Looking After our Community

ASSET MANAGEMENT PLAN

BUILDINGS

11 MAY 2015

MID-WESTERN REGIONAL COUNCIL
FINANCE DEPARTMENT

TOWARDS 2030

Mid-Western REGIONAL COUNCIL

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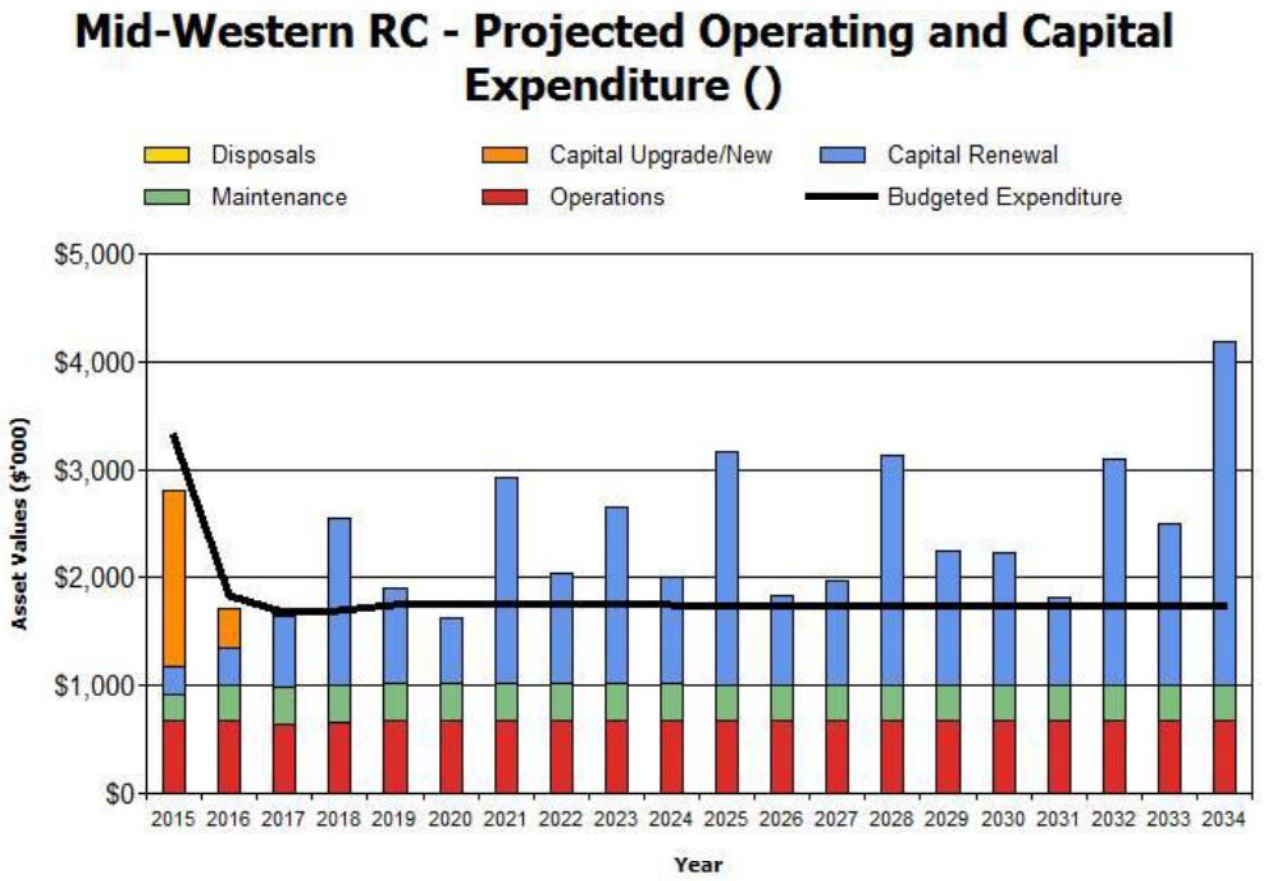

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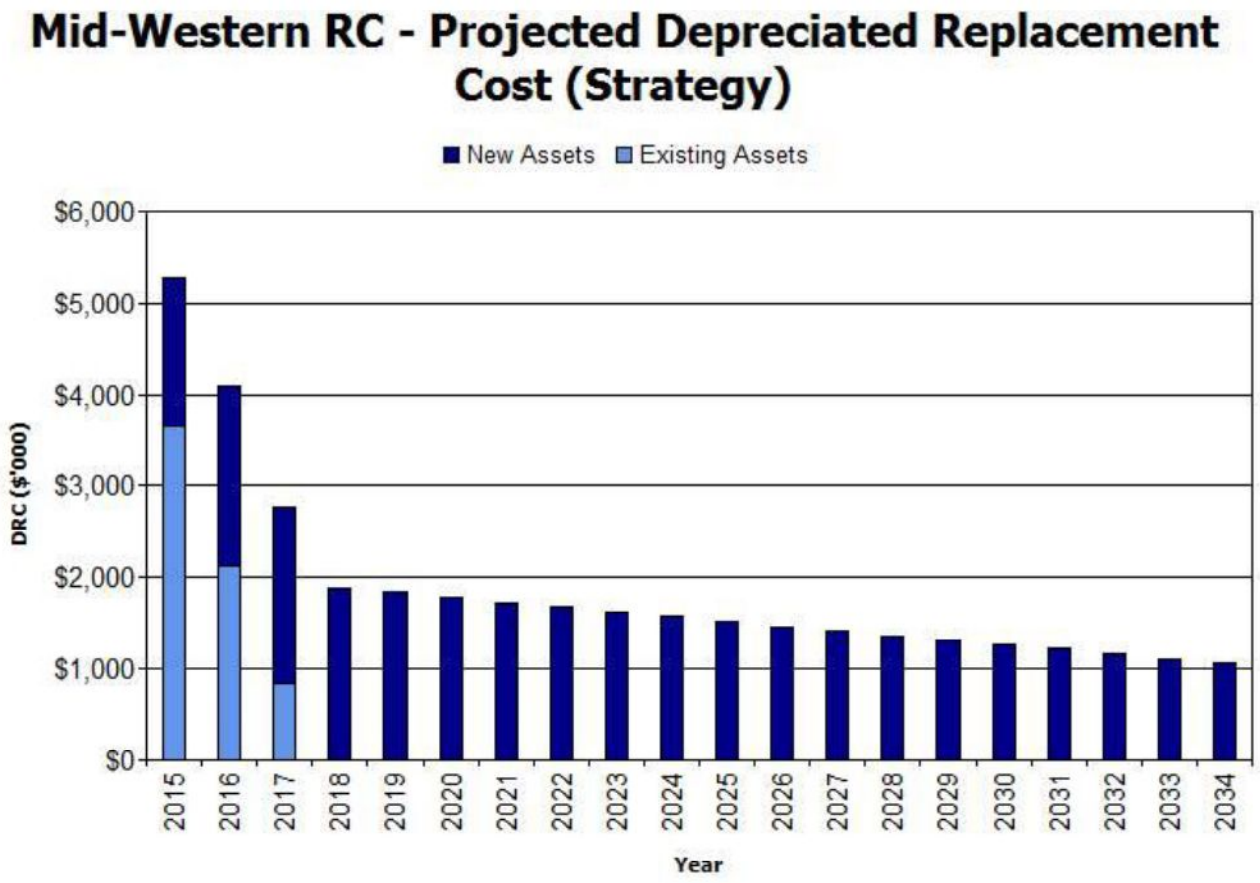

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NAMS.PLUS3 Asset Management Form 2C Upgrade/New Plan

Mid-Western RC
Buildings_S1_V1 **Projected Capital Upgrade/New Plan 2015**

Year	Item No.	Capital Upgrade and New Projects	Estimate ($000)	Running total ($000)
2015	1	Preschool	$1,000	$1,000
2015	2	Gulgong Admin Building	$90	$1,090
2015	3	Gulgong Memorial Hall	$65	$1,155
2015	4	Airport Terminal Extension	$80	$1,235
2015	5	Cudgegong Water Amenities	$157	$1,392
2015	6	Rylstone Showground Upgrade	$233	$1,625
2015	7			
2015	8			
2015	9			
2015	10			
2015	Total Projected Capital Upgrade/New Plan		$1,625	

Buildings_S1_V1 **Projected Capital Upgrade/New Plan 2016**

2016	1	Airport Terminal Extension	$220	$220
2016	2	Mudgee Depot Capital Works	$20	$240
2016	3	Cudgegong Water Amenities	$140	$380
2016	4			
2016	5			
2016	6			
2016	7			
2016	8			
2016	9			
2016	10			
2016	Total Projected Capital Upgrade/New Plan		$380	

.....80

Mid-Western RC
Buildings_S1_V1 **Projected Capital Upgrade/New Plan 2017**

Year	Item No.	Capital Upgrade and New Projects	Estimate ($000)	Running total ($000)
2017	1	Billy Dunn Oval Upgrades	$27	$27
2017	2			
2017	3			
2017	4			
2017	5			
2017	6			
2017	7			
2017	8			
2017	9			
2017	10			
2017	Total Projected Capital Upgrade/New Plan		$27	

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1. Executive Summary

1.1 Context

Mid-Western Regional Council covers an area of over 9,000km² and includes the historic towns of Gulgong, Kandos, Mudgee and Rylstone along with many rural villages. The region is predominately agricultural, also including extensive viticulture, large mines, increasing tourism and retail.

Due to mining development in the area the population is expected to increase, creating additional demand for services and infrastructure.

The building network is vital to deliver Council operations and provide services in a regional community. Due to the influence of tourism there is also an expectation that the buildings will be maintained to a high standard, particularly in relation to aesthetics. The major issue faced is a lack of funding available to maintain and renew a large network of buildings at a high standard.

The Building Service

The building network comprises of 230 buildings. The major function of these buildings is:

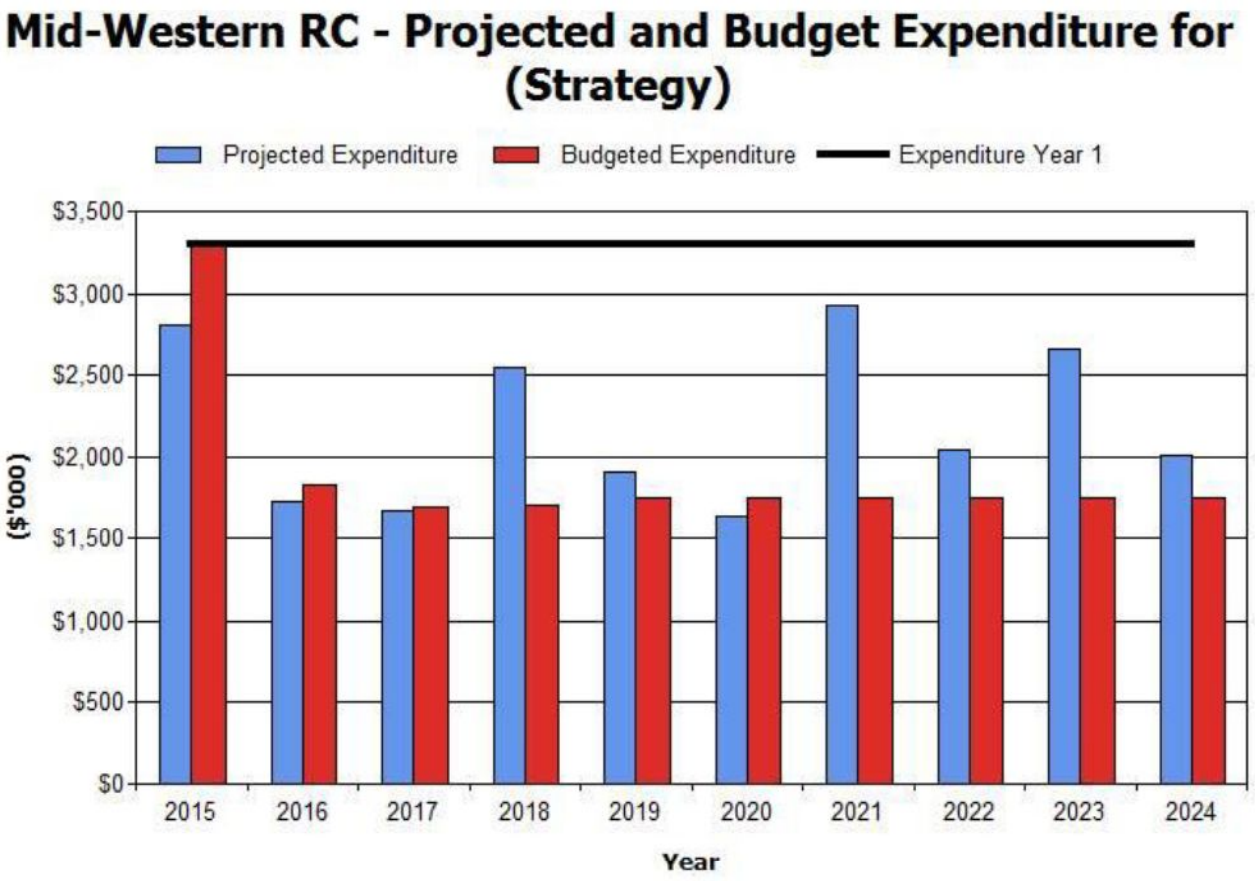
- Corporate Support/Administration
- Public Libraries
- Public Halls
- Sport and Recreation Amenities
- Saleyards Complex

These infrastructure assets have a replacement value of $82,689,769.75

1.2 What does it cost?

The projected outlays necessary to provide the services covered by this Asset Management Plan (AM Plan) includes operations, maintenance, renewal and upgrade of existing assets over the 10 year planning period is $21,924,000 or $2,192,000 on average per year.

Estimated available funding for this period is $19,019,000 or $1,902,000 on average per year which is $1,902.000 of the cost to provide the service. This is a funding shortfall of $291,000 on average per year. Projected expenditure required to provide services in the AM Plan compared with planned expenditure currently included in the Long Term Financial Plan are shown in the graph below.


Mid-Western RC - Projected and Budget Expenditure for (Strategy)
Projected Expenditure
Budgeted Expenditure
Expenditure Year 1
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$0
($'000)
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
Year

2. What we will do

We plan to provide building services for the following:

- Operation, maintenance, renewal and upgrade of buildings to meet service levels set by Council in annual budgets.
- Construction of a $1,000,000 preschool facility (predominantly grant funded).

2.1 What we cannot do

We do **not** have enough funding to provide all services at the desired service levels or provide new services. Works and services that cannot be provided under present funding levels are:

- We cannot meet the renewal program for existing buildings
- We cannot meet optimum maintenance response times

2.2 Managing the risks

There are risks associated with providing the service and not being able to complete all identified activities and projects. We have identified major risks as:

- Increasing reactive maintenance costs
- Unidentified hazards that could cause injury
- Potential disruption to services due to safety issues, damage or reliability
- Decline in aesthetic appeal

We will endeavour to manage these risks within available funding by:

- Establishing a 10 year project priority list by developing a project ranking criteria for renewal and new expenditure
- Developing a condition inspection program
- Continuing inspection program

2.3 Confidence Levels

This AM Plan is based on medium level of confidence information.

2.4 The Next Steps

The actions resulting from this asset management plan are:

- Separation of operations and maintenance expenditure in the general ledger

- Separation of planned and reactive maintenance expenditure in the general ledger
- Customer requests to split into the type of request relating to service levels i.e. quality, function, capacity
- Implementation of a condition inspection program
- Utilisation of Work Orders System to schedule maintenance and record reactive maintenance
- Create defect repairs list
- Create 10 year renewal program
- Start a risk management team to review the risk management plan and ensure risks are placed on corporate risk register and raised with the Executive
- Investigate underutilised buildings and assess planned renewal activities including the potential for disposal

Questions you may have

WHAT IS THIS PLAN ABOUT?

This asset management plan covers the infrastructure assets that serve the Mid-Western Regional Council community's building needs. These assets include administration, libraries, public halls, recreation and amenities throughout the community area that enable people to work, study, receive health care, socialise, participate in sport and economic development.

WHAT IS AN ASSET MANAGEMENT PLAN?

Asset management planning is a comprehensive process to ensure delivery of services from infrastructure is provided in a financially sustainable manner.

An asset management plan details information about infrastructure assets including actions required to provide an agreed level of service in the most cost effective manner. The plan defines the services to be provided, how the services are provided and what funds are required to provide the services.

WHY IS THERE A FUNDING SHORTFALL?

Council building portfolio has evolved over an extensive period of time with assets being acquire via various sources including acquisitions through amalgamations, donations and grant funding. The slow accumulation of buildings has not facilitated the consideration of ongoing cost of management and maintenance.

Many of these assets are approaching the later years of their life and require replacement, services from the assets are decreasing and maintenance costs are increasing.

Our present funding levels are insufficient to continue to provide existing services at current levels in the medium term.

WHAT OPTIONS DO WE HAVE?

Resolving the funding shortfall involves several steps:

1. Improving asset knowledge so that data accurately records the asset inventory, how assets are performing and when assets are not able to provide the required service levels,
2. Improving our efficiency in operating, maintaining, renewing and replacing existing assets to optimise life cycle costs,
3. Identifying and managing risks associated with providing services from infrastructure,
4. Making trade-offs between service levels and costs to ensure that the community receives the best return from infrastructure,
5. Identifying assets surplus to needs for disposal to make saving in future operations and maintenance costs,
6. Consulting with the community to ensure that building services and costs meet community needs and are affordable,
7. Developing partnership with other bodies, where available to provide services,
8. Seeking additional funding from governments and other bodies to better reflect a 'whole of government' funding approach to infrastructure services.

WHAT HAPPENS IF WE DON'T MANAGE THE SHORTFALL?

It is likely that we will have to reduce service levels in some areas, unless new sources of revenue are found for buildings, the service level reduction may include

- Accepting declining service levels and plan for the additional risk associated
- Reducing the number of buildings Council provides to reduce costs
- Redirect capital upgrade funds to address existing buildings renewal

WHAT CAN WE DO?

We can develop options, costs and priorities for future building services. We can also consult with the community to plan future services to match the community service needs with ability to pay for services and maximise community benefits against costs.

WHAT CAN YOU DO?

We will be pleased to consider your thoughts on the issues raised in this asset management plan. We also welcome any suggestions on how we may change or reduce its buildings mix of services to ensure that the appropriate level of service can be provided to the community within available funding.

3. Introduction

3.1 Background

This asset management plan is to demonstrate responsive management of assets (and services provided from assets), compliance with regulatory requirements, and to communicate funding needed to provide the required levels of service over a 20 year planning period.

The asset management plan follows the format for AM Plans recommended in Section 4.2.6 of the International Infrastructure Management Manual[1].

The asset management plan is to be read with the organisation's Asset Management Policy, Asset Management Strategy and the following associated planning documents:

- Mid-Western Regional Council Community Plan
- Mid-Western Regional Council Delivery Program

This infrastructure assets covered by this asset management plan are shown in Table 2.1. These assets are used to provide many varied functions such as:

- Administration Offices
- Council Operations
- Public use to deliver services
- Available for public hire
- Commercial and residential rental

TABLE 2.1: ASSETS COVERED BY THIS PLAN

Asset category	Replacement Value
COUNCIL CORPORATE OFFICES	$10,314,877.06
COUNCIL WORKS DEPOT	$14,513,400.00
PUBLIC HALLS	$14,513,400.00
AGED UNITS AND HEALTH	$10,110,592.52
KANDOS MUSEUM	$1,298,000.00
LIBRARIES	$5,265,725.22
CHILDCARE FACILITIES	$1,750,571.90
AMENITIES	$23,850,934.13
BUSHFIRE SHEDS	$3,723,333.87
TOTAL	**$82,689,769.75**

[1] IPWEA, 2011, Sec 4.2.6, *Example of an Asset Management Plan Structure*, pp 4|24 – 27.

Key stakeholders in the preparation and implementation of this asset management plan are: Shown in Table 2.1.1.

TABLE 2.1.1: KEY STAKEHOLDERS IN THE AM PLAN

Key Stakeholder	Role in Asset Management Plan
Councillors	Represent needs of community/shareholders, Allocate resources to meet the organisation's objectives in providing services while managing risks, Ensure organisation is financial sustainable.
General Manager/Directors	Overall responsibility for developing asset management plans and ensure resources are applied in accordance with the plan
Health & Building Manager	Implementing plans and procedures in accordance with the plan
Community, general public	Provide feedback on levels of service

3.2 Goals and Objectives of Asset Management

Mid-Western Regional Council exists to provide services to its community. Some of these services are provided by infrastructure assets. We have acquired infrastructure assets by 'purchase', by contract, construction by our staff and by donation of assets constructed by developers and others to meet increased levels of service.

Our goal in managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most cost effective manner for present and future consumers. The key elements of infrastructure asset management are:

- Providing a defined level of service and monitoring performance,
- Managing the impact of growth through demand management and infrastructure investment,
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service,
- Identifying, assessing and appropriately controlling risks, and
- Having a long-term financial plan which identifies required, affordable expenditure and how it will be financed.[2]

3.3 Plan Framework

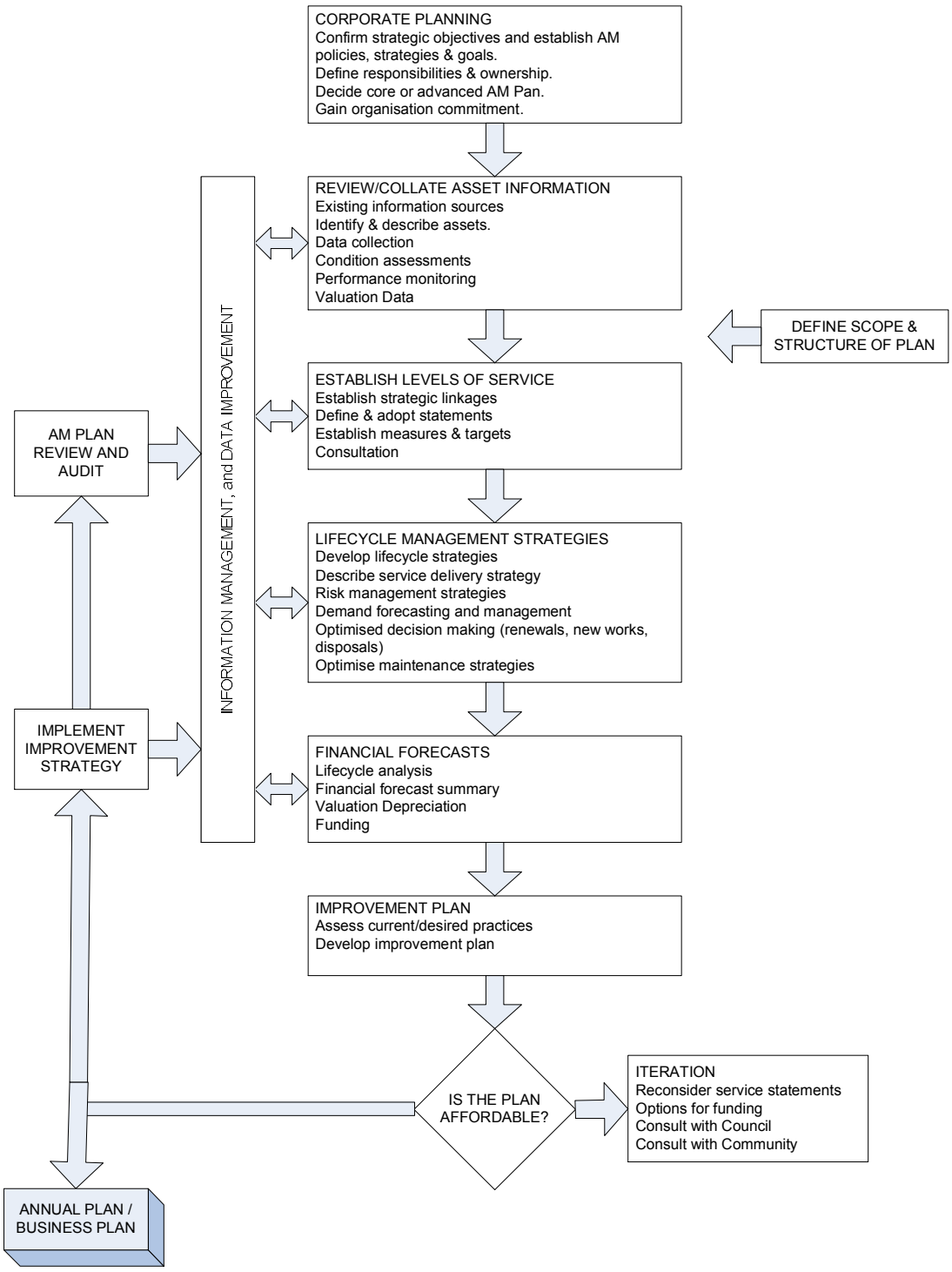
Key elements of the plan are

[2] Based on IPWEA, 2011, IIMM, Sec 1.2 p 1|7.

