



SHIRE OF SHARK BAY

ASSET MANAGEMENT PLAN

2016

Reliance

The professional advice and opinion in this report has been prepared for the exclusive use of the Shire of Shark Bay and for the purposes specified in our letter of engagement. This report is supplied in good faith and reflects the knowledge, expertise and experience of the engagement consultant and is based on the information and representations provided by the Shire of Shark Bay. We accept no responsibility for any loss occasioned by any person acting or refraining from action as a result of reliance on the report, other than the Shire of Shark Bay.

Disclaimer

The services provided in terms of this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standard Board and, consequently no opinions or conclusions are intended to convey assurance either expressed or implied.

UHY Haines Norton, Perth, a Perth based partnership of trusts ("the Firm"), carries on business separately and independently from other UHY Haines Norton member firms around Australia and New Zealand and UHY member firms worldwide.

UHY Haines Norton is a member of Urbach Hacker Young International Limited, a UK company, and forms part of the international UHY network of legally independent accounting and consulting firms. UHY is the brand name for the UHY international network. The services described herein are provided by the Firm and not by UHY or any other member firm of UHY. Neither UHY nor any member of UHY has any liability for service provided by other members.

If you seek further information or have any questions relating to this Plan please contact:

*The Shire of Shark Bay
65 Knight Terrace
Denham WA 6537
Ph: 08 9948 1218
Fax: 08 9948 1237
Email: admin@sharkbay.wa.gov.au
www.sharkbay.wa.gov.au*

Document Management

Version: Final

Status: Final

Release Date: 8 June 2015



Contents

1.0	EXECUTIVE SUMMARY	1
2.0	ABOUT THE SHIRE OF SHARK BAY	4
3.0	BACKGROUND – ASSET MANAGEMENT.....	5
4.0	STRATEGIC COMMUNITY PLAN.....	11
5.0	LEGISLATIVE REQUIREMENTS	12
6.0	LEVELS OF SERVICE.....	15
7.0	RISK MANAGEMENT.....	18
8.0	DEMAND FACTORS AND IMPACT ON SERVICES.....	19
9.0	ASSET INFORMATION.....	22
10.0	ASSET RENEWAL/REPLACEMENT	29
11.0	NEW ASSETS/ASSET UPGRADES.....	32
12.0	ASSET DISPOSAL.....	33
13.0	ASSET MAINTENANCE AND OPERATIONS.....	34
14.0	CASHFLOW INFORMATION	35
15.0	ASSET GOVERNANCE AND MANAGEMENT MECHANISMS.....	41
16.0	MONITORING AND REVIEW	42
17.0	ASSET MANAGEMENT IMPROVEMENT PLAN	43
18.0	ASSUMPTIONS.....	45
19.0	REFERENCES	46
APPENDIX A:	ASSET EXPENDITURE	47
APPENDIX B:	PROPERTY ASSETS USEFUL LIFE AND VALUES.....	49
APPENDIX C:	GENERAL ASSETS REMAINING USEFUL LIFE AND VALUES	50
APPENDIX D:	TRANSPORT ASSETS DIMENSIONS, REPLACEMENT COSTS AND REMAINING USEFUL LIFE.....	59
APPENDIX E:	NEW/UPGRADE ASSETS	67
APPENDIX F:	ABBREVIATIONS	68
APPENDIX G:	GLOSSARY.....	69

1.0 EXECUTIVE SUMMARY

1.1 Background and Scope

The following document demonstrates the planned management of Shire controlled assets and their associated services. It also evidences compliance with the relevant Regulations and outlines the funding required to provide a desired level of service.

The Plan should be read in conjunction with the Shire of Shark Bay:

- *Asset Management Policy;*
- *Asset Management Strategy;*
- *Strategic Community Plan 2013 to 2023; and*
- *Long Term Financial Plan 2013/14 -2026/27.*

Data supporting the Plan has been sourced from information provided by the Shire of Shark Bay. No audit of the assets has been conducted and no assurance is provided as to their existence, condition, value or the associated costs.

This Plan is generated in accordance with the Shire of Shark Bay Asset Management Policy and forms a component of the Shire's overall Asset Management Strategy. The Plan also sets out the tasks required to achieve continuous improvement in the management of Shire controlled assets. Included are each major asset class based on available asset information and, to the extent permitted, the Plan is prepared in line with the relevant framework and guidelines issued by the W.A. Department of Local Government and Communities.

For the purpose of this Plan, Shire assets have been grouped into three asset categories; transport, property and general. The sub-categories included within each section are detailed below:

Table 1.1 (a) Asset Categories/Sub-Categories

Transport Assets	Property Assets	General Assets
Roads	Buildings	Plant and Equipment
Kerbing		Infrastructure Other
Footpaths		
Drainage		

1.0 EXECUTIVE SUMMARY

1.2 Strategic Asset Management Issues

The Shire of Shark Bay commits significant resources to ensure assets are available to support services to the community. Historically, assets have been managed based on available funding allocations as part of developing an annual budget with limited formal asset planning or reference to whole of life costs. This Plan is the first step in implementing a more structured and integrated approach to the management of the Shire’s asset base.

Formal consideration of long term asset costs supports efficient decision making and assists in the planning and delivery of future services. These benefits are maximised as the extent and condition of existing assets is increasingly understood and documented.

With regard to property assets, a review and rationalisation is required to align these assets to future demand and established levels of service. This process will, in turn, improve forecasting of the timing and extent of asset renewals. A number of property assets currently in use are beyond their estimated economic life and should be frequently inspected to ensure they remain safe for occupation. Utilisation of assets beyond their estimated economic life may result in an associated increased risk of sudden failure and a potential increase in future maintenance costs.

1.3 Projected Annual Asset Expenditure and Funding

The following graph shows the forecast costs for assets for the next 15 years (in columns). The funding sources for these costs is shown on the graph as a stacked line.

Chart 1.3 (b) Asset Expenditure and Available Revenue



Forecast funding in the Long Term Financial Plan exceeds required asset renewals for the initial three years of the plan. During the three years 2017-20 predicted road renewals are currently unfunded in the Long Term Financial Plan with renewal of the aged persons units in 2021-22 also being unfunded. Spreading the timing of asset renewals over the longer term will assist the Shire to align the Asset Management Plan and Long Term Financial Plan to assist with adequate renewal of assets into the future.

1.0 EXECUTIVE SUMMARY

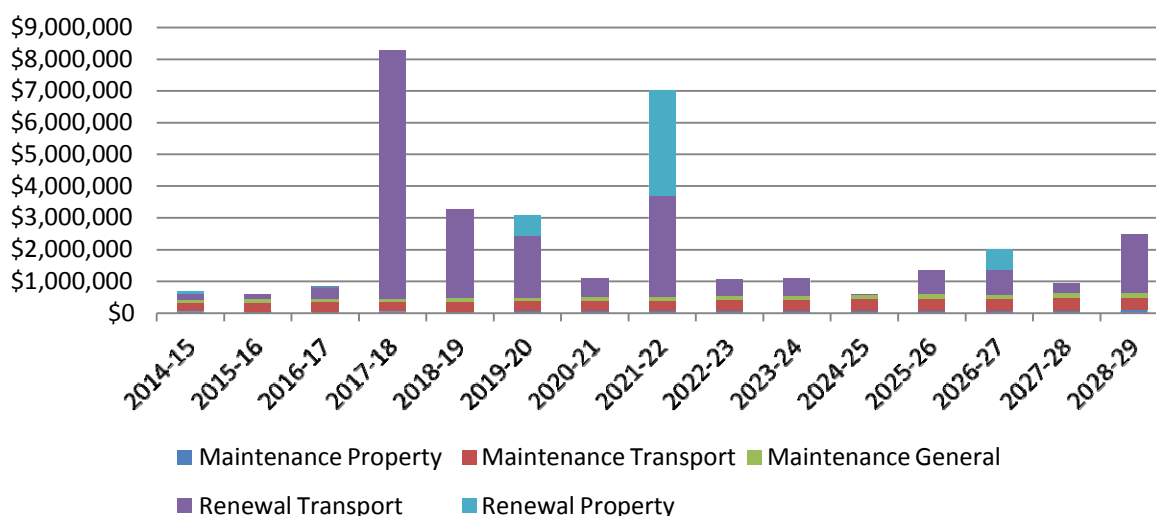
1.4 Financial Capacity and Timing

The Shire of Shark Bay is highly reliant on external grants and contributions for construction of new assets as well as maintenance and renewal of assets. It should be recognised, forecasting the level of future external grants and contributions with certainty is not possible, as these allocations are outside the control of the Shire of Shark Bay.

1.5 The Next Steps

Foremost, the Shire needs to improve its technical level of knowledge and understanding of Shire assets. This will improve its capacity to plan future maintenance levels and renewal costs and potentially smooth the forecast renewal peaks shown in the chart below..

Chart 1.5 (a) Future Maintenance Levels and Renewal Costs (Property and General Assets)



A shift of resources from asset maintenance to renewals and upgrades may result in a reduction in the ‘whole of life’ costs of the assets whilst still maintaining the current levels of service. We recommend this matter be the subject of further assessment by Shire staff in the future.

There is a lack of alignment between the long term financial plan and asset management plan. Assets planned for renewal within the long term financial plan are not planned for renewal in the asset management plan and conversely funding is not available in the long term financial plan for certain assets requiring renewal in the asset management plan.

Based on the current level of asset knowledge and planning, adequate determination of whether the Shire has the financial capacity to maintain its asset base over the next ten years is not available. A greater understanding of future grant levels, along with processes for managing the level of maintenance, and determining the remaining useful life of assets is required. This will require a significantly higher understanding of Shire assets and a greater integration of asset management planning and long term financial planning.

Maintaining and updating asset related data to the level necessary to support and influence future decision making is likely to be a significant task for the Shire of Shark Bay into the future. It will require dedicated resources and could potentially have a significant financial impact.

2.0 ABOUT THE SHIRE OF SHARK BAY

Shark Bay lies on the extreme western coast of Australia between 24 and 27 degrees south of the equator. It is approximately 800km north of Perth, the capital of the state of Western Australia. Shark Bay comprises two large, shallow embayments, numerous islands and a coastline over 1500km long.

Shark Bay World Heritage Area covers more than 2.2 million hectares and has a coastline more than 1,500 km long. The westernmost part of Australia, it features landscapes and seascapes both colourful and diverse, from red and white sands and turquoise lagoons to plunging cliffs and soaring dunes.



Figure 1 - Shire of Shark Bay

3.0 BACKGROUND – ASSET MANAGEMENT

This section briefly describes standard asset management concepts, standards, objectives and terminology.

3.1 Goals and Objectives of Asset Management

To achieve its strategic objectives the Shire aims to manage its assets over their total lifecycle within an asset management framework that takes into consideration the community's service expectations.

The key elements of asset management are:

- Providing a defined level of service and monitor performance;
- Managing the impact of growth or decline through demand management and infrastructure investment;
- Taking a 'whole of life' approach to developing cost-effective management strategies for the long term that meet defined levels of service;
- Identifying, assessing and appropriately controlling risks; and
- Maintaining a long term financial plan which identifies required expenditure and how it will be funded.¹

3.2 Plan Framework

The content of this plan is based on the Department of Local Government and Communities Asset Management Framework and Guidelines.

Key elements of the Department's framework are:

- Levels of service – specifies the services and levels of service to be provided by the Shire;
- Demand management– how it impacts on future service delivery and how the demand is to be met;
- Lifecycle management – how the organisation will manage its existing and future assets to provide the required services;
- Operational planning;
- A financial summary – what funds are required to provide the required services;
- Defining asset management practices;
- Monitoring – how the Plan will be monitored to ensure it is meeting the organisation's objectives; and
- Asset management improvement planning.

¹ IPWEA, 2011, *IIMM* Sec 1.2.1, p 1.7.

3.0 BACKGROUND – ASSET MANAGEMENT

3.3 Core and Advanced Asset Management

This Plan is prepared as an initial ‘core’ asset management plan in accordance with the International Infrastructure Management Manual 2011 and the Department of Local Government and Communities’ Asset Management Framework and Guidelines.

The Plan has been prepared to meet minimum legislative and organisational requirements for sustainable service delivery, and long term financial planning and reporting. Core asset management relies on the use of an asset register, maintenance management systems, top-down condition assessment, simple risk assessment and basic defined level of service, in order to establish a long-term cash flow projection. Users of this Plan should recognise the level of asset management maturity at which the Shire is currently situated and the progressive nature of its journey toward higher levels of asset management.

The Shire may decide, by future revisions to move towards advanced asset management which employs predictive modelling, risk management and optimised decision-making techniques to establish asset lifecycle treatment options and related long term cash flow predictions.

3.4 Legislative Framework

As part of the provision of assets the Shire must meet many legislative requirements included in State and Federal legislation. An understanding of the legislation relating to the provision of the asset is essential to the long term management of assets.

3.5 Desired Levels of Service

A description of ‘levels of service’ seeks to document the outputs or objectives the Shire intends to deliver to the community and customers. There are two measures of level of service as follows:

- **Community Levels of Service** – relate to the service outcomes the community seeks in terms of safety, quality, quantity, reliability, responsiveness, cost effectiveness and legislative compliance. These are generally contained in public documents and should be aimed at communicating to a layperson.² Community Levels of Service measures may be tangible or intangible.
- **Technical Levels of Service** – technical levels of service are operational or technical measures of performance. These support customer measures and tend to be used internally to measure performance against service levels.³

At present, indications of desired levels of service are obtained from various sources including the residents’ feedback to Elected Members and staff, service requests and correspondence.

² IPWEA, 2011. *IIMM* Sec 2.2.1, p 2.18.

³ IPWEA, 2011. *IIMM* Sec 2.2.1, p 2.18.

3.0 BACKGROUND – ASSET MANAGEMENT

3.6 Risk Management Planning

Risk management planning seeks to assess the risks associated with infrastructure assets to identify critical risks that may result in the loss or reduction in services or in a 'financial shock' to the Shire as it seeks to maintain its service levels.

The risk assessment process identifies credible risks, a risk rating, the likelihood and consequences of an occurrence and evaluates the risk to develop a risk treatment plan.

Identified risks have been assessed within the Infrastructure Risk Management Plan using the following ratings:

- Extreme/Exceptional (requiring immediate corrective action);
- High (requiring prioritised corrective action);
- Medium (requiring planned action); or
- Low (managed by routine procedures).

The consequences of the risk event and a plan for treating the risk are detailed within the document along with the rating for each identified risk.

3.7 Demand Forecasting

The factors affecting demand for property services include population change, variations in demographics, seasonal factors, consumer preferences and expectations, economic factors and environmental awareness. Demand factor trends and their impact on service delivery are documented within the Plan.

3.8 Demand Management Planning

Demand for new services will be managed through a combination of managing and upgrading of existing assets and the provision of new assets. Demand management practices include non-asset solutions, insurance and managing failures.

3.9 Lifecycle Management Planning

Lifecycle management planning sets out how the Shire plans to manage and operate its assets at the agreed levels of service while seeking to optimise the 'whole of life' cost of providing assets.

3.10 Asset Renewal/Replacement Planning

Renewal expenditure comprises major work which does not increase the asset's design capacity or level of service but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Work over and above restoring an asset to original service potential is referred to as upgrade/expansion or new works expenditure.

Estimated renewal dates for assets (or asset components) may be based on the age of an asset however, documented physical condition based inspections are generally regarded as a more accurate basis for estimating the remaining life of assets.

3.0 BACKGROUND – ASSET MANAGEMENT

3.11 Creation/Acquisition/Upgrade Planning

‘New work’ is expenditure that creates a new asset (not previously existing) or upgrades or improves an existing asset beyond its previous service capacity. Assets acquired at no cost to the local government from land developers or government agencies are also considered new work.

The need for new assets or the upgrade/expansion of existing assets is identified from various sources such as Councillor or community requests, the Strategic Community Plan or determined in consultation with other organisations.

‘Whole of life’ costs should be determined when making decisions relating to the procurement of major new assets to ensure long term operating and renewal costs are considered.

3.12 Maintenance Planning

Maintenance incorporates two components, reactive and planned maintenance which can be routine or specific in nature.

Reactive maintenance is unplanned repair work carried out in response to service requests and management/supervisory directions.

Planned maintenance is repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown experience, prioritising, scheduling, actioning the work and recording the work carried out in order to establish a maintenance history and improve maintenance and service delivery performance.

Routine maintenance is defined as the regular on-going work required to keep assets operating, including instances where portions of the asset fail and require immediate repair to make the asset operational again.

Specific maintenance is replacement of higher value components/sub-components of assets undertaken on a regular cycle including repainting, gutter clearing, property sweeping, minor crack repairs etc. This work generally falls below the capital/maintenance threshold but may require a specific budget allocation.

3.0 BACKGROUND – ASSET MANAGEMENT

3.13 Financial Sustainability in Service Delivery

The effectiveness of an asset management plan can be measured as follows:

- The degree to which the required cashflows identified in the Plan are incorporated into the organisation's long term financial plan and strategic community planning processes; and
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends outlined in the asset management plan.

The Department of Local Government and Communities Asset Management Framework and Guidelines provides three Key Performance Indicators (KPI's) for asset management performance which have been used to assess the Shire's service delivery sustainability.

The information required to accurately calculate these ratios is contained within the long term financial plan.

3.13.1 Asset Consumption Ratio

This KPI shows the proportion of 'as new' condition remaining for the assets. A ratio of less than 50% indicates a potential rapid deterioration of the local government's asset base requiring relevant investment in order to ensure service levels are maintained.

The Asset Consumption Ratio (ACR) is calculated by dividing the projected Depreciated Replacement Cost (DRC) of Assets by the Current Replacement Cost (CRC).

3.13.2 Asset Sustainability Ratio

The rationale for the Asset Sustainability Ratio (ASR) is to highlight if renewal or replacement of assets is occurring at variance to the level of depreciation. The ASR is calculated by dividing the budgeted renewal or replacement of assets by the annual depreciation of the assets for the same period.

Where the ratio is greater than 110% it indicates renewal expenditure is higher than the level of deterioration.

3.13.3 Asset Renewal Funding Ratio

The Asset Renewal Funding Ratio indicates the long term funding availability for the renewal or replacement of assets. The KPI is calculated by dividing the net present value of planned capital expenditure for the next 10 years by the net present value of the required capital expenditure over the same period.

A target range of 95% to 105% indicates the required asset renewals are fully funded.

The supporting expenditure which is required for the calculation of the asset renewal funding ratio is provided at Appendix A.

3.0 BACKGROUND – ASSET MANAGEMENT

3.14 Information Flow Requirements and Processes

The key information flows into this asset management plan are:

- Council strategic and operational plans;
- Service requests from the community;
- Asset information;
- The unit rates for categories of work/materials;
- Current levels of service, expenditures, service deficiencies and service risks;
- Projections of various factors affecting future demand for services and new assets acquired by Council;
- Future capital works programs; and
- Financial asset values.

The key information flows from this asset management plan are:

- The resulting initial long term expenditure projections for consideration in the long term financial plan; and
- Initial financial sustainability indicators.

These flows will have an impact on the long term financial plan, annual budget and departmental plans and budgets.



Figure 2 - Shark Bay Discovery Centre

4.0 STRATEGIC COMMUNITY PLAN

This Plan is prepared to progress the Shire’s vision, objectives and strategies as set out in the organisation’s adopted Strategic Plan, the vision being:

“Shark Bay is a proud unified community, respecting and sharing our pristine environment and celebrating our great lifestyle”⁴.

Asset management planning is viewed as an essential part of accomplishing Council’s vision and aspirations. Reference to relevant objectives and actions and how these were addressed in this asset management plan are shown for each class of asset in the tables below.

