

Eurobodalla Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2016



Eurobodalla Shire Council

Special Schedules

for the year ended 30 June 2016

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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.

Eurobodalla Shire Council

Special Schedule 1 – Net Cost of Services
for the year ended 30 June 2016

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	1,038	29	–	(1,009)
Administration	(927)	925	58	1,910
Public order and safety				
Fire service levy, fire protection, emergency services	1,702	557	306	(839)
Beach control	338	–	–	(338)
Enforcement of local government regulations	558	241	–	(317)
Animal control	222	62	–	(160)
Total public order and safety	2,820	860	306	(1,654)
Health	445	153	–	(292)
Environment				
Noxious plants and insect/vermin control	466	103	–	(363)
Other environmental protection	1,881	4,090	–	2,209
Solid waste management	9,291	10,895	236	1,840
Street cleaning	307	–	–	(307)
Stormwater management	1,508	449	628	(431)
Total environment	13,453	15,537	864	2,948
Community services and education				
Administration and education	533	52	–	(481)
Social protection (welfare)	883	711	–	(172)
Aged persons and disabled	4,622	4,861	–	239
Children's services	1,965	1,531	–	(434)
Total community services and education	8,003	7,155	–	(848)
Housing and community amenities				
Public cemeteries	134	189	–	55
Public conveniences	905	–	–	(905)
Street lighting	490	95	–	(395)
Town planning	3,758	1,135	–	(2,623)
Other community amenities	973	–	–	(973)
Total housing and community amenities	6,260	1,419	–	(4,841)
Water supplies	15,271	16,898	1,831	3,458
Sewerage services	17,168	19,074	4,739	6,645

Eurobodalla Shire Council

Special Schedule 1 – Net Cost of Services (continued)
for the year ended 30 June 2016

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	1,822	164	125	(1,533)
Art galleries	–	–	–	–
Community centres and halls	486	129	8	(349)
Performing arts venues	–	–	–	–
Other performing arts	–	–	–	–
Other cultural services	165	19	–	(146)
Sporting grounds and venues	2,214	226	–	(1,988)
Swimming pools	1,121	3	–	(1,118)
Parks and gardens (lakes)	4,226	676	229	(3,321)
Other sport and recreation	(12)	17	319	348
Total recreation and culture	10,022	1,234	681	(8,107)
Mining, manufacturing and construction				
Building control	790	786	–	(4)
Other mining, manufacturing and construction	(145)	–	–	145
Total mining, manufacturing and const.	645	786	–	141
Transport and communication				
Urban roads (UR) – local	7,009	1,891	2,134	(2,984)
Urban roads – regional	1,380	1,075	–	(305)
Sealed rural roads (SRR) – local	4,492	1,393	92	(3,007)
Sealed rural roads (SRR) – regional	4,609	4,618	176	185
Unsealed rural roads (URR) – local	949	114	–	(835)
Bridges on UR – local	133	107	–	(26)
Bridges on SRR – local	1,134	498	2,052	1,416
Bridges on URR – local	103	30	–	(73)
Parking areas	714	123	82	(509)
Footpaths	895	164	267	(464)
Aerodromes	584	351	–	(233)
Other transport and communication	613	61	458	(94)
Total transport and communication	22,615	10,425	5,261	(6,929)
Economic affairs				
Camping areas and caravan parks	3,289	4,538	–	1,249
Other economic affairs	3,158	818	–	(2,340)
Total economic affairs	6,447	5,356	–	(1,091)
Totals – functions	103,260	79,851	13,740	(9,669)
General purpose revenues ⁽¹⁾	(1,495)	31,657		33,152
Share of interests – joint ventures and associates using the equity method	–	–		–
NET OPERATING RESULT ⁽²⁾	101,765	111,508	13,740	23,483

(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

Eurobodalla Shire Council

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

for the year ended 30 June 2016

\$'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)											
Treasury corporation	–	–	–	7,083	–	–	–	–	668	6,415	7,083
Other state government	883	3,514	4,397	–	883	–	–	3	880	2,634	3,514
Financial institutions	10,431	42,500	52,930	–	10,431	–	–	3,022	8,300	34,199	42,499
Total loans	11,314	46,014	57,328	7,083	11,314	–	–	3,025	9,848	43,249	53,097
Total debt	11,314	46,014	57,328	7,083	11,314	–	–	3,025	9,848	43,249	53,097

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).

