



Tweed Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2017



Tweed Shire Council

Special Schedules for the year ended 30 June 2017

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¹ Special Schedules are not audited (with the exception of Special Schedule 8).

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water (NOW), and
 - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Tweed Shire Council

Special Schedule 1 – Net Cost of Services

for the year ended 30 June 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	3,767	5	–	(3,762)
Administration	22,192	7,410	719	(14,063)
Public order and safety				
Fire service levy, fire protection, emergency services	1,433	353	7	(1,073)
Beach control	665	24	–	(641)
Enforcement of local government regulations	1,129	276	–	(853)
Animal control	446	243	–	(203)
Other	6	–	–	(6)
Total public order and safety	3,679	896	7	(2,776)
Health	1,745	507	–	(1,238)
Environment				
Noxious plants and insect/vermin control	526	121	–	(405)
Other environmental protection	4,605	1,739	262	(2,604)
Solid waste management	18,385	22,841	66	4,522
Street cleaning	–	–	–	–
Drainage	5,703	115	1,637	(3,951)
Stormwater management	–	–	–	–
Total environment	29,219	24,816	1,965	(2,438)
Community services and education				
Administration and education	1,381	6	–	(1,375)
Social protection (welfare)	673	1,459	–	786
Aged persons and disabled	864	31	–	(833)
Children's services	24	4	–	(20)
Total community services and education	2,942	1,500	–	(1,442)
Housing and community amenities				
Public cemeteries	1,110	898	45	(167)
Public conveniences	940	–	–	(940)
Street lighting	1,006	152	–	(854)
Town planning	5,142	1,093	–	(4,049)
Other community amenities	24	1	–	(23)
Total housing and community amenities	8,222	2,144	45	(6,033)
Water supplies	23,537	30,667	5,892	13,022
Sewerage services	28,471	34,223	4,327	10,079

Tweed Shire Council

Special Schedule 1 – Net Cost of Services (continued)
for the year ended 30 June 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	2,604	256	–	(2,348)
Museums	705	8	–	(697)
Art galleries	1,869	602	413	(854)
Community centres and halls	691	312	815	436
Performing arts venues	–	–	–	–
Other performing arts	–	–	–	–
Other cultural services	121	1	–	(120)
Sporting grounds and venues	1,983	424	1,829	270
Swimming pools	4,158	1,605	–	(2,553)
Parks and gardens (lakes)	7,707	188	5,562	(1,957)
Other sport and recreation	1,429	85	–	(1,344)
Total recreation and culture	21,267	3,481	8,619	(9,167)
Fuel and energy	–	–	–	–
Agriculture	–	–	–	–
Mining, manufacturing and construction				
Building control	1,952	1,979	–	27
Other mining, manufacturing and construction	88	4	–	(84)
Total mining, manufacturing and const.	2,040	1,983	–	(57)
Transport and communication				
Urban roads (UR) – local	15,007	496	8,670	(5,841)
Urban roads – regional	32	14	20	2
Sealed rural roads (SRR) – local	3,270	2,697	152	(421)
Sealed rural roads (SRR) – regional	2,106	1,886	76	(144)
Unsealed rural roads (URR) – local	2,173	(12)	5	(2,180)
Unsealed rural roads (URR) – regional	–	–	–	–
Bridges on UR – local	804	–	–	(804)
Bridges on SRR – local	3,003	(4)	13	(2,994)
Bridges on URR – local	17	–	–	(17)
Bridges on regional roads	60	(3)	–	(63)
Parking areas	225	79	–	(146)
Footpaths	1,628	4	307	(1,317)
Aerodromes	89	33	17	(39)
Other transport and communication	2,732	495	1,588	(649)
Total transport and communication	31,146	5,685	10,848	(14,613)
Economic affairs				
Camping areas and caravan parks	7,190	8,575	–	1,385
Other economic affairs	1,229	156	–	(1,073)
Total economic affairs	8,419	8,731	–	312
Totals – functions	186,646	122,048	32,422	(32,176)
General purpose revenues ⁽¹⁾		75,615		75,615
Share of interests – joint ventures and associates using the equity method	–	–		–
NET OPERATING RESULT ⁽²⁾	186,646	197,663	32,422	43,439

(1) Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges (2) As reported in the Income Statement

