RESULTAAT

DISTRICT OF OAK BAY

Asset Management Policy and Strategy

April 28, 2025

Outline

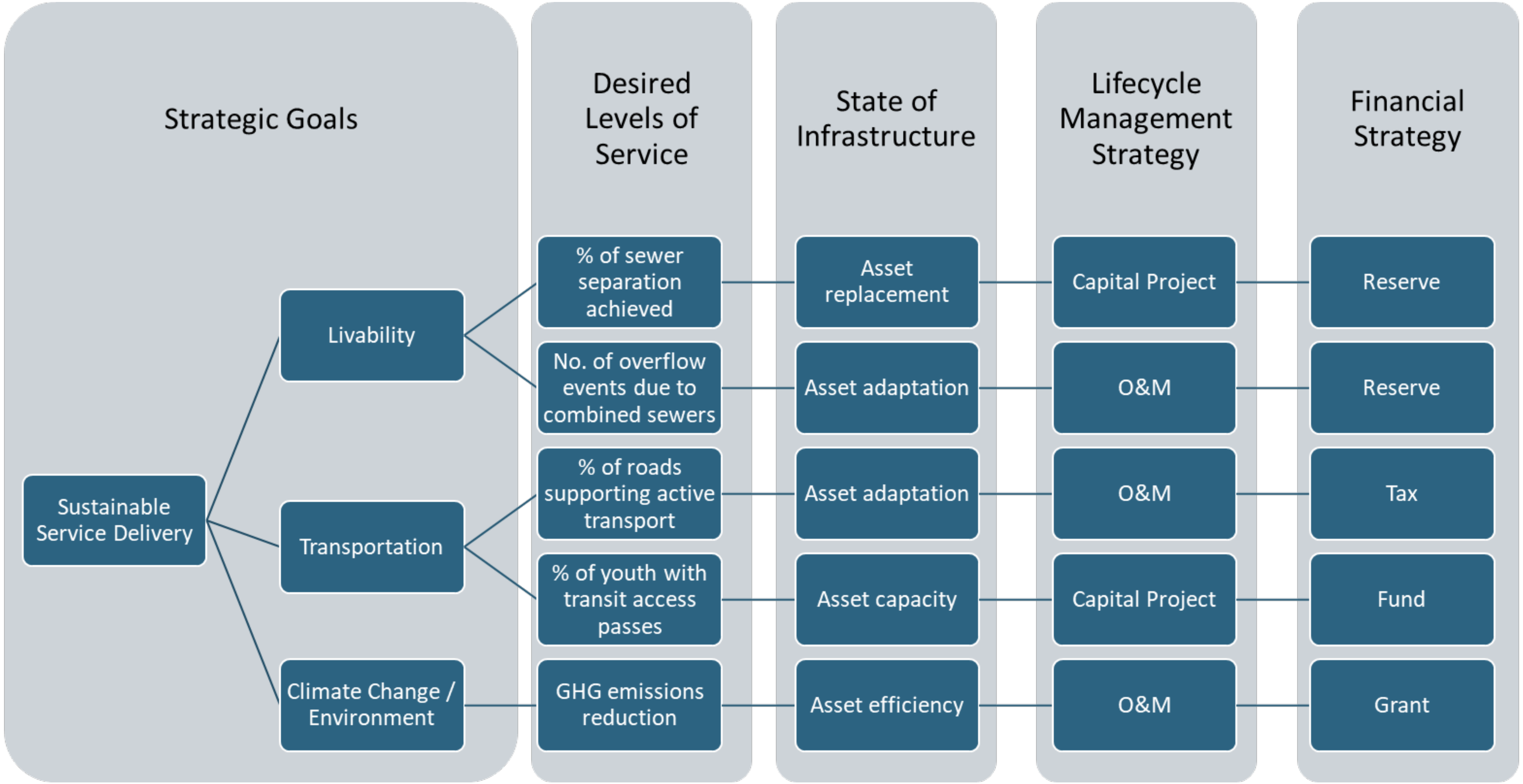
- Asset Management: Big Picture
- Establishing a Line of Sight
- Highlights from the Maturity Assessment
- High-level Roadmap

Big Picture & Progress

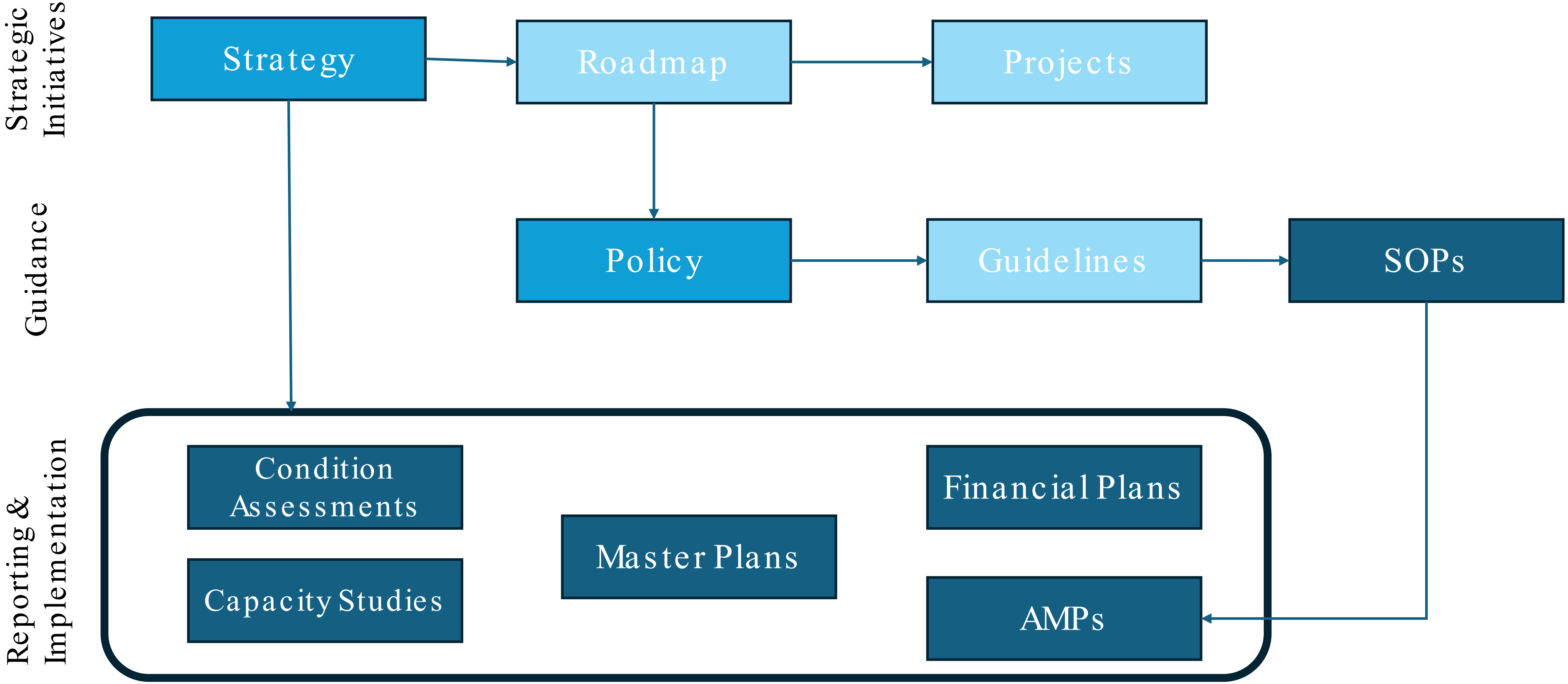
- Council priorities have evolved since the current Policy and Strategy were adopted in 2018 and 2021.
- This work is part of priority projects approved by Council, showing a renewed commitment at the highest level within Oak Bay.
- Provides an updated basis to develop AM-related objectives that align with the Oak Bay's overarching strategic objectives and what the municipality regards as good practice.

AMBC Asset Management for Sustainable Service Delivery: A BC Framework 2019
https://www.assetmanagementbc.ca/wp-content/uploads/Asset-Management-for-Sustainable-Service-Delivery-A-BC-Framework-.pdf

