

Walcha Council

SPECIAL SCHEDULES
for the year ended 30 June 2021



Walcha Council

Special Schedules

for the year ended 30 June 2021

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Walcha Council

Permissible income for general rates

	Notes	Calculation 2020/21 \$ '000	Calculation 2021/22 \$ '000
Notional general income calculation ¹			
Last year notional general income yield	a	3,485	3,598
Plus or minus adjustments ²	b	—	1
Notional general income	c = a + b	3,485	3,599
Permissible income calculation			
Or rate peg percentage	e	2.60%	2.00%
Or plus rate peg amount	i = e x (c + g)	91	72
Sub-total	k = (c + g + h + i + j)	3,576	3,671
Plus (or minus) last year's carry forward total	l	16	(7)
Sub-total	n = (l + m)	16	(7)
Total permissible income	o = k + n	3,592	3,664
Less notional general income yield	p	3,598	3,658
Catch-up or (excess) result	q = o - p	(7)	6
Carry forward to next year ⁶	t = q + r + s	(7)	6

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

Walcha Council

Report on infrastructure assets as at 30 June 2021

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	2020/21 Required maintenance ^a	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Buildings	Other	—	—	16	—	505	645	86.0%	8.0%	6.0%	0.0%	0.0%
	Council Offices / Administration Centres	—	—	64	58	893	2,008	17.0%	83.0%	0.0%	0.0%	0.0%
	Council Works Depot	37	37	54	45	940	1,724	10.0%	85.0%	5.0%	0.0%	0.0%
	Squash Courts/ Community Gym	—	—	19	26	1,166	1,438	57.0%	43.0%	0.0%	0.0%	0.0%
	Amenities	—	—	49	58	1,005	1,448	14.0%	86.0%	0.0%	0.0%	0.0%
	Library	—	—	16	10	319	585	0.0%	100.0%	0.0%	0.0%	0.0%
	Child care	8	8	72	78	1,848	2,206	57.0%	43.0%	0.0%	0.0%	0.0%
	Specialised Buildings	—	—	8	—	229	356	18.0%	76.0%	0.0%	4.0%	2.0%
	Swimming Pool	—	—	17	52	351	610	100.0%	0.0%	0.0%	0.0%	0.0%
	Auto Electrician	—	—	15	10	152	473	0.0%	0.0%	100.0%	0.0%	0.0%
	Council House	—	—	25	7	558	771	18.0%	82.0%	0.0%	0.0%	0.0%
	Waste Management	—	—	8	—	240	300	100.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	45	45	363	344	8,206	12,564	35.5%	59.6%	4.8%	0.1%	0.1%
Other structures	Other structures	—	—	16	—	152	245	15.0%	40.0%	45.0%	0.0%	0.0%
	Sporting Grounds	—	—	—	—	336	407	64.0%	36.0%	0.0%	0.0%	0.0%
	Swimming Pools	—	—	26	—	742	1,841	1.0%	99.0%	0.0%	0.0%	0.0%
	Waste Management	—	—	8	—	175	247	50.0%	0.0%	50.0%	0.0%	0.0%
	Council Works Depot	—	—	4	—	115	165	0.0%	100.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	54	—	1,520	2,905	15.1%	76.8%	8.0%	0.0%	0.0%

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Report on infrastructure assets as at 30 June 2021 (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	2020/21 Required maintenance ^a	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Roads	Roads	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sealed roads – Surface	115	115	718	453	9,787	13,451	52.0%	38.0%	7.0%	1.0%	2.0%
	Unsealed roads	1,939	1,939	1,734	886	12,722	15,638	15.0%	33.0%	20.0%	32.0%	0.0%
	Other road assets (incl. bulk earth works)	3,487	3,487	525	267	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sealed roads – Structure	518	518	293	10	71,455	86,806	34.0%	36.0%	13.0%	12.0%	5.0%
	Bridges	5,505	5,505	394	—	16,260	25,681	33.0%	19.0%	42.0%	5.0%	1.0%
	Culverts	15	15	21	22	19,269	39,415	29.0%	1.0%	70.0%	0.0%	0.0%
	Footpaths	—	—	4	36	1,712	2,113	49.0%	40.0%	9.0%	2.0%	0.0%
	Other road assets	108	108	44	7	135	231	27.0%	68.0%	5.0%	0.0%	0.0%
	Kerb & Gutter	—	—	—	—	2,853	4,411	14.0%	60.0%	19.0%	7.0%	0.0%
	Bulk earthworks	—	—	—	—	227,460	227,460	100.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	11,687	11,687	3,733	1,681	361,653	415,206	69.3%	12.1%	13.2%	4.1%	1.2%
Water supply network	Mains	—	—	141	54	7,713	9,079	10.0%	88.0%	2.0%	0.0%	0.0%
	Reservoirs	—	—	36	24	1,699	3,079	3.0%	46.0%	51.0%	0.0%	0.0%
	Pumping Stations	—	—	21	75	298	436	29.0%	31.0%	40.0%	0.0%	0.0%
	Treatment	124	124	144	264	5,972	9,159	38.0%	27.0%	31.0%	4.0%	0.0%
	Meters	—	—	7	—	92	119	29.0%	71.0%	0.0%	0.0%	0.0%
	Connections	—	—	12	—	688	948	0.0%	100.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	124	124	361	417	16,462	22,820	20.3%	57.2%	20.9%	1.6%	0.0%
Sewerage network	Mains	50	50	95	20	6,686	8,031	3.0%	87.0%	8.0%	2.0%	0.0%
	Pumping Stations	30	30	17	41	652	819	11.0%	83.0%	6.0%	0.0%	0.0%
	Treatment	22	22	35	184	2,296	3,627	36.0%	36.0%	26.0%	2.0%	0.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	102	102	147	245	9,634	12,477	13.1%	71.9%	13.1%	1.9%	0.0%

