

District of Barriere

REPORT TO COUNCIL

Request for Decision

Date: October 26, 2026	File:
To: Council	From: Chief Administrative Officer
Re: Asset Management Financial Forecasting	
Recommendation: THAT Council provides early budget approval for a 3-year subscription to an Asset Management Financial Forecasting software for up to \$24,000 in total.	

Purpose

For Council to consider utilizing a financial forecasting software to assist the District with critical and informed decision making in regards to asset replacements and corresponding user rates and taxation levels for the 2027 budget and future years.

Background

As part of the Strategic Plan in 2024 (and any subsequent updates thereof) Council established Priority #1 - Implement an Organizational Asset Management Program which included the following Goals:

1. Assess Current Practices and State of Our Assets
2. Develop Asset Management Policies
3. Communication of Asset Management Program to Public

Several key projects underneath Priority 1 have been completed over the last few years. This included an updated Asset Management Policy/Strategy, a Tangible Capital Assets Policy, and enhancing our levels of Communications (by onboarding a full-time Deputy Corporate Officer and enabling Social Media as an information sharing tool). Overall, the intent has been to get ourselves into the position to provide continuous information to the community in regard to assets, levels of service, corresponding capital investment needs for replacements, and to better understand our reserve balance requirements and the total financial investment into the community.

Council already established a budget brochure that provides the District's budget in an easy-to-use format. This brochure also includes valuable data on key Capital projects currently in progress and remaining District reserves projected at year end. However, no long range forecasts are available in this brochure.

Recently, Council also implemented a Reserve Contribution Policy (No. 64FI) to guide staff in preparing annual reserve contributions or investment into infrastructure with a current goal of roughly \$505,000 to lay the foundation of a formal capital program for the community. This Policy was intended as an immediate stop gap while we await a more holistic Asset Management Investment Plan (AMIP) and corresponding policy.

Grant Funding

To fund this work, based on Council direction, Staff have so far primarily reviewed grant funding options for the AMIP and policy; however, so far, the District has been unsuccessful in securing grant funds to support the project.

In prior years, UBCM offered an Asset Management Fund with up to \$25,000 for 50% of the project. FCM equally had a Sustainability Fund program at up to \$25,000 for 50%. Together, municipalities used to be able to get roughly \$50,000 towards a \$75,000 project through both funds by leveraging them against each other. So, the municipal portion would have been around \$25,000. The last time the District utilized this program was in 2022 to undertake a Road Condition Assessment which provided us with engineering reviewed data for all our road infrastructure. It highlighted for example the need to invest roughly \$250,000-\$300,000 annually in our roads, while also recognizing that the District has roughly \$1.5Million in work that is needed to catch up on the maintenance/replacement gap of the roads assets.

Sadly, the FCM program was discontinued at the end of 2022, while the UBCM program's last intake was in early 2025. (Note: there used to be two intakes for the UBCM program each year) As such, this funding was no longer an option to complete part of this work within these grant programs.

In the fall of 2025, the District also applied for the Strategic Priorities Fund (SPF) to complete the Water Master Plan, the Wastewater Master Plan, and then also utilize the information gained to complete an AMIP and policy under one large umbrella grant application. In total, the project was valued at roughly \$250,000. UBCM, who administers the SPF, requested that the District select only one item instead of all three, and subsequently the application was amended to focus on the AMIP and policy only, valued at roughly \$120,000. However, UBCM unfortunately was not able to support the project for the District as the program was severely oversubscribed.

Next Options to Consider

As the next phases of the Asset Management Program implementation heavily rely on forecasting of asset replacement data which the AMIP would have been able to provide, Staff have considered two main options to move forward with the Program in 2027 without waiting for a grant program to become available.

Option 1 – self funding the AMIP

This option would require at least \$120,000 of District funds to hire a consultant to review the District's infrastructure data, update information where feasible, and create a document that ties all our information together to provide Council an engineer-reviewed model by end of 2027 to support the 2028 budget cycle. The costs for this approach are prohibitive considering the District's current financial position and in progress capital projects, but would come with a 3rd party review of our critical data.