Establishing a Line of Sight

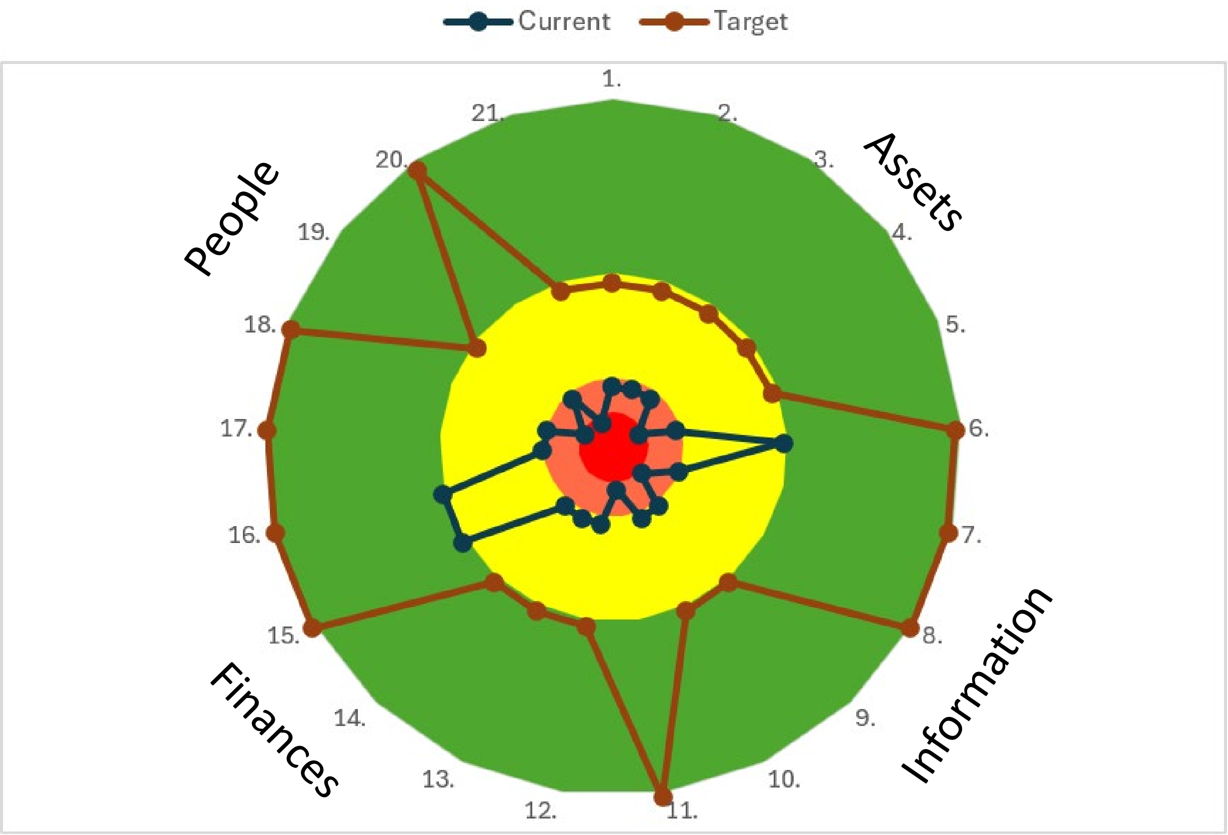


Establishing a Line of Sight



Highlights from the Maturity Assessment

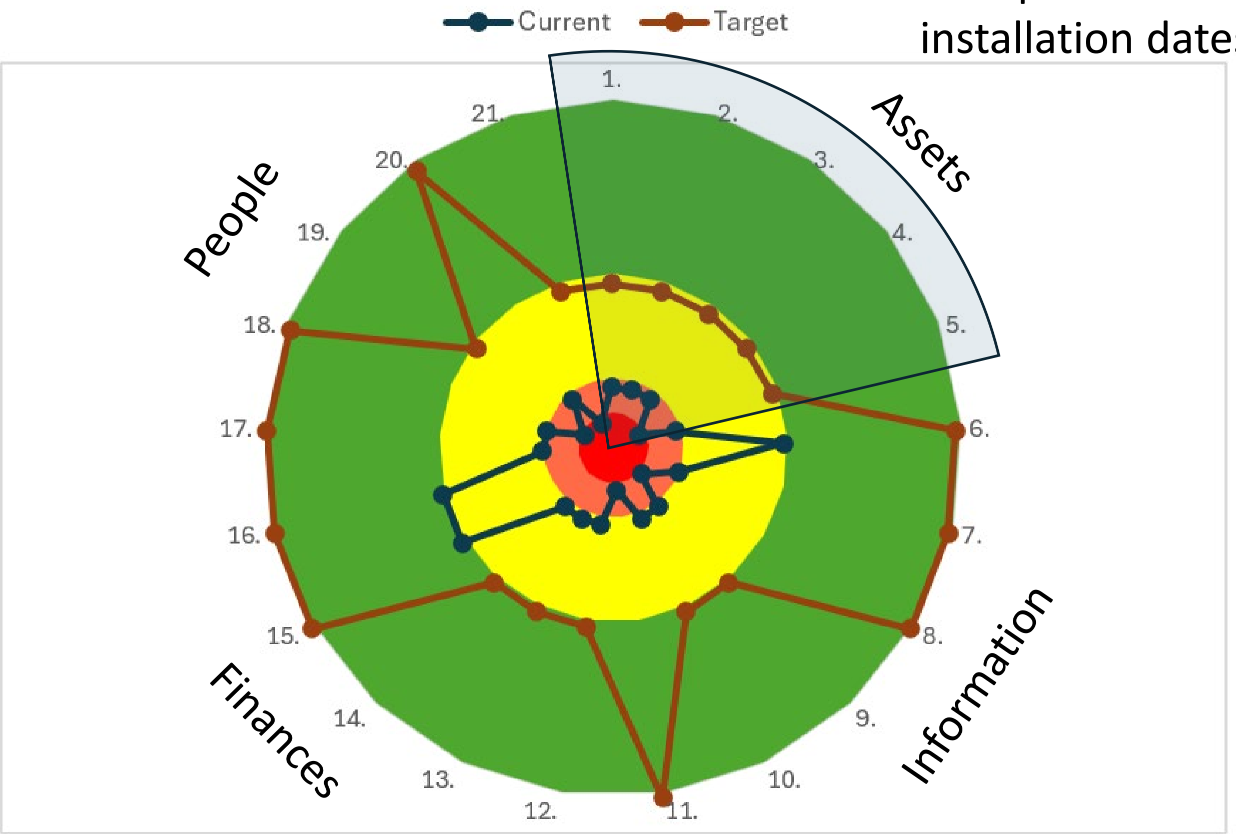
The assessment is based on a review of current documents and a consultations with stakeholders across leadership, the AM Core Team, Asset Class Managers, and Finance. The findings of these workshops are summarized under the four main categories.



Strengths

- The District has an existing AM Policy and AM Strategy which are being updated.
- The District's team has a good view of the assets they own and maintain.
- The assessment revealed a general awareness of the benefits provided by natural assets such as trees and creeks, but these are not yet integrated into service or financial planning.
- The Sustainable Infrastructure Replacement Plan (SIRP) of 2021 addresses a long-term forecast for infrastructure spending, with strategic direction on funding levels.
- Reserves exist to cover significant replacement needs and potential revenue fluctuations, but these may not be sufficient for evolving infrastructure and equipment needs

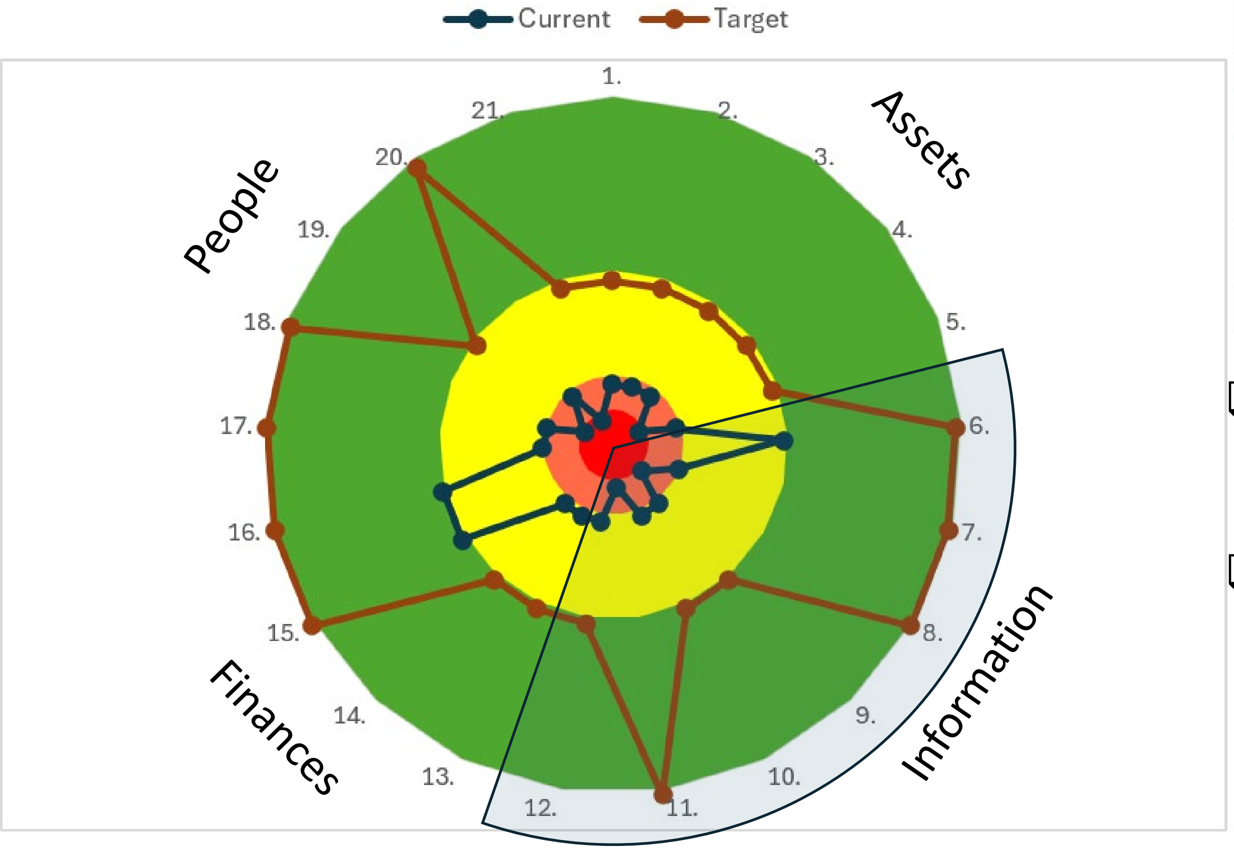
Highlights from the Maturity Assessment



- ❑ Data quality esp. for older infrastructure is less reliable, with pooled and estimated installation dates.

