City of Toronto's 2025 Corporate Asset Management Plan

Date: April 29, 2025
To: Executive Committee
From: Chief Financial Officer and Treasurer
Wards: All

SUMMARY

This report presents the City of Toronto's 2025 Corporate Asset Management Plan for City Council's approval, in accordance with *Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure* (the "Regulation") under the *Infrastructure for Jobs and Prosperity Act*. The regulation was subsequently amended in March of 2021 under *Ontario Regulation 193/21* to change the timing of reporting requirements under the Act. The report will address all municipal infrastructure assets reported through the Core Infrastructure Asset Management Plan approved by Council in November 2021, and the 2024 Corporate Asset Management Plan approved by Council in May 2024. The infrastructure assets contained in this report are categorized into 11 asset classes: amenities, collections, equipment, equipment & appurtenances, facilities, fleet, linear infrastructure, natural assets, point infrastructure, structures and systems.

The 2025 Corporate Asset Management Plan (AMP) encompasses 26 City Divisions, Agencies, and Corporations (DACs) that hold ownership and/or responsibility over City-owned municipal infrastructure assets, as defined by the regulation. Organized into 9 service areas and 26 subservices, the Corporate AMP exhibits the multitude of services provided by the City and demonstrates the relationship between service delivery and the assets that support those services. The AMP is based on the data, information, professional judgement, and expertise of the asset management teams and leads that reside within each area, in conjunction with the work and analysis conducted through the City's annual Budget process and reflected in the 2025 Operating Budget and 2025-2034 Capital Budget and Plan.

The City's asset portfolio, within the scope of this AMP, has a current replacement value of $215 billion. In addition to the assets included in the 2024 Corporate AMP, the portfolio is inclusive of the 6 core infrastructure assets of water, wastewater, stormwater, roads, bridges and culverts included in the 2021 Core Infrastructure AMP. The overall performance distribution of the City's in-scope assets is rated as 'Fair',

indicating that, on average, City assets are fit for service and continue to perform at an acceptable standard. These assets are approaching the end of its service life and, as such, are likely performing at a higher operating cost where ongoing monitoring and maintenance may be required to sustain service levels.

To proactively respond to aging infrastructure and growing renewal needs, the City has prioritized actions that result in the 'flattening of the SOGR curve' through increased renewal investments and prioritization as reflected in the City's multi-year strategy to improve services and the day-to-day experiences of Toronto residents. These efforts reflect both an increase in SOGR investments as well as a resulting reduction to the previous $26 billion 10-year SOGR infrastructure gap, reflected in the 2024 Corporate AMP, to an estimated $18 billion renewal shortfall identified through the 2025 Corporate AMP where transit and housing renewals continue to be the main drivers. The City acknowledges that there is still further work to be done to improve the state of its infrastructure and ensure ongoing sustainability of services to the public. The overall reduction to the City's estimated 10-year SOGR infrastructure gap is represented below in Chart 1.

Chart 1 – Change in Estimated 10-Year SOGR Infrastructure Gap

($ billions)

Corporate AMP	10-Year SOGR Infrastructure Gap
2024	$26.0
2025	$17.9
Overall Reduction	**$8.1**

RECOMMENDATIONS

The Chief Financial Officer and Treasurer recommends that:

1. City Council adopt the 2025 Corporate Asset Management Plan as set out in Attachment 1 to this report and provide approval for submission to the Province of Ontario by the July 1, 2025 regulatory deadline.

2. City Council direct the Chief Financial Officer and Treasurer to make available the final approved 2025 Corporate Asset Management Plan as amended to the public via the City website and to distribute printed copies as requested.

FINANCIAL IMPACT

Adoption of the recommended 2025 Corporate Asset Management Plan does not result in immediate financial implications. However, ongoing compliance with the legislative requirements will result in the need for an additional investment in resources and functions corporately to establish an organization-wide practice of integrated asset management in support of a whole-of-government approach to asset management (AM) that will promote consistency and standardization of AM practices across the City.

