

Annual Report 2015-2016



CENTRAL COAST
COUNCIL

www.centralcoast.tas.gov.au

Annual Report

for the year ended 30 June 2016



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Cover photo of the town of Penguin - by Alastair Bett

On 25 October 2015 the community marked the 140th anniversary of the proclamation of Penguin (named after the area's fairy penguins) and the 40th anniversary of the erection of the town's centennial 'Big Penguin', one of the most photographed landmarks in Tasmania.



The vision

*Central Coast –
Living our potential*

‘We are a vibrant, thriving community that continues to draw inspiration and opportunities from its natural beauty, land and people and connected by a powerful sense of belonging.’

Our values

- Community spirit
- Effective customer service
- Open
- Respectful
- Innovative
- Responsive

Outcomes

- Sustainable population growth
- Socio-economic well-being
- Economic prosperity and resilience
- Resilient and engaged community
- Healthy community and healthy lifestyle
- Healthy environment
- Sustainable and effective Council

Strategic Plan 2014–2024



Tasmania's Central Coast municipal area is set in the heart of the North-West Coast spanning an area of 932km², and has a population of 22,401 people. Extending westerly to the Blythe River and easterly just beyond the Forth River, from coastal beaches the boundary extends southwards through the fertile countryside to the rugged Leven Canyon, limestone caves and Black Bluff mountain range boasting snow-capped peaks in the depths of winter.

Central Coast is one of the most picturesque municipal areas in Tasmania and has a moderate climate reflecting all four seasons. Visitors and residents alike enjoy the lovely beaches and easy lifestyle through the summer months; this is followed by sunny autumn days where the scenery is postcard perfect. The winter months bring snow to the elevated areas, whilst coastal temperatures are less extreme. Whatever time of year, Central Coast is one of the most tranquil and captivating settings in Tasmania.

The coastal townships of Penguin (population 5,000 approx.) and Ulverstone (population 11,000 approx.) are the business centres of Tasmania's Central Coast; they offer quality, friendly service, an extensive range of retail outlets, restaurants and cafés. All the services you would expect from large urban centres are here.

Quality recreational facilities and expansive open spaces are synonymous with Central Coast. A diverse range of clubs and organisations cater for varied interests among the community. Families can select from a number of kindergartens, primary and secondary schools, while senior citizens clubs, nursing homes and hostels cater for the needs of those of a more mature age.

Tasmania's Central Coast features both urban and rural areas. Eighty-five per cent of the area's population live along the coastal strip. The principal townships are Ulverstone and Penguin, with smaller townships at Forth, Gawler, Heybridge, Leith, Sulphur Creek and Turners Beach. Central Coast is at the forefront in agricultural production, well known for its crops of poppies, pyrethrum, peas, potatoes and onions, as well as timber production and livestock enterprises. Tourism is also an important industry. The area is becoming increasingly attractive to investors, innovators and entrepreneurs due to its proximity to major transportation routes.

Key employment sectors include retail, manufacturing and agriculture, and to a lesser extent, health and education. The main industrial and commercial areas are located in Ulverstone.



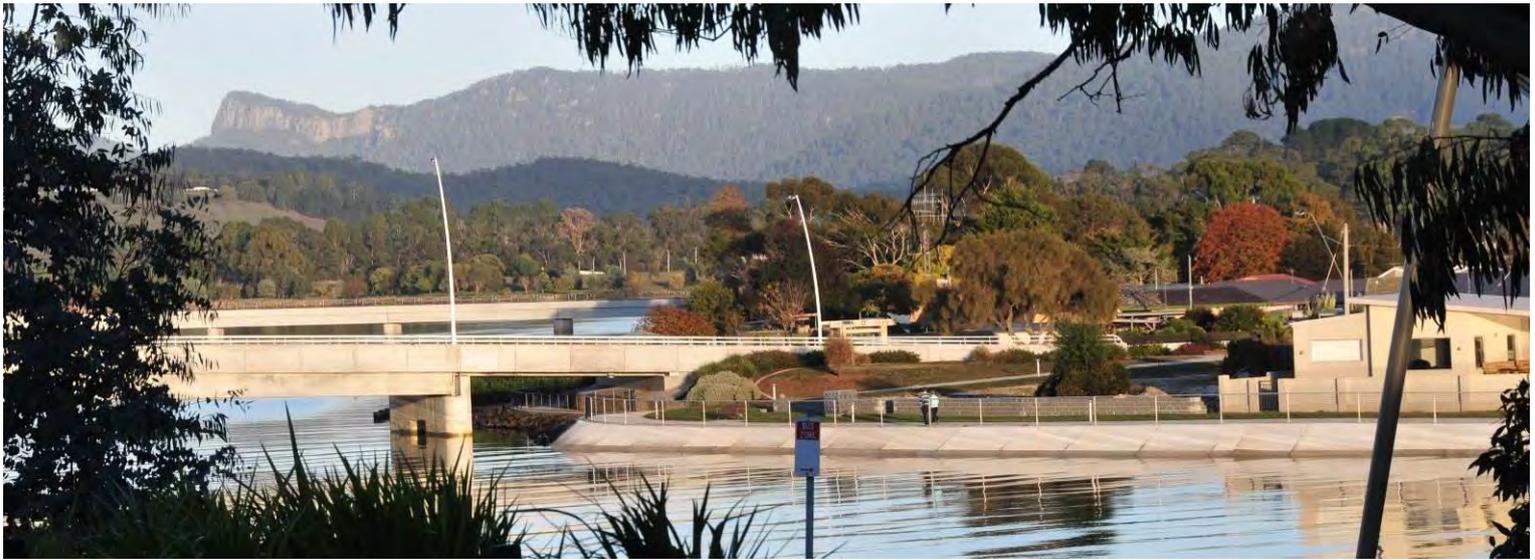
I have great pleasure in presenting the Central Coast Council Annual Report for 2015-2016. The year has been a very busy one highlighted by several major projects and actions towards achieving the strategies outlined in the Council's Strategic Plan 2014-2024.



The detailed design of the Dial Regional Sports Complex has been completed after extensive consultation and engagement with stakeholders and community members. This exciting project will be staged over three years and see two AFL-size ovals, suitable for football and cricket, along with clubroom and associated ancillary facilities developed on the site. Estimated cost of the development is \$10m. and the Council has applied for grant funding to help complete the project. Planning for future development of the current Penguin Recreation Ground, when football and cricket have moved, has already begun and the community engagement process will help to develop the draft concept and master plan over the coming year.

The Dial Range is one of our best natural assets and has great potential to develop adventure-based tourism opportunities. The Council has taken part in discussion on the draft Recreational Management Plan for the Dial and continues to work with the Parks & Wildlife Service and community groups to upgrade walking tracks and signage and progress the recreational possibilities. The Cradle Coast Mountain Bike Club has developed a Dial Range Mountain Bike Master Plan which will guide staged mountain bike track development through to 2018, with work on the Mount Montgomery tracks already begun.

The Central Coast Cycle Strategy supports the growing culture of cycling in our area and we have



continued to work with different groups to improve participation and opportunities for cycling as either sporting, leisure or transport options. We participated in the Ride to School program with Bicycle Network Tasmania and launched new cycle routes at both East and West Ulverstone Primary Schools. The Cradle Coast Mountain Bike Club completed the Little Devil's Terrain Park and this facility in the Dial Range continues to grow and draw interstate, intrastate and international visitors to test their skills on the course. Details of Central Coast's most popular cycle routes are now on the Council website, and we continue to work with the Cradle Coast Authority on progressing the Coastal Shared Pathway, which when completed would extend from Latrobe to Wynyard. Our priorities for extending the shared pathway locally are to complete the two sections from Turners Beach to Leith via the old railway bridge and Penguin to Sulphur Creek.

Australia Day was again celebrated with Breakfast by the Leven, and a large crowd gathered to witness six members of our community make their pledge to become Australian citizens. Our guest speaker was Alexandra Fuller, Young Citizen of the Year 2015. I was delighted to present this year's Australia Day Citizen of the Year Award to Betsy Compagne for her outstanding service to many different clubs, schools and organisations. Betsy is very deserving of the award as she has made a magnificent contribution to her community over many years. The Young Citizen of the Year was awarded to Cameron Hingston for



Cameron Hingston, Young Citizen of the Year
(Photo courtesy of The Advocate)



his service to basketball as a referee at local, state and national level. The Lions Club of Ulverstone was awarded the Community Event of the Year for their 50th anniversary which was commemorated with a magnificent donation to our community of the Central Coast Australia Day honour roll which now stands opposite the Ulverstone Shrine of Remembrance. The names of our Citizens of the Year, Young Citizens of the Year and Community Events of the Year are now listed along with Wardens and Mayors who have served over that time.

Major flooding of the Forth and Leven Rivers occurred during June causing landslips, road closures, loss of bridges, erosion and widespread damage to property in Gunns Plains, Loongana, Lobster Creek and Forth. Many properties were inundated and our farmers faced huge losses of crops, fodder and fencing. I would like to thank our staff, State Emergency Service, Tasmania Fire Service and Tasmania Police for the wonderful work during the emergency phase, ensuring our community remained safe and well informed as they went about their work clearing access, roadways and assessing safety. I would also like to thank our community who in true spirit, volunteered to lend a hand, helping neighbours, cleaning up, fundraising, donating time, goods or money to help out with the recovery.

BlazeAid arrived towards the end of June with trailers of fencing equipment and set up camp at the Ulverstone Sports and Leisure Centre where they were warmly welcomed by the community. The volunteer organisation set to work cleaning up, mending and building fences in Gunns Plains and wherever they were needed. The local community supported them by preparing evening meals and baking items for morning and afternoon teas. The wonderful work of the BlazeAid volunteers was very much appreciated and gave a real boost to our farmers after the flood devastation. The estimate for flood damage to the Council's assets is in the vicinity of \$5m. and capital expenditure in the 2016-2017 budget will be re-prioritised to allow the renewal, repair and maintenance of those assets.



Community morning teas have become regular events on the Council program and this year they have been hosted in Ulverstone, Penguin, Heybridge (pictured), Forth and Turners Beach. Councillors and the Senior Leadership Team attending have enjoyed the opportunity to speak with residents on local issues.



The General Manager and I completed regular business visits to gain a better understanding of the diversity and strengths of our business community and the issues affecting businesses today. We have met regularly with the Central Coast Chamber of Commerce and Industry Inc. and value the relationship and the opportunity to work together on initiatives which build our local business economy.

While our Council is currently strongly opposed to amalgamation, we have partnered with the State Government to undertake a comprehensive feasibility study of broader shared service arrangements across the nine Cradle Coast Councils. Any proposed reform must be in the interest of ratepayers, improve the level of service for communities, preserve and maintain local representation and ensure that the financial status of the entities is strengthened. I look forward to the study recommendations and hope there is opportunity for positive reform in our delivery of services.

Community satisfaction regarding the performance of our Council appears to be high and is evidenced in the Community Satisfaction Survey which was commissioned during the year. Our Council remains in a strong position due to the vision and sound financial management of our General Manager, her Directors and staff and I thank them for their continued hard work and dedication. I would like to thank all of the Councillors for their commitment and contribution throughout the year. Most serve on several committees, attend many extra meetings and community events, and I have valued the time and commitment they have given to their role.

Our Council remains focussed and committed to creating a culture that values our natural resources and relaxed lifestyle and encourages creativity, innovation and economic vitality. We take pride in our achievements throughout the year and look forward to serving our community throughout the coming year.

Councillor Jan Bonde
MAYOR



The Annual Report highlights work undertaken by the Council over the past financial year on behalf of the community it serves. It is an account of a year of clear and identifiable progress in our community.

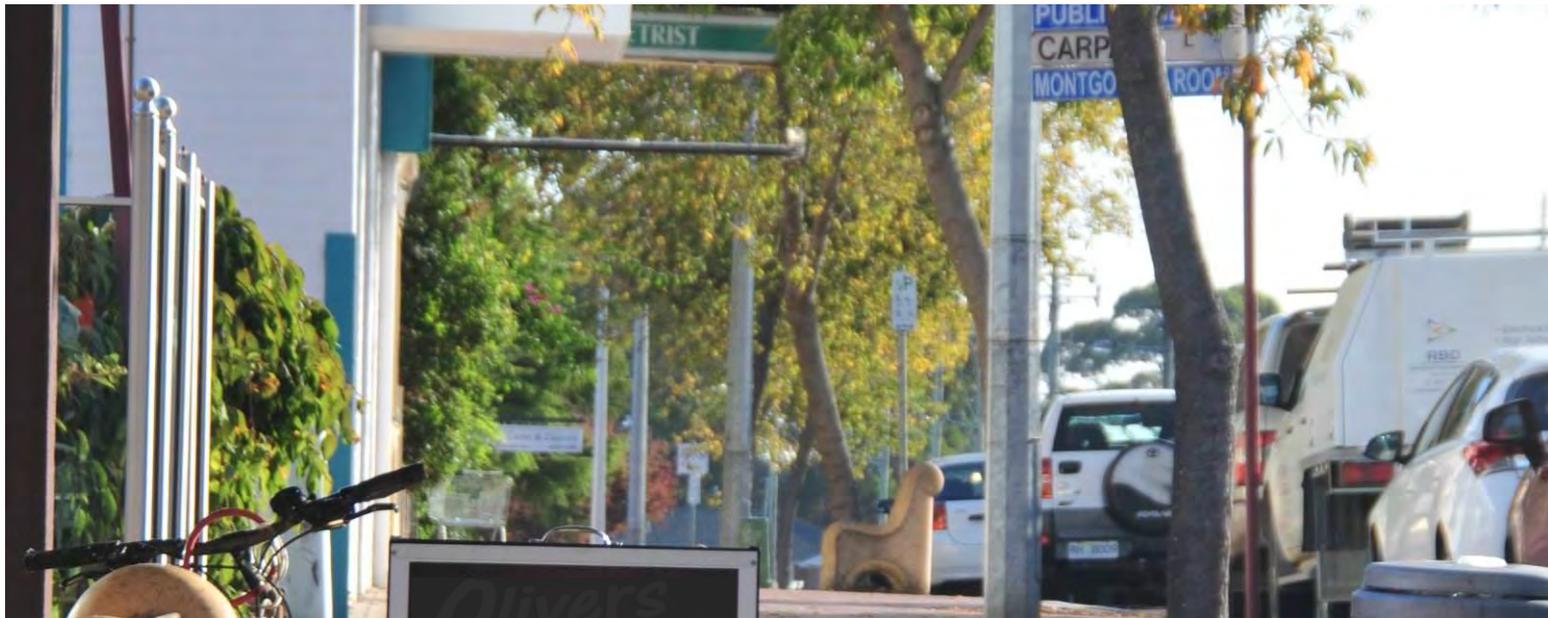


It is with pleasure that I reflect on the achievements of the Central Coast Council for the 2015-2016 year.

The Council's success is the result of the collegiate relationship between the Councillors and staff. Together, we are working as a unified team, to deliver outstanding services for our community. There are many highlights which we have been able to deliver, thanks to the commitment of our Councillors, the hard work of our staff and the valuable input of our community.

The vision for Central Coast is '*Central Coast - Living our potential*'. We are a vibrant, thriving community that continues to draw inspiration and opportunities from its natural beauty, land and people and connected by a powerful sense of belonging. As the Councillors and staff developed the Annual Plan for the 2015-2016 year they ensured that what we set out to do would have a positive impact on the vision for Central Coast. I can truly say that we have fulfilled many of the strategic objectives outlined in the Annual Plan, whilst working towards the Council's vision.

I cannot help but reflect on the last few weeks with the severe weather event that we have just recently been through (June 2016) and how, as is the culture of Central Coast staff, we all worked together during the 'crisis' stage of the floods and now also while moving into the recovery phase.



Unfortunately this type of event is becoming all too regular in Central Coast, but I am very heartened when I see how the staff just get on and do what needs to be done and fine-tune their processes from event to event.

In the Annual Plan that I presented to the community and Councillors just prior to this last storm, I made the following comments:

“As we are experiencing short extreme-weather patterns of late, it has required the Council staff to look at how they deal with these situations and the impact on their current work. Many times funds have been required to be diverted to cover these unpredictable events as they arise. It has also required the staff to look at its current work processes to determine if there are different ways of undertaking some of the recurrent works to help alleviate damage as these events become more frequent.”

The impact of this last event on the Council's assets is in the vicinity of \$5.1m. While we are very appreciative of the Federal Government's Disaster Recovery Relief funding of approximately 75% of the costs, it still has a major impact on our capital works program. Over the coming months the program for 2016-2017 will need to be adjusted to allow for the replacement and/or renewal of assets.

Strategic projects that the Council has been developing over the last year include the Dial Regional Sports Complex Master Plan which has picked up momentum, with the expectation that now that the design work has been completed, construction work can commence this next year.

The Council continues to be in a strong financial position, having completed the year again with an underlying operating surplus. One of the Council's key priorities is



ensuring our capital works program keeps pace with the renewal needs of our community infrastructure. This priority ensures our facilities and infrastructure will meet the needs of our community, now and into the future. This last year saw the Council invest \$6.08m., or 81% of its capital expenditure, towards asset renewal and upgrades.

Throughout the year we continued to see significant investment in our capital works program. Areas of major capital works included \$4,309,619 on roads, bridges and footpaths; \$171,428 on waste management; \$872,123 on community services and facilities, \$820,820 on recreation facilities; and \$1,026,874 on strategic projects which primarily included the Hiscutt Park pond siltation and the Dial Regional Sports Complex Master Plan.

The financial statements show a net operating surplus of \$231,500. This surplus, when adjusted for income received specifically for capital projects, capital losses and the changes to timing of receipt of the commonwealth Federal Assistance Grant, produced an underlying surplus of \$603,601 against an estimate of \$499,200.

The audited financial statements were prepared in accordance with the requirements of the Australian Accounting Standards and are appended at the end of the Annual Report. It is pleasing to be able to report that we received an unqualified audit opinion from the Tasmanian Audit Office.

As in previous years, the challenges facing the Council in the year ahead will continue to be financial, as we continually assess our ageing infrastructure and plan to upgrade or replace it.

Organisationally, the Council invests in a range of initiatives aimed at building a values-based culture with a focus on integrity, respectfulness, accountability, initiative, professionalism and the customer/community.

Workplace safety remains a priority and we have achieved very positive results in 2015-2016. This is due to our robust injury management program and an improved safety management system.

In presenting this 2015-2016 report, I extend sincere appreciation to our Councillors for their commitment to, and passion for, building a vibrant and thriving community.



The accomplishments outlined within this report would not have been achieved without the dedicated team of employees we have. We have fulfilled many of the strategic actions outlined in the Annual Plan. Thank you to each and every one of them for their tireless efforts, fortitude and enthusiasm this past year.

I encourage you to read through this comprehensive review of our activities and the financial accounts for the year.

Sandra Ayton
GENERAL MANAGER



Council Members and Committee Membership

Cr Jan Bonde, Mayor

- Central Coast Community Safety Partnership Committee
 - Central Coast Council Bursary Working Group
 - Cradle Coast Authority Representatives Group
 - Development Support Special Committee
 - General Manager Performance Review Panel
 - Local Government Association of Tasmania
AGM, General Meetings and General Management
Committee
 - Mersey-Leven Emergency Management Planning Committee
 - Premier's Local Government Council
 - TasWater Owners' Representatives Group
-



Cr Kathleen Downie, Deputy Mayor

- Central Coast Council Bursary Working Group
 - East Ulverstone Swimming Pool Management Committee
 - General Manager Performance Review Panel
 - Penguin Surf Life Saving Club (Liaison)
 - Slipstream Circus Board Inc. (Liaison)
-





Cr John Bloomfield

- Festive Decorations Working Group
- Ulverstone Band (Liaison)
- Ulverstone Wharf Precinct Advisory Committee



Cr Shane Broad

- Australian Masters Games Steering Committee (Liaison)
- Central Coast Chamber of Commerce and Industry Inc. (Liaison)
- Councillors Code of Conduct Panel (to 20 June 2016)
- Development Support Special Committee



Cr Garry Carpenter

- Caves to Canyon Tourism Association (Liaison)
- Central Coast Shared Audit Panel
- Councillors Code of Conduct Panel (to 20 June 2016)
- Cradle Coast Authority Representatives Group
- Development Support Special Committee
- Dulverton Regional Waste Management Authority Representatives Group



Cr Gerry Howard

- Bush Watch Western District Committee (Liaison)
- Community Small Grants Scheme Panel
- Councillors Code of Conduct Panel (to 20 June 2016)
- Dial Sports Club Management Committee (Liaison)
- Penguin Miniature Railway Management Comm. (Liaison)
- Riana Community Centre Committee (Liaison)





Cr Rowen Tongs

- Australia Day Awards Committee
- Central Coast Community Safety Partnership Committee



Cr Tony van Rooyen

- Australia Day Awards Committee
- Castra-Sprent-Nietta Community Advisory Committee (Liaison)
- Community Small Grants Scheme Panel
- Development Support Special Committee
- General Manager Performance Review Panel



Cr Philip Viney

- Central Coast Community Shed Management Committee (Liaison)
- Central Coast Shared Audit Panel
- Central Coast Youth Engaged Steering Committee (Liaison)
- Community Small Grants Scheme Panel
- Development Support Special Committee
- Sprent Primary School Association (Liaison)
- Ulverstone Surf Life Saving Club (Liaison)





Organisational Structure

General Manager

Sandra Ayton

Head of the Council's staff and principal adviser to the Council. Responsible for Council day-to-day operations; human resource management; communication and engagement; economic development; strategic policy and planning; and executive governance



Director Community Services

Cor Vander Vlist

Responsible for social planning and development (including visitor services, events, recreation and community facilities management); child care services; regulatory services (including building, plumbing and environmental health); land-use planning; animal control; and parking control



Director Infrastructure Services

John Kersnovski

Responsible for emergency management; climate change; natural resource management; public safety; asset management; and the planning, development, operation and maintenance of the physical infrastructure and facilities of the municipal area



Director Organisational Services

Vernon Lawrence

Responsible for corporate services (including administration, records management, business, legal, finance, accounting and information technology)



The Council operates in accordance with a corporate-style management structure headed by the General Manager who is assisted by three Departmental Directors who collectively implement and administer the policies of the elected Councillors.





Reporting Performance

The Council is committed to the priorities of the Strategic Plan 2014-2024, developed in consultation with the community. This Plan is being delivered through the Council's Annual Plan which is adopted prior to the commencement of the new year.

The format of the Annual Report reflects the actions that the Council approved through the Annual Plan for the 2015-2016 year – identified under the five Strategic Directions below – and the progress that has been made against those areas. We believe this format gives a snapshot of our progress throughout the year in achieving the key actions/initiatives of the Council and the community. If you require further details on any of these actions then we would be happy to discuss these further.

STRATEGIC DIRECTION 1 – The Shape of the Place

Plan for a vibrant and liveable place: it is important to focus on its shape – planning, precincts, open spaces, the physical environment and augmenting these to highlight the distinctiveness of Central Coast

STRATEGIC DIRECTION 2 – A Connected Central Coast

Seeking to enhance connectivity both within Central Coast and with the region – how people move from place to place, how accessible places are, and how people connect with each other and with services within Central Coast

STRATEGIC DIRECTION 3 – Community Capacity and Creativity

In conjunction with community, volunteer and business groups, develop capacity and cultivate a culture that values and showcases creativity, encourages community-based solutions, stimulates innovation and supports innovators in order to achieve quality opportunities and outcomes across all sections of the community

STRATEGIC DIRECTION 4 – The Environment and Sustainable Infrastructure

Sustaining built infrastructure and the natural environment by encouraging innovation and investment in Central Coast

STRATEGIC DIRECTION 5 – Council Sustainability and Governance

A leading Council that is well governed and managed and engages effectively with its community



STRATEGIC DIRECTION 1

The Shape of the Place

Plan for a vibrant and liveable place: it is important to focus on its shape – planning, precincts, open spaces, the physical environment and augmenting these to highlight the distinctiveness of Central Coast

STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↶ Deferred

1 Improve the value and utilisation of open space

2015-2016 Actions/Initiatives	Performance
▪ Staged implementation of the Dial Regional Sports Complex Master Plan	→
▪ Progress the consolidation of equestrian activities to Batten Park	→
▪ Review the Dial Range Recreation Management Plan in conjunction with land managers	→
▪ Support the staged development of the Dial Range Mountain Bike Park	✓
▪ Investigate feasibility for development of an off-road criterion track at River Park	✓
▪ Investigate feasibility of further development of the Leven Canyon Floor Walk as a major adventure tourism experience	↶
▪ Develop a strategy to leverage the opportunities of our peri-urban area (rural-urban fringe)	↶
▪ Implement the Central Coast Cycling Strategy	✓
▪ Review Leven Canyon Master Plan (including new platform, floor walk and eco-tourism accommodation)	↶
▪ Develop and commence Johnsons Beach Master Plan	✓
▪ Develop and commence implementation of the Perry-Ling Gardens Management Plan	↶



STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↻ Deferred

- Investigate the feasibility of windbreak options on the southern end of the Ulverstone Wharf Precinct ✓

2 Conserve the physical environment in a way that ensures we have a healthy and attractive community

2015-2016 Actions/Initiatives

Performance

- Continue to develop the Central Coast shared pathways network ✓
- Look at opportunities for the establishment of edible plants throughout our parks and gardens ↻

3 Encourage a creative approach to new development

2015-2016 Actions/Initiatives

Performance

- Identify and promote appropriate land for industrial and commercial use ✓
- Identify and market test new commercial/tourism land-use opportunities ↻
- Complete and implement the Rural Lands Strategy →
- Develop a Local Settlement Plan →

Highlights

The Dial Regional Sports Complex Master Plan has developed over the last 12 months to the extent that detailed design has been completed and expressions of interest were advertised for a Guaranteed Maximum Price contract. The outcome of this expression of interest will be tabled at the ordinary meeting of the Council in July 2016.

