

# STRATEGIC ASSET MANAGEMENT POLICY

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## 1.0 BACKGROUND & PURPOSE

In 2015, the Province of Ontario established the *Infrastructure for Jobs and Prosperity Act*. The purpose of this Act is to establish mechanisms to encourage principled, evidence-based and strategic long-term infrastructure planning that supports job creation and training opportunities, economic growth, protection of the environment, and incorporate design excellence into infrastructure planning.

In December 2017, *Ontario Regulation 588/17 Asset Management Planning for Municipal Infrastructure* (O. Reg. 588/17) was passed under the *Infrastructure for Jobs and Prosperity Act*. The regulation aims to provide a more standardized framework to facilitate asset management planning for Ontario municipalities. One of the requirements of the regulation is to develop a Strategic Asset Management Policy (SAMP) which will help municipalities document the relationship between their Asset Management Plan (AMP) and existing policies and practices as well as provide guidance for future capital investment decisions. Municipalities are mandated to have a Strategic Asset Management Policy in place by July 1<sup>st</sup> 2019 and be updated at least every 5 years. As such, this policy aims to provide a framework for asset management planning in Faraday and to meet O. Reg. 588/17 requirements.

### 1.1 Purpose

The purpose of this policy is to provide the Municipality with clear guidelines and processes to achieve the following asset management objectives:

- Align Asset Management Plan with existing and future plans and policies to inform capital investment decisions.
- Ensure the Asset Management Plan is incorporated into the following municipal processes:
  - Annual budgeting; and
  - Financial plans.
- Integrate asset management planning that:
  - Aligns with Ontario land-use planning framework;
  - Co-ordinates infrastructure planning with municipal neighbours and upper levels of government;
  - Provides opportunity for Faraday residents to give input on asset management matters; and
  - Incorporates long-term planning for climate change mitigation and adaptation where possible.

# Municipality of Faraday Strategic Asset Management Policy

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## 1.2 Guide to the Municipality's Strategic Asset Management Policy

Each section of the Strategic Asset Management Policy (SAMP) outlines the Municipality's commitments in order to achieve policy objectives set out in Ontario Regulation 588/17. For purposes of clarity and ease, SAMP policies have been provided in orange boxes, while action items required to complete the policies are found in blue boxes.

It is important to note, the SAMP provides the Municipality with high level guiding principles of asset management, it does not address infrastructure needs and long-term funding strategies. The Asset Management Plan (AMP) on the other hand contains technical information on the state of current infrastructure, levels of service, maintenance strategies, long-term capital needs and funding strategy scenarios. The AMP document is also complemented by a financial model for staff use and the document will be issued under separate cover. Both the SAMP and AMP are important tools intended to further inform the Municipality's decision-making process.

## 2.0 ALIGNMENT WITH MUNICIPAL POLICIES

The Municipality's Asset Management Plan is intended to be a tool to help guide capital investment decisions and optimize service delivery. The AMP should therefore be in alignment with other municipal policies and strategic objectives.

### 2.1 Purpose of the Asset Management Plan (AMP)

The AMP provides Council and staff with a long-term guide to inform capital investment decisions, an important component to deliver responsible government. The AMP documents the information needed for the Municipality to make evidence based infrastructure budgeting decisions and is intended to be a technical document which includes:

- Condition of infrastructure assets;
- Current and target levels of service of the Municipality's infrastructure;
- Planned actions to ensure assets are providing the expected levels of service;
- Long-term capital and financial needs; and,
- Funding strategy scenarios to implement planned actions and address capital needs.

The AMP is a tool to complement the budget process and is a living document which should be reviewed on a regular basis. Finally, the asset management plan incorporates road condition assessments obtained through Streetscan road scanning.

### 2.2 Support of Municipal Plans and Policies

The AMP has been developed to support the Municipality's overall operational framework, key policies and plans. A summary is provided in Table 1 below.

