



Number: 300-02-03
REGIONAL DISTRICT OF CENTRAL KOOTENAY
Policy Manual

Chapter: FINANCE

Section: ASSETS & ACCOUNTS RECEIVABLE

Subject: ASSET MANAGEMENT

Board Resolution:	782/17	Established Date:	14-DEC-17	Revised Date:	
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POLICY:

PURPOSE:

This policy outlines the Regional District of Central Kootenay’s (“RDCK”) commitment to Asset Management as an integral business approach involving all components of the organization (e.g., planning, finance, environmental service, community services, and fire services).

The Board’s vision and goal is safe, livable, sustainable and economically vibrant communities underpinned by well managed and maintained infrastructure assets. These assets include but are not limited to economical and reliable water distribution networks, safe and reliable sewage collection systems, reliable information technology systems, safe and efficient fire halls, productive fleets, and accessible parks, recreation and civic facilities.

Though these assets age and deteriorate, by using sound asset management practices, the Board and our residents can be assured that the assets meet performance levels, are used to deliver the desired service in the long term and are managed for present and future users.

This policy also demonstrates that the Board is exercising good stewardship, and is delivering affordable services while considering its legacy to future residents.

SCOPE:

This policy applies to all departments and units of the Regional District of Central Kootenay.

DEFINITIONS:

RDCK Regional District of Central Kootenay

POLICY:

Asset Management is a broad strategic framework that requires the involvement of the entire organization. Asset management is defined as “the application of sound technical, social and economic principles that considers present and future needs of users and the service from the asset”.

Asset Management in some situations can include additional infrastructure such as parks and the natural environment where the key components provide some form of community service such as clean air, water and waste management or social benefits such as recreation. The RDCK will explore the potential inclusion of natural or green assets as a community asset class in the provision of services.



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To guide the organization's asset management strategy, the following policy statements have been developed:

- a. The RDCK will maintain and manage assets and infrastructure to support service level delivery that will ensure public safety, community well-being and community goals.
- b. The RDCK will monitor standards and service levels to ensure that they meet/support community and Board goals and objectives.
- c. The RDCK will develop and maintain asset inventories of its entire infrastructure.
- d. The RDCK will establish replacement strategies through the use of full life cycle costing principles.
- e. The RDCK will plan financially for the appropriate level of maintenance of assets to deliver service levels and extend the useful life of assets.
- f. The RDCK will plan for and provide stable long term funding to replace and/or renew and/or decommission assets.
- g. Where appropriate, RDCK will consider and incorporate asset management in its other corporate plans, including operating plans.
- h. Ensure that assets are managed in a way that supports RDCK's priorities.
- i. The RDCK will use appropriate software programs to track the acquisition, maintenance, replacement and decommissioning of its assets.

Key Principles

To effectively achieve the organization's asset management objectives, the following principles will be applied:

Service Delivery

The RDCK will define clear, appropriate, safe levels of service that meet the Board's objectives and the informed expectations of stakeholders and the public and will apply asset management practices to meet those objectives and expectations.

Holistic

The RDCK will take a comprehensive approach to asset management that looks at the big picture and includes all aspects of the asset life cycle.

Systematic

The RDCK will take a formal, repeatable and consistent approach to the management of assets that will ensure effective service delivery.

Universal

The RDCK will make asset investment decisions in the context of service delivery and take into account the relationship each asset has to the other assets in the organization and to the operations, rather than making decisions that simply optimize the individual asset.

Risk-based

The RDCK will manage asset risk associated with attaining levels of service by focusing resources, expenditures and priorities based on risk and associated cost/benefit.



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Cost Effective

The RDCK will choose practices to provide its defined service levels at the minimum sustainable cost, which is the cost at which the RDCK can meet its public safety, social, cultural, environmental and economic objectives while minimizing cost and not deferring or underfunding asset maintenance or renewal.

Roles and Responsibilities

The Board is responsible for adopting the policy, allocation of resources & providing high level oversight of the delivery of the organization’s asset management strategy and plan and maintaining accountability mechanisms to ensure that organizational resources are appropriately utilized to address the organization’s strategic plans and priorities. The Board retains the sole authority to approve, update, amend or rescind this Policy.

Staff will implement the policy through the development and use of asset management guidelines and practices. The performance of asset management is organization specific, reflective of knowledge, technologies and available tools, and will evolve over time, the responsibility for guidelines and practices are delegated to staff.

Role	Responsibility
Exercise stewardship of assets	Board
Adopt Asset Management Policy	Board, CAO
Establish budget for asset management	Board, CAO
Monitor and review infrastructure standards and service levels at established intervals	Board, CAO
Report to citizens on status of the community’s infrastructure assets and asset management program	Board, CAO
Establish levels of service	Board, staff, public
Ongoing review of policies	Board, staff
Identify issues and develop policy updates	Board, staff
Implement policy	CAO, staff
Develop guidelines and practices	CAO, staff
Develop and maintain infrastructure strategies including development and service plans	Planning, Finance, Individual departments
Develop and maintain asset inventories	GIS, Finance, Individual departments
Assess infrastructure condition and service levels	Project Manager
Establish and monitor infrastructure replacement levels through the use of full life cycle costing principles	Finance
Develop and maintain financial plans for the appropriate levels of maintenance, rehabilitation, extension and decommission of assets	Finance



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This policy does not replace existing corporate strategy, business planning and budget management systems and processes already in place. Rather, the asset management policy complements and aligns to these initiatives, with the intent that asset management principles are considered when assessing stakeholders' needs and service delivery objectives.
