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Subject: Strategic Asset Management Policy	Effective Date: February 20, 2019
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Municipality of French River Strategic Asset Management Policy

1. PURPOSE

1.1 This policy outlines the fundamental Asset Management principles that will be developed and implemented across the organization. This policy aims to regulate the total lifecycle, cost, and ownership with regard to the service levels set, and would meet the needs of the community, while understanding the potential for risk/failure that preventative maintenance or contingency planning would mitigate.

2. SCOPE

2.1 This Policy applies to all Tangible Capital Assets (TCA) owned and or managed by the Municipality which are currently supporting the provision of services.

2.1.1 Tangible Capital Assets are to be recorded and amortized as per the Purchasing Policy.

2.1.2 The table below provides examples of assets owned by the Municipality.

Service	Asset Type
Wastewater	Collection System, Pumping Stations, Treatment Lagoon
Storm Water	Storm Mains
Transportation	Roads, Bridges, Sidewalks, Street Lighting
Solid Waste	Landfill, Transfer Stations
Parks and Recreation	Alban & Noëlville Sports Fields, Playgrounds, Trails, Cenotaph
Facilities	Alban and Noëlville Community Center, Alban and Noëlville Fire Hall, Alban and Noëlville Library, Cemeteries, Public Works Building and Property, Municipal Complex, Landfill Building
Fleet & Equipment	Public Work and Environmental Vehicles and Equipment, Parks and Recreation Vehicles and Equipment, Emergency/ First Responder Vehicles and Equipment
Information Technology	Hardware, Software, Communication Equipment

3. DEFINITIONS

3.1 Asset Management (AM)

AM involves the balancing of costs, opportunities, and risks against the desired performance of assets, to achieve organizational objectives (balancing may need to be considered over multiple timeframes). AM enables an organization to examine the need for, and performance of, assets and asset systems at different levels and in conjunction with non-asset solutions. Additionally, it enables the application of analytical approaches towards managing assets over the different stages of their lifecycle.

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3.2 Tangible Capital Assets (TCA)

TCA include land, buildings (including leasehold improvements), roads, bridges, streetlights, vehicles, equipment, parks, storm sewers, sanitary sewers, landfill improvements, parking lots, drains and assets acquired by capital leases or by donations.

3.3 Asset Management Plan (AMP)

A plan developed for the management of infrastructure assets that combines multi-disciplinary management strategies (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to deliver a specified level of service. It specifies the activities, resources and timescales required for individual assets (or asset groups) to achieve the organization’s AM Objectives. A significant component of the AMP is therefore a long-term program of works and cash flow projection for the activities. Examples of AMPs include Pavement Management Plans, Bridge Management Plans, and Fleet Management Plans. Each plan will vary in complexity depending on the asset group it pertains to.

3.4 Lifecycle Costs

Lifecycle costs refer to the total cost of ownership over the life of an asset. This may include but is not limited to capital costs, operating costs, maintenance costs, renewal costs, replacement costs.

4. POLICY

4.1 The AMP encompasses the management of each asset throughout its lifecycle. This Policy will ensure that the AMP:

- 4.1.1 Integrates with the Community Vision Plan, key business systems, and legislation (including the Planning Board and the Land use Planning Framework) while linking to the Purchasing Policy for financial planning and approval of the Municipal Budget;
- 4.1.2 Creates a framework that establishes a system for clear links between our AMP, Corporate objectives, and strategies while committing to providing acceptable levels of service, in the most effective and efficient way. This framework will be implemented through the planning, design, construction, acquisition, operation and maintenance, purchase, and disposal of assets.

4.2 The basis for Asset related decisions are:

- 4.2.1 Based on applying “the right intervention, on the right asset, at the right time” while recognizing risk, and the Municipalities fiscal constraints.
- 4.2.2 Taking a sustainable approach to ensure any changes (additions or disposals) in our TCA consider the impact on the ability of the Municipality to fund future maintenance and rehabilitation.

