

TITLE: ASSET RENEWAL	SECTION: FINANCIAL SERVICES
DATE: November 1, 2011	POLICY NO.: FNS-II-04
APPROVED BY: Resolution No. 2011-150	REVISED/REVIEWED DATE:

1. POLICY STATEMENT

It is the policy, and regulatory obligation, of the Board to sustain and maintain its public housing stock in such a manner to provide safe, clean and affordable housing as per our obligations under the Housing Services Act, 2011 and its EMS equipment in a manner consistent with our regulatory obligations under the Ambulance Act.

It is the policy, and regulatory obligation, of the Board to ensure Public NFP housing providers have the resources and reserves to maintain their housing stock in a manner so that they are able to provide safe, clean and affordable housing in their communities. This policy will ensure the board has the resources, on a long term and consistent basis, to effectively and efficiently plan for, maintain and renew these assets to their maximum capacity.

To ensure assets and equipment are renewed in a planned, organized and effective manner, the policy will establish guidelines so renewal plans and renewal financing plans can be established on an recurring ten year basis and reviewed and approved on an annual basis. It is the goal of this policy to ensure that the KDSB has sufficient resources on an annual basis to meet its annual renewal/operating obligations.

RENEWAL PRINCIPLES

The Board's Housing Stock and EMS Equipment renewal principles are as follows:

1. To establish the resources required for the effective renewal of the EMS Equipment and the Housing Stock that comprise the vast majority of the Board's capital assets and form the basis of EMS service delivery and the foundation for public housing.
2. To establish long term planning and financing mechanisms so that renewal can occur in a consistent and stable manner in a known operating environment.
3. To effectively and efficiently use and sustain reserves for their intended purposes.
4. To establish reporting and approval mechanisms so the Board is cognizant of annual renewal planning and execution for EMS Equipment, NFP Capital Reserves and Housing Renewal activity.
5. To establish reporting and approval mechanisms to ensure the Renewal Financing plans and reserve management is being executed appropriately.

DEFINITIONS

For the purpose of this policy, the following definitions shall apply:

Housing Stock – This term will describes all of the public housing stock directly or indirectly operated as public housing in our jurisdiction by the KDSB and Not-For-Profit Housing Corporations. Currently, the Housing Stock is comprised of 528 units operated by the Board and 560 units by the Not-For-Profit Corporations.

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1. EMS Equipment – This term will describe all equipment required by the EMS service with greater than a three year life. This equipment will include, but not be limited to; ambulances, defibrillators, computer hardware, one time software purchases, stretchers, stair lifts, uniforms, jackets, etc.
2. NFP Capital Reserves – This term describes the regulatory reserve that NFP housing providers are required to maintain, and the Board is required to assist the NFP to maintain, if the NFP is experiencing difficulty.
3. Financing Plan – This term will describe the schedule appended to the policy detailing the Housing Renewal Financing Plan and the EMS Equipment Renewal Financing Plan.
4. Renewal Plan – This term is a reference to the schedule attached to the policy containing the details for the annual Housing Renewal Plan and EMS Renewal Plan.

EMS Equipment – This term will apply to all EMS equipment required to be renewed to sustain the service in a manner consistent with Ambulance Act standards. This equipment will range from a relatively small dollar unit cost, but a relatively high cumulative amount (computers, jackets, etc) and large dollar unit costs (ambulances, defibrillators, etc)

2. PROCEDURE

1. The Board is committed to the long term renewal and financing of EMS Equipment and Housing Stock. In Appendix “A” attached titled “EMS Equipment Renewal Financing Plan” and “Housing Renewal Financing Plan”, it should be noted that there are three specific schedules: contained in each service Financing Plan:
 - A ten (10) year Renewal Schedule,
 - A ten (10) year Financing Schedule, and;
 - A ten (10) year Reserve Projection schedule.
2. In the fall of the preceding year prior to budget deliberations, the Board will receive a report from EMS and Housing Services with a detailed accounting and record of activities of the current year Renewal Plan presenting both the operational and financial details of the current year renewal activities. At the same time, the Board will receive an update of the Financing Plan including all three schedules and an administrative recommendation for the amount to be incorporated into the following year’s budget adequate to sustain the Renewal activities.
3. The Financing Plan will establish the following years’ Current Budget year requirement for renewal. In the current plan (Appendix “A” (2012 Version)), the Current Budget Allotment/Levy for housing and EMS renewal is estimated at:

A) Housing Renewal Plan (Estimated Current Budget Year and 2013-2015 Budget Estimated Requirements)

2012	2013	2014	2015
\$1,025,000	\$1,250,000	\$1,475,000	\$1,700,000

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B) EMS Equipment Renewal Plan (Estimated Current Budget Year and 2013-2015 Budget Estimated Requirement)

2012	2013	2014	2015
\$290,000	\$305,000	\$320,000	\$335,000

The annual renewal requirements to be allocated will be subject to annual approval subject to the budget process and review of prior year Housing & EMS Renewal Activity.

Related Directives: a) EMS Equipment Renewal Directive – This directive will establish procedures to ensure ambulance and other EMS equipment renewal is undertaken in a methodical, timely and cost effective manner incorporating new technologies and current methods over time and as opportunities evolve and present themselves.