The City of Toronto has an expansive asset inventory that is aging and requires various types of interventions and levels of investment. In addition, the landscape for many industries and service sectors are experiencing significant changes and economic shifts. The SOGR infrastructure gap of $18 billion over the next 10 years identified through this analysis (with an additional $20 billion funding shortfall identified for service improvement and growth initiatives) is indicative of the financial constraint the City is experiencing to ensure long-term sustainability and viability of its services with limited funding availability and competing growth initiatives.

Through the utilization of the City's revenue tools, the 2025-2034 Capital Plan reflects the City's largest ever investment in capital with $32.4 billion (54%) of the total $59.6 billion planned capital investments in renewal work to manage and maintain assets in a state of good repair over the next decade. The plan represents an increase of $6.0 billion (23%) in SOGR compared to last year's 10-year Capital Plan of $26.4 billion.

The Corporate Asset Management Plan will be integrated into the City's annual budget process and capital prioritization framework as recommended through the Updated Long-Term Financial Plan. This will enhance existing prioritization processes and be used to make strategic decisions regarding the 10-Year Capital Plan, including both the funded and unfunded portions, during the City's annual budget process. It will also allow Council to set strategic direction in the allocation of available capital funds using a consistent set of guiding principles, while considering overall affordability and capacity to deliver capital investments.

DECISION HISTORY

At its final wrap-up meeting on February 20, 2019, Budget Committee requested that the Chief Financial Officer and Treasurer continue efforts to update and improve the City's asset management policies, standards, and practices and report back together with the City's asset management policy for Council's consideration and approval by July 1, 2019, as required by Provincial legislation.
https://secure.toronto.ca/council/agenda-item.do?item=2019.BU4.4

At its meeting on June 18, 2019, City Council adopted the Corporate Asset Management Policy. The purpose of this policy is to guide the development and implementation of the City of Toronto's asset management framework and asset management plans and applies to the lifecycle management activities of municipal infrastructure assets that are owned and/or controlled by the City of Toronto for the provision of services. This policy was developed in response and in accordance with *Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure* and it is used to guide the development of the City's asset management plans.

https://secure.toronto.ca/council/agenda-item.do?item=2019.EX6.11.

At its meeting on November 9, 2021, City Council adopted the Core Infrastructure Asset Management Plan for water, wastewater, stormwater, roads, bridges, and culverts. The report was developed in response and in accordance with *Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure* under which all municipalities must submit an asset management plan on the current state of its core infrastructure assets and the lifecycle activities and costs required for maintaining current levels of service.
https://secure.toronto.ca/council/agenda-item.do?item=2021.EX27.3.

At its meeting on September 6, 2023, City Council considered the Updated Long-Term Financial Plan. As part of the report, City staff committed to developing a prioritization framework for the 2025 budget planning process. It was noted that the framework would consider prioritization according to capital project categories, spend rates, availability and eligibility of funding, risk assessment, environmental, social and governance contributions, and strategic alignment with the City's priorities.
https://secure.toronto.ca/council/agenda-item.do?item=2023.EX7.1

At its meeting on April 9, 2024, Executive Committee received a status update on the development of a comprehensive capital prioritization framework in which City staff identified key considerations to develop an objective tool and an approach for prioritizing capital projects based on a set of weighed criteria, with an intent to ultimately enhance the City's existing prioritization process.
https://secure.toronto.ca/council/agenda-item.do?item=2024.EX13.6

At its meeting on May 22, 2024, City Council adopted the 2024 Corporate Asset Management Plan for all municipal infrastructure assets outside of the six core assets previously reported on through the 2021 Core Infrastructure Asset Management Plan. The report was developed in response and in accordance with Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure under which all municipalities must submit an asset management plan on the current state of all other municipal infrastructure assets and the lifecycle activities and costs required for maintaining current levels of service.
https://secure.toronto.ca/council/agenda-item.do?item=2024.EX14.6

BACKGROUND

In 2017 the Province of Ontario enacted *Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure* (O. Reg. 588/17), under the *Infrastructure for Jobs and Prosperity Act*, to support improvements in municipal asset management. The regulation, which came into effect in January 2018, provides the authority for the Province to regulate municipal asset management planning. It reflects the Province's commitment to guide investments in public infrastructure that was first initiated in 2011 (and subsequently reconfirmed in 2017), when the Province of Ontario released 'Building Together' as its long-term infrastructure plan and strategic framework. It also builds on consultations with the municipal sector, including the City of Toronto, which were conducted in 2016.

