



CORPORATE POLICY MANUAL

Policy Name: Asset Management Policy	Policy Number: CP-2025-02
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Purpose

Strategic municipal asset management involves the challenge of planning and investing in municipal infrastructure assets, while ensuring sound stewardship of public resources and delivering valued customer services. The purpose of this policy is to affirm the Town of Midland commitments in asset management through defined principles and processes, and to align and integrate asset management into strategic planning processes and long-term financial planning. This will help identify and prioritize investments in existing and future infrastructure assets, as the town continues its efforts to maintain assets in a safe, efficient, and effective manner, capable of supporting the level of service desired by the community.

Policy Statement

Pursuant to Ontario Regulation 588/17, the Town of Midland makes the following commitments:

1. Manage assets over the entire lifecycle to ensure the long-term sustainability of its services is achieved in the most fiscally responsible manner possible for current and future generations.
2. Optimizing asset value while minimizing lifecycle costs
3. Managing risks to service delivery.
4. Commitment to address vulnerabilities caused by climate change and to undertake necessary adaptation and mitigation approaches.
5. Committing to continual improvement of the asset management program.

Definitions

For the purposes of this policy:

Assets – physical components of a system that enables a service or services to be provided.

Asset Management – an integrated business approach involving all departments to effectively manage existing and new infrastructure to maximize benefits, reduce risk

and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner.

Engineered Assets – the designed and constructed components of infrastructure systems. For example, roads, sewer & water infrastructure.

Level of Service – specific parameters that describe the extent and quality of services provided. Levels of service link an asset's performance to target performance goals.

Lifecycle – the service life of an asset; the time from its first use until it is no longer able to be used. This can be measured in days or years and can take into account factors like age, regular maintenance, preventative maintenance and manufactures expected life.

Natural Assets – natural resources relied on for critical services, community function and overall well-being. Natural assets include rivers and creeks, foreshore areas, wetlands, forests and aquifers. Examples of services and benefits include flood protection, drainage and rainwater attenuation, water treatment and storage, recreation and air quality regulation.

Scope

The scope of this policy applies to all municipal infrastructure assets or asset systems (including natural assets) owned by the Town of Midland, as defined in Ontario Regulation 588/17, Asset Management Planning for Municipal Infrastructure.

Guidelines and Practices

The Policy shall be implemented by staff to meet Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure. Using accepted industry guidelines and practices such as Ontario Building together – Guide for municipal asset management plans and ISO 5500 – International Standard for Asset Management.

An Asset Management plan will be developed for specific asset classes and will outline long-term goals, processes and steps toward how they will be achieved. All assets included in the plan will meet the thresholds outlined within the municipalities Tangible Capital Asset Policy. The asset management plan will be based on current inventories and condition (acquired or derived), projected asset performance, remaining service life and consequence of failure. The plan will reflect replacement portfolios and associated financial plans while considering alternative scenarios and risks.

Policy

The following principles support sustainable and resilient decision making and help ensure Asset Management decisions reflect a long-term approach.

- 1) Service Delivery – The municipality will strive to:
 - a. Manage and maintain assets sustainably to meet defined Levels of Service that balance customer expectations with risk, affordability and time considerations;
 - b. Comply with all relevant legislative, regulatory and statutory requirements;
 - c. Ensure that decisions regarding the need for new or replacement assets are made with appropriate due diligence and that these needs are evaluated with a focus on service delivery;
 - d. Implement an Asset Management system that incorporates risk-based and information driven decision-making frameworks that appropriately consider the potential impacts of asset failure on ongoing service delivery.
- 2) Long term sustainability and Resilience - The municipality will strive to:
 - a. Manage assets to deliver services that are sustainable and that meet the anticipated challenges of legislative requirements, climate change impacts and needs of future generations;
 - b. Consider social, cultural, environmental and economic factors and implications when making and implementing asset management decisions;
- 3) Integrated Decision Making:
 - a. Ensure decisions are made collaboratively and consider all lifecycle stages and the interrelationships between asset, operational and overall service performance;
 - b. Implement sustainable asset management principles and practices across all departments and service areas by adopting a formal, consistent and repeatable approach to the management of its assets that will ensure services are provided in the most efficient and effective manner for its intended application.
- 4) Fiscal Responsibility - The municipality will strive to:
 - a. Evaluate asset investment decisions based on consideration of the lifecycle costs and revenues associated with managing those assets
 - b. Develop prioritized capital investment plans that reflect accepted levels of service and other strategic objectives.
 - c. Recognize that there are constantly changing financial constraints and challenges that surround all services and assets and that asset management practices must be proactive and responsive to changing environments.
- 5) Innovation and Continual Improvement – the Municipality will strive to:
 - a. Monitor and periodically review the effectiveness of asset management processes and the wider asset management system in supporting the delivery of strategic objectives and will make adjustments as required;

- b. Review the asset management policy in conjunction with its review of the asset management plan, every 5 years.

Integrated and Systematic Approach

The town will comply with asset reporting requirements and integrate programming throughout the town's lines of business, with references and recommendations between corporate documents. Where possible and appropriate, staff will consider this policy and integrate it in the development of corporate documents such as;

- Corporate Strategic Plan
- Capital budget plan
- Climate Change Adaptation plan
- Operational Plans and Budgets
- Emergency Management
- Infrastructure Servicing, management and replacement plans (Water Master Plan)

Commitment & Responsibility

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

Council – approve asset management policy, articulate community values and define priorities, approve funding and resources to implement the asset management policy and associated requirements and, approve asset funding through multi-year and long-range financial plans.

Senior Leadership Team – responsible for communicating land-use or master plans, forecasts, policies and other planning or financial commitments related to municipal infrastructure assets.

Finance – responsible for the implementation of Corporate Asset Management including development of Asset Management strategies, policies, plans and procedures for the Corporation. Responsible for ensuring the town complies with Ontario Regulation 588/17 including regularly reporting to senior leadership team, the Mayor and Council on effectiveness of the program.

Review Cycle

This policy will be reviewed once every five years as per O.Reg 588/17.