Option 2 – utilize a forecasting software

This option would require roughly \$24,000 in total for a 3-year subscription term. Our current asset data would be uploaded, along with known upcoming capital projects (Fire Hall, Fire Engine, watermain replacements, etc.), current utility rates, current tax rates, current reserve levels, etc. Staff have engaged with a supplier that has staffing available to support data entry so that some models could most likely be used for the 2027 budget already (instead of using an engineering consultant and waiting until the end of 2027 before we have a usable model).

The vendor has a high level of confidence that the software will be usable by January 2027, and as such can aid the 2027 budget process and education of the public in 2027.

The software can dynamically analyze all parameters and forecast the reserve levels over time (see sample images attached to the report) to allow Council (and the community) to get a better understanding of the financial needs of the District on our path to being a sustainable community. The challenge with this approach is that no engineering consultant will update the current data; however, as we become aware of new or additional information on our assets over time, we will be able to update the data within the software as needed and the software will update the models accordingly without involving a holistic engineer review.

Option 3 – Status Quo

Continue to review grant opportunities, delay projects further, and use in-house best estimates for future planning. This would not be a recommended option.

Options – Recommendation

Staff are recommending proceeding with Option 2 at this point. The costs are reasonable for a 3-year term and at \$24,000 roughly the same costs as the District portion of the grant applications under UBCM and FCM would have been. The drawback is that the engineering review of our asset data would be delayed and not the most up to date information would be entered into the software. However, the software will most likely be usable to utilize for the 2027 budget and as such should be usable for educational purposes for the community throughout 2027, 2028, and 2029.

Further, looking at the Strategic Planning Goals that Council wanted to see, this would meet (or exceed) or advance most of the following items within the Results and/or Actions categories envisioned by Council:

- Complete review of Current Practices and make recommendations on how to address any gaps by the end of 2027. (Goal 1)
- Provide a review of our Assets and long-term annual investment needs for Council and Public Information by the end of 2027. (Goal 1)
- Provide a list of immediate critical renewal needs as part of the annual budget with a 5 year forecast. (Goal 2)
- Information is readily available to the public through various channels. (Goal 3)
- At least one Open House on Asset Management has been held before the end of 2027. (Goal 3)
- Reasonable efforts have been made to educate the public on the purpose of Asset Management. (Goal 3)

In addition, the information gained by the software can then be used to complete the following:

- Present Asset Management Framework Policies and Plans for Council consideration, including (Goal 2):
 - Asset Management Investment Plan (AMIP)
 - Asset Management Financial Investment Policy
- In the Policies and Plans, consider the current State of Our Assets (from Goal 1.) and Asset Deficits. (Goal 2)

Summary

In summary, Council is asked to consider whether to provide early budget approval for a 3-year asset management financial forecasting software.

Benefits or Impact

General

Implementing this software will enable Council to make informed decisions while equally providing Council and the community with a dynamic dashboard highlighting the District's asset investment needs.

Finances

The costs for a 3-year subscription are roughly \$24,000. However other options that were considered such as self-funding the AMIP through an engineering consultant would cost up to \$120,000. Grant funding for Asset Management is not readily available any more as the focus of grant support from various levels of government were mainly available through the 2010's and were phased out in 2022 and 2025 respectively.

Strategic Impact

Priority #1: Implement an Organizational Asset Management Program

Goal 1. – Assess Current Practices and State of Our Assets

Results:

- a. Complete review of Current Practices and make recommendations on how to address any gaps by the end of 2027.
- b. Provide a review of our Assets and long-term annual investment needs for Council and Public Information by the end of 2027.

Goal 2. – Develop Asset Management Policies

Results:

- a. Present Asset Management Framework Policies and Plans for Council consideration, including:
 - a. Asset Management Investment Plan (AMIP)
 - b. Asset Management Financial Investment Policy
- b. In the Policies and Plans, consider the current State of Our Assets (from Goal 1.) and Asset Deficits.
- c. Provide a list of immediate critical renewal needs as part of the annual budget with a 5 year forecast.

Goal 3. – Communication of Asset Management Program to Public

Results:

- a. Information is readily available to the public through various channels.
- b. At least one Open House on Asset Management has been held before the end of 2027.
- c. Reasonable efforts have been made to educate the public on the purpose of Asset Management.

