



MUNICIPAL DISTRICT OF GREENVIEW No. 16

POLICY REVIEW COMMITTEE

AGENDA

February 9, 2022

10:30 a.m.

Council Chambers/Zoom

#1 CALL TO ORDER

#2 ADOPTION OF THE AGENDA

#3 ADOPTION OF THE MINUTES

#4 POLICIES

4.1 Policy 1040 Appointment to Boards and Committees	6
4.2 Policy 1034 Asset Management	12
4.3 Policy 1041 Asset Management Obligation	26
4.4 Policy 1507 Tangible Capital Assets	32

#5 NEXT MEETING DATE March 9, 2022

#6 ADJOURNMENT

Minutes of a
POLICY REVIEW COMMITTEE
MUNICIPAL DISTRICT OF GREENVIEW NO. 16
M.D. Administration Building, Council Chambers
Valleyview, Alberta, on January 12, 2021

1:
CALL TO ORDER

Stacey Wabick called the meeting to order at 10:34 a.m.

PRESENT

Member	Councillor Jennifer Scott
Member	Councillor Sally Rosson
Alternate Member	Councillor Dale Smith
Alternate Member	Councillor Dave Berry (virtual)
Alternate Member	Deputy Reeve Bill Smith (virtual)
Alternate Member	Reeve Tyler Olsen
Alternate Member	Councillor Ryan Ratzlaff
Alternate Member	Christine Schlieff (virtual)

CAO	Stacey Wabick
Director of Infrastructure & Planning	Roger Autio
Director of Corporate Services	Ed Kaemingh(virtual)
Director of Community Services	Michelle Honeyman
Safety Advisor	Melanie Mezo
Manager of Finance & Admin	Cara Garrett
Manager of Operations	Josh Friesen
Manager of Construction and Engineering	Leah Thompson
Legislative Services Officer/Recording Secretary	Sarah Sebo

ABSENT

Chair	Councillor Tom Burton
Alternate Member	Councillor Duane Didow
Alternate Member	Councillor Winston Delorme
Alternate Member	Councillor Dale Smith

MOTION: 22.01.077. Moved by: REEVE TYLER OLSEN.

That the Policy Review Committee appoint Councillor Sally Rosson as the Chair of the Policy Review Committee for the January 12, 2022 meeting.

CARRIED

#2
POLICY REVIEW
COMMITTEE
AGENDA

MOTION: 22.01.078. Moved by: REEVE TYLER OLSEN.

That the Policy Review Committee adopt the Agenda of the Policy Review Committee meeting as presented.

CARRIED

**#3
POLICY REVIEW
COMMITTEE
MINUTES**

MOTION: 22.01.079. Moved by: COUNCILLOR JENNIFER SCOTT.
That the Policy Review Committee adopt the minutes of the Policy Review
Committee Organizational meeting held on December 15, 2021, as presented.
CARRIED

MOTION: 22.01.080. Moved by: COUNCILLOR RYAN RATZLAFF.
That the Policy Review Committee adopt the minutes of the Policy Review
Committee meeting held on December 15, 2021, as presented.
CARRIED

**#4
BUSINESS**

4.1 "Signing Authority"

SIGNING AUTHORITY

MOTION: 22.01.081. Moved by: COUNCILLOR TYLER OLSEN.
That the Policy Review Committee recommend Council approve Policy 1027
"Signing Authority" as presented.

CARRIED

4.2 "Financial Reporting"

FINANCIAL REPORTING

MOTION: 22.01.082. Moved by: COUNCILLOR JENNIFER SCOTT.
That the Policy Review Committee recommend Council approve Policy 1500
"Financial Reporting" as presented.

CARRIED

4.3 "Corporate Health and Safety"

**CORPORTATE HEALTH AND
SAFETY**

MOTION: 22.01.083. Moved by: COUNCILLOR DAVE BERRY.
That the Policy Review Committee recommend Council approve Policy 3015
"Corporate Health and Safety" as presented.

CARRIED

4.4 “Snow Clearing and Ice Control of Greenview Roadways and Public Buildings”

SNOW CLEARING AND ICE
CONTROL OF GREENVIEW
ROADWAYS AND PUBLIC
BUILDINGS

MOTION: 22.01.084. Moved by: COUNCILLOR JENNIFER SCOTT

That the Policy Review Committee recommended Council approve Policy 4011 “Snow Clearing and Ice Control of Greenview Roadways and Public Buildings” as amended.

- 1.7 Change sanding trucks to sanding equipment
- 3.3 iv Change snow throwers to snow blowers
- 5.1 “in case of”
- 6.1C add salt and/or sand
- 6.1B change to 3 to 6 cm

CARRIED

4.5 “Bylaw 22-900 Schedule of Fees”

BYLAW 22-900

MOTION: 22.01.085. Moved by: COUNCILLOR RYAN RATZLAFF

That the Policy Review Committee recommend Council receive Bylaw 22-900 “Schedule of Fees” for information as amended.

- Schedule F
 - 2.ii. \$3,000
 - 2.iii. \$3,500
 - 2.iv. \$10,000
 - 2.v. \$15,000
 - 3. Per 5 year term

CARRIED

#5
ADJOURNMENT

MOTION: 22.01.086. Moved by: DEPUTY REEVE BILL SMITH.

That this meeting adjourns at 12:04 p.m.

CARRIED

RECORDING SECRETARY

CHAIR

UNADOPTED



REQUEST FOR DECISION

SUBJECT:	Policy 1040 Appointment to Boards and Committees		
SUBMISSION TO:	POLICY REVIEW COMMITTEE	REVIEWED AND APPROVED FOR SUBMISSION	
MEETING DATE:	February 9, 2022	CAO:	MANAGER:
DEPARTMENT:	CORPORATE SERVICES	DIR:	PRESENTER: JCP
STRATEGIC PLAN:	Level of Service	LEG: SS	

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy (cite) – CO 02 – Appointment to Boards and Committees

RECOMMENDED ACTION:

MOTION: That the Policy Review Committee recommend Policy 1040 “Appointment to Boards and Committees” for approval.

BACKGROUND/PROPOSAL:

Several provisions have been added to what was in Policy CO 02. A definitions section has been included in the policy, as well as a sections on the appointment of Council members to Council Committees, eligibility requirements for members at large, appointments of members at large, responsibilities of Council Committee members, length of appointments, and resignation. The respective roles of Council and Administration have also been added.

Most points from the original policy have been incorporated in the new policy, though some were slightly altered. The only exceptions are the points 7 and 8 which have been removed, these were the sections having to do with holding meetings via telephone.

The most significant changes between the two policies are the more comprehensive eligibility requirements for members at large, added provisions for member appointments when there is a vacancy in the middle of a term, the addition of advertising requirements for board and committee vacancies, and a new section regarding the appointment of Council Members to Council Committees. This policy has also been updated to the current Greenview template.

Policy CO 02 will be repealed at Council alongside the approval of this policy.

BENEFITS OF THE RECOMMENDED ACTION:

1. Greenview will have a comprehensive Appointment to Boards and Committees policy.
-

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: PRC may make additional recommendations.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Administration will bring the policy to Council for approval

ATTACHMENT(S):

- Current Policy CO 02
- Revised Policy 1040



M. D. OF GREENVIEW NO. 16
POLICY & PROCEDURES MANUAL

Section:
COUNCIL

POLICY NUMBER: CO 02

POLICY TITLE: APPOINTMENTS TO BOARDS AND/OR COMMITTEES Page 1 of 1

Date Adopted by Council / Motion Number: 11.05.292

PURPOSE:

To establish rules and regulations governing the appointments of Members-At-Large to Boards and/or Committees of Council.

POLICY:

Boards and Committees of Council will be governed by rules regarding appointments and attendance.

1. All appointments will be by resolution of Council unless legislation states it must be done otherwise.
2. All appointments will be for a period of one year unless legislation states otherwise.
3. No appointee will be allowed to miss more than three consecutive meetings of the Board or Committee without permission of that Board or Committee.
4. If a Member-At-Large misses more than three consecutive meetings, a notice shall be issued in writing by the C.A.O. that the Member has been disqualified from office.
5. When a Member-At-Large has become disqualified and official notice has been issued, the C.A.O. may proceed with steps to fill the vacated position.
6. All Members-At-Large appointed to an M.D. Board or Committee will be a resident of the Municipal District, and must be in good standing with the Municipality.
7. A telephone meeting or survey will only be held in the case of an emergent issue, or if time restrictions do not allow the Board/Committees time to meet as a body. A telephone meeting will be considered a special meeting and must be held in compliance with the legislative requirements for special meetings, with minutes recorded and approved at the next ensuing Board/Committee Meeting.
8. Any member of the Board/Committee wishing to attend a regular meeting by telephone must have prior approval of the Board/Committee.

REEVE

C.A.O.

Title: Appointment to Boards and/or Committees

Policy No: 1040

Effective Date: Date passed in Council

Motion Number:

Supersedes Policy No: CO-02

Review Date: (3 Years from date approved by Council)



Purpose: To establish eligibility criteria and guidelines for public and Council appointments to Greenview Boards and Committees and to ensure a consistent and open process allowing all residents and other eligible persons interested with the opportunity to participate.

1. DEFINITIONS

- 1.1. **Appointment** means the act of appointing someone to serve on a Greenview Board or Committee;
- 1.2. **Boards and Committees** means any committee, board, commission or other body established by Council;
- 1.3. **CAO** means the Chief Administrative Officer of Greenview, or their delegate;
- 1.4. **Greenview** means the Municipal District of Greenview No. 16;
- 1.5. **Organizational Meeting** means the Meeting held annually not later than 2 weeks after the 3rd Monday in October at which appointments are made to County Boards and Committees;
- 1.6. **Public** means a member of the public who is a resident of Greenview, a resident of a participating municipality in the case of joint boards or committees, or otherwise eligible to sit on a Greenview board or committee;
- 1.7. **Resident** means a member of the public whose current and primary residence is within Greenview or within a participating municipality in the case of joint boards or committees;

2. POLICY STATEMENT

- 2.1. The Municipal District of Greenview values public engagement. Involving the public in committees strengthens Greenview's sense of community and encourages public involvement.

3. APPOINTMENT OF COUNCIL MEMBERS TO COUNCIL COMMITTEES

- 3.1. Council Members shall be appointed to Council Committees at the annual Organization Meeting of Council, and at other times as required.
- 3.2. The appointment term for Council Members shall:
 - A) Be until the next annual Organizational Meeting of Council, unless otherwise specified by a resolution of Council or a Council Committee Bylaw; and
 - B) Terminate immediately upon leaving office.
- 3.3. In the case of a mid-term Council Member vacancy, administration will bring the position in the applicable Council Committee forward for Council to make an appointment.

4. ELIGIBILITY

- 4.1 Board and Committee members-at-large shall:
 - A) Be 18 years of age at the time of appointment;
 - B) Be a current resident and/or ratepayer of Greenview unless the bylaw for the applicable committee allows otherwise;
 - C) Not be an employee of Greenview;
 - D) Not be in arrears to Greenview
 - E) Not be in litigation with Greenview;
 - F) Not have any current or outstanding compliance order issued by Greenview against them;
 - G) Be removed from the Board or Committee if the member becomes an employee of Greenview or ceases to be a Greenview resident, unless the bylaw of the applicable committee allows otherwise; and
 - H) Be eligible if appointed by a municipality whereby there is an intermunicipal agreement for a reciprocal use of board or committee members.

5. APPOINTMENTS OF MEMBERS AT LARGE

- 5.1 All appointments will be by resolution of Council unless legislation states it must be done otherwise.
- 5.2 Public appointments to eligible Boards and Committees shall be on the basis of public advertisement inviting applications from residents or other eligible persons for the appointments. Applications are to be submitted to Council for consideration and appointment.
- 5.3 Public advertisement will take place prior to the annual Organizational Meeting and Council shall approve all public appointments to Boards and Committees at the annual Organizational Meeting. If a vacancy occurs prior to the end of the term, advertisement and appointment of a new member may take place before the annual Organizational Meeting.
- 5.4 When a Committee or Board’s terms of reference or bylaw allows for members that are not a resident or ratepayer of Greenview, preference will be given to Greenview residents.

6. RESPONSIBILITIES

6.1 Individuals appointed to a Committee must:

- A) As part of the condition of accepting an appointment agree to abide by the mandate and objectives of the Committee or Board; and
- B) Comply and conduct themselves in accordance with Greenview’s Procedural Bylaw.

7. LENGTH OF APPOINTMENT

7.1 Unless otherwise provided for by bylaw, all appointments shall be for a one-year term, commencing on the date of appointment at the Organizational Meeting.

7.2 If a vacancy occurs and an appointment is made mid-term, the term will be for the duration of the original one-year term for the vacant position.

7.3 Members may be re-appointed, upon application, for a consecutive term as determined by Council and/or subject to the limits contained within applicable legislation or bylaws.

8 RESIGNATION

8.1 Committee members wishing to resign their position mid-term shall submit their resignation in writing to CAO services.

8.2 Members who miss three (3) consecutive meetings without explanation and authorization from the Committee or Board Chair will be deemed to have resigned from that Committee or Board. The Council representative for this Committee or Board will request Council to have the Member removed from the assigned Committee or Board at a Council meeting following the missed meetings.

9 ROLE OF COUNCIL

9.1 Council is responsible for considering applications and appointing public members to Greenview Boards and Committees.

10 ROLE OF ADMINISTRATION

10.1 The CAO or Designate is responsible to review applications to determine eligibility, and to bring eligible applications forward for Council’s consideration.

10.2 The CAO or Designate is responsible for maintaining records of board and committee memberships.



REQUEST FOR DECISION

SUBJECT:	Policy 1034 Asset Management	REVIEWED AND APPROVED FOR SUBMISSION	
SUBMISSION TO:	POLICY REVIEW COMMITTEE	CAO:	MANAGER:
MEETING DATE:	February 9, 2022	DIR:	PRESENTER: JH
DEPARTMENT:	CORPORATE SERVICES	LEG: SS	
STRATEGIC PLAN:	Level of Service		

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION: That Policy Review Committee recommend Council approve Policy 1034 “Asset Management” as presented.

