

Head, Clara & Maria Policies and Procedures			
DEPARTMENT: Administration			POLICY #: A-05
POLICY NAME: Asset Management Policy			
DATE: November 2023	REV. DATE:	APPROVED BY: Council	PAGE #: 1 of 6

POLICY STATEMENT

The United Townships of Head, Clara and Maria has adopted a systematic and coordinated approach to asset management in delivering optimum levels of service to its residents and customers in a sustainable and cost-effective manner; in compliance with Ontario Regulation 588/17 (O. Reg. 588/17, Asset Management Planning for Municipal Infrastructure, under the *Infrastructure for Jobs and Prosperity Act, 2015*. This policy details key principles and guidelines to achieve financial sustainability and effective long-term management of the Municipality's infrastructure assets in support of a healthy, growing and a prospering community.

PURPOSE

The purpose of this policy is to provide leadership in, and commitment to, the development and implementation of the Municipality's asset management program. It is intended to guide the consistent and coordinated use of asset management across the Municipality and to facilitate logical and evidence-based decision-making for the management of municipal infrastructure.

Specifically, it addressed the need to:

- provide consistent and accurate means of tracking and reporting on the Municipality's assets, while improving decision-making, accountability and transparency;
- provide a framework that will enable the Municipality to implement plans and define goals to achieve medium and long-term sustainability, and to demonstrate fiscal stewardship;
- ensure transparency and accountability by engaging staff and Council in asset management planning;
- work to ensure that all municipal infrastructure assets meet expected performance levels;
- link service outcomes to infrastructure investment decisions;
- meet legislative reporting and organization financial planning requirements;
- improve customer service.

APPLICATION

This policy applies to all departments and employees of the Municipality that have a direct or indirect link with assets that are owned in whole or in part, leased, or operated by the Municipality.

DEFINITIONS

"Asset" means of physical nature, is a significant economic resource, and provides the delivery of programs and/or services.

"Asset Management" is a systematic approach to the governance of municipal assets using sound technical, social and economic principles that considers present and future needs of the community.

Head, Clara & Maria Policies and Procedures			
DEPARTMENT: Administration			POLICY #: A-05
POLICY NAME: Asset Management Policy			
DATE: November 2023	REV. DATE:	APPROVED BY: Council	PAGE #: 2 of 6

“Asset Management Plan” means documented information that specifies the activities, resources, and timescales required for an individual asset, or a grouping of assets, to achieve the organization’s asset management objectives.

“Level of Service” means the parameters, or combination of parameters, which reflect social, political, environmental and economic outcomes that the organization delivers. Parameters can include, but are not limited to, safety, customer satisfaction, quality, quantity, capacity, reliability, responsiveness, environmental acceptability, cost, and availability.

“Life Cycle” means the time interval that commences with the identification of the need for an asset and terminates with the disposal of the asset.

“Life Cycle Cost” means the total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation, and disposal costs.

ORGANIZATIONAL VISION AND GOALS

Vision Statement

Council’s vision is to provide a healthy, connected, and sustainable community teeming with possibilities for its citizens now and into the future.

A healthy, connected and sustainable community includes, but is not limited to:

- Safe and efficient road networks,
- Economical and reliable waste collection systems,
- Reliable information technology systems,
- Productive fleets,
- Accessible parks; and
- Efficient and reliable recreation facilities.

Council Commitment

Council is committed to integrating asset management planning within the organization in such a way that it is coordinated, cost effective and organizationally sustainable. Council is also committed to implementing good stewardship and delivering affordable services while considering its legacy to future residents.

Staff Commitment

Staff will implement the policy through the development and use of asset management guidelines and practices. Staff will continually work to optimize processes for the creation, operation,

Head, Clara & Maria Policies and Procedures			
DEPARTMENT: Administration			POLICY #: A-05
POLICY NAME: Asset Management Policy			
DATE: November 2023	REV. DATE:	APPROVED BY: Council	PAGE #: 3 of 6

maintenance and disposal of assets as well as promote service levels that balance customer expectations with cost and risk.