Eurobodalla 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 2016

\$'000	Actuals 2016	Actuals 2015
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	4,608	4,028
b. Engineering and supervision	–	–
2. Operation and maintenance expenses		
– dams and weirs		
a. Operation expenses	62	49
b. Maintenance expenses	18	15
– Mains		
c. Operation expenses	1,103	1,154
d. Maintenance expenses	973	940
– Reservoirs		
e. Operation expenses	104	103
f. Maintenance expenses	84	87
– Pumping stations		
g. Operation expenses (excluding energy costs)	46	49
h. Energy costs	330	410
i. Maintenance expenses	52	47
– Treatment		
j. Operation expenses (excluding chemical costs)	400	402
k. Chemical costs	217	227
l. Maintenance expenses	75	74
– Other		
m. Operation expenses	268	336
n. Maintenance expenses	35	2
o. Purchase of water	–	–
3. Depreciation expenses		
a. System assets	6,147	6,066
b. Plant and equipment	4	11
4. Miscellaneous expenses		
a. Interest expenses	159	584
b. Revaluation decrements	–	–
c. Other expenses	–	–
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	31	31
5. Total expenses	14,716	14,615

Eurobodalla 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 2016

\$'000	Actuals 2016	Actuals 2015
Income		
6. Residential charges		
a. Access (including rates)	5,498	5,335
b. Usage charges	7,709	7,332
7. Non-residential charges		
a. Access (including rates)	549	527
b. Usage charges	2,163	1,926
8. Extra charges	–	–
9. Interest income	445	455
10. Other income	364	334
11. Grants		
a. Grants for acquisition of assets	8	49
b. Grants for pensioner rebates	202	201
12. Contributions		
a. Developer charges	1,330	1,148
b. Developer provided assets	389	29
c. Other contributions	104	165
13. Total income	<u>18,761</u>	<u>17,501</u>
14. Gain (or loss) on disposal of assets	(585)	(1,032)
15. Operating result	<u>3,460</u>	<u>1,854</u>
15a. Operating result (less grants for acquisition of assets)	3,452	1,805

Eurobodalla 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 2016

\$'000	Actuals 2016	Actuals 2015
B Capital transactions		
Non-operating expenditures		
16. Acquisition of fixed assets		
a. New assets for improved standards	163	175
b. New assets for growth	599	233
c. Renewals	2,101	2,151
d. Plant and equipment	75	8
17. Repayment of debt	1,510	6,383
18. Totals	4,448	8,950
Non-operating funds employed		
19. Proceeds from disposal of assets	46	11
20. Borrowing utilised	–	–
21. Totals	46	11
C Rates and charges		
22. Number of assessments		
a. Residential (occupied)	18,826	18,611
b. Residential (unoccupied, ie. vacant lot)	1,148	1,170
c. Non-residential (occupied)	941	976
d. Non-residential (unoccupied, ie. vacant lot)	67	723
23. Number of ETs for which developer charges were received	113 ET	99 ET
24. Total amount of pensioner rebates (actual dollars)	\$ 369,507	\$ 365,728

