



City of Dawson

Asset Management Policy

2019-01

POLICY STATEMENT

This policy sets guidelines for implementing organization-wide asset management processes to ensure the provision and development of municipal infrastructure is: effective and efficient (*Official Community Plan*, Bylaw No. 2018-18), and in compliance with Public Sector Accounting Board (PSAB) standard PS 3150 which requires municipalities and First Nations to report Tangible Capital Assets (TCA) on their Statement of Financial Position effective January 1, 2009.

1.00 Purpose

1.01 The purpose of this policy is to set guidelines for implementing organization-wide asset management processes within the City of Dawson.

2.00 Definitions

2.01 The following terms are used within this policy and are defined as follows:

- a) “asset management” means an integrated, lifecycle approach to effective stewardship of infrastructure assets to maximize benefits, manage risk and provide satisfactory levels of service to the public in a sustainable manner.
- b) “engineered assets” means assets that have been constructed and are owned (e.g., watermains, roads, buildings), land that is owned and supports assets (e.g., land under roads or buildings), or land that is undeveloped and owned. These assets must be operated, maintained, managed, and, except for land, ultimately replaced as they meet the end of their lifecycle.
- c) “level of service” means the service level delivered to the public. This can take the form of the selection of services that are provided (e.g., recreation programs, compost disposal), the standard of infrastructure in place (e.g., gravel road vs. paved road), or the standard to which an asset is maintained (e.g., the frequency of snow removal). Council will determine the level of service based on consultation with administration and the public. Level of service will directly affect utility fees or taxation.

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- d) “natural asset” means naturally occurring land or subsurface features which perform or support service delivery (e.g., Dawson City Aquifer). This category also includes artificial features that mimic naturally occurring features (e.g., dike, ditches). If these assets did not exist, engineered assets would be required to provide these services. Natural assets must be operated and maintained.
 - e) “risk” means analysis of the ‘likelihood’ and the ‘consequence’ of a given event. Establishing the risk associated with lower infrastructure performance due to levels of service or postponement of asset replacement will identify system vulnerabilities and assist in prioritizing work.
 - f) “sustainable” means meeting the needs of the present 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 or services.

3.00 Objective

3.01 To ensure adequate provision is made for operations, maintenance and long-term replacement of major engineered and natural assets by:

- a) Maintaining assets in the most natural, energy-efficient and reliable manner that cost the least to operate over the life cycle of the asset;
- b) Ensuring the services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to all users within the City of Dawson;
- c) Managing engineered and natural assets by implementing appropriate asset management strategies and allocating appropriate financial resources for those assets;
- d) Fostering an environment where all employees take an integral part in overall management of assets by creating and sustaining asset management awareness throughout the organization through training and development;
- e) Ensuring resources and operational capabilities are identified and responsibilities for all areas of asset management are appropriately assigned;
- f) Continually seeking opportunities for improving efficiencies in operations, maintenance and asset replacement practices;
- g) Demonstrating transparent and responsible asset management processes that align with established best practices; and

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- h) Meeting legislative requirement for asset management.

4.00 Policy

4.01 Background

- a) The City of Dawson is committed to implementing a systematic asset management methodology to apply appropriate best practices across all areas of the organization. This includes ensuring that assets are planned, created, operated, maintained, renewed, and disposed of, where appropriate, in accordance with the City's levels of service priorities.
- b) Adopting asset management principles will assist council in achieving its strategic plans and long term financial objectives.
- c) A strategic approach to asset management will ensure that the City of Dawson delivers the appropriate level of service through its assets.

4.02 Principles

- a) A consistent asset management strategy will be used for implementing appropriate asset management best practices through all departments of the City of Dawson.
- b) Levels of service will continue to be determined and refined in consultation with the community.
- c) All relevant legislative requirements together with social, economic and environmental impact are to be considered.
- d) Asset management principles will be integrated within existing planning and operational processes.
- e) Natural assets are recognized by council as performing essential service delivery and will be identified and managed in a similar manner as engineered assets.
- f) An asset management plan will be developed for major service/asset categories.
- g) An inspection regime will be used as a part of asset management practices to ensure agreed service levels are maintained and to identify asset renewal priorities.
- h) Asset renewals and levels of service defined in the adopted asset management plan and long term financial plans will form the basis of annual budget estimates.

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- i) Asset renewal plans will be prioritized and implemented progressively based on agreed level of service and the effectiveness of the current assets to provide that level of service.
 - j) Systematic and cyclical reviews will be applied to all asset classes and are to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practices.
 - k) Life cycle costs will be reported and considered in all decisions relating to new services and asset classes and upgrading of existing services and asset classes as soon as they are established.
 - l) Training in asset and financial management will be provided for relevant staff.

5.00 Scope

5.01 This Policy applies to all City of Dawson activities.

6.00 Legislation

6.01 All aspects of asset management within the City of Dawson shall be conducted in accordance with applicable legislation.

7.00 Related Documents

7.01 *Tangible Capital Asset Policy.*

8.00 Responsibilities

8.01 Asset management is an organization-wide responsibility that involves all staff and members of council in the effective implementation of sustainable service delivery.

8.02 Council is responsible for:

- a) Adopting the *Asset Management Policy* and future updates;
- b) Allocation of resources;
- c) Providing high level oversight of the delivery of the organization's asset management strategy; and
- d) Ensuring that organizational resources are appropriately utilized to address the organization's strategic plans and priorities.

8.03 The Chief Administrative Officer has overall responsibility for:

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- a) Developing asset management strategies, plans, and procedures, in conjunction with the management team;
 - b) Reporting to council and updating the community regularly on the status, effectiveness, and performance of work related to the implementation of the *Asset Management Policy*; and
 - c) Considering and incorporating asset management in all other corporate plans (e.g. Strategic Plans).
 - d) Ensuring the incorporation of relevant duties related to asset management are included in the job descriptions for administrative staff.

9.00 Review Date

9.01 This policy shall be reviewed every 5 years.

POLICY TITLE: *Asset Management Policy*
POLICY #: 2019-01
EFFECTIVE DATE: March 25, 2019
ADOPTED BY COUNCIL ON: March 25, 2019
RESOLUTION #: C19-06-17

Original signed by:
Molly Shore, Deputy Mayor

Cory Bellmore, CAO