

**Wingecarribee Shire Council**

**Attachment 4**

Fit for the Future Self-Assessment Tool

# Fit for the Future Criteria Results

## Wingecarribee Shire Council



### BENCHMARK

*Operating Performance Ratio (greater or equal to break-even average over 3 years)*  
*Own Source Revenue Ratio (greater than 60% average over 3 years)*  
*Building and Infrastructure Asset Renewal Ratio (greater than 100% average over 3 years)*

| RESULT | MEETS FFTF BENCHMARK |   |
|--------|----------------------|---|
| -0.075 | NO                   | ✗ |
| 80.69% | YES                  | ✓ |
| 42.03% | NO                   | ✗ |

*Infrastructure Backlog Ratio (less than 2%)*  
*Asset Maintenance Ratio (greater than 100% average over 3 years)*  
*Debt Service Ratio (greater than 0 and less than or equal to 20% average over 3 years)*

|        |     |   |
|--------|-----|---|
| 5.83%  | NO  | ✗ |
| 90.89% | NO  | ✗ |
| 1.53%  | YES | ✓ |

*A decrease in Real Operating Expenditure per capita over time*

|            |    |   |
|------------|----|---|
| Increasing | NO | ✗ |
|------------|----|---|

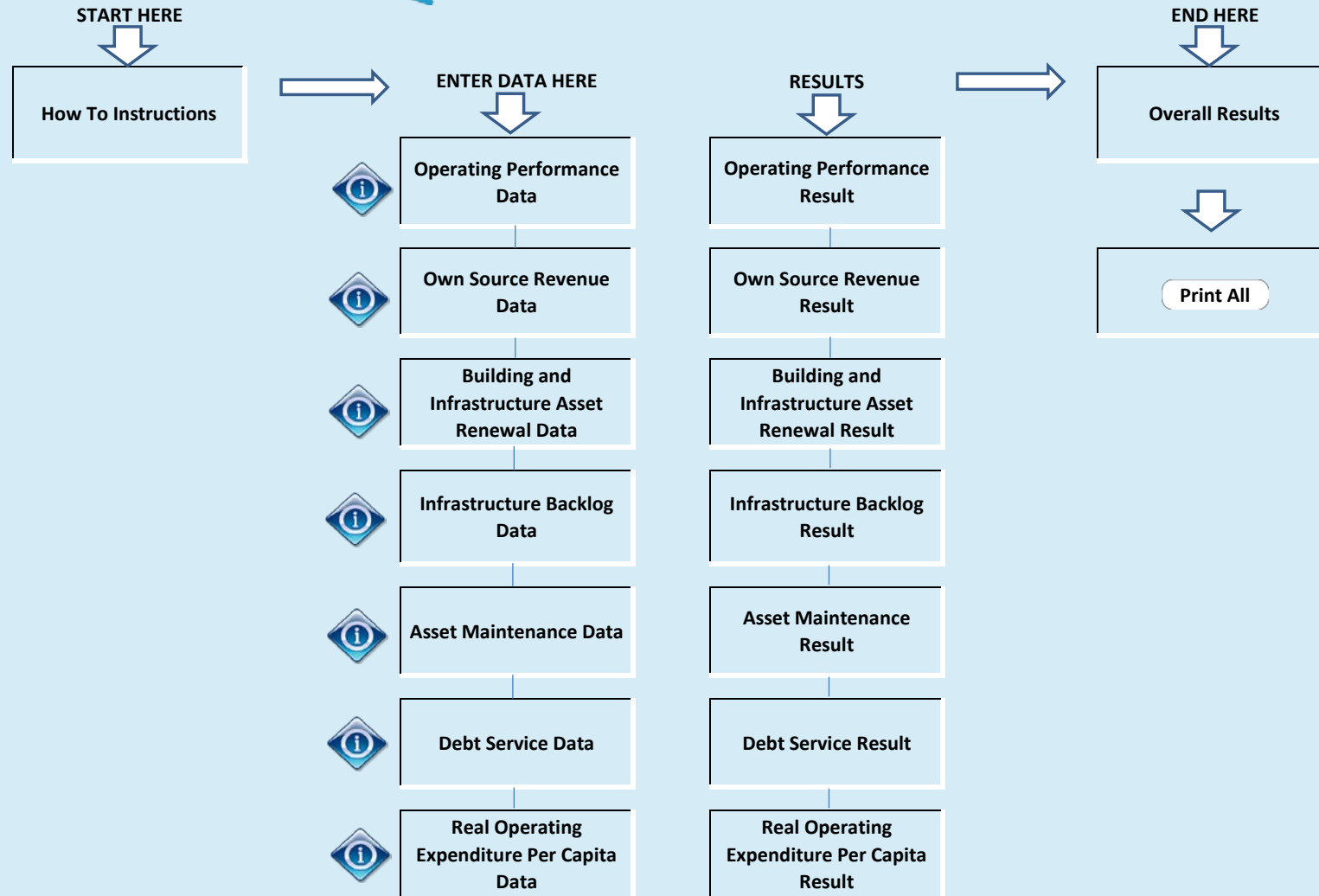
### OVERALL RESULT



*The Council does not meet all seven of the Fit for the Future Criteria*



## Self Assessment Tool



# INSTRUCTIONS



Wingecarribee Shire Council

**COUNCILS ARE TO USE ONLY GENERAL FUND DATA FOR THIS PURPOSE**

This self-assessment tool has been developed to assist councils in analysing their performance against the following seven Fit for the Future measures and by completing the Fit for the Future (existing structure) template. It may also assist councils that are considering merging or becoming a Rural Council, understand current performance.

