

Asset Management Plan – Housing

City of Kawartha Lakes and County of Haliburton



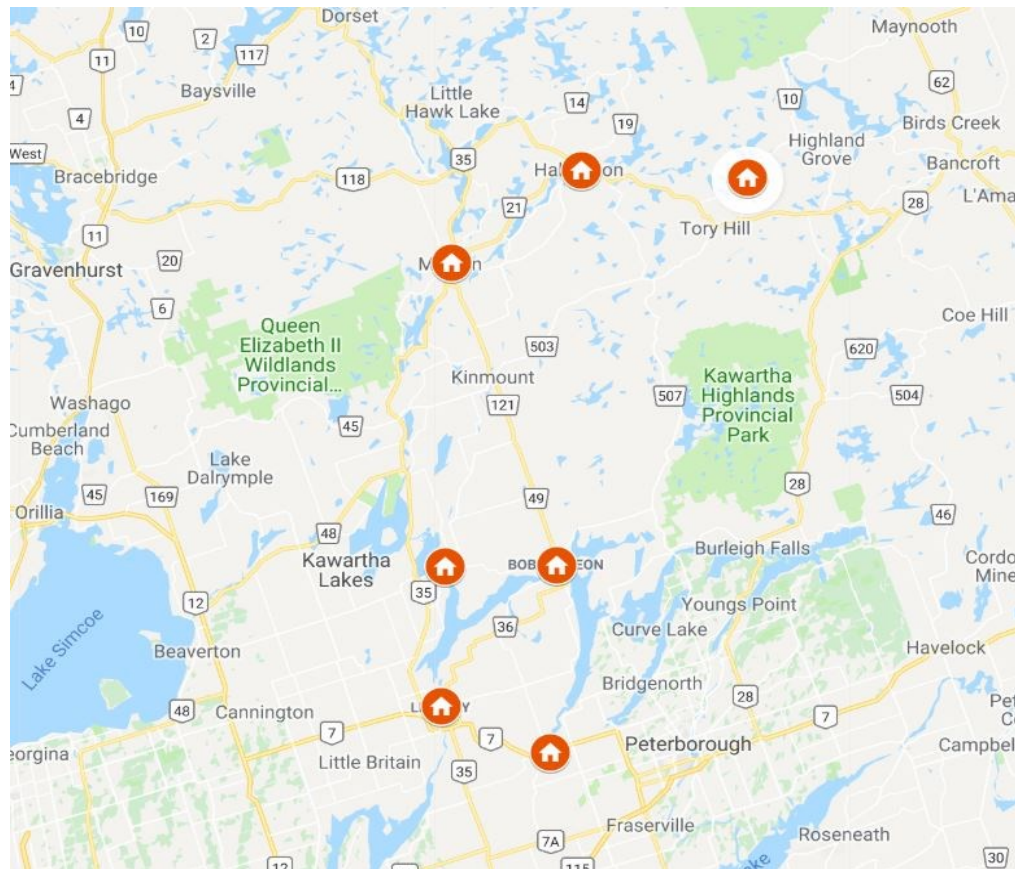
Overview

- Purpose
- Portfolio Overview
- Asset Valuation
- Report Card
- Level of Service
- Asset Management Strategy
- Finance