Tweed Shire Council

Special Schedule 2(a) – Statement of Long Term Debt (all purpose)

for the year ended 30 June 2017

\$'000

Classification of debt	Principal outstanding at beginning of the year			New loans raised during the year	Debt redemption during the year		Transfers to sinking funds	Interest applicable for year	Principal outstanding at the end of the year		
	Current	Non-current	Total		From revenue	Sinking funds			Current	Non-current	Total
Loans (by source)											
Commonwealth Government	–	–	–							–	–
NSW Treasury Corporation	–	–	–							–	–
Other State Government	1,742	5,463	7,205	–	2,158	–	–	7	1,682	3,365	5,047
Public subscription	–	–	–							–	–
Financial institutions	6,370	165,929	172,299	1,976	6,375	–	–	12,490	6,782	161,118	167,900
Other	–	–	–							–	–
Total loans	8,112	171,392	179,504	1,976	8,533	–	–	12,497	8,464	164,483	172,947
Other long term debt											
Ratepayers advances	–	–	–							–	–
Government advances	–	–	–							–	–
Finance leases	–	–	–							–	–
Deferred payments	–	–	–							–	–
Total long term debt	–	–	–	–	–	–	–	–	–	–	–
Total debt	8,112	171,392	179,504	1,976	8,533	–	–	12,497	8,464	164,483	172,947

Notes: excludes (i) internal loans and (ii) principal inflows/outflows relating to loan re-financing.

This schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

Tweed Shire Council

Special Schedule 3 – Water Supply Income Statement

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	4,951	4,527
b. Engineering and supervision	1,959	1,659
2. Operation and maintenance expenses		
– dams and weirs		
a. Operation expenses	330	346
b. Maintenance expenses	99	107
– Mains		
c. Operation expenses	159	155
d. Maintenance expenses	1,236	1,099
– Reservoirs		
e. Operation expenses	183	170
f. Maintenance expenses	89	103
– Pumping stations		
g. Operation expenses (excluding energy costs)	191	160
h. Energy costs	662	617
i. Maintenance expenses	212	120
– Treatment		
j. Operation expenses (excluding chemical costs)	1,333	1,368
k. Chemical costs	854	808
l. Maintenance expenses	381	279
– Other		
m. Operation expenses	705	619
n. Maintenance expenses	972	1,493
o. Purchase of water	55	51
3. Depreciation expenses		
a. System assets	7,273	6,489
b. Plant and equipment	67	33
4. Miscellaneous expenses		
a. Interest expenses	4,445	4,536
b. Revaluation decrements	–	–
c. Other expenses	862	683
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	107	106
5. Total expenses	27,125	25,528

Tweed Shire Council

Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
Income		
6. Residential charges		
a. Access (including rates)	4,952	4,614
b. Usage charges	16,217	14,199
7. Non-residential charges		
a. Access (including rates)	599	579
b. Usage charges	6,535	5,804
8. Extra charges	109	115
9. Interest income	1,898	1,291
10. Other income	810	827
10a. Aboriginal Communities Water and Sewerage Program	–	–
11. Grants		
a. Grants for acquisition of assets	–	–
b. Grants for pensioner rebates	379	382
c. Other grants	–	548
12. Contributions		
a. Developer charges	5,447	3,409
b. Developer provided assets	445	449
c. Other contributions	–	–
13. Total income	37,391	32,217
14. Gain (or loss) on disposal of assets	(1,221)	(1,955)
15. Operating result	9,045	4,734
15a. Operating result (less grants for acquisition of assets)	9,045	4,734

Tweed Shire Council

Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
B Capital transactions		
Non-operating expenditures		
16. Acquisition of fixed assets		
a. New assets for improved standards	547	645
b. New assets for growth	1,824	86
c. Renewals	1,402	2,397
d. Plant and equipment	28	45
17. Repayment of debt	1,349	1,258
18. Totals	5,150	4,431
Non-operating funds employed		
19. Proceeds from disposal of assets	–	–
20. Borrowing utilised	–	–
21. Totals	–	–
C Rates and charges		
22. Number of assessments		
a. Residential (occupied)	33,190	32,931
b. Residential (unoccupied, ie. vacant lot)	778	1,058
c. Non-residential (occupied)	1,863	1,661
d. Non-residential (unoccupied, ie. vacant lot)	192	156
23. Number of ETs for which developer charges were received	407 ET	263 ET
24. Total amount of pensioner rebates (actual dollars)	\$ 687,082	\$ 693,010

