

Policy

Title:	ASSET MANAGEMENT POLICY
Policy Number:	ADM-12-26
Effective Date:	2023-09-13
Resolution:	337-23
Department Responsible:	Administration/Finance
Supersedes Policy No:	B32
Next Review Date:	2026-09-13

POLICY STATEMENT:

The Municipal District of Lesser Slave River No. 124 recognizes that infrastructure and assets must be effectively managed to ensure that they are sustainable for future generations to use and enjoy. This means the Municipality embraces an Asset Management approach that is founded on delivering levels of service that the community supports and managing risk within reasonable levels. MDLSR will apply sound technical, social, financial, and economic principles that consider present and future needs of users when making investment decisions.

DEFINITIONS:

“Asset” means an item that has potential or actual value to the municipality. Value can be tangible or intangible, financial, or non-financial, and includes consideration of risks and liabilities. These can be engineered assets that are created and owned by the municipality or naturally occurring assets that are maintained and protected by the municipality.

“Asset Maintenance” means regular activities conducted to keep an asset functioning in its intended state. Maintenance activities are not considered capital investments.

“Asset Management” means the process of Coordinated activity of the municipality to realize value from assets when making decisions about the use and care of municipal assets to deliver services. The application of sound technical, social, and economic principles in a way that considers current and future needs, manages risks and opportunities, and makes the best use of resources to meet required service levels.

“Asset Management Advocate Lead (AMAL)” means the employee designated by the Chief Administrative Officer to monitor, mentor, assist and implement the Asset Management Program within the Municipal District. **Asset Management Committee (AMC):** A cross functional departmental committee, comprised of municipal staff, whose mandate is to increase awareness of asset management across the organization and to improve financial sustainability through an integrated approach to continuous improvement in its asset management practices and capabilities.

“Asset Renewal” means the replacement, refurbishment, or major maintenance of an asset that represents a capital investment and substantially extends the life of an asset.

“**Asset Retirement Plan**” means a plan that outlines how assets will be retired and decommissioned and how the associated costs will be funded.

“**Asset stewardship**” means the careful and responsible management of assets to ensure the sustainability for present and future generations.

“**MDLSR**” means the Municipal District of Lesser Slave River No. 124

“**Level of Service**” means the parameters, or combination of parameters, which reflect social, political, environmental, and economic outcomes that the organization delivers. Service level parameters can include, but are not necessarily limited to, safety, customer satisfaction, quality, quantity, capacity, reliability, responsiveness, environmental acceptability, cost, and availability.

“**Life Cycle Costs**” means the full financial impact of ownership of an asset throughout its useful life. It includes the costs to acquire, maintain, renew, and dispose of an asset.

“**Risk**” means the relationship between the likelihood of an event happening and the consequences of that event.

“**Sustainability**” means meeting the needs of today without compromising the ability of future generations to meet their own needs. In relation to asset management a sustainable approach takes into consideration the current and future benefits and costs of existing and new assets in a financially sustainable approach.

“**Ten-Year Capital Plan**” means the fluid plan that outlines expected major asset replacement, maintenance and acquisition over a ten-year period that aligns financial capacity with long-term level of service objectives.

PRINCIPLE:

Asset management is a broad strategic framework that encompasses many disciplines and involves the entire organization. To guide the organization, the following policy statements have been developed:

1. The Asset Management policy applies to all four phases of the asset life cycle (Acquisition, Maintenance, Renewal/Replacement and Disposal/Retirement) in accordance with Policies, *Procurement of Goods and Services*, *Tangible Capital Assets*, *Asset Disposal and Risk Management* as amended from time to time.
2. The MDLSR will maintain and manage infrastructure assets at defined levels to support the municipal districts Strategic Plan, public safety, acceptable risk, and community well-being.
3. The MDLSR will manage our assets in a manner that is stable over time and considers the financial effects on future generations and the full life cycle cost to make the best possible use of taxpayer resources.



