

Warrumbungle Shire Council

SPECIAL SCHEDULES

for the year ended 30 June 2018

"excellence in local government"



Warrumbungle Shire Council

Special Schedules for the year ended 30 June 2018

Contents		Page
Special Schedules ¹		
Special Schedule 1	Net Cost of Services	2
Special Schedule 2	Permissible income for general rates	4
Special Schedule 2	Independent Auditors Report	5
Special Schedule 3	Water Supply Operations – incl. Income Statement	6
Special Schedule 4	Water Supply – Statement of Financial Position	9
Special Schedule 5	Sewerage Service Operations – incl. Income Statement	10
Special Schedule 6	Sewerage Service – Statement of Financial Position	13
Notes to Special Schedules 3 and 5		14
Special Schedule 7	Report on Infrastructure Assets	15

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.

Warrumbungle 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	954	180	3,250	2,476
Administration	7,168	834	–	(6,334)
Public order and safety				
Fire service levy, fire protection, emergency services	4,476	3,654	186	(636)
Animal control	222	–	–	(222)
Total public order and safety	4,698	3,654	186	(858)
Health	145	56	–	(89)
Environment				
Noxious plants and insect/vermin control	103	–	–	(103)
Solid waste management	2,343	2,138	–	(205)
Street cleaning	280	–	–	(280)
Drainage	165	–	–	(165)
Stormwater management	106	106	–	(0)
Total environment	2,997	2,244	–	(753)
Community services and education				
Administration and education	56	–	–	(56)
Aged persons and disabled	1,011	1,007	–	(4)
Children's services	2,599	2,035	–	(564)
Total community services and education	3,666	3,042	–	(624)
Housing and community amenities				
Public cemeteries	219	117	–	(102)
Public conveniences	673	39	–	(634)
Street lighting	122	–	–	(122)
Town planning	173	147	39	13
Total housing and community amenities	1,187	303	39	(845)
Water supplies	4,022	2,943	1,065	(14)
Sewerage services	1,832	1,540	51	(241)

Warrumbungle 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	657	58	–	(599)
Community centres and halls	1,329	11	–	(1,318)
Sporting grounds and venues	825	11	180	(634)
Swimming pools	887	120	–	(767)
Parks and gardens (lakes)	688	–	–	(688)
Other sport and recreation	30	243	–	213
Total recreation and culture	4,416	443	180	(3,793)
Fuel and energy	–	–	–	–
Agriculture	–	–	–	–
Mining, manufacturing and construction				
Building control	126	56	–	(70)
Other mining, manufacturing and construction	1,318	1,102	–	(216)
Total mining, manufacturing and const.	1,444	1,158	–	(286)
Transport and communication				
Urban roads (UR) – local	1,106	–	146	(960)
Sealed rural roads (SRR) – local	1,531	2,451	–	920
Sealed rural roads (SRR) – regional	1,937	2,759	1,134	1,956
Unsealed rural roads (URR) – local	3,219	–	150	(3,069)
Bridges on UR – local	173	–	–	(173)
Bridges on SRR – local	166	130	–	(36)
Bridges on regional roads	208	–	–	(208)
Parking areas	6	–	–	(6)
Footpaths	171	–	–	(171)
Aerodromes	230	–	–	(230)
Other transport and communication	2,791	3,993	–	1,202
Total transport and communication	11,538	9,333	1,430	(775)
Economic affairs				
Other economic affairs	717	84	–	(633)
Total economic affairs	717	84	–	(633)
Totals – functions	44,784	25,814	6,201	(12,769)
General purpose revenues ⁽¹⁾		14,591		14,591
less Internal Loan effects	(45)	(45)		–
Share of interests – joint ventures and associates using the equity method	–	41		41
NET OPERATING RESULT ⁽²⁾	44,739	40,401	6,201	1,863

(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

Warrumbungle 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	7,785	7,631
Plus or minus adjustments ⁽²⁾	b	(28)	21
Notional general income	c = (a + b)	7,757	7,652
Permissible income calculation			
rate peg percentage	e	2.30%	1.50%
plus rate peg amount	i = c x e	178	115
Sub-total	k = (c + g + h + i + j)	7,935	7,767
Plus (or minus) last year's carry forward total	l	11	25
Less valuation objections claimed in the previous year	m	(11)	(7)
Sub-total	n = (l + m)	(0)	18
Total permissible income	o = k + n	7,935	7,785
Less notional general income yield	p	7,932	7,785
Catch-up or (excess) result	q = o - p	3	(0)
Plus income lost due to valuation objections claimed ⁽⁴⁾	r	(5)	11
Less unused catch-up ⁽⁵⁾	s	(2)	-
Carry forward to next year	t = q + r - s	(4)	11

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.