## Municipality of Faraday Strategic Asset Management Policy

Table 1 Relationship of Asset Management Plan with Other Municipal Supporting Plans and Policies	
Policy/Plan	Description
Hastings County Official Plan (2018)	<ul style="list-style-type: none"> <li>• Hastings County Official Plan covers the guidance of land-use planning in Faraday.</li> <li>• Specifically, Section III of the plan outlines the goals and objectives for infrastructure and public service facilities for the County and its member municipalities:                             <ul style="list-style-type: none"> <li>• To undertake asset management planning and develop asset management plans that will ensure the financial viability of the County's and Member Municipalities' infrastructure and public service facilities over their life cycle.</li> </ul> </li> </ul>
Annual Budget Process	<ul style="list-style-type: none"> <li>• Budgets for both operating and capital are done on an annual basis.</li> <li>• The AMP will specifically support evaluation of capital budget projects by establishing priority assets that require attention over the short to medium term. This will help the Municipality make informed capital investment decisions given limited funding availabilities.</li> </ul>
Accounting for Tangible Capital Assets Policy (2008)	<ul style="list-style-type: none"> <li>• This policy sets out the process to complete financial reporting on tangible capital assets to meet PSAB requirements.</li> <li>• The requirements include capitalization thresholds, useful life assumptions, valuations and amortization methods which are outlined by asset class.</li> <li>• The AMP is consistent with these assumptions as it relates to the Municipality's asset registry.</li> </ul>
By-Law 26-2004 Procurement Policy-Purchasing Procedures (Procurement By-Law)	<ul style="list-style-type: none"> <li>• The purpose of the by-law is to provide the minimum requirements for the acquisition of goods and services with a view to ensuring the Municipality obtains the best value and to promote:                             <ul style="list-style-type: none"> <li>• efficiency and effectiveness.</li> <li>• fairness among bidders.</li> <li>• openness, accountability and transparency while protecting the financial best interests of the Corporation.</li> </ul> </li> </ul>
By-Law 13-2011 Minimum Maintenance Standards for Municipal Highways	<ul style="list-style-type: none"> <li>• The purpose of the by-law is to establish standards for the maintenance and upkeep of the municipal road network.</li> <li>• The By-law defines minimum maintenance and procedural standards for the following categories: patrolling, snow accumulation, icy roadways, bridge deck spalls, roadway surface discontinuities, flooding, dust, potholes, shoulder drop-offs and cracks.</li> <li>• The minimum maintenance standards provide for the minimum level of service standard reflected in the AMP.</li> </ul>

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Table 1 Relationship of Asset Management Plan with Other Municipal Supporting Plans and Policies	
Policy/Plan	Description
Energy Conservation and Demand Management Plan (2014)	<ul style="list-style-type: none"> <li>• The plan focuses on meeting Provincial requirements related to energy conservation and management of municipal facilities. The scope includes:                             <ul style="list-style-type: none"> <li>• Reviewing municipal energy use and GHG emissions for buildings and facilities.</li> <li>• Inspecting all municipal buildings covered under the plan and describe past and current energy conservation measures carried out within and around the facilities.</li> <li>• Ensuring openness, accountability and transparency while protecting the financial best interests of the Corporation.</li> </ul> </li> </ul>
Roads Asset Management Plan (2018)	<ul style="list-style-type: none"> <li>• The Roads Asset Management Plan provides guidance and condition assessments for 47 km of municipal roads.</li> <li>• The plan includes recommended repairs needed over a 5-year timeframe. This analysis will be incorporated in the financing strategy of the AMP.</li> </ul>
Other Plans and Reports	<ul style="list-style-type: none"> <li>• Future updates of other plans are supported through the AMP specifically as they relate to asset condition, asset prioritization and life cycle costs. Other plans include:                             <ul style="list-style-type: none"> <li>• Waste Recycling Strategy (2011)</li> <li>• Energy Consumption and GHG Emissions Report (2013)</li> <li>• Municipal Accessibility Plan (2011)</li> <li>• Emergency Response Plan (2018)</li> </ul> </li> </ul>

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### Strategic Policy:

1. Council and staff will review the SAMP at minimum every 5 years and ensure that the AMP is incorporated and used to support other municipal strategies and practices which involve the management or investment of new or existing capital assets.
2. Asset management planning will not occur in isolation of other municipal plans and policies but will be used to inform the strategic decisions related to capital investments based on the life cycle analysis presented in the AMP. In the case of new capital recommendations that are not included in the existing AMP, the assumptions in the AMP will be used to perform a life cycle analysis of those assets.
3. This applies to the plans presented in Table 1 and any future plans that require decisions on infrastructure investment.

### 3.0 GUIDING PRINCIPLES

As required by Section 3 of the *Infrastructure for Jobs and Prosperity Act, 2015*, the Municipality of Faraday is committed to adhere to the following principles:

1. Infrastructure planning and investment should take a long-term view, and decision-makers should take into account the needs of Ontarians by being mindful of, among other things, demographic and economic trends in Ontario.
2. Infrastructure planning and investment should 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*.
3. Infrastructure priorities should be clearly identified in order to better inform investment decisions respecting infrastructure.
4. Infrastructure planning and investment should ensure the continued provision of core public services, such as health care and education.
5. Infrastructure planning and investment should promote economic competitiveness, productivity, job creation and training opportunities.
6. Infrastructure planning and investment should ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
7. Infrastructure planning and investment should foster innovation by creating opportunities to make use of innovative technologies, services and practices, particularly where doing so would utilize technology, techniques and practices developed in Ontario.
8. Infrastructure planning and investment should be evidence based and transparent, and, subject to any restrictions or prohibitions under an Act or otherwise by law on the collection, use or disclosure of information,
  - i. Investment decisions respecting infrastructure should be made on the basis of information that is either publicly available or is made available to the public, and
  - ii. Information with implications for infrastructure planning should be shared between the Government and broader public sector entities, and should factor into investment decisions respecting infrastructure.
9. Where provincial or municipal plans or strategies have been established in Ontario, under an Act or otherwise, but do not bind or apply to the Government or the broader public sector entity, as the case may be, the Government or broader public sector entity should nevertheless be mindful of those plans and strategies and make investment decisions respecting infrastructure that support them, to the extent that they are relevant. Examples of plans and strategies to which this paragraph may apply include,

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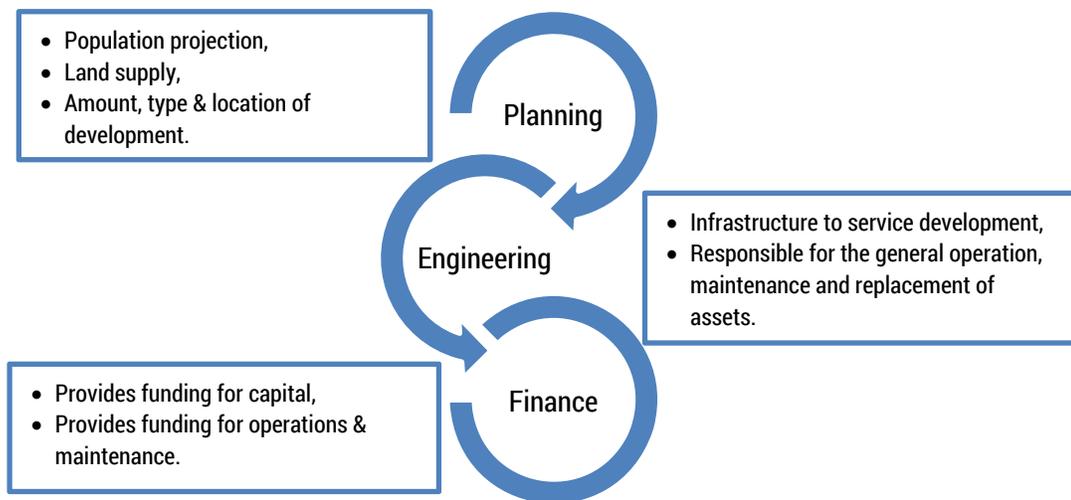
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- i. Policy statements issued under section 3 of the *Planning Act*, and provincial plans as defined by that Act.
10. Infrastructure planning and investment should promote accessibility for persons with disabilities.
11. Infrastructure planning and investment should minimize the impact of infrastructure on the environment and respect and help maintain ecological and biological diversity, and infrastructure should be designed to be resilient to the effects of climate change.
12. Infrastructure planning and investment should endeavour to make use of acceptable recycled aggregates.
13. Infrastructure planning and investment should 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 (including for apprentices, within the meaning of section 9 of the Act), improvement of public space within the community, and any specific benefits identified by the community.
14. Any other principles that may be prescribed for the Government or the broader public sector entity, as the case may be.

## 4.0 ALIGNMENT WITH LAND-USE PLANNING

The alignment of municipal planning initiatives and asset management is particularly important when considering overall strategic objectives and available resources. The Building and Planning Department adheres to Provincial land-use legislation and incorporates the key policy principles that are important to the Municipality. Figure 1 below outlines the overarching link between land-use planning practices and the effect of those decisions on the emplacement of infrastructure and how those assets are managed over the full life cycle.

Figure 1  
Link Between Land Use and Infrastructure Planning



The Municipality's asset management program aligns with three key planning documents outlined below:

### 1. Provincial Policy Statement

The *Provincial Policy Statement, 2014* (PPS) is the statement of the Government's policies on land-use planning. It applies Province-wide and provides clear policy direction on land-use planning to promote strong communities, a strong economy, and a clean and healthy environment. Specifically related to asset management, the PPS has several policies related to the efficient use and management of land and infrastructure and ensuring infrastructure is financially viable over the life cycle of the asset.

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### 2. Official Plan

The Hastings County Official Plan governs land-use planning for the Municipality of Faraday. Some of the key goals identified through the official plan relate to the overall principles of asset management. Specifically, Section III of the plan outlines the goals and objectives for infrastructure and public service facilities for the County and its member municipalities:

- To undertake asset management planning and develop asset management plans that will ensure the financial viability of the County's and Member Municipalities' infrastructure and public service facilities over their life cycle.