The development application has been lodged and was approved by the Council in March 2016, and is now with the Planning Commission for approval.

The Council has made an application under the National Stronger Regions Fund and is currently waiting for advice on the success or otherwise of this application. Through the Federal Government election campaign the Council also received a funding commitment from the Liberal Government, if re-elected, for funding of \$3.5m. towards the



the \$10.5m. project. The Council is also seeking funding from the State Government for \$3.5m. to match the Federal Government's commitment.

If the funding commitments are forthcoming it is hoped that the development can commence before the end of the next financial year.

Following on from a Mayor's roundtable meeting with cycle stakeholders, the following actions were developed:

- Central Coast Ride to School – launch of new cycle routes completed at both East and West Ulverstone Primary Schools.
- Central Coast River Park Cycle Centre – development of an off-road criterion track by the Mersey Valley Cycle Club. Plans have been developed along with detailed costings and the Club is approaching the State Government for funding assistance.
- Central Coast Dial Range for Mountain Biking – the opening of the 'Little Devil's Terrain Park' took place on 10 November and was hosted by the Cradle Coast Mountain Bike Club. The new 'Free-ride/Gravity' area on the infield of the old speedway is complete and already attracting regular interstate visitors. The Club has further developed a Partnership Agreement with the State Government which has allowed detailed planning to continue on new purpose-built mountain bike and walking trails in the Dial, with the first stage of trail development on the northern slopes of Mount Montgomery.
- Central Coast Shared Pathway extension – the Council has sought joint funding from the State Government for the Turners Beach to Leith Shared Pathway project which includes a pathway across the now redundant Forth Rail bridge.



- Central Coast Touring Trail Routes – details of Central Coast’s most popular cycle routes are now on the Council’s website.
- Central Coast Local Cycle Infrastructure – the Council has provided Bicycle Network Tasmania with a list of cycle infrastructure priorities to use for future funding opportunities. A Safer Roads for Cyclists meeting was hosted by the Council in March and provided the opportunity to report on bicycle initiatives.

The Johnsons Beach Reserve Master Plan has been completed and adopted by the Council. The vision for the Master Plan was to:

- Provide a play space for the children of the area to enjoy;
- Facilitate and encourage family/social recreation area for the residents and visitors to the area; and
- Provide a meeting place for the community.

Works for 2015-2016 have been completed and included resealing of the small car park and installation of line marking, installation of car barriers/bollards to prevent cars from cutting around trees, reduction in height of the chain-wire fence on the ‘Nut’, refurbishment of the double barbecue, installation of ‘parent’ seating at the Skate Park, installation of signage on the western side of the ‘Nut’ and also the ‘Johnsons Beach Reserve’ sign.



STRATEGIC DIRECTION 2

A Connected Central Coast

Seeking to enhance connectivity both within Central Coast and with the region – how people move from place to place, how accessible places are, and how people connect with each other and with services within Central Coast

STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↶ Deferred

1 Provide for a diverse range of movement patterns

2015-2016 Actions/Initiatives	Performance
▪ Review and implement the Council's gateway signage	→
▪ Develop a range of promotional activities to encourage greater use of walking routes	→
▪ Commence upgrading of Heavy Vehicle Transport Routes (Nine Mile Road upgrade)	✓
▪ Plan and commence implementation of Major Roads Rehabilitation	✓
▪ Plan and implement upgrading plan for boating facilities	✓
▪ Work with public transport operators to improve transport services and infrastructure in Central Coast	→

2 Connect the people with services

2015-2016 Actions/Initiatives	Performance
▪ Undertake review of the Council's aged persons home units	→
▪ Investigate opportunities for use of vacant aged persons home units for disability supported accommodation	✓

3 Improve community wellbeing

2015-2016 Actions/Initiatives	Performance
▪ Develop a Central Coast Social Plan Framework	✓



STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↻ Deferred

- Engage with the community to achieve meaningful, positive local ageing outcomes →
- Engage with the community to achieve meaningful local youth outcomes ✓
- Review Council's role in the direct provision of community-related events and programs →
- Continue to plan for/mitigate potential community risks and maintain business continuity capacity associated with natural disasters and emergencies ✓
- Identify and pursue opportunities to maximise the use of the Ulverstone Sports and Leisure Centre complex ✓
- Review the Council's Youth Strategy to align with the Social Plan Framework ↻
- Work with the Ulverstone Soccer and Softball organisations to maximise access to the playing surfaces at the Ulverstone Showground ✓
- Investigate opportunities for the relocation of Slipstream Circus and the Ulverstone Judo Club to a new facility ✓
- Investigate teenage-specific infrastructure at Fairway Park →
- Implement the Mersey-Leven Local Food Economy Project plan ✓
- Review the Council's Positive Ageing Strategy to align with the Social Plan Framework ↻

Highlights

Council staff have been investigating opportunities for use of long-term vacant aged persons units in the Penguin area for disability-supported accommodation. The National Disability Insurance Agency will pay for any modifications to units that are necessary to accommodate the person with the disability. The first resident commenced occupation in the Carroo Court unit complex in March, and after some initial teething problems, the arrangement appears to now be working well.



The Youth Engaged Steering Committee includes both teachers, service clubs, community representatives and students from Grades 9 and 10 from Leighland Christian School, North West Christian School, Penguin District School and the Ulverstone High School. The Committee was set up to look at increasing participation by students in further education or finding employment, as well as increasing the leadership capabilities of our future leaders along with liaising and networking between the schools and business community. The last 12 months have seen the students, with the Council's support, facilitate an 'All Schools Social' event in November 2015 and they are now preparing to attend the 12th National Leadership Camp in Sydney in July 2016 which will provide an excellent opportunity for further development and/or enhancement of their skills.

This year during Youth Week, an outdoor cinema was set up to host a DigiTELL competition for young people to enter a one-minute film relating to stories of living on the Central Coast of Tasmania. A number of one-minute films were showcased, with the feature film being 'Breakaway'.

After receiving funding from the Heart Foundation, a project team was established to develop a Mersey-Leven Food Hub Model. This involved piloting an e-commerce platform in partnership with Sprout Tasmania (a not-for-profit organisation dedicated to supporting local food producers). There were a number of workshops attended by over 35 external attendees. Sprout Tasmania has now taken over the intellectual property rights for this project and is required to ensure the intent of the project is maintained. The Council has also adopted the Central Coast Local Food Security Strategy, including an Action Plan, which will be implemented over the next 12 months or more.



The Ulverstone Sports and Leisure Centre is now attracting major events to our region. This last year has seen the National Under-16 Basketball Championships held at the Centre along with the North West Basketball Union's senior and junior finals, and the SEABL North West Tall Timbers Thunder home games. The whole Showground complex was buzzing over the Easter period with the hosting of the National Gemboree 2016, with over 700 competition entries received. The success of the Gemboree was due to the hard work of many volunteers and we congratulate them on their achievement. Council staff are also working with the organisers of the 2017 Australian Masters Games and the 2018 MG Car Club National Australian Meeting to ensure that our wonderful Centre is used for a number of their events.



Mayor Bonde officially opens the 52nd National Gem and Mineral Show, Gemboree 2016

Changes to the Showground's field layout for softball and soccer have been completed after a series of meetings with stakeholders. The new layout allows for the clubs to better plan for growth in participation, especially with improvements to sports field lighting being undertaken in 2016-2017.

The Council was fortunate to receive funding under the 'Heavy Vehicle Transport Route Grants' to contribute to the upgrading of Nine Mile Road. The works are well under way and should be finished early in the next year. Many positive responses have been received and certainly the upgrading works will ensure that the road is much safer for all vehicular traffic.



STRATEGIC DIRECTION 3

Community Capacity and Creativity

In conjunction with community, volunteer and business groups, develop capacity and cultivate a culture that values and showcases creativity, encourages community-based solutions, stimulates innovation and supports innovators in order to achieve quality opportunities and outcomes across all sections of the community

STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↶ Deferred

1 Community capacity and creativity

2015-2016 Actions/Initiatives	Performance
▪ Support programs and activities that promote innovation and enterprise to young people	✓
▪ Develop a pool of mentors and program of activities to support emerging community leaders, innovators and entrepreneurs	→
▪ Understand the impact of legislated requirements on volunteerism and assist in finding solutions	→
▪ Develop and implement a local volunteering strategy	→
▪ Complete pilot testing of Made Open Tasmania	✓

2 Facilitate entrepreneurship in the business community

2015-2016 Actions/Initiatives	Performance
▪ Work with the local health, community and aged-care services sectors to improve local business and employment opportunities	→



STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↶ Deferred

3 Cultivate a culture of creativity in the community

2015-2016 Actions/Initiatives	Performance
▪ Review Council venue management plans to improve promotion of venues for major community, sporting and corporate events	→
▪ Progress the implementation of the Ulverstone History Museum Strategic Plan	→
▪ Implement the outcomes of the Ulverstone Civic Centre review	→
▪ Review the Central Coast Arts and Culture Strategy	✓
▪ Facilitate events training for community groups	✓
▪ Implement the Central Coast Events Strategy	→

Highlights

The Council at its meeting in December 2015 adopted the Central Coast Arts and Culture Strategy 2015-2020. The Strategy describes the Council's leading role in fostering, supporting community initiatives, and celebrating artistic and cultural endeavour. Feedback from the community showed that they valued the arts and theatre culture, community and cultural events, and that as a community we are 'creative and insightful'. The objectives of the Strategy include:

- Inclusion;
- Stronger community;
- Arts and cultural practice;
- Skills, knowledge and networks; and
- Creative spaces and places.

The Strategy also describes how the Council will achieve these objectives by:

- facilitating and coordinating arts and cultural development projects;



- promoting and advocating for arts and cultural improvement on behalf of community;
- investing in infrastructure, cultural institutions and events that make a significant contribution to Central Coast and supporting community initiatives that do likewise; and
- providing services and programs where gaps exist or developing partnerships that fulfil an identified arts/cultural need in the community.

The Council understands the importance of community events for our community, and also for those groups, rather than the Council, both owning and developing those events. The Council sees its role as one of supporting groups and their events and over the last 12 months has organised training around procedures for having defibrillators at events (including usage of devices - 17 community members trained) and a series of training/information evenings including 'Risk Management', 'Learning Social Media' and 'What else can be done with my event?'

The Council has been working in partnership with Cradle Coast Innovation on projects with young people. The Council also supported Ulverstone High School students who went overseas to compete in the F1 project (nationwide program designed to get high school students thinking about design, engineering, technology and manufacturing).

Around 300 students from numerous schools participated at the Council's TastroFest event in 2015. School science shows at TastroFest explained the principles at work in the universe. Innovation has strong links to the field of science. Creating student



interest in the sciences, specifically physics, can drive young people to pursue science studies and gain the skills they need to be innovators and secure the jobs of tomorrow.

The Council works closely with our key arts and cultural community groups, including Live@theWharf Inc. (which will celebrate its 200th show in November 2016), Slipstream Circus, the Ulverstone Repertory Theatre Society and Leven Regional Arts, to ensure Central Coast continues to be a vibrant arts and cultural hub.



Photos courtesy of Slipstream Circus
(Photographer: John Fisher)





STRATEGIC DIRECTION 4

The Environment and Sustainable Infrastructure

Sustaining built infrastructure and the natural environment by encouraging innovation and investment in Central Coast

STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↻ Deferred

1 Invest in and leverage opportunities from our natural environment

2015-2016 Actions/Initiatives	Performance
▪ Complete investigation into rural flood catchments	→
▪ Develop implementation plan for warning systems	✓
▪ Develop a Riparian Zone Development Plan	↻

2 Contribute to a safe and healthy environment

2015-2016 Actions/Initiatives	Performance
▪ Continue to work with community event organisers to improve safety standards at community events	✓
▪ Implement updated Road Permit system (including community education)	→
▪ Progressively upgrade beach accesses to current access standards	✓
▪ Review and implement smoke-free areas within the CBD in accordance with proposed new legislation	↻

3 Develop and manage sustainable built infrastructure

2015-2016 Actions/Initiatives	Performance
▪ Progress the development of a bus interchange area	→
▪ Improve recreational amenities and play equipment in the Council's key foreshore parks	✓



STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↻ Deferred

- Continue to invest in the Council’s stormwater infrastructure ✓
- Proactively seek/optimize grant funding opportunities to invest in assets ✓
- Implement actions from the Compliance and Enforcement Policy ✓
- Complete urban stormwater management plans →
- Staged implementation of Parking Plan ✓
- Develop guidelines/policies for roadside furniture ↻
- Progress negotiations with the Department of State Growth to confirm road ownership responsibilities in highway sections, remnant highway sections and isolated State assets within Central Coast →

4 Contribute to the preservation of the natural environment

2015-2016 Actions/Initiatives	Performance
▪ Promote and participate in regional, State and national climate-change related initiatives	→
▪ Develop a strategy to mitigate the impacts of climate change on the Council’s assets	→
▪ Investigate and plan for the effects of climate change on our local areas	→
▪ Work with and support land and river care and other groups to improve environmental outcomes around our waterways and public spaces	→
▪ Implement the recommendations from the Vegetation Management Review	✓

Highlights

The recent floods (June 2016) remind us of the importance of ensuring we have appropriate early warning systems for our rivers and catchments. The assessment of the need for these systems identified stream height instrumentation is needed on the



Leven River, Blythe River, Gawler River and Claytons Rivulet. As well, additional stream flow recorders are needed in reaches of the upper Forth catchment. We are currently investigating grant opportunities to enable these warning systems to be implemented.

Investigations into the flooding characteristics of our rural stormwater catchments were commenced last year and are due to be finalised this year. However, the floods in June set new higher flood levels in some catchments and this will necessitate further investigations in the coming year to ensure that higher levels can be predicted.

There is a plan in place to progressively upgrade beach accesses to current access standards. The Josephine Street access was designed and constructed this year. The Long-term Financial Plan details where funding is to be provided in future budgets to upgrade accesses in Turners Beach, Ulverstone, Penguin and Sulphur Creek.

The Council is continually investing in its stormwater infrastructure, with projects undertaken over the last 12 months including Main Road, Penguin; South Road/Lyndara Drive, Penguin; Leven Street, Ulverstone; Fairway Park, Leven Street, Ulverstone; and Seaside Crescent, Penguin. All projects budgeted for were completed.

The Council's Environmental Engineer is a member of a state-wide Local Government Association of Tasmania committee charged with preparing generic Urban Stormwater Management Plan templates for use by all councils in the preparation of management plans for urban stormwater catchments. The State Government has mandated that the Management Plans must be completed within the next two years. Progress has been slower than expected with draft templates now expected to be available in the next year.



The Central Coast Parking Plan 2014 was adopted by the Council at its meeting in October 2015. Negotiations for the development of 'Furners/Coles' parking area is nearing completion. Tenders are expected to be called once the agreements are in place. Design plans for line-marking of spaces and improved signage within the CBD have been progressed. Upgrades at Main Road, Penguin have commenced and include line-marking of spaces and provision of two on-street disability spaces.

Playground equipment renewals have again been a feature of our parks this year. In addition, a new children's playground was installed in Heybridge and by all accounts has been well received by the children of the area.

Climate change and its effects on our municipal area continue to be a high priority for the Council. Our Climate Change Action Plan was to have been reviewed during the year but this unfortunately has had to be deferred until 2016-2017. However, many of our climate change and environmental sustainability initiatives continued during the year.

There has been a reduction in our total greenhouse gas emissions as a result of a number of initiatives, including the phased introduction of LED-lighting systems into our numerous building assets and for our sports fields lighting.



STRATEGIC DIRECTION 5

Council Sustainability and Governance

A leading Council that is well governed and managed and engages effectively with its community

STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↶ Deferred

1 Improve corporate government

2015-2016 Actions/Initiatives	Performance
▪ Complete and implement the Strategic Human Resource Plan	✓
▪ Undertake a review of the Council's Fleet Management system	↶
▪ Implement recommendations from the Works Review	✓
▪ Implement Integrated Project Management system across the organisation	✓
▪ Update procedures to align with the Compliance and Enforcement Policy	✓
▪ Undertake a review of the Planning Authority functions	✓
▪ Evaluation and implement changes from the review of the <i>Building Act 2000</i>	→
▪ Implement the outcomes of the IT security review	✓
▪ Implement and update actions from the Council's Strategic Risk Register in all Council activities	✓
▪ Undertake review of the Dog Management Policy	✓
▪ Update the organisation's Records Management Procedures within Tasmanian Archive and Heritage Office guidelines	→
▪ Conduct internal audits of the Occupational Health and Safety management systems	✓



STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

- Review the Council's employee induction processes ✓
- Review the Council's recruitment and selection processes →
- Review the Council's policy register ↪
- Develop strategic IT framework →

2 Improve service provision

2015-2016 Actions/Initiatives	Performance
▪ Continue program of business unit service and process reviews	→
▪ Develop service levels for all services delivered by the Council	→
▪ Develop improvement plans in areas identified as requiring attention from the Community Surveys	✓
▪ Implement recommendations of the Local Visitor Services process review	✓
▪ Complete all outstanding Plumbing Permits that require Completion Certificates from 1994 to 2000	→
▪ Centralise all plumbing records	→
▪ Progressively implement the electronic recording of all Building and Plumbing applications/permits from 2000 to 2011	→
▪ Complete all outstanding building Permits that require Completion Certifications from 1994 to 2000	→
▪ Refine pre-approvals to provide to the National Heavy Vehicle Regulator	✓
▪ Complete Buildings and Facilities Strategy and Implementation Plan	→
▪ Develop services business continuity plans for Council Works Depot, Lobster Creek Resource Recovery Centre, Penguin Service and Information Centres	→



STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↻ Deferred

- Increase utilisation of child care services ✓
- Undertake a Parking Control process review and implement outcomes ↻
- Develop a framework to implement energy efficiencies within our buildings →
- Undertake triennial Community Survey ✓
- Continue implementation of business improvement solutions through the use of information technology ✓
- Investigate and implement new geographic information systems →
- Further investigation and implementation of the Food Organics and Garden Organics (FOGO) program ✓

3 Improve the Council's financial capacity to sustainably meet community expectations

2015-2016 Actions/Initiatives	Performance
▪ Develop a Central Coast Investment Policy	✓
▪ Develop plans for the sale of Council surplus land associated with development and the Central Coast Open Space and Recreation Plan	→
▪ Undertake a Private Works process review	↻
▪ Review the Council's annual insurance cover	✓
▪ Develop an Internal Audit Manual	✓

4 Effective communication and engagement

2015-2016 Actions/Initiatives	Performance
▪ Work together with service clubs and community groups to sustainably improve local community infrastructure and activities	✓



STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↻ Deferred

- Work collaboratively with Cradle Coast Innovation and other key organisations to build community capability and improve innovation and enterprise in our community ✓
- Develop a social media and digital marketing plan ✓
- Implement the Council's Communication and Engagement Plan, including the development of a community engagement toolkit ✓
- Train staff in contemporary community engagement, social media and digital marketing skills/applications →
- Develop regular themed roundtable forums to be hosted by the Mayor to meet and engage with business and community leaders ✓

5 Strengthen local-regional connections

2015-2016 Actions/Initiatives	Performance
▪ Investigate strategic alliance opportunities to improve the economies of scale and scope in service delivery and the further development of Central Coast	→
▪ Investigate regional and sub-regional shared services arrangements	✓
▪ Joint development of Liveable Region Strategy to address population growth, employment, skills and investment issues	↻
▪ Participate in the Regional Waste Management Governance Review	✓

Highlights

The Council is required to review its dog management policy at least once every five years in accordance with the *Dog Control Act 2000*. In accordance with the legislative requirement to review the current Policy, a review was initiated in September 2015. The public was invited to attend information and consultation sessions within the



communities at Ulverstone, Penguin and Turners Beach, as well as through the Council's website. Changes included in the Dog Management Policy 2015 are:

- the addition of the formal dog exercise areas that have been created in Ulverstone and Penguin;
- inclusion of Midway Beach, Sulphur Creek, west of Creamery Road through to Howth as a prohibited area;
- inclusion of fenced-off area at the northern end of the Ulverstone Sports and Leisure Centre complex as a training area; and
- the removal of the option concerning the microchipping of dogs, as microchipping is now a legislated requirement for all dogs (unless a veterinary-supported exemption is provided).

A comprehensive 'Works Review' was undertaken over the last 18 months to ensure that our 'works structure' is both flexible and efficient for the operations that we undertake. The Review provided evidence that further efficiencies could be provided by breaking down the works structure into two areas; one being the Maintenance and Construction Group and the other being the Services Group which provides the internal services including health and safety, service requests, and waste management services to the Maintenance and Construction Group as well as other Departments of the Council. This new structure has been in operation for four months now, and already improvements in operations have been identified.

A Food Organics and Garden Organics (FOGO) working group has been formed to progress the calling of tenders for this collection service. This project has been endorsed in principle by six councils in the region to call for tenders so as to ascertain whether it will be viable to introduce a FOGO collection which would commence in July 2017. It is expected that the data from the tender process will be available by December 2016 for the Council to work through whether it wishes to proceed and be part of a regional FOGO collection service.

A Human Resources Strategic Plan has been developed over the past 18 months which outlines the strategic initiatives required for our future success. The Plan provides a 'road map' setting out our strategic initiatives that will be implemented to ensure all core Human Resources processes are aligned to, and support, the future goals and service delivery requirements of the Council. Some of the areas that will be addressed under the Plan include:



- skill shortages in key areas;
- leadership and management strategies to 'grow and manage' talent;
- taking advantage of and securing our corporate knowledge;
- greater use and consideration of flexible work practices and work/life balance;
- succession planning for key positions;
- increased focus on the Council's recruitment and selection processes;
- maximising job satisfaction;
- opportunities for skills development;
- creating a sustainable and recognisable corporate brand which promotes the Council within the local business community as an Employer of Choice; and
- the creation of a positive work environment and culture based on innovation, customer service, continuous improvement and engagement.

Continuous Improvement reviews over the last 12 months have included the Works Review, Visitor Information Services Review, Planning Processes, Civic Centre Usage and Aged Persons Home Units. Each Department undertakes a number of reviews each year to ensure that we put our processes under the 'spotlight' to determine whether there are new and innovative ways to improve our processes for the benefit of our ratepayers.

This year saw the Council once again conduct a community survey to measure our community's views, ideas and suggestions. The survey has previously been conducted in 2008, 2010 and 2012. The objectives of the community survey were to provide the community with an opportunity to communicate openly and candidly with the Council; identify key issues for residents; measure performance across key areas of the Council; and to use the survey results to build a stronger and more satisfied community. Indicating a generally high satisfaction, 70% of respondents rated their satisfaction with the Council as a 5, 6 or 7 (note that scoring is between 1 and 7). This is an 8% increase on the 2012 survey and is a very pleasing result for the Council. Further



details on the results of the survey can be found on Council's website (www.centralcoast.tas.gov.au).

A Communication and Engagement Policy and Strategy were developed and adopted by the Council in January 2016. The Strategy includes identifying online social media and digital marketing opportunities and will guide the Council's increased involvement, capability building and resourcing in the social media and digital marketing space. The Council's official Facebook page was launched in mid-April with the distribution of the quarterly e-newsletter. It is now planned that a month-by-month social media calendar of posts be developed for the strategic administration of the page.

The Mayor has been developing regular themed 'roundtable' forums to meet and engage with business and community leaders around areas of interest. This last year has seen two 'roundtables' which have gained momentum within the community, namely, the Local Food Security Strategy and the Cycle Central Coast Strategy.

The Central Coast community is well renowned for its supportive service clubs and volunteers, and with the flood event of June 2016, has rallied with the Council to help provide support in any way they can. Some have provided financial support while others have helped out with ensuring that BlazeAid, who came to our community to assist with constructing new fencing in both the Gunns Plains and Forth areas, was made welcome and provided with meals. The Council thanks all those who contributed in any small way.