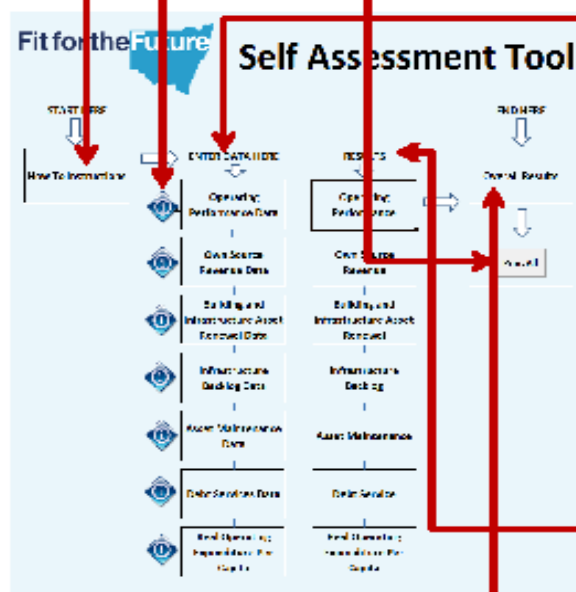


- *Operating Performance Ratio (greater or equal to break-even average over 3 years)*
- *Own Source Revenue Ratio (greater than 60% average over 3 years)*
- *Building and Infrastructure Asset Renewal Ratio (greater than 100% average over 3 years)*
- *Infrastructure Backlog Ratio (less than 2%)*
- *Asset Maintenance Ratio (greater than 100% average over 3 years)*
- *Debt Service Ratio (greater than 0 and less than or equal to 20% average over 3 years)*
- *A decrease in Real Operating Expenditure per capita over time*

On the **Main Menu** and on each of the sheets there are a range of buttons to assist you in navigating through the template.

The **Print All** button will print all **Information, Data and Result** sheets as well as the **Overall Results** sheet.

1. Select your council from the dropdown list on the **How to Instructions** sheet.
2. For information regarding the description and rationale of the criteria/benchmark, click on the information icon.



## 3. ENTER DATA HERE

Enter financial data for each of the seven measures to enable the automated calculations of the relevant ratios.

**General Fund only data is to be entered**

**DO:-**

Enter numbers (\$000) only into **ALL** the white cells

Enter '0' if not applicable

Enter both revenue and expenditure as positive figures

Enter General Fund data only

**DON'T:-**

Leave any white cells blank

Enter N/A or anything other than a number

Enter Water and Sewer data

Once you have entered the financial data in each of the seven **Data** sheets you can then view the result in the respective **Result** sheet.

## 4. RESULTS

This section contains the benchmark result and shows how this has been calculated.

## 1. OVERALL RESULTS

The council's results will be displayed on the overall results sheet along-side the seven Fit for the Future benchmarks. Councils are required to enter the results for each of the measures into the Fit for the Future (existing structure) template and use this to inform strategies and actions to become or remain Fit for the Future.

# OPERATING PERFORMANCE RATIO

## Wingecarribee Shire Council

*Total continuing operating revenue (exc. capital grants and contributions) less operating expenses*

*Total continuing operating revenue (exc. capital grants and contributions)*

### Description and Rationale for Criteria:

- TCorp in their review of financial sustainability of local government found that operating performance was a core measure of financial sustainability.
- Ongoing operating deficits are unsustainable and they are one of the key financial sustainability challenges facing the sector as a whole. While operating deficits are acceptable over a short period, consistent deficits will not allow Councils to maintain or increase their assets and services or execute their infrastructure plans.
- Operating performance ratio is an important measure as it provides an indication of how a Council generates revenue and allocates expenditure (e.g. asset maintenance, staffing costs). It is an indication of continued capacity to meet on-going expenditure requirements.

### Description and Rationale for Benchmark:

- TCorp recommended that all Councils should be at least break even operating position or better, as a key component of financial sustainability. Consistent with this recommendation the benchmark for this criteria is greater than or equal to break even over a 3 year period.

# OWN SOURCE REVENUE RATIO

## Wingecarribee Shire Council

$$\frac{\text{Total continuing operating revenue less all grants and contributions}}{\text{Total continuing operating revenue inclusive of capital grants and contributions}}$$

### Description and Rationale for Criteria:

- Own source revenue measures the degree of reliance on external funding sources (e.g. grants and contributions). This ratio measures fiscal flexibility and robustness. Financial flexibility increases as the level of own source revenue increases. It also gives councils greater ability to manage external shocks or challenges.
- Councils with higher own source revenue have greater ability to control or manage their own operating performance and financial sustainability.

### Description and Rationale for Benchmark:

- TCorp has used a benchmark for own source revenue of greater than 60 per cent of total operating revenue. All Councils should aim to meet or exceed this benchmark over a three year period.
- It is acknowledged that many councils have limited options in terms of increasing its own source revenue, especially in rural areas. However, 60 per cent is considered the lowest level at which councils have the flexibility necessary to manage external shocks and challenges.

# ***BUILDING AND INFRASTRUCTURE ASSET RENEWAL RATIO***

## **Wingecarribee Shire Council**

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### ***Asset renewals (building and infrastructure)***

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#### **Depreciation, amortisation and impairment (building and infrastructure)**

#### ***Description and Rationale for Criteria:***

- The building and infrastructure renewals ratio represents the replacement or refurbishment of existing assets to an equivalent capacity or performance, as opposed to the acquisition of new assets or the refurbishment of old assets that increase capacity or performance. The ratio compares the proportion spent on infrastructure asset renewals and the asset's deterioration.
- This is a consistent measure that can be applied across councils of different sizes and locations. A higher ratio is an indicator of strong performance.

#### ***Description and Rationale for Benchmark:***

- Performance of less than one hundred percent indicates that a Council's existing assets are deteriorating faster than they are being renewed and that potentially council's infrastructure backlog is worsening. Councils with consistent asset renewals deficits will face degradation of building and infrastructure assets over time.
- Given that a ratio of greater than one hundred percent is adopted, to recognise that capital expenditures are sometimes lumpy and can be lagged, performance is averaged over three years.

