

Municipal Asset Management in Alberta

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Presentation Outline



Municipal Capital
Grants



Asset Management
in Alberta



Asset Management
Survey 2017-2022



Next Steps

Municipal Capital Grants

Municipal Sustainability Initiative (MSI)

- MSI provides significant infrastructure funding and supports municipal asset management
- \$15.2 billion since 2007
- \$485 million in 2023
- MSI will end in 2024/25 and will be replaced by the Local Government Fiscal Framework (LGFF)

Canadian Community Building Fund

- CCBF provides funding to municipalities to help build and revitalize public infrastructure
- \$4.1 billion to Alberta from 2005 to 2022
- \$266 million in 2023/24
- Current funding agreement ends in 2024
 - Negotiations underway with the federal government to renew the program

Local Government Fiscal Framework

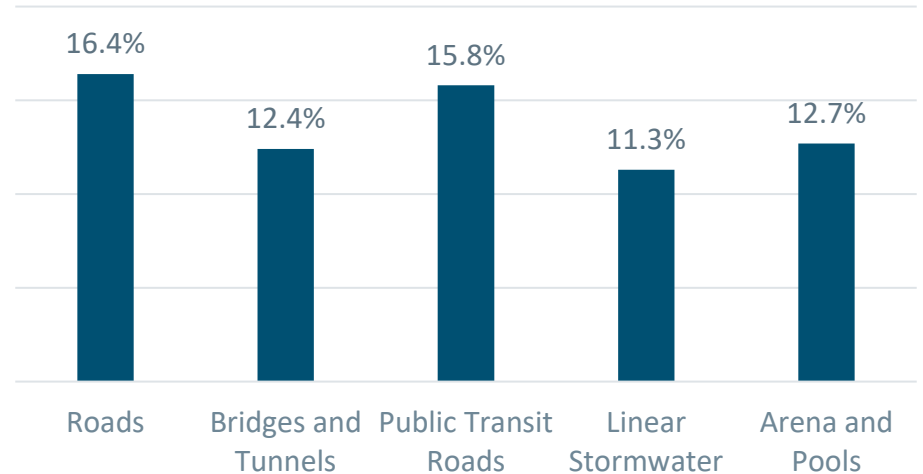
- LGFF will replace MSI in April 2024
- Baseline funding of \$722 million
 - \$382 million allocated to the cities of Edmonton and Calgary
 - \$340 million allocated to all other local governments
- Future funding will change based on changes in provincial revenues
- \$820 million in total funding in 2025/26
- Allocation formula for municipalities, program guidelines, and other supporting documents are expected to be published this fall

Asset Management in Alberta

Infrastructure Assets in Canada

- The 2019 Canadian Infrastructure Report Card showed significant challenges for Alberta municipalities and Metis Settlements with their infrastructure.

Percentage of Infrastructure Rated as Poor or Very Poor in Canada



Asset Management in Alberta

- **The following tools and organizations support local government to maximize their asset management capabilities**



Asset Management Training and Courses

- IAMA, Abmunis, RMA have collaborated to provide asset management courses to municipalities through funding received from FCM
 - Introduction to Asset Management, Intermediate Asset Management, Asset Management for Elected Officials, and Small Group Learning Community
- The FCM provides asset management training to municipal staff and elected officials across Canada

Asset Management Survey 2017 – 2022

Background

- The 2014-2024 CCBF agreement requires the province to report on municipal progress in improving asset management
- The Municipal Affairs Asset Management Survey began in 2017 to collect municipal asset management information
- Administered annually

