

Township of South Algonquin Asset Management Plan

Financial Strategy Presentation
June 18, 2025

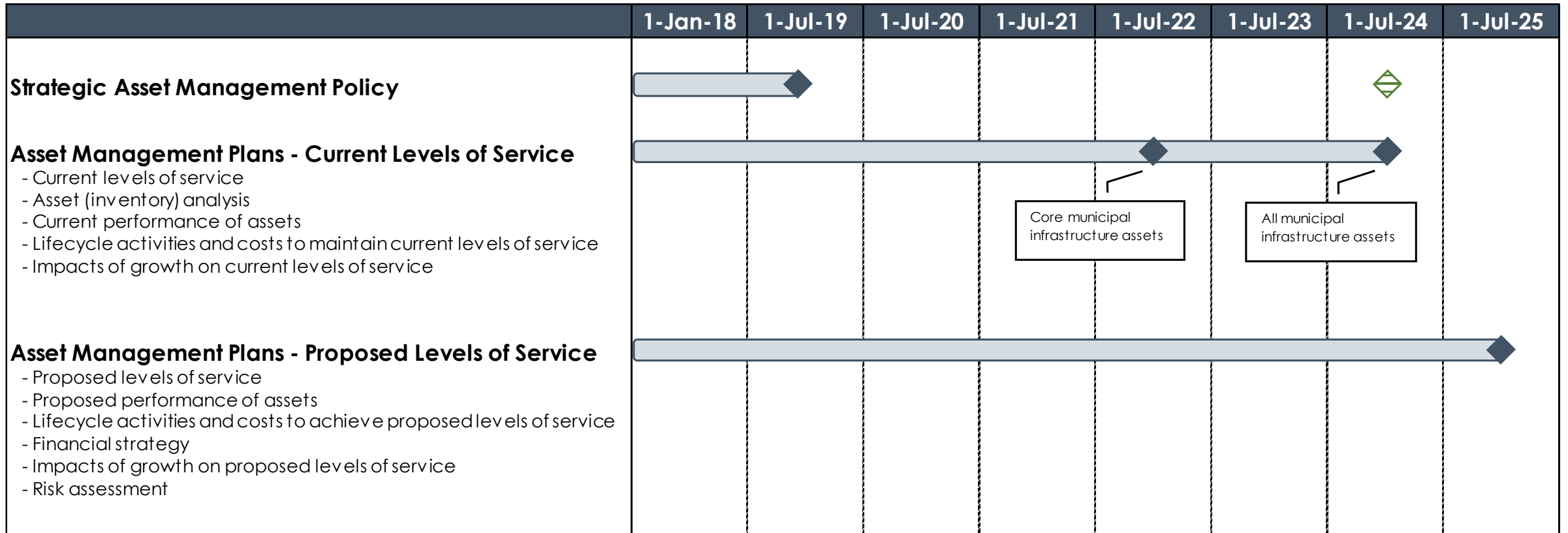
Introduction



- The Township of South Algonquin (Township) completed an Asset Management Plan in 2023
- The Township has been working with Watson & Associates Economists Ltd. (Watson) through the AMP it Up 3.0 program to further advance its asset management practices
 - Focus of the engagement has been on developing a financial strategy model and options for Council's consideration