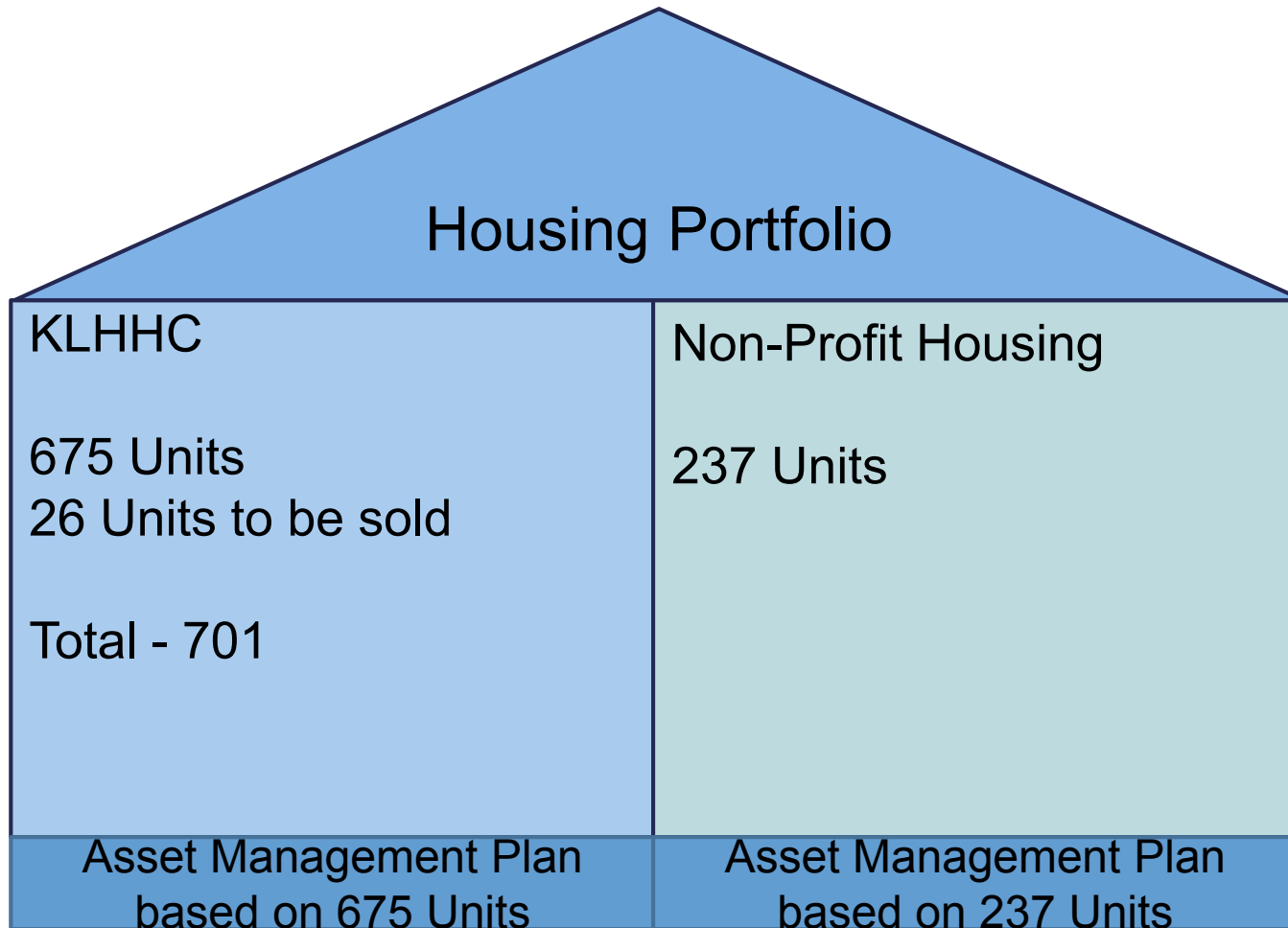
Purpose of Asset Management Plan

- Compliance with Ontario Regulation 588/17 under the Infrastructure for Jobs and Prosperity Act, 2015 came into effect January 2018
- City of Kawartha Lakes commissioned Asset Management Plan for Core Assets in 2017
- Asset Management Plan builds on current asset management practices