BACKGROUND/PROPOSAL:

Administration is bring this policy forward because the Tangible Capital Assets and Asset Management policy documents were developed in connection from templates issued to the municipalities. This addition policy developed with need/ necessary addition from the guidance of the ISO 55000 for asset management and ISO 31000 for risk management. There is a direction and line-of sight given to work within the new document in which the current document is missing. The new addition reflects current business and workable parts of Greenview. Both ISO documents further show the development of the asset maturity level increasing in Greenview. The process is not one and done. These documents become living documents and will need updating from time to time.

This policy will continue to grow along with the asset management program and will be following up upon the asset management advisory committee (ANAC) as noted in this previous version as the Asset Management Steering Committee. This policy will become a set of policies to be build for the asset management program.

This policy is not highlighted in red because almost the entirety of the policy is new.

BENEFITS OF THE RECOMMENDED ACTION:

1. Greenview will have a more robust asset management policy that coincides with the International Organization for Standardization for risk management and asset management.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: PRC may make additional recommendations.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Administration will bring the policy to Council for approval.

ATTACHMENT(S):

- Policy 1034 Asset Management - Current
- Policy 1034 Asset Management – Revised

Title: Asset Management

Policy No: 1034

Effective Date: March 9, 2020

Motion Number: 20.03.157

Supersedes Policy No: NONE

Review Date: March 9, 2023



Purpose: The purpose of this policy is to guide Greenview’s implementation of the asset management practices that enable a coordinated, cost effective and organizationally sustainable approach across Greenview.

This policy will:

- a) Define over-arching principles that guide the Greenview’s asset management initiatives to ensure the provision of required services to the community that meet the community’s current needs without compromising the future, at a level that is cost effective and sustainable;
- b) Outline decision making processes that demonstrate Environmental and Fiscal stewardship;
- c) Achieve Council’s vision as stated in approved Council’s Strategic Plan

DEFINITIONS

Asset means a physical object that is a significant economic resource and provides the delivery of a program or service.

Asset Management means the process of making decisions about the use and care of infrastructure to deliver services in a way that considers current and future needs, manages risks and opportunities, and makes the best use of resources.

Asset Risk means events where an asset fails to perform as it was designed/needed to.

CAO means Chief Administrative Officer.

Level of Service means a measure of the quality, quantity, and/or reliability of a service from the perspective of residents, businesses, and customers in Greenview.

Life-cycle means the time interval that commences with the identification of the need for an asset and terminates with the disposal of the asset.

Long-term cost (Life-cycle cost) means the financial and human resources required throughout the life cycle of the asset

Long-term financial Plan means a plan that documents the process of aligning financial capacity with long-term service objectives.

Risk means events or occurrences that will have undesired impacts on services.

Strategic Risk means events or occurrences that impact the ability to achieve strategic and service objectives.

POLICY

1. Asset Management is an integrated and adaptive approach, involving the Council and all departments of Greenview, to deliver sustainable services to the community by effective management of existing and new infrastructure.
2. This policy outlines principles that shape the asset management approaches and initiatives across the organization.
3. Greenview delivers services to the community through a wide range of assets owned and managed by Greenview.
4. This Policy applies to:
 - a) All existing and new assets or asset systems (including natural assets) owned by Greenview and used to deliver services to the community;
 - b) Assets owned by Greenview, but managed or co-managed by others to deliver services to the community, subject to the terms of any agreement already in place;
 - c) Assets owned by others but managed or co-managed by Greenview to deliver services to the community, subject to the terms of any agreements already in place.

PROCEDURE

5. **Service Delivery:**
 - a) Greenview shall define the levels of service to meet the community's needs and regulatory requirements, in a manner that considers quality of life, minimizes long-term costs to the community and balances risks and opportunities.
 - b) Greenview shall operate and manage all assets effectively and efficiently to deliver the defined levels of service to the community.
 - c) Greenview will share defined levels of service and service performances with the community to demonstrate accountability and transparency in decision-making.
 - d) Greenview shall monitor and periodically review the defined levels of service to ensure they are compliant with the community's needs, Council's strategic objectives and any applicable regulatory requirements.
 - e) Greenview will comply with all relevant legislative, statutory and regulatory requirements.
6. **Sustainability and Environmental Adaptability**
 - a) Greenview shall develop business cases that consider risks and long-term costs of delivering defined levels of service when investing in infrastructure assets.
 - b) Greenview's infrastructure investment shall consider the current and future generation's needs (considering changing demographics), by incorporating strategic risk assessments in the asset management decision making.

- c) Greenview's asset management decision making shall incorporate a triple bottom line approach, considering the socio-cultural, environmental and economic outcomes.
- d) Greenview will consider the potential effects of climate change and other environmental impacts, and how the increased severity and frequency of climatic events may directly affect levels of service. Where appropriate, a proactive approach to mitigating the potential impacts of climate change will be adopted.

7. Holistic and Integrated Decision Making

- a) Greenview shall connect and integrate the appropriate departments, business units, and functions in the asset management decision making process in order to build effective working relationships and recognize maximum value in infrastructure investments.
 - i. These departments and functions include planning, engineering, operations and maintenance, finance and other strategic and long-term community planning and budgetary functions.

8. Fiscal Responsibility

- a) Greenview shall develop and maintain a long-term financial plan that identifies investment needs, funding requirements and revenue projections to achieve long-term financial sustainability.
- b) Greenview's infrastructure investment shall consider the financial impacts on current and future generations and promote social and inter-generational equity.
- c) Greenview shall implement processes that ensure the proposed investment needs are addressed efficiently and effectively.
- d) The decision to build, renew and/or replace an asset shall aim to minimize the long-term cost of asset ownership while balancing risks and meeting the defined levels of service.
- e) Greenview shall implement efficient maintenance strategies that consider sustaining the defined levels of service while seeking to mitigate risk and maximize value of asset ownership.
- f) Greenview shall comply with all the regulatory and statutory financial tracking and reporting requirements.

9. Continuous Improvement

- a) Greenview shall monitor and periodically review the asset management processes (including this policy) to measure their applicability and effectiveness in achieving the Greenview's strategic objectives, where applicable the required revisions shall be made.
- b) Greenview shall seek continuous improvement of the asset management processes by focusing on incorporating innovative tools, techniques and solutions that promote long-term efficiency and effectiveness in service delivery and asset management decision making.
- c) Greenview shall assess the asset management competencies required to implement the asset management processes and provide the necessary support, education and training to relevant staff.

Responsibilities**10. Council**

- a) Approves Asset Management policy.
- b) Supports strategies and plans that are developed to implement the Asset Management Policy.
- c) Approves the defined levels of service.
- d) Approves asset funding through multi-year plans and annual budgets.
- e) Supports asset management system by approving funding to implement the asset management processes.
- f) Authorizes the CAO to form a corporate asset management steering committee to implement asset management system across the organization.

11. CAO

- a) Ensures and oversees corporate adoption of asset management policy, processes and strategies.
- b) Establishes an asset management steering committee.
- c) Appoints the cross-functional representatives from relevant departments to serve on the steering committee as well as chair of the steering committee.
- d) Reviews all asset management information prior to presentation to Council.

12. Asset Management Steering Committee

- a) Provides a forum for discussion and development of asset management policy, strategy, plans and processes.
- b) Encourages the collaboration and integration between different business areas to achieve efficiency and effectiveness in service delivery.
- c) Provides a forum for learning, information sharing and co-education opportunities.
- d) Leads the development of corporate asset management tools and practices and monitors their application across the organization.

13. Department Managers

- a) Lead the adoption of the asset management policy within their departments.
- b) Allocate appropriate resources for implementation of the policy and associated processes.
- c) Liaise with Asset Management Steering Committee.

14. Corporate Finance

- a) Provides financial direction and support to the departments and Asset Management Steering Committee.
- b) Develops and maintains the required financial plans and records in accordance to the asset management policy and regulatory and statutory requirements.

Title: Asset Management

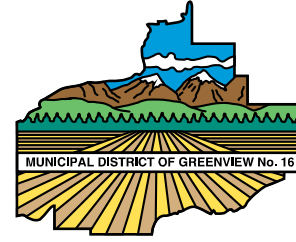
Policy No: 1034

Effective Date: Date passed in Council

Motion Number:

Supersedes Policy No:

Review Date:



Purpose: This policy is to articulate MD of Greenview No. 16, Council's commitment to asset management, and guides administration and staff using the policy statements. In doing so, this policy outlines how it is to be integrated within the organization in such a way that it is coordinated, cost effective and organizationally sustainable. This policy also demonstrates to the community that Council is exercising good stewardship and is delivering affordable services while considering its legacy to future residents.

Council has a mandate to provide a wide range of services. To guide administration and staff with the effective implementation of those services, Council typically adopts policies for important issues that can be used by staff to support Council's vision, goals, and objectives. Greenview, is committed to maximizing Greenview's return on investment in physical assets, while complying with all legislative and regulatory requirements, and ensuring that all activities are performed in a safe and environmentally sustainable manner.

1. DEFINITIONS

For consistency, terminology in all official asset management documents shall be consistent with ISO 55000:2014(E) – International Standard for Asset Management

For consistency, terminology in all official Risk management documents shall be consistent with ISO 31000:2018 – International Standard for Risk Management

- 1.1. **Amortization** means the process of incrementally charging the cost of an asset to expense over its expected period of use, which shifts the asset from the balance sheet to the income statement. It essentially reflects the consumption of an intangible asset over its useful life. Amortization is most commonly used for the gradual write-down of the cost of those intangible assets that have a specific useful life.
- 1.2. **Asset** means an Item, thing, or entity that has potential or actual value to an organization. Value can be tangible or intangible financial or non-financial and includes consideration of risks and liabilities.
- 1.3. **Asset Management** means the application of sound technical, social, and economic principles that considers present and future needs of users, and the service from the asset. Refers to any system that monitors and maintains things of value to an entity or group. It may apply to both tangible assets and to intangible assets.
- 1.4. **Asset Management Advisory Committee** The committee was formed to provide the Greenview with diverse perspectives on asset management and related advice and

recommendations. The committee reviews policies, procedures and results to ensure the assets are managed in a manner supportive of the Greenview's mission and in accordance with fiduciary standards and applicable law

- 1.5. **Asset Management Strategy** means a high level, but very important, document that guides the overall asset management activities within an organization. Being a strategy, it is meant to explore long term issues and ensure that the overall plan is linked to key "strategic" issues of the organization.
- 1.6. **Asset Management Plan (AMP)** means a tactical plan for managing an organization's infrastructure and other assets to deliver an agreed Level of Service. This documented information that specifies the activities, resources, and timescales required for an individual asset, or grouping of assets, to achieve the organization's asset management objectives.
- 1.7. **Best Practices** means state-of-the-art methodologies and technologies for municipal infrastructure planning, design, construction, management, assessment, maintenance, and rehabilitation that consider local economic, environmental, and social factors.
- 1.8. **Intangible Assets** means includes patents, copyrights, franchises, goodwill, trademarks, and trade names, and the general interpretation also includes software and other intangible computer-based assets.
- 1.9. **Greenview** means the Municipal District of Greenview No.16.
- 1.10. **Intangible Assets** means an asset that is not physical in nature. Goodwill, brand recognition and intellectual property, such as patents, trademarks, and copyrights, are all intangible assets. Intangible assets exist in opposition to tangible assets, which include land, vehicles, equipment, and inventory.
- 1.11. **Level of Service (LoS)** means parameters or a combination of parameters, which reflect social, political, environmental, and economic outcomes that an organization delivers from their assets.
- 1.12. **Lifecycle** means the time interval that commences with the identification of the need for an asset and terminates with the disposal of the asset.
- 1.13. **Line of Sight** means this alignment (or line of sight) focuses the entire organization on the same strategic goals. It lines up the value the asset is expected to produce with the financial business objectives of the organization.
- 1.14. **Long-term cost (Life-cycle cost)** means the financial and human resources required throughout the life cycle of the asset.
- 1.15. **Performance Monitoring** means continuous or periodic quantitative and qualitative assessments of the actual performance compared with specific objectives, targets, or standards through the application of performance indicators.
- 1.16. **Risk** means the uncertainty about whether a "Risk" event has the potential to significantly affect the goals and objectives of the MD, which will result in a gain or loss in the achievement of the organizational goals or objectives.

- 1.17. **Risk Management** means avoiding, accepting, transferring, or treating the uncertainty arising from a risk event to minimize the negative impact of the risk event and increase the likelihood of achieving the strategy or objective by reducing the negative outcomes of risk events and enhancing the positive outcomes of informed risk-taking.
- 1.18. **Service Life of an Asset** means the total period during which it remains in use, or ready to be used, in a productive process.
- 1.19. **Strategic Risk** means events or occurrences that impact the ability to achieve strategic and service objectives.
- 1.20. **Tangible Assets** means assets that have a physical form. Tangible assets include both fixed assets, such as machinery, buildings and land, and current assets, such as inventory.
- 1.21. **Useful Life** means the period of time (or total amount of activity) for which the asset will be economically feasible for use in a business. In other words, it is the period of time that the business asset will be in service and used to earn revenues.

2. POLICY STATEMENT

- 2.1. Asset Management is an integrated and adaptive approach, involving the Council and all departments of Greenview, to deliver sustainable services to the community by effective management of existing and new infrastructure.
- 2.2. This policy outlines principles that shape the asset management approaches and initiatives across the organization. Also ensure compliance with all statutory requirements applying to physical assets and asset management.
- 2.3. Ensure that all Asset Management decisions and activities comply with the Greenview's policies relating to Occupational, Health, Safety, and Environment.
- 2.4. Ensure that Asset Management decisions and activities consider and balance the needs of all relevant stakeholders, both within and external to the organization and follow the "line of sight" principles.
- 2.5. Ensure alignment between all organizational functions that impact on Asset Management, including Projects/Engineering, Production, Maintenance, and Supply.
- 2.6. Ensure that the Greenview's assets are managed in accordance with recognized asset management techniques that consider the achievement of both short term and longer-term business objectives.
- 2.7. Formally assess both risk and economic outcomes when making decisions relating to the management of physical assets and Operate assets in a disciplined manner, and with precision.
- 2.8. Ensure that asset purchase, replacement, refurbishment, and disposal decisions are made based on an assessment of expected future customer demand, life cycle costs, and risks.
- 2.9. This Policy applies to:

- A) All existing and new assets or asset systems (including natural assets) owned by Greenview and used to deliver services to the community;
- B) Assets owned by Greenview, but managed or co-managed by others to deliver services to the community, subject to the terms of any agreement already in place;
- C) Assets owned by others but managed or co-managed by Greenview to deliver services to the community, subject to the terms of any agreements already in place.