Warrumbungle 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

Warrumbungle 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	815	735
b. Engineering and supervision	75	23
2. Operation and maintenance expenses		
– dams and weirs		
a. Operation expenses	3	3
b. Maintenance expenses	37	5
– Mains		
c. Operation expenses	22	7
d. Maintenance expenses	347	340
– Reservoirs		
e. Operation expenses	34	69
f. Maintenance expenses	23	38
– Pumping stations		
g. Operation expenses (excluding energy costs)	40	54
h. Energy costs	185	237
i. Maintenance expenses	50	127
– Treatment		
j. Operation expenses (excluding chemical costs)	395	349
k. Chemical costs	123	103
l. Maintenance expenses	256	156
– Other		
m. Operation expenses	66	78
n. Maintenance expenses	181	191
o. Purchase of water	–	–
3. Depreciation expenses		
a. System assets	1,269	1,169
b. Plant and equipment	6	–
4. Miscellaneous expenses		
a. Interest expenses	28	32
b. Revaluation decrements	–	–
c. Other expenses	67	52
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	–	–
5. Total expenses	4,022	3,768

Warrumbungle 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)	1,141	1,110
b. Usage charges	1,036	986
7. Non-residential charges		
a. Access (including rates)	199	191
b. Usage charges	431	385
8. Extra charges	–	–
9. Interest income	79	92
10. Other income	18	38
10a. Aboriginal Communities Water and Sewerage Program	–	–
11. Grants		
a. Grants for acquisition of assets	1,065	370
b. Grants for pensioner rebates	39	41
c. Other grants	–	–
12. Contributions		
a. Developer charges	–	–
b. Developer provided assets	–	–
c. Other contributions	–	–
13. Total income	<u>4,008</u>	<u>3,213</u>
14. Gain (or loss) on disposal of assets	–	–
15. Operating result	<u>(14)</u>	<u>(555)</u>
15a. Operating result (less grants for acquisition of assets)	(1,079)	(925)

Warrumbungle 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	1,322	107
b. New assets for growth	–	–
c. Renewals	377	29
d. Plant and equipment	–	–
17. Repayment of debt	22	32
18. Totals	<u>1,721</u>	<u>168</u>
Non-operating funds employed		
19. Proceeds from disposal of assets	–	–
20. Borrowing utilised	–	–
21. Totals	<u>–</u>	<u>–</u>
C Rates and charges		
22. Number of assessments		
a. Residential (occupied)	2,680	2,680
b. Residential (unoccupied, ie. vacant lot)	159	158
c. Non-residential (occupied)	432	439
d. Non-residential (unoccupied, ie. vacant lot)	65	65
23. Number of ETs for which developer charges were received	– ET	– ET
24. Total amount of pensioner rebates (actual dollars)	\$ 72,144	\$ 72,297

Warrumbungle 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	–	99	99
b. Special purpose grants	33	–	33
c. Accrued leave	181	2	183
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	1,864	–	1,864
26. Receivables			
a. Specific purpose grants	–	–	–
b. Rates and availability charges	233	–	233
c. User charges	668	–	668
d. Other	4	–	4
27. Inventories	6	–	6
28. Property, plant and equipment			
a. System assets	–	36,316	36,316
b. Plant and equipment	–	58	58
29. Other assets	–	3,682	3,682
30. Total assets	<u>2,989</u>	<u>40,157</u>	<u>43,146</u>
LIABILITIES			
31. Bank overdraft	–	–	–
32. Creditors	417	–	417
33. Borrowings	82	451	533
34. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	181	2	183
35. Total liabilities	<u>680</u>	<u>453</u>	<u>1,133</u>
36. NET ASSETS COMMITTED	<u>2,309</u>	<u>39,704</u>	<u>42,013</u>
EQUITY			
37. Accumulated surplus			20,197
38. Asset revaluation reserve			21,816
39. Other reserves			–
40. TOTAL EQUITY			<u>42,013</u>
Note to system assets:			
41. Current replacement cost of system assets			67,254
42. Accumulated current cost depreciation of system assets			(30,938)
43. Written down current cost of system assets			<u>36,316</u>