The requirements of the Regulation were phased in as follows with amendments (as filed under O. Reg. 193/21 on March 15, 2021):

1. July 1, 2019: Every municipality in Ontario must have a strategic asset management policy approved by Council. The policy is to be reviewed, and if necessary updated, at least every five years.

2. July 1, 2022: Every municipality in Ontario must have approved asset management plans for core infrastructure assets (water, wastewater, stormwater, roads, bridges and culverts) at the current levels of service.

3. July 1, 2024: Every Municipality in Ontario must have approved asset management plans for all other infrastructure assets at the current levels of service.

4. July 1, 2025: Every asset management plan must include proposed levels of service for each category of infrastructure assets.

The Regulation defines detailed information requirements for each phase. These requirements are outlined throughout this report as applicable.

Additionally, the Regulation requires that the strategic asset management policy and asset management plans be approved by a resolution passed by Council and made available to the public, via the City's website, and to persons who request a copy, at every major phase of the journey as illustrated below in Chart 2.

Chart 2 – Phase-in Schedule

Phase 1 Asset Management Policy (Completed)	Phase 2 Asset Management Plan Core Infrastructure (Completed)	Phase 3 Asset Management Plan All Other Infrastructure (Completed)	Phase 4 Proposed Levels of Service By Category

COMMENTS

Corporate Asset Management Plan

Purpose:
This report is the fourth and final requirement under Ontario Regulation 588/17, whereby every municipality in Ontario must submit an approved AMP for all municipal infrastructure assets at the proposed levels of service (PLOS). The purpose of this requirement is to identify all infrastructure assets the City owns or controls for providing current service levels to the public, provide an overall assessment of the performance and valuation of these assets, and determine an appropriate PLOS based on affordability, achievability, and long-term sustainability of the municipality in comparison to current levels of service (LOS).

Scope:

As stated in the Corporate Asset Management Policy, all City Divisions are to be considered for inclusion in the City's Corporate AMP as required by legislation. The policy goes on to identify the Agencies and Corporations considered in-scope of the Corporate Asset Management (CAM) policy that would also qualify for inclusion in this asset management plan. The 26 Divisions, Agencies and Corporations (DACs) are represented below in Chart 3.

Chart 3 – List of Divisions, Agencies, and Corporations

COMMUNITY AND SOCIAL SERVICES*
- Children's Services
- Economic Development and Culture
- Parks and Recreation
- Senior Services and Long-Term Care
- Toronto Shelter and Support Services
- Toronto Fire Services
- Toronto Paramedic Services
- Toronto Public Health

CORPORATE SERVICES
- Customer Experience
- Corporate Real Estate Management
- Environment, Climate and Forestry
- Fleet Services
- Technology Services

GOVERNANCE, OVERSIGHT AND ACCOUNTABILITY
- City Clerk's Office

INFRASTRUCTURE SERVICES
- Solid Waste Management
- Toronto Water
- Transportation Services

AGENCIES AND CORPORATIONS
- CreateTO
- Exhibition Place
- Toronto Police Service
- Toronto Public Library
- Toronto Transit Commission
- Toronto Zoo
- Toronto Community Housing Corporation
- TO Live
- Sankofa Square

*The 2025 Corporate AMP analysis and reporting was completed prior to the structuring change to the Service Area (CSS is now two distinct service areas).

The DACs are organized into a functional asset hierarchy represented through 9 service areas and 26 subservices, as depicted below in Chart 4. The infrastructure assets that support these many services are categorized into 11 asset classes: amenities, collections, equipment, equipment & appurtenances, facilities, fleet, linear infrastructure, natural assets, point infrastructure, structures and systems.