- Levels of service – specifies the services and levels of service to be provided by the organisation,
- Future demand – how this will impact on future service delivery and how this is to be met,
- Life cycle management – how Council will manage its existing and future assets to provide defined levels of service,
- Financial summary – what funds are required to provide the defined services,
- Asset management practices,
- Monitoring – how the plan will be monitored to ensure it is meeting organisation's objectives,
- Asset management improvement plan.

A road map for preparing an asset management plan is shown below.

ROAD MAP FOR PREPARING AN ASSET MANAGEMENT PLAN



Source: IPWEA, 2006, IIMM, Fig 1.5.1, p 1.11.

3.4 Core and Advanced Asset Management

This asset management plan is prepared as a 'core' asset management plan over a 20 year planning period in accordance with the International Infrastructure Management Manual[3]. It is prepared to meet minimum legislative and organisational requirements for sustainable service delivery and long term financial planning and reporting. Core asset management is a 'top down' approach where analysis is applied at the 'system' or 'network' level.

Future revisions of this asset management plan will move towards 'advanced' asset management using a 'bottom up' approach for gathering asset information for individual assets to support the optimisation of activities and programs to meet agreed service levels in a financially sustainable manner.

3.5 Community Consultation

This 'core' asset management plan is prepared to facilitate community consultation initially through feedback on public display of draft asset management plans prior to adoption by the Council/Board. Future revisions of the asset management plan will incorporate community consultation on service levels and costs of providing the service. This will assist the Council/Board and the community in matching the level of service needed by the community, service risks and consequences with the community's ability and willingness to pay for the service.

[3] IPWEA, 2011, IIMM.

4. Levels of Service

4.1 Customer Research and Expectations

The organisation has not carried out any research on customer expectations. This will be investigated for future updates of the asset management plan.

4.2 Strategic and Corporate Goals

This asset management plan is prepared under the direction of the organisation's vision, mission, goals and objectives.

Our vision is:

"A prosperous and progressive community that we are proud to call home"

Relevant organisational goals and objectives and how these are addressed in this asset management plan are:

TABLE 3.2: ORGANISATIONAL GOALS AND HOW THESE ARE ADDRESSED IN THIS PLAN

Goal	Objective	How Goal and Objectives are addressed in AM Plan
"A safe and healthy community"	"Maintain the provision of high quality, accessible community services that meet the needs of our community"	Providing a large range of buildings to meet various needs
"Effective and efficient delivery of infrastructure"	"Provide infrastructure and services to cater for the current and future needs of our community"	Asset maintenance and renewal program of existing buildings
"Vibrant towns and villages"	Manage growth driven by the increase in mining operations in the region"	New pre-school building $1,000,000 (2015)
"Meet the diverse needs of the community and create a sense of belonging"	"Provide equitable access to a range of places and spaces for all in the community" "Support arts and cultural development across the region"	Renewal plans include increased access at facilities

Mid-Western Regional Council will exercise its duty of care to ensure public safety is accordance with the infrastructure risk management plan prepared in conjunction with this AM Plan. Management of infrastructure risks is covered in Section 5.2.

4.3 Legislative Requirements

Mid-Western Regional Council has to meet many legislative requirements including Australian and State legislation and State regulations. These include:

TABLE 3.3: LEGISLATIVE REQUIREMENTS

Legislation	Requirement
Local Government Act	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long term financial plan supported by asset management plans for sustainable service delivery.
DLG Integrated Planning NSW	Sets standards for asset management plan and requires the plan to integrate with community plans and resourcing strategies
Environmental Planning and Assessment Act 1979	Sets out responsibilities of a building owner
National Construction Code	Performance standards for buildings
Work Health and Safety Act 2011	Aims to provide a safe working environment for all workers and other persons
Australian Accounting Standards	Financial reporting requirements

The organisation will exercise its duty of care to ensure public safety in accordance with the infrastructure risk management plan linked to this AM Plan. Management of risks is discussed in Section 5.2.

4.4 Community Levels of Service

Service levels are defined service levels in two terms, customer levels of service and technical levels of service.

Community Levels of Service measure how the community receives the service and whether Mid-Western Regional Council is providing community value.

Community levels of service measures used in the asset management plan are:

Quality	How good is the service?
Function	Does it meet users' needs?
Capacity/Utilisation	Is the service over or under used?

Mid-Western Regional Council's current and expected community service levels are detailed in Tables 3.4 and 3.5. Table 3.4 shows the agreed expected community levels of

service based on resource levels in the current long-term financial plan and community engagement.

TABLE 3.4: COMMUNITY LEVEL OF SERVICE

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
COMMUNITY OUTCOMES				
A community that feels they have equitable access to quality facilities that meet their needs				
COMMUNITY LEVELS OF SERVICE				
Quality	Facilities are clean, safe and presented appropriately according to hierarchy	Customer service requests relating to service quality such as; aesthetics, safety, pets and responsiveness to issues	23 / month average	Service requests are increasing
Function	Facilities are available, reliable and accessible	Customer service requests relating to availability, access and defects	Not available	Service requests are increasing
Capacity/ Utilisation	Provided efficiently while meeting users' needs	Requests relating to congestion or underuse	Not available	Service requests are increasing

4.5 Technical Levels of Service

Technical Levels of Service - Supporting the community service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities that the organisation undertakes to best achieve the desired community outcomes and demonstrate effective organisational performance.

Technical service measures are linked to annual budgets covering:

- Operations – the regular activities to provide services such as opening hours, cleaning, security, inspections, etc.
- Maintenance – the activities necessary to retain an asset as near as practicable to an appropriate service condition (e.g. general repairs, painting, etc),
- Renewal – the activities that return the service capability of an asset up to that which it had originally (e.g. building component replacement),

- Upgrade – the activities to provide a higher level of service (e.g. increased fire safety measures increased accessibility) or a new service that did not exist previously (e.g. a new library).

Service and asset managers plan, implement and control technical service levels to influence the customer service levels.[4]

Table 3.5 shows the technical level of service expected to be provided under this AM Plan. The agreed sustainable position in the table documents the position agreed by the Council/Board following community consultation and trade-off of service levels performance, costs and risk within resources available in the long-term financial plan.

[4] IPWEA, 2011, IIMM, p 2.22

TABLE 3.5: TECHNICAL LEVELS OF SERVICE

Service Attribute	Service Objective	Activity Measure Process	Current Performance *	Desired for Optimum Lifecycle Cost **	Agreed Sustainable Position ***
TECHNICAL LEVELS OF SERVICE					
OPERATIONS	FACILITIES MEET QUALITY AND LEGISLATIVE STANDARDS	CLEANING FREQUENCY	CLASS A – DAILY CLASS B – DAILY OTHER – WEEKLY	CLASS A – DAILY CLASS B – TWICE WEEKLY OTHER – WEEKLY	CLASS A – DAILY CLASS B – TWICE WEEKLY OTHER – WEEKLY
		SAFETY INSPECTION FREQUENCY	FIRE SERVICES – ANNUAL (WITH EXCEPTION OF PORTABLE FIRE EXTINGUISHERS, OCCUR EVERY 6 MONTHS LIFTS – EVERY MONTH PEST – EVERY 3 MONTHS	FIRE SERVICES – 6 MONTHLY LIFTS - 6 MONTHLY PEST – 6 MONTHLY	FIRE SERVICES – ANNUALLY WITH THE EXCEPTION OF PORTABLE FIRE EXTINGUISHERS, OCCUR EVERY 6 MONTHS LIFTS – 6 MONTHLY PEST – ANNUALLY
		BUDGET	SECURITY $ 67,000 CLEANING $277,000 ELECTRICITY $200,500 OTHER $109,000 TOTAL $653,500	SECURITY $ 67,000 CLEANING $240,000 ELECTRICITY $200,500 OTHER $109,000 TOTAL $616,500	SECURITY $ 67,000 CLEANING $240,000 ELECTRICITY $200,500 OTHER $109,000 TOTAL $616,500
MAINTENANCE	FACILITIES MEET QUALITY STANDARDS	PLANNED MAINTENANCE COMPLETED TO SCHEDULE	MAJORITY UNPLANNED/REACTIVE MAINTENANCE	MAJORITY PLANNED MAINTENANCE	MAJORITY PLANNED MAINTENANCE
		RESPONSE TO WORKS REQUESTS WITHIN TIME FRAME	UNKNOWN	CLASS A – 90% WITHIN 1 DAY ALL SAFETY ISSUES – WITHIN 1 DAY OTHER – WITHIN 3 DAYS	CLASS A – 90% WITHIN 3 DAYS ALL SAFETY ISSUES – WITHIN 1 DAY OTHER – WITHIN 5 DAYS
		BUDGET	$300,000	$500,000	$400,000
RENEWAL	FACILITIES MEET USERS' NEEDS	CONDITION OF BUILDINGS	15% OF BUILDINGS POOR/VERY POOR CONDITION	<5% OF BUILDINGS POOR/VERY POOR CONDITION	10% OF BUILDINGS POOR/VERY POOR CONDITION Reduction in number of buildings
		PLANNED RENEWAL COMPLETED TO SCHEDULE	60% COMPLETED	100% COMPLETED TO SCHEDULE	85% COMPLETED TO SCHEDULE

		BUDGET	$630,000	$1,000,000	$750,000
UPGRADE/NEW	FACILITIES MEET COMMUNITY DEMAND	DELIVERY OF PROJECTS WITHIN BUDGET THAT MEET DEMANDS	NEW BUILDINGS PROPOSED INCLUDE PRE-SCHOOL	EXTENSION TO MUDGEE ADMINISTRATION AND COUNCIL CHAMBERS	NEW BUILDINGS PROPOSED INCLUDE PRE-SCHOOL
		BUDGET	$1,000,000 (2015)	$1,000,000 (2015) $4,000,000 (2016) $500,000 MUDGEE ADMIN BUILDING UPGRADES	$1,000,000 (2015)

*NOTE: * CURRENT ACTIVITIES AND COSTS (CURRENTLY FUNDED).*

*** DESIRED ACTIVITIES AND COSTS TO SUSTAIN CURRENT SERVICE LEVELS AND ACHIEVE MINIMUM LIFE CYCLE COSTS (NOT CURRENTLY FUNDED).*

**** ACTIVITIES AND COSTS COMMUNICATED AND AGREED WITH THE COMMUNITY AS BEING SUSTAINABLE (FUNDED POSITION FOLLOWING TRADE-OFFS, MANAGING RISKS AND DELIVERING AGREED SERVICE LEVELS).*

5. Future Demand

5.1 Demand Drivers

Drivers affecting demand include population change, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices, environmental awareness, etc.

5.2 Demand Forecast

For the purposes of the Asset Management Plans Council has adopted the *New South Wales State and Local Government Area Population, Household and Dwelling Projections 2014* published by the Department of Planning and Environment. These figures take into account findings from the 2011 Census of Population and Housing, final rebased and recast Estimated Resident Populations (ERPs) published by the Australian Bureau of Statistics for the period 1991-2011, and the latest data and expertise on fertility, mortality and migration. The projections are based on a range of assumptions and trends and will be influenced by local circumstances, in particular in the case of Mid-Western the impact of changes in the mining industry and workforce migration associated with that. Therefore, the actual trends may fluctuate over time and adjustments will need to be made. Population numbers are rounded to the nearest 50 and they should not be taken to be accurate to that level of detail.

The majority of growth within the region in the past ten years has occurred in Mudgee with a 1.1% average annual population growth rate between 1991 and 2011 compared with 0.8% Gulgong and 0.5% for the balance of the LGA. Department of Planning and Environment projections provide the baseline data. The implied rates of growth are below that which was actually experienced between 2006 and 2011 driven by the mining activity.

Council adopted the Mudgee and Gulgong Urban Release Strategy in 2014 (URS) which distils the data further and incorporates sensitivity analysis around anticipated mining activity which is beyond the scope of the DP&E but provides additional assumptions for population growth in Mudgee and Gulgong. The URS shows an additional 1,300 people in Mudgee and 140 in Gulgong over and above the DP&E estimates which will have implications for the level of service in Mudgee in particular.

The following tables are extracted from the *New South Wales State and Local Government Area Population, Household and Dwelling Projections 2014* published by the Department of Planning and Environment for the Mid-Western Regional LGA.

MID-WESTERN REGIONAL LGA POPULATION PROJECTIONS

Totals	2011	2016	2021	2026	2031
TOTAL POPULATION	23,000	23,650	24,250	24,700	25,050
TOTAL HOUSEHOLDS	9,450	9,900	10,300	10,550	10,800
AVERAGE HOUSEHOLD SIZE	2.40	2.34	2.31	2.28	2.26
IMPLIED DWELLINGS	11,450	12,050	12,500	12,850	13,150

Changes in the population include the changing demographic and the sharp trend towards an older population and a reasonably stable trend in the 0-14 age cohorts. The community will need to continue to support children and youth services at similar levels of provision and at the same time look at accommodating the consistent and not insignificant growth in the older population with over 400 people over the age of 85 in the next 15 years.

The present position and projections for demand drivers that may impact future service delivery and utilisation of assets were identified and are documented in Table 4.3.

5.3 Demand Impact on Assets

The impact of demand drivers that may affect future service delivery and utilisation of assets are shown in Table 4.3.

TABLE 4.3: DEMAND DRIVERS, PROJECTIONS AND IMPACT ON SERVICES

Demand drivers	Present position	Projection	Impact on services
Population Growth	23,000 (2011)	25 050 (2031	Increasing demand for community buildings
Changing demographic	Presenting Occurring	Aging population	Greater demand for accessibility and services for older cohort.
Changing Community Expectation	Presenting occurring	Greater demand for youth services	Increase expectation for the provision of youth specific facilities.
Legislation	Legislation regarding building constantly under review	Greater compliance requirements in relation to management of asbestos.	Increased cost for upgrades and alterations.

5.4 Demand Management Plan

Demand for new services will be managed through a combination of managing existing assets, upgrading of existing assets and providing new assets to meet demand and demand management. Demand management practices include non-asset solutions, insuring against risks and managing failures.

Non-asset solutions focus on providing the required service without the need for the organisation to own the assets and management actions including reducing demand for the service, reducing the level of service (allowing some assets to deteriorate beyond current service levels) or educating customers to accept appropriate asset failures[5]. Examples of non-asset solutions include providing services from existing infrastructure such as aquatic centres and libraries that may be in another community area or public toilets provided in commercial premises.

Opportunities identified to date for demand management are shown in Table 4.4. Further opportunities will be developed in future revisions of this asset management plan.

TABLE 4.4: DEMAND MANAGEMENT PLAN SUMMARY

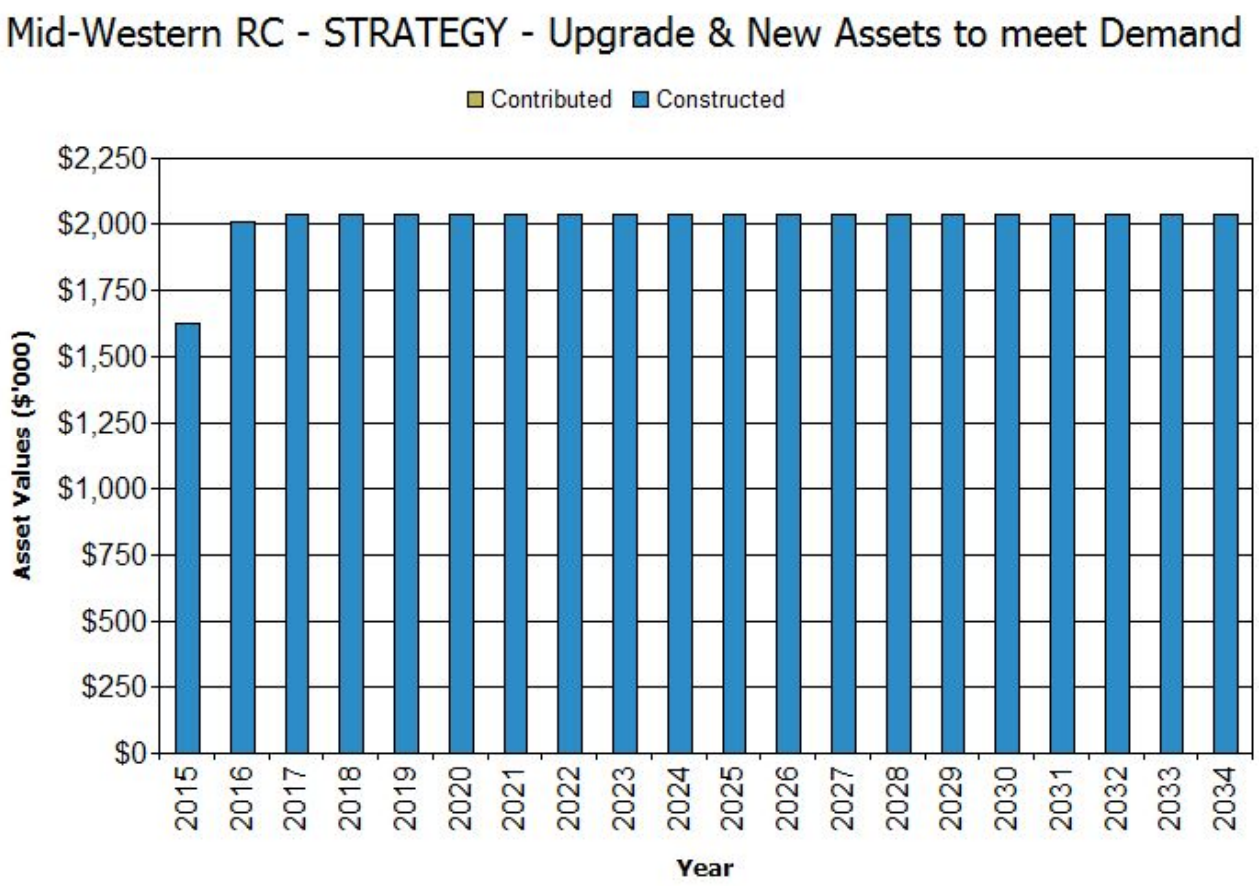
Demand Driver	Impact on Services	Demand Management Plan
Preventative action vs reactive action	Strategic review of service delivery, rationalisation or expansion of services	Initiate proactive inspection and maintenance schedule

5.5 Asset Programs to meet Demand

The new assets required to meet growth will be acquired free of cost from land developments and constructed/acquired by Mid-Western Regional Council. New assets constructed/acquired by the organisation are discussed in Section 5.5. The cumulative value of new contributed and constructed asset values are summarised in Figure 1.

FIGURE 1: UPGRADE AND NEW ASSETS TO MEET DEMAND

[5] IPWEA, 2011, IIMM, Table 3.4.1, p 3|58.



Acquiring these new assets will commit Mid-Western Regional Council to fund ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operations, maintenance and renewal costs in Section 5.

6. Lifecycle Management Plan

The lifecycle management plan details how Mid-Western Regional Council plans to manage and operate the assets at the agreed levels of service (defined in Section 3) while optimising life cycle costs.

