



# **Castlereagh Macquarie County Council**

## **Asset Management Plan**

### **2017 -2027**

V4 1/04/2017

Adopted 26 June 2017

Prepared in accordance with the provisions contained in the Local Government Act 1993

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## 1. Overview

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Castlereagh Macquarie County Council assets presently consist of the operational vehicles and plant used by staff on a day to day basis. Apart from owning the freehold of the depot at Coonabarabran and depot buildings constructed on reserves/leasehold land at the outlying centres of Warren, Walgett, Coonamble and Gilgandra, Council has no other fixed assets in regards to buildings or other infrastructure.

## 2. Vehicles

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Council currently maintains a fleet of seven (7) vehicles. The Council's strategy in the past has been to replace these vehicles regularly in order to minimise maintenance costs and maximise trade in values. This practice was re-introduced with effect from 1 July, 2015. One new vehicle was purchased in 2016/2017 and the oldest vehicle disposed of through trade. This allowed the second oldest remaining vehicle to be kept as a spare/back up vehicle. The annual plant replacement program will allow at least one vehicle to be replaced annually on a rotational basis funded from the operational budget via the changeover cost being in line with annual depreciated value of the vehicles.

## 3. Spray Equipment

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Council has (7) vehicle mounted Quick Spray units. Council's policy in the past had been to replace these units every five (5) years on a rotational basis which allowed Council to maximise the resale value of these units. Council found that since this replacement program had been in place, that there had been a strong demand for these units. This replacement process was re-introduced with effect from 1 July, 2016.

Council's other major plant assets are two (2) John Deere Gators and two box trailers. Replacement of one gator unit will be considered in 2017/2018 and other units should the need arise.

## 4. Depreciation

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Depreciation of Castlereagh Macquarie County Council's plant and equipment is calculated using the straight line method in order to allocate an assets cost (net of residual values) over its estimated useful life.

Estimated useful lives for Castlereagh Macquarie County Council plant and equipment include:

- Office Equipment	5 to 10 years
- Office Furniture	10 to 20 years
- Computer Equipment	3 to 5 years
- Vehicles and equipment	5 to 8 years
- Other Plant and Equipment	5 to 15 years

The following table lists assets of Castlereagh Macquarie County Council as at 30 June 2017 with a value after depreciation greater than \$1,000.

## 5. Current Assets Values as at 30 June 2017

	<b>Spray Equipment</b>	\$
2512	Quick Spray Unit 2- Coonabarabran	8,149
2514	Quick Spray Unit 4- Coonamble	8,198
2515	Quick Spray Unit 5- Gilgandra	8,273
2517	Quick Spray Unit 7- Warren	8,463
2518	Quick Spray Unit 8- Gilgandra	8,463
2519	Quick Spray Unit 9- Coonabarabran	8,740
	<b>Total Book Value of Spray Rigs</b>	<b>50,286</b>
	<b>Trailers</b>	
2720	Dean Trailer	9,980
2780	Box Trailer E53421	1,920
	<b>Gators</b>	
2719	John Deer XUV Gator	19,404
2721	John Deere CX Gator	7,635
	<b>Vehicles</b>	
2703	Toyota T/T – CH 15 LL (Warren)	41,818
2706	Toyota Hilux – CD 19 CZ (Gilgandra)	36,818
2708	Toyota L/C T/T – BK 72 LN(Gilgandra)	46,556
2715	Toyota Hilux 4x4 – AV 48 PY (SPARE)	36,258
2734	Isuzu 4x4 Space Cab – CF 13 RE (Coonamble)	35,332
2735	Isuzu 4x4 Crew Cab – CF 12 RE (Coonabarabran)	35,125
2736	Isuzu 4x4 Crew Cab – CL 15 AZ (Walgett)	37,932
	<b>Sub Total</b>	<b>308,778</b>
	<b>Other Plant</b>	
	<b>Total Value of Plant</b>	<b>\$308,778</b>

## 6. Asset Management Policy

The Castlereagh Macquarie County Council Asset Management Policy is attached as Appendix A.