Eurobodalla 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 2016

\$'000	Actuals Current	Actuals Non-current	Actuals Total
ASSETS			
25. Cash and investments			
a. Developer charges	1,633	–	1,633
b. Special purpose grants	–	–	–
c. Accrued leave	–	–	–
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	15,111	–	15,111
26. Receivables			
a. Specific purpose grants	–	–	–
b. Rates and availability charges	–	–	–
c. User charges	–	–	–
d. Other	3,374	–	3,374
27. Inventories	60	–	60
28. Property, plant and equipment			
a. System assets	–	277,805	277,805
b. Plant and equipment	–	5,748	5,748
29. Other assets	122	–	122
30. Total assets	20,300	283,553	303,853
LIABILITIES			
31. Bank overdraft	–	–	–
32. Creditors	2	1,069	1,071
33. Borrowings	71	–	71
34. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	–	–	–
35. Total liabilities	73	1,069	1,142
36. NET ASSETS COMMITTED	20,227	282,484	302,711
EQUITY			
37. Accumulated surplus			153,048
38. Asset revaluation reserve			149,663
39. TOTAL EQUITY			302,711
Note to system assets:			
40. Current replacement cost of system assets			424,529
41. Accumulated current cost depreciation of system assets			(146,485)
42. Written down current cost of system assets			278,044

Eurobodalla 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 2016

\$'000	Actuals 2016	Actuals 2015
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	3,554	3,381
b. Engineering and supervision	–	–
2. Operation and maintenance expenses		
– mains		
a. Operation expenses	861	834
b. Maintenance expenses	242	266
– Pumping stations		
c. Operation expenses (excluding energy costs)	861	812
d. Energy costs	361	420
e. Maintenance expenses	830	502
– Treatment		
f. Operation expenses (excl. chemical, energy, effluent and biosolids management costs)	1,991	1,583
g. Chemical costs	335	336
h. Energy costs	319	437
i. Effluent management	–	–
j. Biosolids management	–	–
k. Maintenance expenses	398	342
– Other		
l. Operation expenses	114	137
m. Maintenance expenses	–	–
3. Depreciation expenses		
a. System assets	6,466	6,350
b. Plant and equipment	10	11
4. Miscellaneous expenses		
a. Interest expenses	1,097	1,227
b. Revaluation decrements	–	–
c. Other expenses	–	–
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	575	46
5. Total expenses	18,014	16,684

Eurobodalla 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 2016

\$'000	Actuals 2016	Actuals 2015
Income		
6. Residential charges (including rates)	16,093	15,680
7. Non-residential charges		
a. Access (including rates)	1,639	1,530
b. Usage charges	633	591
8. Trade waste charges		
a. Annual fees	41	40
b. Usage charges	–	99
c. Excess mass charges	112	–
d. Re-inspection fees	–	–
9. Extra charges	–	–
10. Interest income	535	445
11. Other income	81	75
11a. Aboriginal Communities Water and Sewerage Program	–	–
12. Grants		
a. Grants for acquisition of assets	1,923	110
b. Grants for pensioner rebates	190	189
c. Other grants	–	–
13. Contributions		
a. Developer charges	1,088	910
b. Developer provided assets	1,728	67
c. Other contributions	325	119
14. Total income	24,388	19,855
15. Gain (or loss) on disposal of assets	272	(437)
16. Operating result	6,646	2,734
16a. Operating result (less grants for acquisition of assets)	4,723	2,624

Eurobodalla 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 2016

\$'000	Actuals 2016	Actuals 2015
B Capital transactions		
Non-operating expenditures		
17. Acquisition of fixed assets		
a. New assets for improved standards	1,507	616
b. New assets for growth	7,033	785
c. Renewals	1,686	2,531
d. Plant and equipment	–	9
18. Repayment of debt	6,862	3,309
19. Totals	17,088	7,251
Non-operating funds employed		
20. Proceeds from disposal of assets	479	–
21. Borrowing utilised	542	546
22. Totals	1,021	546
C Rates and charges		
23. Number of assessments		
a. Residential (occupied)	17,476	17,085
b. Residential (unoccupied, ie. vacant lot)	1,010	1,034
c. Non-residential (occupied)	1,031	1,061
d. Non-residential (unoccupied, ie. vacant lot)	61	67
24. Number of ETs for which developer charges were received	110 ET	101 ET
25. Total amount of pensioner rebates (actual dollars)	\$ 347,690	\$ 344,477