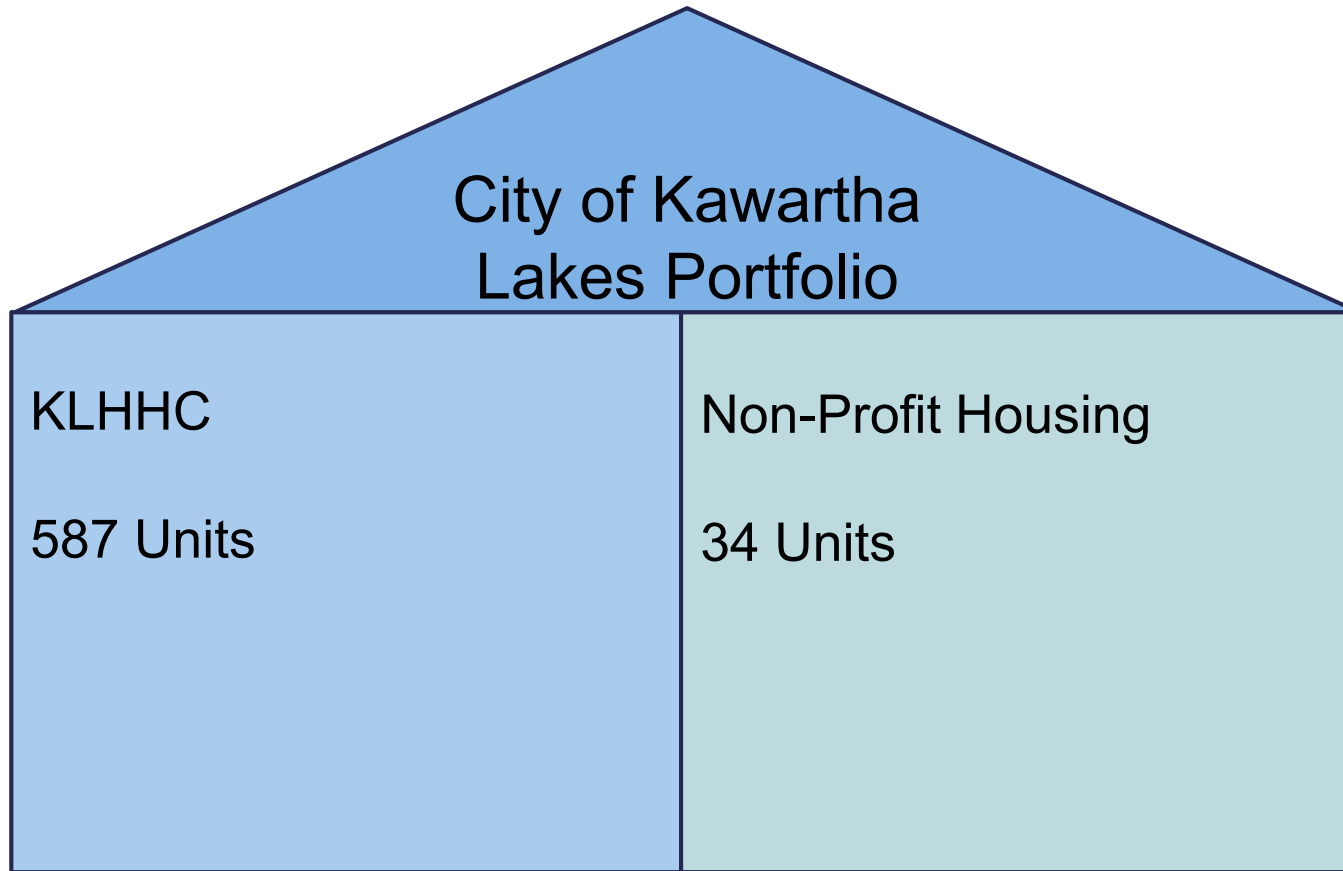
Portfolio Overview



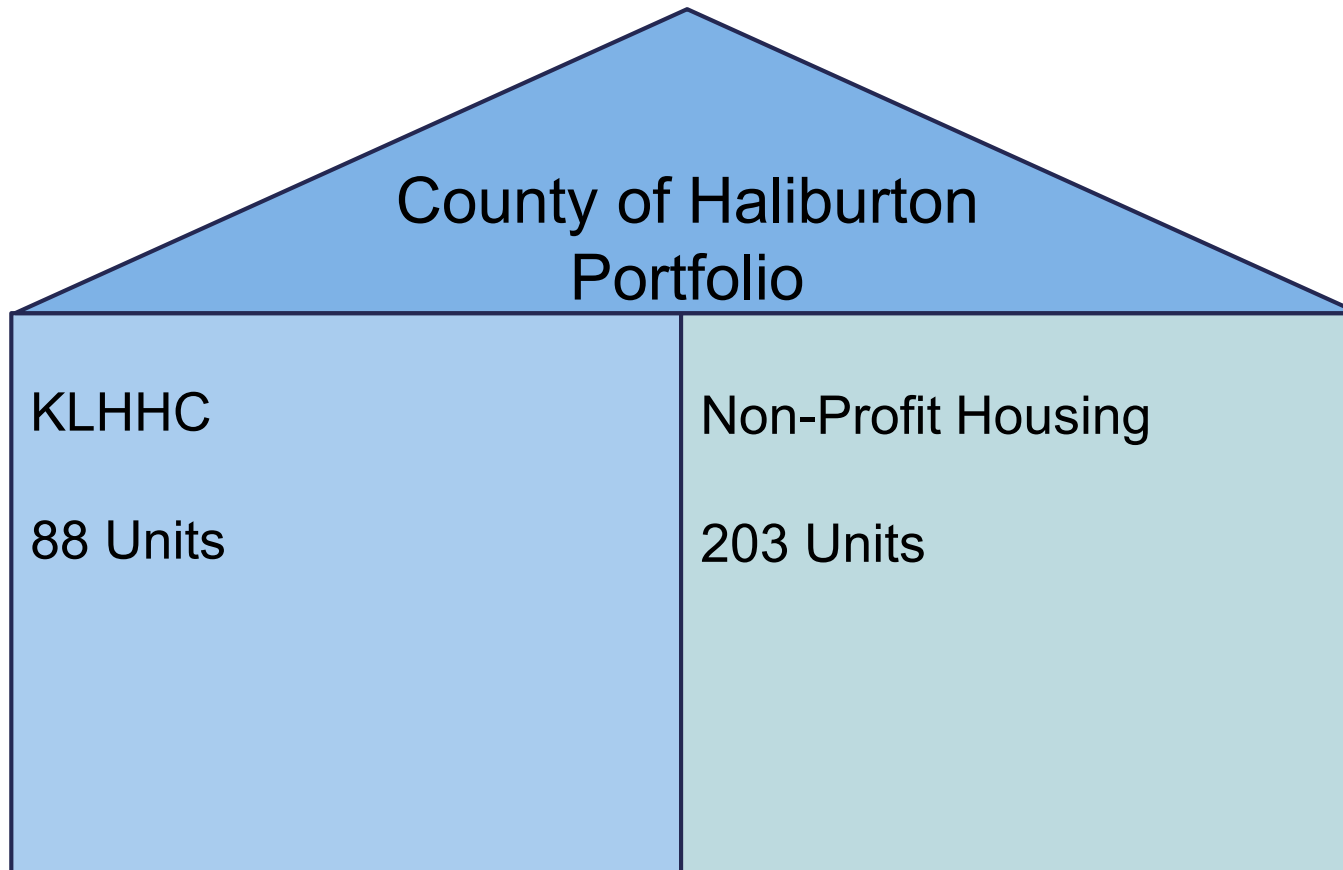
Portfolio Overview



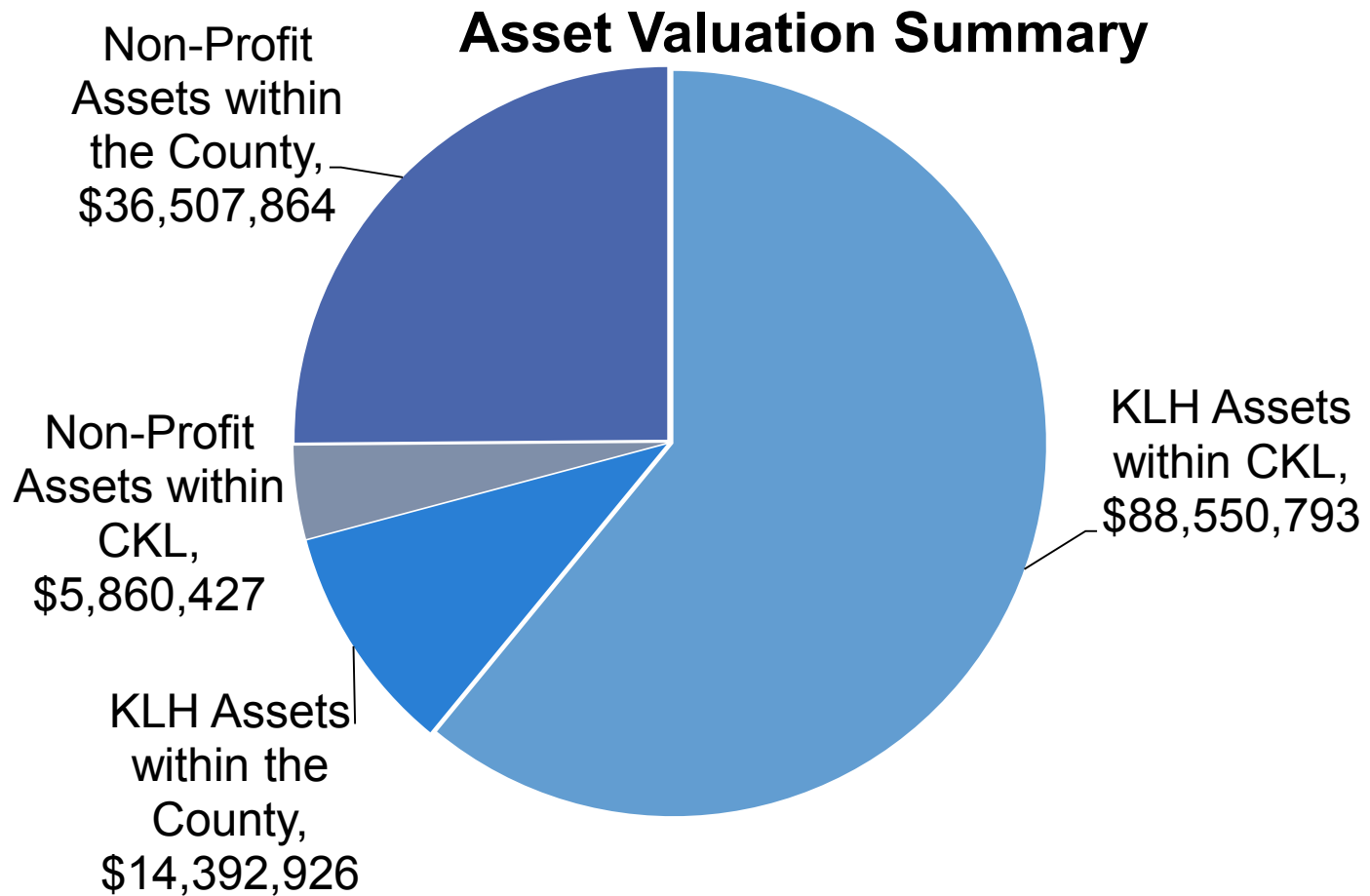
Portfolio Overview



Portfolio Overview



