



# BOARD REPORT

**TO:****Chair and Directors****File No:** 1075 01**SUBJECT:****10% All Electoral Area Community Works Funding Request – Asset Management Activities****DESCRIPTION:**

Report from Darcy Mooney, Manager, Operations Management, dated December 19, 2018. Asset Management - All Areas Community Works Fund.

**RECOMMENDATION  
#1:**

THAT: in accordance with Policy No. F-3 "Electoral Area Community Works Fund – Expenditure of Monies" access to the Community Works Fund be approved in the amount of \$110,000, from the 10% All Areas portion of the Community Works Fund allocation to implement the recommendations within the CSR D's Asset Management Five Year Resource Plan;

AND THAT: in accordance with Policy No. F-3 "Electoral Area Community Works Fund – Expenditure of Monies" access to the Community Works Fund be approved in the amount of \$90,000 on an annual basis in 2019 through to 2023, from the 10% All Areas portion of the Community Works Fund allocation to implement the recommendations within the CSR D's Asset Management Five Year Resource Plan.

**SHORT SUMMARY:**

The CSR D recently completed a comprehensive asset management resource plan that provided a high level assessment of current asset management practices, determined a desired level of asset management maturity, and provided advice on next steps to implement asset management initiatives. The assessment results indicated that the CSR D is in the very early stages of asset management practice. A number of prioritized key improvement areas were identified as goals over the following five years (2019 – 2023), with the most significant target for improvement identified as "knowing your financial situation" as well as "leadership and commitment" and "financial capacity".

Over 40 improvement tasks were identified and prioritized for completion in the five year period. These tasks were described and summarized with the inclusion of a rough estimate of costs for both internal and external resources. The annual average cost for external resources is approximately \$100,000 per year over the five year program. The internal CSR D average cost (in-kind) is \$242,000 per year for the five-year program, and the average annual internal cost for ongoing Asset Management tasks at the end of the five year program is around \$112,000. The CSR D is approved to retain a full time asset management coordinator in 2019 to advance the coordination of the asset management program.

It is anticipated that the utilization of community works funds will be augmented by the application and receipt of asset management grants. It is understood that the development of an asset management program cannot achieve its desired results from the anticipation of grant funds as the only source of revenue.

**VOTING:**Unweighted  
Corporate☐LGA Part 14  
(Unweighted)☐Weighted  
Corporate☒Stakeholder  
(Weighted)☐**BACKGROUND:**

The CSRD began initiation of its asset management program in 2016. Although there has been good progress made, there is much work left to complete through dedicated internal and external resources. One of the asset management resource plan goals is to become fully sustainable within five years with a much less reliance on program delivery through external resources.

Achievement of the asset management improvement program will depend on funding, staff numbers, and the availability of subject matter expert staff to participate in tasks. The resource plan is designed to have all one-off tasks be completed in the first four years and in year five, the program will transition into a new business as usual model that includes the incorporation of on-going asset management tasks that continually inform decision-making, forward planning and defensible needs based budgeting.

Committing community works funds to this important initiative over the next five years will provide other levels of government with assurance that the Columbia Shuswap Regional District is serious about the on-going implementation of asset management and will enhance future grant applications for funding.

**POLICY:**

Policy No. F-3 "Electoral Area Community Works Fund – Expenditure of Monies" states that the expenditure of monies from the Community Works Fund will be approved by the Board at a regular meeting of the Board.

**FINANCIAL:**

Approval of a one-time contribution of \$110,000 from the all areas community works fund will add to the existing approved allocation of \$50,000 from the fund for asset management and provide \$160,000 of initial funding to advance the next stages of the program. Annual contributions over the next five years of \$90,000 from the fund will provide a portion of the ongoing support needed. The receipt of grant funding will be required to implement all provisions of the asset management resource plan without the provision of additional tax requisition. The one time and annual requests from the all areas community works fund for asset management activities will completely deplete the all areas portion of the community works fund until 2024.

The balance of the All Area Community Works Fund (Gas Tax) at November 30, 2018 is approximately \$113,000 after all previously approved commitments. The 2018 distribution is included in the above amount. Annual distributions are expected to be \$92,670. Expenditure of the funds will be in accordance with the 2014-2024 Agreement between the UBCM and CSRD, dated July 7, 2014.

**KEY ISSUES/CONCEPTS:**

Board authorization is required for expenditure of Community Works Funds.

**DESIRED OUTCOMES:**

The Board approve the recommendations to support the CSRD's Asset Management program.

**BOARD'S OPTIONS:**

1. *Endorse the Recommendation.*
2. *Deny the Recommendation.*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

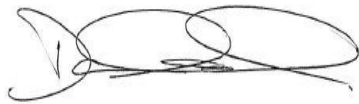
**LIST NAME OF REPORT(S) / DOCUMENT(S) AVAILABLE FROM STAFF:**

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**Report Approval Details**

Document Title:	Asset Management CWF All Areas Request.docx
Attachments:	
Final Approval Date:	Dec 20, 2018

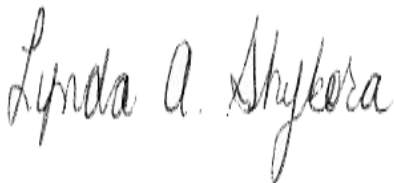
This report and all of its attachments were approved and signed as outlined below:



**Darcy Mooney - Dec 20, 2018 - 12:29 PM**



**Jodi Pierce - Dec 20, 2018 - 1:34 PM**



**Lynda Shykora - Dec 20, 2018 - 2:00 PM**

**No Signature - Task assigned to Charles Hamilton was completed by assistant Lynda Shykora**

**Charles Hamilton - Dec 20, 2018 - 2:01 PM**