	<h2>POLICY</h2>	Policy No: GOV-COR-506
<p><u>Policy Title:</u> CORPORATE ASSET MANAGEMENT</p> <p><u>Policy Type:</u> ADMINISTRATIVE</p> <p><u>Category:</u> Governance</p> <p><u>Sub-Category:</u> Corporate</p> <p><u>Author:</u> Manager, Infrastructure Asset Planning</p> <p><u>Dept/Div:</u> Financial Services, Financial Planning & Asset Management</p>		<u>Approval Date:</u> Click here to enter a date.
		<p><u>Reviewed Date:</u> May 2024</p> <p><u>Next Review Date:</u> May 2029</p> <p><u>Reviewed Date:</u> Click here to enter text.</p>
		<p><u>Last Amended:</u> Click here to enter a date.</p>
		<p><u>Replaces:</u> Click here to enter text.</p>
		<p><u>Repealed:</u> Click here to enter a date.</p> <p><u>Replaced by:</u> Click here to enter text.</p>
<p><u>Related Policies, Procedures and/or Guidelines:</u> Corporate Asset Management Strategy Update O. Reg 588/17 Asset Management Planning For Municipal Infrastructure</p>		

1. POLICY PURPOSE:

Concise, easy-to-understand statement, which explains the objective or philosophy underpinning the policy.

To outline the Corporation's principles and governance models regarding the coordinated approach for the management of municipal assets.

2. DEFINITIONS:

Unusual or specialized language, acronym, jargon or unique application of words.

Asset: Any item, thing or entity that has potential or actual value to the organization. For this policy assets are categorized as core and non-core as shown in the table below.

Core Assets	Non-Core Assets
Water	Facilities
Wastewater	Cemeteries
Stormwater	Parks & Trails
Roads	Parking
Bridges & Culverts	Golf
Gas	Forestry
	Transportation
	Fleet

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Asset Management (AM): A coordinated set of activities to realize optimal value from the organization's assets throughout their lifecycle.

Asset Management Plan (AMP): Document that details how groups of assets are to be managed over their lifespan. The plan describes the characteristics and conditions of infrastructure assets, the levels of service expected from them, planned operational and maintenance actions to help assets provide the expected level of service, and financing strategies to try to implement the planned actions. This document also addresses the impacts and maintenance risks associated with owning the asset.

Asset Management System: A set of processes and procedures that govern how Asset Management is to be implemented.

Level of Service: Defined service for a particular activity or service area against which service performance may be measured. Service levels relate to measures like capacity & use, function, quality & reliability, and financial sustainability.

Lifecycle: The various phases of an asset's life that are identified as; planning and construction, operations, maintenance and disposal. Each phase has its own opportunities, risks, impacts and costs.

Optimization: The City will apply consistent application of practices based on the needs of the asset classes, interventions and operations to achieve sustainability and provide optimum value for the public through the:

- Implementation of a lifecycle approach to managing infrastructure;
- Inclusion of changes that consider and addresses impacts to equity deserving groups;
- Evaluation of risk related to environmental, social and external impacts; and,
- Incorporation of sustainability criteria into infrastructure projects to help ensure a responsible balance between cost, performance, people-centered outcomes and risk.

Subject Matter Expert (SME): Individuals that accumulate knowledge over time in particular fields or topics and have a level of understanding that is broader than just common knowledge. SMEs are an important resource in maintaining or improving municipal processes or assets.

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Sustainable: Achieving or retaining an optimum compromise between performance, costs, and risk of the asset life, while avoiding adverse long-term impacts to the organization from short-term decisions.

Treatment: Any infrastructure improvement activity, including but not limited to maintenance, betterment, renewal, rehabilitation, reconstruction, replacement, lifecycle management activity

3. **SCOPE:**

Statement as to whom the policy applies, as well as exceptions and the ramifications of non-compliance, if any and deemed appropriate to include.

POLICY APPLIES TO THE FOLLOWING:	
<input checked="" type="checkbox"/> All Employees	
<input type="checkbox"/> All Full-Time Employees	<input type="checkbox"/> All Union
<input type="checkbox"/> Management	<input type="checkbox"/> C.U.P.E. 68 Civic
<input type="checkbox"/> Non Union	<input type="checkbox"/> C.U.P.E. 68 Mechanics
<input type="checkbox"/> Temporary	<input type="checkbox"/> C.U.P.E. 791
<input type="checkbox"/> Student	<input type="checkbox"/> I.B.E.W. 636
<input type="checkbox"/> Part-Time Employees	<input type="checkbox"/> K.P.F.F.A.
<input type="checkbox"/> Specified Positions only:	<input type="checkbox"/> Other:
<input type="checkbox"/> Council	<input type="checkbox"/> Local Boards & Advisory Committees

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4. **POLICY CONTENT:**

Policy details, including specific roles and responsibilities relating to the policy.