Objective	Desired Outcome	Strategies Addressed In AMP	Asset Class
1.Economic			
Sustainable growth and progress.	Outcome 1.1 Develop infrastructure and investment that is sustainable and an ongoing legacy to the Shire.	Strategy 1.1.3: Identify infrastructure and services that can be lobbied for such as: Access / Connectivity, Marina / Infrastructure and Housing / Accommodation.	Property Transport General
		Strategy 1.1.6: Develop and maintain sustainable transport infrastructure.	Transport
	Outcome 1.2 To improve fiscal management practices and procedures, and maximise operating revenue and social capital.	Strategy 1.2.4: Develop a strategy to build housing opportunities for service workers and shire employees, and negotiate with Regional Development and Lands.	Property General
	Outcome 1.3 To provide better integrated transport services that improve connectivity and access between Perth and the region (air, sea, buses, car hire).	Strategy 1.3.2: Review and advocate for increased funding for regional roads through Roads to Recovery.	Transport
		Strategy 1.3.3: Review and advocate for increased funding for rural airstrips.	Transport
	Outcome 1.6 To enhance the provision of adequate boating/recreational facilities that meets the needs of the general community (visitors, locals, businesses).	Strategy 1.6.1: Complete marina conceptual development (confirm uses pleasure/commercial, analyse options for revenue generation).	Transport
	Outcome 1.6 To enhance the provision of adequate boating/recreational facilities that meets the needs of the general community (visitors, locals, businesses). (continued)	Strategy 1.6.5: Construct a new jetty and boat ramp at Monkey Mia.	Transport
		Strategy 1.6.6: Construct new recreational jetty and small craft launching facilities at Denham.	Transport
		Strategy 1.6.7: Upgrade of youth facilities and establish integrated community recreation facilities for families in conjunction with the new Recreation Centre.	Property General
		Strategy 1.6.8: Maintain boating facilities to acceptable standards.	Transport

⁴ Shire of Shark Bay, Strategic Community Plan 2011.(Reviewed 08/04/2013)

5.0 LEGISLATIVE REQUIREMENTS

Objective	Desired outcome	Strategies addressed in AMP	Asset Class
2. Environment			
Protecting our precious natural environment and retaining our lifestyle values and community spirit.	Outcome 2.1 Increase the awareness of Shark Bay as an attractive place to live, work, visit and invest.	Strategy 2.1.3: Improve entry statement, particularly in Denham.	Property General
	Outcome 2.2 To increase investment opportunities, improve attractiveness and the diversity of uses to add to the Town Centre vibrancy.	Strategy 2.2.2: Develop Heritage Precinct in conjunction with the redeveloped Resource Centre and Old Police Station.	Property Transport
	Outcome 2.3 Future Foreshore development is sympathetic to the natural environment and aids in the development of local economy.	Strategy 2.3.1: Revise existing Town Centre Development Plans and incorporate funding in budget to deliver key actions (including Foreshore Plan, Streetscape Plan and Town Centre Strategy).	Property Transport General
	Outcome 2.5 Greater awareness and increased community pride in protecting and enhancing the natural and built environment.	Strategy 2.5.3: Facilitate interpretive trails on the foreshore (natural environment, marine heritage etc.)	Transport General

Objective	Desired outcome	Strategies addressed in AMP	Asset Class
3. Social			
A safe and welcoming community where everyone is valued and has the opportunity to contribute and belong.	Outcome 3.7 Community infrastructure that meets the needs of families, youth, retirees.	Strategy 3.7.1: Provide community infrastructure and services that meet the needs of families, youth and retirees.	Property General
		Strategy 3.7.2: Build a new Recreation Centre.	Property Transport
		Strategy 3.7.3: Plan and build new Shire Facilities.	Property Transport General

5.0 LEGISLATIVE REQUIREMENTS

Legislative requirements relevant to asset management are presented below. The asset classes impacted by the legislation are identified in the right hand column of the table.

Table 5.1 (a) Legislative Requirements

Legislation	Requirement	Asset Class
<i>Local Government Act 1995 (as amended) and associated Regulations.</i>	Sets out the role, purpose, responsibilities and powers of local governments including the preparation of Strategic Community Plans and Corporate Business Plans informed by long term financial plans and asset management plans.	All
<i>Building Code of Australia 2005.</i>	Sets out the law relating to property.	Property
<i>Disabilities Discrimination Act 1992.</i>	Provides protection against discrimination based on disability, in this case in connection with access to and within buildings.	All
<i>Environmental Protection Act 1986.</i>	An Act to provide for an Environmental Protection Authority, for the prevention, control and abatement of pollution and environmental harm, for the conservation, preservation, protection, enhancement and management of the environment and for matters incidental to or connected with the foregoing.	All
<i>Health Act 1911.</i>	Regulations of activities and the provision of services relating to public health.	Property
<i>Heritage Act 2004.</i>	Provides for and encourages the conservation of heritage places.	Property
<i>Main Roads Act 1930 (as amended) and associated Regulations.</i>	Sets out the law relating to and making provision for the construction, maintenance, and supervision of highways, main and secondary roads, and other roads, the control of access to roads and for other relative purposes.	Transport
<i>Occupational Safety and Health Act 1984.</i>	An Act to promote and improve standards for occupational safety and health, to establish the Commission for Occupational Safety and Health, to provide for a tribunal for the determination of certain matters and claims, to facilitate the coordination of the administration of the laws relating to occupational safety and health and for incidental and other purposes.	All
<i>Planning and Development Act 2005.</i>	Provide for an efficient and effective land use planning system in the State and promote the sustainable use and development of land.	Property, Transport
<i>Road Traffic Act 1974 (as amended) and associated Regulations.</i>	Sets out the law relating to road traffic.	Transport

5.0 LEGISLATIVE REQUIREMENTS

Table 5.1 (a) Legislative Requirements

Legislation	Requirement	Asset Class
<i>Waste Avoidance and Resource Recovery Act 2007.</i>	<p>The primary objects of this Act are to contribute to sustainability, and the protection of human health and the environment, in Western Australia and the move towards a waste-free society by —</p> <p>(a) promoting the most efficient use of resources, including resource recovery and waste avoidance; and</p> <p>(b) reducing environmental harm, including pollution through waste; and</p> <p>(c) the consideration of resource management options against the following hierarchy —</p> <p>(i) avoidance of unnecessary resource consumption;</p> <p>(ii) resource recovery (including reuse, reprocessing, recycling and energy recovery); and</p> <p>(iii) disposal.</p>	All

6.0 LEVELS OF SERVICE

Community and technical levels of service are each documented below.

6.1 Community Feedback on Levels of Service

During 2011, a program of community engagement was undertaken to review the Shire's Strategic Community Plan. The program invited the local community to share their visions for the future of the district.

The engagement program did not include any specific determination of service levels. Future engagement programs may comprise a survey which permits analysis between the mean level of importance and mean level of satisfaction to generate a performance gap. This gap would seek to quantify the desire of the community for service improvement in a service area relevant to other services.

Community service levels are detailed below.

Table 6.1 (a) Current Community Service Levels

Level Of Service Measure	Performance Measurement Process	Target Performance Measure	Current Performance Measure	Asset Class
Quality				
Well maintained buildings	Number of complaints received by Shire relating to maintenance of buildings.	No increase in current number received per year.	To be confirmed.	Property
Smoothness of ride.	Number of complaints received by Shire relating to smoothness of ride.	No increase in current number received per year.	To be confirmed.	Transport
Well maintained Community facilities.	Number of complaints received by Shire relating to quality of facility.	No increase in current number received per year.	To be confirmed.	General
Community Satisfaction with assets.	Community Survey Results.	Mean satisfaction rating maintained.	Unknown where 1= Low Satisfaction. 3= High Satisfaction.	All
Function				
User requirements for intended usage are met.	Number of complaints received by Shire relating to suitability of building.	No increase in current number received per year.	To be confirmed.	Property
User requirements for availability and travel time are met.	Number of complaints received by Shire relating to availability and travel time.	No increase in current number received per year.	To be confirmed.	Transport
Fit for purpose.	Number of complaints received by Shire relating to ability to meet purpose.	No increase in current number received per year.	To be confirmed.	General
Community Importance with assets.	Community Survey Results.	Current Mean Importance Rating is maintained.	Unknown where 1= Low Satisfaction 3= High Satisfaction.	All

6.0 LEVELS OF SERVICE

Table 6.1 (a) Current Community Service Levels

Level Of Service Measure	Performance Measurement Process	Target Performance Measure	Current Performance Measure	Asset Class
Safety				
Safe buildings are provided throughout district.	Number of accidents per year attributable to property condition or layout.	Nil.	To be confirmed.	Property
Safe roads are provided throughout district.	Number of loss of control vehicle accidents per year attributable to road condition or layout.	Nil.	To be confirmed.	Transport
Safe footpaths are provided.	Number of trip accidents per year attributable to footpath condition or layout.	Nil.	To be confirmed.	Transport
Safe design and management of asset.	No. of injuries/accidents.	No injuries or accidents.	To be confirmed.	General

6.2 Current Technical Levels of Service

Technical service levels are detailed below along with the relevant asset class.

Table 6.2 (a) Current Technical Service Levels

Level Of Service Measure	Performance Measurement	Target Performance Measure	Current Performance Measure	Asset Class
Condition				
Defects found which are outside of service standard.	Repair Timeframes.	Average repair timeframes reasonable.	To be confirmed.	Property
Assessed property condition.	Condition Assessment.	Property condition reasonable.	To be confirmed.	Property
Assessed unsealed road condition.	Condition Assessment.	Current average unsealed road condition to be maintained.	Good	Transport
Assessed sealed road condition.	Condition Assessment.	Current average sealed road condition to be maintained.	Good	Transport
Assessed footpath condition.	Condition Assessment.	Current average footpath condition to be maintained.	Good	Transport
Assessed condition.	Condition Assessment.	Current average condition to be maintained.	Good	General

6.0 LEVELS OF SERVICE

Table 6.2 (a) Current Technical Service Levels

Level Of Service Measure	Performance Measurement	Target Performance Measure	Current Performance Measure	Asset Class
Function				
Average usage rates.	No of Days building is not utilised.	No increase in current number per year.	Unknown	Property
No. of road closures during year due to damage.	Authorised road closures.	No increase in current number per year.	Nil	Transport
Ability of asset to meet required function.	Function assessment.	Current average function rating to be maintained.	Good	General
Safety				
Safe buildings are provided throughout district.	Number of accidents per year attributable to property condition or layout.	Nil.	To be confirmed.	Property
Safe roads are provided throughout district.	Number of loss of control vehicle accidents per year attributable to road condition or layout.	Nil.	To be confirmed.	Transport
Safe footpaths are provided.	Number of trip accidents per year attributable to footpath condition or layout.	Nil.	To be confirmed.	Transport
Safe design and management of asset.	No. of injuries/accidents.	No injuries or accidents.	To be confirmed.	General
Asset consumption ratio (ACR).	Depreciated replacement cost divided by current replacement cost.	Ratio can be identified and is 50% or greater.	Refer to long term financial plan for latest measure.	All
Asset sustainability ratio (ASR).	Capital expenditure on replacement or renewal of assets divided by the depreciation expense.	Ratio can be calculated and ratio is 90% or greater.	Refer to long term financial plan for latest measure.	All
Asset renewal funding ratio.	Net Present Value of planned capital expenditure over 10 years divided by the net present value of the required expenditure renewal over the same period.	Ratio can be identified and is between 75% and 95%.	Refer to long term financial plan for latest measure.	All

7.0 RISK MANAGEMENT

The most significant risks relating to property assets identified within the Shire's risk register are detailed below along with the risk treatment for each risk.

Table 7.1 (a) Critical Risks and Treatment Plans

Risk	Consequence	Risk Rating	Risk Treatment
Asset Condition decreases due to flood damage.	Desired level of service not maintained.	Medium	Ensure adequate drainage inroad design and maintenance to mitigate risk of flood damage.
Climate Change.	Likelihood of severe storm damage increases.	Medium	Consider severe storm impacts when designing and managing assets.
Significant unforeseen increases in maintenance or renewal costs.	Desired level of service not maintained.	Medium	Monitor costs and adjust long term plans accordingly.
Asset condition decreases due to inadequate renewal program.	Desired level of service not maintained.	Medium	Determine maintenance priorities based on risk and lifecycle cost.
Asset condition decreases due to inadequate maintenance program.	Desired level of service not maintained.	Low	Determine maintenance priorities based risk assessment and lifecycle cost.
Sudden significant increase or decrease in population.	Sudden increase or decrease in level of service requirements.	Low	Monitor population trends and industry developments in the region.
Traffic incident attributable to sub-standard road conditions or road layout.	Liability Risk.	Low	Ensure road/footpath network is maintained in compliance with defined standards.
Safety incident attributable to sub-standard asset condition design.	Liability Risk.	Low	Ensure assets are maintained in compliance with applicable standards. Close assets which do not meet requirements.
Health and safety incident whilst working on assets causing fatality or serious injury.	Prosecution risk.	Low	Ensure council has compliant H & S policy. Ensure staff and contractors are trained in policy and all procedures are complied with.

8.0 DEMAND FACTORS AND IMPACT ON SERVICES

Demand factors, the present position, projection and potential impact on services are presented in the table below.

Table 8.1 (a) Demand Factors and impact on services

Demand Factor	Consideration	Present Position	Projection	Impact On Services
Population	Impact of projected population numbers on services or assets provided by the Shire.	The estimated resident population of the Shire of Shark Bay is 928 in 2013. ⁵	Stable population expected.	Services considered steady state.
Demographics	Impact of projected population numbers on services or assets provided by the Shire.	Work aged persons between 15 and 65 represented 68.1% of the estimated resident population in 2011. Persons over the age of 65 represented 18.0% of the population. ⁶	No significant changes in demographics are currently expected.	Services considered steady state.
Legislative	Forecast changes to local, state or federal government laws, regulations or standard impacting on the type of assets or need for assets.	Legislation stable and relatively unchanged for a number of years.	None known.	None known.
Governance	Impact of any proposed changes to the organisation, policies or practice affecting the need for or use of assets. Government directives or policies that impact on assets.	Currently Implementing Integrated Planning and reporting Framework.	Implementation of planned Asset Management.	Potential for improved level of service.
Community Expectations	Projected impact on assets or services provided by the Shire due to changes in community expectations.	Community expectations regarding the level of service provided by the Shire have increased over recent years.	An increase in expectations is likely to continue.	The impact on services may be varied dependent on which services the expectations relate.
Technology	Are there any changes to technology that will impact on the type of assets or services provided by the Shire?	Present internet system is relatively basic.	National Broadband Network connection -may have a positive impact.	Major improvements expected in data processing and communications.
Industries	Are there any new industries that impact on the Shire?	None known. Increase in tourism likely. New Visitors Centre being constructed.	Minor increase in the number of visitors to the Shire.	Possible changes in demand on waste and other municipal services.

⁵ Australian Bureau of Statistics, 3218.0 Regional Population Growth, Australia, April 2014.

⁶ Australian Bureau of Statistics, National Regional Profile: Shark Bay (S) (Local Government Area) LGA 57770, May 2013

8.0 DEMAND FACTORS AND IMPACT ON SERVICES

Table 8.1 (a) Demand Factors and impact on services

Demand Factor	Consideration	Present Position	Projection	Impact On Services
Tourism	Tourism trends projected to impact on assets or services provided by the Shire.	Tourism is actively promoted by the Shire.	Increase in the number of visitors and visitor vehicles to the Shire.	Increase in demand on waste services.
Climate Change	Will Climate Change impact the Shire assets?	Property assets likely to be impacted by severe storms and cyclones.	Increase in the frequency and ferocity of storms and cyclones.	Design specifications for assets may increase. Risk of major loss of assets increasing.
Safety	Are there changes to safety standards projected to impact on assets or services provided by the Shire?	Safety is a risk continuously being addressed by the Shire.	Safety standards likely to increase across all asset classes.	Increase in level of service related to safety.
Buildings	Factors that will impact on buildings include: <ul style="list-style-type: none"> - Ageing Facilities with some in need of refurbishment. - Removal of asbestos from existing buildings. 	Ageing buildings containing asbestos are in current use.	Program to replace components containing asbestos to be developed. Renewal of major components such as electrical and fire protection systems required.	Renewal of components presenting a safety hazard and removal of asbestos.
Road Assets	Projected significant changes to: <ul style="list-style-type: none"> - Sealed town roads. - Sealed rural roads. - Unsealed Roads. 	High seasonal tourist traffic on roads.	Increased tourist traffic on roads.	Increased level of service to meet demand.
Footpaths	Developments or areas where potential requirement for new or improved footpaths exists.	Limited footpaths available.	Increased demand for footpaths in major localities.	Increased level of service to meet demand.
Furniture and Equipment	Introduction of National Broad Band Network :	Current Internet connections are limited.	Increased internet access and speeds may require changes to IT Equipment.	Increase in services able to be provided using IT Environment.
Plant and Equipment	Are there any changes likely to impact the services provided.	Replacement and development of existing and new playground equipment.	Increase demand for playgrounds in major localities.	Demand for increased level of service for playground equipment.
Infrastructure	Impact of projected population and tourist numbers on infrastructure assets.	Public open space and related community amenities adequate.	Increase in tourist numbers requires increase in public amenities.	Demand for increased level of services on community amenities in public open spaces.

8.0 DEMAND FACTORS AND IMPACT ON SERVICES

Projected asset demand will be managed in one of the following four ways:

- Renewal of existing assets to minimise 'whole of life' costs;
- Upgrade or purchase of new assets to meet increases in demand;
- Disposal of existing assets in line with decreases in demand; or
- Maintenance and operation of existing assets.

Each of these demand management responses is examined separately later in the plan. Demand factors which result in a projected impact on services, and require specific treatment, will be addressed through a demand management plan.

8.2 Demand Management Plans

Demand factors to be addressed by a demand management plan are reflected in the table below.

Table 8.2 (a) Demand Management Plans

Demand Factor	Demand Management Plan
Safety	Renewal of components presenting a safety hazard and removal of asbestos.
Climate Change	Increase in design specifications for new buildings.
Disabled Access	New buildings to include disabled access in line with Disability Access Inclusion Plan

These Plans require further development before implementation with the timing of the implementation dependent on availability of funds.



Figure 3 – Shark Bay Signage

9.0 ASSET INFORMATION

9.1 Physical Parameters

The physical parameters of all Shire assets are considered separately for each asset group. Shire assets are located throughout the district on Shire owned or controlled land.

9.1.1 Transport Assets – Physical Parameters

The following table describes the Transport assets of the Shire extracted from the Shire Road Inventory System (ROMAN II):

Table 9.1 (a) Transport Assets

Asset Type	Length (m)	Area (m2)
Kerb Barrier	28,380	
Pathways		
- Gravel	14,618	30,399
- Brick Paving	3,266	5,772
- Cement Concrete	1,584	3,339
- Unknown Pathway	2,890	289
Roads		
- Local Distributor	304,420	2,722,615
- Access Road	281,210	1,786,835
Drainage		
- Table Drain (Shallow)	981,350	
- Open Drain (Excavated)	122,230	

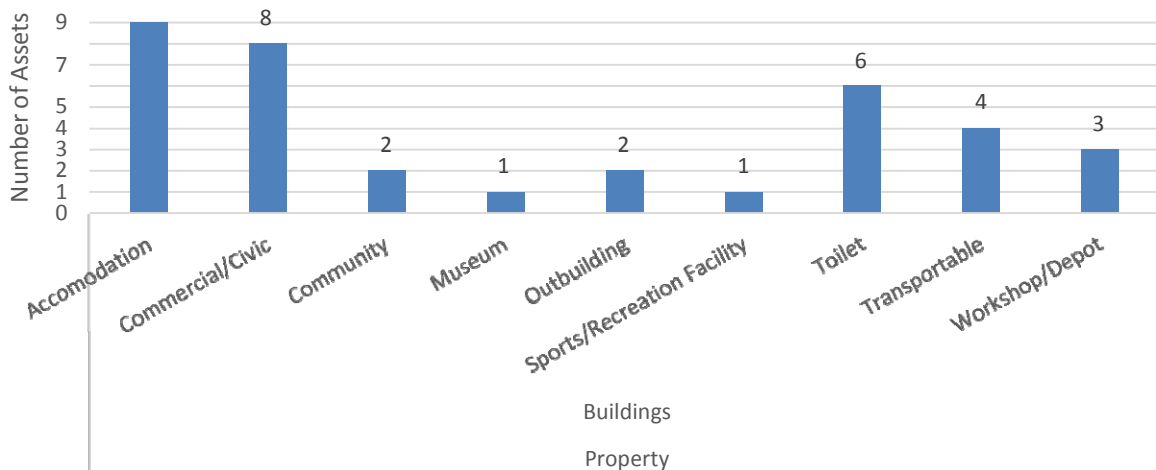
The ROMAN II data was considered up to date by management as at 14 April 2014.

