

Cobar Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2020

Special Schedules
for the year ended 30 June 2020

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Permissible income for general rates

\$ '000	Notes	Calculation 2020/21	Calculation 2019/20
Notional general income calculation ¹			
Last year notional general income yield	a	4,050	4,010
Plus or minus adjustments ²	b	14	16
Notional general income	c = a + b	4,064	4,026
Permissible income calculation			
Or rate peg percentage	e	2.60%	2.70%
Or plus rate peg amount	$i = e \times (c + g)$	106	108
Sub-total	k = (c + g + h + i + j)	4,170	4,134
Plus (or minus) last year's carry forward total	l	-	(84)
Sub-total	n = (l + m)	-	(84)
Total permissible income	o = k + n	4,170	4,050
Less notional general income yield	p	4,169	4,050
Catch-up or (excess) result	q = o - p	-	-
Carry forward to next year ⁶	t = q + r + s	-	-

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.

Report on Infrastructure Assets

as at 30 June 2020

Asset Class	Asset Category	Estimated cost		2019/20 Required maintenance ^a	2019/20 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
Buildings	Buildings	2,915	11,574	580	324	22,256	42,587	12.0%	12.0%	49.0%	22.0%	5.0%
	Sub-total	2,915	11,574	580	324	22,256	42,587	12.0%	12.0%	49.0%	22.0%	5.0%
Other structures	Other structures	152	856	–	84	845	1,493	0.0%	38.0%	5.0%	57.0%	0.0%
	Sub-total	152	856	–	84	845	1,493	0.0%	38.0%	5.0%	57.0%	0.0%
Roads	Sealed roads	3,584	15,476	1,240	1,415	92,201	119,404	48.0%	18.0%	21.0%	11.0%	2.0%
	Unsealed roads	1,118	6,386	1,530	1,444	134,756	147,157	9.0%	36.0%	51.0%	4.0%	0.0%
	Bridges	–	–	20	–	4,116	6,591	0.0%	79.0%	21.0%	0.0%	0.0%
	Footpaths	44	252	60	2	2,368	3,875	15.0%	40.0%	38.0%	6.0%	1.0%
	Other road assets	131	748	190	–	11,837	18,612	1.0%	4.0%	91.0%	4.0%	0.0%
	Sub-total	4,877	22,862	3,040	2,861	245,277	295,639	24.1%	27.7%	40.6%	6.8%	0.8%
Water supply network	Water supply network	2,566	4,463	770	584	21,904	40,690	28.0%	6.0%	55.0%	0.0%	11.0%
	Sub-total	2,566	4,463	770	584	21,904	40,690	28.0%	6.0%	55.0%	0.0%	11.0%
Sewerage network	Sewerage network	4	23	280	279	11,169	20,157	0.0%	27.9%	72.0%	0.1%	0.0%
	Sub-total	4	23	280	279	11,169	20,157	0.0%	27.9%	72.0%	0.1%	0.0%
Stormwater drainage	Stormwater drainage	–	–	70	–	4,976	8,022	7.0%	39.0%	54.0%	0.0%	0.0%
	Sub-total	–	–	70	–	4,976	8,022	7.0%	39.0%	54.0%	0.0%	0.0%
Open space / recreational assets	Swimming pools	44	251	120	–	3,145	2,816	5.0%	0.0%	86.0%	9.0%	0.0%
	Other	12	70	140	416	1,518	2,238	31.0%	26.0%	41.0%	2.0%	0.0%
	Sub-total	56	321	260	416	4,663	5,054	16.5%	11.5%	66.1%	5.9%	0.0%
TOTAL - ALL ASSETS		10,570	40,099	5,000	4,548	311,090	413,642	21.6%	24.0%	44.8%	7.4%	2.2%

(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

continued on next page ...

Report on Infrastructure Assets - Values (continued)
as at 30 June 2020

- 4 **Poor** Renewal required
- 5 **Very poor** Urgent renewal/upgrading required

Report on Infrastructure Assets (continued)

as at 30 June 2020

\$ '000	Amounts 2020	Indicator 2020	Prior periods		Benchmark
			2019	2018	
Infrastructure asset performance indicators (consolidated) *					
Buildings and infrastructure renewals ratio ¹					
Asset renewals ²	3,979				
Depreciation, amortisation and impairment	5,518	72.11%	43.41%	29.40%	>=100.00%
Infrastructure backlog ratio ¹					
Estimated cost to bring assets to a satisfactory standard	10,570	3.40%	2.49%	1.79%	<2.00%
Net carrying amount of infrastructure assets	311,090				
Asset maintenance ratio					
Actual asset maintenance	4,548				
Required asset maintenance	5,000	90.96%	86.12%	108.08%	>100.00%
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	40,099	9.69%	8.78%	2.82%	
Gross replacement cost	413,642				