Warrumbungle 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	498	543
b. Engineering and supervision	14	20
2. Operation and maintenance expenses		
– mains		
a. Operation expenses	1	1
b. Maintenance expenses	145	176
– Pumping stations		
c. Operation expenses (excluding energy costs)	56	60
d. Energy costs	51	51
e. Maintenance expenses	40	93
– Treatment		
f. Operation expenses (excl. chemical, energy, effluent and biosolids management costs)	277	302
g. Chemical costs	2	12
h. Energy costs	23	21
i. Effluent management	4	–
j. Biosolids management	–	–
k. Maintenance expenses	69	133
– Other		
l. Operation expenses	4	7
m. Maintenance expenses	51	13
3. Depreciation expenses		
a. System assets	584	538
b. Plant and equipment	12	–
4. Miscellaneous expenses		
a. Interest expenses	–	–
b. Revaluation decrements	–	–
c. Other expenses	1	3
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	–	–
5. Total expenses	1,832	1,973

Warrumbungle 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
Income		
6. Residential charges (including rates)	1,014	998
7. Non-residential charges		
a. Access (including rates)	218	242
b. Usage charges	104	101
8. Trade waste charges		
a. Annual fees	9	9
b. Usage charges	56	102
c. Excess mass charges	–	–
d. Re-inspection fees	–	–
9. Extra charges	–	–
10. Interest income	106	115
11. Other income	5	10
11a. Aboriginal Communities Water and Sewerage Program	–	–
12. Grants		
a. Grants for acquisition of assets	51	–
b. Grants for pensioner rebates	28	29
c. Other grants	–	–
13. Contributions		
a. Developer charges	–	–
b. Developer provided assets	–	–
c. Other contributions	–	–
14. Total income	<u>1,591</u>	<u>1,606</u>
15. Gain (or loss) on disposal of assets	–	–
16. Operating result	<u>(241)</u>	<u>(367)</u>
16a. Operating result (less grants for acquisition of assets)	(292)	(367)

Warrumbungle 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	42	–
b. New assets for growth	–	–
c. Renewals	367	12
d. Plant and equipment	–	–
18. Repayment of debt	–	–
19. Totals	<u>409</u>	<u>12</u>
Non-operating funds employed		
20. Proceeds from disposal of assets	–	–
21. Borrowing utilised	–	–
22. Totals	<u>–</u>	<u>–</u>
C Rates and charges		
23. Number of assessments		
a. Residential (occupied)	2,019	2,018
b. Residential (unoccupied, ie. vacant lot)	117	117
c. Non-residential (occupied)	336	343
d. Non-residential (unoccupied, ie. vacant lot)	67	66
24. Number of ETs for which developer charges were received	– ET	– ET
25. Total amount of pensioner rebates (actual dollars)	\$ 51,891	\$ 51,640

Warrumbungle 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	–	30	30
b. Special purpose grants	24	–	24
c. Accrued leave	73	1	74
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	2,583	–	2,583
27. Receivables			
a. Specific purpose grants	–	–	–
b. Rates and availability charges	142	–	142
c. User charges	149	–	149
d. Other	165	1,069	1,234
28. Inventories	–	–	–
29. Property, plant and equipment			
a. System assets	–	16,596	16,596
b. Plant and equipment	–	26	26
30. Other assets	–	1,109	1,109
31. Total assets	<u>3,136</u>	<u>18,831</u>	<u>21,967</u>
LIABILITIES			
32. Bank overdraft	–	–	–
33. Creditors	–	–	–
34. Borrowings	–	–	–
35. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	73	1	74
36. Total liabilities	<u>73</u>	<u>1</u>	<u>74</u>
37. NET ASSETS COMMITTED	<u>3,063</u>	<u>18,830</u>	<u>21,893</u>
EQUITY			
38. Accumulated surplus			11,463
39. Asset revaluation reserve			10,430
40. Other reserves			–
41. TOTAL EQUITY			<u>21,893</u>
Note to system assets:			
42. Current replacement cost of system assets			32,946
43. Accumulated current cost depreciation of system assets			(16,350)
44. Written down current cost of system assets			<u>16,596</u>

Warrumbungle 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.