Replacement Valuation



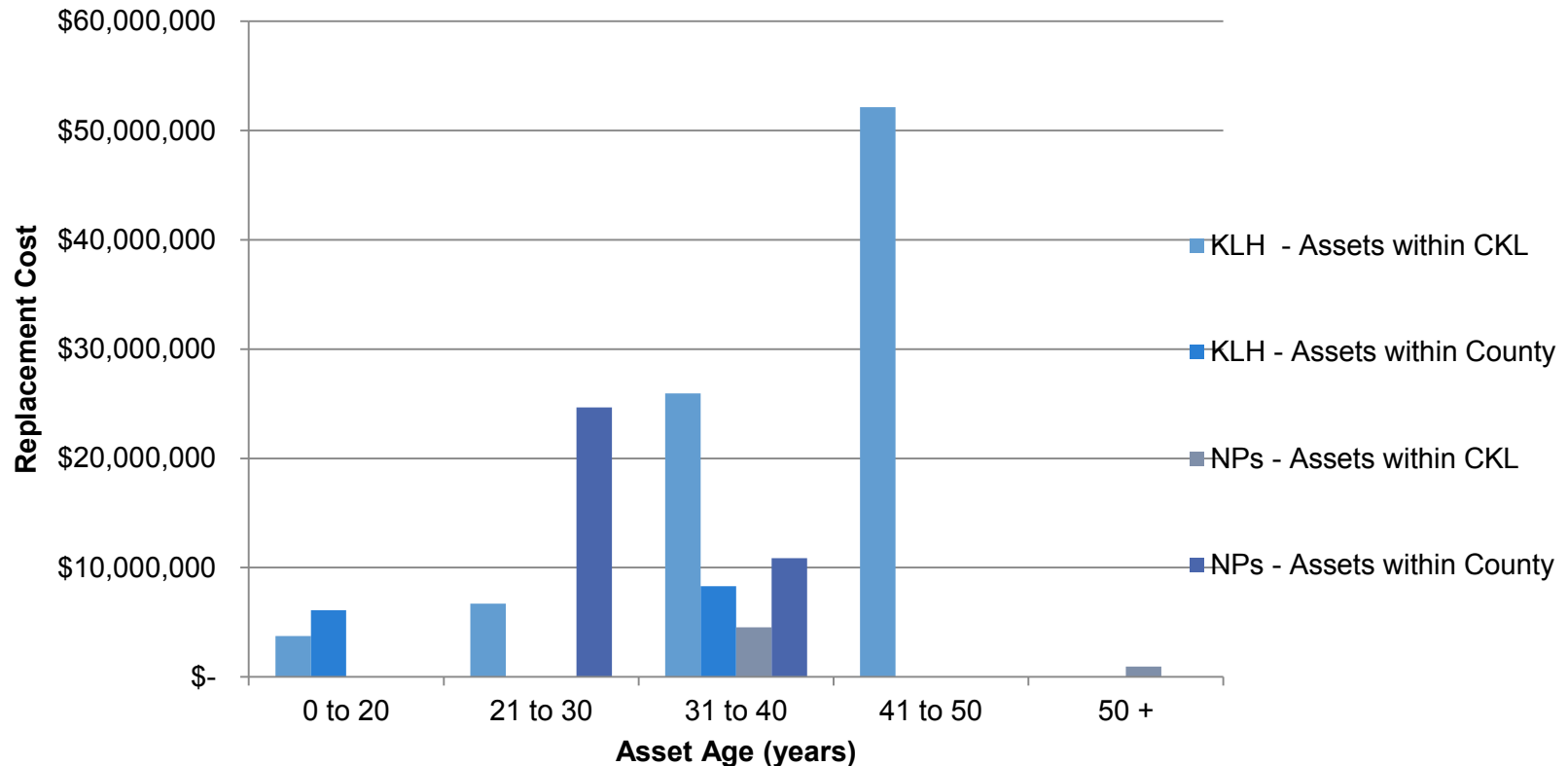
Asset Management Plan Methodology

Grading Criteria

Criteria	Definitions
Capacity	Capacity to meet demand is the ability to ensure that supply meets current and future demand
Condition	Is based on physical condition of the infrastructure, its age, performance and maintenance
Finance	Current level of funding for the infrastructure category and compared to the estimated funding need
Reliability	A measure of the ability to meet requirements for quality, standards, service interruptions, statutory compliance, functionality, safety and security.