Eurobodalla 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 2016

\$'000	Actuals Current	Actuals Non-current	Actuals Total
ASSETS			
26. Cash and investments			
a. Developer charges	81	–	81
b. Special purpose grants	983	–	983
c. Accrued leave	122	–	122
d. Unexpended loans	(43)	–	(43)
e. Sinking fund	–	–	–
f. Other	12,907	–	12,907
27. Receivables			
a. Specific purpose grants	–	–	–
b. Rates and availability charges	–	–	–
c. User charges	–	–	–
d. Other	175	–	175
28. Inventories	–	–	–
29. Property, plant and equipment			
a. System assets	–	246,186	246,186
b. Plant and equipment	–	2,144	2,144
30. Other assets	2,907	–	2,907
31. Total assets	17,132	248,330	265,462
LIABILITIES			
32. Bank overdraft	–	–	–
33. Creditors	29	–	29
34. Borrowings	3,195	12,073	15,268
35. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	7	–	7
36. Total liabilities	3,231	12,073	15,304
37. NET ASSETS COMMITTED	13,901	236,257	250,158
EQUITY			
38. Accumulated surplus			117,860
39. Asset revaluation reserve			132,298
40. TOTAL EQUITY			250,158
Note to system assets:			
41. Current replacement cost of system assets			409,282
42. Accumulated current cost depreciation of system assets			(175,815)
43. Written down current cost of system assets			233,467

Eurobodalla Shire Council

Notes to Special Schedules 3 and 5

for the year ended 30 June 2016

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).

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.

Eurobodalla Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016

\$'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	2015/16 Required maintenance ^a	2015/16 Actual maintenance	Carrying value	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Administration	–	–	141	141	9,415	19,079		50%	50%		0%
	Bush Fire Brigade	280	280	116	116	2,532	4,414		60%	34%	6%	0%
	Caravan Parks/Camp Grounds	–	–	336	336	7,841	12,229		96%	4%		0%
	Community Centres	140	140	66	66	2,182	3,754	20%	60%	16%	4%	0%
	Libraries	–	–	91	91	5,856	9,807		67%	33%		0%
	Operational	295	295	2,484	2,484	15,094	21,457		40%	59%	1%	0%
	Parks & Reserves	–	–	123	123	911	2,035		60%	40%		0%
	Public Halls	–	–	54	54	3,278	6,431		60%	40%		0%
	Public Toilets	1,000	1,000	188	188	3,746	6,421		74%	10%	16%	0%
	Sporting Facilities	65	65	215	215	8,373	15,613	19%	50%	30%	1%	0%
	Swimming Pool Centres	150	150	142	142	1,834	5,046		57%	40%	3%	0%
	Sub-total	1,930	1,930	3,956	3,956	61,062	106,286	3.5%	58.2%	36.5%	1.8%	0.0%
Other structures	Other Structures	–	–	196	196	3,794	6,259		80%	20%		0%
	Waste Not in Buildings	–	–	1,283	1,283	5,521	6,524		100%			0%
	Sub-total	–	–	1,479	1,479	9,315	12,783	0.0%	90.2%	9.8%	0.0%	0.0%