### 3. Hastings County Demographic Forecasting and Land Demand Analysis

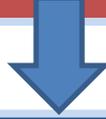
The Municipality of Faraday is located in the North Hastings Market Area of Hastings County. In 2013, Hastings County undertook a Demographic Forecasting and Land Analysis with a focus on forecasting population, household and employment growth for all lower tier municipalities. The Municipality is expected to have a slight population decline from 2011 population of 1,570 (permanent population) to 1,515 by 2036 as the population continues to age. However, overall population including seasonal population, is expected to increase by 13% by 2036. The Municipality will continue to ensure that as population and demographics change over time, that services provided are aligned with the demands of the community.

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### Strategic Policy:

1. The Municipality will aim to align asset management planning with all Provincial land-use planning initiatives as well as the County's Official Plan.



### Action Items: Land-Use Planning and Asset Management

- The AMP will consider growth outlook and the demand for services consistent with projections in the Hastings County Demographic Forecasting and Land Demand Analysis.
- The Municipality will continue to ensure land-use and asset management planning are consistent with the principles set out in Section III of the County's Official Plan.

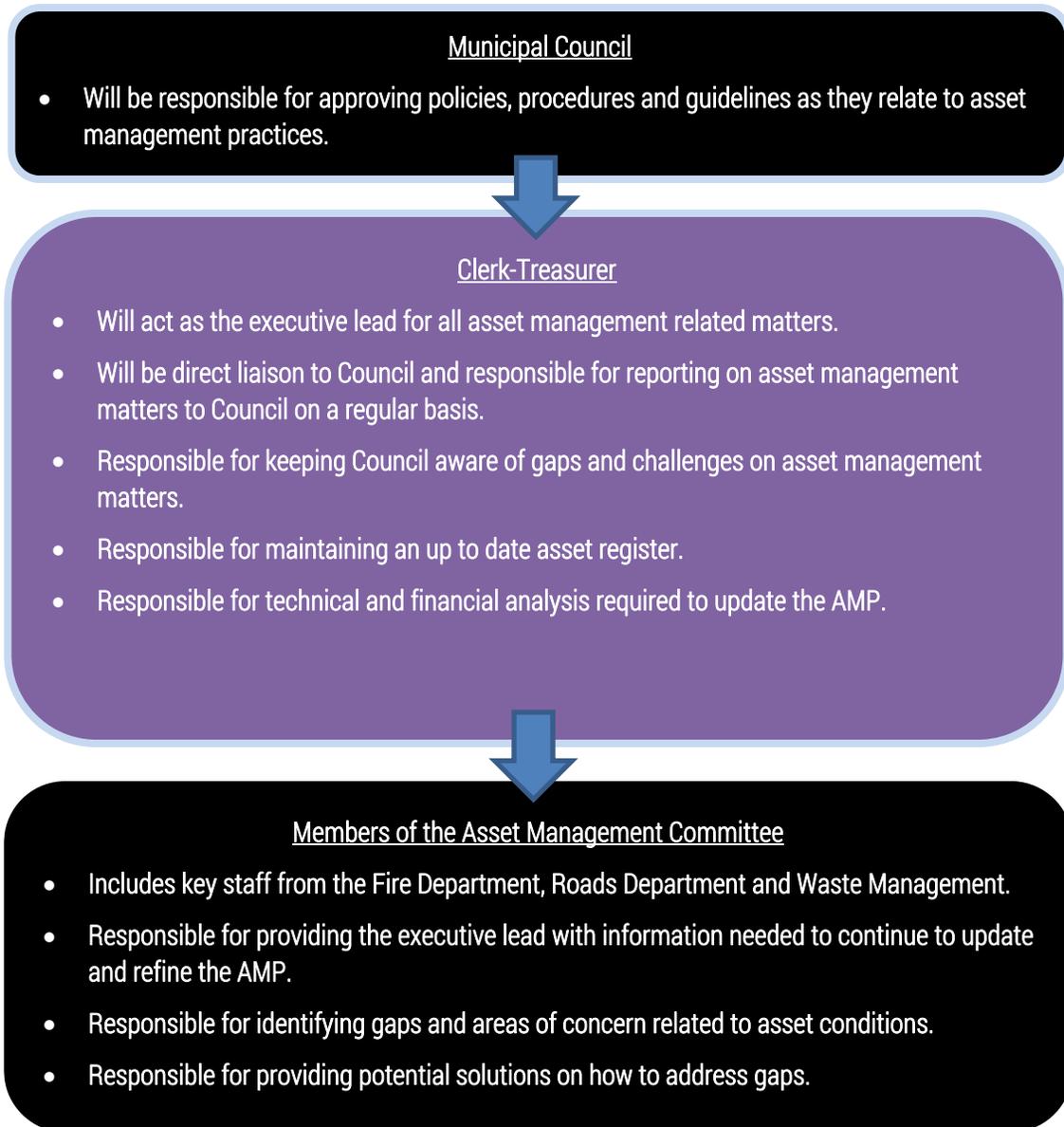
### 5.0 ASSET MANAGEMENT RESPONSIBILITY

The Municipality is committed to integrating asset management planning into capital investment decision making. For this reason, the Municipality of Faraday will establish an Asset Management Committee made up of key departmental heads that is expected to meet on a regular basis. The purpose of the Committee is as follows:

- Discuss asset management challenges and propose potential solutions as they relate to existing assets that need to be prioritized.
- Discuss prioritization strategies for assets to be included in the capital budget. It is especially important that all departments are in agreement as to which assets should be prioritized.
- Discuss and define levels of service and level of service targets and their financial implications. Level of service targets need to be defined to meet the requirements of O. Reg. 588/17.
- Address the data or information needs of each department to update the asset register and AMP on a regular basis.
- Review condition assessment programs and annual state of local infrastructure report cards.
- Ensure that relevant asset management information is communicated to Council.

The Clerk - Treasurer will serve as the executive lead for the Asset Management Committee. Figure 2 provides an overview of the Asset Management Committee and responsibilities of each member.

Figure 2  
Asset Management Committee

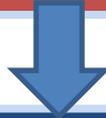


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### Strategic Policy:

1. The Municipality will explore implementing a corporate-wide asset management program in an effort to improve capital investment decision making.
2. The Municipality's AMP will be administered by the Municipal Asset Management Committee.
3. The Municipality will maintain a comprehensive asset registry and inventory of all municipal capital assets.



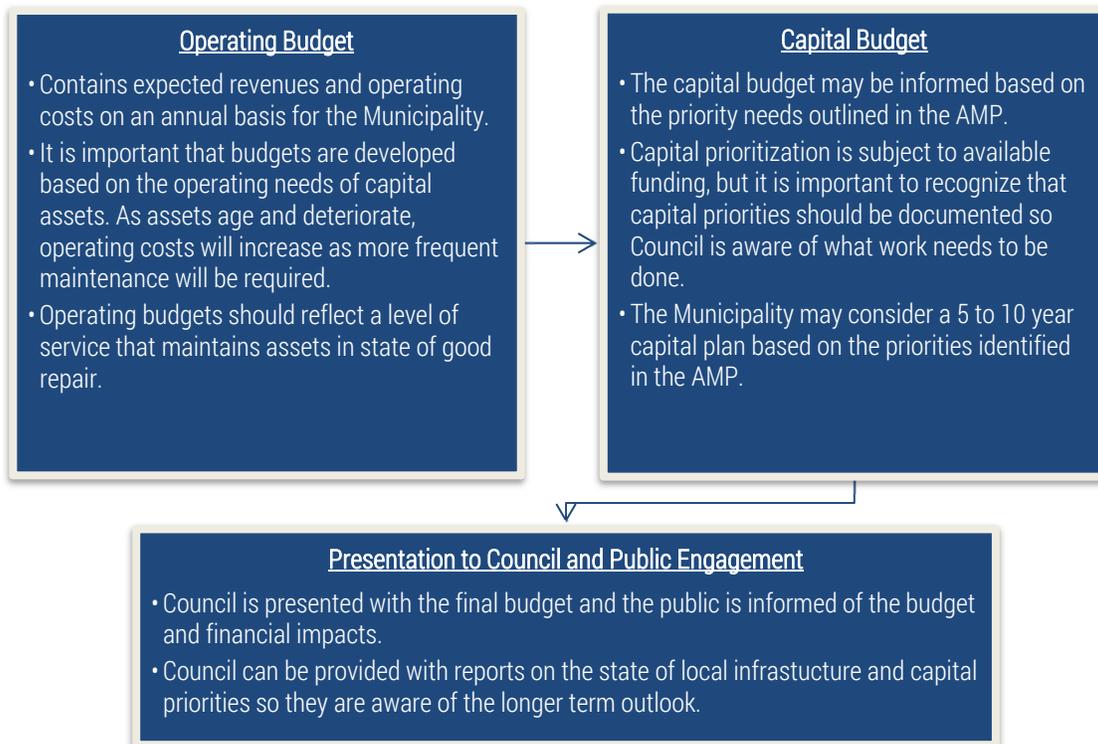
### Action Items to achieve Strategic Policy

- Create internal working group and designate the Clerk - Treasurer to serve as the executive lead for the Asset Management Committee
- The Clerk - Treasurer will update the asset registry (Excel Financial Model) on an annual basis. The registry should include: ID, location, value, estimated service life, year of acquisition, and replacement costs.

