

2024

Eldon House Asset Management Plan

City of London

london.ca/CAM



Table of Contents

Table of Contents.....	ii
Acknowledgement.....	iii
Section 1. Executive Summary.....	1
Section 2. Introduction.....	8
Section 3. Asset Management Plan	15
Section 4. Conclusion and Recommendations	35
Appendix A. O.Reg.588/17 Asset Management Plan Requirements.....	39
Glossary	42

List of Figures

Figure 1.1 Overall Condition	4
Figure 1.2 10-Year Planned Budget, LOS Investments and Infrastructure Gaps (Thousands)	4
Figure 2.1 Trade-off Cost, Risk, and LOS.....	13
Figure 3.1 Summary Average Age and Expected Useful Life By Eldon House	18
Figure 3.2 Summary Average Age and Expected Useful Life By Eldon House broken by asset sub-type	19
Figure 3.3 Overall Condition	21
Figure 3.4 Asset Type Condition Summary.....	21
Figure 3.5 Asset Condition Summary	23
Figure 3.6 Maintain Current LOS Cumulative Infrastructure Gap (Thousands).....	31
Figure 3.7 Accuracy Reliability Scale.....	34

List of Tables

Table 1.1 2024 AMP Summary Information.....	4
Table 1.2 Approved Budget, Maintain Current LOS, and Achieve Proposed LOS Annual Reinvestment Rates.....	5
Table 3.1 Inventory and Valuation.....	17
Table 3.2 Condition and Scale Definitions.....	20
Table 3.3 Customer Values Definition	24
Table 3.4 Direct Levels of Service	25
Table 3.5 Definitions for Lifecycle Activities.....	25
Table 3.6 Current Asset Management Practices or Planned Actions.....	26
Table 3.7 Risks Associated with Asset Management Practices or Planned Actions	27
Table 3.8 Scenario One – Average Annual Activity and Project Asset Related Operating Budget (\$Thousands)	29
Table 3.9 Scenario Two - Average Annual Cost to Maintain Current LOS (\$Thousands)	30
Table 3.10 Average Annual Budget and Gap Analysis (\$Thousands)	31
Table 3.11 Summary of the State of Local Infrastructure, Infrastructure Gap, and Reinvestment Rates (Thousands)	34
Table 4.1 2024 Eldon House AMP Recommendations.....	37
Table A1.0.1 O.Reg.588/17 July 1, 2024 Requirements	40
Table A1.0.2 O.Reg.588/17 July 1, 2025 Requirements	41

Acknowledgement

Land Acknowledgment

We acknowledge that Eldon House resides on the traditional lands of the Anishinaabeg, Haudenosaunee, Lūnaapéewak and Attawandaron. We acknowledge all the treaties that are specific to this area: the Two Row Wampum Belt Treaty of the Haudenosaunee Confederacy/Silver Covenant Chain; the Beaver Hunting Grounds of the Haudenosaunee NANFAN Treaty of 1701; the McKee Treaty of 1790, the London Township Treaty of 1796, the Huron Tract Treaty of 1827, with the Anishinaabeg, and the Dish with One Spoon Covenant Wampum of the Anishnaabek and Haudenosaunee. This land continues to be home to diverse Indigenous people (First Nations, Métis and Inuit) whom we recognize as contemporary stewards of the land and vital contributors to society. As representatives of the people of Eldon House, we are grateful to have the opportunity to work and live in this territory.

Staff Acknowledgment

The Corporate Asset Management office would like to acknowledge respective Eldon House staff for the effort and support they put forth to help accumulate the data and develop the findings of this Asset Management Plan. We are also sincerely thankful to Eldon House Board and City Council for their support.

City of London Council (2022-2026)

Mayor: Josh Morgan

Councillors: Hadleigh McAlister (Ward 1), Shawn Lewis (Ward 2), Peter Cuddy (Ward 3), Susan Stevenson (Ward 4), Jerry Pribil (Ward 5), Sam Trosow (Ward 6), Corrine Rahman (Ward 7), Steve Lehman (Ward 8), Anna Hopkins (Ward 9), Paul Van Meerbergen (Ward 10), Councillor Skylar Franke (Ward 11),

Elizabeth Peloza (Ward 12), David Ferreira (Ward 13), and Steven Hillier (Ward 14)

Eldon House Board of Directors

Members: Joe O’Neil, Megan Halliday, Doug Fleming, Louanne Henderson, Devinder Luthra, Bryan McClure, Mike Donachie.

© 2024, City of London. All Rights Reserved.



Section 1. Executive Summary

Summary	Maintain Current LOS	Achieve Proposed LOS
Replacement Value (\$Thousands)	\$235.2	\$235.2
Cumulative 10-Year Infrastructure Gap (\$Thousands)	None identified	None Identified
Infrastructure Gap as a Percentage of Replacement Value	None identified	None identified

1.1: 2024 Eldon House Asset Management Plan

Introduction

Eldon House stands as a significant cultural landmark in London, Ontario, committed to preserving and showcasing the history of the region through the lives of the Harris Family from 1834 to 1959. As a museum, it maintains a unique collection that illustrates the area's development and the lives of four generations who resided in the house, providing an authentic link to Canada's past and representing an irreplaceable legacy. Eldon House serves as a crucial educational resource, offering a deep connection to 19th-century life and enriching the community's understanding of its historical landscape.

This Asset Management Plan (AMP) is designed to enhance the management of Eldon House infrastructure assets in a way that connects Eldon House strategic plan, City of London, and community objectives to day-to-day and long-term infrastructure investment decisions in order to provide the best possible service to the community. This is accomplished by:

- Aligning with the regulatory landscape, by meeting the requirements of Ontario Regulation 588/17 – Asset Management Planning for Municipal Infrastructure (O. Reg. 588/17), and positioning Eldon House for capital grant funding applications.
- Understanding the current state of the infrastructure systems (value, quantity, age, condition, etc.).
- Measuring and monitoring levels of service (LOS) to quantify how well infrastructure systems are meeting expectations.
- Communicating asset lifecycle management activities (e.g., how infrastructure is operated, maintained, rehabilitated, and replaced).
- Determining the optimal costs and reinvestment rates of the asset lifecycle activities split between those that

maintain current LOS and those that achieve proposed LOS;

- If necessary, establishing an infrastructure gap financing strategy to fund the expenditures that are required to meet Eldon House Board of Directors (Board) approved LOS and associated lifecycle activities.

Based on the analysis, key findings of the 2024 Eldon House AMP are:

- There are \$235.2 thousand dollars of infrastructure assets under management, this excludes facilities and site work (gardens) as well as-artifact collections;
- The main building and greenhouse of Eldon House (facilities), along with their historic gardens (site work), are not included in this AMP but are covered in the City's Corporate Asset Management Plan within the Culture Services portfolio;
- The collections, rich in artifacts and archival materials, will be considered for inclusion in the next AMP, noting this infrastructure is classified as non-tangible assets and thus fall outside of O. Reg. 588/17 reporting requirements;
- Overall, assets contained within the AMP are in Good condition;
- No cumulative 10-year maintain current LOS and achieve proposed LOS infrastructure gaps have been identified; and
- The recommended average maintain current LOS reinvestment rate is 8.50% and based on an analysis of approved 2023 and 2024 Eldon House operating budgets, this level of infrastructure investment can be managed within existing budgets.

A summary of these results is presented in the following tables and figures:

- Table 1.1 summarizes the infrastructure gaps and presents them as a percentage of Eldon House infrastructure assets replacement value;
- Figure 1.1 summarizes the overall condition distribution of the assets between those that are in Very Good to Very Poor condition;
- Figure 1.2 shows the optimal maintain current LOS expenditures compared to planned operating budget, and the resulting infrastructure gap, if any;
- Table 1.2 presents the reinvestment rates for planned budget, maintain current LOS, and achieve proposed LOS.

Table 1.1 2024 AMP Summary Information

Summary Information	Maintain Current LOS	Achieve Proposed LOS
Replacement Value (\$Thousands)	\$235.2	\$235.2
10-Year Infrastructure Gap (\$Thousands)	None Identified	None Identified
Infrastructure Gap as a Percentage of Replacement Value	None Identified	None Identified

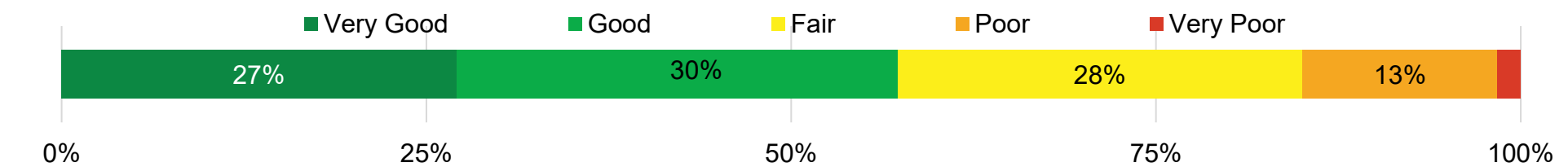


Figure 1.1 Overall Condition

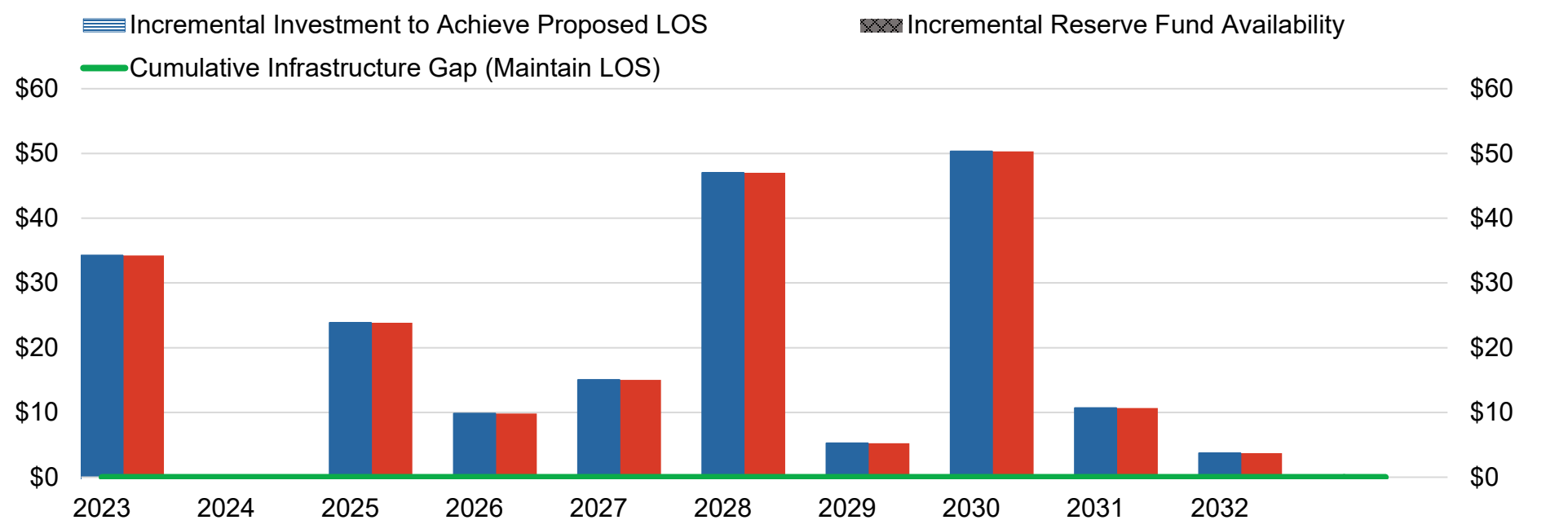


Figure 1.2 10-Year Planned Budget, LOS Investments and Infrastructure Gaps (Thousands)

Table 1.2 Approved Budget, Maintain Current LOS, and Achieve Proposed LOS Annual Reinvestment Rates

Current Annual Reinvestment Rate (Planned Budget)	Maintain Current LOS Recommended Annual Reinvestment Rate	Achieve Proposed LOS Recommended Annual Reinvestment Rate
8.5%	8.5%	8.5%

1.2: Summary of Asset Management Plan Structure

The AMP is designed to provide the reader with a strong functional knowledge of the basis of this report along with the process and data behind the development and results. This is achieved through the following report structure:

of the legislated requirements to the various sections and/or sub-sections of this AMP.

- **Introduction** section provides an overview of the provincial and municipal policies that govern asset management reporting requirements and the City’s Corporate Asset Management (CAM) Program as well as a summary of the various components of the AMP that culminate together to provide meaningful information that supports asset and budget decisions.
- **Detailed Asset Management Plan** section summarizes the existing asset inventory, its replacement value, condition, age distribution, and how Eldon House stores its asset data. This section then explores the LOS delivered by the assets, the associated lifecycle management strategies, and activities, and concludes with an analysis of the identified infrastructure gaps and supporting financing strategies.
- **Conclusion and Recommendations** section outlines the findings and observations made throughout the AMP development and reporting process and establishes the recommendations that will be used to guide future asset management activities, subject to Board approval.
- **Appendix A. O.Reg.588/17 Asset Management Plan Requirements** section encompasses a detailed mapping

1.3: Executive Summary Conclusion and Recommendations

Conclusion

Based on Eldon House staff input and asset data, Eldon House AMP is a tactical outcome of the City's CAM Program, outlining Eldon House plan to manage its \$235.2 thousand worth of infrastructure, and the required investments to expand the asset portfolio to meet maintain current LOS and achieve proposed LOS objectives. There are no easy solutions to how the entire infrastructure system works together to achieve an optimal delivery of educational programs, cultural events, and research opportunities. But this AMP, among other Eldon House strategic documents, help identify the efforts required to ensure appropriate infrastructure funding.

There are no identified cumulative 10-year maintain current LOS and achieve proposed LOS gaps. If they were to arise in the future, choices are available as to how Eldon House manages the infrastructure gaps. These choices include:

- Eldon House can continue to deliver services at their current or proposed levels by committing to make required investments thereby mitigating or even eliminating the infrastructure gaps. However, funding sources are limited, thus, Eldon House must continue to manage its services in an affordable manner with due regard to member, community, and staff impacts.
- Paying for the gaps is not the only opportunity. In some cases, Eldon House may be able to reduce LOS to match its ability to pay. However, there may be an unwillingness to give up services currently employed and a strong desire to improve services especially when considered in the context of public cultural education and heritage preservation.

- A third opportunity is to find more efficient and effective methods of delivering cultural and educational services, including altering the asset mix that facilitates service provision to the community. A key component of this strategy is the ongoing effort to refine asset management practices.

Overall, Eldon House has a long-standing practice of pursuing all possible means to achieve service delivery goals and have been reasonably successful delivering quality services. In effect Eldon House adopts a blend of the three approaches outlined and are continuously seeking to improve these strategies.

Recommendations

The City's CAM Program is founded on the principle of continuous improvement with the object of increasing line-of-sight quality of data/information and the tools and techniques that are used to inform services and asset management decision-making. This increased quality will lead to greater confidence in the analysis documented and decisions formed through the AMP and supporting processes.

The Recommendations section of this AMP outlines administrative projects that will enhance the management of and reporting against Eldon House \$235.2 thousand worth of infrastructure assets. These recommendations are structured to address short- and long-term asset management objectives and are categorized according to distinct asset management knowledge areas.

Each of these recommendations will be completed with leading support from the City's CAM staff. At this time, there are no additional funding needs associated with the completion of these administrative projects (i.e., initial projects will be completed leveraging existing staff and other resources).

Section 2. Introduction



2.1: Supporting Eldon House Goals Through the Corporate Asset Management Program

Eldon House is a longstanding and esteemed heritage site in London, Ontario, reflecting the life and times of the Harris Family's during the period of 1834 to 1959. Situated on the northern edge of downtown London, the property overlooks the Thames River and encompasses the original Eldon House where the family resided. This historical residence displays a substantial collection of artifacts across its two floors. Adjacent to it is the Interpretative Centre, established for hosting various programs and activities, including educational programs.

The site also features gardens, a greenhouse, and sprawling lands that descend to Harris Park along the riverbank. Another significant element tied to Eldon House is the Harris Diaries, housed at the University of Western's Archives. These diaries are vital for research and offer significant insights into London's historical narrative.

Previously associated with Museum London, Eldon House has transitioned to an independent entity governed by its own Board of Directors. This shift aims to enhance focus and stewardship. The City of London retains ownership of the property and artifacts, operating Eldon House since 1960 under an agreement that emphasizes the site's historical period.

These service delivery outcomes are based on Eldon House's strategic community and organizational directions established through Eldon House Strategic Plan. This Plan outlines the vision, mission, and principals that guide Eldon House in a manner that resonates with the core values of our community. The current Board approved Eldon House Strategic Plan summarizes these objectives as follows:

Our Vision

Knowing ourselves by experiencing our heritage.

Our Mission

We are a distinctive community heritage destination, committed to empowering our visitors and participants to:

- a) Explore and preserve our local and Canadian history through the life and times of the Harris Family.
- b) Escape to a unique oasis in downtown London.
- c) Engage in learning, fun, and lived experiences.

Our Principals

We believe in:

- a) Authentic visitor experiences
- b) Valuing our past
- c) Celebrating our diversity
- d) Honouring the Harris women
- e) Collaboration
- f) Innovation
- g) Accountability

The City's Corporate Asset Management (CAM) Program is designed to enhance the management of the infrastructure assets (both City of London and Agencies, Boards, and Commissions assets) in a way that connects strategic objectives to day-to-day decisions related to when, why, and how investments are made into infrastructure systems that support service delivery. Like the strategic planning and budgeting processes, this is an iterative process that continuously improves through each cycle. For further information regarding the CAM Program refer to the City's CAM Policy¹.

¹ CAM Policy <https://london.ca/council-policies/corporate-asset-management-policy>

This Asset Management Plan (AMP) was developed through the City's CAM Program based on an approved Service Level Agreement between Eldon House and the City. By following this development process the AMP achieves the following:

- Sets out the plan for managing the infrastructure assets to ensure they can provide services at levels that meet the community and Eldon House Board of Directors (Board) approved objectives.
- Forecasts the expected impact that the 2023 annual budget update, inclusive of the 2023 and 2024 operating budgets (hereon referred to as "planned budget"), will have on the state of the infrastructure assets.
- Understanding of the changes in lifecycle strategies and associated risks if there are funding gaps between the planned budget and the expenditures required to maintain current LOS or achieve proposed LOS.
- Fulfill O. Reg. 588/17 mandated requirements and maintain eligibility for current and future other levels of government capital funding programs.

2.2: Provincial Asset Management Planning Requirements

This AMP builds upon existing Eldon House asset management activities and leverages others that have been developing since the establishment of the City's CAM department and CAM Program. London's legislated asset management journey began in 2008 when Canada's Public Sector Accounting Board (PSAB) established new requirements for municipalities to practice tangible capital asset (TCA) accounting. This accounting process resulted in the development of the first comprehensive inventory of all assets owned by the City (both directly and non-directly owned assets). In 2012, the Province then published 'Building Together: Guide for Municipal Asset Management

Plans' to encourage and support municipalities in Ontario to develop AMPs in a consistent manner.

Building Together outlines the information and analysis that municipal asset management plans are to include and was designed to provide consistency across the province for asset management. To encourage the development of AMPs, the Provincial and Federal governments began to frequently make AMPs a prerequisite to accessing capital funding programs.

In 2015, Ontario passed the 'Infrastructure for Jobs and Prosperity Act', which affirmed the role that municipal infrastructure systems play in supporting the vitality of local economies. After a year-long industry review process, the Province created O. Reg. 588/17 under the *Infrastructure for Jobs and Prosperity Act*. O. Reg. 588/17 further expands on the Building Together guide, mandating specific requirements for municipal asset management policies and AMPs.

Among others, these requirements mandated:

- Municipalities to complete Council approved and publicly available AMPs for all assets presented on the consolidated financial statements, excluding Joint Water Boards. It is noted Eldon House financials are consolidated within the City's financial statements. The following dates are provincially required:
 - By July 1, 2024, the O. Reg. 588/17 requires an AMP that documents the current LOS being provided, the costs to maintain them, and the financing strategy to fund the expenditures necessary to maintain current LOS for all infrastructure systems in the City.
 - By July 1, 2025, the O. Reg. 588/17 requires an AMP that documents the current LOS being provided and the costs to maintain them, the proposed LOS and the costs to achieve them, and the financial strategies to fund the

expenditures necessary to maintain current LOS and achieve proposed LOS for all infrastructure systems in the City.

- That these AMPs be updated annually and comprehensively reviewed and updated every 5-years.

For a complete reconciliation and mapping of how this AMP complies with all O. Reg. 588/17 requirements (both July 1, 2024, and July 1, 2025, requirements) see Appendix A. O.Reg.588/17 Asset Management Plan Requirements.

2.3: Developing the Asset Management Plan

This AMP is the culmination of efforts from staff across Eldon House who are involved with managing infrastructure assets.

Through this collaborative development process the AMP addresses the following questions:

- What do we own and why?
- What is it worth?
- What condition is it in?
- What are its current and proposed service levels?
- What activities do we employ to manage the assets?
- What does it all cost?

A more modern asset management question is also to ask, “Is this asset providing the community the service it expects and is willing to pay for?”

To answer these questions as best as possible, the CAM Program and this AMP are structured based on several interdependent development strategies that support answering or providing insight into the responses to these questions.

These development strategies and processes (steps) are categorized as:

- State of Local Infrastructure

- Levels of Service
- Asset Lifecycle Management Strategy
- Forecasted Infrastructure Gaps and Financing Strategies
- Discussion and Conclusion

To enhance readers understanding of the data and information presented, the following explanations are provided regarding each development strategies purpose, processes, and results.

2.3.1: State of Local Infrastructure

The State of Local Infrastructure is the initial building block of the AMP and is intended to provide the following information:

- Inventory of assets – What do we own?
- Valuation of assets (replacement value) – What is it worth?
- Age and expected useful life of assets – How old is it and when does it need to be replaced?
- Condition of assets – What Condition is it in?

This information is a fundamental building block of an AMP and inform future management of infrastructure assets based on individual and collective needs.

It is important to note replacement values seek to utilize best available information to identify all asset costs associated with replacing assets. As such this AMP reflects financing needs that go beyond historical costs, and where possible include replacement values that are inclusive of:

- Inflation - the rising cost of goods and services can put additional strain on the budget for infrastructure projects to maintain current LOS,
- Climate – addressing the impact of climate change and implementing climate-related initiatives can require significant financial resources,

- Achieve Proposed LOS – meeting the desired LOS may require additional investments in existing or new infrastructure, and
- Aging Infrastructure – the need to upgrade or replace versus rehabilitating aging assets can contribute to financing pressures.

