

Eurobodalla Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2017



Eurobodalla Shire Council

Special Schedules

for the year ended 30 June 2017

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

Background

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

Eurobodalla Shire Council

Special Schedule 1 – Net Cost of Services

for the year ended 30 June 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	1,387	8	–	(1,379)
Administration	(630)	1,290	10	1,930
Public order and safety				
Fire service levy, fire protection, emergency services	1,784	240	1,158	(386)
Beach control	323	–	–	(323)
Enforcement of local government regulations	468	216	–	(252)
Animal control	331	59	–	(272)
Total public order and safety	2,906	515	1,158	(1,233)
Health	488	158	–	(330)
Environment				
Noxious plants and insect/vermin control	359	121	–	(238)
Other environmental protection	2,243	1,814	–	(429)
Solid waste management	9,709	11,153	22	1,466
Street cleaning	312	–	–	(312)
Stormwater management	1,756	459	–	(1,297)
Total environment	14,379	13,547	22	(810)
Community services and education				
Administration and education	669	50	–	(619)
Social protection (welfare)	2,303	2,284	–	(19)
Aged persons and disabled	3,677	2,984	–	(693)
Children's services	2,033	1,536	–	(497)
Total community services and education	8,682	6,854	–	(1,828)
Housing and community amenities				
Public cemeteries	141	189	–	48
Public conveniences	870	–	–	(870)
Street lighting	1,301	136	–	(1,165)
Town planning	3,976	1,309	–	(2,667)
Other community amenities	868	–	107	(761)
Total housing and community amenities	7,156	1,634	107	(5,415)
Water supplies	16,730	17,478	1,962	2,710
Sewerage services	18,605	19,128	5,402	5,925

Eurobodalla Shire Council

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

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	1,803	175	69	(1,559)
Community centres and halls	530	137	10	(383)
Other cultural services	203	53	300	150
Sporting grounds and venues	1,469	215	30	(1,224)
Swimming pools	1,276	2	–	(1,274)
Parks and gardens (lakes)	4,754	854	324	(3,576)
Other sport and recreation	–	24	255	279
Total recreation and culture	10,035	1,460	988	(7,587)
Mining, manufacturing and construction				
Building control	844	780	–	(64)
Other mining, manufacturing and construction	(59)	–	–	59
Total mining, manufacturing and const.	785	780	–	(5)
Transport and communication				
Urban roads (UR) – local	6,619	923	907	(4,789)
Urban roads – regional	1,544	1,954	275	685
Sealed rural roads (SRR) – local	4,579	2,076	4,304	1,801
Sealed rural roads (SRR) – regional	916	1,711	–	795
Unsealed rural roads (URR) – local	946	89	–	(857)
Bridges on UR – local	53	42	–	(11)
Bridges on SRR – local	1,483	1,022	464	3
Bridges on URR – local	81	7	–	(74)
Parking areas	744	58	14	(672)
Footpaths	1,067	160	112	(795)
Aerodromes	524	381	405	262
Other transport and communication	558	56	68	(434)
Total transport and communication	19,114	8,479	6,549	(4,086)
Economic affairs				
Camping areas and caravan parks	3,160	4,304	–	1,144
Other economic affairs	3,052	868	–	(2,184)
Total economic affairs	6,212	5,172	–	(1,040)
Totals – functions	105,849	76,503	16,198	(13,148)
General purpose revenues ⁽¹⁾	(190)	36,170		36,360
NET OPERATING RESULT ⁽²⁾	105,659	112,673	16,198	23,212

(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 2017

\$'000

Classification of debt	Principal outstanding at beginning of the year			New loans raised during the year	Debt redemption during the year		Transfers to sinking funds	Interest applicable for year	Principal outstanding at the end of the year		
	Current	Non-current	Total		From revenue	Sinking funds			Current	Non-current	Total
Loans (by source)											
NSW Treasury Corporation	668	6,415	7,083	12,188	668	–	–	192	–	18,603	18,603
Other State Government	880	2,634	3,514	–	880	–	–	2	–	2,634	2,634
Financial institutions	8,300	34,199	42,499	2,622	8,309	–	–	2,230	–	36,812	36,812
Total loans	9,848	43,249	53,097	14,810	9,857	–	–	2,424	–	58,050	58,050
Total debt	9,848	43,249	53,097	14,810	9,857	–	–	2,424	–	58,050	58,050