GUIDELINES

1. The Municipality will implement continuous improvement protocols and adopt best practices regarding asset management planning, including:
 - Complete and Accurate Asset Data
 - Condition Assessment Protocols
 - Risk and Criticality Models
 - Lifecycle Management
 - Financial Strategy Development
 - Level of Service Framework
2. Municipal Staff will monitor standards and service levels to ensure that they meet and support the community, as well as Council's goals and objectives.
3. The Municipality will develop and maintain an asset inventory of all municipal infrastructure assets which includes asset ID, description, location information, value (historical and replacement), performance characteristics and/or condition, estimated remaining life and estimated repair, rehabilitation or replacement date; and estimated cost of repair, rehabilitation or replacement.
4. The Municipality will develop an asset management plan (AMP) that incorporates all infrastructure categories and assets that are necessary to the provision of services. This may include assets that fall below their respective capitalization thresholds as outlined in the Municipality's Tangible Capital Asset Procedure. The scope of these assets will be determined, according to relevance, based on the judgment of municipal staff. The Plan will be reviewed annually to address the Municipality's progress in implementing its asset management plan and updated at least every five years in accordance with O. Reg. 588/17 requirements.
5. The Municipality will integrate asset management plans and practices with its budgeting strategies. This includes the development of financial plans that determine the level of funding required to achieving short-term operating and maintenance needs, in addition to long-term funding needs to replace and/or renew municipal infrastructure assets based on full lifecycle costing.
6. The Municipality will develop meaningful performance metrics and reporting tools to transparently communicate and display the current state of asset management practice to Council and the community.

Head, Clara & Maria Policies and Procedures			
DEPARTMENT: Administration			POLICY #: A-05
POLICY NAME: Asset Management Policy			
DATE: November 2023	REV. DATE:	APPROVED BY: Council	PAGE #: 4 of 6

PRINCIPLES

The principles established under the asset management policy are intended to help direct decision making, actions and recommendations, as described below. The Municipality will strive to:

Make informed decisions based on all available information on an asset class, identifying all revenues and costs (including operation, maintenance, and replacement and decommission) associated with asset decisions, including additions and deletions. The basis for the decisions made should be recorded and transparent;

Create opportunities to communicate with the community and promote openness and transparency on the decision-making process as applicable;

Integrate corporate, financial, business, technical and budgetary planning for municipal assets;

Develop and enhance asset management knowledge and competencies to ensure the availability of skill sets required for the implementation of asset management programs; and

Establish organization accountability and responsibility for asset inventory, condition, use and performance;

Define and document service, maintenance and replacement levels and outcomes;

Use available resources effectively;

Manage assets to be sustainable;

Minimize total life cycle costs of assets;

Minimize risks to users and risks associated with failure;

Achieve/pursue best practices where applicable;

Report on the performance of its asset management program as require; and

Promote accessibility for persons with disabilities.

ROLES AND RESPONSIBILITIES

The development and continuous support of the Municipality's asset management program requires a range of duties and responsibilities. The following passages outline the persons responsible for these tasks:

Council

1. Approve the asset management policy and direction of the asset management program through its approval of the Municipality's asset management plan.
2. Maintain adequate organizational capacity to support the core practices of the asset management program.
3. Prioritize effective stewardship of assets in adoption and ongoing review of policy and asset management plan.
4. Approve capital and operating budgets presented by Staff.

Head, Clara & Maria Policies and Procedures			
DEPARTMENT: Administration			POLICY #: A-05
POLICY NAME: Asset Management Policy			
DATE: November 2023	REV. DATE:	APPROVED BY: Council	PAGE #: 5 of 6

Senior Staff

1. Develop policy and policy updates.
2. Provide corporate oversight to goals and directions and ensure the asset management program aligns with the Municipality's strategic plan.
3. Ensure that adequate resources are available to implement and maintain core asset management practices.
4. Develop and monitor levels of service and make recommendations to Council.
5. Track, analyze and report on asset management program progress and results.
6. Provide organization-wide leadership in asset management practices and concept.

Departmental Staff

1. Use the business processes and technology tools developed as part of the asset management program.
2. Participate in implementation to carry-out asset management activities.
3. Implement and maintain defined capital asset levels of service.
4. Manage budgets based on lifecycle activities and financial management strategies.

Public

1. Engage and voice level of service expectations and concerns to Council and Staff through surveys and public engagement opportunities.
2. Understand dynamic relationship between performance, cost, and risk of assets to deliver desired services.
3. Engage in discussions about strategic priorities and target levels of service for future planning.