

Warren Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2014

“Australia's Wool & Cotton Capital”



Warren Shire Council

Special Schedules

for the financial year ended 30 June 2014

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¹ Special Schedules are not audited (with the exception of Special Schedule 9).

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.

Warren Shire Council

Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2014

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Governance	462	-	-	(462)
Administration	1,497	211	-	(1,286)
Public Order and Safety				
Fire Service Levy, Fire Protection, Emergency Services	191	69	-	(122)
Enforcement of Local Govt. Regulations	-	1	-	1
Animal Control	89	4	-	(85)
Total Public Order & Safety	280	74	-	(206)
Health	243	14	-	(229)
Environment				
Noxious Plants and Insect/Vermin Control	95	-	-	(95)
Total Environment	95	-	-	(95)
Community Services and Education				
Youth Services	9	6	-	(3)
Total Community Services & Education	9	6	-	(3)
Housing and Community Amenities				
Housing	46	28	-	(18)
Town Planning	-	31	-	31
Waste Management	286	232	-	(54)
Street Cleaning	111	-	-	(111)
Drainage	79	-	-	(79)
Levee Protection	134	5	-	(129)
Public Cemeteries	70	59	-	(11)
Other Community Amenities	4	-	-	(4)
Total Housing and Community Amenities	730	355	-	(375)
Water Supplies	738	621	-	(117)
Sewerage Services	660	544	-	(116)

Warren Shire Council

Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2014

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Recreation and Culture				
Public Libraries	325	93	-	(232)
Other Cultural Services	9	-	-	(9)
Sporting Grounds and Venues	257	28	-	(229)
Swimming Pools	190	47	-	(143)
Parks & Gardens (Lakes)	252	-	-	(252)
Other Sport and Recreation	375	46	-	(329)
Total Recreation and Culture	1,408	214	-	(1,194)
Mining, Manufacturing and Construction				
Building Control	-	1	-	1
Other Mining, Manufacturing & Construction	17	46	-	29
Total Mining, Manufacturing and Const.	17	47	-	30
Transport and Communication				
Urban Roads (UR) - Local	210	3	-	(207)
Sealed Rural Roads (SRR) - Local	985	554	-	(431)
Sealed Rural Roads (SRR) - Regional	1,140	1,562	-	422
Unsealed Rural Roads (URR) - Local	1,891	173	-	(1,718)
Unsealed Rural Roads (URR) - Regional	207	207	-	-
Bridges on SRR - Local	110	-	-	(110)
Bridges on URR - Local	51	8	-	(43)
Bridges on Regional Roads	5	5	-	-
RMS - State Roads	450	556	-	106
Street Lighting	93	26	-	(67)
Parking Areas	1	-	-	(1)
Footpaths	45	-	-	(45)
Aerodromes	54	-	-	(54)
Other Transport & Communication	58	-	-	(58)
Total Transport and Communication	5,300	3,094	-	(2,206)
Economic Affairs				
Camping Areas & Caravan Parks	11	4	-	(7)
Tourism & Economic Development	115	22	-	(93)
Other Economic Affairs	121	90	-	(31)
Total Economic Affairs	247	116	-	(131)
Totals – Functions	11,686	5,296	-	(6,390)
General Purpose Revenues ⁽²⁾		5,724		5,724
Share of interests - joint ventures & associates using the equity method	4	-		(4)
NET OPERATING RESULT ⁽¹⁾	11,690	11,020	-	(670)

(1) As reported in the Income Statement

(2) Includes: Rates & Annual Charges (incl. Ex Gratia, excl. Water & Sewer), Non Capital General Purpose Grants, Interest on Investments (excl. Ext. Restricted Assets) & Interest on overdue Rates & Annual Charges

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)

for the financial year ended 30 June 2014

\$'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	28	196	224	-	28	-	-	-	28	168	196
Financial Institutions	44	389	433	-	44	-	-	32	46	343	389
Total Loans	72	585	657	-	72	-	-	32	74	511	585
Total Debt	72	585	657	-	72	-	-	32	74	511	585

Notes: Excludes (i) Internal Loans & (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).