1.Assets: Location
2.Assets: Key Attribute Data
3.Assets: Install Data
4.Assets: Historic Cost
5.Assets: Natural Assets

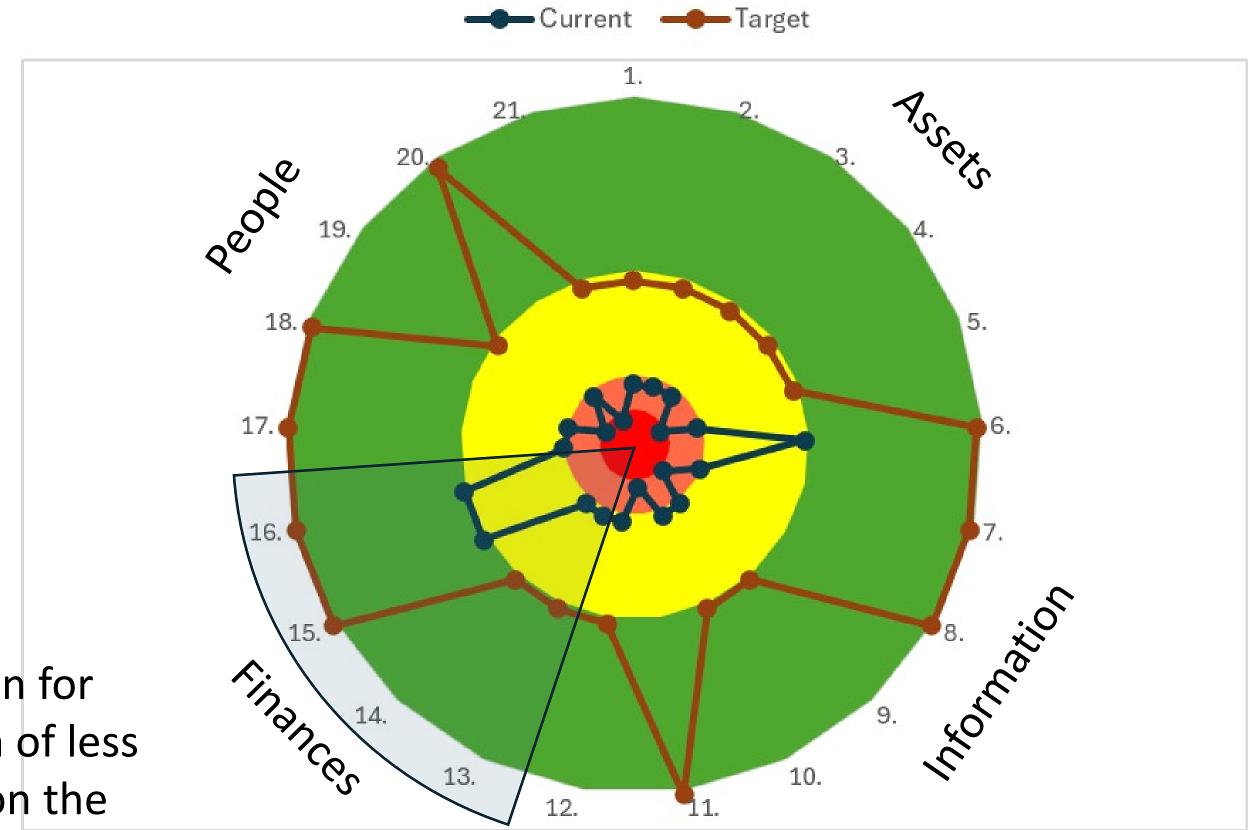
Highlights from the Maturity Assessment



6.Info:Policy
7.Info:Strategy
8.Info:Level of Service
9.Info:Risk
10.Info:Asset Repl. Plans
11.Info:Long Term Cap. Plan
12.Info:Climate Change

- ❑ No centralized data repository across the District
- ❑ Levels of service are inconsistently defined, with gaps in key performance indicators and responsibilities

Highlights from the Maturity Assessment



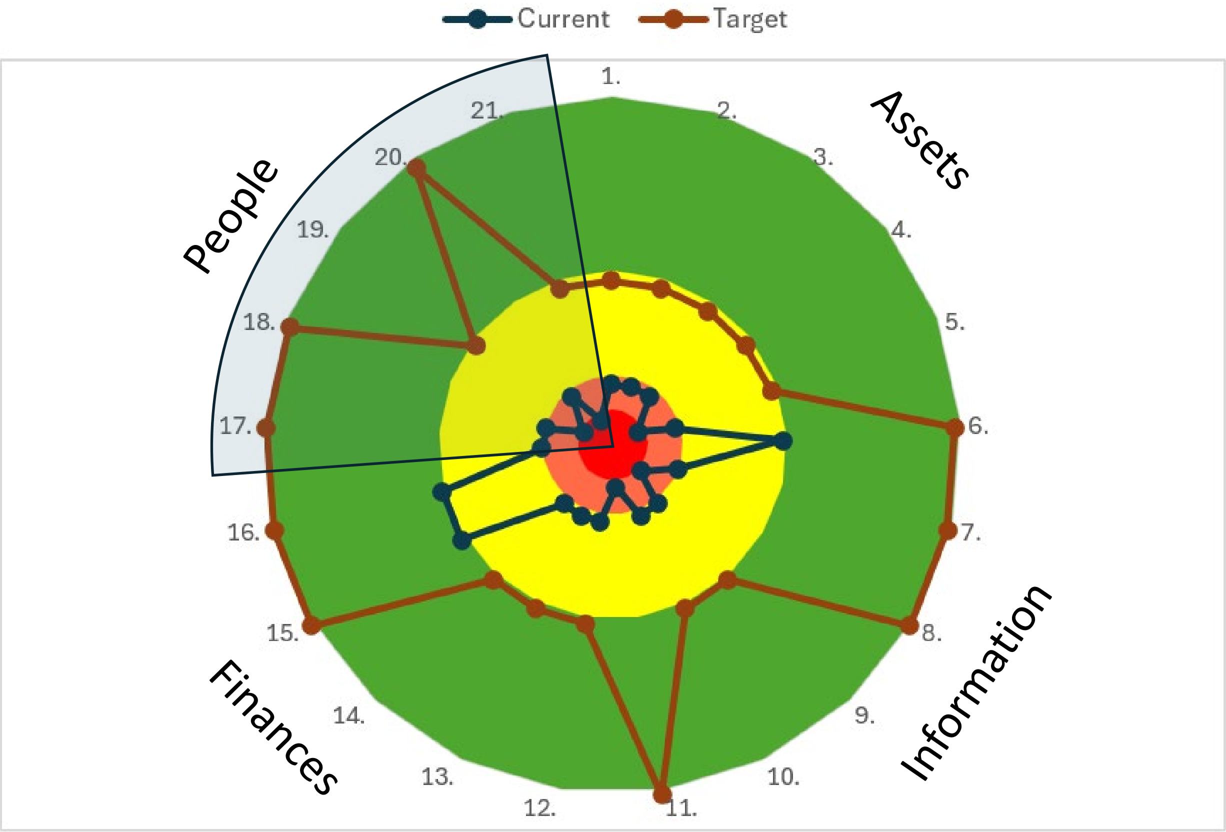
13.Fin.:Long Term Fin. Plan
14.Fin.:Revenue
15.Fin.:Reserves
16.Fin.:Debt

- ❑ No 20-year Capital Plan
- ❑ The current Financial Plan for 2024-2028 covers a span of less than 10 years, focusing on the cost of maintaining and replacing assets.

Highlights from the Maturity Assessment

- ❑ Gaps in capacity and understanding roles and responsibilities relating to AM
- ❑ Need for more cross-functional teams.

17.People:Capacity
18.People:Awareness
19.People:Teamwork
20.People:Role
21.People:Decision Making



Milestones and Roadmap

	Action	Timeline (Years)		
		0-2	2-5	Longer term
Phase 1 & supporting activities	Department-level Implementation plans			
	Baseline Assessment: Data Audit & Standards			
	Infrastructure Asset Inventory & Condition			
	Council Asset Management Workshop			
	EAM Implementation			
Phase 2	Customer & Technical Levels of Service			
	Asset Risk Register			
	Master Plans			
Phase 3	20-Year Capital Plan			
	State of Infrastructure Report (aka SIRP) Refresh			
	Comprehensive Asset Management Plan			
Longer term	Natural Asset Inventory/ Register			
	AM Maturity Assessment			
	AM Policy & AM Strategy Update			

RESULTAAT

DISTRICT OF OAK BAY

Asset Management

Maturity Assessment

January 24, 2025

Outline

- Executive Summary
- Approach to AM Maturity Assessment
- AssetSMART 2.0 Maturity Assessment
- Overview of Oak Bay's AM Maturity Assessment
- Documents Consulted

Executive Summary

The assessment is based on a review of current documents and a consultations with stakeholders across leadership, the AM Core Team, Asset Class Managers, and Finance. The findings of these workshops are summarized under the four main categories.

Assets

- The District's team has a good view of the assets they own and maintain. Data quality for older infrastructure, particularly pre-1970s underground infrastructure, is less reliable, with pooled and estimated installation dates. Comprehensive data exists for assets requiring regular assessments due to insurance or regulatory obligations, while non-linear assets can be less represented especially outside of the current Geographic Information System (GIS). The assessment revealed a general awareness of the benefits provided by natural assets such as trees and creeks, but these are not yet integrated into service or financial planning. The overall goal is to continually improve data accuracy and integration of all asset types to better support the District's AM Strategy.

Information

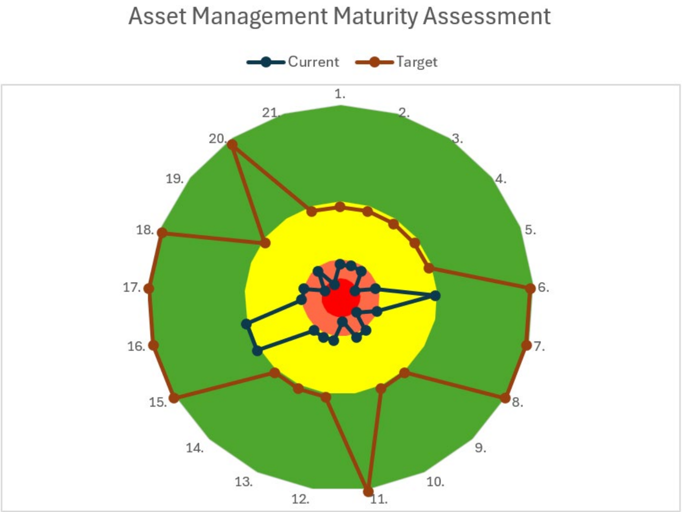
- The Sustainable Infrastructure Replacement Plan (SIRP) of 2021 addresses a long-term forecast for infrastructure spending, with strategic direction on funding levels. Levels of service are inconsistently defined, with gaps in key performance indicators and responsibilities. Various departments are working on understanding community needs through surveys, with plans for future improvements, such as the Parks, Recreation, and Culture Master Plan in 2025.

