

MFOA's New Asset Management Tools

Presented by Emily Harris

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How we serve your finance staff

MFOA

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graph TD; MFOA[MFOA] --- Training[Training]; MFOA --- Policy[Policy]; MFOA --- ONE[ONE Investment Program]; MFOA --- Member[Member services];
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Training

Webinars,
courses and
conferences

Policy

Information
sharing,
research and
analysis and
intergovern-
mental
relations

ONE Investment Program

Member services

Careers,
awards, MFIP
and Young
Professionals
Network

The tools

10 case studies in financial asset management

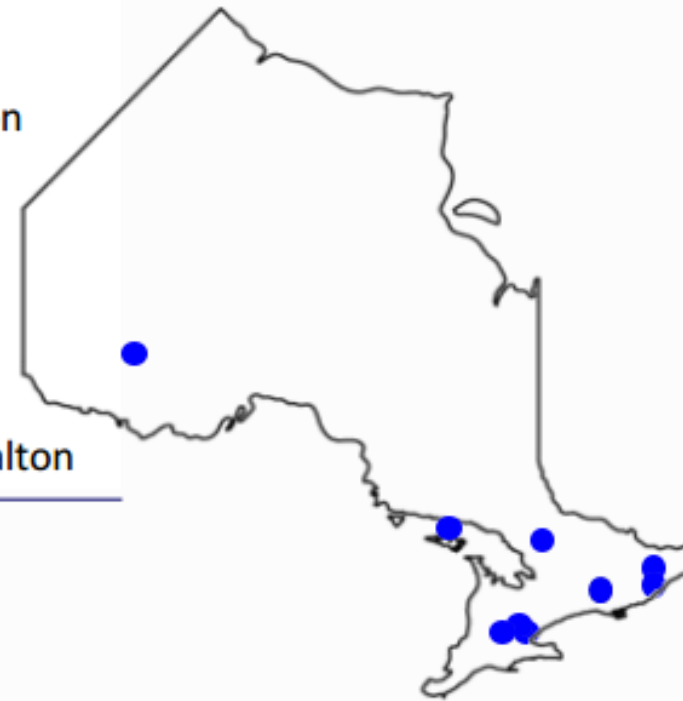
6 tip sheets on elements of asset management

3 templates: cost/revenue forecasting, infrastructure report card and checklist

Financial case studies

Presenting Ontario's Asset Management Honour Roll

Distinction	Recipient
Cost-benefit Analysis	Township of Billings
Innovative Funding and Delivery	Village of Burk's Falls
Cost Management	Township of Ignace
Marshalling Resources	Township of Stirling-Rawdon
Financial Planning	Town of Perth
Integrated Long Term Planning	City of Brockville
Forecasting	City of Guelph
IT Solutions	City of Cambridge
Budgeting	Regional Municipality of Halton



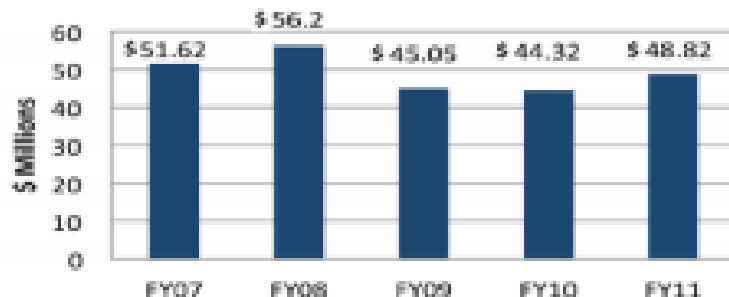
Financial case studies - ideas

- Develop a robust strategy by **comparing the cost and risk** of 2 approaches: 1. Replacement only and 2. Inspection, maintenance, rehabilitation and replacement
- Invest in staff capacity building – implementers, new part of their role, ongoing
- Public flyers, performance reports, score cards
- Calculate lifecycle cost – including operating costs – before purchasing assets
- **BENCHMARK!**
 - Increase road expenditures 10% per year over the life of the plan to reach the required annual level of funding in year 10

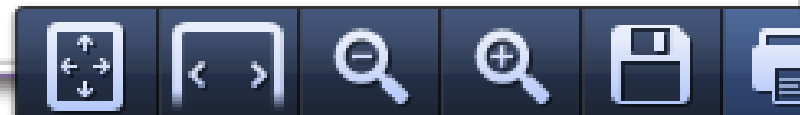
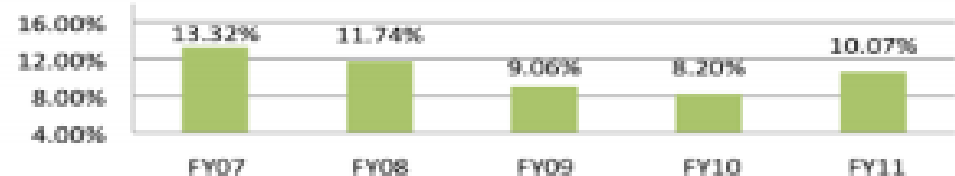
Economic Development – Charlotte will be the most prosperous and livable city for all citizens through quality economic development

Initiative	Measure	FY11	Status
Land Development Permit Reviews	Complete Land Development Permit submissions with an average of 2.5 or less reviews, reflects process improvements and facilitates business development	1.95	✓
Hospitality Tax	Increase hospitality tax revenue by more than 3%	10%	✓
Business Investment Grants	Realize ratio of \$1 : \$1,200 for City dollars (grants) to private dollars invested by companies in new taxable property	\$1 : \$1,366	✓
Infill Development/Redevelopment	Achieve at least \$500 million in Building Permit construction value in the Center City, Business Services Program geography, and within ½ mile of identified transit stations (The 65% shortfall is indicative of the depressed real estate market and stringent credit requirements)	\$174	✗
New Sector Job Growth	Obtain 5% job growth in new sectors, i.e., renewable energy, green industry, health care, hospitality/ tourism, high tech (The overall economy continues to experience high unemployment, which is directly related to low job creation)	2%	✗
Small Business Enterprises (SBE)	Achieve 12% of informal contracting dollars awarded to Small Business Enterprises (The FY11 percentage increased 1.87% from FY10; however, the City's bundling of goods and services contracts, to receive pricing advantages, reduced SBE contracting opportunities) The FY12 measure has been revised to include informal and formal contracts	10.07%	✗

Hospitality Tax Revenue



Percent of Informal Contracting Dollars Awarded to Small Business Enterprises





Tip sheets

1. Reporting to council on asset management plans
2. Meeting requirements of Ontario Regulation 284/09
3. Budgeting for long term asset management including potential revenue streams and debt management strategies
4. Integrating asset management into long-term financial planning and strategic planning
5. Council decision-making based on the evidence from the asset management plan
6. Questions and answers

Tip sheets - ideas

- Think about the consequences of failure
- Integrate all assets into the plan over time
- Capital prioritization model can facilitate decision making
- Increase revenues with dedicated levies, save costs through shared services
- Set minimum, maximum and target reserve balances



Templates

- Checklist for refining your plan
 - Use plan to instruct budget deliberations
 - Approve levels of service
- Condition, multi-variable and funding score cards
 - Other variables – condition vs. performance, capacity vs. need, risk scoring
- Revenue and cost forecasting Excel model

MFOA Virtual Library

Please visit www.mfoa.on.ca/library

- Free for Members.
- The Virtual Library is your 'One Stop Shop' for Policies, RFPs, Guides, Legislation, and Regulations from across the Province.

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Thank You



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