

## ASSET VALUATION AND REVALUATION POLICY

<b>Approval Level:</b>	EMT
<b>Policy Level:</b>	Organisation
<b>Approval Date:</b>	19/12/2017
<b>Review Date:</b>	30/09/2021
<b>Responsible Officer:</b>	Manager Financial Strategy
<b>Responsible Director:</b>	Corporate Performance
<b>Relevant Legislation/Authority:</b>	Local Government Act 1989 Australian Accounting Standards Board (AASB) Standards
<b>DOCSETID:</b>	2580083

### 1. PURPOSE

This Policy specifies City of Greater Bendigo Council's approach, in accordance with Local Government Victoria guidelines, Australian Accounting Standards and best practice asset management, to undertaking financial valuations of non-current assets.

The Policy also assists Council's commitment to sustainable financial planning.

The Policy covers financial valuation of non-current physical assets subsequent to initial recognition, including:

- Frequency and method of valuation and revaluation; and
- Roles and responsibilities.

This Policy excludes:

- Insurance valuations; and
- 'Held for Sale' valuations.

### 2. BACKGROUND

Financial management in asset-intensive organisations is characterised by high asset values relative to the total organisation value.

It is a requirement that all Councils complete financial valuations of their assets at regular intervals. The City of Greater Bendigo values its assets at frequencies listed in Appendix A of this policy and assesses annually that the value hasn't moved materially. A primary outcome of this requirement is that Council's Balance Sheet will reflect the Fair Value of Council's portfolio of assets.

Financial and asset management should complement each other in a symbiotic relationship rather than there being a 'demarcation' between the activities. Outputs from asset management strategies and activities should flow into financial management processes and vice versa.

Knowledge of current asset values is essential for the efficient and effective management of assets. Asset valuation information can assist in making decisions regarding the allocation of resources to those assets.

Application of the Valuation & Revaluation Policy, in conjunction with this Procedures document, will drive consistent processes to produce comparable valuations from year to year for both:

- Financial Reporting; and
- Renewal Expenditure Forecasting.

For non-current assets, indexed Historical Cost will generally not provide a reliable measurement of Fair Value. Typically only relatively short-lived or low value assets such as plant and equipment, office furniture and vehicles will continue to be carried at Historical Cost, as this is expected to provide a reasonable approximation of Fair Value for these short-lived assets.

All other Asset Classes will typically be recognised at Fair Value. The Fair Value basis of recognition ensures that the consumption of non-current assets (i.e. depreciation expense) approximates the expected long term average costs to renew or replace those assets. This depreciation expense is accounted for via Council's Balance Sheet and the Profit and Loss Statement.

### **3. SCOPE**

This policy directs those Council officers who are charged with accounting for Council's Assets and related purposes.

This document includes determination of current:

- Brownfield valuations;
- Fair value 'Greenfield' valuations;
- Asset Lives;
- Assessment of impairment; and
- Depreciation method.

### **4. DEFINITIONS**

*Refer to Asset Valuation and Revaluation Procedures.*

### **5. POLICY COMMITMENT**

Council will undertake periodic revaluation of all non-current physical assets owned or managed by Council in accordance with relevant Australian Accounting Standards and best practice asset management.

This Policy and the associated Asset Valuation and Revaluation Procedures direct Council officers who are charged with accounting for Council's Assets and related purposes.

In implementing this Policy, Council will:

- Review annually the need for revaluation of Council owned or controlled non-current asset classes, based on the materiality of valuation movement;
- Require valuations in accordance with the Asset Valuation and Revaluation Procedures, ensuring that each Asset Class is re-valued in a consistent manner and with appropriate frequency.

- Apply the valuation method for each Asset Class as specified in the Asset Valuation and Revaluation Procedures.
- Require that the frequencies of condition assessments, for each Asset Class, are conducted in accordance with the Asset Valuation and Revaluation Procedures.

## 6. REFERENCE TO COMMUNITY PLAN

The Community Plan identifies the following Goals and Objectives which relate to this policy;

### **Goal 1: Lead and govern for all**

*1.3 Be innovative and financially responsible, by:*

- Ensure value for investment on behalf of the community;
- Actively seek more funding opportunities from Federal, State and private investors.