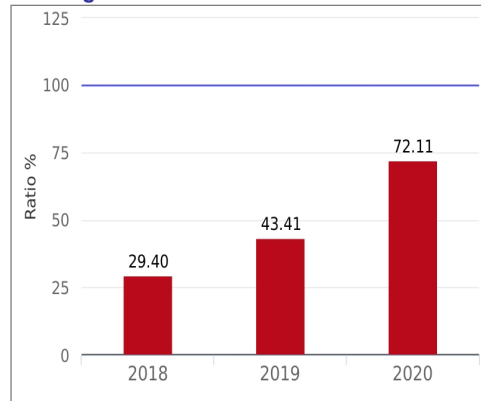
(*) All asset performance indicators are calculated using classes identified in the previous table.

(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.

Report on Infrastructure Assets (continued)
as at 30 June 2020

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

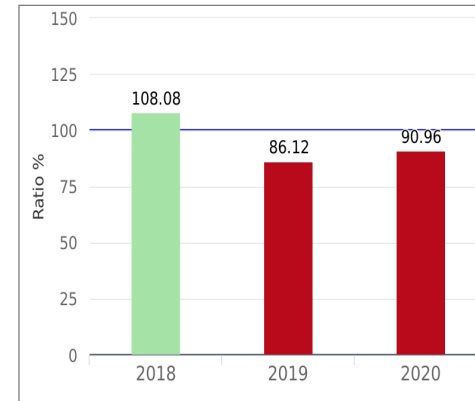
19/20 ratio 72.11%

Expenditure was not achieved as planned due to unfilled middle management positions. If the carry over is added in the position will achieve the benchmark.

Benchmark: — $\geq 100.00\%$ ■ Ratio achieves benchmark ■ Ratio is outside benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

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

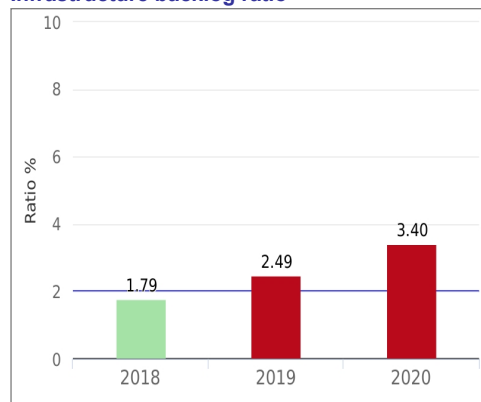
19/20 ratio 90.96%

A major planning exercise will be conducted in 2020/2021 to balance renewal and new works. Until an Asset Manager is appointed and a full compliment of staff can be retained this ratio will be volatile.

Benchmark: — $> 100.00\%$ ■ Ratio achieves benchmark ■ Ratio is outside benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

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

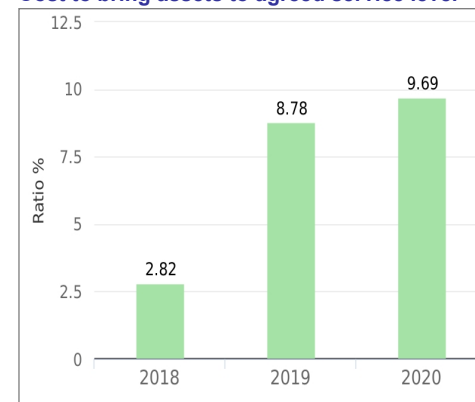
19/20 ratio 3.40%

A major planning exercise will be conducted in 2020/2021 to balance renewal and new works. Until an Asset Manager is appointed and a full compliment of staff can be retained this ratio will be volatile.

Benchmark: — $< 2.00\%$ ■ Ratio achieves benchmark ■ Ratio is outside benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

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

19/20 ratio 9.69%

A major planning exercise will be conducted in 2020/2021 to balance renewal and new works. Until an Asset Manager is appointed and a full compliment of staff can be retained this ratio will be volatile.

Report on Infrastructure Assets (continued)

as at 30 June 2020

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2020	2019	2020	2019	2020	2019	
Infrastructure asset performance indicators (by fund)							
Buildings and infrastructure renewals ratio ¹							
Asset renewals ²							
Depreciation, amortisation and impairment	88.54%	48.79%	0.00%	0.00%	0.00%	0.00%	>=100.00%
Infrastructure backlog ratio ¹							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	2.88%	2.32%	11.71%	8.96%	0.04%	0.43%	<2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	93.29%	80.20%	75.84%	120.21%	99.64%	158.33%	>100.00%
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	10.09%	8.37%	10.97%	19.40%	0.11%	0.85%	

(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.