

Bylaw 2019 – 063

June 2019

***MUNICIPALITY OF
HASTINGS
HIGHLANDS***

***FIN-09 Finance Policy – Strategic
Asset Management***

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Municipality of Hastings Highlands

Policy Type: **Finance**

Policy Number: **FIN-09**

Policy Title: **Strategic Asset Management**

Policy Approval Date: **June 26, 2019**

1.0 Policy Statement

The Municipality of Hastings Highlands is committed to managing Municipal Infrastructure in a fiscally responsible manner that allows the Municipality to achieve its goals, plans and policies.

The Municipality will adhere to the following:

- Develop and maintain inventories of its Municipal Infrastructure;
- Maintain and manage Municipal Infrastructure to support public safety, community well-being and community goals;
- Monitor standards and service levels to ensure that they meet and support the Municipality's goals, plans and policies;
- Establish asset replacement strategies using full-life cycle costing principles;
- Plan financially for the appropriate level of maintenance of assets to deliver service levels and extend the useful life of assets while meeting all statutory requirements; and
- Plan for and provide stable long term funding to replace and/or renew and/or decommission Municipal Infrastructure.

The Municipality's Asset Management Plan will be considered annually in the development of the Municipality's capital budgets, operating budgets and any long term financial plans. The Treasurer will assume the lead role and be responsible for the maintenance of and reporting on the activity related to the management of municipal assets.

The Municipality will align all 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 all municipal official plans.

2.0 Purpose

The purpose of this policy is to establish the Municipality's standards and guidelines for the management of Municipal Infrastructure.

This policy will be an important tool to guide how Council and Staff will interact with the Municipality's corporate documents such as:

- Community Strategic Plan
- Asset Management Plan
- Community Official Plan
- Operational Plans and Budgets

This policy demonstrates an organization-wide commitment to the good stewardship of infrastructure assets, and the adoption of best practices regarding asset management planning.

3.0 Scope

This policy applies to all Municipal Infrastructure that is owned or managed by Hastings Highlands.

4.0 Definitions

“Asset Management Plan” means a comprehensive plan that states how a group of assets are to be managed over a period of time. The plan describes the characteristics and condition of infrastructure assets, the levels of service expected from them, planned actions to ensure the assets are providing the expected level of service, and financing strategies to implement the planned actions.

“Capitalization Thresholds” means the Municipality's Strategic Asset Management Policy applies to all assets whose role in service delivery requires deliberate management by the Municipality. The Service-focus intent of this policy differentiates its requirements for identifying assets from the capitalization thresholds which are developed for the purposes of financial reporting. For this reason, the capitalization threshold developed for financial reporting will not be the guide in selecting the assets covered by the asset management planning process.

“Municipal Infrastructure” means municipal tangible capital assets primarily for public use or benefit in Ontario.

5.0 Asset Management Objectives

The Municipality of Hastings Highlands will strive to incorporate the following objectives whenever possible into the day to day operation of the Municipality.

Forward Looking

The Municipality shall take a long-term view while considering demographic and economic trends in the region.

Budgeting and Planning

The Municipality shall take into account any applicable budgets or financial plans when making decisions regarding Municipal Infrastructure.

Prioritizing

The Municipality shall clearly identify infrastructure priority infrastructure needs that will drive investment decisions.

Economic Development

The Municipality shall promote economic competitiveness, productivity, job creation, and training opportunities.

Transparency

The Municipality shall be evidence-based and transparent. Additionally, subject to any prohibition under an Act or otherwise by law on the collection, use, or disclosure of information, the Municipality shall make decisions with respect to Municipal Infrastructure based on information that is publicly available or made available to the public and share information with implications on infrastructure and investment decisions with the Government and broader public sector entities.

Consistency

The Municipality shall ensure the continued provision of core public services.

Environmental Conscious

The Municipality shall minimize the impact of infrastructure on the environment by respecting and helping maintain ecological and biological diversity, by augmenting resilience to effects of climate change and by endeavouring to make use of acceptable recycled aggregates.

Health and Safety

The Municipality shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.

Community Focused

The Municipality 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 local job creation and training opportunities, improvement of public spaces within the community, and promoting accessibility for persons with disabilities.

Innovation

The Municipality 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.

Climate Change

The Municipality shall consider climate change as part of the Municipality's risk management approach embedded in local asset management planning methods. This approach will balance the potential cost of vulnerabilities to climate change impact 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, disaster response plans, contingency funding, and capital investments. The Municipality will continue to work with stakeholders in the area and region regarding climate change mitigation and adaptation.

Disaster Response

The Municipality shall consider disaster response planning practices in an effort to minimize risks to Municipal Infrastructure. This includes contingency funding available should there be a need.

6.0 Responsibilities

a. Council

Council on behalf of the citizens will be entrusted with the responsibility of overseeing the management of the Municipal Infrastructure. They will approve any Asset Management Planning documents. They will review staff's implementation of the plan as part of the annual budget process.

b. Staff

Staff will oversee the policy implementation and ensure both the Asset Management Plan and the Strategic Asset Management Policy is in compliance with Provincial Asset Management regulations. Staff will ensure that current year and long range asset requirements are incorporated into the budget presented to

Council annually. Management will update the Policy and Plan to reflect changes as needed and present them for Council approval. These changes will include those reflected in the updates to documents such as the Roads Needs Study, Structural Assessment Reports, and all other condition assessments commissioned for assets covered by the plan.

c. Stakeholders

The Municipality recognizes the need for stakeholder input into the planning process and will foster informed dialogue using the best available information.

7.0 Legislative and Administrative Authorities

Ontario Regulation 588/17 Asset Management Planning for Municipal Infrastructure under the *Infrastructure for Jobs and Prosperity Act, 2015*.

8.0 Policy Review

Council shall review this policy at least every five years and update it, as necessary.