Warren Shire Council

Special Schedule No. 3 - Water Supply Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
A Expenses and Income Expenses		
1. Management expenses		
a. Administration	120	136
b. Engineering and Supervision	59	52
2. Operation and Maintenance expenses		
- Dams & Weirs		
a. Operation expenses	-	-
b. Maintenance expenses	-	-
- Mains		
c. Operation expenses	41	21
d. Maintenance expenses	144	145
- Reservoirs		
e. Operation expenses	8	5
f. Maintenance expenses	11	10
- Pumping Stations		
g. Operation expenses (excluding energy costs)	3	13
h. Energy costs	60	57
i. Maintenance expenses	20	50
- Treatment		
j. Operation expenses (excluding chemical costs)	10	15
k. Chemical costs	18	16
- Other		
m. Operation expenses	10	10
n. Maintenance expenses	1	5
o. Purchase of water	24	20
3. Depreciation expenses		
a. System assets	167	156
b. Plant and equipment	21	21
4. Miscellaneous expenses		
a. Interest expenses	-	-
b. Revaluation Decrements	-	-
c. Other expenses	33	36
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalent Dividends (actually paid)	-	-
5. Total expenses	750	768

Warren Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
Income		
6. Residential charges		
a. Access (including rates)	273	262
b. Usage charges	282	274
7. Non-residential charges		
a. Access (including rates)	29	28
b. Usage charges	39	42
8. Extra charges	1	1
9. Interest income	18	24
10. Other income	11	2
10a. Aboriginal Communities Water and Sewerage Program	-	-
11. Grants		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	9	10
c. Other grants	-	-
12. Contributions		
a. Developer charges	-	-
b. Developer provided assets	-	-
c. Other contributions	7	-
13. Total income	669	643
14. Gain (or loss) on disposal of assets	-	-
15. Operating Result	(81)	(125)
15a. Operating Result (less grants for acquisition of assets)	(81)	(125)

Warren Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
B Capital transactions		
Non-operating expenditures		
16. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	-	90
b. New Assets for Growth	-	-
c. Renewals	41	-
d. Plant and equipment	-	-
17. Repayment of debt		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
18. Transfer to sinking fund	-	-
19. Totals	41	90
Non-operating funds employed		
20. Proceeds from disposal of assets	-	-
21. Borrowing utilised		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
22. Transfer from sinking fund	-	-
23. Totals	-	-
C Rates and charges		
24. Number of assessments		
a. Residential (occupied)	881	878
b. Residential (unoccupied, ie. vacant lot)	63	65
c. Non-residential (occupied)	94	94
d. Non-residential (unoccupied, ie. vacant lot)		-
25. Number of ETs for which developer charges were received	- ET	- ET
26. Total amount of pensioner rebates (actual dollars)	\$ 17,041	\$ 17,391

Warren Shire Council

Special Schedule No. 3 - Water Supply Cross Subsidies

for the financial year ended 30 June 2014

\$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
27. Annual charges			
a. Does Council have best-practice water supply annual charges and usage charges*?	<input type="checkbox"/>	<input type="checkbox"/>	
If Yes, go to 28a.			
If No, please report if council has removed land value from access charges (ie rates)?	<input type="checkbox"/>	<input type="checkbox"/>	
NB. Such charges for both residential customers and non-residential customers comply with section 3.2 of Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy from residential customers using less than allowance (page 25 of Guidelines)			-
c. Cross-subsidy to non-residential customers (page 24 of Guidelines)			-
d. Cross-subsidy to large connections in unmetered supplies (page 26 of Guidelines)			-
28. Developer charges			
a. Has council completed a water supply Development Servicing** Plan?	<input type="checkbox"/>	No	
b. Total cross-subsidy in water supply developer charges for 2012/13 (page 47 of Guidelines)			-
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
29. Disclosure of cross-subsidies			
Total of cross-subsidies (27b +27c + 27d + 28b)			-
* Councils which have not yet implemented best practice water supply pricing should disclose cross-subsidies in items 27b, 27c and 27d above.			
However, disclosure of cross-subsidies is not required where a Council has implemented best practice pricing and is phasing in such pricing over a period of 3 years.			

Warren Shire Council

Special Schedule No. 4 - Water Supply Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2014

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
30. Cash and investments			
a. Developer charges	-	-	-
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	461	-	461
31. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	10	4	14
c. User Charges	66	-	66
d. Other	-	-	-
32. Inventories	-	-	-
33. Property, plant and equipment			
a. System assets	-	6,428	6,428
b. Plant and equipment	-	257	257
34. Other assets	-	-	-
35. Total assets	537	6,689	7,226
LIABILITIES			
36. Bank overdraft	-	-	-
37. Creditors	7	-	7
38. Borrowings			
a. Loans	2	-	2
b. Advances	-	-	-
c. Finance leases	-	-	-
39. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	9	5	14
40. Total liabilities	18	5	23
41. NET ASSETS COMMITTED	519	6,684	7,203
EQUITY			
42. Accumulated surplus			4,287
43. Asset revaluation reserve			2,916
44. TOTAL EQUITY			7,203
Note to system assets:			
45. Current replacement cost of system assets			13,559
46. Accumulated current cost depreciation of system assets			(7,131)
47. Written down current cost of system assets			6,428