Eurobodalla Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016 (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	2015/16 Required maintenance ^a	2015/16 Actual maintenance	Carrying value	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Roads	Road Furniture	–	–	172	172	4,508	8,934	5%	55%	40%		0%
	Unsealed roads	5,907	5,907	736	736	56,306	68,281		46%	45%	9%	0%
	Bridges	3,318	3,318	346	346	25,042	43,536	45%	41%	6%	8%	0%
	Footpaths	184	184	80	80	14,297	20,914	5%	35%	59%	1%	0%
	Shared Footpaths	188	188	54	54	9,305	10,976	5%	55%	38%	2%	0%
	Kerb & Gutter	–	–	71	71	40,643	66,167	5%	55%	40%		0%
	Sealed Roads Structure Regional	2,196	2,196	50	50	34,149	44,988	46%	42%	7%	5%	0%
	Sealed Roads Structure Rural	1,422	1,422	120	120	72,279	89,156	57%	29%	5%	9%	0%
	Sealed Roads Structure Urban	14,385	14,385	238	238	134,137	190,666	42%	41%	9%	8%	0%
	Sealed Roads Surface Regional	602	602	280	280	1,376	2,730	48%	28%	2%	22%	0%
	Sealed Roads Surface Rural	260	260	679	679	3,472	7,041	60%	31%	5%	4%	0%
	Sealed Roads Surface Urban	2,667	2,667	1,349	1,349	5,984	13,524	35%	41%	4%	20%	0%
	Carparks	1,593	1,593	106	106	14,186	20,235	2%	47%	43%	8%	0%
	Bus Shelter	–	–	12	12	939	1,448		100%			0%
	Sub-total	32,722	32,722	4,293	4,293	416,623	588,596	31.8%	41.8%	19.4%	6.9%	0.0%
Water supply network	Dams	–	–	80	80	18,014	26,012		100%			0%
	Pipeline	6,535	6,535	2,076	2,076	205,671	315,498	10%	33%	55%	2%	0%
	Pump Stations	–	–	731	731	2,427	5,716		80%	20%		0%
	Reservoirs	–	–	242	242	31,169	50,437		100%			0%
	Telemetry	40	40	61	61	133	610		50%	43%	7%	0%
	Treatment Plants	650	650	692	692	18,579	23,494		97%		3%	0%
		Sub-total	7,225	7,225	3,882	3,882	275,993	421,767	7.5%	49.4%	41.5%	1.7%

Eurobodalla Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016 (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	2015/16 Required maintenance ^a	2015/16 Actual maintenance	Carrying value	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Sewerage network	Pipeline	–	–	1,103	1,103	142,151	214,969	10%	30%	60%		0%
	Pump Stations	1,200	1,200	2,121	2,121	20,125	40,315	10%	40%	47%	3%	0%
	Telemetry	40	40	45	45	499	1,909		49%	49%	2%	0%
	Treatment Works	–	–	3,043	3,043	68,149	148,007	20%	60%	20%		0%
	Sub-total	1,240	1,240	6,312	6,312	230,924	405,200	13.6%	42.0%	44.0%	0.3%	0.0%
Stormwater drainage	Drainage Roads	807	807	354	354	12,148	16,450	5%	60%	30%	5%	0%
	Drainage Works	11,130	11,130	203	203	71,707	95,806	5%	63%	20%	12%	0%
	Sub-total	11,937	11,937	557	557	83,855	112,256	5.0%	62.6%	21.5%	11.0%	0.0%
Open space/recreational assets	Swimming pools	2,454	2,454	96	96	1,234	8,008			69%	31%	0%
	Other Open Space Recreational	998	998	1,454	1,454	27,870	44,112	10%	13%	75%	2%	0%
	Waterways	1,520	1,520	143	143	5,709	8,894		10%	73%	17%	0%
	Sub-total	4,972	4,972	1,693	1,693	34,813	61,014	7.2%	10.9%	73.9%	8.0%	0.0%
	TOTAL – ALL ASSETS	60,026	60,026	22,172	22,172	1,112,585	1,707,902	16.8%	45.4%	33.8%	4.0%	0.0%