Finances

- The current Financial Plan for 2024-2028 covers a span of less than 10 years, focusing on the cost of maintaining and replacing assets. Reports like the Sustainable Infrastructure Replacement Plan (SIRP 2021) highlight the funding levels needed for long-term infrastructure replacement and suggest various options to address funding gaps. There is concern about the ability to maintain asset needs with existing and future funding levels beyond a five-year period, especially as inflation and costs drive up replacement expenses. Reserves exist to cover significant replacement needs and potential revenue fluctuations, but these may not be sufficient for evolving infrastructure and equipment needs. Although there is currently no outstanding debt. The team anticipates significant upcoming capital renewals that will challenge debt levels.

People

- The organization faces challenges with staff turnover, which leads to issues with continuity and knowledge retention. Asset management is often seen as a peripheral task rather than a central focus, and there is a lack of unified understanding of what asset management entails across different teams. There are efforts to form cross-functional teams, though they are not necessarily focused on asset management, and decisions are typically made with a short-term focus.



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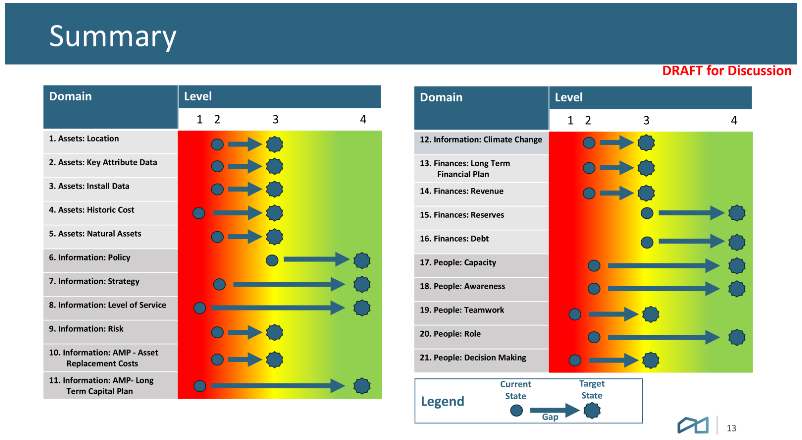
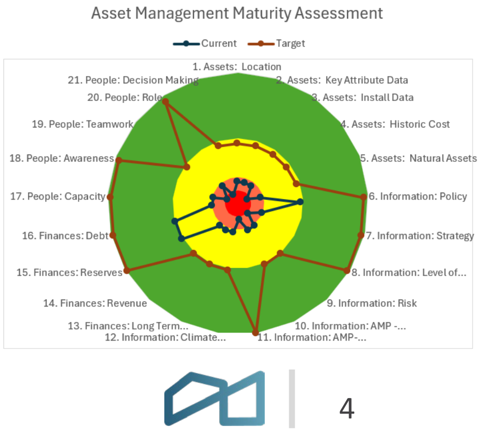
Approach to AM Maturity Assessment

	Document Review	AMBC / AssetSMART 2.0 Mapping	Stakeholder Workshops	Incorporate Leading Practice	Report on Assessment
Description	Review existing Oak Bay documentation	Conduct mapping of Oak Bay processes and documentation against AMBC AssetSMART 2.0	Consult with stakeholders across: - Leadership - AM Core Team - Asset Class Managers - Finance	Introduce leading practice from international standards, AMBC and other municipalities	Generate maturity scores in collaboration with stakeholders, and document targets, gaps, and actions

Output





AssetSMART 2.0

AssetSMART is a tool that local governments can use to assess their level of maturity and capacity to manage their assets. According to Asset Management BC, this tool has been designed to help local governments:

- Evaluate different aspects of the asset management practice
- Identify areas of strength and areas for improvement
- Identify gaps and establish priorities
- Build awareness of the many dimensions of asset management within the wider team
- Start productive discussion across departments
- Measure progress over time
- Set short-, mid-, and long-term objectives in specific areas

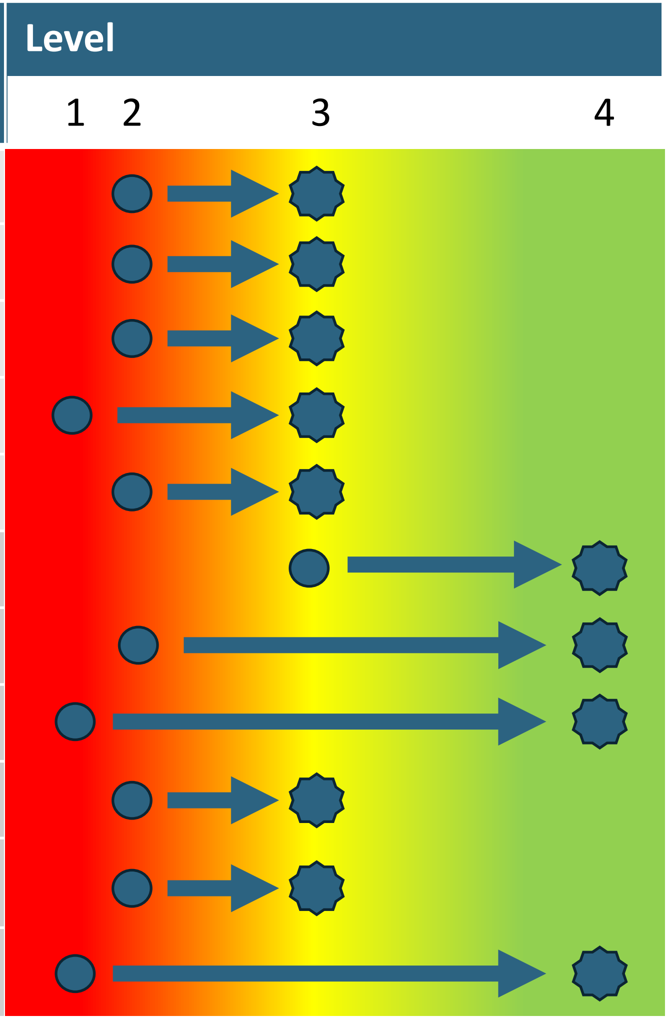
The tool uses AMBC's Asset Management for Sustainable Service Delivery: A BC Framework as a foundation.

People	Assets
- Is there a cross-functional team in place? - What is the level of asset management knowledge of relevant staff? - Are roles and responsibilities clear? - How do we communicate across departments and ensure our priorities are aligned?	- Do we have the data we need about our engineered and natural assets? - Is the asset data complete, accurate, and reliable? - Is asset data compiled into a format that is accessible?
Information	**Finances**
- Have we processed our asset data into information that can be used for decision-making? - Have we developed asset management policies, strategies, and plans? - Are we using our asset management policies, plans, and strategies?	- Do we have policies and practices in place related to: o Long-term financial planning? o Infrastructure backlog? o Cost recovery? o Reserves? o Debt? o Financial tracking?

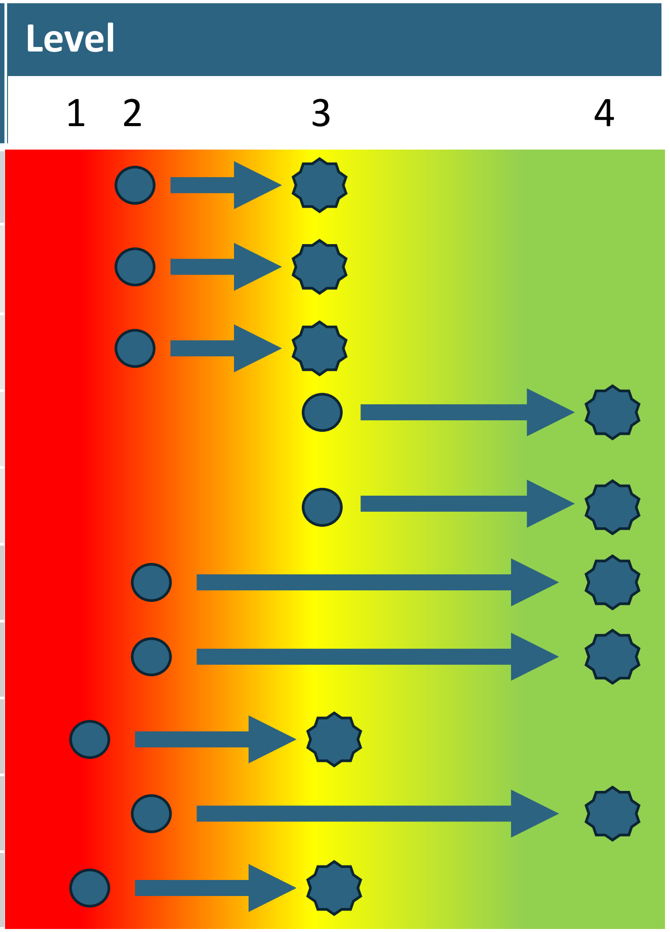
https://www.assetmanagementbc.ca/wp-content/uploads/AssetSMART_220-_A_Local_Government_Self_Assessment_Tool-LGAMWG-September_2015-1.pdf

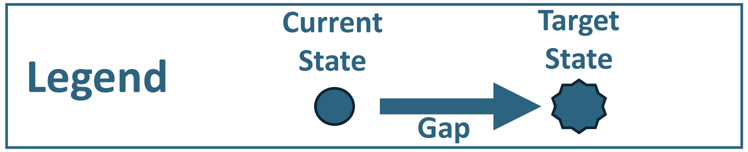
Summary

Domain
1. Assets: Location
2. Assets: Key Attribute Data
3. Assets: Install Data
4. Assets: Historic Cost
5. Assets: Natural Assets
6. Information: Policy
7. Information: Strategy
8. Information: Level of Service
9. Information: Risk
10. Information: AMP - Asset Replacement Plans
11. Information: AMP- Long Term Capital Plan



Domain
12. Information: Climate Change
13. Finances: Long Term Financial Plan
14. Finances: Revenue
15. Finances: Reserves
16. Finances: Debt
17. People: Capacity
18. People: Awareness
19. People: Teamwork
20. People: Role
21. People: Decision Making



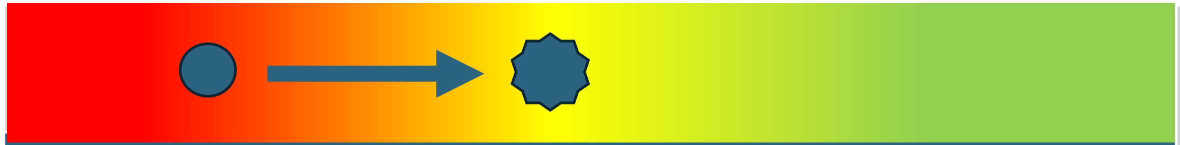


Overview of Oak Bay’s AM Maturity Assessment

1. Assets: Location

Current & Target Level

1 2 3 4



Actions and Milestones

- Update asset information on the GIS using the latest available information for a subset of assets, e.g., linear infrastructure.
- Integrate GIS data updates for every new installation or field inspection.
- Expand coverage to other assets such as underground utilities.