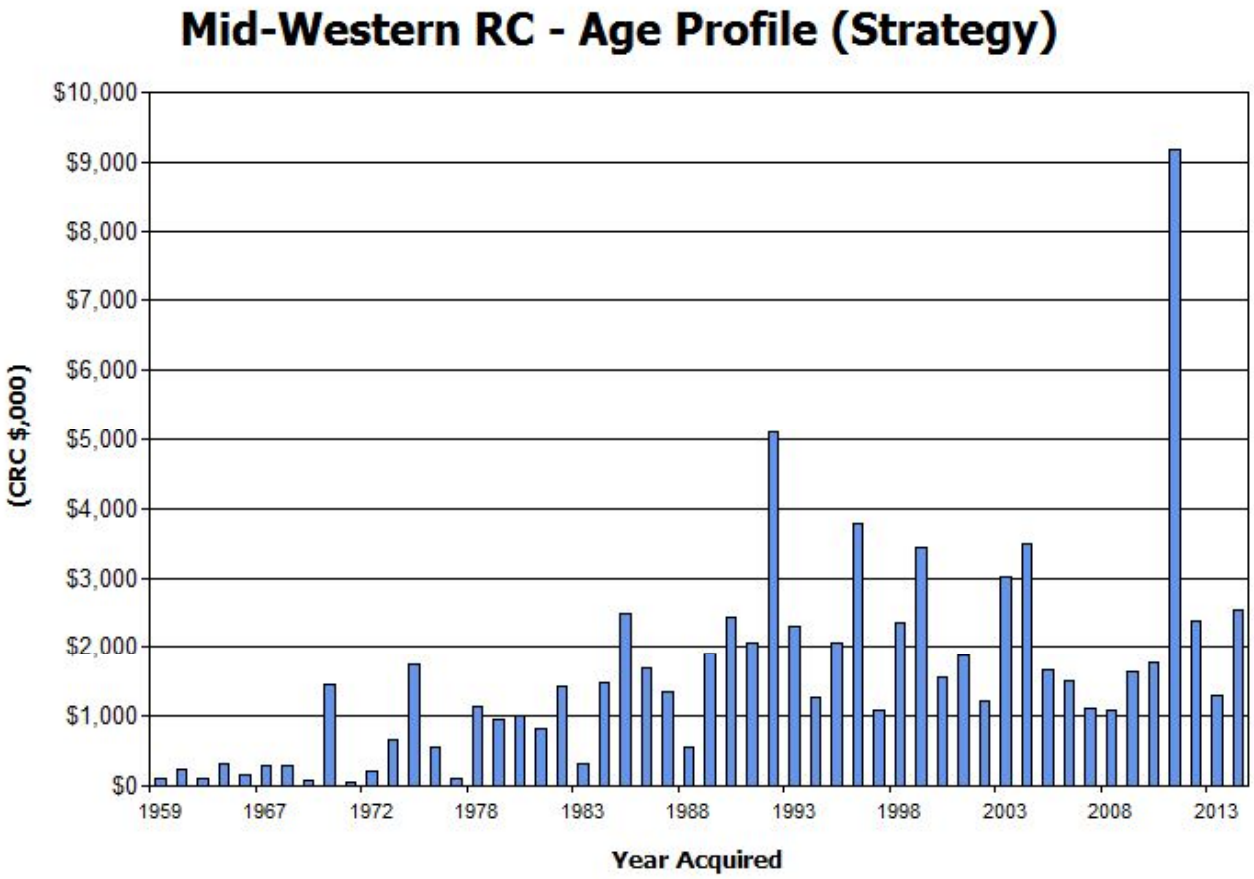
6.1 Background Data

6.1.1 Physical parameters

The assets covered by this asset management plan are shown in Table 2.1.

The age profile of the assets include in this AM Plan is shown in Figure 2.

FIGURE 2: ASSET AGE PROFILE



6.1.2 Asset capacity and performance

Mid-Western Regional Council's services are generally provided to meet design standards where these are available.

Locations where deficiencies in service performance are known are detailed in Table 5.1.2.

TABLE 5.1.2: KNOWN SERVICE PERFORMANCE DEFICIENCIES

Location	Service Deficiency
Stables Building Mudgee	Unable to meet the quality standard required to cater for art exhibitions
Grandstand, Mudgee Showground	Very poor condition

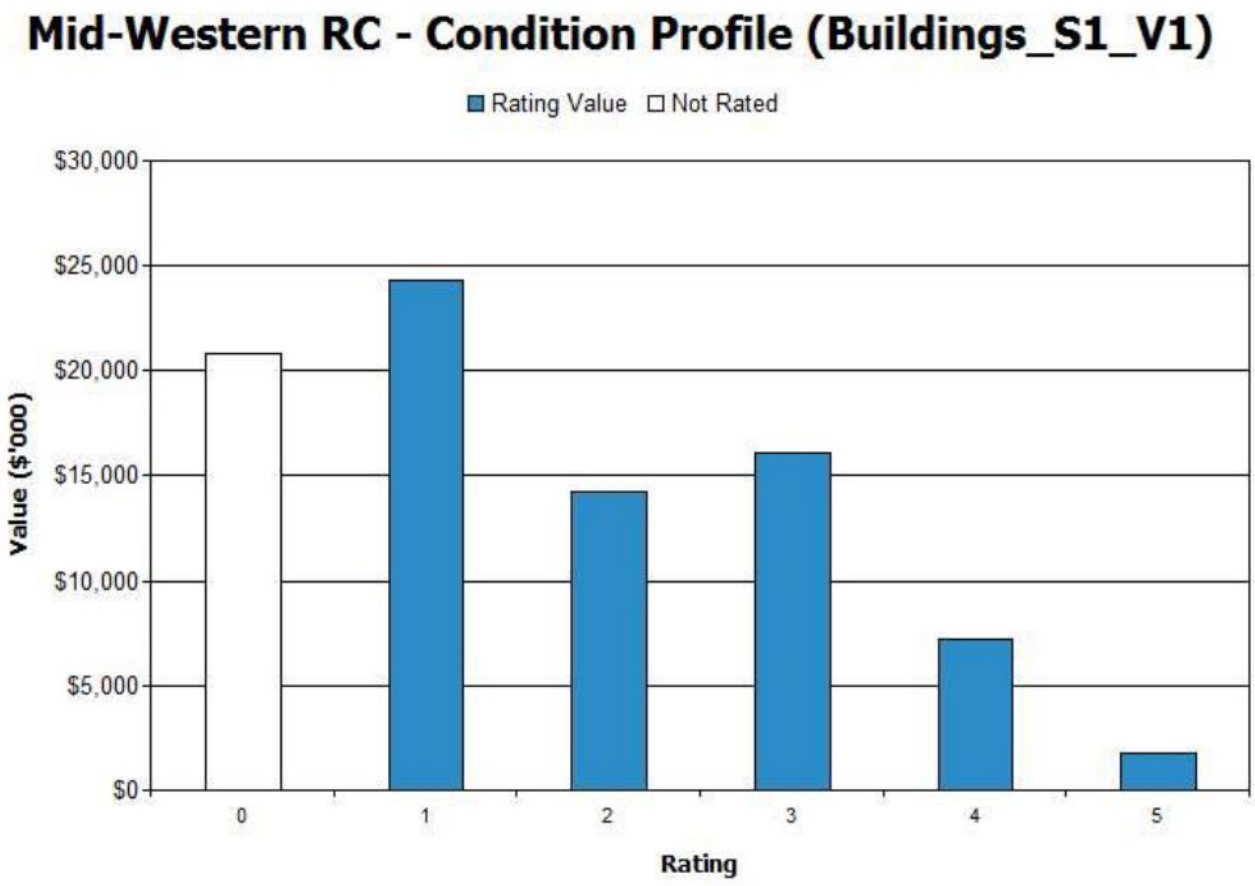
The above service deficiencies were identified from community feedback and valuer condition ratings.

6.1.3 Asset condition

Condition was assessed at 30 June 2013 by an external valuer. A monitoring program is necessary to keep this information current.

The condition profile of our assets is shown in Figure 3.

FIG 3: ASSET CONDITION PROFILE



Condition is measured using a 1 – 5 grading system[6] as detailed in Table 5.1.3.

TABLE 5.1.3: SIMPLE CONDITION GRADING MODEL

Condition Grading	Description of Condition
1	**Very Good**: only planned maintenance required
2	**Good**: minor maintenance required plus planned maintenance
3	**Fair**: significant maintenance required
4	**Poor**: significant renewal/rehabilitation required
5	**Very Poor**: physically unsound and/or beyond rehabilitation

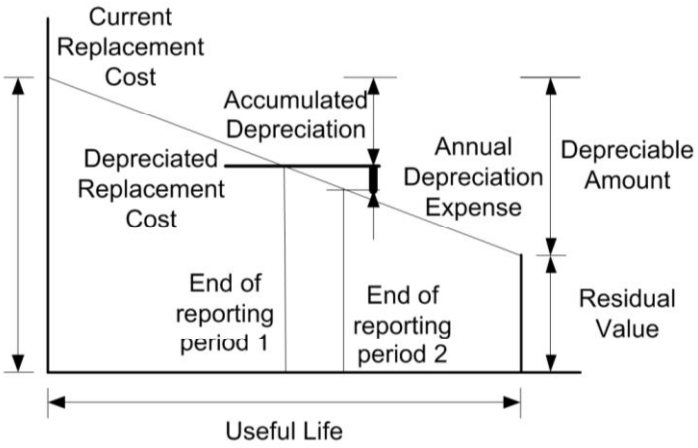
6.1.4 Asset valuations

The value of assets recorded in the asset register as at 30 June 2014 covered by this asset management plan is shown below. Assets were last revalued at 30 June 2013. Assets are valued at fair value; where a market exists at Market Value, if no observable market exits at Replacement Cost.

Current Replacement Cost	$82,690,000
Depreciable Amount	$78,458,000

[6] IPWEA, 2011, IIMM, Sec 2.5.4, p 2|79.

Depreciated Replacement Cost[7]	$4,902,000
Annual Depreciation Expense	$1,995,000



Useful lives were reviewed and determined in 2013 by AssetVal.

Key assumptions made in preparing the valuations were:

- Published project cost data was applied
- Condition assessment determines level of depreciation
- Major building components have different useful lives

Major changes from previous valuations are due to a reduction in the recognition of a residual value.

Various ratios of asset consumption and expenditure have been prepared to help guide and gauge asset management performance and trends over time.

Rate of Annual Asset Consumption
2.5%

(Depreciation/Depreciable Amount)

Rate of Annual Asset Renewal
1%

(Capital renewal exp/Depreciable amount)

In 2015 the organisation plans to renew assets at 37.6% of the rate they are being consumed and will be increasing its asset stock by 1% in the year.

[7] Also reported as Written Down Current Replacement Cost (WDCRC).

6.2 Infrastructure Risk Management Plan

An assessment of risks[8] associated with service delivery from infrastructure assets has identified critical risks that will result in loss or reduction in service from infrastructure assets or a 'financial shock' to the organisation. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks.

Critical risks, being those assessed as 'Very High' - requiring immediate corrective action and 'High' – requiring prioritised corrective action identified in the Infrastructure Risk Management Plan, together with the estimated residual risk after the selected treatment plan is operational are summarised in Table 5.2. These risks are reported to management and Council.

TABLE 5.2: CRITICAL RISKS AND TREATMENT PLANS

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
Mudgee Administration Building, Operations Building	Loss of access due to structural damage from fire, flood, storm	High	Inspections program and treatment Adequate insurance	Med	$30,000
Entire building network	Condition deterioration due to inadequate renewal	High	Develop condition inspection program Develop and implement 10 year renewal plan	Low	$40,000 (not costing any additional renewal funds)
Entire building network	Malfunctioning fire services	High	More regular inspection program	Med	$10,000
Entire building network	Increase build cost due to asbestos	High	Complete asbestos risk register	Low	$25,000

Note * the residual risk is the risk remaining after the selected risk treatment plan is operational.

6.3 Routine Operations and Maintenance Plan

Operations include regular activities to provide services such as public health, safety and amenity, e.g. cleaning, security, general maintenance and repairs.

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

6.3.1 Operations and Maintenance Plan

Operations activities affect service levels including quality and function through street sweeping and grass mowing frequency, intensity and spacing of street lights and cleaning frequency and opening hours of building and other facilities.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating, e.g. general repairs but excluding rehabilitation or renewal. Maintenance may be classified into reactive, planned and specific maintenance work activities.

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 reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

Specific maintenance is replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, replacing air conditioning units, etc. This work falls below the capital/maintenance threshold but may require a specific budget allocation.

Actual past maintenance expenditure is shown in Table 5.3.1.

(MAYBE NEIL CAN PROVIDE INFO FOR TABLE BELOW)?

TABLE 5.3.1: MAINTENANCE EXPENDITURE TRENDS

Year	Maintenance Expenditure	
	PLANNED AND SPECIFIC	UNPLANNED
"[Enter previous year]"	$	$
"[Enter previous year]"	$	$
"[Enter year prior to year 1]"	$	$

Planned maintenance work is currently "[Enter planned & specific mtce exp as % of total]" of total maintenance expenditure.

Maintenance expenditure levels are considered to be adequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance expenditure levels are such that will result in a lesser level of service, the service consequences and service risks have been identified and service consequences highlighted in this AM Plan and service risks considered in the Infrastructure Risk Management Plan.

Assessment and prioritisation of reactive maintenance is undertaken by Council staff using experience and judgement.

6.3.2 Operations and Maintenance Strategies

The organisation will operate and maintain assets to provide the defined level of service to approved budgets in the most cost-efficient manner. The operation and maintenance activities include:

- Scheduling operations activities to deliver the defined level of service in the most efficient manner,
- Undertaking maintenance activities through a planned maintenance system to reduce maintenance costs and improve maintenance outcomes. Undertake cost-benefit analysis to determine the most cost-effective split between planned and unplanned maintenance activities (50 – 70% planned desirable as measured by cost),
- Maintain a current infrastructure risk register for assets and present service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and Council,
- Review current and required skills base and implement workforce training and development to meet required operations and maintenance needs,
- Review asset utilisation to identify underutilised assets and appropriate remedies, and over utilised assets and customer demand management options,
- Maintain a current hierarchy of critical assets and required operations and maintenance activities,
- Develop and regularly review appropriate emergency response capability,
- Review management of operations and maintenance activities to ensure Council is obtaining best value for resources used.

ASSET HIERARCHY

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

The organisation's service hierarchy is shown is Table 5.3.2.

TABLE 5.3.2: ASSET SERVICE HIERARCHY

Service Hierarchy	Service Level Objective
Class A	High standard
Class B	Good standard
Class C	Fit for operation purpose

CRITICAL ASSETS

Critical assets are those assets which have a high consequence of failure but not necessarily a high likelihood of failure. By identifying critical assets and critical failure modes, organisations can target and refine investigative activities, maintenance plans and capital expenditure plans at the appropriate time.

Operations and maintenances activities may be targeted to mitigate critical assets failure and maintain service levels. These activities may include increased inspection frequency, higher maintenance intervention levels, etc. Critical assets failure modes and required operations and maintenance activities are detailed in Table 5.3.2.1.

TABLE 5.3.2.1: CRITICAL ASSETS AND SERVICE LEVEL OBJECTIVES

Critical Assets	Critical Failure Mode	Operations & Maintenance Activities
Mudgee Administration Building/Council Chamber, Mudgee Depot Buildings, Glen Willow Grandstand, Mudgee Library/Town Hall	Inaccessible	Cleaning and inspection of safety matters like fire services, lifts, pest control, gutters and drainage
Mortimer Street Complex	Inaccessible or untenanted	Inspections and addressing issues raised by tenants promptly to keep them satisfied

STANDARDS AND SPECIFICATIONS

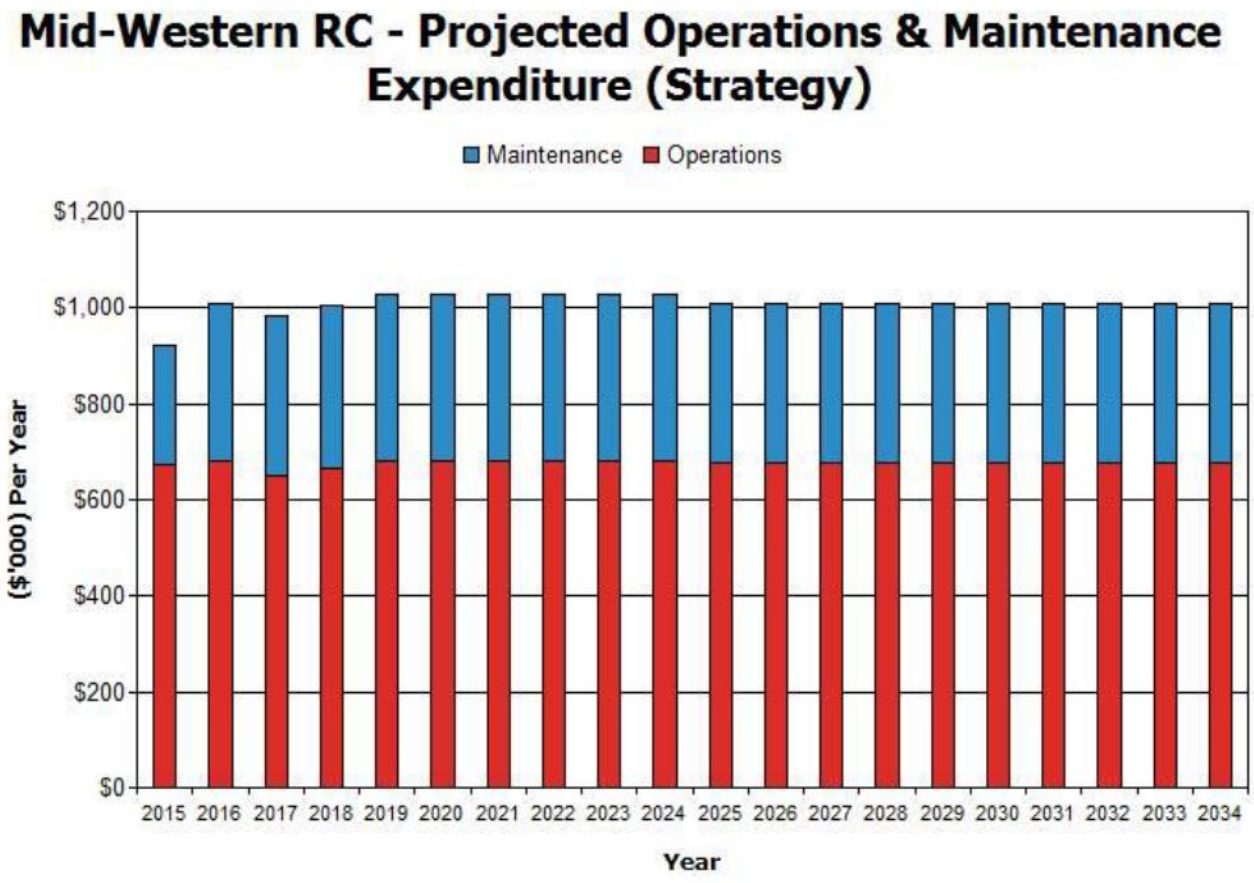
Maintenance work is carried out in accordance with the following Standards and Specifications.

- National Construction Code Series
- Work carried out by licensed trades people

6.3.3 Summary of future operations and maintenance expenditures

Future operations and maintenance expenditure is forecast to trend in line with the value of the asset stock as shown in Figure 4. Note that all costs are shown in current 2015 dollar values (i.e. real values).

FIGURE 4: PROJECTED OPERATIONS AND MAINTENANCE EXPENDITURE



Deferred maintenance, i.e. works that are identified for maintenance and unable to be funded are to be included in the risk assessment and analysis in the infrastructure risk management plan.

Maintenance is funded from the operating budget where available. This is further discussed in Section 6.2.

6.4 Renewal/Replacement Plan

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

6.4.1 Renewal plan

Assets requiring renewal/replacement are identified from one of three methods provided in the 'Expenditure Template'.

- Method 1 uses Asset Register data to project the renewal costs using acquisition year and useful life to determine the renewal year, or
- Method 2 uses capital renewal expenditure projections from external condition modelling systems (such as Pavement Management Systems), or

- Method 3 uses a combination of average *network renewals* plus *defect repairs* in the *Renewal Plan* and *Defect Repair Plan* worksheets on the 'Expenditure template'.

Method 1 was used for this asset management plan.

The useful lives of assets used to develop projected asset renewal expenditures are shown in Table 5.4.1. Asset useful lives were last reviewed on 30 June 2013.[9]

TABLE 5.4.1: USEFUL LIVES OF ASSETS

Asset (Sub)Category	Useful life
BUILDING ENVELOPE	15 – 100
FIRE SERVICES	15 – 40
FLOOR	15 – 100
FLOOR COVERINGS	15 – 75
INTERNAL FIT OUT	15 – 30
MECHANICAL SERVICES	15 – 40
ROOF	15 – 60
TRANSPORT SERVICES	25 – 30

6.4.2 Renewal and Replacement Strategies

Mid-Western Regional Council will plan capital renewal and replacement projects to meet level of service objectives and minimise infrastructure service risks by:

- Planning and scheduling renewal projects to deliver the defined level of service in the most efficient manner,
- Undertaking project scoping for all capital renewal and replacement projects to identify:
  - the service delivery 'deficiency', present risk and optimum time for renewal/replacement,
  - the project objectives to rectify the deficiency,
  - the range of options, estimated capital and life cycle costs for each options that could address the service deficiency,
  - and evaluate the options against evaluation criteria adopted by the organisation, and
  - select the best option to be included in capital renewal programs,
- Using 'low cost' renewal methods (cost of renewal is less than replacement) wherever possible,
- Maintain a current infrastructure risk register for assets and service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and Council/Board,

- Review current and required skills base and implement workforce training and development to meet required construction and renewal needs,
- Maintain a current hierarchy of critical assets and capital renewal treatments and timings required,
- Review management of capital renewal and replacement activities to ensure Council is obtaining best value for resources used.

RENEWAL RANKING CRITERIA

Asset renewal and replacement is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a roof that has outlived its useful life), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. upgrading fire safety features to ensure occupant safety).[10]

It is possible to get some indication of capital renewal and replacement priorities by identifying assets or asset groups that:

- Have a high consequence of failure,
- Have a high utilisation and subsequent impact on users would be greatest,
- The total value represents the greatest net value to Mid-Western Regional Council,
- Have the highest average age relative to their expected lives,
- Are identified in the AM Plan as key cost factors,
- Have high operational or maintenance costs, and
- Where replacement with modern equivalent assets would yield material savings.[11]

Mid-Western Regional Council carries out a merit assessment prior to each financial year to determine ranking criteria.

RENEWAL AND REPLACEMENT STANDARDS

Renewal work is carried out in accordance with the following Standards and Specifications.

- The National Construction Code Series
- Work carried out by licenced trades people

[10] IPWEA, 2011, IIMM, Sec 3.4.4, p 3|60.

