

ASSET MANAGEMENT IN CITY OF VERNON



03 Asset Management in City of Vernon

Purpose

The City of Vernon provides extensive services to the community using a portfolio of built and natural assets. The City's asset management program is an on-going process of review and refinement. This Plan improves upon, and replaces the City's 2013 Sustainable Infrastructure Investment Plan (SIIP) as the City's Organizational Asset Management Plan.

The overarching objective of this Plan is to support sustainable service delivery. Sustainable service delivery in asset management refers to managing assets in a way that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Specifically, this Plan set out to accomplish the following:

- Estimated replacement costs by asset class,
- Forecasted infrastructure replacement costs over the long term,
- Estimated ideal annual funding levels (annual sustainable funding),
- Determined current annual funding,
- Estimated annual and 100-year funding gaps,
- Enhanced the City's funding strategy (Asset Management Revenue Plan), balancing long term costs and revenues,
- Reviewed existing policies and recommended enhancements,
- Described levels of service from a high level.
- Amalgamated and described condition assessments conducted on individual asset classes, and
- Integrated asset management plans prepared for individual asset classes.

Asset Management Framework

Figure 3: Asset Management BC for Sustainable Service Delivery: A BC Framework



In 2019, Asset Management BC developed a BC Framework for a municipal approach to Asset Management. This Framework recommends a three-part, continual improvement cyclical approach to asset management for BC municipalities:

1. **Assess** asset management practices and the state of assets,
2. **Plan** what needs to be done to improve asset management, and
3. **Implement** the plans

This framework encapsulates the City's approach and progress in Asset Management thus far. The City's new Organization Asset Management Plan demonstrates significant progress in asset management maturity over the past decade.

Sustainable Infrastructure Investment Plan

In 2013 the City produced its first Organizational Asset Management Plan which was called the Sustainable Infrastructure Investment Plan (SIIP). The SIIP recommended five major steps to improve the City's asset management program:

1. Asset Management Investment Plan (AMIP)
2. Asset Management Revenue Plan (AMRP)
3. Balancing Costs and Revenues
4. Developing Prioritized and Affordable Capital Plans
5. Implementation and Updating

This 2024 update to the Organization Asset Management Plan substantially addresses several components of the asset management program as described in the SIIP. Significant progress in achieving Asset Management Plan objectives has been achieved and can be viewed in Appendix C.



Asset Management Progress

The City has achieved several significant milestones since Council endorsed the SIIP in 2013. AM work that has been done since 2013 (timeline):



Strategic Document Alignment

The City is often engaged in various planning processes that support the City's strategic objectives and service delivery. Alignment with the City's Asset Management Plan maximizes the likelihood that these objectives are achieved and services remain sustainable and ongoing. Accordingly, the following plans and documents are in close alignment:

- The City's **2023-2026 Council Strategic Plan** sets out the Vision, Mission, Advocacy statement and Governing Values for the City and its Council. All five of the Plan's strategic priority areas are supported by a robust Asset Management Program: (1) Livability, (2) Vibrancy, (3) Recreation, Parks and Natural Areas, (4) Environmental Leadership, and (5) Governance and Organizational Excellent.
- The City's **Official Community Plan (OCP)** sets out land-use policy such as how the community will accommodate population growth. Population growth requires carefully planned built and natural assets.
- The City's annual **Financial Plan** is a policy document that prioritizes funding for a five-year planning horizon. The Financial Plan incorporates necessary funding to facilitate Council's selected levels of service vision.
- The City's Infrastructure **Master Plans** identify funding needs and levels of service. Findings from such master plans are integrated into the Asset Management Plan.
- The City must conform to various **Regulations** and does so by designing operating procedures and establishing related **Bylaws**.