By acknowledging financing pressures and considering both current and future challenges, the AMP sets the foundation for strategic infrastructure planning and helps Eldon House to prioritize and address infrastructure needs effectively.

2.3.2: Levels of Service

Asset related LOS are specific parameters that describe the extent and quality of asset related services; they are not an exhaustive presentation of all service levels provided to the community. These LOS link an asset's performance to target performance goals associated with Eldon House mandates, budgets, and other relevant policies and reports. Additionally, in accordance with O. Reg. 588/17 requirements, these LOS are quantified and reported between the costs to maintain current LOS and achieve proposed LOS, which are defined as:

- **Maintain Current LOS** – is defined as the persistent efforts of an organization to manage its assets through comprehensive lifecycle activities and effectively allocating necessary financial resources with the aim of consistently delivering its services at the current established service levels.
- **Achieve Proposed LOS** – is defined as the strategic initiatives undertaken by an organization to modify its service levels represented in a new proposed standard of service provision. This could involve modifying the condition, scope, or accessibility of the services beyond their current levels, based on strategic goals (e.g.,

regulatory requirements, master plans, other Board approved targets, etc.). The achievement of these proposed service levels may require changes in quantity of assets and/or frequency and scope of asset related lifecycle activities.

LOS metrics are organized in a hierarchical manner. At the forefront are the direct LOS metrics, which serve as the primary benchmarks. From these, we can provide clear lines-of-sight to determine the cost to maintain current LOS and achieve proposed LOS. Next in line are the related LOS metrics. These are closely tied to the direct LOS metrics due to their primarily formal relationship. However, pinpointing their associated costs can be more intricate.

Overall, Eldon House strives to provide services to the community and members that are accessible, cost efficient, provide customer satisfaction, demonstrate cost efficiency and reliability. As shown in Figure 2.1, to obtain a desired LOS, Eldon House faces a complex trade-off challenge, which includes three parameters: Cost, LOS, and Risk.

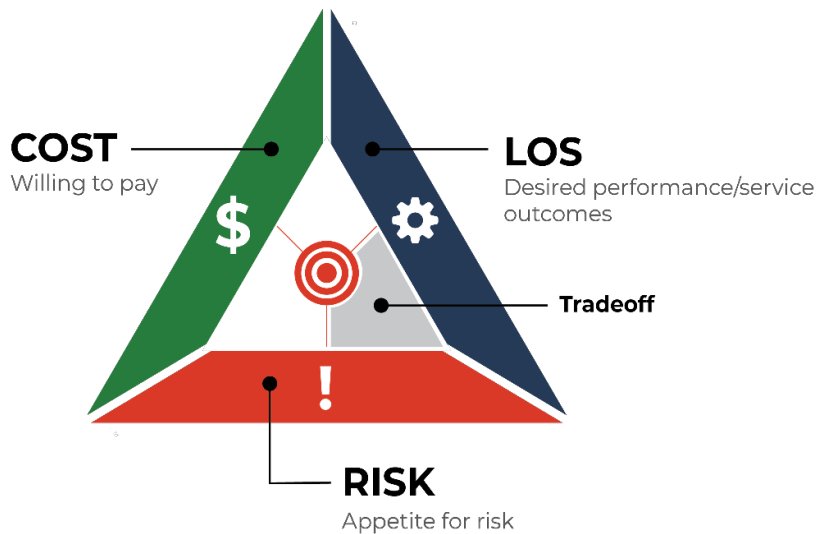


Figure 2.1 Trade-off Cost, Risk, and LOS

2.3.3: Asset Lifecycle Management Strategy and Activities

The asset lifecycle management strategies are the set of planned actions that will enable the assets to provide the approved LOS in a sustainable way, while managing risk, at the lowest lifecycle cost possible.

This part of the AMP describes the asset lifecycle activities applied to the assets. This includes the typical practices and actions, and risks associated with each asset activity. From here three scenarios that forecast the condition profile of the asset portfolio based on planned budgets, the required budgets to maintain current LOS, and the required budgets to achieve proposed LOS are provided.

2.3.4: Forecasted Infrastructure Gaps and Financing Strategies

In this part of the AMP identified infrastructure gaps, if any, are summarized and illustrated in both table and figure format. The

infrastructure gaps are a dollar amount based on the difference between:

- The amount of money that needs to be spent on assets to maintain current LOS and achieve proposed LOS for the community, and
- The amount of funding presently identified in the planned operating budgets of 2023 and 2024.

In other words, what Eldon House plans to spend versus what the asset needs are. Should infrastructure gaps be identified, the objective is that they decline over time as greater investments are made to replace older infrastructure, to improve the condition of infrastructure, to minimize the risks associated with failing assets, and to acquire new infrastructure.

Next, a typical AMP presents infrastructure gap financing strategies, which set out the approach to ensuring that appropriate funds are available to facilitate the delivery of infrastructure dependent services. These strategies are meant to strengthen current budgeting processes by reinforcing a long-term perspective on the impact of providing various asset-related LOS and the required investments versus the affordability to the community and members.

2.3.5: Discussion and Conclusion

The discussion part of the AMP looks at current and future opportunities and challenges associated with asset lifecycle management scenarios and the potential need to address future infrastructure cost pressures. This discussion includes opportunities and challenges that are both in and outside of the control of Eldon House and Boards. Among others, this includes consideration of the following:

- Service delivery characteristics,
- Cost pressures, and

- Service improvement planning.

The final element of the detailed AMP is the conclusion section. In this section the results are summarized and to facilitate interpretation of the AMP data accuracy and data reliability ratings with supporting commentary are provided. The goal is to transparently provide the reader with knowledge of the validity and limitations of the information provided and to highlight continuous data improvement plans.

2.4: Assumptions and Limitations

As previously stated, this AMP is designed to enhance the management of Eldon House infrastructure assets in a way that connects strategic objectives to day-to-day decisions related to when, why, and how investments are made into infrastructure systems. However, all AMPs are developed within the context of various assumptions and limitations.

The following points summarize the assumptions and limitations of this AMP:

- The scope of this AMP covers the assets directly owned by Eldon House as of December 31, 2022, and associated planned budgets approved for 2023 and 2024. Thus, timing differences may exist between when this AMP was developed versus current asset inventories and budget approvals beyond 2024. Based on O. Reg. 588/17 requirements these differences are permissible and are minimized through the AMP annual update process as well as the CAM Program continues to explore opportunities to limit such timing differences.
- This AMP is compliant with the July 2024 and July 2025 requirements of O. Reg. 588/17 in that it encompasses both maintain current LOS and achieve proposed LOS as well as associated forecasted infrastructure gaps and supporting financing strategies.

- The AMP addresses condition information in two ways:
 - Condition may be assumed based on age and estimated useful life; and
 - Condition may be based on the expert opinion of staff using the asset.
- Unexpected events (e.g., severe storms attributed to climate change, etc.) will not disrupt infrastructure replacement and renewal projects over the period of analysis.
- No capital budgets relating to lifecycle renewal, service improvement, and growth are identified, and the 2021 Development Charges Background Study does not apply to Eldon House.
- There are no identified reserve funds.
- The forecasted planned budget will occur as planned over the period of analysis and be representative to finance infrastructure purchases as they arise.

Section 3. Asset Management Plan



3.1: State of Local Infrastructure

3.1.1: Asset Inventory and Valuation

Eldon House owns and operates assets with a total replacement value of approximately \$235 thousand. These assets include the Furniture, Fixtures, Equipment, Computer Equipment, Software, and CCTV Security System. Each asset is managed and maintained to meet both legislated and non-legislated service requirements with the aim of providing the highest level of cultural engagement and educational value possible for the community.

It is noted that this AMP excludes the following infrastructure:

- The main building of Eldon House and its associated greenhouse are not included in this Asset Management Plan (AMP) as they are covered under the Corporate Asset Management Plan within the Culture Services portfolio. This decision ensures focused management of these key structures and their historic gardens. Originally covering 13 acres, the property now features beautifully restored gardens and a classic greenhouse, creating a scenic environment around the historic house overlooking Harris Park.
- The artifacts collections at Eldon House, encompassing a wide array of artifacts, archival materials, and preventative conservation efforts, are not included in the current AMP. These collections will be considered for future AMP inclusion; however, it is noted they fall outside of O. Reg. 588/17 AMP reporting requirements.

Table 3.1 summarizes the assets by type, inventory/quantity, and replacement values of Eldon House. The asset replacement values have been identified using different Eldon House databases including financial systems and internal expert opinion. These replacement values aim to capture current

market prices for the fully replacement of identified assets. For further information regarding costing refer to State of Local Infrastructure in the Introduction section.

To further contextualize the necessity of these assets the following summarizes Eldon House organizational and service delivery structures.

Eldon House sustains its operations with a variety of assets, including furniture, fixtures, equipment, computer equipment, software, and CCTV security systems. Eldon House assets are key for bringing the London community together, offering guided historical tours, educational programs, cultural events, and research opportunities, enriching the understanding of 19th and early 20th centuries life in London, Ontario. It's a place that shows the rich local history through its well-preserved architecture, extensive collection of original artifacts, and beautifully maintained gardens, which together offer a clear view of the social and cultural heritage of the early residents of the area. The strategic deployment of these assets promotes accessibility and long-term sustainability, dovetailing with the Eldon House's Strategic Plan.

Furniture, Fixtures, and Equipment

Valued at \$189,448.98, the 'Furniture, Fixtures, and Equipment' asset type is an asset group critical for the operational efficiency and service provision within the Eldon House. This category includes office essentials such as ergonomic chairs and durable desks essential for the day-to-day administrative functions. Additionally, high-quality audio-visual equipment supports effective communication and presentations, essential for modern corporate environments. The inclusion of grounds and garden assets ensures that outdoor spaces are well-maintained and welcoming for visitors. In addition to Machinery and

equipment, Programming supplies, and Curatorial assets required in the preservation and display of valuable items or collections. Together, these assets support smooth operation of Eldon House, while also ensuring public engagement and a comfortable and engaging atmosphere for all visitors and staff.

Computer Equipment and Software

This asset type, valued at \$4,700, includes computer equipment such as laptops, tablets, and copy stand serve as integral tools

for administrative efficiency, managing archives, and the provision of interactive educational resources for visitors.

CCTV Security System

The Security system includes assets such as audible alarms, interior and exterior cameras, and monitors has a total replacement value of approximately \$41 thousand are used for advanced security surveillance to accurately detect and alert to human and vehicle presence.

Table 3.1 Inventory and Valuation

Asset Type	Asset	Inventory	Unit	Replacement Value (Thousands)
Furniture, Fixtures, and Equipment	Furniture, AV equipment, grounds, garden assets, etc.	1,736	Ea.	\$189.4
Computer Equipment and Software	Computers, tablets, copy stands, etc.	10	Ea.	\$4.7
CCTV Security System	Audible alarms, cameras, monitors, etc.	51	Ea.	\$41.1
Total				\$235.2

3.1.2: Age Summary

Figure 3.1 shows Eldon House average asset age as a proportion of the average Expected Useful Life per asset type. This comparison provides a visual representation of how close assets are to the ends of their lifecycle, which demonstrates Eldon House’s ability to replace such assets on-time. Overall, the data affirms that Eldon House furniture, equipment, and security system assets are well within their expected useful lives, with the exception of the computer hardware assets which approached the end of their expected useful lives.