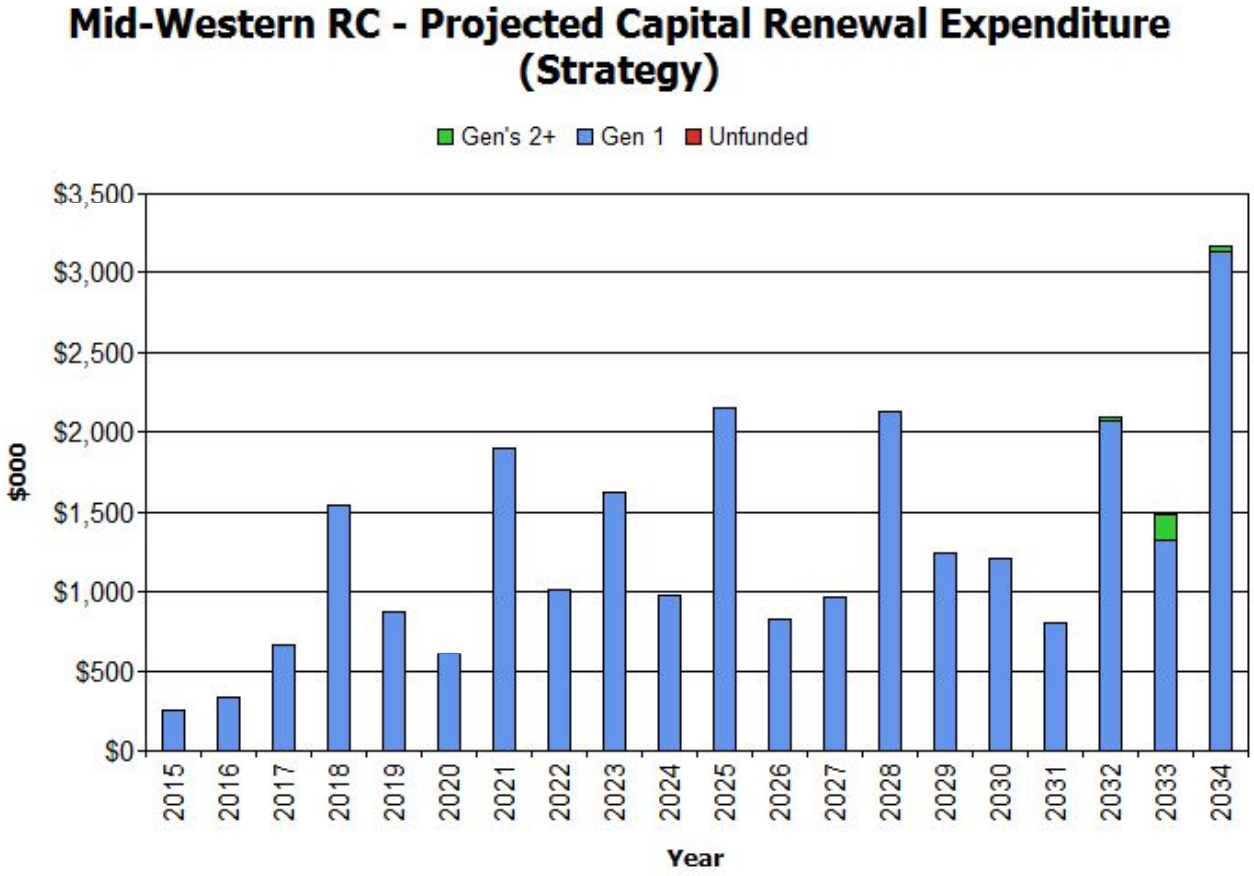
[11] Based on IPWEA, 2011, IIMM, Sec 3.4.5, p 3|66.

6.4.3 Summary of future renewal and replacement expenditure

Projected future renewal and replacement expenditures are forecast to increase over time as the asset stock increases from growth. The expenditure is summarised in Fig 5. Note that all amounts are shown in real values.

The projected capital renewal and replacement program is shown in Appendix B.

FIG 5: PROJECTED CAPITAL RENEWAL AND REPLACEMENT EXPENDITURE



Deferred renewal and replacement, i.e. those assets identified for renewal and/or replacement and not scheduled in capital works programs are to be included in the risk analysis process in the risk management plan.

Renewals and replacement expenditure in Mid-Western Regional Council's capital works program will be accommodated in the long term financial plan. This is further discussed in Section 6.2.

6.5 Creation/Acquisition/Upgrade Plan

New works are those works that create a new asset that did not previously exist, or works which upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs. Assets may also be acquired at no cost to the organisation from land development. These assets from growth are considered in Section 4.4.

6.5.1 Selection criteria

New assets and upgrade/expansion of existing assets are identified from various sources such as councillor/management or community requests, proposals identified by strategic plans or partnerships with other organisations. Candidate proposals are inspected to verify need and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds and scheduled in future works programmes.

6.5.2 Capital Investment Strategies

Mid-Western Regional Council will plan capital upgrade and new projects to meet level of service objectives by:

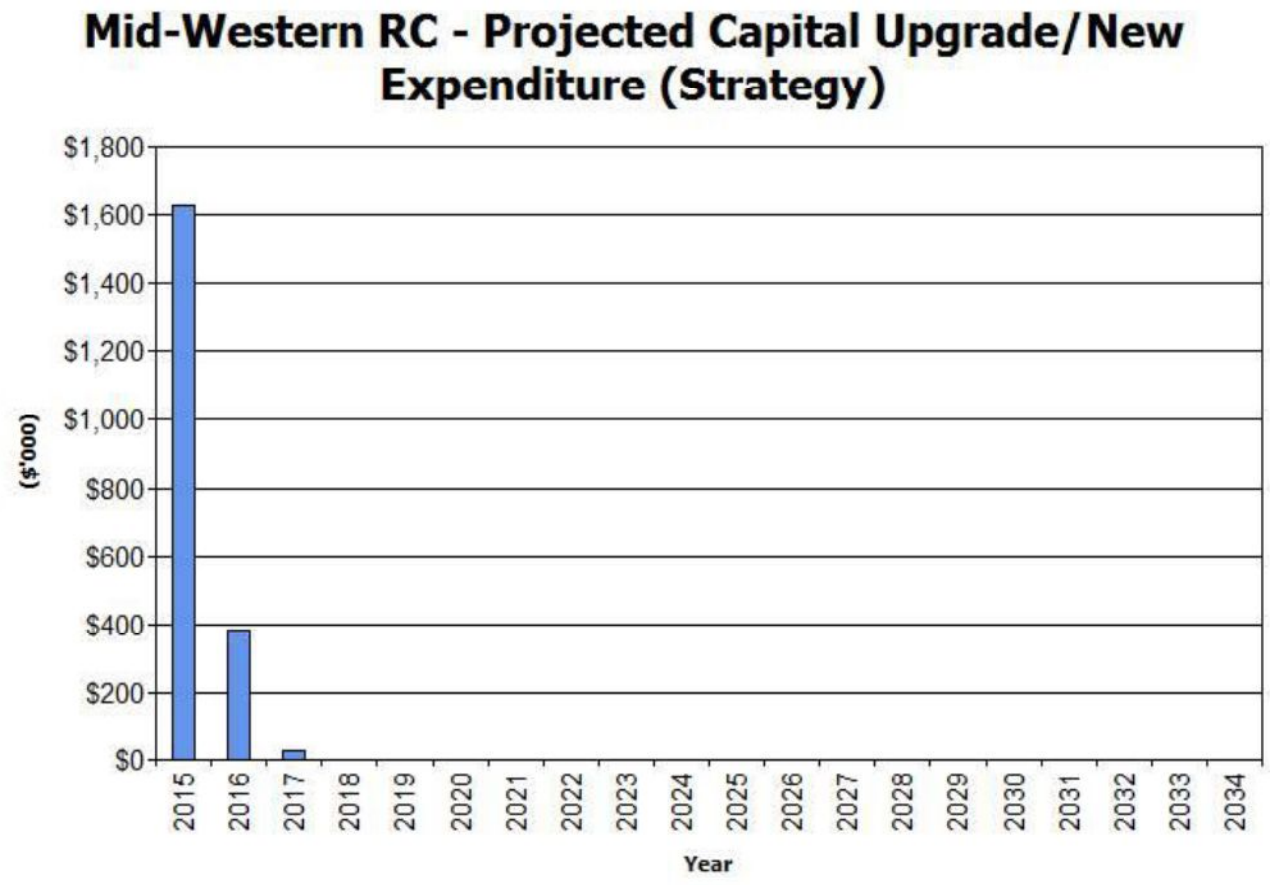
- Planning and scheduling capital upgrade and new projects to deliver the defined level of service in the most efficient manner,
- Undertake project scoping for all capital upgrade/new projects to identify:
  - the service delivery 'deficiency', present risk and required timeline for delivery of the upgrade/new asset,
  - the project objectives to rectify the deficiency including value management for major projects,
  - the range of options, estimated capital and life cycle costs for each options that could address the service deficiency,
  - management of risks associated with alternative options,
  - and evaluate the options against evaluation criteria adopted by Council, and
  - select the best option to be included in capital upgrade/new programs,
- Review current and required skills base and implement training and development to meet required construction and project management needs,
- Review management of capital project management activities to ensure Council is obtaining best value for resources used.

Standards and specifications for new assets and for upgrade/expansion of existing assets are the same as those for renewal shown in Section 5.4.2.

6.5.3 Summary of future upgrade/new assets expenditure

Projected upgrade/new asset expenditures are summarised in Fig 6. The projected upgrade/new capital works program is shown in Appendix C. All amounts are shown in real values.

FIG 6: PROJECTED CAPITAL UPGRADE/NEW ASSET EXPENDITURE



Expenditure on new assets and services in the organisation's capital works program will be accommodated in the long term financial plan. This is further discussed in Section 6.2.

6.6 Disposal Plan

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 5.6, together with estimated annual savings from not having to fund operations and maintenance of the assets. These assets will be further reinvestigated to determine the required levels of service and see what options are available for alternate service delivery, if any. Any revenue gained from asset disposals is accommodated in Council's long term financial plan.

Where cash flow projections from asset disposals are not available, these will be developed in future revisions of this asset management plan.

TABLE 5.6: ASSETS IDENTIFIED FOR DISPOSAL

Asset	Reason for Disposal	Timing	Disposal Expenditure	Operations & Maintenance Annual Savings
Old Rylstone Showground Toilets	Unused – has been replaced	2015	$5,000	Nil – unmaintained
Jack Tindell Park Toilets	Unused – has been replaced	2015	$5,000	Nil - unmaintained

6.7 Service Consequences and Risks

The organisation has prioritised decisions made in adopting this AM Plan to obtain the optimum benefits from its available resources. Decisions were made based on the development of 3 scenarios of AM Plans.

Scenario 1 - What we would like to do based on asset register data

Scenario 2 – What we should do with existing budgets and identifying level of service and risk consequences (i.e. what are the operations and maintenance and capital projects we are unable to do, what is the service and risk consequences associated with this position). This may require several versions of the AM Plan.

Scenario 3 – What we can do and be financially sustainable with AM Plans matching long-term financial plans.

The development of scenario 1 and scenario 2 AM Plans provides the tools for discussion with the Council and community on trade-offs between what we would like to do (scenario 1) and what we should be doing with existing budgets (scenario 2) by balancing changes in services and service levels with affordability and acceptance of the service and risk consequences of the trade-off position (scenario 3).

6.7.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- Maintain all building to the same standard regardless of usage levels
- Construct new buildings without including an appropriate operational budget
- Retain and maintain buildings surplus to requirements

6.7.2 Service consequences

Operations and maintenance activities and capital projects that cannot be undertaken will maintain or create service consequences for users. These include:

- Slower response times to work requests
- Poorer building condition for users
- Accessibility issues
- Potential reduction in opening hours
- Reduction in the range of services provided

6.7.3 Risk consequences

The operations and maintenance activities and capital projects that cannot be undertaken may maintain or create risk consequences for Mid-Western Regional Council. These include:

- Closure of building due to safety issues or damage
- Increasing reactive maintenance costs
- Unidentified hazards that could cause injury

These risks have been included with the Infrastructure Risk Management Plan summarised in Section 5.2 and risk management plans actions and expenditures included within projected expenditures.

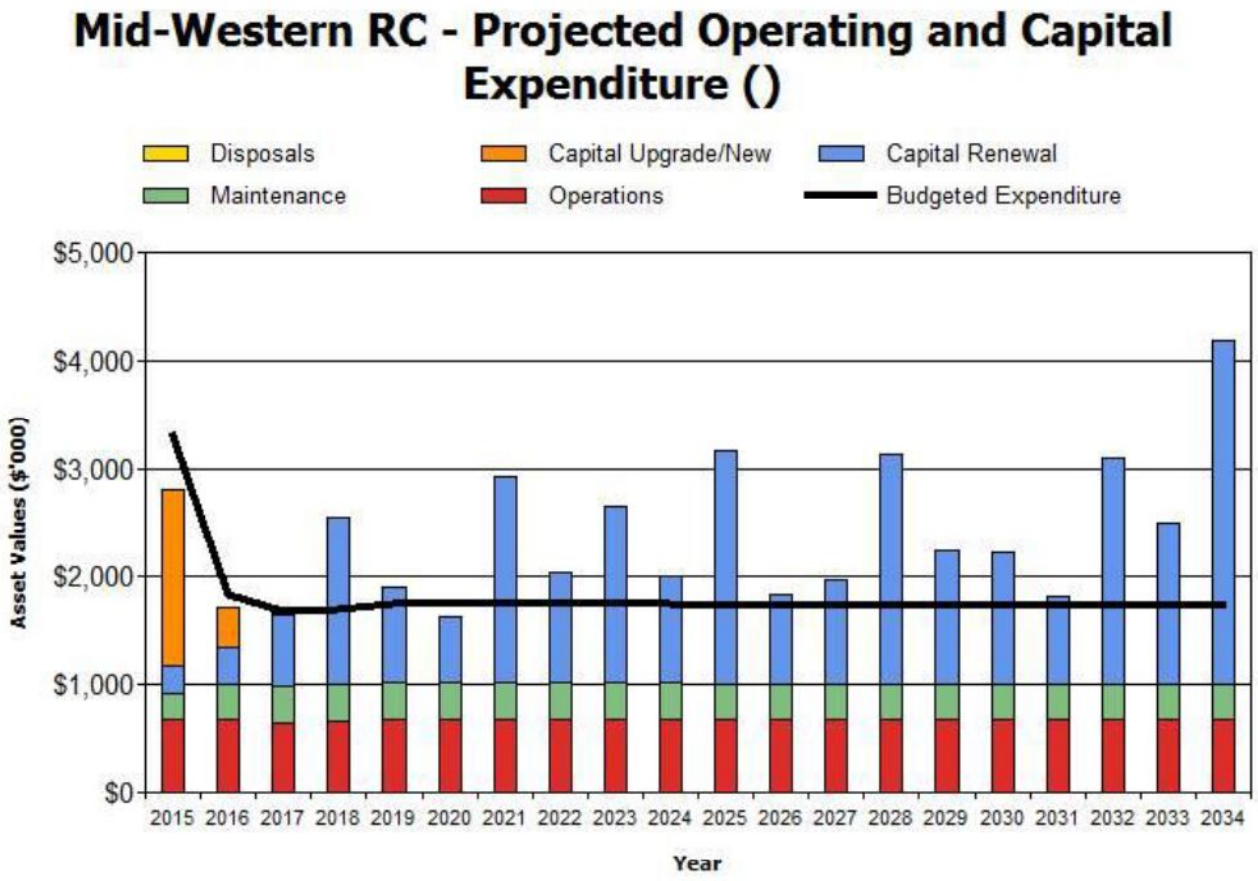
7. Financial Summary

This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

7.1 Financial Statements and Projections

The financial projections are shown in Fig 7 for projected operating (operations and maintenance) and capital expenditure (renewal and upgrade/expansion/new assets). Note that all costs are shown in real values.

FIG 7: PROJECTED OPERATING AND CAPITAL EXPENDITURE



8. Sustainability of service delivery

There are four key indicators for service delivery sustainability that have been considered in the analysis of the services provided by this asset category, these being the asset renewal funding ratio, long term life cycle costs/expenditures and medium term projected/budgeted expenditures over 5 and 10 years of the planning period.

ASSET RENEWAL FUNDING RATIO

Asset Renewal Funding Ratio[12] 75%

The Asset Renewal Funding Ratio is the most important indicator and reveals that over the next 10 years, Council is forecasting that it will have 75% of the funds required for the optimal renewal and replacement of its assets.

LONG TERM - LIFE CYCLE COST

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the asset life cycle. Life cycle costs include

[12] AIFMG, 2012, Version 1.3, Financial Sustainability Indicator 4, Sec 2.6, p 2.16

operations and maintenance expenditure and asset consumption (depreciation expense). The life cycle cost for the services covered in this asset management plan is $3,003,000 per year (average operations and maintenance expenditure plus depreciation expense projected over 10 years).

Life cycle costs can be compared to life cycle expenditure to give an initial indicator of affordability of projected service levels when considered with age profiles. Life cycle expenditure includes operations, maintenance and capital renewal expenditure. Life cycle expenditure will vary depending on the timing of asset renewals. The life cycle expenditure over the 10 year planning period is $1,699,000 per year (average operations and maintenance plus capital renewal budgeted expenditure in LTFP over 10 years).

A shortfall between life cycle cost and life cycle expenditure is the life cycle gap. The life cycle gap for services covered by this asset management plan is $1,304,000 per year (-ve = gap, +ve = surplus).

Life cycle expenditure is 57% of life cycle costs.

The life cycle costs and life cycle expenditure comparison highlights any difference between present outlays and the average cost of providing the service over the long term. If the life cycle expenditure is less than that life cycle cost, it is most likely that outlays will need to be increased or cuts in services made in the future.

Knowing the extent and timing of any required increase in outlays and the service consequences if funding is not available will assist organisations in providing services to their communities in a financially sustainable manner. This is the purpose of the asset management plans and long term financial plan.

MEDIUM TERM – 10 YEAR FINANCIAL PLANNING PERIOD

This asset management plan identifies the projected operations, maintenance and capital renewal expenditures required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

These projected expenditures may be compared to budgeted expenditures in the 10 year period to identify any funding shortfall. In a core asset management plan, a gap is generally due to increasing asset renewals for ageing assets.

The projected operations, maintenance and capital renewal expenditure required over the 10 year planning period is $1,989,000 on average per year.

Estimated (budget) operations, maintenance and capital renewal funding is $1,699,000 on average per year giving a 10 year funding shortfall of $291,000 per year. This indicates that Council expects to have 85% of the projected expenditures needed to provide the services documented in the asset management plan.

MEDIUM TERM – 5 YEAR FINANCIAL PLANNING PERIOD

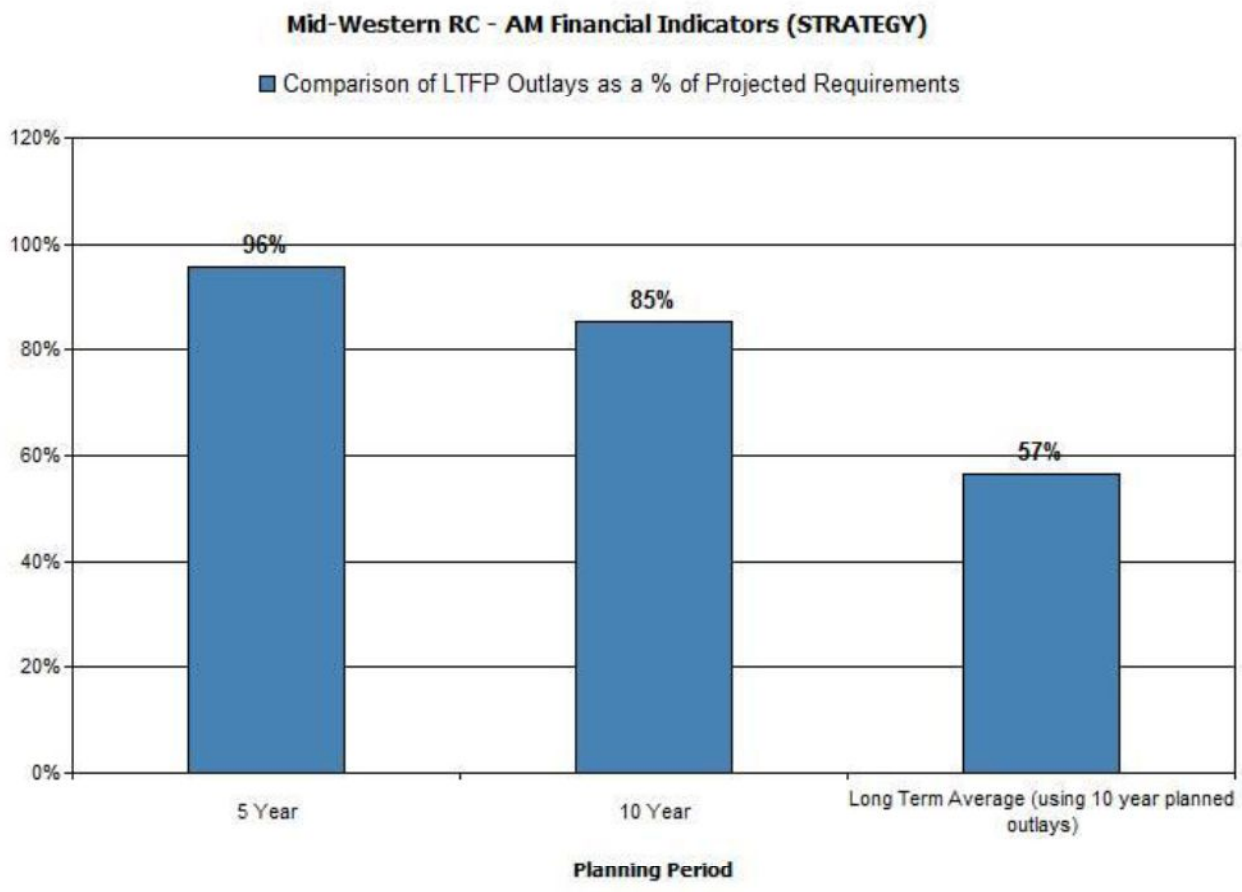
The projected operations, maintenance and capital renewal expenditure required over the first 5 years of the planning period is $1,723,000 on average per year.

Estimated (budget) operations, maintenance and capital renewal funding is $1,648,000 on average per year giving a 5 year funding shortfall of $75,000. This indicates that Council expects to have 96% of projected expenditures required to provide the services shown in this asset management plan.

ASSET MANAGEMENT FINANCIAL INDICATORS

Figure 7A shows the asset management financial indicators over the 10 year planning period and for the long term life cycle.

FIGURE 7A: ASSET MANAGEMENT FINANCIAL INDICATORS



Providing services from infrastructure in a sustainable manner requires the matching and managing of service levels, risks, projected expenditures and financing to achieve a financial indicator of approximately 1.0 for the first years of the asset management plan and ideally over the 10 year life of the Long Term Financial Plan.

