

Corporate Policies and Procedures			
DEPARTMENT: Finance and Taxation			POLICY #: 4-07
POLICY: Strategic Asset Management			
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VISION:

Our vision to maintain a safe community with sustainable growth, requires alignments of the many initiatives underway in our organization at any given time in order for it to be achieved. This alignment is necessary to properly consider whether the level of service provided by our existing and planned assets is congruent and supports our vision.

GOVERNANCE AND CONTINUOUS IMPROVEMENT:

The Council of the Corporation of the Township of Greater Madawaska is entrusted with the responsibility of overseeing a large range of services provided through a diverse portfolio of assets. Council, having stewardship responsibility, is the final decision maker on all matters related to Asset Management. The Council and the Chief Administrative Officer/Clerk-Treasurer are committed to the success of asset management planning.

Provincial Regulation (O.Reg. 588/17 – Asset Management Planning for Municipal Infrastructure) requires the Township of Greater Madawaska to prepare, and Council to approve a Strategic Asset Management Policy by July 1, 2019 under the *Infrastructure for Jobs and Prosperity Act, 2015, c.15*. This regulation requires that the Township of Greater Madawaska review this policy every five years thereafter.

Within asset management planning, Council is responsible for:

- Approving by resolution the asset management plan and it updates every two years, when feasible;
- Conducting annual reviews of the asset management plan implementation progress on or before July 1 of every year; and
- Supporting ongoing efforts to improve and implement the asset management plan.

The CAO/Clerk-Treasurer is ultimately responsible for asset management planning across the Township of Greater Madawaska and maintaining compliance with the regulation. Managers are responsible for asset management planning activities that fall within their service area and in support of others.

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The budget process is the basis of the Township’s approach for continually improving its methods and adopting appropriate practices. The annual review will be completed in consultation with all managers that are responsible for asset management planning activities that fall within their service area and in support of others. The process will include:

- Progress on ongoing efforts to implement the asset management plan;
- Consideration of asset management policy, including but not limited to:
 - Comprehensive and Accurate Asset Data
 - Condition Assessment Protocols
 - Risk and Criticality Models
 - Lifecycle Management
 - Financial Strategy Development
 - Level of Service Framework
- Any factors affecting the ability of the Township of Greater Madawaska to implement its asset management plan; and
- A strategy to address these factors including the adoption of appropriate practices.

COMMUNITY PLANNING

The Township of Greater Madawaska will align asset management planning with the Province of Ontario’s land use planning framework, including any relevant policy statements issued under section 3(1) of the Planning Act; shall conform with the provincial plans that are in effect on that date, and shall be consistent with the County of Renfrew’s Official Plan.

STRATEGIC ALIGNMENT:

Asset management planning will not occur in isolation from other Township of Greater Madawaska goals, plans, and policies. An integrated approach will be followed to successfully develop practical asset management plans that align with the overarching accountabilities and aspirations of our community. The elements of our asset management planning approach keep us mindful of the goals described in our Strategic Plan, and Purchasing Bylaw, as they influence our Asset Management Plan and Long Term Financial Plan.

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GUIDING PRINCIPALS:

The *Infrastructure for Jobs and Prosperity Act, 2015* sets out key guiding principles for infrastructure priority setting, planning, and investment of the asset management policy and the Township of Greater Madawaska will strive to incorporate the following principles whenever possible.

Forward Looking: The Township of Greater Madawaska will make the appropriate decisions and provisions to better enable its assets to meet future challenges, including changing demographics and populations, council adopted service levels, legislative requirements, technological and environmental factors.

Budgeting and Planning: The Township of Greater Madawaska shall take into account any applicable budgets or fiscal plans, such as fiscal plans released under the following:

1. *Fiscal transparency and Accountability Act, 2004*; and
2. Budgets adopted under Part VII of the *Municipal Act, 2001*.

Prioritizing: The Township of Greater Madawaska shall clearly identify infrastructure priorities which will drive investment decisions. The Township of Greater Madawaska Asset Management Plan utilizes a risk indicator matrix based on a determination of the probability an asset will fail and the consequences of the asset failure.

Transparency: Asset management decisions shall be evidence-based and transparent. Additionally, subject to any prohibitions under an Act or otherwise by law on the collection, use, or disclosure of information, the Township of Greater Madawaska shall:

1. Make decisions with respect to infrastructure based on information that is publicly available or made available to the public; and
2. Share information with implications on infrastructure and investment decisions with the Government and broader public sector entities.

Consistency: The Township of Greater Madawaska shall ensure the continued provision of public services within our community.

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Environmentally Conscious: The Township of Greater Madawaska shall minimize the impact of infrastructure on the environment by:

1. Respecting and helping maintain ecological and biological diversity;
2. Augmenting resilience to the effects of climate change; and
3. Endeavouring to make use of the acceptable recycled aggregates.

Health and Safety: The Township of Greater Madawaska shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.

Community Focused: The Township of Greater Madawaska shall promote community benefits, being the supplementary social and economic benefits arising from an infrastructure project that are intended to improve the well-being of a community affected by the project, such as:

1. Local job creation and training opportunities (including apprentices, with the meaning of section 9 of the *Infrastructure for Jobs and Prosperity Act, 2005*);
2. Improvement of public space within the community; and
3. In co-operation with the County of Renfrew’s Accessibility Advisory Committee, promote accessibility for persons with disabilities.

Innovation: The Township of Greater Madawaska shall create opportunities to make use of innovative technologies, services, and practices particularly where doing so would utilize technology, techniques, and practices developed in Ontario.

Integration: The Township of Greater Madawaska shall where relevant and appropriate, be mindful and consider the principles and content of non-binding provincial or municipal plans and strategies established under an Act or otherwise, in planning and making decisions surrounding the infrastructure that supports them.

CAPITALIZATION THRESHOLDS:

The capitalization threshold policy (4-02 Tangible Capital Assets) developed for financial reporting will be the initial guide in selecting the assets covered by asset management planning processes. However, there are some larger assets that have many sub components that do not, on their own, qualify for capitalization based on a dollar threshold. The service-focus intent of this policy differentiates its requirements for identifying assets from the capitalization threshold which are developed for the purpose of financial reporting. Therefore, additional items may be managed by this policy that are not on the financial assets listings.

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BUDGETING:

The asset management plans and progress made on the plans, will be considered annually in the creation of the Township of Greater Madawaska’s 20 year capital budgets, operating budgets, and long-term financial plans. Managers are responsible to reference the asset management plan for their area in order to:

- Confirm spending needs identified in the plan;
- Verify progress made on the plan to identify potential gaps; and
- Prioritize spending needs, across the gap identified in the plan and recent developments, for the years to be budgeted for.

The budgets prepared by each department will then be processed in accordance with the broader municipal budgeting process.

The Treasurer will be involved in asset management planning to facilitate the bridge between:

- The 20 year capital plans;
- The annual budget submissions of each department;
- The financial strategy developed in the asset management plan(s); and
- The Long Term Financial Plan.

CLIMATE CHANGE:

Climate change will be considered as part of the Township of Greater Madawaska’s risk management approach embedded in local asset management planning methods. This approach will balance the potential cost of vulnerabilities to climate change impacts and other risks with the cost of reducing these vulnerabilities. The balance will be struck in the levels of service delivered through operations, maintenance schedules, emergency response plans, contingency funding, and capital investments. The Township of Greater Madawaska’s contribution to climate change through greenhouse gas emissions will be mitigated in accordance with its local reduction targets, financial capacity, and stakeholder support.