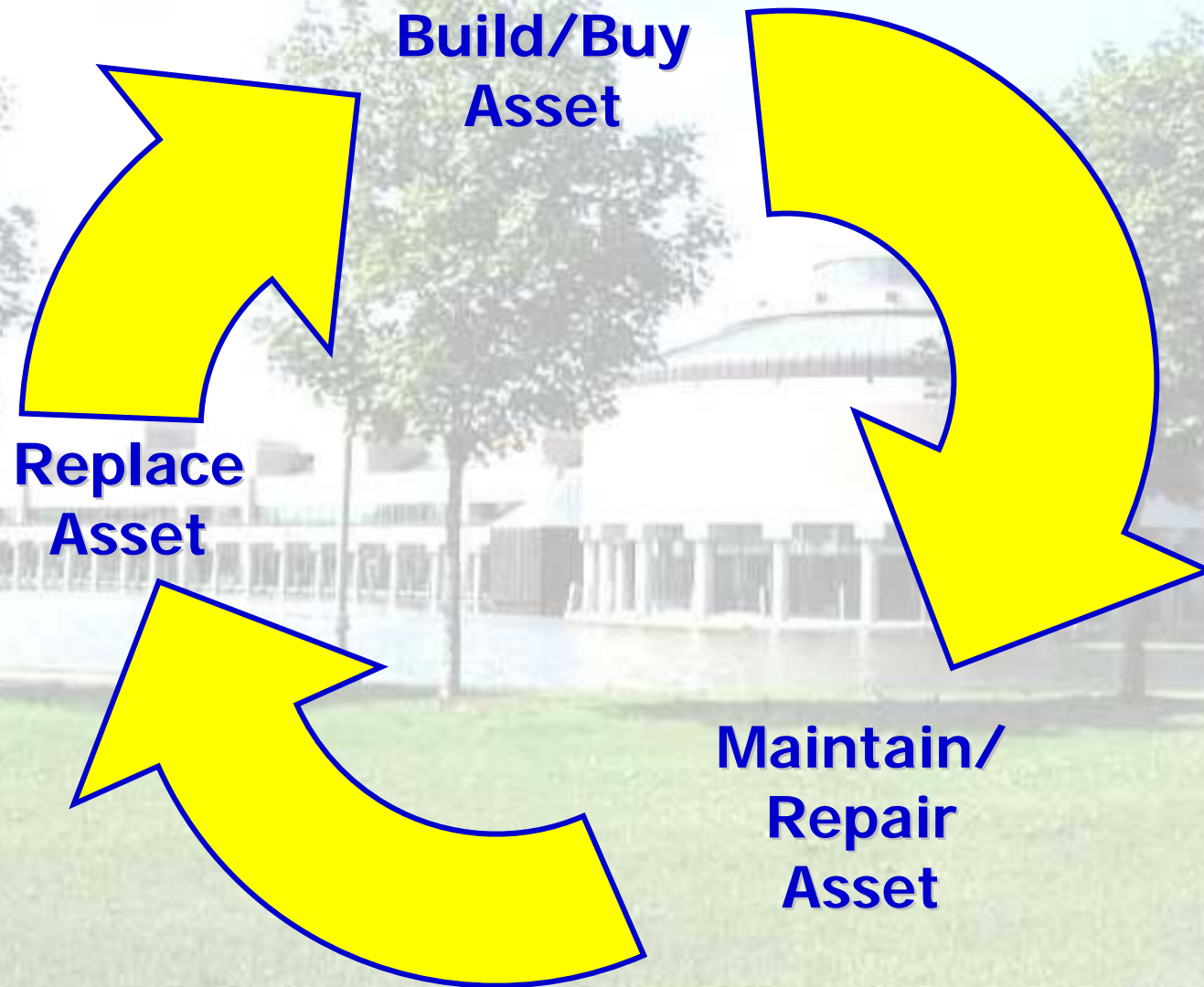


Town of Markham

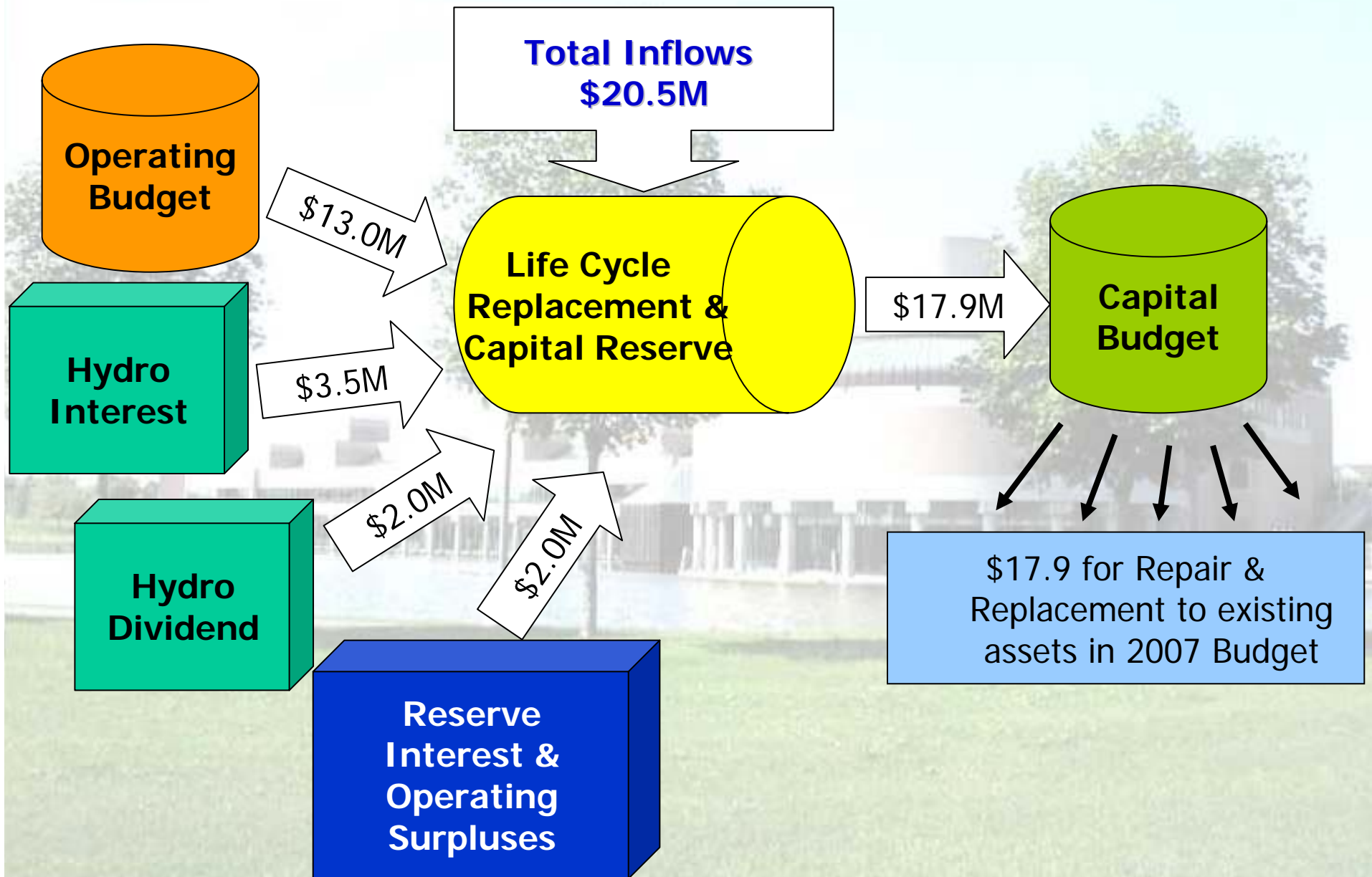
2007 RESERVE STUDY UPDATE

**General Committee Meeting
June 11, 2007**