Furniture, Fixtures, and Equipment

The average age of assets is determined through the acquisition year documented in Eldon House’s databases for each asset or collective assets. The average expected useful life of each asset is inferred from internal expert evaluations and past

performance records. This category encompasses assets such as Furniture, Fixtures, Office Equipment and Programming supplies, each marked by its own purchase date and anticipated service duration. Figure 3.2 illustrates the condition of each asset sub-type within this category, indicating that all assets, with the exception of furniture, fixtures, and office equipment, are within their expected useful life. These two asset sub-types have surpassed their expected useful life, necessitating short-term investments to replace a portion of these assets and maintain them in a state of good repair.

The determined average age stands at 20 years shown in Figure 3.1, relative to an average expected service life of 23 years. It is common for the ages of assets in this category to differ due to the phased acquisition schedules. Hence, the average age falling within the expected useful life indicates

robust and effective asset management practices at Eldon House.

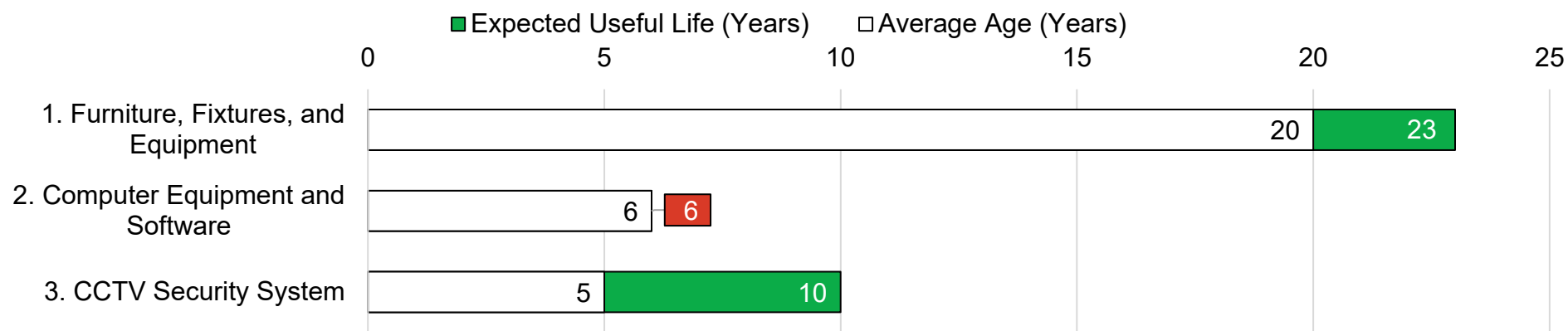


Figure 3.1 Summary Average Age and Expected Useful Life By Eldon House

Computer Equipment and Software

The average age of the Computer Equipment and Software assets is determined through the acquisition year recorded in Eldon House's databases for each asset or group of assets. The estimation of each asset's average expected useful life is based on internal expert assessments and historical data. This category includes various assets, each possessing its own acquisition date and expected useful life. The calculated average age is 6 years, in comparison to the average expected useful life of 6 years. It is typical for assets within this category to exhibit varying ages due to staggered acquisition timelines. However, the correspondence between the average age and

the expected useful life indicates the necessity for a short term investment to replace some of the assets in this category.

CCTV Security System

The security system assets at Eldon House are currently at about the midpoint of their expected useful life . The assets in this category are vital to ensuring the safety and protection of Eldon House’s collections and property. Maintaining these assets within their expected useful life is essential for effective safeguarding. Consequently, the average age of the assets aligning with the expected useful life indicates robust and effective asset management practices at Eldon House.

The Security system assets are approximately halfway through their expected useful life.

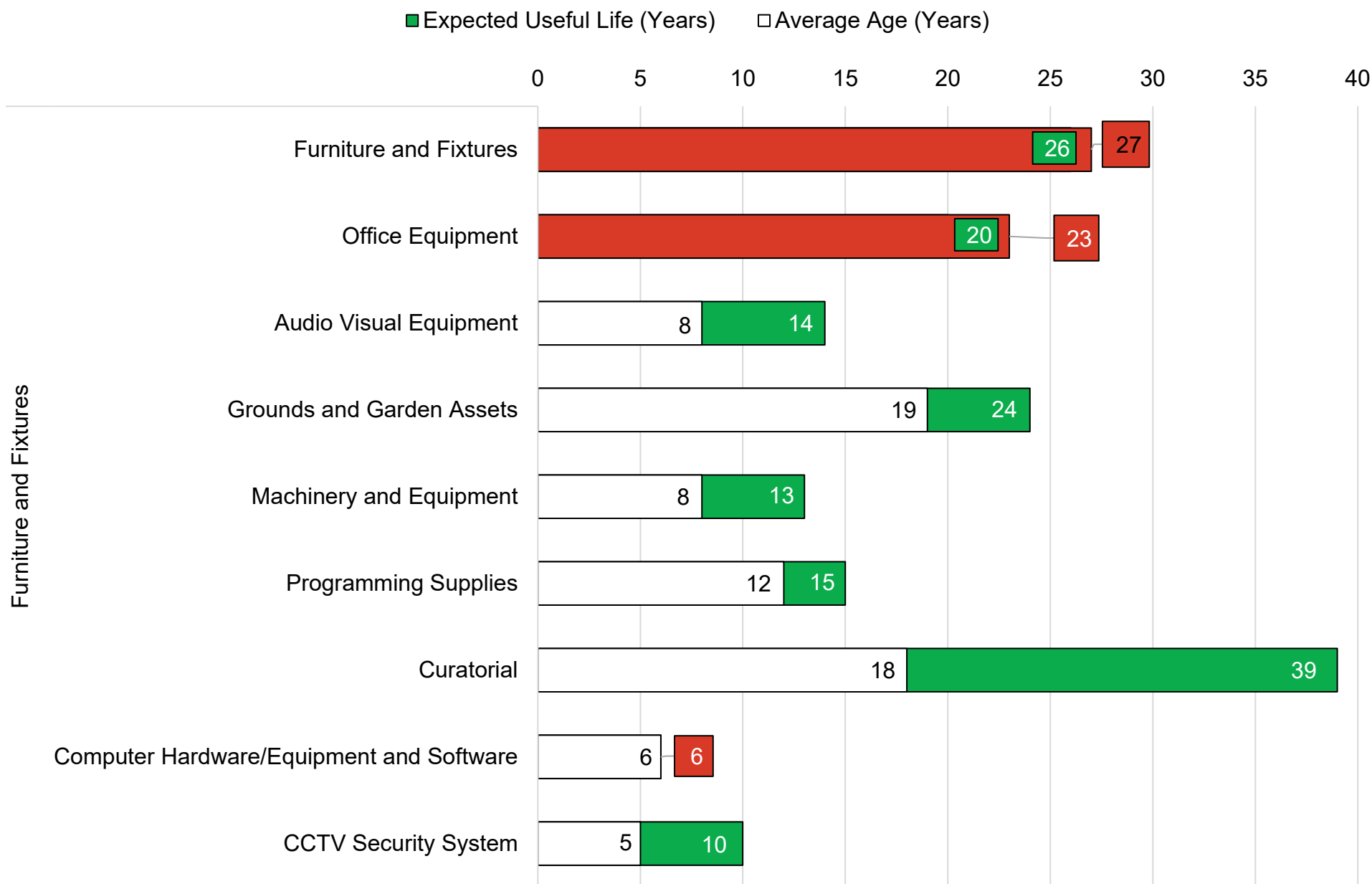


Figure 3.2 Summary Average Age and Expected Useful Life By Eldon House broken by asset sub-type.

3.1.3: Asset Condition

The condition of the assets was determined using one of the two methods below based on data availability and accuracy:

1. Estimated based on age and the remaining expected useful life of the assets, and

2. Estimated based on expert opinion, where there was low confidence that age and expected useful life appropriately represented the asset condition.

Based on these methodologies, asset conditions are recorded on a ratings scale of 1 to 5. Table 3.2 provides the definitions of each condition scale used in the CAM Program and in this AMP.

Table 3.2 Condition and Scale Definitions

Grade	Summary	Definition
1	Very Good Fit for the future	The infrastructure in the system or network is generally in very good condition, typically new or recently rehabilitated. A few elements show general signs of deterioration that require attention.
2	Good Adequate for now	The infrastructure in the system or network is in good condition; some elements show general signs of deterioration that require attention. A few elements exhibit significant deficiencies.
3	Fair Requires attention	The infrastructure in the system or network is in fair condition; it shows general signs of deterioration and requires attention. Some elements exhibit significant deficiencies.
4	Poor At risk	The infrastructure in the system or network is in poor condition and mostly below standard, with many elements approaching the end of their service life. A large portion of the system exhibits significant deterioration.
5	Very Poor Unfit for sustained service	The infrastructure in the system or network is in unacceptable condition with widespread signs of advanced deterioration. Many components in the system exhibit signs of imminent failure, which is affecting service.
-	Not Assessed	This category is reserved for assets where data is either missing, not updated, or cannot be considered reliable. Flagging this data for Eldon House to identify where gaps in information exist and may allow for the development of assessment plans to improve future data.

Figure 3.3 presents the overall condition distribution of Eldon House assets. It shows that approximately 85% of the assets are in Fair to Very Good condition. However, it is important to note this condition profile is only a snapshot in time and not indicative of condition profiles over the next 10 years.

Figure 3.4 provides a breakdown of Eldon House condition for each asset type and Figure 3.5 provides the breakdown by asset.

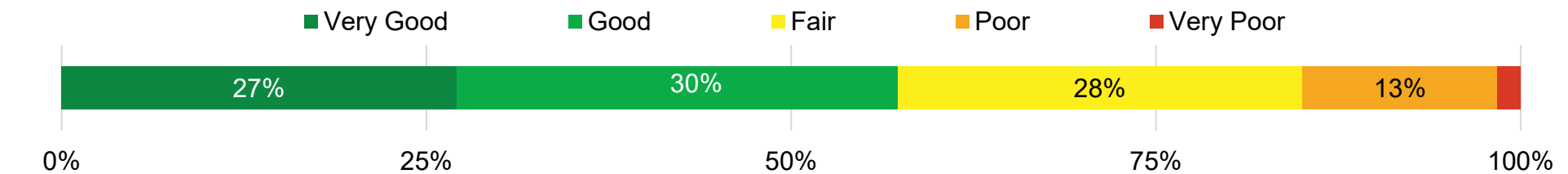


Figure 3.3 Overall Condition

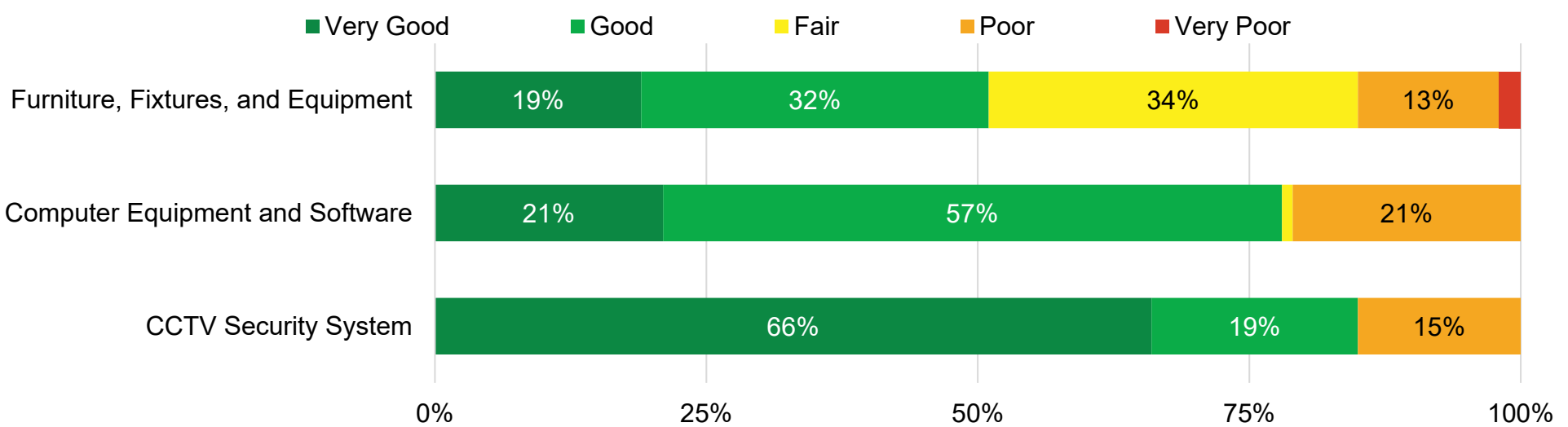


Figure 3.4 Asset Type Condition Summary

Overall, the condition distribution shown in Figure 3.4 across all assets demonstrates a well-managed and typical lifecycle profile commonly seen in asset portfolios. This reflects a normal spectrum of asset conditions, acknowledging that acquisitions occurred at varying times, with assets having different ages and levels of usage. As a result, the condition of assets vary, requiring different approaches to lifecycle renewals.