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 2017

\$'000	Actuals 2017	Actuals 2016
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	4,685	4,608
b. Engineering and supervision	–	–
2. Operation and maintenance expenses		
– dams and weirs		
a. Operation expenses	78	62
b. Maintenance expenses	33	18
– Mains		
c. Operation expenses	1,464	1,103
d. Maintenance expenses	969	973
– Reservoirs		
e. Operation expenses	163	104
f. Maintenance expenses	104	84
– Pumping stations		
g. Operation expenses (excluding energy costs)	43	46
h. Energy costs	417	330
i. Maintenance expenses	124	52
– Treatment		
j. Operation expenses (excluding chemical costs)	421	400
k. Chemical costs	319	217
l. Maintenance expenses	104	75
– Other		
m. Operation expenses	289	268
n. Maintenance expenses	30	35
3. Depreciation expenses		
a. System assets	5,983	6,147
b. Plant and equipment	4	4
4. Miscellaneous expenses		
a. Interest expenses	57	159
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)	628	31
5. Total expenses	15,915	14,716

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 2017

\$'000	Actuals 2017	Actuals 2016
Income		
6. Residential charges		
a. Access (including rates)	5,633	5,498
b. Usage charges	8,306	7,709
7. Non-residential charges		
a. Access (including rates)	558	549
b. Usage charges	2,376	2,163
9. Interest income	563	445
10. Other income	449	364
11. Grants		
a. Grants for acquisition of assets	–	8
b. Grants for pensioner rebates	206	202
12. Contributions		
a. Developer charges	1,897	1,330
b. Developer provided assets	53	389
c. Other contributions	26	104
13. Total income	20,067	18,761
14. Gain (or loss) on disposal of assets	(1,442)	(585)
15. Operating result	2,710	3,460
15a. Operating result (less grants for acquisition of assets)	2,710	3,452

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 2017

\$'000	Actuals 2017	Actuals 2016
B Capital transactions		
Non-operating expenditures		
16. Acquisition of fixed assets		
a. New assets for improved standards	75	163
b. New assets for growth	672	599
c. Renewals	2,276	2,101
d. Plant and equipment	90	75
17. Repayment of debt	75	1,510
18. Totals	3,188	4,448
Non-operating funds employed		
19. Proceeds from disposal of assets	13	46
20. Borrowing utilised	–	–
21. Totals	13	46
C Rates and charges		
22. Number of assessments		
a. Residential (occupied)	19,010	18,826
b. Residential (unoccupied, ie. vacant lot)	1,061	1,148
c. Non-residential (occupied)	941	941
d. Non-residential (unoccupied, ie. vacant lot)	67	67
23. Number of Equivalent Tenements (ETs) for which developer charges were received	158 ET	113 ET
24. Total amount of pensioner rebates (actual dollars)	\$ 373,106	\$ 369,507

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 2017

\$'000	Actuals Current	Actuals Non-current	Actuals Total
ASSETS			
25. Cash and investments			
a. Developer charges	2,902	–	2,902
b. Other	20,692	–	20,692
26. Receivables			
a. Rates and availability charges	28	–	28
b. Other	3,421	–	3,421
27. Inventories	60	–	60
28. Property, plant and equipment			
a. System assets	–	187,276	187,276
b. Plant and equipment	–	3,233	3,233
29. Other assets	122	–	122
30. Total assets	<u>27,225</u>	<u>190,509</u>	<u>217,734</u>
LIABILITIES			
31. Creditors	2	–	2
32. Borrowings	70	995	1,065
33. Provisions			
a. Other	1	–	1
34. Total liabilities	<u>73</u>	<u>995</u>	<u>1,068</u>
35. NET ASSETS COMMITTED	<u>27,152</u>	<u>189,514</u>	<u>216,666</u>
EQUITY			
36. Accumulated surplus			156,291
37. Asset revaluation reserve			60,374
38. Other reserves			–
39. TOTAL EQUITY			<u>216,665</u>
Note to system assets:			
40. Current replacement cost of system assets			353,458
41. Accumulated current cost depreciation of system assets			(167,198)
42. Written down current cost of system assets			<u>186,260</u>

