

9. Asset Management Strategy

The asset management strategy is the set of planned actions that will enable the assets to provide the desired levels of service in a sustainable way, while managing risk, at the lowest lifecycle cost (e.g., through preventative action). The following activities address planned actions:

Non-infrastructure solutions – actions or policies that can lower costs or extend asset life (e.g., better integrated infrastructure planning and land use planning, demand management, insurance, process optimization, managed failures, etc.)

The Township utilizes an efficient approach to delivery through which private contractors (eg. *Connors Sand and Gravel* for road grading and maintenance, *H. Fiset and Sons* and other local contractors as required) compliment Township public works operations. By doing so, the Township has limited the amount of heavy equipment that it owns and maintains.

Given that the Township is approximately 40 km from the next nearest organized municipality, the sharing of equipment and services is not practical in most cases.

The Township also engages consultants in the role of Economic Development Officers on an “as needed basis” to review and develop policies and procedures that contribute to efficient asset management. Costs for these services are contained within “general government”. As noted previously, the investment in non-infrastructure solutions included development of a load limitation by-law within the community to prolong the life of municipal roads.

Maintenance activities – including regularly scheduled inspection and maintenance, or more significant repair and activities associated with unexpected events. The Township has been able to inspect and maintain most of the equipment that it does own to extend usable life of the asset(s).

Renewal/rehabilitation activities – significant repairs designed to extend the life of the asset. For example, the lining of iron water mains can defer the need for replacement.

Replacement activities – activities that are expected to occur once an asset has reached the end of its useful life and renewal/ rehabilitation is no longer an option.

Staff and council will continue to evaluate the need for the replacement of asset(s) once the usable life has been reached or exceeded. In the short term, staff has indicated that the Rider Lawnmower and the Tractor will need replacement in the early part of the term of this Asset Management Plan.

The most valuable capital asset in the community is the Water Treatment Plant

Procurement methods To ensure the most efficient allocation of resources a number of delivery mechanisms are considered for significant procurement requirements. Where appropriate (for instance the recent participation with a number of other communities for GIS support), “group” purchasing is utilized. Given the distance to neighbouring communities, this is not always feasible

In the past, the municipality has been success in acquiring sufficient funds have not engaged in design-build-finance arrangements.

10. Financing Strategy and Projections

This section of a detailed asset management plan shows yearly expenditure forecasts broken down by:

- Non-infrastructure solutions.
- Maintenance activities.
- Renewal/rehabilitation activities.
- Replacement activities.
- Disposal activities.
- Expansion activities (if necessary).
- Non-application expenditures

Financial reporting for the Township has been categorized in the following manner.

- General Government
- Protection to Persons & Property
- Transportation Services
- Environmental Services
- Health Services
- Social Services
- Recreation and Culture
- Capital Expenditures
- Planning and Development

In order to identify past expenditures consistent with the *Guide for Municipal Asset Management Plans*, past budgets and expenditures were reviewed.

In the case of municipal gravel roads, maintenance is regularly performed by Township staff as as a regular activity and therefore cannot be discretely identified.

In the case of the largest capital asset, (water treatment facility), the Township has an agreement in place with Ontario Clean Water Agency (OCWA) through which regular maintenance is conducted which will prolong the life of the asset. OCWA provides the Township with a *Notice of Capital Expenditures* for the following year. This expense varies, however has been between \$2,000-\$10,000 annually.

As per the Notice, OCWA recommends that "...despite best maintenance practices, unexpected equipment failures can occur as your facility ages. A contingency fund for such an event can make it much less painful." To this end, a reserve fund has been established.

Over the past 5 years, revenues to the municipality have been based on approximately the following breakdown:

OMPF (Provincial Transfer Payments): 16% of total revenue

Municipal Tax Collection: 68% of total revenue

The Township does not anticipate any significant variations to the noted distribution of revenue.

Increases in expenditures

The Township does not anticipate any significant changes to expenditures during the term of the Asset Management Plan.

The Township's approach to Asset Management has historically been interactive. Capital expenditures are typically identified in advance and incorporated into the budgets and work plans for the following or subsequent year (pending the nature of the expenditure(s)).