Asset Age Distribution

Asset Age Distribution



Rating System

A
Very Good

- Asset performing well, only normal preventative maintenance is required. Asset is new or recently rehabilitated

B
Good

- Asset approaching mid-stage and requires funding

C
Fair

- Asset requires monitoring and attention, some elements show signs of deterioration

D
Poor

- Asset at risk of affecting service, approaching end of service life, conditions below standard and shows significant signs of deterioration

























F
Very Poor

- Asset unfit and is near or beyond expected service life. Widespread deterioration

Grading Scheme

Grade	Rating	Description
A	Very Good	80 – 100%
B	Good	70 – 79%
C	Fair	60 -69%
D	Poor	50 – 59%
F	Very Poor	50 % or lower

Report Card

Asset Category	Capacity	Condition	Finance	Reliability	2018	Trend	Replacement Value
KLH Housing Corp – assets within CKL							\$88,550,793
KLH – assets within the County							\$14,392,926
Non-Profits - assets within CKL							\$5,860,427
Non-Profits – assets within the County							\$36,507,864

Level Of Service

Current Level of Service

- Rent Geared to Income (RGI) agreement
 - Service Level Agreement with the Province
- Ontario Regulation 516/06 under the Residential Tenancies Act, 2006 (KLH Housing Corp adopted in 2007 for all KLH Housing Corp assets).
- Customer satisfaction: KLH Housing Corp conducts a tenant survey every two years and have consistently exceeded their target of 75% good or better customer satisfaction

Level Of Service

Proposed Level of Service

- Rent Geared to Income (RGI) agreement
 - Service Level Agreement with the Province
- Ontario Regulation 516/06 under the Residential Tenancies Act, 2006 (KLH Housing Corp adopted in 2007 for all KLH Housing Corp assets).
- Customer satisfaction: target of 75% good or better customer satisfaction
- Maintaining a Facility Condition Index of 10% or Lower for all assets

Asset Management Strategies

- Develop and document a risk-based capital prioritization system
- Continue to implement cost control techniques such as exploring efficiencies from bulk tendering and timing of tendering
- Continue with Building Condition Assessment program and update every five years and align with site review program
- Develop documentation clearly defining capital work and operating work. Consider including a minimum threshold for capital work

Asset Management Strategies

- Document a Preventative Maintenance plan and share with housing providers
- Further implement energy initiatives
- Participate in the utility management program (UMP) by adding additional buildings

Financial Analysis Summary

Program	10 Year Capital Needs	Average Annual Capital Needs (10 Year)	30 Year Capital Needs	Average Annual Capital Funding (30 Year)	Average Annual Capital Need (30 year)	Annual Shortfall (based on 30 year)
KLH - assets within CKL	\$ 12,315,774	\$1,231,577	\$48,317,603	\$1,379,315	\$1,610,586	\$231,272
KLH - assets within the County	\$ 1,052,503	\$105,250	\$7,545,643	\$137,931	\$251,521	\$113,590
Non-Profits – within CKL	\$ 898,315	\$89,832	\$2,975,644	\$31,518	\$99,188	\$67,670
Non-Profits – within the County	\$ 5,089,310	\$508,931	\$19,465,343	\$211,490	\$648,844	\$437,355

Financial Recommendations

- Build capital reserves in order to meet future needs by increasing the annual contribution
- Extend the terms of the current CKL 10 year financial strategy on capital expenditure sustainability to include housing assets
- Consider expanding the eligible infrastructure investments included in the Development Charges by-law to include housing assets

Financial Recommendations

- Explore options to create an internal capital repairs loan program to support non-profit housing providers
- Utilize the AMP to undertake a strategic review of the County's housing assets



Thank you