3. PRINCIPLES

- 3.1. This policy shall be implemented by employees using industry accepted guidelines and practices. Employees shall consider the use of an Asset Management strategy and Asset Management Plans
- 3.2. Greenview will also comply with required capital asset reporting requirements PS-3150 and integrate the Asset Management program into operational plans through the municipality.
- 3.3. Strategic Asset Management plans may be developed for a specific class of assets or be generic for all assets and should outline term goals, processes, and steps to showing how they will be achieved. The asset management plans should be based on current inventories and conditions (acquired or derived), project performance and remaining service life and consequences of losses (i.e., Vulnerability assessments, emergency management).

4. POLICY PRINCIPLES, GUIDELINES, AND INTEGRATION:

- 4.1. The key principles of the asset management policy are outlined in the following list. Greenview No. 16 shall:
 - A) Make informed decisions, identifying all revenues and costs (including operation, maintenance, replacement and decommission) associated with infrastructure asset decisions, including additions and deletions. Trade-offs should be articulated and evaluated, and the basis for the decision recorded.
 - B) Integrate corporate, financial, business, technical and budgetary planning for infrastructure assets.
 - C) Establish organizational accountability and responsibility for asset inventory, condition, use and performance.
 - D) Consult with stakeholders where appropriate.
 - E) Define and articulate service, maintenance and replacement levels and outcomes.
 - F) Use available resources effectively.
 - G) Manage assets to be sustainable.
 - H) Minimize total life cycle costs of assets.
 - I) Line of sight, of assets goals.
 - J) Consider environmental goals.
 - K) Consider social and sustainability goals.
 - L) Minimize risks to users and risks associated with failure.
 - M) Pursue best practices where available.

- N) Report the performance of its asset management program.

4.2. Guidelines and Practices

- A) This policy shall be implemented by staff using accepted industry guidelines and practices (can identify the guidelines/practices will be using) and staff shall consider the use of an asset management strategy and asset management plans. The organization will also comply with required capital asset reporting requirements and integrate the asset management program into operational plans throughout the organization.
- B) Strategic asset management plans may be developed for a specific class of assets or be generic for all assets and should outline long term goals, processes, and steps toward how they will be achieved. The asset management plans should be based on current inventories and condition (acquired or derived), projected performance and remaining service life and consequences of losses (e.g., vulnerability assessments, emergency management). Operational plans should reflect these details. Replacement portfolios and associated financial plans should consider alternative scenarios and risks, as well as include public consultation.

4.3. Context and Integration of Asset Management within Organization

The context and integration of asset management throughout the organization's lines of business is typically formalized through references and linkages between Municipal documents. Where possible and appropriate, Council and staff will consider this policy and integrate it in the development of Municipal documents such as (broad list noted below, include those which apply and add others as needed):

- A) Official Community Plans
- B) Business Plans
- C) Municipal Strategic Plan
- D) Municipal Financial Plan
- E) Operational Plans and Budgets (including vehicle and fleet plans and budgets)
- F) Annual Reports
- G) Design Criteria and Specifications
- H) Infrastructure Servicing, Management, and Replacement Plans, e.g., Transportation Plans, Historical Culture Plans
- I) Community Social Plans
- J) Parks and Recreation Plans
- K) Facility, Building Plans

5. ASSET MANAGEMENT FRAMEWORK- ISO 55000

5.1. To meet the objective of this policy, the Greenview will follow the Asset Management Framework described in Figure 1. The Framework describes the business processes and asset management activities and illustrates the relationship between activities. The Framework consists of several major elements:

A) Regulatory Requirements, Business drivers

Both are the external influences that govern how the infrastructure are managed and set overall expectations of how the departments operate, including, but not limited to:

- I. Ratepayer’s requirements;
- II. Municipal goals and strategies;
- III. Regulatory Requirements
- IV. Environmental factors

B) Core Processes supported by Core Support Services

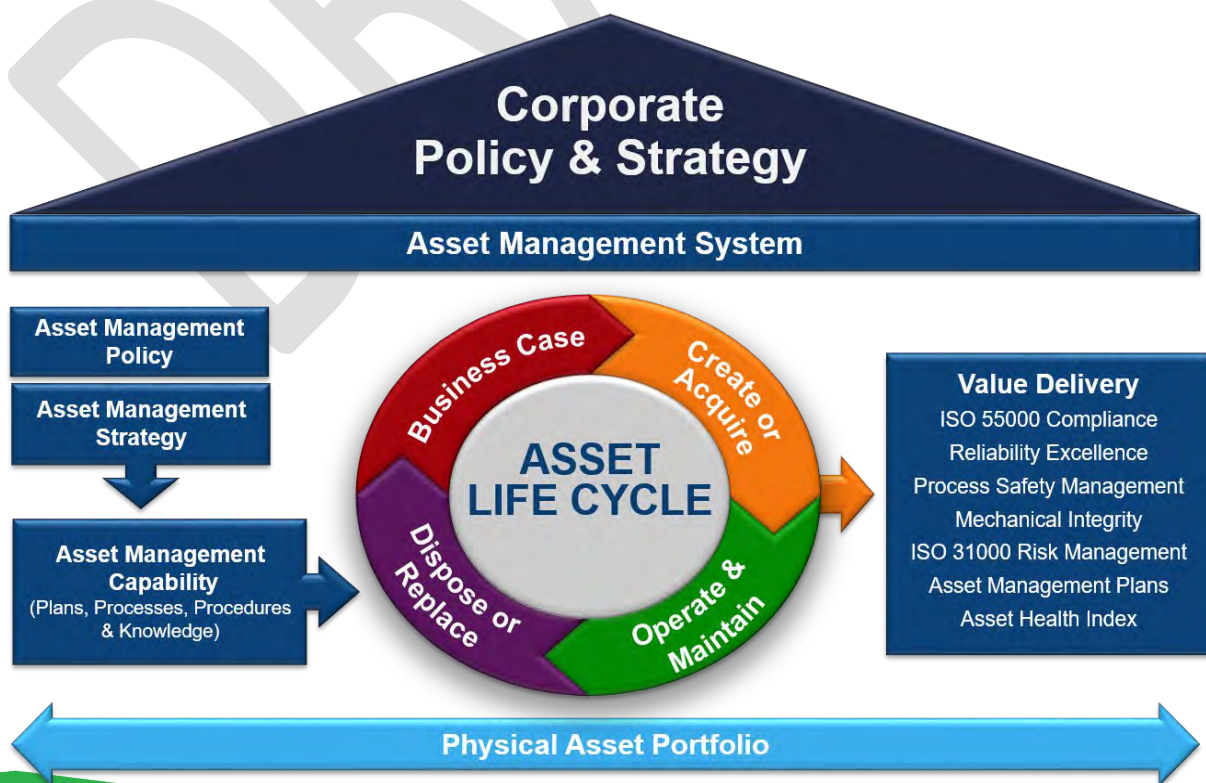
The underlying structure is based on the all-encompassing Plan-Do-Check-Act (PDCA) cycle to control and continuously improve on processes and products.

C) Asset Lifecycle

Centered amongst the Business Drivers and overlaying the PDCA cycle, is the management of physical infrastructure. This Asset Management Cycle describes how the various assets are managed. The Asset Lifecycle includes:

- I. Asset procurement, creation, or acquisition - to provide assets to meet current and future needs while achieving the defined levels of service and risks;
- II. Asset operations maintain – to maintain an asset to meet the required functional condition and/or extend its life; and
- III. Asset disposal / replace - To rebuild or replace an asset to restore it to a required functional condition

6. FROM ISO 55000 ASSET MANAGEMENT SYSTEM



7. COUNCIL RESPONSIBILITIES

- 7.1. Council shall review all policies every three year for compliance and effectiveness of the policies. While administration, employees, public and other agencies may provide input on the nature and text of the policy, Council retains the authority to approve, update, amend or repeal policies.
- 7.2. Report to ratepayers on the status of the infrastructure assets and asset management program.

8. ADMINISTRATION RESPONSIBILITIES

- 8.1. Review this policy in accordance with the review schedule and identify issues and develop policy updates.
- 8.2. Develop guidelines and practices for the Asset Management program.
- 8.3. Ensure the policy is being implemented in accordance with Greenviue's committed levels of service.
- 8.4. Progressively develop and maintain inventories and asset infrastructure.
- 8.5. Establish and monitor infrastructure replacement levels using life cycle costing principles.
- 8.6. Develop and maintain financial plan for the appropriate level of maintenance, extension and decommission of assets.
- 8.7. The implementation, review and reporting back regarding this policy shall be integrated within the organization due to the importance of this policy, the organization's asset management program shall be reported annually to the community, and implementation of this policy reviewed by Council at the mid-point of its term.

9. ASSET MANAGEMENT ADVISORY COMMITTEE (AMAC)

- 9.1. Provides a forum for discussion and development of asset management policy, strategy, plans and processes.
- 9.2. Encourages the collaboration and integration between different business areas to achieve efficiency and effectiveness in service delivery.
- 9.3. Provides a forum for learning, information sharing and co-education opportunities.
- 9.4. Leads the development of corporate asset management tools and practices and monitors their application across the organization.
- 9.5. Asset management policy and regulatory and statutory requirements.

9.6.The committee is governed by Terms of Reference (TOR) adopted by Council.

DRAFT



REQUEST FOR DECISION

SUBJECT: **Policy 1041 Asset Retirement Obligation (ARO)**
SUBMISSION TO: POLICY REVIEW COMMITTEE REVIEWED AND APPROVED FOR SUBMISSION
MEETING DATE: February 9, 2022 CAO: MANAGER:
DEPARTMENT: CORPORATE SERVICES DIR: PRESENTER: JH
STRATEGIC PLAN: Level of Service LEG: SS

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION: That Policy Review Committee recommend Council approve Policy 1041 "Asset Retirement Obligation (ARO)" as presented.

BACKGROUND/PROPOSAL:

(2010-Aug 2018) The Public Sector Accounting 3270 (PS 3270) for landfill liability accounting has been resented and now (Aug 2018-) public sector accounting 3280 (PS 3280) Asset retirement Obligation for landfills, containment lands and reclamation. The new process has been also recommended to be adopted by our auditors since 2019. The deadline to have the PS3280 adopted is **April 1st, 2022**.

The reason for the creation of the Solid Waste Reserve in 2015, being it was to be created to deal with the issues identified in the PS 3270. Thus, as PS 3270 has now resented, for the PS3280, we are to follow to do the same. There are new capital calculations and what we need to do to the reserves to ensure monies are available for the liability. This policy will layout the guideline to do so.

We will looking be doing for future issues that fall into this category. The current issues with liability will be following the PS3270 and will also grow the reserve as require for the liability obligation.

(Technical reasoning for the changes in the reserve policy and then building of the Asset Retirement Obligation PS 3280.). This policy will become a set of policies to be build for the asset management program.

BENEFITS OF THE RECOMMENDED ACTION:

1. Greenview will have a policy that outlines the proper manner in which assets are required to be retired.
-

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.
-

ALTERNATIVES CONSIDERED:

Alternative #1: PRC may make additional recommendations.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Administration will bring the policy to Council for approval.

ATTACHMENT(S):

- Policy 1040 Asset Retirement Obligation

Title: Asset Retirement Obligations (ARO)

Policy No: 1041

Effective Date:

Motion Number:

Supersedes Policy No: None

Review Date: (3 Years from date approved by Council)



Purpose: The objective of this Policy is to stipulate the accounting treatment for asset retirement obligations (ARO) so that users of the financial report can discern information about these assets, and their end-of-life obligations. The principal issues in accounting for ARO's is the recognition and measurement of these obligations.

The Municipal District of Greenview No. 16 shall account for and report on asset retirement obligations (ARO) in compliance with the Public Sector Accounting Board (PSAB) Handbook, section 3280.

1. DEFINITIONS

- 1.1. **Accretion expense** is the increase in the carrying amount of a liability for asset retirement obligations due to the passage of time.
- 1.2. **Asset retirement activities** include all activities related to an asset retirement obligation. These may include, but are not limited to:
 - A) decommissioning or dismantling a tangible capital asset that was acquired,
 - B) constructed, developed, or leased;
 - C) remediation of contamination of a tangible capital asset created by its normal use;
 - D) post-retirement activities such as monitoring; and
 - E) constructing other tangible capital assets to perform post-retirement activities.
- 1.3. **Asset retirement cost** is the estimated amount required to retire a tangible capital asset.
- 1.4. **Asset retirement obligation** is a legal obligation associated with the retirement of a tangible capital asset.
- 1.5. **Greenview** means Municipal District of Greenview No.16.
- 1.6. **Retirement of a tangible capital asset** is the permanent removal of a tangible capital asset from service. This term encompasses sale, abandonment, or disposal in some other manner but not its temporary idling.

2. POLICY STATEMENT

- 2.1. This Policy applies to all departments, branches, boards, and agencies falling within the reporting entity of Greenview, that possess asset retirement obligations including:
 - A) Assets with legal title held by the Greenview;
 - B) Assets controlled by the Greenview;
 - C) Assets that have not been capitalized or recorded as a tangible capital asset for financial statement purposes.
- 2.2. Existing laws and regulations require public sector entities to take specific actions to retire certain tangible capital assets at the end of their useful lives. This includes activities such as removal of asbestos, and retirement of landfills. Other obligations to retire tangible capital assets may arise from contracts, court judgments, or lease arrangements.
- 2.3. The legal obligation, including obligations created by promises made without formal consideration, associated with retirement of tangible capital assets controlled by Greenview, will be recognized as liability in the books of Greenview, in accordance with PS3280 which Greenview will be adopting starting **January 1, 2023**.
- 2.4. Asset retirement obligations result from acquisition, construction, development, or normal use of the asset. These obligations are predictable, likely to occur and unavoidable. Asset retirement obligations are separate and distinct from contaminated site liabilities. The liability for contaminated sites is normally resulting from unexpected contamination exceeding the environmental standards. Asset retirement obligations are not necessarily associated with contamination.