Guiding Principles

The City's Corporate Asset Management methodology is designed to be an integrated network that will create a systematic framework to critically evaluate municipal infrastructure decisions. The principles in this policy will guide the City in developing an effective approach to managing its assets and deliver optimal value. The City will do it's best to:

1. **Adopt a Lifecycle Approach:** Applying a whole-life methodology for managing infrastructure assets through the various phases of its lifecycle;
2. **Provide Optimal Value:** Balance cost, risk, and performance of assets;
3. **Ensure Sustainability:** Prioritize environmental, and financial outcomes while meeting expected levels of service;

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4. **Develop Service Knowledge:** Asset service levels will be clearly defined and communicated;
5. **Continuously Improve:** Adopt and improve asset management practices and processes throughout the City; and,
6. **Endorse Evidence Based Decisions:** Improve asset optimization by using up-to-date infrastructure information.

Objectives

The City has a social, environmental and fiduciary responsibility to develop a structured method of effectively managing assets on behalf of the public. Significant portions of the City's assets have long lifecycles and are in service for decades. Through the establishment of good asset management practices, the City will critically evaluate the impact of the assets lifecycle to ensure the asset is providing optimum value for the public in a fiscally responsible manner.

The combination of lifecycle analysis, financial sustainability, and risk analysis will be the driver of asset management recommendations. Asset management planning itself will not occur in isolation from other municipal goals, plans, and policies. An integrated approach will be followed to successfully develop practical asset management plans and procedures that align with the overarching accountabilities and aspirations of the community. When working as it should, asset management plans and principles will be integrated into everyday decisions that achieve the goals articulated in other City documents such as the Strategic Plan, Official Plan, Master Plans, and the budget.

In addition to integrating into everyday decisions, as part of its asset management planning, the City is committed to consider the actions that may be required to address the vulnerabilities caused by climate change to the City's infrastructure assets with respect to operations, levels of service, and lifecycle management. This includes, but is not limited to:

- Anticipating the costs related to any vulnerabilities
- Identifying adaptation opportunities to manage the risks associated with vulnerabilities
- Developing mitigation approaches to climate change
- Conducting disaster planning exercises
- Identifying contingency funding

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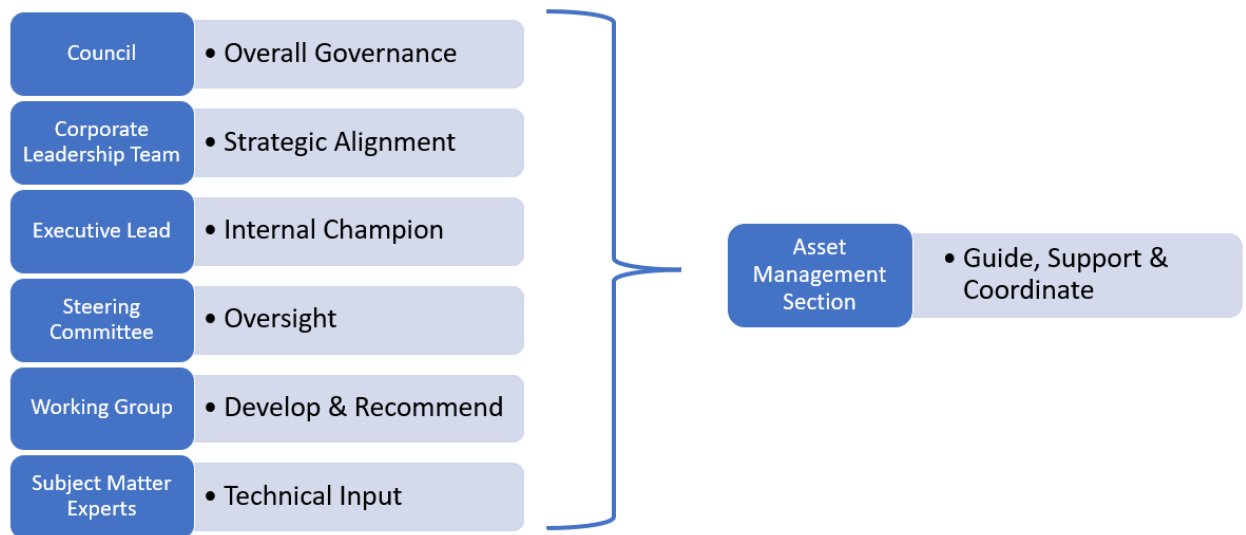
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The objectives of the Corporate Asset Management Program are to:

1. Ensure all legislative requirements and regulatory standards are met.
2. Support the improvement of data-driven decision-making that promotes doing the right thing, to the right asset, at the right time.
3. Establish a set of consistent corporate standards and processes to help optimize how assets are managed throughout their lifecycle including acquisition, maintenance, disposition, and service provision.
4. Develop tools to clearly communicate complex asset management concepts in plain language that can be understood by stakeholders.
5. Achieve continuous improvement in asset management processes related to data quality and related systems, thereby improving forecast reliability.