Township council is committed to tax rate stability. Despite this commitment, as a result of changes in assessment values as provided by MPAC (***Municipal Property Assessment Corporation***), drastic changes to individual tax bills for both residential and industrial property owners and to the municipal revenue have been experienced.

Through a balanced approach of modest capital improvements, a diligent maintenance program the level of expenditures are expected to remain stable.

The 2024 budget summary outlines the basic distribution of expenditures and revenues for the Township and is as follows and represents a balanced budget:

Township of James 2024 Budget Summary	
Municipal Expenditures	'24 Budget Proposal
General Government	400,343
Protection to Persons & Property	163,871
Transportation Services	274,130
Environmental Services	239,489
Health Services	23,750
Social Services	96,790
Recreation & Culture	145,966
Capital Expenditures	305,588
Planning & Development	121,013
TOTAL MUNICIPAL EXPEND.	1,770,940
Revenue Except Tax	906,077
BALANCE	864,863
 EXPENDITURE SUMMARY	
Boards of Education	115,149
Municipal	1,663,222
TOTAL EXPENDITURES	1,778,371

Individual Financial Strategies

Industrial Park

The Township of James constructed an industrial park in 2008 which includes a number of potential sites for bioenergy initiatives and/or other industrial uses.

As the mining sector was experiencing strong growth and activity in the region, it was anticipated that there would be interest for the rental or purchase of lots in the park.

The audited financial statements indicate a land improvement cost of \$196,403 plus \$303,125 for the construction of Industrial Park Road, an additional \$ 4,821.00 to surface treat the road, and \$252,454.00 for water services to the park.

The Township does not anticipate spending any capital dollars on the industrial park

during the life of the Asset Management Plan unless requested and/or negotiated with a new tenant/purchaser. When the 10-year capital plans are completed for roads and the water system, the Township will further assess the industrial park.

Since 2012, the Township has rented space in the industrial park to Eacom Timber for the storage of equipment. This rental agreement is expected to expire during the term of this Asset Management Plan.

Since it has been several years since the industrial park was established, and a number of neighbouring municipalities have established industrial development parks, the Township will review the asking prices for the remaining industrial park lots to ensure that they reflect fair market value.

Surface Treated Roads

The Township has 20 surface treated roads with a total length of 8,249 m. (8.25km) and a net book value of \$1,039,374. In the past 10 years, 50% of the surface treated roads have been upgraded, but based on the audited financial statements, a further upgrade will be required within the 10 year life of this Asset Management Plan.

The Township will continue to assess the surface treated roads based on acceptable industry standards. Visual inspections of the roads will continue to be done to gather information such as surface condition, surface type, widths, structural adequacy, drainage and perceived needs.

Most of the regular maintenance is contracted out to local contractors which allow the Township to operate with very few staff and pieces of equipment in their Public Works department. The Township will continually look for new materials and best practices in the industry that may extend the useful life of their road network.

Gravel Roads

The Township currently has 1917 m (1.917 km) of gravel roads that they own and maintain on a year round basis.

The Townships activities undertaken each year to maintain the gravel roads include, gravelling, grading, ditching, and snowplowing. The Township contracts out most of the gravel road maintenance to local construction companies which works well for the municipality and the contractors and supports the local economy. Contracting out these services allows the Township to run the Public Works department with minimal equipment and staffing.

The Township takes advantage of joint purchasing of A-gravel with other municipalities in the area. This partnership arrangement helps the Township realize economies of

scale which reduces costs.

The Township will assess the gravel roads based on acceptable industry standards which they will obtain from an agency such as Municipal Dataworks or Ministry of Transportation (MTO). A visual inspection of the roads will continue to be done to gather information such as surface condition, surface type, widths, structural adequacy, drainage and perceived needs.

Paved Roads

The Township of James has three paved streets, with the most prominent being Pine Street which carries truck and vehicle traffic to and from the Elk Lake Planing Mill, which is the Township's largest employer. In 2008, the Township spent over \$1 million to rehabilitate Pine Street. This was the first time in 22 years that the street required major work. Due to operational changes at the Planing Mill, there is more truck traffic using this street than there was in the past, and the street is eroding pre-maturely. On July 19, 2012 the engineering firm, Exp., provided a Pavement Condition Report which concluded that:

Pine Street will require more frequent rehabilitation than a normal municipal street because of the high volume of heavily loaded commercial traffic.

It is unlikely that Pine Street will remain in a serviceable condition for 22 years as previously experienced. A life span before major repairs may occur in as little as 12 years.

The maintenance costs incurred by the Township for Pine Street are higher than other streets and can be expected to increase as the street ages.

To address some of the issues with Pine Street, on January 8, 2014, the Township passed By-law No. 14-05 being a By-law to designate weight restrictions of vehicles and trailers on Township streets. The Township is anticipating that this weight restriction bylaw will extend the useful life of Township streets. The Township will continue to monitor the condition of Pine Street using engineering services as required.

The Township also allocates funds to reserves to pay for the future rehabilitation of Pine Street. The Township will monitor the condition of Pine Street and will consider the cost of rehabilitation when determining the amount of money that will be allocated to reserves. Prior to the 5 year review of the Asset Management Plan, the Township will prepare a 10-year capital budget for the maintenance and repair of Pine Street and the other two smaller paved streets, Sixth Street and Smyth Street.

The Township is required to clean Pine Street on a regular basis because of the soil and wood based debris that falls from the transport trailers that are hauling logs and lumber to and from the mill. Prior to the 5 year review of the Asset Management Plan,

the Township will review the level of maintenance that is required on Pine Street in order to extend the useful life of the street.

Water System

The Township of James' drinking water system consists of wells, a water treatment plant and a distribution system with approximately 160 service connections and 63 fire hydrants. The operation of the system is contracted out to Ontario Clean Water Agency (OCWA). With a net book value of \$3,156,821.00 it is the largest capital asset that the Township owns.

The system was installed between 1990 and 1998, with a major upgrade taking place in 2007-2009 and a new process computer installed in 2016. The system is a sufficient size to handle anticipated future growth of the community without requiring an expansion.

OCWA prepares an annual report regarding the operations of the system and presents it to the Township for their information. OCWA also provides the Township with a list of capital asset improvements that are recommended to maintain the system in a good working condition. Improvements that are required for public health and safety are given priority.

The Township currently allocates money to reserves for future capital costs that may be required to upgrade or replace the system.

The Township will also review the cost to operate the drinking water system and assess the user fees for water services to ensure that costs are being covered by the users of the system. The Township can then consider whether or not the user fees should be adjusted.

11.RECOMMENDATIONS

In addition to the comments made in the proceeding pages of this document, there are a number of recommendations that should be addressed in future asset management initiatives:

1. Develop, through more detailed analysis and plan for allocating the funds to the operating and/or capital budgets, as required, in order to successfully implement the asset management plan;
2. Develop a policy and implement a strategy to reach long term sustainable funding for each of the assets covered in this Plan;

3. Implement a comprehensive budget structure along service delivery lines, so that service managers can adequately know what the true total cost of their service is.
4. Engage the community in discussing the true cost of services and the assets required to provide those services. Develop and implement service levels that are in line with public expectations and willingness to pay;
5. Review the selection and use of rehabilitation strategies on life-cycle costing and on a return-on-investment (ROI) basis.
6. Review operating and maintenance practices balancing least life-cycle cost against level of service and risk exposure, on a business-case basis using InfraGuide Best Practices and other industry sources;
7. Provide regular updates to the SOTI Report Card and Analysis.
8. Re: Water Treatment Plan. The Township should continue to receive and take OCWA's recommendations for capital investment in the water treatment plan under advisement. In the very long term the Township should investigate options for replacement in a manner consistent with the demographics of the community.

CAPITAL PLAN RECOMMENDATIONS

1. That asset condition assessment of capital assets should be considered wherever feasible. The application of a standard life expectancy of an asset reflects a financial approach). Age-based condition assessment has the least level of confidence for building a capital plan.
2. That the Township of James could consider releasing a policy defining its strategy and intention as it pertains to the infrastructure deficit, including communications to the general public.
3. That the Town be proactive in reviewing and capitalizing on the upcoming Province and Federal contributions to the infrastructure deficit to ensure maximum benefit for the Town.
4. That the Town be proactive in reviewing funding options including Infrastructure Ontario Lending Policies, Private Public Partnerships, user fees and other funding options to have understanding of financing options, should the need arise.
5. That the Town address their infrastructure deficit.
6. That the Town proactively define organizational responsibilities to maintain the asset inventory including proposed and actual project cost information, updating the data as assets are acquired or betterments are added to existing assets and projects

are started and completed. In this manner, the accuracy of future Capital Plan will increase over time.

