

THE TOWN OF PLYMPTON-WYOMING			
Subject:	Strategic Asset Management Policy	Section Finance	Policy #83
Effective Date:	June 12, 2019	Approved By: Norma Roddick-Preece	
Revision Date:	October 21, 2024		

PURPOSE

The Town of Plympton-Wyoming recognizes the importance of managing capital assets consistently and strategically to support the delivery of sustainable community services.

This policy aims to:

- Establish a structured framework for asset management that ensures consistency and promotes evidence-based decision-making for the long-term care of municipal assets, supporting sustainable service delivery for the community.
- Ensure transparency and accountability in decision-making by aligning strategic plans, budgets, lifecycle costs, service levels, and risk management. This approach demonstrates legitimacy to community stakeholders and fosters informed participation.
- Provide clear guidance to staff involved in asset management, ensuring their efforts are consistent with the strategic objectives of the Council and align with the overall asset management plan.

POLICY

Definitions

In this policy the following definitions are used:

- **Asset Management Plan (AMP):** A strategic document that outlines how municipal assets will be managed over time, detailing asset characteristics, conditions, service levels, planned actions, and financing strategies.
- **Capitalization Threshold:** The minimum asset value for capitalizing municipal infrastructure assets, with lower-value assets expensed instead.
- **Level of Service (LoS):** The 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.

- **Lifecycle Activities:** Activities undertaken with respect to a municipal infrastructure asset over its service life, including constructing, maintaining, renewing, operating and decommissioning and all engineering and design work associated with those activities.
- **Lifecycle Costs:** The total cost of ownership over the life of an asset. This may include but is not limited to capital costs, operating costs, maintenance costs, renewal costs, replacement costs, environmental costs and user delay.
- **Sustainable:** Meeting current needs without compromising the ability of future generations to meet their own, while balancing environmental, economic, and social considerations.
- **Tangible Capital Asset** - Non-financial assets with physical substance that are acquired, constructed or developed, including land, land improvements, roads, water and wastewater lines, storm sewer lines, buildings, vehicles, equipment, and other capital assets acquired by capital lease or through donation.

Alignment with Plans and Policies

The Town has developed and adopted a Strategic Plan, an Official Plan, an Emergency Management Plan, a Community Improvement Plan, and an Asset Management Plan. These plans were designed to meet the legislative requirements and will be reviewed regularly and incorporated into the budgeting process to ensure efficient delivery of municipal services.

The Town will ensure that asset management planning is aligned with any financial plans prepared under the Safe Drinking Water Act, 2002 and with plans related to the water and wastewater capital assets.

The Town will align all asset management planning with the Province of Ontario's land-use planning framework. This includes relevant policy statements issued under section 3(1) of the *Planning Act*, provincial plans as defined by the *Planning Act*, and all municipal and county official plans.

Policy Statement

To guide the Town, the following policy statements have been developed:

1. The Town will develop and maintain an Asset Management Plan (AMP) for all municipal tangible capital assets, adhering to capitalization threshold guidelines. The AMP and Strategic Asset Management Policy (SAMP) will be reviewed and updated every five years.
2. The Town will continuously enhance asset management practices to improve planning, decision-making, and resource allocation.
3. The AMP will be reviewed and considered annually in the development of the Town's capital budgets, operating budgets, and long-term financial plans. This includes the development of financial plans that determine the level of funding required to achieve short-term operating and maintenance needs, in addition to long-term funding needs to replace and/or renew municipal capital assets.
4. The Town will implement asset management practices that focus on minimizing lifecycle costs while achieving desired service levels and managing risk.
5. The Town will integrate climate change considerations into asset management, assessing both the costs of potential climate impacts and opportunities for adaptation and mitigation.
6. The Town will coordinate planning for connected or interrelated municipal infrastructure assets by pursuing collaborative opportunities with upper-tier municipalities, neighbouring municipalities and jointly-owned municipal bodies wherever viable and beneficial.
7. The Town will provide opportunities for public input and engagement in asset management planning processes.

Responsibility

The **Treasurer** will take the lead in managing and reporting on all activities related to the Town's assets. This includes overseeing the implementation of the Strategic Asset Management Policy (SAMP) and the Asset Management Plan (AMP), ensuring both are compliant with relevant regulations.

The **Director of Public Works** and **Department Managers** will contribute to updating the AMP by providing condition assessment data and service level requirements. They will also be responsible for offering detailed information regarding the acquisition, disposal, or sale of municipal assets. Management will ensure that all asset-related needs are incorporated into the Town's budget, with any required updates to the AMP and SAMP presented to Council.