Chart 4 – Summary of Service Areas and Subservices

CULTURE AND EDUCATIONAL SERVICES
- Arts, Culture and Heritage Services
- Library Services

GENERAL GOVERNMENT AND CORPORATE SERVICES
- Administrative and Election Services
- Corporate Real Estate
- Fleet Services
- Technology Services

NATURAL ENVIRONMENT SERVICES
- Dock Walls and Breakwaters
- Forestry Management

TRANSPORTATION
- Road Network
- Transit

UTILITIES
- Solid Waste Management

EMERGENCY SERVICES
- Toronto Fire Services
- Toronto Paramedic Services
- Toronto Police Service

HEALTH AND SOCIAL SERVICES
- Children's Services
- Community Housing
- Public Health
- Shelters and Support Services
- Senior Services and Long-term Care

RECREATION AND LEISURE
- Exhibition Place
- Parks and Recreation
- Toronto Zoo

WATER INFRASTRUCTURE SERVICES
- Drinking Water Management
- Wastewater Management
- Stormwater Management
- Centralized Services

As this report is City-wide in scope, it is considered a strategic asset management plan whereby the asset hierarchy and level of asset detail and analysis is kept at a relatively

high-level. The asset management plans developed internally by City Divisions and Agencies would be considered a tactical AMP, as they have the ability to customize their report based on their unique asset types, services levels, and lifecycle activities and report at a lower level of granularity as warranted. Chart 5 visually illustrates this distinction. The Corporate AMP reflects the first 4 levels of the asset hierarchy to reasonably manage and organize the many services and asset groups that exist within the City.

Chart 5 – Conceptual Asset Hierarchy Structure

Report Structure:
The main sections of the City of Toronto's 2025 Corporate Asset Management Plan are detailed below.

1. Executive Summary
2. Introduction
3. Alignment to City Goals
4. Approach to Incorporating Growth
5. Asset Management Plan Overview
6. State of Infrastructure
7. Levels of Service
8. Lifecycle Management Strategy
9. Climate Change
10. State of Good Repair Performance and Investment Needs
11. Financial Strategy
12. Improvement Plan

13. Appendices:
   - Appendix A: Culture and Educational Services
   - Appendix B: Emergency Services
   - Appendix C: General Government and Corporate Services
   - Appendix D: Health and Social Services
   - Appendix E: Natural Environment Services
   - Appendix F: Recreation and Leisure
   - Appendix G: Transportation
   - Appendix H: Utilities
   - Appendix I: Water Infrastructure Services

AMP Summary:

This Corporate AMP has taken a significant first step towards establishing the relationship between investment in infrastructure and corresponding proposed service levels deemed to be appropriate for ensuring the long-term viability and sustainability of City of Toronto services. To meet the requirements of the Regulation, the City has completed an analysis to understand current performance of each category of infrastructure assets and establish a PLOS to achieve. It has also provided a high-level connection of its existing funded capital budget to lifecycle activities and service level objectives, to describe the changes in performance over time associated with its current planned budget. By doing this, the City is able to compare its current forecasted performance to the cost to improve, maintain or decrease current service levels over the next 10-years. A justification of the PLOS and how it differs from current LOS is provided to underscore its appropriateness in balancing continued growth, risk mitigation, and minimizing of future costs.

As shown in Chart 6, the total replacement value of the City's municipal infrastructure assets is estimated at $215 billion with over 70% of the asset value coming from water and transportation infrastructure. The cumulative 10-year cost to achieve PLOS for renewals is estimated to be $50 billion. Compared to the City's 10-year Capital Plan, an SOGR infrastructure gap of $18 billion is identified, mainly driven by transit and housing, indicating that currently planned capital renewal investments are insufficient to achieve PLOS over the next decade. The City would require an additional $18 billion to maintain or improve the performance of the assets that are critical to service delivery that would optimize asset value, mitigate risk, and promote cost efficiency. Consistent with past reporting on unfunded priorities in the City's Capital Budget and the TTC's Capital Investment Plan, an additional $20 billion funding gap in service improvement and growth lifecycle activities is also identified, mainly attributed to the Toronto Transit Commission (TTC). A summary of these results by subservice is presented in Chart 7.