9.0 ASSET INFORMATION

9.1.2 Property Assets - Physical Parameters

Sourced from an independent valuation report (2012), the Shire has 36 property assets of varying types summarised in the chart below.

Chart 9.1 (a) Number of Property Assets by type

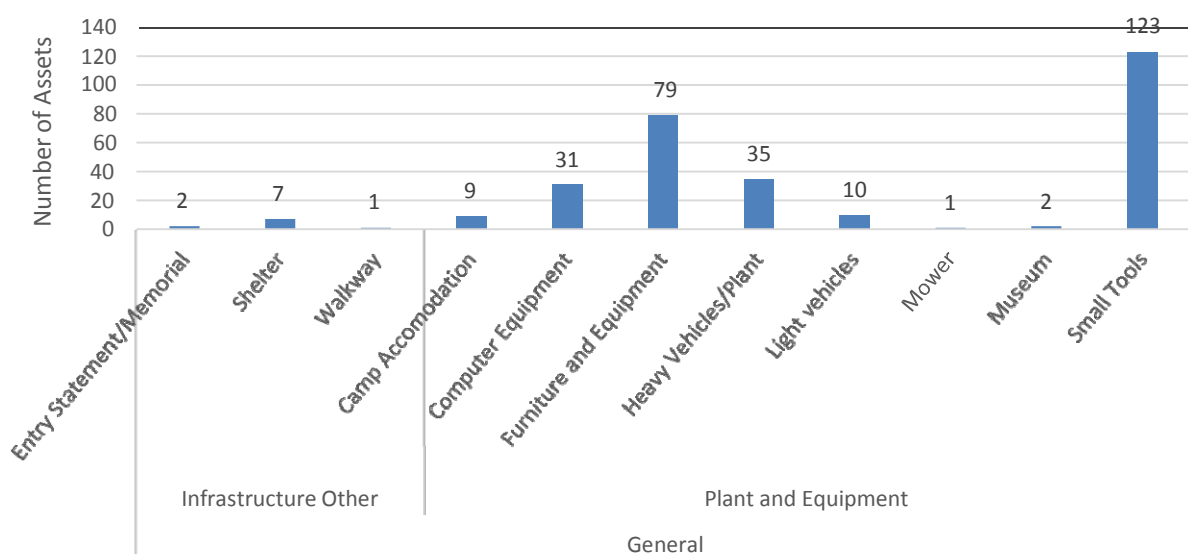


A detailed schedule of property assets is provided at Appendix B. Accurate dimension, component information, year of construction, last renewal event timing or condition information has not been consistently maintained for all property assets.

9.1.3 General Assets - Physical Parameters

The Shire owns other assets summarised in the chart below. Independent valuers carried out inspections of land improvement Other Infrastructure assets in June 2012. The chart below reflects the number of General assets of each type based on the Shires records.

Chart 9.1 (a) Number of General Assets by Type



A detailed schedule of the general assets category is provided at Appendix C. Accurate dimension, specification, component information has not been consistently maintained for all general assets.

9.0 ASSET INFORMATION

9.2 Asset Ages

Complete and accurate information on the construction dates and the most recent renewal date of assets is not consistently available. The acquisition date of a number of purchased assets is maintained within the Financial Accounting System however dates of last renewal works is not available.

9.3 Asset design standards

New transport assets are constructed in accordance with design standards from Main Roads WA where applicable. New building assets are constructed in accordance with applicable building regulations and standards. Other than as mentioned above, no formal or specific design standards are used for the construction, maintenance or renewal of assets.

9.4 Asset capacity and performance

Asset capacity is not formally documented for assets however there are no known deficiencies in service performance for assets.

9.5 Asset Condition Information

Accurate asset condition information determined against a formally documented framework is viewed as the most appropriate indicator of future asset renewal timing.

9.5.1 Transport Assets - Condition

Transport assets have not been assessed against a formal documented condition framework capable of providing an indication of the remaining useful life of each asset or any sub components.

A documented condition assessment framework has been established and will be utilised in the future when the fair value of the Shire's road network is determined.

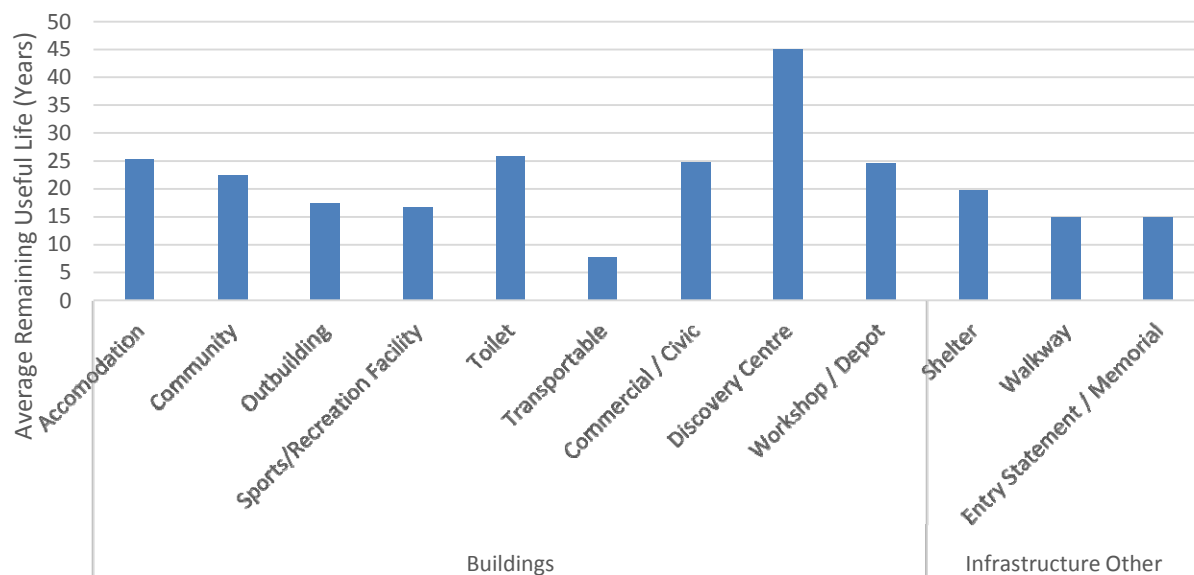
9.0 ASSET INFORMATION

9.5.2 Property Assets - Condition

As part of the property valuation external valuers inspected each building and property asset in September 2012 and estimated a remaining useful life based on the condition of the asset at the time of inspection.

The average estimated remaining useful life for each property type is provided in the chart below.

Chart 9.5 (a) Average Estimated Remaining Life - Buildings.



A detailed schedule of remaining useful lives is provided at Appendix B.

Condition assessments undertaken by the valuer have not been recorded against any formal condition assessment framework.

9.5.3 General Assets - Condition

As part of the external valuation of property assets the valuers inspected improvements to Shire Assets and estimated their remaining useful life based on the condition of the asset.

Asset condition data is unavailable for the majority of general assets.

9.0 ASSET INFORMATION

9.6 Asset Valuation

A schedule of valuation of assets is set out separately for each category of asset below.

9.6.1 Transport Assets – Valuation

The Shire maintains transport asset information within the ROMAN II asset inventory computer system. Utilising the dimension data held in ROMAN II along with unit rates provided by management, an estimated current replacement cost has been determined.

The table below provides a summary of the estimated current replacement cost of transport assets (where data has been available).

Table 9.6 (a) Estimated Current Replacement Costs

Asset Type	Length (m)	Area (m2)	Estimated Current Replacement Cost @ July 2013
Roads - Comprising			
-Subgrade Unformed	6,440	38,640	N/A
-Subgrade Formed	562,940	4,682,353	\$29,331,015
-Unsealed Pavement	374,773	3,083,205	\$21,733,747
-Sealed Pavement	38,827	321,325	\$2,965,185
-Seals	38,827	272,201	\$4,850,538
Total Roads	569,380	4,720,993	\$58,880,485
Kerbing	28,830	N/A	\$1,206,150
Footpaths	22,358	39,799	Not Available
Drainage	1,103,580	N/A	Not Available

Comment: A detailed breakdown of the values is provided at Appendix D. These values are a summary of the asset dimension data and unit rates stored within ROMAN II and have not been independently verified or assessed.

9.0 ASSET INFORMATION

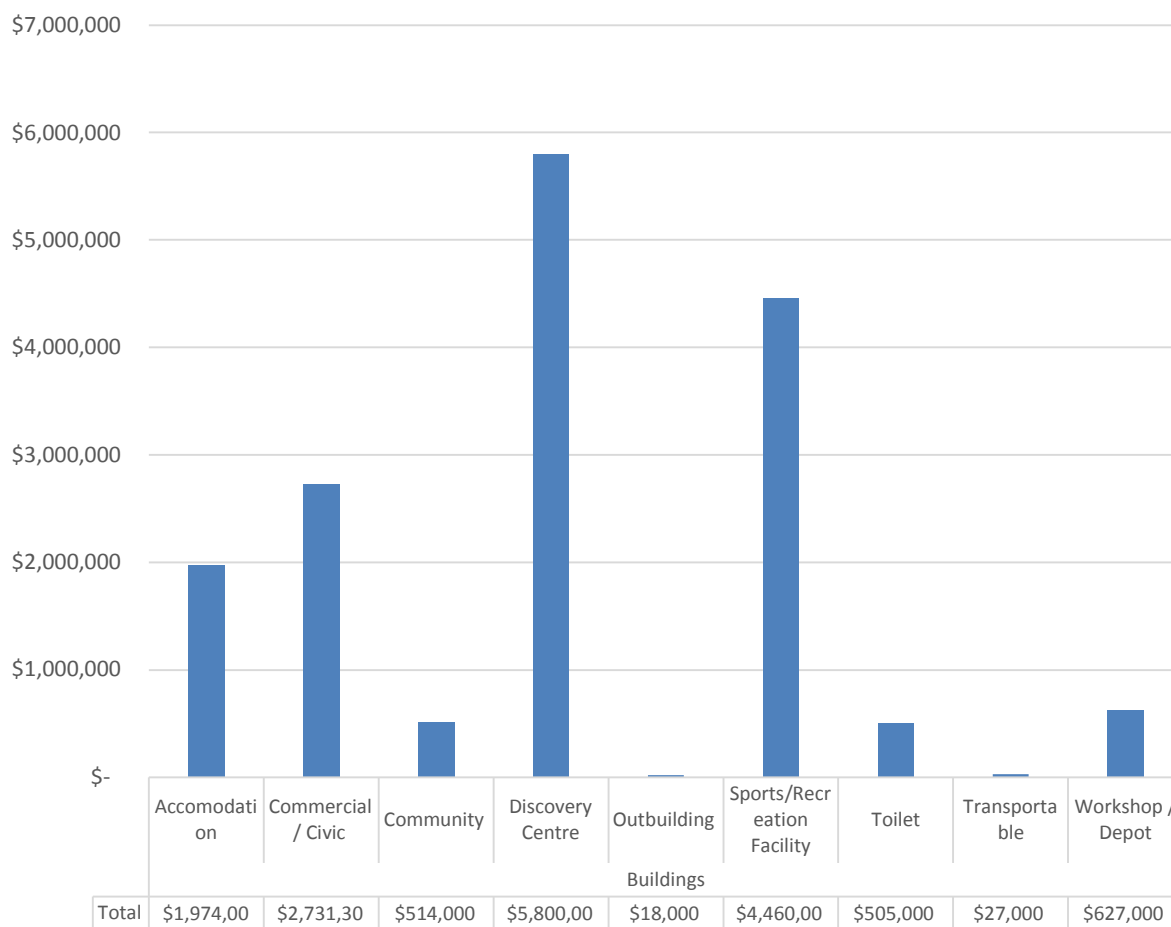
9.6.2 Property Assets - Valuation

Land and buildings were valued by independent professional valuers on 1 April 2012, based on an inspection of assets undertaken in March 2012. The valuation report contained the estimated remaining useful life, fair value (buildings only) reinstatement with new value and fair value (land only) for each property. The valuation report does not provide estimated replacement costs or renewal timings for property assets.

Fair value is defined as 'The amount for which an asset could be exchanged between knowledgeable, willing parties in an arms-length transaction.'⁷

A representation of the fair value for property assets in the valuation report is provided in the table below

Chart 9.6 (a) Fair Values as at September 2012



Comment: A detailed breakdown of the values is provided at Appendix B. The values in this asset management plan should not be relied on as a reproduction; rather, reliance should only be placed on the values contained within the independent valuation report after considering the content of the full report.

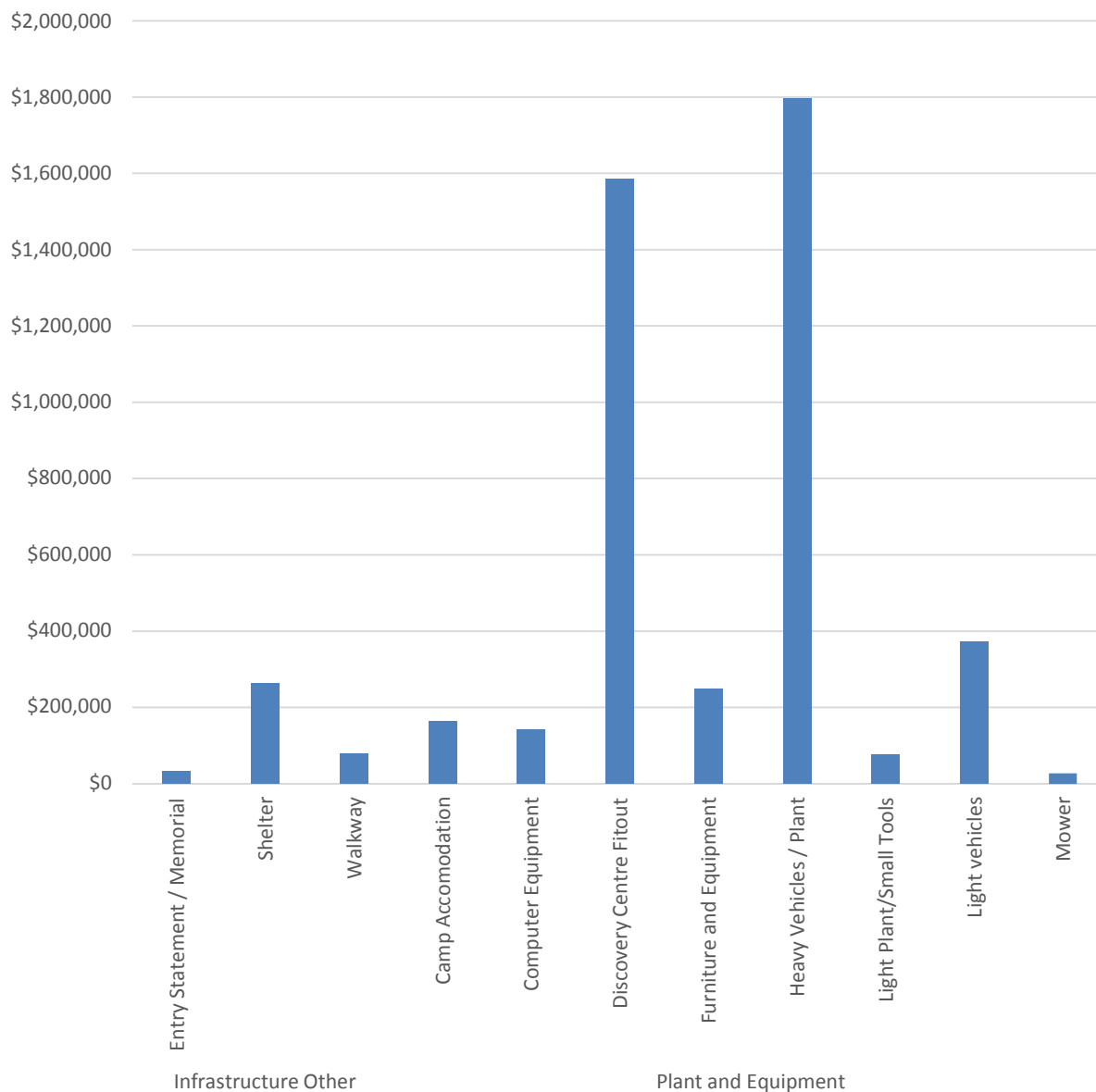
⁷ Australian Accounting Standards Board, AASB 116 Property, Plant and Equipment.

9.0 ASSET INFORMATION

9.6.3 General Assets - Valuation

Plant & Equipment, Vehicles/Mobile Plant and Furniture & Equipment were valued by management on 30 June 2013. The fair value of these assets at the 30 June 2013 is reflected in the chart below.

Chart 9.6 (a) Fair value of General Assets as at 30 June 2013.



Comment: A detailed breakdown of the values is provided at Appendix C. The values in this asset management plan should not be relied on as a reproduction; rather, reliance should only be placed on the values contained within the independent valuation report after considering the full report.

10.0 ASSET RENEWAL/REPLACEMENT

10.1 Renewal Standards and Specifications

Main Roads WA has standards and specifications for sealed roads which are followed when undertaking road renewals. Buildings are renewed in accordance with relevant legislation and building standards.

10.2 Projected Renewal Expenditure

Based on the information available, optimum renewal timings have been projected and renewal costs forecast for each group of assets as set out on the pages to follow.

10.2.1 Transport Assets – Renewal/Replacement

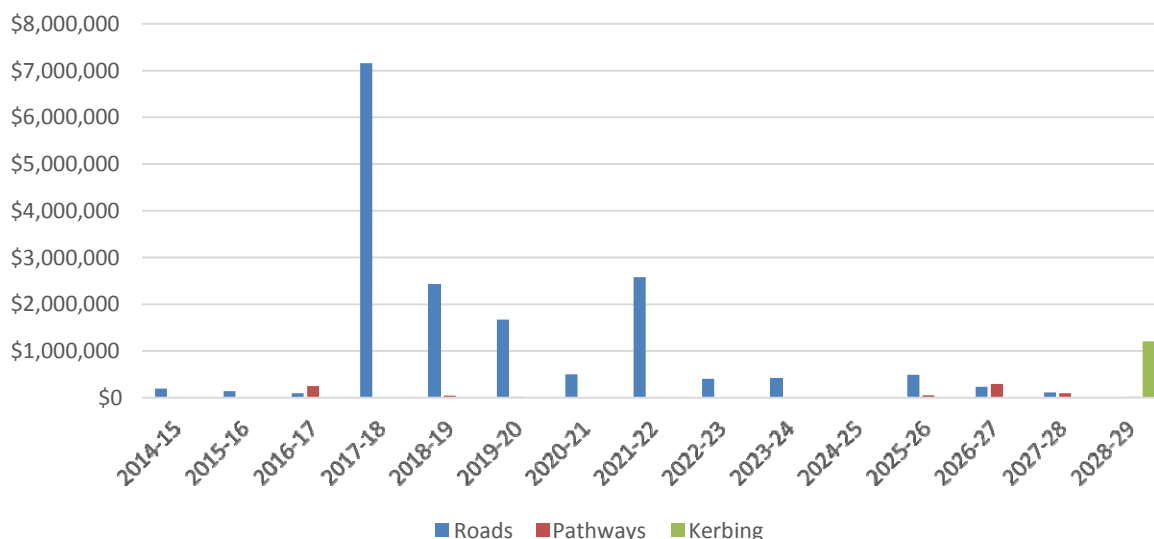
Current transport asset information is unable to provide any reliable indication of the timing of future renewal expenditure required to optimise the ‘whole of life’ cost of Shire assets. Asset age data is insufficient to provide an approximate indication of renewal timings with no current condition data available as an alternative indicator of the remaining economic life.