# INFRASTRUCTURE BACKLOG RATIO

## Wingecarribee Shire Council

*Estimated cost to bring assets to a satisfactory condition*

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*Total (WDV) of infrastructure, buildings, other structures and depreciable land improvement assets*

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### Description and Rationale for Criteria:

- The infrastructure backlog ratio indicates the proportion of backlog against the total value of the Council's infrastructure assets. It is a measure of the extent to which asset renewal is required to maintain or improve service delivery in a sustainable way. This measures how councils are managing their infrastructure which is so critical to effective community sustainability.
- It is acknowledged, that the reliability of infrastructure data within NSW local government is mixed. However, as asset management practices within councils improve, it is anticipated that infrastructure reporting data reliability and quality will increase.
- This is a consistent measure that can be applied across councils of different sizes and locations. A low ratio is an indicator of strong performance.

### Description and Rationale for Benchmark:

- High infrastructure backlog ratios and an inability to reduce this ratio in the near future indicate an underperforming Council in terms of infrastructure management and delivery. Councils with increasing infrastructure backlogs will experience added pressure in maintaining service delivery and financing current and future infrastructure demands.
- TCorp adopted a benchmark of less than 2 per cent to be consistently applied across councils. The application of this benchmark reflects the State Government's focus on reducing infrastructure backlogs.



# ASSET MAINTENANCE RATIO

## Wingecarribee Shire Council

$$\frac{\text{Actual asset maintenance}}{\text{Required asset maintenance}}$$

### Description and Rationale for Criteria:

- The asset maintenance ratio reflects the actual asset maintenance expenditure relative to the required asset maintenance as measured by an individual council.
- The ratio provides a measure of the rate of asset degradation (or renewal) and therefore has a role in informing asset renewal and capital works planning.

### Description and Rationale for Benchmark:

- The benchmark adopted is greater than one hundred percent, which implies that asset maintenance expenditure exceeds the council identified requirements. This benchmark is consistently adopted by the NSW Treasury Corporation (TCORP). A ratio of less than one hundred percent indicates that there may be a worsening infrastructure backlog.
- Given that a ratio of greater than one hundred percent is adopted, to recognise that maintenance expenditure is sometimes lumpy and can be lagged, performance is averaged over three years.

# DEBT SERVICE RATIO

## Wingecarribee Shire Council

$$\frac{\text{Cost of debt service (interest expense \& principal repayments)}}{\text{Total continuing operating revenue (exc. capital grants and contributions)}}$$

### Description and Rationale for Criteria:

- Prudent and active debt management is a key part of Councils' approach to both funding and managing infrastructure and services over the long term.
- Prudent debt usage can also assist in smoothing funding costs and promoting intergenerational equity. Given the long life of many council assets it is appropriate that the cost of these assets should be equitably spread across the current and future generations of users and ratepayers. Effective debt usage allows councils to do this.
- Inadequate use of debt may mean that councils are forced to raise rates that a higher than necessary to fund long life assets or inadequately fund asset maintenance and renewals. It is also a strong proxy indicator of a council's strategic capacity.
- Council's effectiveness in this area is measured by the Debt Service Ratio.

### Description and Rationale for Benchmark:

- As outlined above, it is appropriate for Councils to hold some level of debt given their role in the provision and maintenance of key infrastructure and services for their community. It is considered reasonable for Councils to maintain a Debt Service Ratio of greater than 0 and less than or equal to 20 per cent.
- Councils with low or zero debt may incorrectly place the funding burden on current ratepayers when in fact it should be spread across generations, who also benefit from the assets. Likewise high levels of debt generally indicate a weakness in financial sustainability and/or poor balance sheet management.

# ***REAL OPERATING EXPENDITURE PER CAPITA***

## **Wingecarribee Shire Council**

### **Description and Rationale for Criteria:**

- At the outset it is acknowledged the difficulty in measuring public sector efficiency. This is because there is a range of difficulty in reliably and accurately measuring output.
- The capacity to secure economies of scale over time is a key indicator of operating efficiency. The capacity to secure efficiency improvements can be measured with respect to a range of factors, for example population, assets, and financial turnover.
- It is challenging to measure productivity changes over time. To overcome this, changes in real per capita expenditure was considered to assess how effectively Councils:
  - can realise natural efficiencies as population increases (through lower average cost of service delivery and representation); and
  - can make necessary adjustments to maintain current efficiency if population is declining (e.g. appropriate reductions in staffing or other costs).
- Assuming that service levels remain constant, decline in real expenditure per capita indicates efficiency improvements (i.e. the same level of output per capita is achieved with reduced expenditure).

### **Description and Rationale for Benchmark:**

- The measure 'trends in real expenditure per capita' reflects how the value of inflation adjusted inputs per person has grown over time. In the calculation, the expenditure is deflated by the Consumer Price Index (for 2009-11) and the Local Government Cost Index (for 2011-14) as published by the Independent Pricing and Regulatory Tribunal (IPART). It is acknowledged that efficiency and service levels are impacted by a broad range of factors, and that it is unreasonable to establish an absolute benchmark across Councils. It is also acknowledged that council service levels are likely to change for a variety of reasons however, it is important that councils prioritise or set service levels in conjunction with their community, in the context of their development of their Integrated Planning and Reporting.
- Councils will be assessed on a joint consideration of the direction and magnitude of their improvement or deterioration in real expenditure per capita. Given that efficiency improvements require some time for the results to be fully achieved and as a result, this analysis will be based on a 5-year trend.