The Cradle Coast region has agreed to work together to undertake a review of our services within the region. The first stage of the work included the data collection on all services within our region. Consultants will be engaged to take this data and work with councils to look at areas and opportunities we can investigate for shared services which will be of benefit to both the community and the Council.

A Central Coast Investment Policy was adopted by the Council in May 2016. The Policy provides a framework for Council officers to operate when investing funds surplus to the Council's immediate needs. Council officers must ensure the maximisation of earnings, whilst managing risk, ensuring compliance with section 75 of the *Local Government Act 1993* and Part II – Investments of the *Trustee Act 1898*.



**‘distinctiveness,
character,
capability and
resources
already embedded
in our place
and on which
we can build’**

Strategic Plan 2014–2024

Statement of Activities

Section 21 and Section 72(1)(ca) *Local Government Act 1993*

The Council has not resolved to exercise any powers or undertake any activities in accordance with Section 21 (Enterprise powers) of the *Local Government Act 1993*.

Joint Authorities

Section 30(1) *Local Government Act 1993*

Under Section 30(1) of the *Local Government Act 1993*, the Central Coast Council resolved to participate in the establishment of two joint authorities: the Cradle Coast Authority and Dulverton Regional Waste Management Authority. The following reports provide a summary of activities, budget and performance of the Authorities in 2015-2016.

- **Cradle Coast Authority**

“The Authority continues to reinvent itself, working closely with our shareholder councils and in partnership with the community, business and government.

This year saw significant investment in reviewing our organisation’s delivery model, corporate systems and procedures. The Corporate services staff numbers were reduced from 10.97 to 5.0 FTE with a 25% dividend. These savings were reinvested to establish a Regional Development business unit, focused on economic development and projects of regional significance. As part of this new focus, the Authority met with councils in early 2016 to present the proposal to develop a Regional Economic Development Strategy (REDS). These meetings were an ideal opportunity for the Authority to discuss the barriers and gaps holding the region back and to outline a framework for designing a response in collaboration with the councils, industry and business. In May 2016, Representatives approved the REDS.

In an example of the power of collaboration, the Authority teamed up with the Tourism Industry Council of Tasmania, Parks and Wildlife Service and Kentish Council to develop the Cradle Mountain Master Plan. The plan received wide applause from industry, the community and government. In recognition of its economic benefit across the whole region, the Master Plan became the region’s principle infrastructure project for the Federal Election. As a result of the councils’ solidarity behind the project, it has received support from both the State and



Federal Governments and will continue to be a project of regional significance for the Authority for the year ahead.

The Australian Masters Games (AMG) will be a huge event for the region in October 2017. Events such as the AMG require significant planning and preparation and this started in earnest in 2015-16. In October 2015, a delegation of councillors, alderman and myself attended the Adelaide AMG and witnessed first-hand the potential opportunities that the event presents the region. The most important outcome will be showing our region can host an event of national significance.

Another example of collaboration and partnership between the Authority, councils and community is the renewed focus and commitment to developing the North West Coastal Pathway Network. Working closely with the councils' engineering and economic development teams, the Authority is developing a project prospectus and strategy. The prospectus pulls together a detailed picture of the current and planned investment required to realise the vision. The strategy, to be developed with community stakeholders, will explore the socio-economic opportunities associated with the network.

From this year I am particularly pleased with the number of events facilitated by the Authority for council officers. The Authority held a number of informal workshops for council officers working in economic development, communications and geographic information systems (GIS). These workshops provided council officers the opportunity to share ideas and explore issues of common interest and is a great example how we can help each other as a region.

In February, the 2015-2020 Cradle Coast Natural Resource Management Strategy was completed. The Strategy aims to achieve sustainable environmental, economic

and social outcomes and requires all stakeholders (government, industry, community and nongovernment organisations) to contribute and participate. The Strategy was developed using extensive engagement and consultation with the community and stakeholders.

Finally, in January 2016, the inaugural Chairman, Mr Glynn Williams resigned from the Authority as a result of a rapidly expanding legal practice. Mr Williams will be remembered for his insight and strategic vision for the region. I am indebted to Mr Williams for his guidance and support as I navigated the stakeholders and issues specific to the Cradle Coast.

The year ahead is full of exciting opportunities and the Authority looks forward to realising these with each and every one of you.”

Brett Smith, Chief Executive Officer, Cradle Coast Authority

- **Dulverton Regional Waste Management Authority**

“The 2015/16 Financial Year concluded far stronger than budgeted. The result was influenced by a number of once-off waste stream revenues which could not reasonably have been foreseen and were unbudgeted. Expenditure was also constrained well below budget.

Five year financial forecasts on an activity basis are now routinely provided to Owner Councils as each Annual Plan and Budget is developed. The financial forecasts detail future income, operational expenditure, capital investment, cash flow and likely dividends. These forecasts guide the activities of the business into the future.

A complete set of financial reports and Key Performance Indicators (KPIs) are provided to Owner Representatives quarterly and to Directors each month, and provide Owners, Board and management with confidence of Dulverton Waste Management’s (DWM) ongoing financial health.

Workplace Health and Safety (WHS) continues to be a major focus for the Board, Management, Staff and Contractors. Directors commenced a program of site safety inspections during the 2012/13 financial year which continues today. DWM was very proud to be a finalist in the 2015 WorkSafe Tasmania Awards in the "Best WHS Initiative" category.

DWM continues to exceed the WHS standard set by many larger organisations, however, DWM will not become complacent and will continue to advance all aspects of Workplace Health and Safety throughout its operations.

With the stability that robust systems for WHS, environment, finance, business, risk management and records management bring, Owner Representatives, Board and staff have been able to focus on future business optimisation. A new Strategic Plan covering 2015/16–2019/20 was developed and approved by the Board and Owner Representatives. The Rules of the Authority were also reviewed and overhauled, providing increased clarity around roles and responsibilities of all parties.

During 2015/16 DWM undertook an extensive and rigorous tender process for the site Operation and Maintenance services. Gradco will commence on site on the 31st of October 2016. The existing contractor MDG leave site better than when they commenced, and DWM wish them a prosperous future.

As the primary waste management provider in the region, DWM continues to provide waste expertise to the Cradle Coast Waste Management Group (CCWVG). Knowledge in landfill, organics recycling, kerbside recycling and other industry relevant activities allows DWM's services to be provided for the greater benefit of the region.

Financially, DWM had a positive year with both income and profit exceeding the budget. Expenditure was below budget. DWM was able to fund all 2015/16 capital works from its own funds, including that for the new landfill compactor valued at \$628,650 inclusive of GST. It should be noted that the forecast in the five year financial plan is to avoid further borrowing other than for land acquisition, major plant replacement or landfill cell construction.

The total quantity of chargeable waste disposals managed by DWM increased by 11.89% to 75,166 tonnes from 67,178 tonnes in the previous year. The majority of this waste goes to landfill, however, in 2015/16 diversion to the Dulverton Organics Recycling Facility (DORF) for recycling into compost increased from 17% to 49%. This figure does not include approximately 5,628 tonnes of green-waste also accepted at the DORF.

Pleasingly the amount of tax equivalents (or NTER - National Tax Equivalent Regime) paid and payable to the Owner Councils relating to the 2015/16 financial year, plus Dividends paid, will exceed \$1,300,000. This figure exceeds the previous high set

in 2014/15 of \$870,000. Dividends to Owner Councils are forecast into the foreseeable future.”

Mat Greskie, Chief Executive Officer, Dulverton Waste Management

Public Health Statement

Section 72(1)(ab) Local Government Act 1993

Section 72(1)(ab) of the *Local Government Act 1993* requires a statement of the Council’s goals and objectives in relation to public health activities to be included in the Annual Report. This statement is provided in Appendix B of this Annual Report entitled ‘Public and Environmental Health Report.’

Statement of Allowances and Expenses Paid to Elected Members

Section 72(1)(cb) Local Government Act 1993

Councillors’ allowances	\$252,858
Councillors’ expenses	\$41,190

Meeting Attendance

Section 72(1)(cc) Local Government Act 1993

Councillor	Council Meetings	Councillors’ Workshops
Bloomfield, John	13	32
Bonde, Jan	13	25
Broad, Shane	13	30
Carpenter, Garry	11	26
Downie, Kathleen	11	25
Howard, Gerry	13	32
Tongs, Rowen	10	31
van Rooyen, Tony	11	27
Viney, Philip	13	26
<i>Total meetings</i>	<i>13</i>	<i>32</i>

Council meetings include Special Council meetings.



Remuneration of Senior Employees

Section 72(1)(cd) *Local Government Act 1993*

Band	No. Employees
\$140,000-\$160,000	2*
\$160,000-\$180,000	2
\$180,000-\$200,000	-
\$200,000-\$220,000	-
\$220,000-\$240,000	1

* Includes an eligible termination payment for one senior employee. Only one senior employee remained in this band at 30 June 2016 reducing the total number of senior employees to four. Remuneration includes salary, superannuation, motor vehicle and other allowances or benefits.

Statement of Land Donated

Section 72(1)(da) and Section 177 *Local Government Act 1993*

No land was donated by the Council under Section 177 of the *Local Government Act 1993*.

Grants, Assistance and Benefits Provided

Section 77(1) *Local Government Act 1993*

Details	\$ GST incl.
Anglicare Tasmania Inc. - Therapeutic reflection garden	1,423
Burnie Little Athletics - Build long jump pit	1,650
Friends of Reid Street Reserve - Signage at Reid Street Reserve	3,000
Leven Yacht Club - Hot-water cylinder replacement program	1,000
Penguin Sub-branch RSL - Build Centenary Memorial Wall	3,000
Pensioner rate remissions	34,300
Royal Australian Air Force (NW Branch) - Social bus trip	1,000
Scout Association - Penguin kitchen renovation	3,000
Ulverstone Basketball Association - Purchase of equipment	280
Ulverstone Judo Club - Community promotion and participation	465
Lions Club of Ulverstone - Citizens monument	3,000
Ulverstone Senior Citizens Club - Installation of heating/cooling system	3,000



Grants, Assistance and Benefits Provided cont.

Details	\$ GST incl.
Ulverstone Softball Association - Purchase temporary diamond mesh fence	3,000
Ulverstone Surf Life Saving Club - Outdoor public showers	1,118

Complaints

Section 339F(5) *Local Government Act 1993*

Nature	No. Received
Staff	6
Fees and Charges	-
Service/Product	5
Communication	-
Policies/Procedures	1

These complaints have been investigated and resolved.

Contracts for the Supply of Goods and Services

Regulations 23(5) and 27(1)(a) & (h) *Local Government (General) Regulations 2005*

In accordance with section 23(5) of the *Local Government (General) Regulations 2005*, the following contracts or tenders awarded to the value of \$100,000 or above, excluding GST, were entered into during the 2015-2016 financial year.

Successful Contractor	Description of Contract	Period of Contract	Value of Tender/ Contract Sum \$
Stubbs Constructions Pty Ltd PO Box 573 Burnie 7320	Ulverstone History Museum internal works, roof and wall insulation	July 2015- Nov 2015	211,404.00
Artas Architects PO Box 225 Launceston 7250	Additional contract amount for Stage 1 and Stage 2 design of Dial Regional Sports Complex Development	June 2015-	161,346.00



Contracts for the Supply of Goods and Services cont.

Successful Contractor	Description of Contract	Period of Contract	Value of Tender/ Contract Sum \$
Mareeaba Trust C/ Post Office Gawler 7315	Coastal and rural roadside mowing	Oct 2015– June 2016	137,912.50
Hardings Hotmix Pty Ltd PO Box 709 Ulverstone 7315	Sprayed bituminous sealing urban roads, rural roads and car parks	Nov 2015– June 2016	616,301.71
CJD Equipment Pty Ltd PO Box 63 Prospect 7250	Supply and delivery of Mitsubishi Fuso Fighter 1024	Nov 2015– May 2016	139,579.00
FRM Materials Handling Pty Ltd 176 Stoney Rise Road Devonport 7310	Supply and delivery of Toyota Hino 700 series DS2848	Nov 2015– March 2016	201,167.80
Civilscape Contracting Tasmania Pty Ltd PO Box 63 Ridgley 7321	Reconstruction works for McDonald Street, Ulverstone	Feb 2016– July 2016	249,518.07
TasSpan Pty Ltd PO Box 225 Latrobe 7307	Design and construction of Gawler River Bridge, Coxs Road	Oct 2016– Nov 2016	261,392.86
Hardings Hotmix Pty Ltd PO Box 709 Ulverstone 7315	Design and reconstruction of upgrade of Nine Mile Road, Howth	Feb 2016– Nov 2016	1,348,310.00
Hardings Hotmix Pty Ltd PO Box 709 Ulverstone 7315	Construction of roundabout at intersection of Jermyn and Leven Streets, Ulverstone	May 2016– Sept 2016	175,283.50

There were no instances where sub-regulations 27(1)(a) or (h) of the *Local Government (General) Regulations 2005* were applied.



Public Interest Disclosures

Public Interest Disclosure Act 2002

The Council's Guidelines for dealing with matters under the *Public Interest Disclosure Act 2002* are available for viewing on the Council's website www.centralcoast.tas.gov.au or a copy can be made available by contacting the Council's protected disclosure officer/coordinator.

The mandatory disclosures for a relevant public body (Council) under section 86(b)-(i) of the *Public Interest Disclosure Act 2002* are as follows:

(b) the number and types of disclosures made to the relevant public body during the year and the number of disclosures determined to be a public interest disclosure	Nil
(c) the number of disclosures determined by the relevant public body to be public interest disclosures that it investigated during the year	Nil
(d) the number and types of disclosed matters referred to the public body during the year by the Ombudsman	Nil
(e) the number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate	Nil
(f) the number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year	Nil
(g) the number and types of disclosed matters that the relevant public body has declined to investigate during the year	Nil
(h) the number and type of disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation	Nil
(i) any recommendations made by the Ombudsman that relate to the relevant public body	Nil



‘our challenge
is to define,
cultivate,
protect and grow
the attributes
that matter
most to us’

Strategic Plan 2014–2024





About Central Coast

General Statistics	2014-2015	2015-2016
Area	932km ²	932km ²
Population (ERP)	22,411	22,401
No. of Electors	16,440	16,440
Rateable Properties	10,761	10,823
No. of Planning Applications Lodged	271	259
No. of Building Applications Lodged	236	251
Average Days to Determine Planning and Building Applications:		
- Permitted Use	18.88	13.79
- Discretionary	32.13	29.60
- Buildings	5.81	5.42
No. of Food Businesses Inspections Undertaken	305	185
Percentage Achieved of Capital Works Program	70.4%	66.4%
Average Cost Per Employee	\$74,604	\$78,592
Staff Turnover Rate	5.41%	6.76%
Average Sick Leave Per Employee	6.3 days	5.8 days
Lost Time Due to Injury	151 hrs	97 hrs
Percentage of Receipts Received Electronically	66%	68%
Assets	2014-2015	2015-2016
Roads		
Urban - Sealed/Unsealed	137km/1km	137km/1km
Rural - Sealed/Unsealed	408km/122km	408km/122km
<i>Total Roads</i>	<i>667km</i>	<i>667km</i>

About Central Coast cont.

Assets	2014-2015	2015-2016
Bridges	85	85
Footpaths/Recreational Pathways	150km	150km
Drainage		
Pipeline Length	137km	137km
Waste Management		
Transfer Stations and Resource Recovery Centre	4	4
Recreation		
Parks and open spaces	100	100
Recreation Grounds	11	11
Buildings (select)		
Aged Persons Units	77	77
Public Toilets	36	36
Barbecue Huts	20	20
Picnic Huts	7	7
Bus Shelters	41	41

Building

Building Approvals - Comparisons

Parameter	2012-2013	2013-2014	2014-2015	2015-2016
<i>No. of Approvals</i>	249	224	236	251
<i>Total Value (\$)</i>	\$32,530,661	\$30,037,963	\$32,910,138	\$47,544,462
Dwellings - No. approved \$ value	53 \$16,312,518	54 \$15,615,948	71 \$21,289,731	75 \$26,071,202
Flats/Units - No. approved \$ value	31 \$5,010,555	20 \$3,899,758	15 \$1,120,400	23 \$3,606,456
Additions - No. approved \$ value	56 \$2,576,346	61 \$2,506,205	66 \$3,106,548	68 \$3,796,827

Building Approvals - Comparisons cont.

Parameter	2012-2013	2013-2014	2014-2015	2015-2016
Alterations - No. approved \$ value	10 \$174,500	2 \$39,500	5 \$36,000	3 \$31,999
Outbuildings - No. approved \$ value	64 \$1,375,346	74 \$2,498,797	57 \$2,518,378	63 \$2,387,982
Other Buildings - No. approved \$ value	35 \$7,081,396	25 \$4,477,755	30 \$4,839,081	29 \$11,649,996

Building Permit Processing Times

Parameter Category	Parameter			
	No. of Applications	Average No. of Days	Most No. of Days	Least No. of Days
All Buildings	251	5.42	19	1
Dwellings	75	5.58	12	1
Units	23	5.75	7	4
Additions	68	5.42	19	1
Alterations	3	6.33	8	4
Outbuildings	63	5.24	14	1
Other Buildings	29	5.29	10	1

Statutory requirement is 7 days.

Explanatory comment - figures include days when the clock was stopped.



Community Assets

Civic Centre, Public Halls and Buildings Utilisation Data

(Bookings unless otherwise identified)

Details	2014-2015	2015-2016
Civic Centre - Leven Theatre	90	140
Civic Centre - Gawler Room	159	198
Civic Centre - Isandula Room	70	116
Castra-Sprent Community Centre	8	-
Montgomery Room	586	573
North Motton Hall	55	52
Penguin Railway Station	82	82
Riana Community Centre	177	140
Sulphur Creek Hall	144	183
Turners Beach Hall	181	163

Recreation Facilities Utilisation Data

Details	2014-2015	2015-2016
Ulverstone Learn to Swim Pool		
- Hours Used	1,142	1,003
- Bookings	915	803
Ulverstone Waterslide (operated 19.11.2015-29.03.2016)		
- Days Open	96	97
- Highest Utilisation Day	211	194
- Average Per Day	60	84
- Private Booking Hours	188	208
Forth Recreation Ground	131	131
Haywoods Reserve Recreation Ground	160	137
Heybridge Recreation Ground	80	81
Penguin Recreation Ground	175	215
Riana Recreation Ground	89	43
River Park Recreation Ground	152	200
Sprent Recreation Ground	78	19
Turners Beach Recreation Ground	143	136

Recreation Facilities Utilisation Data cont.

Details	2014-2015	2015-2016
Ulverstone Recreation Ground	350	362
West Ulverstone Recreation Ground	126	181
Ulverstone Sports and Leisure Centre		
- Stadiums	1,602	1,859
- Squash Courts	252	211
Penguin Sports Centre		
- Stadiums	602	576
- Squash Courts	331	374
Ulverstone Showground		
- Playing Fields	830	826
- Netball Courts (incl. grass court)	100	108
- Dog Training Area	85	103
- Training Room	110	107
North Motton Equestrian Complex	45	35
Penguin Athletics Centre Track	90	78

Environmental Management Processing Times

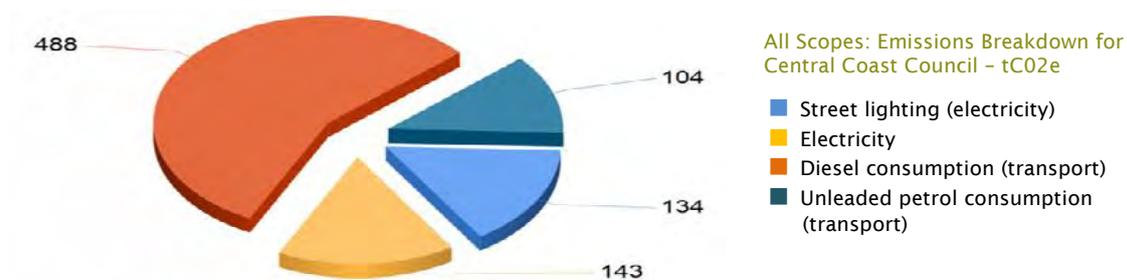
Category	Parameter			
	No. of Applications	Average No. of Days	Most No. of Days	Least No. of Days
Special Plumbing Permits	21	8	17	-
Food Business (including Temporary and Mobile)	297	2	4	1
Public Health Risk Activity	15	3	5	1
Place of Assembly	3	4	7	2

Explanatory comment - figures include days when the clock was stopped.
 Special Plumbing Permits – statutory requirement is 18 days.

Greenhouse Gas Emissions

Year	Total Greenhouse Gas Emissions (Tonnes of Equivalent Carbon Dioxide (CO ₂) Emitted)
2015-2016	870 Tonnes CO ₂ (e)
2014-2015	1,229 Tonnes CO ₂ (e)
2013-2014	1,122 Tonnes CO ₂ (e)
2012-2013	1,323 Tonnes CO ₂ (e)
2011-2012	1,450 Tonnes CO ₂ (e)

Council Greenhouse Gas Emissions by Source for FY 15-16 to and including April-June 2016



Key Financial Performance Information

	2014-2015	2015-2016
Current Assets	\$8,520,775	\$7,963,964
Current Liabilities	\$4,507,204	\$5,285,735
Non Current Assets	\$471,188,240	\$501,308,001
Non Current Liabilities	\$5,837,142	\$5,886,067
Net Wealth of the Council	\$469,364,669	\$498,100,163
Rate Revenue	\$13,617,794	\$13,982,962
Operating Revenue	\$28,607,626	\$24,955,971
Operating Expenditure	\$23,687,047	\$24,724,421
Operating Surplus (Deficit)	\$4,920,579	\$231,550
Loan Debt	\$3,027,208	\$3,061,596
Total Employee Costs	\$10,220,726	\$10,767,092
Number of Full-time Equivalent Employees	137	137
Rates Outstanding	2.17%	1.63%



Financial Sustainability Indicators

	2014-2015	2015-2016
Operating margin ratio <i>indicates a measure of the Council's overall operating effectiveness</i>	✓	✓
Current ratio <i>indicates the Council's ability to meet its current commitments (measure of liquidity)</i>	✓	✓
Net financial liabilities ratio <i>indicates the extent to which financial liabilities could be met by operating income</i>	✓	✓
Asset sustainability ratio <i>indicates whether the Council is replacing or renewing non-financial assets at the same rate its overall stock of assets is wearing out for the period</i>	✓	✓
Asset consumption ratio <i>indicates the depreciated replacement of Council's depreciable assets relative to their as new (replacement) value</i>	✓	✓
Self-financing ratio <i>measures the Council's ability to fund the replacement of assets from cash generated from operations</i>	✓	✓
Own source revenue <i>represents revenue generated by a council through its own operations</i>	✓	✓

✓ Performance is regarded as satisfactory

✗ Performance is below State benchmark

Planning

Subdivision - Net Lots Approved

Locality	2014-2015	2015-2016
Rural	3	13
Leith	2	-
Forth	1	-
Turners Beach	3	25
Ulverstone	7	66
Penguin	3	2
Sulphur Creek	16	-
Heybridge	-	2
<i>Total</i>	<i>35</i>	<i>108</i>



Planning Permit Processing Times

Category	2015-2016	
	No. Applications	Av. No. of Days
Permitted	43	13.79
Discretionary	162	29.60

Statutory requirement is 42 days.

Staffing Numbers

Department	Full-time	Part-time	Casual	Total
General Management	6	-	-	6
Organisational Services	8	9	1	18
Community Services	20	34	37	91
Infrastructure Services	66	5	-	71
<i>Total</i>	<i>100</i>	<i>48</i>	<i>38</i>	<i>186</i>

The number of Full-time Equivalent Employees was 137.



‘how people
connect
with each other
and with services
within
Central Coast’

Strategic Plan 2014–2024





The Central Coast Council operates under the Local Government Act 1993. Within 90 days after the end of a financial year, the General Manager is to prepare financial statements for the Council relating to the financial year.

The financial report for a financial year is to:

- (i) comply with applicable Australian Accounting Standards and Section 84 of the *Local Government Act 1993*;
- (ii) specify any interests as notified to the General Manager of any Councillor in respect of any body or organisation with which the Council has major financial dealings;
- (iii) contain a comparison between the Council's actual and estimated revenue and expenditure for that financial year;
- (iv) contain a statement of the operating, capital and competitive neutrality costs in respect of each significant business activity undertaken by the Council during that financial year together with a statement of the revenue associated with that activity; and
- (v) contain any other information the Minister determines.

Financial Performance

The Council is required to report on a range of management indicators in the Financial Report. These indicators include whether the Council achieved an underlying surplus or not, the net financial liabilities position of the Council and a range of asset management indicators. The indicators are compared against benchmarks set out for local government. The Council performed well against these indicators (refer Note 41 in the Financial Report).