Roles and Responsibilities

The model described is the internal governance structure to outline the connections and flow of information in regards to the City's AM model.



Council's Role – Overall Governance

1. Approve policies and asset management plans (AMPs).
2. Approve levels of service for different program areas across the City.
3. Approve funding allocations through the City's annual budget process to support desired levels of service.
4. Support ongoing efforts to continuously improve and implement the City's asset management plans.

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Corporate Leadership Team Role – Strategic Alignment

1. Promote alignment between corporate goals and asset management principles.
2. Endorse the asset management policy, AMPs, and any related updates in advance of seeking Council approval.

Executive Lead (CFO) Role – Internal Champion

1. Champion corporate adoption and integration of asset management principles, objectives and practices.
2. Encourage an integrated approach to planning and communication to help ensure asset management goals are achieved.

Asset Management Steering Committee Role - Oversight

1. Steering Committee will be comprised of Directors from the various asset areas included in the AMPs, as well as the Director of Financial Planning & Asset Management, and Manager of Infrastructure Asset Planning.
2. Provide oversight and guidance to asset management issues.
3. Monitor progress towards stated asset management goals.
4. Decide on recommendations for changes to asset management principles, objectives, and practices.
5. Seek approval for adequate staff and financial resources to support asset management goals.
6. Promote corporate adoption and integration of asset management principles, objectives and practices throughout the corporation.

Asset Management Working Group Role – Develop & Recommend

1. Working Group will be comprised of Managers/Supervisors/Technical staff from the various asset areas included in the AMPs, as well as related support divisions (e.g. TIS, ERP Solutions, Financial Planning) and the Manager of Infrastructure Asset Planning.
2. Develop and recommend improvements related to asset management issues.
3. Report progress towards stated asset management goals.
4. Develop asset management principles, objectives, and practices to be applied in specific asset areas.
5. Identify staff and financial resources needs to support asset management goals.
6. Promote adoption and integration of asset management principles, objectives and practices in their respective areas including the value of the activities staff are undertaking and the asset information they are providing.
7. Coordinate with SMEs regarding assets in their area.

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Subject Matter Experts (SMEs) Role – Technical Input

1. Collect and track asset information for assets within their portfolio. This includes but is not limited to asset inventory, condition, estimated service life, treatment strategies, deterioration rates, treatment costs, replacement costs.
2. Help establish and maintain the risk profile and levels of service for assets in their area.
3. Use asset management processes and data to inform decisions in their rehabilitation and replacement prioritization decisions.
4. Apply a full lifecycle perspective when considering the construction or acquisition of assets and development of future capital and operating plans.

Asset Management Section Role – Guide, Support & Coordinate

1. Guide divisions related to asset management principles, objectives and practices and facilitate related skill development.
2. Support the continuous improvement of asset management processes, data, and systems.
3. Coordinate and prepare AMPs and other asset management reports (such as an asset management report card) based on input from SMEs, the AM Working Group, and the AM Steering Committee.
4. Ensure asset management plan information is considered in the development of the municipal budget.
5. The Manager of Infrastructure Asset Planning is the centralized point of contact for asset management and is responsible for the integration of AM principles. They advise the AM Steering Committee, AM Working Group and SMEs.

Other Legislative Requirements

In addition to the preceding content of this policy, the following items are included to comply with legislation.

Capitalization Thresholds

The capitalization thresholds for the City are detailed in the policy FIN-REP-698, Tangible Capital Assets (TCA). Every asset that provides value or has the potential to provide value and connects to the ability to deliver a level of service will be evaluated for inclusion within the appropriate Asset Management Plan. Inclusion will not be based solely on the established TCA capitalization thresholds.

Interrelated Assets

The City is committed to coordinate the planning of asset management for municipal infrastructure connected to other municipalities or jointly-owned municipal bodies.

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Input Into Asset Management Planning

The City is committed to provide opportunities for residents and other interested parties to provide input into the City's asset management planning.

5. HISTORY OF POLICY CHANGES

Administrative Updates

The date (yyyy-mm-dd) and a short annotation on the nature of the change to reflect the current corporate structure i.e. Departmental re-organization / Titling changes / Standing Committee restructuring.

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Formal Amendments

The date of the resolution passed by Council or CLT, for example, "2020-01-20 - As per Council/CLT directive"

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