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Report on infrastructure assets as at 30 June 2021 (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	2020/21 Required maintenance ^a	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Stormwater drainage	Stormwater drainage	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Stormwater conduits	—	—	62	41	3,933	6,209	0.0%	100.0%	0.0%	0.0%	0.0%
	Inlet & junction pits	—	—	3	—	178	273	6.0%	94.0%	0.0%	0.0%	0.0%
	Head walls	—	—	1	—	34	55	0.0%	100.0%	0.0%	0.0%	0.0%
	Outfall structures	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Levees	—	—	38	380	3,804	3,804	100.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	104	421	7,949	10,341	36.9%	63.1%	0.0%	0.0%	0.0%
	Total – all assets	11,958	11,958	4,762	3,108	405,424	476,313	63.6%	18.6%	13.0%	3.7%	1.0%

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

Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
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

Walcha Council

Report on infrastructure assets as at 30 June 2021

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2021	Indicator 2021	2020	Indicators 2019	2018	Benchmark
Buildings and infrastructure renewals ratio						
Asset renewals ¹	7,583					
Depreciation, amortisation and impairment	3,085	245.80%	73.15%	132.97%	103.52%	>= 100.00%
Infrastructure backlog ratio						
Estimated cost to bring assets to a satisfactory standard	11,958					
Net carrying amount of infrastructure assets	411,082	2.91%	4.29%	4.66%	4.05%	< 2.00%
Asset maintenance ratio						
Actual asset maintenance	3,108					
Required asset maintenance	4,762	65.27%	67.35%	104.45%	112.72%	> 100.00%
Cost to bring assets to agreed service level						
Estimated cost to bring assets to an agreed service level set by Council	11,958	2.51%	3.70%	3.61%	2.80%	
Gross replacement cost	476,313					

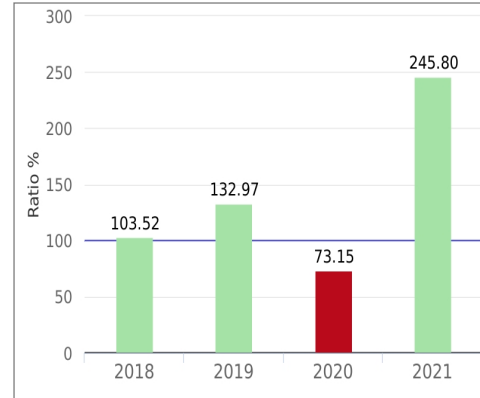
(*) All asset performance indicators are calculated using classes identified in the previous table.

(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.

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Report on infrastructure assets as at 30 June 2021

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio

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

Commentary on result

20/21 ratio 245.80%

The large increase in this ratio is due to \$1.2M of work in progress from 2020 being completed in the current year along with \$9M of current year capitalised works.

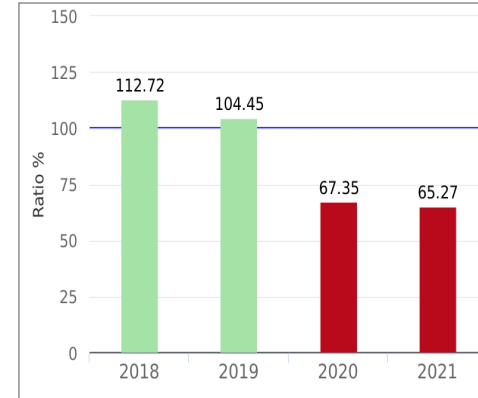
Benchmark: — $\geq 100.00\%$

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Asset maintenance ratio



Asset maintenance ratio

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

Commentary on result

20/21 ratio 65.27%

Due to the increase of asset renewal projects, less time was spent on maintenance.

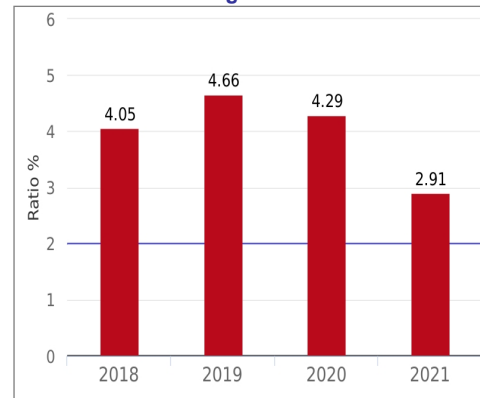
Benchmark: — $> 100.00\%$

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

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

Commentary on result

20/21 ratio 2.91%

The infrastructure backlog ratio has seen a substantial decrease since last year due to an increase in grant funded renewal projects.

Benchmark: — $< 2.00\%$

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

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

Commentary on result

20/21 ratio 2.51%

This ratio has decreased substantially due to a large amount of renewal work on assets in a poor condition.

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Report on infrastructure assets as at 30 June 2021

Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2021	2020	2021	2020	2021	2020	
Buildings and infrastructure renewals ratio							
Asset renewals ¹	287.45%	81.58%	0.00%	22.86%	0.00%	27.91%	>= 100.00%
Depreciation, amortisation and impairment							
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard	3.05%	4.26%	0.75%	4.93%	1.06%	4.66%	< 2.00%
Net carrying amount of infrastructure assets							
Asset maintenance ratio							
Actual asset maintenance	57.50%	58.84%	115.51%	137.67%	166.67%	140.82%	> 100.00%
Required asset maintenance							
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council	2.66%	3.70%	0.54%	3.62%	0.82%	3.65%	
Gross replacement cost							

(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.