## 6.0 MUNICIPAL BUDGET PROCESS

The budget process provides the Municipality with a method of prioritizing and allocating resources, establishing service levels, and finding a balance between taxation and cost recovery. It requires Council and staff to perform a thorough examination of services and costs that should ultimately achieve an optimum service level given available funding. The Municipality does not have a formal budget process document, however every year the operating and capital budgets are developed by staff based on Council direction. It is important to recognize that the AMP is a tool to help inform the Municipality on capital investments needs. Figure 3 provides a flow chart of how the AMP can be used to inform budget decisions.

**Figure 3**  
**Municipality of Faraday Budget Process**



To further enhance the capital budget, the Municipality should develop a long-term capital plan for a minimum of 5 to 10 years. Expenditures and projects in the capital plan should also be categorized based on the following project categories:

- Non-infrastructure solutions: relate to activities which are not necessarily infrastructure related in nature but can create cost efficiencies and improve asset management in the Municipality. Examples include asset management training for staff, asset management software or performing asset condition assessments.

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- Renewal/Rehabilitation Activities: relate to activities necessary for assets to continue operating in state of good repair. This includes items such as crack sealing for roads, rebuilding engines on vehicles or roof repairs for buildings.
- Replacement Activities: this includes activities related to total replacement such as replacing a vehicle with new vehicle or reconstruction of a road.
- Disposal Activities: relate to activities to dispose of assets such as safe disposal of hybrid vehicle batteries. For simplicity this can be included as part of replacement activities.

### Strategic Policy:

1. The Municipality will explore opportunities to improve its budget process, which considers municipal infrastructure repair and replacement activities identified through the AMP.
2. The Municipality will integrate the AMP and practices with long-term financial planning and budgeting strategies where feasible.
3. The Municipality will explore opportunities for asset management planning jointly with the County and neighbouring municipalities where there are joint benefits or costs savings that can be achieved by integrating capital projects and related work.
4. The Municipality will aim to utilize the range of funding mechanisms available to facilitate the acquisition and emplacement of capital infrastructure.



### Action Items to achieve Strategic Policy

The Municipality will continue to improve the annual budgeting process specifically to develop the annual capital plan.

- Structural conditions can be informed through condition information in the asset registry as well as replacement schedule in the AMP.
- The Municipality will look to improve on the capital budget by developing a long-term capital budget for a minimum of 5 to 10 years and categorizing projects and costs by non-infrastructure solutions, renewal/rehabilitation, and replacement and disposal activities.
- Report to Council regarding key asset management outcomes and trends to ensure Council is well informed in the decision making process. (see section 8)

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### Capitalization Threshold

The Municipality has defined the capitalization threshold for accounting of tangible capital assets to meet PSAB reporting requirements through the Tangible Capital Asset Policy (2008). A brief overview of the policy is provided below:

- Appendix A of the policy provides the assumed useful lives the Municipality uses to account for capital assets. The policy outlines that assets can be recorded using the component approach where major components have significantly different useful lives and consumption patterns than related assets and in relation to the replacement value of those components.
- Appendix B of the policy outlines the capitalization thresholds by asset class. The thresholds range from minimum of \$5,000 for land improvements, buildings, machinery, equipment and vehicles and up to \$50,000 for roadways.

#### Strategic Policy:

1. The Municipality will maintain the capitalization threshold for assets as outlined in the Tangible Capital Asset Policy (2008).
2. The Municipality will continue to track assets for which full asset information is not available, however the Municipality is committed to acquire this information over time.

### 7.0 COMMITMENT TO CONSIDER CLIMATE CHANGE IN ASSET MANAGEMENT PLANNING

The Municipality recognizes that climate change will put additional stress on critical infrastructure. Increased frequency and intensity of rainfall and more frequent freeze-thaw cycles can cause soil instability and ground movement causing damage to roads, sidewalks, and underground infrastructure. Furthermore, increased frequency of extreme weather events causes strain not just on linear infrastructure, but also on services critical to an emergency such as fire services, municipal facilities and others. Due to these factors, actions may be required to address vulnerabilities that may be caused by climate change.

#### Strategic Policy:

1. The Municipality of Faraday may explore mitigating the effects of climate change on municipal infrastructure.
2. The Municipality may choose to explore opportunities to adapt infrastructure to a changing climate, most notably through consideration of alternative and new technologies, only if, costs and benefits are in line with municipal objectives.



#### Action Item: Commitment to Consider Climate Change in Asset Management Planning

The Municipality may consider the following factors when planning for capital investment:

- Lifecycle costs associated to improving or replacing infrastructure to meet operational standards that mitigate the impacts of climate will be considered. This includes costs of increased maintenance activities and the effects on levels of service.
- The Municipality may consider climate change impacts of changing weather patterns primarily through the Emergency Response Plan on assets and services such as fire, facilities and roads.

