



# **ASSET MANAGEMENT STRATEGY**

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## 1.0 Executive Summary

Asset Management is the coordinated activity of an organization to realize value from Assets encompassing all Asset types, Tangible and Intangible, individual and all activities involved in an Asset's lifecycle. The Asset Management Strategy (AM Strategy) is a corporate level document that defines the high level long term approach to Asset Management.

The City of Lethbridge AM Strategy has been developed using the Federation of Canadian Municipalities guidelines. This strategy applies to all Assets whose role in Service delivery requires deliberate management by the City. The AM Strategy will guide the City as it implements the Asset Management Policy (AM Policy), highlighting the City's current Asset Management practices, our strengths, and opportunities for improvement and to increase our Asset Management maturity. One of the goals of implementing Asset Management at the City is to create consistency in our decision making process, and to integrate Asset Management into the financial planning and budget process.

Adopting this AM Strategy provides City departments with the tools to develop strategies to provide sustainable Services. The AM Strategy will help the organization to be prepared in the likely event that infrastructure Asset Management planning becomes a Provincial grant requirement in the future.

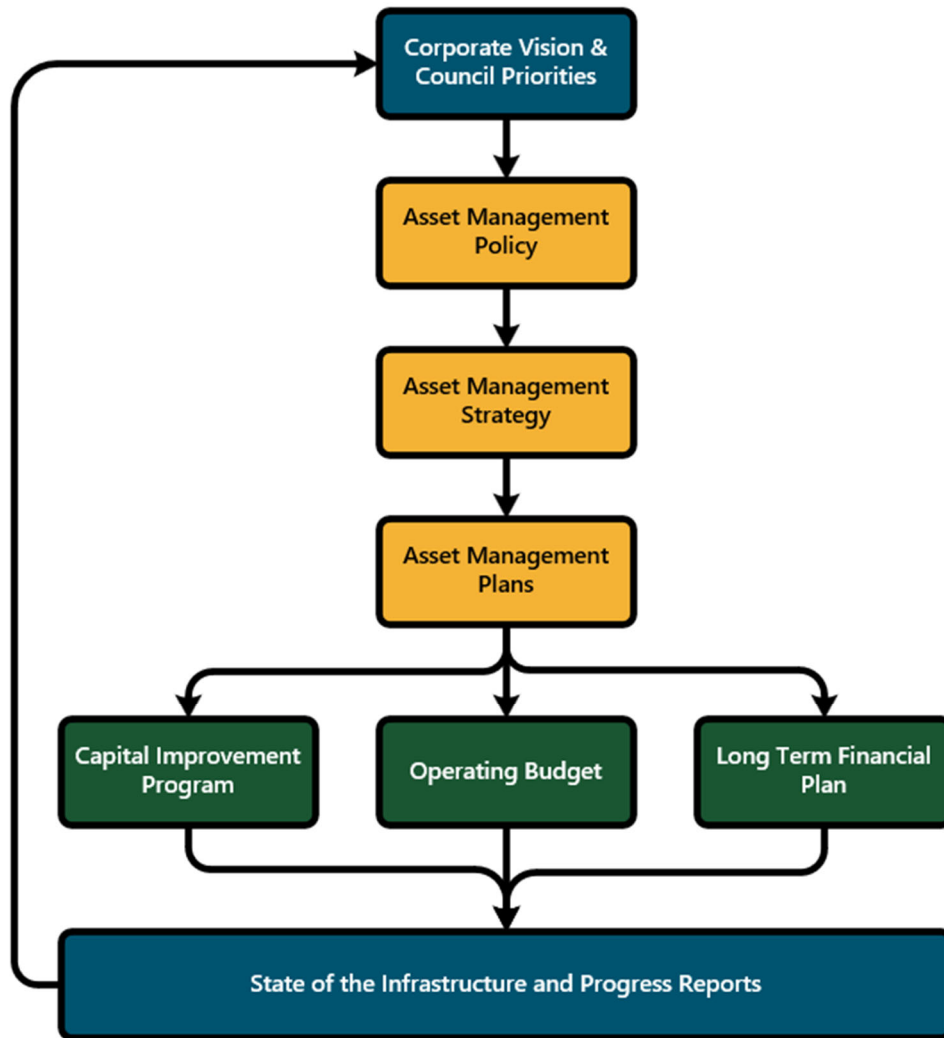
## 2.0 Purpose & Scope

The City of Lethbridge provides a wide range of Services to the community and uses a wide range of Assets to deliver those Services. The AM Strategy is a core component of the City's Asset Management System and describes how the AM Policy will be implemented. The AM Strategy documents the City's objectives for Asset Management and describes the role of the Asset Management System in supporting achievement of those objectives by:

- Defining the role of Asset Management in achieving organizational objectives within the scope of the principles and requirements as stated in the AM Policy.
- Documenting Asset Management objectives and how they are linked to the organizational objectives, and by providing a clear framework which shows the relationship between organizational and Asset Management objectives.
- Providing a framework for the implementation, operation and maintenance of the Asset Management System and implementation of specific Asset Management practices.
- Defining roles and responsibilities for the implementation and management of the Asset Management System and for Service delivery.
- Defining the scope of the Asset Management System.
- Develop actions items aimed at improving the City's Asset Management System.