Figure 8 shows the projected asset renewal and replacement expenditure over the 20 years of the AM Plan. The projected asset renewal and replacement expenditure is compared to renewal and replacement expenditure in the capital works program, which is accommodated in the long term financial plan

FIGURE 8: PROJECTED AND LTFP BUDGETED RENEWAL EXPENDITURE

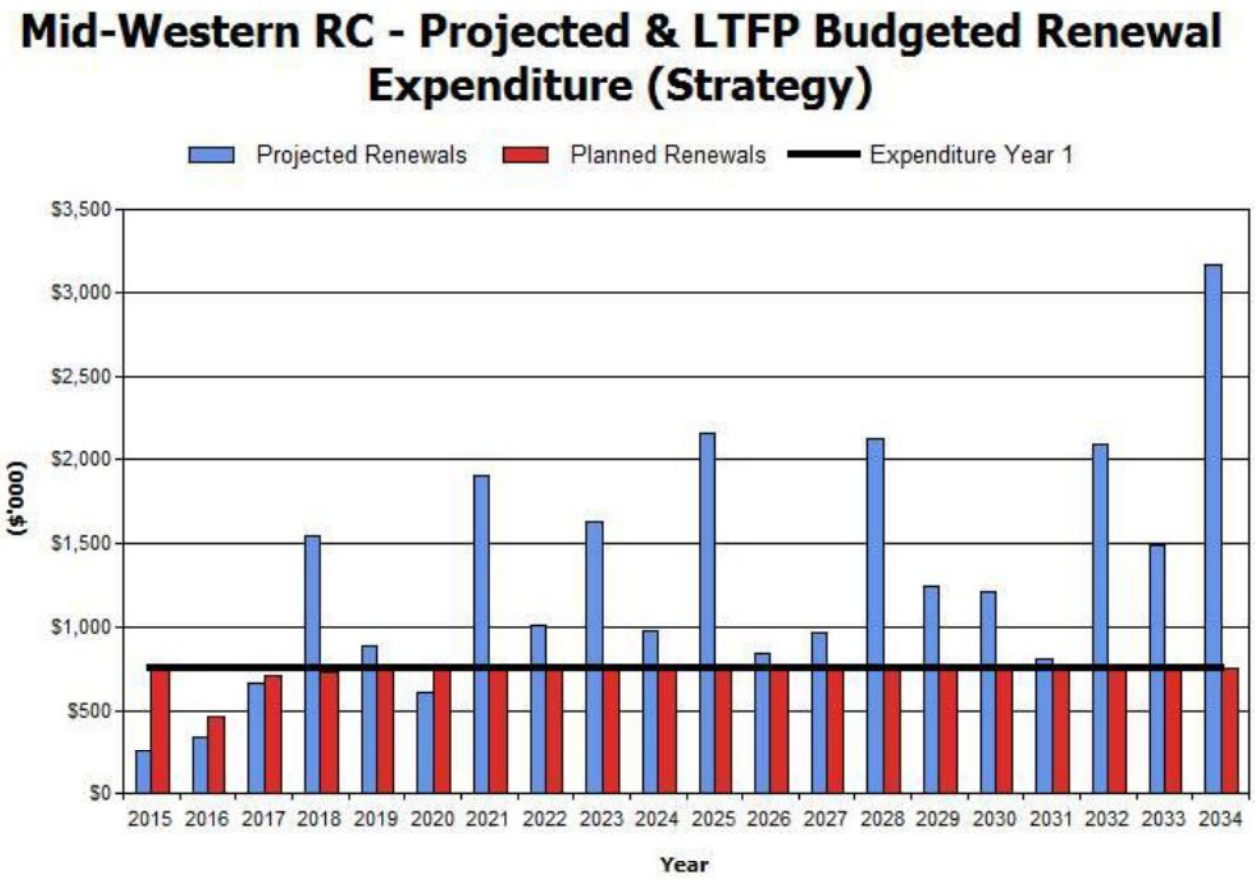


Table 6.1.1 shows the shortfall between projected renewal and replacement expenditures and expenditure accommodated in long term financial plan. Budget expenditures accommodated in the long term financial plan or extrapolated from current budgets are shown in Appendix D.

TABLE 6.1.1: PROJECTED AND LTFP BUDGETED RENEWALS AND FINANCING SHORTFALL

Year	Projected Renewals ($000)	LTFP Renewal Budget ($000)	Renewal Financing Shortfall ($000) (-ve Gap, +ve Surplus)	Cumulative Shortfall ($000) (-ve Gap, +ve Surplus)
2015	$254	$751	$497	$497
2016	$338	$461	$123	$620
2017	$665	$707	$42	$663
2018	$1,540	$729	$-811	$-148
2019	$879	$746	$-133	$-281
2020	$611	$746	$136	$-146
2021	$1,905	$746	$-1,159	$-1,305
2022	$1,017	$746	$-271	$-1,576
2023	$1,629	$746	$-883	$-2,459
2024	$979	$746	$-233	$-2,692
2025	$2,154	$746	$-1,408	$-4,100
2026	$831	$746	$-85	$-4,185
2027	$965	$746	$-219	$-4,404
2028	$2,126	$746	$-1,380	$-5,784
2029	$1,240	$746	$-494	$-6,278
2030	$1,212	$746	$-466	$-6,744
2031	$802	$746	$-56	$-6,800
2032	$2,092	$746	$-1,346	$-8,146

Year	Projected Renewals ($000)	LTFP Renewal Budget ($000)	Renewal Financing Shortfall ($000) (-ve Gap, +ve Surplus)	Cumulative Shortfall ($000) (-ve Gap, +ve Surplus)
2033	$1,485	$746	$-739	$-8,884
2034	$3,170	$746	$-2,424	$-11,309

Note: A negative shortfall indicates a financing gap, a positive shortfall indicates a surplus for that year.

Providing services in a sustainable manner will require matching of projected asset renewal and replacement expenditure to meet agreed service levels with **the corresponding** capital works program accommodated in the long term financial plan.

A gap between **projected asset renewal/replacement expenditure and amounts accommodated in the LTFP** indicates that **further work is required on reviewing service levels in the AM Plan (including possibly revising the LTFP)** before finalising the asset management plan to manage required service levels and funding **to eliminate any funding gap**.

We will manage the 'gap' by developing this asset management plan to provide guidance on future service levels and resources required to provide these services, and review future services, service levels and costs with the community.

7.1.1 Projected expenditures for long term financial plan

Table 6.1.2 shows the projected expenditures for the 10 year long term financial plan.

Expenditure projections are in 2015 real values.

TABLE 6.1.2: PROJECTED EXPENDITURES FOR LONG TERM FINANCIAL PLAN ($000)

Year	Operations ($000)	Maintenance ($000)	Projected Capital Renewal ($000)	Capital Upgrade/ New ($000)	Disposals ($000)
2015	$674	$247	$254	$1,625	$0
2016	$681	$326	$338	$380	$0
2017	$650	$331	$665	$27	$0
2018	$665	$338	$1,540	$0	$0
2019	$681	$346	$879	$0	$0
2020	$681	$346	$611	$0	$0
2021	$681	$346	$1,905	$0	$0
2022	$681	$346	$1,017	$0	$0
2023	$681	$346	$1,629	$0	$0
2024	$681	$346	$979	$0	$0
2025	$678	$333	$2,154	$0	$0
2026	$678	$333	$831	$0	$0
2027	$678	$333	$965	$0	$0
2028	$678	$333	$2,126	$0	$0
2029	$678	$333	$1,240	$0	$0
2030	$678	$333	$1,212	$0	$0
2031	$678	$333	$802	$0	$0
2032	$678	$333	$2,092	$0	$0
2033	$678	$333	$1,485	$0	$0

Year	Operations ($000)	Maintenance ($000)	Projected Capital Renewal ($000)	Capital Upgrade/ New ($000)	Disposals ($000)
2034	$678	$333	$3,170	$0	$0

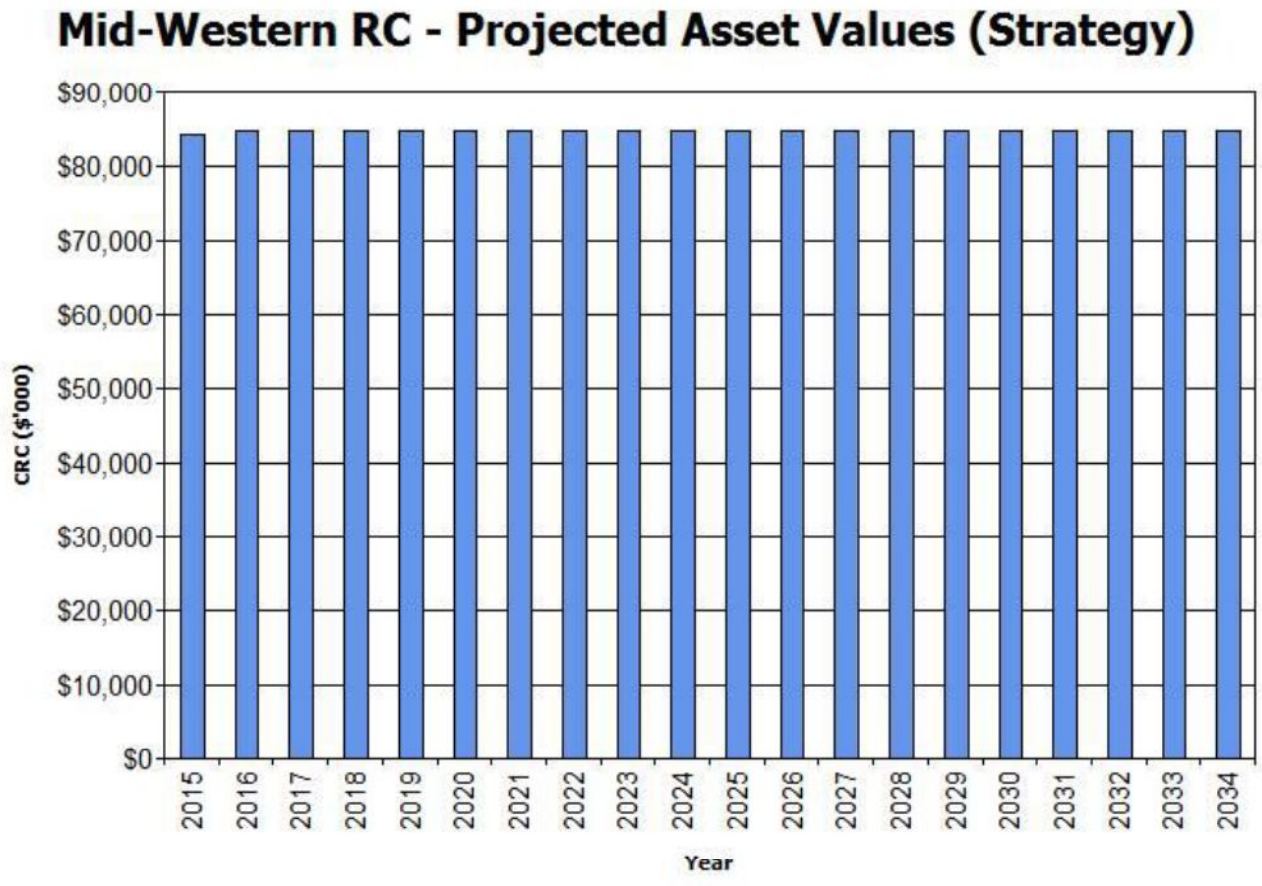
7.2 Funding Strategy

After reviewing service levels, as appropriate to ensure ongoing financial sustainability projected expenditures identified in Section 6.1.2 will be accommodated in the Council's 10 year long term financial plan.

7.3 Valuation Forecasts

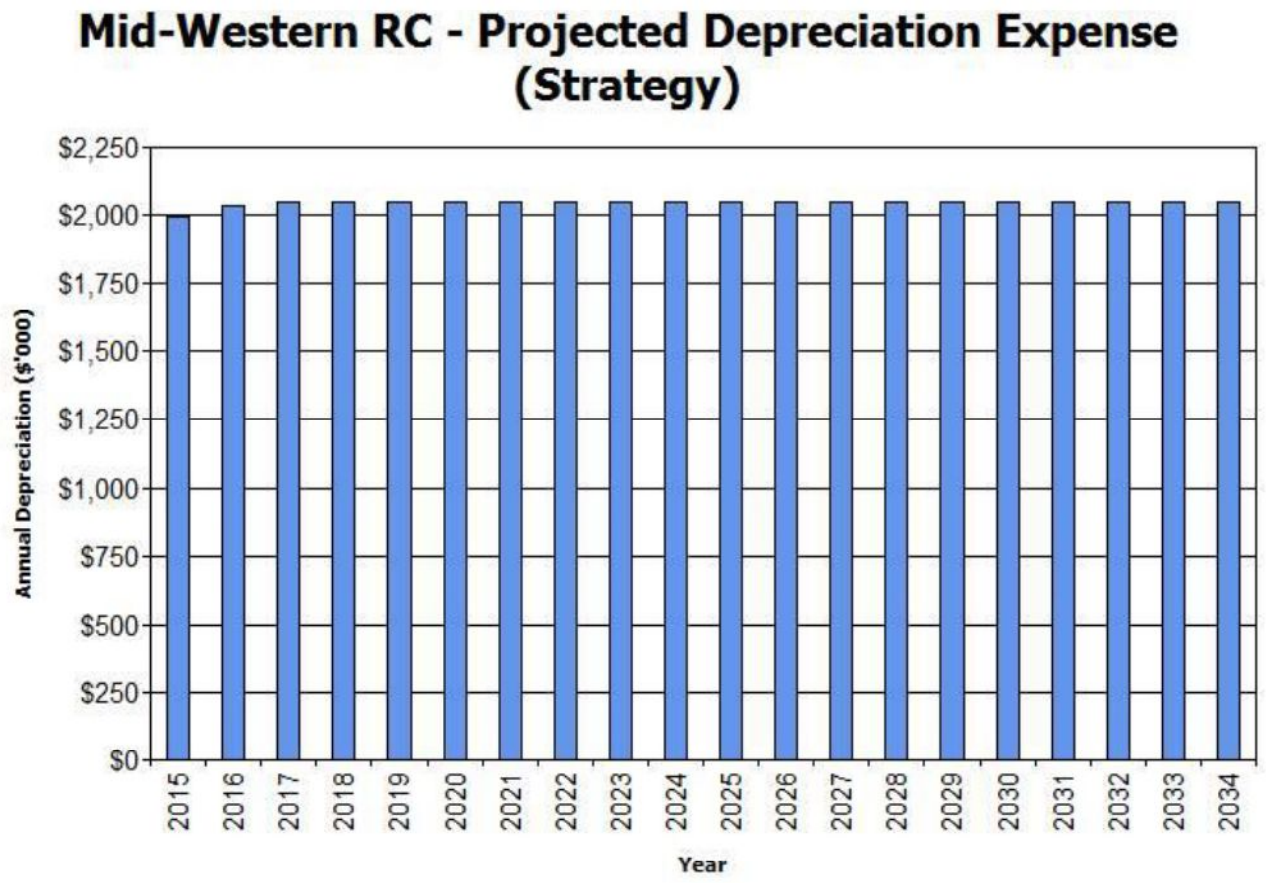
Asset values are forecast to increase as additional assets are added to the asset stock from construction and acquisition by Council. Figure 9 shows the projected replacement cost asset values over the planning period in real values.

FIGURE 9: PROJECTED ASSET VALUES



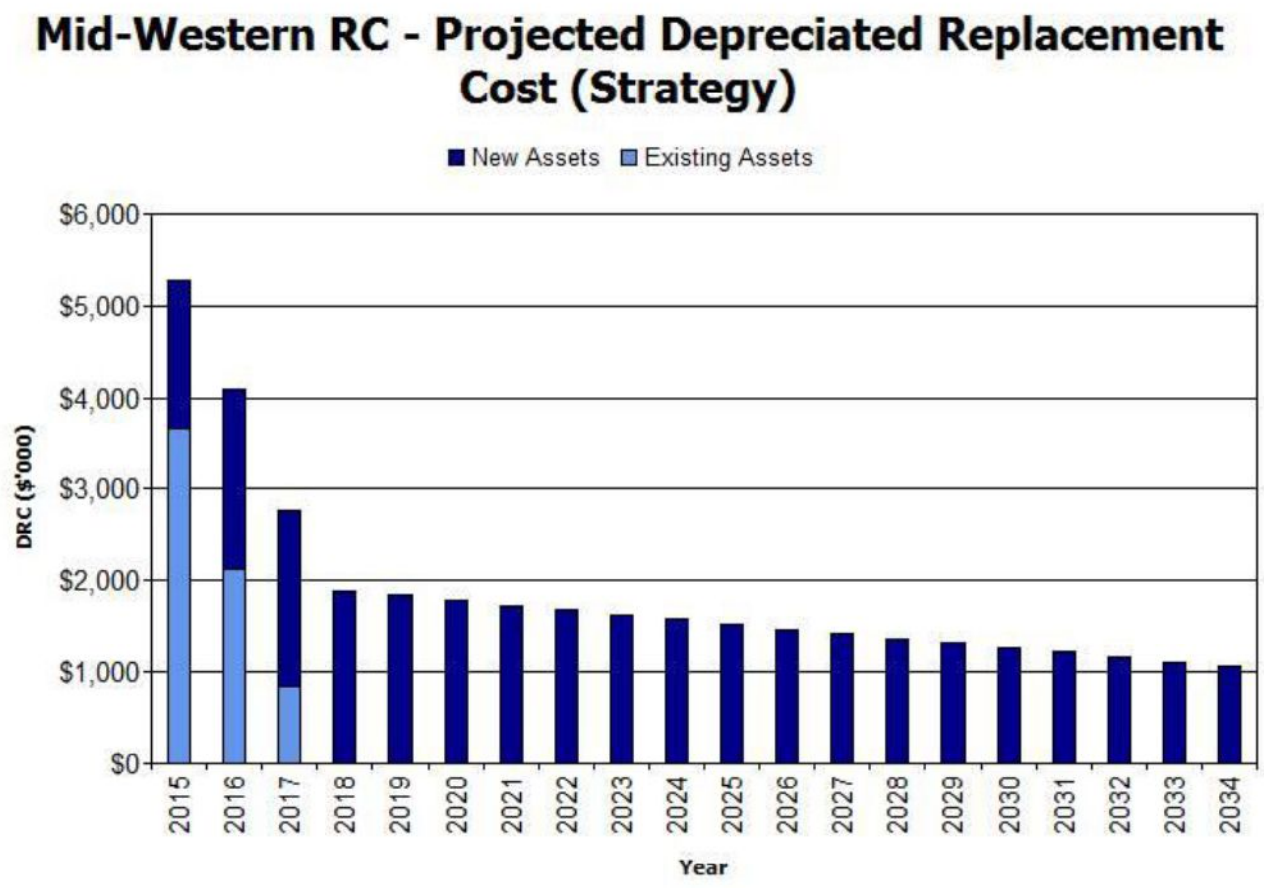
Depreciation expense values are forecast in line with asset values as shown in Figure 10.

FIGURE 10: PROJECTED DEPRECIATION EXPENSE



The depreciated replacement cost will vary over the forecast period depending on the rates of addition of new assets, disposal of old assets and consumption and renewal of existing assets. Forecast of the assets' depreciated replacement cost is shown in Figure 11. The depreciated replacement cost of contributed and new assets is shown in the darker colour and in the lighter colour for existing assets.

FIGURE 11: PROJECTED DEPRECIATED REPLACEMENT COST



9. Key Assumptions made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this asset management plan and in preparing forecasts of required operating and capital expenditure and asset values, depreciation expense and carrying amount estimates. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions made in this asset management plan and risks that these may change are shown in Table 6.4.

TABLE 6.4: KEY ASSUMPTIONS MADE IN AM PLAN AND RISKS OF CHANGE

Key Assumptions	Risks of Change to Assumptions
Capital renewal is based on estimated remaining useful life, influenced by the condition rating.	An average change of 1 point would change fair value by 15%
Customer service levels are based on historical work requests and ad hoc feedback without planned consultation	It is unlikely that we have overstated the service level requirement, therefore the risk is that costs requirements may be greater

7.4 Forecast Reliability and Confidence

The expenditure and valuations projections in this AM Plan are based on best available data. Currency and accuracy of data is critical to effective asset and financial management. Data confidence is classified on a 5 level scale[13] in accordance with Table 6.5.

TABLE 6.5: DATA CONFIDENCE GRADING SYSTEM

Confidence Grade	Description
A Highly reliable	Data based on sound records, procedures, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate ± 2%
B Reliable	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate ± 10%
C Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated ± 25%
D Very Uncertain	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy ± 40%
E Unknown	None or very little data held.

The estimated confidence level for and reliability of data used in this AM Plan is shown in Table 6.5.1.

TABLE 6.5.1: DATA CONFIDENCE ASSESSMENT FOR DATA USED IN AM PLAN

Data	Confidence Assessment	Comment
Demand drivers	C	Population and demographic projections are reliable however other drivers are uncertain
Growth projections		
Operations expenditures	A	Based on actual historical data
Maintenance expenditures	C	Based on actual historical data however additional maintenance required is projected unsupported
Projected Renewal exps. - Asset values	B	Assessed for fair value
- Asset residual values	B	Assessed for fair value
- Asset useful lives	C	It should be noted that capital renewals are based on the estimated remaining useful life. The inherent risk with estimates and future planning is the chance for variations to arise from year to year and hence we could not have the confidence to budget exactly based each year. However using averages and looking at the overall trend we can have

[13] IPWEA, 2011, IIMM, Table 2.4.6, p 2|59.

		confidence that Council has not set aside sufficient funding for buildings in the long term.
- Condition modelling	B	Assessed for fair value
- Network renewals	C	Individual building assessment to be undertaken
- Defect repairs	E	Individual building assessment to be undertaken
Upgrade/New expenditures	B	Based on actual planned new expenditure
Disposal expenditures	C	

Over all data sources the data confidence is assessed as medium confidence level for data used in the preparation of this AM Plan.

8. Plan Improvement and Monitoring

8.1 Status of Asset Management Practices

8.1.1 Accounting and financial systems

Mid-Western Regional Council use Technology One for financials and asset management. Council buildings were revalued as at 30 June 2013 in accordance with the Fair Value accounting standards and DLG requirement and were compiled into a single asset register.

ACCOUNTABILITIES FOR FINANCIAL SYSTEMS

Finance Department

ACCOUNTING STANDARDS AND REGULATIONS

Australian Accounting Standards

Office of Local Government NSW Accounting Code

CAPITAL/MAINTENANCE THRESHOLD

Construction/Extension 100%

Renewal >$5,000

REQUIRED CHANGES TO ACCOUNTING FINANCIAL SYSTEMS ARISING FROM THIS AM PLAN

Amendment of the chart of accounts to separation of operations and maintenance expenditure. Ideally this would also extend to separating planned and reactive maintenance.

8.1.2 Asset management system

Technology One

ASSET REGISTERS

Property Asset Register

LINKAGE FROM ASSET MANAGEMENT TO FINANCIAL SYSTEM

Depreciation and asset capitalisation are linked to finance system

Operations and maintenance expenditure are not linked to assets

ACCOUNTABILITIES FOR ASSET MANAGEMENT SYSTEM AND DATA MAINTENANCE

Operations and Finance departments

REQUIRED CHANGES TO ASSET MANAGEMENT SYSTEM ARISING FROM THIS AM PLAN

Restructure of hierarchy and asset attributes

Utilisation of work orders to scheduling maintenance and record reactive maintenance

Improving asset data

8.2 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown in Table 7.2.

