



## **Introduction**

All municipalities own, operate, and maintain various infrastructure assets which have a limited service life. These assets can include road networks, water distribution and sewage collection systems, vehicles and equipment, parks, or municipal buildings and services. Municipalities manage their assets to ensure they reach their full service life and plan for their replacement. Local land use planning provides a roadmap linking development with infrastructure and is essential to effectively manage these systems over both the short and long term.

### **1. What is Asset Management?**

Asset management is an integrated business approach involving planning, finance, engineering and operations to effectively manage existing and new infrastructure to maximize benefits, reduce risk, and provide satisfactory levels of service to community users in a socially, environmentally and economically sustainable manner.

### **2. What does asset management involve?**

Simply put, asset management involves:

- Inventorying your assets;
- Determining what stage in the asset's life cycle the asset is in;
- Determining when the municipality needs to invest in the asset to ensure full service life and value;
- Whether certain assets should be replaced or decommissioned;
- Estimating the cost of replacement; and
- Evaluating existing systems against new innovations during replacement.

### **3. What should an asset management plan do?**

- Develop and maintain asset inventories of all infrastructure;
- Reduce the overall life cycle costs of infrastructure;

- Provide a risk assessment of the infrastructure systems;
- Identify critical assets and the impacts with a loss of service;
- Maintain / manage infrastructure assets at appropriate service levels;
- Monitor standards and service levels to ensure that they meet community goals and objectives;
- Establish infrastructure replacement strategies through the use of full life cycle costing principles;
- Financially plan the maintenance of assets to deliver appropriate service levels and extend the useful life of assets;
- Establish stable long term budgeting to replace, renew or decommission different assets;
- Incorporate asset management into other corporate plans, like the Official Community Plan (OCP); and
- Report publically on the status and performance of work related to the implementation of the asset management policy.

### **4. What is Land Use Planning?**

Land use planning is the scientific, aesthetic, and orderly use of land, resources, facilities and services to secure the physical, economic and social efficiency, health and well-being of

communities. An OCP and zoning bylaw is the tool which provides authority for councils to legally enforce land use decisions.

**5. *How does asset management fit in with land use planning?***

An OCP is based on community values & assets. To effectively plan, a municipality must inventory its assets and establish what additional assets are needed to support new development. This information allows a municipality to direct and control development consistent with existing and planned infrastructure.

**6. *How should I integrate asset management into my planning?***

Asset management plans (AMP) should help determine planning policy to meet asset strategies. This can be done by determining the most cost effective locations to extend infrastructure and the level of service most appropriate and affordable for new development areas.

If you do not yet have an asset management plan (AMP) or an OCP, prepare them at the same time to ensure both are more effective at managing the municipal costs for infrastructure.

If you have an AMP but no OCP, provide the AMP to your planner and they should ensure the OCP strategies include the asset strategies and practices.

If you have an OCP and AMP, but they are not reflective of each other, the easiest way to align them is to modify the OCP policies. Please note that preparation of a new OCP or significant changes to an OCP must be done in consultation with a professional community planner.

**7. *What resources are available for municipalities preparing an OCP?***

Many municipalities are undertaking new community plans in Saskatchewan and may be able to share their experiences. The Ministry of Municipal Affairs has some examples along with educational resources on the Community Planning webpage.

([www.municipal.gov.sk.ca](http://www.municipal.gov.sk.ca)).

**8. *What resources are available for municipalities preparing an AMP?***

Although asset management is a newer field of work in Canada, there is a growing body of knowledge from professional sectors and various governments. Information on Saskatchewan's municipal experience in asset management is growing and one source is the Municipal Information Dataportal.

(<http://www.municipal.gov.sk.ca/MID/Asset-Management>)

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**Contact Information**

For more information contact the Community Planning Branch, Saskatchewan Ministry of Municipal Affairs.

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