The relationship between the AM Strategy and the other documents and activities within the Asset Management System is outlined below:

**Figure 2.0.1 – Asset Management Document Hierarchy**



## 2.1 Asset Management Services and Associated Assets

The AM Strategy applies to all Assets whose role in Service delivery requires direct management by the City, ensuring adequate provision is made for the long term acquisition, operation, maintenance, replacement, and disposal of Assets. Table 2.1.1 provides an overview of the City's departments and the major Assets that are associated with them.

**Table 2.1.1 Major Assets by Department**

<b>Department</b>	<b>Major Assets</b>	<b>Historic Cost <sup>1</sup></b>
<b>Airport</b>	Terminal building, maintenance equipment, runway infrastructure.	\$56,928,000
<b>Electric Utility</b>	Transmission, substations, distribution (overhead & underground), metering, fibre optics.	\$350,397,000
<b>Facility Services</b>	City owned buildings (VisitLethbridge.com Arena, City Hall, Police Station, Fire Stations, Arenas, Pools, Administration Buildings, etc.).	\$566,198,000
<b>Fleet Services</b>	Emergency vehicles, maintenance equipment, non-emergency light duty and heavy duty vehicles.	\$73,844,000
<b>Parks &amp; Cemeteries</b>	Parkland, trees, pathways, irrigation systems.	\$146,284,000
<b>Stormwater</b>	Storm sewers, above ground drainage, stormwater collection ponds.	\$220,226,000
<b>Transit</b>	Buses, Access-a-Ride, bus stops, transit terminals.	\$31,223,000
<b>Transportation</b>	Arterial roads, residential streets, street lights, signs.	\$580,867,000
<b>Waste &amp; Environment</b>	Waste & Recycling centre, organics processing facility, material recovery facility, garbage, recycling and organics bins, weigh stations.	\$99,417,000
<b>Wastewater Utility</b>	Wastewater Treatment Plant, sanitary sewers.	\$296,788,000
<b>Water Utility</b>	Water Treatment Plant, Water mains, lift stations, reservoirs.	\$357,719,000
<b>Lethbridge Police Service</b>	Computer hardware, communication devices, security operation equipment, specialized emergency operation equipment.	\$5,215,000
<b>Information Technology</b>	Computers, software & applications, servers, hardware, copiers.	\$16,828,000
<b>Fire/Emergency Services</b>	911 dispatch infrastructure, medical equipment, emergency operation equipment, fire suppression equipment.	\$7,562,000
<b>Recreation &amp; Culture</b>	Program based assets, such as arts and theatre equipment, aquatics and ice arena equipment (lockers, scoreboards, pool treatment, etc.).	\$14,281,000

Department	Major Assets	Historic Cost <sup>1</sup>
<b>Natural Assets <sup>2</sup></b>	Trees, wetlands, nature reserves.	\$TBD
<b>All Other Assets</b>		\$40,792,000
<b>Total Value</b>		\$2,864,568,000

<sup>1</sup>Asset values come from 2024 City of Lethbridge Financial Statements

<sup>2</sup>Natural Assets are not capitalized in financial statements as per Public Sector Accounting Standards.

Each of these departments operate within unique environments. Per policy, Asset Management Plans will be developed for all major Assets/Service areas. The departments listed above represent asset intensive Service areas.

## 2.2 Period of Responsibility

The period of responsibility for the Assets and Services that are owned and managed by the City are indefinite. The City manages its Assets throughout their reasonable lifespans and provide the Service that the Assets support indefinitely, unless alternative methods are employed or the Service is no longer required. The processes and activities described in this document are continually changing, and therefore, this document is only up to date at the time of publication. Any significant changes to the City's strategic priorities and policies will trigger a review, but other changes will be captured during the next periodic review.

## 3.0 Background

### 3.1 Our Community

Lethbridge is a community in southern Alberta with a population of just over 106,500. There are many reasons that Lethbridge is a great place to call home. With its low cost of living, mild climate, short commute times and wide range of recreation and culture opportunities, Lethbridge has something for everyone to achieve a perfect balance of work and life. The combination of City amenities and small town charm, the easy lifestyle it affords and the sense of community it fosters continues to demonstrate that Lethbridge is a great place to live.

"We are a City that works together with our community and partners to ensure that Lethbridge is a leader in environmental stewardship, innovation and active leadership. We are recognized as being a safe, healthy, vibrant, prosperous, economically viable place where all people can fully participate in community life." – Vision Statement from the City of Lethbridge's Municipal Development Plan 2021.