Tweed Shire Council

Special Schedule 4 – Water Supply Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis
as at 30 June 2017

\$'000	Actuals Current	Actuals Non-current	Actuals Total
ASSETS			
25. Cash and investments			
a. Developer charges	–	–	–
b. Special purpose grants	–	–	–
c. Accrued leave	–	–	–
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	27,870	25,000	52,870
26. Receivables			
a. Specific purpose grants	3	–	3
b. Rates and availability charges	235	–	235
c. User charges	3,474	–	3,474
d. Other	–	–	–
27. Inventories	–	–	–
28. Property, plant and equipment			
a. System assets	–	546,545	546,545
b. Plant and equipment	–	102	102
29. Other assets	32	–	32
30. Total assets	<u>31,614</u>	<u>571,647</u>	<u>603,261</u>
LIABILITIES			
31. Bank overdraft	–	–	–
32. Creditors	479	–	479
33. Borrowings	1,447	60,749	62,196
34. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	–	–	–
35. Total liabilities	<u>1,926</u>	<u>60,749</u>	<u>62,675</u>
36. NET ASSETS COMMITTED	<u>29,688</u>	<u>510,898</u>	<u>540,586</u>
EQUITY			
37. Accumulated surplus			205,400
38. Asset revaluation reserve			335,186
39. Other reserves			–
40. TOTAL EQUITY			<u>540,586</u>
Note to system assets:			
41. Current replacement cost of system assets			644,286
42. Accumulated current cost depreciation of system assets			(97,741)
43. Written down current cost of system assets			<u>546,545</u>

Tweed Shire Council

Special Schedule 5 – Sewerage Service Income Statement

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	3,615	3,847
b. Engineering and supervision	1,887	1,641
2. Operation and maintenance expenses		
– mains		
a. Operation expenses	258	280
b. Maintenance expenses	1,810	1,462
– Pumping stations		
c. Operation expenses (excluding energy costs)	734	715
d. Energy costs	595	495
e. Maintenance expenses	1,685	1,740
– Treatment		
f. Operation expenses (excl. chemical, energy, effluent and biosolids management costs)	1,842	1,854
g. Chemical costs	664	747
h. Energy costs	980	951
i. Effluent management	73	46
j. Biosolids management	616	759
k. Maintenance expenses	1,559	1,056
– Other		
l. Operation expenses	378	297
m. Maintenance expenses	82	102
3. Depreciation expenses		
a. System assets	11,175	10,595
b. Plant and equipment	123	112
4. Miscellaneous expenses		
a. Interest expenses	2,640	2,809
b. Revaluation decrements	–	–
c. Other expenses	809	776
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	103	101
5. Total expenses	31,628	30,385

Tweed Shire Council

Special Schedule 5 – Sewerage Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
Income		
6. Residential charges (including rates)	25,551	24,480
7. Non-residential charges		
a. Access (including rates)	2,219	2,172
b. Usage charges	2,219	1,993
8. Trade waste charges		
a. Annual fees	66	82
b. Usage charges	1,011	718
c. Excess mass charges	–	–
d. Re-inspection fees	–	–
9. Extra charges	86	89
10. Interest income	2,117	2,072
11. Other income	746	685
11a. Aboriginal Communities Water and Sewerage Program	–	–
12. Grants		
a. Grants for acquisition of assets	–	–
b. Grants for pensioner rebates	366	368
c. Other grants	–	–
13. Contributions		
a. Developer charges	2,881	2,132
b. Developer provided assets	1,446	3,159
c. Other contributions	–	–
14. Total income	38,708	37,950
15. Gain (or loss) on disposal of assets	(809)	(3,313)
16. Operating result	6,271	4,252
16a. Operating result (less grants for acquisition of assets)	6,271	4,252

Tweed Shire Council

Special Schedule 5 – Sewerage Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
B Capital transactions		
Non-operating expenditures		
17. Acquisition of fixed assets		
a. New assets for improved standards	567	538
b. New assets for growth	505	648
c. Renewals	1,916	3,971
d. Plant and equipment	64	128
18. Repayment of debt	2,686	2,605
19. Totals	5,738	7,890
Non-operating funds employed		
20. Proceeds from disposal of assets	–	–
21. Borrowing utilised	–	–
22. Totals	–	–
C Rates and charges		
23. Number of assessments		
a. Residential (occupied)	31,891	31,457
b. Residential (unoccupied, ie. vacant lot)	742	990
c. Non-residential (occupied)	1,619	1,601
d. Non-residential (unoccupied, ie. vacant lot)	150	142
24. Number of ETs for which developer charges were received	453 ET	337 ET
25. Total amount of pensioner rebates (actual dollars)	\$ 661,953	\$ 668,527

Tweed Shire Council

Special Schedule 6 – Sewerage Service Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis
as at 30 June 2017

\$'000	Actuals Current	Actuals Non-current	Actuals Total
ASSETS			
26. Cash and investments			
a. Developer charges	–	–	–
b. Special purpose grants	–	–	–
c. Accrued leave	–	–	–
d. Unexpended loans	6,190	–	6,190
e. Sinking fund	–	–	–
f. Other	42,595	32,000	74,595
27. Receivables			
a. Specific purpose grants	2	–	2
b. Rates and availability charges	1,135	–	1,135
c. User charges	1,249	–	1,249
d. Other	–	–	–
28. Inventories	–	–	–
29. Property, plant and equipment			
a. System assets	–	592,812	592,812
b. Plant and equipment	–	369	369
30. Other assets	31	–	31
31. Total assets	51,202	625,181	676,383
LIABILITIES			
32. Bank overdraft	–	–	–
33. Creditors	372	–	372
34. Borrowings	2,439	27,105	29,544
35. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	–	–	–
36. Total liabilities	2,811	27,105	29,916
37. NET ASSETS COMMITTED	48,391	598,076	646,467
EQUITY			
38. Accumulated surplus			242,560
39. Asset revaluation reserve			403,907
40. Other reserves			–
41. TOTAL EQUITY			646,467
Note to system assets:			
42. Current replacement cost of system assets			737,714
43. Accumulated current cost depreciation of system assets			(144,902)
44. Written down current cost of system assets			592,812

Tweed Shire Council

Notes to Special Schedules 3 and 5

for the year ended 30 June 2017

Administration ⁽¹⁾

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Meter reading
- Bad and doubtful debts
- Other administrative/corporate support services

Engineering and supervision ⁽¹⁾

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Other technical and supervision staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.

Operational expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

Maintenance expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

Other expenses (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

Impairment losses (item 4d and 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

Aboriginal Communities Water and Sewerage Program (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and sewerage revenue.

Residential charges ⁽²⁾ (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a access charges (including rates if applicable) and 6b usage charges.

Non-residential charges ⁽²⁾ (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a access charges (including rates if applicable) and 7b usage charges.

Trade waste charges (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a annual fees, 8b usage charges and 8c excess mass charges and 8d re-inspection fees.

Other income (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

Other contributions (items 12c and 13c of Special Schedules 3 and 5 respectively) including capital contributions for water supply or sewerage services received by Council under Section 565 of the *Local Government Act*.

Notes:

⁽¹⁾ Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

⁽²⁾ To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

Tweed Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings ^(b)	Civic Buildings/Admin	375		293	233	31,857	38,726	7%	25%	66%	0%	2%
	Community	376		156	151	17,038	19,378	27%	37%	22%	12%	2%
	Cultural			55	129	24,191	26,532	60%	19%	21%	0%	0%
	Emergency	33		23	44	3,226	3,639	8%	43%	44%	5%	0%
	Operational	498		152	192	31,615	35,112	41%	27%	19%	9%	4%
	Public Toilets	47		49	197	6,814	7,349	27%	32%	32%	8%	1%
	Recreation	225		193	225	32,597	35,786	35%	28%	33%	3%	1%
	Residential	31		48	31	4,299	5,853	7%	49%	34%	3%	7%
	Sub-total	1,585	–	969	1,202	151,637	186,555	28.7%	25.8%	32.1%	4.0%	9.4%
Other structures	Other	111		12	–	355	695	49%	3%	4%	9%	35%
	Sub-total	111	–	12	–	355	695	49.0%	3.0%	4.0%	9.0%	35.0%
Roads	Sealed roads	7,179		4,480	2,731	452,903	615,242	28%	53%	15%	4%	0%
	Unsealed roads	149		67	474	3,157	5,944	36%	18%	40%	6%	0%
	Bridges	14		205	301	162,899	192,447	82%	17%	1%		0%
	Footpaths	536		345	497	33,196	40,921	64%	7%	17%	10%	2%
	Kerb and gutter	788		267	143	46,471	57,606	73%	13%	9%	5%	0%
	Street furniture	27		12	140	9,805	11,099	91%	6%	2%	1%	0%
	Car parks	142		42	3	6,573	8,470	75%	9%	11%	5%	0%
	Bulk earthworks					147,757	147,757	100%				0%
	Sub-total	8,835	–	5,418	4,289	862,761	1,079,486	52.3%	34.4%	10.2%	3.0%	0.1%

Tweed Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017 (continued)

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost					
								1	2	3	4	5	
Water supply network	Dams/weirs	34		335	251	65,656	74,279	16%	81%	3%		0%	
	Mains	1,651		2,284	2,332	307,915	356,930	74%	19%	6%	1%	0%	
	Reservoirs	334		1,325	1,001	13,541	23,079	11%	44%	35%	9%	1%	
	Pumping station/s	321		184	239	33,713	44,462	3%	42%	41%	14%	0%	
	Treatment	216		2,860	2,557	79,218	98,100	55%	39%	5%	1%	0%	
	Other	–		–	–	727	727	100%					0%
	Sub-total	2,556	–	6,988	6,380	500,770	597,577	56.0%	32.6%	9.2%	2.2%	0.0%	
Sewerage network	Mains	3,618		1,867	2,066	312,134	376,638	66%	20%	6%	2%	6%	
	Pumping station/s	193		3,608	2,891	58,525	85,830	14%	49%	34%	3%	0%	
	Treatment	350		4,862	4,702	162,446	214,973	30%	52%	17%	1%	0%	
	Sub-total	4,161	–	10,337	9,659	533,105	677,441	48.0%	33.8%	13.0%	1.8%	3.3%	

Tweed Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017 (continued)

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Stormwater drainage	Stormwater drainage	15,403		646	1,106	156,623	234,271	28%	29%	30%	2%	11%
	Sub-total	15,403	–	646	1,106	156,623	234,271	28.0%	29.0%	30.0%	2.0%	11.0%
Open space/recreational assets	Swimming pools	169		53	50	3,001	5,240	0%	85%	15%		0%
	Recreation other structures	639		631	616	24,920	35,126	67%	11%	19%	2%	1%
	Sub-total	808	–	684	666	27,921	40,366	58.3%	20.6%	18.5%	1.7%	0.9%
Other infrastructure	Other structures	1,061		277	233	5,581	11,595	28%	10%	40%	10%	12%
	Sub-total	1,061	–	277	233	5,581	11,595	28.0%	10.0%	40.0%	10.0%	12.0%
	TOTAL – ALL ASSETS	34,520	–	25,331	23,535	2,238,753	2,827,986	48.5%	32.6%	14.0%	2.5%	2.4%

Notes:

a Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

1	Excellent	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Average	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Tweed Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2017

\$ '000	Amounts	Indicator	Benchmark	Prior periods	
	2017	2017		2016	2015
Infrastructure asset performance indicators * consolidated					
1. Infrastructure renewals ratio					
Asset renewals ⁽¹⁾	<u>17,661</u>	44.16%	>= 100%	67.51%	39.59%
Depreciation, amortisation and impairment	<u>39,997</u>				
2. Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	<u>34,520</u>	1.65%	< 2%	3.31%	5.21%
Net carrying amount of infrastructure assets	<u>2,090,996</u>				
3. Asset maintenance ratio					
Actual asset maintenance	<u>23,535</u>	0.93	> 1.00	1.11	0.92
Required asset maintenance	<u>25,331</u>				

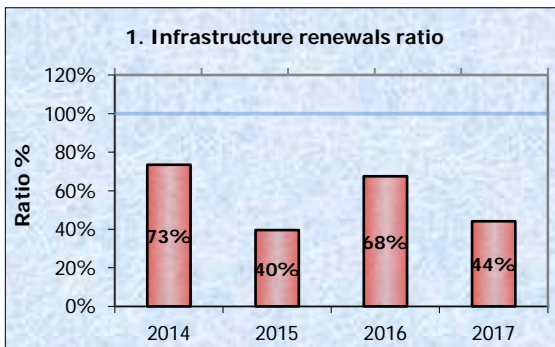
Notes

* All asset performance indicators are calculated using the asset classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Tweed Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2017