TABLE 7.2: IMPROVEMENT PLAN

Task No	Task	Responsibility	Resources Required	Timeline
1	SEPARATION OF OPERATIONS AND MAINTENANCE EXPENDITURE IN GENERAL LEDGER	FINANCE	STAFF TIME	JULY 2015
2	SEPARATION OF PLANED AND REACTIVE MAINTENANCE EXPENDITURE IN THE GENERAL LEDGER	FINANCE, HEALTH & BUILDING	STAFF TIME	JULY 2015
3	CUSTOMER REQUESTS TO SPLIT INTO THE TYPE OF REQUEST RELATING TO SERVICE LEVELS I.E. QUALITY, FUNCTION, CAPACITY	CUSTOMER SERVICE, HEALTH & BUILDING	STAFF TIME	AUGUST 2015
4	CONDITION INSPECTION PROGRAM	HEALTH & BUILDING	STAFF TIME	JULY 2015
6	UTILISATION OF WORK ORDERS SYSTEM TO SCHEDULE MAINTENANCE AND RECORD REACTIVE MAINTENANCE	HEALTH & BUILDING, FINANCE	STAFF TIME, CONSULTANT $5,000	DECEMBER 2014
7	CREATE DEFECT REPAIRS LIST	HEALTH & BUILDING	STAFF TIME OR CONTRACTOR	JULY 2016
8	CREATE 10 YEAR RENEWAL PROGRAM	HEALTH & BUILDING, EXECUTIVE	STAFF TIME	DECEMBER 2016
9	START A RISK MANAGEMENT TEAM TO REVIEW THE RISK MANAGEMENT PLAN AND ENSURE RISKS ARE PLACED ON CORPORATE RISK REGISTER AND RAISED WITH EXECUTIVE	MANAGEMENT	STAFF TIME	DECEMBER 2014
10	INVESTIGATE UNDERUTILISED BUILDINGS AND ASSESS PLANNED RENEWAL ACTIVITIES.	HEALTH & BUILDING, MANAGEMENT	STAFF TIME	DECEMBER 2016

8.3 Monitoring and Review Procedures

This asset management plan will be reviewed during annual budget planning processes and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of budget decisions.

The AM Plan will be updated annually to ensure it represents the current service level, asset values, projected operations, maintenance, capital renewal and replacement, capital upgrade/new and asset disposal expenditures and projected expenditure values incorporated into the organisation's long term financial plan.

The AM Plan has a life of 4 years (Council election cycle) and is due for complete revision and updating within one year of each Council election.

8.4 Performance Measures

The effectiveness of the asset management plan can be measured in the following ways:

- The degree to which the required projected expenditures identified in this asset management plan are incorporated into Council's long term financial plan,
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the asset management plan,
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the Council's Strategic Plan and associated plans,
- **The Asset Renewal Funding Ratio achieving the target of 1.0.**

9. References

IPWEA, 2006, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/IIMM

IPWEA, 2008, 'NAMS.PLUS Asset Management', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/namsplus.

IPWEA, 2009, 'Australian Infrastructure Financial Management Guidelines', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/AIFMG.

IPWEA, 2011, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/IIMM

Mid-Western Regional Council Community Plan

Mid-Western Regional Council Operational Plan

10. Appendices

Appendix A Maintenance Response Levels of Service

Appendix B Projected 10 year Capital Renewal and Replacement Works Program

Appendix C Projected 10 year Capital Upgrade/New Works Program

Appendix D LTFP Budgeted Expenditures Accommodated in AM Plan

Appendix E Abbreviations

Appendix F Glossary

Appendix A Maintenance Response Levels of Service

PLANNED MAINTENANCE AND INSPECTIONS

ACTIVITY	TYPE	FREQUENCY	COMMENTS
AIR CONDITIONING	INSPECTION	MONTHLY	AUSTRALIAN STANDARDS APPLY
ALARMS	INSPECTION	YEARLY	AUSTRALIAN STANDARDS APPLY
AMENITIES CLEANING	CLEANING	DAILY-WEEKLY	DEPENDANT ON USAGE
BACK-FLOW PREVENTION DEVICES	INSPECTION	YEARLY	AUSTRALIAN STANDARDS APPLY
CARPET CLEANING	CLEANING	DAILY-WEEKLY	DEPENDENT ON USAGE
CHILDCARE CENTRES	INSPECTION	YEARLY	DOCS STANDARDS APPLY
ELECTRICAL COMPLIANCE	INSPECTION	YEARLY	SWITCHBOARD INSPECTIONS
ELECTRICAL TAGGING OF APPLIANCES	INSPECTION	VARIOUS	DEPENDS UPON THE TYPE OF EQUIPMENT
EXIT LIGHTING	INSPECTION	6 MONTHLY	AUSTRALIAN STANDARDS APPLY
FALL RESTRAINT SYSTEM	INSPECTION	YEARLY	AUSTRALIAN STANDARDS APPLY
FIRE EMERGENCY SYSTEMS	INSPECTION	MONTHLY - 6 MONTHLY	AUSTRALIAN STANDARDS APPLY
FLAME-RETARDANT SYSTEMS	INSPECTION	2 YEARLY	AUSTRALIAN STANDARDS APPLY
FLOOR COVERINGS	REPLACE/REPAIR	AS REQUIRED	
GARDEN MAINTENANCE	GENERAL MAINTENANCE	WEEKLY-QUARTERLY	DEPENDENT ON THE SEASON
GENERAL PROPERTY INSPECTION	INSPECTION	MONTHLY	
GREASE TRAPS	INSPECTION	MONTHLY-6 MONTHLY	
HARNESS SYSTEM	INSPECTION	YEARLY	AUSTRALIAN STANDARDS APPLY
KITCHEN CLEANING	CLEANING	DAILY	
LIFTS	INSPECTION	MONTHLY	AUSTRALIAN STANDARDS APPLY
PAINTING	GENERAL MAINTENANCE	TO BE DETERMINED	
PEST CONTROL	INSPECTION	MONTHLY - 6 MONTHLY	DEPENDENT ON LOCATION AND USAGE
POOL MAINTENANCE (CHLORINE, FILTRATION, ETCETERA)	GENERAL MAINTENANCE	HOURLY	DEPT. OF HEALTH REQUIREMENTS RE WATER QUALITY
ROOF AND GUTTER CLEANING	CLEANING	QUARTERLY	MORE REGULARLY FOR BUILDINGS NEAR TREES
THERMOSTATIC MIXING	INSPECTION	YEARLY	AUSTRALIAN STANDARDS APPLY
WINDOW CLEANING	CLEANING	TO BE DETERMINED	

REACTIVE MAINTENANCE RESPONSE TIMES

TASK	INTERVENTION LEVEL	MAKE SAFE TIME	REPAIR TIME (FROM NOTIFICATION)
AIR CONDITIONING REPLACE/REPAIR	INSPECTION/REPORT	WITHIN 2 HOURS	WITHIN 7 DAYS
BREAK-IN RESPONSE	INSPECTION/REPORT	WITHIN 2 HOURS	WITHIN 7 DAYS
CARPENTRY AND JOINERY	INSPECTION/REPORT	WITHIN 2 DAYS	WITHIN 2 WEEKS
CLEAR PLUMBING BLOCKAGES	INSPECTION/REPORT	WITHIN 24 HOURS	WITHIN 7 DAYS

TASK	INTERVENTION LEVEL	MAKE SAFE TIME	REPAIR TIME (FROM NOTIFICATION)
CONCRETING REPLACE/REPAIR	INSPECTION/REPORT	WITHIN 2 DAYS	WITHIN 2 WEEKS
DOOR LOCKS AND ALARM SYSTEMS	INSPECTION/REPORT	WITHIN 24 HOURS	WITHIN 7 DAYS
UPGRADE ELECTRICAL SYSTEM	INSPECTION/REPORT	WITHIN 7 DAYS	WITHIN 12 MONTHS
ELECTRICAL REPAIRS (MAJOR)	INSPECTION/REPORT	WITHIN 2 HOURS	WITHIN 5 DAYS
ELECTRICAL REPAIRS (MINOR)	INSPECTION/REPORT	WITHIN 2 DAYS	WITHIN 2 WEEKS
FIRE SERVICES REPAIR/REPLACE	INSPECTION/REPORT	WITHIN 24 HOURS	WITHIN 5 DAYS
FLOOR COVERINGS REPLACE/REPAIR	INSPECTION/REPORT	WITHIN 2 DAYS	WITHIN 2 WEEKS
GLAZING	INSPECTION/REPORT	WITHIN 24 HOURS	WITHIN 5 DAYS
GRAFFITI REMOVAL (OFFENSIVE)	INSPECTION/REPORT	NA	WITHIN 24 HOURS
GRAFFITI REMOVAL (NON-OFFENSIVE)	INSPECTION/REPORT	NA	WITHIN 2 WEEKS
HOT WATER SYSTEMS REPLACE/REPAIR	INSPECTION/REPORT	WITHIN 2 WEEKS	WITHIN 2 WEEKS
LIGHT BULB CHANGE (EA)	INSPECTION/REPORT	WITHIN 7 DAYS	WITHIN 30 DAYS
LIGHTS GENERAL MAINTENANCE (WCC)	INSPECTION/REPORT	WITHIN 5 DAYS	WITHIN 5 DAYS
LIGHTS GENERAL MAINTENANCE (EA)	INSPECTION/REPORT	WITHIN 7 DAYS	WITHIN 30 DAYS
LIGHTS GENERAL MAINTENANCE (WCC)	INSPECTION/REPORT	WITHIN 2 DAYS	WITHIN 2 DAYS
PAINTING	INSPECTION/REPORT	WITHIN 7 DAYS	WITHIN 12 MONTHS
PEST CONTROL	INSPECTION/REPORT	2 DAYS INSPECTION AND 7 DAYS TREATMENT	WITHIN 14 DAYS
PLUMBING FITTINGS REPLACE/REPAIR	INSPECTION/REPORT	WITHIN 7 DAYS	WITHIN 12 MONTHS

Appendix B Projected 10 year Capital Renewal and Replacement Works Program

Asset ID	Sub Category	Asset Name	From	To	Rem Life	Planned Renewal	Renewal Cost	Useful Life

					(Years)	Year	($000)	(Years)
BL00054		BUSHFIRE SHED NO.1 ULAN ROAD COOKS GAP			7	2022	$93,000	30
BL00074		BUSHFIRE SHED WINDEYER ROAD PYRAMUL			7	2022	$57,000	30
						Subtotal	**$150,000**	
BL00092		CORRUGATED METAL SHED EAST STAR PROPERTY SPRING CREEK RD			0	2015	$22,000	30
						Subtotal	**$22,000**	
BL00102		CYSS SHED RED HILL COMPLEX COOYAL ST			2	2017	$25,000	15
						Subtotal	**$25,000**	
BL00106		DOG POUND PUTTA BUCCA ROAD			3	2018	$84,000	30
						Subtotal	**$84,000**	
BL00107		DOG POUND/PENS ILFORD ROAD KANDOS			8	2023	$20,000	50
BL00117		FORMER TOILET BLOCK MARKET ST ROBERTSON PARK			8	2023	$22,000	30
						Subtotal	**$42,000**	
BL00120		GARAGES BEHIND OLD POLICE STATION 82 MARKET ST			3	2018	$20,000	30
						Subtotal	**$20,000**	
BL00121		GATEHOUSE SHOWGROUND NICHOLSON ST			4	2019	$42,000	40
						Subtotal	**$42,000**	
BL00123		GOLF AMENITIES (LADIES)			7	2022	$32,000	60
						Subtotal	**$32,000**	
BL00142		KIOSK & STORAGE SHED BILLY DUNN PARK NANDOURA ST			0	2015	$77,000	30
						Subtotal	**$77,000**	
BL00154		MAIN DEPOT TOILETS PIPER STREET			5	2020	$46,000	50
						Subtotal	**$46,000**	
BL00163		METAL DECK SHED EAST STAR PROPERTY SPRING CREEK RD			3	2018	$51,000	50
BL00174		OLD DEPOT SHED WHITE ST			3	2018	$73,000	50
						Subtotal	**$124,000**	
BL00175		OLD OPEN FRONT SHED EAST STAR PROPERTY SPRING CREEK RD			0	2015	$61,000	50
						Subtotal	**$61,000**	
BL00225		SHED TWO BIRRIWA RESERVE CASTLEREAGH HWY BIRRIWA			3	2018	$37,000	30

			Subtotal	$37,000	
BL00232	SHOWGROUND BBQ SHELTER CUDGEGONG STREET	4	2019	$41,000	15
			Subtotal	$41,000	
BL00235	SHOWGROUND KOSHEMAKIN PAVILION CUDGEGONG STREET	6	2021	$75,000	40
			Subtotal	$75,000	
BL00238	SHOWGROUND SHELTER CUDGEGONG STREET	4	2019	$83,000	30
BL00239	SHOWGROUND STORE SHED CUDGEGONG STREET	4	2019	$61,000	60
			Subtotal	$144,000	
BL00246	STORE SHED GALVANISED IRON SHOWGROUND CUDGEGONG ST	2	2017	$23,000	40
			Subtotal	$23,000	
BL00248	STORE SHED SANITARY DEPOT DOGTRAP HILL KANDOS	7	2022	$64,000	30
			Subtotal	$64,000	
BL00250	STORE SHED SEWERAGE TREATMENT WORKS ILFORD RD KANDOS	4	2019	$19,000	30
			Subtotal	$19,000	
BL00251	STORE NANDOURA ST	9	2024	$63,000	50
			Subtotal	$63,000	
BL00261	TENNIS CLUBHOUSE TURILL	0	2015	$10,000	30
			Subtotal	$10,000	
BL00318	STABLES INCLUDING DAY YARDS NICHOLSON ST	3	2018	$93,000	50
			Subtotal	$93,000	
BL00342	INTERNAL FITOUT AT DEPARTMENTS WORKS SHED	9	2024	$58,000	20
			Subtotal	$58,000	
BL00417	INTERNAL FITOUT AT AGED CARE UNIT NOS 1-3, 102 LOUEE STREET, RYLSTONE	8	2023	$15,000	25
			Subtotal	$15,000	
BL00419	FLOOR COVERINGS AT AGED CARE UNIT NOS 1-3, 102 LOUEE STREET, RYLSTONE	6	2021	$8,700	25
			Subtotal	$8,700	
BL00421	INTERNAL FITOUT AT AGED CARE UNIT NOS 1&2, 75 MUDGEE STREET, RYLSTONE	4	2019	$11,000	25
BL00424	FLOOR COVERINGS AT AGED CARE UNIT NOS 1&2, 75 MUDGEE STREET, RYLSTONE	4	2019	$6,000	25
			Subtotal	$17,000	

BL00435	FLOOR COVERINGS AT AGED UNIT NOS 1-4, COOYAL ST, GULGONG	2	2017	$12,000	25
			Subtotal	**$12,000**	
BL00461	INTERNAL FITOUT AT AMENITIES BLOCK, APEX PARK, CORNER WHITE & BAYLEY STS, GULGONG	5	2020	$20,000	25
BL00470	FLOOR COVERINGS AT AMENITIES BLOCK, MARKET ST, ROBERTSON PARK, MUDGEE	5	2020	$12,000	25
			Subtotal	**$32,000**	
BL00475	BUILDING ENVELOPE AT AMENITIES BLOCK, SHOWGROUND, NICHOLSON ST, MUDGEE (O)	9	2024	$100,100	60
			Subtotal	**$100,100**	
BL00497	ROOF AT AMENITIES NO.2, CARAVAN PARK, SHORT ST, MUDGEE	7	2022	$20,000	50
			Subtotal	**$20,000**	
BL00502	FLOOR COVERINGS AT AMENITIES, CARWELL STREET, CARAVAN PARK, RYLSTONE	6	2021	$8,200	25
BL00527	INTERNAL FITOUT AT AMENITIES/STORE, CARWELL STREET, CARAVAN PARK, RYLSTONE	6	2021	$24,000	25
BL00528	FLOOR COVERINGS AT AMENITIES/STORE, CARWELL STREET, CARAVAN PARK, RYLSTONE	6	2021	$6,700	25
			Subtotal	**$38,900**	
BL00533	ROOF AT ANIMAL NURSERY, SHOWGROUND, NICHOLSON ST, MUDGEE	9	2024	$12,000	40
			Subtotal	**$12,000**	
BL00569	BUSHFIRE SHED DOUBLE DOORS HILL END ROAD GRATTAI	4	2019	$50,000	30
			Subtotal	**$50,000**	
BL00591	ROOF AT BUSHFIRE SHED NO.2, MAYS PLACE, CASSILIS ROAD, COOKS GAP	7	2022	$11,000	40
			Subtotal	**$11,000**	
BL00665	INTERNAL FITOUT AT CHILD CARE CENTRE, SHORT ST, MUDGEE	9	2024	$54,000	20
BL00667	FLOOR COVERINGS AT CHILD CARE CENTRE, SHORT ST, MUDGEE	9	2024	$17,000	20
			Subtotal	**$71,000**	
BL00683	FLOOR COVERINGS AT COMMUNITY HALL & LIBRARY, ANGUS AVENUE, KANDOS	8	2023	$96,000	25
			Subtotal	**$96,000**	
BL00689	FLOOR COVERINGS AT COMMUNITY SUPPORT CENTRE, 88 MARKET ST, MUDGEE	7	2022	$23,000	25

BL00691	INTERNAL FITOUT AT COMMUNITY SUPPORT CENTRE, 88 MARKET ST, MUDGEE	7	2022	$48,000	25
			Subtotal	**$71,000**	
BL00692	MECHANICAL SERVICES AT COMMUNITY SUPPORT CENTRE, 88 MARKET ST, MUDGEE	8	2023	$91,000	30
BL00694	ROOF AT COMMUNITY SUPPORT CENTRE, 88 MARKET ST, MUDGEE	8	2023	$60,000	50
BL00695	FIRE SERVICES AT COMMUNITY SUPPORT CENTRE, 88 MARKET ST, MUDGEE	8	2023	$9,300	30
			Subtotal	**$160,300**	
BL00707	INTERNAL FITOUT AT COTTAGE, AERODROME, GEORGE CAMPBELL DR, MUDGEE	4	2019	$8,900	20
			Subtotal	**$8,900**	
BL00721	INTERNAL FITOUT AT CUDGEGONG WATER PARK - AMENITIES, CUDGEGONG ROAD, CUDGEGONG	8	2023	$31,000	25
BL00725	FLOOR COVERINGS AT CUDGEGONG WATER PARK - AMENITIES, CUDGEGONG ROAD, CUDGEGONG	8	2023	$8,400	25
			Subtotal	**$39,400**	
BL00731	INTERNAL FITOUT AT CUDGEGONG WATER PARK - PORTABLE AMEN, CUDGEGONG ROAD, CUDGEGONG	3	2018	$21,000	15
BL00732	ROOF AT CUDGEGONG WATER PARK - PORTABLE AMEN, CUDGEGONG ROAD, CUDGEGONG	3	2018	$19,000	15
BL00733	FLOOR AT CUDGEGONG WATER PARK - PORTABLE AMEN, CUDGEGONG ROAD, CUDGEGONG	3	2018	$8,500	15
BL00734	FLOOR COVERINGS AT CUDGEGONG WATER PARK - PORTABLE AMEN, CUDGEGONG ROAD, CUDGEGONG	3	2018	$7,400	15
BL00735	BUILDING ENVELOPE AT CUDGEGONG WATER PARK - PORTABLE AMEN, CUDGEGONG ROAD, CUDGEGONG	3	2018	$68,800	15
			Subtotal	**$124,700**	
BL00759	INTERNAL FITOUT AT DINING BLOCK, RED HILL COMPLEX, COOYAL ST, GULGONG	9	2024	$14,000	20
			Subtotal	**$14,000**	
BL00831	FLOOR AT GRANDSTAND, SHOWGROUND, NICHOLSON ST, MUDGEE	7	2022	$32,000	30
			Subtotal	**$32,000**	
BL00832	BUILDING ENVELOPE AT GRANDSTAND, SHOWGROUND, NICHOLSON ST, MUDGEE	6	2021	$493,300	30
			Subtotal	**$493,300**	
BL00844	BUILDING ENVELOPE AT GUIDE HALL, LOUEE STREET, RYLSTONE	8	2023	$82,900	50

			Subtotal	**$82,900**	
BL00845	FLOOR COVERINGS AT GUIDE HALL, LOUEE STREET, RYLSTONE	6	2021	$25,000	20
			Subtotal	**$25,000**	
BL00846	BUILDING ENVELOPE AT HALL SUPPER ROOM, WELLINGTON ROAD, GOOLMA	8	2023	$65,700	50
			Subtotal	**$65,700**	
BL00847	ROOF AT HALL SUPPER ROOM, WELLINGTON ROAD, GOOLMA	6	2021	$32,000	40
			Subtotal	**$32,000**	
BL00848	FLOOR COVERINGS AT HALL SUPPER ROOM, WELLINGTON ROAD, GOOLMA	2	2017	$20,000	20
			Subtotal	**$20,000**	
BL00852	FLOOR COVERINGS AT HALL, WELLINGTON ROAD, GOOLMA	8	2023	$28,000	20
			Subtotal	**$28,000**	
BL00857	INTERNAL FITOUT AT HOUSE, EAST STAR PROPERTY, SPRING CREEK RD, GULGONG	0	2015	$5,600	20
			Subtotal	**$5,600**	
BL00858	BUILDING ENVELOPE AT HOUSE, EAST STAR PROPERTY, SPRING CREEK RD, GULGONG	2	2017	$90,500	50
			Subtotal	**$90,500**	
BL00860	ROOF AT HOUSE, EAST STAR PROPERTY, SPRING CREEK RD, GULGONG	1	2016	$37,000	40
			Subtotal	**$37,000**	
BL00861	FLOOR AT HOUSE, EAST STAR PROPERTY, SPRING CREEK RD, GULGONG	2	2017	$24,000	50
			Subtotal	**$24,000**	
BL00863	FLOOR COVERINGS AT IT OFFICE, 84 MARKET, MUDGEE	4	2019	$20,000	25
BL00864	FIRE SERVICES AT IT OFFICE, 84 MARKET, MUDGEE	4	2019	$7,900	30
			Subtotal	**$27,900**	
BL00865	MECHANICAL SERVICES AT IT OFFICE, 84 MARKET, MUDGEE	7	2022	$77,000	30
			Subtotal	**$77,000**	
BL00866	INTERNAL FITOUT AT IT OFFICE, 84 MARKET, MUDGEE	4	2019	$41,000	25
			Subtotal	**$41,000**	
BL00870	INTERNAL FITOUT AT INDUSTRIAL MUSEUM, BUCHANAN STREET, KANDOS	8	2023	$130,000	25