5. POLICY DIRECTION

To meet the goals and objectives of this policy, Management will:

5.1 Create and maintain an AMP to lead the development of practices, and oversee implementation across the organization to:

- 5.1.1 Establish, document, and continually adhere to industry recognized asset management practices;
- 5.1.2 Define levels of service that balance customer expectations with risk, affordability, and timing constraints;

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- 5.1.3 Adopt risk-based decision-making processes that consider the likelihood of asset failure and the consequence of a failure with regards to impacts on safety and levels of service;
 - 5.1.4 Establish lifecycle costing to evaluate competing asset investment needs across Municipal assets;
 - 5.1.5 Monitor the performance of the assets and track the effectiveness of the AMP and practices through Key Performance Indicators (KPI's) and alignment with Municipal and Provincial plans;
 - 5.1.6 Establish mitigation approaches to climate change, greenhouse gas emission tracking and reducing our carbon footprint through sourcing more energy efficient assets; and
 - 5.1.7 Adopt Disaster/Emergency planning and contingency funding in an effort to address Climate Change effects on asset life, risk and costs.
- 5.2 Seek funding and service delivery opportunities to address infrastructure investment pressures;
- 5.3 Provide quarterly updates to Council on the state of Municipal Assets and forecasted trends (typically aligned with tabling of the Long-Term Financial Planning).

6. GUIDELINES AND PRACTICES

The policy shall be implemented by staff using accepted industry guidelines and practices (such as those recommended by the Federation of Canadian Municipalities and Infrastructure Ontario Reg 588/17) and ISO 55000.

6.1 Integration of Asset Management Plan (AMP)

Municipal Staff will comply with required reporting requirements and integrate the AMP into existing municipal plans throughout the organization. Where possible and appropriate, this policy will integrate in the following documents:

- a) Municipal Visioning Plan
- b) Long-term Financial Planning
- c) Purchasing Policy
- d) Operational plans and budgets
- e) Roads Management Plan
- f) Maintenance Plans
- g) Health and Safety Policy
- h) Accessibility Plan
- i) Streetlight Policy

6.2 Wastewater Assets

Municipal staff engage with OCWA on a routine basis to forecast the spending required to achieve the wastewater system performance (level of service) expectations. This includes spending for routine maintenance, major maintenance or rehabilitation, asset replacement and new asset construction.

- 6.2.1 **Maintaining Asset Inventory and Condition/Performance Assessment:** OCWA maintains an up-to-date asset inventory that is routinely assessed for condition and performance to identify maintenance and renewal needs.
- 6.2.2 **Project and Financial Planning:** OCWA provides annual project and financial information, including estimated costs and funding sources, to address system performance deficiencies based on asset condition, regulatory requirements, and community needs.
- 6.2.3 **Funding Strategy:** Municipal Staff and OCWA will create and review the funding strategy balancing infrastructure investment with affordability for ratepayers and taxpayers.

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6.3 Climate Change Impacts:

- 6.3.1 Recognition of Climate Change Impacts:** The Municipality acknowledges the significant impact of climate change on community assets, including increased frequency of extreme weather events, rising water levels, and temperature fluctuations;
- 6.3.2 Integration into Asset Management Practices:** The Municipality will integrate climate resilience considerations into asset management practices by assessing vulnerabilities, identifying adaptation strategies, and prioritizing investments through existing Emergency Management policies and;
- 6.3.3 Risk Assessment and Mitigation:** Conduct comprehensive risk assessments to identify assets susceptible to climate-related hazards and implement proactive measures to mitigate risks and enhance asset resilience.