Warrumbungle 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	Council Offices	10	800	81	188	8,311	17,639	0%	64%	36%	0%	0%	
	Council Works Depot	210	1,874	96	177	2,148	6,206	6%	60%	20%	5%	9%	
	Council Public Halls	63	1,481	273	213	2,180	7,254	0%	93%	7%	0%	0%	
	Council Houses	75	356	57	96	1,447	4,186	0%	20%	80%	0%	0%	
	Medical Centres	13	63	41	69	2,077	3,851	0%	100%	0%	0%	0%	
	Library	-	-	40	-	1,019	1,860	0%	100%	0%	0%	0%	
	Recreation and Culture	600	6,758	188	82	5,866	18,743	1%	57%	40%	1%	1%	
	Specialised Buildings	253	3,064	300	8	4,752	11,504	0%	83%	12%	3%	2%	
	Childcare Centres	-	-	27	29	1,221	1,518	0%	96%	3%	1%	0%	
	Amenities/Toilets	68	351	32	-	1,676	3,079	1%	94%	0%	0%	5%	
	Emergency Centres	65	481	79	6	5,462	7,439	0%	93%	4%	3%	0%	
	Other	-	-	-	66	4	6	6	0%	0%	0%	0%	100%
	Sub-total	1,357	15,228	1,214	934	36,163	83,285	0.7%	71.8%	24.8%	1.3%	1.4%	
	Other structures	Other structures	38	378	155	236	11,050	16,005	31%	28%	39%	1%	1%
Sub-total		38	378	155	236	11,050	16,005	31.0%	28.0%	39.0%	1.0%	1.0%	
Roads	Sealed roads	163	1,401	1,658	2,073	148,432	184,673	56%	25%	19%	0%	0%	
	Unsealed roads	224	1,770	1,559	1,590	38,776	56,326	45%	12%	39%	1%	3%	
	Bridges	567	2,851	132	2	52,610	56,539	96%	1%	3%	0%	0%	
	Footpaths	5	65	121	43	4,129	6,019	30%	14%	54%	1%	1%	
	Other road assets	-	-	1	-	753	808	86%	14%	0%	0%	0%	
	Bulk earthworks	-	-	-	-	88,645	88,645	100%	0%	0%	0%	0%	
	Kerb & Gutter	-	-	96	-	12,913	14,738	94%	6%	0%	0%	0%	
Sub-total	959	6,087	3,567	3,708	346,258	407,748	70.6%	13.6%	15.2%	0.2%	0.4%		

Warrumbungle Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018 (continued)

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	Water supply network	262	3,542	620	894	36,316	67,254	7%	44%	43%	5%	1%
	Sub-total	262	3,542	620	894	36,318	67,254	7.0%	44.0%	43.0%	5.0%	1.0%
Sewerage network	Sewerage network	255	5,771	326	270	16,596	32,946	8%	25%	46%	21%	0%
	Sub-total	255	5,771	326	270	16,596	32,946	8.0%	25.0%	46.0%	21.0%	0.0%
Stormwater drainage	Stormwater drainage	57	273	153	319	4,852	8,419	14%	10%	76%	0%	0%
	Sub-total	57	273	153	319	4,852	8,419	14.0%	10.0%	76.0%	0.0%	0.0%
Open space/recreational assets	Swimming pools	1	45	97	116	2,605	5,898	0%	21%	78%	1%	0%
	Other	-	-	535	704	1,505	1,862					100%
	Sub-total	1	45	632	820	4,110	7,760	0.0%	16.0%	59.3%	0.8%	24.0%
	TOTAL – ALL ASSETS	2,929	31,324	6,667	7,181	455,347	623,417	48.5%	25.6%	23.1%	2.0%	0.9%

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

Warrumbungle Shire Council

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

	Amounts 2018	Indicator 2018	Prior periods		Benchmark
			2017	2016	
Infrastructure asset performance indicators * consolidated					
1. Buildings and infrastructure renewals ratio ⁽¹⁾					
Asset renewals ⁽²⁾	<u>9,717</u>	106.99%	64.44%	118.12%	>= 100%
Depreciation, amortisation and impairment	<u>9,082</u>				
2. Infrastructure backlog ratio ⁽¹⁾					
Estimated cost to bring assets to a satisfactory standard	<u>2,929</u>	0.64%	0.11%	0.19%	< 2.00%
Net carrying amount of infrastructure assets	<u>455,346</u>				
3. Asset maintenance ratio					
Actual asset maintenance	<u>7,181</u>	107.71%	117.62%	101.17%	> 100%
Required asset maintenance	<u>6,667</u>				
4. Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	<u>31,324</u>	5.02%	1.76%	0.85%	
Gross replacement cost	<u>623,417</u>				

