

Town of High Level Policy 256-18

Title:	ASSET MANAGEMENT POLICY
Authority:	Council
Council Motion:	485-18
Date Approved:	November 26, 2018
Rescinds:	New
Amended:	N/A

1. Intent of Policy

- a. This policy is to articulate Council’s commitment to asset management and guide staff using the policy statements. This policy also outlines how asset management is to be integrated within the organization in such a way that is coordinated, cost-effective, and organizationally sustainable.

2. Scope of Policy

- a. This policy applies to all assets owned, managed, and operated by the Town of High Level (the “Town”). Departments within the Town that manage tangible capital assets in the delivery of services to residents and businesses are subject to the Asset Management Policy. This policy shall guide staff in carrying out the organization’s business strategies, plans, and activities.

3. Policy Statement

- a. The Town will maintain and manage infrastructure assets at defined levels to support public safety, community well-being, and community goals.
- b. The Town will monitor standards and service levels to ensure that they meet/support community and Council goals and objectives.
- c. The Town will develop and maintain asset inventories of all its infrastructures.
- d. The Town will establish infrastructure replacement strategies through the use of full life cycle costing principles.
- e. The Town will plan financially for the appropriate level of maintenance of assets to deliver service levels and extend the useful life of assets.
- f. The Town will plan for and provide stable long-term funding to replace and/or renew and/or decommission infrastructure assets.
- g. The Town will consider and incorporate asset management in its other corporate plans where appropriate.
- h. The Town will report to citizens regularly on the status and performance of work related to the implementation of this asset management policy.

4. Definitions

- a. *Asset* is defined as an item, thing, or entity that has potential or actual value to an organization that enables a service, or services, to be provided.
- b. *Asset management* is defined as the application of sound technical, social, and economic principles that considers present and future needs of users and the service from the asset.

5. Background and Purpose of Council Policy

- a. Council's vision for the community is to improve the community's quality of life by providing a safe, sustainable environment through planning, communication, and cooperation, both locally and regionally. Well managed and maintained infrastructure assets are crucial in achieving Council's vision. These assets include but are not limited to efficient roadway systems, economical and reliable water distribution networks, safe and reliable sewage collection systems, productive fleets, and accessible park, recreation and civic facilities.
- b. Sound asset management practices can be used to assure Council and community members that aging assets continue to meet performance levels and deliver their desired service in the long-term.
- c. Staff will implement the policy through the development and use of asset management guidelines and practices. The responsibility for guidelines and practices are delegated to staff since the performance of asset management is organization specific and will evolve with knowledge, technologies, and available tools.

6. Key Policy Principles

- a. The Town shall make informed decisions, identifying all revenues and costs (including operation, maintenance, replacement, and decommission) associated with infrastructure asset decisions, including additions and deletions. Tradeoffs should be articulated and evaluated and the basis for the decision recorded.
- b. The Town shall integrate corporate, financial, business, technical, and budgetary planning for infrastructure assets.
- c. The Town shall establish organizational accountability and responsibility for asset inventory, condition, use, and performance.
- d. The Town shall consult with stakeholders where appropriate.
- e. The Town shall define and articulate service, maintenance, and replacement levels and outcomes.
- f. The Town shall use available resources effectively.
- g. The Town shall manage assets to be sustainable.
- h. The Town shall minimize total life cycle costs of assets.
- i. The Town shall consider environmental, social, and sustainability goals.
- j. The Town shall minimize risks to users and risks associated with failure.

- k. The Town shall pursue best practices where available.
- l. The Town shall report the performance of its asset management program.

7. Guidelines and Practices

- a. This policy shall be implemented by staff using accepted industry guidelines and practices. Staff shall consider the use of an asset management strategy and asset management plans.
- b. The Town will also comply with required capital asset reporting requirements and integrate the asset management program into operational plans throughout the organization.
- c. Strategic asset management plans may be developed for a specific class of assets or be general for all assets. The plan 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 loss. Operational plans should reflect these details. Replacement portfolios and associated financial plans should consider alternative scenarios and risks and include public consultation.

8. Integration of Asset Management within Organization

- a. The context and integration of asset management through the organization’s lines of business is typically formalized through references and linkages between corporate documents. Where possible and appropriate, Council and staff will consider this policy and integrate it in the development of corporate documents such as:
 - Capital Budget Plan
 - Operational Plans and Budgets
 - Municipal Development Plan
 - Annual Reports
 - Infrastructure Servicing, Management, and Replacement Plans
 - Design Criteria and Specifications
 - Parks and Recreation Plans
 - Facility Plans

9. Key Roles for Managing the Asset Management Policy

- a. Below details the key roles for managing this policy:

Role	Responsibility
Identifying issues and development of policy updates	Council and staff
Establishing levels of service	Council, staff, and public
Exercising stewardship of assets, adopting policy, and adopting budgets	Council
Implementing policy	Chief Administrative Officer and staff
Developing guidelines and practices	Chief Administrative Officer and staff
Ongoing review of policy	Council and staff

b. The implementation, review, and reporting of asset management work shall be integrated within the organization. Due to the importance of this policy, the Town’s asset management program shall be reported annually to the community. Implementation of this policy shall be reviewed by Council at the mid-point of its term.

Actions	Responsibility
Adopt Asset Management Plan	Council and Chief Administrative Officer
Monitor and review infrastructure standards and service levels at established intervals	Council and Chief Administrative Officer
Develop and maintain infrastructure strategies including development and service plans	Operations, Community Services, Protective Services
Develop and maintain asset inventories	Operations, Community Services, Protective Services, Finance, Information Technology
Assess infrastructure condition and service levels	Operations, Community Services, Protective Services
Establish and monitor infrastructure replacement levels through the use of full life cycle costing principles	Operations, Community Services, Protective Services
Develop and maintain financial plans for the appropriate level of maintenance, rehabilitation, extension, and decommission of assets	Finance, Operations, Community Services, Protective Services
Report to citizens on status of the community’s infrastructure assets and asset management program through an Annual Report	Council, Chief Administrative Officer

10. Non-Compliance

a. Non-compliance with this policy may result in sub-optimal planning for growth, maintenance, and replacement of existing assets and the development of new assets. This risk potentially compromises the technical and financial capacity of the Town to provide the expected levels of service to residents.

11. Policy Authority and Review

a. Any changes that are made to this policy are to be approved by Council.