4. The MDLSR Council will set standards and service levels to ensure that they meet/support community and Council goals and objectives in a sustainable way, which will be reviewed annually as part of the budget process.
5. The MDLSR Council will undertake periodic service level reviews to ensure that services, programs and assets support community and council expectations and other strategic objectives.
6. The MDLSR will establish infrastructure replacement strategies that support service levels, using full life cycle costing principles.
7. The MDLSR will plan financially for the appropriate level of maintenance of assets to deliver service levels and maximize the useful life of assets.
8. The MDLSR will plan for and provide stable long-term funding to replace and renew infrastructure assets throughout its Life Cycle. This will be documented as the fluid Ten-Year Capital Plan.
9. The Ten-Year Capital Plan will consider the renewal and replacement of existing assets and the impact to taxation and user fees. The timing for asset replacement/renewal will balance risk with cost and levels of service.
10. The MDLSR will create an Asset Retirement Plan, which will identify how assets will be retired. It will consider disposal fees, reclamation, and any other costs to decommission the asset.
11. The fluid Ten-Year Capital Plan and the Asset Retirement Plan will be reviewed and updated at least once annually as part of the budgeting cycle.
12. Where appropriate the MDLSR will consider and incorporate asset management in its other corporate plans.
13. The MDLSR will report to citizens annually on the status of community owned/operated infrastructure and the performance of work related to the implementation of this asset management policy. This report will provide a public facing forecast on the sustainability of the Municipality's community infrastructure.

ROLES AND RESPONSIBILITIES

Council Responsibilities:

Council will:

- a. Approve an Asset Management Policy
- b. Support an Asset Management Policy
- c. Set, monitor, and review levels of service.
- d. Review and approve the Ten-Year Capital and Asset Retirement Plans annually.
- e. Support the implementation of Asset Management Culture in decision making.



Administration Responsibilities:

Chief Administrative Officer or Designate will:

- a. Direct administration to develop the necessary administrative procedures and/or processes to implement this policy.
- b. Appoint an Employee as the Asset Management Advocate Lead
- c. Approve those administrative procedures.
- d. Monitor and review infrastructure standards and levels of services at established intervals.

Asset Management Advocate Lead will:

- a. Review and update the Ten-Year Capital and Asset Retirement Plans annually.
- b. Establish an internal Asset Management Committee to create and manage the implementation of Asset Management policies and culture in the organization.
- c. Create and implement procedures to implement the Asset Management policy in all four phases of the asset life cycle.
- d. Identify opportunities for improvements to the lifecycle management of assets.
- e. Advise departments on how asset management processes and practices can be implemented to improve the planning, development, and management of assets.
- f. Complete an annual report to council on the status of asset management in the organization as part of the annual budget process.
- g. Take ongoing training in the field of asset management.

Asset Management Interdepartmental Committee members will:

- a. Increase awareness of the importance of asset management culture across the municipality
- b. Advise on the creation and implementation of procedures to incorporate the Asset Management policy in all four phases of the asset life cycle.
- c. Identify opportunities for improvements to the lifecycle management of assets.
- d. Advise departments on how asset management processes and practices can be implemented to improve the planning, development, and management of assets.

Municipal District of Lesser Slave River Employees will:

- a. Actively participate in the Asset Management Program as it applies to their assigned job roles and duties.
- b. Use the Asset Management Work Order System to request work on Municipal Assets
- c. Provide constructive feedback to the Asset Management Advocate on the Asset Management Program.



“Original Signed”

September 29, 2023

Chief Administrative Officer
Barry Kolenosky

Date

“Original Signed”

September 27, 2023

Reeve
Murray Kerik

Date

SPECIAL NOTES/CROSS REFERENCE: ADM-12-26.01 Asset Management Procedure
ADM-12-09 Procurement of Goods and Services,
ADM-12-11 Tangible Capital Assets, ADM-12-15 Asset Disposal and Risk
AMENDMENT DATE: September 13, 2026