7. That the Town incorporate a Level of Service analysis prior to resolving the infrastructure deficit in order to maximize the impact of their capital investments and impact of their capital investments.

8. That the Town consider establishing as policy the following guiding principles, that it be:

Customer Focused: To have clearly defined Levels of Service and applying asset management practices to maintain the confidence of residents in how the Township of James assets are managed.

Forward Looking: To make the appropriate decisions and provisions to better enable its assets to meet future challenges, including changing demographics and populations, customer expectations, legislative requirements, technological and environmental factors.

Service Focused: To consider all the assets in a service context and taking into account their interrelationships as opposed to optimizing individual assets in isolation.

Risk-based: To manage the asset risk associated with attaining the agreed levels of service by focusing resources, expenditures, and priorities based upon risk assessments and the corresponding cost/benefit recognizing that public safety is the priority.

Value-Based/Affordable: To choose practices, interventions and operations that aim at reducing the life cycle cost of asset ownership, while satisfying agreed levels of service. Decisions are based on balancing service levels, risks, and costs.

Holistic: To take a comprehensive approach that looks at the "big picture" and considers the combined impact of managing all aspects of the asset life cycle.

- **Systematic:** To adopt a formal, consistent, repeatable approach to the management of its assets that will ensure services are provided in the most effective manner.

9. **Innovative:** To continually improve its asset management approach, by driving innovation in the development of tools, practices, and solutions. To meet the goals and objectives of this policy, senior management could consider:

a) the creation and maintenance of a Comprehensive Asset Management (CAM) governance structure to lead the development of AM tools and practices and to oversee their application across the organization.

b) Adopt a Comprehensive Asset Management Strategy (AMS) to:

- Establish, document and continually adhere to industry recognized asset management protocols;
- Refine levels of service that balance customer expectations with risk, affordability and timing constraints as it pertains to the Town's unique requirements;
- Adopt risk-based decision-making processes that consider the likelihood of asset failure and the consequence of a failure with regards to impacts on safety and levels of service;
- Develop asset management knowledge and competencies aligned with recognized competency frameworks;
- Entrench lifecycle costing when evaluating competing asset investment needs across the Townships assets
- Monitor the performance of the assets and track the effectiveness of AM practices with a view to continuous improvement;
- Where practical, strive to go beyond minimum legislative requirements as an enabler to make the Township more resilient to changing social, environmental and economic conditions.

12. Asset Management Policy

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-01-01
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Purpose & Scope	Page 1 of 1

PURPOSE: The objective of this policy is to prescribe the accounting treatment for tangible capital assets so that users of the financial report can discern information about the investment in property, plant and equipment and the changes in such investment. The principal issues in accounting for tangible capital assets are the recognition of the assets, the determination of their carrying amounts and amortization charges and the recognition of any related impairment losses.

In addition the policy covers policy and procedures to:

- a) Protect and control the use of all tangible capital assets.
- b) Provide accountability over tangible capital assets.
- c) Gather and maintain information needed to prepare financial statements.

SCOPE: This policy applies to all Township Departments, boards and commissions, agencies and other organizations falling within the reporting entity of the Township.

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-02-01
Policy Title Tangible Capital Asset Policy	Date Approved
Subject	
Definitions	Page 1 of 3

Amortization: Amortization is the accounting process of allocating the cost less the residual value of a tangible capital asset to operation periods as an expense over its useful life in a rational and systematic manner appropriate to its nature and use.

- Betterments:** Subsequent expenditures on tangible capital assets that:
- increase previously assessed physical output or service capacity;
 - lower associated operating costs;
 - extend the useful life of the assets; or
 - improve the quality of the output.

