



Tweed Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2018



Tweed Shire Council

Special Schedules for the year ended 30 June 2018

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¹ Special Schedules are not audited (with the exception of Special Schedule 2).

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 2018

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	3,408	1	–	(3,407)
Administration	17,616	4,256	726	(12,634)
Public order and safety				
Fire service levy, fire protection, emergency services	1,626	201	46	(1,379)
Beach control	688	27	–	(661)
Enforcement of local government regulations	1,154	278	–	(876)
Animal control	457	239	–	(218)
Other	6	–	–	(6)
Total public order and safety	3,931	745	46	(3,140)
Health	1,924	517	–	(1,407)
Environment				
Noxious plants and insect/vermin control	608	2	–	(606)
Other environmental protection	4,454	1,813	396	(2,245)
Solid waste management	11,902	19,994	20	8,112
Street cleaning	–	–	–	–
Drainage	5,214	93	2,797	(2,324)
Stormwater management	–	–	–	–
Total environment	22,178	21,902	3,213	2,937
Community services and education				
Administration and education	1,624	85	–	(1,539)
Social protection (welfare)	809	1,192	–	383
Aged persons and disabled	287	32	–	(255)
Children's services	69	7	–	(62)
Total community services and education	2,789	1,316	–	(1,473)
Housing and community amenities				
Public cemeteries	1,143	882	36	(225)
Public conveniences	984	–	389	(595)
Street lighting	1,310	155	–	(1,155)
Town planning	5,751	1,079	–	(4,672)
Other community amenities	6	–	–	(6)
Total housing and community amenities	9,194	2,116	425	(6,653)
Water supplies	25,078	30,822	5,200	10,944
Sewerage services	28,140	35,194	4,787	11,841

Tweed Shire Council

Special Schedule 1 – Net Cost of Services (continued)
for the year ended 30 June 2018

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	2,682	1,395	–	(1,287)
Museums	735	42	–	(693)
Art galleries	2,049	687	747	(615)
Community centres and halls	811	295	534	18
Performing arts venues	–	–	–	–
Other performing arts	–	–	–	–
Other cultural services	140	23	–	(117)
Sporting grounds and venues	2,231	672	1,840	281
Swimming pools	4,167	1,629	65	(2,473)
Parks and gardens (lakes)	7,954	133	7,797	(24)
Other sport and recreation	1,550	26	–	(1,524)
Total recreation and culture	22,319	4,902	10,983	(6,434)
Fuel and energy	–	–	–	–
Agriculture	–	–	–	–
Mining, manufacturing and construction				
Building control	2,113	2,295	–	182
Other mining, manufacturing and construction	162	2	–	(160)
Total mining, manufacturing and const.	2,275	2,297	–	22
Transport and communication				
Urban roads (UR) – local	16,037	758	4,536	(10,743)
Urban roads – regional	21	6	25	10
Sealed rural roads (SRR) – local	8,735	11,005	406	2,676
Sealed rural roads (SRR) – regional	1,837	5,051	848	4,062
Unsealed rural roads (URR) – local	2,286	(11)	–	(2,297)
Unsealed rural roads (URR) – regional	–	–	–	–
Bridges on UR – local	838	–	–	(838)
Bridges on SRR – local	2,458	(3)	46	(2,415)
Bridges on URR – local	14	–	–	(14)
Bridges on regional roads	79	(1)	–	(80)
Parking areas	239	85	–	(154)
Footpaths	1,436	(4)	1,292	(148)
Aerodromes	31	35	10	14
Other transport and communication	2,868	436	2,637	205
Total transport and communication	36,879	17,357	9,800	(9,722)
Economic affairs				
Camping areas and caravan parks	8,667	8,169	–	(498)
Other economic affairs	1,815	614	203	(998)
Total economic affairs	10,482	8,783	203	(1,496)
Totals – functions	186,213	130,208	35,383	(20,622)
General purpose revenues ⁽¹⁾		72,391		72,391
Share of interests – joint ventures and associates using the equity method	–	96		96
NET OPERATING RESULT ⁽²⁾	186,213	202,695	35,383	51,865

