

Policy: Strategic Asset Management

Main Contact: Treasurer

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Legislative Authority

Provincial Regulation (*O.Reg. 588/17 – Asset Management Planning for Municipal Infrastructure*) requires the Town of Renfrew to prepare, and for Council to approve, a Strategic Asset Management Policy by July 1, 2019 under the *Infrastructure for Jobs and Prosperity Act, 2015, S.O. 2015, c.15*.

This regulation requires the Town of Renfrew to review this policy every five years thereafter.

Vision

Our vision is to maintain a safe community with sustainable growth, requires alignment 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.

Responsibility

The Council of the Town of Renfrew 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. Council and the Senior Management Team are committed to the success of asset management planning.

Within asset management planning, Council is responsible for:

- Approving by resolution the asset management plan and its updates every five years;
- 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 Senior Management Team is ultimately responsible for asset management planning across the Town and maintaining compliance with the regulation, as well as for asset management planning activities that fall within their service area and in support of others.

The budget process is the basis of the Town's approach for continually improving its methods and adopting appropriate practices. The annual review will be completed in consultation with the Finance Committee and it will include:

- progress on ongoing efforts to implement the asset management plan;
- consideration of the Asset Management Policy;
- any factors affecting the ability of Town to implement its asset management plan;
- consultation with Senior Managers; and
- a strategy to address these factors including the adoption of appropriate practices.

Strategic Alignment

Asset management planning will not occur in isolation from other goals, plans and policies of the Town of Renfrew. An integrated approach will be followed to successfully develop practical asset management plans that align with the overarching accountabilities and aspirations of the community. The elements of our

asset management planning approach keep us mindful of the goals described in our Official Plan and Purchasing Policy, as they influence our Asset Management Plan and our long term financial planning.

Guiding Principles

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 Town of Renfrew will strive to incorporate the following principles whenever possible.

- a) **Forward Looking:** the Town of Renfrew 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.
- b) **Budgeting and Planning:** the Town of Renfrew shall take into account any applicable budgets or fiscal plans, such as fiscal plans released under the following:
 - i) *Fiscal Transparency and Accountability Act, 2004*; and
 - ii) budgets adopted under Part VII of the *Municipal Act, 2001*.
- c) **Prioritizing:** the Town of Renfrew shall clearly identify infrastructure priorities which will drive investment decisions. The Town of Renfrew Asset Management Plan utilizes a risk indicator based on a determination of the probability an asset will fail and the consequences of the asset failure.
- d) **Economic Development:** the Town of Renfrew shall promote economic competitiveness, productivity, job creation, and training opportunities.
- e) **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 Town of Renfrew shall:
 - i) make decisions with respect to infrastructure based on information that is publicly available or made available to the public;
 - ii) share information with implications on infrastructure and investment decisions with the Government and broader public sector entities.
- f) **Environmentally Conscious:** the Town of Renfrew shall minimize the impact of infrastructure on the environment by:

- i) respecting and helping maintain ecological and biological diversity;
 - ii) augmenting resilience to the effects of climate change; and
 - iii) endeavouring to make use of acceptable recycled aggregates.
- g) **Health & Safety:** the Town of Renfrew shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
- h) **Community Focus:** the Town of Renfrew 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:
- i) local job creation and training opportunities (including for apprentices, within the meaning of section 9 of the *Infrastructure for Jobs and Prosperity Act, 2015*);
 - ii) improvement of public space within the community; and
 - iii) promote accessibility for persons with disabilities.
- i) **Innovation:** the Town of Renfrew 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.
- j) **Integration:** the Town of Renfrew 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 developed for Tangible Capital Assets for financial reporting will be the initial guide in selecting the assets covered by asset management planning process. 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 thresholds which are developed for the purposes of financial reporting. Therefore, additional items may be managed by this policy that is not also on the financial asset listings.

Budgeting

The asset management plans and progress made on the plans will be considered annually in the creation of the Town of Renfrew's 10-year capital budgets, operating budgets, and long-term financial plans. Senior 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 10-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

Community Planning

The Town of Renfrew 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 Town of Renfrew's Official Plan.

Climate Change

Climate change will be considered as part of the Town of Renfrew'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 Town of Renfrew's contribution to climate change

through greenhouse gas emissions will be mitigated in accordance with its local reduction targets, financial capacity, and stakeholder support.

Stake Holder Engagement

The Town of Renfrew will coordinate planning for interrelated municipal capital infrastructure assets and projects by pursuing collaborative opportunities with neighbouring and local municipalities and regulated utilities wherever viable and beneficial.

Contact

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Change History

Policy Name	Effective Date	Significant Changes	By-law No.
Strategic Asset Management	June 25, 2019	N/A	N/A