

Appendix 9.0

Village of Dunnottar
Asset Management Policy

THE VILLAGE OF DUNNOTTAR

Asset Management Policy

1. Background

The Village of Dunnottar is committed to providing service to residents in a fiscally responsible manner that supports a safe, healthy, livable, sustainable, and economical community. With this commitment in mind, assets must be managed in a way that allows the Village to achieve its goals, plans, and policies.

2. Purpose

This policy's purpose is to establish consistent standards and guidelines for management of the Village's assets, applying sound technical, social, and economic principles that consider present and future needs of users, and the service expected from the assets. This policy will address the following needs:

- To provide consistent and accurate means of tracking and reporting of Village assets
- To improve decision-making accountability and transparency
- To provide a framework to work toward achieving long-term sustainability
- To meet legislative reporting and organization financial planning requirements
- To demonstrate to the community that Council is exercising good fiscal stewardship, while delivering affordable services

3. Definitions

Asset – has a physical nature, is an economic resource, and provides delivery of programs and services.

Asset management – application of sound technical, social, and economic principles that consider present and future needs of users and the service expected from the asset.

Asset management plan – tells how departments implement strategies and achieve asset objectives and targets. The plan will include a complete inventory and describe the characteristics and condition of the assets, the level of service expected from the assets,

planned action to ensure the assets are providing the expected level of service, and financing strategies to implement the planned actions.

Life cycle – time interval that commences with identifying needs for an asset and terminates with the disposal of the asset.

Life cycle costs – total cost of an asset through its life: planning, design, construction, acquisition, operation, maintenance, rehabilitation, and disposal costs.

Public – refers to residents, taxpayers (rate-payers), and businesses.

4. Council Asset Management Policy Statements

The Village of Dunnottar will make reasonable efforts to:

- a. Develop and maintain inventories of all its municipal assets
- b. Establish an asset inventory of long-term desired asset additions for future considerations
- c. Maintain and manage the municipal assets for public safety, community well-being, and community goals
- d. Monitor standards and service levels to ensure they support community and Council goals and objectives
- e. Establish asset replacement strategies using full life cycle costing principles
- f. Plan financially for the appropriate level of maintenance of assets to deliver service levels and extend the useful life of assets
- g. Plan for and provide stable long-term funding to replace and/or renew and/or decommission assets

5. Policy Principles

To achieve the purposes of this policy, described below are principles that guide staff decisions, actions, and recommendations:

- Make informed decisions based on all available information, identifying all revenues and costs (including operation, maintenance, replacement, and decommission) associated with asset decisions
- Integrate technical, financial, and budgetary planning for municipal assets
- Develop and enhance asset management knowledge and competencies required for the implementation of asset management programs

- Establish organizational accountability and responsibility for asset inventory, condition, use, and performance
- Define and document service, maintenance, and replacement levels and outcomes
- Manage assets to be sustainable
- Minimize total life cycle costs of assets
- Use available resources effectively
- Minimize risk to users and risks associated with failures
- Consider social, environmental, and sustainability goals
- Consult shareholders where appropriate
- Report on performance of asset management program as required

Where insufficient resources exist, staff shall attempt to follow the overall spirit of these principles as reasonably as possible.

6. Guidelines and Practices

The Village shall develop Asset Management Plans (AMPs) for asset classes and will outline short and long-term goals and processes on how they will be achieved. The AMPs will be based on, but not limited to, current inventories and condition (acquired or derived), projected performance, and remaining service life (based on historical information and best judgements). AMPs shall also include an inventory listing; for the purpose of encouraging deliberation; of long-term desired asset additions.

The Village shall work towards integrating an asset management program into operational plans and linking data management through the use of digital programs. Organizational standards will be created and improved upon, to promote consistency in how assets are managed and help to achieve forecast reliability.

The Asset Management Plans and progress made on the plans will be considered annually in the development of the Village's capital budgets, operating budgets, and long-term financial plans.

The Village will continue to follow all relevant regulations and requirements for capital asset reporting and asset management.

The Village recognizes the need for stakeholder input into the planning process and will foster informed dialogue where public consultation is applicable.

7. Key Roles and Responsibilities

Council, on behalf of the citizens, will be entrusted with the responsibility of overseeing the management of the assets. They will approve Asset Management Policy and the Asset Management Planning documents and required updates every 4 years. They will review management's implementation of the plan as part of the annual budget process. They will support efforts to improve the plan and ensure it includes changes necessitated by updates to other Village strategic documents.

Village policies are approved by Council. While staff, public, and other agencies may provide input on the nature and text of the policy, Council retains the authority to approve, update, amend, or rescind policies.

Management; which includes CAO, CFO, and Public Works Foreman; will oversee policy implementation and ensure both Asset Management Plan and Asset Management Policy are in compliance with Provincial Asset Management regulations. Management will ensure that current year and long range asset requirements are incorporated into the budget presented to Council annually. Management will update Policy and Plan to reflect changes as needed and present them for Council approval.

Finance staff, will be involved in the Asset Management Planning process to coordinate information from the service personnel in the preparation of the budget submission. The maintenance and update of the asset inventories and asset related information will be an essential duty of the CFO.

Public Works Staff, under the direction of the Public Works Foreman, will contribute to the Asset Management Program by producing maintenance records, condition assessments, and service level updates.

The table below is a quick guide to the breakdown of specific roles/actions as designated responsibilities;

Role/Action	Responsibility				
	Council	CAO	Finance (CFO)	Public Works	Public
Exercise stewardship of assets	X				
Adopt policy and budgets	X				
Establish levels of service	X	X	X	X	X
Adopt asset management policy	X	X			
Implementation of policy		X	X	X	
On-going review of policy	X	X	X	X	
Development of policy updates	X	X	X	X	
Development of guidelines and practices		X	X	X	
Develop and maintain asset inventories			X	X	
Assess asset condition and service levels				X	
Establish and monitor asset replacement levels, incorporating the use of full life cycle costing principles			X	X	
Develop and maintain financial plans for the appropriate level of maintenance, rehabilitation, and decommission of assets			X	X	
Consideration of desired long-term asset addition	X	X	X	X	X
Report to public on the status of the community's assets and asset management program. (May include public reports, financial plans, etc.)	X	X			