



**Date:** June 23, 2026

**To:** Mayor Sherry Senis and Council Members

**From:** R. Lane Vance, Manager of Financial Services

**Subject:** Asset Management Plan – Annual Update

**Status:** For Information.

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## **Recommendation**

That the report of the Manager of Financial Services regarding the Asset Management Plan – Annual Update be received for information.

## **Information**

As Council may recall, the AMP for Selwyn was adopted by July 2025. While it has been a guiding document for community investments and utilized for budget deliberations, there is still outstanding data and lack of a comprehensive strategy that needs to be implemented as the Township moves forward with capital investments.

This report is provided to Council as an update for 2026 related to the Selwyn Asset Management Plan (AMP) and in accordance with provincial legislation.

It will address:

1. Progress in implementing the plan.
2. Factors impeding the Township's ability to implement the plan.
3. Strategy to address these impeding factors.

## **➤ Progress**

While it has been stated many times, it bears repeating that, the Asset Management Plan is a 'living' document.

One aspect of the plan is the Completeness and Confidence Chart which establishes areas that need additional work and are slated for additional attention. This chart guides the work on the plan and creates a mini-workplan for asset management planning throughout the year. There was very little progress on this aspect of the plan and this impacts the base data of our state of local infrastructure.

Much of our existing work involves annual implementation of key initiatives. And while it does fall within a work plan (involving a study or replacement schedule), it needs to be better mapped out, and investments slotted in over a longer duration.

We need to develop a list of projects that could be implemented over the next ten-year budget cycle. This would also support the goal of multi year budget plans and implement a hybrid model of multi year capital plans which should make the annual budget process easier to compile and present.

Stated simply, we need more work on our existing data and need to develop a solid 10-year capital plan that is endorsed by Council.

### ➤ **Factors affecting progress**

While focus and internal resourcing is definitely a primary factor affecting progress, the management team also needs to take time to discuss, ground proof, edit datasets and move forward with a common mindset.

In the Financial Services Department 2025/2026, the immediate need for training, coordinating succession management and transition has not allowed the ability to focus of asset management. As such, increased attention to the AMP has not yet materialized in terms of dedicated hours of work and much of the work in AMP naturally falls back on Financial Services to complete.

In other departments, the role of departmental champion for the AMP often falls on the Manager and with competing demands the asset management plan often takes a back seat to more pressing operational matters.

A good example of this was reported to Council in 2025. Core road infrastructure continues to perform relatively well, although due to pricing, fewer overall kilometres of road resurfacing are actually being completed on an annual basis. Eventually this is going to have an impact on our overall road quality rating.

As an overall goal, once the Selwyn AMP matures, Managers become more familiar with ongoing expectations, and financial staff can more adequately support the plan, we should find some level of efficiency. As well, as longer-term capital plans emerge, annual processes should become less labour intensive and once again the process should become more efficient.

However, after several years of trying to “fit in time” for the AMP, the senior team is concerned that this area quite simply needs more resourcing. Furthermore, meaningful progress will not materialize as required without dedicated effort by one or two staff members throughout the majority of the year.

## ➤ **Strategy to address**

While there are a number of factors that have affected meaningful progress on the AMP, there are a few areas where progress has been made.

### **Capital Levy**

We have made some progress as it relates to Fire Services and Public Works equipment replacement, rationalization and generally considering new approaches.

The use of capital tax levies, in combination with unconditional grant funding, has begun to bridge the Investment Gap. In 2025, an initial 2% Capital Levy for Fire Equipment was implemented and is now in place and adjusted annually by CPI.

Public Works equipment has been rationalized to some extent and a transition plan for increased equipment rates started in 2026. Increased equipment charge out rates has been phased in over a five-year plan that is funded through the annual levy and shores up reserves for those years when equipment needs are heavy.

### **Dedicated Annual OMPF Contributions**

While not moving away from the concept that OMPF should be used for Capital investments or one-time expenditures, the Township has implemented dedicated annual OMPF amounts to facilitate asset management investments.

- Annual investments of \$200,000 +/- for Facility Capital Maintenance

Using the Facilities Assessment Report, there has been good progress on facility investment with almost \$700,000 invested in capital maintenance over the last three years.

- Annual investments of \$250,000 in Fire and Public Works Equipment

On a three-year rotating basis each of the applicable reserves receives annual injections of capital funding from OMPF. This has allowed for accelerated investments and achievements of performance targets for equipment replacement.

### **Pilot**

In order to begin implementation of more specific paperwork concerning asset management, a pilot has been launched in 2026. This involves an investment in software that builds upon work orders/base data and will begin to yield infrastructure trends.

The water & sewer departments are heavy with infrastructure and good candidates to begin with, since lessons learned in these departments should easily translate over to other less infrastructure intensive departments

### **Next Steps**

The basic financial strategy is in place for the AMP with necessary reserves, unconditional grants and capital levies. The next step is the creation and presentation of a longer-term capital plan.

As well, when the plan is fully implemented it should indicate when a strategic maintenance investment will prolong asset life and when investment is required to mitigate the risks of failure.

As part of the Succession Management efforts underway in finance, asset management has been identified as a key discussion point. However, once again 2026 will be a year of transition and training. And looking ahead 2027/2028 will involve an expected implementation of a new financial computer solution which will strain the resources of the department.

Flexibility of having much of the base data for asset management in Excel should be beneficial when looking at the set up of a new system. As well, the initial results of the water & sewer pilot should yield valuable base data on our approach and what data is missing and needs to be captured. However, dedicated human resources to the AMP remain a major stumbling block for moving the plan forward and needs to be addressed in the next term of Council.

### **Strategic Plan Reference**

Achieve excellence in governance and service delivery.

### **Environmental Impact**

While the asset management policy has climate change adaptation as a key risk mitigation tool, there are no environmental impacts associated with this report.

### **Financial Impact**

There is no financial impact as a result of the above noted recommendation.

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Ongoing annual capital levies and use of unconditional grants will be required to close the investment infrastructure gap until sustainable funding levels are in place.

*R. Lane Vance*

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Treasurer

*J. Moore*

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**Approved By:** Jennifer Moore, CAO