Furniture, Fixture and Equipment.

The assets under Furniture and Fixtures have approximately 44% in Very Good or Good condition and 47% in Fair condition. Office Equipment is relatively well-maintained with a majority in good condition, but with 32% at Fair, future investments for upgrades are anticipated. Audio Visual Equipment mirrors this trend with over half in good condition and the rest approaching a threshold that may necessitate updating. Grounds and Garden Assets indicate a split with just over half in good standing, while the rest may require replacements in the short term. A notable concern is with Machinery and Equipment, where nearly half are in Fair or worse condition, signaling an urgent need for resource allocation. Programming Supplies fare better, yet still have a third in Fair condition. The Curatorial assets are predominantly Fair, requiring imminent investment. Across all sub-types, there's an indication of the need for a short and medium -term investments to sustain and enhance Eldon Houses asset base.

Computer Equipment and Software

The Computer Equipment and software assets are predominantly in Good condition with 78% in Good or Very Good condition as seen in Figure 3.4. However, the 21% in poor condition indicates the necessity for a short term investment to uphold the general condition standard of the assets in this category.

CCTV Security System

The CCTV Security System assets are largely in Very Good Condition, with 66% in Very Good condition and an additional 19% rated as Good. Nevertheless, the 15% in Poor condition necessitate short-term investments to maintain the overall condition standard of the assets within this category.

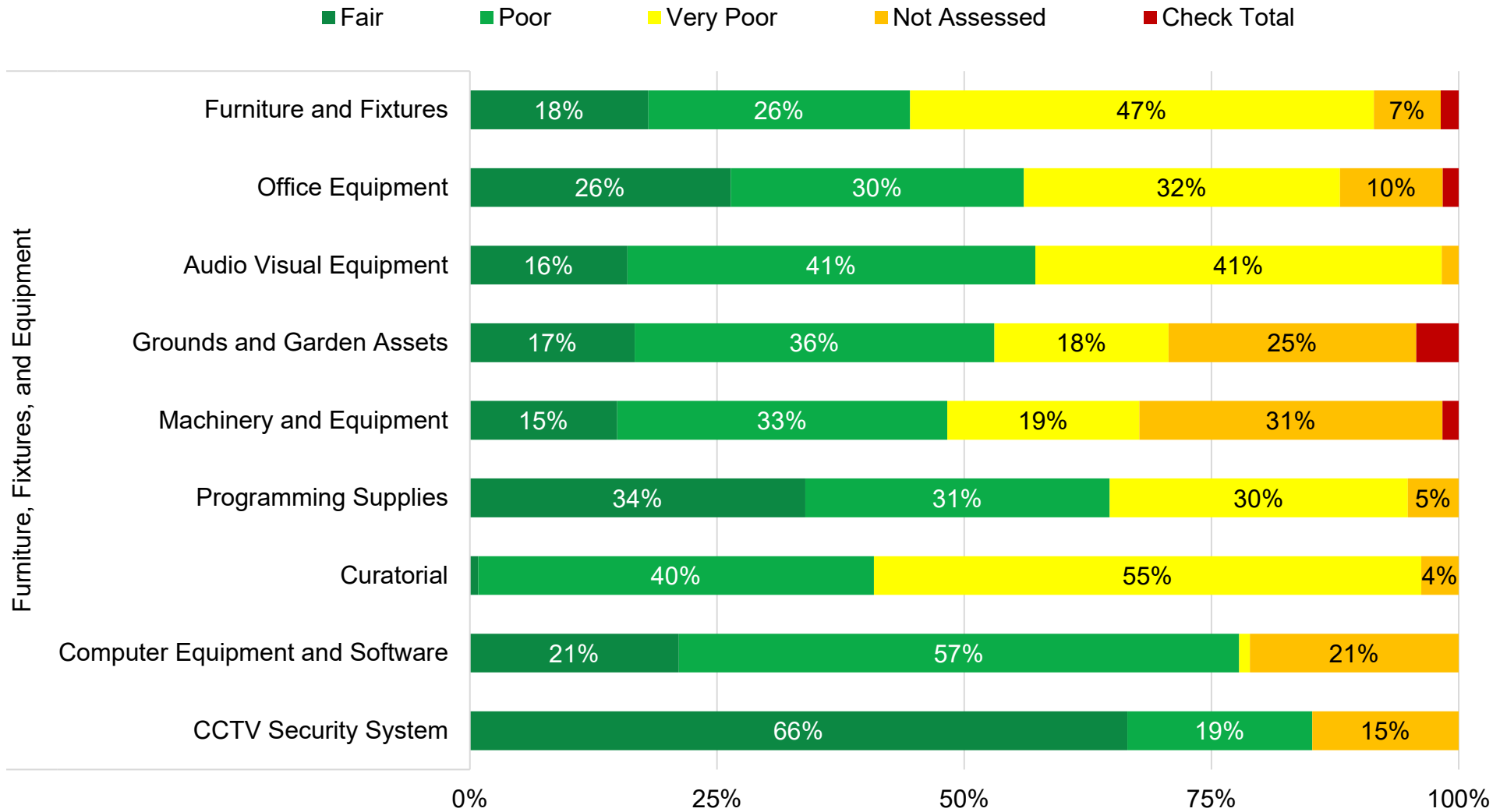


Figure 3.5 Asset Condition Summary

3.2: Levels of Service

Asset management LOS link strategic plans and budget service delivery objectives to corresponding asset performance metrics. As such this AMP strives for LOS performance measures linked to:

- 2017-2020 Eldon House Strategic Plan,
- Interim Strategic Plan 2022
- Eldon House Annual reports
- Risk Management Report
- City of London Strategic Plan, and
- 2023 Approved Budgets.

These LOS foundations guide the establishment of customer service deliver values (herein referred to as “customer values”),

which in turn guide the development of overarching AMP LOS objectives. Informed by these objectives, Eldon House and CAM staff collaborate to formulate effective metrics that can be linked to asset performance. Table 3.3 lists the LOS customer value definitions created through this development process.

The selection and development of meaningful LOS linked to decision making and cost, requires a long-term continuous improvement methodology. Thus, the LOS used in the 2024 Eldon House AMP are focused on traditional asset management metrics like reinvestment rate and condition. Continuous effort will be made towards expanding costed LOS as part of future Eldon House AMP development processes and practices.

Table 3.3 Customer Values Definition

Customer Value	Corporate Definition and Description
Cost Efficiency	Presents service area budgets, and where possible measures financial performance in terms of providing the maximum service outcomes (more output for less cost) out of the available operating and capital budgets. Examples include annual cost to provide the service, asset lifecycle budget as a percentage of current replacement value.
Reliability	Service is fit for its purpose. Includes metrics related to the reliability of services such as condition of assets.

Direct and Related LOS

Selected LOS metrics are organized in a hierarchical manner. Direct LOS metrics are the primary benchmarks. These can readily determine the cost to maintain current LOS and achieve proposed LOS. Next are the related LOS metrics, which are closely tied to the direct LOS metrics but in some cases cannot

be readily costed.

After review with Eldon House staff, direct LOS considered most representative of asset-based services and able to be costed over a 10-year projected period (2023-2032) are documented as in Table 3.4. No related LOS have been documented for this AMP; however, future Eldon House AMP continuous improvement projects will seek to identify and capture such LOS.

3.2.1: Direct Levels of Service

Table 3.4 Direct Levels of Service

Customer Value	Focus	Service Performance Measure	2022 Performance	Proposed Target (2022 to 2031)
Cost Efficiency	Technical	overall reinvestment rate	8.50%	Maintain current
Reliability	Customer	Percentage of assets in Fair or better condition	85%	Maintain current

3.3: Asset Lifecycle Management

3.3.1: Asset Lifecycle Management Activities

The asset lifecycle management activities are the range of actions funded through the operating and capital budgets that

are practiced on the assets. Asset lifecycle activities are generally grouped into the categories shown in Table 3.5.

Table 3.5 Definitions for Lifecycle Activities

Activities	Description
Non-Infrastructure Solutions	Actions or policies that can lower costs or extend useful lives.
Maintenance	Including regularly scheduled inspection and maintenance or more significant repairs and activities associated with unexpected events.
Renewal/Rehab	Significant repairs designed to extend the life of the asset.
Replacement/Construction	Activities that are expected to occur once an asset has reached the end of its useful life and renewal/rehab is no longer an option.
Disposal	Activities associated with disposing of an asset once it has reached the end of its useful life or is otherwise no longer needed by the municipality.
Service Improvement	Planned activities to improve an asset's capacity, quality, and system reliability.
Growth	Planned activities required to extend services to previously unserved areas – or expand services to meet growth demands.

3.3.2: Asset Lifecycle Management Strategy

Eldon House employs a combination of lifecycle management activities to maintain current LOS while striving to optimize costs based on defined risks. This strategy includes activities for maintenance, rehabilitation, replacement, and disposal, while continuing to prepare for growth and introduce service improvements.

When feasible, Eldon House also strives to further optimize these lifecycle activities by coordinating and synchronizing work across multiple assets, which can result in cost and service efficiencies. Additionally, Eldon House seeks to optimize asset use and redundant capacity, often achieved through risk benefit cost analyses and cost effectiveness analyses.

This strategy is not static. Selected lifecycle activities are reviewed and modified based on continual industry

benchmarking, staff training, professional networking, online reviews, consultant recommendations, and trial and error through scenarios and pilot programs. Eldon House is also committed to climate change adaptation and mitigation planning, which may trigger asset investment needs.

The current Eldon House lifecycle management activities (practices and planned actions) are presented as follows:

- Table 3.6 lists specific asset management practices or planned actions Eldon House conducts for each lifecycle activity associated with all asset types.
- Table 3.7 lists specific risks associated with asset management practices or planned actions by lifecycle activity for all asset types.