Chart 6 – Overall Summary of Key Results

| Item	Value
Replacement Value	$214.7 Billion
Cumulative 10-year Cost to Achieve PLOS	$50.3 Billion
Cumulative 10-year SOGR Infrastructure Gap	$17.9 Billion
Average Overall Performance	Fair

Chart 7 – SOGR Investment Forecast Summary by Subservice

Subservice	Average Annual Planned Renewal Budget	LOS Trend Under Current Budget	Average Annual Cost to Achieve PLOS	PLOS Target
Arts, Culture and Heritage Services	$28.2M	Improving	$28.2M	Improve
Library Services	$43.4M	Improving	$43.4M	Improve
Toronto Fire Services	$36.2M	Improving	$36.2M	Improve
Toronto Paramedic Services	$30.2M	Improving	$30.2M	Improve
Toronto Police Services	$65.7M	Improving	$65.7M	Improve
Administrative and Election Services	$3.1M	Maintaining	$3.1M	Maintain
Corporate Real Estate	$70.3M	Declining	$143.6M	Improve
Fleet Services	$125.5M	Improving	$125.5M	Improve
Technology Services	$44.2M	Maintaining	$44.2M	Maintain
Children's Services	$2.6M	Maintaining	$2.6M	Maintain
Community Housing	$233.5M	Declining	$600.5M	Improve
Shelter and Support Services	$7.8M	Improving	$7.8M	Improve
Public Health	$0.3M	Declining	$0.5M	Maintain
Senior Services and Long-Term Care	$6.2M	Declining	$42.8M	Improve
Dock Walls and Breakwaters	$2.0M	Maintaining	TBD	Improve
Forestry Management	$3.2M	Declining	$6.4M	Maintain/ Improve
Exhibition Place	$18.3M	Declining	$28.6M	Maintain
Parks and Recreation	$136.3M	Improving	$149.4M	Improve
Toronto Zoo	$27.4M	Improving	$27.4M	Improve
Road Network	$427.5M	Declining	$615.3M	Maintain/ Slow the Decline
Transit	$965.4M	Declining	$2,062.9M	Improve
Solid Waste Management	$30.7M	Maintaining	$30.7M	Maintain
Drinking Water Management	$277.4M	Maintaining	$277.4M	Maintain
Wastewater Management	$543.2M	Maintaining	$543.2M	Maintain
Stormwater Management	$36.2M	Maintaining	$36.2M	Maintain
Centralized Services	$77.7M	Maintaining	$77.7M	Maintain
Total	**$3,242.5M**	**Declining**	**$5,029.4M**	

The overall performance distribution of the City's in-scope assets is rated as 'Fair' as depicted in Chart 8. This rating indicates that City assets are fit for service and continue to perform at an acceptable standard. However, as these assets are approaching the end of its service life, they are likely performing at a higher operating cost where ongoing monitoring and significant maintenance may be required to sustain service levels. The area of concern are the assets categorized as 'Poor' and 'Very Poor' performance, which make up roughly 20% of the City portfolio. These are the assets that are past their useful lives and require rehabilitation or replacement. They may still be able to provide service but at increased operating expenses or at a suboptimal level of service. There is also an increased likelihood of disruptions or closures to the service they provide. It is important to note, that the categorizations of 'Poor' and 'Very Poor'

are not indicative of impending health or safety risks to the public. Any critical danger to the well-being and protection of the public is proactively identified and prioritized for action by City staff through the capital planning process to ensure the health and safety of the community and to mitigate risks that may arise.