Any other expenditure would be considered a repair or maintenance and expensed in the period.

Capital Lease: A capital lease is a lease with contractual terms that transfer substantially all the benefits and risks inherent in ownership to property to the Township. For substantially all of the benefits and risks of ownership to be transferred to the lessee, one or more of the following conditions must be met.

- a) There is reasonable assurance that the Township will obtain ownership of the leased property by the end of the lease term.
- b) The lease term is of such a duration that the Township will receive substantially all of the economic benefits expected to be derived from the use of the leased property over its life span.
- c) The lessor would be assured of recovering the investment in the leased property and of earning a return on the investment as a result of the lease agreement.

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-02-02
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Definitions	Page 2 of 3

Capitalization Threshold: Capitalization threshold (recognition threshold) is the value above which assets are capitalized and reported in the financial statements.

Category: A category of assets is a grouping of assets of a similar nature or function in the Township's operations.

Fair Value: Fair value is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

Group Assets: Assets that have a unit value below the capitalization threshold but have a material value as a group. Normally recorded a single asset with one combined value. Although recorded in the financial systems as a single assets, each unit may be recorded in the asset sub-ledger for monitoring and control of its use and maintenance. Example could include personal computers, furniture and fixtures, small moveable equipment, etc.

Residual Value: Residual value is the estimate net realizable value of a tangible capitalasset at the end of its useful life to a local government.

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-02-02
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Definitions	Page 3 of 3

Tangible Capital Assets: Assets having physical substance that:

- a) are used on a continuing basis in the Townships operations.
- b) have useful lives extending beyond one year.
- c) are not held for re-sale in the ordinary course of operations.

Useful Life: Useful life is the estimate of either the period over which a local government expects to use a tangible capital assets, or the number of production or similar units that it can obtain from the tangible capital asset. The life of a tangible capital asset may extend beyond its useful life. The life of a tangible capital asset, other than land, is finite, and is normally the shortest of the physical, technological, commercial and legal life.

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-03-01
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Capitalization Thresholds	Page 1 of 1

Tangible capital assets should be capitalized (recorded in the fixed asset sub-ledger) according to the following thresholds:

- a) all land;
- b) all buildings;
- c) civil infrastructure systems (built assets such as roads, bridges, sewers, water, transit, parks, etc.) with unit cost of \$10,000 or greater;
- d) all individual assets with unit cost of \$2,500 or greater,
- e) all group assets when totalled to \$2,500 or greater.

Capitalize betterments to existing assets when unit costs exceed the threshold.

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-04-01
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Asset Categories	Page 1 of 1

Category Names:

- land;
- buildings;
- heavy equipment;
- motor vehicles;
- roads;
- bridges & culverts;
- signs;
- equipment, including furniture and fixtures;
- communication networks;
- computer systems (hardware and software).

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-05-01
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Valuation of Assets	Page 1 of 3

Tangible capital assets should be recorded at cost plus all additional charges necessary to place the assets in its intended location and condition for use.

Purchased Assets: Cost is the gross amount of consideration paid to acquire the asset.

It includes all non-refundable taxes and duties, freight and delivery charges, installation and site preparation costs, etc. It is net of any trade discounts or rebates.

Cost of land includes purchase price plus legal fees, land registration fees, transfer taxes, etc. Costs would include any costs to make the land suitable for intended use, such as pollution mitigation, demolition and site improvements that become part of the land.

When two or more assets are acquired for a single purchase price, it is necessary to allocate the purchase price to the various assets acquired. Allocation should be based on the fair value of each asset at the time of acquisition or some other reasonable basis if fair value is not readily determined.

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-05-01
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Valuation of Assets	Page 2 of 3

Acquired, Constructed or Developed Assets:

Cost includes all costs directly attributed (e.g., construction, architectural and other professional fees) to the acquisition, construction or development of the asset.

Carrying costs such as internal design, inspection, administrative and other similar costs may be capitalized. Capitalization of general administrative overheads is not allowed.

Capitalization of carrying costs ceases when no construction or development is taking place or when the tangible capital asset is ready for uses.

Capitalization of Interest Costs

Borrowing costs incurred by the acquisition, construction and production of an asset that takes a substantial period of time to get ready for its intended use should be capitalized as part of the cost of that asset.