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 2017

\$'000	Actuals 2017	Actuals 2016
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	3,635	3,554
2. Operation and maintenance expenses		
– mains		
a. Operation expenses	772	861
b. Maintenance expenses	240	242
– Pumping stations		
c. Operation expenses (excluding energy costs)	943	861
d. Energy costs	390	361
e. Maintenance expenses	977	830
– Treatment		
f. Operation expenses (excl. chemical, energy, effluent and biosolids management costs)	2,080	1,991
g. Chemical costs	274	335
h. Energy costs	348	319
j. Biosolids management	395	–
k. Maintenance expenses	293	149
– Other		
l. Operation expenses	158	114
3. Depreciation expenses		
a. System assets	6,700	6,466
b. Plant and equipment	10	10
4. Miscellaneous expenses		
a. Interest expenses	729	1,097
b. Tax equivalents dividends (actually paid)	585	575
5. Total expenses	18,529	17,765

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 2017

\$'000	Actuals 2017	Actuals 2016
Income		
6. Residential charges (including rates)	16,539	16,093
7. Non-residential charges		
a. Access (including rates)	1,625	1,639
b. Usage charges	686	633
8. Trade waste charges		
a. Annual fees	42	41
b. Usage charges	121	112
10. Interest income	423	535
11. Other income	80	81
12. Grants		
a. Grants for acquisition of assets	2,993	1,923
b. Grants for pensioner rebates	194	190
13. Contributions		
a. Developer charges	1,582	1,088
b. Developer provided assets	817	1,728
c. Other contributions	14	325
14. Total income	<u>25,116</u>	<u>24,388</u>
15. Gain (or loss) on disposal of assets	(660)	272
16. Operating result	<u>5,927</u>	<u>6,895</u>
16a. Operating result (less grants for acquisition of assets)	2,934	4,972

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 2017

\$'000	Actuals 2017	Actuals 2016
B Capital transactions		
Non-operating expenditures		
17. Acquisition of fixed assets		
a. New assets for improved standards	755	1,507
b. New assets for growth	10,311	7,033
c. Renewals	2,005	1,686
18. Repayment of debt	3,198	6,862
19. Totals	16,269	17,088
Non-operating funds employed		
20. Proceeds from disposal of assets	(8)	479
21. Borrowing utilised	4,811	542
22. Totals	4,803	1,021
C Rates and charges		
23. Number of assessments		
a. Residential (occupied)	17,639	17,476
b. Residential (unoccupied, ie. vacant lot)	928	1,010
c. Non-residential (occupied)	1,035	1,031
d. Non-residential (unoccupied, ie. vacant lot)	61	61
24. Number of Equivalent Tenements (Ets) for which developer charges were received	154 ET	110 ET
25. Total amount of pensioner rebates (actual dollars)	\$ 351,400	\$ 347,690

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 2017

\$'000	Actuals Current	Actuals Non-current	Actuals Total
ASSETS			
26. Cash and investments			
a. Developer charges	711	–	711
b. Special purpose grants	983	–	983
c. Accrued leave	122	–	122
d. Unexpended loans	(422)	–	(422)
e. Other	15,555	–	15,555
27. Receivables			
a. Other	189	–	189
28. Inventories	–	–	–
29. Property, plant and equipment			
a. System assets	–	245,485	245,485
b. Plant and equipment	–	2,127	2,127
30. Other assets	2,528	–	2,528
31. Total assets	<u>19,666</u>	<u>247,612</u>	<u>267,278</u>
LIABILITIES			
32. Creditors	11	–	11
33. Borrowings	2,542	14,990	17,532
34. Provisions	–	–	
35. Total liabilities	<u>2,553</u>	<u>14,990</u>	<u>17,543</u>
36. NET ASSETS COMMITTED	<u>17,113</u>	<u>232,622</u>	<u>249,735</u>
EQUITY			
37. Accumulated surplus			123,885
38. Asset revaluation reserve			125,850
39. TOTAL EQUITY			<u>249,735</u>
Note to system assets:			
40. Current replacement cost of system assets			412,457
41. Accumulated current cost depreciation of system assets			(177,473)
42. Written down current cost of system assets			<u>234,984</u>

Eurobodalla Shire Council

Notes to Special Schedules 3 and 5

for the year ended 30 June 2017

Administration ⁽¹⁾

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

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

Engineering and supervision ⁽¹⁾

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

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

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

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

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

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when I,P,P&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.

