

# RM of Reno No. 51

# Asset Management Policy

Original Resolution Approved by Council: May 9, 2018

Review Date Approval: May 4, 2023, Res # S03/23

## 1.0 Purpose

The purpose of this policy is to set guidelines for implementing consistent asset management processes throughout the RM of Reno No. 51.

## 2.0 Scope

This policy applies to all the RM of Reno No. 51 councillors, employees and contractors.

## 3.0 Objectives

To ensure adequate provisions is made for the long-term replacement of major assets by:

- Ensuring that services and infrastructure are provided in a financially sustainable manner, with the appropriate levels of service to customers and the environment.
- Safeguarding infrastructure assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets.
- Meeting legislative requirements for asset management.
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

## 4.0 Policy

### 4.1 Background

Asset management practices impact directly on the core business of the RM of Reno No. 51 and appropriate asset management is required to achieve our service delivery objectives.

Adopting asset management principles will assist in achieving strategic long term plan and long term financial objectives.

Sustainable service delivery ensures that services are delivered in a socially, economically and environmentally responsible manner in such a way that does not compromise the ability of future generations to make their own choices.

Sound asset management practices enable sustainable service delivery by integrating customer values, priorities and an informed understanding of the trade-offs between risks, costs and service performance.

#### 4.2 Principles

The RM of Reno No. 51 sustainable service delivery needs will be met by ensuring adequate provisions are made for the long term planning, financing, operation, maintenance, renewal, upgrade and disposal of capital assets by:

1. Ensuring that the RM of Reno No. 51's capital assets are provided in a manner that respects financial, cultural, economic and environmental sustainability;
2. Meeting all relevant legislative and regulatory requirements;
3. Demonstrating transparent and responsible asset management processes that align with demonstrable best practices;
4. Implementing sound asset management plans and strategies and providing sufficient financial resources to accomplish them by:
  - a. Asset management plans will be completed for all major assets
  - b. Regular and systematic reviews will be applied to all asset plans to ensure that assets are managed, valued, and depreciated in accordance with appropriate best practice.
  - c. Regular inspection will be used as part of the asset management process to ensure agreed service levels are maintained and to identify asset removal priorities.
  - d. Asset renewals required to meet agreed service level and identified in adopted asset management plans, will form the basis of annual budget estimates with the service and risk consequences of variations in defined asset renewals and budget resources documented.
  - e. Future life cycle costs will be reported and considered in all decisions relating to new services and assets and upgrading of existing services and assets.
  - f. Ensuring necessary capacity and other operational capabilities are provided and asset management responsibilities are effectively allocated.
  - g. Providing those we serve with services and levels of service for which they are willing and able to pay.

## 5.0 Related Documents

- Asset Management Strategy
- Asset Management Plans
- Tangible Capital Asset Policy

## 6.0 Responsibility

Councillors are responsible for adopting the policy, allocating resources, and providing high level oversight of the delivery of the RM of Reno No. 51 asset management strategy and plans. The council is also responsible for ensuring that organizational resources are appropriately utilized to ensure sustainable service delivery.

The Administrator has overall responsibility for developing an asset management strategy, plans, and procedures, and reporting on the status and effectiveness of asset management within the RM of Reno No. 51.

## 7.0 Review Date

This policy has a life cycle of 4 years or less at the discretion of Council. It will be reviewed in May 2027.

## **ASSET MANAGEMENT STRATEGIES**

*The International Infrastructure Management Manual* defines an asset management strategy as “a strategy for asset management covering the development and implementation of plans and programs for asset creation, operation, maintenance, rehabilitation/replacement, disposal and performance monitoring to ensure that the desired levels of service and other operational objectives are achieved at optimum costs.”

<b>Actions</b>	<b>Responsibility</b>	<b>Deadline and Frequency</b>
Outline asset life expectancy on RM Map from Pub Works program (10-40 years) for key Infrastructure.	Administrator	Dec. 31 - update yearly
Determine future replacement costs in Pub works program (using current inflation rates)	Administrator	Dec. 31 -Update w/new assets
Review existing asset listing with Council including future replacement costs.	Administrator and Council	Dec. 31 -review Yearly
Review Asset Reserve Accounts in GL to capture Future Expenditures for Infrastructure.	Administrator and Council	Dec. 31 -review yearly
Determine condition of Infrastructure assets (current and desired) and update in Pub Works program.	Administrator and Public Works	June 30 -review yearly
Identify fully depreciated assets and determine applicable replacement date. Update in Pub Works program.	Administrator, Public Works and Council	June 30 -review yearly
Compare current asset condition to “Useful Life” as determined by TCA Policy and update Replacement Year in Pub Works program (if required) for Assets to be fully depreciated within 10 years.	Administrator, Public Works	June 30 -review yearly
Review data from traffic counters to adjust for changing traffic patterns. Amend replacement dates in Pub works program.	Administrator, Public Works and Council	June 30 -Review yearly

Review funding gap between replacement cost and actual funds in reserve accounts to determine requirements to sustain 8-10 years-worth of ongoing funding.	Administrator and Council	Long Term Planning/Budget Meeting -Review yearly
Create budgets to anticipate funding gaps.	Administrator and Council	May- Review Yearly
Review TCA planning for upcoming year infrastructure projects and equipment purchases	Administrator, Council and Foreman	Annually October to December when time permits