3. PROCEDURE

- 3.1. Recognition
 - A) A liability should be recognized when, as at the financial reporting date:
 - i. there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
 - ii. the past transaction or event giving rise to the liability has occurred;
 - iii. it is expected that future economic benefits will be given up; and
 - iv. a reasonable estimate of the amount can be made.
 - B) A liability for an asset retirement obligation cannot be recognized unless all of the criteria above are satisfied.
 - C) The estimate of the liability would be based on requirements in existing agreements, contracts, legislation or legally enforceable obligations, and technology expected to be used in asset retirement activities.
 - D) The estimate of a liability should include costs directly attributable to asset retirement activities. Costs would include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset.
 - E) Directly attributable costs would include, but are not limited to, payroll and benefits, equipment and facilities, materials, legal and other professional fees, and overhead costs directly attributable to the asset retirement activity.
 - F) Upon initial recognition of a liability for an asset retirement obligation, Greenview will recognize an asset retirement cost by increasing the carrying amount of the related tangible capital asset (or a component thereof) by the same amount as the liability.

Where the obligation relates to an asset which is no longer in service, and not providing economic benefit, or to an item not recorded by Greenview as an asset, the obligation is expensed upon recognition.

- G) The capitalization thresholds applicable to the different asset categories will also be applied to the asset retirement obligations to be recognized within each of those asset categories.

3.2. Subsequent Measurement

The asset retirement costs will be allocated to accretion expense in a rational and systemic manner (straight-line method) over the useful life of the tangible capital asset or a component of the asset. On an annual basis, the existing asset retirement obligations will be assessed for any changes in expected cost, term to retirement, or any other changes that may impact the estimated obligation. In addition, any new obligations identified will also be assessed.

3.3. Presentation and Disclosure

The liability for asset retirement obligations will be disclosed.

3.4. Decision Tree

Scope of applicability is attached to this Policy as Schedule A.

4. LEGISLATIVE AND ADMINISTRATIVE AUTHORITIES

- 4.1. Public Sector Accounting Board, Public Sector Handbook, Section PS 3280 Asset Retirement Obligations.

5. COUNCIL RESPONSIBILITIES

- 5.1. Council's responsibility for this policy is to approve it via resolution and review and monitor it as per the PSAB Handbook.

6. ADMINISTRATION RESPONSIBILITIES

Roles and Responsibilities of Departments

6.1. **Departments** are required to:

- A) Communicate with Finance and Asset Management Officer on retirement obligations, and any changes in asset condition or retirement timelines,
- B) Assist in the preparation of cost estimates for retirement obligations, and
- C) Inform Finance of any legal or contractual obligations at inception of any such obligation.

6.2. **Corporate Services** to implement the asset retirement obligation policy in accordance with the legal obligation of the Federal and Provincial legislation.

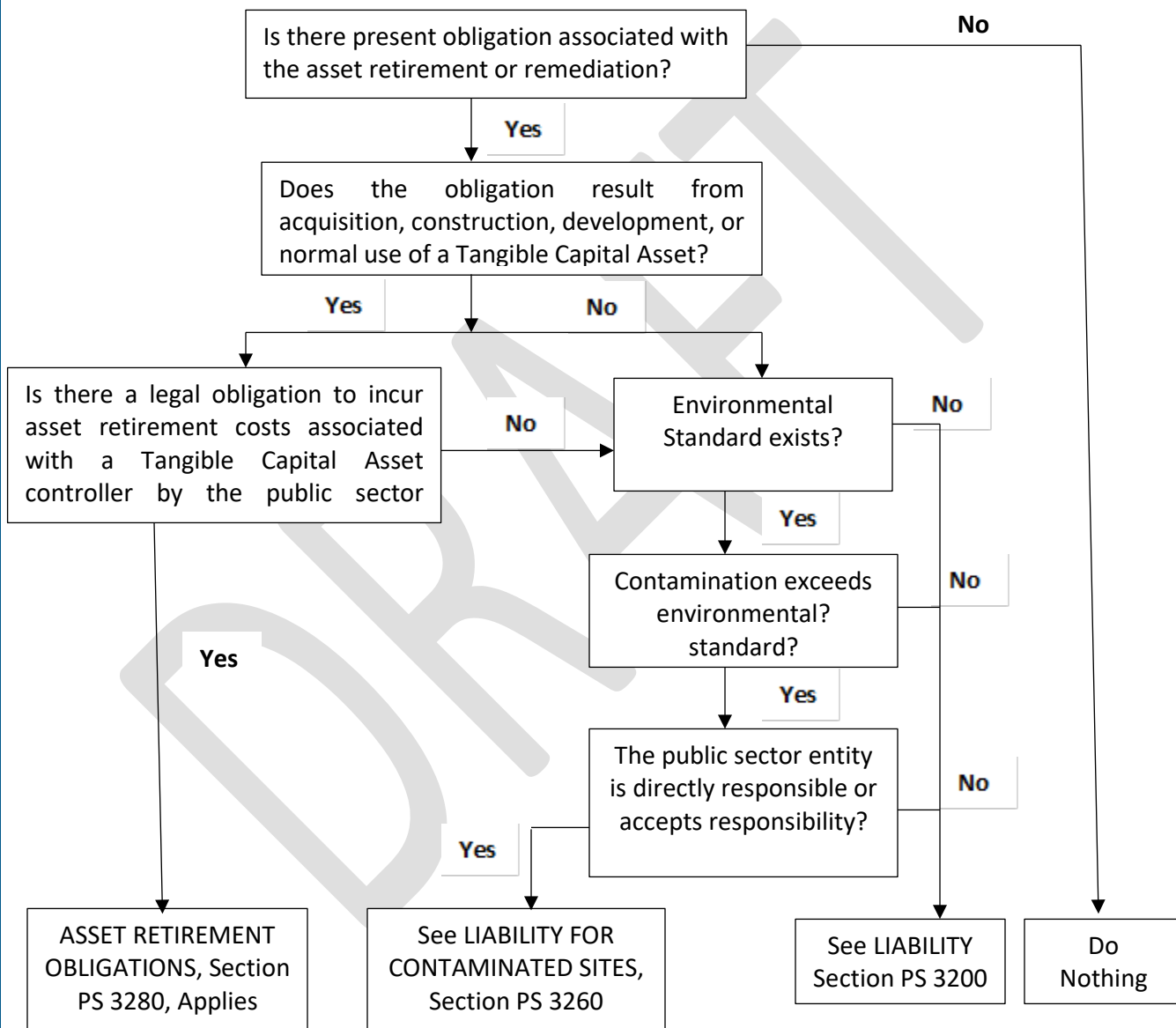
6.3. **Finance and Asset Management Officer** are responsible for the development of and adherence to policies for the accounting and reporting of asset retirement obligations in accordance with Public Sector Accounting Board section 3280. This includes responsibility for:

- A) Reporting asset retirement obligations in the financial statements of Greenview and other statutory financial documents,
- B) Monitoring the application of this Policy,
- C) Managing processes within the TCA accounting module, and
- D) Investigating issues and working with asset owners to resolve issues

6.4. **Planning & Development and Community Services** with adherence to the, Official Community Plan, are responsible for providing cost-effective projections of asset retirement obligations, by consulting with engineers, technicians, and other personnel familiar with the assets and conditional assessments, collecting the relevant information required to minimize service cost, and providing the information to the Finance Department for processing.

Schedule A

Decision Tree – Scope of applicability





REQUEST FOR DECISION

SUBJECT:	Policy 1507 Tangible Capital Assets	REVIEWED AND APPROVED FOR SUBMISSION	
SUBMISSION TO:	POLICY REVIEW COMMITTEE	CAO:	MANAGER:
MEETING DATE:	February 9, 2022	GM:	PRESENTER: JH
DEPARTMENT:	CORPORATE SERVICES	LEG: SS	
STRATEGIC PLAN:	Level of Service		

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy (cite) – AD 33 Tangible Capital Assets

RECOMMENDED ACTION:

MOTION: That Policy Review Committee recommend Council approve Policy 1507 “Tangible Capital Assets” as presented.

BACKGROUND/PROPOSAL:

AD 33 was developed in 2009 era of required documents for Municipal Affairs. They both have not been revised to follow up changes in the TCA documents, to reflect today’s business practices. Using the requirements from the current Public Sector Accounting 3150 (PS 3150) on TCA Accounting and the using the ISO 55000 Asset management document as guild, the new development of this policy as a whole document encompassing of the TCA information and the to clarify categories, along with their changes in thresholds. The auditor has been awaiting change to this to more up to date. This document will be used in Jan 2023 for auditing purposes.

Categories will further clarify the necessary changes to bring the MD of Greenview in alignment with our data and the assets associated with them. Also give end users an understanding in the assets we are tracking in the TCA parameters.

Thresholds are clearer. The auditor has been noting this issue in every audit to date. This will help in amortization calculations, useful life calculations and give complete backing to useful life validation used.

This policy will become a set of policies to be build for the asset management program. This policy is not highlighted in red as the entirety of the policy is new.

BENEFITS OF THE RECOMMENDED ACTION:

1. The Tangible Capital Assets will be updated to a higher standard.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: PRC may make additional recommendations.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

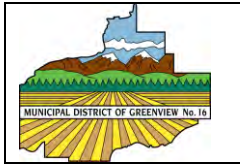
Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Administration will bring the policy to Council for approval.

ATTACHMENT(S):

- Policy AD 33 Tangible Capital Assets
- AD 33 Tangible Capital Assets Appendix A
- Policy 1507 Tangible Capital Assets



M. D. OF GREENVIEW NO. 16
POLICY & PROCEDURES MANUAL

Section:
ADMINISTRATION

POLICY NUMBER: AD 33

POLICY TITLE:	TANGIBLE CAPITAL ASSETS	Page 1 of 3
Date Adopted by Council / Motion Number:		10.28.584

PURPOSE:

To ensure the Municipal District of Greenview is in compliance with the accounting regulations for tangible capital assets as determined by the Public Sector Accounting Board and Alberta Municipal Affairs.

POLICY:

All Canadian Municipalities are required by the Public Sector Accounting Board to record the annual amortization of their capital assets beginning with the 2009 fiscal year. Compliance by the Municipal District is required in order to prevent the M.D. from receiving a qualified audit, which would cause an impediment on the Municipal District's ability to borrow and conduct other financial transactions in the future.

The Municipal District shall take appropriate and reasonable measures to identify, safeguard, track and record all tangible capital assets.

DEFINITIONS:

Amortization is a rational and systematic manner of allocating the cost of an asset over its estimated useful life.

Attractive Items are fixed asset items with a monetary value under the threshold amount as shown in Appendix A. Attractive items will be recorded and tracked independent of tangible capital assets.

Fixed Assets are non-financial assets having physical substance that:

- Are held for use by the Municipality in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other capital assets.
- Have useful economic lives extending beyond a year and are intended to be used on a continuing basis.
- Are not intended for sale in the ordinary course of operations.

Tangible Capital Assets are fixed assets with a monetary value that meets the threshold amount as shown in the attached Appendix A.

Threshold is the minimum cost an individual asset must have before it is recorded as a capital asset on the statement of financial position.

PROCEDURE:

- 1.0 A comprehensive inventory of all tangible capital assets and attractive items owned and/or managed by the Municipal District of Greenview shall be maintained by Corporate Services.
- 2.0 A record of each fixed asset shall include the acquisition date, item, description, original cost, annual amortization costs, asset life and any other information that is pertinent.
- 3.0 The Manager of Finance or his/her designate shall, upon receipt of approved invoice, update the General Ledger to record the fixed asset and issue a fixed asset number to the respective department for identification.
- 4.0 Department Heads shall ensure that the fixed asset number or another approved, unique identifier is placed on the item for asset management purposes.
- 5.0 Department Heads shall conduct a check and verification of fixed assets in their department on a regular basis and notify the Manager of Finance of any lost, stolen or damaged items.
- 6.0 The Manager of Finance shall ensure physical inspection, verification of items, acknowledgement and date of inspection have been recorded.
- 7.0 Annually, prior to November 30th of each year, the Director of Corporate Services shall prepare a recommendation to Council for the write-off and disposal of fixed assets that are no longer needed for municipal operations.
- 8.0 Upon approval from Council, the C.A.O. shall authorize the removal of the fixed assets from the General Ledger.
- 9.0 The C.A.O. shall be authorized to write off attractive assets and present a summary report of all municipally owned property and assets for Council for their information.
- 10.0 **Interim Asset Management**
 - 10.1 All tangible capital assets shall be recorded by the Accounts Payable Clerk at the time of payment.
 - 10.2 A record of each fixed asset shall include purchase date, item, description, original cost and any other information that is pertinent to the accounting of tangible capital assets.
 - 10.3 The Manager of Finance or his/her designate, shall, upon approved invoice, update the General Ledger to record tangible capital assets.
 - 10.4 The Manager of Finance or his/her designate, shall issue an asset identification number to the respective department for identification purposes.

- 10.5 Department Heads shall ensure that the fixed asset number is placed on the item for record purposes.
- 10.6 Prior to May and November of each year, Department Heads shall conduct a fixed asset check and verification.
- 10.7 The Manager of Finance or his/her designate shall ensure the physical inspection, verification of item, acknowledgement and date of inspection have been recorded.
- 10.8 Department Heads shall notify the Manager of Finance of any lost, stolen or damaged items.
- 10.9 Annually, prior to November 30th of each year, the Manager of Finance shall prepare a recommendation to Council for the write-off of the fixed assets.
- 10.10 Upon approval from Council, the C.A.O. shall authorize the removal of the fixed asset from the fixed assets list.
- 10.11 The Manager of Finance shall issue an attractive item number and shall keep a separate list from the fixed assets list.
- 10.12 Attractive items shall be inspected in November of each year at the same time as fixed assets are done, and verified with a continuous list as provided by the Accounts Payable Clerk.
- 10.13 The C.A.O. shall be authorized to write-off attractive items and present an annual list to Council.
- 10.14 The Manager of Finance shall be advised of all engineered structure changes to ensure that the asset value can be recorded accordingly.
- 10.15 This policy supercedes Policy AD15.