Optimum renewal intervals based on formal condition assessments results in annual variations in renewal expenditure due to timing differences. Condition information may also influence the frequency and extent of renewals undertaken as it is dependent on a number of variables such as maintenance levels, traffic loads, climatic conditions and materials utilised during construction.

Renewal costs, standard useful lives and residual values of Transport assets are based on the assumption in Section 18.0 of the Plan. These assumptions were used to estimate indicative future renewal costs but should not be relied upon for the purpose of an asset valuation.

By adding inflation of 3% to the estimated replacement costs included within the independent valuation report forecast road renewals forecast have been determined as set out below:

Chart 10.2 (a) Forecast Transport Renewal Expenditure



Of the \$7.1 million estimated to be renewed in 2018 renewal of the pavement layer on butchers track makes up 58% of the estimated cost.

10.2.2 Property Assets - Renewal/Replacement

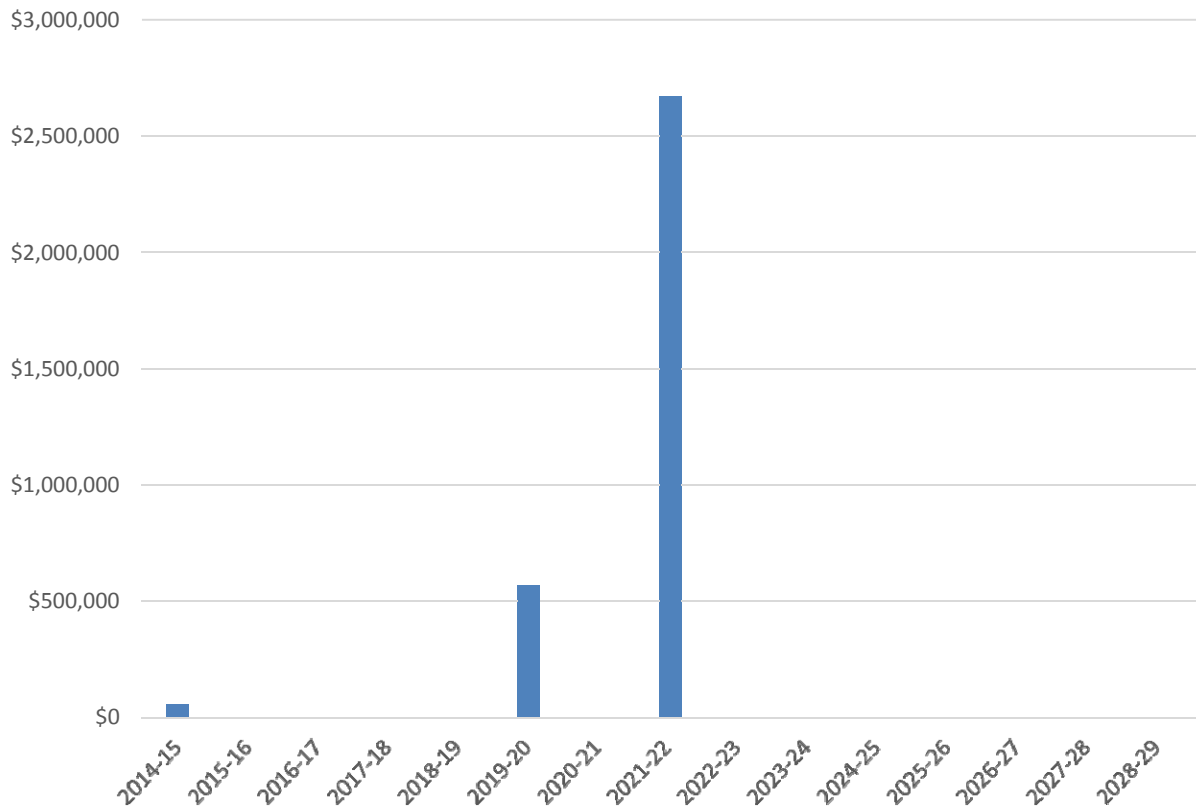
Using the estimated remaining useful life and the fair values provided in the independent valuation report (‘reinstatement with new’ values not provided), the timing and extent of future property renewals has been forecast and adjusted for inflation.

10.0 ASSET RENEWAL/REPLACEMENT

Based on the valuation report the bowling Club and a number of other small buildings are due for renewal the estimated cost of renewal of these buildings is \$1,744,660. These properties should be examined to estimate how long they will remain safe for use.

Forecast property renewals required within the next 15 years are reflected in the chart below.

Chart 10.2 (a) Forecast Property Renewal Expenditure



The peak in 2021-22 relates to the renewal of the renewal of the Aged Persons Units.

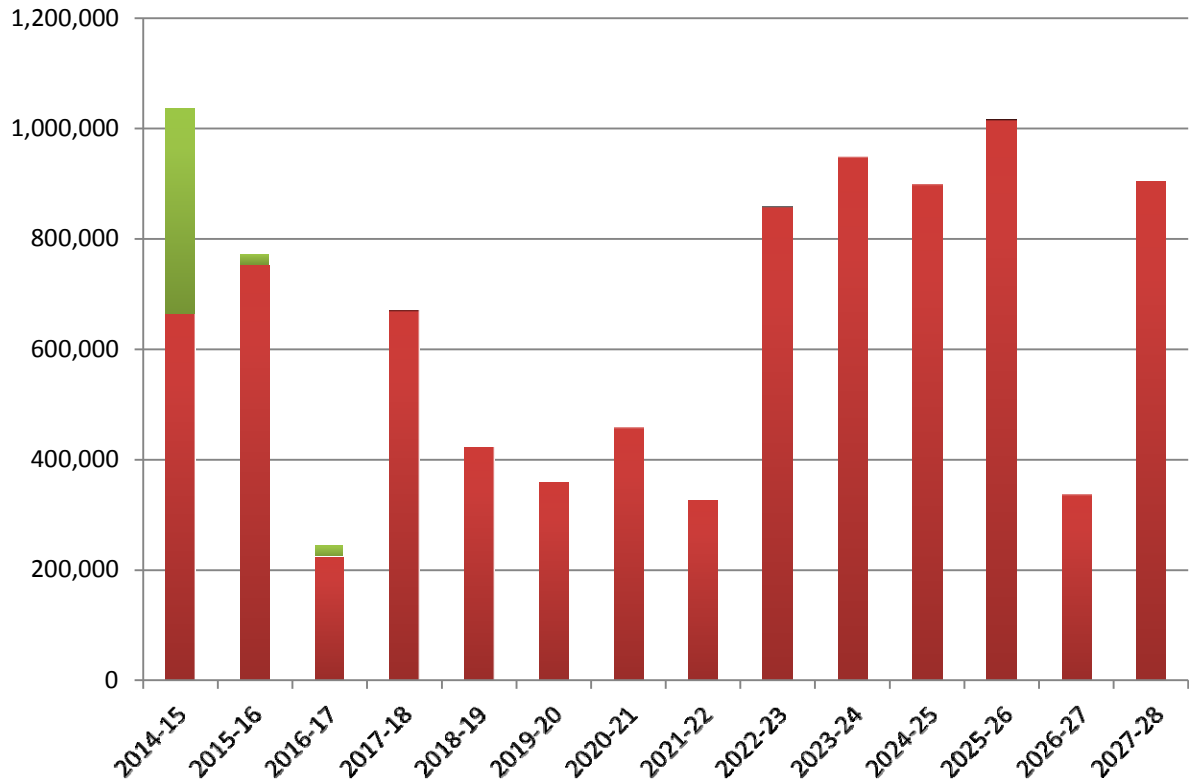
Use of property assets beyond optimum renewal timings may result in increased whole of life costs and increased risk of sudden unexpected asset failure, leading to a significant loss of service and an increase in unplanned expenditure or unsafe occupation of the building.

10.0 ASSET RENEWAL/REPLACEMENT

10.2.3 General Assets - Renewal/Replacement

Sufficient information is unavailable to estimate the required renewal timing for general assets. Funding is included within the Long Term Financial Plan for the renewal of General Assets as reflected in the Chart below.

Chart 10.2 (a) Forecast General Asset Renewal Expenditure per LTFP



Renewal of plant and equipment within the LTFP is based on a management determination of the useful life of each of the major items. Utilisation of plant and equipment beyond its optimum useful life increase the risk of sudden unexpected failure and may result in increased costs of operating the plant throughout its life.

11.0 NEW ASSETS/ASSET UPGRADES

11.1 New Assets Standards and Specifications

Main Roads WA has standards and specifications for sealed roads which are followed when constructing new road assets.

Standards and specifications for new assets and for upgrade/expansion of existing assets are determined on a project by project basis.

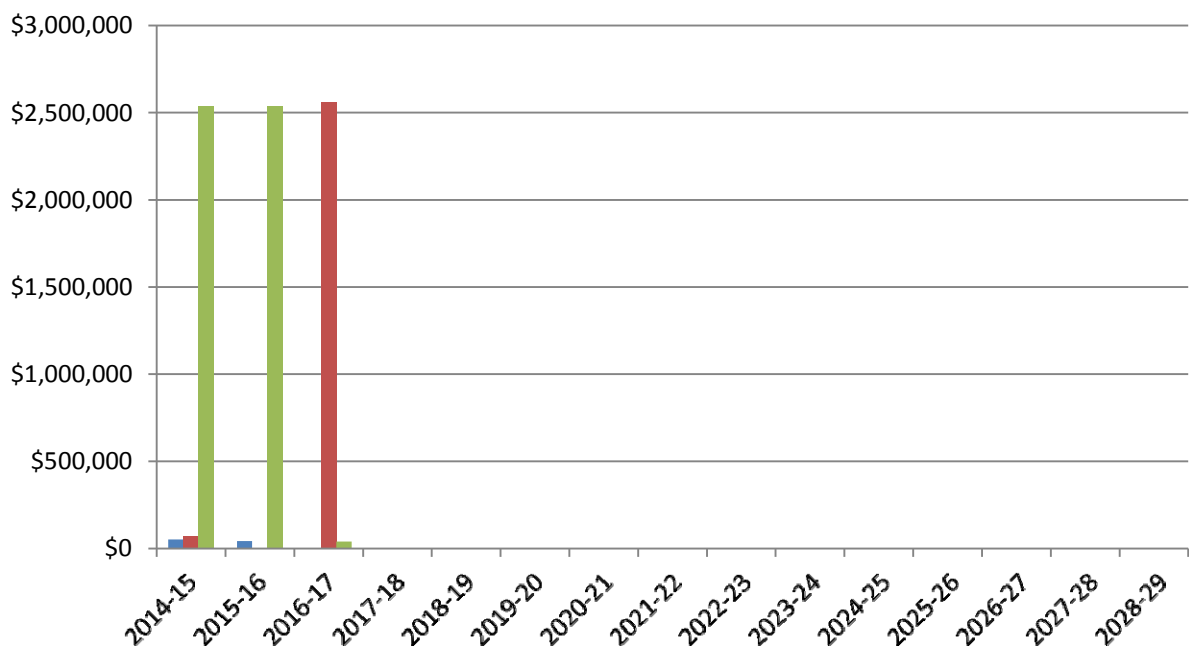
11.2 Planned new assets to increase level or service

New assets are planned based on the Shire's understanding of the level of service required by the community. Due to limits in financial capacity, new asset acquisitions are highly dependent on the receipt of grant funding.

11.2.1 New Assets/Asset Upgrades

The planned asset upgrade expenditure reflected in the figures shown in the chart below have been derived from the capital works program in the LTFP for the period from 2015 to 2025.

Chart 11.2 (a) Forecast New Asset Expenditure per LTFP



Details of the assets to be purchased are detailed in Appendix E.

12.0 ASSET DISPOSAL

An asset disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. Asset renewals or replacement, by their nature, comprise a disposal of assets. Where there are no forecast cashflow implications from the disposal of the asset the event has not been included in this Plan.

12.1.1 Transport Assets – Asset Disposal

Transport assets are not projected to be disposed of other than through their renewal or replacement.

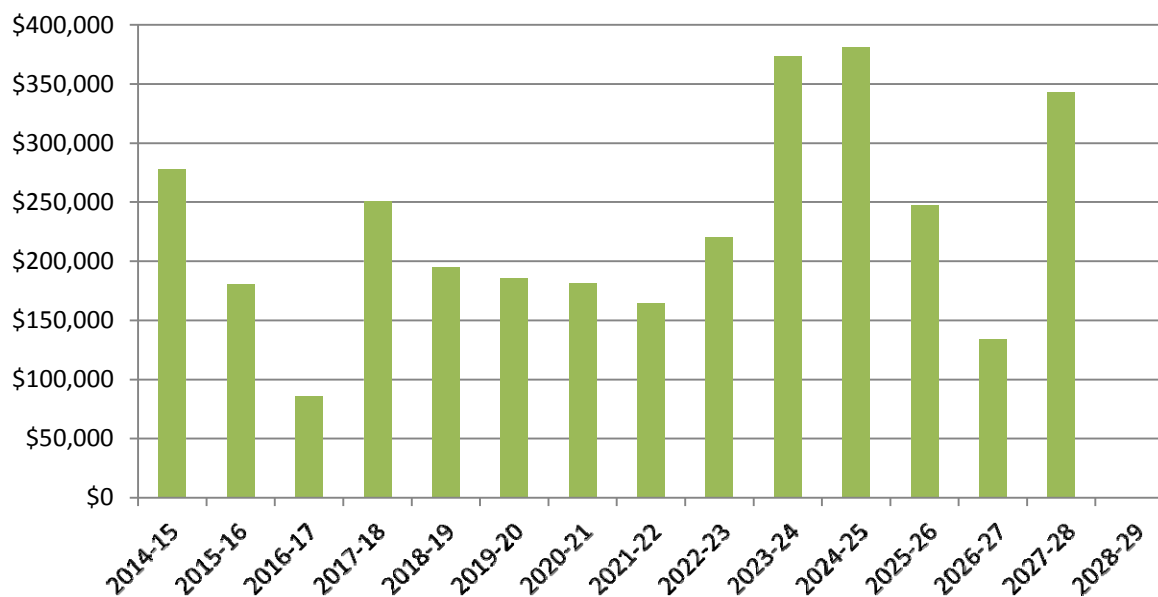
12.1.2 Property Assets – Asset Disposal

Property assets are not projected to be disposed of other than through their renewal or replacement.

12.1.3 General Assets – Asset Disposal

The replacement and renewal of plant and equipment is planned to result in receipt of funds to the Shire. The forecast proceeds on disposal of plant and equipment included within the long term financial plan are reflected in the chart below.

Chart 12.1 (a) Proceeds on disposal of General assets



The proceeds on disposal of assets will be utilised to fund the purchase of replacement assets with no assets currently planned for decommissioning.

13.0 ASSET MAINTENANCE AND OPERATIONS

Maintaining assets to provide services to the community requires the Shire to incur routine operational and asset maintenance expenditure. Operational and maintenance expenditure takes the form of a fixed cost and is independent of demand while other expenditure has a direct relationship to usage levels and as is harder to forecast.

In the absence of a detailed operational and maintenance assessment by individual asset, historical expenditure levels and trends are the only means to forecast operational and maintenance expenditure

13.1 Maintenance Standards and Specifications

According to Shire staff, no documented standards are utilised when maintaining assets.

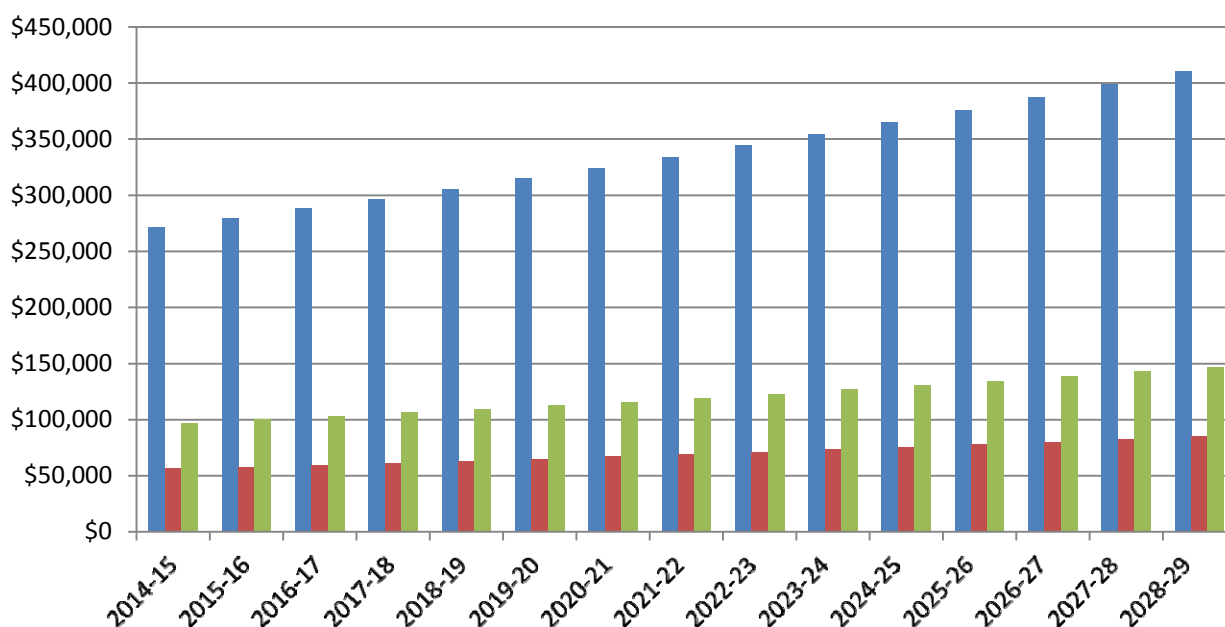
13.2 Projected Operations and Maintenance Expenditure

Maintenance and operations are funded from the Shire's operating budget.

Failure to undertake maintenance work on assets can result in sudden failure of the asset (or its components) with a consequential decrease in level of service. On occasions, decisions are made to defer the costs associated with the renewal of certain assets. This can result in a higher maintenance cost and 'whole of life' cost of the asset or an increase in the risk of sudden and complete failure of the asset.

Projected maintenance and operating costs included within the Long Term Financial Plan are based on existing maintenance levels with a factor for inflation and are presented in the chart below.

Chart 13.2 (a) Projected Asset Maintenance Costs



In the future, as the Shire obtains detailed condition information on assets and is more able to move to an optimised asset renewal program, projected maintenance expenditure may vary.

Maintenance of assets will continue to be a mix of planned usage based maintenance and reactive maintenance to breakdowns both funded from the operating budget.