Eurobodalla Shire Council

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

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Administration	–	–	393	393	9,544	19,693	20%	79%	1%	0%	0%
	Bush Fire Brigade	280	280	150	150	2,733	4,703	19%	46%	29%	6%	0%
	Caravan Parks/Camp Grounds	–	–	499	499	7,601	12,229	61%	26%	13%	0%	0%
	Community Centres	–	–	121	121	2,249	3,914	5%	92%	3%	0%	0%
	Libraries	–	–	130	130	5,636	9,840	35%	64%	1%	0%	0%
	Operational	265	265	1,104	1,104	17,209	23,882	52%	37%	10%	1%	0%
	Parks & Reserves	96	96	105	105	782	1,830	12%	42%	41%	5%	0%
	Public Halls	48	48	67	67	3,295	6,433	20%	59%	20%	1%	0%
	Public Toilets	940	940	708	708	4,178	6,940	30%	43%	21%	6%	0%
	Sporting Facilities	–	–	253	253	8,177	15,724	31%	50%	19%	0%	0%
	Swimming Pool Centres	–	–	229	229	1,824	5,134	3%	37%	60%	0%	0%
	Sub-total	1,629	1,629	3,759	3,759	63,228	110,322	33.5%	51.6%	13.9%	1.0%	0.0%
Other structures	Other Structures	–	–	247	247	3,688	6,297	46%	38%	16%	0%	0%
	Waste Not in Buildings	–	–	1,432	1,432	5,508	7,288	65%	26%	9%	0%	0%
	Sub-total	–	–	1,679	1,679	9,196	13,585	56.2%	31.6%	12.2%	0.0%	0.0%

Eurobodalla Shire Council

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

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Roads	Road Furniture	1,320	1,320	178	178	4,987	9,585	41%	31%	16%	12%	0%
	Unsealed roads	6,027	6,027	842	842	57,716	69,466	83%	5%	2%	10%	0%
	Bridges	886	886	216	216	26,707	44,933	55%	36%	7%	2%	0%
	Footpaths	253	253	109	109	14,770	21,623	59%	30%	10%	1%	0%
	Shared Footpaths	171	171	77	77	9,655	11,466	87%	9%	3%	1%	0%
	Kerb & Gutter	–	–	22	22	40,619	66,919	40%	50%	10%	0%	0%
	Sealed Roads Structure Regional	1,511	1,511	342	342	29,256	39,746	78%	17%	1%	4%	0%
	Sealed Roads Structure Rural	2,458	2,458	740	740	73,452	91,207	84%	12%	1%	3%	0%
	Sealed Roads Structure Urban	20,638	20,638	1,487	1,487	137,305	196,157	66%	20%	3%	11%	0%
	Sealed Roads Surface Regional	183	183	60	60	1,797	3,197	58%	32%	4%	6%	0%
	Sealed Roads Surface Rural	416	416	130	130	3,499	7,244	54%	28%	12%	6%	0%
	Sealed Roads Surface Urban	821	821	262	262	7,525	15,015	36%	52%	8%	4%	0%
	Carparks	688	688	113	113	14,730	21,028	61%	29%	6%	4%	0%
	Bus Shelter	98	98	14	14	936	1,481	58%	23%	12%	7%	0%
	Sub-total		35,470	35,470	4,592	4,592	422,953	599,067	66.4%	23.0%	4.4%	6.2%
Water supply network	Dams	–	–	33	33	17,406	27,800	6%	88%	6%	0%	0%
	Pipeline	4,135	4,135	999	999	119,748	243,768	26%	50%	22%	2%	0%
	Pump Stations	3,297	3,297	124	124	2,956	8,749	24%	32%	9%	35%	0%
	Reservoirs	–	–	104	104	24,946	44,928	35%	46%	19%	0%	0%
	Treatment Plants	–	–	104	104	19,204	25,452	71%	23%	6%	0%	0%
	Sub-total		7,432	7,432	1,364	1,364	184,261	350,697	28.8%	50.1%	18.9%	2.3%