*1.4 Be accountable and efficient in its use of the community's money*

### **Goal 4: Presentation and managing growth**

*4.5 Provide and maintain urban and rural infrastructure to support the liveability of our community, by:*

- Develop and adopt best-practice asset management principles;
- Develop investment guidelines which will assist Council investment in new and existing assets.

## 7. FREQUENCY AND METHOD OF VALUATION

In implementing this policy Council will:

- Review financial valuation of Council owned or controlled non-current asset classes, as at 30 June each year, including assessment of impairment, and maintain supporting documentation for audit purposes;
- Conduct Asset Revaluations in accordance with Appendix A -Condition and Valuation Table, in this Policy;
- Adopt Asset Standard Lives in accordance with Appendix A -Condition and Valuation Table, in this Policy;
- Apply the adopted valuation method and frequency for each Asset Class, as per Appendix A -Condition and Valuation Table, in this Policy and in accordance with the Asset Valuation and Revaluation Procedures;
- Ensure that condition assessments for each Asset Class are conducted in accordance with Appendix A -Condition and Valuation Table, in this Policy;
- Ensure that corporate systems record current asset values for reporting in audited financial statements within the Annual Report.

## 8. RELATED LEGISLATION/POLICIES/GUIDELINES

The Asset Valuation and Revaluation Procedure, associated with this Policy, fully complies with relevant State Government Legislation and Guidelines and with Australian Accounting Standards, including:

- *Local Government Act 1989*, Section 131 & Part 7, which relates to Financial Management and Council preparing Financial Statements in accordance with the Act.
- Australian Accounting Standards Board (AASB) Standards:

- AASB 116 Property, Plant and Equipment;
  - AASB 13 Fair Value Measurement;
  - AASB 1041 Revaluation of Non-Current Assets;
  - AASB 136 Impairment of Assets;
  - AASB 1051 Land Under Roads;
  - AASB 138, Intangible Assets
  - AASB 5, Non-current Assets Held for Sale and Discontinued Operations
  - AASB 1049 Whole of Government and General Government Sector Financial Reporting.
- State Government Financial Guidelines.
  - Department of Treasury and Finance - Financial Reporting Directions and Guidance Notes.
  - Department of Planning and Community Development Guidelines
  - Victorian Auditor-General's Office Reports, including:
    - Asset Management and Maintenance by Councils – Feb. 2014;

## 9. ROLES AND RESPONSIBILITIES

Refer to the Asset Valuation and Revaluation Procedures for greater details regarding valuation/revaluation roles and responsibilities.

The following key roles, positions and groups have defined functions as follows:

### **Council:**

Responsible for:

- stewardship of community services and associated sustainment of infrastructure assets; and
- providing resources for Policy implementation.

### **Chief Executive and Executive Management Team:**

Responsible for:

- Asset Valuation and Revaluation Procedure approval.

### **Manager Financial Strategy:**

Responsible for coordination of:

- Corporate financial valuation process;
- Managing and keeping the corporate Finance System up to date;
- Valuation and assessment of impairment for all Council non-infrastructure assets, including land, non-specialised buildings, antiques & artworks, water right and plantation trees;
- Issuing instructions to the Valuer(s) for non-specialised buildings, with details then utilised by Financial Strategy to ensure condition levels are incorporated as required for reporting; and

- Reporting Fair Value in the financial statements, including impairment.

**Manager Engineering:**

Responsible for coordination of:

- Managing and keeping the corporate Asset Management System up to date;
- Collection of asset inventory and condition data;
- Valuation and assessment of impairment for all Council infrastructure assets and specialised buildings. The primary method used to assess impairment is through regular condition assessments, per Appendix A.

## **10. AUDIT AND REVIEW**

This policy will be monitored continuously to ensure its relevance in terms of community needs and expectations, Council goals and targets and statutory requirements. The Chief Executive / Executive Team shall review compliance with this policy on an ongoing basis and amend the policy if it is no longer deemed relevant.