Capitalization of interest costs should commence when expenditures are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use are in progress. Capitalization should be suspended during periods in which active development is interrupted.

Capitalization should cease when substantially all of the activities necessary to prepare the asset for its intended use are complete. If only minor modifications are outstanding, this indicates that substantially all of the activities are complete.

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-05-01
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Valuation of Assets	Page 3 of 3

Donated or Contributed Assets

The cost of donated or contributed assets that meet the criteria of recognition is equal to the fair value at the date of construction or contribution. Fair value may be determined using market or appraisal values. Cost may be determined by an estimate of replacement cost. Ancillary costs should be capitalized.

Capital Leases

Account for a capital lease as acquiring a capital asset and incurring a liability. Account for a lease as an operating lease when the net present value of the future minimum lease payments or fair value, which ever is less, is less than \$10,000.

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-06-01
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Componentization of Assets	Page 1 of 1

Tangible capital assets may be accounted for using either the single asset or component approach. Whether the component approach is to be used will be determined by the usefulness of the information versus the cost of collecting and maintaining information at the component level.

Factors to consider when determining whether to use a component approach include:

- a) Major components have significantly different useful lives and consumption patterns than the related tangible capital asset, and
- b) Value of components in relation to the related capital asset.

Civil infrastructure systems should use the component approach. Major components should be grouped when the assets have similar characteristics and estimated useful lives or consumption rates.

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-07-01
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Amortization	Page 1 of 2

The cost, less any residual value, of a tangible capital asset with a limited life should be amortized over its useful life in a rational and systematic manner appropriate to its nature and use. The amortization method and estimate of useful life of the remaining unamortized portion should be reviewed on a regular basis and revised when the appropriateness of a change can be clearly demonstrated.

Useful life is normally the shortest of the asset's physical, technological, commercial or legal life.

Generally, the Township uses a straight-line method for calculating the annual amortization. A comprehensive list of estimated useful lives of assets and amortization rates follows.

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-07-02
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Amortization	Page 2 of 2

Department	Asset	Useful Life (yrs)	Amortization Rate %	Department	Asset	Useful Life (yrs)	Amortization Rate %
<u>All</u>	Land		0	Public Works	Buildings	50	2
	Land Improvements		0		Vehicles	10	10
	Fencing	25	4		Heavy Equipment	25	4
	Outdoor Lights	25	4		Equipment	10	10
	Septic System	25	4	Roads	Dirt	10	10
<u>Administration</u>	Buildings	50	2		Gravelled	7	14.3
	Equipment	10	10		Surfaced	15	6.7
	Computer	5	20		Paved	30	3.3
<u>Recreation</u>	Buildings	50	2	Bridges	Wood	25	4
	Equipment	10	10		Steel	75	1.3
<u>Fire</u>	Buildings	50	2		Concrete	75	1.3
	Vehicles	20	5	Culverts	Wood	25	4
	Equipment	10	10		Plastic	50	2
<u>Landfill</u>	Buildings	10	10		Steel	50	2
<u>Cemetery</u>	Buildings	50	2		Concrete	50	2
<u>Water</u>	Buildings	50	2	Safety	Signage	10	10
	Well	50	2		Guardrails	20	5

	Distribution	50	2	
	Equipment	50	2	

ASSET MANAGEMENT GUIDELINES	Policy # ADMIN- 001-08-01
Policy Title Tangible Capital Asset Policy	Date Approved
Subject Responsibility for Disposal of Capital Assets	Page 1 of 1

Disposal of tangible capital assets that are moveable personal property is the responsibility of the Clerk-Treasurer unless delegated to operating department heads. Township personnel should notify the Clerk/Treasurer when assets become surplus to operations.

Disposal of real property will be the responsibility of the Clerk/Treasurer as determined and instructed by Council.

When other constructed tangible capital assets are taken out of service, destroyed or replaced due to obsolescence, scrapping or dismantling, the department head or designate must notify the Clerk/Treasurer of the asset description and effective date. The Clerk-Treasurer is responsible for adjusting the asset registers and accounting records recording a loss/gain on disposal.