## 8.0 COUNCIL AND PUBLIC INVOLVEMENT

Council and the public play key roles in the asset management process. Council is responsible for making decisions on infrastructure investments and prioritization, which ultimately impacts the services used and enjoyed by the public. Council's understanding of the infrastructure and fiscal challenges of the Municipality are crucial to the decision making process. As the Municipality's direct link to the public, it is important that Council is well informed. Furthermore, it is vital that Council engages and provides information to the public on asset management decisions and relay any responses back to staff. For this reason, it is important for Council to be involved from the beginning.

Although municipal Council is currently well-engaged throughout the budget process, additional reporting and education would be beneficial to ensure service levels are being achieved in the most fiscally responsible manner.

### Strategic Policy:

1. The Municipality will endeavour to provide opportunities for members of the local community and municipal Council to offer input on asset management planning.
2. The Municipality will develop several "user-friendly" reporting metrics which can be used to communicate the existing state of asset management practices to residents and Council.



### Action Items for Council Engagement

- As part of the annual budget, the Municipality will report to Council key asset management updates and trends:
  - State of the Local Infrastructure Report Card;
  - Summary of Existing Levels of Service and future trends; and
  - Projection of the Cumulative Infrastructure Gap and funding shortfalls.

### Action Items for Public Involvement

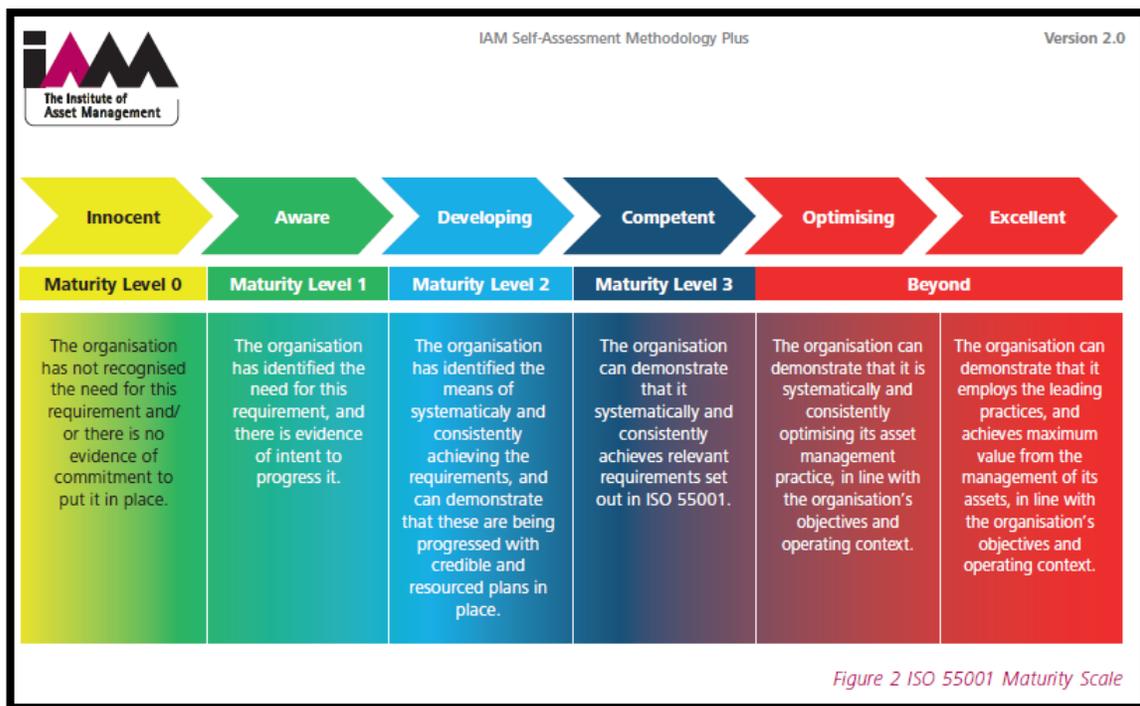
- Preceding the budget process, the Municipality is encouraged to hold a public education session on asset management. Specific items to discuss:
  - Existing Levels of Service and service expectations
  - State of the Local Infrastructure

## 9.0 CONTINUOUS IMPROVEMENT

The major premise of comprehensive corporate asset management is that an organization will seldom have perfect processes and data to manage the asset portfolio. Instead, the underlying culture of continuous improvement and reliability is its key to success. These improvements will be part of the Municipality's evolving asset management program.