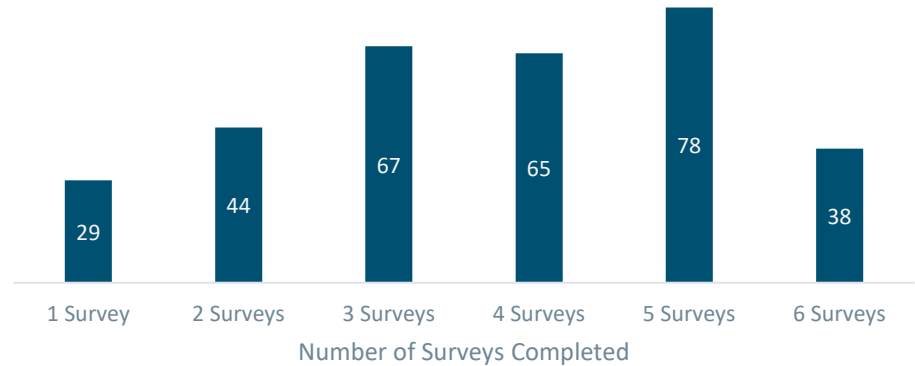


Response Rates

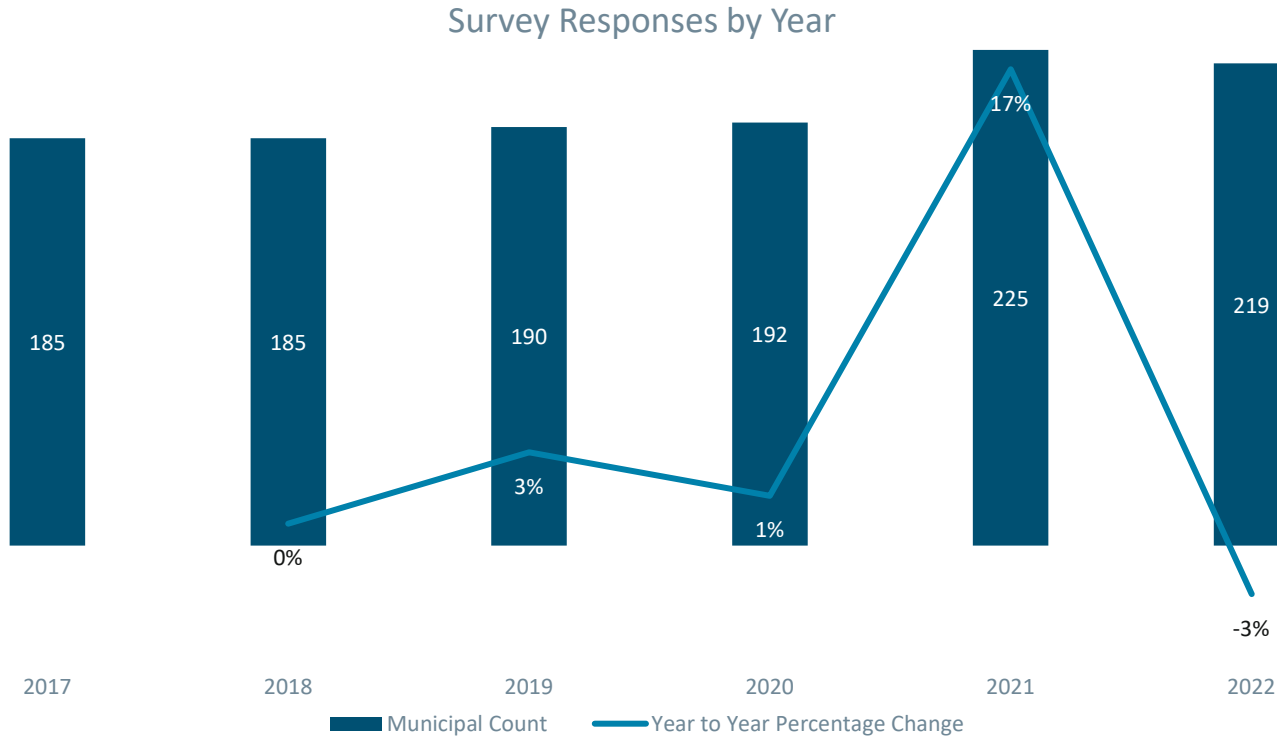
Survey Response

- 321 unique municipalities have completed the survey since 2017
- 77% of municipalities have completed the survey in 3 or more years
- 12% of municipalities have completed the survey every year

Distribution of the Number of Municipalities to Have Completed the Number of Surveys



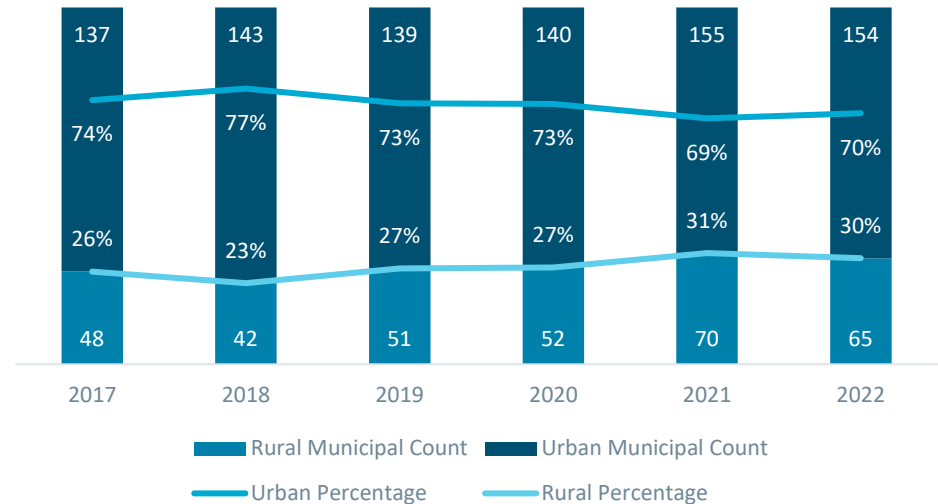
Survey Response (cont.)



Survey Response (cont.)

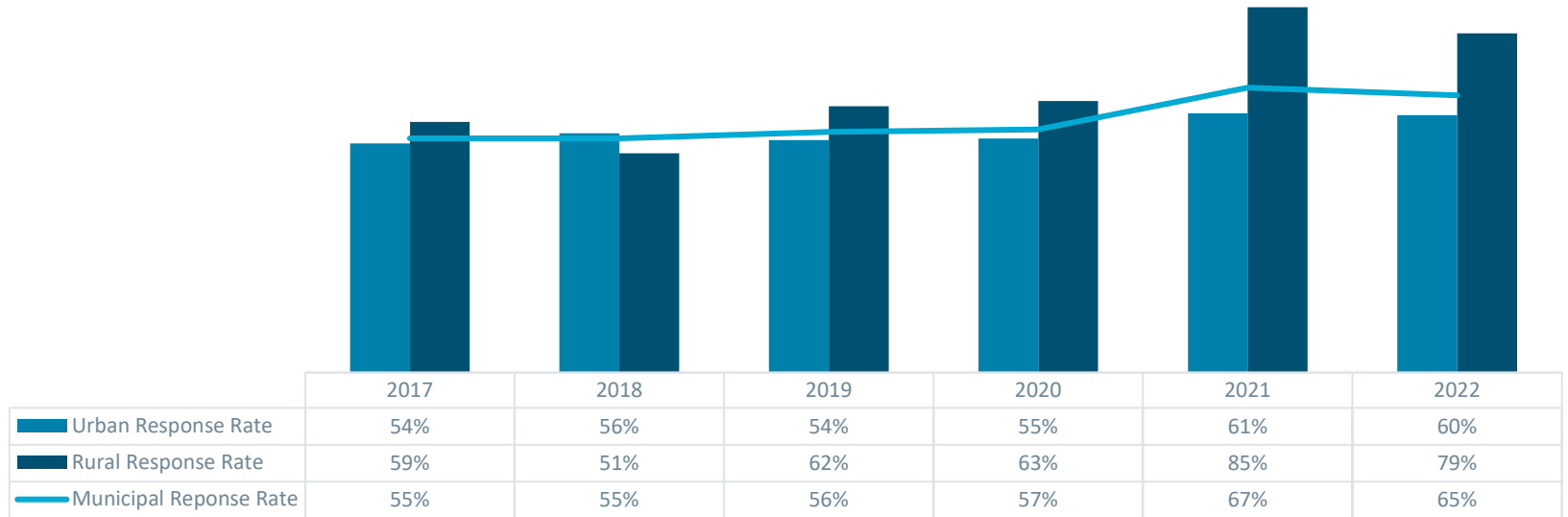
- The proportion of survey respondents that are urban or rural has fluctuated very little over the course of the survey (less than 10%)

Survey Responses by Year by Urban and Rural Municipalities



Survey Response (cont.)