(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 – Permissible income for general rates

for the year ended 30 June 2019

\$'000		Calculation 2018/19	Calculation 2017/18
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	a	60,187	58,789
Plus or minus adjustments ⁽²⁾	b	294	506
Notional general income	c = (a + b)	60,481	59,295
Permissible income calculation			
Special variation percentage ⁽³⁾	d	0.00%	0.00%
Or rate peg percentage	e	2.30%	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)	–	–
Or plus rate peg amount	i = c x e	1,391	889
Or plus Crown land adjustment and rate peg amount	j = c x f	–	–
Sub-total	k = (c + g + h + i + j)	61,872	60,184
Plus (or minus) last year's carry forward total	l	–	3
Less valuation objections claimed in the previous year	m	–	–
Sub-total	n = (l + m)	–	3
Total permissible income	o = k + n	61,872	60,187
Less notional general income yield	p	61,872	60,187
Catch-up or (excess) result	q = o – p	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	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 2 in the financial data return (FDR) to administer this process.

Tweed Shire Council

Special Schedule 2 – Independent Auditors Report for the year ended 30 June 2019

Report on Special Schedule 2

Insert here signed Independent Auditors Report

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 2018

\$'000	2018	2017
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	4,679	4,951
b. Engineering and supervision	2,002	1,959
2. Operation and maintenance expenses		
– dams and weirs		
a. Operation expenses	375	330
b. Maintenance expenses	645	99
– Mains		
c. Operation expenses	156	159
d. Maintenance expenses	1,230	1,236
– Reservoirs		
e. Operation expenses	200	183
f. Maintenance expenses	162	89
– Pumping stations		
g. Operation expenses (excluding energy costs)	264	191
h. Energy costs	983	662
i. Maintenance expenses	185	212
– Treatment		
j. Operation expenses (excluding chemical costs)	1,469	1,333
k. Chemical costs	579	854
l. Maintenance expenses	385	381
– Other		
m. Operation expenses	723	705
n. Maintenance expenses	1,091	972
o. Purchase of water	24	55
3. Depreciation expenses		
a. System assets	7,346	7,273
b. Plant and equipment	94	67
4. Miscellaneous expenses		
a. Interest expenses	4,347	4,445
b. Revaluation decrements	–	–
c. Other expenses	893	862
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	108	107
5. Total expenses	27,940	27,125

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 2018

\$'000	2018	2017
Income		
6. Residential charges		
a. Access (including rates)	5,166	4,952
b. Usage charges	16,437	16,217
7. Non-residential charges		
a. Access (including rates)	659	599
b. Usage charges	6,658	6,535
8. Extra charges	100	109
9. Interest income	1,529	1,898
10. Other income	869	810
10a. Aboriginal Communities Water and Sewerage Program	–	–
11. Grants		
a. Grants for acquisition of assets	–	–
b. Grants for pensioner rebates	371	379
c. Other grants	–	–
12. Contributions		
a. Developer charges	4,220	5,447
b. Developer provided assets	980	445
c. Other contributions	–	–
13. Total income	36,989	37,391
14. Gain (or loss) on disposal of assets	(1,754)	(1,221)
15. Operating result	7,295	9,045
15a. Operating result (less grants for acquisition of assets)	7,295	9,045

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 2018

\$'000	2018	2017
B Capital transactions		
Non-operating expenditures		
16. Acquisition of fixed assets		
a. New assets for improved standards	771	547
b. New assets for growth	1,449	1,824
c. Renewals	1,382	1,402
d. Plant and equipment	42	28
17. Repayment of debt	1,447	1,349
18. Totals	5,091	5,150
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)	33,306	33,190
b. Residential (unoccupied, ie. vacant lot)	945	778
c. Non-residential (occupied)	1,860	1,863
d. Non-residential (unoccupied, ie. vacant lot)	206	192
23. Number of ETs for which developer charges were received	307 ET	407 ET
24. Total amount of pensioner rebates (actual dollars)	\$ 669,158	\$ 687,082