			Subtotal	**$130,000**	
BL00872	FLOOR COVERINGS AT INDUSTRIAL MUSEUM, BUCHANAN STREET, KANDOS	4	2019	$43,000	25
			Subtotal	**$43,000**	
BL00878	INTERNAL FITOUT AT KIOSK /SHELTER, ILFORD ROAD, KANDOS	5	2020	$63,000	25
BL00879	FLOOR COVERINGS AT KIOSK /SHELTER, ILFORD ROAD, KANDOS	5	2020	$17,000	25
			Subtotal	**$80,000**	
BL00917	FLOOR COVERINGS AT MAIN DEPOT - STORE AND SIGN SHED, PIPER STREET, RYLSTONE	7	2022	$24,000	20
BL00919	INTERNAL FITOUT AT MAIN DEPOT - STORE AND SIGN SHED, PIPER STREET, RYLSTONE	7	2022	$110,000	20
			Subtotal	**$134,000**	
BL00949	INTERNAL FITOUT AT MEMORIAL HALL , HERBERT ST, GULGONG	6	2021	$550,995	25
BL00951	FLOOR COVERINGS AT MEMORIAL HALL , HERBERT ST, GULGONG	6	2021	$130,000	25
			Subtotal	**$680,995**	
BL00974	INTERNAL FITOUT AT NEW AMENITIES/KIOSK, BILLY DUNN PARK, NANDOURA ST, GULGONG	8	2023	$25,000	25
			Subtotal	**$25,000**	
BL00975	FLOOR COVERINGS AT NEW AMENITIES/KIOSK, BILLY DUNN PARK, NANDOURA ST, GULGONG	9	2024	$8,600	25
			Subtotal	**$8,600**	
BL00978	INTERNAL FITOUT AT NEW DEPOT SHED, SALEYARDS LN, GULGONG	6	2021	$77,000	25
BL00981	FLOOR COVERINGS AT NEW DEPOT SHED, SALEYARDS LN, GULGONG	6	2021	$21,000	25
			Subtotal	**$98,000**	
BL01006	FLOOR COVERINGS AT OLD POLICE STATION, 82 MARKET ST, MUDGEE	8	2023	$35,000	25
BL01007	INTERNAL FITOUT AT OLD POLICE STATION, 82 MARKET ST, MUDGEE	8	2023	$73,000	25
			Subtotal	**$108,000**	
BL01050	FLOOR COVERINGS AT PRE SCHOOL KINDERGARTEN, CORNER FLEMING & MCDONALD STREET, KANDOS	9	2024	$6,300	20
BL01052	INTERNAL FITOUT AT PRE SCHOOL KINDERGARTEN, CORNER FLEMING & MCDONALD STREET, KANDOS	9	2024	$20,000	20
			Subtotal	**$26,300**	
BL01066	FLOOR COVERINGS AT PUBLIC TOILETS, ANGUS AVENUE, KANDOS	8	2023	$5,400	25

			Subtotal	**$5,400**	
BL01088	FIRE SERVICES AT RECYCLING SHED , MUDGEE TIP, HARGRAVES ROAD, MUDGEE	9	2024	$5,000	25
BL01094	ROOF AT RED HILL COMPLEX, RED HILL COMPLEX, COOYAL ST, GULGONG	9	2024	$30,000	40
BL01106	INTERNAL FITOUT AT RESIDENCE & KIOSK, CARAVAN PARK, SHORT ST, MUDGEE	9	2024	$11,000	25
BL01111	ROOF AT RINGSIDE/PONY CLUB SHED, SHOWGROUND, NICHOLSON ST, MUDGEE	9	2024	$48,000	40
			Subtotal	**$94,000**	
BL01173	MECHANICAL SERVICES AT SHOWGROUND - OFFICE BUILDING, CUDGEGONG STREET, RYLSTONE	4	2019	$24,000	25
BL01175	INTERNAL FITOUT AT SHOWGROUND - OFFICE BUILDING, CUDGEGONG STREET, RYLSTONE	4	2019	$70,000	20
			Subtotal	**$94,000**	
BL01176	ROOF AT SHOWGROUND - OFFICE BUILDING, CUDGEGONG STREET, RYLSTONE	8	2023	$54,000	40
			Subtotal	**$54,000**	
BL01177	FLOOR COVERINGS AT SHOWGROUND - OFFICE BUILDING, CUDGEGONG STREET, RYLSTONE	4	2019	$26,000	20
			Subtotal	**$26,000**	
BL01190	SHOWGROUND TOILETS FEMALE CUDGEGONG ST	7	2022	$32,000	60
			Subtotal	**$32,000**	
BL01233	FLOOR COVERINGS AT SWITCH ROOM & AMENITIES , PUTTA BUCCA RD, MUDGEE	3	2018	$6,500	20
BL01236	INTERNAL FITOUT AT SWITCH ROOM & AMENITIES , PUTTA BUCCA RD, MUDGEE	3	2018	$17,000	20
			Subtotal	**$23,500**	
BL01253	FLOOR COVERINGS AT TENNIS CLUBHOUSE, TALLAWANG ROAD, GULGONG	9	2024	$7,400	20
			Subtotal	**$7,400**	
BL01260	INTERNAL FITOUT AT TENNIS CLUBHOUSE, VICTORIA PARK, DENISON ST, MUDGEE	6	2021	$25,000	20
			Subtotal	**$25,000**	
BL01261	FLOOR COVERINGS AT TENNIS CLUBHOUSE, VICTORIA PARK, DENISON ST, MUDGEE	9	2024	$45,000	20
			Subtotal	**$45,000**	
BL01263	FLOOR COVERINGS AT TENNIS CLUBHOUSE, WELLINGTON ROAD,	5	2020	$16,000	20

	GOOLMA				
			Subtotal	**$16,000**	
BL01266	INTERNAL FITOUT AT TENNIS CLUBHOUSE, WELLINGTON ROAD, GOOLMA	4	2019	$9,300	20
			Subtotal	**$9,300**	
BL01298	ROOF AT TOILET BLOCK, SHOWGROUND, NICHOLSON ST, MUDGEE	7	2022	$32,000	50
BL01299	BUILDING ENVELOPE AT TOILET BLOCK, SHOWGROUND, NICHOLSON ST, MUDGEE	7	2022	$114,700	60
			Subtotal	**$146,700**	
BL01315	ROOF AT TOOLS & EQUIPMENT STORAGE SHED, DEPOT ROAD, MUDGEE	8	2023	$46,000	50
			Subtotal	**$46,000**	
BL01316	FIRE SERVICES AT TOOLS & EQUIPMENT STORAGE SHED, DEPOT ROAD, MUDGEE	3	2018	$7,100	30
			Subtotal	**$7,100**	
BL01318	MECHANICAL SERVICES AT TOURIST CENTRE, 84 MARKET, MUDGEE	7	2022	$44,000	30
BL01321	FLOOR COVERINGS AT TOURIST CENTRE, 84 MARKET, MUDGEE	7	2022	$11,000	25
			Subtotal	**$55,000**	
BL01361	FIRE SERVICES AT WORKSHOP & STORAGE, DEPOT ROAD, MUDGEE	6	2021	$12,000	25
			Subtotal	**$12,000**	
BL01374	SHOWGROUND CHOOK CATERING SHED (J)	4	2019	$55,000	60
			Subtotal	**$55,000**	
BL01375	SHOWGROUND ANIMAL STALLS (T)	3	2018	$94,000	30
			Subtotal	**$94,000**	
BL01378	BUILDING ENVELOPE TURILL COMMUNITY HALL, MUDGEE ROAD, TURILL	5	2020	$121,300	50
			Subtotal	**$121,300**	
BL01379	ROOF TURILL COMMUNITY HALL, MUDGEE ROAD, TURILL	3	2018	$60,000	40
			Subtotal	**$60,000**	
BL01380	FLOOR TURILL COMMUNITY HALL, MUDGEE ROAD, TURILL	6	2021	$42,000	50
			Subtotal	**$42,000**	
BL01381	FLOOR COVERINGS TURILL COMMUNITY HALL, MUDGEE ROAD, TURILL	1	2016	$37,000	20
BL01382	INTERNAL FITOUT TURILL COMMUNITY HALL, MUDGEE ROAD, TURILL	1	2016	$21,000	20

BL01383	MECHANICAL SERVICES TURILL COMMUNITY HALL, MUDGEE ROAD, TURILL	1	2016	$12,000	25
			Subtotal	**$70,000**	
BL01384	BUILDING ENVELOPE EURUNDEREE SCHOOLHOUSE, 9 STRIKES LANE, EURUNDEREE	3	2018	$72,200	50
			Subtotal	**$72,200**	
BL01385	ROOF EURUNDEREE SCHOOLHOUSE, 9 STRIKES LAN, EURUNDEREE	1	2016	$12,000	40
			Subtotal	**$12,000**	
BL01386	FLOOR EURUNDEREE SCHOOLHOUSE, 9 STRIKES LAN, EURUNDEREE	3	2018	$5,400	50
			Subtotal	**$5,400**	
BL01387	FLOOR COVERINGS EURUNDEREE SCHOOLHOUSE, 9 STRIKES LAN, EURUNDEREE	0	2015	$5,500	20
			Subtotal	**$5,500**	
BL01388	INTERNAL FITOUT EURUNDEREE SCHOOLHOUSE, 9 STRIKES LAN, EURUNDEREE	1	2016	$15,000	20
			Subtotal	**$15,000**	
BL01389	MECHANICAL SERVICES EURUNDEREE SCHOOLHOUSE, 9 STRIKES LAN, EURUNDEREE	0	2015	$5,300	25
			Subtotal	**$5,300**	
BL01391	ROOF HARGRAVES COURTHOUSE, 3427 HILL END ROAD, HARGRAVES	4	2019	$68,000	50
			Subtotal	**$68,000**	
BL01393	FLOOR COVERINGS HARGRAVES COURTHOUSE, 3427 HILL END ROAD, HARGRAVES	2	2017	$6,700	25
BL01394	INTERNAL FITOUT HARGRAVES COURTHOUSE, 3427 HILL END ROAD, HARGRAVES	2	2017	$10,000	25
			Subtotal	**$16,700**	
BL01398	FLOOR COVERINGS MEN'S SHED, RAILWAY STATION, DAVIES RD, KANDOS	5	2020	$30,000	20
BL01399	INTERNAL FITOUT MEN'S SHED, RAILWAY STATION, DAVIES RD, KANDOS	5	2020	$17,000	20
			Subtotal	**$47,000**	
BL01400	MECHANICAL SERVICES MEN'S SHED, RAILWAY STATION, DAVIES RD, KANDOS	6	2021	$9,500	25
			Subtotal	**$9,500**	
BL01403	FLOOR SES BUILDING (CONCRETE SLAB), DEPOT RD	8	2023	$11,000	50

			Subtotal	**$11,000**	
BL01404	FLOOR COVERINGS SES BUILDING (CONCRETE SLAB), DEPOT RD	1	2016	$11,000	20
BL01405	INTERNAL FITOUT SES BUILDING (CONCRETE SLAB), DEPOT RD	1	2016	$30,000	20
			Subtotal	**$41,000**	
BL01406	MECHANICAL SERVICES SES BUILDING (CONCRETE SLAB), DEPOT RD	3	2018	$11,000	25
			Subtotal	**$11,000**	
BL01415	FLOOR COVERINGS TENNIS CLUBHOUSE, 5 CARWELL STREET, RYLSTONE	9	2024	$11,000	20
BL01416	INTERNAL FITOUT TENNIS CLUBHOUSE, 5 CARWELL STREET, RYLSTONE	9	2024	$31,000	20
BL01430	FLOOR COVERINGS GULGONG ADMINISTRATION CENTRE, HERBERT ST, GULGONG	9	2024	$36,000	25
BL01431	INTERNAL FITOUT GULGONG ADMINISTRATION CENTRE, HERBERT ST, GULGONG	9	2024	$120,000	25
			Subtotal	**$198,000**	
BL01452	MECHANICAL SERVICES AT AMENITIES & CANTEEN, WEST END SPORTING COMPLEX, DENISON ST, MUDGEE	8	2023	$78,000	30
			Subtotal	**$78,000**	
BL01454	FIRE SERVICES AT AMENITIES BLOCK, ANZAC PARK, HERBERT ST, GULGONG	0	2015	$6,900	30
			Subtotal	**$6,900**	
BL01455	FLOOR COVERINGS AT AMENITIES BLOCK, APEX PARK, CORNER WHITE & BAYLEY STS, GULGONG	5	2020	$6,800	25
			Subtotal	**$6,800**	
BL01456	MECHANICAL SERVICES AT AMENITIES BLOCK, APEX PARK, CORNER WHITE & BAYLEY STS, GULGONG	8	2023	$29,000	30
			Subtotal	**$29,000**	
BL01458	INTERNAL FITOUT AT AMENITIES BLOCK, MARKET ST, ROBERTSON PARK, MUDGEE	6	2021	$33,000	25
			Subtotal	**$33,000**	
BL01460	FLOOR COVERINGS AT AMENITIES BLOCK, SHOWGROUND, NICHOLSON ST, MUDGEE (O)	3	2018	$11,000	25
			Subtotal	**$11,000**	
BL01461	INTERNAL FITOUT AT AMENITIES BLOCK, SHOWGROUND, NICHOLSON ST, MUDGEE (O)	6	2021	$36,129	25
			Subtotal	**$36,129**	

BL01462	MECHANICAL SERVICES AT AMENITIES BLOCK, SHOWGROUND, NICHOLSON ST, MUDGEE (O)	2	2017	$46,000	30
			Subtotal	**$46,000**	
BL01463	FLOOR COVERINGS AT AMENITIES BLOCK, VICTORIA PARK, GREVILLIA ROAD, GULGONG	6	2021	$13,000	25
BL01464	INTERNAL FITOUT AT AMENITIES BLOCK, VICTORIA PARK, GREVILLIA ROAD, GULGONG	6	2021	$37,000	25
			Subtotal	**$50,000**	
BL01465	MECHANICAL SERVICES AT AMENITIES BLOCK, VICTORIA PARK, GREVILLIA ROAD, GULGONG	8	2023	$56,000	30
BL01466	FIRE SERVICES AT AMENITIES BLOCK, VICTORIA PARK, GREVILLIA ROAD, GULGONG	8	2023	$5,000	30
			Subtotal	**$61,000**	
BL01473	FLOOR COVERINGS AT AMENITIES NO.2, CARAVAN PARK, SHORT ST, MUDGEE	3	2018	$15,000	25
BL01474	INTERNAL FITOUT AT AMENITIES NO.2, CARAVAN PARK, SHORT ST, MUDGEE	3	2018	$53,000	25
BL01475	MECHANICAL SERVICES AT AMENITIES NO.2, CARAVAN PARK, SHORT ST, MUDGEE	3	2018	$52,000	30
			Subtotal	**$120,000**	
BL01476	MECHANICAL SERVICES AT AMENITIES, CARWELL STREET, CARAVAN PARK, RYLSTONE	8	2023	$29,000	30
BL01480	MECHANICAL SERVICES AT AMENITIES/STORE, CARWELL STREET, CARAVAN PARK, RYLSTONE	8	2023	$24,000	30
			Subtotal	**$53,000**	
BL01481	INTERNAL FITOUT AT ANIMAL NURSERY, SHOWGROUND, NICHOLSON ST, MUDGEE	9	2024	$12,000	50
			Subtotal	**$12,000**	
BL01482	INTERNAL FITOUT AT BUSH FIRE SHED, SPRING STREET, ULAN	7	2022	$11,000	20
			Subtotal	**$11,000**	
BL01487	INTERNAL FITOUT AT BUSHFIRE SHED NO.1, COOYAL PARK, COOYAL STATION, COOYAL	5	2020	$12,000	20
			Subtotal	**$12,000**	
BL01488	INTERNAL FITOUT AT BUSHFIRE SHED NO.2, YORK HUON, BOTOBOLAR STATION, COOYAL	7	2022	$21,000	20
			Subtotal	**$21,000**	
BL01489	INTERNAL FITOUT AT BUSHFIRE SHED NO.2, MAYS PLACE, CASSILIS ROAD, COOKS GAP	3	2018	$11,000	20

			Subtotal	**$11,000**	
BL01493	FLOOR COVERINGS AT BUSHFIRE SHED, HORSE FLAT LN, MULLAMUDDY	9	2024	$6,200	20
			Subtotal	**$6,200**	
BL01497	FLOOR COVERINGS AT WOOL SHED, SHOWGROUND, NICHOLSON ST, MUDGEE	3	2018	$5,800	20
			Subtotal	**$5,800**	
BL01498	INTERNAL FITOUT AT WOOL SHED, SHOWGROUND, NICHOLSON ST, MUDGEE	4	2019	$16,000	20
BL01499	FLOOR COVERINGS AT CHANGE ROOMS/TOILETS/COMMENTARY BOX, JUBILEE OVAL, DENISON ST, MUDGEE	4	2019	$24,000	25
			Subtotal	**$40,000**	
BL01500	INTERNAL FITOUT AT CHANGE ROOMS/TOILETS/COMMENTARY BOX, JUBILEE OVAL, DENISON ST, MUDGEE	3	2018	$88,000	25
			Subtotal	**$88,000**	
BL01501	MECHANICAL SERVICES AT CHANGE ROOMS/TOILETS/COMMENTARY BOX, JUBILEE OVAL, DENISON ST, MUDGEE	5	2020	$87,000	30
			Subtotal	**$87,000**	
BL01509	MECHANICAL SERVICES AT CUDGEGONG WATER PARK - AMENITIES, CUDGEGONG ROAD, CUDGEGONG	9	2024	$30,000	30
			Subtotal	**$30,000**	
BL01510	MECHANICAL SERVICES AT CUDGEGONG WATER PARK - PORTABLE AMEN, CUDGEGONG ROAD, CUDGEGONG	3	2018	$32,000	15
			Subtotal	**$32,000**	
BL01511	FLOOR COVERINGS AT DEPARTMENTS WORKS SHED, DEPOT ROAD, MUDGEE	8	2023	$22,000	20
			Subtotal	**$22,000**	
BL01517	FLOOR COVERINGS AT GRANDSTAND & AMENITIES, VICTORIA PARK, GREVILLIA ROAD, GULGONG	9	2024	$13,000	20
			Subtotal	**$13,000**	
BL01518	INTERNAL FITOUT AT GRANDSTAND & AMENITIES, VICTORIA PARK, GREVILLIA ROAD, GULGONG	7	2022	$37,000	20
			Subtotal	**$37,000**	
BL01519	MECHANICAL SERVICES AT GRANDSTAND & AMENITIES, VICTORIA PARK, GREVILLIA ROAD, GULGONG	5	2020	$13,000	25
			Subtotal	**$13,000**	
BL01520	FLOOR COVERINGS AT GRANDSTAND,	7	2022	$21,000	30

	SHOWGROUND, NICHOLSON ST, MUDGEE				
			Subtotal	**$21,000**	
BL01521	INTERNAL FITOUT AT GRANDSTAND, SHOWGROUND, NICHOLSON ST, MUDGEE	4	2019	$56,000	30
			Subtotal	**$56,000**	
BL01522	FIRE SERVICES AT GRANDSTAND, SHOWGROUND, NICHOLSON ST, MUDGEE	0	2015	$6,500	30
			Subtotal	**$6,500**	
BL01526	FLOOR COVERINGS AT GRANDSTANDS, BILLY DUNN PARK, NANDOURA ST, GULGONG	9	2024	$29,000	25
BL01527	INTERNAL FITOUT AT GRANDSTANDS, BILLY DUNN PARK, NANDOURA ST, GULGONG	9	2024	$110,000	25
			Subtotal	**$139,000**	
BL01529	INTERNAL FITOUT AT GUIDE HALL, LOUEE STREET, RYLSTONE	7	2022	$14,000	20
			Subtotal	**$14,000**	
BL01530	MECHANICAL SERVICES AT GUIDE HALL, LOUEE STREET, RYLSTONE	6	2021	$7,900	25
			Subtotal	**$7,900**	
BL01531	INTERNAL FITOUT AT HALL SUPPER ROOM, WELLINGTON ROAD, GOOLMA	2	2017	$11,000	20
			Subtotal	**$11,000**	
BL01532	MECHANICAL SERVICES AT HALL SUPPER ROOM, WELLINGTON ROAD, GOOLMA	3	2018	$6,300	25
			Subtotal	**$6,300**	
BL01533	INTERNAL FITOUT AT HALL, WELLINGTON ROAD, GOOLMA	8	2023	$16,000	20
			Subtotal	**$16,000**	
BL01534	MECHANICAL SERVICES AT HALL, WELLINGTON ROAD, GOOLMA	9	2024	$8,700	25
			Subtotal	**$8,700**	
BL01537	MECHANICAL SERVICES AT INDUSTRIAL MUSEUM, BUCHANAN STREET, KANDOS	8	2023	$280,000	30
			Subtotal	**$280,000**	
BL01539	TRANSPORT SERVICES AT INDUSTRIAL MUSEUM, BUCHANAN STREET, KANDOS	0	2015	$16,000	30
			Subtotal	**$16,000**	
BL01540	MECHANICAL SERVICES AT KIOSK /SHELTER, ILFORD ROAD, KANDOS	5	2020	$62,000	30
			Subtotal	**$62,000**	

BL01543	FLOOR COVERINGS AT MAIN DEPOT - WORKSHOP COMPLEX, PIPER STREET, RYLSTONE	7	2022	$9,700	20
			Subtotal	**$9,700**	
BL01544	INTERNAL FITOUT AT MAIN DEPOT - WORKSHOP COMPLEX, PIPER STREET, RYLSTONE	6	2021	$26,000	20
			Subtotal	**$26,000**	
BL01546	FLOOR COVERINGS AT KITCHEN & HALL, SHOWGROUND, NICHOLSON ST, MUDGEE	7	2022	$8,000	30
			Subtotal	**$8,000**	
BL01547	INTERNAL FITOUT AT KITCHEN & HALL, SHOWGROUND, NICHOLSON ST, MUDGEE	4	2019	$22,000	30
			Subtotal	**$22,000**	
BL01550	MECHANICAL SERVICES AT MEMORIAL HALL, LOUEE STREET, RYLSTONE	8	2023	$44,000	25
			Subtotal	**$44,000**	
BL01551	FIRE SERVICES AT MEMORIAL HALL, LOUEE STREET, RYLSTONE	9	2024	$5,000	25
			Subtotal	**$5,000**	
BL01553	MECHANICAL SERVICES AT NEW DEPOT SHED, SALEYARDS LN, GULGONG	6	2021	$75,000	30
			Subtotal	**$75,000**	
BL01560	MECHANICAL SERVICES AT PRE SCHOOL KINDERGARTEN, CORNER FLEMING & MCDONALD STREET, KANDOS	8	2023	$5,000	25
BL01562	MECHANICAL SERVICES AT PUBLIC TOILETS, ANGUS AVENUE, KANDOS	8	2023	$23,000	30
			Subtotal	**$28,000**	
BL01563	FLOOR COVERINGS AT RECYCLING SHED , MUDGEE TIP, HARGRAVES ROAD, MUDGEE	9	2024	$16,000	20
			Subtotal	**$16,000**	
BL01564	INTERNAL FITOUT AT RECYCLING SHED , MUDGEE TIP, HARGRAVES ROAD, MUDGEE	8	2023	$43,000	20
			Subtotal	**$43,000**	
BL01565	MECHANICAL SERVICES AT RECYCLING SHED , MUDGEE TIP, HARGRAVES ROAD, MUDGEE	9	2024	$5,000	25
			Subtotal	**$5,000**	
BL01567	MECHANICAL SERVICES AT RED HILL COMPLEX, RED HILL COMPLEX, COOYAL ST, GULGONG	8	2023	$5,900	25
			Subtotal	**$5,900**	

