/late fees on such charges are considered ineligible expenses. The installation costs and any related hardware for such a service is an ineligible expense. Reimbursement will be a maximum of \$100/month. An expense report shall be completed and submitted in order to receive this reimbursement.

12.0 Parking and Transportation:

- a) Mileage and related parking for travelling to and from home to outside of the municipality on authorized Township business will be paid in accordance with the Travel & Corporate Expense Policy.
- b) Traffic and Parking tickets are an ineligible expense.

13. Training, Conferences and Conventions

- a) Attendance at training, conferences and conventions related to Township business will be reimbursed in accordance with the Travel & Corporate Expense Policy.
- b) Personal development programs such as degrees or diplomas are considered ineligible expenses.
- c) Training unrelated to the duty of a Member of Council is considered an ineligible expense.
- d) Members of Council are eligible to a per diem of \$60.00 for attendance at seminars, conferences and/or convention of more than one day in duration, to compensate for lost work time while on a conference or convention. This would be treated as a taxable benefit and would be coded to salaries/wages. It would not be charged to individual protocol accounts.

14. Procedures:

- a) All requests for reimbursement are to be submitted to the office of the CAO.
- b) The CAO, or his or her designate, will approve all requests for reimbursement.
- c) Members of Council requesting reimbursement of expenditures under this Policy must, within 30 days but no later than the end of the calendar year in which the expense was incurred, submit a request for reimbursement with the proper documentation using Township expense forms.
- d) All questions and concerns regarding this policy and procedure should be directed to the CAO for consideration and action as required.
- e) In the case of a dispute or extraordinary circumstance that may arise, regarding reimbursement payments, the CAO or his/her designate will meet with the Member of Council and make every reasonable effort to resolve the matter. Where a matter cannot be resolved, the CAO or his/her designate shall prepare a report to Council for its consideration.

15. Disclosure of Information:

- a) All expense information is public information and shall be made available, upon request, in accordance with the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) and all related legislation.
- b) Under Section 284(1) of the Municipal Act, 2001, the Treasurer must submit to Council an itemized statement of remuneration and expenses paid to each Member of Council in respect to his or her service as Member of Council or as a Member of a local board in the preceding year.



OMAA

ONTARIO MUNICIPAL ADMINISTRATORS' ASSOCIATION

June 6, 2022

Mayor and Council
318 Canborough St.
Smithville ON L0R 2A0

Dear Mayor Bylsma and Members of Council,

I write to you as President of the Ontario Municipal Administrators' Association (OMAA) to offer on behalf of our members, congratulations to your Chief Administrative Officer, Bev Hendry, on her recent recognition at an OMAA Awards Event held on May 19, 2022.

Our Association has been in existence for over 60 years as an organization devoted exclusively to supporting the municipal Chief Administrative Officer (CAO) in Ontario. Collectively OMAA strives to enhance good governance by promoting leadership excellence and professional management in local government administration for municipalities throughout the province.

It is a pleasure to advise that your Chief Administrative Officer Bev Hendry was given special recognition by her colleagues on May 19. Each year we invite members to nominate their peers to acknowledge the efforts and accomplishments of individual Ontario CAOs.

Bev was nominated for this recognition by her CAO colleagues at The Township of Wainfleet and the Town of Pelham with the following explanation;

"Ms. Hendry has provided exemplary leadership to the Township of West Lincoln, with particular emphasis upon staff safety and morale throughout the Covid crisis. The community she serves came to both provincial and national prominence as an anti-vaccination, anti-mask mandate and pro-freedom convoy hot spot. The extremely strong emotions on both sides of the public divide required a calm, reasonable and empathetic municipal leader to steer a course that respected both sincerely held beliefs and kept staff and residents healthy and safe. The pressures placed on Ms. Hendry were severe and relentless; criticism harsh and unfair. Throughout this ordeal, Ms. Hendry has conducted herself with great dignity and her actions and comportment should be a model for all CAOs who are experiencing trying times."

OMAA is pleased to celebrate the achievement of your CAO and we thank you for the support provided by Council for your Chief Administrative Officer and the commitment to excellence in local administration and governance. Together we are all working towards superior local government in Ontario.

Sincerely,

David Calder

OMAA President

Chief Administrative Officer, City of Cambridge