Warren Shire Council

Special Schedule No. 5 - Sewerage Service Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
A Expenses and Income Expenses		
1. Management expenses		
a. Administration	109	141
b. Engineering and Supervision	77	55
2. Operation and Maintenance expenses		
- Mains		
a. Operation expenses	1	3
b. Maintenance expenses	87	64
- Pumping Stations		
c. Operation expenses (excluding energy costs)	-	-
d. Energy costs	27	19
e. Maintenance expenses	51	72
- Treatment		
f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	51	54
g. Chemical costs	-	-
h. Energy costs	3	3
i. Effluent Management	-	-
j. Biosolids Management	-	-
k. Maintenance expenses	21	29
- Other		
l. Operation expenses	-	-
m. Maintenance expenses	-	-
3. Depreciation expenses		
a. System assets	201	156
b. Plant and equipment	28	51
4. Miscellaneous expenses		
a. Interest expenses	-	-
b. Revaluation Decrements	-	-
c. Other expenses	16	35
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalent Dividends (actually paid)	-	-
5. Total expenses	672	682

Warren Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
Income		
6. Residential charges (including rates)	363	364
7. Non-residential charges		
a. Access (including rates)	44	44
b. Usage charges	64	65
8. Trade Waste Charges		
a. Annual Fees	-	-
b. Usage charges	-	-
c. Excess mass charges	-	-
d. Re-inspection fees	-	-
9. Extra charges	1	1
10. Interest income	91	114
11. Other income	8	3
11a. Aboriginal Communities Water & Sewerage Program	-	-
12. Grants		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	9	9
c. Other grants	-	-
13. Contributions		
a. Developer charges	-	-
b. Developer provided assets	-	-
c. Other contributions	-	-
14. Total income	<u>580</u>	<u>600</u>
15. Gain (or loss) on disposal of assets	(3)	-
16. Operating Result	<u>(95)</u>	<u>(82)</u>
16a. Operating Result (less grants for acquisition of assets)	(95)	(82)

Warren Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.

for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
B Capital transactions		
Non-operating expenditures		
17. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	-	28
b. New Assets for Growth	-	-
c. Renewals	140	-
d. Plant and equipment	74	47
18. Repayment of debt		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
19. Transfer to sinking fund	-	-
20. Totals	214	75
Non-operating funds employed		
21. Proceeds from disposal of assets	8	11
22. Borrowing utilised		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
23. Transfer from sinking fund	-	-
24. Totals	8	11
C Rates and charges		
25. Number of assessments		
a. Residential (occupied)	771	771
b. Residential (unoccupied, ie. vacant lot)	18	18
c. Non-residential (occupied)	31	91
d. Non-residential (unoccupied, ie. vacant lot)	-	-
26. Number of ETs for which developer charges were received	- ET	- ET
27. Total amount of pensioner rebates (actual dollars)	\$ 15,466	\$ 15,728

Warren Shire Council

Special Schedule No. 5 - Sewerage Cross Subsidies

for the financial year ended 30 June 2014

\$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
28. Annual charges			
a. Does Council have best-practice sewerage annual charges, usage charges and trade waste fees & charges*?	<input type="checkbox"/>	<input type="checkbox"/>	
If Yes, go to 29a.			
If No, please report if council has removed land value from access charges (ie rates)?			
<p>NB. Such charges for both residential customers and non-residential customers comply with section 4.2 & 4.3 of the Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.</p>			
b. Cross-subsidy to non-residential customers (page 45 of Guidelines)			<input type="text" value="-"/>
c. Cross-subsidy to trade waste discharges (page 46 of Guidelines)			<input type="text" value="-"/>
29. Developer charges			
a. Has council completed a sewerage Development Servicing** Plan?	<input type="checkbox"/>	<input type="checkbox" value="No"/>	
b. Total cross-subsidy in sewerage developer charges for 2012/13 (page 47 of Guidelines)			<input type="text" value="-"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
30. Disclosure of cross-subsidies			
Total of cross-subsidies (28b + 28c + 29b)			<input type="text" value="-"/>
* Councils which have not yet implemented best practice sewer pricing & liquid waste pricing should disclose cross-subsidies in items 28b and 28c above.			
However, disclosure of cross-subsidies is not required where a Council has implemented best practice sewerage and liquid waste pricing and is phasing in such pricing over a period of 3 years.			