Table 3.6 Current Asset Management Practices or Planned Actions

Activity	Specific Asset Management Practices or Planned Actions
Non-Infrastructure Solutions	<ul style="list-style-type: none">• Various controls and approval processes to safeguard assets.• Financial planning strategies to control costs.• Ongoing use and development of computerized maintenance management system.• Updating and applying design standards.• Ongoing search for additional funding.• Operational continuous improvements.• Improvements to employee capabilities, communications, training, etc.• Changes to current and proposed LOS.• Developing asset management program.• Leadership networks with peers through conferences and committees to learn from other's experiences
Maintenance	<ul style="list-style-type: none">• Scheduled preventative maintenance programs for most assets.• Scheduled inspection programs for key assets, particularly Community Engaging Assets.• Maintenance also triggered by public/community partners feedback (when applicable).
Renewal/Rehabilitation	<ul style="list-style-type: none">• Adopt advanced technologies for Eldon House's diverse assets, such as specialized audio-visual systems, market furnishings, and digital devices, to maintain the current LOS.

Activity	Specific Asset Management Practices or Planned Actions
Replacement/Construction	<ul style="list-style-type: none"> Adopt advanced technologies for Eldon House's diverse assets, such as specialized audio-visual systems, market furnishings, and digital devices, to maintain the current LOS.
Disposal	<ul style="list-style-type: none"> Appropriate and proper disposal occur when assets are replaced or renewed. Dispose of assets under the applicable regulation and environmental standards.
Service Improvement	<ul style="list-style-type: none"> Strategic plans, and consultation with community partners and users of Eldon House determines service improvement needs. Based on strategic service review results, implement service deliver changes that improve asset performance, cost, and risk. Adopt advanced display technologies in Eldon House to enhance or achieve the proposed LOS, leveraging contemporary solutions in markets and retail environments to enrich visitor experience and engagement.
Growth	<ul style="list-style-type: none"> Continuously monitor the impacts of growth on service delivery and develop strategies to manage and service realized growth.

Table 3.7 Risks Associated with Asset Management Practices or Planned Actions

Activity	Specific Risks Associated with Asset Management Practices or Planned Actions
Non-Infrastructure Solutions	<ul style="list-style-type: none"> Lack of a realization of the benefit from the activity (e.g., the life is not extended or the cost of managing an asset increases rather than decreases). Need for revised plans, reports, and recommendations. Asset management plans or proposed network solutions not followed. Poor quality asset information/planning assumptions incorrect. Occurrence of climate change, adverse weather/unforeseen events, and emergencies, resulting in funds being diverted to assets that were not originally planned. Growth projections not as planned or service provision changes. Extending useful life past optimum can increase the risk of critical failure of major components. Assets beyond expected useful life can have significantly higher maintenance costs and reduced salvage value. Inability to mitigate malware/cyber-attacks resulting from deteriorated and non-supported asset. Financial risks – economic fluctuations, inflation, expenditure type changes (e.g. change in IT industry – shift to operating licenses financed through operating budgets versus historical capital expenditure nature), etc.
Maintenance	<ul style="list-style-type: none"> Completing planned maintenance activities while managing the need to execute reactive maintenance activities. Incorrectly planned maintenance activities can lead to premature asset failure. Enough resources available to complete a series of unplanned, urgent work requests that are submitted in close succession. Overscheduling preventative maintenance can lead to excessive maintenance and additional costs with no actual benefits.

Activity	Specific Risks Associated with Asset Management Practices or Planned Actions
Renewal/ Rehabilitation	<ul style="list-style-type: none"> • Incorrect assumptions regarding improved expected useful life after rehabilitation.
Replacement/ Construction	<ul style="list-style-type: none"> • Cost over-runs during large, complex design and construction projects. • Lack of knowledge regarding best practices and market offerings (e.g., new offerings and standards). • Minimizing service and repairs at end of life increases the chance of failures.
Disposal	<ul style="list-style-type: none"> • Disposal incorrectly performed or cost overruns resulting from increase disposal requirements compared to initial estimates. • Timing for replacements has an operational impact. Delaying or holding inventory requires storage and can adversely affect the function and value of the retiring asset.
Service Improvement	<ul style="list-style-type: none"> • Service improvement is either not required or incorrectly assessed.
Growth	<ul style="list-style-type: none"> • Risk of insufficient funding to construct/acquire or maintain new assets. • Potential insufficient knowledge of and supporting policies for new asset types.

3.3.3: Lifecycle Management Scenario Forecasts – Planned Budget, Maintain Current LOS, and Achieve Proposed LOS

General Approach

The general approach to forecasting the cost of the lifecycle activities that are required to maintain the current performance of the LOS metrics is to ensure that the proportion of assets in Poor or Very Poor condition remains relatively stable. Staff then consider the optimal blend of each lifecycle activity to achieve the lowest lifecycle cost management strategy that balances costs with the forecasted change in the condition profile of each asset type. To present these infrastructure needs, three different lifecycle management scenarios and their associated funding requirements are presented. Typically, each scenario lists the operating, renewal (inclusive of replacement, rehabilitation, and disposal), service improvement, and growth funding requirements. However, to align with Eldon House budget structure, only operating budget funding requirements are presented in this AMP.

These scenarios are defined as:

- 1. Projected Funding Scenario – Presents the operating budget constrained to 2023 and 2024 annual budget approvals.

- 2. Maintain Current LOS Scenario – Forecasts the level of investment required to maintain current LOS performance.
- 3. Achieve Proposed LOS Scenario – Forecasts the level of investment required to achieve proposed LOS. The approach considers the desired infrastructure LOS documented in Eldon House strategic plans, if any.

The Forecasted Infrastructure Gap and Financing Strategy section provides an overview of the results along with the short- and long-term financing strategies for identified gaps, if any. Each scenario is further explained in the following sections.

A. Scenario One: Projected Funding

Eldon House average annual activity and projected funding is summarized in Table 3.8. This scenario presents the average annual activity based on 2021 and 2022 approved budgets. Projected operating budgets are constrained to the current level of planned expenditures approved in the 2023 and 2024 budgets. If there is insufficient budget in any particular year to complete a repair or replacement activity on an asset that has reached its expected useful life age trigger, then the asset remains in a Poor or Very Poor condition state until there is sufficient budget in a future year to complete the lifecycle activity.

For this scenario no infrastructure gaps are assessed.

Table 3.8 Scenario One – Average Annual Activity and Project Asset Related Operating Budget (\$Thousands)

Activity Type	Average Annual Activity for 2021 and 2022	Projected Operating Budget	Average Annual Activity for 2021 and 2022 Asset Related Operating Budget	Projected Asset Related Operating Budget
Operating Budget	428.7	438.4	27.5	20

B. Scenario Two: Maintain Current LOS

The cost to maintain current LOS are summarized in Table 3.9. This approach forecasts the lifecycle activities that are required

to maintain the current performance of the LOS metrics. The analysis considers the current age and condition of assets along with the expected useful life age triggers for rehabilitation and

replacement activities to forecast the funding requirements into the future. The forecasted condition profile expected from the maintain current LOS is not readily available.

Based on this analysis, Table 3.9 identifies no 10-year infrastructure gap if Eldon House maintains current LOS through their respective projected asset related operating budgets.

Table 3.9 Scenario Two - Average Annual Cost to Maintain Current LOS (\$Thousands)

Activity Type	Asset Related Planned Funding	Cost to Maintain Current LOS	Maintain Current LOS Infrastructure Gap
Operating Budget Related to Renewal and Replacement	20	20	None Identified

C. Scenario Three: Achieve Proposed LOS

This scenario typically forecasts the enhanced lifecycle activities that are required to achieve proposed LOS. For the first iteration of the Eldon House AMP no achieve proposed LOS investments are identified.

However, as part of asset management continuous improvement projects, completed with the support of City staff, enhanced LOS will be considered, and if applicable reported on in future AMPs.

3.4: Forecasted Infrastructure Gaps and Financing Strategy

3.4.1: Forecasted Infrastructure Gaps

Infrastructure gaps are a dollar amount based on the difference between:

- the amount of money that needs to be spent on Eldon House assets required to provide services, and
- the amount of funding presently identified in recent approved operating budgets for 2023 and 2024.

In other words, what Eldon House plans to spend versus what the assets need. Ideally, if infrastructure gaps exist, they would decline over time as greater investments are made to replace older infrastructure, to improve the condition of infrastructure and to minimize risks associated with failing assets and insufficient asset complements.

Table 3.10 and Figure 3.6 illustrate no infrastructure gaps have been assessed over the 10-year analysis period.

Table 3.10 Average Annual Budget and Gap Analysis (\$Thousands)

Asset Type	Projected Operating Budget Related to Assets	Investment to Maintain Current LOS	Incremental Investment to Achieve Proposed LOS	Infrastructure Gap to Maintain Current LOS	Infrastructure Gap to Achieve Proposed LOS
Eldon House	20	20	None Identified	None Identified	None Identified

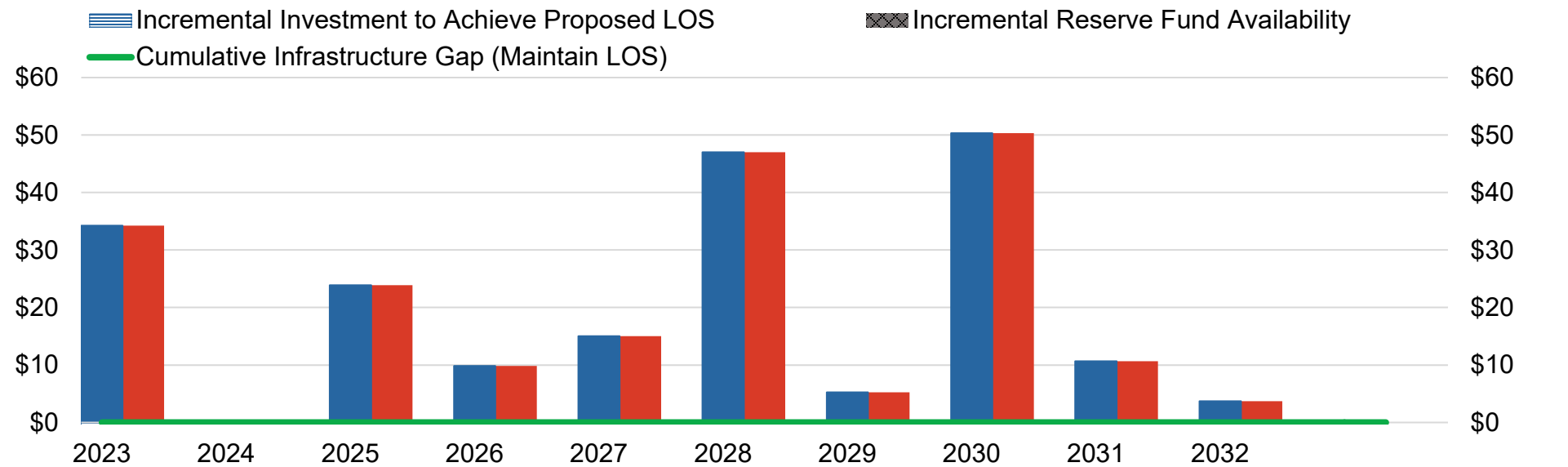


Figure 3.6 Maintain Current LOS Cumulative Infrastructure Gap (Thousands)

3.4.2: Infrastructure Gap Financing Strategy

At present, Canada lacks a defined standard or guidance for assessing the acceptability of municipal infrastructure gaps. Nevertheless, the fundamental objective of asset management is that Eldon House actions are collectively (both financial and non-financial) anticipated to tackle projected infrastructure gaps, if identified. Should infrastructure gaps be identified, the infrastructure gap financing strategies supports this objective by setting out the approach to ensuring that appropriate funds are available to support the delivery of infrastructure dependent services. This is done by completing the AMP in advance of budgeting processes so that its results help inform the requested operating budgets.