Evidence & Notes

A Geographic Information System (GIS) is used to store information on some but not all assets. Most stakeholders agreed on Level 2 for location information although some expressed a higher confidence and greater coverage for linear assets (such as water assets), closer to Level 3. While there is generally good coverage, there is a lack of confidence in the accuracy of data which may not have been updated or has missing sources. Data within the GIS is easy to access but may not reflect the latest information. Data for non-linear assets such as water valves are less represented, however larger assets such as facilities and buildings are easier to identify on the system.

Description of levels

Level 1	Level 2	Level 3	Level 4
Accurate location data is available for fewer than half of the assets and is in a format or location that is generally inaccessible to those who need it.	Accurate location data is available for at least 50% of the assets.	Complete and accurate data is available for most assets, including all critical assets. Data is easily accessible to all who require it.	Complete and accurate data is available for all assets, including new assets. Data is easily accessible to all who require it.

Risk of no action

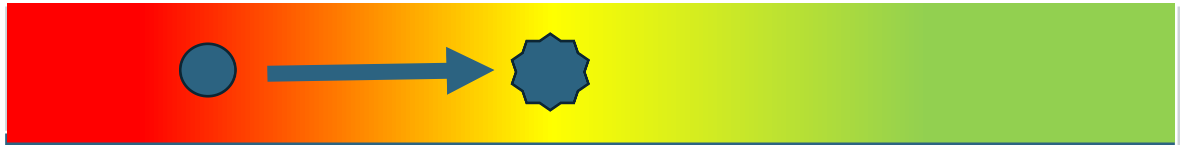
Lack of updated data in EAM and GIS may result in data discrepancies, a lower confidence in information, and missed opportunities for efficient operation, maintenance and renewal.

Overview of Oak Bay’s AM Maturity Assessment

2. Assets: Key Attribute Data

Current & Target Level

1 2 3 4



Actions and Milestones

- Acquire EAM system as a central repository for data and the source of truth.
- Enhance data coverage and quality through field inspections or targeted studies in preparation for EAM acquisition.
- Enhance a unified definition of assets, and Integrate a condition assessments program to extract further information about condition and other attributes such as asset dimensions and material.

Description of levels

Level 1	Level 2	Level 3	Level 4
Accurate attribute data is available for fewer than half of the assets and is in a format or location that is generally inaccessible to those who need it.	Accurate attribute data is available for at least 50% of the assets.	Complete and accurate data is available for most assets, including all critical assets. Data is easily accessible to all who require it.	Complete and accurate data is available for all assets, including new assets. Data is easily accessible to all who require it.

Evidence & Notes

Attribute data are recorded for specific asset classes that are easier to cover, e.g., streetlights and fleet. Assets such as facilities and buildings have good information but may be missing information on underground site services. In general, data quality highly depends on the asset class with the level of accuracy and amount of coverage declining for asset classes that are older and/or harder to access. Most stakeholders agreed on Level 2 as a conservative assessment, however some asset classes are better representative of Level 3. This includes several assets within Parks, Recreation & Culture. Some information, such as Parks data, are stored within the Vadim (iCity) software system for work order generation. Generally, more updated attribute data exist for assets that require regular assessments due to insurance or regulatory obligations.

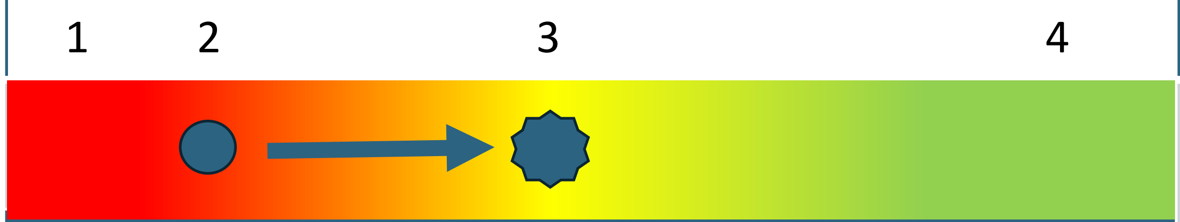
Risk of no action

Inaccurate or incomplete asset information can lead to poor decision-making and inefficient allocation of resources.

Overview of Oak Bay's AM Maturity Assessment

3. Assets: Install Data

Current & Target Level



Actions and Milestones

- Acquire EAM system as a central repository for install data.
- Enhance data coverage and quality through a review of older records and targeted studies in preparation for EAM acquisition.

Evidence & Notes

Pre-1970's underground infrastructure has inaccurate install dates. Some of the pipelines from the 1920s, 40s, and 60s are pooled into batches and recorded by decade as an approximation. Early 2000s pipe data are also inconsistent. Where estimates were made, they are reasonable/qualified. In general, data quality highly depends on the asset class (e.g., higher for buildings) with the level of accuracy and amount of coverage declining for asset classes that are older and/or harder to access. Most stakeholders agreed on Level 2 as a conservative assessment, however some asset classes are better representative of Level 3. This includes several assets within Parks, Recreation & Culture. For Recreation Centres, buildings were built in a "piecemeal" fashion with additions at various points in their lifespan. Water meters have relatively complete installation dates in Tempest.

Description of levels

Level 1	Level 2	Level 3	Level 4
The installation date is available for fewer than half of the assets and is in a format or location that is generally accessible to those who need it,	Asset installation date is available for at least 50% of the assets.	Accurate installation date is available for most assets, including all critical assets. Data is easily accessible to all who require it.	Complete and accurate data is available for all assets, including new assets. Data is easily accessible to all who require it.

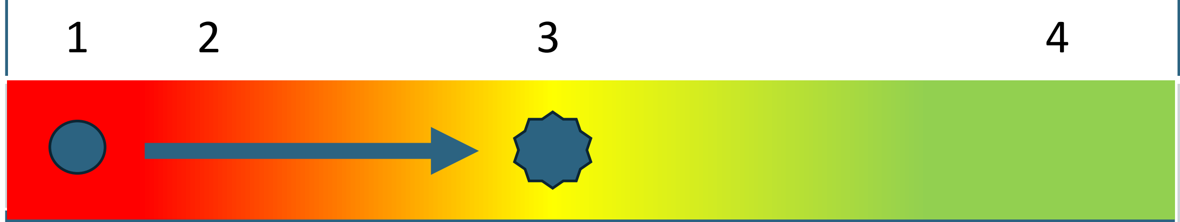
Risk of no action

Inaccurate or incomplete data can lead to incorrect useful life estimates.

Overview of Oak Bay's AM Maturity Assessment

4. Assets: Historic Cost

Current & Target Level



Actions and Milestones

- Enhance data coverage and quality through a review of older records and targeted studies in preparation for EAM acquisition.
- Apply extrapolation to similar assets and projects, where possible, using known records and costs.

Evidence & Notes

Some information may have not been updated or may lack reliable sources. Most stakeholders agreed on Level 1 as a conservative assessment, however some asset classes are better representative of Level 2. This includes several assets within Parks, Recreation & Culture. This category stands as one of the hardest to achieve as it depends on historic records that may be missing or difficult to locate.

Description of levels

Level 1	Level 2	Level 3	Level 4
Accurate historic cost data is available for fewer than half of the assets and is in a format or location that is generally inaccessible to those who need it.	Accurate historic cost data is available for at least 50% of the assets.	Complete and accurate historic cost data is available for most assets, including all critical assets. Data is easily accessible to all who require it.	Complete and accurate historic cost data is available for all assets, including new assets. Data is easily accessible to all who require it.

Risk of no action

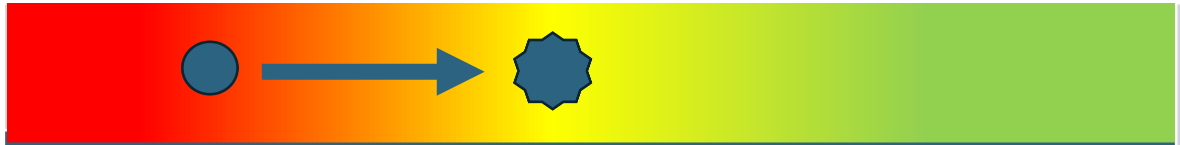
Inaccurate or incomplete asset information can lead to poor decision-making and inefficient allocation of resources, leading to overspending or underinvestment.

Overview of Oak Bay's AM Maturity Assessment

5. Assets: Natural Assets

Current & Target Level

1 2 3 4



Actions and Milestones

- Commission studies to quantify the value and benefits of natural assets.
- Enroll in programs, training, and grants to support specific initiatives related to natural assets inventory and quantifying value and benefits.
- Engage with initiatives related to natural assets through organizations such as the Natural Assets Initiative, UBCM, AMBC, and FCM.