Asset Life Cycle



Life Cycle Replacement and Capital Reserve Fund

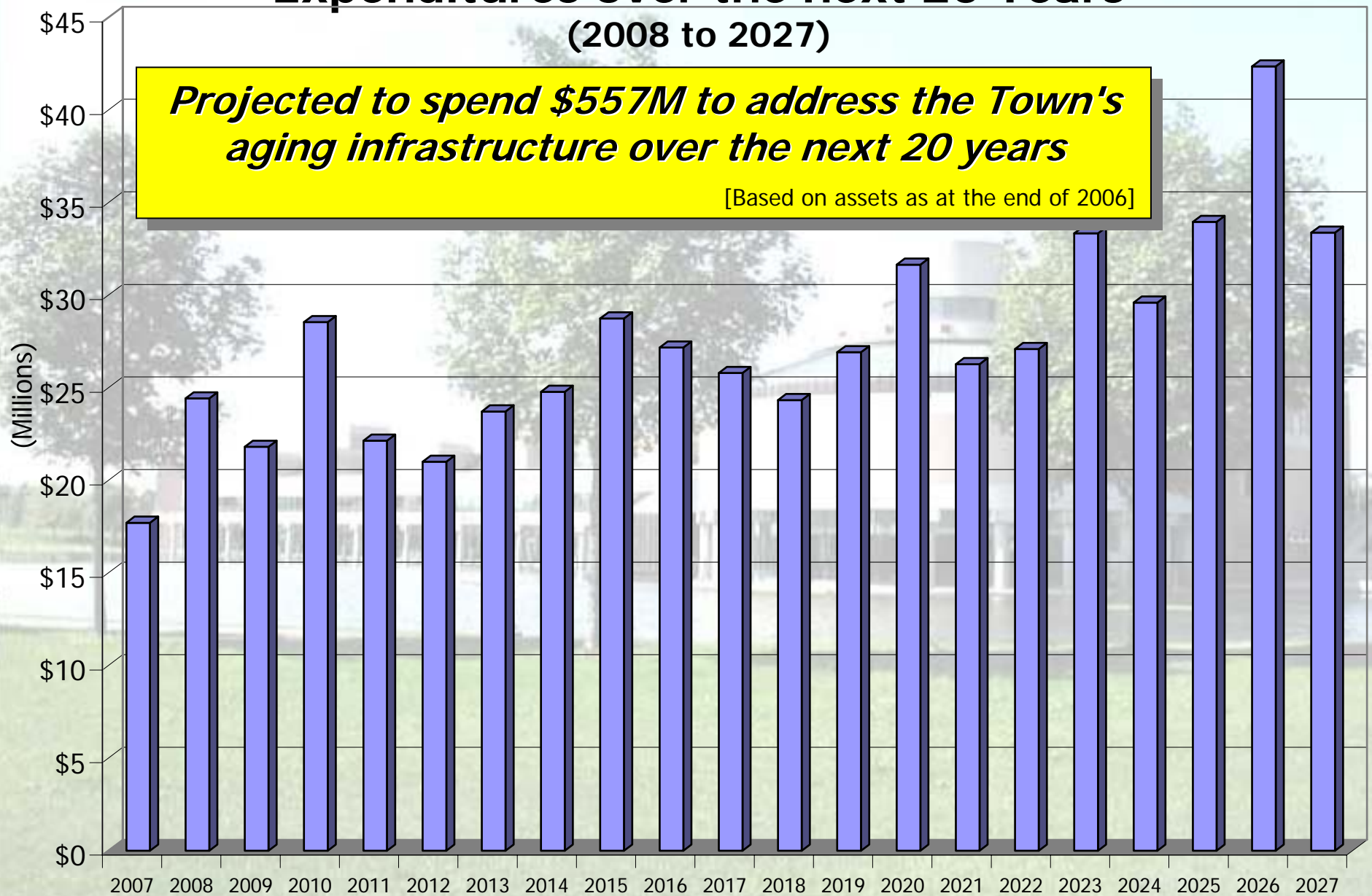


Projected Major Repairs, Maintenance, Replacement Expenditures over the next 20 Years

(2008 to 2027)

Projected to spend \$557M to address the Town's aging infrastructure over the next 20 years