Warren Shire Council

Special Schedule No. 6 - Sewerage Service Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.

as at 30 June 2014

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
31. Cash and investments			
a. Developer charges	-	-	-
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	2,324	-	2,324
32. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	13	4	17
c. User Charges	2	-	2
d. Other	2	6	8
33. Inventories	-	-	-
34. Property, plant and equipment			
a. System assets	-	4,384	4,384
b. Plant and equipment	-	256	256
35. Other assets	-	-	-
36. Total Assets	2,341	4,650	6,991
LIABILITIES			
37. Bank overdraft	-	-	-
38. Creditors	-	-	-
39. Borrowings			
a. Loans	-	-	-
b. Advances	-	-	-
c. Finance leases	-	-	-
40. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	17	-	17
41. Total Liabilities	17	-	17
42. NET ASSETS COMMITTED	2,324	4,650	6,974
EQUITY			
42. Accumulated surplus			4,395
44. Asset revaluation reserve			2,579
45. TOTAL EQUITY			6,974
Note to system assets:			
46. Current replacement cost of system assets			13,319
47. Accumulated current cost depreciation of system assets			(8,935)
48. Written down current cost of system assets			4,384

Warren Shire Council

Notes to Special Schedule No.'s 3 & 5

for the financial year ended 30 June 2014

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 & 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) incl. 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.

Special Schedule No. 7 - Report on Infrastructure Assets

as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Actual ⁽³⁾ Maintenance 2013/14	Written Down Value (WDV) ⁽⁴⁾	Assets in Condition as a % of WDV ^{(4), (5)}				
						1	2	3	4	5
Buildings	Council Offices / Administration Centres	-	10	25	1,244	0%	100%	0%	0%	0%
	Council Works Depot	-	5	-	1,794	100%	0%	0%	0%	0%
	Council Public Halls	30	15	3	26	0%	0%	0%	100%	0%
	Libraries	-	5	22	468	0%	100%	0%	0%	0%
	Sporting & Cultural Complex	-	10	30	1,776	0%	100%	0%	0%	0%
	Other Buildings	50	45	88	2,097	0%	60%	35%	5%	0%
	Specialised Buildings	50	45	67	2,212	0%	50%	30%	15%	5%
	sub total	130	135	235	9,617	18.7%	60.9%	14.5%	4.8%	1.2%
Other Structures	Other Structures	15	10	7	6,101	0%	90%	8%	2%	0%
	sub total	15	10	7	6,101	0.0%	90.0%	8.0%	2.0%	0.0%
Roads	Sealed Roads	400	900	950	68,650	10%	10%	50%	30%	0%
	Unsealed Roads	1,000	600	789	23,307	0%	15%	50%	35%	0%
	Bridges	350	25	9	11,202	0%	10%	60%	20%	10%
	Footpaths	100	20	18	1,047	5%	10%	45%	35%	5%
	sub total	1,850	1,545	1,766	104,206	6.6%	11.1%	51.0%	30.1%	1.1%

Special Schedule No. 7 - Condition of Public Works (continued)

as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Actual ⁽³⁾ Maintenance 2013/14	Written Down Value (WDV) ⁽⁴⁾	Assets in Condition as a % of WDV ^{(4), (5)}				
						1	2	3	4	5
Water Supply Network	Bores	70	10	10	31	0%	20%	70%	10%	0%
	Mains	80	80	144	2,583	2%	10%	70%	18%	0%
	Reservoirs	15	15	11	3,374	55%	10%	25%	10%	0%
	Pumping Station/s	10	10	20	440	25%	35%	35%	5%	0%
	sub total	175	115	185	6,428	31.4%	11.8%	44.0%	12.9%	0.0%
Sewerage Network	Mains	200	100	87	2,399	5%	15%	60%	20%	0%
	Pumping Station/s	20	10	51	1,428	0%	80%	15%	5%	0%
	Treatment	100	25	21	557	0%	0%	95%	5%	0%
	sub total	320	135	159	4,384	2.7%	34.3%	49.8%	13.2%	0.0%