(Original signed copy on file)

Reeve

C.A.O.

AD 33 - Tangible Capital Assets					
Appendix A - Asset Thresholds and Maximum Useful Life					
Asset Classification Codes					
Code	Major Class	Minor Class	SubClass	Asset Threshold	Maximum Useful Life
BLDG-PERMW	Buildings	Permanent Structures	Wood Frame Construction	25000.00	50
BLDG-PERMS	Buildings	Permanent Structures	Steel/Concrete Construction	25000.00	50
BLDG-PERMO	Buildings	Permanent Structures	Other Construction	25000.00	50
BLDG-PORTE	Buildings	Portable Structures	Enclosed Structure	5000.00	25
BLDG-PORTO	Buildings	Portable Structures	Open Structure	5000.00	25
BLDG-LHIMP	Buildings	Leasehold Improvements	Leasehold Improvements	Varies	Varies
BLDG-STIMP	Buildings	Building Improvements	Structural Improvement	10000.00	25
BLDG-HVIMP	Buildings	Building Improvements	HVAC Systems Improvement	10000.00	25
BLDG-ELIMP	Buildings	Building Improvements	Electrical Systems Improvement	10000.00	25
BLDG-ACIMP	Buildings	Building Improvements	Accessibility Improvement	10000.00	25
BLDG-PLIMP	Buildings	Building Improvements	Plumbing Improvement	10000.00	25
BLDG-ENIMP	Buildings	Building Improvements	Energy System Improvement	10000.00	15
BLDG-OTIMP	Buildings	Building Improvements	Other Improvement	10000.00	25
Code	Major Class	Minor Class	SubClass	Asset Threshold	Maximum Useful Life
LAND-GENRL	Land	General	General (unimproved)	All	Indefinite
LAND-PARKS	Land	Parks & Green Space	Parks & Green Space	All	Indefinite
LAND-RDALL	Land	Road Allowance	Road Allowance	All	Indefinite
LAND-RIGHT	Land	Right-of-Way	Right-of-Way	All	Indefinite
LAND-CEMET	Land	Cemetery	Cemetery	All	Indefinite
LAND-DRAGE	Land	Drainage	Drainage	All	Indefinite
LDIM-GRPIT	Land Improvements	Gravel Pit	Gravel Pit	Varies	Varies
LDIM-LFPAD	Land Improvements	Landfill	Pad	Varies	Varies
LDIM-LFPIT	Land Improvements	Landfill	Pit	Varies	Varies
LDIM-LFTRF	Land Improvements	Landfill	Transfer Station	5000.00	20
LDIM-FENCE	Land Improvements	Landscaping	Fences & Gates	5000.00	20
LDIM-FOUNT	Land Improvements	Landscaping	Fountain	5000.00	20
LDIM-OUTLT	Land Improvements	Landscaping	Outdoor Lighting	5000.00	20
LDIM-PLANT	Land Improvements	Landscaping	Plants (Perennials/Shrubs/Trees)	5000.00	50
LDIM-RWALL	Land Improvements	Landscaping	Retaining Wall	5000.00	20
LDIM-SPRIN	Land Improvements	Landscaping	Sprinkler System	5000.00	15
LDIM-BDIAM	Land Improvements	Recreational Facilities & Structures	Ball Diamond	5000.00	20
LDIM-DOCKP	Land Improvements	Recreational Facilities & Structures	Dock/Pier	5000.00	20
LDIM-GOLFC	Land Improvements	Recreational Facilities & Structures	Golf Course	5000.00	20
LDIM-OFURN	Land Improvements	Recreational Facilities & Structures	Outdoor Furniture	5000.00	15
LDIM-ORINK	Land Improvements	Recreational Facilities & Structures	Outdoor Rink	5000.00	20
LDIM-PLAYG	Land Improvements	Recreational Facilities & Structures	Playground Structures	5000.00	20
LDIM-TRAIL	Land Improvements	Recreational Facilities & Structures	Trails & Pathways	5000.00	25
LDIM-SOCCE	Land Improvements	Recreational Facilities & Structures	Soccer Pitch	5000.00	20
LDIM-SWIMP	Land Improvements	Recreational Facilities & Structures	Swimming Pool (Outdoor)	5000.00	20
LDIM-APRUN	Land Improvements	Transportation Land Improvements	Airport Runway	5000.00	10
LDIM-PKLOT	Land Improvements	Transportation Land Improvements	Parking Lot	5000.00	20
LDIM-CANAL	Land Improvements	Water Features	Canal	5000.00	20
LDIM-LAKEP	Land Improvements	Water Features	Lake/Pond	5000.00	30
Code	Major Class	Minor Class	SubClass	Asset Threshold	Maximum Useful Life
VEHI-APUMP	Vehicles	Fire Trucks	Aerial/Pumper Trucks	5000.00	10
VEHI-RESCU	Vehicles	Fire Trucks	Rescue Trucks	5000.00	10
VEHI-SPECZ	Vehicles	Fire Trucks	Specialized Fire Vehicle	5000.00	10
VEHI-WTANK	Vehicles	Fire Trucks	Water Tankers	5000.00	10
VEHI-HEAVY	Vehicles	Heavy Duty	Heavy Duty	5000.00	10
VEHI-LDCAR	Vehicles	Light Duty	Car	5000.00	5
VEHI-LDTRK	Vehicles	Light Duty	Light Truck (up to 1 ton)	5000.00	5
VEHI-LDVAN	Vehicles	Light Duty	Van	5000.00	5
VEHI-LDOTH	Vehicles	Light Duty	Other	5000.00	5
VEHI-MDDMP	Vehicles	Medium Duty	Dump Trucks	5000.00	10
VEHI-MDOTH	Vehicles	Medium Duty	Other	5000.00	10
VEHI-MDPLW	Vehicles	Medium Duty	Snow Plow	5000.00	10
VEHI-MDWTK	Vehicles	Medium Duty	Water Tankers	5000.00	10
VEHI-ORATV	Vehicles	Off-Road	All-Terrain Vehicle/Quad	5000.00	5
VEHI-ORSNM	Vehicles	Off-Road	Snowmobile	5000.00	5
VEHI-TRAIL	Vehicles	Trailers	Trailer	5000.00	10
VEHI-MDAMB	Vehicles	Medium Duty	Ambulances	5000.00	5
VEHI-LDMOT	Vehicles	Light Duty	Motorcycles	5000.00	5

Code	Major Class	Minor Class	SubClass	Asset Threshold	Maximum Useful Life
MACH-AIRCF	Machinery And Equipment	Aircraft	Aircraft	5000.00	Varies
MACH-BOATS	Machinery And Equipment	Boats	Boats	5000.00	25
MACH-BINSA	Machinery And Equipment	Bins	Bins	5000.00	15
MACH-STORE	Machinery And Equipment	Stores	Stores	5000.00	15
MACH-TOWER	Machinery And Equipment	Communications	Towers	5000.00	25
MACH-RADIO	Machinery And Equipment	Communications	Radios	5000.00	10
MACH-TELEP	Machinery And Equipment	Communications	Telephones and Telephone Systems	5000.00	10
MACH-TVAVI	Machinery And Equipment	Consumer Electronics	Television and Audiovisual	5000.00	10
MACH-HAPPL	Machinery And Equipment	Consumer Electronics	Household Appliances	5000.00	5
MACH-DICAM	Machinery And Equipment	Consumer Electronics	Digital Cameras	5000.00	5
MACH-SYDEV	Machinery And Equipment	Computer Systems	System Development	5000.00	10
MACH-COMPH	Machinery And Equipment	Computer Systems	Hardware	5000.00	5
MACH-COMPS	Machinery And Equipment	Computer Systems	Software	5000.00	5
MACH-COMLK	Machinery And Equipment	Control Systems	Communication Links	5000.00	10
MACH-CTRLS	Machinery And Equipment	Control Systems	Control Systems	5000.00	20
MACH-SCADA	Machinery And Equipment	Control Systems	SCADA Systems	5000.00	10
MACH-FIREE	Machinery And Equipment	Fire Equipment	Fire Equipment	5000.00	12
MACH-FITNE	Machinery And Equipment	Fitness & Wellness	Fitness & Wellness	5000.00	10
MACH-FDSVC	Machinery And Equipment	Food Services	Food Services	5000.00	10
MACH-ICERE	Machinery And Equipment	Ice ReSurfacer	Ice Resurfacer	5000.00	10
MACH-MTREL	Machinery And Equipment	Meters	Electrical	5000.00	20
MACH-MTRGA	Machinery And Equipment	Meters	Gas	5000.00	20
MACH-MTRPM	Machinery And Equipment	Meters	Parking Meters	5000.00	20
MACH-MTRWA	Machinery And Equipment	Meters	Water	5000.00	25
MACH-SCALE	Machinery And Equipment	Scales	Scales	5000.00	15
MACH-FUELS	Machinery And Equipment	Fueling Stations	Fueling Stations	5000.00	15
MACH-HCONS	Machinery And Equipment	Heavy Construction Equipment	Heavy Construction Equipment	5000.00	10
MACH-LABOR	Machinery And Equipment	Laboratory	Laboratory	5000.00	10
MACH-MEDIC	Machinery And Equipment	Medical Equipment	Medical Equipment	5000.00	10
MACH-POLIC	Machinery And Equipment	Police Special Equipment	Police Special Equipment	5000.00	10
MACH-OFURN	Machinery And Equipment	Office Furniture & Equipment	Furniture	5000.00	10
MACH-OEQUI	Machinery And Equipment	Office Furniture & Equipment	Office Equipment	5000.00	10
MACH-TOOLS	Machinery And Equipment	Tools, Shop & Garage Equipment	Tools, Shop & Garage Equipment	5000.00	10
MACH-TURFE	Machinery And Equipment	Turf Equipment	Turf Equipment	5000.00	10
Code	Major Class	Minor Class	SubClass	Asset Threshold	Maximum Useful Life
ENGS-ENDIS	Engineered Structures	Electrical System	Electrical Distribution	5000.00	30
ENGS-ELGEN	Engineered Structures	Electrical System	Electrical Generation	5000.00	30
ENGS-ELSUB	Engineered Structures	Electrical System	Electrical Substation	5000.00	30
ENGS-ELTRA	Engineered Structures	Electrical System	Electrical Transmission	5000.00	30
ENGS-ELPLT	Engineered Structures	Electrical System	General Plant Electrical	25000.00	30
ENGS-GADIS	Engineered Structures	Gas Distribution	Gas Distribution	5000.00	30
ENGS-GAMEA	Engineered Structures	Gas Distribution	Measurement	5000.00	30
ENGS-GASVC	Engineered Structures	Gas Distribution	Services	5000.00	30
ENGS-SSCAT	Engineered Structures	Storm System	Catch Basin	5000.00	30
ENGS-SSCOL	Engineered Structures	Storm System	Collection System	5000.00	30
ENGS-SSOUT	Engineered Structures	Storm System	Outfall	5000.00	30
ENGS-SSPLT	Engineered Structures	Storm System	Pump, Lift & Transfer Station	5000.00	30
ENGS-SSPND	Engineered Structures	Storm System	Retention Pond	5000.00	30
ENGS-SSTRE	Engineered Structures	Storm System	Treatment Facility	5000.00	30
ENGS-SSWET	Engineered Structures	Storm System	Wetlands	5000.00	30
ENGS-FIBRE	Engineered Structures	Fibre Optics	Fibre Optics	5000.00	30
ENGS-WWCOL	Engineered Structures	Wastewater System	Collection System	5000.00	50
ENGS-WWLAG	Engineered Structures	Wastewater System	Lagoon	5000.00	50
ENGS-WWPLT	Engineered Structures	Wastewater System	Plant	25000.00	50
ENGS-WWPMP	Engineered Structures	Wastewater System	Pumping Equipment	5000.00	50
ENGS-WWSEP	Engineered Structures	Wastewater System	Septic Tank	5000.00	50
ENGS-WWTRE	Engineered Structures	Wastewater System	Treatment Equipment	5000.00	50
ENGS-WWPLT	Engineered Structures	Wastewater System	Pump, Lift & Transfer Station	5000.00	50
ENGS-WADAM	Engineered Structures	Water System	Dam	5000.00	50
ENGS-WADIS	Engineered Structures	Water System	Distribution System	5000.00	50
ENGS-WAHYD	Engineered Structures	Water System	Hydrants/Fire Protection	5000.00	25
ENGS-WAPLT	Engineered Structures	Water System	Plant	25000.00	50
ENGS-WAPMP	Engineered Structures	Water System	Pumping Equipment	5000.00	50
ENGS-WATRE	Engineered Structures	Water System	Treatment Equipment	5000.00	50
ENGS-WAPLT	Engineered Structures	Water System	Pump, Lift & Transfer Station	5000.00	50
ENGS-WARES	Engineered Structures	Water System	Reservoir	5000.00	50
ENGS-RDBRD	Engineered Structures	Roadway System	Bridge	5000.00	Varies
ENGS-RDCUR	Engineered Structures	Roadway System	Curb & Gutter	5000.00	30
ENGS-RDGUA	Engineered Structures	Roadway System	Guard Rail	5000.00	30
ENGS-RDLRS	Engineered Structures	Roadway System	Light Rail System	5000.00	30
ENGS-RDLIG	Engineered Structures	Roadway System	Lights	5000.00	30
ENGS-RDOVR	Engineered Structures	Roadway System	Overpass/Interchange	5000.00	50
ENGS-RDPKA	Engineered Structures	Roadway System	Parkade	5000.00	25
ENGS-RDRMP	Engineered Structures	Roadway System	Road Ramp	5000.00	30
ENGS-RDSGN	Engineered Structures	Roadway System	Road Signs	5000.00	20
ENGS-RDSUB	Engineered Structures	Roadway System	Roads & Streets Subsurface	5000.00	30
ENGS-RDASP	Engineered Structures	Roadway System	Roads & Streets Asphalt Surface	5000.00	20
ENGS-RDCON	Engineered Structures	Roadway System	Roads & Streets Concrete Surface	5000.00	20