Background & Context

Ontario Regulation 588/17

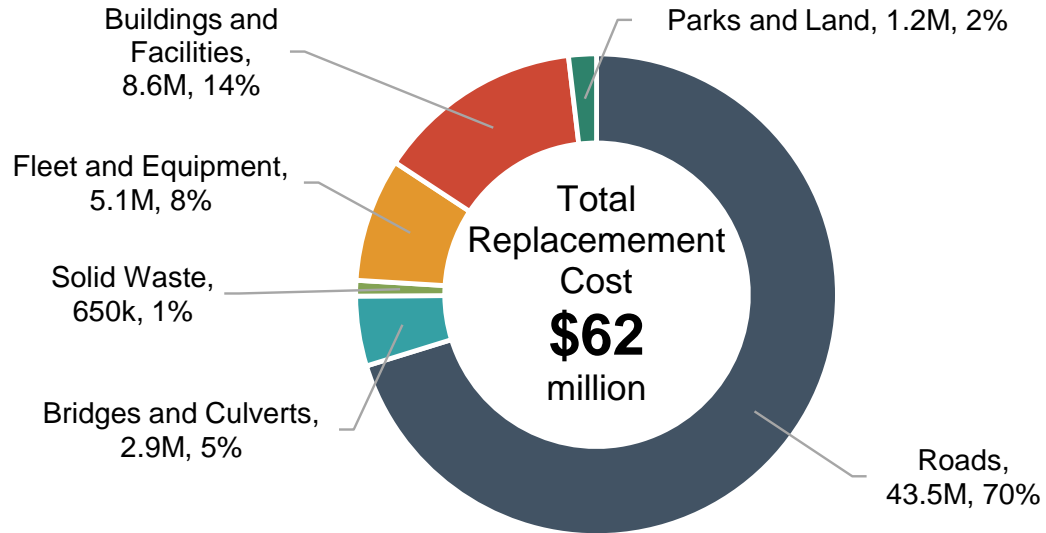


◆ Deadline for completion
 ◇ Update



Asset Overview

Replacement Cost Breakdown

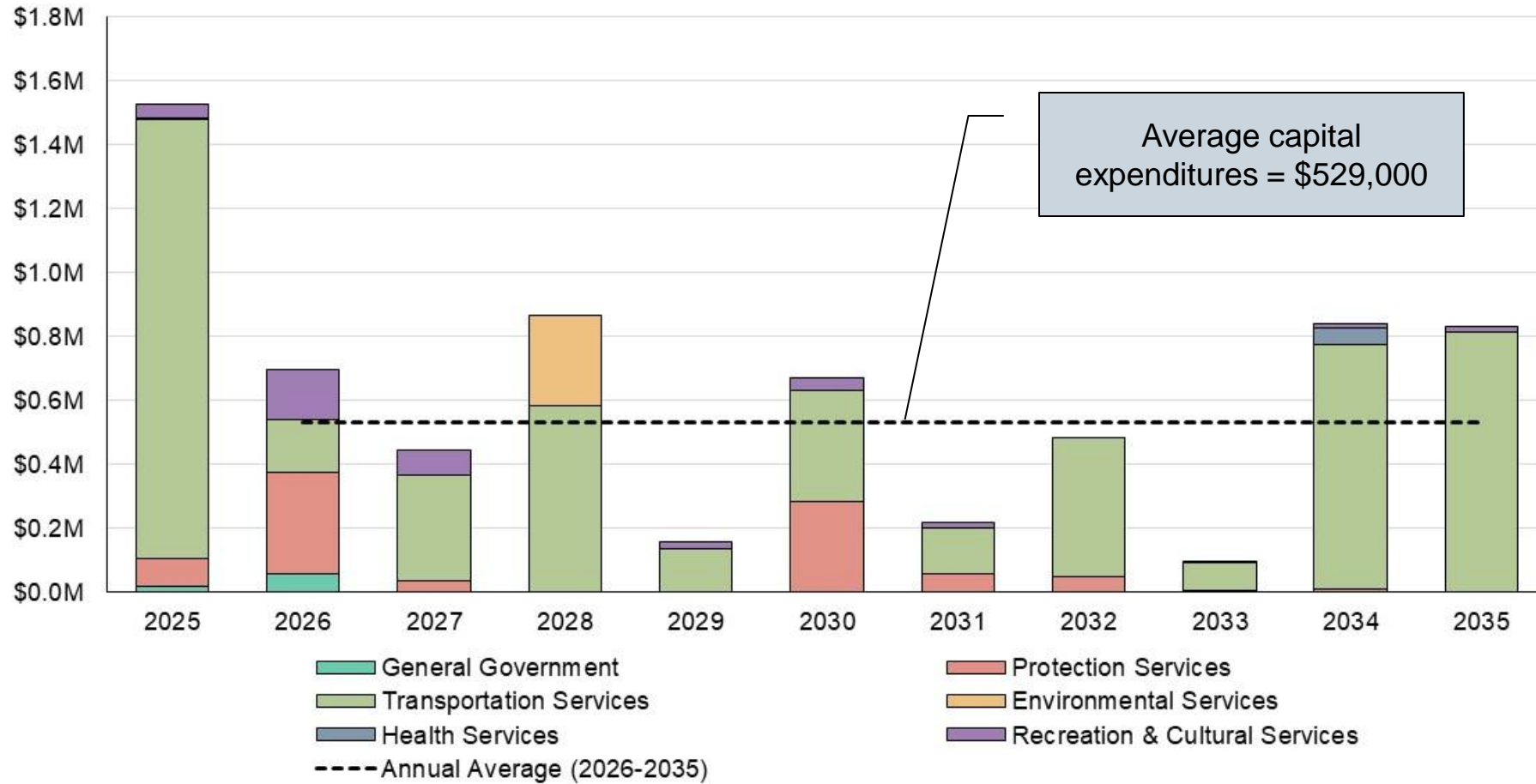


Asset Category	Replacement Cost (2025\$)
Roads	\$43,515,000
Bridges and Culverts	\$2,905,000
Solid Waste	\$650,000
Fleet and Equipment	\$5,139,000
Buildings and Facilities	\$8,602,000
Parks and Land	\$1,156,000
Total	\$61,967,000

