



2020 to 2023 Business Plan

Service: Asset Management

\$0.01

Cost per day for the average rate payer (2020 to 2023)

0.06%

Percentage of the 2020 to 2023 City of London Net Property Tax Supported Budget

Who we are:

- Corporate Asset Management (“CAM”) serves staff and Council by providing information and tools for optimized decision making as it pertains to the City’s infrastructure.
- CAM also provides information required to address Ontario Regulation 588/17 to support the City’s financial reporting under PSAB as well as pre-requisites for inter-government transfer funding.

What we do:

- CAM is directed towards supporting the activities necessary to identify, monitor and plan for the management of the City’s cumulative reported 10 year infrastructure gap of \$568.8 million as per the 2019 Corporate Asset Management Plan.
- Asset Management helps optimize investment decisions thereby contributing to the City’s financial health, affordable taxes and competitive utility rates. It contributes in providing or mitigating the risk of asset failure, and ensures the safety and well-being to the public.
- Quality infrastructure supports a strong economy throughout the City, CAM enhances corporate decision making and improves the management of the City’s assets.

Why we do it:

- **Mandatory** - Asset management plans are required by legislation at both the Federal (Infrastructure for Jobs and Prosperity Act, 2015) and Provincial (Ontario Regulation 588/117, Asset Management Planning for Municipal Infrastructure) levels and are a pre-requisite for certain infrastructure funding programs offered by senior levels of government.

The following table provides an overview of the budget for this service:

Budget Summary (\$000's)	2020	2021	2022	2023	2020 to 2023 TOTAL
Gross Operating Expenditures	\$713	\$723	\$733	\$740	\$2,909
Other Revenues	-\$16	-\$389	-\$395	-\$401	-\$1,201
Net Tax Levy Supported Operating Budget	\$697	\$334	\$338	\$339	\$1,708
Total Capital Expenditures	\$0	\$550	\$0	\$0	\$550
Full-Time Equivalents (FTE's)	4	4	4	4	N/A

Reflects 2020 - 2023 Council Approved Budget - January 12, 2021.

The following section provides an overview of the key activities the service plans to undertake from 2020 to 2023 to implement the Corporation's 2019 to 2023 Strategic Plan, as well as an overview of the risks and challenges the service is anticipated to experience during this period:

Service Highlights 2020 to 2023

- Corporate Asset Management Program Implementation, continued implementation of Transportation and Parks & Recreation Services, followed by core services. This implementation includes Level Service (Current and Proposed), Risk Management, and Lifecycle Management.
- Publishing of the 2023 Corporate Asset Management Plan.
- Compliance to Ontario Regulation 588/17 which includes:
 - Providing asset management annual updates to Municipal Council;
 - Determining proposed levels of service and reporting it in a CAM Plan by no later July 1, 2024;
 - Provision of advisory services to Boards and Commissions to guide compliance with Ontario Regulations.
- Increased integration with Financial Planning & Business Support (Capital Budget), Corporate Accounting (Asset Retirement Obligation), and Geomatics (CityWorks - CMMS).

- Continued implementation of Asset Management Software (Assetic) which will assist in program implementation including distribution out to all Service Areas.
- Continued focus on improving data quality through increased collaboration and education with our service area partners.
- Increased public engagement on asset management planning which will involve informing the community of the City's 2019 Corporate Asset Management Plan, and consultation for the development of the 2023 Corporate Asset Management Plan.

Risks and Challenges Anticipated in 2020 to 2023

- Level of support to Boards and Commissions to comply with legislative requirements (Maturity Assessments beginning Fall of 2019/ early 2020).
- Competition for Asset Management Professionals (recruitment and consulting services).
- Inconsistent reporting requirements to other levels of government.
- Varying degrees of asset management maturity of municipal service areas given the vast scope and diversity of municipal assets.
- Reducing and managing the infrastructure gap in light of other municipal pressures, balancing affordability and level of service expectations.
- Changes to government regulations and requirements (i.e. Development Charges) which expands the scope of the CAM program.
- Accelerating O. Reg 588/17 compliance in order to inform the City's Multi-Year Budget process timelines with pre-emptive CAM Plan.

The service directly supports the following components of the Corporation’s 2019 to 2023 Strategic Plan:

Building a Sustainable City

London’s infrastructure is built, maintained and operated to meet the long-term needs of our community.

Expected Result: Maintain or increase current levels of service.

Strategy:

- Develop and document current levels of service and identify proposed level of services. (BSC-02)

Metric	2019	2020	2021	2022	2023
# of asset types with developed/documented current levels of service	TBD	TBD	TBD	TBD	TBD
# of asset types with identified proposed levels of service	TBD	TBD	TBD	TBD	TBD

Expected Result: Manage the infrastructure gap for all assets.

Strategy:

- Prioritize investment in assets to implement the Asset Management Plan. (BSC-08)

Metric	2019	2020	2021	2022	2023
Ratio of Budget to Replacement Value of Asset by functional area, including: * Long Term Care * Fire * Recreation * Traffic * Parking * Fleet * Solid Waste * Land * Urban Forestry * Parks * Wastewater – Sanitary *Water * Stormwater * Roads & Structures * Corporate Facilities * Information Technology * Culture Facilities	TBD	TBD	TBD	TBD	TBD

Metric	2019	2020	2021	2022	2023
Ratio of Budget to Corporate Asset Management Plan targeted infrastructure investment by functional area, including: * Long Term Care * Fire * Recreation * Traffic * Parking * Fleet * Solid Waste * Land * Urban Forestry * Parks * Wastewater - Sanitary *Water * Stormwater * Roads & Structures * Corporate Facilities * Information Technology * Culture Facilities	TBD	TBD	TBD	TBD	TBD

Strategy:

- Monitor the infrastructure gap to inform the management of City assets. (BSC-09)

Metric	2019	2020	2021	2022	2023
4 Corporate Asset Management Plan reviews/updates published	0	1	1	1	1
\$ of infrastructure gap by functional area, including: * Long Term Care * Fire * Recreation * Traffic * Parking * Fleet * Solid Waste * Land * Urban Forestry * Parks * Wastewater – Sanitary *Water * Stormwater * Roads & Structures * Corporate Facilities * Information Technology * Culture Facilities	TBD	TBD	TBD	TBD	TBD

Strategy:

- Communicate the consequences of the infrastructure gap. (BSC-New)

Metric	2019	2020	2021	2022	2023
# of communication channels and educational outreach activities.	TBD	TBD	TBD	TBD	TBD

Other reference information and links:

- [2019 Corporate Asset Management Plan](#)
- [Ontario Regulation 588/17: Asset Management Planning For Municipal Infrastructure made under the Infrastructure for Jobs and Prosperity Act, 2015](#)

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