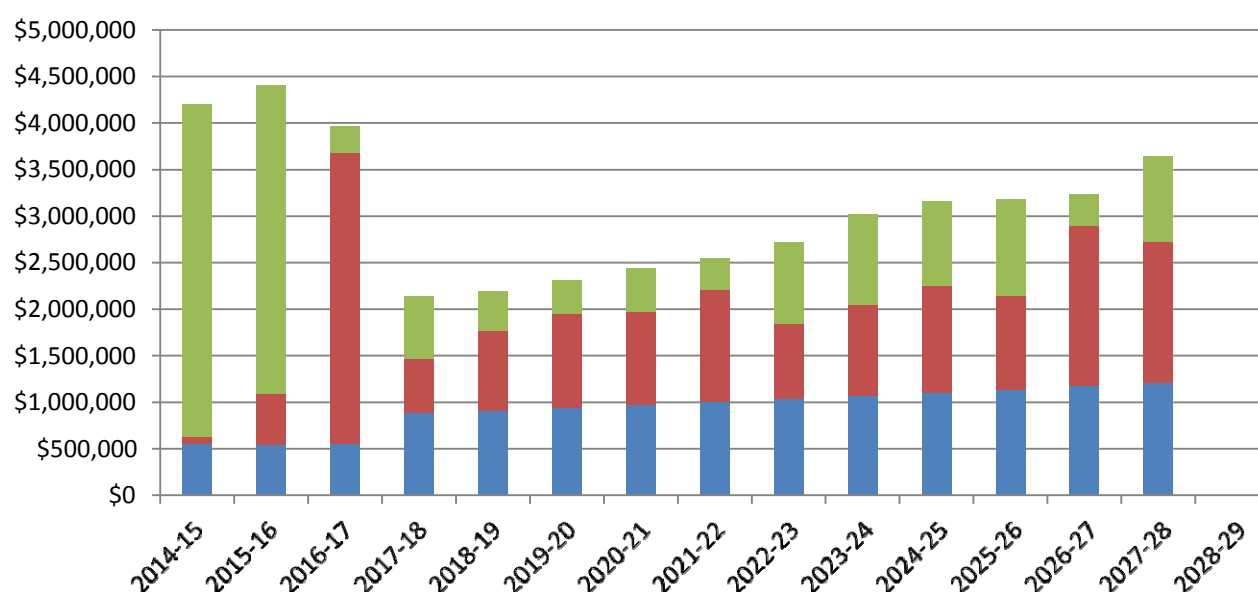
14.0 CASHFLOW INFORMATION

Most Shire assets generate limited or no cash flows from their operation. As a result the management of Shire assets is dependent on the receipt of significant external funding to finance the operation, maintenance, renewal, upgrade and purchase of new assets. For this reason, an understanding of the cash flow impacts of asset management decisions is important.

14.1 Funding Strategy

The future funding sources for new assets, asset replacement and renewal have been incorporated into the Shire's long term financial plan and are presented in the chart below.

Chart 14.1 (a) Forecast Total Asset Funding



For reference, the sources for the above funding are set out in the following table.

Year	Non-Operating Grant Funding	Municipal Funding - Capital	Proceeds on Disposal of Assets	Total
1 2014/2015	\$3,328,305	\$594,764	\$277,971	\$4,201,040
2 2015/2016	\$3,138,305	\$1,092,555	\$180,253	\$4,411,113
3 2016/2017	\$1,400,905	\$2,483,921	\$86,205	\$3,971,031
4 2017/2018	\$1,338,583	\$551,411	\$250,501	\$2,140,495
5 2018/2019	\$1,381,418	\$615,448	\$195,098	\$2,191,964
6 2019/2020	\$1,425,623	\$701,689	\$185,757	\$2,313,069
7 2020/2021	\$1,471,242	\$785,260	\$181,408	\$2,437,910
8 2021/2022	\$1,518,322	\$859,426	\$164,642	\$2,542,390
9 2022/2023	\$1,566,908	\$934,400	\$220,608	\$2,721,916
10 2023/2024	\$1,617,050	\$1,032,632	\$373,321	\$3,023,003
11 2024/2025	\$1,668,795	\$1,116,820	\$380,887	\$3,166,502
12 2025/2026	\$1,722,196	\$1,205,966	\$246,991	\$3,175,153
13 2026/2027	\$1,777,306	\$1,331,120	\$133,663	\$3,242,089
14 2027/2028	\$1,834,179	\$1,461,816	\$343,247	\$3,639,242
	\$25,189,137	\$14,767,228	\$3,220,552	\$43,176,917

14.0 CASHFLOW INFORMATION

Funding Gaps/Alternative delivery solutions

A high reliance on external grant funding for the purchase and renewal of major assets requires consideration of alternative service delivery solutions and strategies to address funding gaps should external grants not be received.

Table 14.2 (a) Forecast Funding Gap/(Surplus)

Year	Funding Per Long Term Financial Plan	Projected Optimum Total Asset Expenditure	Funding Gap/(Surplus)
2014/2015	\$1,540,640	\$257,348	(\$1,283,293)
2015/2016	\$1,828,783	\$141,914	(\$1,686,869)
2016/2017	\$1,368,881	\$376,335	(\$992,546)
2017/2018	\$2,140,495	\$7,819,911	\$5,679,416
2018/2019	\$2,191,964	\$2,787,154	\$595,190
2019/2020	\$2,313,069	\$2,602,689	\$289,620
2020/2021	\$2,437,910	\$595,483	(\$1,842,427)
2021/2022	\$2,542,390	\$6,495,811	\$3,953,421
2022/2023	\$2,721,916	\$518,561	(\$2,203,355)
2023/2024	\$3,023,003	\$553,737	(\$2,469,266)
2024/2025	\$3,166,502	\$9,434	(\$3,157,068)
2025/2026	\$3,175,153	\$753,032	(\$2,422,121)
2026/2027	\$3,242,089	\$1,386,076	(\$1,856,013)
2027/2028	\$3,639,242	\$299,387	(\$3,339,855)
Total	\$35,332,037	\$24,596,873	(\$10,735,164)

Each major asset will need to be considered on a case by case basis. Unless alternative funding sources are available to the Shire, consideration of one or more of the following alternatives will be required:

- Delayed acquisition of new assets;
- Decrease in level of service for existing assets not renewed; and
- Increased lifecycle cost of providing the existing level of service through continued maintenance of an asset beyond its best economic life.

Should a funding gap arise, in most cases the continued operation of assets beyond their best economic life will be selected, provided it is safe and affordable to do so.

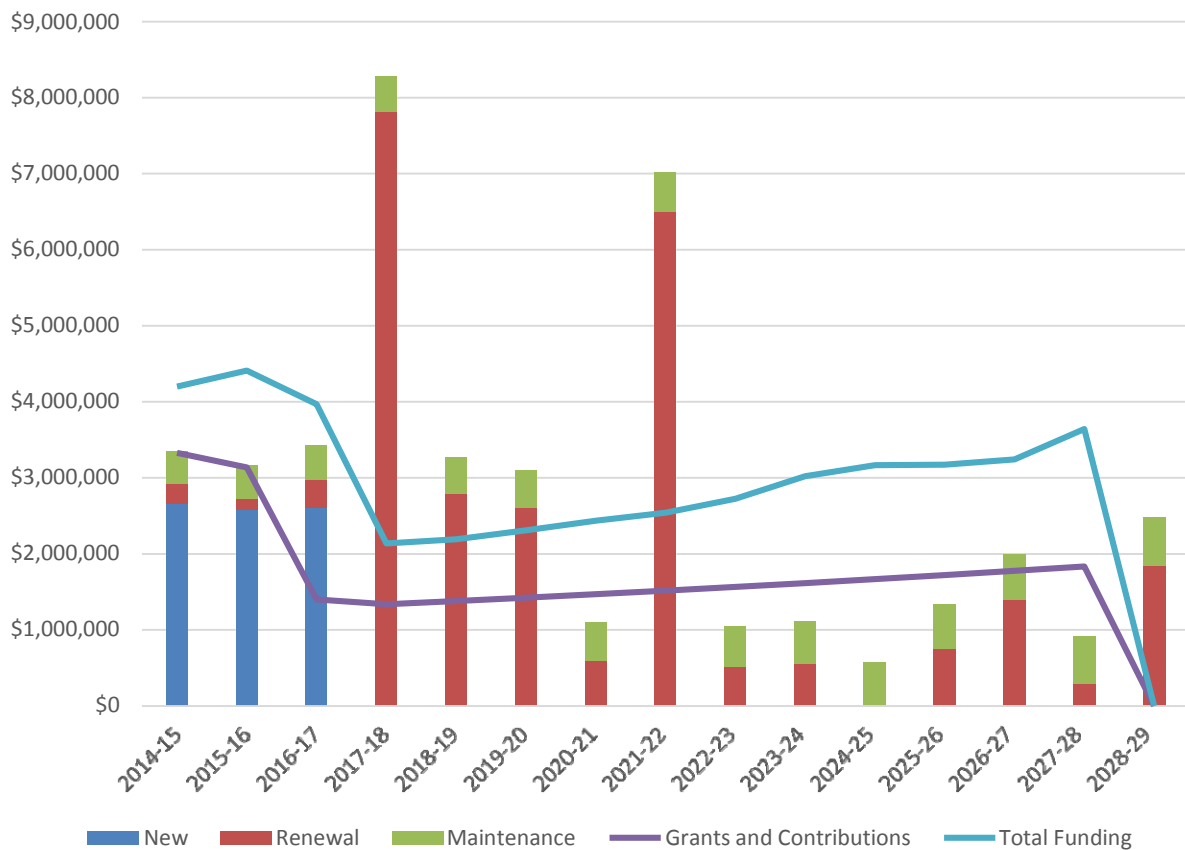
14.0 CASHFLOW INFORMATION

14.2 Projected Expenditure and Projected Funding

Financial projections have been developed using the data sources previously outlined in this Plan. The accuracy and reliability of these projections will be improved as further information becomes available on the desired levels of service and the current and projected future asset performance.

The bars in the chart below reflect the forecast asset expenditure and the stacked lines show the associated funding within the long term financial plan.

Chart 14.2 (a) Forecast Total Asset Expenditure and funding within the LTFP



As knowledge of future asset expenditure improves the differences between the funding available for asset expenditure included within the Long Term Financial Plan and the required asset expenditure is able to be minimised.

14.0 CASHFLOW INFORMATION

14.2 Projected Expenditure and Projected Funding (Continued)

The table below reflects the forecast total asset expenditure and funding supporting the chart on the previous page.

TOTAL ASSETS					
	Year	Maintenance	Renewal	New	Total
1	2014-15	\$424,950	\$257,348	\$2,660,400	\$3,342,697
2	2015-16	\$437,698	\$141,914	\$2,582,330	\$3,161,943
3	2016-17	\$450,829	\$376,335	\$2,602,150	\$3,429,314
4	2017-18	\$464,354	\$7,819,911	\$0	\$8,284,265
5	2018-19	\$478,285	\$2,787,154	\$0	\$3,265,439
6	2019-20	\$492,633	\$2,602,689	\$0	\$3,095,322
7	2020-21	\$507,412	\$595,483	\$0	\$1,102,896
8	2021-22	\$522,634	\$6,495,811	\$0	\$7,018,446
9	2022-23	\$538,313	\$518,561	\$0	\$1,056,875
10	2023-24	\$554,463	\$553,737	\$0	\$1,108,200
11	2024-25	\$571,097	\$9,434	\$0	\$580,531
12	2025-26	\$588,230	\$588,230	\$0	\$1,341,261
13	2026-27	\$605,877	\$605,877	\$0	\$1,991,953
14	2027-28	\$624,053	\$624,053	\$0	\$923,440
15	2028-29	\$642,774	\$642,774	\$0	\$2,489,647
		\$7,903,602	\$26,443,745	\$7,844,880	\$42,192,226

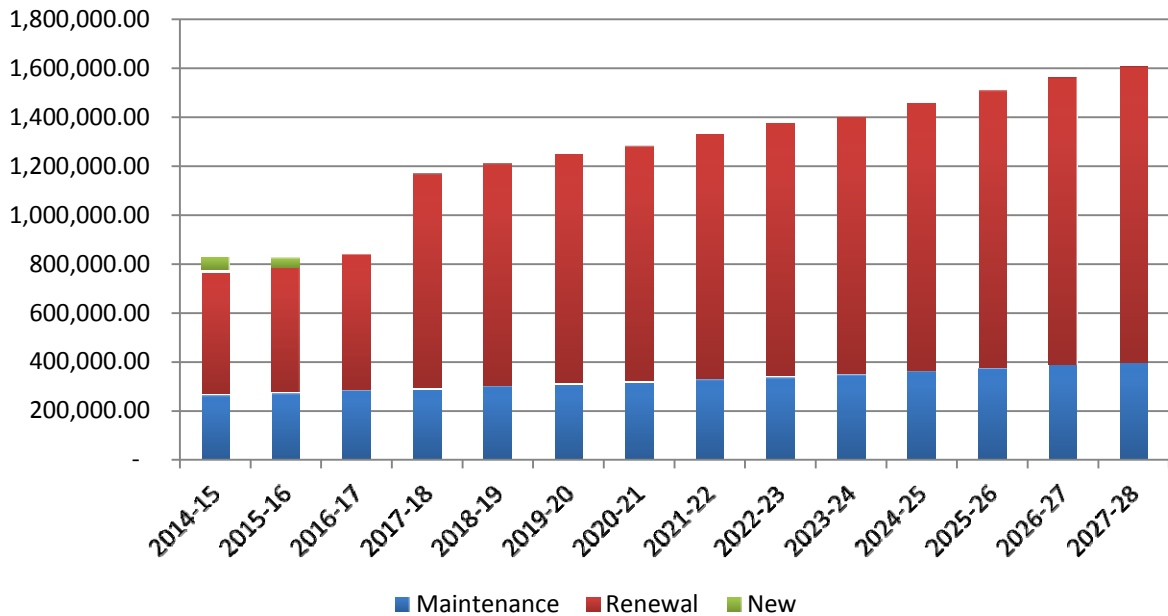
The maintenance, renewal and new asset financial projections for each asset group are considered separately on the following pages, with supporting tables of projected expenditure by asset class provided at Appendix A.

14.0 CASHFLOW INFORMATION

14.2.1 Transport Assets

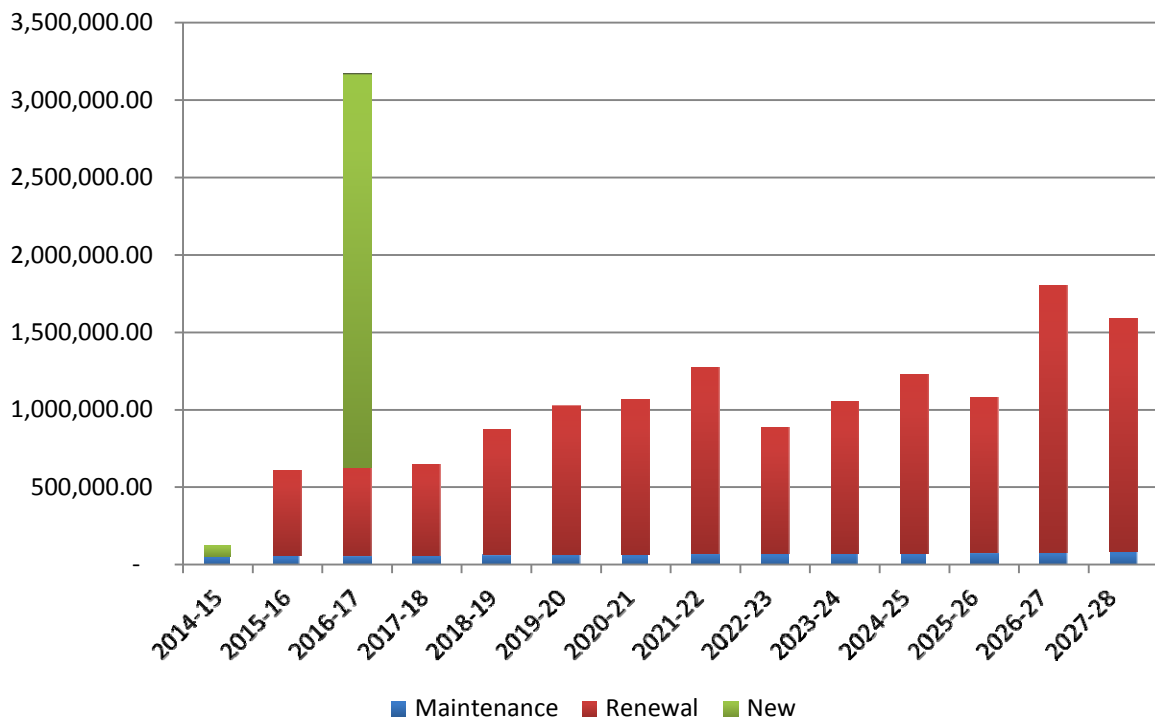
The financial information shown in the charts below relates to projected operating and capital expenditure (maintenance/renewal of assets), net disposal expenditure and estimated budget funding included within the long term financial plan (assuming inflation of 3% per annum).

Chart 14.2 (a) Projected Transport Assets Future Expenditure per LTFP



14.2.2 Property Assets

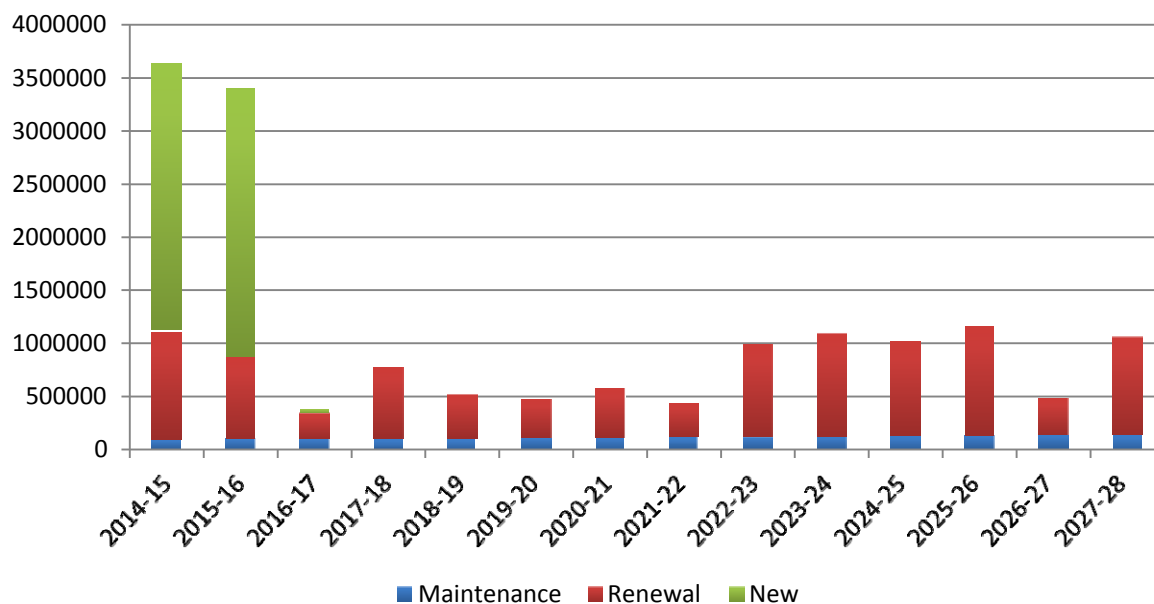
Chart 14.2 (a) Projected Building Assets Future Expenditure per LTFP



14.0 CASHFLOW INFORMATION

14.2.3 General Assets

Chart 14.2 (c) General Asset Future Renewal Expenditure per LTFP



14.3 Valuation Forecasts

The current replacement cost of assets are forecast to increase due to inflation and the routine revaluation of assets. Marginal increases will also occur through the addition of new assets and upgrades to existing assets.

15.0 ASSET GOVERNANCE AND MANAGEMENT MECHANISMS

15.1 Capital Investment Decision Process

Guided by the Shire's Strategic Community Plan through the Corporate Business Plan decisions to invest in new Capital and to renew existing assets will be made after consideration of the following items:

- "Whole of life" costs of the asset;
- Risks assessment of the asset to be purchased;
- Funding availability and conditions;
- Changes to service levels; and
- Ability of the asset to meet future demand.

15.2 Internal Asset Management Process

Accounting/financial systems form the principal reporting mechanism for past transactions undertaken by the Shire. All asset maintenance and expenditure is recorded within the accounting/financial system for statutory reporting purposes.

The Shire utilises Synergysoft as the central accounting/financial reporting system. The software includes an asset register module used for maintenance of an asset inventory. The asset register contains expenditure information for each asset and detailed inventory information is maintained by Shire staff.

The software systems in use are viewed as appropriate to meet the current requirements of the Shire.

15.3 Accountabilities for Financial and Asset Systems

The Chief Executive Officer is responsible for the financial management of the Shire in terms of the Local Government Act 1995. Currently the Deputy Chief Executive Officer is responsible for asset management systems and the associated data.