Eurobodalla Shire Council

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

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Sewerage network	Pipeline	225	225	240	240	165,998	259,710	50%	40%	9%	1%	0%
	Pump Stations	7,434	7,434	977	977	24,475	54,427	27%	40%	20%	13%	0%
	Treatment Works	7,064	7,064	293	293	41,845	94,064	19%	63%	11%	7%	0%
	Sub-total	14,723	14,723	1,510	1,510	232,318	408,201	39.8%	45.3%	10.9%	4.0%	0.0%
Stormwater drainage	Drainage Roads	1,454	1,454	138	138	12,497	16,940	82%	4%	6%	8%	0%
	Drainage Works	6,891	6,891	198	198	71,705	96,626	82%	4%	6%	8%	0%
	Sub-total	8,345	8,345	336	336	84,201	113,566	82.0%	4.0%	6.0%	8.0%	0.0%
Open space/recreational assets	Swimming pools	307	307	61	61	1,252	8,144	1%	4%	91%	4%	0%
	Other Open Space Recreational	1,948	1,948	1,903	1,903	27,598	44,938	45%	39%	10%	6%	0%
	Waterways	4,875	4,875	102	102	5,678	9,040	44%	41%	15%	0%	0%
	Sub-total	7,130	7,130	2,066	2,066	34,528	62,122	39.1%	34.7%	21.3%	4.9%	0.0%
	TOTAL – ALL ASSETS	74,729	74,729	15,306	15,306	1,030,685	1,657,560	49.7%	35.3%	10.5%	4.5%	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 2017

\$ '000	Amounts	Indicator	Benchmark	Prior periods	
	2017	2017		2016	2015
Infrastructure asset performance indicators * consolidated					
1. Infrastructure renewals ratio					
Asset renewals ⁽¹⁾	<u>20,567</u>	79.18%	>= 100%	76.23%	44.56%
Depreciation, amortisation and impairment	<u>25,976</u>				
2. Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	<u>74,729</u>	7.25%	< 2%	5.40%	5.09%
Net carrying amount of infrastructure assets	<u>1,031,252</u>				
3. Asset maintenance ratio					
Actual asset maintenance	<u>15,306</u>	1.00	> 1.00	1.00	1.00
Required asset maintenance	<u>15,306</u>				
4. Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	<u>74,729</u>	4.51%		3.51%	3.35%
Gross replacement cost	<u>1,657,560</u>				

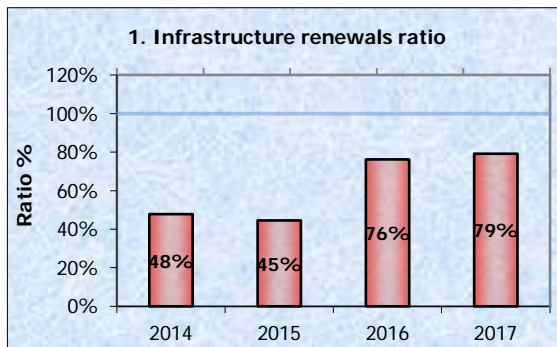
Notes

* 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

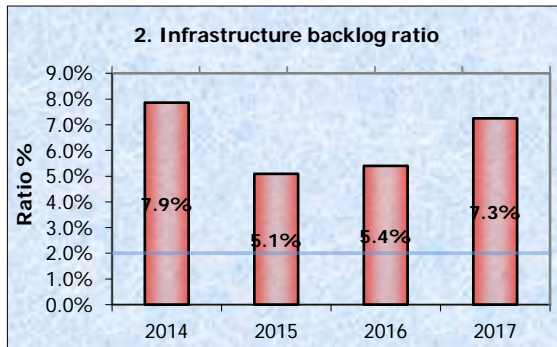
Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2017