The Asset Valuation and Revaluation Policy shall be reviewed every four (4) years, in line with Council elections and review of the Community Plan, and within six months of the adoption of the Community Plan.

Asset Valuation and Revaluation Procedures shall be reviewed annually.

## **11. REFERENCES**

Internal:

This Policy is to be read in conjunction with the following Council documents:

- Community Plan 2017-2021
- CoGB Asset Management Policy
- CoGB Asset Capitalisation Policy
- CoGB Asset Valuation and Revaluation Procedure
- CoGB Asset Management Plans

External:

This Policy is to be read in conjunction with the following External documents:

- *Local Government Act 1989*
- Australian Accounting Standards Board, Accounting Standards, 2004
- Department of Treasury and Finance: Financial Reports and Guidance Notes
- Department of Planning and Community Development Guidelines
- State Government Financial Guidelines
- Victorian Auditor General's Reports
- Australian Infrastructure Financial Management Manual (AIFMM) – Edition 2015

## **12. HUMAN RIGHTS COMPATIBILITY**

The implications of this policy have been assessed in accordance with the requirements of the Victorian Charter of Human Rights of Responsibilities Charter.

### 13. ADMINISTRATIVE UPDATES

It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this, such a change may be made administratively. Examples include a change to the name of a Council unit, a change to the name of a Federal or State Government department, and a minor update to legislation which does not have a material impact. However, any change or update which materially alters this document must be made through consultation with the staff Consultative Committee and with the approval of EMT or where required, resolution of Council.

### 14. DOCUMENT HISTORY

<b>Date Approved</b>	<b>Responsible Officer</b>	<b>Unit</b>	<b>Change Type</b>	<b>Version</b>	<b>Next Review Date</b>
<i>May, 2014</i>	<i>Manager Finance</i>	<i>Finance</i>	<i>Original</i>	1.10	<i>May, 2017</i>
<i>Dec., 2017</i>	<i>Manager Financial Strategy</i>	<i>Financial Strategy</i>	<i>Review (significant)</i>	2.00	<i>Sept., 2021</i>

## APPENDIX A - CONDITION AND VALUATION TABLE

Asset Group <sup>1</sup>	Asset Category <sup>4</sup>	Asset Component <sup>2</sup>	Asset Class <sup>5</sup>	Recognised (Y/N) <sup>6</sup>	Valuation Method		Condition Assessment		Revaluation Frequency (Years)	Adopted Asset Life	Depreciation Method
					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
AQUATIC FACILITIES	Swimming Pools (Excl. Buildings & structures, drainage networks & carparks)	Pool Structure (Shell)	Buildings	Y	DRC	Condition	3	33	2	80	Condition-Based
		Pool Pumps & Water Treatment Systems	Buildings	Y	DRC	Condition	3	33	2	25	Condition-Based
		Water Slides	Buildings	Y	DRC	Condition	3	33	2	30	Condition-Based
BRIDGES & MAJOR CULVERTS	Bridges (Incl. footbridges & boardwalks)	Super-Structure	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
		Sub-Structure	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
		Abutments	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
	Major Culverts	Super-Structure	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
		Sub-Structure	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
		Endwalls/Wingwalls	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
CULTURAL OBJECTS & COLLECTIONS	Antique Objects & Collections	Antique Furniture and Antique/Cultural Items	Antiques/Artworks	N	MV	N/A	N/A	N/A	N/A	N/A	Not Depreciated
	Artworks	Internal & External Artworks	Antiques/Artworks	Y	MV	N/A	N/A	N/A	3	N/A	Not Depreciated
	Statues, Monuments & Plaques	Statues & Monuments	Monuments, Statues & Fountains	Y	MV	Age	N/A	N/A	5	100	Straight-Line

