The Corporation of the Township of Hamilton
Policy No: P-FIN-700
Policy Name: Asset Management

Responsible Department:	Corporate Financial Services	**Resolution No:**	2025-495
Policy Type:	Financial	**Effective Date:**	September 16, 2025
Date Council Approved:	September 16, 2025	**Revision Date:**	September 2030
Approved By:	Council		

Policy Statement:

All Members of Council and Staff shall refer to this policy for guidance on Asset Management when considering the purchase, repair, and life cycle projects on assets of the Township. This policy shall guide staff to ensure assets are kept in good condition while remaining cost effective.

1.0 Purpose:

1.1 Purpose

The purpose of this policy is to provide leadership in and commitment to the development and implementation of the Township's Asset Management Program. It is intended to guide the consistent use of Asset Management across the organization, to facilitate logical and evidence-based decision-making for the management of Municipal Infrastructure Assets and to support the delivery of sustainable community services now and in the future.

By using sound asset management practices, the Township will work to ensure that all municipal infrastructure assets meet expected performance levels and continue to provide desired service levels in the most efficient and effective manner. Linking service outcomes to infrastructure investment decisions will assist the Township in focusing on service, rather than budget-driven asset management approaches.

This policy demonstrates an organization-wide commitment to the good stewardship of Municipal Infrastructure Assets, and to improve accountability and transparency to the community through the adoption of best practices regarding asset management planning.

1.2 Principles

The Township is committed to conducting its Asset Management Policy in accordance with the following principles:

(a) Infrastructure planning and investment should take a long-term view, and decision-makers should consider the needs of residents by being mindful of, among other things, demographic and economic trends.

(b) Infrastructure planning and investment should consider any applicable budgets or fiscal plans.

(c) Infrastructure priorities should be clearly identified to better inform investment decisions respecting infrastructure.

(d) Infrastructure planning and investment should ensure the continued provision of core public services and condition of assets.

(e) Infrastructure planning and investment should promote economic competitiveness, productivity, job creation and training opportunities.

(f) Infrastructure planning and investment should ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.

(g) 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.

(h) 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:

   a. 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
   b. information with implications for infrastructure planning should be shared between the Township and broader public sector entities and should factor into investment decisions respecting infrastructure.

(i) 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 Township, as the case may be, the Township 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.

(j) Infrastructure planning and investment should promote accessibility for persons with disabilities.

(k) 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.

(l) Infrastructure planning and investment should endeavour to make use of acceptable recycled aggregates.

(m) 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, improvement of public space within the community, and any specific benefits identified by the community.

(n) The Asset Management Plan should be reviewed annually by Council and should be updated every five (5) years.

2.0 Definitions:

2.1 Defined Terms

Terms used in this policy are defined in the following Glossary of Terms:

GLOSSARY OF TERMS

“Asset Management (AM)” means the systematic process of acquiring, maintaining, and optimizing assets to maximize their value and achieve Township goals.

“Asset Management Plan” means a detailed document that outlines how the Township will manage, operate, and invest in its assets to ensure they are meeting service level standards of the Township.

“Capitalization Threshold” means the minimum price paid which the Township classifies a purchase of an asset rather than expensed in the operating budget.

“Green Infrastructure Initiative” means projects or programs aimed at using natural system and sustainable practices.

“Level of Service” means the expected performance and quality of assets from the perspective of the Township and its residents.

“Life Cycle Activities” means actions that are taken throughout the assets life to ensure it performs as intended and delivers value

“Municipal Infrastructure Asset” means an asset that is owned by the Township that supports essential community services

“Township” means Township of Hamilton.

3.0 Application / Scope:

To guide the Township, the following application has been developed:

1. The Township will implement an organization-wide Asset Management Program through all departments. The program will promote lifecycle and risk management of all Municipal Infrastructure Assets, with the goal of achieving the lowest total cost of ownership while meeting desired Levels of Service.

2. The Township will implement continuous improvement protocols and adopt best practices regarding asset management planning, including:

   i. Complete and Accurate Asset Data

ii. Condition Assessment Protocols
iii. Risk and Criticality Models
iv. Lifecycle Management
v. Financial Strategy Development
vi. Level of Service Framework

3. The Township will develop and maintain an asset inventory of all municipal infrastructure assets which includes unique ID, description, location information, value (both historical and replacement), performance characteristics and/or condition, estimated remaining life and estimated repair, rehabilitation or replacement date; and estimated cost repair, rehabilitation or replacement costs.