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 2018

\$'000	Current	Non-current	Total
ASSETS			
25. Cash and investments			
a. Developer charges	–	–	–
b. Special purpose grants	–	–	–
c. Accrued leave	–	–	–
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	19,003	41,000	60,003
26. Receivables			
a. Specific purpose grants	6	–	6
b. Rates and availability charges	225	–	225
c. User charges	3,052	–	3,052
d. Other	–	–	–
27. Inventories	–	–	–
28. Property, plant and equipment			
a. System assets	–	562,524	562,524
b. Plant and equipment	–	108	108
29. Other assets	34	23	57
30. Total assets	22,320	603,655	625,975
LIABILITIES			
31. Bank overdraft	667	–	667
32. Creditors	691	–	691
33. Borrowings	1,552	59,197	60,749
34. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	–	–	–
35. Total liabilities	2,910	59,197	62,107
36. NET ASSETS COMMITTED	19,410	544,458	563,868
EQUITY			
37. Accumulated surplus			212,695
38. Asset revaluation reserve			351,173
39. Other reserves			–
40. TOTAL EQUITY			563,868
Note to system assets:			
41. Current replacement cost of system assets			668,410
42. Accumulated current cost depreciation of system assets			(105,886)
43. Written down current cost of system assets			562,524

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 2018

\$'000	2018	2017
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	4,025	3,615
b. Engineering and supervision	1,839	1,887
2. Operation and maintenance expenses		
– mains		
a. Operation expenses	247	258
b. Maintenance expenses	1,544	1,810
– Pumping stations		
c. Operation expenses (excluding energy costs)	776	734
d. Energy costs	608	595
e. Maintenance expenses	1,831	1,685
– Treatment		
f. Operation expenses (excl. chemical, energy, effluent and biosolids management costs)	1,940	1,842
g. Chemical costs	595	664
h. Energy costs	1,464	980
i. Effluent management	102	73
j. Biosolids management	654	616
k. Maintenance expenses	1,066	1,559
– Other		
l. Operation expenses	161	378
m. Maintenance expenses	51	82
3. Depreciation expenses		
a. System assets	11,392	11,175
b. Plant and equipment	125	123
4. Miscellaneous expenses		
a. Interest expenses	2,457	2,640
b. Revaluation decrements	–	–
c. Other expenses	1,077	809
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	103	103
5. Total expenses	32,057	31,628

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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 2018

\$'000	2018	2017
Income		
6. Residential charges (including rates)	26,391	25,551
7. Non-residential charges		
a. Access (including rates)	2,338	2,219
b. Usage charges	2,401	2,219
8. Trade waste charges		
a. Annual fees	73	66
b. Usage charges	583	1,011
c. Excess mass charges	–	–
d. Re-inspection fees	–	–
9. Extra charges	78	86
10. Interest income	2,301	2,117
11. Other income	801	746
11a. Aboriginal Communities Water and Sewerage Program	–	–
12. Grants		
a. Grants for acquisition of assets	–	–
b. Grants for pensioner rebates	358	366
c. Other grants	–	–
13. Contributions		
a. Developer charges	2,248	2,881
b. Developer provided assets	2,539	1,446
c. Other contributions	–	–
14. Total income	40,111	38,708
15. Gain (or loss) on disposal of assets	(438)	(809)
16. Operating result	7,616	6,271
16a. Operating result (less grants for acquisition of assets)	7,616	6,271

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 2018

\$'000	2018	2017
B Capital transactions		
Non-operating expenditures		
17. Acquisition of fixed assets		
a. New assets for improved standards	444	567
b. New assets for growth	2,523	505
c. Renewals	1,659	1,916
d. Plant and equipment	37	64
18. Repayment of debt	2,772	2,686
19. Totals	7,435	5,738
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)	32,021	31,891
b. Residential (unoccupied, ie. vacant lot)	893	742
c. Non-residential (occupied)	1,617	1,619
d. Non-residential (unoccupied, ie. vacant lot)	161	150
24. Number of ETs for which developer charges were received	341 ET	453 ET
25. Total amount of pensioner rebates (actual dollars)	\$ 645,468	\$ 661,953