## 3.2 Asset Management System/History

Asset Management has been a core part of the City of Lethbridge since the establishment of the department in 2006. The department consists of two major streams:

- Operations to support front facing departments
- Asset Management Reporting

The City is responsible for managing Assets that support the Services provided to the community in an effective, efficient, and sustainable manner. The performance of the City's Service supporting Assets provides the foundation for economic development, competitiveness, prosperity, reputation, and overall quality of life for residents. Reliable and well maintained Assets are essential for the City to deliver core Services to the community. The Asset Management System aims to bring sound Asset Management practices into many aspects of the City's routine business processes and includes:

- Asset Management Policy
- Asset Management Strategy
- Departmental Asset Management Plans
- Regular reviews and continuous improvement to the Asset Management System

**Table 3.2.1 Guiding Principles of Asset Management**

Principle	Description
<b>Long Term Sustainability</b>	Long term planning, adapting to climate and implementing resiliency actions designed to meet customer expectations, legislation, and compliance with regulations.
<b>Balanced Decision Making</b>	A decision based model that includes balancing Service, Risk, and lifecycle costing.
<b>Customer Service Focused</b>	Defined levels of Service that support customer needs.
<b>Strategic &amp; Forward Looking</b>	The ability to make informed decisions and provisions for future growth and development.
<b>Risk Based Considerations</b>	Ongoing monitoring and management of Risk with focus on public safety, resources, and Risk assessment priority.
<b>Innovation &amp; Continuous Improvement</b>	Learning, innovation, and continuous improvement.
<b>Document &amp; Knowledge Sharing</b>	Shared information enables departments to work collaboratively.

## 4.0 Strategic Alignment of the Asset Management System

The AM Strategy is the basis for delivery of the AM Policy, as well as efficient compliance with the business needs and alignment of corporate goals and priorities. The AM Policy outlines principles and requirements for the AM System and the AM Strategy provides details on how the requirement will be implemented and achieved.

Asset Management is fully complementary to and supports sustainable Service delivery to the community. Building on the City's vision, mission and values, there are a number of corporate documents that guide and direct the planning and management of Assets which help to translate organizational goals into Asset Management objectives. These documents include:

- City Council Action Plan
- Corporate Strategic Plan
- Capital Improvement Program
- Operating Budget
- Municipal Development Plan
- Master Plans

The AM System and AM objectives do not replace existing corporate strategies, business planning and budget management systems and process. Rather, the AM System and objectives are meant to align with these initiatives and to provide guidance for future changes. A key concept of Asset Management is the development of a "line of sight" between the City's strategic objectives, its asset management objectives and Asset Management Plans. Figure 4.0.1 explains this line of sight and where the major Asset Management documents fit within the City's strategic planning structure.



Figure 4.0.1 Asset Management Line of Sight



How the City's Assets are managed and operated plays a key role in achieving the City's strategic goals and objectives. Many of these goals and objectives are reliant on the long term sustainability of the City's infrastructure. The Asset Management program, in effect, is helping to create the Asset Management System, which will allow the City to achieve defined Asset Management objectives.

## 5.0 Business Context & Analysis

### Business Context

The Federation of Canadian Municipalities (FCM) defines business context in Asset Management as the internal and external factors that influence how a municipality manages its infrastructure Assets. This includes elements such as financial capacity, regulatory requirements, Service

delivery goals, community needs, and environmental considerations. Business context is a key component in developing an effective Asset Management Strategy because it ensures that decisions align with municipal priorities and long term sustainability goals.

The future is often unpredictable and can greatly impact how the City delivers its Services. There are both external and internal factors that affect the way we do business and provide Services. To remain resilient, it is important to be aware of these potential factors, both external and internal, that can affect our Asset Management System.

**Figure 5.0.1 External & Internal Business Factors**

External Factors	Internal Factors
Population change	Election cycle, changes to City Council
Demographic change	Changes to community mission & vision
Economic change	Changes to Council strategic direction
Political change	Staffing capacity to deliver Services
Energy prices	Succession planning
Resource scarcity	Technology changes
Environmental & climate change	Increased data management requirements
Changing regulatory climate	Regulatory compliance
Changes to the Municipal Government Act	
Changing technology	
Changing customer Service level expectations	

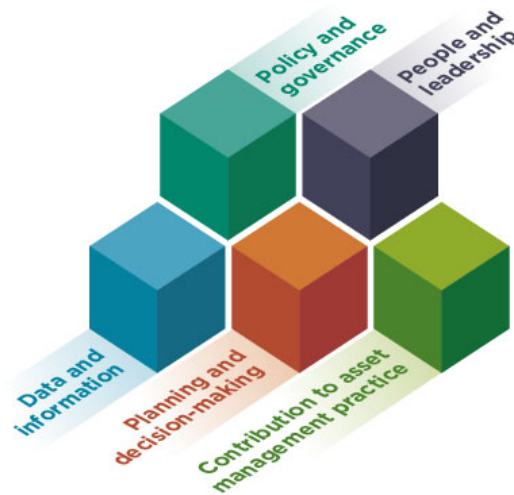
## 5.1 Current State Analysis

To measure where the City of Lethbridge is in terms of utilizing Asset Management practices, a maturity assessment has been completed. In February 2025, the Asset Management department updated the Federation of Canadian Municipalities (FCM) Asset Management Readiness Scale Assessment Tool. Results of the maturity assessment are provided in Figures 5.2.1 and 5.2.3.