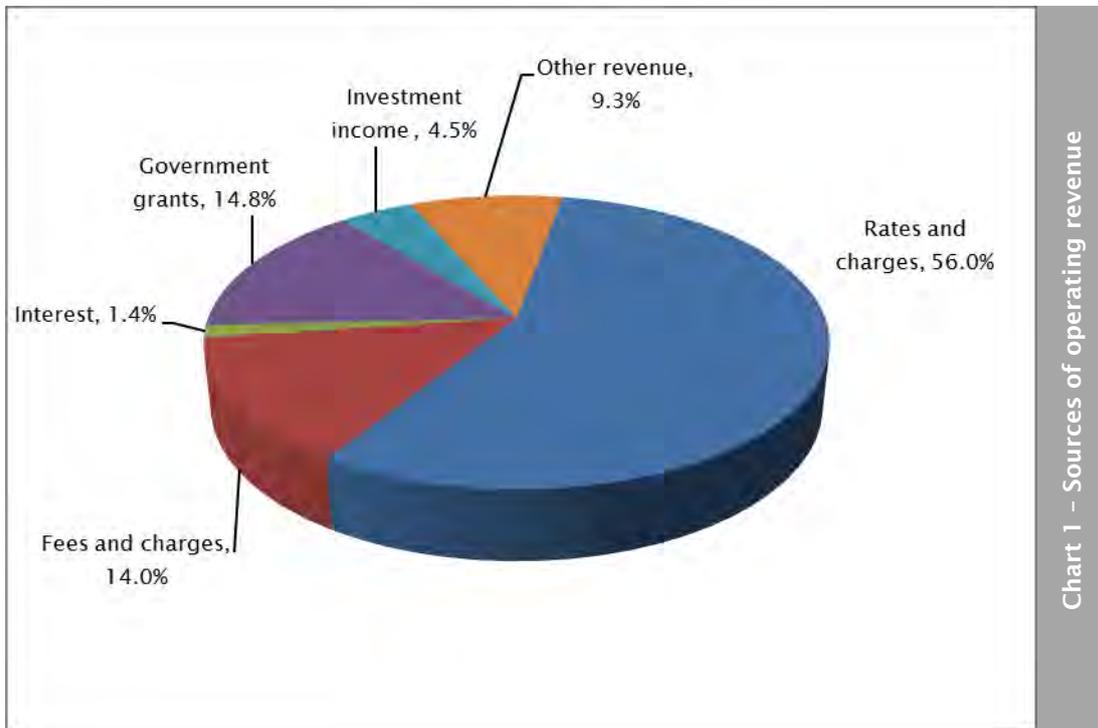
The primary measure of financial performance is whether the Council achieved an underlying surplus. The long-term financial sustainability of the Council is dependent on consistently achieving underlying surpluses. This is a measure of recurrent revenue against recurrent expenditure after adjusting for advance receipts (refer Note 41 in the Financial Report). The underlying surplus for 2015-2016 is \$603,601.

The Council achieved an operating surplus of \$231,550 compared to a budgeted operating surplus of \$5,550,000. This difference between the current year and the prior year actual amounts can be explained by the prior year including an advance payment of the Commonwealth Financial Assistance Grant of \$1,947,357. There were also a number of capital grant receipts that were not received at 30 June 2016 for capital works not yet commenced or not yet completed. The decrease from budget is also principally attributable to the reasons explained above.

The Council received investment income from TasWater and Dulverton Regional Waste Management Authority during the financial year. This income comprised dividend receipts, guarantee fees and tax equivalent receipts totalling \$1,843,089.

The operating capability continued to improve over the prior year. The Council, as part of its long-term financial planning, reviews the asset management plans for all categories of assets on an annual basis to preserve its operating capability. Furthermore, the Council reviews the fair value of its asset base annually and the associated useful lives to ensure adequate provision for renewals is made. The use of additional external funding for capital projects continues to enhance the operating capability of the Council.

As can be seen from Chart 1, rates and charges revenue is the most significant source of revenue to the Council, representing 56.0% of the Council's operating revenue for the year. This has increased from the 2014-2015 financial year as a result of the advance receipt of the Commonwealth Financial Assistance Grants and the reduction in capital grants received. Fees and charges increased to 14.0% for the same reason. Consequently, Government grants have reduced to represent 14.8% of revenue. The investment income the Council received comprises dividends received from TasWater and Dulverton Regional Waste Management Authority. This is 4.5% of its income.



Changes in Equity

Ratepayers' equity is the excess of assets over liabilities of the Council, calculated on an accrual basis. Reserves are amounts of equity that have been allocated by the Council to be used for specific purposes. The exception to this is the asset revaluation reserve that is used to account for movements in change of asset values at the time of revaluation of asset groups. The Council's reserves, excluding the asset revaluation reserve, represent cash that has been set aside for those purposes determined by the Council.

The operating capability before non-monetary contributions and the change in fair value of investments for the year was increased by \$231,550. This is lower than what was anticipated from the data prepared in the estimates. The reduction is principally due to the advance receipt of the Commonwealth Financial Assistance Grant in the 2014-2015 year and the reduction in capital grant receipts. The Council's surplus for the period including non-monetary contributions and the change in fair value of assets was \$28,735,495. A sum of \$165,610 was appropriated to fund principal repayments of debt. An amount of \$1,614,241 was transferred to reserves to meet anticipated



future needs, while \$1,517,249 was transferred from reserves to accumulated surplus to fund budgeted programs.

At 30 June 2016, the equity of the Council comprised an accumulated surplus of \$230,392,773 and reserves of \$267,707,390.

Assets

Total assets of the Council at 30 June 2016 amount to \$509,271,695 as indicated in the Balance Sheet. There has been an increase of \$29,562,680 over last financial year largely due to the revaluation of infrastructure assets and the construction of new and the renewal and upgrade of existing assets. The Council has investments in Dulverton Regional Waste Management Authority and TasWater. The Council's share of investment in each of these at 30 June 2016 was \$74,483,878 in TasWater and \$4,016,051 in Dulverton Regional Waste Management Authority.

Indicated in Chart 2 is the mix of total assets at 30 June 2016.





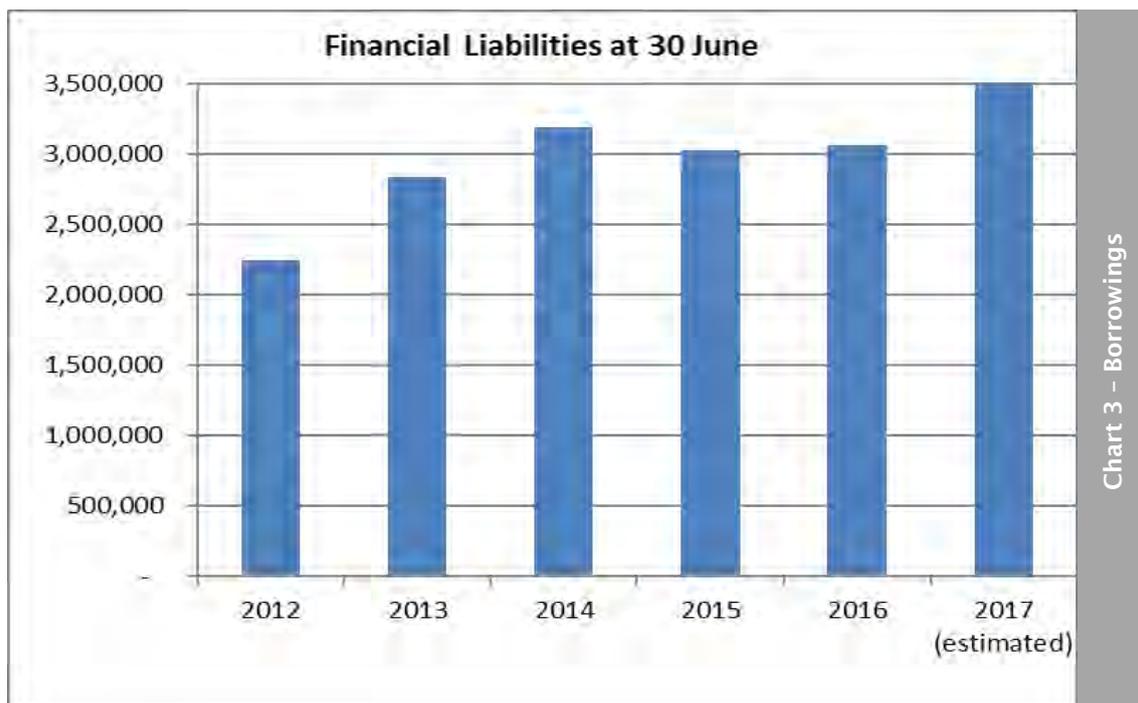
Liabilities

Total liabilities at 30 June 2016 amounted to \$11,171,802, a 7.9% increase from 30 June 2015. Liabilities comprised mainly employee provisions \$2,883,153, aged persons home unit provisions \$1,952,257, interest bearing loans \$3,061,596, and payables \$2,246,194. The primary reason for the increase is payables was \$735,692 higher than in the prior year due to some large capital works projects in progress over the year end. All other liabilities were comparable with previous years.

Debt Administration

Interest bearing loans have increased by 1.1% or \$34,388. New long-term finance of \$200,000 was secured to finance the capital works project at Hiscutt Park, Penguin. Principal repayments of \$165,610 were made during the year and borrowing costs (interest) of \$176,852 were incurred before any adjustments for interest accrued.

Indicated on Chart 3 is the level of debt owed by the Council over the last five years and estimated debt owing at the end of the 2015-2016 financial year. This includes estimated borrowing of \$1m. in the 2016-2017 financial year to fund the capital works program. The Council's exposure to debt at 30 June 2016, given a debt exposure ratio of 2.19%, is considered to be responsible and manageable.





Financial Ratios of the Accounts

	2014-2015	2015-2016
Rate coverage ratio: (rates and charges revenue/total operating revenue)	54.5%	56.1%
Rate collection ratio: (rates receivables/rates and charges)	2.17%	1.63%
Debt payment ratio: (debt servicing cost/total revenue)	0.82%	0.71%
Debt exposure ratio: (total liabilities/total assets)	2.15%	2.19%
Government grants per capita: (grant revenue/population)	\$340**	\$165*
Expenditure per capita: (operating expenses/population)	\$1,057	\$1,104
Working capital ratio: (current assets/current liabilities)	1.89:1	1.51:1

* The decrease is due to the Commonwealth Federal Assistance Grant advance payment ceasing for the 2015-2016 year. Had the advance payment from 2014-2015 been received in the 2015-2016 year then the amount would have been \$253.

** The 2014-2015 year amount includes a Commonwealth Financial Assistance Grant advance payment. The amount excluding the advance payment is \$252 for 2014-2015.

- *Rate coverage ratio* represents the Council's dependence on rate income. The higher the level of rate revenue in proportion to total revenue, the greater the level of financial independence the Council has. The Council's rate coverage ratio increased by 1.6% this financial year which is reasonable considering that grant income as a proportion of revenue has decreased during the 2015-2016 year.
- *Rate collection ratio* represents the Council's outstanding rates as at 30 June.
- *Debt payment ratio* represents the capacity of the Council to service its outstanding debt.
- *Debt exposure ratio* represents the Council's exposure to debt.
- *Government grants per capita* measures the Council's financial independence in relation to population. The decrease is mainly due to the Commonwealth Financial Assistance Grant advance payment ceasing in the current financial year.



- *Expenditure per capita* measures the Council's operating expenditure in relation to population.
- *Working capital ratio* represents the Council's ability to meet current commitments. A favourable working capital ratio of 1.51:1 indicates that the Council has sufficient capacity to meet current commitments from its current assets as and when they fall due.

Conclusion

At 30 June 2016, the net wealth of the Central Coast Council, as indicated in the Balance Sheet, amounted to \$498,100,163, a \$28,735,495 increase over the opening equity at the beginning of the year.

Vernon Lawrence
DIRECTOR ORGANISATIONAL SERVICES

Photo acknowledgments

Alastair Bett (F8 Photography)
Robert Coward
Rick Eaves Photography
Peter Clarke, Eye in the Sky Photography
Ingrid Karm Photography
Billy Dougan
John Fisher
Susanne Clear
Vernon Lawrence

Financial Report

for the year ended 30 June 2016

Appendix A



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1 STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016



	Note	Budget 2016	Actual 2016	Actual 2015
Income				
Recurrent Income				
Rates and charges	5	13,915,000	13,982,962	13,617,794
Fees and charges	6	3,668,400	3,489,599	3,416,587
Government grants	7	3,898,000	1,904,801	5,977,147
Contributions - cash	8	848,800	1,080,308	1,265,940
Share of net profits/(losses) of associates	18	200,000	714,613	533,277
Interest	9	302,000	362,164	234,528
Other income	10	701,000	853,923	786,083
Investment revenue	12	1,800,000	1,117,138	1,128,767
		24,333,200	23,505,508	26,960,123
Capital income				
Capital grants	7	3,147,800	1,787,161	1,649,986
Net gain/(loss) on disposal of assets	11	1,853,000	(336,698)	(2,483)
		5,000,800	1,450,463	1,647,503
Total Income		\$ 29,334,000	\$ 24,955,971	\$ 28,607,626
Expenses				
Employee benefits	13	(9,841,000)	(10,023,527)	(9,537,274)
Materials and services	14	(7,546,000)	(8,129,155)	(7,698,448)
Depreciation and amortisation	15	(5,937,000)	(6,154,623)	(5,823,922)
Finance costs	16	(169,000)	(91,333)	(285,890)
Other expenses	17	(341,000)	(325,783)	(341,513)
		(23,834,000)	(24,724,421)	(23,687,047)
Net Surplus/(Deficit)		\$ 5,550,000	\$ 231,550	\$ 4,920,579
Other comprehensive income				
Items that will not be reclassified to surplus or deficit				
Net asset revaluation increment/(decrement) Council	30	-	27,217,625	20,407,660
Net asset revaluation increment/(decrement) Associates	18	-	39,680	117,800
		-	27,257,305	20,525,460
Items that may be reclassified subsequently to surplus or deficit				
Financial assets available for sale reserve - Fair Value adjustment on Available for Sale Assets	19	-	1,246,639	583,304
		-	28,503,944	21,108,764
		\$ 5,500,000	\$ 28,735,494	\$ 26,029,343

The above statement should be read with the accompanying notes

2 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016



	Note	30-Jun-16	30-Jun-15
ASSETS			
Current assets			
Cash and Cash equivalents	20	6,650,511	7,142,594
Trade and other receivables	21	951,466	877,663
Assets held for sale	22	-	178,500
Inventories	23	26,299	27,974
Other assets	24	335,688	294,044
TOTAL CURRENT ASSETS		\$ 7,963,964	\$ 8,520,775
Non-current assets			
Trade and other receivables	21	16,794	24,853
Investments in associates	18	4,016,051	3,261,758
Investment in water corporation	19	74,483,878	73,237,239
Property, infrastructure, plant and equipment	25	418,809,033	392,962,395
Capital work in progress	25	3,933,233	1,603,941
Other assets	24	49,012	98,054
Total non-current assets		501,308,001	471,188,240
TOTAL ASSETS		\$ 509,271,695	\$ 479,709,015
LIABILITIES			
Current liabilities			
Trade and other payables	26	2,246,194	1,510,502
Trust funds and deposits	27	219,992	218,292
Provisions	28	2,628,333	2,618,991
Interest bearing liabilities	29	191,216	159,419
TOTAL CURRENT LIABILITIES		\$ 5,285,735	\$ 4,507,204
Non-current liabilities			
Provisions	28	3,015,687	2,969,353
Interest bearing liabilities	29	2,870,380	2,867,789
Total non-current liabilities		5,886,067	5,837,142
TOTAL LIABILITIES		11,171,802	10,344,346
NET ASSETS		\$ 498,100,163	\$ 469,364,669
EQUITY			
Accumulated surplus		230,392,773	230,258,215
Reserves	30	267,707,390	239,106,454
TOTAL EQUITY		\$ 498,100,163	\$ 469,364,669

The above statement should be read with the accompanying notes

3 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016



	Note	2016 Inflows/ (outflows)	2015 Inflows/ (outflows)
Cash flows from operating activities			
Rates and Charges		14,050,500	13,822,404
Fees and Charges		4,169,279	4,003,218
Interest		362,164	234,528
Dividends		1,117,138	1,128,767
Government Grants		1,904,801	5,977,147
Contributions		1,007,550	1,107,430
Net GST refund/payment		950,722	881,226
Other income		853,923	786,083
Payments to employees		(9,970,077)	(9,752,032)
Payments to suppliers		(9,083,257)	(9,267,031)
Finance costs		(120,644)	(205,155)
Other payments		(325,783)	(341,513)
Net cash provided by (used in) operating activities	31	\$ 4,916,315	\$ 8,375,072
Cash flows from investing activities			
Capital grants		1,787,161	1,649,986
Proceeds from sale of land		200,000	87,730
Proceeds from sale of plant and equipment		119,334	227,128
Payments for property, plant and equipment		(7,549,283)	(6,055,815)
Net cash provided by (used in) investing activities		\$ (5,442,788)	\$ (4,090,971)
Cash flows from investment activities			
New borrowings		200,000	-
Loan repayments		(165,610)	(161,239)
Net cash provided by (used in) financing activities		\$ 34,390	\$ (161,239)
Net increase (decrease) in cash and cash equivalents		(492,083)	4,122,862
Cash and cash equivalents at the beginning of the financial year		7,142,594	3,019,732
Cash and cash equivalents at the beginning of the financial year	32	\$ 6,650,511	\$ 7,142,594

The above statement should be read with accompanying notes.

4 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016



2016	Note	Total	Accumulated Surplus	Asset Revaluation Reserve	Fair Value Reserve	Other Reserves
Balance at beginning of the financial year		469,364,669	230,258,215	229,670,054	6,747,091	2,689,309
Adjustment due to compliance with revised accounting standard		-	-	-	-	-
Adjustment on change in accounting policy		-	-	-	-	-
Surplus / (deficit) for the year		231,550	231,550	-	-	-
Other Comprehensive Income:						
Financial assets available for sale reserve						
- Fair Value adjustment on Available for Sale Assets	19	1,246,639	-	-	1,246,639	-
Net asset revaluation increment						
/(decrement)	30	27,217,625	-	27,217,625	-	-
Share of other comprehensive income of Associates & joint ventures accounted for by the equity method	30	39,680	-	39,680	-	-
Transfers between reserves		-	(96,992)	-	-	96,992
Balance at the end of the financial year		\$ 498,100,163	\$ 230,392,773	\$ 256,927,359	\$ 7,993,730	\$ 2,786,301

2015	Note	Total	Accumulated Surplus	Asset Revaluation Reserve	Fair Value Reserve	Other Reserves
Balance at beginning of the financial year		443,335,325	225,612,368	209,144,593	6,163,787	2,414,577
Adjustment due to compliance with revised accounting standard		-	-	-	-	-
Adjustment on change in accounting policy		-	-	-	-	-
Surplus / (deficit) for the year		4,920,579	4,920,579	-	-	-
Other Comprehensive Income:						
Financial assets available for sale reserve						
- Fair Value adjustment on Available for Sale Assets	19	583,304	-	-	583,304	-
Net asset revaluation increment						
/(decrement)	30	20,407,660	-	20,407,660	-	-
Share of other comprehensive income of associates & joint ventures accounted for by the equity method	30	117,800	-	117,800	-	-
Transfers between reserves		-	(274,732)	-	-	274,732
Balance at the end of the financial year		\$ 469,364,669	\$ 230,258,215	\$ 229,670,054	\$ 6,747,091	\$ 2,689,309

The above statement should be read with accompanying notes.



1 Reporting entity

- (a) The Central Coast Council was established on 2 April 1993 and is a body corporate with perpetual succession and a common seal.

The Council's Administration Centre is located at 19 King Street, Ulverstone.

- (b) The purpose of the Council is to:
- . provide for health, safety and welfare of the community;
 - . to represent and promote the interests of the community; and
 - . provide for the peace, order and good government in the municipality.

2 Basis of accounting

These financial statements are a general purpose financial report that consists of a Statement of Profit and Loss and Other Comprehensive Income, Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the *Local Government Act 1993 (LGA1993) (as amended)*. Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities.

This financial report has been prepared on the accrual and going concern basis.

All amounts are presented in Australian dollars and unless stated, have been rounded to the nearest dollar.

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 19, 22, 25, 28, 29 and 44(d).

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

All entities controlled by Council that have material assets or liabilities, such as Special Committees of Management, and material subsidiaries or joint ventures, have been included in this financial report. All transactions between these entities and Council have been eliminated in full.



3 Use of judgements and estimates

Judgements and Assumptions

In the application of Australian Accounting Standards, Council is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Council has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. Judgements made by Council that have significant effects on the financial report are disclosed in the relevant Notes as follows:

Employee entitlements

Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in note 28.

Defined benefit superannuation fund obligations

Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation fund obligations. These assumptions are discussed in note 33.

Fair value of property, plant & equipment

Assumptions and judgements are utilised in determining the fair value of Council's property, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in note 25.

Investment in water corporation

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 19.

Landfill / Tip Rehabilitation

Assumptions and judgements are utilised in determining the estimated liability for restoring the Resource Recovery Centre site at Lobster Creek Road. These assumptions are discussed in Note 28(c).



4 Functions

(a) Revenue, expenditure and assets attributed to each function as categorised in (c) below

	Grants	Other	Total Revenue	Total Expenditure	Surplus/ (Deficit)	Assets
Governance and administration						
2015-2016	157,631	3,183,731	3,341,362	4,247,648	(906,286)	93,824,924
2014-2015	388,075	2,809,987	3,198,062	4,163,747	(965,685)	92,221,163
Roads, streets and bridges						
2015-2016	2,729,028	(47,891)	2,681,137	5,860,878	(3,179,741)	287,884,083
2014-2015	3,752,582	305,893	4,058,475	5,576,312	(1,517,837)	262,194,580
Drainage						
2015-2016	69,514	(13,345)	56,169	567,371	(511,202)	25,677,340
2014-2015	261,293	(5,408)	255,885	615,399	(359,514)	25,171,204
Waste management						
2015-2016	97,418	1,851,336	1,948,754	3,592,191	(1,643,437)	3,910,623
2014-2015	363,337	1,827,678	2,191,015	3,505,674	(1,314,659)	3,806,348
Environmental health/environmental management						
2015-2016	7,965	37,144	45,109	299,731	(254,622)	48,764
2014-2015	-	96,153	96,153	317,823	(221,670)	58,774
Planning services						
2015-2016	-	211,270	211,270	543,754	(332,484)	20,279
2014-2015	-	155,623	155,623	579,696	(424,073)	24,923
Building control						
2015-2016	-	302,441	302,441	576,656	(274,215)	36,622
2014-2015	-	246,257	246,257	491,168	(244,911)	43,078
Community amenities						
2015-2016	220,781	793,349	1,014,130	1,958,338	(944,208)	33,036,229
2014-2015	861,186	922,407	1,783,593	1,954,561	(170,967)	31,650,332
Community services						
2015-2016	14,080	1,539,494	1,553,574	2,106,108	(552,534)	3,008,353
2014-2015	131,635	1,477,419	1,609,054	1,791,776	(182,722)	2,937,827
Recreation facilities						
2015-2016	123,853	490,498	614,351	3,620,864	(3,006,513)	55,401,980
2014-2015	231,917	463,655	695,572	3,529,254	(2,833,682)	55,108,303
Economic development						
2015-2016	271,692	352,666	624,358	654,079	(29,721)	6,422,768
2014-2015	1,637,108	427,476	2,064,584	496,470	1,568,114	6,492,483
Other - not attributable						
2015-2016	-	12,563,316	12,563,316	696,803	11,866,513	-
2014 - 2015	-	12,253,353	12,253,353	665,168	11,588,185	-
Total						
2015-2016	3,691,962	21,264,009	24,955,971	24,724,421	231,550	509,271,965
2014-2015	7,627,133	20,980,493	28,607,626	23,687,047	4,920,579	479,709,015



(b) Reconciliation of assets from note 4(a) with the Statement of Financial Position at 30 June.

	2016	2015
Current assets	7,963,964	8,520,775
Non-current assets	501,308,001	471,188,240
	<u>\$ 509,271,965</u>	<u>\$ 479,709,015</u>

(c) Governance and administration

Operation and maintenance of council chambers, administration offices, and councillors.

Roads, streets and bridges

Construction, maintenance and cleaning of road, streets, footpaths, bridges, parking facilities and street lighting.

Drainage

Operation and maintenance of open or deep drainage systems in urban areas, including the lining of piping of creeks but excludes drainage associated with road works, flood mitigation and agriculture.

Waste Management

Collection, handling, processing and disposal of all waste materials.

Environmental Health/Environmental Management

Environmental Health includes disease control, food surveillance, public-use building standards, health education and promotion, water quality, workplace safety and cemeteries.

Environmental management includes strategies and programs for the protection of the environment and regulations of activities affecting the environment.

Planning Services

Administration of the town planning scheme, subdivisions and urban and rural renewal programs.