Evidence & Notes

There is general awareness of the services and benefits provided by natural assets such as trees and creeks but they are not integrated into service planning or financial planning. No specific studies have been conducted to quantify or inventory these assets, except for purposes of maintenance and upkeep. Stakeholders indicated some cconsideration is given in decision-making (Level 3), but the level is weak, making the assessment closer to Level 2. There is a general lack of understanding of value of this ecosystem, e.g., canopy cover and relationship to frequency of overflow occurrences at beaches. No official or formal inventory exists for trees.

Description of levels

Level 1	Level 2	Level 3	Level 4
No consideration is given to natural assets in planning for sustainable service delivery.	There is general awareness of the services provided by natural assets, but natural assets are not included in planning or decision making.	Some natural assets have been identified and the value of service is partially understood.	All significant natural assets have been identified and the value of service they provide is understood. This value is considered in decision making and planning.

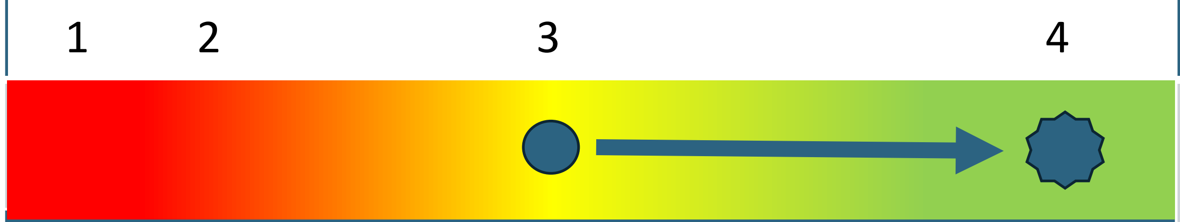
Risk of no action

Inaccurate or incomplete asset information for natural assets can lead to missed opportunities to consider their value and co-benefits in decision-making and planning.

Overview of Oak Bay's AM Maturity Assessment

6. Information: Policy

Current & Target Level



Actions and Milestones

- Update AM Policy for better alignment with Council Priorities and community needs.
- Identify Guiding Principles to present a unified language relating to Asset Management.

Description of levels

Level 1	Level 2	Level 3	Level 4
No policies are in place related to sustainable service delivery.	Some policies related to sustainable service delivery are in place but there are significant gaps or policies are not actionable.	Good policies are in place related to sustainable service delivery, but they are not all referenced for decision making.	Policy(ies) adapted by council that are understood and provide clear direction on how the community will achieve sustainable service delivery. Policies are a regular reference for guiding decisions.

Evidence & Notes

An AM Policy was adopted by Council in 2018 (currently being updated). The Policy includes Purpose, Background, Guiding Principles, and Roles and Responsibilities. Good policies are in place related to sustainable service delivery; however, they are weakly integrated or referenced in decision-making. The AM Policy update would include clear policy statements to establish better alignment with organizational strategic goals and provide crisp guidance for asset management activities.

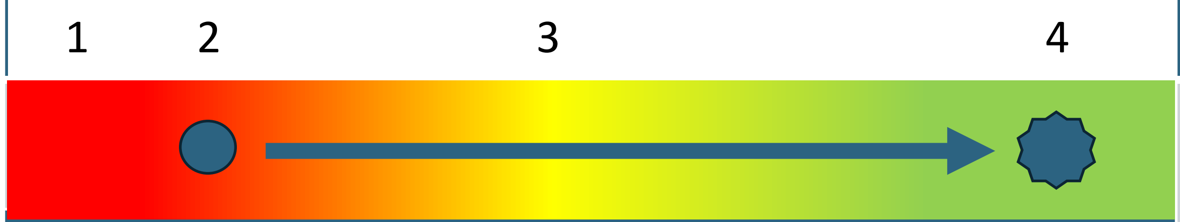
Risk of no action

Without an updated AM Policy, Council Priorities may not be adequately supported, causing misalignment and fragmented efforts.

Overview of Oak Bay's AM Maturity Assessment

7. Information: Strategy

Current & Target Level



Actions and Milestones

- Update AM Strategy to establish better alignment with current priorities and enable better communication.
- Pair the Strategy with a high-level AM Roadmap to guide implementation and roll out within departments.

Evidence & Notes

An AM Strategy was issued in 2021 (currently being updated). The Strategy identifies the purpose, goals, and specific initiatives. The current strategy has lost alignment with new Council priorities and the general environment. The language currently used is difficult to connect to day-to-day decisions and activities. Majority agreed on Level 2 but should consider aspects of current practice that fall in Level 3.

Description of levels

Level 1	Level 2	Level 3	Level 4
No strategy is in place.	Components of a strategy or framework are in place, but there are significant gaps in providing direction for sustainable service delivery and the linkage of plans and initiatives.	A strategy / framework is in place that identifies specific sustainable service delivery goals, the approach to achieving them, and identifies how organizational plans or initiatives fit together to inform decision making and achieving the goals. The strategy is not being widely implemented.	A strategy / framework is in place that identifies specific sustainable service delivery goals, the approach to achieving them, and identifies how organizational plans or initiatives fit together to inform decision making and achieving the goals. The strategy is being implemented.

Risk of no action

Failure to establish a new AM Strategy could result in poor communication and lack of coordination among departments during asset management program rollout. Absence of a high-level AM Roadmap may hinder effective implementation and roll out, affecting overall organizational progress.

Overview of Oak Bay's AM Maturity Assessment

8. Information: Level of Service

Current & Target Level

1 2 3 4

Actions and Milestones

- Establish a Level of Service framework outlining corporate, community and technical levels of service. This framework ensure the District is measuring what is important and establishes a common agreement.
- Define current and target LOS and clear responsibilities.
- Calculate the cost associated with maintaining and/or improving LOS.

Description of levels

Level 1	Level 2	Level 3	Level 4
The levels of service currently delivered are not consistently understood by the public or documented.	In some of the core service areas, the current level of service is understood and documented, and the desired level of service has been defined.	In all service areas, the current level of service is understood and documented, and service targets have been set.	Current and desired levels of service, and trade offs between costs and services are well understood by both staff and the public.

Evidence & Notes

Levels of Service are not defined in a consistent manner, or documented and measured beyond what is needed for sustainable service delivery. There is an inconsistent application of KPIs/metrics and a gap in assigning responsibilities. No service targets set for most assets however there are sets of metrics and there is some work underway to understand current service levels and understand community needs. Most stakeholders agreed on Level 1 but should consider aspects of current practice that fall in Level 2 and 3 for certain assets such as fleet and through master-planning for other assets. Parks, Recreation and Culture are scheduled to conduct a Master Plan process starting in 2025 to cover facility needs. Other departments are reaching out to the community through satisfaction surveys to gather information about service needs.

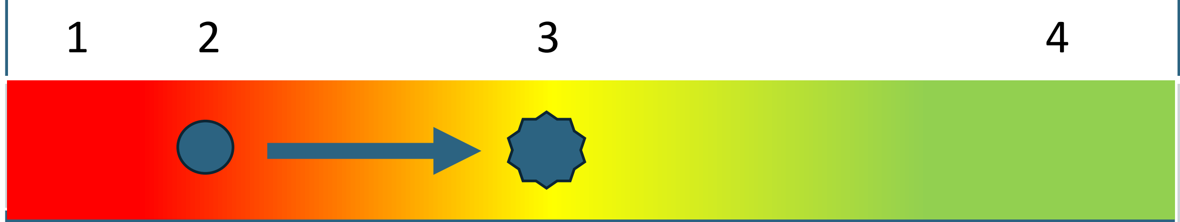
Risk of no action

Lack of a Level of Service framework may lead to an unclear line of sight linking Council Priorities and corporate, community, and technical levels of service. Undefined current and target LOS and unclear responsibilities can create confusion and mismanagement of service expectations.

Overview of Oak Bay's AM Maturity Assessment

9. Information: Risk

Current & Target Level



Actions and Milestones

- Build on condition data from activities in No. 2 to develop a risk profile for each asset class.
- Integrate these risk profiles along with LOS to drive investment decisions.

Description of levels

Level 1	Level 2	Level 3	Level 4
Risks to assets and service levels are not understood or documented.	Asset risk is estimated according to asset remaining life only, condition assessment information is not available. Broader service delivery risks have not been considered.	Estimated remaining life is known for all assets and is supported by a condition assessment for critical assets or assets nearing replacement. Risk assessments consider the consequence of failure. Some 'big picture' risks to service delivery for the organization are understood at a corporate level.	Asset risks are well understood and documented based on evidence of the probability and the consequence of failure. High-level organizational risks to service delivery are well understood throughout the corporation.

Evidence & Notes

The recent State of Infrastructure 2 of 2 report addresses specific risks, however not all assets are supported by condition data. Consequently, decision-making is not based on the risk profile or condition in all cases. Profiles based on remaining life are available for certain assets such as buildings, facilities, and fleet. Risk is also considered for trees and integrated well for decision making. Most stakeholders agreed on Level 2 but should consider aspects of current practice that fall in Level 1.

Risk of no action

Increased likelihood of asset failure due to lack of robust renewal need identification processes. Potential misallocation of budgets resulting from ad hoc judgement rather than evidence-based prioritization.

Overview of Oak Bay's AM Maturity Assessment

10. Information: AMP – Asset Replacement Plans

Current & Target Level

1 2 3 4

Actions and Milestones

- Develop updated AMPs for core asset classes covering 20+ years.
- Develop AMPs for remaining asset classes as a longer-term initiative.

Evidence & Notes

The District's first Sustainable Infrastructure Replacement Plan (SIRP) was presented to Council in 2021. This Plan recommended infrastructure spending based on a forecast for the next 50-100 years. Based on this forecast of the funding gap for a portion of core assets, Council provided strategic direction on future funding levels and capital programming to address the gap. Fleet has a more mature AMP than other classes due to its more predictable nature. For Parks, Recreation and Culture, the consolidated plan only covers 5 years. Master Plans provide part of the long-term picture in terms of condition-based and capacity-driven replacement or growth; however, they are often high level.