3.5: Discussion

3.5.1: Lifecycle Management Scenarios

The lifecycle management section included three scenarios – project budget, maintain current LOS, and achieve proposed LOS.

Scenario One projected funding summarizes past, present, and future operating budgets that form the basis of comparison to infrastructure needs identified in scenarios two and three.

Scenario Two maintain current LOS funding is identified to have sufficient investments to effectively maintain infrastructure. This scenario acknowledges the need for continual investment in assets to maintain their current state.

Scenario Three has no identified achieve proposed LOS investments.

In future AMPs these three scenarios may result in different LOS depending on the funding provided for asset lifecycle actions. Thus, the choices made may one day have an

implication for asset condition and Eldon House operational effectiveness.

3.5.2: Current and Future Challenges

General

Eldon House faces a dynamic collection of opportunities and challenges that impact service delivery and infrastructure. For example, some of these conditions and trends include:

- Economic (e.g., budget pressures/inflation, post pandemic industry recovery)
- Organizational (e.g., continued community engagement and partnerships)
- Technology (e.g. operational continuity, interactive technology, spatial constraints, art, and artifact security)
- Cultural and Social (e.g., Cultural representation, diversity, community engagement, heritage preservation, education)
- Political/Legal (e.g., multi-tier governmental, regulatory compliance, intellectual property)
- Environmental (e.g., sustainability, climate change)

To help navigate these factors, the current Eldon House Strategic Plan outlines a detailed roadmap aiming to significantly elevate Eldon House standing. The Strategic Plan guides the organization, enhancing its role in illustrating the history of the house, the local community, and the nation from 1834 to 1960. The following commentary summarizes the main current and future challenges impacting infrastructure needs and costs.

Pandemic Disruption and Inflation

Pandemic disruption greatly impacted Eldon House operations. Eldon House was closed March 18, 2020, to April 1, 2020, and operated in limited capacity for much of 2020 and 2021. As we emerged from the pandemic, inflationary pressures beyond those accounted for within the 2020-2023 MYB and associated

10-year capital plans started developing in 2021 and continued throughout 2022 and into 2023 due to COVID-19 induced supply chain disruptions and supply-demand imbalances. As of 2023, these higher input costs have been incorporated into the 2024 Eldon House AMP and are a material component of the infrastructure replacement values and a 10-year infrastructure gap reported. These capital financing pressures represent a significant risk to the condition and LOS associated with Eldon House infrastructure assets.

Technology

Eldon House is embracing the digital era by integrating enhanced digital interfaces into our services, which include exhibitions, public access to collections, educational programs, and streamlined processes for online registration and sales. The introduction of virtual tours is a strategic move to extend our reach and provide broader access to our collections and programs, not just within London but globally.

This transformation requires upgrades to our technological infrastructure to support new digital interfaces and ensure the secure storage of digital assets. Implementing sophisticated tools for data collection and analysis is crucial to making informed decisions that enhance visitor experiences and responsiveness. Prioritizing on-site visitor experience enhancements ensures that every visit is impactful and encourages return visits. Through these technological advancements, Eldon House is committed to fostering an innovative, inclusive environment that leverages digital platforms to enrich the visitor experience and engagement.

Climate Change

In 2019, London City Council declared a climate emergency at the urgency of the community.

Eldon House is addressing climate change by working towards using less energy and keeping the air clean in its daily operations. It's part of the city's wider plan to deal with climate issues, making sure it doesn't add to pollution. Future AMP analysis could include facilities energy efficiency and GHG reduction investments (i.e., green for like lifecycle renewal and green service improvement costs) and analyzing energy reduction measures identified in the 2023-2027 Strategic Plan.

Growth

London is experiencing steady to above average population and employment growth. From a City-wide perspective this growth triggers a surge of City-wide service and asset capacity needs, resulting in a proportional boom in new and/or enhanced infrastructure construction and acquisition, and service delivery capacity. While Eldon House is not listed within the City Development Charges Background Study, the City's ongoing expansion signals a ripe opportunity for Eldon House to further establish itself as a key cultural destination. As such evaluating Eldon House future infrastructure and programming needs inclusive of the City's growth could identify and warrant other funding considerations.

3.6: Conclusion

Valued at over \$235 thousand, Eldon House assets are overall in Good condition, indicating that historically there has been sufficient investment in sustaining these assets to maintain current LOS. There are no identified cumulative 10-year maintain current LOS and achieve proposed LOS gaps (2023-2032). It is also noted that if supply chain issues and rising costs

continue, the timely rehabilitation, replacement, and acquisition of Eldon House assets may be impacted and could result in increased costs of the services ultimately delivered. Table 3.11 presents the summary of the State of Local Infrastructure, Infrastructure Gap, and Reinvestment Rates for Eldon House assets.

Table 3.11 Summary of the State of Local Infrastructure, Infrastructure Gap, and Reinvestment Rates (Thousands)

Asset Type	Replacement Value	Current Condition	Infrastructure Gap Maintain Current LOS	Infrastructure Gap Achieve Proposed LOS	Current Annual Reinvestment Rate	Recommended Annual Reinvestment Rate ²
Eldon House	\$235.2	Good	None Identified	None Identified	8.5%	8.5%

Reliability and Accuracy Commentary

Figure 3.7 visually presents Eldon House and CAM staff assessment of AMP data reliability and accuracy. Data reliability and accuracy is rated moderate.

A review of systems and processes that support Eldon House asset registries is recommended over the 2024-2027 timeframe, and beyond. Such investments will raise the reliability and accuracy of the data.



Figure 3.7 Accuracy Reliability Scale

Inventories are based on internal expert opinion and an amalgamation of data sources. Majority of valuation, condition, and investment actuals and forecasts are primarily based on expert opinion. Further processes, systems, and controls are required to improve these data sets.

² Source: Reinvestment rates based on expected useful life.

Section 4. Conclusion and Recommendations



4.1: Conclusions

4.1.1: Key Findings

Eldon House infrastructure systems are an integral piece to serve the community through cultural and educational programs and play a key role in achieving Eldon House objectives and goals.

This AMP is a strategic document that describes the state of Eldon House infrastructure and the approach to managing assets over their lifecycle to maintain current LOS at the lowest lifecycle cost possible, noting no achieve approved LOS are identified. It was produced through extensive efforts of Eldon House and City CAM staff leveraging the City's CAM Policy and Program as well as knowledge gained from the City's 2014, 2019, 2023 CAM Plans. Over time, each successive AMP will play a larger role in informing infrastructure and service decision-making.

The key findings of the AMP are:

- There is \$235.2 thousand worth of infrastructure under the direct ownership and control of Eldon House. This infrastructure represents an array of assets including Furniture, Fixtures, Equipment, Computer Equipment, Software, and CCTV Security System assets.
- The overall condition of Eldon House assets is rated as Good.
- Good condition indicates some elements show general signs of deterioration that require attention, and a few elements exhibit significant deficiencies.
- Based on the existing Eldon House projected funding, no cumulative 10-year infrastructure gaps are assessed.
-
- For the purposes of timing consistency with other City services, future AMPs will be brought forward to align with

the development of City's MYBs and will present financing strategies to mitigate any identified infrastructure gaps while balancing the impact of taxation affordability on members.

4.1.2: Ontario Regulations 588/17 Compliance

O. Reg 588/17 has a phased approach with two timelines of July 1, 2024, and July 1, 2025, that are applicable to the City's agencies, boards, and commissions (ABCs). The July 1, 2024 timeline is where all City infrastructure assets, including those of ABCs, will have an AMP documenting maintain current LOS and financial strategies to fund these expenditures. The final deadline of July 1, 2025, builds on the July 1, 2024 deadline with the additional requirement to document achieve proposed LOS and financial strategies to fund these expenditures for all types of municipal infrastructure assets.

This AMP is compliant with the July 1, 2024, and July 1, 2025 O.Reg. 588/17 requirements. A detailed reconciliation of this AMP's compliance with the O. Reg. 588/17 requirements is contained in Appendix A. O.Reg.588/17 Asset Management Plan Requirements.

4.2: Recommendations

The City's CAM Program is founded on the principle of continuous improvement with the object of increasing line-of-sight quality of data/information and the tools and techniques that are used to inform services and asset management decision-making. This increased quality will lead to greater confidence in the analysis documented and decisions formed through the AMP.

Based on these objectives, Table 4.1 recommendations will ensure that this process and AMP continues to help Eldon

House manage its combined \$235.2 thousand asset portfolio to provide affordable and sustainable service delivery and keep compliant with the regulatory requirements. These recommendations are structured to address short- and long-term objectives and are categorized according to distinct asset management knowledge areas, considering the current state, future needs, and overall Eldon House strategic objectives and

Table 4.1 2024 Eldon House AMP Recommendations

Category	Improvement Initiative details	Key Benefits	Time Period
Asset Inventory/Knowledge	Enhance data attributes and data accuracy of existing asset registries (asset inventory databases).	<ul style="list-style-type: none"> Provides a sound basis for decision making on the asset base and enables more efficient reporting. 	Short Term
	By asset type, develop a standardized methodology for determining asset conditions.	<ul style="list-style-type: none"> Enables consistency of asset management practices across Eldon House assets and improves decision-making. 	Long Term
Level of Service	Develop more asset related LOS metrics and their performance targets.	<ul style="list-style-type: none"> Ensuring the consistent delivery of services at expected standards, thereby aligning operational performance with customer expectations and strategic objectives. Lifecycle cost saving, better focused investment planning and more informed decision-making. 	Long Term
Lifecycle Management and Decision Making	Develop and implement investment strategies for Eldon House infrastructure based on asset registries and strategic plans.	<ul style="list-style-type: none"> Enables a clear understanding of the investment priorities for each asset type and investment period. 	Short Term
	Incorporate and align the AMP into Eldon House strategic planning exercises to better reflect asset and service delivery capability.	<ul style="list-style-type: none"> Strategic plans developed on a sound basis reflecting the actual capability of the asset base and required capital investments to achieve desired LOS. 	Long Term
	Develop and implement a Maintenance Management Strategy incorporating enhanced maintenance practices.	<ul style="list-style-type: none"> Lifecycle cost savings, and productivity and LOS improvements. 	Long Term
Risk Management	Enhance Eldon House asset risk framework in	<ul style="list-style-type: none"> Better targeted asset interventions. 	Long Term

goals. Short-term objectives are those that are recommended for completion over the 2024-2027 MYB period. Long-term objectives are those that are recommended for completion beyond the 2024-2027 MYB period. Each of these recommendations will be completed with leading support from the City's CAM staff.