Response Rate of Municipalities out of Total Municipalities

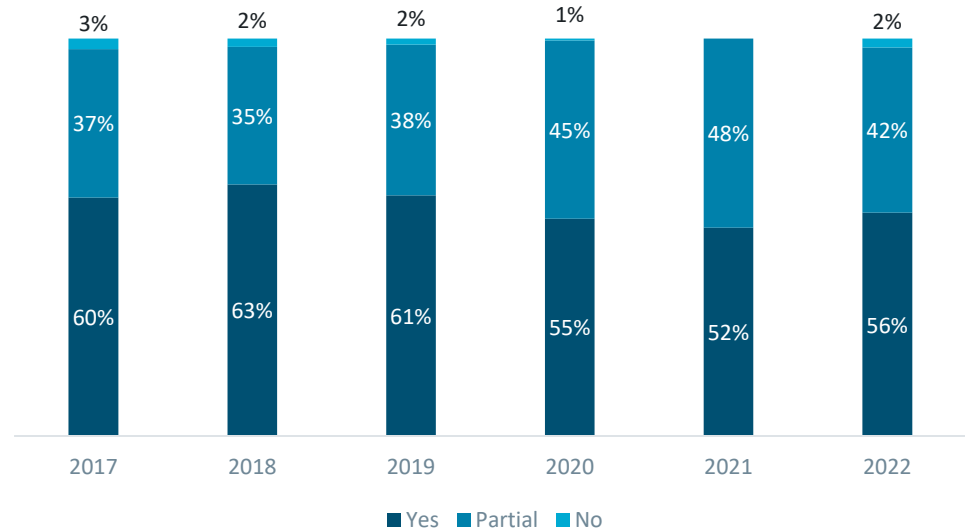


Asset Management Practices in Municipalities and Metis Settlements

Inventory of Municipal Assets

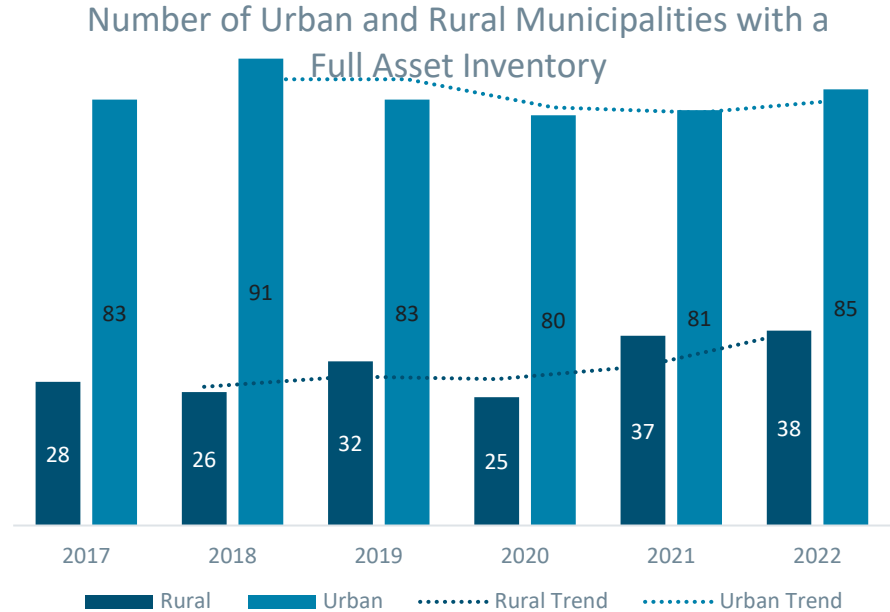
- Nearly all respondents reported either a full or partial inventory of their municipal assets each year of the survey
- The number municipalities reporting either a full or partial inventory increased by 19% between 2017 and 2022

Proportion of Municipalities Reporting an Inventory of Assets



Inventory of Municipal Asset (cont.)

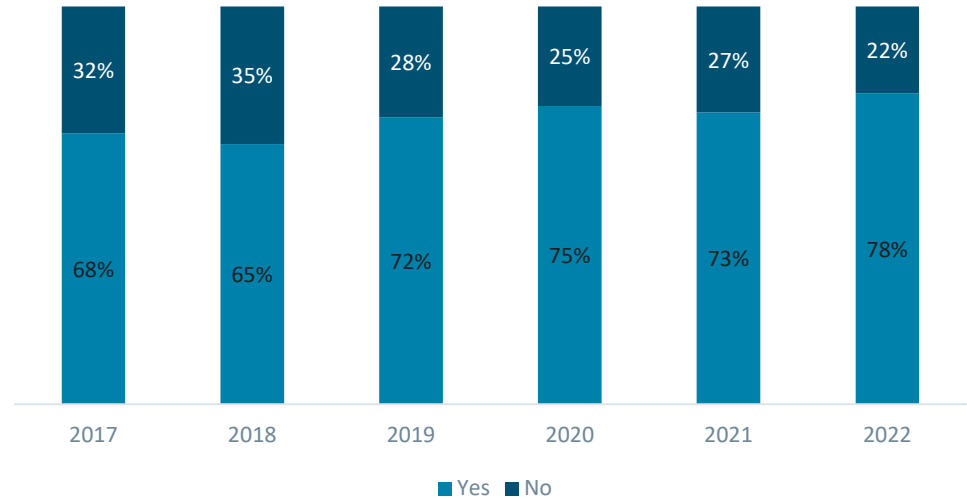
- Between 2017 and 2022, the number of rural municipalities reporting a full inventory of assets increased to a greater extent than urban municipalities, 32% and 2% respectively



Initiated/Implemented AM Strategies

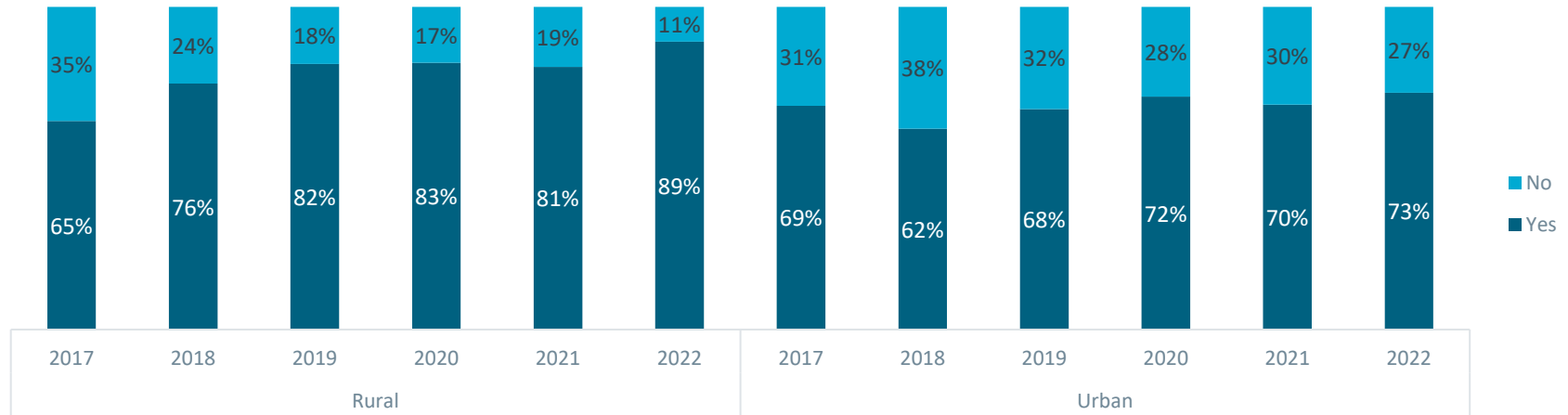
- Proportion of municipalities implementing asset management strategies increased since 2017
 - 68 per cent to 78 per cent

Proportion of Municipalities that Initiated or Implemented Asset Management Strategies by Year



Implemented AM Strategies (cont.)