15.4 Accounting Standards and Regulations

The Shire of Shark Bay prepares a general purpose Annual Financial Report in accordance with Australian Accounting Standards and the Local Government Act 1995. In the preparation of Annual Financial Statements a capitalisation threshold of \$1,000 is used for equipment with assets under this value being expensed.

15.5 Linkage from Asset Management to other Strategic Plans

The asset management system is not directly linked to the financial system. The projected expenditures derived from the system are considered as input into the development of the long term financial plan. Available future funding levels derived from the long term financial plan are utilised within the asset management system to identify funding gaps requiring consideration in the asset management plan.

Workforce implications of changes in service level are considered where necessary and captured within the Workforce Plan. At present no changes in the workforce are expected as a result of this Plan.

16.0 MONITORING AND REVIEW

16.1 Monitoring

The Council will routinely monitor progress in implementing the improvement plan. The implementation of asset management plans will be monitored through the annual reporting of KPI's in conjunction with reporting the Shires' overall performance in achieving the objectives set out in its Corporate Business Plan.

How the Shire is meeting the objectives of the Strategic Community Plan will be undertaken by reporting performance to the community through the Annual Report.

16.2 Review

This Plan will be reviewed annually and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of the budget.

The Plan should be subject to a major review as soon as up to date condition information is available or within 4 years, whichever is the sooner.

17.0 ASSET MANAGEMENT IMPROVEMENT PLAN

17.1 Asset Management Systems Improvement Plan

An essential element of asset management is the planned process of continuous improvement of all its components. The asset management improvement plan that follows is segregated into two areas, the first dealing with asset management systems as presented in the table below, and the second being an asset data improvement plan presented in the table on the subsequent page.

Table 17.1 (a) Asset Management Systems Improvement Plan

Item	Task	Responsibility
1	The Asset Management Policy be presented to the Council for adoption.	Council
2	The Asset Management Strategy be adopted by the Executive as the basis for implementation of the Asset Management Policy after consideration of the current and future resourcing constraints.	Executive
3	The Asset Management Plan be presented to the Council for adoption.	Council
4	Future long term financial plans be prepared following consideration of the output of the asset management plans for each class of asset.	Executive
5	A level of service review is undertaken using a process of defining, quantifying and documenting current community levels of service and technical levels of service and associated costs.	Executive
6	The Shire form a cross functional asset management working group tasked primarily with the implementation of asset management within the organisation with the goal of significantly improving the governance and management arrangements in relation to asset management.	Executive
7	The Shire establishes systems and procedures to update and maintain property asset information. Following the availability of base data, a data improvement program should be implemented to improve the quality of asset data and close identified data gaps.	Asset Management Working Group
8	A coordinated asset management process implementation across all Departments be developed and the topic of asset management be included in all new staff and elected member induction programs.	Executive
9	The Shire conduct an annual evaluation of its asset management program including planning, processes and sustainability and prepares the following performance measures, consumption ratio, asset renewal funding ratio and asset sustainability ratio to assist with this evaluation process.	Council
10	The Shire link the Annual Report with asset management by reporting on short and long-term service delivery levels in the Annual Report each year.	Council

17.0 ASSET MANAGEMENT IMPROVEMENT PLAN

17.2 Asset Data Improvement Plan

Further improvement to the data used in the formation of this Plan is required to progress the quality of future revision. These data improvements are summarised below in Table 18.2 (a).

Table 17.2 (a) Data Improvement Plan

Item	Infrastructure Data Improvement Tasks
1	Inspection Dates and Condition Information: <ul style="list-style-type: none">a. Conduct a condition assessment of assets including measurement of sub components to improve the accuracy of the projected timeline for subcomponent renewals to prevent sudden major failure of major subcomponents; andb. Update the asset inventory records with current measurement, condition and inspection date.
2	Unit Rates: <ul style="list-style-type: none">a. Document the assumptions underlying unit rates considering renewal of existing assets (Brownfields) rather than construction of assets in pristine situation (Greenfields). Document the construction standard such as type of materials and quality of finishing's to ensure the rates used are in accord with the level of service provided by the asset; andb. Establish a process to routinely review unit rates to reflect current replacement costs and current renewal costs.
3	Useful Lives of Assets: <ul style="list-style-type: none">a. Clarify the definitions of useful lives to reflect Levels of Service: i.e. the length of time assets can be allowed to deteriorate until requiring renewal or replacement by new assets; andb. Review useful lives to reflect current practices and distinguishing between<ul style="list-style-type: none">i) renewal (replacement) frequency; andii) maintenance frequency (actions on the assets which allow them to reach their useful lives).
4	Expiry Dates and residual values: <ul style="list-style-type: none">a. Calculate the optimum expiry date of each asset sub component from the asset condition and inspection date;b. Use a sample of assets in each asset class with a range of conditions and inspection dates to determine the optimum remaining life useful and residual value of each asset;c. Use the correlation between conditions and remaining lives in the sample to determine a relationship between condition and remaining useful life for all assets;d. Apply the above relationship to the asset register and derive renewal dates (expiry dates) for all assets; ande. Use the total useful lives to calculate a deemed construction date for components where the construction date is unknown by subtracting the useful life from the expiry date.
5	Level of Service <ul style="list-style-type: none">a. Quantify current community level of service expectations and current performance measures; andb. Quantify technical level of service specifications and current performance measures.

18.0 ASSUMPTIONS

Various key assumptions have been used in the process of preparing expenditure forecasts and forecast asset replacement costs, the required operating and capital expenditure and asset carrying amounts. These assumptions are presented below. It is important to understand the limiting impact they may have on the accuracy of the data presented in this Plan.

18.1 Key Assumptions

Key assumptions made in this Plan are:

- Projections are based on local operating knowledge and expected budgets;
- Estimated replacement costs are based on 2013 base prices with no allowance for inflation;
- Forecast renewal expenditure is based on estimated entry costs (costs of acquiring assets);
- Forecast renewal costs and current replacement costs may differ from the fair value of the asset;
- Average useful life estimates are based on current local knowledge, historical trends understanding of construction techniques utilised. These estimates may be significantly varied following access to new condition assessment data;
- Maintenance and operational forecasts are based on available current expenditure levels and percentage of replacement cost information; and
- Assets will be sufficiently protected through routine maintenance to prevent damage and loss of property.

Current replacement costs, estimated economic life and residual value estimates utilised in this plan are presented in the table below.

Table 18.1 (a) Road Assets Life and Replacement Costs

Asset type	Construction Rates	Estimated Economic Life	Residual Value
Subgrade Unformed or Private	\$0.00 / m2	N/A	100%
Subgrade Access Road	\$5.00 / m2	N/A	100%
Subgrade Distributor Road	\$5.00 / m2	N/A	100%
Unpaved or Private	\$0.00 / m2	N/A	100%
Sealed Access Pavement	\$9.00 / m2	20 Years	10%
Sealed Distributor Pavement	\$9.00 / m2	20 Years	10%
Unsealed Access Pavement	\$7.00 / m2	5 Years	10%
Unsealed Distributor Pavement	\$7.00 / m2	5 Years	10%
Asphalt Access Surface	\$38.00 / m2	20 Years	0%
Unsealed or Private Surface	\$0.00 / m2	N/A	100%
Double Seal Access Surface	\$14 / m2	9 Years	0%
Single Seal Access Surface	\$10 / m2	5 Years	0%
Double Seal Distributor Surface	\$14 / m2	9 Years	0%
Single Seal Distributor Surface	\$10 / m2	5 Years	0%
SW Channel – Kerbs (all types)	\$42.50 each	30 Years	0%
SW Channel – Other	\$0.00 each	N/A	N/A

19.0 REFERENCES

- Shire of Shark Bay 10+ Year Strategic Plan 2011 (Reviewed April 2013)*, Shire of Shark Bay.
- Shire of Shark Bay, *Annual Budget 2013/2014*, Shire of Shark Bay.
- Shire of Shark Bay, *Long Term Financial Plan 2013 - 2028*, Shire of Shark Bay.
- DLG, 2011, *Asset Management Framework and Guidelines*, Department of Local Government, Perth
- DVC, 2006, *Asset Investment Guidelines*, Glossary, Department for Victorian Communities, Local Government Victoria, Melbourne,
<http://www.dpcd.vic.gov.au/localgovernment/publications-and-research/asset-management-and-financial>.
- IPWEA, 2006, *International Infrastructure Management Manual*, Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au.
- IPWEA, 2008, *NAMS.PLUS Asset Management* Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/namsplus
- IPWEA, 2009, *Australian Infrastructure Financial Management Guidelines*, Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/AIFMG.
- IPWEA, 2011, *Asset Management for Small, Rural or Remote Communities* Practice Note, Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/AM4SRRC.
- IPWEA, 2011, *International Infrastructure Management Manual*, Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au

20.0 APPENDICES

APPENDIX A: ASSET EXPENDITURE

Transport Assets

	Year	Maintenance	Renewal	New	Total
1	2014/2015	\$3,877,346	\$619,199	\$2,659,214	\$7,155,759
2	2015/2016	\$409,583	\$56,307	\$543,414	\$1,009,304
3	2016/2017	\$417,082	\$450,145	\$529,000	\$1,396,227
4	2017/2018	\$427,343	\$1,627,367	\$529,000	\$2,583,710
5	2018/2019	\$437,238	\$1,675,503	\$529,000	\$2,641,741
6	2019/2020	\$448,615	\$730,757	\$529,000	\$1,708,372
7	2020/2021	\$461,411	\$229,851	\$529,000	\$1,220,262
8	2021/2022	\$475,091	\$163,943	\$529,000	\$1,168,034
9	2022/2023	\$487,350	\$319,034	\$529,000	\$1,335,384
10	2023/2024	\$501,105	\$696,792	\$529,000	\$1,726,897
11	2024/2025	\$492,877	\$2,236,886	\$529,000	\$3,258,763
12	2025/2026	\$507,664	\$1,313,525	\$0	\$1,821,189
13	2026/2027	\$522,893	\$81,445	\$0	\$604,338
14	2027/2028	\$538,580	\$4,455	\$0	\$543,035
15	2028/2029	\$554,738	\$377,469	\$0	\$932,207
		\$10,558,915	\$10,582,678	\$7,963,628	\$29,105,221

Property Assets

	Year	Maintenance	Renewal	New	Total
1	2014/2015	\$782,701	\$15,000	\$10,888,000	\$11,685,701
2	2015/2016	\$781,944	\$0	\$23,295,040	\$24,076,984
3	2016/2017	\$833,641	\$753,239	\$1,552,141	\$3,139,021
4	2017/2018	\$852,219	\$81,955	\$274,305	\$1,208,479
5	2018/2019	\$875,051	\$0	\$5,280,535	\$6,155,586
6	2019/2020	\$899,955	\$57,964	\$628,831	\$1,586,750
7	2020/2021	\$926,610	\$0	\$281,196	\$1,207,806
8	2021/2022	\$954,730	\$402,784	\$283,631	\$1,641,145
9	2022/2023	\$981,550	\$0	\$286,140	\$1,267,690
10	2023/2024	\$1,010,595	\$0	\$292,725	\$1,303,320
11	2024/2025	\$1,020,251	\$0	\$292,725	\$1,312,976
12	2025/2026	\$1,050,858	\$20,764	\$0	\$1,071,622
13	2026/2027	\$1,082,384	\$0	\$0	\$1,082,384
14	2027/2028	\$1,114,855	\$5,146,997	\$0	\$6,261,852
15	2028/2029	\$1,148,301	\$0	\$0	\$1,148,301
		\$14,315,645	\$6,478,703	\$43,355,269	\$64,149,617

20.0 APPENDICES

APPENDIX A: ASSET EXPENDITURE

General Assets					
	Year	Maintenance	Renewal	New	Total
1	2014/2015	\$1,436,035	\$123,450	\$3,041,050	\$3,164,500
2	2015/2016	\$1,529,881	\$84,631	\$1,811,881	\$1,896,512
3	2016/2017	\$1,616,888	\$262,599	\$2,608,888	\$2,871,487
4	2017/2018	\$1,592,435	\$405,664	\$1,649,435	\$2,055,099
5	2018/2019	\$1,628,601	\$74,658	\$1,760,601	\$1,835,259
6	2019/2020	\$1,670,803	\$153,504	\$4,462,803	\$4,616,307
7	2020/2021	\$1,718,396	\$373,994	\$1,885,396	\$2,259,390
8	2021/2022	\$1,769,625	\$455,325	\$1,801,625	\$2,256,950
9	2022/2023	\$1,874,737	\$391,103	\$2,291,737	\$2,682,840
10	2023/2024	\$1,866,065	\$487,583	\$1,898,065	\$2,385,648
11	2024/2025	\$1,834,070	\$2,903,117	\$1,866,070	\$4,769,187
12	2025/2026	\$1,889,092	\$1,015,870	\$1,889,092	\$2,904,962
13	2026/2027	\$1,945,764	\$863,792	\$1,945,764	\$2,809,556
14	2027/2028	\$2,004,137	\$608,900	\$2,004,137	\$2,613,037
15	2028/2029	\$2,064,262	\$92,174	\$2,064,262	\$2,156,436
		\$26,440,791	\$8,296,364	\$32,980,806	\$41,277,170

The information below is presented to assist in calculation of the Asset Renewal Funding Ratio.

Total Assets					
	Year	Maintenance	Renewal	New	Total
1	2014/2015	\$6,096,081	\$757,649	\$15,152,229	\$22,005,959
2	2015/2016	\$2,721,408	\$140,938	\$24,120,454	\$26,982,800
3	2016/2017	\$2,867,610	\$1,465,983	\$3,073,141	\$7,406,734
4	2017/2018	\$2,871,997	\$2,114,986	\$860,305	\$5,847,288
5	2018/2019	\$2,940,889	\$1,750,161	\$5,941,535	\$10,632,585
6	2019/2020	\$3,019,373	\$942,225	\$3,949,831	\$7,911,429
7	2020/2021	\$3,106,417	\$603,845	\$977,196	\$4,687,458
8	2021/2022	\$3,199,446	\$1,022,052	\$844,631	\$5,066,129
9	2022/2023	\$3,343,637	\$710,137	\$1,232,140	\$5,285,914
10	2023/2024	\$3,377,766	\$1,184,375	\$853,725	\$5,415,866
11	2024/2025	\$3,347,198	\$5,140,003	\$853,725	\$9,340,926
12	2025/2026	\$3,447,613	\$2,350,159	\$0	\$5,797,772
13	2026/2027	\$3,551,042	\$945,237	\$0	\$4,496,279
14	2027/2028	\$3,657,573	\$5,760,352	\$0	\$9,417,925
15	2028/2029	\$3,767,300	\$469,643	\$0	\$4,236,943
		\$51,315,351	\$25,357,745	\$57,858,912	\$134,532,008

20.0 APPENDICES

APPENDIX B: PROPERTY ASSETS USEFUL LIFE AND VALUES

Asset Type	Primary Description	No. of assets	Useful Life	Sum of Fair Value (FV)
Accommodation	ACC Residence	40	560,000	355,000
	Aged Persons Units Garage	28	185,000	90,000
	CEO Residence	40	625,000	380,000
	Eileen Grantham Wing Aged Persons Units 8-10	10	615,000	105,000
	FAM Residence	40	525,000	355,000
	Gwen McCleary Wing Aged Persons Units 1-4	10	740,000	129,000
	Maxine Shaw Wing Aged Persons Units 11-13	10	590,000	100,000
	MRS Residence	40	515,000	350,000
	Stella Rowley Wing Aged Persons Units 5-7	10	645,000	110,000
Accommodation Total		228	5,000,000	1,974,000
Commercial/Civic	Ambulance Depot	25	190,000	84,000
	Hall and Chambers	25	1,540,000	680,000
	McCleary's Commercial Buildings	40	2,000,000	1,300,000
	Mortuary	25	25,000	11,000
	Old Police Building	50	710,000	629,000
	Old Police Building (Old Gaol)	1	17,000	300
	Old Police Building (Stables)	2	60,000	2,000
	State Emergency Centre Garage	30	40,000	25,000
Commercial/Civic Total		198	4,582,000	2,731,300
Community	Community Centre (Old Hospital)	25	600,000	260,000
	Overlander Community Centre	20	765,000	254,000
Community Total		45	1,365,000	514,000
Discovery Centre	Heritage Discovery Centre	45	9,500,000	5,800,000
Discovery Centre Total		45	9,500,000	5,800,000
Outbuilding	Out Building	25	10,000	3,000
	Shed	10	55,000	15,000
Outbuilding Total		35	65,000	18,000
Sports/Recreation Facility	Bowling Club	0	1,640,000	
	Greenkeepers Shed	0	20,000	
	Recreation Centre	50	5,210,000	4,460,000
Sports/Recreation Facility Total		50	6,870,000	4,460,000
Toilet	Eco Toilets Carpark	25	90,000	68,000
	Eco Toilets Middle	25	90,000	68,000
	Toilet Block	105	662,000	369,000
Toilet Total		155	842,000	505,000
Transportable	Denham Refuse Site	20	200,000	20,000
	Transportable	11	75,000	7,000
Transportable Total		31	275,000	27,000
Workshop/Depot	Depot Storage Shed	45	490,000	390,000
	Depot Temporary Gymnasium	45	205,000	160,000
	Depot Workshop Shed	8	565,000	77,000
	Mechanics Bay	0	60,000	
Workshop/Depot Total		98	1,320,000	627,000
BUILDINGS TOTAL		885	29,819,000	16,656,300

20.0 APPENDICES

APPENDIX C: GENERAL ASSETS REMAINING USEFUL LIFE AND VALUES

Asset Type	Primary Description	Sum of Remaining Useful Life (RUL)	Sum of Replacement Cost (RC)	Sum of Fair Value (FV)
Other Infrastructure				
Communications				
	Satelite Dish		105,000	
Communications Total			105,000	
Entry Statement/Memorial				
	Cemetery Memorial Wall		30,000	
	Entrance Statement		90,000	
	Lugger		55,000	
	Overlander Entrance Statement North	15	50,000	16,000
	Overlander Entrance Statement South	15	50,000	16,000
	Pioneer Park Memorial		90,000	
	Tourist Information Bay		40,000	
	Cemetery Memorial Wall		30,000	
Entry Statement/Memorial Total		30	405,000	32,000
Jetty/Boat Ramp				
	Boat Ramp East		75,000	
	Dual Boat Ramp		505,000	
	Finger Jetty		140,000	
	Monkey Mia Boat Ramp		75,000	
	Monkey Mia Jetty		930,000	
Jetty/Boat Ramp Total			1,725,000	
Shelter				
	Barbeque Shelter Middle	56	130,000	84,000
	Barbeque Shelter Middle Existing	10	35,000	15,000
	Barbeque Shelter New Carpark	28	70,000	44,000
	Fish Cleaning Facility	30	70,000	20,000
	Foreshore Barbeque Facility	15	155,000	100,000
Shelter Total		139	460,000	263,000
Sports/Recreation Facility				
	Bowling Greens		380,000	
	Improvements		230,000	
	Overlander Tennis Courts		195,000	
	Skate Park		140,000	
	Tennis Courts		200,000	
Sports/Recreation Facility Total			1,145,000	
Walkway				
	Stairs and Walkway		405,000	
	Viewing Platform	15	120,000	79,000
Walkway Total		15	525,000	79,000

