

REFERENCE: Resolution No. 19-142**Subject: Part 13 Asset Management Policy****1.0 Strategic Alignment**

The objective of the policy is to formalize the Municipality's commitment to asset management. It will provide a consistent framework for its implementation and support the Municipality's vision as stated in the Strategic Plan, which includes; a commitment to sustainability reflected in a cohesive thriving municipality, with high quality community services. The asset management planning approach must foster the integration of municipal documents which align with this vision, such as the strategic plan, financial plan and official plan. These plans, along with the adoption of the Province's guiding principles, as listed below, shall be integral in managing the Municipality's infrastructure assets.

- **Forward Looking:** The Municipality shall take a long-term view while considering the future needs of the community.
- **Budgeting and Planning:** The Municipality shall take into account any applicable budgets and long-term fiscal plans.
- **Prioritizing:** The Municipality shall clearly identify infrastructure priorities which will drive investment decisions.
- **Economic Development:** The Municipality shall promote economic competitiveness, productivity, training and job creation.
- **Transparency:** The Municipality shall be evidence based and transparent. Additionally, decisions shall be based on publicly available information, subject to any prohibitions under an act or law.
- **Consistency:** The Municipality shall ensure the continued provision of core public services, such as health care and education.
- **Environmentally Conscious:** The Municipality shall minimize environmental impact from infrastructure by: maintaining ecological and biological diversity; endeavouring to use acceptable aggregates and strengthening resilience to climate change.
- **Health and Safety:** The Municipality shall protect the health and safety of workers involved in the construction and maintenance of infrastructure.
- **Community Focused:** The Municipality shall promote community social and economic benefits.
- **Innovation:** The Municipality shall create opportunities to use innovative technologies, services and practices, particularly those developed in Ontario.
- **Integration:** The Municipality shall where relevant and appropriate, consider the established principles of provincial or municipal plans in making decisions surrounding the infrastructure that supports them.

2.0 Objectives

- To prioritize the acquisition, renewal or replacement of existing and future assets.
- To understand the true cost of services, and assets required to maintain acceptable service levels.
- To exercise prudent financial planning and decision making which will support long term sustainability and effective service delivery.
- To take a proactive and continuous improvement cycle approach to asset management.
- To engage with other infrastructure asset owning agencies such as regulated utilities.
- To leverage partnerships and shared service agreements.
- To provide opportunities for residents and stakeholders served by the Municipality, to offer input in asset management planning.
- To mitigate risks associated with climate change.

3.0 Goals

- Preservation of Municipal infrastructure.
- Reduction of lifecycle costs.
- Service delivery level that is acceptable and financially sustainable.
- Service levels that encourage economic growth.
- Clearly identified priorities, to increase opportunity for Federal and Provincial funding.
- Continuity of Asset Management through staff and political change.

4.0 Roles and Responsibilities

The policy requires the commitment of key stakeholders within the Municipality's organization. The following, details the responsibilities of the key stakeholders within the Municipality of Killarney:

4.1 Council

- Approve by resolution, the asset management plan and its' policy updates every five years.
- Conduct annual review of management plan progress on or before July 1 of every year.
- Identify any factors affecting the ability of the Municipality to implement its' asset management plan.
- Develop a strategy to address these factors including the adoption of appropriate practices.
- Support ongoing efforts to continuously improve and implement the asset management plan.

4.2 Finance

- Assess the funding available to support the asset management plan.
- Build a valid link between the asset management plan and the budgeting process.

4.3 Executive Lead

- Establish the asset management plan and maintain compliance with the regulation.
- Consult with departmental leads.

4.4 Departmental Lead

- Plan asset management activities that fall within the departmental service area and are in support of others.
- Consult with departmental staff.
- Maintain levels of service and track performance measures and asset management progress.

5 Stakeholder Engagement

The Municipality recognizes residents, businesses, institutions, community groups and future generations as stakeholders, and therefore an integral part of the asset management approach. Municipal infrastructure is rarely isolated from other agency's assets, such as energy utilities, rail, provincial roads and neighboring municipalities, to which there is also an obligation for engagement. Accordingly, the Municipality will foster informed dialogue with these parties by:

- Providing opportunities for residents and other stakeholders served by the Municipality, to provide input in asset management planning.
- Coordinating asset management planning with other infrastructure asset owning agencies.

6.0 Budgeting

The asset management plans, and progress made on the plans, will be considered annually in the creation of the Municipality's capital budgets, operating budgets and long-term financial plans. The asset management plans will be referenced by department leads in preparation of their budget submissions in order to:

- Identify all potential revenues and costs, including operating, maintenance, replacement, and decommission, associated with forthcoming asset decisions.
- Evaluate the validity and need of each significant new capital asset, including the impact on future operating costs.
- Prioritize spending needs across identified gaps.

6.1 Water and Wastewater Services

- Financial services, water services and wastewater services personnel will work together to align the financial strategy developed in the asset management plan with the financial plans related to water and wastewater assets. The alignment will stem from a multi-disciplinary team, based on common methods and data.

7.0 Community Planning

Asset management planning will be aligned with the Municipality's official plan and will reflect how the community is expected to change and the related asset impacts. Parties involved in the development of the Asset Management Plan will reference the direction established in the community's official plan, as well as the methods, assumptions and data used in its development. This will ensure that development and redevelopment occur within the Municipality's means, through an understanding of current and future needs, and will align with Ontario's land use planning framework, including any relevant policy statements and provincial plans, as defined in the Planning Act.

8.0 Climate Change

The Municipality commits to the development of tailored actions that makes the best use of its resources to mitigate and adapt to climate change. The risk management approach will be imbedded in asset management planning processes. This approach will balance the potential cost of vulnerabilities to climate change impacts, with the cost of reducing these vulnerabilities. The balance will be struck in the levels of service delivered through operations, maintenance schedules, disaster response plans, contingency funding and capital investments.

9.0 Summary

The Asset Management Plan is a dynamic document which will provide direction in the development of the Municipality's yearly capital budget, operating budget and long-term financial plans, incorporating assets that meet the capitalization threshold. The AM plan and Policy will be posted on the Municipal website and available to any person upon request. The plan will be used as a tool for departmental staff to prioritize and forecast expenditures in preparation of departmental budget submissions. Progress of the plan will be assessed and potential gaps within the plan will be identified, with strategies developed to manage these gaps. Senior management will maintain compliance with the policy and provincial asset management regulations. Council will support ongoing efforts to continually improve and implement the Asset Management Plan in alignment with other Municipal documents and in keeping with the Municipality's vision.

Definitions

1. **Continuously Improve:** recurring activity to enhance performance.
2. **Policy:** intentions and direction of an organization as formally expressed by its' top management.
3. **Stakeholder:** person or organization that can affect, be affected by, or perceive themselves to be affected by a decision or activity
4. **Asset:** item, thing or entity that has potential or actual value to an organization
5. **Asset Management:** coordinated activity of an organization to realize value from assets
Realization of value will normally involve a balancing of costs, risks, opportunities and performance benefits.
6. **Service Level:** parameters, or combination of parameters, which reflect social, political, environmental and economic outcomes that the organization.