Use of Asset Management Strategies by Urban and Rural Municipalities

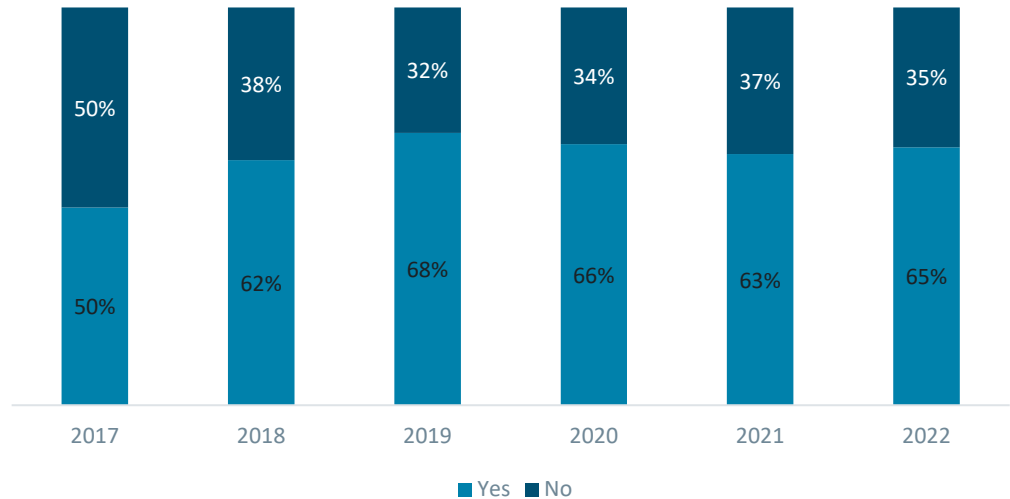


- Over time, rural municipalities have shown more growth in the use of asset management strategies

Asset Management System or Tools

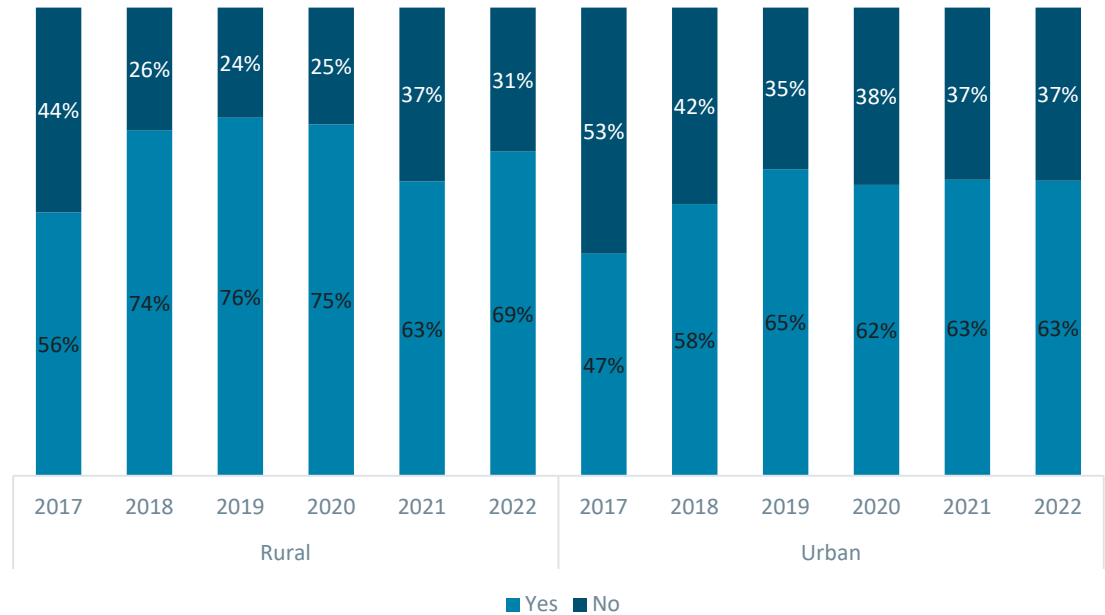
- Increase in number and proportion of municipalities using asset management system/tools from 2017 to 2022
 - 92 municipalities to 142
 - 50 per cent to 65 per cent

Proportion of Municipalities using a System or Tool to Manage Asset Management Information



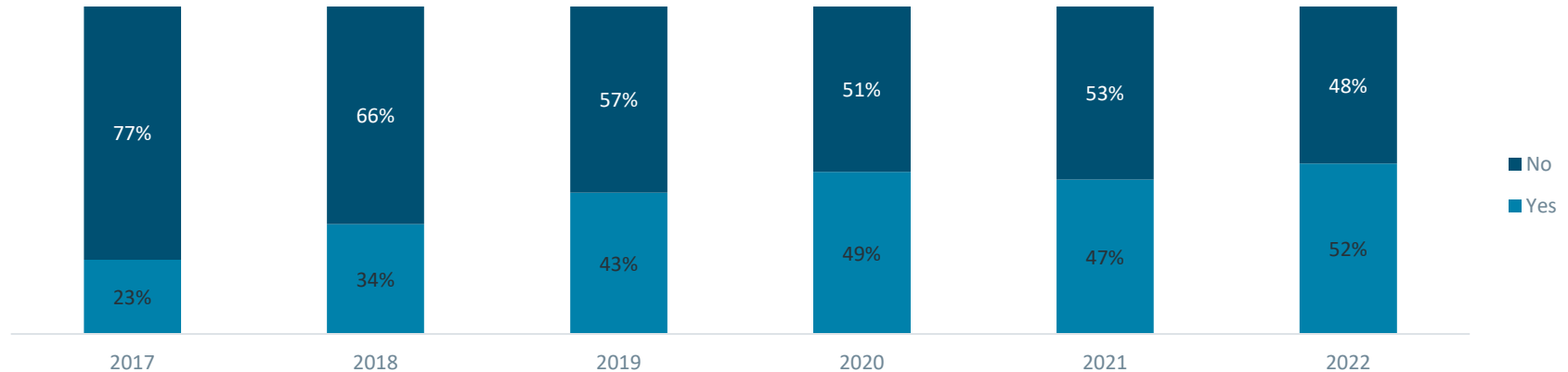
Asset Management System or Tools (cont.)