Warren Shire Council

Special Schedule No. 7 - Condition of Public Works (continued)

as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard ⁽¹⁾	Required Annual Maintenance ⁽²⁾	Actual Maintenance 2013/14 ⁽³⁾	Written Down Value (WDV) ⁽⁴⁾	Assets in Condition as a % of WDV ^{(4), (5)}				
						1	2	3	4	5
Stormwater Drainage	Stormwater	80	10	13	2,099	0%	40%	40%	20%	0%
	sub total	80	10	13	2,099	0.0%	40.0%	40.0%	20.0%	0.0%
Open Space/ Recreational Assets	Swimming Pools	60	15	21	35	0%	0%	50%	50%	0%
	Other Recreational	40	25	15	639	10%	70%	10%	10%	0%
	sub total	100	40	36	674	9.5%	66.4%	12.1%	12.1%	0.0%
	TOTAL - ALL ASSETS	2,670	1,990	2,401	133,509	8.2%	19.8%	45.7%	25.4%	1.0%

Notes:

- (1). Satisfactory is defined as "satisfying expectations or needs, leaving no room for complaint, causing satisfaction, adequate".
The estimated cost to bring assets to a satisfactory standard is the amount of money that is required to be spent on an asset to ensure that it is in a satisfactory standard.
This estimated cost should not include any planned enhancements (ie.to heighten, intensify or improve the facilities).
- (2). Required Annual Maintenance is "what should be spent to maintain assets in a satisfactory standard.
- (3). Actual Maintenance is what has been spent in the current year to maintain the assets.
Actual Maintenance may be higher or lower than the required annual maintenance due to the timing of when the maintenance actually occurs.
- (4). Written Down Value is in accordance with Note 9 of Council's General Purpose Financial Statements
- (5). **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

Warren Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)

for the financial year ended 30 June 2014

\$ '000	Amounts	Indicator	Prior Periods	
	2014	2014	2013	2012
Infrastructure Asset Performance Indicators Consolidated				
1. Building and Infrastructure Renewals Ratio				
Asset Renewals (Building and Infrastructure) ⁽¹⁾	<u>4,164</u>	143.09%	118.77%	51.59%
Depreciation, Amortisation & Impairment	<u>2,910</u>			
2. Infrastructure Backlog Ratio				
Estimated Cost to bring Assets to a Satisfactory Condition	<u>2,670</u>	0.02	0.03	0.06
Total value ⁽²⁾ of Infrastructure, Building, Other Structures & depreciable Land Improvement Assets	<u>133,509</u>			
3. Asset Maintenance Ratio				
Actual Asset Maintenance	<u>2,401</u>	1.21	1.05	0.86
Required Asset Maintenance	<u>1,990</u>			
4. Capital Expenditure Ratio				
Annual Capital Expenditure	<u>5,368</u>	1.49	1.79	0.97
Annual Depreciation	<u>3,612</u>			

Notes

⁽¹⁾ Asset Renewals represent the replacement &/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. Asset Renewals include building and infrastructure assets only.

⁽²⁾ Written down value

Warren Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)

for the financial year ended 30 June 2014

\$ '000	Water 2014	Sewer 2014	General ⁽¹⁾ 2014
Infrastructure Asset Performance Indicators By Fund			
1. Building and Infrastructure Renewals Ratio			
Asset Renewals (Building and Infrastructure) ⁽¹⁾	24.55%	69.65%	156.69%
Depreciation, Amortisation & Impairment			
prior period:	57.69%	14.21%	131.21%
2. Infrastructure Backlog Ratio			
Estimated Cost to bring Assets to a Satisfactory Condition			
Total value ⁽³⁾ of Infrastructure, Building, Other Structures & Depreciable Land Improvement Assets	0.03	0.07	0.02
prior period:	0.00	0.00	0.00
3. Asset Maintenance Ratio			
Actual Asset Maintenance			
Required Asset Maintenance	1.61	1.18	1.18
prior period:	0.54	0.84	1.05
4. Capital Expenditure Ratio			
Annual Capital Expenditure			
Annual Depreciation	0.22	0.93	1.60
prior period:	0.51	0.36	2.02

Notes

(1) General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

(2) Asset Renewals represent the replacement &/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. Asset Renewals include building and infrastructure assets only.