Building control

The development and maintenance of building constructions standards.



Community amenities

Operation and maintenance of housing for aged persons and persons of limited means, Civic Centre, Council halls (excluding indoor sports complexes).

Community services

Administration and operation of dog registration, operation of pounds and control of straying stock. Operation of the Ulverstone Child Care Centre, operation and support of the performing arts, museum and the presentation of festivals. Community Development which provides for the implementation of a process by which strategies and plans can be developed so that the Council can fulfil their general responsibility for enhancing the quality of life of the whole community.

Recreation facilities

Operation and maintenance of sporting facilities (includes swimming pools, active and passive recreation and recreation centres).

Economic development

Maintenance and marketing of tourist facilities, property development and operation of caravan parks.

Other - not attributable

Rates and charges and work not attributed elsewhere

5 Rates and Charges

Council uses assessed annual values as the basis of valuation of all properties within the municipality. The assessed annual value of a property is determined by the Valuer-General in terms of the Valuation of Land Act 2001.

The valuation base used to calculate general rates for 2015-16 was \$147 million (2014-15 \$140.9 million). The 2015-16 rate in the dollar was 8.43 cents (2014-15, 8.52 cents).

Council uses assessed annual values as the basis of valuation of all properties within the municipality. The assessed annual value of a property is determined by the Valuer-General in terms of the Valuation of Land Act 2001.



	30-Jun-16	30-Jun-15
Rates and charges levied	14,567,823	14,114,478
Revenue in advance	54,869	93,723
Early payment discount	(548,894)	(556,014)
Rates remitted	(90,836)	(34,393)
Net rates and charges	\$ 13,982,962	\$ 13,617,794

The date of the latest general revaluation of land for rating purposes within the municipality was 30 May 2013, and the valuation was first applied in the rating year commencing 1 July 2013.

Accounting policy

Rates and charges income

Rate income is recognised as revenue when Council obtains control over the assets comprising the receipt.

Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates. A provision for impairment on rates has not been established as unpaid rates represents a charge against the rateable property that will be recovered when the property is next sold.

6 Fees and Charges

	30-Jun-16	30-Jun-15
Cemetery fees	89,930	86,182
Certificate charges	137,268	133,039
Child care fees	563,737	556,500
Community development	55,938	44,560
Fines	46,783	34,373
Inspection and connection fees	58,486	94,543
Licence fees	126,965	142,348
Other fees and charges	229,744	254,291
Other rental	388,633	372,812
Recreation	342,159	293,905
Regulatory charges	416,690	355,146
Rental of Aged Persons Home Units	194,005	199,235
Rental of Ganesway units	167,716	185,837
Resource Recovery Centre - entry fees	289,234	246,415
Resource Recovery Centre - other income	76,110	205,186
Swimming pool and waterslide	141,359	135,194



	30-Jun-16	30-Jun-15
Visitor centres	164,842	77,021
Total fees and charges	\$ 3,489,599	\$ 3,416,587

Ageing analysis of contractual receivables

Please refer to note 37 for the ageing analysis of contractual receivables.

Accounting policy

Fees and charges are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever occurs first.

The Council does not have any assets classified as investment properties nor has it received rent from buildings that are primarily occupied for Council purposes.

7 Grants

Grants were received in respect of the following:

Federally funded grants	3,680,197	6,542,641
State funded grants	11,765	1,084,492
	3,691,962	7,627,133
<i>Grants - operating</i>		
Child care maintenance	-	3,336
National Youth Week	1,800	1,170
Vaccination funding	7,965	-
Ulverstone History Museum grant	2,000	-
<i>Commonwealth Government Financial Assistance Grant</i>		
Current year receipt	1,893,036	3,998,284
Advance receipt	-	1,974,357
Total operating grants	\$ 1,904,801	\$ 5,977,147

The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. In 2014-15 the Commonwealth made early payment of the two quarterly instalments for the



following year. In accordance with AASB1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control. The early receipt of instalments resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2014-15 by \$1,974,357. This has impacted the Statement of Profit or Loss and Other Comprehensive Income resulting in the Surplus/(deficit) being higher in 2014-15 by \$1,974,357.

	30-Jun-16	30-Jun-15
<i>Capital grants received specifically for new or upgraded assets</i>		
Roads to recovery	1,630,000	570,000
Heavy vehicle safety and productivity program	157,161	-
<i>State funded capital grants</i>		
Blackspot funding	-	300,000
Community Shed - tools	-	3,986
Data Projector	-	1,000
Leven River Walls	-	675,000
MAST	-	70,000
Rail crossing - Penguin	-	30,000
	-	1,079,986
Total capital grants	\$ 1,787,161	\$ 1,649,986

Accounting policy

Grant income - operating and capital

Grant income is recognised as revenue when Council obtains control over the assets comprising the receipt.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where grants recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant is also disclosed. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date and conditions



include a requirement to refund unused contributions. Revenue is then recognised as the various performance obligations under an agreement are fulfilled. Council does not currently have any reciprocal grants.

Unreceived contributions over which Council has control are recognised as receivables.

8 Contributions

(a) Cash contributions

	30-Jun-16	30-Jun-15
Child care contributions	750,098	689,250
Contributions	5,600	35,000
Other contributions	324,610	541,690
Total	1,080,308	1,265,940
Total contributions	\$ 1,080,308	\$ 1,265,940

Accounting policy

Contribution income

Contributions are recognised as revenue when Council obtains control over the assets comprising the receipt.

Revenue is recognised when Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to Council and the amount of the contribution can be measured reliably. Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused contribution is also disclosed. The note also discloses the amount of unused contribution from prior years that was expended on Council's operations during the current year. Unreceived contributions over which Council has control are recognised as receivables. Non-monetary contributions (including developer contributions and assets recognised for the first time) with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets.



9 Interest

	30-Jun-16	30-Jun-15
Interest on financial assets	362,164	234,528
Total other income	\$ 362,164	\$ 234,528

Accounting policy

Interest Income

Interest is recognised progressively as it is earned.

10 Other income

Guarantee fees - TasWater	125,319	102,182
Tax equivalent received - Dulverton	331,966	194,234
Tax equivalent received - TasWater	268,666	356,458
Private works	3,839	20,977
Reimbursements	124,133	112,232
Total other income	\$ 853,923	\$ 786,083

Accounting policy

Rental income

Rents are recognised as revenue when the payment is due or the payment is received, whichever first occurs. Rental payments received in advance are recognised as a prepayment until they are due.

Operating leases as lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Council leases several parcels of Crown land under lease agreements with the State Government. These leases, in general, do not reflect commercial arrangements, are long-term and have minimal lease payments.

Operating leases as lessor

Council owns a range of facilities that are available for lease by not-for-profit sport, recreational and community organisations. Leases to not-for-profit organisations, in



general, do not reflect commercial arrangements and have minimal lease payments. Land and buildings which are leased under these arrangements are recognised within Property, Plant and Equipment in the Statement of Financial Position and associated rental income is recognised in accordance with Council's revenue recognition policy.

Furthermore, the Council leases some of its land and buildings on commercial terms which may include incentives for the lessee to enter in the agreement, for example rent-free period or discounted rent. The Council does not account for the cost of incentives because the amounts are unlikely to be material and/or cannot be reliably measured. Rental income is recognised in accordance with the Council revenue recognition policy.

Where leasing of a property is incidental to Council's use of it, the associated land and buildings are recognised within Property, Plant and Equipment in the Statement of Financial Position and valued in accordance with Council's valuation policy.

11 Net gain/ (loss) on disposal of property, infrastructure, plant and equipment

	30-Jun-16	30-Jun-15
<i>Proceeds of sale</i>		
Land	200,000	87,730
Property, plant and infrastructure	119,334	227,128
<i>Written down value of assets sold</i>		
Land	(178,500)	(75,000)
Property, plant and infrastructure	(477,532)	(242,341)
Net gain/(loss) on disposal of assets	\$ (336,698)	\$ (2,483)

Accounting policy

Gains and losses on asset disposals

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

12 Investment revenue

Dividend revenue - Dulverton	147,280	73,640
Dividend revenue - TasWater	969,858	1,055,127
Total other income	\$ 1,117,138	\$ 1,128,767



Accounting policy

Investment revenue

Dividend revenue is recognised when Council's right to receive payment is established.

13 Employee benefits

	30-Jun-16	30-Jun-15
Gross salary and wages	7,330,843	7,043,353
Leave paid/accrued	1,733,320	1,528,085
Superannuation	974,071	955,500
Payroll tax	584,428	531,896
Other employee costs	144,430	161,892
Total employee benefits	10,767,092	10,220,726
Less capitalised employee benefits	(743,565)	(683,452)
Total employee benefits expensed	\$ 10,023,527	\$ 9,537,274

Accounting policy

Employee benefits

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

14 Materials and services

Aged Persons Home Units	347,230	315,313
Amenities & cemeteries	404,986	344,822
Child Care centre	309,187	223,005
Computer maintenance	306,284	255,851
Contributions to LGAT	50,068	54,213
Contributions to Cradle Coast Authority	175,364	181,482
Corporate administration & governance	236,320	200,957
Election expenses	-	89,215



	30-Jun-16	30-Jun-15
Fire service contribution	576,806	553,323
Garbage collection contracts	1,286,501	1,430,794
Insurance	112,640	113,223
Land tax	177,567	166,308
Other materials and contracts	126,578	165,410
Other waste management costs	1,177,988	1,105,297
Parks	653,568	621,264
Recreation grounds & centres	617,600	594,270
Roads, footpaths and car parks	873,362	840,907
Street lighting power charges	492,232	442,794
Flood damage repairs	204,874	-
Total materials and services	\$ 8,129,155	\$ 7,698,448

Accounting policy

Materials and services expense

Expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

15 Depreciation and amortisation

Amortisation of municipal revaluation	48,006	45,965
Bridges	416,658	420,253
Buildings	1,049,844	972,367
Drainage	389,484	451,861
Environmental	82,778	86,253
Furniture and equipment	166,982	202,087
Plant and machinery	705,539	623,416
Recreation facilities	404,978	405,011
Roads, streets, footpaths and car parks	2,890,354	2,616,709
Total depreciation and amortisation	\$ 6,154,623	\$ 5,823,922



Accounting policy

Depreciation and amortisation expense

Expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Property, plant and infrastructure having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major assets classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and remaining values and a separate depreciation rate is determined for each component.

Land is not depreciated

Road earthworks are not depreciated on the basis that they are assessed as not having limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Major depreciation periods used are listed below and are consistent with the prior year unless otherwise stated:

	Period
Plant and machinery	2-30 years
Furniture and equipment	5-40 years
Drainage	100 years
Roads and streets	15-150 years
Buildings	20-100 years
Recreation	5-50 years
Environmental	10-30 years
Bridges	10-100 years
Municipal property revaluation	5 years

The Council believes that the road pavement has two constituent parts, a pavement and a sub-pavement, each comprising 50% of the total pavement. The experience of the Council is that the sub-pavements are similar in type to the road formation assets and while they are depreciated over a longer period than the road formations, they



are depreciated over their useful lives. The pavement that is not similar to the road formation assets is depreciated in full over its useful life.

The Council believes that this will provide sufficient funds to maintain the service potential of the assets and better represents the work practices of the Council.

Gravel Roads

The Council now depreciates unsealed roads. The cost of resealing the roads is capitalised and depreciated over its useful life.

Repairs and maintenance

Routine maintenance, repair costs and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Roads

Reseals and reconstructions are generally capitalised. Shouldering, gravel re-sheeting and patching of sealed roads are expensed.

16 Finance costs

	30-Jun-16	30-Jun-15
Changes in discount rate [Note 28 (c)]	(41,928)	64,869
Interest - borrowings	120,644	205,155
Unwinding of discount [Note 28 (c)]	12,617	15,866
Total finance costs	\$ 91,333	\$ 285,890

Accounting policy

Finance expense

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

17 Other expenses

Audit fees	25,580	25,460
Over provision 2014-15	(950)	-
Travel and expenses	6,105	6,000



	30-Jun-16	30-Jun-15
Other services	1,000	3,475
Councillors' emoluments (Note 39)	294,048	306,578
Total other expenses	\$ 325,783	\$ 341,513

Accounting policy

Other expenses

Expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

18 Investment in Regional Waste Management Authority

Dulverton Regional Waste Management Authority	4,016,051	3,261,758
Total investment in water corporation	\$ 4,016,051	\$ 3,261,758

Dulverton Regional Waste Management Authority

Background

The Council is a partner in the Dulverton Regional Waste Management Authority, a joint authority established under the LGA 1993. The primary activity of the Authority is to operate a regional landfill site at Dulverton. Other partners in the joint authority are Devonport City, Latrobe and Kentish Councils.

The Council's ownership interest in the Authority at 30 June 2016 was 36.82%. The proportion of voting power held in the Authority is 25%. The Council's investment in the Authority at 30 June 2016, \$4,016,051 has been calculated by reference to the Authority's equity at 30 June 2016. The share of profit for the current year is based on an estimate of the profit to be received for the 2016 financial year.

There were no quantified contingent liabilities disclosed by the Authority.

Share of Profit of the authority

Authority's profit/(loss) before tax	2,774,667	2,069,051
Authority's tax expense	(833,838)	(620,715)



	30-Jun-16	30-Jun-15
Authority's profit/(loss) after tax	1,940,829	1,448,336
Calculated share of profit before tax	1,021,632	761,824
Calculated share of tax expense	(307,019)	(228,547)
Calculated share of profit after tax	714,613	533,277
<i>Movement in carrying value of specific investment</i>		
Carrying value of investment at start of year	3,261,758	2,610,681
Share in profit/(loss) after tax for year	714,613	533,277
Share in asset revaluation	39,680	117,800
Carrying value of investment at end of year	4,016,051	3,261,758
<i>The Authority's assets, liabilities and revenue for the relevant financial years were:</i>		
Total assets	17,010,922	14,646,124
Total liabilities	6,103,666	5,687,613
Revenue	9,124,060	8,259,909

Accounting policy

Accounting for investments in associates

Council's investment in associates is accounted for by the equity method as Council has the ability to influence rather than control the operations of the entities. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in Council's share of the net assets of the entities. Council's share of the financial result of the entities is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

19 Investment in water corporation

Opening balance	73,237,239	72,653,935
Fair value adjustments on available-for-sale assets	1,246,639	583,304
Total investment in water corporation	\$ 74,483,878	\$ 73,237,239

Council has derived returns from the water corporation as disclosed at note 12.



Accounting policy

Investment assets

Council's investment in TasWater is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2016, Council continued to hold a 4.73% ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution which reflects the Council's voting rights. Council has an equity proportion for distribution purposes of 4.77% based on Schedule 3 of the Corporation's Constitution.

Any unrealised gains and losses are recognised through the Statement of Profit or Loss and Other Comprehensive Income to an Available for sale assets Fair value reserve each year (refer note 30). Council has classified this asset as an Available-for-Sale financial asset as defined in AASB 139 Financial Instruments: Recognition and Measurement and has followed AASB 132 Financial Instruments: Presentation and AASB 7 Financial Instruments: Disclosures to value and present the asset in the financial report. Council's investment is not traded in an active market and is only sensitive to fluctuations in the value of TasWater's net assets.

20 Cash and cash equivalents

	30-Jun-16	30-Jun-15
Cash at bank and on hand	1,749,655	2,952,632
Cash management account	4,900,856	4,189,962
Total cash and cash equivalents	\$ 6,650,511	\$ 7,142,594

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

- Leave provisions [Note 28(a)]	2,883,153	2,829,702
- Trust Funds and deposits (Note 27)	219,912	218,292
Restricted funds	3,103,065	3,047,994
Unrestricted funds	3,547,446	4,094,600



Accounting policy

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

21 Trade and other receivables

	30-Jun-16	30-Jun-15
<i>Current receivables</i>		
Rates receivable	228,374	295,912
Loans and advances	8,059	9,201
Other debtors	414,237	434,384
Net GST receivable	300,796	138,166
	951,466	877,663
<i>Non-current receivables</i>		
Loans and advances	16,794	24,853
	16,794	24,853
Total receivables	\$ 968,260	\$ 902,516

Accounting policy

Trade and other receivables

Receivables are carried at amortised cost using the effective interest rate method. A provision for impairment is recognised when there is objective evidence that an impairment loss has occurred.

22 Assets held for sale

Internal transfer from land	-	178,500
Total assets held for sale	-	\$ 178,500

Council has no pending sales of land.



23 Inventories

	30-Jun-16	30-Jun-15
Stores	26,299	27,974
Total inventories	\$ 26,299	\$ 27,974

Accounting policy

Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value. Where inventories are acquired at no cost, or for nominal consideration, the cost shall be the current replacement cost as at the date of acquisition.

24 Other assets

Current other assets

Accrued revenue	102,405	162,370
Prepaid expense	233,283	131,674

Total	335,688	294,044
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Non-current other assets

Prepaid expenses	49,012	98,054
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Total other assets	\$ 49,012	\$ 98,054
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Accrued income only includes items that are reciprocal in nature.

25 Property, plant and infrastructure

(a) Land

Opening balance	56,226,401	54,750,374
Revaluation	-	1,715,841
Disposals	-	(75,000)
Acquisitions/Improvements	-	13,686
Transfer to assets held for sale.	-	(178,500)

Total land – fair value	\$ 56,226,401	\$ 56,226,401
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Land is valued per the Valuer-General's valuation at 30 June 2013. No revaluation was done in the 2013-2014 year as the adjustment factors published by the Valuer-General interims of section 50A of the Valuation of Land Act 2001 indicated no adjustment is required for the classes of land owned by the Council. At 30 June 2015 the Council revalued land based on the adjustment factors published by the Valuer-General. There is no revaluation amount for the 2015-2016 year as no adjustment factors were published by the Valuer-General for this period. The next revaluation will be done in the 2016-17 year.

(b) Buildings

	30-Jun-16	30-Jun-15
Opening balance	101,493,742	101,529,507
Revaluation	2,874,963	(798,582)
Disposals	(98,980)	(75,000)
Transfer from work in progress	1,087,000	837,817
Transfers (to)/from other asset classes	(13,051)	-
	105,343,674	101,493,742
Accumulated Depreciation		
Opening balance	(35,780,416)	(35,575,603)
Revaluation	(916,682)	692,554
Disposals	98,980	75,000
Depreciation expense	(1,049,844)	(972,367)
	(37,647,962)	(35,780,416)
Total Buildings - fair value	\$ 67,695,712	\$ 65,713,326

Buildings were revalued at 30 June 2016 by David Johnston, Assoc Dip Val, FAPI, CPV of Opteon Property Group Pty Ltd. The revaluation included an assessment of the replacement values of the buildings. An estimate of the useful lives of the building assets has been made by Council staff taking into account the condition of the asset and its ability to provide future services.

Total Property	\$ 123,922,113	\$ 121,939,727
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(c) Plant and Machinery

Opening balance	7,199,457	7,061,980
Disposals	(428,179)	(595,566)
Transfers (to)/from other asset classes	-	9,081



	30-Jun-16	30-Jun-15
Acquisitions	405,203	723,962
	7,176,481	7,199,457
<i>Accumulated Depreciation</i>		
Opening balance	(3,685,500)	(3,450,522)
Disposals	345,913	397,518
Transfers (to)/from other asset classes	-	(9,080)
Depreciation expense	(705,539)	(623,416)
	(4,045,126)	(3,685,500)
Plant and machinery at cost	\$ 3,131,355	\$ 3,513,957
(d) Furniture and equipment		
Opening balance	3,547,441	3,415,625
Disposals	-	153,613
Acquisitions	120,523	(21,797)
	3,667,964	3,547,441
<i>Accumulated depreciation</i>		
Opening balance	(2,913,982)	(2,733,692)
Disposals	-	21,797
Depreciation expense	(166,982)	(202,087)
	(3,080,964)	(2,913,982)
Furniture and equipment cost	587,000	633,459
Total Plant and Equipment	\$ 3,718,355	\$ 4,147,416

(e) Infrastructure**Recreation**

Opening balance	13,661,942	14,420,273
Revaluation	(2,768)	(917,368)
Disposals	(110,647)	(195,368)
Transfer from work in progress	785,940	354,405



	30-Jun-16	30-Jun-15
Transfer (to)/from other asset classes	26,192	-
	14,360,659	13,661,942
<i>Accumulated depreciation</i>		
Opening Balance	(5,965,552)	(6,011,901)
Revaluation	(26,956)	293,189
Disposals	106,900	158,171
Depreciation expense	(404,978)	(405,011)
	(6,290,586)	(5,965,552)
Recreation - fair value	\$ 8,070,073	\$ 7,696,390

Accounting policy

Recreation assets were revalued on 30 June 2016 by the Infrastructure Services Department of the Council. The revaluation was based on the current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

Environmental

Opening balance	3,594,243	3,514,362
Revaluation	70,449	(22,362)
Transfer from work in progress	61,751	113,855
Transfer (to)/from other asset classes	-	(11,612)
	3,726,443	3,594,243
<i>Accumulated depreciation</i>		
Opening Balance	(787,492)	(710,943)
Revaluation	(10,867)	9,703
Depreciation expense	(82,778)	(86,252)
	(881,137)	(787,492)
Environmental - fair value	\$ 2,845,306	\$ 2,806,751



Accounting policy

Environmental assets were revalued on 30 June 2016 by the Infrastructure Services Department of the Council. The revaluation was based on the current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

Roads and streets

	30-Jun-16	30-Jun-15
Roads and streets		
Opening balance	232,106,754	201,150,934
Revaluation	25,597,716	28,105,079
Disposals	(1,064,484)	-
Transfer from work in progress	1,578,607	2,833,215
Transfer (to)/from other asset classes	158,866	17,526
	258,377,459	232,106,754
<i>Accumulated depreciation</i>		
Opening balance	(40,090,736)	(33,348,510)
Revaluation	(1,891,193)	(4,704,785)
Disposals	953,676	-
Depreciation expense	(2,291,502)	(2,037,441)
	(43,319,755)	(40,090,736)
Roads and Streets - fair value	\$ 215,057,704	\$ 192,016,018

Accounting policy

Roads and Streets included substructures, seals and kerbs related to the road network.

Roads and Streets were revalued on 30 June 2016 by the Infrastructure Services Department of the Council. The revaluation is based on the current replacement cost using modern equivalent materials and work methods for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

The Council revalued the road pavements and road surfaces to reflect the service potential of the asset and the cost of the work methods. This more accurately estimates the costs of replacing the service potential of the asset at the end of its useful life. The effect of the change in estimate is a decrease in both replacement and depreciation.



Bridges

	30-Jun-16	30-Jun-15
Opening balance	27,069,694	26,663,110
Revaluation	(104,570)	58,435
Disposals	(841,646)	-
Transfer from work in progress	-	348,149
	26,123,478	27,069,694
<i>Accumulated depreciation</i>		
Opening balance	(12,238,341)	(12,384,488)
Revaluation	305,621	566,400
Disposals	656,791	-
Depreciation expense	(416,658)	(420,253)
	(11,692,587)	(12,238,341)
Bridges - fair value	\$ 14,430,891	\$ 14,831,353

Accounting Policy

Bridges were revalued at 30 June 2016 by the Infrastructure Services Department of the Council using data provided by TasSpan Pty Ltd.

Footpaths

Opening balance	34,259,587	33,770,509
Revaluation	702,192	26
Disposals	(191,530)	-
Transfer from work in progress	930,229	489,052
Transfer (to)/from other asset classes	(118,574)	-
	35,581,904	34,259,587
<i>Accumulated depreciation</i>		
Revaluation	(11,639,361)	(11,115,550)
Disposals	(267,537)	(1,660)
Depreciation	120,722	-
	(528,861)	(522,151)
	(12,315,037)	(11,639,361)
Footpaths - fair value	\$ 23,266,867	\$ 22,620,226



Accounting Policy

Footpaths were revalued on 30 June 2016 by the Infrastructure Services Department of the Council. The revaluation was based on current replacement costs for each asset.