- Usage of a system/ tools has increased in both urban and rural municipalities since 2017
- Towns and villages accounted for over 70 per cent, each year, of urban municipalities not using a system/tool



Council Approved AM Policy

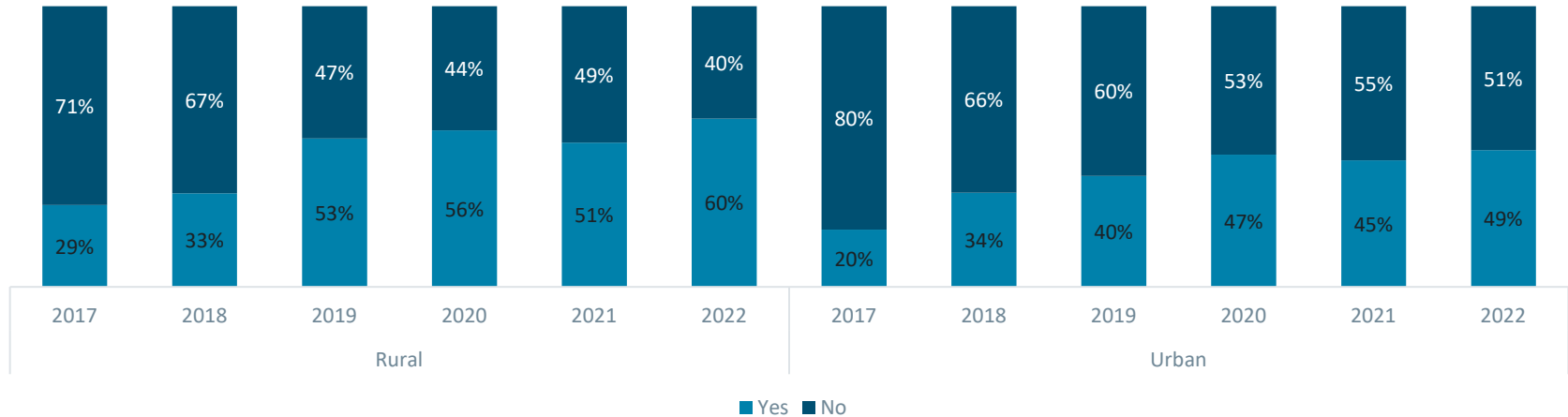
Proportion of Municipalities Reporting a Council Approved Asset Management Policy



- Proportion of municipalities reporting a council approved asset management policy has more than doubled since 2017

Council Approved AM Policy (cont.)

Proportion of Urban and Rural Respondents Reporting a Council Approved Asset Management Policy

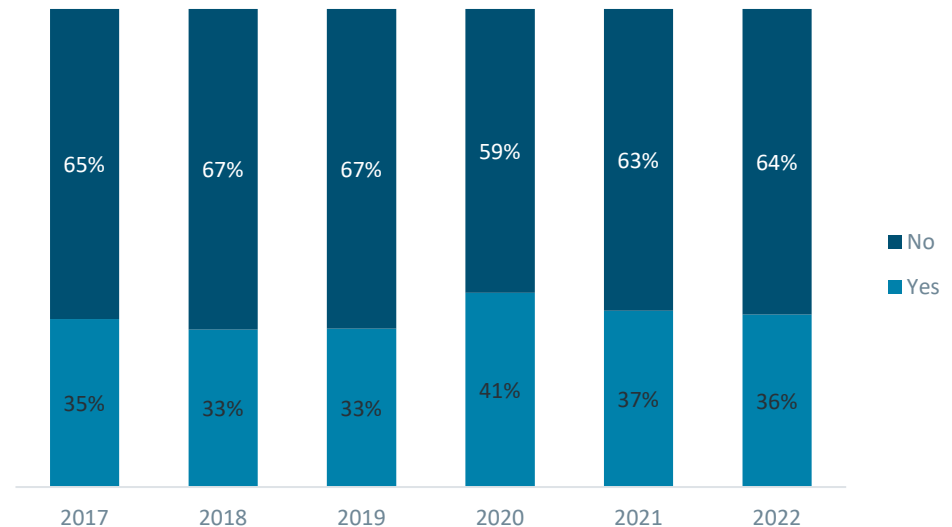


- Council approved asset management policies have more than doubled for both urban and rural municipalities

Financial Planning and Reporting

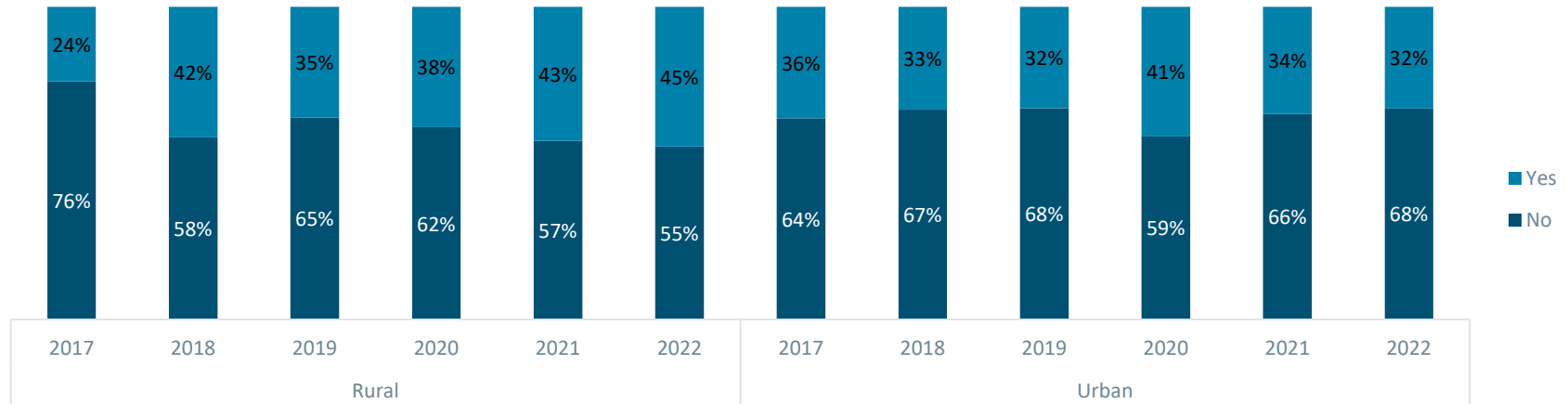
- A majority of municipalities do not report incorporating asset management into financial planning and reporting
- The number of municipalities reporting incorporating asset management into financial planning and reporting has changed little since 2017

Proportion of Municipalities Reporting Asset Management is Incorporated into Financial Planning and Reporting



Financial Planning and Reporting (cont.)