## GENERAL FUND - OPERATING PERFORMANCE DATA

### Wingecarribee Shire Council

|  | 2011-12<br>GENERAL FUND DATA<br>\$000 | 2012-13<br>GENERAL FUND DATA<br>\$000 | 2013-14<br>GENERAL FUND DATA<br>\$000 |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| Note 21 - Income Statement -<br>Income - Total Income from<br>continuing operations  | 62,445                                | 60,208                                | 71,017                                |
| Note 21 - Income Statement -<br>Income - Grants & Contributions<br>Provided For Capital Purposes                             | 3,309                                 | 3,448                                 | 2,985                                 |
| Note 21 - Income Statement -<br>Income - Net gain from the<br>disposal of assets   | 98                                    | 0                                     | 0                                     |
| Note 21 - Income Statement -<br>Income - Net share of interests in<br>joint ventures/associates using the<br>equity method   | 0                                     | 0                                     | 0                                     |
| # Interest & Investment Revenue -<br>Fair value adjustments -<br>Investments   | 11                                    | 9                                     | 122                                   |
| # Interest & Investment Revenue -<br>Fair value adjustments - Other  | 1                                     | 2                                     | 1                                     |
| # Other Revenues - Fair value<br>adjustments - investment<br>properties  | 0                                     | 0                                     | 0                                     |
| # Other Revenues - Reversal of<br>IPPE revaluation decrements<br>previously expensed   | 0                                     | 0                                     | 0                                     |
| Note 21 - Income Statement -<br>Expenses - Total expenses from<br>continuing operations                                      | 62,581                                | 59,621                                | 75,967                                |
| Note 21 - Income Statement -<br>Expenses - Net Loss from the<br>disposal of assets   | 0                                     | 201                                   | 480                                   |
| Note 21 - Income Statement -<br>Expenses - Net share of interests in<br>joint ventures/associates using the<br>equity method | 0                                     | 0                                     | 0                                     |
| * Other Expenses - Revaluation<br>Decrements   | 0                                     | 0                                     | 0                                     |

# For reporting purposes the consolidated data comes from Note 3. For this purpose, only enter data that relates to the **General Fund**

\* For reporting purposes the consolidated data comes from Note 4. For this purpose, only enter data that relates to the **General Fund**

## GENERAL FUND - OWN SOURCE REVENUE DATA

### Wingecarribee Shire Council

|  | 2011-12<br>GENERAL FUND DATA<br>\$000 | 2012-13<br>GENERAL FUND DATA<br>\$000 | 2013-14<br>GENERAL FUND DATA<br>\$000 |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| Note 21- Income Statement -<br>Income - Total Income from<br>continuing operations   | 62,445                                | 60,208                                | 71,017                                |
| Note 21 - Income Statement -<br>Income - Operating Revenues -<br>Grants & Contributions Provided<br>For Operating Purposes | 12,833                                | 8,034                                 | 6,734                                 |
| Note 21 - Income Statement -<br>Income - Grants & Contributions<br>Provided For Capital Purposes                           | 3,309                                 | 3,448                                 | 2,985                                 |
| Note 21 - Income Statement -<br>Income - Net gain from the disposal<br>of assets   | 98                                    | 0                                     | 0                                     |
| Note 21 - Income Statement -<br>Income - Net share of interests in<br>joint ventures/associates using the<br>equity method | 0                                     | 0                                     | 0                                     |
| # Interest & Investment Revenue -<br>Fair value adjustments -<br>Investments   | 11                                    | 9                                     | 122                                   |
| # Interest & Investment Revenue -<br>Fair value adjustments - Other  | 1                                     | 2                                     | 1                                     |
| # Other Revenues - Fair value<br>adjustments - investment<br>properties  | 0                                     | 0                                     | 0                                     |
| # Other Revenues - Reversal of IPPE<br>valuation decrements previously<br>expensed   | 0                                     | 0                                     | 0                                     |

# See Operating Performance data sheet notes.

## GENERAL FUND - BUILDING AND INFRASTRUCTURE ASSET RENEWAL DATA

Wingecarribee Shire Council

|   | 2011-12<br>GENERAL FUND DATA<br>\$000 | 2012-13<br>GENERAL FUND DATA<br>\$000 | 2013-14<br>GENERAL FUND DATA<br>\$000 |
|---|---------------------------------------|---------------------------------------|---------------------------------------|
| # Building and Infrastructure<br>Renewals                                       | 3,203                                 | 3,430                                 | 9,957                                 |
| # Depreciation, Amortisation and<br>Impairment (Building and<br>Infrastructure) | 11,864                                | 12,704                                | 14,904                                |

*# For reporting purposes the consolidated data comes from Note 13 (11-12, 12-13) and Special Schedule 7 (13-14). For this purpose, only enter data that relates to the **General Fund**.*

# GENERAL FUND - INFRASTRUCTURE BACKLOG DATA

## Wingecarribee Shire Council

2013-14  
GENERAL FUND DATA  
\$000

# Estimated cost to bring assets to  
a satisfactory condition

26,522

\* Total (written down value) of  
infrastructure, buildings, other  
structures & depreciable land  
improvement assets.

454,740

*# For reporting purposes the consolidated data is collected from  
Special Schedule 7. For this purpose, only enter data that relates to  
the **General Fund**.*

*\* For reporting purposes the consolidated data comes from Note  
9/Special Schedule 7. For this purpose, only enter data that relates to  
the **General Fund**.*

## GENERAL FUND - ASSET MAINTENANCE DATA

### Wingecarribee Shire Council

|                               | 2011-12<br>GENERAL FUND DATA<br>\$000 | 2012-13<br>GENERAL FUND DATA<br>\$000 | 2013-14<br>GENERAL FUND DATA<br>\$000 |
|-------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| # Actual Annual Maintenance   | 5,252                                 | 4,670                                 | 9,524                                 |
| # Required Annual Maintenance | 5,683                                 | 5,514                                 | 10,198                                |

*# For reporting purposes the consolidated data comes from Special Schedule 7. For this purpose, only enter data that relates to the General Fund .*



## GENERAL FUND - DEBT SERVICE DATA

### Wingecarribee Shire Council

|   | 2011-12<br>GENERAL FUND DATA<br>\$000 | 2012-13<br>GENERAL FUND DATA<br>\$000 | 2013-14<br>GENERAL FUND DATA<br>\$000 |
|---|---------------------------------------|---------------------------------------|---------------------------------------|
| @ Financing Activities - Payments - Borrowings & Advances   | 478                                   | 504                                   | 644                                   |
| * Interest Charges - Interest on Loans  | 252                                   | 312                                   | 618                                   |
| Note 21- Income Statement - Income - Total Income from continuing operations                                      | 62,445                                | 60,208                                | 71,017                                |
| Note 21 - Income Statement - Income - Grants & Contributions Provided For Capital Purposes                        | 3,309                                 | 3,448                                 | 2,985                                 |
| Note 21 - Income Statement - Income - Net gain from the disposal of assets  | 98                                    | 0                                     | 0                                     |
| Note 21 - Income Statement - Income - Net share of interests in joint ventures/associates using the equity method | 0                                     | 0                                     | 0                                     |
| # Interest & Investment Revenue - Fair value adjustments - Investments  | 11                                    | 9                                     | 122                                   |
| # Interest & Investment Revenue - Fair value adjustments - Other  | 1                                     | 2                                     | 1                                     |
| # Other Revenues - Fair value adjustments - investment properties   | 0                                     | 0                                     | 0                                     |
| # Other Revenues - Reversal of IPPE revaluation decrements previously expensed                                    | 0                                     | 0                                     | 0                                     |

