



The Municipality of Morris-Turnberry Strategic Asset Management Policy

1.0 Purpose

This strategic asset management policy outlines the Municipality of Morris-Turnberry's commitment to asset management planning. The policy establishes a set of guidelines based on technical, social and economic principles for council, management and staff to follow to when making significant infrastructure decisions. This will allow the Municipality to implement plans, define goals and work towards providing the most effective and efficient service delivery to its residents. This strategic asset management policy will meet legislative reporting requirements outlined in Appendix 'A' and be reviewed and updated at least every five years.

2.0 Municipal Alignment & Commitments

The Municipality has developed and adopted a Strategic Plan, Official Plan, Emergency Management Plan, Belgrave Water Financial Plan, Roads & Bridge Needs Study and Multi-Year Accessibility Plan. These plans were designed to meet the legislative requirements and work together to achieve the Municipality's mission of providing effective and efficient service delivery to its' residents. These plans will be reviewed regularly by staff and annual spending requirements in support of the plans' objectives will be incorporated into the budgeting process. In addition the Municipality must adhere to the requirements outlined in the Minimum Maintenance Standards currently in force and any other legislation specific to the Municipality.

The Municipality will incorporate asset management planning into the annual capital budget, operating budget and long-term financial plans. Asset management planning will be used as a resource to identify potential revenues and costs from upcoming infrastructure decisions and to evaluate the need for asset investment.

The Municipality's asset management planning will be aligned with the Municipality's official plan and the 2014 Provincial Policy Statement of the Planning Act, and will reflect how the community is projected to grow and change with respect to development. Cross-referencing these plans will ensure that development occurs within the Municipality's with an understanding of current and future infrastructure requirements.

The Municipality commits to consider the effects caused by climate change and the resulting impact on its infrastructure assets. The Municipality will evaluate the effects of climate change on its operations, levels of service and asset lifecycle management. As part of monitoring the effects of climate change, the Municipality commits to consider adaption opportunities as a way to minimize climate changes' impact on its resources. The Municipality will consider setting greenhouse gas emissions goals and targets and will consider disaster planning and contingency funding.

The Municipality is committed to providing opportunities for residents and other interested parties to provide input into the Municipality's asset management planning. The Municipality is also dedicated to coordinating the planning for asset management, where the Municipality's infrastructure assets are connect or interrelated with the infrastructure assets of the County of Huron or with any neighboring Municipalities and any jointly-owned municipal bodies.

Capitalization Thresholds

The Municipality will develop an asset management plan that incorporates all infrastructure categories and assets that meet established capitalization thresholds as outlined below. Consideration is given to the cost of items purchased in the asset category, the volume of purchases, types of assets and financial statement materiality. Thresholds will also consider asset pooling.

Asset Class	Threshold
Land	\$ 2,000
Buildings	\$ 15,000
Transportation Infrastructure	\$ 15,000
Vehicles & Heavy Equipment	\$ 5,000
Technology & Communication	\$ 1,000
Other General Equipment	\$ 1,000
Furniture & Fixtures	\$ 1,000

Disclaimer: The thresholds numbers are subject to change as deemed appropriate by senior management's professional judgment.

Best Practices

The Municipality will implement continuous improvement protocols and adopt best practices regarding asset management planning, including:

- i. Complete and Accurate Asset Data
- ii. Condition Assessment Protocols
- iii. Risk and Criticality Models
- iv. Lifecycle Management
- v. Financial Strategy Development
- vi. Level of Service Framework

3.0 Roles & Responsibilities

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

1. Council

- i. Approve the asset management policy and direction of the asset management program
- ii. Maintain adequate organizational capacity to support the core practices of the asset management program
- iii. Establish and monitor levels of service

2. Senior Management Team

- i. Provide corporate oversight to goals and directions and ensure the asset management program aligns with the Municipality's strategic plan
- ii. Ensure that adequate resources are available to implement and maintain core asset management practices
- iii. Track, analyze and report on asset management program progress and results

3. Executive Lead (Treasurer)

- i. Provide organization-wide leadership in asset management practices and concepts
- ii. Provide departmental staff coordination
- iii. Coordinate and track asset management program implementation and progress

4. Departmental Staff

- i. Utilize the new business processes and technology tools developed as part of the asset management program
- ii. Participate in implementation task teams to carry-out asset management activities
- iii. Provide support and direction for asset management practices within their department

4.0 Key Principals

The Municipality shall consider the following principles as outlined in section 3 of the Infrastructure for Jobs and Prosperity Act, 2015, when making decisions regarding asset management:

- a. Infrastructure planning and investment should take a long-term view, and decision-makers should take into account the needs of citizens by being mindful of, among other things, demographic and economic trends.
- b. Infrastructure planning and investment should take into account any applicable budgets or fiscal plans.
- c. Infrastructure priorities should be clearly identified in order to better inform investment decisions respecting infrastructure.
- d. Infrastructure planning and investment should ensure the continued provision of core public services, such as health care and education.
- e. Infrastructure planning and investment should promote economic competitiveness, productivity, job creation and training opportunities.
- f. Infrastructure planning and investment should ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.