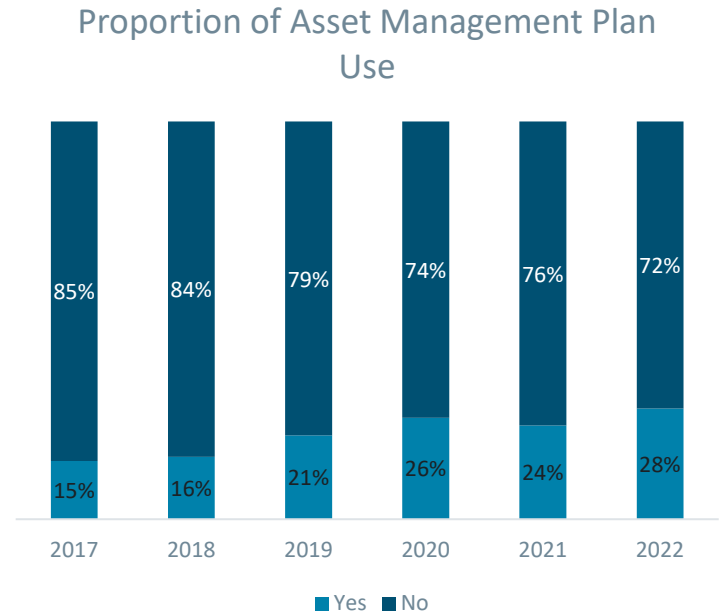
Proportion of Municipalities Reporting Asset Management is Incorporated into Financial Planning and Reporting by Urban and Rural Municipalities



- On average, a higher proportion of rural municipalities reported that asset management is integrated into financial planning and reporting

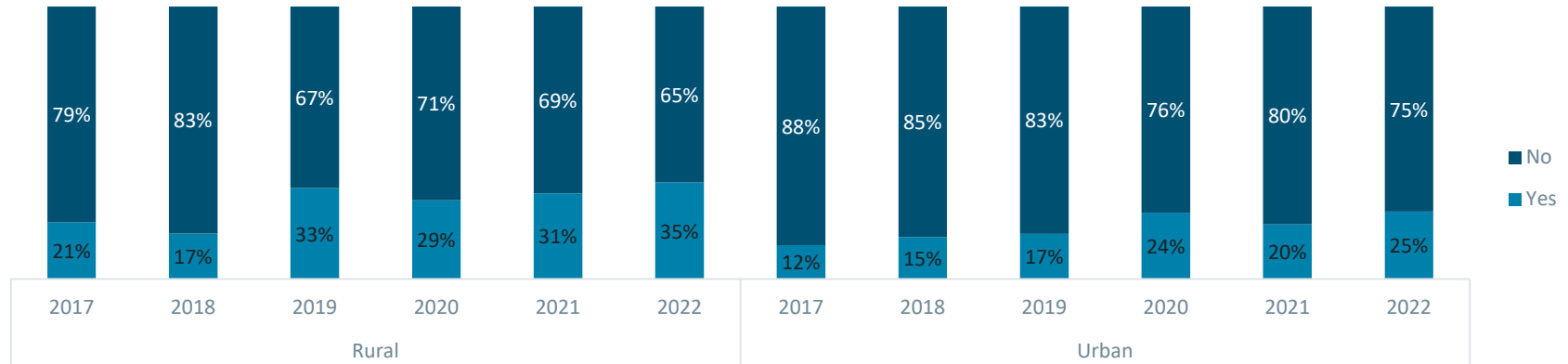
Asset Management Plans

- The proportion of municipalities reporting an asset management plan almost doubled between 2017 and 2022
- Most municipalities report not having an asset management plan



Asset Management Plans (cont.)

Proportion of Asset Management Plan Use by Urban and Rural Municipalities

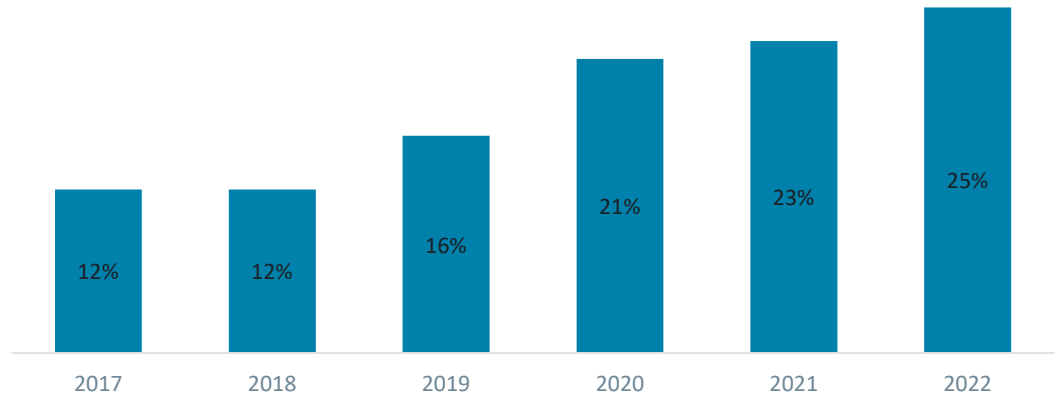


- A higher proportion of rural municipalities reported an asset management plan compared to urban municipalities in every year since 2017

Asset Management Plan and Council Approved Policy

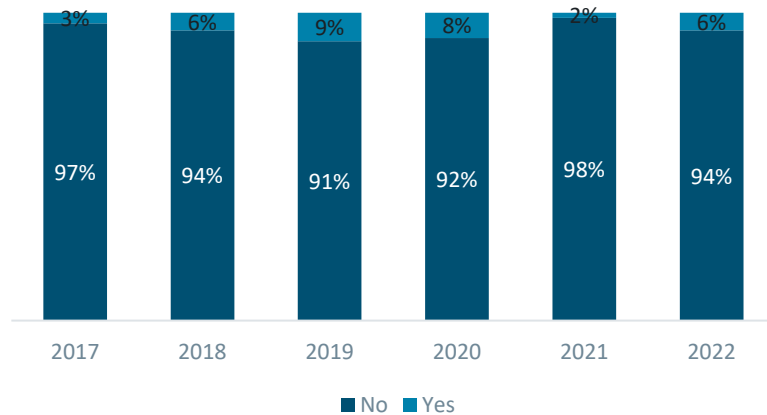
- The proportion of municipalities with both an asset management plan and a council approved policy doubled between 2017 and 2022

Proportion of Municipalities Reporting an Asset Management Plan and Council Approved Asset Management Policy

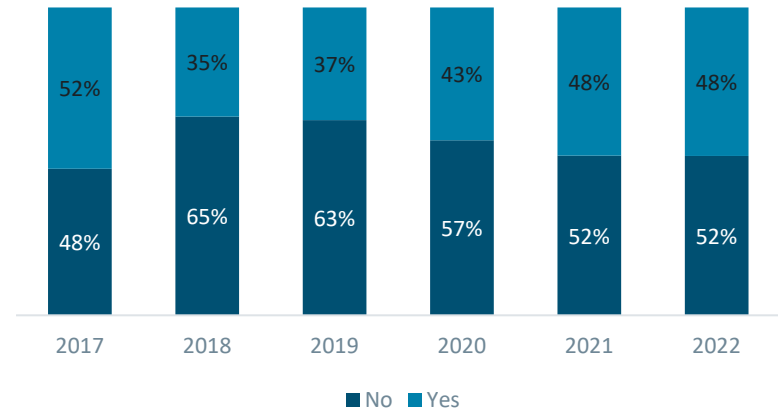


Asset Management Plan and Council Approved Policy (cont.)