The ISO 55000 tool provides a quantitative evaluation of the Municipality's asset management practices under four categories: Strategy, Assets (Technology and Physical), People, and Business Processes. The Municipality could evaluate each of the 39 focus areas against a scale of zero to five, where level five represents excellence within the focus area. The intention of the scale is not to achieve ISO 55000 certification, rather to use the tools available within the ISO framework as a guide. A copy of the Asset Management Maturity Scale is shown in Figure 4 below.

Figure 4  
Self Assessment Methodology - Asset Management



In addition to the quantitative evaluation of the Municipality's asset management practices, the Municipality should regularly review the confidence of existing data as well as its effectiveness integrating asset management activities into regular business processes. The Confidence Level Rating approach identified in Tables 2 and 3 below will be used to identify what specific asset

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categories/areas the Municipality can improve upon. The Confidence Level Rating is based on principles of the Ministry's Guide to Municipal Asset Management Plans, Federal Gas Tax Agreement Requirements, ISO 55000, and International Infrastructure Management Manual (IIMM).

Table 2 Data Quality Confidence Grading System		
Confidence Grade	Description	
5	<b>Highly Reliable</b>	<ul style="list-style-type: none"> <li>• Data based on sound records, procedures, investigations and analysis, documented properly and recognized as the best method of assessment.</li> <li>• <i>Dataset is complete and estimated to be accurate +/- 2%.</i></li> </ul>
4	<b>Reliable Data</b>	<ul style="list-style-type: none"> <li>• Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation.</li> <li>• <i>Dataset is complete and estimated to be accurate +/- 10%.</i></li> </ul>
3	<b>Uncertain</b>	<ul style="list-style-type: none"> <li>• Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade 4 or 5 data is available.</li> <li>• <i>Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated +/- 25%.</i></li> </ul>
2	<b>Very Uncertain</b>	<ul style="list-style-type: none"> <li>• Data based on unconfirmed verbal reports and/or cursory inspection and analysis.</li> <li>• <i>Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy +/- 40%.</i></li> </ul>
1	<b>Unknown</b>	<ul style="list-style-type: none"> <li>• Very little or no data held</li> </ul>

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Table 3 Process Effectiveness Confidence Grading System	
Confidence Grade	Description
5	<p><b>Highly Effective</b></p> <ul style="list-style-type: none"> <li>• The organization's asset management activities are fully integrated and are being continuously improved upon.</li> <li>• Asset management best practices are continuously adopted to consistently ensure the financial sustainability of assets over their full life-cycle.</li> <li>• Asset management best practice concepts are fully rolled out and being practiced by all staff.</li> </ul>
4	<p><b>Effective</b></p> <ul style="list-style-type: none"> <li>• The organization's asset management activities are fully effective and are being integrated throughout the business.</li> <li>• Asset management best practice concepts are fully rolled out and being practiced by most staff.</li> </ul>
3	<p><b>Somewhat Effective</b></p> <ul style="list-style-type: none"> <li>• The organization's asset management activities are developed, embedded and are becoming effective.</li> <li>• Many asset management best practice concepts are rolled out and being practiced by many staff.</li> </ul>
2	<p><b>Ineffective</b></p> <ul style="list-style-type: none"> <li>• The organization is developing its asset management activities and establishing them as Business as Usual.</li> <li>• Some best practice concepts are rolled out and being practiced to a limited extent.</li> </ul>
1	<p><b>Unknown</b></p> <ul style="list-style-type: none"> <li>• The organization is aware of the importance of asset management and is starting to apply this knowledge.</li> <li>• Few best practice concepts are rolled out and to a limited extent.</li> </ul>

The Municipality can use the tables above to determine an “overall confidence level rating” which can then be correlated to the ISO 55000 State of Asset Management Maturity Scale outlined in Figure 4. The scores are reflective of the quality and type of data available, current processes and management strategies and can help the Municipality identify gaps in asset management data.

### Strategic Policy:

1. The Municipality is committed to improve upon existing asset management practices and will adopt best practices where applicable.
2. The Municipality will develop an Asset Management Plan that incorporates all facets of Ontario Regulation 588/17 by 2024.
3. The Municipality will continue to evolve the asset management program to incorporate assets which have traditionally not been considered under the purview of asset management.

### Action Items to achieve Strategic Policy

- The Municipality may consider undertaking an assessment of the Municipality's asset management practices against each of the 39 ISO 55000 focus areas. The results should be categorized in the context of the maturity scale identified in Figure 4.
- Set to achieve a score of 4 (competence) to 5 (excellence) for most of the categories over the next five years.
- Review data confidence for each service area/category annually.
- Review effectiveness of the asset management program and determine the degree activities are embedded into the process annually.
- Ensure an "Overall Confidence Level Rating" is produced annually so the results can be compared on a regular basis.
- The Municipality should continue to seek funding assistance and support from upper-tier governments to help facilitate the completion of the asset management program by 2024.