Notes

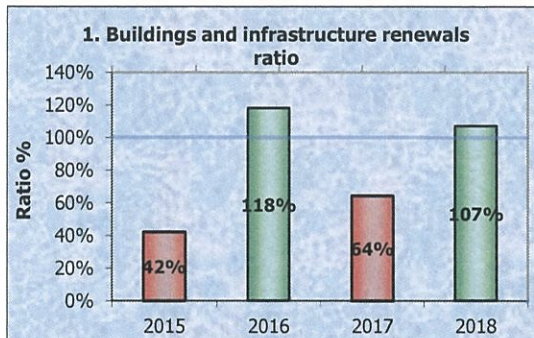
* All asset performance indicators are calculated using the asset classes identified in the previous table.

⁽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.

Warrumbungle Shire Council

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



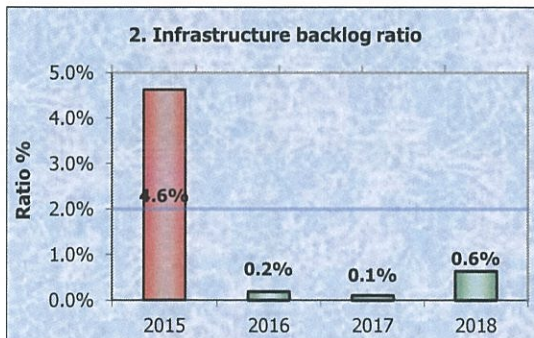
Benchmark: Minimum $\geq 100.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #26

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.

Commentary on 2017/18 result	
2017/18 Ratio	106.99%
Capital renewals were above the OLG benchmark and whilst the result was negatively influenced by the revaluation of buildings was offset by increases elsewhere.	

Ratio achieves benchmark
Ratio is outside benchmark



Benchmark: Maximum $< 2.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #26

Purpose of infrastructure backlog ratio

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

Commentary on 2017/18 result	
2017/18 Ratio	0.64%
The ratio is well under the OLG benchmark but worse than last year even though Council's asset renewals ratio is higher. This is primarily due to the Buildings revaluation.	

Ratio achieves benchmark
Ratio is outside benchmark



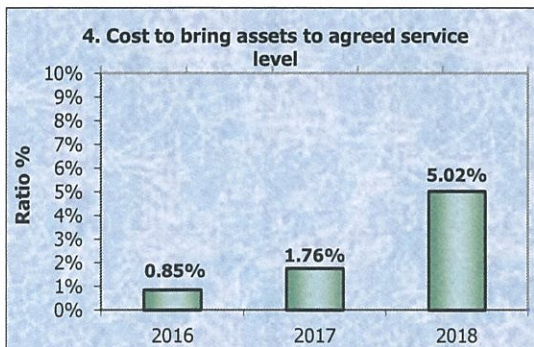
Benchmark: Minimum $> 100.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #26

Purpose of asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 100% indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on 2017/18 result	
2017/18 Ratio	107.71%
Whilst it is noteworthy that Council is undertaking more than adequate maintenance this ratio compared to the "Infrastructure Renewals" may indicate that there is an imbalance between renewals and maintenance.	

Ratio achieves benchmark
Ratio is outside benchmark



Purpose of agreed service level ratio

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 2017/18 result	
2017/18 Ratio	5.02%
This jump is almost entirely due to the building revaluation which saw the removal of residual values. Effectively increasing depreciation for this asset class by around 40%.	

Warrumbungle Shire Council

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

	General indicators ⁽¹⁾		Water indicators		Sewer indicators		Benchmark
	2018	2017	2018	2017	2018	2017	
Infrastructure asset performance indicators by fund							
1. Buildings and infrastructure renewals ratio ⁽²⁾							
Asset renewals ⁽³⁾	126.26%	75.40%	32.65%	11.56%	30.09%	38.54%	>= 100%
Depreciation, amortisation and impairment							
2. Infrastructure backlog ratio ⁽²⁾							
Estimated cost to bring assets to a satisfactory standard	0.60%	0.03%	0.69%	0.70%	1.52%	0.40%	< 2.00%
Net carrying amount of infrastructure assets							
3. Asset maintenance ratio							
Actual asset maintenance	105.17%	114.47%	144.19%	140.56%	82.82%	129.38%	> 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	4.21%	1.14%	5.27%	4.16%	17.52%	6.47%	
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.