Category	Improvement Initiative details	Key Benefits	Time Period
	line with the City's CAM Risk Management Strategy.	<ul style="list-style-type: none"> Increased ability to sustain service levels. 	
Financial Management	Improve infrastructure funding through appropriate alignment of operating and capital budgets.	<ul style="list-style-type: none"> Clarity in financial planning and reporting. Enhanced investment strategies. 	Short Term
	Explore opportunities to address the infrastructure gap through various financing strategies.	<ul style="list-style-type: none"> Achieve service and financial sustainability. 	Long Term
Systems and Technology	Leveraging either City or Eldon House software solutions, implement centralized asset registry technology.	<ul style="list-style-type: none"> Implementation will streamline asset management, enhancing operational efficiency, decision-making accuracy, and compliance. 	Long Term
People and Staff	Enhance asset management governance within each Eldon House service area.	<ul style="list-style-type: none"> Enhances oversight of asset interventions and reporting. 	Long Term
	Add asset management duties in relevant positions job description.	<ul style="list-style-type: none"> Proactive identification of staff, skills, and qualifications. Improved asset management. 	Long Term
Monitoring and Reporting	Develop a comprehensive AMP every 4-years aligned with the City's multi-year budget process.	<ul style="list-style-type: none"> Informed budget decision-making. Regulatory compliance. 	Short Term
	Annually review the progress of this AMP. The annual progress review will address implementation of the recommendations and any factors impeding completion progress.	<ul style="list-style-type: none"> Regulatory compliance. 	Short Term
	With the support of City CAM staff, when possible incorporate infrastructure related data and public feedback opportunities in existing Eldon House public engagement practices.	<ul style="list-style-type: none"> Enhanced adaptability to changing operational environments and community needs. Improved customer satisfaction and engagement. Increased efficiency and effectiveness in asset management operations. 	Short Term



Appendix A. O.Reg.588/17 Asset Management Plan Requirements



A1. O.Reg.588/17 Asset Management Plan Compliance Reconciliation

Table A1.0.1 O.Reg.588/17 July 1, 2024 Requirements

O.Reg.588/17 Section	Requirement	Mapping to AMP
0	Summary of assets in each category	Sections - #3.1.1
5.(2) 3.	Replacement cost of assets in each category	Sections - #3.1.1
5.(2) 3.	Average age of assets in each category	Sections - #3.1.2
5.(2) 3.	Condition of assets in each category	Sections - #3.1.3
5.(2) 3.	Description of municipality's approach to assessing condition of assets in each category	Sections - #3.1.3
5.(2) 1.	Current levels of service	Sections - #3.2.1 and #3.2.2
5.(2) 2.	Current performance measures of assets in each category based on established metrics	Sections - #3.2.1 and #3.2.2
5.(2) 4.	Lifecycle activities needed to maintain current levels of service for 10 years	Sections - #3.3.2
5.(2) 4.	Costs of providing lifecycle activities needed to maintain current LOS, based on assessment of lifecycle, options, risks, lower cost	Sections - #3.3.3
5.(2) 4.	Link or description of assessment of current LOS lifecycle, options, risks, lower cost	Sections - #3.3.2
5.(2) 5.	For population <25K, description of population or economic forecast assumptions, and how these connect to lifecycle cost projections for current LOS	Not Applicable
5.(2) 6.i.	For population 25K or more, population and employment forecasts	Not Applicable
5.(2) 6.ii.	For population 25K or more, lower tier in Greater Golden Horseshoe (GGH), Sched 7 or portion of upper tier growth plan forecast, or assumptions	Not Applicable
5.(2) 6.iii.	For population 25K or more, upper/single tier outside GGH, population and employment forecasts, or assumptions	See City of London 2023 CAM Plan ³
5.(2) 6.iv.	For population 25K or more, lower tier outside GGH, portion of upper tier growth plan forecast	Not Applicable
5.(2) 6.vi.	For population 25K or more, capital and significant operating costs for each of 10 years, to maintain LOS to accommodate increase in demand cause by growth	Sections - #3.3.3
7.(1)	Date of review and update of AMP - within 5 years	Include once finalized
8.	Endorsement of AMP by executive lead	Include once finalized
8.	Approval of AMP by municipal Council resolution	Include once finalized
9.(1)	Date of municipal Council review of AM progress - before July 1 every year	Include once finalized
9.(2)	Annual municipal Council review includes progress, factors impeding implementation, strategy to address factors	Include once finalized
10	Website availability of policy and AMP, copy provided if requested	Include once finalized

³ <https://london.ca/sites/default/files/2023-10/Corporate%20Asset%20Management%20Plan%202023.pdf>

Table A1.0.2 O.Reg.588/17 July 1, 2025 Requirements

O.Reg.588/17 Section	Requirement	Mapping to AMP
6.(1) 1.	Proposed levels of service for each of 10 years	Sections - #3.2.1
6.(1) 2.	Explanation of why proposed LOS are appropriate, based on options, delta, achievability, affordability	Sections - #3.3
6.(1) 2.	Link or description of assessment of proposed LOS options, delta, achievability, affordability	Sections - #3.3
6.(1) 3.	Proposed performance measures of assets based on metrics established by the municipality (e.g. measures for energy usage, operating efficiency, etc.)	Sections - #3.2
6.(1) 4.	Lifecycle management strategy: Identification of lifecycle activities needed to provide proposed levels of service for a 10-year period, based on assessment of full lifecycle, options, risks, lowest cost	Sections - #3.3.3
6.(1) 4. if.	Link or description of assessment of proposed LOS lifecycle, options, risks, lower cost	Sections - #3.3.3
6.(1) 4. ii.	An estimate of annual costs for undertaking identified lifecycle activities over a 10-year period.	Sections - #3.3.3
6.(1) 4. iii.	Projections for annual funding to be available to undertake identified lifecycle activities over a 10-year period	Sections - #3.3.3
6.(1) 4. iii.	Explanation of the options examined to maximize the funding projected to be available	Sections - #3.3.3 and #3.4.1
6.(1) 4. iv.	Identification of funding shortfalls for lifecycle activities over a 10-year period	Sections - #3.4.1
6.(1) 4. iv.	Identification of lifecycle activities that will be undertaken if there is a shortfall	Sections - #3.3.3
6.(1) 4. iv.	Explanation of how risks associated with not undertaking any of the lifecycle activities will be managed.	Sections - #3.3.3
6.(1) 5.	For population <25K, description of population or economic forecast assumptions, and how these connect to lifecycle cost projections for proposed LOS	Not Applicable
6.(1) 6.	For population 25K or more, capital and significant operating costs for each of 10 years, to achieve proposed LOS to accommodate increase in demand caused by growth	Sections - #3.3.3
6.(1) 6. ii.	For population 25K or more, funding projected to be available, by source, due to growth	Sections - #3.3.3
6.(1) 6. iii.	For population 25K or more, overview of the risks associated with implementation of the AMP	Sections - #3.5
6.(1) 7.	Explanation of other key assumptions	Sections - #2.4

Glossary

Definitions

Achieve Proposed Levels of Service: is defined as the strategic initiatives undertaken by an organization to modify its service levels represented in a new proposed standard of service provision. This could involve modifying the condition, scope, or accessibility of the services beyond their current levels, based on strategic goals (e.g., Regulation Requirements, Master Plans or Strategic Plan Targets). The achievement of these proposed service levels may require changes in frequency and/or scope of asset lifecycle activities.

Asset: Non-financial assets having physical substance that are acquired, constructed, or developed and:

- are held for use in the production or supply of goods and services for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible assets;
- have useful economic lives extending beyond an accounting period of one year;
- are to be used on a continuing basis; and
- are not for resale in the ordinary course of operations.

For Eldon House, capital assets have the following characteristics:

- Beneficial ownership and control clearly rests with Eldon House, and
- The asset is utilized to achieve Eldon house plans, objectives, and services with the intention of being used on a continuous basis and is not intended for sale in the ordinary course of business.

Asset Management: is an integrated approach, involving all organization departments, to effectively manage existing and

new assets to deliver services to customers. The intent is to maximize benefits, reduce risks and provide satisfactory levels of service to the community in a sustainable manner.

AMP: Eldon House Asset Management Plan which combines multi-disciplinary management techniques (technical and financial) over the life cycle of infrastructure assets to provide a specific level of service in the most cost effective manner and manage risks associated with municipal infrastructure assets. This typically includes plans to invest, design, construct, acquire, operate, maintain, renew, replace, and decommission assets.

CAM Program: A set of interrelated or interacting components of the City and its agencies, boards, and commissions that establishes asset management policies and objectives and the processes needed to achieve those objectives. An asset management program also includes the organization structure, roles, responsibilities, business processes, plans, and operations of asset management practices.

Capitalization Threshold: The threshold represents the minimum cost an individual asset must have before it is to be recorded as a capital asset on the statement of financial position.

City: The Corporation of the City of London.

Consequence of Failure: A measure of the direct and indirect impacts on the city in the event of an asset failure.

Core Municipal Infrastructure Asset: Defined by O.Reg 588/17, any municipal infrastructure asset that is a, Water asset that relates to the collection, production, treatment, storage,

supply or distribution of drinking water; Wastewater asset that relates to the collection, transmission, treatment or disposal of wastewater, including any wastewater asset that from time to time manages stormwater; Stormwater management asset that relates to the collection, transmission, treatment, retention, infiltration, control or disposal of stormwater; Road; or Bridge or culvert.

Critical Asset: An asset for which the financial, business, or service level consequences of failure are sufficiently severe to justify proactive inspection, rehabilitation, or replacement, and is considered a municipal infrastructure asset.

Customer: Any person or entity who from the municipal infrastructure asset or service, is affected by it or has an interest in it either now or in the future.

Direct Levels of Service: Levels of service that are most representative of a municipal service and can be costed over a 10-year projected period.

Green Infrastructure Asset: Defined by O.Reg. 588/17, means an infrastructure asset consisting of natural or human-made elements that provide ecological and hydrological functions and processes and includes natural heritage features and systems, parklands, stormwater management systems, street trees, urban forests, natural channels, permeable surfaces and green roofs.

Infrastructure Asset: All or part of physical structures and associated facilities that form the foundation of development, and by or through which a public service is provided to the city, such as highways, bridges, bicycle paths, drinking water systems, social housing, hospitals, courthouses, and schools, as well as any other thing by or through which a public service is provided to the city.

Maintain Current Levels of Service: is defined as the persistent efforts of an organization to manage its assets through comprehensive lifecycle activities and effectively allocating necessary financial resources with the aim of consistently delivering its services at the current established service levels.

Metrics: Information that supplements levels of service (whether direct, related, or required under Ontario Regulation 588/17). Considered useful but a lagging indicator, meaning they do not readily provide strategic insight or can be easily costed to a municipal service.

Municipal Infrastructure Asset: An infrastructure asset (core and non-core municipal infrastructure assets), including a green infrastructure asset, directly owned by a municipality or included on the consolidated financial statements of a municipality, but does not include an infrastructure asset that is managed by a joint municipal water board.

Public: Residential, commercial, industrial, and institutional partners, and any other party that rely on municipal infrastructure assets.

Related Levels of Service: Levels of service that have a causal relationship with direct levels of service but cannot be easily costed over 10-year projected period.

Replacement Value: The cost Eldon House would incur to completely replace a municipal infrastructure asset, at a selected point in time, at which a similar level of service would be provided. This definition can also be referred to as 'Replacement Cost'.

Tangible Capital Assets (TCA): A legislative reporting requirement specified by Section PS 3150 in the Public Sector

Accounting Board Handbook to identify asset inventories, additions, disposals, and amortization on an annual basis.

Acronyms

ABC: Agencies, Boards, and Commissions

AMP: Asset Management Plan

AODA: Accessibility for Ontarians with Disabilities Act

CAM: Corporate Asset Management

CAM Plan: Corporate Asset Management Plan

CEAP: Climate Emergency Action Plan

DC: Development Charges

IT: Information Technology

LCR: Lifecycle Renewal

Board: Board of Management or Board of Directors, as applicable to entity

LOS: Levels of Service

MESL: Maintain Existing Service Levels

MYB: Multi-Year Budget

O. Reg.: Ontario Regulation

RV: Replacement Value

TCA: Tangible Capital Asset

For more information visit **london.ca/CAM** or contact
Corporate Asset Management Phone: **519-661-CITY (2489)** Email: **CAM@london.ca**