(3) Written down value

Special Schedule No. 8 - Financial Projections

as at 30 June 2014

\$'000	Actual ⁽¹⁾ 13/14	Forecast ⁽³⁾ 14/15	Forecast ⁽³⁾ 15/16	Forecast ⁽³⁾ 16/17	Forecast ⁽³⁾ 17/18	Forecast ⁽³⁾ 18/19	Forecast ⁽³⁾ 19/20	Forecast ⁽³⁾ 20/21	Forecast ⁽³⁾ 21/22	Forecast ⁽³⁾ 22/23	Forecast ⁽³⁾ 23/24
(i) OPERATING BUDGET											
Income from continuing operations	11,020	11,876	12,228	12,562	12,910	13,258	13,595	13,978	14,380	14,794	15,218
Expenses from continuing operations	11,690	12,431	12,494	12,758	13,029	13,306	13,584	13,883	14,192	14,812	15,127
Operating Result from Continuing Operations	(670)	(555)	(266)	(196)	(119)	(48)	11	95	188	(18)	91
(ii) CAPITAL BUDGET											
New Capital Works ⁽²⁾	333	-	-	-	-	-	-	-	-	-	-
Replacement/Refurbishment of Existing Assets	5,035	3,867	4,373	4,250	4,743	5,573	5,137	4,405	4,662	4,644	4,362
Total Capital Budget	5,368	3,867	4,373	4,250	4,743	5,573	5,137	4,405	4,662	4,644	4,362
Funded by:											
- Loans	-	-	-	-	-	-	-	-	-	-	-
- Asset sales	292	275	311	321	330	340	351	361	372	383	395
- Reserves	2,979	519	807	608	1,018	1,771	1,270	450	507	443	-
- Grants/Contributions	1,420	2,420	2,500	2,600	2,700	2,800	2,900	3,000	3,100	3,200	3,300
- Recurrent revenue	677	653	755	721	695	662	616	594	683	618	667
- Other	-	-	-	-	-	-	-	-	-	-	-
	5,368	3,867	4,373	4,250	4,743	5,573	5,137	4,405	4,662	4,644	4,362

Notes:

(1) From 13/14 Income Statement.

(2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.

(3) Financial projections should be in accordance with Council's Integrated Planning and Reporting framework.

Warren Shire Council

Special Schedule No. 9 - Permissible Income Calculation

for the financial year ended 30 June 2015

\$'000		Calculation 2013/14	Calculation 2014/15
Notional General Income Calculation ⁽¹⁾			
Last Year Notional General Income Yield	a	4,290	4,290
Plus or minus Adjustments ⁽²⁾	b	(144)	6
Notional General Income	c	4,146	4,296
Permissible Income Calculation			
Special variation percentage ⁽³⁾	d		
or Rate peg percentage	e	3.40%	2.30%
or Crown land adjustment incl. rate peg percentage	f		
less expiring Special variation amount	g	-	-
plus Special variation amount	h = c x d	-	-
or plus Rate peg amount	i = c x e	141	99
or plus Crown land adjustment and rate peg amount	j = c x f	-	-
sub-total	k = (c+g+h+i+j)	4,287	4,395
plus (or minus) last year's Carry Forward Total	l	4	1
less Valuation Objections claimed in the previous year	m	-	-
sub-total	n = (l + m)	4	1
Total Permissible income	o = k + n	4,291	4,396
less Notional General Income Yield	p	4,290	4,394
Catch-up or (excess) result	q = o - p	1	2
plus Income lost due to valuation objections claimed ⁽⁴⁾	r	-	3
less Unused catch-up ⁽⁵⁾	s	-	(1)
Carry forward to next year	t = q + r - s	1	4

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.

WARREN SHIRE COUNCIL
SPECIAL SCHEDULE NO. 9
INDEPENDENT AUDITORS' REPORT

REPORT ON SPECIAL SCHEDULE NO. 9

We have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 9) of Warren Shire Council for the year ending 30 June 2015.

Responsibility of Council for Special Schedule No. 9

The Council is responsible for the preparation and fair presentation of Special Schedule No. 9 in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update No. 22. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Special Schedule No. 9 that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on Special Schedule No. 9 based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether Special Schedule No. 9 is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in Special Schedule No. 9. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Special Schedule No. 9, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of Special Schedule No. 9.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

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In making our risk assessments, we consider internal controls relevant to the entity's preparation of Special Schedule No. 9 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, Special Schedule No. 9 of Warren Shire Council for 2014/15 is properly drawn up in accordance with the requirements of the Office of Local Government and in accordance with the books and records of the Council.

Basis of Accounting

Without modifying our opinion, we advise that this schedule has been prepared for distribution to the Office of Local Government for the purposes of confirming that Council's reconciliation of Council's total permissible general income is presented fairly. As a result, the schedule may not be suitable for another purpose.

HILL ROGERS SPENCER STEER



BRETT HANGER

Partner

Dated at Sydney this 15th day of August 2014