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

Eurobodalla Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2016

\$ '000	Amounts	Indicator	Prior periods	
	2016	2016	2015	2014
Infrastructure asset performance indicators * consolidated				
1. Infrastructure renewals ratio				
Asset renewals ⁽¹⁾	<u>19,772</u>	76.23%	44.56%	47.83%
Depreciation, amortisation and impairment	<u>25,938</u>			
2. Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard	<u>60,026</u>	5.40%	5.09%	7.86%
Carrying value of infrastructure assets	<u>1,112,585</u>			
3. Asset maintenance ratio				
Actual asset maintenance	<u>22,172</u>	1.00	1.00	0.58
Required asset maintenance	<u>22,172</u>			
4. Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	<u>60,026</u>	3.51%	3.35%	5.07%
Gross replacement cost	<u>1,707,902</u>			
5. Capital expenditure ratio				
Annual capital expenditure	<u>37,774</u>	1.30	0.77	0.86
Annual depreciation	<u>29,160</u>			

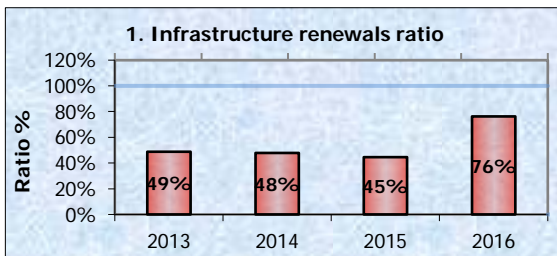
Notes

* 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.

Eurobodalla Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2016



Benchmark: — Minimum $\geq 100.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose of asset renewals ratio

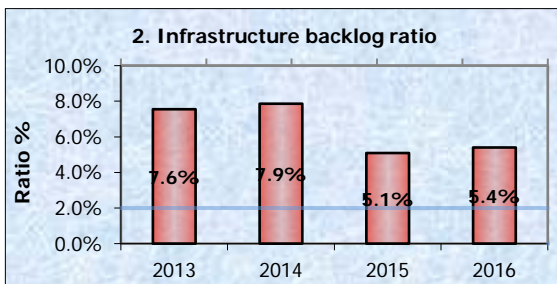
To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on 2015/16 result

2015/16 Ratio 76.23%

The improvement in the result this year is largely a result of a significant increase in Council's renewals program. This increase in Council's renewals program was one of the aims stated in the successful Special Rates Variation application.

■ Ratio achieves benchmark
■ Ratio is outside benchmark



Benchmark: — Maximum $< 2.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose of infrastructure backlog ratio

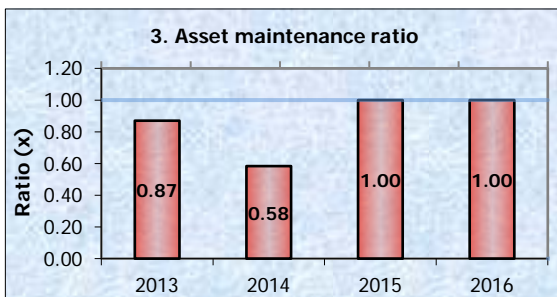
This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on 2015/16 result

2015/16 Ratio 5.40%

Addressing the infrastructure backlog has continued to be a priority of Council this year with the current result maintaining the improvements on earlier years. Council endeavours to continue reducing this backlog in line with the requirements of being Fit for the Future.

■ Ratio achieves benchmark
■ Ratio is outside benchmark



Benchmark: — Minimum > 1.00
Source for benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose of asset maintenance ratio

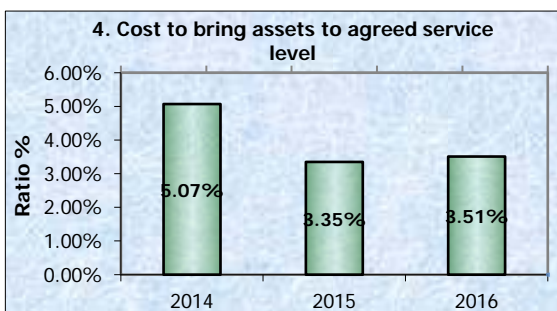
Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on 2015/16 result

2015/16 Ratio 1.00 x

Council continues to focus on asset maintenance but, similar to Council's across NSW, faces a large financial impost associated with reducing infrastructure backlogs. Council endeavours to continue to meet the benchmarked requirements in line with being Fit for the Future.