Asset Group <sup>1</sup>	Asset Category <sup>4</sup>	Asset Component <sup>2</sup>	Asset Class <sup>5</sup>	Recognised (Y/N) <sup>6</sup>	Valuation Method		Condition Assessment		Revaluation Frequency (Years)	Adopted Asset Life	Depreciation Method
					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
		Plaques	Monuments, Statues & Fountains	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Fountains & Water Features	Drinking Fountains	Monuments, Statues & Fountains	Y	DRC	Condition	3	N/A	5	100	Condition-Based
		Water Features	Monuments, Statues & Fountains	Y	DRC	Condition	3	N/A	5	100	Condition-Based
FLOOD MITIGATION/ WATER SUPPLY (Incl. under AM Plan 'H')	Flood Mitigation & Water Storage	Retardation Basin & Dam Walls,	Drainage	Y	DRC	Condition	3	N/A	3	200	Straight-Line
PATHWAYS	Rigid Pathways	Concrete/Brick/Bluestone/Paver P/Ways	Pathways	Y	DRC	Condition	3	33	1	50	Condition-Based
	Non-Rigid Pathways	Asphalt/Spray Sealed Pathways	Pathways	Y	DRC	Condition	3	33	1	25 - 50	Condition-Based
		Unsealed Pathways	Pathways	Y	DRC	Condition	3	33	1	25	Condition-Based
		Miscellaneous Paved Areas	Pathways	Y	DRC	Condition	3	33	1	25 - 50	Condition-Based
PLANT & EQUIPMENT	Plant and Equipment	Plant - Heavy	Plant and Equipment	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line
		Plant - Light	Plant and Equipment	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line
		Fleet & Light Vehicles	Plant and Equipment	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line



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					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
		Other Equipment	Plant and Equipment	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line
	Furniture and Office Equipment	Furniture & Office Equipment	Office Equipment, Furniture & Fittings	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line
		Software (licensed)	Office Equipment, Furniture & Fittings	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line
PROPERTY, BUILDINGS & STRUCTURES	Buildings (Incl. buildings at airport, livestock exchange, landfill, aquatic facility sites and poppet heads)	Structure – Long Life (Heritage)	Buildings	Y	DRC	Condition	3	33	2	150	Condition-Based
		Structure – Long Life (Other)	Buildings	Y	DRC/MV	Condition	3	33	2	100	Condition-Based
		Structure – Short Life	Buildings	Y	DRC/MV	Condition	3	33	2	50	Condition-Based
		Roof	Buildings	Y	DRC	Condition	3	33	2	50	Condition-Based
		Building Services (Mechanical)	Buildings	Y	DRC	Condition	3	33	2	25	Condition-Based
		Fit Out	Buildings	Y	DRC	Condition	3	33	2	25	Condition-Based
		Poppet Heads	Buildings	Y	DRC	Condition	3	33	2	100	Condition-Based
	Structures (incl. shade sails, obelisk, tanks & tank stands,	Miscellaneous Structures	Buildings	Y	DRC	Condition	3	33	2	20	Condition-Based

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					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
	scoreboards)										
	Land	Land - Freehold	Land	Y	MV	N/A	N/A	N/A	2	Indefinite	Not Depreciated
		Land - Controlled	Land	Y	MV	N/A	N/A	N/A	2	Indefinite	Not Depreciated
		Land Under Roads - Roads pre 1/7/2008	Land	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Land Under Roads - Roads post 1/7/2008	Land	Y	MV	N/A	N/A	N/A	1	Indefinite	Not Depreciated
		Easements	Land	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RECREATION & OPEN SPACE	Irrigation/ Water Supply	Irrigation	Land Improvements	Y	DRC	Age	N/A	N/A	3	25	Straight-Line
		Stand Pipes	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	20	Straight-Line
	Landscaping (Incl. garden beds, trees, nature reserves and non-sporting surfaces)	Miscellaneous Landscaping	Land Improvements	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Lighting - Public & Street	Miscellaneous Lighting (incl. flood lights, up-lights, etc)	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	25	Straight-Line
		Public Lighting (Incl. Security Lighting)	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	25	Straight-Line
		Street Lights - Heritage	Public Furniture &	Y	DRC	Age	N/A	N/A	3	25	Straight-Line

