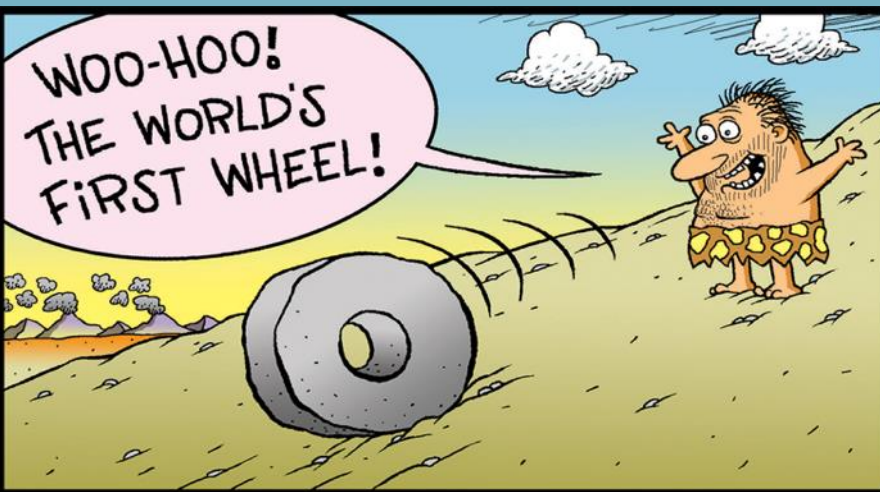


# An Introduction to Asset Management



# PART

# 1



What is asset management?





# What is an asset?

Assets provide services that contribute to our quality of life





# Asset management is...

What do we own?

What condition is it in?

Where is it?

What needs to be done?

What is it worth?

When does it need to be done by?





# Asset management is a process used in decision-making.

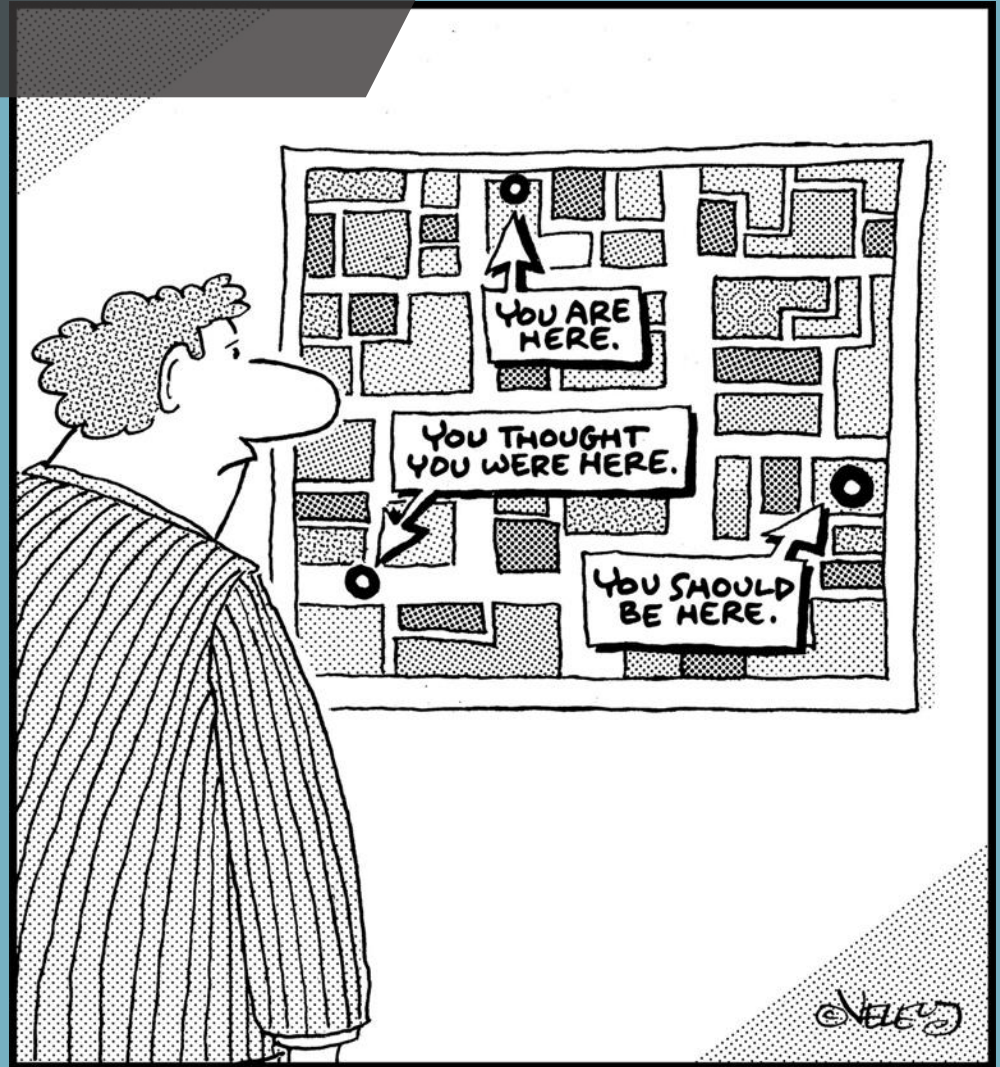
It helps us care for the infrastructure that delivers valuable services to our community, in a way that:

- **Considers service needs of our community**
- **Manages risks and opportunities**
- **Uses resources wisely**

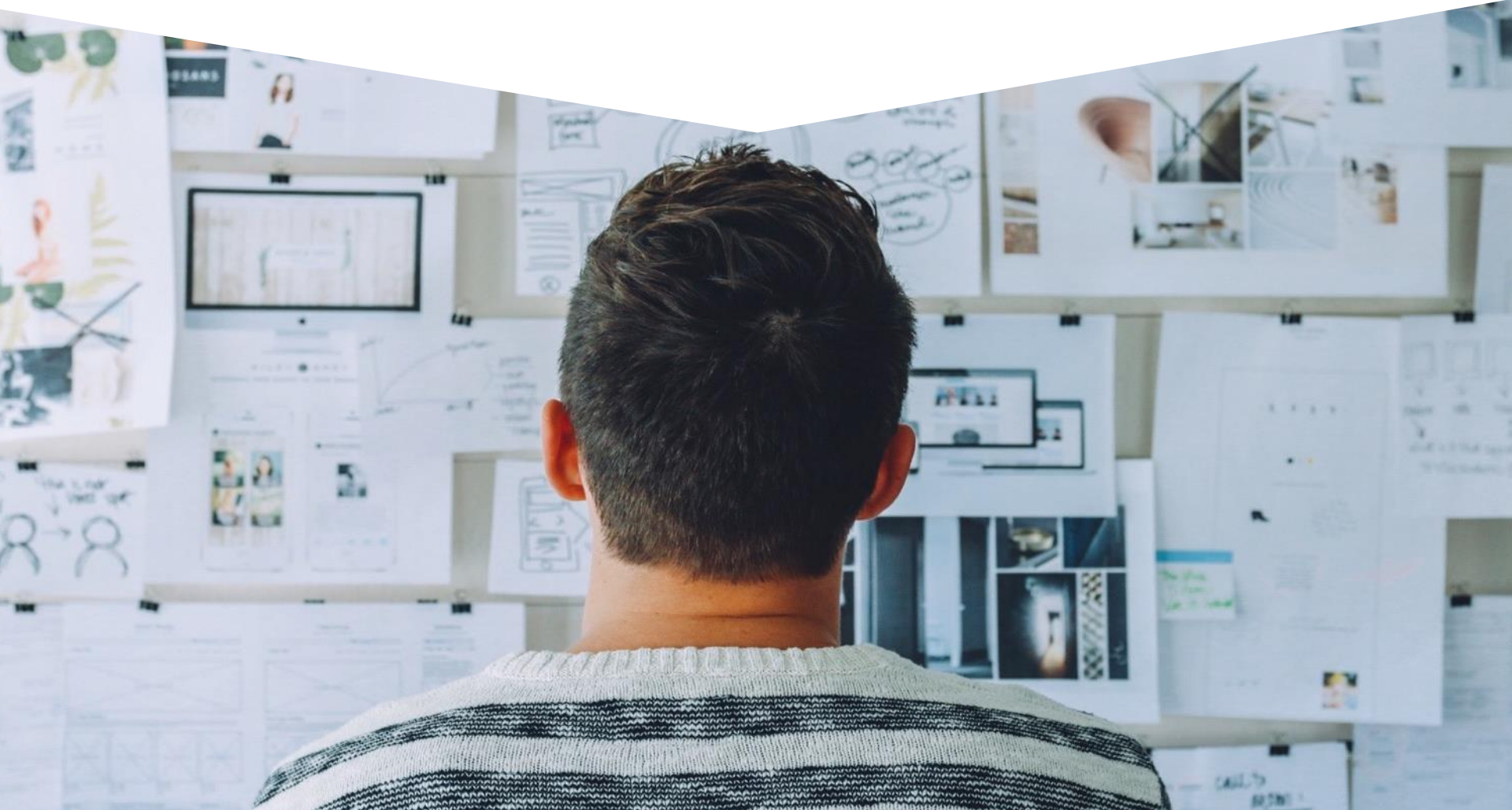


# Asset management is...

- A process
- A journey
- An approach
- A way of doing business
- A team effort



# Haven't we been doing this all along?





PART

2

What is the benefit of asset management to our community?



# What do people in our community want?

Safe and sustainable services in a predictable, cost-effective manner.





