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**To:** Council  
**From:** Yun Ke Ni, Director of Finance/Treasurer  
**Date of Meeting:** January 13, 2021  
**Subject:** Asset Management Update

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**Background:**

- O. Reg. 588/17 was introduced January 1, 2018, requiring all municipalities to prepare Council endorsed Strategic Asset Management Policy by July 1, 2019 and implement Asset Management Plans using a phased-in approach from 2021-2024.
- Strategic Asset Management Policy was the first deliverable under O. Reg. 588/17. It was presented to Council on June 26, 2019 as Schedule "A" to By-law No.2019-62 and must be updated every 5 years.
- Asset management software by Public Sector Digest (PSD) has been purchased to maintain updated data on assets including level of service and life cycle of each asset to determine best practices. It will be an integral part of asset management going forward.

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**Discussion:**

With the purpose to maintain an accurate and up to date list of assets and manage their life cycles, we are converting all our asset information to new asset management software. This software will be a vital part of maintaining accurate data and offering pertinent information to departments on their investment decisions in a timely manner as well as for annual budgeting purpose.

The focus to date was to deliver a complete list of assets to PSD. In order for data to be migrated to the new software, asset values needed to match that of the financial statements. This was needed as a starting point to install our data on the new asset management software.

The subledger containing asset details by class were not maintained for several years. Asset additions were absent from the list and disposals needed to be removed. Although the values of these transactions were captured on the financial statements, we needed to determine the areas of discrepancies class by class.

Our attention was directed at specifically what year and what transactions were missing. This involved a great deal of time to retrace each individual purchases and disposal over multiple years in each class. Asset useful life needed to be determined along with accumulated depreciation which needed to be calculated. Missing purchases and disposals have since been identified and noted in the subledger. This information has been submitted to PSD to complete the steps needed to migrate the data.

This project is at the implementation stage and training on the software will start this week.

Next steps to meeting O. Reg. 588/17:

Our next deadline is July 1, 2021, where we are required to prepare an asset management plan in respect of the township's **core** municipal infrastructure assets followed by all other municipal infrastructure assets by July 1, 2023.

Core municipal assets include roads, bridges and culverts, water, wastewater and stormwater management. Required in the plan are a comprehensive list of assets with historic cost, age, replacement cost, current performance and condition, current levels of service and the lifecycle activities needed to maintain the current level of service for the next 10 years. This will be followed by an asset management plan for all other municipal infrastructure assets by July 1, 2023.

There is a significant amount of work and knowledge needed to meet these requirements. Dealing with the COVID-19 pandemic over nearly the past year has slowed progress of the project and made it increasingly difficult in retaining third party expertise to help fulfill the requirements.

We are progressing as best we can with the limited in-house resources we have. There has been a request made to the Ministry of Infrastructure by MFAO to extend the deadline by one year due to the significant impact the pandemic has had on municipalities both in capacity and financially. We have also been asked to endorse this request with a resolution of Council. It is unknown at this time if the Province of Ontario will extend the deadline.

Fortunately, there is a significant amount of support to guide us through the process.

Key staff members are currently enrolled in an asset management training program. This is being offered by AMO and FCM as a joint effort. It is geared towards staff and elected officials. Along with 11 other municipalities, we are led through the various stages of creating an asset management plan as required O. Reg. 588/17 for the July 2021 deadline. This project will help us clarify the requirements and identify the gaps that we presently have. This is a 12 months commitment which will build the municipality's internal capacity and strengthen our asset management culture.

As of January 2021, Brant Woodside, our engineering co-op student will be joining us to continue the work of bridging the information gaps we have in asset data. He will be updating the asset management software as he works through bridging the gaps.

Collectively, we are working towards meeting the July 1, 2021 deadline for the township to have completed an asset management plan for its core municipal infrastructure assets. However, we have encountered some delays in progress due to COVID and lack of available resources to commit to the project.

*Prepared by:  
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