Risk Assessment

Compliance: Asset Management Policy No. 55FI, Tangible Capital Asset Policy No. 57FI, Reserve Contribution Policy No. 64FI

Risk Impact: Low – outside of the 3-year commitment there is no risk to the District. Staffing resources will be needed in November and December to provide data to the consultant and enter future known projects.

Internal Control Process: Staff have reviewed potential paths to proceed with the Asset Management strategic priority of Council.

Next Steps / Communication

- As listed above, data entry will be a first step
- Intent is to utilize the data for Council during the 2027 budget process at the Workshops

Attachments

1. Sample images of the software – no District data was used for these.

Recommendation

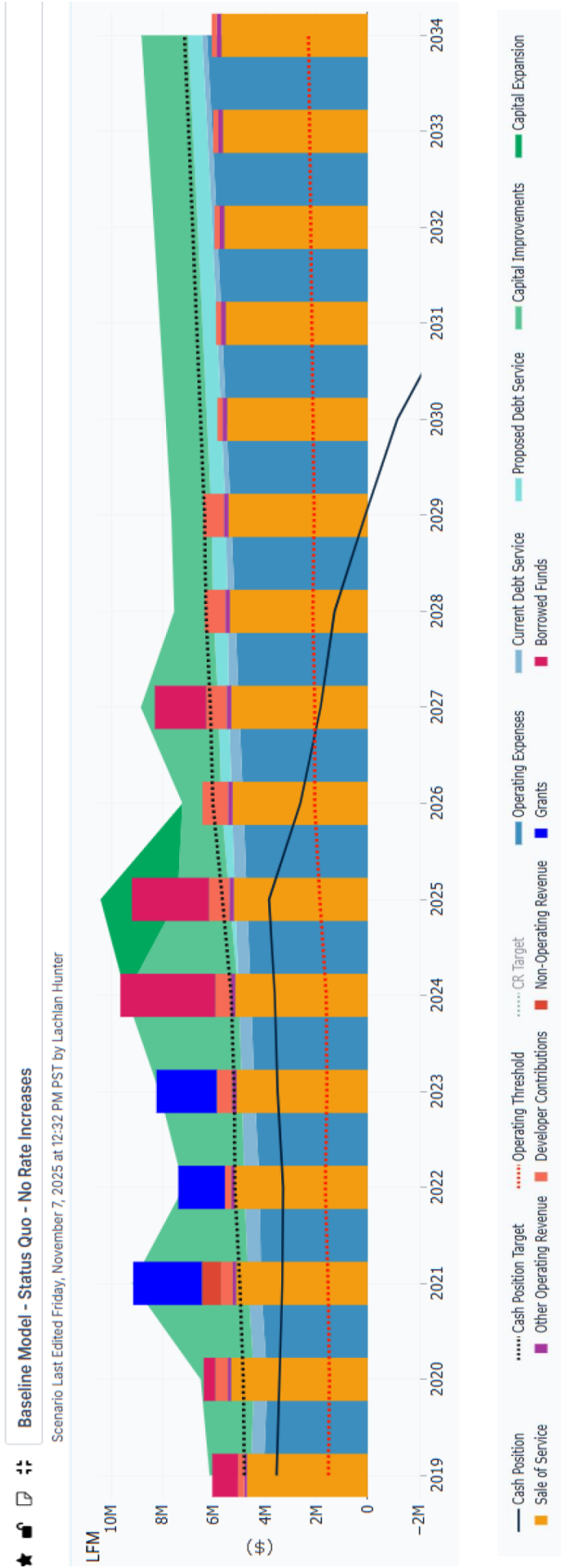
THAT Council provides early budget approval for a 3-year subscription to an Asset Management Financial Forecasting software for up to \$24,000 in total.

Alternative Options

1. Council could choose not to approve the recommendation at this time and rather wait until the Strategic Planning process or budget process to consider the software.
2. Council could choose a different option provided in the report.