## 5.2 Asset Management Maturity

The City uses the Federation of Canadian Municipalities (FCM) Asset Management Readiness Scale (AMRS) as a tool for evaluating its asset management maturity. The AMRS helps local governments measure progress on Asset Management in five competency areas (Policy & Governance, People & Leadership, Data & Information, Planning & Decision making and Contribution to Asset Management Practice). Each of these competencies is a building block that form the practice of Asset Management.

Figure 5.2.1 – Asset Management Maturity Framework



Credit: FCM Asset Management Readiness Scale

Completing the FCM Asset Management Readiness Scale has indicated to the City where it is at within the scale of Asset Management maturity in its current state as well as highlighted specific areas within Asset Management where the City excels and where the City has opportunity for improvement.

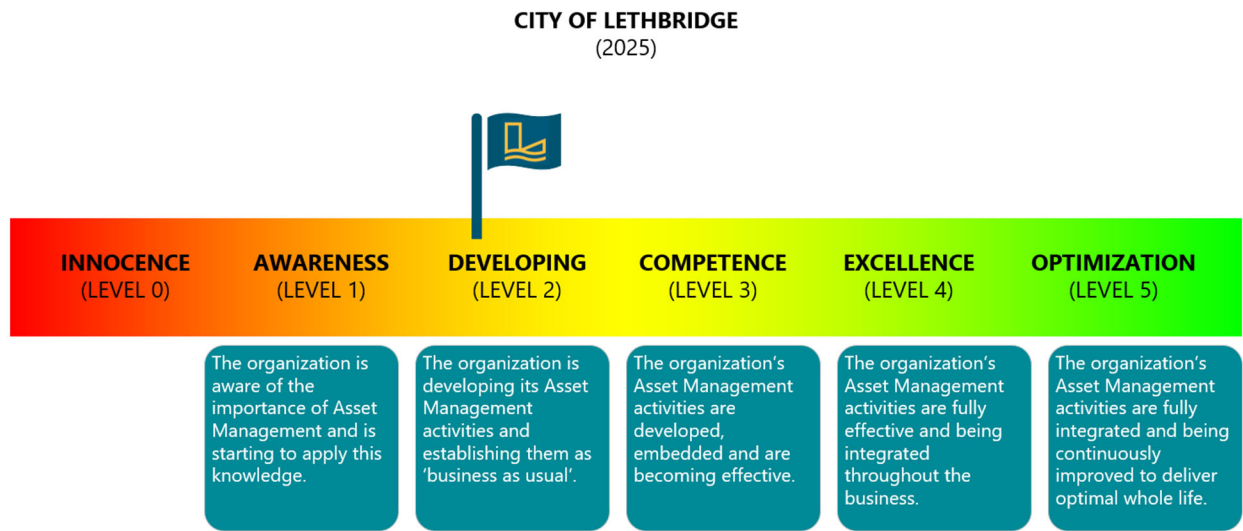
Figure 5.2.2 – FCM Asset Management Readiness Scale Score by Competency

Competency	Maturity Score	Strengths	Opportunities for Improvement
<b>Policy &amp; Governance</b>	2	<b>Policy &amp; Objectives</b> – AM Policy has been approved by Council.	<b>Measurement &amp; Monitoring</b> – Establish performance measures to measure progress.
<b>People &amp; Leadership</b>	3	<b>Cross functional teams</b> – AM Steering Committee has been formed to help guide and develop our AM Program.	<b>Accountability</b> – AM Department measures and monitors progress.
<b>Data &amp; Information</b>	2	<b>Asset Data</b> – The City has robust asset data for many of its Assets.	<b>Performance Data</b> – Require Service level targets that are approved by Council.
<b>Planning &amp; Decision Making</b>	2	<b>Budget &amp; Financial Planning</b> – Mature levels of budget and financial planning processes.	<b>Asset Management Plans</b> – Continue developing AM Plans for all major asset areas .
<b>Contribution to Asset Management Practice</b>	2	<b>External Communication &amp; Knowledge Sharing</b> – Internal culture formal knowledge sharing.	<b>Internal Communication</b> – Develop KPI's/dashboards, AM training for department staff.

\*Scale of 1-5 (1 Low, 5 High)

According to the FCM Readiness Scale, the City is strong with its budgeting and financial planning processes, financial information, cross functional teams and external communications. Areas that the City should focus on in order to develop its Asset Management maturity are the documentation and standardization of Asset Management Strategies and Plans, and on the collection of relevant Asset data and performance metrics. The maturity assessment will be recompleated periodically to track process and measure success as the City moves forward and becomes increasingly mature in Asset Management.