BL01568	FLOOR COVERINGS AT RED HILL SCOUT HALL, SCULLY ST, GULGONG	6	2021	$30,000	20
			Subtotal	**$30,000**	
BL01569	INTERNAL FITOUT AT RED HILL SCOUT HALL, SCULLY ST, GULGONG	2	2017	$82,000	20
			Subtotal	**$82,000**	
BL01570	MECHANICAL SERVICES AT RED HILL SCOUT HALL, SCULLY ST, GULGONG	8	2023	$28,000	25
			Subtotal	**$28,000**	
BL01571	FLOOR COVERINGS AT RINGSIDE/PONY CLUB SHED, SHOWGROUND, NICHOLSON ST, MUDGEE	6	2021	$30,000	20
BL01572	INTERNAL FITOUT AT RINGSIDE/PONY CLUB SHED, SHOWGROUND, NICHOLSON ST, MUDGEE	6	2021	$17,000	20
			Subtotal	**$47,000**	
BL01573	MECHANICAL SERVICES AT RINGSIDE/PONY CLUB SHED, SHOWGROUND, NICHOLSON ST, MUDGEE	5	2020	$9,400	25
			Subtotal	**$9,400**	
BL01577	MECHANICAL SERVICES AT SWITCH ROOM & AMENITIES , PUTTA BUCCA RD, MUDGEE	9	2024	$6,100	25
			Subtotal	**$6,100**	
BL01578	INTERNAL FITOUT AT TENNIS CLUBHOUSE, TALLAWANG ROAD, GULGONG	8	2023	$20,000	20
BL01579	MECHANICAL SERVICES AT TENNIS CLUBHOUSE, TALLAWANG ROAD, GULGONG	8	2023	$7,100	25
			Subtotal	**$27,100**	
BL01580	MECHANICAL SERVICES AT TENNIS CLUBHOUSE, VICTORIA PARK, DENISON ST, MUDGEE	9	2024	$14,000	25
			Subtotal	**$14,000**	
BL01581	MECHANICAL SERVICES AT TENNIS CLUBHOUSE, WELLINGTON ROAD, GOOLMA	8	2023	$5,200	25
			Subtotal	**$5,200**	
BL01582	FLOOR COVERINGS AT TOILET BLOCK, SHOWGROUND, NICHOLSON ST, MUDGEE	3	2018	$12,000	25
BL01583	INTERNAL FITOUT AT TOILET BLOCK, SHOWGROUND, NICHOLSON ST, MUDGEE	3	2018	$35,000	25
			Subtotal	**$47,000**	
BL01584	MECHANICAL SERVICES AT TOILET BLOCK, SHOWGROUND, NICHOLSON ST, MUDGEE	2	2017	$52,000	30
			Subtotal	**$52,000**	

BL01585	FLOOR COVERINGS AT TOOL SHED STORE & AMENITIES, CAHILL PARK, LEWIS ST, MUDGEE	4	2019	$16,000	25
BL01586	INTERNAL FITOUT AT TOOL SHED STORE & AMENITIES, CAHILL PARK, LEWIS ST, MUDGEE	4	2019	$59,000	25
			Subtotal	**$75,000**	
BL01587	MECHANICAL SERVICES AT TOOL SHED STORE & AMENITIES, CAHILL PARK, LEWIS ST, MUDGEE	5	2020	$58,000	30
			Subtotal	**$58,000**	
BL01588	FLOOR COVERINGS AT TOOLS & EQUIPMENT STORAGE SHED, DEPOT ROAD, MUDGEE	1	2016	$18,000	25
BL01589	INTERNAL FITOUT AT TOOLS & EQUIPMENT STORAGE SHED, DEPOT ROAD, MUDGEE	1	2016	$37,000	25
			Subtotal	**$55,000**	
BL01590	MECHANICAL SERVICES AT TOOLS & EQUIPMENT STORAGE SHED, DEPOT ROAD, MUDGEE	2	2017	$69,000	30
			Subtotal	**$69,000**	
BL01592	INTERNAL FITOUT AT WOODWORKERS PAVILION, SHOWGROUND, NICHOLSON ST, MUDGEE	5	2020	$10,000	20
			Subtotal	**$10,000**	
BL01593	FLOOR COVERINGS AT WORKSHOP & STORAGE, DEPOT ROAD, MUDGEE	3	2018	$79,000	20
BL01594	INTERNAL FITOUT AT WORKSHOP & STORAGE, DEPOT ROAD, MUDGEE	3	2018	$350,000	20
			Subtotal	**$429,000**	
BL01595	MECHANICAL SERVICES AT WORKSHOP & STORAGE, DEPOT ROAD, MUDGEE	6	2021	$44,000	25
			Subtotal	**$44,000**	
BL01617	BUILDING ENVELOPE CRUDINE COMMUNITY HALL, 1600 CRUDINE ROAD, CRUDINE	2	2017	$131,400	50
			Subtotal	**$131,400**	
BL01618	ROOF CRUDINE COMMUNITY HALL, 1600 CRUDINE ROAD, CRUDINE	1	2016	$62,000	40
			Subtotal	**$62,000**	
BL01619	FLOOR CRUDINE COMMUNITY HALL, 1600 CRUDINE ROAD, CRUDINE	2	2017	$44,000	50
			Subtotal	**$44,000**	
BL01620	FLOOR COVERINGS CRUDINE COMMUNITY HALL, 1600 CRUDINE ROAD, CRUDINE	0	2015	$38,000	20

			Subtotal	**$38,000**	
BL01621	INTERNAL FITOUT CRUDINE COMMUNITY HALL, 1600 CRUDINE ROAD, CRUDINE	1	2016	$22,000	20
BL01622	MECHANICAL SERVICES CRUDINE COMMUNITY HALL, 1600 CRUDINE ROAD, CRUDINE	1	2016	$12,000	25
			Subtotal	**$34,000**	
BL01635	MOWER SHED WELLINGTON RD GOOLMA	3	2018	$7,600	30
			Subtotal	**$7,600**	
BL01640	HALL STORAGE SHED ULAN RD TURILL	1	2016	$12,000	30
			Subtotal	**$12,000**	
BL01643	GOLF AMENITIES (MEN'S) COX STREET	7	2022	$32,000	60
			Subtotal	**$32,000**	
BL01644	RFS TRANSPORTABLE OFFICE CORICUDGY RD OLINDA	5	2020	$10,000	15
			Subtotal	**$10,000**	
BL01654	POOL TIMBER STORE SHED KANDOS	3	2018	$20,000	30
			Subtotal	**$20,000**	
BL01658	STORAGE SHED WELLINGTON ROAD GOOLMA	6	2021	$16,000	30
			Subtotal	**$16,000**	
BL01660	POOL PUMP SHED LAWSON PARK POOL	9	2024	$13,000	30
			Subtotal	**$13,000**	
BL01670	SHOWGROUND TOILETS MALE CUDGEGONG ST	7	2022	$32,000	60
			Subtotal	**$32,000**	
BL01679	ROOF CLUBHOUSE GULGONG POOL	9	2024	$14,000	40
			Subtotal	**$14,000**	
BL01681	FLOOR COVERINGS CLUBHOUSE GULGONG POOL	7	2022	$6,400	20
			Subtotal	**$6,400**	
BL01682	INTERNAL FITOUT CLUBHOUSE GULGONG POOL	2	2017	$18,000	20
			Subtotal	**$18,000**	
BL01683	MECHANICAL SERVICES CLUBHOUSE GULGONG POOL	3	2018	$6,100	25
			Subtotal	**$6,100**	
			Program Total	**$9,816,224**	

Appendix C Projected Upgrade/Exp/New 10 year Capital Works Program

NAMS.PLUS3 Asset Management Form 2C Upgrade/New Plan

Mid-Western RC
Buildings_S1_V1 **Projected Capital Upgrade/New Plan 2015**

Year	Item No.	Capital Upgrade and New Projects	Estimate ($000)	Running total ($000)
2015	1	Preschool	$1,000	$1,000
2015	2	Gulgong Admin Building	$90	$1,090
2015	3	Gulgong Memorial Hall	$65	$1,155
2015	4	Airport Terminal Extension	$80	$1,235
2015	5	Cudgegong Water Amenities	$157	$1,392
2015	6	Rylstone Showground Upgrade	$233	$1,625
2015	7			
2015	8			
2015	9			
2015	10			
2015	**Total Projected Capital Upgrade/New Plan**		**$1,625**	

Buildings_S1_V1 **Projected Capital Upgrade/New Plan 2016**

2016	1	Airport Terminal Extension	$220	$220
2016	2	Mudgee Depot Capital Works	$20	$240
2016	3	Cudgegong Water Amenities	$140	$380
2016	4			
2016	5			
2016	6			
2016	7			
2016	8			
2016	9			
2016	10			
2016	**Total Projected Capital Upgrade/New Plan**		**$380**	

Mid-Western RC
Buildings_S1_V1 **Projected Capital Upgrade/New Plan 2017**

Year	Item No.	Capital Upgrade and New Projects	Estimate ($000)	Running total ($000)
2017	1	Billy Dunn Oval Upgrades	$27	$27
2017	2			
2017	3			
2017	4			
2017	5			
2017	6			
2017	7			
2017	8			
2017	9			
2017	10			
2017	**Total Projected Capital Upgrade/New Plan**		**$27**	

Appendix D Budgeted Expenditures Accommodated in LTFP

NAMS.PLUS3 Asset Management — Mid-Western RC

IPWEA INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALASIA — JRA

Buildings_S1_V1 Asset Management Plan

First year of expenditure projections **2015** (financial yr ending)

Buildings

Asset values at start of planning period

Current replacement cost	$82,690 (000)	Calc CRC from Asset Register	$82,690 (000)
Depreciable amount	$78,458 (000)	This is a check for you.	
Depreciated replacement cost	$4,902 (000)		
Annual depreciation expense	$1,995 (000)		

Operations and Maintenance Costs for New Assets

	% of asset value
Additional operations costs	0.80%
Additional maintenance	0.39%
Additional depreciation	2.54%

Planned renewal budget (information only)

You may use these values calculated from your data or overwrite the links.

Planned Expenditures from LTFP

20 Year Expenditure Projections Note: Enter all values in current **2015** values

Financial year ending	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Expenditure Outlays included in Long Term Financial Plan (in current $ values)										
Operations										
Operations **budget**	$674	$668	$634	$649	$665	$665	$665	$665	$665	$665
Management **budget**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
AM systems **budget**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total operations	$674	$668	$634	$649	$665	$665	$665	$665	$665	$665
Maintenance										
Reactive maintenance **budget**	$247	$320	$323	$330	$338	$338	$338	$338	$338	$338
Planned maintenance **budget**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Specific maintenance items **budget**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total maintenance	$247	$320	$323	$330	$338	$338	$338	$338	$338	$338
Capital										
Planned renewal **budget**	$751	$461	$707	$729	$746	$746	$746	$746	$746	$746
Planned upgrade/new **budget**	$1,625	$380	$27	$0	$0	$0	$0	$0	$0	$0
Non-growth contributed asset value	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Asset Disposals										
Est Cost to dispose of assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Carrying value (DRC) of disposed assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Additional Expenditure Outlays Requirements (e.g from Infrastructure Risk Management Plan)

Additional Expenditure Outlays required and not included above	2015 $000	2016 $000	2017 $000	2018 $000	2019 $000	2020 $000	2021 $000	2022 $000	2023 $000	2024 $000
Operations	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Maintenance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Capital Renewal	to be incorporated into Forms 2 & 2.1 (where Method 1 is used) OR Form 2B Defect Repairs (where Method 2 or 3 is used)									
Capital Upgrade	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
User Comments #2										

Forecasts for Capital Renewal using Methods 2 & 3 (Form 2A & 2B) & Capital Upgrade (Form 2C)

	2015 $000	2016 $000	2017 $000	2018 $000	2019 $000	2020 $000	2021 $000	2022 $000	2023 $000	2024 $000
Forecast Capital Renewal from Forms 2A & 2B	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Forecast Capital Upgrade from Form 2C	$1,625	$380	$27	$0	$0	$0	$0	$0	$0	$0

Appendix E Abbreviations

Abbrev	Description
AAAC	Average annual asset consumption
AM	Asset management
AM Plan	Asset management plan
ARI	Average recurrence interval
ASC	Annual service cost
BOD	Biochemical (biological) oxygen demand
CRC	Current replacement cost
CWMS	Community wastewater management systems
DA	Depreciable amount
DRC	Depreciated replacement cost
EF	Earthworks/formation
IRMP	Infrastructure risk management plan
LCC	Life Cycle cost
LCE	Life cycle expenditure
LTFP	Long term financial plan
MMS	Maintenance management system
PCI	Pavement condition index
RV	Residual value
SoA	State of the Assets
SS	Suspended solids
vph	Vehicles per hour
WDCRC	Written down current replacement cost

Appendix F Glossary

ANNUAL SERVICE COST (ASC)

1. **Reporting actual cost**
   The annual (accrual) cost of providing a service including operations, maintenance, depreciation, finance/opportunity and disposal costs less revenue.

2. **For investment analysis and budgeting**
   An estimate of the cost that would be tendered, per annum, if tenders were called for the supply of a service to a performance specification for a fixed term. The Annual Service Cost includes operations, maintenance, depreciation, finance/ opportunity and disposal costs, less revenue.

ASSET

A resource controlled by an entity as a result of past events and from which future economic benefits are expected to flow to the entity. Infrastructure assets are a sub-class of property, plant and equipment which are non-current assets with a life greater than 12 months and enable services to be provided.

ASSET CATEGORY

Sub-group of assets within a class hierarchy for financial reporting and management purposes.

ASSET CLASS

A group of assets having a similar nature or function in the operations of an entity, and which, for purposes of disclosure, is shown as a single item without supplementary disclosure.

ASSET CONDITION ASSESSMENT

The process of continuous or periodic inspection, assessment, measurement and interpretation of the resultant data to indicate the condition of a specific asset so as to determine the need for some preventative or remedial action.

ASSET HIERARCHY

A framework for segmenting an asset base into appropriate classifications. The asset hierarchy can be based on asset function or asset type or a combination of the two.

ASSET MANAGEMENT (AM)

The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.

ASSET RENEWAL FUNDING RATIO

The ratio of the net present value of asset renewal funding accommodated over a 10 year period in a long term financial plan relative to the net present value of projected capital renewal expenditures identified in an asset management plan for the same period [AIFMG Financial Sustainability Indicator No 8].

AVERAGE ANNUAL ASSET CONSUMPTION (AAAC)*

The amount of an organisation's asset base consumed during a reporting period (generally a year). This may be calculated by dividing the depreciable amount by the useful life (or total future economic benefits/service potential) and totalled for each and every asset OR by dividing the carrying amount (depreciated replacement cost) by the remaining useful life (or remaining future economic benefits/service potential) and totalled for each and every asset in an asset category or class.

BORROWINGS

A borrowing or loan is a contractual obligation of the borrowing entity to deliver cash or another financial asset to the lending entity over a specified period of time or at a specified point in time, to cover both the initial capital provided and the cost of the interest incurred for providing this capital. A borrowing or loan provides the means for the borrowing entity to finance outlays (typically physical assets) when it has insufficient funds of its own to do so, and for the lending entity to make a financial return, normally in the form of interest revenue, on the funding provided.

CAPITAL EXPENDITURE

Relatively large (material) expenditure, which has benefits, expected to last for more than 12 months. Capital expenditure includes renewal, expansion and upgrade. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

CAPITAL EXPENDITURE - EXPANSION

Expenditure that extends the capacity of an existing asset to provide benefits, at the same standard as is currently enjoyed by existing beneficiaries, to a new group of users. It is discretionary expenditure, which increases future operations and maintenance costs, because it increases the organisation's asset base, but may be associated with additional revenue from the new user group, e.g. extending a drainage or road network, the provision of an oval or park in a new suburb for new residents.

CAPITAL EXPENDITURE - NEW

Expenditure which creates a new asset providing a new service/output that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operations and maintenance expenditure.

CAPITAL EXPENDITURE - RENEWAL

Expenditure on an existing asset or on replacing an existing asset, which returns the service capability of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it generally has no impact on revenue, but may reduce future operations and maintenance expenditure if completed at the optimum time, e.g. resurfacing or resheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, resurfacing an oval.

CAPITAL EXPENDITURE - UPGRADE

Expenditure, which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operations and maintenance expenditure in the future because of the increase in the organisation's asset base, e.g. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility.

CAPITAL FUNDING

Funding to pay for capital expenditure.

CAPITAL GRANTS

Monies received generally tied to the specific projects for which they are granted, which are often upgrade and/or expansion or new investment proposals.

CAPITAL INVESTMENT EXPENDITURE

See capital expenditure definition

CAPITALISATION THRESHOLD

The value of expenditure on non-current assets above which the expenditure is recognised as capital expenditure and below which the expenditure is charged as an expense in the year of acquisition.

CARRYING AMOUNT

The amount at which an asset is recognised after deducting any accumulated depreciation / amortisation and accumulated impairment losses thereon.

CLASS OF ASSETS

See asset class definition

COMPONENT

Specific parts of an asset having independent physical or functional identity and having specific attributes such as different life expectancy, maintenance regimes, risk or criticality.

CORE ASSET MANAGEMENT

Asset management which relies primarily on the use of an asset register, maintenance management systems, job resource management, inventory control, condition assessment, simple risk assessment and defined levels of service, in order to establish alternative treatment options and long-term cash flow predictions. Priorities are usually established on the basis of financial return gained by carrying out the work (rather than detailed risk analysis and optimised decision-making).

COST OF AN ASSET

The amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its acquisition or construction, including any costs necessary to place the asset into service. This includes one-off design and project management costs.

CRITICAL ASSETS

Assets for which the financial, business or service level consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation. Critical assets have a lower threshold for action than noncritical assets.

CURRENT REPLACEMENT COST (CRC)

The cost the entity would incur to acquire the asset on the reporting date. The cost is measured by reference to the lowest cost at which the gross future economic benefits could be obtained in the normal course of business or the minimum it would cost, to replace the existing asset with a technologically modern equivalent new asset (not a second hand one) with the same economic benefits (gross service potential) allowing for any differences in the quantity and quality of output and in operating costs.

DEFERRED MAINTENANCE

The shortfall in rehabilitation work undertaken relative to that required to maintain the service potential of an asset.

DEPRECIABLE AMOUNT

The cost of an asset, or other amount substituted for its cost, less its residual value.

DEPRECIATED REPLACEMENT COST (DRC)

The current replacement cost (CRC) of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

DEPRECIATION / AMORTISATION

The systematic allocation of the depreciable amount (service potential) of an asset over its useful life.

ECONOMIC LIFE

See useful life definition.

EXPENDITURE

The spending of money on goods and services. Expenditure includes recurrent and capital outlays.

EXPENSES

Decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or increases in liabilities that result in decreases in equity, other than those relating to distributions to equity participants.

FAIR VALUE

The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arm's length transaction.

FINANCING GAP

A financing gap exists whenever an entity has insufficient capacity to finance 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 financing gap means service levels have already or are currently falling. A projected financing gap if not addressed will result in a future diminution of existing service levels.

HERITAGE ASSET

An asset with historic, artistic, scientific, technological, geographical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture and this purpose is central to the objectives of the entity holding it.

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, e.g. roads, 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.

INVESTMENT PROPERTY

Property held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for administrative purposes; or
- Sale in the ordinary course of business.

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 service/activity against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental impact, 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 average operations, maintenance expenditure plus asset consumption expense, represented by depreciation expense projected over 10 years. 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 average operations, maintenance and capital renewal expenditure accommodated in the long term financial plan over 10 years. Life Cycle Expenditure may be compared to average Life Cycle Cost to give an initial indicator of affordability of projected service levels when considered with asset age profiles.

LOANS / BORROWINGS

See borrowings.

MAINTENANCE

All actions necessary for retaining an asset as near as practicable to an appropriate service condition, including regular ongoing day-to-day work necessary to keep assets operating, e.g. road patching but excluding rehabilitation or renewal. It is operating expenditure required to ensure that the asset reaches its expected useful life.

- **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.

- **Specific maintenance**
  Maintenance work to repair components or replace sub-components that needs 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 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 e.g. the continued use and subsequent disposal of the asset after deducting the value of the discounted total cash outflows.

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, e.g. parks and playgrounds, footpaths, roads and bridges, libraries, etc.

OPERATIONS

Regular activities to provide services such as public health, safety and amenity, e.g. street sweeping, grass mowing and street lighting.

OPERATING EXPENDITURE

Recurrent expenditure, which is continuously required to provide a service. In common use the term typically includes, e.g. 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.

OPERATING EXPENSES

Recurrent expenses continuously required to provide a service, including power, fuel, staff, plant equipment, maintenance, depreciation, on-costs and overheads.

OPERATIONS, MAINTENANCE AND RENEWAL FINANCING RATIO

Ratio of estimated budget to projected expenditure for operations, maintenance and renewal of assets over a defined time (e.g. 5, 10 and 15 years).

OPERATIONS, MAINTENANCE AND RENEWAL GAP

Difference between budgeted expenditures in a long term financial plan (or estimated future budgets in absence of a long term financial plan) and projected expenditures for operations, maintenance and renewal of assets to achieve/maintain specified service levels, totalled over a defined time (e.g. 5, 10 and 15 years).

PAVEMENT MANAGEMENT SYSTEM (PMS)

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

PMS SCORE

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

RATE OF ANNUAL ASSET CONSUMPTION *

The ratio of annual asset consumption relative to the depreciable amount of the assets. It measures the amount of the consumable parts of assets that are consumed in a period (depreciation) expressed as a percentage of the depreciable amount.

RATE OF ANNUAL ASSET RENEWAL *

The ratio of asset renewal and replacement expenditure relative to depreciable amount for a period. It measures whether assets are being replaced at the rate they are wearing out with capital renewal expenditure expressed as a percentage of depreciable amount (capital renewal expenditure/DA).

RATE OF ANNUAL ASSET UPGRADE/NEW *

A measure of the rate at which assets are being upgraded and expanded per annum with capital upgrade/new expenditure 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

See capital renewal expenditure definition above.

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.

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, e.g. 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 is still available for use in providing services (Depreciated Replacement Cost/Depreciable Amount).

SPECIFIC MAINTENANCE

Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, 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.

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.

SUB-COMPONENT

Smaller individual parts that make up a component part.

USEFUL LIFE

Either:

- the period over which an asset is expected to be available for use by an entity, or
- The number of production or similar units expected to be obtained from the asset by the entity.

It is estimated or expected time between placing the asset into service and removing it from service, or the estimated period of time over which the future economic benefits embodied in a depreciable asset, are expected to be consumed by the Council.

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: IPWEA, 2009, Glossary

Additional and modified glossary items shown *