Carparks

	30-Jun-16	30-Jun-15
Opening balance	3,055,611	2,870,701
Revaluation	27,937	114,700
Disposals	(17,657)	-
Transfer from work in progress	101,121	70,210
Transfer (to)/from other asset classes	18,981	-
	3,185,993	3,055,611
<i>Accumulated depreciation</i>		
Opening balance	(1,345,703)	(1,258,769)
Revaluation	(16,584)	(29,816)
Disposals	12,317	-
Depreciation expense	(69,991)	(57,118)
	(1,419,961)	(1,345,703)
Carparks - fair value	\$ 1,766,032	\$ 1,709,908

Accounting Policy

Car parks were revalued on 30 June 2016 by the Infrastructure Services Department of the Council. The revaluation was based on current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

Drainage

Opening balance	39,031,572	45,313,954
Revaluation	1,394,519	(6,619,872)
Disposal	(35,393)	(12,448)
Transfer from work in progress	142,787	395,502
Transfer (to)/from other asset classes	(72,415)	(45,564)
	40,461,070	39,031,572



	30-Jun-16	30-Jun-15
<i>Accumulated depreciation</i>		
Opening balance	(13,836,967)	(15,336,621)
Revaluation	(518,612)	1,946,163
Disposal	15,685	5,352
Depreciation expense	(389,484)	(451,861)
	<u>(14,729,378)</u>	<u>(13,836,967)</u>
Drainage - fair value	\$ 25,731,692	\$ 25,194,605

Accounting Policy

Drainage were revalued on 30 June 2016 by the Infrastructure Services Department of the Council. The revaluation was based on current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

Total Infrastructure	\$ 291,168,565	\$ 266,875,251
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Capital work in progress

Opening balance	1,603,941	1,414,826
Additions	7,016,727	5,651,183
Transfers out	(4,687,435)	(5,455,891)
Closing balance - cost	\$ 3,933,233	\$ 1,603,941

Property, plant and infrastructure

Gross value	554,231,526	521,246,444
Accumulated depreciation	(135,422,493)	(128,284,050)
Total	\$ 422,742,266	\$ 394,566,336



Reconciliation of property, plant and equipment and infrastructure

	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 30)	Depreciation and amortisation (note 15)	Written down value of disposals	Transfers	Balance at end of financial year
2016	\$	\$	\$	\$	\$	\$	\$
Land	56,226,401	-	-	-	-	-	56,226,401
Total land	56,226,401	-	-	-	-	-	56,226,401
Buildings	65,713,326	1,087,000	1,958,280	1,049,844	-	(13,051)	67,695,712
Total buildings	65,713,326	1,087,000	1,958,280	1,049,844	-	(13,051)	67,695,712
Total property	121,939,727	1,087,000	1,958,280	1,049,844	-	(13,051)	123,922,113
Plant and equipment							
Furniture and equipment	633,459	120,523	-	166,982	-	-	587,000
Plant and machinery	3,513,957	405,203	-	705,539	82,266	-	3,131,355
Total plant and equipment	4,147,416	525,726	-	872,521	82,266	-	3,718,355
Infrastructure							
Roads and streets	192,016,018	1,578,609	23,706,520	2,291,502	110,808	158,867	215,057,704
Footpaths	22,620,226	930,229	434,655	528,861	70,808	(118,574)	23,266,867
Carparks	1,709,908	101,121	11,353	69,991	5,340	18,981	1,766,032
Bridges	14,831,353	-	201,051	416,658	184,855	-	14,430,891
Drainage	25,194,605	142,787	875,907	389,484	19,708	(72,415)	25,731,692
Recreation	7,696,390	785,940	(29,724)	404,978	3,747	26,192	8,070,073
Environmental	2,806,751	61,751	59,582	82,778	-	-	2,845,306
Total Infrastructure	266,875,251	3,600,437	25,259,344	4,184,252	395,267	13,051	291,168,565
Works in progress							
Buildings	69,490	1,143,392	-	-	-	(1,087,000)	125,881
Environmental	390,502	176,683	-	-	-	(61,751)	505,435
Roads	9,136	3,678,940	-	-	-	(1,578,607)	2,109,469
Drainage	961	143,816	-	-	-	(142,787)	1,991
Footpaths	552,148	469,885	-	-	-	(930,228)	91,805
Carparks	5,626	103,060	-	-	-	(101,121)	7,565
Recreation	371,493	1,057,300	-	-	-	(785,941)	642,851
Bridges	204,585	243,651	-	-	-	-	448,235
Total works in progress	1,603,941	7,016,727	-	-	-	4,687,435	3,933,233
Total property, plant and equipment, infrastructure	394,566,335	12,229,890	27,217,625	6,106,617	477,532	4,687,435	422,742,266



Reconciliation of property, plant and equipment and infrastructure

	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 30)	Depreciation and amortisation (note 15)	Written down value of disposals	Transfers	Balance at end of financial year
2015	\$	\$	\$	\$	\$	\$	\$
Land	54,750,374	13,686	1,715,841	-	75,000	(178,500)	56,226,401
Total land	54,750,374	13,686	1,715,841	-	75,000	(178,500)	56,226,401
Buildings	65,953,904	837,817	(106,028)	972,367	-	-	65,713,326
Total buildings	65,953,904	837,817	(106,028)	972,367	-	-	65,713,326
Total property	120,704,278	851,503	1,609,813	972,367	75,000	(178,500)	121,939,727
Plant and equipment							
Furniture and equipment	681,933	153,613	-	202,087	-	-	633,459
Plant and machinery	3,611,458	723,962	-	623,416	198,048	-	3,513,957
Total plant and equipment	4,293,391	877,575	-	825,503	198,048	-	4,147,416
Infrastructure							
Roads and streets	167,802,424	2,833,215	23,400,294	2,037,441	-	17,526	192,016,018
Footpaths	22,654,959	489,052	(1,634)	522,151	-	-	22,620,226
Carparks	1,611,932	70,210	84,884	57,118	-	-	1,709,908
Bridges	14,278,622	348,149	624,835	420,253	-	-	14,831,353
Drainage	29,977,333	395,502	(4,673,709)	451,861	7,096	(45,564)	25,194,605
Recreation	8,408,372	354,405	(624,179)	405,011	37,197	-	7,696,390
Environmental	2,803,420	113,855	(12,659)	86,252	-	(11,612)	2,806,751
Total Infrastructure	247,537,062	4,604,388	18,797,832	3,980,087	44,293	(39,650)	266,875,251
Works in progress							
Buildings	64,952	842,355	-	-	-	(837,817)	69,490
Environmental	27,246	477,111	-	-	-	(113,855)	390,502
Roads	809,932	2,032,418	-	-	-	(2,833,215)	9,136
Drainage	145,105	251,359	-	-	-	(395,502)	961
Footpaths	180,718	860,482	-	-	-	(489,052)	552,148
Land	-	13,686	-	-	-	(13,686)	-
Carparks	-	75,836	-	-	-	(70,210)	5,626
Recreation	26,597	699,300	-	-	-	(354,405)	371,493
Bridges	154,098	398,635	-	-	-	(348,149)	204,585
Total works in progress	1,408,649	5,651,183	-	-	-	(5,455,891)	1,603,941
Total property, plant and equipment, infrastructure	373,943,380	11,984,649	20,407,645	5,777,957	317,341	6,841,683	394,566,336



Accounting policy

Recognition and measurement of assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition

Property, infrastructure, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

The following classes of assets have been recognised. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Land	\$5,000
Buildings	\$5,000
Roads and Streets	\$5,000
Bridges	\$5,000
Drainage	\$2,000
Furniture and equipment	*\$2,000
Plant and machinery	*\$2,000
Recreation	\$2,000
Environmental	\$2,000

* The threshold for recognising assets in the; Furniture and equipment and Plant and machinery asset classes has been changed from \$1,000 to \$2,000 to better reflect the change in equipment standards. The change is not deemed to affect the overall operational budget or be material in nature.

Revaluation of property, plant and infrastructure

Council has adopted the following valuation bases for its non-current assets.

Land	Fair value
Buildings	Fair value
Roads and Streets	Fair value
Bridges	Fair value
Drainage	Fair value
Furniture and equipment	Cost
Plant and machinery	Cost
Recreation	Fair value
Environmental	Fair value



Subsequent to the initial recognition of assets, non-current physical assets, other than plant and machinery and furniture and equipment, are measured at their fair value in accordance with AASB 116 Property, Plant & Equipment and AASB 13 Fair Value Measurement. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis to ensure valuations represent fair value. The valuation is performed either by experienced Council officers or independent experts.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation surplus for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Land under roads

Council recognised the value of land under roads it controls at fair value.

26 Trade and other payables

	30-Jun-16	30-Jun-15
Materials and contracts	1,356,308	709,278
Capital expenditure	642,655	601,480
Accrued expenses	247,231	199,744
Total trade and other payables	\$ 2,246,194	\$ 1,510,502



27 Trust Funds and deposits

	30-Jun-16	30-Jun-15
Revenue in advance	-	-
Sundry deposits	219,992	218,292
Total trust funds and deposits	\$ 219,992	\$ 218,292

Accounting Policy

Tender deposits

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited.

28 Provisions

2016	Employee benefits	Aged Person Home Units	Resource Recovery Centre Restoration	Total
	\$	\$	\$	\$
Balance at beginning of the financial year	2,829,702	1,920,721	837,921	5,588,344
Additional provisions	53,451	31,536	(29,311)	55,676
Balance at the end of the financial year	\$ 2,883,153	\$ 1,952,257	\$ 808,610	\$ 5,644,020
2015				
Balance at beginning of the financial year	2,813,577	2,039,778	757,186	5,610,541
Additional provisions	16,125	(119,057)	80,735	(22,197)
Balance at the end of the financial year	\$ 2,829,702	\$ 1,920,721	\$ 837,921	\$ 5,588,344

	30-Jun-16	30-Jun-15
(a) Employee benefits		
<i>Current provisions</i>		
Annual leave	653,986	639,973
Long service leave	1,318,890	1,374,642



	30-Jun-16	30-Jun-15
Employee benefits (on-costs)	516,107	459,076
	2,488,983	2,473,691
<i>Non-current</i>		
Long service leave	318,884	298,918
Employee benefits (on-costs)	75,286	57,093
	394,170	356,011
Aggregate carrying amount of employee benefits:		
Current	2,488,983	2,473,691
Non-current	394,170	356,011
	\$ 2,883,153	\$ 2,829,702

(iii) Current

All annual leave and the long service leave entitlements representing 10 or more years of continuous service:

Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value	653,986	639,973
Long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value	1,318,890	1,374,642
On costs associated with employee benefits, that fall due within 12 months at the end of the period measured at present value.	516,107	459,076
	\$ 2,488,983	\$ 2,473,691

(iv) Non-current

Long service leave representing less than 10 years of continuous service measured at present value including on costs associated with employee benefits

394,170	356,011
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(v) Employee Numbers

148	149
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Accounting Policy

Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave are expected to be wholly settled within 12 months after the end of the period in which the employees render the related service. Liabilities for wages and salaries are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long term employee benefits obligations

The liability for long service leave and annual leave which is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service, is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, the experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) Sick leave

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

(b) Aged Person Home Units

	30-Jun-16	30-Jun-15
<i>Current provisions</i>		
Aged Person Home Units	139,350	145,300



	30-Jun-16	30-Jun-15
<i>Non-current provisions</i>		
Aged Person Home Units	1,812,907	1,775,421
	1,952,257	1,920,721
<i>Movement in provision</i>		
Opening balance	1,920,721	2,039,778
Contributions received	390,500	379,169
Refunds paid	(286,206)	(339,716)
Amortisation revenue recognised	(72,758)	(158,510)
Closing balance	\$ 1,952,257	\$ 1,920,721

Accounting policy

The liability for Aged Persons Units is comprised of contributions received from tenants upon entry to units owned by the Council. The contributions are amortised over a twenty-year term on a straight line basis. The balance represents the unamortised portion of contributions received that Council would have to reimburse residents should the all units be vacated at 30 June 2016.

(c) Land fill restoration

Rehabilitation of Resource Recovery Centre	808,610	837,921
	\$ 808,610	\$ 837,921

Total rehabilitation provisions

<i>Movement in provision</i>		
Opening balance	837,921	757,186
Unwinding of discount	12,617	15,866
Change in discount rate	(41,928)	64,869
Closing balance	808,610	837,921

Total provisions

Current Provisions	2,628,333	2,618,991
Non-current provisions	3,015,687	2,969,353
Total provisions	\$ 5,644,020	\$ 5,588,344



Accounting policy

Under a Council undertaking the Council is obligated to restore the Resource Recovery Centre at Lobster Creek Road to a particular standard. Current engineering projections indicate that the Resource Recovery Centre at Lobster Creek Road will cease operations in 2030 and restoration work is expected to commence shortly thereafter.

The forecast life of the Resource Recovery Centre is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected costs of works undertaken. In calculating the present value, a discount rate of 2.5 % (1.93 % 2014-2015) has been used. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard and budgeted costs for that work. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast, timing of the work, work required and the related costs.

29 Interest bearing liabilities

	30-Jun-16	30-Jun-15
Current loan liabilities	191,216	159,419
Non-current loan liabilities	2,870,380	2,867,789
Total interest bearing loans and borrowings	\$ 3,061,596	\$ 3,027,208

Accounting policy

Interest bearing liabilities

The borrowing capacity of Council is limited by the Local Government Act 1993. Interest bearing liabilities are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial recognition these liabilities are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit or Loss and Other Comprehensive Income over the period of the liability using the effective interest method.



Borrowings

	30-Jun-16	30-Jun-15
Not later than one year	191,216	159,419
Later than one year and not later than five years	769,752	691,587
Later than five years	2,100,628	2,176,202
Total	3,061,596	3,027,208
Total interest bearing loans and borrowings	\$ 3,061,596	\$ 3,027,208

30 Reserves

(a) Asset revaluation reserve

	Balance at beginning of reporting year \$	Increment \$	(Decrement) \$	Balance at end of reporting year \$
2016				
Property				
Land	23,786,531	-	-	23,786,531
Buildings	36,906,923	1,958,280	-	38,865,203
	60,693,454	1,958,280	-	62,651,734
Infrastructure, Plant & Equipment				
Roads, Streets, Carparks & Footpaths	142,675,928	24,152,531	-	166,828,459
Bridges	8,425,396	201,049	-	8,626,445
Furniture and Equipment	96,760	-	-	96,760
Drainage	14,818,901	875,908	-	15,694,808
Plant and Machinery	78,406	-	-	78,406
Recreation	1,208,830	-	(29,724)	1,179,105
Environmental	637,350	59,582	-	696,932
Associate - Dulverton Waste Management Authority (note 18)	1,035,029	39,680	-	1,074,709
	168,976,600	25,328,749	(29,724)	194,275,625
Total asset revaluation reserve	\$ 229,670,054	\$ 27,287,029	\$ (29,724)	\$ 256,927,359



	Balance at beginning of reporting year \$	Increment \$	(Decrement) \$	Balance at end of reporting year \$
2015				
Property				
Land	22,070,690	1,715,841	-	23,786,531
Buildings	37,013,094	-	(106,171)	36,906,923
	59,083,784	1,715,841	(106,171)	60,693,454
Infrastructure, Plant & Equipment				
Roads, Streets, Carparks & Footpaths	119,192,387	23,483,541	-	142,675,928
Bridges	7,800,561	624,835	-	8,425,396
Furniture and Equipment	96,760	-	-	96,760
Drainage	19,492,603	(4,673,703)	-	14,818,901
Plant and Machinery	78,406	-	-	78,406
Recreation	1,832,858	-	(624,028)	1,208,830
Environmental	650,004	-	(12,654)	637,350
Associate - Dulverton Waste Management Authority (note 18)	917,229	117,800	-	1,035,029
	150,060,809	19,552,473	(636,682)	168,976,600
Total asset revaluation reserve	\$ 209,144,593	\$ 21,268,314	\$ (742,854)	\$ 229,670,054

The asset revaluation reserve was established to capture the movements in asset valuations upon the periodic revaluation of Council's assets.

(b) Fair value reserve

	Balance at beginning of reporting year \$	Increment \$	(decrement) \$	Balance at end of reporting year \$
2016				
Available-for-sale assets				
Investment in water corporation	6,747,091	1,246,639	-	7,993,730
Total fair value	\$ 6,747,091	\$ 1,246,639	-	\$ 7,993,730



	Balance at beginning of reporting year	Increment	(decrement)	Balance at end of reporting year
	\$	\$	\$	\$
2015				
Available-for-sale assets				
Investment in water corporation	6,163,787	583,304	-	6,747,091
Total fair value reserve	\$ 6,163,787	\$583,304	-	\$ 6,747,091

The available-for-sale financial asset reserve was established to capture the fair value movements in Council's Water Corporation investment.

(c) **Other reserves**

	Balance at beginning of reporting year	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting year
	\$	\$	\$	\$
2016				
Asset replacement reserve	1,699,228	1,315,971	(1,283,693)	1,731,506
Fire service reserve	21,668	1,943	-	23,611
Garbage collection reserve	92,621	-	(48,682)	43,939
Special projects reserve	875,792	296,327	(184,874)	987,245
Total Other reserves	2,689,309	1,614,241	(1,517,249)	2,786,301
2015				
Asset replacement reserve	1,675,130	24,098	-	1,699,228
Fire service reserve	26,241	-	(4,573)	21,668
Garbage collection reserve	40,141	52,480	-	92,621
Special projects reserve	673,065	202,727	-	875,792
Total Other reserves	2,414,577	279,305	(4,573)	2,689,309

These reserves include funds reserved for the replacement of Roads and Streets, Plant and Machinery and Furniture and Equipment. The Council also transfers to or from other reserves any funds over recovered or under recorded from the activities of Garbage Collection, Fire Services and Special Projects.



	2016 \$	2015 \$
Total Reserves	267,707,390	239,106,454

The asset revaluation reserve was established to capture the movements in asset valuations upon the periodic revaluation of Council's assets.

31 Reconciliation of cash flows from operating activities to surplus (deficit)

	30-Jun-16	30-Jun-15
Result from continuing operations	231,550	4,920,579
<i>Cash flows from financing activities:</i>		
Less Capital Grants	(1,787,161)	(1,649,986)
	<u>(1,555,611)</u>	<u>3,270,593</u>
<i>Non-cash Items:</i>		
Depreciation/amortisation	6,154,623	5,823,922
(Profit)/loss on disposal of property, plant and equipment, infrastructure	336,698	2,483
Share of Profit in associate	(714,613)	(533,277)
	<u>5,776,708</u>	<u>5,293,128</u>
<i>Change in assets and liabilities:</i>		
Decrease/(increase) receivables	(65,745)	202,448
Decrease/(increase) in other assets	7,398	(40,197)
Decrease/(increase) in inventories	1,674	(614)
Increase/(decrease) in payables	694,517	(327,179)
Increase/(decrease) in provisions	55,675	(22,196)
Increase/(decrease) in other liabilities	1,699	(911)
	<u>695,218</u>	<u>(188,649)</u>
Net cash provided by/(used in) operating activities	\$ 4,916,315	\$ 8,375,072

32 Reconciliation of cash and cash equivalents

Cash and cash equivalents (see note 20)	6,650,511	7,142,594
Total reconciliation of cash and cash equivalents	\$ 6,650,511	\$ 7,142,594



33 Superannuation

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund). The Fund was a sub fund of the Quadrant Superannuation Scheme (the Scheme) up to 30 November 2015. At this date the Quadrant Superannuation Scheme merged (via a Successor Fund Transfer) into the Tasplan Super and the Quadrant Defined Benefits Fund became a sub fund of Tasplan Super (Tasplan) from that date. The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 Employee Benefits, Council does not use defined benefit accounting for these contributions and accordingly no asset or liability is recognised in these accounts in respect of the scheme.

For the year ended 30 June 2016 Council contributed 9.5% of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, Council is required to meet its share of the deficiency.

Rice Warner Pty Ltd undertook the last actuarial review of the Fund at 30 June 2014. The review disclosed that at that time the net market value of assets available for funding member benefits was \$66,310,000, the value of vested benefits was \$57,475,000, the surplus over vested benefits was \$8,835,000, the value of total accrued benefits was \$58,093,000, and the number of members was 187.

The actuarial review concluded that, based on the assumptions used, and assuming the Employer contributes at the levels described below, the value of the assets is expected to continue to be adequate to meet the value of the liabilities of the Fund in respect of vested benefits at all times during the period up to 30 June 2017.

Council also contributes to other accumulation schemes on behalf of a number of employees; however, the Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes.

- . During the reporting period the amount of contributions paid to defined benefits schemes was \$84,092 (2014-15, \$121,579), and the amount paid to accumulation schemes was \$889,980 (2014-15, \$833,921).
- . During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$86,194 and the amount to be paid to accumulation schemes is \$912,229.
- . As at 30 June 2015 the Fund had 164 members and the total employer contributions and member contributions for the year ending 30 June 2015 were \$2,083,883 and \$325,833 respectively.

Council adopted reduced disclosure in relation to the Fund based on an assessment that the impact of non-disclosure is insignificant to users of the accounts. The



assessment was based on the number of Council employees (8) that are members of the Fund and Council's contributions to the Fund (as noted above) in comparison to both the Fund's total members and contributions and Council's total employee numbers and superannuation contributions. In addition, the Fund is currently in surplus. If the Fund's position changes, the need for increased disclosure will be considered.

	2016 \$	2015 \$
Fund		
Defined benefits fund		
Employer contributions to (Quadrant/TasPlan)	84,092	121,579
Accumulation funds		
Employer contributions to Accumulation funds *	889,980	833,921
	\$ 974,072	\$ 955,500

* Accumulated funds are not disclosed in detail due to the private nature of individual self-managed superannuation schemes.

(iv) Defined benefit plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the Statement of Financial Position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) and less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, the experience of employee departures and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable.

Council makes superannuation contributions for a number of its employees to the TasPlan Defined Benefits Fund, which is a sub-fund of the Quadrant Superannuation Scheme. The TasPlan Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 32(b) of AASB 119 Employee Benefits, Council does not use defined benefit accounting for these contributions.



(v) Defined contribution plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

34 Commitments

	30-Jun-16	30-Jun-15
Capital Expenditure Commitments		
Less than 12 months	642,655	601,480
	<u>642,655</u>	<u>601,480</u>
Total Capital expenditure commitments		
Contractual commitments		
Less than 12 months	789,442	1,122,734
Between 12 months and 2 years	69,883	-
	<u>859,325</u>	<u>-</u>
Total contractual commitments	\$ 859,325	\$ 1,122,734

35 Operating leases**(a) Operating lease commitments**

At the reporting date, Council had the following obligations under non-cancellable operating leases for the lease of equipment for use within Council's activities (these obligations are not recognised as liabilities):

Not later than one year	47,376	35,532
Later than one year and not later than five years	106,596	153,972
Later than five years	-	-
	<u>153,972</u>	<u>-</u>
	\$ 153,972	\$ 189,504

36 Contingent liabilities and contingent assets**Contingent liabilities**

Council operates a landfill at Lobster Creek Road, Ulverstone. Council will have to carry out site rehabilitation works in the future.



37 Financial Instruments

(a) Accounting policy, terms and conditions

Financial instruments	Note	Accounting Policy	Terms and Conditions
Financial assets			
Cash and cash equivalents	20	<p>Cash on hand and at bank and money market call accounts are valued at face value.</p> <p>Interest is recognised as it accrues.</p> <p>Investments are held to maximise interest returns of surplus cash.</p>	<p>On call deposits returned a floating interest rate between 1.90 % and 1.75 % (2.40% and 1.90% in 2014-15). The interest rate at balance date was 1.75 % (1.90% in 2014-15).</p> <p>Funds returned fixed interest rate of between 3.76% (3.87% in 2014-15), and 3.87% (4.05% in 2014-15) net of fees.</p>
Trade and other receivables			
Other debtors	21	<p>An impairment loss is not recognised on rates receivable.</p> <p>Receivables are carried at amortised cost using the effective interest method. A provision for impairment is recognised when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis.</p>	<p>Unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.</p> <p>General debtors are unsecured and arrears do not attract interest.</p>
Available for sale financial assets			
Investment in Water Corporation	19	<p>The investment in TasWater is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date.</p>	<p>Investment in TasWater provided return of 1.86 % excluding unrealised gains/losses</p>



Financial Liabilities

Trade and other payables	26	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing loans and borrowings	29	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.	Borrowings are secured by way of mortgages over the general rates of the Council. The weighted average interest rate on borrowings is 5.28 % in 2015-16 (5.66% in 2014-15)."