Description of levels

Level 1	Level 2	Level 3	Level 4
No Asset Replacement Plan exists to show the theoretical timing for asset replacement.	Parts of an Asset Replacement Plan exist (e.g. for some asset categories, for a duration <20 years, etc.) but it is not consolidated into an organizational long term view.	An Asset Replacement Plan has been developed, but it is either <20 years in scope or does not include all assets.	A long term (75+ year) plan is in place that illustrates the timing of expenditure to replace all existing assets, the current infrastructure deficit, and the average annual sustainable funding level.

Risk of no action

Reduced level of confidence in capital planning due to incomplete datasets and lack of inspection-based condition assessments. Without AMPs, it is difficult to drive consistent lifecycle management strategies

Overview of Oak Bay's AM Maturity Assessment

11. Information: AMP – Long Term Capital Plan

Current & Target Level

1 2 3 4

Actions and Milestones

- Develop LTCPs for core asset classes covering 10+ years and reflecting new projects for growth or adaptation in addition to sustainment.
- Develop LTCPs for remaining asset classes as a longer-term initiative.

Evidence & Notes

Capital planning is taking place within a shorter time frame. Most stakeholders agreed on Level 1 but some practices fall within higher levels. For instance, Recreation has developed a 25+ year capital plan spreadsheet which includes some new projects, but the focus is on lifecycle replacement. This plan is reviewed year to year. Fire services have a 30-year plan however teams have found it challenging to procure assets based on the plan. Development Cost Charges reports include a list of projects over a 20-year horizon

Description of levels

Level 1	Level 2	Level 3	Level 4
No long term (10 year) capital plan is in place.	A ten year capital plan is in place but it is limited to new projects and it does not reflect anticipated asset renewal.	A ten year capital plan is in place that reflects new capital projects for growth or regulatory compliance, and the replacement of existing assets to manage risk and deliver and appropriate level of service.	A ten year capital plan is in place that is current, informed by level of service targets, risk to service delivery. The capital plan is integrated with the long term financial plan and is being followed and tracked.

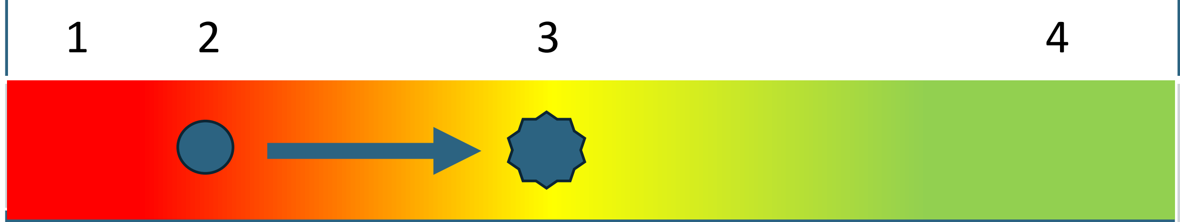
Risk of no action

Capital budget inflation and project placeholders in capital plan due to insufficient information such as condition assessment reports. Future budget shortfalls due to inaccurate prediction of future financial needs.

Overview of Oak Bay's AM Maturity Assessment

12. Information: Climate Change

Current & Target Level



Actions and Milestones

- Define and quantify metrics related to climate change.
- Commission additional studies on capacity and impacts starting with Stormwater, Buildings, and Natural Assets.

Description of levels

Level 1	Level 2	Level 3	Level 4
Climate change is not considered in service delivery risk or long term asset replacements.	Probable local impacts of climate change have been identified and are considered in some organizational plans.	An assessment of risk to some critical existing infrastructure has been conducted. Design and construction of new assets consider climate change.	An assessment of risk to existing infrastructure has been conducted and plans are in place to manage this risk. Design and construction of new assets consider climate change.

Evidence & Notes

Climate Change is highlighted within corporate strategic documents, however not all impacts have been measured and accounted for. Consultants have been engaged to model climate change impacts for engineering, however the results were not integrated into decision making. Most stakeholders agreed on Level 2 but should consider aspects of current practice that fall in Level 1. There are limitations on performance and efficiency due to older assets, e.g., older components of buildings and a limited power capacity. In the case of Police, the goal of running an Electric Vehicle (EV) fleet is running into challenges due to the unavailability of EVs suitable for policing, as well as suitable charging infrastructure.

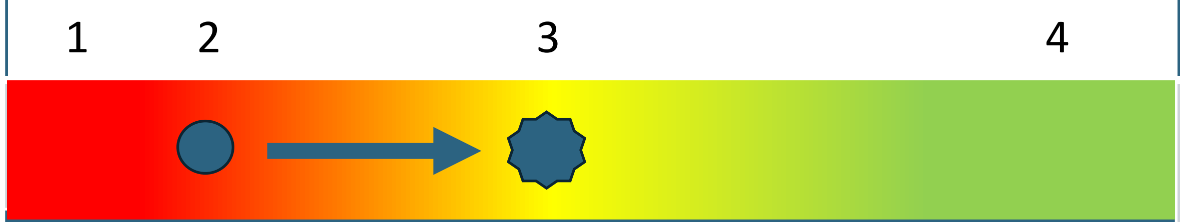
Risk of no action

Climate change is one of multiple considerations for Oak Bay during infrastructure and asset management planning. Not considering climate change can cause a misalignment of targets and funding plans with future infrastructure requirements and the needs of the community.

Overview of Oak Bay's AM Maturity Assessment

13. Finances: Long Term Financial Plan

Current & Target Level



Actions and Milestones

- Define lifecycle costs for a broader set of core assets, including costs related to replacement and adding new assets.
- Expand Financial Plans to include all asset classes as a longer-term measure.

Evidence & Notes

Current Financial Plan in place for 2024-2028. The Financial Plan estimates part of the cost of maintaining and replacing assets but covers a period less than 10 years. Earlier reports including the Sustainable Infrastructure Replacement Plan (SIRP 2021) recommend funding levels required to support long term infrastructure replacement, and developed different options to address the forecasted funding gap.

Risk of no action

Continued reliance on historical spending patterns, which may not reflect current and future asset requirements. An incorrect understanding of capital needs and operating costs can lead to misalignment with the capital plan and a financial plan that does not reflect true future costs.

Description of levels

Level 1	Level 2	Level 3	Level 4
No long term financial plan is in place.	A financial plan is in place but it covers <10 years or does not reflect the future costs of replacing existing assets.	A long term (10+ years) financial plan is in place that reflects the revenue required and funding sources to fund new assets and asset replacements, but the plan is not being followed or updated.	A comprehensive long term financial plan exists and is based on up to date information. The plan looks forward 10 years or more and is integrated with long term capita plan. The plan is being tracked and followed.

Overview of Oak Bay’s AM Maturity Assessment

14. Finances: Revenue

Current & Target Level

1 2 3 4

Actions and Milestones

- Identify the funding gap based on lifecycle costing and projected funding.
- Repeat annually to adjust for changes.

Evidence & Notes

There is a concern about the ability to fund asset needs using existing and future levels of funding in a stable manner beyond 5 years. Inflation and cost increases are driving up replacement costs at unprecedented levels. LOS would account for operating cost of capital and other aspects of lifecycle. Technology and IT infrastructure licensing and innovation is increasing exponentially.

Risk of no action

With some costs increasing, this inflation can exert significant pressure on current revenues if targets and policies are not adjusted accordingly. Unreliable revenue also creates challenges for longer-term planning in terms of stable funding and predictability.

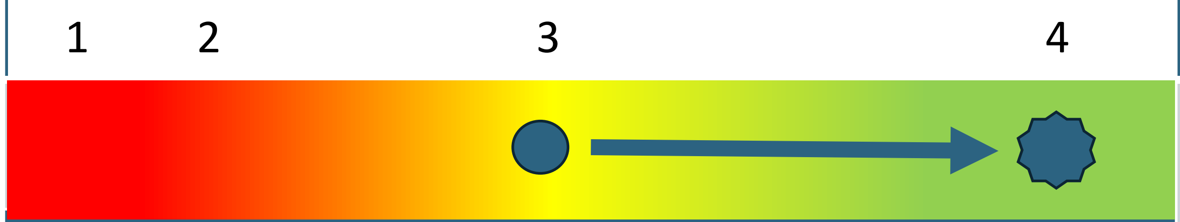
Description of levels

Level 1	Level 2	Level 3	Level 4
Revenue is year to year and there is no linkage between revenues and long term requirements. Revenues are not sufficient to meet needs without reliance on grants and subsidies.	Revenue is sufficient and reliable to fund the requirements for the next 5 years, but there is a significant gap between revenues and sustainable funding levels for later years.	Revenue is sufficient and reliable to fund the requirements in the 10 year capital plan, but there is still a gap between revenues and sustainable funding levels for the long term.	Revenues are sufficient, predictable, and stable to fund long term sustainable service delivery in alignment with the long term financial plan and the asset replacement plan.

Overview of Oak Bay's AM Maturity Assessment

15. Finances: Reserves

Current & Target Level



Actions and Milestones

- Build on updated Long Term Financial Plan to establish reserves for various asset classes.
- Update reserve policies to match changing needs over time.

Evidence & Notes

Most stakeholders agreed on Level 3 but should consider aspects of current practice that fall in Level 2. In some cases, significant operational adjustments are needed for Level 3 and Level 4. Reserves are currently in place to cover significant replacement needs and potential revenue fluctuations. For example, the 2021 Sustainable Infrastructure Replacement Plan recommended increasing reserves for utilities to 2.5% over 8 years. However, there is a concern that these levels would not sustain evolving infrastructure and equipment needs.

Risk of no action

The lack of sufficient reserve funds significantly increases the occurrence of annual increases and fluctuations in funding allocation, or significant jumps in the funding gap.

