



Subject: Asset Management Policy
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ASSET MANAGEMENT POLICY

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SECTION 1.0 INTRODUCTION

The Development Authority of the North Country (Authority) possesses assets to enable the delivery of services to their customers. These services include materials management, water quality, telecommunications, engineering and regional development. These assets are critical for the protection of public health, the environment and economic stability of the region. The Authority also possesses other 'corporate infrastructure' assets which are utilized by the organization to administer, manage and support the services provided by the Authority to municipal customers. As a NYS Public Authority, the Authority has a fiscal responsibility to properly manage our assets while providing the best service within the surrounding communities in which we serve.

Asset Management is a broad term that encompasses all the various actions that the Authority undertakes to ensure that its assets are efficiently planned, delivered, managed and reviewed in a cost effective, sustainable manner. Asset Management is a core activity of the Authority and every employee is either directly or indirectly involved in the management of the Authority's assets.

This policy is issued by the Board of Directors. Development of procedures and implementation of the policy is the responsibility of the Executive Director.

SECTION 2.0 PURPOSE

This policy sets the vision, outlines the fundamental principles and assigns general responsibilities for how the Authority will manage its assets. It will also serve as an aid in the development of asset management and budget planning.

SECTION 3.0 VISION

The Authority's vision for asset management is to meet our stakeholder and customer needs by managing our assets in a cost effective, sustainable, and transparent manner while sharing a culture of knowledge internally and externally in order to reduce duplication of effort within the Authority and across the sectors in which we serve.

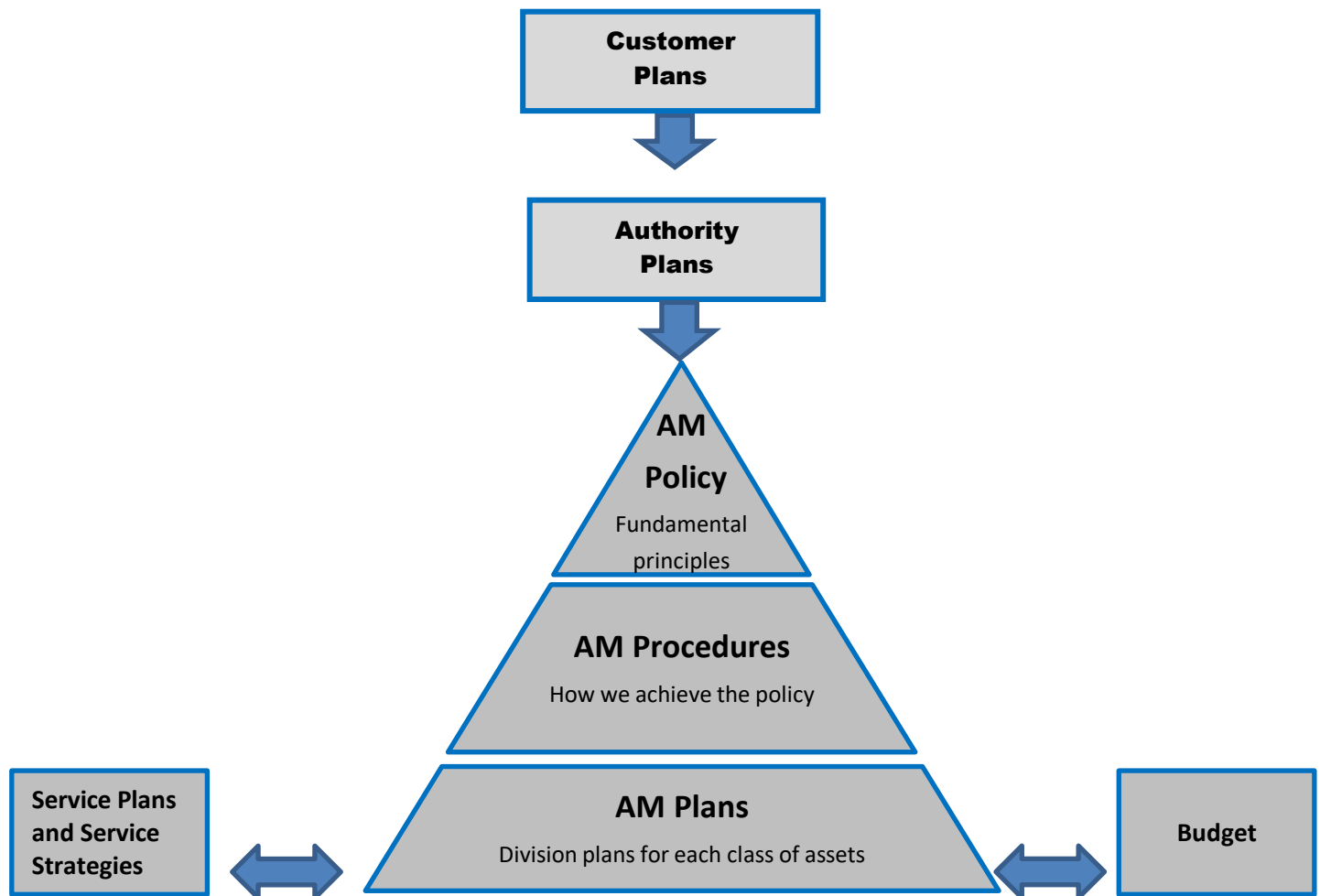
SECTION 4.0 SCOPE

This policy applies to the acquisition, operation, use, maintenance and rehabilitation of Authority owned assets. The disposal of assets is covered under the Disposition of Real Property Policy.