Code	Major Class	Minor Class	SubClass	Asset Threshold	Maximum Useful Life
ENGS-RDGRV	Engineered Structures	Roadway System	Roads & Streets Gravel Surface	5000.00	10
ENGS-RDOIL	Engineered Structures	Roadway System	Roads & Streets Oil/Chip Seal Surface	5000.00	5
ENGS-RSDSW	Engineered Structures	Roadway System	Sidewalks & ParaRamps	5000.00	30
ENGS-RDTUN	Engineered Structures	Roadway System	Tunnel	5000.00	30
ENGS-RDTRF	Engineered Structures	Roadway System	Traffic Signals & Control Device	5000.00	20
ENGS-RDWGH	Engineered Structures	Roadway System	Weigh Scale/Station	5000.00	15
Code	Major Class	Minor Class	SubClass	Asset Threshold	Maximum Useful Life
CHIS-HSITE	Cultural & Historical Assets	Heritage Site	Heritage Site	N/A	Indefinite
CHIS-HISTO	Cultural & Historical Assets	Historical	Historical	N/A	Indefinite
CHIS-PUART	Cultural & Historical Assets	Public Art	Public Art	N/A	Indefinite

CURRENT

Title: Tangible Capital Assets

Policy No: 1507

Effective Date: Date passed in Council

Motion Number:

Supersedes Policy No: AD 33

Review Date: (3 Years from date approved by Council)



Purpose: To ensure the Municipal District of Greenview No. 16 follows the accounting regulations for tangible capital assets as determined by the Public Sector Accounting Board and Alberta Municipal Affairs. The policy applies to all MD of Greenview No. 16 departments, boards and commissions, agencies and other organizations falling within the reporting entity of the MD of Greenview No. 16

1. DEFINITIONS

- 1.1. **Amortization** means a rational and systematic manner of allocating the cost of an asset over its estimated useful life.
- 1.2. **Assets** are economic resources controlled by the municipality as a result of past transactions or events and from which future economic benefits are expected to be obtained. Assets have three essential characteristics:
 - A) They embody a future benefit that involves a capacity, singly or in combination with other Assets, to provide future net cash flows, or to provide goods and services;
 - B) The municipality can control access to the benefit;
 - C) The transaction or event giving rise to the municipality's control of the benefit has already occurred.
- 1.3. **Asset Disposal** means the removal of a capital asset from service as a result of sale, destruction, loss, or abandonment.
- 1.4. **Asset Pooling** means a grouping of identical, similar, or related tangible capital assets. It involves identifying, treating, accounting for and reporting on an entire set of individual assets as a collective group, as though they were a single asset. This is, of course, only for the purposes of accounting for tangible capital assets, and definitely not for the purposes of asset management.
- 1.5. **Betterments** means subsequent expenditures on tangible capital assets that enhance the service potential of the asset. Service potential is enhanced by:
 - A) Increasing the previously assessed physical output or service capacity;
 - B) Lowering associated operating costs;
 - C) Improving quality of the output; and
 - D) Extend the Useful Life of an asset beyond 10 years.

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

- 1.6. **Capital Lease** means non-financial assets leased by the Greenview, for use in the delivery of goods and services. Substantially all the benefits and risks of ownership are transferred to the municipality without requiring the transfer of legal ownership.
- 1.7. **Capital Investment** means investments you make to increase the value of the asset.
- 1.8. **Component** means a part of an Asset with a cost that is significant in relation to the total cost of the Asset.
- 1.9. **Cost** means the amount of consideration given up acquiring, construct, develop or better a capital asset and includes all costs directly attributable to its acquisition, construction, development, or betterment, including installing the asset at the location and in the condition necessary for its intended use. The cost of a contributed capital asset is equal to its fair value at the date of contribution.
- 1.10. **Control** means a situation where the Municipal District of Greenview does not have legal title of an asset; however, is the beneficiary of future economic benefits. The Municipal District of Greenview would also be responsible for the asset's performance, availability, and maintenance.
- 1.11. **Estimated Useful Life** means the estimate of the period over which a capital asset is expected to be used or the number of units of production that can be obtained from the asset. It is the period over which an asset will be amortized and is normally the shortest of the physical, technological, commercial, or legal life.
- 1.12. **Fair Value** means 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
- 1.13. **Financial Assets** means assets that are available to discharge existing liabilities or finance further operations and are not for consumption in the normal course of operations. Examples of financial assets are cash on hand, accounts receivable and inventories for resale.
- 1.14. **Gains on Disposal** means the amount by which the net proceeds realized upon as asset's disposal exceed the assets' net book value.
- 1.15. **Greenview** means the Municipal District of Greenview No.16.
- 1.16. **Group Assets** means assets that have a unit value below the capitalization threshold but have a material value as a group. Group assets are recorded as a single asset with one combined value. Although recorded in the financial systems as a single asset, each unit may be recorded in the asset management system for monitoring and control of its use and maintenance.
- 1.17. **Hours of Production Method** means an amortization method which allocated the cost of an asset based on its estimated hours of use or production.
- 1.18. **Loss on Disposal** means the amount by which the net book value of a capital asset exceeds the net proceeds realized upon the asset's disposal.
- 1.19. **Net Book Value** of a tangible capital asset is its cost, less both accumulated amortization and the amount of any write downs. It represents the asset's unconsumed cost.
- 1.20. **Nominal Value** means the value assigned to an Asset when no Asset valuation method is relevant, or where the accuracy of any estimate could not be supported in an audit. Nominal Value in this context is defined by the municipality to be one Canadian dollar.

- 1.21. **Non-financial Asset** means assets that do not normally provide resources to discharge liabilities. They are employed to deliver municipal services, may be consumed, or used up on the delivery of those services, and are not generally for sale. Examples of non-financial assets are capital assets and inventories held for consumption or use.
- 1.22. **Repair and Maintenance** means ongoing activities to maintain an asset in operating condition. They are classified as such if they are performed to restore the asset's physical condition and/or operation to a specified standard, prevent further deterioration, replace, or substitute a component at the end of its "useful life," serve as an immediate but temporary repair, or assess ongoing maintenance requirements. Costs for repairs and maintenance are expensed.
- 1.23. **Residual Value** means the estimated net realizable value of a capital asset at the end of its estimated useful life. A related term, salvage value, refers to the realizable value at the end of an asset's life. If the municipality expects to use a capital asset for its full life, residual value and salvage value are the same.
- 1.24. **Salvage Value** See Residual Value.
- 1.25. **Service Potential** means the output or service capacity of a tangible capital asset and is normally determined by attributes such as physical output capacity, quality of output, associated operating costs, and useful life.
- 1.26. **Straight-Line Method** means an amortization method which allocated the cost of a capital asset equally over each year of its estimated useful life.
- 1.27. **Tangible Capital Assets** are non-financial assets having physical substance that:
 - A) Are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance, or repair of other Municipal District of Greenview tangible capital assets;
 - B) Have useful economic lives extending beyond an accounting period;
 - C) Are to be used on a continuing basis in the municipality's operations; and
 - D) Are not for sale in the ordinary course of operations.
- 1.28. **Threshold** means the minimum cost an individual asset must have before it is recorded as a capital asset on the statement of financial position.
- 1.29. **Work in Progress (WIP)** means the accumulation of capital costs for partially constructed or developed projects.
- 1.30. **Works of Art and Historical Treasures** means property that has cultural, aesthetic, or historical value that is worth preserving perpetually. These assets are not capitalized as their service potential and expected future benefits are difficult to quantify.
- 1.31. **Write-down** means a reduction in the cost of a capital asset as a result of a decrease in the quality or quantity of its service potential. As write-down should be recorded and expensed in the period the decrease can be measured and it is expected to be permanent.

2. POLICY STATEMENT

- 2.1. 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, equipment, and the changes in such investment. The principal issues in accounting for tangible capital assets are the recognition of assets, the determination of their carrying

amounts, amortization charges and the recognition of any impairment losses. This policy is not meant to be used retroactively.

2.2. This policy states that the Municipality shall:

- A) Establish internal departments and assign title or ownership of capital assets for stewardship;
- B) Create policy for capital asset categories based on nature, characteristics, and useful life;
- C) Outline the types of assets that should not be categorized or amortized;
- D) Determine the categorization of assets held for sale;
- E) Outline the costs regarding Tangible Capital Assets (TCA);
- F) Determine the policy for capital asset thresholds;
- G) Establish the policy for individual asset category estimated useful life;
- H) Outline the amortization process for tangible capital assets;
- I) Outline the disposal policies for tangible capital assets;
- J) Establish recording procedures for write-downs;
- K) Establish recording procedures for betterments;
- L) Policy for the contribution of capital contributions and donations;
- M) Create criteria and procedures for capital leasing; and
- N) Outline policy and procedures for amortization of work in progress assets.

3. IMPLEMENTATION - PROCEDURE

3.1. Capital Asset Categories:

- A) Refer to **Capital Asset Category in Schedule B** for the determined categories for Greenview Tangible Capital Assets.
- B) Where individual categories for tangible capital assets (TCA) do not exist, or individuals entering in the data are uncertain, they should contact the Asset Management Officer for direction or the creation of a new asset category.

3.2. Department Responsibilities:

- A) Assets shall be assigned to individual departments where it provides for its operation and maintenance and controls the ability to change the asset's future service potential.
- B) The department is responsible for maintaining accounting records and prepare reports for capital assets.
 - i. This shall include collection of information, record-keeping, and report delivery.
- C) Manage assets to provide effective, efficient, and economical program delivery.
- D) Establish and maintain adequate internal control systems to ensure the accuracy and reliability of information and reports.

3.3. Excluded Assets:

- A) The following assets should not be capitalized and/or amortized:
 - i. Land (or other assets) acquired by right, such as Crown, forests, water, and mineral resources;
 - ii. Works of art and historical treasures; and,
 - iii. Intangible assets such as patents, copyrights, and trademarks.

3.4. Assets Held for Sale:

- A) Assets held for sale which otherwise would have been reported as capital assets may be required to be reported as financial assets.
- B) Assets held will not report amortization for the for the year in which they are being held

3.5. Costs

- A) The cost of a capital asset includes:
 - i. Purchase price of the asset and other acquisition costs;
 - ii. Installation costs;
 - iii. Design and engineering fees;
 - iv. Legal fees; Survey costs;
 - v. Site preparation costs;
 - vi. Freight charges;
 - vii. Transportation insurance costs and duties.
- B) The cost of a constructed asset includes direct construction or development costs such as:
 - i. Materials, including inventories held for consumption or use; and
 - ii. Labour and overhead costs directly attributable to the construction or development activity;
- C) Capitalization of administration costs should be limited to:
 - i. Salaries;
 - ii. Benefits; and
 - iii. Travel for staff directly involved with project delivery (i.e., project management or construction).
- D) Where several capital assets are purchased together, the cost of each asset is determined by allocating the total price paid in proportion to each asset's relative fair value at the time of acquisition.
- E) Interest expense related to financing costs incurred during the time a capital asset is under construction or development can be included in the cost of the capital asset until the asset is put into service.
- F) If the construction or development of a capital asset is not completed to a useable state, the costs that would otherwise be capitalized should be expensed.

3.6. Thresholds:

- A) The threshold for each category represents the minimum cost and individual asset must be determined before it is recorded as a capital asset on statement of financial position.
- B) Capital assets not meeting the threshold are expensed in the year in which they are purchased. Costs for these assets are referred to as capital-type expenses.
- C) Thresholds should be applied on an individual asset or per item basis.

D) Refer to Capital Asset Threshold Policy 1000-01 for the determined thresholds for each capital asset category.

3.7. Estimated Useful Life:

A) The estimated useful life is the period over which a capital asset is expected to provide services. Also, can be refers to its lifespan – the length of time that a system or piece of equipment is expected to serve its original purpose.

B) An asset’s useful life can be estimated based on:

- i. Its expected future use;
- ii. Effects of technological obsolescence;
- iii. Expected wear and tear from use or the passage of time; and
- iv. The level of maintenance and experience with similar assets.

C) All capital asset categories have predetermined estimated useful lives as outlined in **Capital Asset Categories Schedule B**. Note: the estimated useful lives shown are intended to apply to assets in new condition.

D) When used assets are acquired the estimated useful lives should be reduced based on the age and condition of the asset. Appraisal of the used item will be sought based on.

3.8. Amortization:

A) Amortization is calculated using the straight-line method based on the estimated useful life of each asset. This method which allocated the cost of a capital asset equally over each year of its estimated useful life.

B) Lands and Historical, Culture and Works of Art, have an unlimited estimated useful life and should not be amortized.

C) Amortization should be calculated based on the full cost of the capital asset. Where an asset expected residual value is expected to be significant in comparison to the asset’s costs (20% or more), the amount would be deducted from the cost which calculating amortization.

D) Amortization should be recorded monthly commencing on the first day of the month following the month the asset became ready for productive use. Note: For pooled assets, where purchases and disposals affect the pool balance throughout the year, the amortization calculation may be based on the estimated pool balance rather than actual.(PSAS 315.22-30)

E) In estimating the useful life of assets, consideration should be given to the department’s asset management plan, history with the asset class, potential technology advances and anticipated repairs and maintenance, among other factors. The original cost of land is not amortized. Other assets should be amortized, list as follows:

- i. Land Improvements;
- ii. Road and streets: Graveling, Pavement;
- iii. Culverts, Bridges, Drainage;
- iv. Water Treatment Plant, Pumping Stations;
- v. Lagoon, Lift Stations;

- vi. Raw Water, Treated Water Wastewater and Storm (above or below ground) Pipelines;
- vii. All Valves and Shut offs for pipelines;
- viii. Hydrants, Streetlights, Street Signage;
- ix. Solid Waste, Transfer Stations Sites;
- x. Airports;
- xi. Buildings, (Recreational, Emergency services, Municipal, Hangers);
- xii. Building Improvements;
- xiii. Vehicles, Equipment & Machinery; and
- xiv. Hardware, software

- F) No amortization should be recorded in the year an asset is disposed of. This does not apply to deemed disposals.
- G) No amortization should be recorded on which in progress or capital asset which have been removed from service but not yet disposed of.