Asset Group <sup>1</sup>	Asset Category <sup>4</sup>	Asset Component <sup>2</sup>	Asset Class <sup>5</sup>	Recognised (Y/N) <sup>6</sup>	Valuation Method		Condition Assessment		Revaluation Frequency (Years)	Adopted Asset Life	Depreciation Method
					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
			Fixtures								
		Street Lights - Decorative	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	25	Straight-Line
	Miscellaneous Land Improvements	Fences & Gates	Land Improvements	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Optic Fibre Cable	Land Improvements	Y	DRC	Age	N/A	N/A	3	20	Straight-Line
		Other Land Improvements (Incl. livestock exc. fences/ structures, electrical & plumbing networks)	Land Improvements	Y	DRC	Age	N/A	N/A	3	20	Straight-Line
		Retaining Walls	Land Improvements	Y	DRC	Condition	3	N/A	3	50	Condition-Based
		Wharves & Jetties	Land Improvements	Y	DRC	Condition	3	N/A	3	80	Condition-Based
		Pontoons	Land Improvements	Y	DRC	Condition	3	N/A	3	80	Condition-Based
		Play Spaces	BMX Tracks	Land Improvements	Y	DRC	Condition	3	N/A	3	20
	Play Grounds		Public Furniture & Fixtures	Y	DRC	Condition	3	N/A	3	15	Condition-Based
	Skate Parks		Public Furniture & Fixtures	Y	DRC	Condition	3	N/A	3	20	Condition-Based
	Public Furniture & Fixtures	Barbeques	Public Furniture & Fixtures	Y	DRC	Condition	3	N/A	3	25	Condition-Based
		Benches, Tables & Picnic Sets	Public Furniture & Fixtures	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Asset Group <sup>1</sup>	Asset Category <sup>4</sup>	Asset Component <sup>2</sup>	Asset Class <sup>5</sup>	Recognised (Y/N) <sup>6</sup>	Valuation Method		Condition Assessment		Revaluation Frequency (Years)	Adopted Asset Life	Depreciation Method
					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
		Bins - Residential	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	1	15	Straight-Line
		Bins & Surrounds	Public Furniture & Fixtures	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Bus Shelters	Public Furniture & Fixtures	Y	DRC	Condition	3	N/A	3	30	Condition-Based
		Christmas Decorations	Public Furniture & Fixtures	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Guardrailing	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	30	Straight-Line
		Signs - Township & Boundary	Public Furniture & Fixtures	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Traffic Calming Devices	Public Furniture & Fixtures	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Traffic Islands / Roundabouts	Public Furniture & Fixtures	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Traffic Lights/Signals	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	40	Straight-Line
	Sports Fields and Courts	Playing surface (Grassed)	Land Improvements	Y	DRC	Condition	3	N/A	3	25	Condition-Based
		Playing surface (Synthetic)	Land Improvements	Y	DRC	Condition	3	N/A	3	25	Condition-Based
		Playing surface (Asphalted)	Land Improvements	Y	DRC	Condition	3	N/A	3	25	Condition-Based

Asset Group <sup>1</sup>	Asset Category <sup>4</sup>	Asset Component <sup>2</sup>	Asset Class <sup>5</sup>	Recognised (Y/N) <sup>6</sup>	Valuation Method		Condition Assessment		Revaluation Frequency (Years)	Adopted Asset Life	Depreciation Method
					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
		Spectator Areas – Concrete & Sealed	Land Improvements	Y	DRC	Condition	3	N/A	3	25 - 50	Condition-Based
		Sports Lighting	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	25	Straight-Line
<b>SEALED ROADS</b>	<b>Sealed Roads</b> (Incl. airport runways & taxiways, roads at livestock exchange, on-road parking and bike lanes)	Wearing Course - Asphalt	Sealed Roads	Y	DRC	Condition	3	33	1	25	Condition-Based
		Wearing Course – Spray Seals	Sealed Roads	Y	DRC	Condition	3	33	1	15	Condition-Based
		Pavement (Incl. E/Works & Formation)	Sealed Roads	Y	DRC	Condition	3	33	1	100	Condition-Based
	<b>Sealed Carparks</b> (Incl. carparks at airport & livestock exchange, off-road parking)	Wearing Course - Asphalt	Sealed Roads	Y	DRC	Condition	3	33	1	25	Condition-Based
		Wearing Course – Spray Seals	Sealed Roads	Y	DRC	Condition	3	33	1	15	Condition-Based
		Pavement (Incl. E & F)	Sealed Roads	Y	DRC	Condition	3	33	1	100	Condition-Based
	<b>Kerb and Channel</b>	Kerb and Channel – All Types	Sealed Roads	Y	DRC	Condition	3	33	1	50	Condition-Based
	<b>Tramway Facilities</b>	Tram Tracks	Sealed Roads	Y	DRC	Condition	3	N/A	3	50	Condition-Based
<b>STORMWATER DRAINAGE</b>	<b>Stormwater Drainage</b> (Incl. drainage systems at airport, livestock exchange, landfill and aquatic facility sites)	Pipes	Drainage	Y	DRC	Age	N/A	N/A	1	100	Straight-Line