Rates of Asset Management Plan Use in Municipalities without a Council Approved Policy



Rates of Asset Management Plan Use in Municipalities with a Council Approved Policy

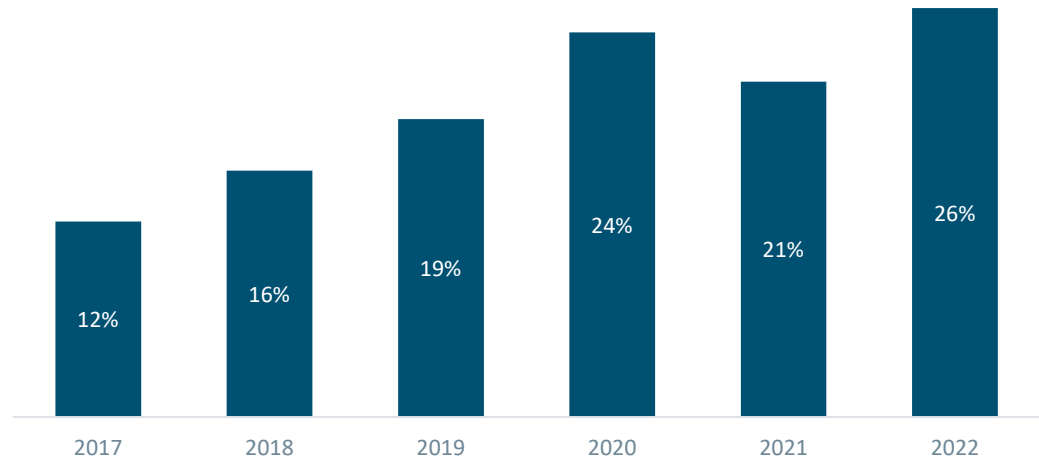


- Having a council approved asset management policy appears to support the adoption of an asset management plan.

Asset Management Plan and Strategies

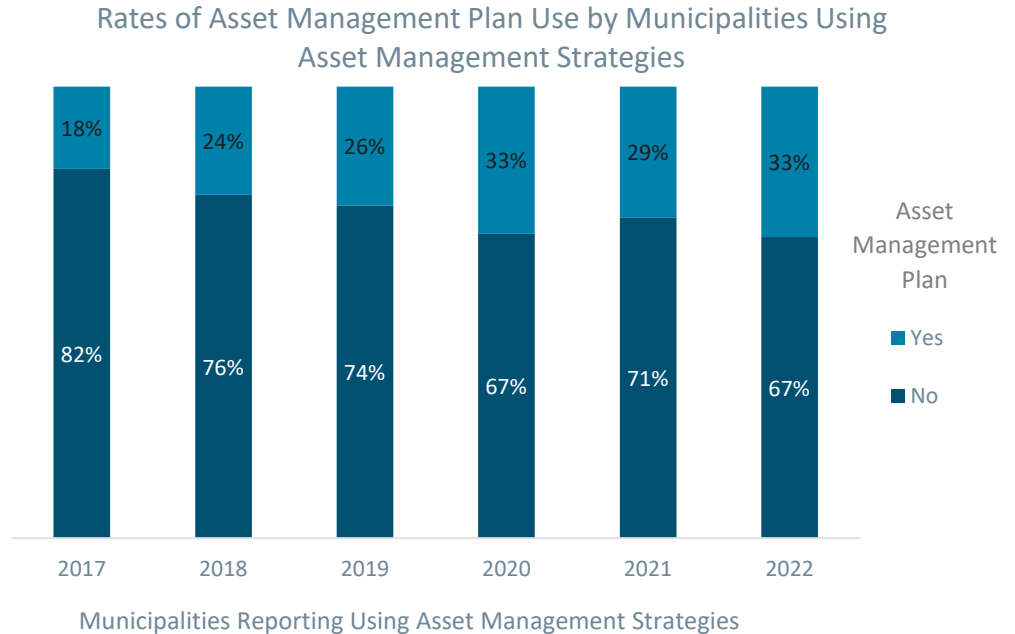
- The proportion of municipalities reporting the use of an asset management plan and strategies has increased from 12 to 26 per cent since 2017

Proportion of Municipalities Reporting an Asset Management Plan and Use of Asset Management Strategies



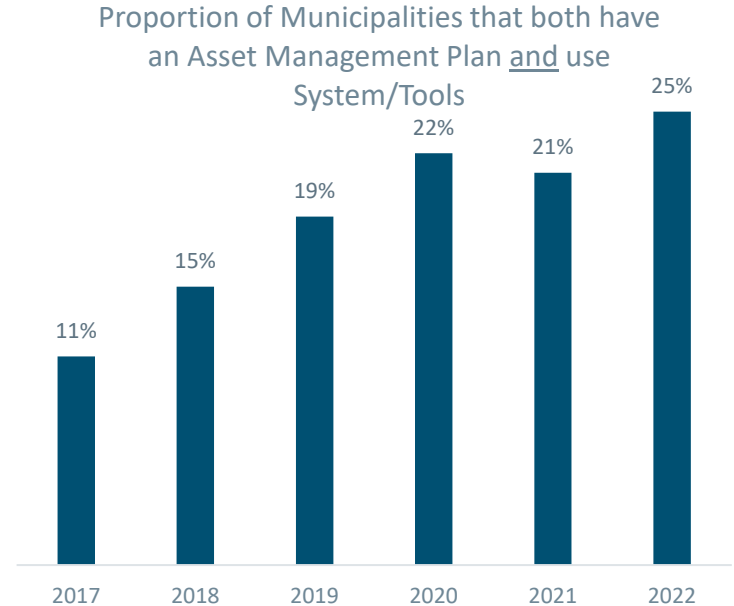
Asset Management Plan and Strategies (cont.)