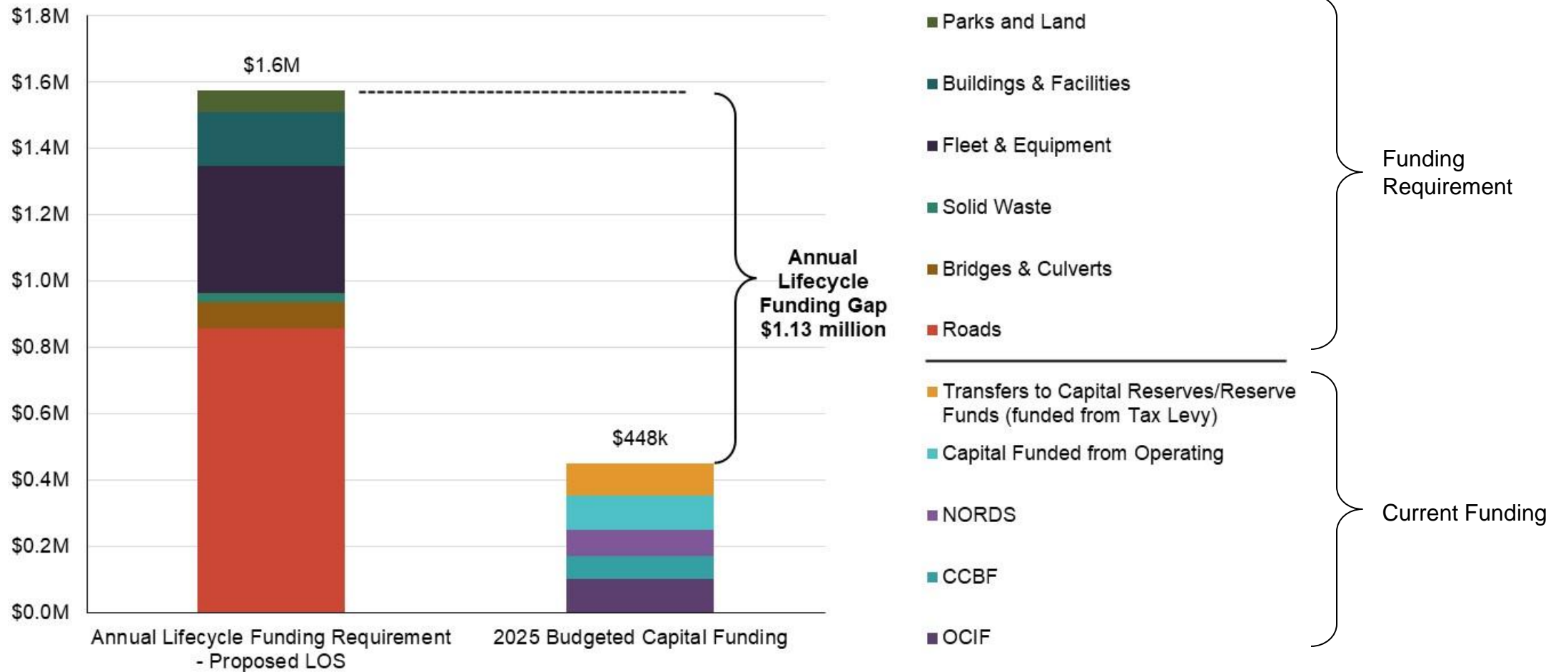
A typical household (single detached residential house with a taxable assessment of \$120,000) indirectly owns approximately \$26,000 of municipal infrastructure.

Source: Replacement Cost is based on the Township's 2022 Asset Management Plan, inflated to current dollar amount.