3.9. Disposals:

- A) The disposal of a capital asset results in its removal from service as a result of sale, destruction, loss, or abandonment.
- B) When a capital asset is disposed of, the cost and the accumulated amortization should be removed from the accounting records and any gain or loss recorded.
- C) Costs of disposal paid by the municipality should be expensed.
- D) A gain or loss on disposal is the difference between the net proceeds received and the net book value of the asset and should be accounted for as a revenue or expense, respectively, in the period the disposal occurs.

3.10. Write-downs:

- A) A capital asset should be write-down when a reduction in the value of the asset's service potential can be measured, and the reduction is expected to be permanent.
- B) Conditions that may indicate a write-down is required include:
 - i. Expectation of providing services at a lower level than originally planned;
 - ii. A change in use for the asset;
 - iii. Technological advances which render the asset obsolete; and
 - iv. Other factors such as physical damage which reduce the asset's service potential.
- C) All documentation regarding write-downs should be retained.
- D) Write-downs of capital assets should be accounted for as an expense in the current period.
- E) Annual amortization of an asset that has been written down should be calculated use the net book value after the write-down and the remaining estimated useful life.
- F) Regardless of any change in circumstances, a write-down should not be reversed.
- G) Write down are to be applied the year after occurrence.

3.11. Betterments:

- A) Betterments are enhancements to the service potential of a capital asset, such as:
 - i. An increase in the previously assessed physical output or service capacity;
 - ii. A reduction in associated operating costs;
 - iii. An extension of the estimated useful life; or,
 - iv. An improvement in the quality of output.
- B) Betterments which meet the threshold of the applicable capital asset category are capitalized. Otherwise, they are expenses.
 - i. Repairs and maintenance which are necessary to obtain the expected service potential of a capital asset for its estimated useful life are not betterments. These costs should be expensed when incurred. They include:
 - ii. Repairs to restore assets damaged by fire, flood, accidents, or similar events, to the condition just prior to the event; and,
 - iii. Routine maintenance and expenditures, such as repainting, cleaning and replacing minor parts.
- C) Where betterment enhances the service potential of a capital asset without increasing its estimated useful life, the amortization period should remain the same.
- D) Where betterment increases the estimated useful life of a capital asset, its useful life should be changed.
- E) Where betterment involves the replacement of an identifiable components of a capital asset, the original cost of that component and the related accumulated amortization should be removed from the accounting records.

3.12. Capital Contributions:

- A) When the municipality received funds from a third party, such as the provincial or federal government, to assist with the construction or purchase of a capital asset, the full cost of the asset should be recorded.
- B) The funds received should be recognized as revenue.

3.13. Donations:

- A) If a capital asset is donated to the municipality, the cost is its fair value at the date of contribution.
- B) Fair value of a donated capital asset may be estimated using market or appraised value.

3.14. Capital Leases:

- A) Capital leases are a means of financing the acquisition of a capital asset where the lessee carries substantially all of the risks and benefits of ownership. Capital leases are recorded as if the lease had acquired the asset and assumed a liability.
- B) If one or more of the following criteria exists, the lease should be accounted for as a capital lease:
 - i. There is reasonable assurance that the municipality will obtain ownership at the end of the lease. (Transfer of ownership occurs at the end of the lease or the lease has a bargain purchase option).
 - ii. The municipality will receive substantially all of the economic benefits of the assets. (This lease term is 75% or more of the economic life of the asset).

- iii. The lessor is assured of recovering the investment in the asset and earning a return. (The present value of the minimum lease payment is 90% or more of the fair value of the asset.).
- C) Where at least one of the conditions in clause (B) is not present, other factors may indicate that a capital lease exists.
- D) Examples of capital leases:
 - i. The municipality owns or retains control of the land on which a leased asset is located, and the asset cannot be easily moved;
 - ii. The municipality contributes significant assistance to finance the cost of acquiring or constructing the asset that it will lease; or,
 - iii. The municipality bears other potential risks, such as obsolescence, environmental liability, uninsured damage, or condemnation of the asset and any of these are significant.
- E) Operating leases are leases in which the leaser does not transfer substantially all the benefits and risks of ownership. If the arrangement is an operating lease, lease payment should be expenses and no liability recorded.
- F) If the arrangement is a capital lease, the municipality should apply the thresholds of the appropriate capital asset category.
- G) If the thresholds are not met, an expense and a liability should each be recorded for the present value of the minimum lease payments.
- H) If the thresholds are met, a capital asset and a liability should each be recorded for the present value of the minimum lease payments. The leased asset should be amortized over the lesser of the lease term or estimated useful life for similar capital assets as outlined in **Capital Asset Threshold Schedule A**.
- I) Executory and maintenance costs should be excluded when calculating minimum lease payments. The discount rate should be the lesser of the municipality's incremental borrowing rate or the interest rate implicit in the lease, if determinable.

3.15. Work in Progress:

- A) Where the construction or development of a capital asset occurs over several years, capital costs should be accumulated until the asset is ready for use.
- B) Identify these costs as work in progress for any interim and year-end reporting.
- C) The municipality should not record amortization on work in progress.
- D) A work in progress account should be established to allow work in progress capital costs to be tracked separately from assets subject to amortization.
- E) Examples of work in progress are as follows:
 - i. Construction of a new road;
 - ii. Construction of a new building;
 - iii. Development of an asset which occurs over several years.
 - iv. Down payments and deposits which are to be applied to the cost of a capital asset.

4. RESPONSIBILITIES

- 4.1 The Administration is responsible for ensuring compliance to this policy.

4.2 Council shall review all policies for compliance and effectiveness of the policies. Otherwise, a 3-year cycle for review

SCHEDULE A
CAPITAL ASSET THRESHOLDS

<u>Capital Asset Class and Category</u>	<u>Threshold</u>	<u>Estimated Useful Life</u>	<u>Amortization</u>
Land and land improvements			
Land	All	Indefinite	N/A
Land Improvements	\$5,000	15 years	Straight-Line
Culture, Historical & Works of Art	All	Indefinite	N/A
Buildings and building improvements			
Buildings	\$10,000	40 years	Straight-Line
Building Improvements	\$10,000	40 years	Straight-Line
Engineered Structures	\$10,000	40 years	Straight-Line
Lease Holdings Improvements	\$5,000	20 years	Straight-Line
Machinery and Equipment			
Heavy Mobile Equipment	\$5,000	20 years	Straight-Line
Aircraft	\$5,000	20 years	Straight-Line
Watercraft	\$5,000	20 years	Straight-Line
Operating Equipment	\$5,000	10 years	Straight-Line
Medical Equipment	\$5,000	10 years	Straight-Line
Small Tools	\$2,500	10 years	Straight-Line
Transportation Equipment			
Vehicles over 1 Ton	\$5,000	10 years	Straight-Line
Vehicles	\$5,000	5 years	Straight-Line
Emergency Vehicles	\$5,000	5 years	Straight-Line
Emergency Vehicle over 1 Ton	\$5,000	15 years	Straight-Line
Scales	\$5,000	10 years	Straight-Line
Office & Information Technology			
System Development	\$2,500	5 Years	Straight-Line
Computer Hardware	\$3,000	3 years	Straight-Line
Computer Software	\$2,500	3 years	Straight-Line
Communication Equipment	\$5,000	5 years	Straight-Line
Office Furniture & Equipment	\$2,500	5 years	Straight-Line
Infrastructure			
Roads & Street Subsurface	ALL	35 years	Remaining life factor
Road & Street Asphalt Surfaces	ALL	20 years	Remaining life factor
Road & Street Concrete Surfaces	ALL	25 years	Remaining life factor
Road & Street Gravel Surfaces	ALL	15 years	Remaining life factor
Road & Street Asphalt Surfaces	ALL	15 years	Remaining life factor
Road & Street Chip Seal Surfaces	ALL	10 years	Remaining life factor
Sidewalks, Ramping, Parking Lot & Approaches	ALL	25 years	Straight-Line
Road & Street Infrastructure	ALL	20 years	Straight-Line
Airport	ALL	30 years	Straight-Line
Water infrastructure (Raw, Treated)	ALL	50 years	Straight-Line
Wastewater Infrastructure	ALL	50 years	Straight-Line
Storm Sewer/Ditching Infrastructure	ALL	40 years	Straight-Line
Water Treatment Plant	ALL	40 years	Straight-Line

Wastewater Treatment Plant	ALL	40 years	Straight-Line
Infrastructure – Hydrants, Systems, Meters	ALL	20 years	Straight-Line
Culverts	ALL	35 years	Straight-Line
Other Infrastructure	ALL	20 years	Straight-Line

SCHEDULE B
CAPITAL ASSET CATEGORIES

Capital Asset Category	Examples of Capital Assets	Examples of Capital Asset Costs
Land	<ul style="list-style-type: none"> • Parks and recreation • Conservation purposes • Building sites and other programs • Facilitate construction of road surfaces, drainage areas, and allowances or future expansions. 	<ul style="list-style-type: none"> • Purchase price • Professional fees for title searches, architect, legal, engineering, appraisals, surveying, planner’s environmental reports • Improvement and development costs: land excavation, filling, grading, drainage, demolition of existing buildings (less salvage).
Land Improvements	<ul style="list-style-type: none"> • Fencing and gates, parking lots, power pedestal’s, paths and trails, landscaping, playgrounds and types of land drainage. 	<ul style="list-style-type: none"> • Original purchase price or completed project costs including costs of material and labour or costs of a contractor • Professional fees for title searches, architect, legal, engineering, appraisals, surveying, planner’s environmental reports
Culture, Historical & Works of Art	<ul style="list-style-type: none"> • Statues, Monuments, Various Art Assets, Religious Placings, Culture or Historical Grounds 	<ul style="list-style-type: none"> • Original purchase price or completed project costs including costs of material and labour or costs of a contractor • All Maintenance to ensure Level of service is kept • Improvement and development costs: land excavation, filling, grading, and drainage.
<p>Buildings – high quality construction</p> <p>Buildings – medium quality construction</p> <p>Buildings – average quality construction</p> <p>Buildings – short term</p>	<ul style="list-style-type: none"> • Buildings with fireproofed structural steel frames with reinforced concrete or masonry floors and roofs. • Buildings with reinforced concrete frames and concrete or masonry floors and roofs. • Buildings with masonry or concrete exterior walls, and wood or steel roof and floor structures, except for concrete slabs on grade. 	<ul style="list-style-type: none"> • Original purchase price or completed project costs including basic costs of material and labour or costs of a contractor. • Costs to remodel, recondition or alter a purchased building to make it ready to use for the acquired purpose. • Preparation of plans blueprints, and specifications. • Costs of building permits, studies, tests (pre-acquisition costs).

	<ul style="list-style-type: none"> Operational storage facilities, sheds, small buildings, inventory storage buildings and pump houses. 	<ul style="list-style-type: none"> Professional fees for title searches, architect, legal, engineering, appraisals, surveyors, planners, and environmental surveys. Operating costs such as temporary buildings used during construction.
Building Improvements	<ul style="list-style-type: none"> Major repairs that increase the value or useful life of the building such as structural changes, installation or upgrade of heating and cooling systems, plumbing, electrical, telephone systems. 	<ul style="list-style-type: none"> Complete project costs including basic costs of material and labour or costs of a contractor. Preparation of plans, blueprints, and specifications. Cost of building permits, studies, tests. Professional fees for building official, architect, legal, planning, engineering, appraisals, surveying, and environmental surveys. Operating costs such as temporary buildings used during construction
Capital Asset Category	Examples of Capital Assets	Examples of Capital Asset Costs
Engineered Structures	<ul style="list-style-type: none"> This includes buildings, but the term structure can also be used to refer to anybody of connected parts that is designed to bear loads, even if it is not intended to be occupied by people. This includes but not limited to: Aqueducts, bridges, canals, cooling towers/ chimney's, Dams railways retaining walls and tunnels 	<ul style="list-style-type: none"> Original purchase price or completed project costs including basic costs of material and labour or costs of a contractor. Costs to remodel, recondition or alter a purchased building to make it ready to use for the acquired purpose. Preparation of plans blueprints, and specifications. Costs of building and/ or structure permits, studies, tests (pre-acquisition costs). Professional fees for title searches, architect, legal, engineering, appraisals, surveyors, planners, and environmental surveys. Environmental planning, risk assessment, levels of compliance. Operating costs such as temporary buildings or structures used during construction.
Lease Holdings Improvements	<ul style="list-style-type: none"> Major repairs that increase the value or useful life of the building such as structural changes, installation or upgrade of heating and cooling systems, plumbing, electrical, telephone systems. However, is a lease and does not have value to principal asset only to the improvement. 	<ul style="list-style-type: none"> Complete project costs including basic costs of material and labour or costs of a contractor. Preparation of plans, blueprints, and specifications. Cost of structure permits, studies, tests.

		<ul style="list-style-type: none"> Professional fees for building official, architect, legal, planning, engineering, appraisals, surveying, and environmental surveys. Operating costs such as temporary buildings used during construction
Heavy Mobile Equipment	<ul style="list-style-type: none"> Power and construction equipment such as graders, tractors, 3-point hitch mowers or bigger, mobile hot water/ steam washers, gravel reclaimer, backhoe, ripper, mulcher, loaders, trencher, dozer, crawlers, AG Equipment and all heavy equipment attachments. 	<ul style="list-style-type: none"> Original contract price or invoice price. Freight charges. Sales taxes on acquisition. Installation charges. Charges for testing and preparation. Costs of reconditioning used items which purchased. Parts and labour associated with the construction of equipment.
Capital Asset Category	Examples of Capital Assets	Examples of Capital Asset Costs
Aircraft	<ul style="list-style-type: none"> Used primarily for transportation purposes such as small airplanes, large planes, drones, fire and rescue planes and other aircraft transporting devices. 	<ul style="list-style-type: none"> Original contract price or invoice price. Freight charges. Sales taxes on acquisition. Costs of reconditioning used items when purchased.
Watercraft	<ul style="list-style-type: none"> Used primarily for transportation purposes such as small boats, large boats, personal watercraft, remote control watercraft and other water transporting devices. 	<ul style="list-style-type: none"> Original contract price or invoice price. Freight charges. Sales taxes on acquisition. Costs of reconditioning used items when purchased.
Operating Equipment	<ul style="list-style-type: none"> Equipment specific to maintenance, shop, recreation, and appliances.: such as forklifts, welding machines, utility trailers, security systems, snowplows, refrigerators, stoves, freezers, mowers, lawn maintenance equipment, recreational equipment, generator, emergency operations equipment, safety equipment and Zambonis These can be use in the grouped in this category and would be based in the operating equipment. 	<ul style="list-style-type: none"> Original contract price or invoice price. Freight charges. Sales taxes on acquisition. Installation charges. Charges for testing and preparation. Costs of reconditioning used items when purchased. Parts and labour associated with the construction of equipment.