Each departmental budget request will be prepared by the **Director of Public Works** and/or **Department Managers**, who will submit the budgets for review and evaluation by both the CAO and the Treasurer as part of the Town's annual budget preparation process.

The **Chief Administrative Officer** will work closely with the Treasurer to guide the overall asset management strategy and ensure that it aligns with the Town's broader organizational goals and objectives. The CAO will also play a key role in evaluating departmental budget submissions and coordinating asset management priorities across departments.

Council will oversee the management of the Town's assets, reviewing and approving updates to the AMP and SAMP every five years. Council will monitor the implementation of these plans during the annual budget process and support continuous improvements to asset management practices.

Stakeholder Engagement

The Town acknowledges that engaging with stakeholders is essential for effective asset management. The Town will:

- Create opportunities for residents, businesses, and other stakeholders to provide input on asset management planning.
- Coordinate asset management efforts with other infrastructure owners, such as neighboring municipalities, internal departments, and critical service providers.

Asset management practices will reflect the expectations of stakeholders, including ratepayers and regulators, while supporting the Town's broader organizational goals and strategies.

Budgeting

The Town will shift from a departmentalized budgeting process to a unified, cross-departmental prioritization system aligned with organizational goals. Asset management planning will inform both Capital and Operating budgets, as well as long-term financial planning.

The budgeting process will include:

- Identifying potential revenues and costs for infrastructure asset decisions (Planning & Acquisition, Operations & Maintenance, Improvement & Replacement, Disposal).
- Integrating asset management strategies into decision-making.
- Evaluating new capital assets using lifecycle costing and risk assessment.
- Prioritizing and ranking projects based on risk and cost-benefit analysis.
- Recommending high-priority projects within financial thresholds.
- Exploring alternative funding strategies and revenue tools.
- Aligning asset management plans with Levels of Service (LoS) targets and associated costs.

The Finance Department will coordinate asset needs with financial planning for budget preparation. The Water Financial Plan will guide water system user fees and operational requirements to ensure budget compliance.

Infrastructure Planning Principles

The *Infrastructure for Jobs and Prosperity Act, 2015* sets out principles to guide asset management planning in municipalities in Ontario. The Town of Plympton-Wyoming will strive to incorporate the following principles whenever possible into the day-to-day operation of the Town:

- **Forward looking:** The Town shall take a long-term view while considering demographic and economic trends in the area.
- **Budgeting and planning:** The Town shall consider any applicable budgets or fiscal plans, such as fiscal plans released under the *Fiscal Sustainability, Transparency and Accountability Act, 2019* and budgets adopted under Part VII of the *Municipal Act, 2001*.

- **Prioritizing:** The Town shall clearly identify infrastructure priorities which will drive investment decisions.
- **Consistency:** The Town shall ensure the continued provision of core public services.
- **Economic development:** The Town shall promote economic competitiveness, productivity, job creation, and training opportunities.
- **Health and safety:** The Town shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
- **Transparency:** The Town 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 Town shall make decisions with respect to 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.
- **Reliability:** The Town shall ensure the continued provision of core public services, including those provided by broader public sector entities, such as health care and education.
- **Environmental conscious:** The Town 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.
- **Community focused:** The Town shall promote community benefits, being the supplementary social and economic benefits arising from an infrastructure project that is 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 and Continuous Improvement:** The Town shall create opportunities to make use of innovative technologies, services and practices, particularly when doing so would utilize technology, techniques, and practices developed in Ontario.
- **Integration:** The Town shall be mindful and consider the principles and content of non-binding provincial or municipal plans and strategies established under an Act or otherwise when planning and making decisions surrounding the infrastructure that supports them.
- **Risk-based:** The Town will monitor, and address risk associated with asset failure by focusing resources, expenditures, and priorities based upon risk assessments and the corresponding cost/benefit. Lifecycle costing and risk analysis processes will be consistently applied when evaluating competing asset

investment needs across asset types. This approach will facilitate prioritization and optimization of capital investment in the Town’s assets.

- **Value-based and affordable:** The Town will choose practices, interventions and operations that minimize costs of asset ownership and service delivery, while satisfying agreed levels of service. Decisions will be based on balancing service levels, risks, and costs to ensure assets are sustainable and appropriate for use.

PROGRAM HISTORY

REVISION	DATE	PREPARED BY