Figure 5.2.3 City of Lethbridge Asset Management Maturity



## 6.0 Needs & Expectations of Stakeholders

In Asset Management, stakeholders have diverse needs and expectations. These needs and expectations must be considered when implementing Asset Management. Furthermore, stakeholders emphasize efficient resource utilization and cost effectiveness. Ultimately, stakeholders want assurance that the Asset Management Strategy contributes to the organization's overall growth, profitability, and sustainability, meeting both short term and long term objectives while maintaining alignment with their expectations and the organization's mission.

Figure 6.0.1 Internal & External Stakeholders

External	Internal
Citizens/Residents	Mayor & Council
Local business owners	Executive Leadership Team
Goods & Services providers to the City	Asset Management Steering Committee
Regulators	Asset Management Department
Developers	General Managers
Visitors	Operational Staff

## 7.0 Asset Management Decision Making Approach

Long term planning and evidence based decision making are fundamental building blocks for Asset Management. The City intends to utilize its Asset Management System to help make decisions about long term financial planning and investment prioritization. The AM Strategy is a reference document that makes clear to administration staff and City Council how they should make decisions in line with the underlying principles set out in the AM Policy.

Many of the infrastructure decisions are made during the development of the Capital Improvement Plan and the Operating Budget.

Currently, the City's Asset Management decision making processes are built on good practices. However, challenges and limitations to our current decision making structure do exist, as highlighted in the table below:

**Table 7.0.1 Strengths and Shortcomings of Current Process**

Elements of Strength within the current process	Shortcomings with the current process
Overarching City vision exists.	Services and levels of Service are not always clearly defined or understood.
Corporate and Council strategic plans have been developed.	Capital investment decisions have in certain instances lack full business case analysis.
City departments develop business plans in conjunction with the budgeting process.	Varying levels of Asset data maturity .
Resources are allocated by Council decision to maintain current Services, fund new initiatives and implement changes to Service levels.	
Capital Improvement Plan utilizes a scoring matrix for determining which capital projects receive funding.	

### 7.1 Future State

In order to maximize the value of the Asset Management program, the City will continue to develop the decision making process. The City can achieve progress with this by:

- Enhance Asset Management integration into the budgeting process (In Progress).
- Standardizing criteria for scoring and allocating funds to capital projects (In Progress).
- Increasing data quality and completeness where needed, and completing improvement plan goals listed in departmental Asset Management Plans (In Progress).

- Develop corporate Key Performance Indicators (KPI) that can be linked to the Asset Management Plans (In Progress).
- Completing Asset Management Plans for departments as identified by the Asset Management Steering Committee (In Progress)

Groups Identified by AM Steering Committee to Receive Asset Management Plans		
Parks & Cemeteries	Facility Services	Transportation
Fleet Services	Transit	Water Utility
Waste & Environment	Electric Utility	Airport
Recreation & Culture	Information Technology	Natural Assets
Fire/Emergency Services	Wastewater Utility	Lethbridge Police Service
Stormwater		

## 8.0 Asset Management Objectives & Performance Targets

Asset Management objectives guide decision making in each Service area and helps the City to define what it is trying to achieve with its Assets through levels of Service.

### 8.1 Asset Management Program Objectives

- Link infrastructure investment decisions to Service outcomes.
- Strive to deliver Services at approved level of Service while minimizing total cost of ownership.
- Capture relevant Asset information and manage this information to enable decision making.
- Provide staff with the necessary knowledge and skills to manage Assets effectively.
- Integrate Asset Management principles into budgetary decision.

### 8.2 Objectives for Increasing Asset Management Maturity

To support the Asset Management Program, the City has taken the following steps:

- Form an Asset Management Steering Committee (Established 2023)
- Obtain an approved an Asset Management Policy (January 2025)
- Obtain an and approved an Asset Management Strategy (June 2025)
- Develop departmental Asset Management Plans
  - Parks (Complete)
  - Facility Services (Complete)
  - Water/Wastewater (In Progress)
  - Fleet Services (In Progress)



- Review AM Policy every budget cycle
- Review AM Strategy every budget cycle
- Review/Update Departmental Asset Management Plans
- Complete improvement goals listed in the departmental Asset Management Plans
- Develop and approve Service level targets for departments

### 8.3 Levels of Service

A key component of Asset Management is the alignment of Service delivery with Asset lifecycle decisions. Service levels are linked by several factors including cost and Risk. Having clearly defined levels of Service form the basis for defining needs, establishing priorities, and identifying investment requirements. The City has identified and catalogued levels of Service in many of its departments. Departmental Asset Management Plans will define the current levels of Service provided to customers at an Asset, regulatory, and technical level.

## 9.0 Asset Management System

The City's Asset Management System is a set of interconnected practices and documentation which controls and directs the way that the wider discipline of Asset Management is applied. Therefore, the City's Asset Management System is not necessarily a technological system, rather a business model or standard management approach outlining the linkages between the key elements, practices, and processes of an effective Asset Management approach. The model was designed to illustrate:

- The breadth of activities within the scope of Asset Management;
- The interrelationships between activities and the need to integrate them; and
- The critical role for Asset Management to align with and deliver the goals of an organization's strategic plan.