*Note:- Figures to be entered as positive amounts*

*@ For reporting purposes the consolidated data comes from the Statement of Cashflows. For this purpose, only enter data that relates to the **General Fund**.*

*\* For reporting purposes the consolidated data comes from Note 4. For this purpose, only enter data that relates to the **General Fund***

*# See Operating Performance data sheet note*

## GENERAL FUND - REAL OPERATING EXPENDITURE PER CAPITA DATA

### Wingecarribee Shire Council

|  |                                       |                                       |                                       |                                       |                                       |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| # Population Data  | 45,463                                | 45,944                                | 46,307                                | 46,771                                | 47,054                                |
|  | 2009-10<br>GENERAL FUND DATA<br>\$000 | 2010-11<br>GENERAL FUND DATA<br>\$000 | 2011-12<br>GENERAL FUND DATA<br>\$000 | 2012-13<br>GENERAL FUND DATA<br>\$000 | 2013-14<br>GENERAL FUND DATA<br>\$000 |
| Note 21 - Income Statement -<br>Expenses - Total expenses from<br>continuing operations                                      | 55,122                                | 53,586                                | 62,581                                | 59,621                                | 75,967                                |
| Note 21 - Income Statement -<br>Expenses - Net Loss from the<br>disposal of assets   | 79                                    | 0                                     | 0                                     | 201                                   | 480                                   |
| Note 21 - Income Statement -<br>Expenses - Net share of interests in<br>joint ventures/associates using the<br>equity method | 0                                     | 0                                     | 0                                     | 0                                     | 0                                     |
| * Other Expenses - Revaluation<br>Decrements   | 0                                     | 0                                     | 0                                     | 0                                     | 0                                     |

# Australian Bureau of Statistics, Regional Population Growth, Australia - Table 1. Estimated Resident Population, Local Government Areas, New South Wales - Released 3.4.2014. The population data has been averaged over 2 calendar years except for the 2013-14 year where the population data for 2013 has been used.

\* See Operating Performance data sheet note.

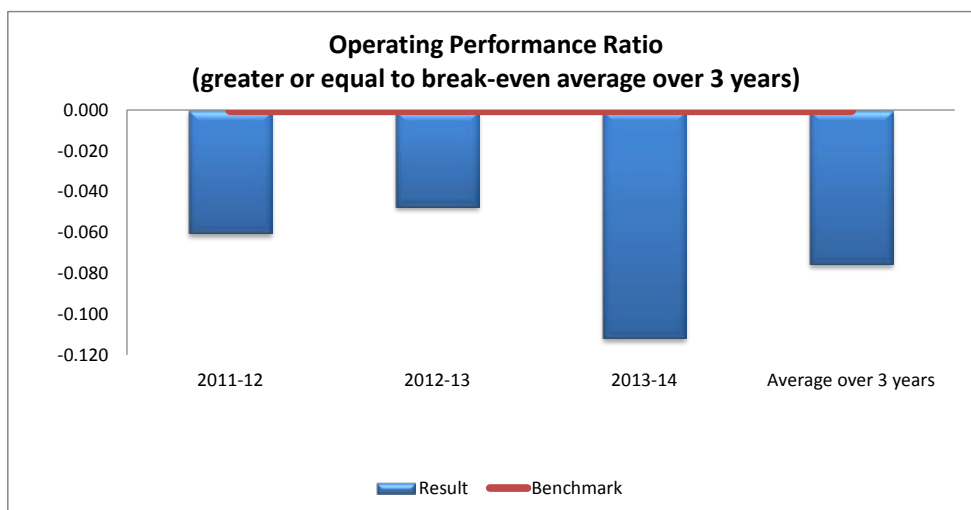
# GENERAL FUND - OPERATING PERFORMANCE RESULT

## Wingecarribee Shire Council

### BENCHMARK AND RESULT

Benchmark:- Greater or equal to break-even average over 3 years

|           | 2011-12 | 2012-13 | 2013-14 | Average over 3 years |
|-----------|---------|---------|---------|----------------------|
| Result    | -0.060  | -0.047  | -0.112  | -0.075               |
| Benchmark | 0       | 0       | 0       | 0                    |



MEETS THE FFTF  
BENCHMARK



NO

**This is how we calculated the council's result....**

(Figures are carried over from the data sheet and are in \$000)

|         | Total continuing operating revenue (exc. capital grants and contributions) less operating expenses |   |                         |          |
|---------|--|---|-------------------------|----------|
|         | Total continuing operating revenue (exc. capital grants and contributions)                         |   |                         |          |
| 2011-12 | $\frac{(62445-3309-98-0-11-1-0-0)-(62581-0-0-0)}{62445-3309-98-0-11-1-0-0}$                        | = | $\frac{-3,555}{59,026}$ | = -0.060 |
| 2012-13 | $\frac{(60208-3448-0-0-9-2-0-0)-(59621-201-0-0)}{60208-3448-0-0-9-2-0-0}$                          | = | $\frac{-2,671}{56,749}$ | = -0.047 |
| 2013-14 | $\frac{(71017-2985-0-0-122-1-0-0)-(75967-480-0-0)}{71017-2985-0-0-122-1-0-0}$                      | = | $\frac{-7,578}{67,909}$ | = -0.112 |