Uninflated Capital Forecast

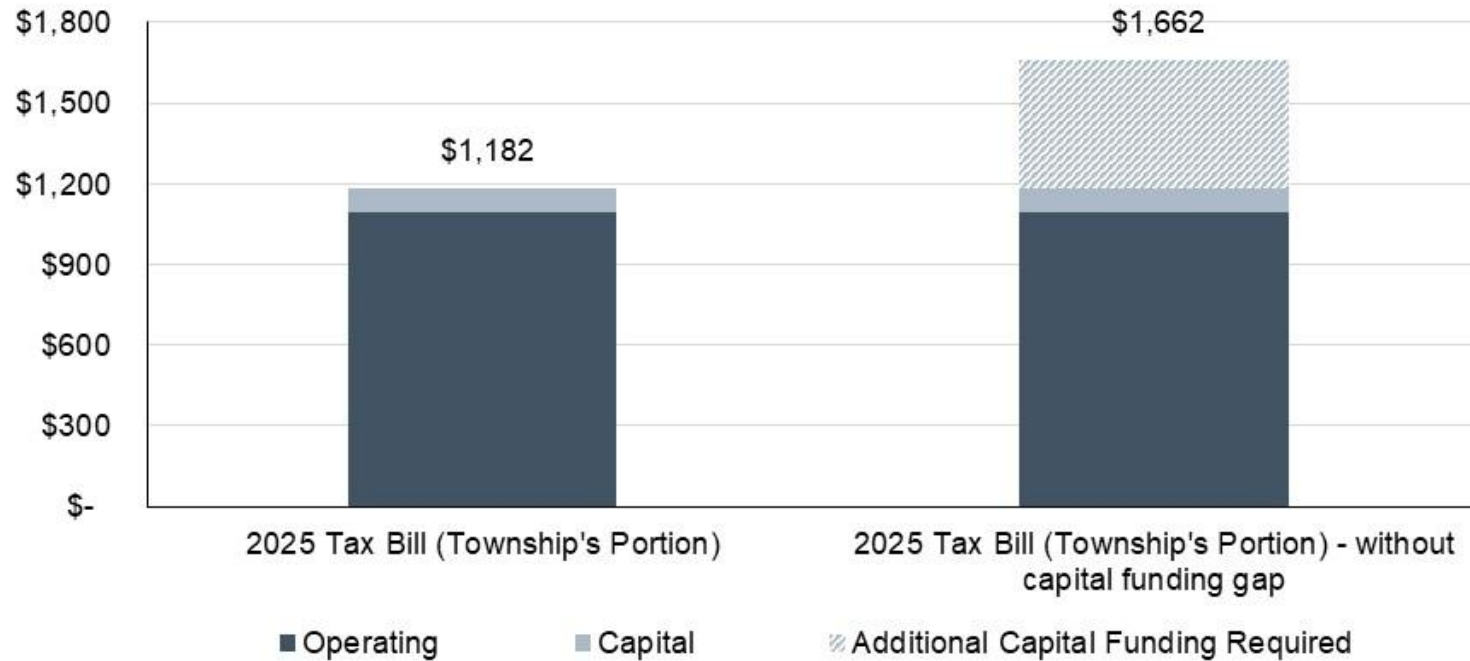


Lifecycle Funding Gap Assessment – Baseline Scenario



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Tax Bill Analysis – Average Single-detached House (CVA of \$120,000)