### 9.1 Documents

There are a variety of City documents that are relevant to the Asset Management System, outlined in the table below.

**Table 9.1.1 – Asset Management Related Documents**

Document Title	Scope/Intended Outcome	References/Relationships	Status (2025)
<b>Asset Management Policy</b>	Provide leadership and commitment to Asset Management and provide a set of principles to guide development	Parallel document to support and guide the delivery of Asset Management throughout the organization.	Complete

Document Title	Scope/Intended Outcome	References/Relationships	Status (2025)
	and implementation across the organization.		
<b>Asset Management Strategy</b>	Document corporate level Asset Management objectives and how they are linked to corporate priorities, inform the approach for developing Asset Management Plans and how Asset Management will be carried out throughout the organization.	Parallel document to support and guide the delivery of Asset Management throughout the organization.	In Progress
<b>Departmental Asset Management Plans</b>	Departmental Plan for managing Assets and Services. The Asset Management Plans contain an Executive Summary, Introduction, State of the Infrastructure, Risk Analysis, Level of Service Analysis, Lifecycle Management Plan, Maintenance Analysis, Asset Replacement Planning, Improvement & Monitoring Plan, Data Integrity & Performance Measures, Climate Adaptation & Risks, and Appendices.	These documents provide a link between higher level corporate objectives and more detailed operational objectives. They define the relationship between cost, performance, and Risk.	Parks - Complete Facility Services - Complete
<a href="#"><u>City Council Action Plan</u></a>	This plan outlines the areas of work important to City Council.	Provides long term view of Council's vision for the future of the City.	Complete
<a href="#"><u>Corporate Strategic Plan</u></a>	The Corporate Work Plan outlines the initiatives that the City will undertake in upcoming years.	Provides long term view of corporate objectives for the future of the City.	Complete
<a href="#"><u>Capital Improvement Program</u></a>	Budget approved from City Council for capital expenditures.	Provides financial information regarding the renewal, disposal, maintenance and acquisition of new Assets.	Complete
<a href="#"><u>Operating Budget</u></a>	Budget approved from City Council for operating spending to deliver Services.	Provides financial information regarding the operations and maintenance of current Assets.	Complete
<a href="#"><u>Municipal Development Plan</u></a>	This plan sets out the guidelines for development in the City as it grows by providing a comprehensive, long term land use policy framework.	Provides long term view of corporate objectives for the future of the City.	Complete
<b>Master Plans</b>	Intended to guide community growth from a high level perspective, focusing on enhancing community livability.	Provides higher level view of departmental objectives.	Ongoing

## 9.2 Information Management

Good information is necessary when making good decisions. The Asset Management System not only includes people and processes, but also includes all software applications, templates

and analysis tools used by the City to support Asset planning, delivery, monitoring and improvement. Tools will vary according to need and may be updated and changed as new technology becomes available or the City's needs change over time.

## 10.0 Asset Management Roles & Responsibilities

A well defined governance structure is a key element for the successful implementation of an Asset Management System. The City has taken several steps to improve the governance structure of its Asset Management program. In 2021, the Asset Management department was moved from Infrastructure Services into the Financial Planning & Budget section of the Finance and Corporate Performance department. In 2023, an Asset Management Steering Committee was formed, building a cross functional team to guide the corporation as it develops their Asset Management reporting stream. The key objectives for an Asset Management governance model can best be described as follows:

1. Formalize Asset Management at the City of Lethbridge and build consistency across the organization.
2. Promote and foster a culture which supports Asset Management and continuous improvement.
3. Integrate Asset Management principles further into the operating and capital budget process.

The Asset Management department has developed a series of roles and responsibilities for individuals at various levels of the organization to help achieve our Asset Management objectives. Roles and Responsibilities as they relate to the City's Asset Management System are listed below.

**Table 10.0.1 – Asset Management Program Roles & Responsibilities**

Role	Responsibilities
<b>City Council</b>	<ul style="list-style-type: none"> <li>Review and approve the City's Asset Management Policy and Asset Management Strategy as required.</li> <li>Familiarize themselves with the Asset Management methodology described in the Asset Management Policy and Asset Management Strategy, to assist with informed decision making with matters pertaining to Asset Management.</li> </ul>
<b>Asset Management Steering Committee</b> <ul style="list-style-type: none"> <li>City Treasurer &amp; CFO</li> <li>Director of Infrastructure Services</li> <li>Financial Planning &amp; Budget Manager</li> </ul>	<ul style="list-style-type: none"> <li>Provide insight on long term strategies in support of Asset Management.</li> <li>Monitor and review Asset Management project status and provide oversight of project deliverables.</li> </ul>

<ul style="list-style-type: none"> <li>• General Manager Fleet Services</li> <li>• General Manager Parks &amp; Cemeteries</li> <li>• Facilities Planning &amp; Project Manager</li> <li>• Asset Management Coordinator</li> <li>• Asset Management Reporting Specialist</li> <li>• Asset Management Specialist I</li> </ul>	<ul style="list-style-type: none"> <li>• Foster collaboration among different municipal departments and external partners involved in Asset Management to achieve common goals.</li> <li>• Provide guidance in the delivery of Asset Management Services and documents.</li> <li>• Ensure Asset Management goals align with organizational goals.</li> </ul>
<b>Directors or designate</b>	<ul style="list-style-type: none"> <li>• Endorse Asset Management Plans &amp; Asset Management Strategy.</li> <li>• Ensure General Managers adopt best Asset Management practices and processes that align with current policies and plans of the City of Lethbridge.</li> <li>• Determine which departments require Asset Management Plans.</li> <li>• Determine the scope of assets to be included in the Asset Management Plans.</li> </ul>
<b>General Managers or designate</b>	<ul style="list-style-type: none"> <li>• Reserve ownership of their respective Asset Management Plans.</li> <li>• Adopt Asset Management practices into their strategic, tactical, and operational planning.</li> <li>• Communicate the importance of Asset Management to staff and develop their capacity to incorporate these practices as applicable.</li> <li>• Utilize technological solutions that can enhance business processes and Asset Management capacity.</li> <li>• Communicate departmental Asset Management Plans to Council and executive leadership when appropriate.</li> <li>• Bring forward Asset Management budgetary constraints during the operating and capital budget process.</li> </ul>
<b>Treasury &amp; Financial Services</b>	<ul style="list-style-type: none"> <li>• Provide budgetary information as support to Asset Management and Council, as required.</li> <li>• Assist the Asset Management department to ensure alignment of Tangible Capital Asset data with other asset information.</li> </ul>
<b>Asset Management Department</b>	<ul style="list-style-type: none"> <li>• Identify and communicate Asset Management regulatory requirements.</li> <li>• Maintain and communicate a common Asset Management Framework that incorporates strategic, tactical, and operational planning to the corporation.</li> <li>• Maintain an Asset Management Strategy and communicate its implementation corporately.</li> <li>• Assist in the creation and maintenance of Asset Management Plans to guide the organization by identifying resources required to provide a level of Service in the most cost effective way.</li> </ul>

	<ul style="list-style-type: none"> <li>• Implement and support asset management systems across the organization.</li> </ul>
<b>Department Employees</b>	<ul style="list-style-type: none"> <li>• Adopt Asset Management processes and incorporate into business procedures.</li> <li>• Participate in training and workshops to improve Asset Management practices.</li> <li>• Enter asset and maintenance information into corporate systems.</li> </ul>

## 11.0 Risks & Opportunities

Risks and opportunities are to be expected when implementing a strategy across many departments and program areas. Early identification is key, and Risks are identified on a regular basis as implementation progresses. Risks that we anticipate in the implementation and improvement of our Asset Management System are listed in the table below:

**Table 11.0.1 – Asset Management Risks**

<b>Event</b>	<b>Consequence</b>	<b>Likelihood of occurrence</b>	<b>Risk, Action, and Mitigation</b>
Staff turnover, retirements, transitioning within Asset Management Team.	High	Medium	In terms of turnover, clearly defined roles and change management can mitigate some scenarios; ensure mentoring and role sharing.
Achieving organizational strategic alignment.	High	Medium	Must use all of the tools (change management, process alignment, education and training) to implement pieces for alignment. Senior level endorsement will be key.
Availability and skill set of staff resources to implement initiatives.	Medium	Medium	Identify roles and skills required early acquire necessary resources. Strong and timely communication across involved departments.
Buy in from staff and cultural change on adjusted business processes.	Medium	Medium	Utilize change management and show the purpose/rationale of the change. Increase training and support for staff on adapting to the changes.
Necessary future funding to process continuous improvement plans.	Medium	Medium	Build components of future phases proactively and in accordance with budget timelines.
Continuous buy in by City Council, senior leadership, and staff.	Medium	Medium	Continuous communication with all stakeholders. Best practice evidence factors that speak to benefits and value.
Lack of collaboration across organization.	Medium	Low	Change management and communication tactics will be used to support departments.

## 12.0 Continuous Improvement, Monitoring & Innovation



Continuous improvement is a key component of Asset Management. It drives us to become more efficient and effective over time and ensures that processes and practices are adjusted as circumstances change. Monitoring our AM System ensures that we are delivering required outcomes.

The AM Strategy is a living document that will continue to reflect the evolution of Asset Management practices at the City of Lethbridge. In order to continuously evaluate, review and enhance its Asset Management practices, the City will be reviewing the AM Strategy, Policy and Plans every budget cycle. If required, reviews may be conducted sooner to address issues or incorporate changes in departmental operations. Reviews of the Strategy, Policy and Plans will include consideration of the following:

- The status of action items from previous reviews.
- Changes in external and internal operating environments that are relevant to Asset Management.
- Changes in the legislative requirements for Asset Management reporting in Alberta.
- Achievement of Asset Management objectives.
- Progress made on the development of the Asset Management System.
- Changes to Risk profiles.
- Asset performance and condition.

