



Title: Asset Management Policy
Policy Number: 098

Resolution Number: 22-145
Date Approved: April 19, 2022

PURPOSE:

To provide guidance and direction, that align with the Town's vision and values, on matters related to asset management, including decision making concerning acquiring, maintaining, replacing and disposing of assets.

OBJECTIVE:

This policy sets guidelines for implementing Town-wide asset management processes to meet the level of service benchmarks determined by The Town, in the most cost-efficient manner.

SCOPE:

This policy applies to all departments, officers, managers, and employees, as well as all components of The Town of Conception Bay South's infrastructure.

AUTHORITY:

- Council discretion

RESPONSIBILITY:

Council is responsible for adopting the policy, determining accepted levels of service, and ensuring sufficient resources are applied to manage assets.

Management is responsible for overseeing operational procedures that support asset management strategy and plans. Management will also report to council on the status and effectiveness of asset management.

All Town employees are responsible to carry out asset management procedures stated in the asset management plan, when it is completed.

POLICY STATEMENT:

The Town of Conception Bay South will implement a Town-wide Asset Management Plan, which will inform processes that are already in place for continued strategy, planning and budget management. This policy outlines the asset management guiding principles to be implemented across the Town of Conception Bay South, to ensure the following goals are met.



ASSET MANAGEMENT GOALS:

- a) Capital assets and services are provided in a socially, culturally, economically, and environmentally responsible manner.
- b) Levels of service are determined by integrating community values, priorities, and an informed understanding of the trade-offs between risks, costs, and services.
- c) Adequate provision is made for the long-term planning, financing, operation, maintenance, repair, renewal, upgrade, replacement, and disposal of capital assets.
- d) All relevant legislative and regulatory requirements are met.
- e) Asset management processes are transparent and align with best practices.
- f) Financial resources are provided to accomplish sound asset management plans and strategies.
- g) Necessary capacity and other operational capabilities are provided to carry out procedures identified in the asset management plan, and ensure asset management responsibilities are effectively allocated.
- h) Corporate culture demonstrates the importance of asset management by providing necessary awareness, training and professional development for all employees.
- i) Customers are provided with consistent levels of service for which they are willing to pay. Determined levels of service balance customer expectations, cost effectiveness and risk.

DEFINITIONS:

- **Asset Management:** The coordinated activities that help an organization realize the maximum value from its assets and all activities involved in an asset's life cycle. Asset management translates organizational objectives into asset-related decisions, plans and activities while managing risk.
- **Asset Management Plan:** A plan to manage assets, both technically and financially, over the lifecycle of the asset in the most cost-efficient manner, to deliver a specified level of service. The plan specifies the activities, resources and timescales required for individual assets to achieve asset management objectives.



- **Asset Management Strategy:** Describes the key asset management processes, tools and documents that staff will use to implement the asset management policy.
- **Level of Service:** The accepted parameters of a service that the town delivers. The parameters are defined by expectation and satisfaction and can include safety, quality, quantity, capacity, reliability, responsiveness, environmental acceptability, cost and availability.
- **Lifecycle Cost:** Refers to the total cost of ownership over the life of an asset including capital costs, and costs to operate, maintain, renew, replace, and dispose of an asset.
- **Risk:** Analysis of the likelihood and consequences of a given event that affects assets.
- **Town Assets:** Assets purchased, managed and/or maintained by the Town to deliver or support resident services.

GUIDING PRINCIPLES:

- a) Asset management plans will be developed for all categories of assets, and such plans will be informed by community and stakeholder consultation, as well as financial planning and reporting systems.
- b) All relevant legislative and regulatory requirements together with political, social, economic, cultural, and environmental factors will be addressed in asset management plans and decisions.
- c) Levels of service will be determined by balancing expectations and cost, through consultation with the community, stakeholders, and financial budgets.
- d) Levels of service agreed to and defined in the asset management plans will be considered in the annual budget with funding sources identified as applicable.
- e) Consistent asset management procedures and strategy, which are agreed upon in the asset management plan, must be documented to ensure best practices are implemented consistently throughout all departments.
- f) Asset management principles and procedures will be integrated into all planning and operational processes.



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- g) An inspection routine, or condition assessment schedule will be implemented as part of asset management to ensure agreed levels of service are maintained and to identify asset renewal priorities.
- h) Current and future capital upgrade and renewal priorities will be determined, in part, based on asset management plan reporting and financial capacity limits.
- i) Future life cycle costs, including depreciation and disposal will be reported and considered in all decisions relating to new services and assets as well as upgrading existing services and assets.
- j) Cyclic reviews of the asset management plan, including asset inventory and conditions, will be applied to all asset classes to ensure that assets are managed and valued in accordance with appropriate best practices and standards.
- k) Continuous training in asset management will be provided for Councillors and relevant staff.

RELATED DOCUMENTS:

- Town of Conception Bay South Municipal Plan

Implementing the Asset Management Plan will assist in reaching and maintaining the long-term objectives of the Municipal Plan.

- Tangible Capital Asset Policy

REVIEW DATE:

This policy has a life of 3 years. It will be reviewed in 2024, or earlier, at the discretion of Council.

REVISION HISTORY:

Revision:	Author:	Change Made:	Date: