

# Tweed Shire Council

SPECIAL SCHEDULES  
for the year ended 30 June 2019

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*Living and loving the Tweed*



## Special Schedules

for the year ended 30 June 2019

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## Permissible income for general rates

\$ '000		Calculation 2019/20	Calculation 2018/19
<b>Notional general income calculation <sup>1</sup></b>			
Last year notional general income yield	a	61,872	60,187
Plus or minus adjustments <sup>2</sup>	b	194	294
<b>Notional general income</b>	<b>c = a + b</b>	<b>62,066</b>	<b>60,481</b>
<b>Permissible income calculation</b>			
Or rate peg percentage	e	2.70%	2.30%
Or plus rate peg amount	$i = e \times (c + g)$	1,676	1,391
<b>Sub-total</b>	<b>k = (c + g + h + i + j)</b>	<b>63,742</b>	<b>61,872</b>
<b>Total permissible income</b>	<b>o = k + n</b>	<b>63,742</b>	<b>61,872</b>
Less notional general income yield	p	63,741	61,872
<b>Catch-up or (excess) result</b>	<b>q = o - p</b>	<b>1</b>	<b>-</b>
<b>Carry forward to next year <sup>3</sup></b>	<b>t = q + r + s</b>	<b>1</b>	<b>-</b>

**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) 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 Permissible income for general rates Statement in the financial data return (FDR) to administer this process.

## Report on Infrastructure Assets

as at 30 June 2019

Asset Class	Asset Category	Estimated cost		2018/19 Required maintenance <sup>a</sup>	2018/19 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
<b>Buildings</b>	Civic Buildings/Admin	403	403	378	254	31,390	42,361	17.0%	41.0%	26.0%	15.0%	1.0%
	Community	270	270	153	279	15,471	20,284	35.0%	24.0%	30.0%	8.0%	3.0%
	Cultural	28	28	36	163	24,732	31,562	41.0%	52.0%	6.0%	1.0%	0.0%
	Emergency	139	139	46	18	2,614	3,828	10.0%	23.0%	50.0%	14.0%	3.0%
	Operational	271	271	207	171	31,453	22,191	8.0%	47.0%	31.0%	8.0%	6.0%
	Public Toilets	91	91	73	163	6,202	7,942	30.0%	25.0%	31.0%	10.0%	4.0%
	Recreation	241	241	287	218	26,500	34,572	3.0%	48.0%	38.0%	11.0%	0.0%
	Residential	56	56	38	30	3,836	4,293	69.0%	0.0%	12.0%	19.0%	0.0%
	<b>Sub-total</b>	<b>1,499</b>	<b>1,499</b>	<b>1,218</b>	<b>1,296</b>	<b>142,198</b>	<b>167,033</b>	<b>21.4%</b>	<b>41.0%</b>	<b>26.3%</b>	<b>9.6%</b>	<b>1.7%</b>
<b>Other structures</b>	Other structures	127	127	92	11	327	695	49.0%	3.0%	4.0%	9.0%	35.0%
	<b>Sub-total</b>	<b>127</b>	<b>127</b>	<b>92</b>	<b>11</b>	<b>327</b>	<b>695</b>	<b>49.0%</b>	<b>3.0%</b>	<b>4.0%</b>	<b>9.0%</b>	<b>35.0%</b>
<b>Roads</b>	Sealed roads	6,400	6,400	4,098	2,678	455,331	628,219	31.0%	52.0%	14.0%	3.0%	0.0%
	Unsealed roads	89	89	38	657	3,760	6,396	58.0%	20.0%	19.0%	2.0%	1.0%
	Bridges	17	17	200	386	161,637	195,260	83.0%	16.0%	1.0%	0.0%	0.0%
	Footpaths	681	681	342	480	33,231	42,331	65.0%	7.0%	17.0%	10.0%	1.0%
	Kerb and gutter	852	852	263	210	47,689	60,246	74.0%	13.0%	8.0%	4.0%	1.0%
	Street furniture	27	27	12	133	11,253	13,072	92.0%	5.0%	2.0%	1.0%	0.0%
	Car parks	139	139	39	28	8,178	8,678	75.0%	9.0%	11.0%	4.0%	1.0%
	Bulk earthworks	–	–	–	–	148,575	150,294	100.0%	0.0%	0.0%	0.0%	0.0%
	<b>Sub-total</b>	<b>8,205</b>	<b>8,205</b>	<b>4,992</b>	<b>4,572</b>	<b>869,654</b>	<b>1,104,496</b>	<b>54.5%</b>	<b>33.6%</b>	<b>9.4%</b>	<b>2.4%</b>	<b>0.1%</b>

## Report on Infrastructure Assets (continued)

as at 30 June 2019

Asset Class	Asset Category	Estimated cost				Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council	2018/19 Required maintenance <sup>a</sup>	2018/19 Actual maintenance			1	2	3	4	5
Water supply network	Dams/weirs	63	63	380	252	67,169	77,052	16.0%	81.0%	3.0%	0.0%	0.0%
	Mains	1,691	1,691	2,456	2,636	313,840	369,854	75.0%	18.0%	0.0%	0.0%	7.0%
	Reservoirs	510	510	350	441	36,073	48,647	8.0%	40.0%	39.0%	13.0%	0.0%
	Pumping station/s	493	493	1,237	979	12,915	24,138	12.0%	44.0%	34.0%	9.0%	1.0%
	Treatment	275	275	3,065	2,325	78,237	101,763	54.0%	40.0%	5.0%	1.0%	0.0%
	Other	–	–	–	–	726	726	100.0%	0.0%	0.0%	0.0%	0.0%
	<b>Sub-total</b>	<b>3,032</b>	<b>3,032</b>	<b>7,488</b>	<b>6,633</b>	<b>508,960</b>	<b>622,180</b>	<b>56.6%</b>	<b>32.1%</b>	<b>5.6%</b>	<b>1.5%</b>	<b>4.2%</b>
Sewerage network	Mains	5,400	5,400	2,360	1,870	322,871	394,973	66.0%	19.0%	6.0%	2.0%	7.0%
	Pumping station/s	360	360	4,445	3,527	56,910	90,207	16.0%	48.0%	33.0%	3.0%	0.0%
	Treatment	435	435	4,846	4,717	159,470	224,306	30.0%	52.0%	17.0%	1.0%	0.0%
	<b>Sub-total</b>	<b>6,195</b>	<b>6,195</b>	<b>11,651</b>	<b>10,114</b>	<b>539,251</b>	<b>709,486</b>	<b>48.3%</b>	<b>33.1%</b>	<b>12.9%</b>	<b>1.8%</b>	<b>3.9%</b>
Stormwater drainage	Stormwater drainage	15,915	15,915	643	1,163	158,410	240,917	30.0%	28.0%	29.0%	2.0%	11.0%
	<b>Sub-total</b>	<b>15,915</b>	<b>15,915</b>	<b>643</b>	<b>1,163</b>	<b>158,410</b>	<b>240,917</b>	<b>30.0%</b>	<b>28.0%</b>	<b>29.0%</b>	<b>2.0%</b>	<b>11.0%</b>
Open space / recreational assets	Swimming pools	273	273	49	44	2,456	5,261	0.0%	85.0%	1.0%	14.0%	0.0%
	Recreation other structures	596	596	626	614	28,521	41,712	73.0%	9.0%	15.0%	2.0%	1.0%
	<b>Sub-total</b>	<b>869</b>	<b>869</b>	<b>675</b>	<b>658</b>	<b>30,977</b>	<b>46,973</b>	<b>64.8%</b>	<b>17.5%</b>	<b>13.4%</b>	<b>3.3%</b>	<b>1.0%</b>
Other infrastructure assets	Other structures	1,001	1,001	137	128	13,704	13,704	61.0%	6.0%	23.0%	5.0%	5.0%
	<b>Sub-total</b>	<b>1,001</b>	<b>1,001</b>	<b>137</b>	<b>128</b>	<b>13,704</b>	<b>13,704</b>	<b>61.0%</b>	<b>6.0%</b>	<b>23.0%</b>	<b>5.0%</b>	<b>5.0%</b>
<b>TOTAL - ALL ASSETS</b>		<b>36,843</b>	<b>36,843</b>	<b>26,896</b>	<b>24,575</b>	<b>2,263,481</b>	<b>2,905,484</b>	<b>49.7%</b>	<b>32.7%</b>	<b>12.2%</b>	<b>2.5%</b>	<b>2.9%</b>

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

## Infrastructure asset condition assessment 'key'

1	<b>Excellent/very good</b>	No work required (normal maintenance)
2	<b>Good</b>	Only minor maintenance work required
3	<b>Satisfactory</b>	Maintenance work required
4	<b>Poor</b>	Renewal required
5	<b>Very poor</b>	Urgent renewal/upgrading required

## Report on Infrastructure Assets (continued)

as at 30 June 2019

\$ '000	Amounts 2019	Indicator 2019	Prior periods		Benchmark
			2018	2017	
<b>Infrastructure asset performance indicators (consolidated) *</b>					
<b>Buildings and infrastructure renewals ratio <sup>1</sup></b>					
Asset renewals <sup>2</sup>	<b>21,655</b>	<b>51.16%</b>	67.81%	56.81%	>=100.00%
Depreciation, amortisation and impairment	<b>42,332</b>				
<b>Infrastructure backlog ratio <sup>1</sup></b>					
Estimated cost to bring assets to a satisfactory standard	<b>36,843</b>	<b>1.63%</b>	1.54%	1.54%	<2.00%
Net carrying amount of infrastructure assets	<b>2,263,481</b>				
<b>Asset maintenance ratio</b>					
Actual asset maintenance	<b>24,575</b>	<b>91.37%</b>	99.29%	92.91%	>100.00%
Required asset maintenance	<b>26,896</b>				
<b>Cost to bring assets to agreed service level</b>					
Estimated cost to bring assets to an agreed service level set by Council	<b>36,843</b>	<b>1.27%</b>	1.15%	–	
Gross replacement cost	<b>2,905,484</b>				

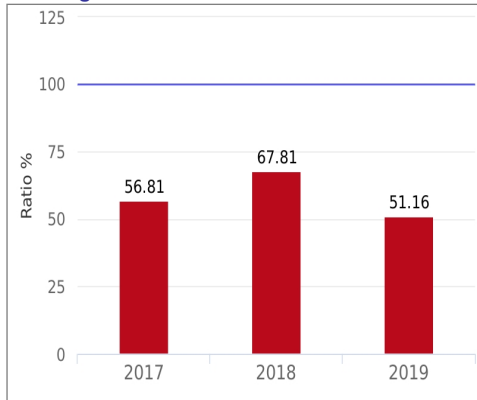
(\*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Excludes Work In Progress (WIP)

(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.

Report on Infrastructure Assets (continued)  
as at 30 June 2019

**Buildings and infrastructure renewals ratio**



**Buildings and infrastructure renewals ratio**

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

**Commentary on result**

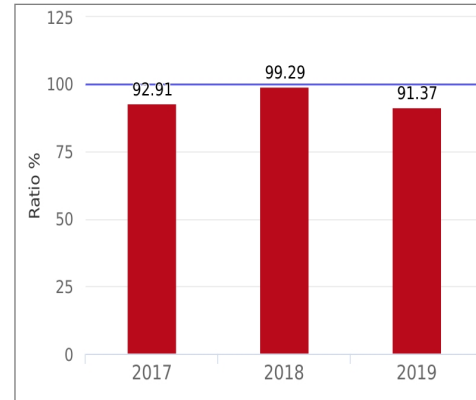
18/19 ratio 51.16%

The General Fund capital works program was smaller in 2019. The Byrril Creek Bridge project is the major renewal project in 2019, but is not complete and therefore is not included in this ratio.

The depreciation denominator is higher due to the removal of residual values from the depreciable amount value for Buildings.

Benchmark: —  $\geq 100.00\%$  ■ Ratio achieves benchmark  
■ Ratio is outside benchmark  
 Source of benchmark: Code of Accounting Practice and Financial Reporting #27

**Asset maintenance ratio**



**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.

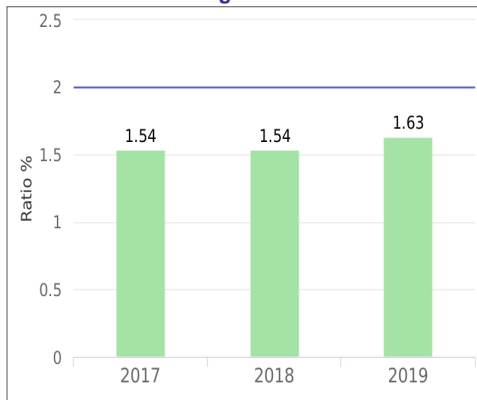
**Commentary on result**

18/19 ratio 91.37%

A recent Buildings revaluation, and a reassessment of Sewerage assets, has resulted in the required maintenance figure being revised upwards.

Benchmark: —  $> 100.00\%$  ■ Ratio achieves benchmark  
■ Ratio is outside benchmark  
 Source of benchmark: Code of Accounting Practice and Financial Reporting #27

**Infrastructure backlog ratio**



**Infrastructure backlog ratio**

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

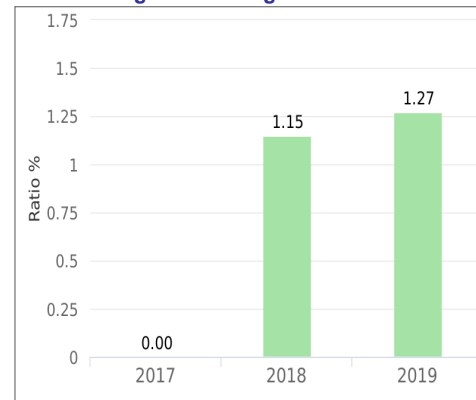
**Commentary on result**

18/19 ratio 1.63%

Remains an acceptable ratio.

Benchmark: —  $< 2.00\%$  ■ Ratio achieves benchmark  
■ Ratio is outside benchmark  
 Source of benchmark: Code of Accounting Practice and Financial Reporting #27

**Cost to bring assets to agreed service level**



**Cost to bring assets to agreed service level**

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

**Commentary on result**

18/19 ratio 1.27%

Remains an acceptable ratio.

## Report on Infrastructure Assets (continued)

as at 30 June 2019

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2019	2018	2019	2018	2019	2018	
<b>Infrastructure asset performance indicators (by fund)</b>							
<b>Buildings and infrastructure renewals ratio <sup>1</sup></b>							
Asset renewals <sup>2</sup>							
Depreciation, amortisation and impairment	<b>77.27%</b>	94.17%	<b>14.73%</b>	26.41%	<b>22.86%</b>	43.38%	>=100.00%
<b>Infrastructure backlog ratio <sup>1</sup></b>							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	<b>2.29%</b>	2.27%	<b>0.59%</b>	0.55%	<b>1.14%</b>	0.80%	<2.00%
<b>Asset maintenance ratio</b>							
Actual asset maintenance							
Required asset maintenance	<b>100.92%</b>	111.65%	<b>88.58%</b>	99.13%	<b>86.81%</b>	90.66%	>100.00%
<b>Cost to bring assets to agreed service level</b>							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	<b>1.75%</b>	1.60%	<b>0.49%</b>	0.46%	<b>0.87%</b>	0.63%	

(1) Excludes Work In Progress (WIP)

(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.