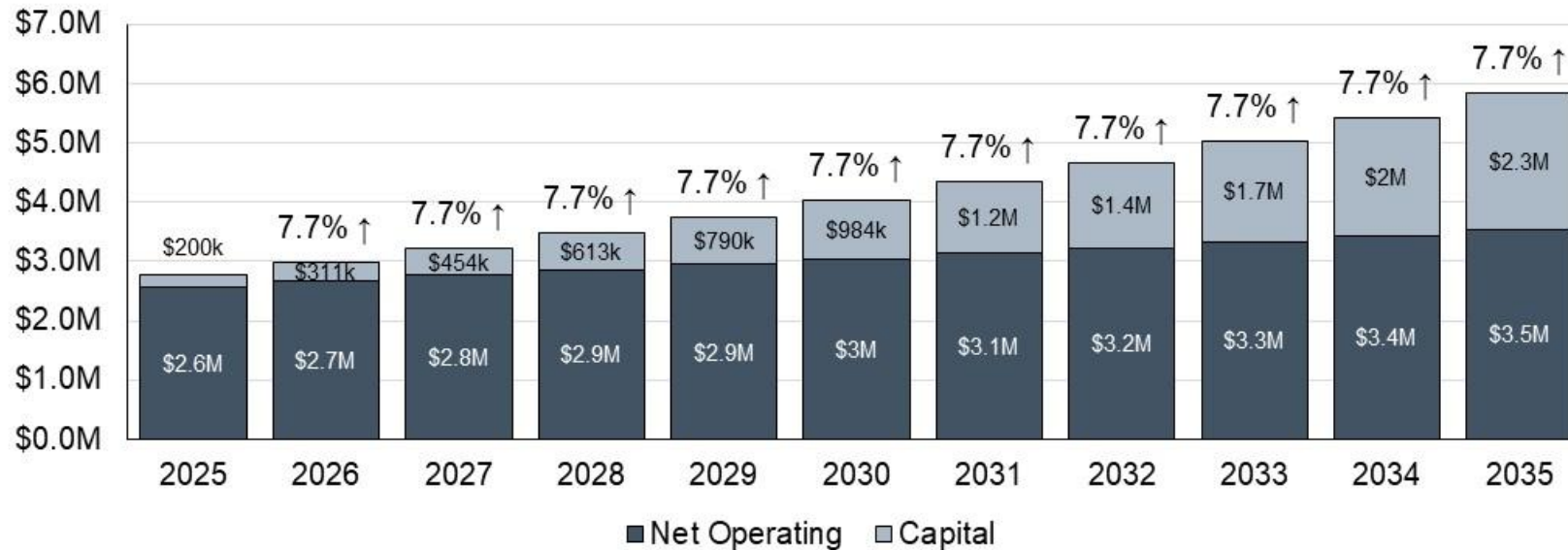


Tax Levy Impact (Inflated) – Baseline Scenario

Strategy: Close Annual Lifecycle Funding Gap by 2035



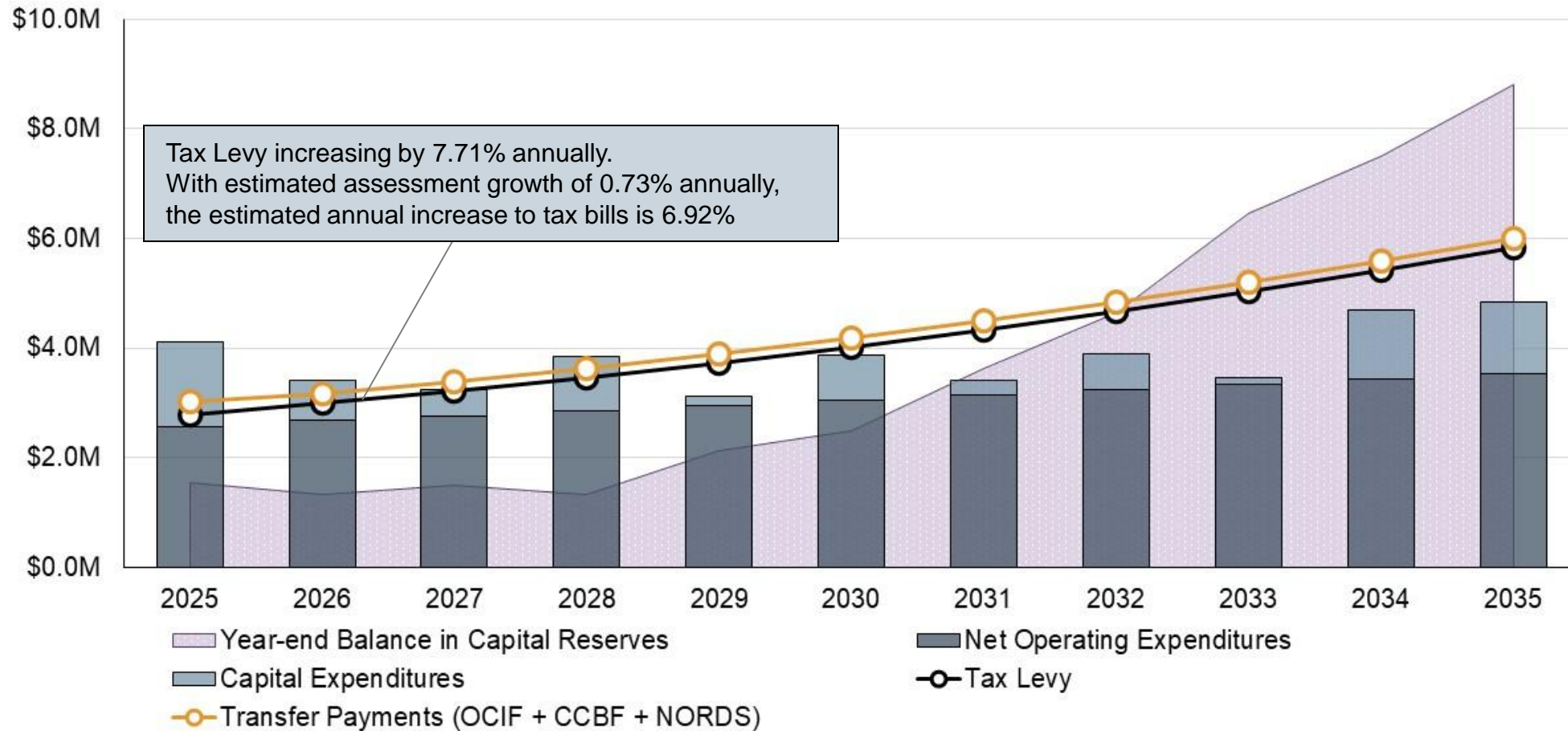
Tax Levy Forecast (Inflated)



