

# Asset Management Plans – Final Reports

## **RECOMMENDATION:**

None.

## **PREVIOUS COUNCIL/COMMITTEE ACTION**

At the July 11, 2023, Committee of Council meeting, a staff report was provided along with the Draft Asset Management Plans for each of the City's eight asset groups.

At the May 21, 2021 Committee of Council meeting, a staff report was provided with a progress update on the City's Asset Management Plans, summary of the State of the Infrastructure report, and Condition Assessment Guidelines developed for each of the City's eight asset portfolios.

At the March 26, 2019 Committee of Council meeting, a report was brought forward with information on the work planned for 2019 and a resolution request for receipt of \$15,000 in grant funding from the Union of British Columbia Municipalities (UBCM).

At the January 15, 2019 Committee of Council meeting, a presentation was provided to Council on the Asset Management Strategy along with an opportunity to provide feedback on the report.

At the December 11, 2018 Committee of Council meeting, a report was brought forward with information on the 2018 asset management work which included an assessment of city assets and asset management practices along with the development of an asset management strategy. A draft Asset Management Strategy report, dated November 2018, was provided to Council members.

At the May 1, 2018 Finance and Budget Committee, a report was brought forward with information on the Phase 1 asset management work, which included assessment, strategy and policy items.

## **REPORT SUMMARY**

This report presents the City's final asset management plans along with a summary of the recommendations and information on next steps of the City's asset management program.

## **BACKGROUND**

Following delivery of the draft asset management plans in July 2023, a financial strategy was developed along with recommendations to support implementation of the plans. Staff were directed to incorporate the information into the draft reports and bring the final asset management plans back to Council.

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## DISCUSSION

The financial strategy and recommendations to support implementation of the City's eight asset management plans were incorporated into the draft plans to finalize the reports. A copy of each of the final asset management plans is provided in the Attachments.

A summary of the recommendations from the final asset management plans is provided below, followed by information on next steps of the City's asset management program

### Asset Management Plan Recommendations

The asset management plans recommended that the City adopt a fully funded model to meet asset replacement needs using a 15-year phase-in period for an equitable distribution of financial burden between current and future residents. In addition to the current annual increase of 1%:

- **Tax-funded Service Areas:** incrementally increase the LTGIR contribution by an additional 1.00% of the budgeted prior year's taxation levy each year over the 15-year phase-in period.
  - **Water Services:** incrementally increase the LTWIR contribution by an additional 0.55% of the budgeted prior year's utility levy each year over the 15-year phase-in period.
  - **Sanitary Services:** incrementally increase the LTSIR contribution by an additional 1.03% of the budgeted prior year's utility levy each year over the 15-year phase-in period.
- Account for the impacts of inflation on both annual capital expenditures and contributions to the LTGIR to maintain fiscal strength.
  - Consider the establishment of a Drainage Utility Levy and dedicated Long-Term Drainage Infrastructure Reserve Fund (LTDIR).
  - Address the infrastructure backlog through the strategic use of senior government funding and DCC program, using asset criticality and risk analysis from the asset management plans to prioritize projects.

## NEXT STEPS

Consider tax and levy increases as part of the City's financial planning process.

Develop 10-20 year capital plans for each of the eight asset groups based on the financial strategy and risk information provided in the asset management plans.

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Bring forward a staff report with information on the establishment of a Drainage Utility Levy.

## **FINANCIAL IMPLICATIONS**

Consider tax and utility levy increases as part of the City's future financial planning process. In addition to the current annual increase of 1%:

- Increasing the LTGIR contribution by an additional 1% of the budgeted prior year's taxation each year would increase individual property taxes by \$21.30, based on a home assessed at \$969,000.
- Increasing the LTWIR contribution by an additional 0.55% of the budgeted prior year's utility levy each year would increase individual water levies by \$2.73, over and above the existing 1% annual increase of \$4.98.
- Increasing the LTSIR contribution by an additional 1.03% of the budgeted prior year's utility levy each year would increase individual sanitary levies by \$3.71 over and above the existing 1% annual increase of \$3.60.

## **ATTACHMENTS**

Attachment 1: Transportation AMP

Attachment 2: Drainage AMP

Attachment 3: Water AMP

Attachment 4: Sanitary AMP

Attachment 5: Facilities AMP

Attachment 6: Parks AMP

Attachment 7: Fleet and Equipment AMP

Attachment 8: Information Services AMP

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