(b) Interest Rate Risk

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

2016	Floating interest rate	Fixed interest maturing in:			Non-interest bearing	Total
	\$	One year or less \$	Over one to five years \$	More than five years \$	\$	\$
Financial assets						
Cash and cash equivalents	6,650,511	-	-	-	-	6,650,511
Trade and other receivables	-	-	-	-	968,260	968,260
Accrued Revenue	-	-	-	-	102,405	102,405
Investment in water corporation	-	-	-	-	74,483,878	74,483,878
Total financial assets	6,650,511	-	-	-	75,554,543	82,205,054
Financial liabilities						
Trade and other payables	-	-	-	-	2,246,194	2,246,194
Trust funds and deposits	-	-	-	-	219,992	219,992
Interest-bearing loans and borrowings	-	191,216	769,751	2,100,629	-	3,061,596
Total financial liabilities	-	191,216	769,751	2,100,629	2,466,186	5,527,782
Net financial assets (liabilities)	6,650,511	(191,216)	(769,751)	(2,100,629)	73,088,357	76,677,272



2015	Fixed interest maturing in:				Non-interest bearing	Total
	Floating interest rate	One year or less	Over one to five years	More than five years		
	\$	\$	\$	\$	\$	\$
Financial assets						
Cash and cash equivalents	7,142,594	-	-	-	-	7,142,594
Trade and other receivables	-	-	-	-	902,516	902,516
Accrued Revenue	-	-	-	-	162,370	162,370
Investment in water corporation	-	-	-	-	73,237,239	73,237,239
Total financial assets	7,142,594	-	-	-	74,302,125	81,444,719
Financial liabilities						
Trade and other payables	-	-	-	-	1,510,502	1,510,502
Trust funds and deposits	-	-	-	-	218,292	218,292
Interest-bearing loans and borrowings	-	159,419	691,587	2,176,202	-	3,027,208
Total financial liabilities	-	159,419	691,587	2,176,202	1,728,794	4,756,002
Net financial assets (liabilities)	7,142,594	(159,419)	(691,587)	(2,176,202)	72,573,331	76,688,717

(c) Fair Value

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2016 \$	2015 \$	2016 \$	2015 \$
Financial assets				
Cash at bank and on hand	1,749,655	2,952,632	1,749,655	2,952,632
Cash management account	4,900,856	4,189,962	4,900,856	4,189,962
Trade and other receivables	968,260	902,516	968,260	902,516
Accrued revenue	102,405	162,370	102,405	162,370
Investment in water corporation	74,483,878	73,237,239	74,483,878	73,237,239



Total financial assets	82,205,054	81,444,719	82,205,054	81,444,719
Financial liabilities				
<i>Payables</i>	2,246,194	1,510,502	2,246,194	1,510,502
Interest bearing loans and borrowings	3,061,596	3,027,208	3,326,088	3,251,988
Other liabilities	219,992	218,292	219,992	218,292
Total financial liabilities	5,527,782	4,756,002	5,792,274	4,980,782

d) Credit Risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Statement of Financial Position.

(e) Risks and mitigation

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Components of market risk to which we are exposed are discussed below.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Our loan borrowings are sourced from major Australian banks by a tender process. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- . ensuring access to diverse sources of funding;
- . reducing risks of refinancing by managing in accordance with target maturity profiles; and



- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Treasury and Finance each year.

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1993. We manage interest rate risk by adopting an investment policy that ensures:

- conformity with State and Federal regulations and standards;
- capital protection.

Credit Risk

Credit risk arises from Council's financial assets, which comprise cash and cash equivalents, and trade and other receivables. Council's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable policy note. Council generally trades with recognised, creditworthy third parties, and as such collateral is generally not requested, nor is it Council's policy to securitise its trade and other receivables.

It is Council's policy that some customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation.

In addition, receivable balance is monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant.

Council may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in note 36.

Credit quality of contractual financial assets that are neither past due nor impaired.

2016	Financial Institutions	Government agencies	Other	Total
Cash and cash equivalents	6,650,511	-	-	6,650,511
Trade and other receivables	968,260	-	-	968,260
Accrued revenue	102,405	-	-	102,405
Total contractual financial assets	\$ 7,721,176	-	-	\$ 7,721,176



2015

Cash and cash equivalents	7,142,594	-	-	7,142,594
Trade and other receivables	902,516	-	-	902,516
Accrued revenue	162,370	-	-	162,370
Total contractual financial assets	\$ 8,207,480	-	-	\$ 8,207,480

Ageing of Trade and Other Receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's Trade and Other Receivables was:

	2016	2015
	\$	\$
Current (not yet due)	70,823	98,021
Past due by up to 30 days	121,105	110,357
Past due between 31 and 180 days	10,114	87,521
Past due between 181 and 365 days	12,653	(16,882)
Past due by more than 1 year	224,395	155,367
Rates receivable	228,374	295,912
Net GST and loans	300,796	172,220
Total Trade & Other Receivables	\$ 968,260	\$ 902,516

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$0.00 (2014-15: \$0.00) were impaired. The amount of the provision raised against these debtors was \$0.00 (2014-15: \$0.00). The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- . we will not have sufficient funds to settle a transaction on the date;
- . we will be forced to sell financial assets at a value which is less than what they are worth; or
- . we may be unable to settle or recover a financial asset at all.



To help reduce these risks we:

- . have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- . have readily accessible standby facilities and other funding arrangements in place;
- . have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- . monitor budget to actual performance on a regular basis; and
- . set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The table below lists the contractual maturities for Financial Liabilities.

These amounts represent the discounted cash flow payments (i.e. principal only).

2016	less than one year \$	One to five Years \$	More than five years \$	Contracted Cash Flow \$	Carrying Amount \$
Trade and other payables	2,246,194	-	-	2,246,194	2,246,194
Trust funds and deposits	219,992	-	-	219,992	219,992
Interest-bearing loans and borrowings	191,216	769,752	2,100,628	3,061,596	3,061,596
Total financial liabilities	2,657,402	769,752	2,100,628	5,527,782	5,527,782
2015	less than one year \$	One to five Years \$	More than five years \$	Contracted Cash Flow \$	Carrying Amount \$
Trade and other payables	1,510,502	-	-	1,510,502	1,510,502
Trust funds and deposits	218,292	-	-	218,292	218,292
Interest-bearing loans and borrowings	159,419	691,587	2,176,202	3,027,208	3,027,208
Total financial liabilities	1,888,213	691,587	2,176,202	4,756,002	4,756,002



(f) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from Reserve Bank of Australia):

A parallel shift of +1% and -0.5% in market interest rates (AUD) from year-end rates of 1.75%.

The table below discloses the impact on net operating result and equity for each category of financial instruments held by Council at year-end, if the above movements were to occur

		Interest rate risk			
		+1 % (100 basis points)		-0.5 % (50 basis points)	
		Profit	Equity	Profit	Equity
		\$	\$	\$	\$
30 June 2016					
Financial assets:					
Cash and cash equivalents	6,650,511	66,505	66,505	(33,253)	(33,253)
Financial liabilities:					
Interest-bearing loans and borrowings	3,061,596	(30,616)	(30,616)	15,308	15,308

		Interest rate risk			
		+1 % (100 basis points)		-0.5 % (50 basis points)	
		Profit	Equity	Profit	Equity
		\$	\$	\$	\$
30 June 2015					
Financial assets:					
Cash and cash equivalents	7,145,594	71,423	71,423	(35,712)	(35,712)
Financial liabilities:					
Interest-bearing loans and borrowings	3,027,208	30,272	30,272	(15,136)	(15,136)



38 Events occurring after balance date

There were no events occurring after balance date that will affect these accounts.

39 Related party transaction

(i) Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

Cr J Bonde – Mayor
 Cr J Bloomfield
 Cr S Broad
 Cr G Carpenter
 Cr K Downie – Deputy Mayor
 Cr G Howard
 Cr R Tongs
 Cr T van Rooyen
 Cr P Viney

General Manager:

Sandra Ayton

(ii) Remuneration and Emolument of Councillor's

	2016	2015
Councillor's allowances	252,858	260,110
Councillor's expenses	41,190	46,468
Total Councillor's expenditure and allowances	\$ 294,048	\$ 306,578

(iii) Remuneration of Senior Employees

	2016	2015
\$140,000 - \$160,000	2*	1
\$160,000 - \$180,000	2	2
\$180,000 - \$200,000	-	-
\$200,000 - \$220,000	-	1
\$220,000 - \$240,000	1	1

* includes an eligible termination payment for a Director. Central Coast only has only 4 Senior Employees as at 30 June 2016



(iv) remuneration Principles

Councillors

Alderman's Emoluments have been made in accordance with Council's decision regarding payment of Alderman's Allowances and the reimbursement of any expenses to the Alderman.

Senior Employees

The Council has designated the General Manager and the Directors as being senior employees. The employment terms and conditions of senior employees are contained in either individual employment contracts or detailed letters of appointment and prescribe total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions. In addition to their salaries, the Council contributes to post-employment superannuation plans on their behalf.

The performance of each senior executive, including the General Manager, is reviewed annually which includes a review of their remuneration package.

In accordance with s84(2)(b) of the *Local Government Act 1993*, no interests have been notified to the General Manager in respect of anybody or organisation with which the Council has major financial dealings

- (v) In accordance with s84(2)(b) of the *Local Government Act 1993*, no interests have been notified to the General Manager in respect of anybody or organisation with which the Council has major financial dealings

40 Significant Business Activities

The operating capital and competitive neutrality costs of the Council's significant business activities:



		Child Care Services
		2016
		\$
<i>Revenue</i>		
	Child care fees	563,737
	Contributions	750,098
Total Revenue		1,313,835
<i>Expenditure</i>		
	Employee Costs	309,187
	Materials and Contacts	621,107
<i>Indirect</i>		
	Administration overhead	318,580
Total Expenses		1,248,874
<i>Capital Costs</i>		
	Depreciation and amortisation	11,546
	Opportunity cost of capital	83,804
Total Capital Costs		95,350
Competitive Neutrality Costs		16,024

Accounting policy

Significant business activities

During 2015-16 Council undertook a review of its operations and also its significant business activities. As a result of this review the Council has identified that its Roads, Streets and Bridge operations are no longer classified as significant business activities. It has identified that the provision of child care services is a significant business activity of Council and as such will be reported in these accounts. As a result of this change there are no comparative figures for the financial year 2015-16 for child care services.

Council is required to report the operating, capital and competitive neutrality costs in respect of each significant business activity undertaken by the Council. Council's disclosure is reconciled above. Council has determined, based upon materiality that Child cares services as defined above are considered significant business activities. Competitive neutrality costs include notional costs i.e. income tax equivalent, rates and loan guarantees. In preparing the information disclosed in relation to significant business activities, the following assumptions have been applied:



- . The notional opportunity cost of capital was calculated by applying an interest rate of 6.5 % which the Council has determined as an appropriate interest rate adjusted for a risk margin.
- . Taxation equivalents were calculated by an applicable taxation rate of 30 % applied to the activities notional accounting profit before abnormal items.
- . Notional Council rates and land tax have been calculated using actual rates and charges set by the Council and government for the current financial period.
- . Loan guarantee fees were calculated on the average loan outstanding for each activity multiplied by the loan guarantee fee rate of 0.45% that is determined by the Department of Treasury and Finance
- . The impact of Fringe Benefit Tax credits, stamp duty and other taxes were deemed to be immaterial and have not been included.

41 Management Indicators

(a) Underlying surplus or deficit

	Benchmark	2016	2015	2014	2013
		\$	\$	\$	\$
Recurrent income* less		25,328	24,986	23,170	22,021
recurrent expenditure		24,724	23,688	22,824	22,252
Underlying surplus/(deficit)	>0	604	1,298	346	(231)

*Recurrent income excludes income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature

(b) Underlying surplus ratio

	Benchmark	2016	2015	2014	2013
		\$	\$	\$	\$
Underlying surplus or (deficit)		604	1,298	346	(231)
Recurrent Income		25,328	24,986	23,170	22,021
Underlying surplus ratio %	>0%	2.38%	5.20%	1.49%	-1.05%

This ratio serves as an overall measure of financial operating effectiveness and is an expression of the quality of the underlying surplus.

The Council targets achieving an underlying surplus as a key financial strategy as set out in the long-term financial planning.

**(c) Net financial liabilities**

	Benchmark	2016 \$	2015 \$	2014 \$	2013 \$
Liquid assets less		7,602	8,020	4,091	4,999
Total liabilities		(11,172)	(10,344)	(10,383)	(10,120)
Net financial liabilities	0	(3,570)	(2,324)	(6,292)	(5,121)

This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets means that, if all liabilities fell due at once, additional revenue would need to fund the shortfall.

(d) Net Financial liabilities ratio

	Benchmark	2016 \$	2015 \$	2014 \$	2013 \$
Net financial liabilities		(3,570)	(2,324)	(6,292)	(5,121)
Recurrent income*		25,328	24,986	23,170	22,021
Net financial liabilities ratio %	0% - (50%)	(14.1%)	(9.3%)	(27.2%)	(23.3%)

This ratio indicates the net financial obligations of Council compared to its recurrent income. This is a measure of the quality of the net financial liability position. The ratio trended down in the 2014-2015 due primarily to the Council receiving an advance payment of the Commonwealth Financial Assistance Grant once more for the 2015-2016 financial year.

(e) Asset consumption ratio

An asset consumption ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.

	Benchmark	2016 \$	2015 \$	2014 \$	2013 \$
<i>Buildings</i>					
<u>Depreciated replacement cost</u>		67,696	65,713	65,594	66,473
Current replacement cost		105,344	101,494	101,530	100,919
Asset consumption ratio %	60%	64.2%	64.7%	64.6%	65.9%
<i>Roads and Streets</i>					
<u>Depreciated replacement cost</u>		215,058	192,016	167,802	183,504
Current replacement cost		258,377	232,107	201,151	213,861



	Benchmark	2016 \$	2015 \$	2014 \$	2013 \$
Asset consumption ratio %	60%	83.2%	82.7%	83.4%	85.8%
<i>Footpaths</i>					
<u>Depreciated replacement cost</u>		23,267	22,620	22,655	23,986
Current replacement cost		35,582	34,260	33,771	34,578
Asset consumption ratio %	60%	65.4%	66.0%	67.1%	69.4%
<i>Bridges</i>					
<u>Depreciated replacement cost</u>		14,431	14,831	14,279	14,733
Current replacement cost		26,123	27,070	26,663	26,666
Asset consumption ratio %	60%	55.2%	54.8%	53.6%	55.3%
<i>Drainage</i>					
<u>Depreciated replacement cost</u>		25,732	25,195	29,977	30,358
Current replacement cost		40,461	39,032	45,314	45,252
Asset consumption ratio %	60%	63.6%	64.5%	66.2%	67.1%
<i>Other Infrastructure assets</i>					
<u>Depreciated replacement cost</u>		12,681	12,213	12,824	12,543
Current replacement cost		21,273	20,312	20,805	20,547
Asset consumption ratio %	60%	59.6%	60.1%	61.6%	61.0%

This ratio indicates the level of service potential available in Council's existing asset base.

The Council has an overall asset consumption rate of 62.3% which is above the benchmark of 60%. Bridges and other are the only category that falls below this benchmark and it is only marginally below. This is due to an asset renewal and upgrade program in place for Bridges in the Long-term Financial Plan and this ratio should improve overtime above the benchmark.

(f) Asset renewal funding ratio

An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.

		2016 \$	2015 \$	2014 \$	2013 \$
<i>Buildings</i>					
<u>Projected capital funding outlays**</u>		5,907	6,252	5,302	4,894
Projected capital expenditure funding***		5,907	6,252	5,302	4,894
Asset renewal funding ratio %	100%	100%	100%	100%	100%



		2016 \$	2015 \$	2014 \$	2013 \$
<i>Roads and Streets</i>					
<u>Projected capital funding outlays**</u>		23,711	23,400	21,927	21,472
Projected capital expenditure funding***		23,711	23,400	21,927	21,472
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Footpaths</i>					
<u>Projected capital funding outlays**</u>		2,450	2,760	2,545	2,420
Projected capital expenditure funding***		2,450	2,760	2,545	2,420
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Bridges</i>					
<u>Projected capital funding outlays**</u>		4,340	4,970	4,170	4,780
Projected capital expenditure funding***		4,340	4,970	4,170	4,780
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Drainage</i>					
<u>Projected capital funding outlays**</u>		2,323	2,040	1,560	1,570
Projected capital expenditure funding***		2,323	2,040	1,560	1,570
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Car parks</i>					
<u>Projected capital funding outlays**</u>		3,525	3,441	2,995	2,530
Projected capital expenditure funding***		3,525	3,441	2,995	2,530
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Recreation</i>					
<u>Projected capital funding outlays**</u>		5,233	5,278	3,691	7,454
Projected capital expenditure funding***		5,233	5,278	3,691	7,454
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Other infrastructure assets</i>					
<u>Projected capital funding outlays**</u>		790	872	1,200	1,314
Projected capital expenditure funding***		790	872	1,200	1,314
Asset renewal funding ratio %	100%	100%	100%	100%	100%



** Current value of projected capital funding outlays for an asset identified in Council's long-term financial plan.

*** Value of projected capital expenditure funding for an asset identified in Council's long-term strategic asset management plan.

This ratio measures Council's capacity to fund future asset replacement requirements.

For the 2013,2014,2015 and 2016 financial years the Council prepared Long Term Financial Plans based on the information that the Engineering Services Department used to develop their 10 year forward works programs for renewals ad upgrades of existing assets. Consequently, the funding for renewals and upgrades in the Long-term Financial Plan and the projected outlays for renewals and upgrades in the asset management plans are identical.

(g) Asset sustainability ratio

	Benchmark	2016 \$	2015 \$	2014 \$	2013 \$
<u>Capex on replacement/renewal of existing assets</u>		6,078	5,514	5,437	7,650
Annual depreciation expense		6,107	5,824	5,798	5,260
Asset sustainability ratio %	100%	100%	95%	94%	145%

This ratio calculates the extent to which Council is maintaining operating capacity through renewal of their existing asset base.

2016	Capital renewal expenditure \$	Total Capital Expenditure \$
Asset Renewal program	6,078	7,549
Total	6,078	7,549
<hr/>		
2015	Capital renewal expenditure \$	Total Capital Expenditure \$
Asset Renewal program	5,514	6,333
Total	5,514	6,333



42 Fair value measurements

Council measures and recognises the following assets at fair value on a recurring basis:

- . Land
- . Buildings
- . Roads and streets including footpaths and car parks
- . Bridges
- . Drainage
- . Other infrastructure assets

Council does not measure any liabilities at fair value on a recurring basis. Council also has assets measured at fair-value on a non-recurring basis as a result of being classified as Assets held for sale.

Fair Value Hierarchy

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2016.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.



As at 30 June 2016

	Note	Level 1	Level 2	Level 3	Total
Recurring fair value measurements		\$	\$	\$	\$
Land	25	-	56,226,401	-	56,226,401
Buildings	25	-	67,695,712	-	67,695,712
Roads, including footpaths and carparks	25	-	-	240,090,603	240,090,603
Bridges	25	-	-	14,430,891	14,430,891
Drainage	25	-	-	25,731,692	25,731,692
	Note	Level 1	Level 2	Level 3	Total
Other infrastructure	25	-	-	10,915,379	10,915,379
		-	123,922,113	291,168,565	415,090,678
Non-recurring fair value measurements					
Assets held for sale	22	-	-	-	-
		-	-	-	-

As at 30 June 2015

	Note	Level 1	Level 2	Level 3	Total
Recurring fair value measurements		\$	\$	\$	\$
Land	25	-	56,226,401	-	56,226,401
Buildings	25	-	65,713,326	-	65,713,326
Roads, including footpaths and carparks	25	-	-	216,346,152	216,346,152
Bridges	25	-	-	14,831,353	14,831,353
Drainage	25	-	-	25,194,605	25,194,605
Other infrastructure	25	-	-	10,503,141	10,503,141
		-	121,939,727	266,875,251	388,814,978
Non-recurring fair value measurements					
Assets held for sale	22	-	178,500	-	178,500
		-	178,500	-	178,500

All assets valued at fair value in this note are being used for their highest and best use.

(c) Valuation techniques and significant inputs used to derive fair values
Buildings

Land

Land fair values were determined by the Valuer-General's valuation at 30 June 2013. The Valuer-General also publishes adjustment factors on an annual basis which are used to revalue land held by the Council. At 30 June 2015 land was



revalued using the Valuer-General adjustment factors. Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current planning provisions. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. All freehold land owned by the Council reserved for public open space is valued by the Valuer-General as part of the periodic municipal revaluation process.

Land held for sale

Land classified as held for sale during the reporting period is measured at the lower of its carrying amount and fair value less cost to sell at the time of reclassification. The fair value of the land was determined using the approach described in the preceding paragraph.

Land under roads

Land under roads is based on Council valuations at 30 June 2014 using site values provided for by the Valuer-General and adjusted at 30 June 2015 using the adjustment factor provided by the Valuer-General. This adjustment is an observable input in the valuation.

Buildings

Buildings were revalued at 30 June 2016 by David Johnston, Assoc Dip Val, FAPI, CPV of Opteon Property Group Pty Ltd. The revaluation included an assessment of the replacement cost of buildings. An assessment of the useful lives of the building assets is made by Council staff taking into account the condition of the asset and its ability to provide future services.

Infrastructure assets

All Council infrastructure assets were fair valued at 30 June 2016 using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

CRC was measured by reference to the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. The resulting valuation reflects the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output.



The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on a "Greenfield" assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks.

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in Note 15.

The calculation of CRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation.

The methods for calculating CRC are described under individual asset categories below.

Roads, including footpaths & cycleways

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. Urban roads and rural roads are managed in segments on a consistent basis within each category. All road segments are then componentised into formation, pavement, sub-pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the road area multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs and overhead allocations. Council assumes that pavements are constructed to depths of 30cm for all roads. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates are based on Council's Enterprise Agreement (EA). Where construction is outsourced, CRC is based on the average of completed similar projects over the last few years.

Bridges

A full valuation of bridges assets was undertaken by TasSpan, effective 30 June 2016. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area.



Drainage

A full valuation of drainage infrastructure was undertaken by Council's Engineering Services Department, effective 30 June 2016. Similar to roads, drainage assets are managed in segments; pits and pipes being the major components.

Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the unit price for the component type. For pipes, the unit price is multiplied by the asset's length. The unit price for pipes is based on the construction material as well as the depth the pipe is laid.

Other Infrastructure

Other infrastructure is not deemed to be significant in terms of Council's Statement of Financial Position.

(d) Valuation processes

Council's current policy for the valuation of property, infrastructure, plant and equipment, investment in water corporation and investment property (recurring fair value measurements) is set out in notes 25 and 19. Respectively Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

(e) Assets and liabilities not measured at fair value but for which fair value is disclosed

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes. (refer note 37)

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in note 37 is provided by Tascorp (level 2).

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (Level 2).



43 Material Budget Variations

Council's original budget was adopted by the Council on 29 June 2015. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, changing economic activity, the weather, and by decisions made by the Council. Material variations of more than 10% are explained below:

Revenues

1 Rates and charges

Revenue was within budget expectations and the marginal increase in revenue from the budgeted amount primarily represents the net effect of supplementary rates levied and remissions granted.

2 User fees

User fees were below budgeted expectations; however, they have increased from 2014-15 by \$80k. The Resource Recovery Centre income from entry fees, scrap metal recovery and Tip Shop sales reduced by a total of approximately \$130k. Child Care Centre revenue was also below budget this year but this was compensated for by a similar reduction in expenditure.

3 Grants

The budget estimates included the full estimate for the Commonwealth Federal Assistance Grant. Approximately half of the grant amounting to \$1.97m. was received and accounted for in the 2014-15 financial year resulting in a significant budget variance for the 2015-16 year (Refer Note 7). A number of grants for capital works projects budgeted were not received during the year. The variance to the estimated amount is approximately \$1.36m. Of the grants not received \$1.03m. related to projects not yet commenced and the balance of the variance related to capital works that have been carried over to the 2016-17 financial year.

4 Other income

Other income has increased over the estimates by approximately \$153k. The main reason for the increase is the Tax Equivalent revenue from Dulverton Regional Waste Management Authority and TasWater were \$126k ahead of the estimated receipts. The remainder of the increased income can be accounted for in increased reimbursements of costs incurred.

5 Cash Contributions

Cash contributions were higher than budget by \$80k due to child care contributions received being greater than estimated for the after school hours and vacation care



programs. While the revenue has increased it is offset by matching expenditure to provide the service. The balance of the increase over the estimates can be explained by the receipt of unbudgeted contributions and contributions exceeding the estimated amounts.

Expenses

1 Materials and services

The increase in materials and contracts costs over budget of \$583k is due mainly to the unbudgeted costs related to flood damage. These costs amount to \$256k at the end of the 2015-16 financial year. Other areas of increased expenditure were Information Technology of \$75k on maintenance and software licence renewals, waste management additional costs \$91k, Maintenance of recreation facilities and grounds of \$79k and additional costs for the maintenance of parks and amenities of \$45k.

2 Employee benefits

The increase in Employee benefits above budget is due to two unbudgeted terminations and an increase in staff leave provisions.

3 Finance Costs

The decrease in costs against budget is due to the reduced finance charges associated with the change in the discount rate used to calculate the present value of costs for the rehabilitation of the Lobster Creek Resource Recovery Centre.

4 Depreciation and Amortisation

This expense is higher than estimated due mainly to additional depreciation calculated on the amount roads were revalued by at the end of the 2014-15 financial year.

44 Other significant accounting policies and new accounting standards

(a) Taxation

Council is exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax and the Goods and Services Tax.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of



the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(b) Impairment of assets

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and Other Comprehensive Income, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset. For non-cash generating assets of Council such as roads, drains, public buildings and the like, value in use is represented by the deprival value of the asset approximated by its written down replacement cost.

(c) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being Council's operational cycle, or if Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(d) Financial guarantees

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

(e) Contingent assets, contingent liabilities and commitments

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are



measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value inclusive of the GST payable.