7. ROLES & RESPONSIBILITY

- 7.1 Municipal Council:** shall approve policies, procedures and guidelines as they relate to Asset Management and Corporate Planning.
- 7.2 Chief Administrative Officer:** shall develop, and support Management in ensuring the requirements contained in this policy are consistently applied.
- 7.3 Treasurer:** shall update this policy as necessary and present changes to Council as required.
- 7.4 Authorized Personnel:** shall work with the Treasurer to develop, implement, and update the AMP and Policy, ensure Regulatory compliance, and is responsible for updating and maintaining the Asset Inventory list.
- 7.5 Managers:** To provide support and knowledge on assets pertaining to their department in order to maintain the Asset Inventory List, provide insight into long term financial planning, and reporting.

8. AUTHORIZED PERSONNEL FOR ASSET MANAGEMENT PLAN PROGRAM CHANGES

8.1 The Municipality of French River designates specific personnel or designates within the organization who are authorized to make changes to the program. These changes include updating, adding, editing, or deleting assets from the inventory.

Chief Administrative Officer (CAO):

- The CAO is responsible for overseeing the program development, implementation, and adherence to this policy.
- The CAO has the authority to approve changes to the program and related procedures, guidelines, and practices.

Treasurer:

- The Treasurer plays a key role in maintaining the accuracy and integrity of asset inventories and related financial plans.

Managers:

- Managers are responsible for working with the Treasurer to develop, implement, and update the AMP.
- Managers are involved in identifying issues, establishing levels of service, and monitoring the implementation of AM practices within their respective departments.

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Coordinator:

- The Coordinator, designated by the Treasurer is tasked with ensuring the integrity, accuracy, and effectiveness of program.
- The Coordinator is responsible for implementing changes in accordance with established policies, procedures, and industry best practices.
- The Coordinator collaborates to monitor the performance of assets, assess infrastructure condition, and develop financial plans for maintenance, rehabilitation, and replacement.

8.2 Process for Changes:

- Any proposed changes to the program and or inventory list must be documented and submitted to the authorized personnel for review and approval.
- Once approved, changes are implemented and communicated to relevant stakeholders to ensure consistent application across the organization.

8.3 Documentation Retention:

- Retain Change Request Form, attached as Appendix “A”, and associated documentation for audit and compliance purposes. Ensure that records are securely stored and archived according to organizational policies and regulatory requirements.

9. IMPLEMENTATION, REVIEW & REPORTING

9.1 The implementation, review, and reporting for this policy shall be integrated within the Treasury Quarterly reports. Due to the importance of this policy, the organization’s asset management program shall be reported annually during Budget preparation.

Actions	Responsibilities
Asset Management Policy Adoption	Council
Monitor and review infrastructure standards and level of service policies	CAO, Management
Develop and maintain infrastructure strategies including development and service plans	CAO, Management
Develop and maintain asset inventories	CAO, Treasurer, Authorized Personnel
Assess infrastructure condition	Management
Establish and monitor infrastructure replacement using lifecycle costing principles	CAO, Management
Develop and maintain financial plans for the appropriate level of maintenance, rehabilitation, extension and decommissioning of assets	CAO, Treasurer, Management
Report to citizens on the status of the community’s infrastructure, assets and asset management program through Budget presentation and Quarterly Treasury reports.	CAO, Management

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Appendix "A"
Asset Management Program
Change Request Form

Date of Request: _____

Requested By: _____

Department/Division: _____

1) Proposed Action:

Specify the proposed action(s) to be taken. If providing an update or edit, explain why the proposed change is necessary or beneficial, including any anticipated improvements in efficiency, accuracy, or compliance.

- New Asset Addition**
- Updating Asset Inventory** (*new info on existing asset*)
- Editing Asset Information** (*changing info on existing asset*)
- Deleting Obsolete Assets**

2) Description of Change Requested:

Provide a description of the proposed change to the asset management program/inventory, including the reason for the change, its impact, and any relevant background information. Attach any supporting documents, such as invoices, maintenance records, regulatory requirements, or cost estimates.

Financial Tracking: _____

Asset Details: _____

Classifications: _____

Attached Files: _____

Life Cycle: _____

Level of Service: _____

Risk: _____

Condition: _____

Approval:

Name: _____

Title: _____

Date: _____