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

Commentary on 2016/17 result	
2016/17 Ratio	79.18%
<p>The continued improvement is largely as a result of significant ongoing increases in Council's renewals program.</p>	

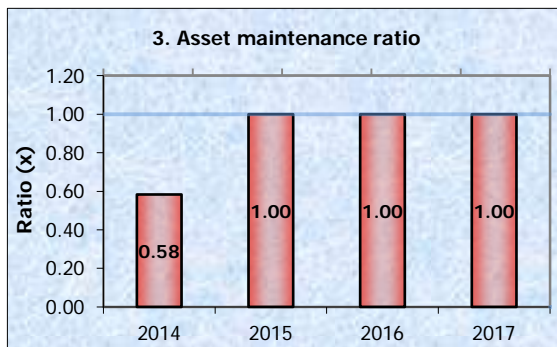
■ Ratio achieves benchmark
■ Ratio is outside benchmark



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

Commentary on 2016/17 result	
2016/17 Ratio	7.25%
<p>Addressing the infrastructure backlog has continued to be a priority of Council. The increase in this ratio is largely as a result of an increase in the cost to bring to satisfactory and a decrease in the written down value in water and sewer. Council endeavours to continue reducing this backlog in line with being Fit for the Future.</p>	

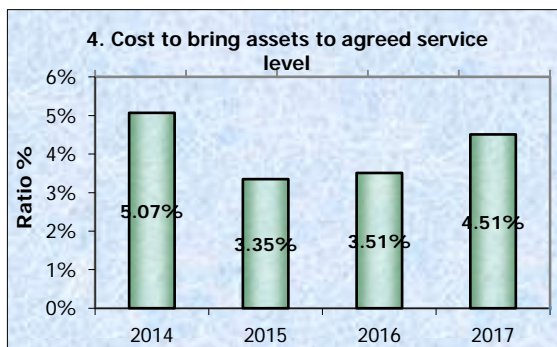
■ Ratio achieves benchmark
■ Ratio is outside benchmark



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

Commentary on 2016/17 result	
2016/17 Ratio	1.00 x
<p>Council continues to focus on asset maintenance but, similar to Councils across NSW, faces a large financial impost associated with reducing infrastructure backlogs. Council endeavours to continue to meet the benchmark requirements in line with being Fit for the Future.</p>	

■ 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 2016/17 result	
2016/17 Ratio	4.51%
<p>The increase in Council's capital works program 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.</p>	

Eurobodalla Shire Council

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

\$ '000	Benchmark	Water 2017	Sewer 2017	General ⁽¹⁾ 2017
Infrastructure asset performance indicators by fund				
1. Infrastructure renewals ratio				
Asset renewals ⁽²⁾		37.04%	44.77%	112.79%
Depreciation, amortisation and impairment	>= 100%			
	prior period:	28.93%	24.87%	119.71%
2. Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard		4.03%	6.34%	8.55%
Net carrying amount of infrastructure assets	< 2%			
	prior period:	2.62%	0.54%	8.51%
3. Asset maintenance ratio				
Actual asset maintenance		1.00	1.00	1.00
Required asset maintenance	> 1.00			
	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		2.12%	3.61%	5.85%
Gross replacement cost				
	prior period:	1.71%	0.31%	5.85%

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 2018

\$'000		Calculation 2016/17	Calculation 2017/18
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	a	25,421	27,186
Plus or minus adjustments ⁽²⁾	b	153	98
Notional general income	c = (a + b)	25,574	27,284
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%
Plus special variation amount	h = d x (c - g)	1,629	1,738
Sub-total	k = (c + g + h + i + j)	27,203	29,022
Plus (or minus) last year's carry forward total	l	11	26
Sub-total	n = (l + m)	11	26
Total permissible income	o = k + n	27,214	29,048
Less notional general income yield	p	27,186	29,012
Catch-up or (excess) result	q = o - p	28	36
Less unused catch-up ⁽⁵⁾	s	(2)	(19)
Carry forward to next year	t = q + r - s	26	17

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.