



The Municipality of the
VILLAGE OF BURK'S FALLS

172 Ontario Street • PO Box 160 • Burk's Falls ON P0A 1C0
P 705-382-3138 • F 705-382-2273 • www.burksfalls.net

STRATEGIC ASSET MANAGEMENT POLICY

1. Background:

The Corporation of the Village of Burk's Falls is committed to providing service to residents in a fiscally responsible manner that supports a healthy and vibrant community. With this commitment in mind, assets must be managed in a way that allows the Village to achieve its goals, plans and policies. Asset Management can be described as an integrated business approach within an organization that aims to minimize the lifecycle costs of owning, operating and maintaining assets at an acceptable level of risk, while delivering continuous established levels of service for present and future stakeholders. Infrastructure can be prioritized over time, ensuring Village assets are maintained while minimizing repair and rehabilitation costs.

The Village of Burk's Falls is responsible for the maintenance and operation of net book value assets totalling \$21.4 million (2018). These assets are critical for the delivery of service levels expected by the residents of the Village of Burk's Falls.

2. Purpose:

The purpose of this policy is to establish consistent standards and guidelines for the management of the Village's assets applying sound technical, social and economic principles that consider present and future needs of users, and the service expected from the assets. This means leveraging the lowest total lifecycle cost of ownership with regard to the service levels that best meet the needs of the municipality while being cognizant of the risk of failure that is acceptable. The standards and guidelines must adhere to the following:

Statutory Requirements

The Infrastructure for Jobs and Prosperity Act, 2015 sets out principles to guide asset management planning in Ontario municipalities. The Village of Burk's Falls will strive to incorporate the following principles whenever possible into day to day operations of the Village:

- **Forward looking:** The Village shall take a long-term view while considering demographic and economic trends in the region;
- **Budgeting and planning:** The Village shall take into account any applicable budgets or fiscal plans, such as fiscal plans released under the Fiscal Transparency and Accountability Act, 2004 and Budgets adopted under Part VII of the Municipal Act, 2001.
- **Prioritizing:** The Village shall clearly identify infrastructure priorities which will drive investment decisions.
- **Economic development:** The Village shall promote economic competitiveness, productivity, job creation, and training opportunities.



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- **Transparency:** The Village shall be evidence-based and transparent, basing required decisions on publicly shared information and make such information available to the public.
- **Consistency:** The Village shall ensure the continued provision of core public services.
- **Environmentally conscious:** The Village 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 Village shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
- **Community focused:** The Village 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, improvements of public spaces within the municipality, and promoting accessibility for persons with disabilities.
- **Innovation:** The Village 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.
- **Integration:** The Municipality 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.

Existing Plans and Policies

The Village has developed a Strategic Plan, an Official Plan, an Emergency Plan, a Multi-year Accessibility Plan, a Community Improvement Plan, Building Conditioning Studies, Downtown Revitalization Plan, Waterfront Mater Plan, an Energy Plan and an Asset Management Plan. These plans were designed to meet the legislative requirements and work together to achieve the Village's mission of providing innovation and excellence in service delivery. Annual spending requirements in support of the plans' objectives will be incorporated into the budgeting process.

All of the Village's plans rely to some extent on the physical assets owned by the Village and the commitment of staff to ensure their strategic use. This includes the long-term maintenance, repair and replacement of existing assets along with the acquisition of new assets to meet the evolving needs in the Village.



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3. Scope and Responsibility:

- (a) This policy will apply to all Village Tangible Capital Assets (TCA) as identified in the Asset Management Plan;
- (b) The Treasurer will assume the lead role and be responsible for the maintenance of the Plan and reporting on the activity related to the management of Village assets.
- (c) All Department Heads will assist in this task through the utilization of condition assessment information and service level requirements to update the long and short-term asset requirements.
- (d) Council shall approve the Policy and Plan and commit to a 5-year review of such items.

4. Definitions:

In this policy, the following definitions are used:

- a) **Asset-** an item, thing or entity that has potential or actual value to an organization.
- b) **Asset Management-** A systematic process to guide the planning, acquisition, operation and maintenance, rehabilitation and disposal of Assets. Its objective is to maximize asset service delivery potential, manage related risks and minimize costs of ownership while delivering acceptable levels of service to the public in a sustainable manner.
- c) **Asset Management Plan -** A strategic document 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 these assets, planned actions to ensure the assets are providing the expected levels of service, and financing strategies to implement the planned actions.
- d) **Asset Management System-**A set of interrelated and interacting elements of an organization used to affect the Asset Management Policy, objectives and processes to achieve those objectives. Elements that can make up the Asset management System can include documents, procedures, tools, data and assets.
- e) **Capitalization Thresholds -**The Village's Asset Management Policy applies to all assets whose role in service delivery requires deliberate management by the Village. 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.
- f) **Infrastructure-** means the municipal tangible assets primarily for public use or benefit in Ontario.



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- g) **Level of Service**-Parameters, or combination of parameters, which reflect social, political, environmental and economic outcomes that the organization delivers. Parameters can include but are not necessarily limited to, safety, customer satisfaction, quality, quantity, capacity, reliability, responsiveness, environmental acceptability, cost and availability.

5. Guiding Principles:

The policy requires the commitment of key stakeholders within the Village's organization to ensure the policy contains a clear plan that can be implemented, reviewed and updated.

Council, on behalf of the citizens, will be entrusted with the responsibility of overseeing the management of the assets. They will approve the Asset management Planning documents and required updates every five years. They will review management's implementation of the plan as part of the annual budget process. They will support efforts to improve the plan and ensure it includes changes necessitated by updates to other Village strategic documents.

Management will oversee the policy implementation and ensure both the Asset Management Plan and the Asset Management Policy are in compliance with Provincial Asset Management regulations. Management 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 at least every five years. These changes will include those reflected in the updates to the Road Needs Study, Structural Assessment Reports and all other condition assessments commissioned for assets covered by the plan.

6. General Policy:

The asset management plans and progress made on the plans will be considered annually in the development of the Village's capital budgets, operating budgets and long-term financial plans.

Department heads and service personnel will reference the Asset Management Plan for their area(s) in order to access forecasted 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 year to be budgeted for.

Finance staff will be involved in the asset management planning process to coordinate the information from department heads and service personnel in the preparation of the budget submission.

Climate change will be considered as part of the Village's risk management approach embedded in local asset management 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 Village will continue to work towards climate change mitigation and adaptation.



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7. Consultation:

The Village recognizes the need for stakeholder input into the planning process and will foster informed dialogue using the best available information. Examples of stakeholder engagement include providing residents, businesses and institutions within its boundaries along with partners such as neighbouring municipal bodies, provincial agencies and regulated utilities input and coordination in asset management planning, where applicable. Consultation will also be provided through the annual budget process.