Medical Equipment	<ul style="list-style-type: none"> • Equipment Specific to veterinary or medical fields. 	<ul style="list-style-type: none"> • Original contract price or invoice price. • Freight charges. • Sales taxes on acquisition. • Installation charges. • Charges for pre/ post testing and preparation. • Costs of reconditioning used items when purchased. • Parts and labour associated with the construction of equipment.
Small tools	<ul style="list-style-type: none"> • Process of the maintenance of equipment, building/ facilities, and specific need of the maintenance of such. • These can be use in the grouped category and would be based in the work maintenance. 	<ul style="list-style-type: none"> • Original contract price or invoice price. • Freight charges. • Sales taxes on acquisition. • Costs of reconditioning used items when purchased
Capital Asset Category	Examples of Capital Assets	Examples of Capital Asset Costs
Vehicle Over 1 Ton	<ul style="list-style-type: none"> • Equipment specific to maintenance and construct in which can be on municipal or provincial roads. These are but not limited to: gravel truck, various heavy equipment trailers, end dumps, pups, 3-ton trucks, 5- ton trucks, water trucks, garbage trucks, 1-ton trucks and maintenance trucks. 	<ul style="list-style-type: none"> • Original contract price or invoice price. • Freight charges. • Sales taxes on acquisition. • Installation charges. • Charges for testing and preparation. • Costs of reconditioning used items when purchased. • Parts and labour associated with the equipment.
Vehicles	<ul style="list-style-type: none"> • Used primarily for transportation purposes such as automobiles, pick-up trucks under one ton, ATV, snowmobiles, UTV, and SUV 	<ul style="list-style-type: none"> • Original contract price or invoice price. • Freight charges. • Sales taxes on acquisition. • Installation charges. • Charges for testing and preparation. • Costs of reconditioning used items when purchased. • Parts and labour associated with the equipment.
Vehicle Over 1 Ton	<ul style="list-style-type: none"> • Equipment specific to maintenance and construct in which can be on municipal or provincial roads. These are but not limited to: gravel truck, various heavy equipment trailers, end dumps, pups, 3-ton trucks, 5- ton trucks, water trucks, garbage trucks, 1-ton trucks and maintenance trucks. 	<ul style="list-style-type: none"> • Original contract price or invoice price. • Freight charges. • Sales taxes on acquisition. • Installation charges. • Charges for testing and preparation. • Costs of reconditioning used items when purchased. • Parts and labour associated with the equipment.
Vehicles	<ul style="list-style-type: none"> • Used primarily for transportation purposes such as automobiles, pick-up trucks under one ton, ATV, snowmobiles, UTV, and SUV 	<ul style="list-style-type: none"> • Original contract price or invoice price. • Freight charges. • Sales taxes on acquisition. • Installation charges. • Charges for testing and preparation. • Costs of reconditioning used items when purchased. • Parts and labour associated with the equipment.

Emergency Vehicles	<ul style="list-style-type: none"> Used primarily for transportation, rescue, fire response, emergency use, purposes such as automobiles, pick-up trucks under one ton, ATV, snowmobiles, UTV, and SUV. 	<ul style="list-style-type: none"> Original contract price or invoice price. Freight charges. Sales taxes on acquisition. Installation charges. Charges for testing and preparation. Costs of reconditioning used items when purchased. Parts and labour associated with the Emergency equipment.
Emergency Vehicles Over 1 Ton	<ul style="list-style-type: none"> Equipment specific to firefighting, search & rescue, EMS and peace officer work. These assets are but not limited to firefighting trucks, ambulances, pumper trucks, water trucks, heavy peace vehicles, and any emergency service trailers. 	<ul style="list-style-type: none"> Original contract price or invoice price. Freight charges. Sales taxes on acquisition. Installation charges. Charges for testing and preparation. Costs of reconditioning used items when purchased. Parts and labour associated with the emergency equipment.
Capital Asset Category	Examples of Capital Assets	Examples of Capital Asset Costs
Scales	<ul style="list-style-type: none"> Commercial industrial scale for the purpose of compliance with hauling standards with the MD of greenview. 	<ul style="list-style-type: none"> Original contract price or invoice price. Freight charges. Sales taxes on acquisition. Installation charges. Charges for testing and preparation. Costs of reconditioning used items when purchased. Parts and labour associated with the construction of equipment.
System Development	<ul style="list-style-type: none"> Consultation fees, web site development. 	<ul style="list-style-type: none"> External direct costs of materials and services such as consultation fees. Web site developments costs. Costs to acquire software and any custom development. Salary and related benefits of employees directly associated with the application development stage. Costs of upgrades that improve the functionality of the system.
Computer Hardware	<ul style="list-style-type: none"> Equipment like servers, scanners, printers, hard drives, equipment that serves the hardware and modems 	<ul style="list-style-type: none"> Purchase price. Installation charges. Freight and transit charges. Sales taxes on acquisition. Costs of reconditioning used items when purchased.
Computer Software	<ul style="list-style-type: none"> Off the shelf software and related upgrades, software licenses after removing any maintenance or similar charges. 	<ul style="list-style-type: none"> Purchase price of off the shelf software and related upgrades. Sales taxes on acquisition. Installation charges.

<p>Communication Equipment</p>	<ul style="list-style-type: none"> Off the shelf software and related upgrades, software licenses after removing any maintenance or similar charges. Specific Communication equipment for the purpose of safety, promotion and like wise. 	<ul style="list-style-type: none"> Purchase price of off the shelf software and related upgrades. Sales taxes on acquisition. Installation charges. Costs of reconditioning used items when purchased.
<p>Office Furniture & Equipment</p>	<ul style="list-style-type: none"> Used in the offices of the municipality. List as follows but not limited to Desks, tables, chairs, filing cabinets, fax machines, photocopiers, smartboards, cabinets, cameras, and projectors. 	<ul style="list-style-type: none"> Original contract price or invoice price. Freight and installation charges. Sales taxes on acquisition. Costs of reconditioning used items when purchased. Pats and labour associated with the construction of furniture.
<p>Capital Asset Category</p>	<p>Examples of Capital Assets</p>	<p>Examples of Capital Asset Costs</p>
<p>Roads & Street Subsurface</p>	<ul style="list-style-type: none"> Is a subbase that has been either engineered or non- engineered. All have been prepared for the road or street designed for with variance of designed to the particular build. This would encompass all subsurface. 	<ul style="list-style-type: none"> The value of each type of Sub-base is determined per square meter based on the cost of the materials and labour required to construct each structure. Quantities used in each structure, are also available, but using quantities expands the calculations significantly. The streets/roads replacement cost has been multiplied by a “remaining life” factor (0.1-0.9) to give an assessment of the condition and the value remaining.
<p>Road & Street Asphalt Surfaces</p>	<ul style="list-style-type: none"> Is an Asphalt surface that has been dully designed to carry heavier (primary) traffic base. The structure is usually thicker than 200 mm. 	<ul style="list-style-type: none"> The value of each type of asphalt road is determined per square meter based on the cost of the materials and labour required to construct each structure. Quantities used in each structure, are also available, but using quantities expands the calculations significantly. The streets/roads replacement cost has been multiplied by a “remaining life” factor (0.1-0.9) to give an assessment of the condition and the value remaining.
<p>Road & Street Concrete Surfaces</p>	<ul style="list-style-type: none"> Is a concrete surface that has been dully designed to carry heavier (primary) traffic base. The structure is usually engineered. 	<ul style="list-style-type: none"> The value of each type of concrete road is determined per square meter based on the cost of the materials and labour required to construct each structure. Quantities used in each structure, are also available, but using quantities expands the calculations significantly.

		<ul style="list-style-type: none"> The streets/roads replacement cost has been multiplied by a “remaining life” factor (0.1-0.9) to give an assessment of the condition and the value remaining.
Road & Street Gravel Surfaces	<ul style="list-style-type: none"> Is a gravel surfaced road with a buildup of gravel and maintained to good standard base. The width is great enough to be used on a residential street. 	<ul style="list-style-type: none"> The value of each type of gravel road is determined per square meter based on the cost of the materials and labour required to construct each structure. Quantities used in each structure, are also available, but using quantities expands the calculations significantly. The streets/roads replacement cost has been multiplied by a “remaining life” factor (0.1-0.9) to give an assessment of the condition and the value remaining.
Capital Asset Category	Examples of Capital Assets	Examples of Capital Asset Costs
Road & Street Cold Rolled Asphalt Surfaces	<ul style="list-style-type: none"> Is a non-engineered Asphalt surface that is thin and is placed on the subgrade with very little preparation. These may be referred to as oil treatments cold roll. These surfaces are usually less than 60 mm in thickness. 	<ul style="list-style-type: none"> The value of each type of cold mix road is determined per square meter based on the cost of the materials and labour required to construct each structure. Quantities used in each structure, are also available, but using quantities expands the calculations significantly. The streets/roads replacement cost has been multiplied by a “remaining life” factor (0.1-0.9) to give an assessment of the condition and the value remaining.
Road & Street Chip Seal Surfaces	<ul style="list-style-type: none"> Is a non-engineered or Asphalt repaired surface that is thin and is placed on the asphalt surface directly with very little preparation. 	<ul style="list-style-type: none"> The value of each type of asphalt road maintenance is determined per square meter based on the cost of the materials and labour required to construct each structure. Quantities used in each structure, are also available, but using quantities expands the calculations significantly. The streets/roads replacement cost has been multiplied by a “remaining life” factor (0.1-0.9) to give an assessment of the condition and the value remaining.
Sidewalks, Ramping, Parking lots & Approaches	<ul style="list-style-type: none"> Is all sidewalks, ramps, parking lot and approaches, in which the building material is variable as installed at or near any road & street. 	<ul style="list-style-type: none"> Original purchase price Installation charges Direct costs of construction including labour and materials Charges for testing and preparation

		<ul style="list-style-type: none"> Parts and labour associated with construction and installation.
Road & Street Other	<ul style="list-style-type: none"> Light systems (traffic, outdoor, street), all signage, rumble strips, speed bumps and aggregate pit acquisition costs 	<ul style="list-style-type: none"> Original purchase price Installation charges Direct costs of construction including labour and materials Charges for testing and preparation Parts and labour associated with construction and installation.
Airport	<ul style="list-style-type: none"> All part of making the regulated airport. This does not include building nor surrounding lands. 	<ul style="list-style-type: none"> Original purchase price Installation charges Direct costs of construction including labour and materials Charges for testing and preparation Parts and labour associated with construction and installation.
Capital Asset Category	Examples of Capital Assets	Examples of Capital Asset Costs
Water infrastructure (Raw, Treated)	<ul style="list-style-type: none"> Docks, lagoons, reservoirs, pumping facilities, tanks and associated infrastructure, swimming pools, fire hydrants. 	<ul style="list-style-type: none"> Original purchase price Direct costs of construction including labour and materials Salary and travel costs for employees assigned to the project for direct management duties such as project management, inspection, and quality control. Parts and labour associated with the construction of equipment
Wastewater Infrastructure	<ul style="list-style-type: none"> Wastewater systems, sewage lagoons, reservoirs, pumping facilities, tanks and associated infrastructure, manholes, wastewater systems. 	<ul style="list-style-type: none"> Original purchase price Direct costs of construction including labour and materials Salary and travel costs for employees assigned to the project for direct management duties such as project management, inspection, and quality control. Parts and labour associated with the construction of equipment
Storm Sewer/Ditching Infrastructure	<ul style="list-style-type: none"> Storm water lagoons, reservoirs, pumping facilities, tanks and associated infrastructure. 	<ul style="list-style-type: none"> Original purchase price Direct costs of construction including labour and materials Salary and travel costs for employees assigned to the project for direct management duties such as project

		<p>management, inspection, and quality control.</p> <ul style="list-style-type: none"> Parts and labour associated with the construction of equipment
Water Treatment Plant	<ul style="list-style-type: none"> All equipment inside the water treatment plant excluding the building and the land in which it sits. 	<ul style="list-style-type: none"> Original purchase price Direct costs of construction including labour and materials Salary and travel costs for employees assigned to the project for direct management duties such as project management, inspection, and quality control. Parts and labour associated with the construction of equipment
Wastewater Treatment Plant	<ul style="list-style-type: none"> All equipment inside the wastewater treatment plant excluding the building and the land in which it sits. 	<ul style="list-style-type: none"> Original purchase price Direct costs of construction including labour and materials Salary and travel costs for employees assigned to the project for direct management duties such as project management, inspection, and quality control. Parts and labour associated with the construction of equipment
Capital Asset Category	Examples of Capital Assets	Examples of Capital Asset Costs
Infrastructure – Hydrants, Systems, Meters	All types of fire hydrants, water meters, gas meters, operating systems for the meters,	<ul style="list-style-type: none"> Direct costs of construction including tender construction costs, labour materials, survey costs, and project specific design costs. Salary and travel costs for employees assigned to the project for direct management, inspection, and quality control. <p>Parts and labour associated with construction and installation</p>
Culverts	Any and all Culverts regardless of size	<ul style="list-style-type: none"> Direct costs of construction including tender construction costs, labour materials, survey costs, and project specific design costs. Salary and travel costs for employees assigned to the project for direct management, inspection, and quality control.
Other Infrastructure	Landfills, dump stations, transfer station and any upgrades to this category	<ul style="list-style-type: none"> Costs that support infrastructure but are not included in any other category. Parts and labour associated with construction and installation