Description of levels

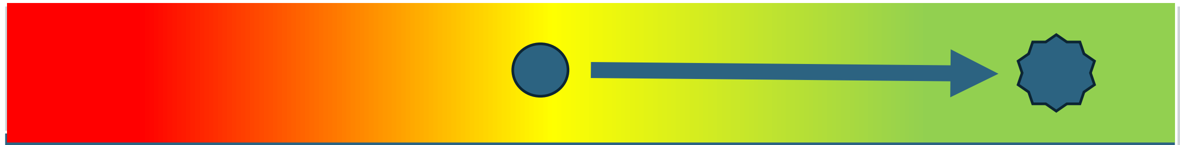
Level 1	Level 2	Level 3	Level 4
No reserves are in place.	Minimal reserves are in place that can buffer short term fluctuations in revenue (e.g. 6 weeks operating expenses).	Reserves are in place to buffer short term revenue fluctuations. There are dedicated reserve for future capital renewal, but do not meet the levels required as identified in the financial plan.	Reserves are held at levels established in accordance with the financial plan in order to meet long term requirements.

Overview of Oak Bay's AM Maturity Assessment

16. Finances: Debt

Current & Target Level

1 2 3 4



Actions and Milestones

- Update debt policies to match evolving asset needs.

Evidence & Notes

Currently, there is no outstanding debt, however debt is planned in the five-year plan and debt within the 10-year plan will result in maximum debt levels. Debt is planned for new projects, not focused on replacement or renewal.

Description of levels

Level 1	Level 2	Level 3	Level 4
Debt levels are high (at or very near the maximum(, limiting capacity for additional borrowing and no plan is in place to reduce debt.	Debt levels higher than desired and debt management strategy is being considered.	Debt levels are reasonable but is trending upward and are not aligned with the long term financial plan.	Debt levels are prudent and reasonable. Debt levels are in line with the long term financial plan and relatively stable.

Risk of no action

The team anticipates significant upcoming capital renewals that will challenge the debt levels and reserves.

Overview of Oak Bay's AM Maturity Assessment

17. People: Capacity

Current & Target Level

1 2 3 4

Actions and Milestones

- Link new initiatives and projects to required FTEs.
- Provide current and future staff with necessary AM training.

Evidence & Notes

Staff turnover remains high and causes a problem with continuity and knowledge retention. Asset Management, in most cases, remains a peripheral exercise performed as a side task for most teams. Most stakeholders agreed on Level 2 but should consider aspects of current practice that fall in Level 3.

Description of levels

Level 1	Level 2	Level 3	Level 4
Staff have no time for asset management.	Some staff time could be made available for asset management, but staff have limited or no knowledge of the tasks and processes required to meet asset management outcomes.	Staff are investing some time in asset management and are working to build the capacities, knowledge, and systems needed.	Staff have the necessary time, knowledge, skills, and capacities to achieve asset management outcomes and are implementing asset management as part of their jobs.

Risk of no action

Lack of dedicated staff and/or staff time may lead to inadequate support for the development of AMPs and potential delays. It also presents continuity problems and prevents focus on the long term.

Overview of Oak Bay's AM Maturity Assessment

18. People: Awareness

Current & Target Level

1 2 3 4

Actions and Milestones

- Create a cross-departmental AM Steering Committee/Taskforce
- Use internal training and communication channels to increase awareness on asset management topics and implementing the AM Strategy.

Evidence & Notes

The definition of AM is not clear or unified across the organization. AM means different things to different people, and most staff are expected to be more familiar with traditional terms such as facility maintenance or capital planning as part of asset management. Most stakeholders agreed on Level 2 but should consider aspects of current practice that fall in Level 1. There is greater awareness within some teams such as Parks, Recreation & Culture due to direct contact with the community and a deeper awareness of the connection between assets and community levels of service.

Risk of no action

Without a clear and shared definition of AM, it is difficult to drive commitment to the practice and embed processes into current operations. Internal and external partners including the community cannot provide input on service levels without a good understanding of the purpose of AM, and benefits and tradeoffs.

Description of levels

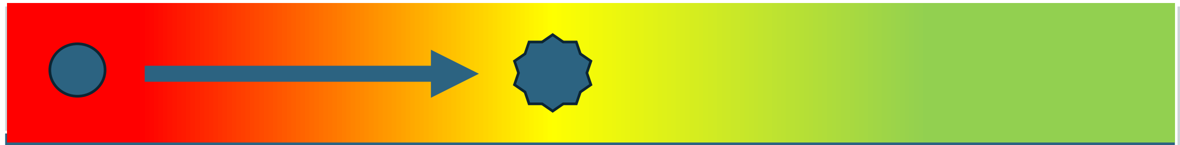
Level 1	Level 2	Level 3	Level 4
There is no awareness of the needs to manage assets and sustainably deliver services among staff, elected officials, or members of the public.	Staff are generally aware of the major issues related to Asset Management and service sustainability in the community, and what is needed to address these issues.	Staff members and elected officials are aware of community issues and future risks related to sustainable service delivery.	Members of the public are aware of the issues related to sustainable service delivery, and there is evidence these issues are considered in public decision making.

Overview of Oak Bay's AM Maturity Assessment

19. People: Teamwork

Current & Target Level

1 2 3 4



Actions and Milestones

- Create a cross-functional AM Steering Committee/Taskforce responsible for maintaining collaboration and unifying the language within the organization.
- Link the work of the Committee to the AM Strategy and assign a clear role.

Evidence & Notes

Cross functional teams are being organized within organization but not necessarily for AM where it remains siloed. Staff turnover causes a lot of lost knowledge. Within these siloed teams, there are initiatives to follow a bottom-up approach to support some processes such as the process for identifying facility needs.

Risk of no action

Without regular meetings and specific goals for the AM Working Group, coordination between services and functions may suffer, impacting overall asset management performance and buy-in. Not documenting the specific role of the AM Steering Committee/Taskforce creates confusion and can slow down the implementation of initiatives.

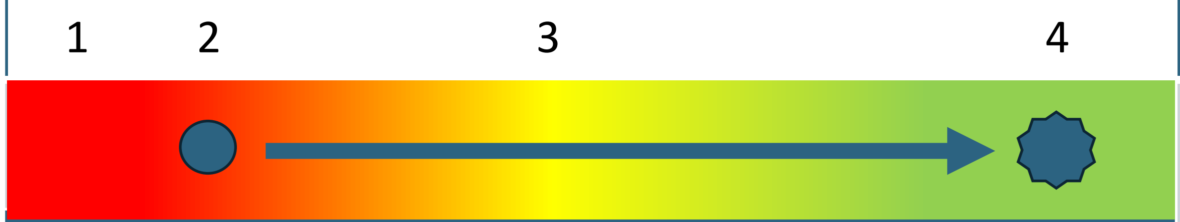
Description of levels

Level 1	Level 2	Level 3	Level 4
No cross functional team is in place to manage assets. There are significant siloes in the organization that prevent information from being shared and used in decision making.	A cross functional team is in place, but siloes among departments or staff positions (e.g. between operations and management) still prevent information from being shared.	A cross functional team is in place that is effectively bridging siloes in the organization.	There is no perception of siloes across departments at all levels of the organization. There is a strong culture of teamwork and information is readily and consistently shared through formal and informal channels.

Overview of Oak Bay's AM Maturity Assessment

20. People: Role

Current & Target Level



Actions and Milestones

- Conduct comprehensive training sessions and workshops.
- Engage different levels of management and across departments in the AM Steering Committee.
- Create and distribute supporting material to accompany the AM Strategy.

Description of levels

Level 1	Level 2	Level 3	Level 4
People do not understand their role in asset management or sustainable service delivery which hinders the ability to manage assets.	A small group of people understand their role as it related to sustainable service delivery, but there are some significant gaps causing things to fall through the cracks.	Most people in the organization understand their role as it relates to sustainable service delivery.	Roles are clearly understood by everyone including council, resulting in nothing 'falling through the cracks'.

Evidence & Notes

There is a good understandings of roles within departments, however there is a gap in terms of translating that to what needs to be replaced (capital needs, etc.) by asset class. While roles are clearer for asset maintenance and upkeep responsibilities, they are less clear for defining and owning levels of service and future needs.

Risk of no action

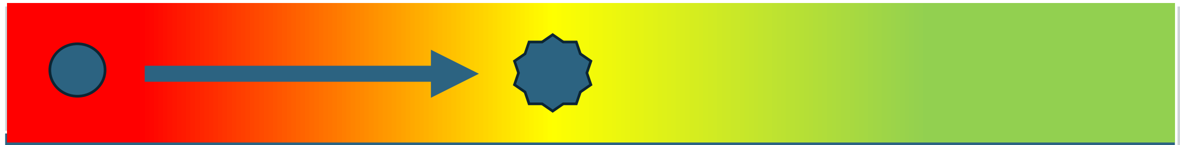
Absence of clear documentation of AM-specific roles and responsibilities in job descriptions could lead to unclear expectations and accountability among staff, and a lack of integration of asset management practices across different services and departments.

Overview of Oak Bay's AM Maturity Assessment

21. People: Decision Making

Current & Target Level

1 2 3 4



Actions and Milestones

- Expand the time horizon for financial planning documents to include a larger set of asset classes, and support decision making.
- Masterplans are anticipated help bridge gaps by expanding the time frames.

Evidence & Notes

Decisions are primarily made based on a short-term frame, with exceptions for certain asset classes based on specific reports. For instance, the current Financial Plan and Sustainable Infrastructure Replacement Plan indicate reliance on specific data to determine assets needs for a specific time frame.

Description of levels

Level 1	Level 2	Level 3	Level 4
Decisions are made based on a short term frame or reactive in nature and in isolation of appropriate information.	Decision making based on a long term frame, but are informed only by incomplete or anecdotal information.	Decision making is based on the long term and incorporates appropriate information.	Decision making about assets and service delivery is informed with appropriate and timely information is transparent, and is aligned with community priorities and long-term sustainable service delivery.

Risk of no action

Future budget shortfalls due to inaccurate prediction of future financial needs. Capital budget inflation and project placeholders in capital plan due to insufficient information such as condition assessment reports.