## 7. Asset Replacement Plan

### Projected Asset Replacement Program 2017-2027 (Net Values)

#### 1. Purchases

Purchases	\$	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Spay Units				13,000.00	13,000.00	13,000.00	13,000.00	13,000.00		13,000.00		13,000.00	
Vehicles		70,000	40,000.00	80,000.00	82,790.00	85,664.00	40,000.00	41,590.00	40,000.00	41,200.00	42,436.00	42,500.00	42,750.00
Gator				20,000.00				20,000.00					
Total Purchases (\$'000)		70,000.00	40,000.00	113,000.00	95,790.00	98,664.00	53,000.00	74,590.00	40,000.00	54,200.00	42,436.00	55,500.00	42,750.00

## 2. Changeover - Spray Units

<u>Sales</u>	\$	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Quick Spray Unit 2- Coonabarabran									0				
Quick Spray Unit 3 – Coonamble										○			
Quick Spray Unit 4- Coonamble				0								○	
Quick Spray Unit 5- Gilgandra					0								
Quick Spray Unit 7 - Warren						0							
Quick Spray Unit 8- Gilgandra							0						
Quick Spray Unit 9- Coonabarabran								○					

### 3. Sales – Trailers

Sales	\$	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Dean Trailer	Nil												
Box Trailer E53421	Nil												
Gators													
John Deer XUV Gator	Nil							x					
John Deere CX Gator	Nil			x									

### 4. Sales- Vehicles

Plant	Sales	\$	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
2703	Toyota T/T – AM 76 SI (Warren)	41,818.18												
2706	Toyota Hilux – AR 75 PK (Gilgandra)	36,818.18				0								
2708	Toyota L/C T/T – BK 72 LN (Gilgandra)	46,556.49			0							0		
2710	Toyota Hilux 4x4 – AH 19 SS (spare)	35,631.82	0					0						
	Toyota Hilux 4x4 – AT 97 HP (Kevin)	35,925.09			0					0				
2713	Toyota Hilux 4x4 – AR 99 PK (John) traded 15/16	36,818.18	0						0					
2715	Toyota Hilux 4x4 – AV 48 PY (Walgett)	36,258.29		0							0			
2734	Isuzu 4x4 Space Cab CR 13 RE (Coonamble)	37,316				0								
2735	Isuzu 4x4 Crew Cab CF 12 RE (Coonabarabran)						0							
Plant	Other Plant													

**5. Projected Gain / (Loss) on Sale of Assets after Depreciation**

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Sale Value of Plant Asset	10,000.00	10,000.00	20,000.00	25,000.00	30,000.00	15,000.00	15,600.00	15000.00	15,450.00	15,914.00	16,280.00	16,500.00
Sale Value of Spray Rig Asset		5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00		5000.00		5000.00	
Sale Value of Other Assets (gator)			<b>5000.00</b>				<b>5000.00</b>					
Less Depreciated / Book Value of Asset Sold 1. Plant 2. Spray Rig 3. Other												
Gain/(Loss) on Assets Sold	10,000.00	15,000.00	30,000.00	30,000.00	35,000.00	20,000.00	25,600.00	15,000.00	15,450.00	15,914.00	16,280.00	16,500.00



## 8. Appendix A

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### **ASSET MANAGEMENT POLICY**

V1 24/03/17  
Adopted ..... June, 2017

Prepared in accordance with the provisions contained in the Local Government Act 1993

## **Asset Management Policy**

### **OVERVIEW**

The Castlereagh Macquarie County Council's assets presently consist of the operational vehicles and plant used by staff on a day to day basis. Other than buildings at Depots and outlying centres Council has no other fixed assets or other infrastructure.

### **POLICY OBJECTIVES**

This policy provides the overall framework to guide the sustainable management of Council's asset portfolio.

### **POLICY STATEMENT**

To ensure effective asset management, Council will endeavour to:

- Utilise assets to their fullest potential to maximise usage and economic performance.
- Ensure that asset renewal, disposal, upgrade or new asset provision is carried out in accordance with the adopted resourcing strategy that includes demonstrated need, lifecycle costing, alternative modes of delivery and sustainability.
- Ensure asset management practices conform to legislative requirements and reflect best practice in the industry.
- Ensure that all asset purchase, maintenance, rehabilitation and replacement shall be guided by Council's Asset Management Plans and annual budgetary process.
- Assets meet specifications and quality standards; and
- Assets meet requirements for public safety, WH&S and maintainability.

### **POLICY REFERENCE (E.G. LEGISLATION, RELATED DOCUMENTS)**

Local Government Act 1993

Local Government (General) Regulation 2005

Local Government Amendment (Planning and Reporting) Act 2009

CMCC Business Activity Strategic Plan 2017/18-2026/27

### **AUTHOR**

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### **DATE**

24 March, 2017.

**Draft Tabled by Castlereagh Macquarie County Council - 10/4/2017**