SECTION 5.0 ASSET MANAGEMENT FRAMEWORK

The framework below represents the relationship between the various elements of the asset management process and shall be used as a guide in understanding the relationship between the overall Authority Plans and the Asset Management Plans.

Asset Management (AM) Framework



SECTION 6.0 POLICY PRINCIPLES

6.1 ASSETS

When assets are planned, acquired, renewed, upgraded or divested/decommissioned, customer needs shall be considered.

6.2 AUTHORITY ASSET MANAGEMENT

The Authority's Asset Management activities will be based on applicable policies, plans and strategies of the Authority while understanding the service needs of the customer and the availability of resources.

6.3 OWNERSHIP RISK

Risk associated with the ownership and operation of the Authority's assets should be understood, with plans in place to address and respond to the elimination or mitigation of those risks, as part of the asset management activities.

6.4 LONG TERM SUSTAINABILITY

The Authority will own and operate assets in a manner that ensures long-term sustainability while providing a safe and healthy environment.

SECTION 7.0 ASSET OPERATION AND MAINTENANCE

7.1 LIFE CYCLE

The Authority will ensure that the optimum life cycle is achieved by properly maintaining assets.

7.2 PLANNED MAINTENANCE REGIMES

The Authority shall have planned maintenance regimens in place to ensure assets meet their design lives in the most cost effective manner.

7.3 MAINTENANCE PLAN DESIGN

Maintenance plans will be designed using the best available analysis techniques, as appropriate, and shall incorporate a cost/benefit approach.

7.4 INFORMATION CAPTURE

Information shall be captured within the Authority's information systems to assist in the analysis of current and future asset management activities.

7.5 MAXIMIZE ASSETS

The Authority will act to maximize the utilization/capacity of its assets where appropriate.

7.6 USAGE

The Authority will ensure that assets are used in a manner deemed proper.

SECTION 8.0 FINANCIAL RESPONSIBILITIES

8.1 CAPITALIZE ASSETS

The Authority will capitalize assets over \$10,000 with a useful life of over one year.

8.2 VALUE

Assets will be valued in accordance with accepted accounting principles.

8.3 EFFECTIVE ECONOMIC LIVES

Effective economic lives will be assigned to each asset grouping with the written down and/or depreciated value determined based on accepted accounting principles.

8.4 INSURANCE

The appropriate level of insurance will be maintained for the Authority assets.

SECTION 9.0 INVENTORY CONTROL

9.1 SOFTWARE SYSTEM

The Authority will maintain an asset software system that will contain assets by division with a value over \$1,000 at a minimum. For high-risk inventory items such as tools, vehicle parts and office equipment, Executive Management will establish lower dollar thresholds as required. Information contained in the software will include a picture of the asset (where applicable), area which it primarily resides, a description of the item, approximate date of purchase, approximate price and/or appraised value (if known). The life expectancy will be based on the category of the asset and previous knowledge of like items. Adjustments to the life expectancy will be made

as necessary, but at a minimum be reviewed annually for accuracy. Any pertinent information pertaining to the asset will be housed in the asset software system or other appropriate systems decided upon by the Authority.

9.2 COMPLIANCE

The Compliance Officer or designee shall track the capital assets of the Authority for accuracy and usefulness by performing audits.

9.3 DIVISION MANAGERS AS DIVISION CUSTODIANS

Division Directors, are designated as division custodians that may appoint someone to act on behalf of them to ensure control over the divisions assets. The Division Director or their designee(s) will ensure assets are recorded, maintained, used and accounted for in the proper manner.

9.4 ACCURACY AND COMPLETENESS

To maintain the accuracy and completeness of assets, Division Directors or their designee(s) shall conduct periodic inventory counts. The results of these counts shall be compared to detailed inventory records. Appropriate adjustments should be made and a list of such adjustments submitted to the Comptroller.

9.5 ASSET MARKING

The Division Directors will determine what assets need markings, tags and/or identification numbers in order to properly identify the asset as Authority owned. Such identification methods will be used to deter theft, add protection and/or quickly identify the asset.

9.6 RESTRICT ACCESS

The Authority may restrict access to assets in order to establish individual or group accountability. Only those employees with a functional need will be provided access.

SECTION 10.0 RISK MANAGEMENT AND PLANNING

10.1 STAFF

Staff directly responsible for activities associated with the management of assets shall take appropriate measures to ensure risk assessment practices are applied. This includes risks pertaining to the Authority's information systems housing asset information.

10.2 DIVISION DIRECTORS

Division Directors will periodically assess their overall asset risks and determine the most appropriate strategies to manage these risks.

10.3 ASSET MANAGEMENT PLAN DEVELOPMENT

An Asset Management Plan will be developed by considering risks, lifecycles, strategies, customer needs and safety and environmental responsibilities.

10.4 LONG TERM FINANCIAL NEEDS

Asset Management Plans will be used as input when determining short and long-term financial needs.

SECTION 11.0 RECORD OF REVISION

Revision Date	Resolution #
June 21, 2018	2018-06-90
June 22, 2023	2023-06-51