Chart 8 – Overall Asset Performance Distribution (of in-scope assets)
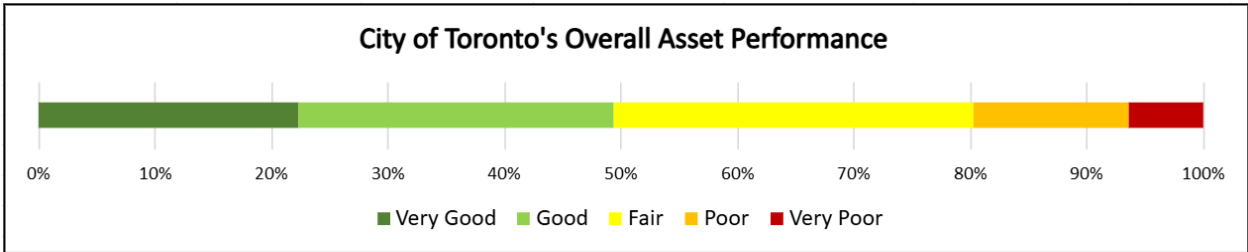
At the subservice level, where no infrastructure gap is identified (planned budget is higher or equal to the PLOS budget), the result is indicating there is sufficient funding to achieve PLOS over the next 10-years. Where a gap is identified, the result is indicating that planned funding is inadequate to meet PLOS targets. This is examined on two fronts – firstly, a justification is provided on the appropriateness of the PLOS set, considering achievability; growth in demand; public expectations and long-term sustainability. Secondly, an account is given of the tools and strategies currently undertaken to mange the infrastructure and the ongoing approach to mitigating the risks associated with not actioning the lifecycle activities required to achieve the PLOS.

Currently, the City utilizes several tools and strategies for managing its SOGR needs as well as its growth requirements. As it relates to renewals, the City's 2025-2034 Capital Budget and Plan reflects an investment of $32.4 billion (54%) of the total $59.6 billion planned capital investments in SOGR projects to maintain assets in a state of good repair for the next decade. The plan represents an increase of $6.0 billion (23%) compared to last year's 10-year Capital Plan and includes $1.8 billion from the Gardiner Funding Reallocation, as well as provincial and federal funding for the replacement of aging Line 2 Bloor-Danforth subway cars through equal contributions from all three levels of government totalling to $2.3 billion. In addition, the City continues to review and manage its capital spend rates to ensure spending is maximized and keeps pace with funding contributions to maintain or improve service levels of its major infrastructure.

As it relates to growth considerations, through the 2025 Budget process, the City's capital prioritization framework was developed and used to assess its service improvement and growth initiatives through a formalized and comprehensive process intended to support capital investment decision-making. In addition, City Council has endorsed an annual 1.5% levy increase until 2035 to the City Building Fund for major transit and housing infrastructure projects, where transit specifically continues to be the greatest fiscal pressure.

The City also collects development charges (DCs) to help cover a portion of the cost of growth-related infrastructure and facilities. As DCs are a critical source of revenue in delivering new infrastructure, the City is initiating an in-depth review of DCs, including

policies, rates and processes, to develop recommendations that incorporate the City's growth-related requirements, while considering affordability and market trends.

Key Considerations:
This is the City of Toronto's second Corporate Asset Management Plan, with the first iteration completed one year ago. While some City Divisions and Agencies have developed their own tactical AMPs to support evidence-based decision-making on prioritizing capital projects and managing its infrastructure needs, it is not a common practice across the organization, nor is it done in a consistent fashion. For many DACs, the Corporate AMP is their first endeavor in AM planning. Through several rounds of workshops, it is evident that varying degrees of AM practice exist across the organization. Some City Divisions and Agencies have limited or outdated asset inventories and condition information to get a comprehensive view of lifecycle costs and renewal needs, whereas others with a more advanced understanding of AM, use more progressive methodologies and systems for analyzing asset data to model full lifecycle activities and inform their capital forecasts.

This final iteration of the provincial regulation builds off the analyses conducted through the 2024 Corporate AMP to deeper examine and comprehend AM practice across the City. It has also reinforced a routine data collection exercise to update and improve the City's baseline for understanding the current cost and performance of its assets. Areas for continual improvement and enhancement have been identified, particularly around data maturity, and lifecycle management and forecasting.