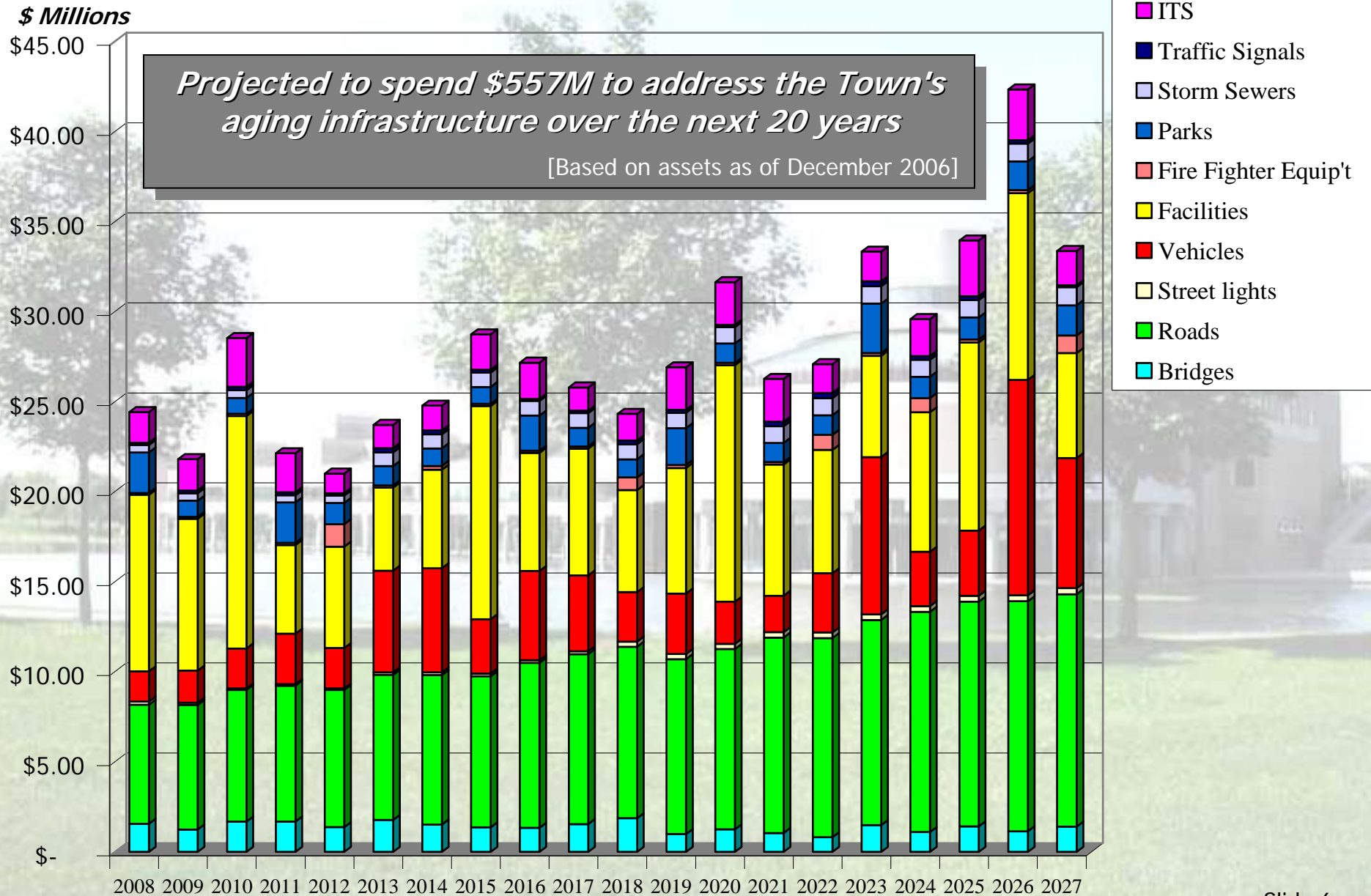
[Based on assets as at the end of 2006]



Assets Included in the Reserve Study

- Bridges & Culverts
- Roads
- Streetlights
- Vehicles and Operations Equipment
- Facilities
- Fire Fighter Equipment
- Parks
- Storm Sewers
- Traffic Signals
- ITS Infrastructure