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 2018

\$'000	Current	Non-current	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	24,810	60,000	84,810
27. Receivables			
a. Specific purpose grants	6	–	6
b. Rates and availability charges	1,080	–	1,080
c. User charges	1,261	–	1,261
d. Other	–	–	–
28. Inventories	–	–	–
29. Property, plant and equipment			
a. System assets	–	605,652	605,652
b. Plant and equipment	–	324	324
30. Other assets	47	–	47
31. Total assets	33,394	665,976	699,370
LIABILITIES			
32. Bank overdraft	278	–	278
33. Creditors	327	–	327
34. Borrowings	2,533	24,572	27,105
35. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	–	–	–
36. Total liabilities	3,138	24,572	27,710
37. NET ASSETS COMMITTED	30,256	641,404	671,660
EQUITY			
38. Accumulated surplus			250,176
39. Asset revaluation reserve			421,484
40. Other reserves			–
41. TOTAL EQUITY			671,660
Note to system assets:			
42. Current replacement cost of system assets			764,789
43. Accumulated current cost depreciation of system assets			(159,137)
44. Written down current cost of system assets			605,652

Tweed Shire Council

Notes to Special Schedules 3 and 5

for the year ended 30 June 2018

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 2018

\$'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	2017/18 Required maintenance ^a	2017/18 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	Civic Buildings/Admin	484	484	311	294	31,853	39,191	7%	25%	65%	1%	2%
	Community	373	373	151	212	17,892	20,392	27%	39%	21%	10%	3%
	Cultural	–	–	44	167	28,091	30,653	46%	40%	14%	0%	0%
	Emergency	34	34	23	65	3,197	3,639	8%	43%	44%	5%	0%
	Operational	562	562	153	194	33,510	21,044	41%	27%	19%	9%	4%
	Public Toilets	99	99	62	198	7,064	7,699	28%	31%	29%	9%	3%
	Recreation	262	262	195	198	32,508	35,991	34%	28%	33%	3%	2%
	Residential	29	29	49	23	5,999	7,602	29%	36%	26%	3%	6%
	Sub-total	1,843	1,843	988	1,351	160,114	166,211	28.8%	31.6%	33.5%	3.9%	2.2%
Other structures	Other structures	120	120	59	1	340	695	49%	3%	4%	9%	35%
	Sub-total	120	120	59	1	340	695	49.0%	3.0%	4.0%	9.0%	35.0%
Roads	Sealed roads	6,639	6,639	4,226	2,633	454,788	621,791	30%	52%	15%	3%	0%
	Unsealed roads	101	101	49	1,406	3,602	6,290	49%	20%	28%	3%	0%
	Bridges	16	16	205	411	162,018	193,820	82%	17%	1%		0%
	Footpaths	606	606	344	539	33,580	42,021	65%	7%	17%	10%	1%
	Kerb and gutter	826	826	266	129	47,119	58,989	73%	13%	9%	4%	1%
	Street furniture	25	25	12	140	11,136	12,670	92%	5%	2%	1%	0%
	Car parks	149	149	40	1	6,576	8,648	75%	9%	10%	5%	1%
	Bulk earthworks	–	–	–	–	149,328	149,328	100%				0%
	Sub-total	8,362	8,362	5,142	5,259	868,147	1,093,557	53.6%	33.8%	10.1%	2.4%	0.1%

Tweed Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018 (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	2017/18 Required maintenance ^a	2017/18 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	48	48	448	851	66,573	75,839	16%	81%	3%	0%	0%
	Mains	1,684	1,684	2,362	2,465	311,748	364,101	75%	18%	5%	1%	1%
	Reservoirs	415	415	188	325	33,731	45,402	3%	42%	41%	14%	0%
	Pumping station/s	414	414	1,374	1,268	13,341	23,718	12%	44%	34%	9%	1%
	Treatment	260	260	2,985	2,384	78,925	100,161	55%	39%	5%	1%	0%
	Other	–	–	–	–	727	728	100%				0%
	Sub-total	2,821	2,821	7,357	7,293	505,045	609,949	56.6%	32.1%	8.6%	2.2%	0.6%
Sewerage network	Mains	3,714	3,714	1,944	1,787	320,509	389,951	66%	19%	6%	2%	7%
	Pumping station/s	277	277	3,750	3,103	58,705	88,997	16%	48%	33%	3%	0%
	Treatment	403	403	5,029	4,831	161,935	220,729	30%	52%	17%	1%	0%
	Sub-total	4,394	4,394	10,723	9,721	541,149	699,677	48.3%	33.1%	12.9%	1.8%	3.9%