20.0 APPENDICES

APPENDIX C: GENERAL ASSETS REMAINING USEFUL LIFE AND VALUES

Asset Type	Primary Description	Sum of Remaining Useful Life (RUL)	Sum of Replacement Cost (RC)	Sum of Fair Value (FV)
Infrastructure Other				
Total		184	4,365,000	374,000
Plant and Equipment				
Camp Accomodation				
	2 BERTH/SHOWER/MESS VAN S			11,667
	5 BERTH MOBILE CARAVAN DO			13,333
	BLUEBIRD ABLUTION VAN SB1			-
	Camp Accomodation Upgrade			67,720
	CAMP FUEL/STOREROOM TRAIL			22,667
	Marquee			12,000
	Marquee and Floor			25,000
	No3 BERTH/MESS TRAILER VAN			10,000
	No5 BERTH BUNKHOUSE SLEEPER			2,000
Camp Accomodation				
Total				164,386
Computer Equipment				
	Acer AT350 F1 Server			8,201
	Acer desktop computers x			1,750
	ACER VERITON S460 BUNDLE			500
	ACER VERITON S460(233) BU			3,000
	Acer X490G Computers x 2			500
	Apple Mac Computer			500
	BOOKEASY SOFTWARE - SBDC			5,000
	Brother Printers x 4			100
	CCTV Marina Monitoring Se			6,511
	CENTAMAN ADVANTAGE TICKET			11,939
	Computer Hardware Upgrade			5,794
	Computer Software Upgrade			11,739
	Council Chambers AV Equip			200
	Desktop Computers 2012.			13,584
	Display Computers x 3 (Ma			150
	FELLOWS C380 SHREDDER			100
	HP design jet 110 plan pr			250
	HP Laptop (CEO)			300
	HP LASERJET 4015 PRINTER			250
	HP SERVER ML350T05 E5320			5,000
	LIEBERT 1000VA UPS			50
	LIEBERT 650VA UPS			50
	MICROSOFT OFFICE SOFTWARE			5,197
	MULTIMEDIA HARDWARE - SBD			10,000
	Roman II Software Subscr			5,590
	Synergy Purchase Order Mo			1,993
	SYNERGY SOFT - FINANCIAL			44,158

20.0 APPENDICES

APPENDIX C: GENERAL ASSETS REMAINING USEFUL LIFE AND VALUES

Asset Type	Primary Description	Sum of Remaining Useful Life (RUL)	Sum of Replacement Cost (RC)	Sum of Fair Value (FV)
	WALGA SOFTWARE LICENSE 3			-
Computer Equipment				
Total				142,406
Discovery Centre Fitout				
	MODEL OF HMAS SYDNEY			350
	SBIC - FITOUT			1,585,711
Discovery Centre Fitout Total				1,586,060
Furniture and Equipment				
	2 TUB CHAIRS-(MCCLEARY HO			-
	7 PIECE OUTDOOR SETTING (100
	9 PIECE DINING SUITE (MEE			-
	AFICO MP C5501A Photocopi			9,176
	AFICO MP C5501A Photocopier			5,000
	AIR COND UNIT FOR CEO OFF			430
	AIR CONDITIONER UNITS X 5			-
	ALMOND STRATA STACKING CH			300
	ALMOND TRESTLE TABLES X 3			300
	BHC EQUIPMENT			9,013
	BLACK STRATA STACKING CHA			300
	BROCHURE RACK SBDC RECEPT			3,342
	Catering Equipment			70
	CB Radios			1,751
	CHAIR TROLLEY			50
	CHAIRS - 6 X A4 VISITOR -			250
	CHAIRS - BLACK WITH ANODI			1,500
	CHAIRS (50)			350
	Communications Upgrade			2,176
	COMPACTUS MODEL D-900			-
	CONTEMPORARY SYNCHRO ADJU			50
	CORNER WORKSTATION 750X18			50
	CORNER WORKSTATION 750X23			50
	COUNCIL HONOUR BOARD			-
	COUNCIL HONOUR BOARD - 96			500
	DESK AND RETURN - CEO			-
	DISPLAY STANDS - SBDC			6,194
	EXP100 CHAIR ATLAS TOPAZ			10
	EXP50S SQUARE BACK CHAIR			10
	FLAG POLES - PIONEER PARK			50
	FUJITSU SPLIT AIR CONDITI			237
	GUNNEBO SAFE - SBDC			453
	Gymnasium Equipment			72,873
	HALL CHAIRS (141)			200

20.0 APPENDICES

APPENDIX C: GENERAL ASSETS REMAINING USEFUL LIFE AND VALUES

Asset Type	Primary Description	Sum of Remaining Useful Life (RUL)	Sum of Replacement Cost (RC)	Sum of Fair Value (FV)
	HALL TABLES (22)			50
	HALL TABLES (8)			200
	HONOUR BOARD			100
	JARRAH MEETING TABLE			50
	KEY CUPBOARD			200
	KITCHEN UPGRADE - DENHAM			21,005
	LANDSCAPE DESKS WITH RETU			250
	LANDSCAPE TABLE X 1 - SBD			50
	LG CDMA PHONE - TOWN SUPE			-
	LIBRARY SHELVING - 4 X DO			2,634
	MOBILE PEDASTOOL X 2 - SB			50
	Office Air Con			2,050
	OFFICE CHAIR (MRS)			50
	Office Furniture			8,364
	Office Furniture & Equipm			3,744
	OFFICE RECEPTION CUPBOARD			1,921
	OFFICE REFURBISHMENT FURN			1,703
	PENTAMAX DESK CHAIR X 1 -			100
	PENTAMAX DRAFTING CHAIRS			100
	PENTAMAX DRAFTING DESK CH			200
	Phone System (Nortel)			6,881
	PIANO			300
	PIONEER 43MX1 RCA PLASMA			250
	PORTABLE STAGE - DENHAM H			100
	RECEPTION COUNTER - SHIRE			2,536
	Recreation Equipment			2,822
	SBDC - RECEPTION FITOUT			33,593
	SBDC Furniture and Equipm			17,423
	SEA CONTAINER - STORAGE			250
	SEA CONTAINER (ARCHIVES)			500
	SES Marquee Denham			4,014
	SHELVING - ARCHIVES			250
	TABLES - FT1875 FOLDING G			25
	TABLES (8)			50
	Transit House Furniture			2,035
	TURANDOTS CHAIRS X 2 - SB			50
	Upgrade Council Chambers			20,081
	VERTIPLAN CABINET			100
	WATERHOG RED ENTRANCE MAT			-
	WORKSTATION DESK 2350 X 2			50
	WTM 330 WA REFRIDGERATOR			50
Furniture and Equipment Total				248,967

20.0 APPENDICES

APPENDIX C: GENERAL ASSETS REMAINING USEFUL LIFE AND VALUES

Asset Type	Primary Description	Sum of Remaining Useful Life (RUL)	Sum of Replacement Cost (RC)	Sum of Fair Value (FV)
Heavy Vehicles / Plant				
	25 KVA GENERATOR - ALLIGH			10,000
	3 PL AUGER ROCKYROO POST			-
	30KVA GENERATOR - ALLIGHT			18,000
	Ammann Multi Tyred Roller			52,981
	CASE TRACTOR IHJX95 SB257			25,000
	CATERPILLAR IT14G INTEGRA			26,667
	COMMUNITY BUS - TOYOTA CO			44,323
	DUNLITE DGUH7 GENERATOR &			2,267
	ELECTRONIC SIGN TRAILER			5,000
	Fuso Canter 4WD Dual Cab			95,835
	GENERATOR 18KVA-ALLIGHT (2,500
	HINO 300 SERIES 716 DUMP			43,757
	HINO 5 TONNE TIP TRUCK 20			55,667
	Iveco Powerstar Primemove			175,000
	JOHN PAPAS 8 X 5 GEN-SET			4,333
	Kobelco Excavator			151,844
	MITSUBISHI CANTER SERVICE			29,700
	MITSUBISHI FIGHTER TIPPER			43,797
	NCaterpillar Integrated To			202,284
	NCMADE4FESA 2005gTRAILER (2,333
	No2005 JOHN DEERE 670D GRAD			198,067
	NoTOYOTA PERSONNEL CARRIER			31,830
	NoVOLVO L70E FRONT-END LOAD			100,000
	PATCHING TRAILER 1TDN026			2,833
	PEDESTRIAN VIBRATING ROLL			6,500
	POWERSTAR IVECO PRIME MOV			215,000
	ROADWEST TANDEM SIDE TIPP			33,333
	SEMI WATER TANKER 32,000L			23,333
	SES ENCLOSED TRAILER DENH			3,041
	TANDEM AXLE TRAILER 2.4M			567
	TRAILER - GENERAL PURPOSE			1,100
	TRAILER USELESS LOOP SES			3,667
	TRI AXLE 26000L SEMI WATE			28,333
	TRI AXLE LOW LOADER (1TML			55,000
	VIBE ROLLER (BOMAG)			101,707
Heavy Vehicles / Plant	Total			1,795,599
Light Plant/Small Tools				
	12-240 VOLT INVERTER			-
	12V BATTERY MONITOR AND G			-
	14" CROMCO PETROL BRICKSA			-
	165 AMP MIG CIGWELD WELDE			100

20.0 APPENDICES

APPENDIX C: GENERAL ASSETS REMAINING USEFUL LIFE AND VALUES

Asset Type	Primary Description	Sum of Remaining Useful Life (RUL)	Sum of Replacement Cost (RC)	Sum of Fair Value (FV)
	2 LEG SLING LIFTING CHAIN			-
	2000LT CAMP WATER TANKER/			-
	3 PHASE PORTABLE POWER BO			547
	3 POINT LINKAGE 2ND HAND			-
	3" ROBIN WATER PUMP (P022			200
	3" SKID MOUNT WATER PUMP			-
	3/4" DRIVE RATTLE GUN			-
	3/4" DRIVE SOCKET SET			-
	4000 LITRE CARTAGE TANK -			250
	400AS MOBILE LINCON WELDE			150
	4500 LITRE WATER TANK			-
	5 BERTH BUNKHOUSE UNIT (P			2,000
	5 INCH OFFSET VICE			-
	60 LITRE ENGEL FRIDGE/FRE			-
	60 LTR ENGEL FRIDGE/FREEZ			-
	75MM WATER PUMP - SKID MO			250
	AGREX TOWABLE FERTILISER			-
	BENNET BITUMEN SPRAYER (P			-
	BITUMEN HEATING BURNER KI			-
	BLADES FOR CAT LOADER			250
	CARAVAN - SAFER W.A.			-
	CHAINSAW - TELESCOPIC HT7			-
	4000 LITRE CARTAGE TANK -			-
	COMPRESSOR CHARGE AIR 10C			500
	CROMMELIN DIESEL 3" TRANS			-
	CROMMELIN/ROBIN PLATE COM			713
	DAVEY FIREFIGHTER PUMP			-
	DAVEY PUMP 5.5HP - P034			7,541
	Depot Tools			500
	DIESEL TANK 300L			250
	DIESEL TANK 800L			-
	DRILL BIT SET 29 PIECE 1/			2,000
	FIRE FIGHTING UNIT (SLIDE			839
	Firefighting Pump			1,278
	FOGGER SESHIN			-
	FOLDING CRANE 1500KG			-
	FORKLIFT MAN CAGE (P023)			-
	FRIDGEMAC WATER FOUNTAIN			-
	GANTRY			-
	GARMIN GPS & CARRY CASE			-
	GEOTEC MEASURING WHEEL			-
	GLOBAL STAR SATELLITE PHO			-

20.0 APPENDICES

APPENDIX C: GENERAL ASSETS REMAINING USEFUL LIFE AND VALUES

Asset Type	Primary Description	Sum of Remaining Useful Life (RUL)	Sum of Replacement Cost (RC)	Sum of Fair Value (FV)
	GMC PEDESTAL DRILL BENCH			-
	HM1400 JACK HAMMER			750
	HONDA 13HP COLD WATER 365			500
	HONDA 5.5HP AIR COMPRESSO			-
	HONDA SELF PROPELLED MOWE			-
	HYDRAULIC GEAR PULLER			-
	HYDRAULIC PRESS - 20 TONN			-
	KARCHER HD 525S PRESSURE			-
	Kerb Laying Machine			1,372
	KOMATSU BRUSH CUTTER			-
	LASERPLANE (LEVEL) L2209			300
	Lathe Mill			541
	LG TU550 NEXT G HANDSET A			-
	MAKITA CUTOFF SAW			-
	MAKITA POWER CUTTER			480
	MAKITA POWER CUTTER (P092			250
	MASADA FLOOR JACK			-
	METRO COUNT 5500 TRAFFIC			-
	MICROCOM ROAD COUNTER			655
	MITSUBISHI CONCRETE MIXER			-
	Mowers and Trimmers			1,459
	NAWP DC AERIALEWORKePLATFO			3,000
	NKARCHER SAND BLASTING KIT			-
	NoAGM MONO PUMP - DENHAM RE			250
	NoDAVEY WATER PUMP			-
	NoHEAVY DUTY 8" VICE			-0
	NoSHELVES			-
	NoTOOL CHEST 120 PIECE			-
	OMEGA REPAIR KIT 10000KG			-
	Oval Bore Pump			6,381
	P/CAKE RAM C102C 2IN			-
	PAPAS TRAILER SB1265 JL14			-
	Plasma Cutter			521
	PLATE COMPACTOR			-
	PORTABLE EMULSION SPRAY U			250
	Portable Fencing			5,745
	PORTABLE TOILETS (2)			-
	PRESSURE HOSE 10MM X 20M			-
	RECYCLE 3000 GARDEN MULCH			-
	RYOBI PETROL BLOWER/VAC (-
	RYOBI TECH SCREW DRILL			-
	SCRUB RAKE FOR ITG14			150

20.0 APPENDICES

APPENDIX C: GENERAL ASSETS REMAINING USEFUL LIFE AND VALUES

Asset Type	Primary Description	Sum of Remaining Useful Life (RUL)	Sum of Replacement Cost (RC)	Sum of Fair Value (FV)
	SERVICE TOOL KIT 221PC SP			-
	SES Fletcher Satellite Ph			1,490
	SES Genset			1,326
	SES Rescue Equipment			14,083
	SES TRAILER 1TJD192			5,000
	SLIDE ON FIRE UNIT - COUN			250
	SLIDE ON FIRE UNIT - HAME			150
	SLIDE ON FIRE UNIT - NERR			150
	SLIDE ON FIRE UNIT - TAMA			150
	SLIDE ON FIRE UNIT - TOWN			250
	SLIDE ON FIRE UNIT - YALA			150
	SNATCH STRAP 50MM X 9M			-
	SNATCH STRAP 75mm X 9m			-
	SOKKISHA SURVEY EQUIPMENT			-
	Spill containment unit			653
	STIHL BRUSHCUTTER FS120B			-
	SUNDRY SMALL TOOLS			1,558
	SUPERIOR SLASHER MODEL LX			2,500
	TEMPORARY EXHIBITION SPAC			2,500
	Tig Welder			1,842
	TOOL KIT 212PC BLUE			-
	TOR VAC/BLOWER 5HP			150
	TRAFFIC COUNTER (2)			-
	Transfer Pumps X 2			4,256
	TROLLEY/POWERLUBE MACHINE			-
	TUBULAR RECESSED CREEPER			-
	TURF TEC SCARIFIER WITH 9			-
	UHF RADIOS AND ACCESSORIE			500
	VICE DRILL 6"			-
Light Plant/Small Tools				
	Total			76,929
Light vehicles				
	2009 Ford Ranger Town Ute			23,528
	NoBOX TRAILER 8X5 (P052)			2,450
	NToyota5Hilux DualnCab Tow			31,197
	NToyota6Hilux DualnCab Wor			41,544
	NToyota6Hilux TownnUteo(1D			26,134
	NToyotaBKlugerE4x4nV6 Wago			29,778
	TOYOTA HILUX 4 X 4 COUNTR			38,940
	Toyota Kluger 4x4 V6 Wago			29,778
	TOYOTA LANDCRUISER P/VAN			90,000
	Toyota Prado VX TD Wagon			58,691
Light vehicles Total				372,040

20.0 APPENDICES

APPENDIX C: GENERAL ASSETS REMAINING USEFUL LIFE AND VALUES

Asset Type	Primary Description	Sum of Remaining Useful Life (RUL)	Sum of Replacement Cost (RC)	Sum of Fair Value (FV)
Mower				
	Kubota Ride on Mower (1EB)			27,335
	Mower Total			27,335
	Plant and Equipment Total			4,413,723

20.0 APPENDICES

APPENDIX D: TRANSPORT ASSETS DIMENSIONS, REPLACEMENT COSTS AND REMAINING USEFUL LIFE

Formation Type	Sum of Replacement Cost (RC)	Useful Life
DRAINAGE		
AIRSTRIP ROAD		
BARNARD STREET		
BUTCHERS TRACK		
CARBLA ROAD		
CARRARANG ROAD		
COBURN ROAD		
COMMON ROAD		
DAMPIER ROAD		
DENHAM LOOKOUT ROAD		
DUMP ROAD		
EAGLE BLUFF LAGOON ROAD		
EAGLE BLUFF ROAD		
FOWLERS CAMP ROAD		
GILROYD ROAD		
GOLF COURSE ROAD		
GOULETT BLUFF		
HAMELIN POOL ROAD		
HAMELIN POOL STATION ROAD		
LITTLE LAGOON ROAD		
NANGA ROAD		
NERREN - NERREN ROAD		
NEW TIP ROAD		
OCEAN PARK ROAD		
STELLA ROWLEY DRIVE		
TALISKER - YALARDY ROAD		
TALISKER ROAD		
TALISKER SOUTH ROAD		
TAMALA ROAD		
USELESS LOOP ROAD		
WHALEBONE ROAD		
WOODLEIGH - BYRO ROAD		
WOODLEIGH EAST ROAD		
WOODLEIGH ROAD		
YALARDY ROAD		
Drainage Total		
Kerbing		
BATES ROAD	10,200	30
BAUDIN STREET	10,200	30

20.0 APPENDICES

APPENDIX D: TRANSPORT ASSETS DIMENSIONS, REPLACEMENT COSTS AND REMAINING USEFUL LIFE

Formation Type	Sum of Replacement Cost (RC)	Useful Life
BROCKMAN STREET	65,450	60
CAPEWELL DRIVE	73,100	90
CROSS STREET	8,500	30
DAMPIER ROAD	82,450	165
DENHAM ROAD	47,600	30
DIRK PLACE	9,350	30
DURLACHER STREET	95,200	210
EDWARD STREET	15,300	30
FLETCHER COURT	10,200	30
FRANCIS ROAD	49,300	60
FREYCINET DRIVE	35,700	60
FRY COURT	25,500	90
HARTOG CRESCENT	56,100	30
HOULT STREET	25,500	30
HUGHES STREET	81,600	90
KNIGHT TERRACE	130,050	510
LEEDS COURT	11,050	60
LOGUE ROAD	25,500	30
MAINLAND STREET	17,850	60
MEAD STREET	17,850	30
MILLAR STREET	8,500	30
NANGA ROAD	15,725	105
OLD KNIGHT TERRACE	11,900	30
PAGET STREET	11,900	30
POLAND ROAD	17,000	60
SKINNER ROAD	10,200	30
SPAVEN WAY	43,350	150
STELLA ROWLEY DRIVE	50,150	225
SUNTER PLACE	15,300	30
TALBOT STREET	10,200	30
USELESS LOOP ROAD	34,425	150
VLAMINGH CRESCENT	66,300	120
WEAR PLACE	7,650	30
Kerbing Total	1,206,150	2805
Pathways		
BAUDIN STREET	48,000	86
BROCKMAN STREET	259,200	473
CAPEWELL DRIVE	268,000	231

