



# Staff Report

## Finance – Budgets & Accounting

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**Report To:** Committee of the Whole Meeting  
**Meeting Date:** November 30, 2021  
**Report Number:** FAF.21.142  
**Title:** Final Asset Management Plan  
**Prepared by:** Sam Dinsmore, DeputyTreasurer/Manager of Accounting and Budgets

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### A. Recommendations

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THAT Council receive Staff Report FAF.21.142, entitled “Final Asset Management Plan”;

AND THAT Council approve the attached Asset Management Plan for use by the Town.

### B. Overview

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The purpose of this report is to get Council’s approval of a comprehensive Asset Management Plan, which combines the 10 previously approved asset class specific plans.

### C. Background

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In 2017, the provincial government passed the Infrastructure for Jobs and Prosperity Act, 2015 (Act) and the Asset Management Planning for Municipal Infrastructure, Ontario Regulation 588/17 (O.Reg 588/17), which made asset management planning a legislated requirement for Ontario municipalities. O.Reg 588/17, has a phased in requirement for municipalities to follow, however the Town has taken on a more proactive approach and will complete the requirements before regulated deadlines:

- 1) July 1, 2019, Asset Management Policy –this policy was approved by Council in early 2019;
- 2) July 1, 2021, Asset Management Plan for Core (linear) Assets;
- 3) July 1, 2021, Asset Management Plan for all Assets; and
- 4) July 1, 2023, Asset Management Plan for all Assets with Proposed Levels of Service – other levels of service are outlined in this asset management plan.

The last plan was approved at the April 19, 2021, Council meeting which completed points 2 and 3. Staff have now compiled the 10 individual plans into one comprehensive plan. Staff are recommending that this plan be the one posted on the Town’s website, used for grant applications, and used when requested by upper levels of government, municipal peers, or the public.

## **D. Analysis**

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The attached comprehensive Asset Management Plan is the 10 asset classes specific plans that were approved by Council in 2020 and 2021. The only changes made to this plan is the removal of the Town's smaller fleet assets (general vehicles) as the Town has entered into a lease to own agreement with a 3<sup>rd</sup> party.

O.Reg 588/17 mandates that the plans be updated every five years however, staff are anticipating updating the plan before that time elapses to update with new assumptions, assets replaced/rehabilitated through the annual capital budget and the significant increase that the Town has seen with construction costs.

By completing the Asset Management Plan ahead of the regulated timeline and without the use of external consultants this sets the Town up in a good position to complete the next requirement which is to use Proposed Levels of Service rather than the Current Levels of Service. Staff are looking to release a number of surveys through out 2022 to gain the public's input on these levels of service.

Staff are recommending that the attached Asset Management Plan be approved and used as the Town's Plan when required.

## **E. Strategic Priorities**

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### **2. Organizational Excellence**

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

### **3. Community**

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

## **F. Environmental Impacts**

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N/A

## **G. Financial Impacts**

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Included in the Asset Management Plan is a detailed reserve fund analysis for the reserve funds that are used to fund capital asset replacements/rehabilitations. Each graph shows the next 10-year required capital budget, annual transfer as recommended by the Plan, budgeted transfer, and the reserve fund balance. These graphs are a good illustration as to why the Town utilizes reserve funds rather than attempting to fund the capital program through the annual operating budget. For most reserve funds the blue line is very volatile whereas the orange/red line is steady and allows for predictable costs to the operating budget each year.

For some of the reserve funds (Bridges and Culverts as an example) it will end the 10-year period with a good reserve fund balance as staff have gone beyond the 10-year requirement and ensure that those projects outside of this time frame will still have sufficient funding available. The end goal for the Town is to limit the use of long-term debt and rely on these reserve funds as the main funding source for these capital projects.

## **H. In Consultation With**

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None.

## **I. Public Engagement**

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Any comments regarding this report should be submitted to Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets, [budgetteam@thebluemountains.ca](mailto:budgetteam@thebluemountains.ca).

## **J. Attached**

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1. Final Asset Management Plan

Respectfully submitted,

Sam Dinsmore  
Deputy Treasurer/Manager of Accounting & Budgets

Ruth Prince  
Director Finance & Information Technology Services

For more information, please contact:  
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### Report Approval Details

Document Title:	FAF.21.142 Final Asset Management Plan.docx
Attachments:	- Final AMP.pdf
Final Approval Date:	Nov 19, 2021

This report and all of its attachments were approved and signed as outlined below:

**Sam Dinsmore - Nov 19, 2021 - 10:17 AM**

**Ruth Prince - Nov 19, 2021 - 11:25 AM**

### Report Approval Details

Document Title:	FAF.21.142 Final Asset Management Plan.docx
Attachments:	- Final AMP - Draft.pdf
Final Approval Date:	Nov 22, 2021

This report and all of its attachments were approved and signed as outlined below:

**Sam Dinsmore - Nov 22, 2021 - 9:57 AM**

**Ruth Prince - Nov 22, 2021 - 9:57 AM**