■ Ratio achieves benchmark
■ Ratio is outside benchmark



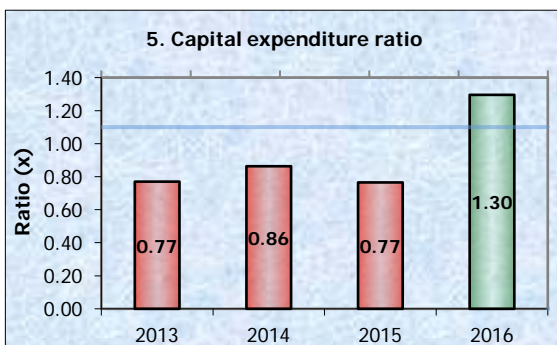
Purpose of agreed service level ratio

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 2015/16 result

2015/16 Ratio 3.51%

This new indicator represents the proportion of outstanding infrastructure renewal works compared to the gross replacement cost of assets under Council's care.



Benchmark: — Minimum > 1.10
Source for benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose of capital expenditure ratio

To assess the extent to which a Council is expanding its asset base through capital expenditure on both new assets and the replacement and renewal of existing assets.

Commentary on 2015/16 result

2015/16 Ratio 1.30 x

The large increase in Council's capital works program, directly related to the successful Special Rates Variation application, has resulted in Council meeting the requirements of this ratio. It indicates that Council is expanding its asset base as well as continuing to renew and replace its existing assets.

■ Ratio achieves benchmark
■ Ratio is outside benchmark

Eurobodalla Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2016

\$ '000	Water 2016	Sewer 2016	General ⁽¹⁾ 2016
Infrastructure asset performance indicators by fund			
1. Infrastructure renewals ratio			
Asset renewals ⁽²⁾	28.93%	24.87%	119.71%
Depreciation, amortisation and impairment			
prior period:	28.94%	37.13%	54.14%
2. Infrastructure backlog ratio			
Estimated cost to bring assets to a satisfactory standard	2.62%	0.54%	8.51%
Carrying value of infrastructure assets			
prior period:	0.79%	0.54%	8.83%
3. Asset maintenance ratio			
Actual asset maintenance	1.00	1.00	1.00
Required asset maintenance			
prior period:	1.00	1.00	1.00
4. Cost to bring assets to agreed service level			
Estimated cost to bring assets to an agreed service level set by Council	1.71%	0.31%	5.85%
Gross replacement cost			
prior period:	0.00%	0.00%	0.00%
5. Capital expenditure ratio			
Annual capital expenditure	0.48	1.58	1.49
Annual depreciation			
prior period:	0.42	0.62	0.95

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.

Eurobodalla Shire Council

Special Schedule 8 – Permissible Income Calculation

for the year ended 30 June 2017

\$'000		Calculation 2015/16	Calculation 2016/17
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	a	23,894	25,421
Plus or minus adjustments ⁽²⁾	b	14	153
Notional general income	c = (a + b)	23,908	25,574
Permissible income calculation			
Special variation percentage ⁽³⁾	d	6.37%	6.37%
Or rate peg percentage	e	0.00%	0.00%
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)	1,523	1,629
Or plus rate peg amount	i = c x e	–	–
Or plus Crown land adjustment and rate peg amount	j = c x f	–	–
Sub-total	k = (c + g + h + i + j)	25,431	27,203
Plus (or minus) last year's carry forward total	l	2	11
Less valuation objections claimed in the previous year	m	–	–
Sub-total	n = (l + m)	2	11
Total permissible income	o = k + n	25,433	27,214
Less notional general income yield	p	25,421	27,186
Catch-up or (excess) result	q = o – p	12	28
Plus income lost due to valuation objections claimed ⁽⁴⁾	r	–	–
Less unused catch-up ⁽⁵⁾	s	(1)	(2)
Carry forward to next year	t = q + r – s	11	26

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.