Projected Expenditures by Asset Type

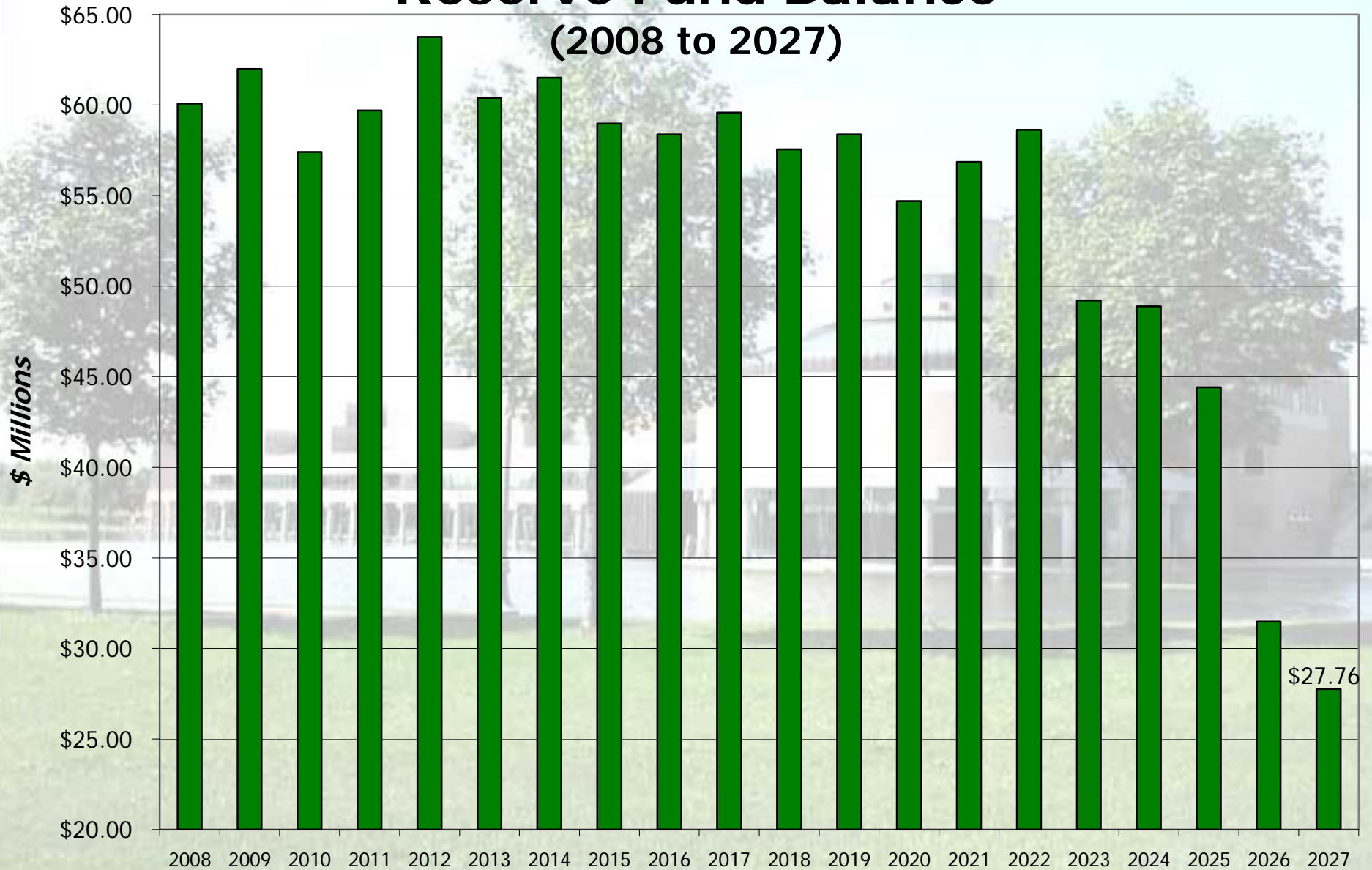


Annual Reserve Study Update

- Included assets to the end of December 2006
- Reconciled to 2007 Capital Budget
 - Adjusted for items accelerated to 2007 and their subsequent future replacements
 - Adjusted for items deferred to future years and their subsequent future replacements
- Adjusted for items requiring additional funding due to inflation
- Additional items not included in previous reserve studies and their projected future replacements

Projected Life Cycle Replacement & Capital Reserve Fund Balance

(2008 to 2027)



Summary

- Life Cycle Models updated for additional inventory to the end of 2006, additional items and change in assumptions
- Reserve balance and Cash inflows updated based on current information
- Update identifies sufficient funds for the next 20 years (2008 to 2027) plus 5 years after the 20th year (up to 2032) based on existing assets

Next Steps

- The Reserve Study will form the basis of the 2008 capital budget for major repair, maintenance, and replacements.
- Staff will provide an update of the Reserve Study to include future growth (e.g. new community centres, libraries, fire stations) during the 2008 Budget process
- Staff will work on acquiring more inventory, condition information on assets currently not included in the reserve study.