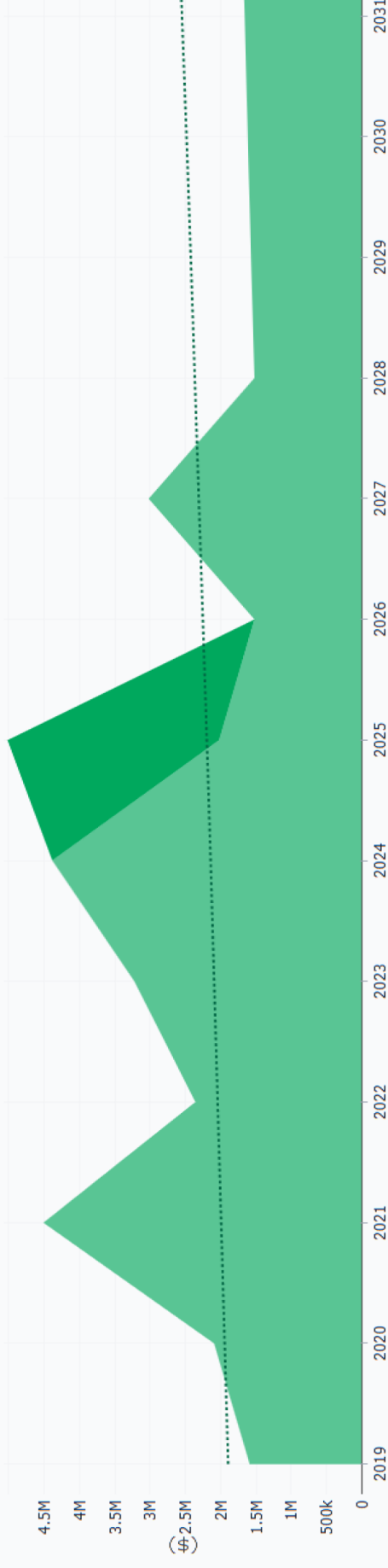
Prepared by:

Chief Administrative Officer, D. Drexler



Sample Images – No District Data was used.

CapEx Chart



Id	Item Descriptor	Category	Inflation	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	GENERAL CAPITAL REPLACEMENTS (Audited)	Capital Improvements ▼	0.00%	1,587,446	2,089,263	4,512,789	2,357,010	0	0	0	0	0	0
2	EMERGENCY WATER SYSTEMS FUNDS	Capital Improvements ▼	1.00%	0	0	0	0	20,000	20,200	20,402	20,606	20,812	21,020
3	TRAVERSE MOUNTAIN PUMP CAPACITY IMPROVEMENTS	Capital Improvements ▼	3.00%	0	0	0	0	284,300	300,000	0	0	0	0
4	NEW PUBLIC WORKS BUILDING (Design)	Capital Improvements ▼	3.00%	0	0	0	0	0	0	0	0	1,500,000	0
5	TRAVERSE RIDGE MAINLINE VAULT REPAIR & MAINTENANCE	Capital Improvements ▼	3.00%	0	0	0	0	2,000,000	1,750,000	0	0	0	0
6	FIXED BASED UTILITY BILLING COMMUNICATION SYSTEM	Capital Improvements ▼	3.00%	0	0	0	0	0	450,000	500,000	0	0	0
7	CULINARY WATER MASTER PLAN	Capital Improvements ▼	3.00%	0	0	0	0	20,000	30,000	0	0	0	0
8	DEER RIDGE TRANSMISSION WATER LINE	Capital Improvements ▼	3.00%	0	0	0	0	600,000	0	0	0	0	0
9	FREEWAY WATER PUMP STATION	Capital Improvements ▼	3.00%	0	0	0	0	0	190,000	0	0	0	0
10	PUMP STATIONS AND WATER TANK ROOF & FENCING REPAIRS	Capital Improvements ▼	3.00%	0	0	0	0	0	945,000	0	0	0	0
11	SUNCREST PRV REPLACEMENT DUE TO CORROSION	Capital Improvements ▼	3.00%	0	0	0	0	300,000	700,000	1,500,000	1,500,000	1,500,000	0
12	FUTURE CAPITAL REINVESTMENT BUDGET	Capital Improvements ▼	3.00%	0	0	0	0	0	0	0	0	0	1,500,000

Sample Images – No District Data was used.