The results of these reviews will include decisions and further action items relating to the improvement of the Asset Management System. Any changes to the Asset Management System will be documented and reported to the relevant stakeholders.



# Appendices

## Appendix A – Terms and Definitions

Table A.0.1 Asset Management Terms and Definitions

Term	Description
<b>Asset(s)</b>	An item, thing, or entity that has potential or actual value to the City. The value can be tangible or intangible, financial, or non financial and includes consideration of Risks and liabilities.
<b>Asset Management</b>	The coordinated activity of an organization to realize value from Assets encompassing all Asset types, tangible and intangible, individual components, and all activities involved in an Asset's lifecycle.
<b>Asset Management Plan (AMP)</b>	Long term plan that details the Assets, activities and programs for each Service area, and the resources required to provide a defined level of Service in the most cost effective way.
<b>Asset Management Steering Committee</b>	A cross functional team made up of representatives from Finance, Facility Services, Fleet Services, Infrastructure Services and Asset Management. Additional members from other City departments may be appointed to the committee.
<b>Asset Management Strategy (AM Strategy)</b>	A City wide document that defines the long term approach to Asset Management.
<b>Asset Management System (AM System)</b>	The City's broad collection of interconnected processes and documentation designed to effectively direct and deliver the discipline of Asset Management.
<b>Intangible Asset</b>	An identifiable non monetary asset without physical substance. Examples include: Patents, copyrights, trademarks, and software
<b>Lifecycle Cost</b>	The total cost of owning an Asset. This includes costs associated with acquisition, operation, maintenance, renewal/replacement, and disposal.
<b>Risk(s)</b>	The chance of an event with unwanted consequences. Risk is made up of the likelihood of the event and the severity of the consequences. There are many types of consequences including impacts to health and safety, the environment, Service delivery, and finances.
<b>Services</b>	Any outcomes deemed important enough by citizens that they are willing to pay the municipality to deliver them. The City owns assets in order to provide Services.
<b>Tangible Capital Asset (TCA)</b>	As per definition in the Municipal Government Act.

## Appendix B – Asset Management Plans

The proposed format for our Asset Management Plans is included in the chart below.

**Table B.0.1 – Asset Management Plan Structure**

Plan Section	Content Description
<b>Executive Summary</b>	<ul style="list-style-type: none"> <li>Provides an introduction and overview of the Plan and answers key questions about the Asset portfolio for the reader and discusses next steps.</li> </ul>
<b>Introduction</b>	<ul style="list-style-type: none"> <li>Purpose and scope of the plan</li> <li>Asset summary – Summary of the Assets owned by the department</li> <li>Stakeholders – Listing of stakeholders who have interest or function in the Service area</li> <li>Goals and objectives of Asset ownership</li> </ul>
<b>State of the Infrastructure</b>	<ul style="list-style-type: none"> <li>Data assumptions used in the analysis of Asset information</li> <li>Asset condition</li> <li>Asset class hierarchy</li> <li>Useful life remaining and average age</li> </ul>
<b>Risk Management Planning</b>	<ul style="list-style-type: none"> <li>Risk identification and treatment plan</li> <li>Critical Assets – Identify which Assets have a significant potential to impact on achieving Asset Management objectives.</li> <li>Emergency preparedness and business continuity planning</li> </ul>
<b>Levels of Service</b>	<ul style="list-style-type: none"> <li>Describe the outputs the City intends to deliver</li> <li>Understanding customer expectations</li> <li>Level of Service measurement</li> <li>Technical, Asset, and Regulatory LOS</li> </ul>
<b>Maintenance</b>	<ul style="list-style-type: none"> <li>Asset inspection frequency</li> <li>Maintenance process</li> </ul>
<b>Lifecycle Management Plan</b>	<ul style="list-style-type: none"> <li>Asset replacement schedule</li> <li>Infrastructure gap analysis</li> <li>Deferred replacements, methodology behind deferrals</li> <li>Planned acquisition of new Assets</li> <li>Funding models</li> </ul>
<b>Asset Replacement Planning</b>	<ul style="list-style-type: none"> <li>Explains factors used in determining which Assets are to be prioritized for replacement.</li> </ul>
<b>Improvement &amp; Monitoring Plan</b>	<ul style="list-style-type: none"> <li>A list of the areas for future improvement within the Asset Management Plan</li> </ul>
<b>Data Integrity &amp; Performance Measures</b>	<ul style="list-style-type: none"> <li>Data confidence analysis</li> <li>Data completeness analysis</li> </ul>
<b>Climate Adaptation &amp; Risks</b>	<ul style="list-style-type: none"> <li>Considering environmental impacts associated with Asset Management and reducing those impacts</li> </ul>
<b>Appendices</b>	<ul style="list-style-type: none"> <li>Additional information relevant to the Asset Management Plan.</li> </ul>