Asset Management Definitions

Build Communities Strong Fund (BCSF) Community stream

Definitions:

Asset Category - grouping of assets, such as water, wastewater, sewer, etc.

Asset Component - an asset or part of an asset that can be independently replaced or has a significantly different life span.

Asset Management - the systematic and coordinated activities and practices of an organization to deliver on its objectives optimally and sustainably through the cost-effective life cycle management of assets.

Asset Management Champion or Leader - individual charged with leading staff across departments throughthe development and implementation of asset management activities.

Asset Management Plan - an activity plan that informs the municipality's financial plan. Long-term plans (usually 10 to 20 years or more for infrastructure assets) that outline the asset activities and programs for each service area and resources applied to provide a defined level of service in the most cost-effective way.

Asset Management Policy - a document that broadly outlines the principles and mandated requirements for undertaking asset management across the organization in a systematic and coordinated way, consistent with the organization's strategic plan. Provides the framework for the Asset Management Strategy and Asset Management Plan.

Asset Management Program - an ongoing process a municipality uses to identify asset needs such as maintenance, rehabilitation, replacement, and financing.

Asset Management Strategy - a corporate-level document that summarizes how organizational objectives relate to the development of asset management objectives, and how the organization will approach the development of asset management practices and plans to achieve the objectives. Provides an overall corporate view of longer-term financial requirements.

Asset Register - a record of the asset information, typically held in a spreadsheet, database, or

software system, including asset attribute data such as quantity, type, and construction cost.

Levels of Service - the outputs or objectives an organization or activity intends to deliver to customers.

Life Cycle Costs - the total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation, and disposal costs.

Priority Asset Class Level - asset classes, such as bridges, parks, transit, etc., that an organization has targeted as the first areas for which they will work towards completing the development or implementation of asset management. Municipalities may choose to work towards one, some, or all asset classes at the same time.