Data Maturity:
The AMP is based on the collection of asset data from multiple stakeholders across the City. Where data was absent or historical information lacking, assumptions or estimations were made to fill these gaps. The data maturity rating of each subservice indicates the overall completeness and confidence of the data analysis and illustrates the opportunity to improve the asset data quality over time. Data maturity is a key area that requires continual improvement, and there are best practices internally that can be leveraged to improve the overall data quality and confidence that exists across the organization.

Lifecycle Management and Financial Forecasting:
Currently, lifecycle management and SOGR forecasting practices differ across the City. Asset data should be used to inform lifecycle costing which can be used to forecast renewal needs in the future. Note that this AMP continues to focus on analyzing and forecasting the renewal need (SOGR) for infrastructure investments to achieve PLOS. City Divisions and Agencies were given the opportunity to identify any investment gaps in other lifecycle activities, such as service improvement and growth, that would impact the achievability of the PLOS. With the exception of the Parks and Recreation Division and the TTC, most City Divisions and Agencies assumed planned budgets in the other lifecycle activities were sufficient to meeting its PLOS target over the next 10-year period.

As identified through the 2024 Corporate AMP, there may be several state of good repair related projects that are categorized under health and safety, legislated, service improvement, or growth in the 10-year Capital Plan. For this reason, through the 2025

Corporate AMP, in conjunction with the 2025 Budget process, an exercise was done to map capital project categories to asset lifecycle activities to better align SOGR funding to the assets, and thus, more accurately forecast renewal investment needs. It should be noted, for certain asset classes, the relationship between asset ownership, maintenance and funding is not always under the same Division or Agency. As a result, the renewal needs for those asset groups may be spread across different service areas. The City will continue to improve the alignment of planned budget data to asset data to delineate and quantify true renewal investment needs to be reflected in the next iteration of the City's corporate asset management plan.

Corporate Asset Management

The City's Asset Management program is identified as a strategic priority of the City. The Corporate Asset Management (CAM) function has been established within Finance and Treasury Services to fulfill the provincial requirements under O. Reg. 588/17, but more importantly, to build the City's Corporate AM program in support of a whole-of-government approach to asset management that will promote consistency and standardization of AM practices across the City.

The City recognizes that a corporate AM lens is required to better align asset performance and lifecycle costs with capital planning and budget development. Varying degrees of data maturity and inconsistent lifecycle modelling and forecasting have impacted the City's ability to prioritize capital needs and investments at a corporate-level over the long-term. A centralized asset management approach will facilitate the development of common tools, guidelines, policies, standards, and processes and provide oversight and alignment for asset management with other corporate initiatives, as well as compliment the ongoing development of the City's Capital Prioritization Framework. Standardized policies and frameworks are necessary to improve data maturity, enhance integration of lifecycle costing with capital forecasting, and promote consistency on how capital projects are prioritized and managed.

Corporate Asset Management is currently working on a CAM Roadmap that will identify the necessary strategies and frameworks necessary to build the City's AM program over the next 5 years. Leveraging the key learnings from the 2024 and 2025 Corporate AMPs, the Roadmap will provide recommendations on the short, medium, and long-term priorities required, and outline an implementation plan for execution of these tasks to support the development of a systematic and integrated AM program. This will enable the City's diverse asset groups to be managed in a consistent fashion but be applied in a manner that acknowledges and accounts for City Division and Agency service-specific standards and needs.

Next Steps

Future reporting on asset management to Council includes:

- Ongoing AMP reviews and updates: As per O. Reg. 588/17, a review and update of the corporate asset management plan must be completed at least

every 5 years. The next iteration of the City's Corporate Asset Management Plan will be presented for consideration by 2030.

- AM progress updates to Council: As per O. Reg. 588/17, an annual review of the City's asset management progress will be conducted on or before July 1st in each year after the municipality's asset management plan for proposed levels of service is completed. The first progress update to Council will be provided prior to July 1, 2026.

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SIGNATURE

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Chief Financial Officer and Treasurer

ATTACHMENTS

Attachment 1: City of Toronto's 2025 Corporate Asset Management Plan