- Most municipalities that use asset management strategies do not have an asset management plan
- Nearly all municipalities with an asset management plan use asset management strategies

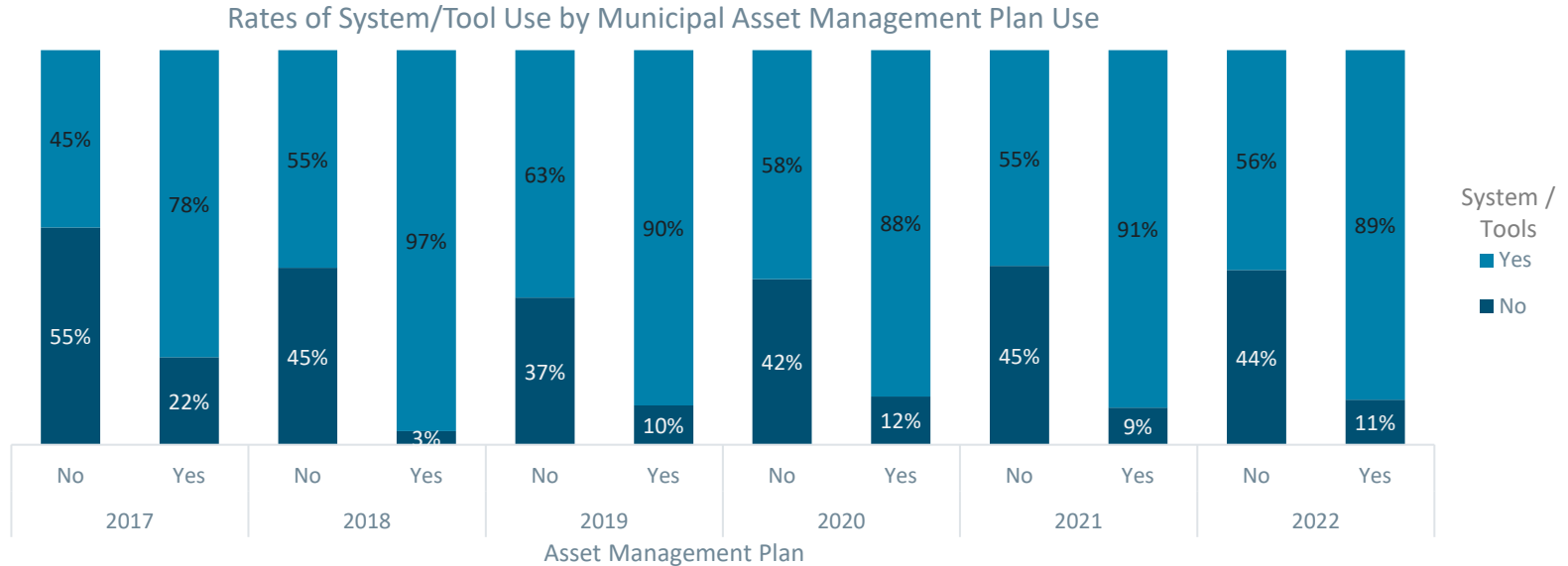


Asset Management Plan and Tools/Systems

- Proportion of municipalities with both have an asset management plan and use a system or tool more than doubled between 2017 and 2022



Asset Management Plan and System/Tools (cont.)

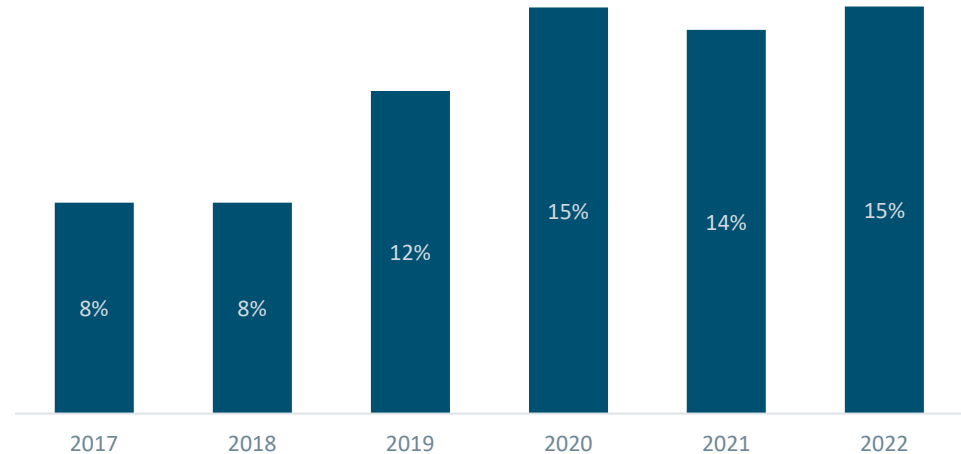


- Municipalities with an asset management plan are more likely to use a system or tools to manage asset information, the proportion of which has changed little since 2019

Asset Management Plan and Financial Planning and Reporting

- The proportion of municipalities with an asset management plan and that incorporated asset management into their financial planning nearly doubled between 2017 and 2022

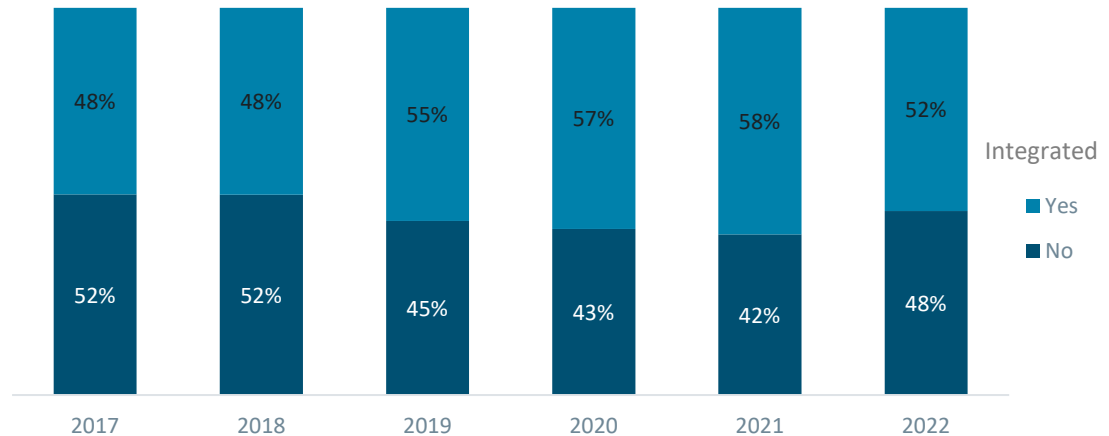
Proportion of Municipalities with an Asset Management Plan that incorporated Asset Management into their Financial Planning and Reporting



Asset Management Plan and Financial Planning and Reporting (cont.)

- Among the municipalities with an asset management plan, the proportion of municipalities that incorporated asset management into their financial planning and reporting fluctuated over time

Proportion of Municipalities with an Asset Management Plan that Reported Asset Management is Integrated into Financial Planning and Reporting



Next Steps

Asset Management Challenges and Opportunities

Challenges

- No one-size-fits-all solution
- Limited resources
 - Financial
 - Time
 - Human
- Different capacity of municipalities

Opportunities

- LGFF roll-out
- CCBF renewal
- Grant funding
- Supportive partners
 - Municipal Associations
 - Professional Associations



Questions?