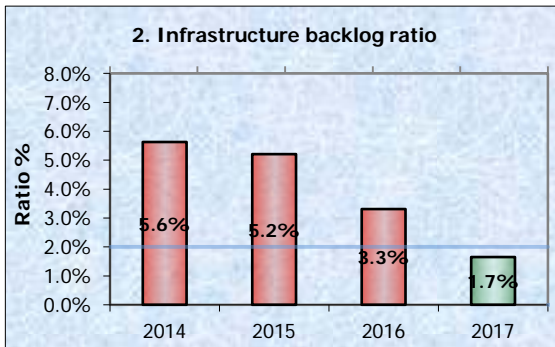
Purpose of asset renewals ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

2016/17 Ratio 44.16%

Benchmark: —— Minimum $\geq 100.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #25

■ Ratio achieves benchmark
■ Ratio is outside benchmark



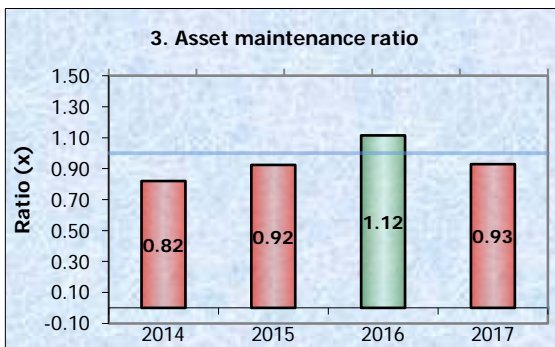
Purpose of infrastructure backlog ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

2016/17 Ratio 1.65%

Benchmark: —— Maximum $< 2.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #25

■ Ratio achieves benchmark
■ Ratio is outside benchmark



Purpose of asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

2016/17 Ratio 0.93 x

Benchmark: —— Minimum > 1.00
Source for benchmark: Code of Accounting Practice and Financial Reporting #25

■ Ratio achieves benchmark
■ Ratio is outside benchmark

Tweed Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2017

\$ '000	Benchmark	Water 2017	Sewer 2017	General ⁽¹⁾ 2017
Infrastructure asset performance indicators by fund				
1. Infrastructure renewals ratio				
Asset renewals ⁽²⁾		16.84%	9.58%	71.52%
Depreciation, amortisation and impairment	>= 100%			
	prior period:	32.66%	26.17%	99.56%
2. Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard		0.51%	0.78%	2.63%
Net carrying amount of infrastructure assets	< 2%			
	prior period:	2.81%	5.07%	2.58%
3. Asset maintenance ratio				
Actual asset maintenance		0.91	0.93	0.94
Required asset maintenance	> 1.00			
	prior period:	1.23	1.13	1.03

Notes

- (1) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.
- (2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Tweed Shire Council

Special Schedule 8 – Permissible Income Calculation

for the year ended 30 June 2018

\$'000		Calculation 2016/17	Calculation 2017/18
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	a	56,838	58,789
Plus or minus adjustments ⁽²⁾	b	368	506
Notional general income	c = (a + b)	57,206	59,295
Permissible income calculation			
Special variation percentage ⁽³⁾	d	2.77%	0.00%
Or rate peg percentage	e	0.00%	1.50%
Or crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%
Less expiring special variation amount	g	–	–
Plus special variation amount	h = d x (c – g)	1,585	–
Or plus rate peg amount	i = c x e	–	889
Or plus Crown land adjustment and rate peg amount	j = c x f	–	–
Sub-total	k = (c + g + h + i + j)	58,791	60,184
Plus (or minus) last year's carry forward total	l	1	3
Less valuation objections claimed in the previous year	m	–	–
Sub-total	n = (l + m)	1	3
Total permissible income	o = k + n	58,792	60,187
Less notional general income yield	p	58,789	60,187
Catch-up or (excess) result	q = o – p	3	0
Plus income lost due to valuation objections claimed ⁽⁴⁾	r	–	–
Less unused catch-up ⁽⁵⁾	s	–	–
Carry forward to next year	t = q + r – s	3	0

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Special Schedule 8 in the financial data return (FDR) to administer this process.