Tweed Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018 (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	2017/18 Required maintenance ^a	2017/18 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	15,611	15,611	645	1,132	158,996	239,117	29%	29%	29%	2%	11%
	Sub-total	15,611	15,611	645	1,132	158,996	239,117	29.0%	29.0%	29.0%	2.0%	11.0%
Open space/recreational assets	Swimming pools	244	244	65	60	2,716	4,992		85%	15%		0%
	Recreation other structures	601	601	509	499	29,734	41,359	67%	11%	19%	2%	1%
	Sub-total	845	845	574	559	32,450	46,351	59.8%	19.0%	18.6%	1.8%	0.9%
Other infrastructure assets	Other structures	1,000	1,000	172	161	194,919	188,456	59%	6%	24%	5%	6%
	Sub-total	1,000	1,000	172	161	188,456	188,456	59.0%	6.0%	24.0%	5.0%	6.0%
	TOTAL – ALL ASSETS	34,996	34,996	25,660	25,477	2,454,697	3,044,013	50.1%	30.8%	14.2%	2.4%	2.4%

Notes:

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

Infrastructure asset condition assessment 'key'

1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	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 2018

	Amounts 2018	Indicator 2018	Indicator 2017	Benchmark
Infrastructure asset performance indicators * consolidated				
1. Buildings and infrastructure renewals ratio ⁽¹⁾				
Asset renewals ⁽²⁾	<u>27,840</u>	67.81%	56.81%	>= 100%
Depreciation, amortisation and impairment	<u>41,053</u>			
2. Infrastructure backlog ratio ⁽¹⁾				
Estimated cost to bring assets to a satisfactory standard	<u>34,996</u>	1.43%	1.54%	< 2.00%
Net carrying amount of infrastructure assets	<u>2,454,697</u>			
3. Asset maintenance ratio				
Actual asset maintenance	<u>25,477</u>	99.29%	92.91%	> 100%
Required asset maintenance	<u>25,660</u>			
4. Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	<u>34,996</u>	1.15%	0.00%	
Gross replacement cost	<u>3,044,013</u>			

Notes

* All asset performance indicators are calculated using the asset 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.

Tweed Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2018

<p>1. Buildings and infrastructure renewals ratio</p> <p>Benchmark: —— Minimum $\geq 100.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of asset renewals ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 67.81%</p> <p>Ratio is improving. Council's works program has been delayed by flood repair works.</p>
<p>2. Infrastructure backlog ratio</p> <p>Benchmark: —— Maximum $< 2.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of infrastructure backlog ratio</p> <p>This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 1.43%</p> <p>Backlog remains at an acceptable ratio</p>
<p>3. Asset maintenance ratio</p> <p>Benchmark: —— Minimum $> 100.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of asset maintenance ratio</p> <p>Compares actual vs. required annual asset maintenance. A ratio above 100% indicates Council is investing enough funds to stop the infrastructure backlog growing.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 99.29%</p> <p>Ratio remains at an acceptable level</p>
<p>4. Cost to bring assets to agreed service level</p>	<p>Purpose of agreed service level ratio</p> <p>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.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 1.15%</p> <p>Ratio is at an acceptable level</p>

Tweed Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2018

	General Fund indicators ⁽¹⁾		Water Fund indicators		Sewer Fund indicators		Benchmark
	2018	2017	2018	2017	2018	2017	
Infrastructure asset performance indicators by fund							
1. Buildings and infrastructure renewals ratio ⁽²⁾							
Asset renewals ⁽³⁾	94.17%	71.87%	26.41%	29.49%	43.38%	45.78%	>= 100%
Depreciation, amortisation and impairment							
2. Infrastructure backlog ratio ⁽²⁾							
Estimated cost to bring assets to a satisfactory standard	1.99%	2.31%	0.55%	0.51%	0.80%	0.78%	< 2.00%
Net carrying amount of infrastructure assets							
3. Asset maintenance ratio							
Actual asset maintenance	111.65%	93.63%	99.13%	91.30%	90.66%	93.44%	> 100%
Required asset maintenance							
4. Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council	1.60%	0.00%	0.46%	0.00%	0.63%	0.00%	
Gross replacement cost							

Notes

- (1) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.
- (2) Excludes Work In Progress (WIP)
- (3) 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.