**Note:** Both numerator and denominator in this calculation excludes fair value adjustments, reversal of revaluation decrements, net gain/losses on sale of assets and net share/loss of interests in joint ventures

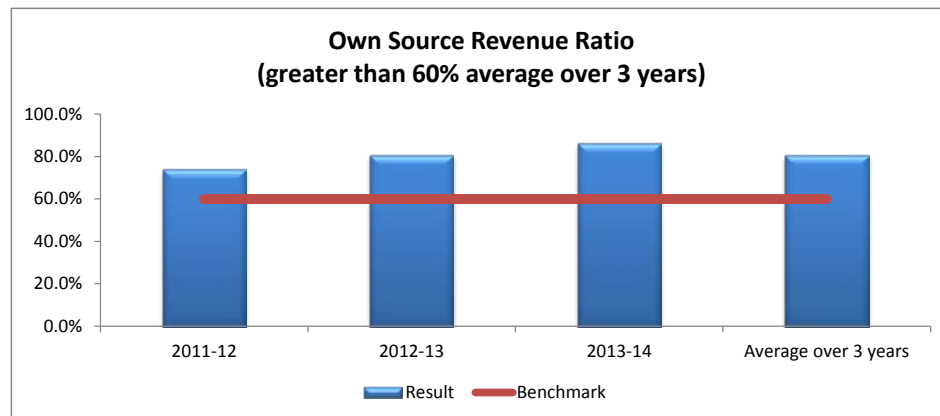
# GENERAL FUND - OWN SOURCE REVENUE RESULT

## Wingecarribee Shire Council

### BENCHMARK AND RESULT

Benchmark:- *Greater than 60% average over 3 years*

|           | 2011-12 | 2012-13 | 2013-14 | Average over 3 years |
|-----------|---------|---------|---------|----------------------|
| Result    | 74.1%   | 80.9%   | 86.3%   | 80.7%                |
| Benchmark | 60%     | 60%     | 60%     | 60%                  |



MEETS THE FFTF  
BENCHMARK

YES

***This is how we calculated the council's result.....***

*(Figures are carried over from the data sheet and are in \$000)*

| <i>Total continuing operating revenue less all grants and contributions</i>             |  |   |                         |         |
|---|--|---|-------------------------|---------|
| <i>Total continuing operating revenue inclusive of capital grants and contributions</i> |  |   |                         |         |
| 2011-12   | $\frac{62445-12833-3309-98-0-11-1-0-0}{62445-98-0-11-1-0-0}$ | = | $\frac{46,193}{62,335}$ | = 74.1% |
| 2012-13   | $\frac{60208-8034-3448-0-0-9-2-0-0}{60208-0-0-9-2-0-0}$      | = | $\frac{48,715}{60,197}$ | = 80.9% |
| 2013-14   | $\frac{71017-6734-2985-0-0-122-1-0-0}{71017-0-0-122-1-0-0}$  | = | $\frac{61,175}{70,894}$ | = 86.3% |

**Note:** Both numerator and denominator in this calculation excludes fair value adjustments, reversal of revaluation decrements, net gain on sale of assets and net share of interests in joint ventures

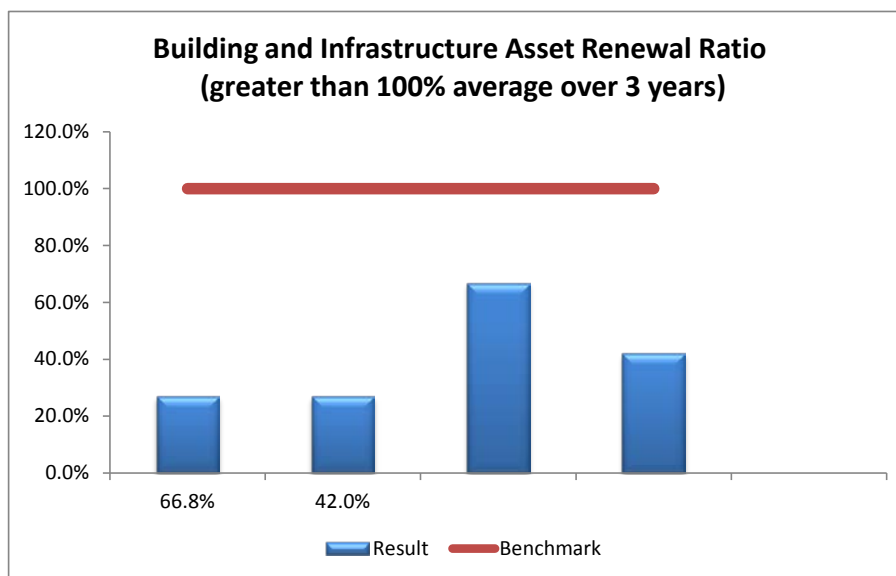
## GENERAL FUND - BUILDING AND INFRASTRUCTURE ASSET RENEWAL RESULT

### Wingecarribee Shire Council

#### BENCHMARK AND RESULT

Benchmark:- Greater than 100% average over 3 years

|           | 2011-12 | 2012-13 | 2013-14 | Average over 3 years |
|-----------|---------|---------|---------|----------------------|
| Result    | 27.0%   | 27.0%   | 66.8%   | 42.0%                |
| Benchmark | 100%    | 100%    | 100%    | 100%                 |



  
**MEETS THE FFTF  
BENCHMARK**  
**NO**

***This is how we calculated the council's result.....***

*(Figures are carried over from the data sheet and are in \$000)*

|         | <b>Asset renewals (building and infrastructure)</b>                            |   |       |  |
|---------|--|---|-------|--|
|         | <b>Depreciation, amortisation and impairment (building and infrastructure)</b> |   |       |  |
| 2011-12 | $\frac{3,203}{11,864}$   | = | 27.0% |  |
| 2012-13 | $\frac{3,430}{12,704}$   | = | 27.0% |  |
| 2013-14 | $\frac{9,957}{14,904}$   | = | 66.8% |  |