- In order to gradually close the annual funding gap by 2035, the total tax levy would need to increase by approximately 7.71% annually
- With estimated assessment growth of 0.73% annually, tax bills would increase by approximately 6.92% each year

Overall Financial Forecast – Baseline Scenario

Strategy: Close Annual Lifecycle Funding Gap by 2035



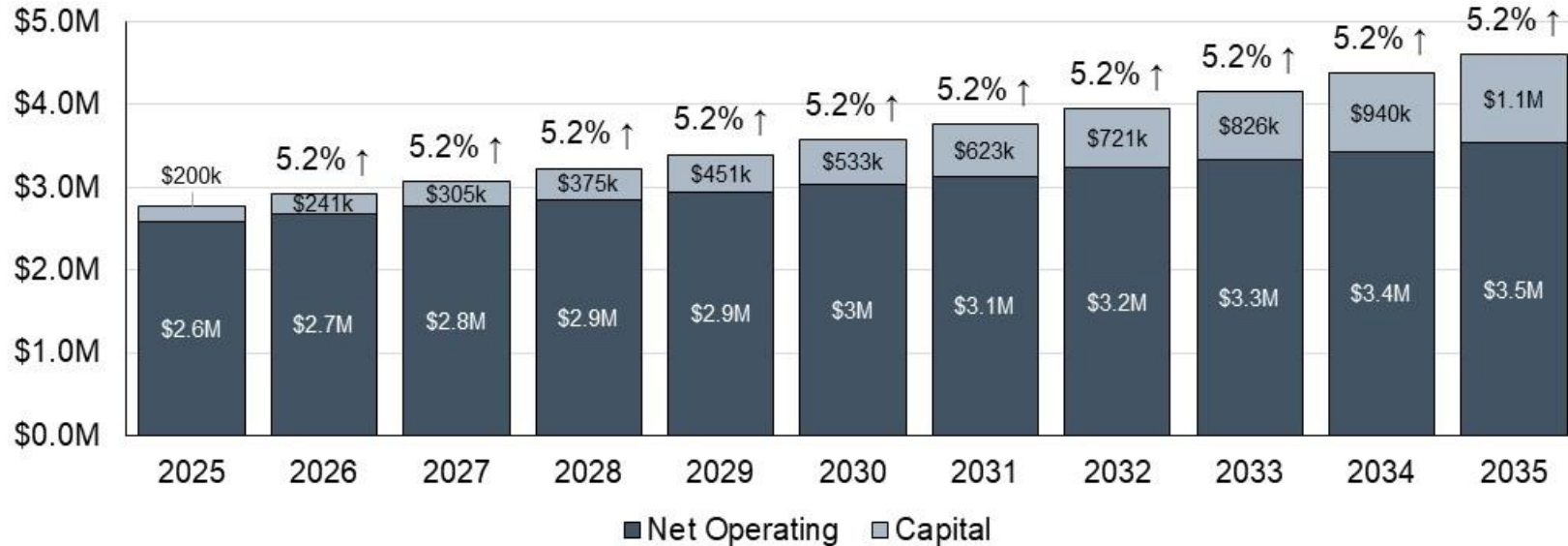
Alternative Scenario

Tax Levy Impact (Inflated) – Alternative Scenario

Strategy: Fund ½ of lifecycle costs by 2035



Tax Levy Forecast (Inflated)



- In order to fund ½ of lifecycle cost by 2035, the total tax levy would need to increase by approximately 5.18% annually
- With estimated assessment growth of 0.73% annually, tax bills would increase by approximately 4.41% each year

Overall Financial Forecast – Alternative Scenario

Strategy: Fund ½ of lifecycle costs by 2035