- g. Infrastructure planning and investment should foster innovation by creating opportunities to make use of innovative technologies, services and practices, particularly where doing so would utilize technology, techniques and practices developed in Ontario.
- h. Infrastructure planning and investment should be evidence based and transparent, and, subject to any restrictions or prohibitions under an Act or otherwise by law on the collection, use or disclosure of information,
 - i. investment decisions respecting infrastructure should be made on the basis of information that is either publicly available or is made available to the public, and
 - ii. information with implications for infrastructure planning should be shared between the Township and broader public sector entities, and should factor into investment decisions respecting infrastructure.
- i. Where provincial or municipal plans or strategies have been established in Ontario, under an Act or otherwise, but do not bind or apply to the Township, as the case may be, the Township should nevertheless be mindful of those plans and strategies and make investment decisions respecting infrastructure that support them, to the extent that they are relevant.
- j. Infrastructure planning and investment should promote accessibility for persons with disabilities.
- k. Infrastructure planning and investment should minimize the impact of infrastructure on the environment and respect and help maintain ecological and biological diversity, and infrastructure should be designed to be resilient to the effects of climate change.
- l. Infrastructure planning and investment should endeavour to make use of acceptable recycled aggregates.
- m. Infrastructure planning and investment should 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 local job creation and training opportunities, improvement of public space within the community, and any specific benefits identified by the community.

APPENDIX 'A'

STRATEGIC ASSET MANAGEMENT POLICY REQUIREMENTS ONTARIO REGULATION 588/17

Strategic asset management policy

3. (1) Every municipality shall prepare a strategic asset management policy that includes the following:

1. Any of the municipality's goals, policies or plans that are supported by its asset management plan.
2. The process by which the asset management plan is to be considered in the development of the municipality's budget or of any long-term financial plans of the municipality that take into account municipal infrastructure assets.
3. The municipality's approach to continuous improvement and adoption of appropriate practices regarding asset management planning.
4. The principles to be followed by the municipality in its asset management planning, which must include the principles set out in section 3 of the Act.
5. The municipality's commitment to consider, as part of its asset management planning,
 - i. the actions that may be required to address the vulnerabilities that may be caused by climate change to the municipality's infrastructure assets, in respect of such matters as,
 - A. operations, such as increased maintenance schedules,
 - B. levels of service, and
 - C. lifecycle management,
 - ii. the anticipated costs that could arise from the vulnerabilities described in subparagraph i,
 - iii. adaptation opportunities that may be undertaken to manage the vulnerabilities described in subparagraph i,
 - iv. mitigation approaches to climate change, such as greenhouse gas emission reduction goals and targets, and
 - v. disaster planning and contingency funding.
6. A process to ensure that the municipality's asset management planning is aligned with any of the following financial plans:
 - i. Financial plans related to the municipality's water assets including any financial plans prepared under the *Safe Drinking Water Act, 2002*.
 - ii. Financial plans related to the municipality's wastewater assets.
7. A process to ensure that the municipality's asset management planning is aligned with Ontario's land-use planning framework, including any relevant policy statements issued under subsection 3 (1) of the *Planning Act*, any provincial plans as defined in the *Planning Act* and the municipality's official plan.
8. An explanation of the capitalization thresholds used to determine which assets are to be included in the municipality's asset management plan and how the thresholds compare to those in the municipality's tangible capital asset policy, if it has one.
9. The municipality's commitment to coordinate planning for asset management, where municipal infrastructure assets connect or are interrelated with those of its upper-tier municipality, neighbouring municipalities or jointly-owned municipal bodies.

10. The persons responsible for the municipality's asset management planning, including the executive lead.
 11. An explanation of the municipal council's involvement in the municipality's asset management planning.
 12. The municipality's commitment to provide opportunities for municipal residents and other interested parties to provide input into the municipality's asset management planning.
- (2) For the purposes of this section,
"capitalization threshold" is the value of a municipal infrastructure asset at or above which a municipality will capitalize the value of it and below which it will expense the value of it. ("seuil de capitalisation")

Update of asset management policy

4. Every municipality shall prepare its first strategic asset management policy by July 1, 2019 and shall review and, if necessary, update it at least every five years.