## GENERAL FUND - INFRASTRUCTURE BACKLOG RESULT

### Wingecarribee Shire Council

#### BENCHMARK AND RESULT

Benchmark:- Less than 2%

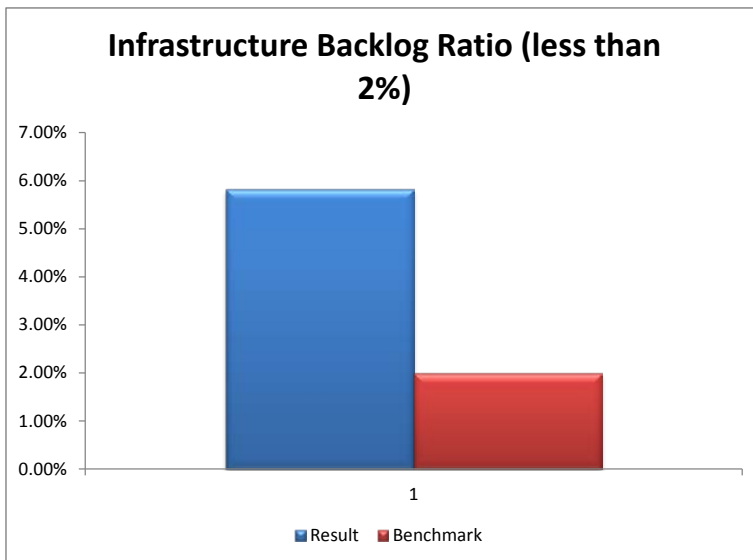
Result

Benchmark

2013-14

5.83%

2%



MEETS THE FFTF  
BENCHMARK



NO

***This is how we calculated the council's result.....***

*(Figures are carried over from the data sheet and are in \$000)*

***Estimated cost to bring assets to a satisfactory condition***

***Total (WDV) of infrastructure, buildings, other structures and depreciable land improvement assets***

|         |                          |   |       |
|---------|--------------------------|---|-------|
| 2013-14 | $\frac{26,522}{454,740}$ | = | 5.83% |
|---------|--------------------------|---|-------|

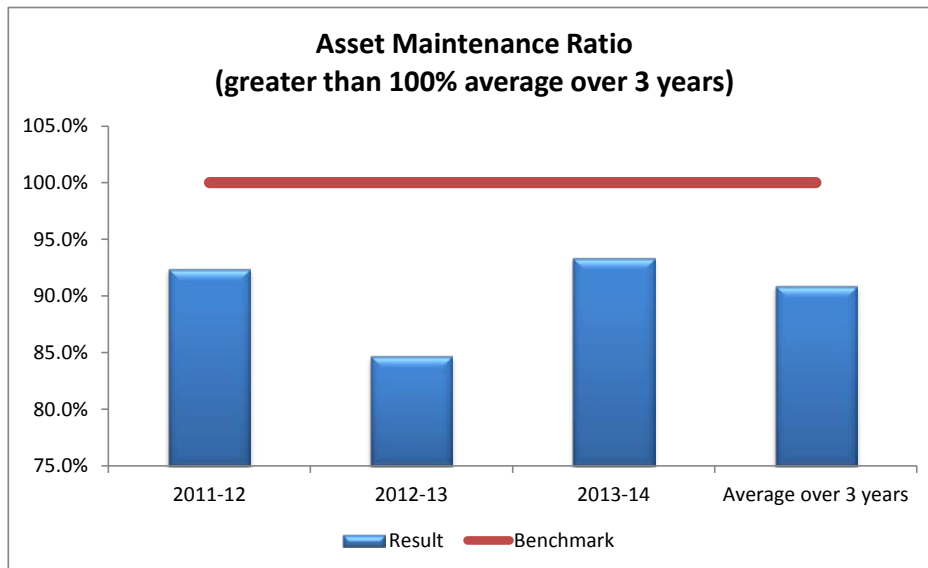
## GENERAL FUND - ASSET MAINTENANCE RESULT

### Wingecarribee Shire Council

#### BENCHMARK AND RESULT

Benchmark:- Greater than 100% average over 3 years

|           | 2011-12 | 2012-13 | 2013-14 | Average over 3 years |
|-----------|---------|---------|---------|----------------------|
| Result    | 92.4%   | 84.7%   | 93.4%   | 90.9%                |
| Benchmark | 100%    | 100%    | 100%    | 100%                 |



MEETS THE FFTF  
BENCHMARK

NO

***This is how we calculated the council's result.....***

*(Figures are carried over from the data sheet and are in \$000)*

|         | <i>Actual asset maintenance</i>   |   |       |
|---------|-----------------------------------|---|-------|
|         | <i>Required asset maintenance</i> |   |       |
| 2011-12 | $\frac{5,252}{5,683}$             | = | 92.4% |
| 2012-13 | $\frac{4,670}{5,514}$             | = | 84.7% |
| 2013-14 | $\frac{9,524}{10,198}$            | = | 93.4% |

