

POLICY

OWNER DEPT: ASSET MANAGEMENT TEAM	
EFFECTIVE DATE: JUNE 01, 2021	REVISED DATE:
SUPERSEDES:	MOTION NUMBER:

TITLE: ASSET MANAGEMENT POLICY


POLICY STATEMENT:

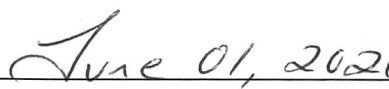
This policy recognizes the importance of the Town of Slave Lake's assets in the provision of service to our community. Without the assets the Town owns, manages, maintains, and invests in, the services that the Town provides to our residents would not be possible. The Town also recognizes that asset management is an ongoing process of planning and renewal to help ensure those assets can serve our community for the future as well.

POLICY OBJECTIVES:

The purpose of this policy is to ensure that The Town of Slave Lake implements the practice of asset management to achieve:

1. A forward-looking perspective of the Town's assets and the services it provides.
2. A basis for informed decision making about assets and service delivery.
3. An action plan to help ensure that our community is more sustainable and resilient.
4. A basis to understand risk and opportunities relating to the Town's assets and service delivery, and,
5. A plan for an integration of costs & funding, now and in the future.


For David Kim, CAO


Date Approved

TITLE: ASSET MANAGEMENT

PROCEDURE

Definition

1. **Asset management** – 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.
2. **Asset maintenance** – regular activities conducted to keep an asset functioning in its intended state. Maintenance activities are not considered capital investments.
3. **Asset renewal** – the replacement, refurbishment, or major maintenance of an asset that represents a capital investment and substantially extends the life of an asset.
4. **Capital plan** - A multi-year plan (10+ years) that identifies the capital infrastructure projects and their cost to address the current and future service objectives.
5. **Long term financial plan** - A plan that documents the process of aligning financial capacity with long-term service objectives.
6. **Town** – the municipal corporation of the Town of Slave Lake.

Responsibilities

1. **Council** is responsible for approving policies, plans and budgets that affect the overall delivery of service through the Town's assets.
2. The **Chief Administrative Officer** is responsible to ensure that the asset management process is an ongoing planning exercise.
3. The **Asset Management Team** is a team which consists of key members of administration from each department, which is responsible for the day-to-day planning, acquire, management (including the documentation of all assets into software), maintenance, investment, and disposal of the Town's assets.

Standards/Guidelines

1. **Stability** – The Town will manage our assets in a manner that is stable over the long term and is consistent with the long-term community objectives and minimizes.
2. **Forward Looking** – The Town shall operate in a manner that considers the financial effects on future generations and considers changing community circumstances and external economic risks.
3. **Value** – The Town will implement asset management practices that ensure public resources are put to the best possible use and that the full cost of asset ownership is considered in decision making.

TITLE: ASSET MANAGEMENT

Policy and Procedures

1. **Asset Acquisition:** Decisions to acquire new assets will be based on an understanding that the asset supports the long-term goals of the community and that the full life cost of ownership has been considered and incorporated into future operating and financial plans.
2. **Asset Maintenance:** For each asset, efficient maintenance strategies will be implemented that considers sustaining the desired service levels and seeks to minimize risk and the life cycle cost of ownership.
3. **Asset Renewal/Replacements:** Decisions to renew or replace an asset will consider risk (probability and consequences of asset failure), life cycle cost and the impacts to the level of service.
4. **Funding for Asset Renewals/Replacements:** A long term financial plan will be maintained which considers the renewal and replacement of existing infrastructure and the impact to taxation and user fees.
5. The timing for asset renewal/replacement will balance risk with cost and levels of service.
6. The long-term financial plan will identify how asset renewals/replacements will be financed, whether be it through current revenues, reserve funds or borrowing.
7. **Asset Disposal:** The utilization and function of all assets will be considered periodically together with the cost of operating and maintaining. Assets will be disposed of where it is determined that community resources can be applied to other uses with greater benefit.
8. Annual strategic, business, & budget plans will consider good asset management principles as they relate to the provision of services.

References and Related Policies:

1. Tangible Capital Assets Policy.
2. Urban Forest and Tree Management Policy