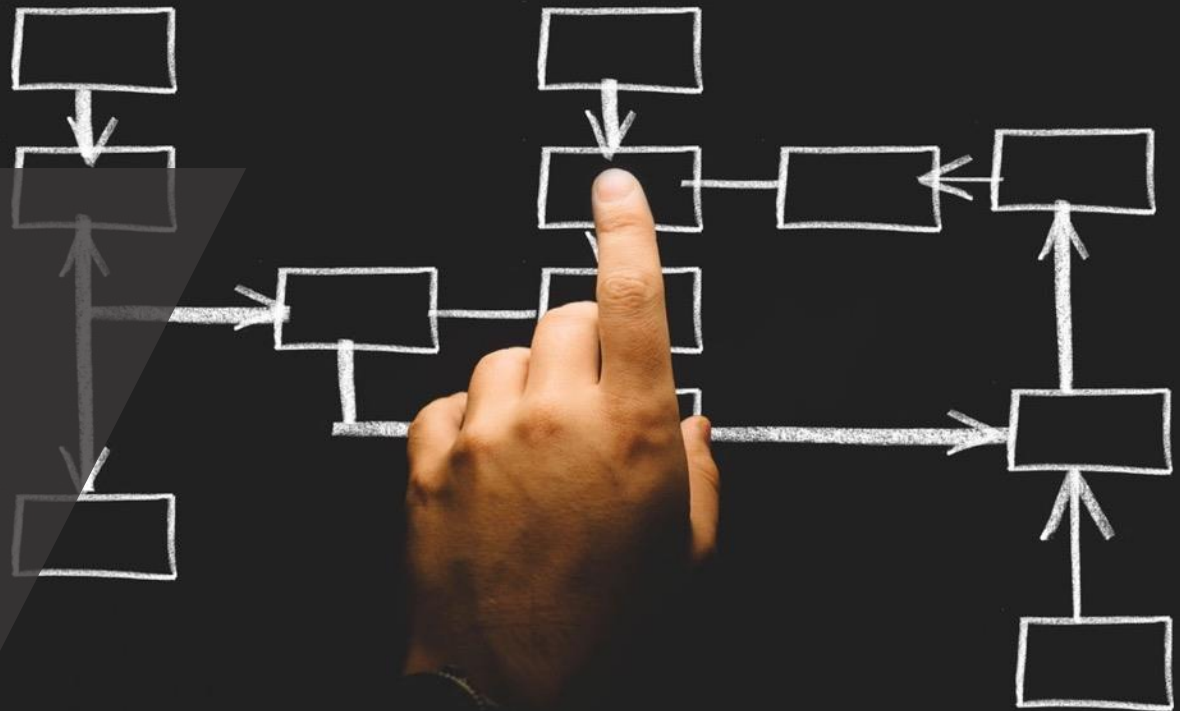
People don't want surprises like this.





# We need a system that helps us to...

- Maintain the delivery of services
- Plan for the future
- Manage risk
- Budget smartly



# How does asset management deliver value to my community?

**Performance**



**Risk**



**Cost**



**Value from services**



# COMPONENT ① Performance

Does it do what it is supposed to at the level we expect?

My road gets plowed within 24 hours of a snowfall, not once a month.



# COMPONENT ②

## Risk

What is the **likelihood** of service failure?  
What is the **consequence** of service failure?



# COMPONENT ③

## Cost

How much money do we need to maintain and replace our assets?

Performance + Risk + Cost =  
VALUE FROM SERVICES

**SIMPLE ≠ EASY**





**PART**

**3**

What is the role of  
elected officials?

# Role of council

## Council sets strategic direction

- Level of service
- Resource allocation





Council needs  
**information**  
about asset  
performance,  
risk and cost to  
**set direction**







**ASSET MANAGEMENT**  
gives us the empirical evidence  
so we can...

- Do the right thing
- To the right asset
- At the right time



The background of the slide features several stacks of gold coins of varying heights, arranged on a dark, reflective surface. A teal-colored banner with a white arrow pointing to the right is overlaid on the left side of the image. The text is white and centered within the banner.

# Let's talk about BUDGETS

PART

4

Where do we go from here?





## Actions we can take right now:

- Policy
- Resolution from council
- Engagement
- Life cycle costing

...so what do we want to do?



# Municipal Asset Management Planning Regulation

## Ontario Regulation 588/17





# Municipal Asset Management Planning Regulation

## Ontario Regulation 588/17 Overview

- Strategic Asset Management Policy (by July 1, 2019) requiring Municipalities to outline commitments to best practices - and - continuous improvement.
- Asset Management Plan Phase 1 (by July 1, 2021) for Core Assets including Inventory of assets, current levels of service and cost to maintain levels of service.
- Asset Management Plan Phase 2 (by July 1, 2023) same as Phase 1 for all Assets.

# Municipal Asset Management Planning Regulation

## Ontario Regulation 588/17 Overview cont'd...

- Asset Management Plan Phase 3 (by July 1, 2024) building on Phases 1 and 2 by adding Proposed levels of Service and Lifecycle Management and Financial Strategy.
- Plans to be updated every 5 years with annual progress updates provided to Council.



# Municipal Asset Management Planning Regulation

## Strategic Asset Management Policy Requirements



# Municipal Asset Management Policy Development





# Summary

## Why Asset Management?



# Thank you!

Portions of this presentation were developed through the Municipal Asset Management Program, which is delivered by the Federation of Canadian Municipalities and funded by the Government of Canada.