4. The Township will develop an Asset Management Plan (AMP) that incorporates all infrastructure categories and municipal infrastructure assets that meet the Capitalization Threshold outlined in the organization’s Tangible Capital Asset Policy (Appendix A). The AMP will be updated at least every five years in accordance with O. Reg. 588/17 requirements, to promote, document and communicate continuous improvement of the asset management program. In addition, the AMP will need to be reviewed annually by Council.

5. The Township will integrate Asset Management Plans and practices with its long-term financial planning and budgeting strategies. 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 infrastructure assets based on full lifecycle costing.

6. The Township will explore innovative funding and service delivery opportunities, including but not limited to grant programs, public-private partnerships, alternative financing and procurement (AFP) approaches, and shared provision of services, as appropriate.

7. The Township will develop meaningful performance metrics and reporting tools to transparently communicate and display the current state of asset management practice to Council and the community.

8. The Township will consider the risks and vulnerabilities of Municipal Infrastructure Assets to climate change and the actions that may be required including, but not limited to, anticipated costs that could arise from these impacts, adaptation opportunities, mitigation approaches, disaster planning and contingency funding. Impacts may include matters relating to operations, levels of service and lifecycle management.

9. The Township will align all 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 all municipal official plans.

10. The Township will coordinate planning for interrelated municipal infrastructure assets with separate ownership structures by pursuing collaborative opportunities with neighbouring municipalities and jointly owned municipal bodies wherever viable and beneficial.

11. The Township will develop processes and provide opportunities for municipal residents and other interested parties to offer input into asset management planning wherever and whenever possible.

4.0 Roles and Responsibilities

4.1 Role and Responsibilities of Council

Council is responsible for providing staff with a direction and resources to be allocated to the Asset Management Plan annually.

4.2 Roles and Responsibilities of Officers and Employees

Specific responsibilities pertaining to all stages of an Asset Management process,

4.2.1 Treasurer or Designate

It is the responsibility of the Treasurer or designate to ensure that this Asset Management Policy is followed, to ensure that the Township's assets are providing the best possible service while remaining cost effective. The Treasurer or designate will also be responsible for coordinating with Department Heads to budget proper levels of service and lifecycle activities ensuring assets remain in good condition. The Treasurer is also responsible for creating and maintaining the Asset Management Plan that will highlight the areas of focus and plan for asset replacement and condition.

4.2.2 Department Heads

Department Heads are responsible for ensuring safe condition of assets, repairing or performing lifecycle activities that extend or enhance the life the assets, and for replacing assets as necessary. The Department Heads are responsible for ensuring that they are tracking asset conditions to ensure that assets are replaced at the best possible time and levels or service are met. Finally, Department Heads will ensure that all procurement follows the Townships Procurement Policy.

4.2.4 Finance Employees

Finance employees are to ensure that the procurement policy has been properly followed ensuring fair and transparent purchase of assets. The finance employees will also need to ensure all records are maintained including adding to the Townships asset management software and processing of the invoice.

5.0 Asset Management Record-Keeping

To be compliant with O.Reg 588/17, the Township will ensure that its Asset Management Plan and Policy are publicly available on the Township website.

With the procurement of assets and lifecycle activities, all procurement records shall be retained in the case they are contested. In addition, the invoice and approvals of these items shall be retained for at least six (6) years as per Canada Revenue Agency (CRA) and the Townships Records Management Information and Retention by-law

In order to ensure all assets are recorded, they will be entered into the asset management software annually.

9.0 Compliance Monitoring and Reporting

In order to be compliant with O.Reg. 588/17, the Township will revisit the Asset Management Plan annually at a Council level and, every five (5) years (or otherwise stated) the AMP will be updated.

10.0 Miscellaneous

When procuring goods, services and facilities, the Township will incorporate accessibility design, criteria and features except where it is not practicable to do so. Where applicable, procurement documents will specify the desired accessibility criteria to be met and provide guidelines for the evaluation of proposals in respect to those criteria. Where it is determined that is not practicable for the Township to incorporate accessibility design criteria and features when procuring or acquiring goods, services or facilities, the Treasurer or designate will provide a written explanation, upon request.

11.0 Legislation / Policy/ Procedure Cross-Reference:

The following policies support the intent of this policy:

- P-FIN-200 Procurement Policy and Protocols
- P-FIN-1100 Tangible Capital Assets
- By-law 2020-52 Records Management Information and Retention

Revision Log:

Date	Description	Staff Report to Council
2025-09-16	Asset Management	T-2025-19

Appendix A – Capitalization Thresholds

Type	Amount	Conditions
Normal Purchase of TCAs	$5,000 or greater	The item purchased will have economic benefits greater than one year
Pooled Assets	$5,000 or greater	The items purchased will have economic benefits greater than one year