Asset Group <sup>1</sup>	Asset Category <sup>4</sup>	Asset Component <sup>2</sup>	Asset Class <sup>5</sup>	Recognised (Y/N) <sup>6</sup>	Valuation Method		Condition Assessment		Revaluation Frequency (Years)	Adopted Asset Life	Depreciation Method
					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
		Pits & Endwalls	Drainage	Y	DRC	Age	N/A	N/A	1	100	Straight-Line
		Minor Culverts (Urban)	Drainage	Y	DRC	Age	N/A	N/A	1	100	Straight-Line
		Open Channel Drains (Lined Only)	Drainage	Y	DRC	Age	N/A	N/A	1	25	Straight-Line
		Gross Pollutant Traps	Drainage	Y	DRC	Age	N/A	N/A	1	100	Straight-Line
		Drainage Pumps & Housings	Drainage	Y	DRC	Age	N/A	N/A	1	25	Straight-Line
<b>UNSEALED ROADS</b>	<b>Unsealed Roads</b>	Wearing Course	Unsealed Roads	Y	DRC	Condition	3	33	1	15	Condition-Based
		Earthworks & Formation	Unsealed Roads	Y	GRC		N/A	N/A	1	Indefinite	Not Depreciated
	<b>Unsealed Carparks</b>	Wearing Course	Unsealed Roads	Y	DRC	Condition	3	33	1	50	Condition-Based
		Earthworks & Formation	Unsealed Roads	Y	GRC		N/A	N/A	1	Indefinite	Not Depreciated
	<b>Floodways</b>	Concrete Floodways (Incl. E & F)	Unsealed Roads	Y	DRC	Condition	3	33	1	100	Condition-Based
		Sealed Floodways – Spray Seals	Unsealed Roads	Y	DRC	Condition	3	33	1	15	Condition-Based
Sealed Floodways – Pavements (Incl. E & F)		Unsealed Roads	Y	DRC	Condition	3	33	1	100	Condition-Based	
<b>WATER RIGHTS</b>			Water Rights	Y	MV	N/A	N/A	N/A	1	N/A	N/A
<b>PLANTATION TIMBER</b>			Forestry Plantation	Y	NPV	N/A	N/A	N/A	1	N/A	N/A

Notes:

1. Asset Management Plans are typically developed at the Asset Group level.
2. Assets will be recognised at the Asset Component level.
3. Renewal modelling will typically be considered at the Asset Component level.
4. If there is no further Asset Component breakdown in the Asset Hierarchy, then assets will be recognised at the Asset Category level.
5. Asset Class is a term defined in Australian Accounting Standards and is used in financial valuation and capitalisation processes. Asset Class defines the level at which council's Balance Sheet will be reported. This is also defined in the Asset Group sections of the Asset Capitalisation Policy.
6. Recognition of an individual asset may be at either the Asset Category or the Asset Component level. This is further defined in the Asset Capitalisation Policy.
7. Fair Value Acronym Definitions:
  - DRC = Depreciated Replacement Cost
  - GRC = Gross Replacement Cost (i.e. Recognised but not depreciated)
  - HC = Historical Cost (Held at Cost)
  - MV = Market Value
  - NPV= Net Present Value