(f) Budget

The estimated revenue and expense amounts in the Statement of Profit or Loss and Other Comprehensive Income represent revised budget amounts and are not audited.

(g) Adoption of new and amended accounting standards

- (i) AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality (effective from 1 July 2015).

The completion of AASB project to remove Australian guidance on materiality from Australian Accounting Standards with the issue of the final amending standard to effect the withdrawal of AASB 1031 Materiality. Guidance on materiality is now located in AASB 101 Presentation of Financial Statements.

The adoption of this standard will not impact Council's accounting policies but may result in changes to information disclosed in the Financial Statements.

- (ii) AASB 2015-2 Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 (effective from 1 January 2016).

The amendments do not require any significant change to current practice, but should facilitate improved reporting, including an emphasis on only including material disclosures, clarity on the aggregation and disaggregation of line items, the presentation and subtotals, the ordering of notes and the identification of significant accounting policies.

Council partially adopted this standard in 2015-16 and will consider further adoption in future years. Adoption changes the way information is disclosed in the financial statements.



(h) Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below.

- (i)** AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations (effective from 1 January 2016).

Under AASB 2014-3 business combination accounting is required to be applied to acquisitions of interests in a joint operation that meets the definition of a 'business' under AASB 3 Business Combinations.

The adoption of this standard will not impact Council's accounting policies.

- (ii)** AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation (effective from 1 January 2016).

This amendment introduces a rebuttable presumption that the use of revenue-based amortisation methods for intangible assets is inappropriate. In addition to this, there is limited opportunity for presumption to be overcome and clarifies that revenue-based depreciation for property, plant and equipment cannot be used.

The adoption of this standard will not impact Council's accounting policies.

- (iii)** AASB 2014-9 Amendments to Australian Accounting Standards - Equity method in Separate Financial Statements (effective from 1 January 2016).

Under this amendment, the use of the equity method in separate financial statements in accounting for associates, joint ventures and subsidiaries is allowed.

- (iv)** AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities (effective from 1 July 2016)

The amendment extends the scope of AASB 124 Related Party Disclosures to include not-for-profit public sector entities.



The adoption of this standard will not impact Council's accounting policies, however, additional disclosure may be required.

- (v) AASB 1057 Application of Australian Accounting Standards, AASB 2015-9 Amendments to Australian Accounting Standards - Scope and Application Paragraphs (effective from 1 January 2016)

The AASB has reissued most of its Standards (and Interpretations) that incorporate IFRSs to make editorial changes. The editorial changes will enable the AASB to issue Australian versions of IFRS more efficiently. As part of the reissuance, the AASB has moved the application paragraphs that identify the reporting entities and general purpose financial statements to which the pronouncements apply to a new Standard, AASB 1057 Application of Australian Accounting Standards. However, the technical application requirements have not been amended.

The adoption of this standard will impact Council's accounting policies and will change the way the information is disclosed in the financial statements.

- (vi) AASB 9 Financial Instruments and the relevant amending standards (effective from 1 January 2018)

AASB 9 is one of a series of amendments that are expected to replace AASB 139 Financial Instruments: Recognition and Measurement. The main impact of the standard is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four categories of financial assets in AASB 139 will be replaced with two measurement categories: fair value and amortised cost.

Amortised cost is to be used for assets with contractual terms giving rise to principal and interest payments.

Fair value is to be used for all other financial assets. Gains or losses on financial assets at fair value are to be recognised in profit and loss unless the asset is part of a hedging relationship or an irrevocable election has been made to present in other comprehensive income changes in the fair value of an equity instrument not held for trading.

When adopted, the standard will affect, in particular, Council's accounting for its available-for-sale financial assets. Currently, Council recognises changes in the fair value of its available-for-sale



assets through other comprehensive income. Under AASB 9 fair value gains and losses on available-for-sale assets will have to be recognised directly in profit or loss.

However, investments in equity instruments can be designated as 'fair value through other comprehensive income' assets. This designation is irrevocable. Council is likely to designate its investment in TasWater as 'fair value through other comprehensive income' and therefore the adoption of this standard will not impact the way movements in the fair value are accounted for.

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such liabilities. The de-recognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed.

- (vii)** AASB 15 Revenue from Contracts with Customers, and AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 (effective from 1 January 2018).

Under the new standard, a single model that applies to contracts with customers and two approaches to recognising revenue, at a point in time or over time is proposed. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

The new standard will apply to contracts of not-for-profit entities that are exchange contracts. AASB 1004 Contributions will continue to apply to non-exchange transactions until the Income from Transactions of Not-for-Profit Entities project is completed.

The adoption of this standard will not impact Council's accounting policies but may result in changes in the way information is disclosed in the Financial Statements.

- (viii)** AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, AASB 2015-9 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB10 and AASB 128 (effective 1 January 2018)



AASB 2014-10 amendments require the full gain or loss to be recognised when the assets transferred meet the definition of a 'business' under AASB 3 Business Combinations (whether housed in a subsidiary or not).

AASB 2015-10: the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Deferring the effective date indefinitely in the Australian jurisdiction may have unintended legal consequences given AASBs are legislative instruments. Accordingly, the AASB has deferred the effective date of the amendments to 1 January 2018.

The adoption of this standard will not impact Council's accounting policies.

(ix) AASB 16 Leases (effective from 1 January 2019)

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

The adoption of this standard will not impact Council's accounting policies but may result in changes in the way information is disclosed in the Financial Statements.

(x) Disclosure Initiative - Amendments to AASB 107 (effective from 1 January 2017)

Amendments to AASB 107 will see the introduction of additional disclosures to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as effects of changes in foreign exchange rates and changes in fair values).

The adoption of this standard will not impact Council's accounting policies but may result in changes in the way information is disclosed in the Financial Statements.



Certification of the Financial Report

The financial report presents fairly the financial position of the Central Coast Council as at 30 June 2016, the results of its operations for the year then ended and the cash flows of the Council, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards (including interpretations) and other authoritative pronouncements issued by the Australian Accounting Standards Board.

Sandra Ayton
GENERAL MANAGER

4 October 2016



Independent Auditor's Report

To the Councillors of Central Coast Council

Financial Report for the Year Ended 30 June 2016

Report on the Financial Report

I have audited the accompanying financial report of Central Coast Council (Council), which comprises the statement of financial position as at 30 June 2016 and the statements of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

Auditor's Opinion

In my opinion Council's financial report:

- (a) presents fairly, in all material respects, its financial position as at 30 June 2016 and financial performance, cash flows and changes in equity for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

The Responsibility of the General Manager for the Financial Report

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Section 84 of the *Local Government Act 1993*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report 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.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

...1 of 2

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on my judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, I considered internal control relevant to the General Manager's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General Manager, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My audit responsibility does not extend to the (original) budget figures included in the statement of comprehensive income and the budget disclosures in note 43, the asset renewal funding ratio disclosed in note 41, nor the Significant Business Activities disclosed in note 40 to the financial report and accordingly, I express no opinion on them.

Independence

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements.

The *Audit Act 2008* promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Tasmanian Audit Office

D A Scott
Group Leader – Financial Audit
Delegate of the Auditor-General

Launceston
 6 October 2016

...2 of 2

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Public and Environmental Health Report

for the year ended 30 June 2016

Appendix B



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The corporate structure and principal functional activities of the Council are detailed in the Annual Report for the year ended 30 June 2016 pursuant to Section 72 of the *Local Government Act 1993*.

The Council's Community Services Department is a multi-disciplinary unit that includes, together with a range of other functions, building and plumbing control, environment and health, and land use planning.

This report is intended to provide a detailed summary of the Council's actions and performance in the disciplines of environment and health.

To ensure the disciplines are efficiently and effectively delivered, an 'Environment and Health Business Plan' has been developed, and is implemented by way of an 'Annual Program'.

This Plan identifies the mission and values of the environment and health discipline, together with actions, outcomes and Key Performance Indicators (KPIs).

Most work in these areas is categorised as:

- reactive (i.e. work that results from enquiries, complaints, applications and the like); and
- programmable (i.e. recurring work that can be identified in advance, such as food premises audits or water sampling); and
- administrative (e.g. report writing, data entry and the like).

The 'Annual Program' is designed to ensure that programmable and administrative work identified in the 'Environment and Health Business Plan' is completed over the full 12 month reporting period.

The more significant public and environmental health issues over the last 12 months included public safety and food hygiene at community events, water quality problems at recreational swimming sites and a need for improvement in the standard and quality of a number of food businesses. The responses to these issues are addressed in the report.



Target:

To implement an immunisation program for the municipal area.

Desired outcome:

To ensure that each person in the municipal area is provided with an opportunity to attain immunisation status consistent with the recommendations of the National Health and Medical Research Council, and to maintain records of all immunisations given at Council clinics.

Strategy:

Provide annual immunisation clinics for schools.

Performance:

During the 2015-2016 financial year the Council operated school clinics for Chickenpox, Diphtheria/Tetanus and aCellular Pertussis (dTpa), and Human Papilloma Virus (HPV).

In total, 758 immunisations were administered in 2015-16 (see Table 1).

Table 1: Immunisation clinics

CATEGORY	TYPE OF VACCINATION		
School	Chickenpox (Grade 7)	HPV (Grade 7)	dTpa (Grade)
Leighland Christian	33	97	39
North West Christian	4	13	6
Penguin District	24	92	34
Ulverstone High	71	253	92
Total	132	455	171

The Council also conducted in-house immunisation clinics to immunise 55 staff members against seasonal Influenza.



Notification of notifiable diseases

Target:

Investigate all notified cases of infectious diseases.

Desired outcome:

That the Department of Health and Human Services receives necessary information relating to cases of notifiable diseases in a timely manner.

Strategy:

To respond to notifications of notifiable diseases by conducting investigations, taking samples as required and reporting to the Director of Public Health in a timely manner.

Performance:

The number of notifiable diseases reported and investigated is shown in Table 2.

Table 2: Notifiable Diseases

Disease	Number Reported	Number Investigated
Salmonellosis	10	6
Campylobacteriosis	0	0

Public Health Risk Activities

Target:

- To register all public health risk premises within the municipal area in order to ensure that those premises comply with relevant guidelines;*
- To licence all persons who carry out the public health risk activity; and*
- To assess the operation of those premises and the carrying out of those activities for compliance with the relevant guidelines.*

Desired outcome:

That there are adequate systems in place to manage the public health risks in premises used for skin penetration.



Strategy:

- To ensure that all public health risk premises are registered;
- To ensure that all persons who carry out the public health risk activity are licensed; and
- To conduct biannual audits of the operational procedures of all registered public health risk activities.

Performance:

Five public health risk activities businesses were registered and ten operators were licensed in the reporting period (see Table 3).

Table 3: Public Health Risk Activity

Type of Facility	Number of Registered Businesses	Number of Licensed Operators	Number of Routine Inspections Undertaken
Body Piercing/Ear Piercing	3	7	3
Tattooist	2	3	2
Total	5	10	5

Regulated systems for air (cooling towers)

Target:

- *Compliance with statutory requirements; and*
- *Conduct audits of registerable cooling towers and record details.*

Desired outcome:

To minimise the risk to human health from regulated systems by ensuring that those systems are operated and maintained in accordance with relevant guidelines and standards.

Strategy:

- To maintain up to date records of those cooling towers including:
 - their location;
 - type of cooling system;
 - details of their annual operation;
 - persons responsible for their operation and maintenance; and
 - contact name of person responsible for the facility; and



- To provide a copy of those records to the Department of Health and Human Services in a timely manner.

Performance:

There are two cooling tower operators in the municipal area; Simplot Australia, who operate a total of ten cooling towers and Botanical Resources Australia, who operate three cooling towers.

During the 2015-2016 financial year no cases of Legionella were reported.

The general standard of cooling towers:

According to both Botanical Resources Australia and Simplot Australia all cooling towers operated by them are maintained in accordance with *AS/NZS 3666 (Set) Air-handling and water systems of buildings - Microbial control* standards.



Registered Food Premises

Target:

- *Compliance with statutory requirements, conduct risk based assessments and inspections of all food premises.*
- *Conduct food sampling in accordance with the requirements of the Department of Health and Human Services.*

Desired outcome:

Food that is safe for human consumption.

Strategy:

Conduct food premises inspections at a frequency determined by risk assessment and respond to complaints and take corrective action where necessary.

Commentary:

Food surveillance includes both proactive and reactive work.

Proactive work includes food premises inspections and onsite/offsite food handler education. Reactive work includes responding to food complaints by investigations and corrective action where necessary.

The inspection frequency is determined by a priority (risk) classification. Food premises are categorised and subjected to a risk assessment. The risk is determined by the potential hazards arising from:

- the type of food;
- the method of processing;
- the number of consumers at risk; and
- confidence in the operation.

The frequency of food premises inspections varies from once every six months to once every 18 months depending on the risk assessment, category and classification of a premise.

The aim of the inspections is to identify risks to the safety of food from handling and operator proficiency and to identify and regulate any statutory non-compliance.



Performance:

During the 2015-2016 financial year 169 food businesses were registered. Eleven food businesses closed during this period.

A total of 185 food inspections were undertaken in 2015-2016 with some premises requiring more than one inspection in the year. The risk classification of the food businesses and surveillance program are detailed in Table 4.

Table 4: Registered Food Premises

Risk	Number of Registered Businesses	Number of Routine Inspections Undertaken	Number of Follow up Inspections Undertaken
High	6	11	9
Medium	134	122	15
Low	44	28	0
Total	184	161	24

The general standard of the food premises and food hygiene:

There was a general compliance in the performance of food premises throughout 2015-16 with many premises demonstrating a consistency with the Food Safety Standards and the *Food Act 2003*.

However, some premises still required additional inspections and/or enforcement action to bring them into compliance with the Legislation. Three Improvement Notices were issued during the year. Two of these notices have been complied with and the other one is due to be followed up in July 2016. No food premises were fined for failing to comply with an Improvement Notice.

Food Handler Education:

The Council subscribes to an on-line food handler training package called "I'm Alert". This quality food handler training was accessed by 1,859 people through the Council's website during the year.

Mobile Food Premises

Target:

Conduct risk based assessments and inspections of all mobile food premises.

Desired outcome:

Food that is safe for human consumption.

**Strategy:**

Conduct inspections of temporary food premises at a frequency determined by risk assessments and respond to complaints and take corrective action where necessary.

Commentary:

Recent changes to the *Food Act 2003* now means that mobile food vans and temporary food stalls are grouped together under the title 'Mobile Food Businesses'.

Mobile food businesses include food vans and food stalls normally associated with markets and various public events.

Performance:

During the reporting period 112 mobile food businesses were registered. Fifteen of these were mobile food vehicles and 97 were temporary food stalls.

Due to the recent amendment to the legislation temporary food stalls can now obtain an annual state-wide licence. Twenty-five annual mobile food business licences and 72 mobile food business licences for one day events were issued during the 2015-2016 period.

There were no complaints or incidents requiring investigation.



Recreational water quality

Target:

To monitor water bodies throughout the Central Coast municipal area in order to make informed decisions regarding the appropriate use of those water bodies.

Desired outcome:

Water bodies that are safe for their respective uses.

Strategy:

- Carry out monitoring of recreational waters; and
- Provide advice to the community on water quality issues.

The sampling program:

Recreational waters -

Natural recreational water bodies (beaches, rivers, etc) are sampled during the main swimming season (December to March). Enterococci levels are measured at these sites, with all analysis undertaken at a NATA accredited laboratory.

The results are compared with the Recreational Water Quality Guidelines 2007 (*Public Health Act 1997*) ('the Guidelines'). If a recreational water body is found to continually exceed the Guidelines, signage is placed to advise the public not to swim in that location.

Public swimming pools and spas are also sampled throughout the year. These samples are analysed at a NATA accredited laboratory for heterotrophic plate count, thermotolerant coliforms and *pseudomonas aeruginosa*. Again, these results are compared with the Guidelines and, if the water quality does not comply the site may be closed until the cause is identified and resolved.

Location of sites -

A list of the sites where samples are taken and the type of water-related recreation that occurs at each site is shown in Tables 5 and 6.



Table 5: Recreational sites monitored and uses

Site	Recreational Purposes
Midway Point, Penguin	Beach - swimming, surfing
Preservation Bay, Penguin - Surf Club	Beach - swimming, surfing
Johnsons Beach, Penguin - caravan park	Beach - swimming
Main Beach, Penguin	Beach - swimming, surfing
Picnic Point Beach, West Ulverstone	Beach - swimming
Main Beach, Ulverstone - Surf Club	Beach - swimming, surfing
Bannons Park, Gunns Plains	River - swimming, fishing
Turners Beach	Beach - swimming

Table 6: Swimming pool and spa sites monitored

Site	Nature of Site	Location
East Ulverstone Indoor Pool	Indoor heated pool	18 Crawford Street, Ulverstone
Ulverstone Water Slide	Outdoor pool	29 Water Street, Ulverstone
Dolphinius Aquatics	Indoor heated pool	57 Forth Road, Turners Beach
Mt St Vincent Nursing Home Hydrotherapy Pool	Indoor heated pool	75 South Road, West Ulverstone

Performance:

A summary of the recreational water quality monitoring results is shown in Table 7:

Table 7: Summary of Recreational Water Quality Results for 2016-2016

Site	Parameters		
	Number of samples	Lowest enterococci level/100mL *(Standard<140/100mL)	Highest enterococci level/100mL *(Standard<140/100mL)
Midway Point, Penguin	4	<10/100mL	10/100mL
Preservation Bay, Penguin – Surf Club	4	<10/100mL	<10/100mL
Johnsons Beach, Penguin – caravan park	4	<10/100mL	10/100mL
Main Beach, Penguin	4	<10/100mL	75/100mL
Picnic Point Beach, West Ulverstone	4	<10/100mL	64/100mL
Main Beach, Ulverstone – Surf Club	4	<10/100mL	31/100mL
Bannons Park, Gunns Plains	7 (4 routine, 3 re-samples)	75/100mL	785/100mL
Turners Beach	4	<10/100mL	10/100mL



* Protozoans, pH, Temperature, Plant nutrients, Flows, Dangerous objects, Clarity, Toxicity, Aesthetics, Biologically harmful organisms are not monitored.

Table 8: Summary of Recreational Water Quality Results – Swimming Pools

Please note the Recreational Water Quality Guidelines 2007 state the maximum count allowable for thermotolerant coliforms, SPC 35°C and *Pseudomonas aeruginosa* are <1CFU/100mL, 100CFU/mL and <1CFU/100mL respectively.

	East Ulverstone Indoor Pool	Ulverstone Water Slide	Dolphinius Aquatics	Mt St Vincent Hydrotherapy Pool
Lowest Microbial Levels				
<i>Thermotolerant coliforms</i>	<1CFU/100mL	<1CFU/100mL	<1CFU/100mL	<1CFU/100mL
SPC 35°C	<1CFU/mL	<1CFU/mL	<1CFU/mL	<1CFU/mL
<i>Pseudomonas aeruginosa</i>	<1CFU/100mL	<1CFU/100mL	<1CFU/100mL	<1CFU/100mL
Highest Microbial Levels				
<i>Thermotolerant coliforms</i>	<1CFU/100mL	<1CFU/100mL	<1CFU/100mL	<1CFU/100mL
SPC 35°C	<1CFU/mL	218CFU/mL	<1CFU/mL	6CFU/mL
<i>Pseudomonas aeruginosa</i>	1 est. CFU/100/mL	<1CFU/100mL	1 est. CFU/100/mL	<1CFU/100mL

Discussion:

In recreational waters used for primary contact, the NH&MRC Guidelines for Managing Risks in Recreational Water (2006) and the Recreational Water Quality Guidelines 2007 (*Public Health Act 1997*) recommend a microbial level for investigation of 140 enterococci/100mL.

All sampling sites in the Central Coast municipal area complied with both Guidelines, with the exception of Bannons Park.

It should be noted that instances that required investigation were isolated to Bannons Park during the December to March period. Following these exceedances, the Council undertook investigations of potential point source pollution and re-sampling. As no point sources of pollution were identified, it is believed the high microbial levels were most likely caused by land use and rainfall patterns in the catchment.

It should also be noted that due to historical high microbiological counts, two permanently positioned 'No Swimming' signs remain in place at Buttons Creek. These signs will remain in place until the water quality in Buttons Creek has improved. The cause of the high microbiological counts in Buttons Creek may be attributed to the extensive urban and agricultural land use in the catchment.

As a result of the on-going poor water quality at Bannons Park, the Council's authorised officers are currently assessing if permanent warning signs should be



erected at the site advising the public that the water quality can often be unsuitable for recreational activities. A final determination on this will be made and appropriate recommendations provided at the conclusion of the 2016-2017 swimming season.

Private Drinking Water Suppliers

Target:

Maintain an appropriate potable standard of treated drinking water supply to consumers consistent with the requirements of the Australian Drinking Water Guidelines.

Strategy:

To ensure that all private water suppliers are licensed under the *Public Health Act 1997* and comply with the requirements of the Act.

Commentary:

Private drinking water suppliers are progressively required to have an annual management plan to demonstrate how they will manage and sample their water supply to ensure that it complies with the Act. The Council has developed a management plan template to assist in this process.

Performance:

Two private water suppliers were registered under the *Public Health Act 1997*, while a further 20 private water suppliers were exempt from registration under the *Public Health (Exemption) Order 2001* due to their registration under the *Food Act 2003*. Each of these private water suppliers has implemented an annual management plan to assist them to meet the requirements of the Act and Guidelines. Regular water sampling results are received from the registered suppliers.

Three private water suppliers had positive results for *E.coli*. These businesses were advised to cease supplying water, clean and disinfect their water supply and resample. Upon re-testing, no *E.coli* was detected.

**Goal:**

Healthy and safe public accommodation, housing and buildings.

Target:

To ensure public accommodation, housing and buildings have satisfactory facilities that are maintained to a standard that complies with the *Public Health Act 1998* and the *Building Act 2000*.

Strategy:

To inspect and licence all places of assembly within the municipal area on an annual basis.

Commentary:

A recent amendment to the *Public Health Act 1997* now means that permanent structures (i.e. community halls, swimming pools, etc.) are no longer required to be registered as places of assembly. A place of assembly licence is now only required for outdoor public gatherings with 1000 or more people in attendance for two hours or more.

Performance:

As a result of the abovementioned amendment, Place of Assembly licences were only issued to three outdoor events held during the 2015-2016 financial year, namely the Ulverstone Rodeo, Forth Valley Blues Festival and Relay for Life.

There were no place of assembly licences cancelled during the period and no notices were served regarding non-compliance issues.



Target:

Allocate sufficient resources and support to enable a comprehensive environmental health and environmental management service to the community.

Desired outcome:

Completion of statutory and corporate obligations within these disciplines.

Strategy:

- Allocation of sufficient budgetary resources to enable the Department to meet its targets;
- Actively engage in on-going education and professional development to ensure that officers are aware of, and active in, modern and current practices within these disciplines.

Performance:

Staff Numbers –

The Council's 2015-2016 Environment & Health staff is described in the following table.

Position	Employment Status	Base Qualifications	Period Employed
Regulatory Services Group Leader	Full Time	Environmental Health Officer	July '15 – June '16
Environmental Health Officer	Full Time	Environmental Health Officer	July '15 – June '16
Environmental Health Officer	Part Time	Environmental Health Officer	July '15 – June '16
Regulatory Services Assistant	Part-Time	Administration	July '15 – June '16
Nurse Immuniser	Casual	Nursing	July '15 – June '16
Immunisation Nurse	Casual	Nursing	July '15 – June '16

Financial resources -

The Council's 2015-2016 Operational Plan (Estimates) shows estimated and actual expenditure for the 2014-2015 financial year, as well as estimated expenditure for 2016-2017.

These budget allocations were sufficient to fund the activities accounted for in this report.

Staff development -

Staff in these functional areas have been active in a number of areas:



- *continuing professional development* –
 - Environmental Health Australia Tasmania State Conference (3 September 2015, Gateway Inn, Devonport).
 - North/North West Region Quarterly EHO Meeting (30 September 2015, Launceston City Council, Launceston).
 - Environmental Health Australia National Conference (20-22 October 2015, The Menzies, Sydney).
 - School-based Immunisation Program Workshop (18 November 2015, The Grange, Campbell Town).
 - Environment Protection Authority Sampling Training Day (24 November 2015, Deloraine Community Complex, Deloraine).
 - Healthy Communities Workshop (30 November 2015, Ulverstone Surf Lifesaving Club, Ulverstone).
 - North/North West Region Quarterly EHO Meeting (3 December 2015, Waratah-Wynyard Council, Wynyard).
 - Environment Protection Authority Pollution Incident Response Seminar (18 February 2016, Launceston City Council, Launceston).
 - North/North West Region Quarterly EHO Meeting (2 March 2016, Kentish Council, Sheffield).
 - Dairy Effluent Management Workshop (20 May 2016, Wellers Inn, Burnie).

Bill Hyndes
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