20.0 APPENDICES

APPENDIX D: TRANSPORT ASSETS DIMENSIONS, REPLACEMENT COSTS AND REMAINING USEFUL LIFE

Formation Type	Sum of Replacement Cost (RC)	Useful Life
CROSS STREET	40,000	88
DAMPIER ROAD	331,510	361
DENHAM ROAD	82,100	215
DIRK PLACE	13,200	26
DURLACHER STREET	84,750	160
EDWARD STREET	21,600	15
FLETCHER COURT	14,400	6
FRANCIS ROAD	49,470	88
FRY COURT	36,000	28
HARTOG CRESCENT	39,600	13
HOULT STREET	32,400	-21
HUGHES STREET	113,280	42
KNIGHT TERRACE	124,440	160
LEEDS COURT	15,600	6
MEAD STREET	22,680	6
MILLAR STREET	12,000	9
PAGET STREET	5,880	9
SPAVEN WAY	55,920	18
STELLA ROWLEY DRIVE	17,100	24
SUNTER PLACE	21,600	10
TALBOT STREET	14,400	25
VLAMINGH CRESCENT	140,400	65
WEAR PLACE	10,800	12
Pathways Total	1,874,330	2155
Roads		
Thin Surfaced Flexible		
AIRSTRIPE ROAD	197,580	88
BARNARD STREET	60,950	20
BATES ROAD	25,536	90
BAUDIN STREET	49,920	85
BROCKMAN STREET	260,260	355
CAPEWELL DRIVE	232,400	507
CROSS STREET	38,480	82
DAMPIER ROAD	552,334	604
DENHAM ROAD	119,168	183
DIRK PLACE	20,020	63
DURLACHER STREET	300,060	670
EDWARD STREET	35,280	150
FLETCHER COURT	20,160	75
FRANCIS ROAD	180,960	158

20.0 APPENDICES

APPENDIX D: TRANSPORT ASSETS DIMENSIONS, REPLACEMENT COSTS AND REMAINING USEFUL LIFE

Formation Type	Sum of Replacement Cost (RC)	Useful Life
FREYCINET DRIVE	96,180	186
FRY COURT	109,200	96
HAMELIN POOL ROAD	1,203,100	176
HARTOG CRESCENT	120,120	98
HOULT STREET	93,600	150
HUGHES STREET	324,480	60
KNIGHT TERRACE	575,890	1702
LEEDS COURT	40,560	80
LOGUE ROAD	68,700	98
MAINLAND STREET	38,220	75
MEAD STREET	47,040	73
MILLAR STREET	19,600	73
NANGA ROAD	593,830	246
OCEAN PARK ROAD	220,320	126
OLD KNIGHT TERRACE	34,020	98
PAGET STREET	53,872	95
POLAND ROAD	72,800	113
SKINNER ROAD	27,480	98
SPAVEN WAY	196,248	331
STELLA ROWLEY DRIVE	1,019,330	543
SUNTER PLACE	30,240	75
TALBOT STREET	40,560	79
USELESS LOOP ROAD	2,105,098	838
VLAMINGH CRESCENT	260,832	258
WEAR PLACE	28,080	84
Thin Surfaced Flexible Total	9,512,508	8981
Unsealed		
BARNARD STREET	-	0
BUTCHERS TRACK	9,461,250	168
CARBLA ROAD	412,600	298
CARRARANG ROAD	112,600	0
COBURN ROAD	1,045,200	84
COMMON ROAD	190,800	83
DENHAM LOOKOUT ROAD	48,750	98
DUMP ROAD	84,000	0
EAGLE BLUFF LAGOON ROAD	124,800	84
EAGLE BLUFF ROAD	420,480	208
FOWLERS CAMP ROAD	155,520	86
GILROYD ROAD	2,988,020	100
GOLF COURSE ROAD	31,270	0

20.0 APPENDICES

APPENDIX D: TRANSPORT ASSETS DIMENSIONS, REPLACEMENT COSTS AND REMAINING USEFUL LIFE

Formation Type	Sum of Replacement Cost (RC)	Useful Life
GOULETT BLUFF	157,560	90
HAMELIN POOL STATION ROAD	89,300	98
LITTLE LAGOON ROAD	20,160	85
MEADOW ROAD	-	0
NERREN - NERREN ROAD	12,000	0
NEW TIP ROAD	178,770	102
TALISKER - YALARDY ROAD	1,718,250	98
TALISKER ROAD	845,400	0
TALISKER SOUTH ROAD	1,650,000	188
TAMALA ROAD	49,000	0
USELESS LOOP ROAD	8,205,915	677
WHALEBONE ROAD	71,200	84
WOODLEIGH - BYRO ROAD	13,301,110	446
WOODLEIGH EAST ROAD	537,600	0
WOODLEIGH ROAD	563,220	0
YALARDY ROAD	749,380	98
Unsealed Total	43,224,155	3175
Roads Total	52,736,663	12156
Kerbing		
BATES ROAD	10,200	30
BAUDIN STREET	10,200	30
BROCKMAN STREET	65,450	60
CAPEWELL DRIVE	73,100	90
CROSS STREET	8,500	30
DAMPIER ROAD	82,450	165
DENHAM ROAD	47,600	30
DIRK PLACE	9,350	30
DURLACHER STREET	95,200	210
EDWARD STREET	15,300	30
FLETCHER COURT	10,200	30
FRANCIS ROAD	49,300	60
FREYCINET DRIVE	35,700	60
FRY COURT	25,500	90
HARTOG CRESCENT	56,100	30
HOULT STREET	25,500	30
HUGHES STREET	81,600	90
KNIGHT TERRACE	130,050	510
LEEDS COURT	11,050	60
LOGUE ROAD	25,500	30
MAINLAND STREET	17,850	60

20.0 APPENDICES

APPENDIX D: TRANSPORT ASSETS DIMENSIONS, REPLACEMENT COSTS AND REMAINING USEFUL LIFE

Formation Type	Sum of Replacement Cost (RC)	Useful Life
MEAD STREET	17,850	30
MILLAR STREET	8,500	30
NANGA ROAD	15,725	105
OLD KNIGHT TERRACE	11,900	30
PAGET STREET	11,900	30
POLAND ROAD	17,000	60
SKINNER ROAD	10,200	30
SPAVEN WAY	43,350	150
STELLA ROWLEY DRIVE	50,150	225
SUNTER PLACE	15,300	30
TALBOT STREET	10,200	30
USELESS LOOP ROAD	34,425	150
VLAMINGH CRESCENT	66,300	120
WEAR PLACE	7,650	30
(blank) Total	1,206,150	2805
Kerbing Total	1,206,150	2805
Pathways		
(blank)		
BAUDIN STREET	48,000	86
BROCKMAN STREET	259,200	473
CAPEWELL DRIVE	268,000	231
CROSS STREET	40,000	88
DAMPIER ROAD	331,510	361
DENHAM ROAD	82,100	215
DIRK PLACE	13,200	26
DURLACHER STREET	84,750	160
EDWARD STREET	21,600	15
FLETCHER COURT	14,400	6
FRANCIS ROAD	49,470	88
FRY COURT	36,000	28
HARTOG CRESCENT	39,600	13
HOULT STREET	32,400	-21
HUGHES STREET	113,280	42
KNIGHT TERRACE	124,440	160
LEEDS COURT	15,600	6
MEAD STREET	22,680	6
MILLAR STREET	12,000	9
PAGET STREET	5,880	9
SPAVEN WAY	55,920	18
STELLA ROWLEY DRIVE	17,100	24

20.0 APPENDICES

APPENDIX D: TRANSPORT ASSETS DIMENSIONS, REPLACEMENT COSTS AND REMAINING USEFUL LIFE

Formation Type	Sum of Replacement Cost (RC)	Useful Life
SUNTER PLACE	21,600	10
TALBOT STREET	14,400	25
VLAMINGH CRESCENT	140,400	65
WEAR PLACE	10,800	12
Pathways Total	1,874,330	2155
Roads		
Thin Surfaced Flexible		
AIRSTRIP ROAD	197,580	88
BARNARD STREET	60,950	20
BATES ROAD	25,536	90
BAUDIN STREET	49,920	85
BROCKMAN STREET	260,260	355
CAPEWELL DRIVE	232,400	507
CROSS STREET	38,480	82
DAMPIER ROAD	552,334	604
DENHAM ROAD	119,168	183
DIRK PLACE	20,020	63
DURLACHER STREET	300,060	670
EDWARD STREET	35,280	150
FLETCHER COURT	20,160	75
FRANCIS ROAD	180,960	158
FREYCINET DRIVE	96,180	186
FRY COURT	109,200	96
HAMELIN POOL ROAD	1,203,100	176
HARTOG CRESCENT	120,120	98
HOULT STREET	93,600	150
HUGHES STREET	324,480	60
KNIGHT TERRACE	575,890	1702
LEEDS COURT	40,560	80
LOGUE ROAD	68,700	98
MAINLAND STREET	38,220	75
MEAD STREET	47,040	73
MILLAR STREET	19,600	73
NANGA ROAD	593,830	246
OCEAN PARK ROAD	220,320	126
OLD KNIGHT TERRACE	34,020	98
PAGET STREET	53,872	95
POLAND ROAD	72,800	113
SKINNER ROAD	27,480	98
SPAVEN WAY	196,248	331

20.0 APPENDICES

APPENDIX D: TRANSPORT ASSETS DIMENSIONS, REPLACEMENT COSTS AND REMAINING USEFUL LIFE

Formation Type	Sum of Replacement Cost (RC)	Useful Life
STELLA ROWLEY DRIVE	1,019,330	543
SUNTER PLACE	30,240	75
TALBOT STREET	40,560	79
USELESS LOOP ROAD	2,105,098	838
VLAMINGH CRESCENT	260,832	258
WEAR PLACE	28,080	84
Thin Surfaced Flexible Total	9,512,508	8981
Unsealed		
BARNARD STREET	-	0
BUTCHERS TRACK	9,461,250	168
CARBLA ROAD	412,600	298
CARRARANG ROAD	112,600	0
COBURN ROAD	1,045,200	84
COMMON ROAD	190,800	83
DENHAM LOOKOUT ROAD	48,750	98
DUMP ROAD	84,000	0
EAGLE BLUFF LAGOON ROAD	124,800	84
EAGLE BLUFF ROAD	420,480	208
FOWLERS CAMP ROAD	155,520	86
GILROYD ROAD	2,988,020	100
GOLF COURSE ROAD	31,270	0
GOULETT BLUFF	157,560	90
HAMELIN POOL STATION ROAD	89,300	98
LITTLE LAGOON ROAD	20,160	85
MEADOW ROAD	-	0
NERREN - NERREN ROAD	12,000	0
NEW TIP ROAD	178,770	102
TALISKER - YALARDY ROAD	1,718,250	98
TALISKER ROAD	845,400	0
TALISKER SOUTH ROAD	1,650,000	188
TAMALA ROAD	49,000	0
USELESS LOOP ROAD	8,205,915	677
WHALEBONE ROAD	71,200	84
WOODLEIGH - BYRO ROAD	13,301,110	446
WOODLEIGH EAST ROAD	537,600	0
WOODLEIGH ROAD	563,220	0
YALARDY ROAD	749,380	98
Unsealed Total	43,224,155	3175
Roads Total	52,736,663	12156

20.0 APPENDICES

APPENDIX E: NEW/UPGRADE ASSETS

Description	Estimated Cost New Assets	Estimated Cost to Expand Assets	Estimated Cost to Upgrade Assets
2014-15			
Buildings			
Foreshore Gazebo	20,000		
Overlander Hall			50,000
Buildings Total	20,000		50,000
Other Infrastructure			
Denham Marina	2,500,000		
Drainage - Durlacher / Knight Tce	40,000		
Other Infrastructure Total	2,540,000		
Roads			
Footpaths	50,400		
Roads Total	50,400		
2015-16			
Other Infrastructure			
25m Swimming Pool and Water Park	2,000,000		
Artificial Reef	500,000		
Drainage - Stella Rowley Dve / Knight Tce	40,000		
Other Infrastructure Total	2,540,000		
Roads			
Footpaths	42,330		
Roads Total	42,330		
2016-17			
Buildings			
Shire Offices		2,562,150	
Buildings Total		2,562,150	
Other Infrastructure			
Drainage - Denham Rd to Nettas Beach	40,000		
Other Infrastructure Total	40,000		
Grand Total	5,232,730	2,562,150	50,000

20.0 APPENDICES

APPENDIX F: ABBREVIATIONS

AAAC	Average annual asset consumption
AMP	Asset management plan
CRC	Current replacement cost
DA	Depreciable amount
LCC	Life Cycle cost
LCE	Life cycle expenditure

20.0 APPENDICES

APPENDIX G: GLOSSARY

Funding gap

A funding gap exists whenever an entity has insufficient capacity to fund asset renewal and other expenditure necessary to be able to appropriately maintain the range and level of services its existing asset stock was originally designed and intended to deliver. The service capability of the existing asset stock should be determined assuming no additional operating revenue, productivity improvements, or net financial liabilities above levels currently planned or projected. A current funding gap means service levels have already or are currently falling. A projected funding gap if not addressed will result in a future diminution of existing service levels.

Impairment Loss

The amount by which the carrying amount of an asset exceeds its recoverable amount.

Infrastructure assets

Physical assets that contribute to meeting the needs of organisations or the need for access to major economic and social facilities and services, eg. properties, drainage, footpaths and cycleways. These are typically large, interconnected networks or portfolios of composite assets. The components of these assets may be separately maintained, renewed or replaced individually so that the required level and standard of service from the network of assets is continuously sustained. Generally the components and hence the assets have long lives. They are fixed in place and are often have no separate market value.

Key performance indicator

A qualitative or quantitative measure of a service or activity used to compare actual performance against a standard or other target. Performance indicators commonly relate to statutory limits, safety, responsiveness, cost, comfort, asset performance, reliability, efficiency, environmental protection and customer satisfaction.

Level of service

The defined service quality for a particular activity or service area (i.e. street lighting) against which service performance can be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental, acceptability and cost.

Life Cycle Cost

1. **Total LCC** The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.
2. **Average LCC** The life cycle cost (LCC) is average cost to provide the service over the longest asset life cycle. It comprises annual operations, maintenance and asset consumption expense, represented by depreciation expense. The Life Cycle Cost does not indicate the funds required to provide the service in a particular year.

Life Cycle Expenditure

The Life Cycle Expenditure (LCE) is the actual or planned annual operations, maintenance and capital renewal expenditure incurred in providing the service in a particular year. Life Cycle Expenditure may be compared to average Life Cycle Cost to give an initial indicator of life cycle sustainability.

20.0 APPENDICES

APPENDIX G: GLOSSARY (CONTINUED)

Maintenance

All actions necessary for retaining an asset as near as practicable to its original condition, but excluding rehabilitation or renewal.

Planned maintenance

- Repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown criteria/experience, prioritising scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

Reactive maintenance

- Unplanned repair work that is carried out in response to service requests and management/supervisory directions.

Significant maintenance

- Maintenance work to repair components or replace sub-components that need to be identified as a specific maintenance item in the maintenance budget.

Unplanned maintenance

- Corrective work required in the short-term to restore an asset to working condition so it can continue to deliver the required service or to maintain its level of security and integrity.

Maintenance and renewal gap

Difference between estimated budgets and projected required expenditures for maintenance and renewal of assets totalled over a defined time.

Maintenance and renewal sustainability index

Ratio of estimated budget to projected expenditure for maintenance and renewal.

Maintenance expenditure

Recurrent expenditure, which is periodically or regularly required as part of the anticipated schedule of works required to ensure that the asset achieves its useful life and provides the required level of service. It is expenditure, which was anticipated in determining the asset's useful life.

Materiality

The notion of materiality guides the margin of error acceptable, the degree of precision required and the extent of the disclosure required when preparing general purpose financial reports. Information is material if its omission, misstatement or non-disclosure has the potential, individually or collectively, to influence the economic decisions of users taken on the basis of the financial report or affect the discharge of accountability by the management or governing body of the entity.

Modern equivalent asset

Assets that replicate what is in existence with the most cost-effective asset performing the same level of service. It is the most cost efficient, currently available asset which will provide the same stream of services as the existing asset is capable of producing. It allows for technology changes and, improvements and efficiencies in production and installation techniques

Net present value (NPV)

The value to the organisation of the cash flows associated with an asset, liability, activity or event calculated using a discount rate to reflect the time value of money. It is the net amount of discounted total cash inflows after deducting the value of the discounted total cash outflows arising from eg. the continued use and subsequent disposal of the asset after deducting the value of the discounted total cash outflows.

20.0 APPENDICES

APPENDIX G: GLOSSARY (CONTINUED)

Non-revenue generating investments

Investments for the provision of goods and services to sustain or improve services to the community that are not expected to generate any savings or revenue to the Council, eg. parks and playgrounds, footpaths, properties and bridges, libraries, etc.

Operations expenditure

Recurrent expenditure, which is continuously required to provide a service. In common use the term typically includes, eg. power, fuel, staff, plant equipment, on-costs and overheads but excludes maintenance and depreciation. Maintenance and depreciation is on the other hand included in operating expenses.

Operating expense

The gross outflow of economic benefits, being cash and non-cash items, during the period arising in the course of ordinary activities of an entity when those outflows result in decreases in equity, other than decreases relating to distributions to equity participants.

Pavement management system

A systematic process for measuring and predicting the condition of property pavements and wearing surfaces over time and recommending corrective actions.

PMS Score

A measure of condition of a property segment determined from a Pavement Management System.

Rate of annual asset consumption

A measure of average annual consumption of assets (AAAC) expressed as a percentage of the depreciable amount (AAAC/DA). Depreciation may be used for AAAC.

Rate of annual asset renewal

A measure of the rate at which assets are being renewed per annum expressed as a percentage of depreciable amount (capital renewal expenditure/DA).

Rate of annual asset upgrade

A measure of the rate at which assets are being upgraded and expanded per annum expressed as a percentage of depreciable amount (capital upgrade/expansion expenditure/DA).

Recoverable amount

The higher of an asset's fair value, less costs to sell and its value in use.

Recurrent expenditure

Relatively small (immaterial) expenditure or that which has benefits expected to last less than 12 months. Recurrent expenditure includes operations and maintenance expenditure.

Recurrent funding

Funding to pay for recurrent expenditure.

Rehabilitation

See capital renewal expenditure definition above.

Remaining useful life

The time remaining until an asset ceases to provide the required service level or economic usefulness. Age plus remaining useful life is useful life.

Renewal

Works to upgrade refurbish or replace existing facilities with facilities of equivalent capacity or performance capability.

Residual value

The estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

20.0 APPENDICES

APPENDIX G: GLOSSARY (CONTINUED)

Revenue generating investments

Investments for the provision of goods and services to sustain or improve services to the community that are expected to generate some savings or revenue to offset operating costs, eg public halls and theatres, childcare centres, sporting and recreation facilities, tourist information centres, etc.

Risk management

The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.

Section or segment

A self-contained part or piece of an infrastructure asset.

Service potential

The total future service capacity of an asset. It is normally determined by reference to the operating capacity and economic life of an asset. A measure of service potential is used in the not-for-profit sector/public sector to value assets, particularly those not producing a cash flow.

Service potential remaining

A measure of the future economic benefits remaining in assets. It may be expressed in dollar values (Fair Value) or as a percentage of total anticipated future economic benefits. It is also a measure of the percentage of the asset's potential to provide services that are still available for use in providing services (Depreciated Replacement Cost/Depreciable Amount).

Strategic Longer-Term Plan

A Plan covering the term of office of councillors (4 years minimum) reflecting the needs of the community for the foreseeable future. It brings together the detailed requirements in the council's longer-term plans such as the asset management plan and the long-term financial plan. The Plan is prepared in consultation with the community and details where the council is at that point in time, where it wants to go, how it is going to get there, mechanisms for monitoring the achievement of the outcomes and how the Plan will be resourced.

Specific Maintenance

Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, building roof replacement, cycle, replacement of air conditioning equipment, etc. This work generally falls below the capital/ maintenance threshold and needs to be identified in a specific maintenance budget allocation.

Sub-component

Smaller individual parts that make up a component part.

Useful life

May be expressed as either:

- a. The period over which a depreciable asset is expected to be used; or
- b. The number of production or similar units (i.e. intervals, cycles) that is expected to be obtained from the asset.

Value in Use

The present value of future cash flows expected to be derived from an asset or cash generating unit. It is deemed to be depreciated replacement cost (DRC) for those assets whose future economic benefits are not primarily dependent on the asset's ability to generate net cash inflows, where the entity would, if deprived of the asset, replace its remaining future economic benefits.

Source: 'Department of Local Government of WA, 2011, Framework and Guidelines, Glossary'