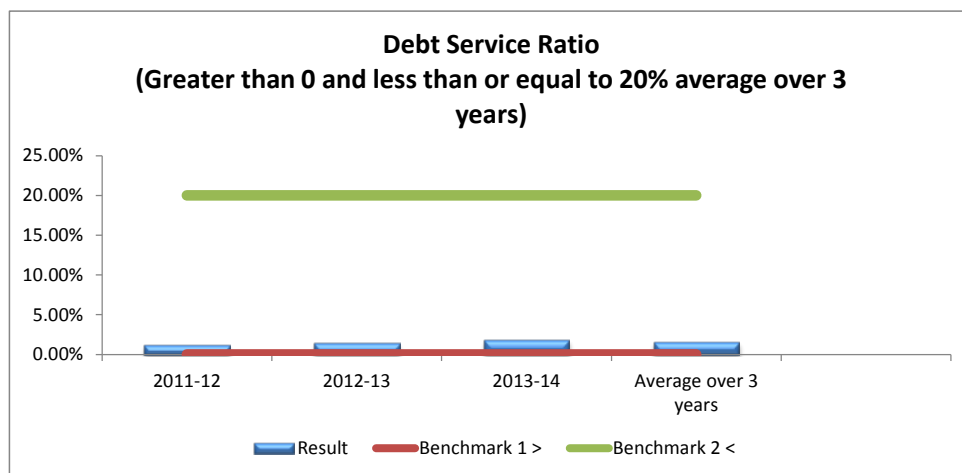
## GENERAL FUND - DEBT SERVICE RESULT

### Wingecarribee Shire Council

#### BENCHMARK AND RESULT

**Benchmark:-** Greater than 0 and less than or equal to 20% average over 3 years

|                         | 2011-12 | 2012-13 | 2013-14 | Average over 3 years |
|-------------------------|---------|---------|---------|----------------------|
| <b>Result</b>           | 1.24%   | 1.44%   | 1.86%   | <b>1.53%</b>         |
| <b>Benchmark 1 &gt;</b> | 0%      | 0%      | 0%      | 0%                   |
| <b>Benchmark 2 &lt;</b> | 20%     | 20%     | 20%     | 20%                  |



**MEETS THE FFTF  
BENCHMARK**



**YES**

***This is how we calculated the council's result.....***

*(Figures are carried over from the data sheet and are in \$000)*

|                | Cost of debt service (interest expense & principal repayments)             |   |                        |   |              |
|----------------|--|---|------------------------|---|--------------|
|                | Total continuing operating revenue (exc. capital grants and contributions) |   |                        |   |              |
| <b>2011-12</b> | $\frac{478+252}{62445-3309-98-0-11-1-0}$                                   | = | $\frac{730}{59,026}$   | = | <b>1.24%</b> |
| <b>2012-13</b> | $\frac{504+312}{60208-3448-0-0-9-2-0}$                                     | = | $\frac{816}{56,749}$   | = | <b>1.44%</b> |
| <b>2013-14</b> | $\frac{644+618}{71017-2985-0-0-122-1-0}$                                   | = | $\frac{1,262}{67,909}$ | = | <b>1.86%</b> |

**Note:** The denominator in this calculation excludes fair value adjustments, reversal of revaluation decrements, net gain on sale of assets and net share of interests in joint ventures



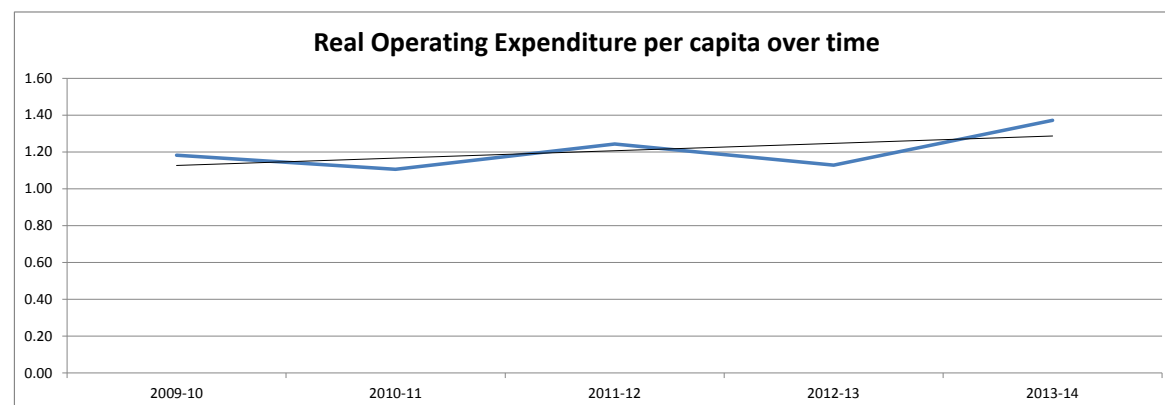
## GENERAL FUND - REAL OPERATING EXPENDITURE PER CAPITA RESULT

### Wingecarribee Shire Council

#### BENCHMARK AND RESULT

**Benchmark:-** A decrease in Real Operating Expenditure per capita over time

|               | 2009-10     | 2010-11     | 2011-12     | 2012-13     | 2013-14     |
|---------------|-------------|-------------|-------------|-------------|-------------|
| <b>Result</b> | <b>1.18</b> | <b>1.11</b> | <b>1.24</b> | <b>1.13</b> | <b>1.37</b> |



**MEETS THE FFTF  
BENCHMARK**

**No**



***This is how we calculated the council's result.....***  
***(Figures are carried over from the data sheet and are in \$000)***

| Expenditure deflated by: | CPI:-   | 2009-10<br>2.3% | 2010-11<br>3% | LGCI:-                  | 2011-12<br>3.0% | 2012-13<br>3.4% | 2013-14<br>3.7% |
|--------------------------|---|-----------------|---------------|-------------------------|-----------------|-----------------|-----------------|
| 2009-10                  | $\frac{55122-79-0-0 \times (1-.023)}{45463}$  | =               |               | $\frac{53,777}{45,463}$ | =               |                 | <b>1.18</b>     |
| 2010-11                  | $\frac{53586-0-0-0 \times (1-.023) \times (1-.03)}{45943.5}$  | =               |               | $\frac{50,783}{45,944}$ | =               |                 | <b>1.11</b>     |
| 2011-12                  | $\frac{62581-0-0-0 \times (1-.023) \times (1-.03) \times (1-.03)}{46306.5}$                                 | =               |               | $\frac{57,528}{46,307}$ | =               |                 | <b>1.24</b>     |
| 2012-13                  | $\frac{59621-201-0-0 \times (1-.023) \times (1-.03) \times (1-.03) \times (1-.034)}{46770.5}$               | =               |               | $\frac{52,765}{46,771}$ | =               |                 | <b>1.13</b>     |
| 2013-14                  | $\frac{75967-480-0-0 \times (1-.023) \times (1-.03) \times (1-.03) \times (1-.034) \times (1-.037)}{47054}$ | =               |               | $\frac{64,553}{47,054}$ | =               |                 | <b>1.37</b>     |

**Note:** The numerator in this calculation excludes revaluation decrements, net loss from disposal of assets and net loss of interests in joint ventures.