

Annual Report 2009-2010



CENTRAL COAST
COUNCIL

www.centralcoast.tas.gov.au



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The vision

Central Coast – living our potential

We are a vibrant, thriving community that draws inspiration and opportunities from its natural beauty, land and people. Our clever industries and productive rural resources support economically viable communities as part of a thriving region, meeting all challenges with energy and innovation.

We are diverse coastal and rural communities, connected by a powerful sense of belonging to our place.

Our values

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

Outcomes

- Economic vitality
- A sense of community
- A strong identity
- Creative energy
- Choices, options and opportunities
- Effective and efficient provision of amenities
- Sustainable environment
- Organisational best practice

‘Living our potential’



Tasmania's Central Coast municipal area is, as its name suggests, set in the heart of the North-West Coast, spanning an area of 932km² and has a population of 21,732 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.



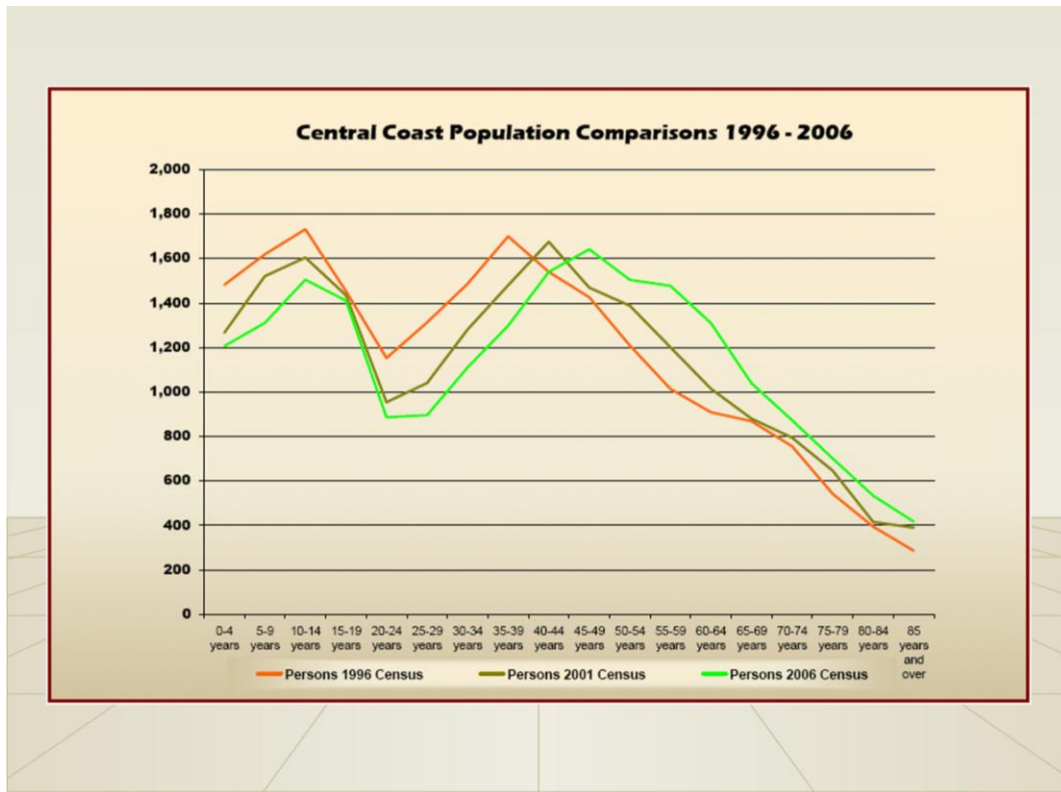
Central Coast is one of the most picturesque municipal areas in Tasmania and has a moderate climate reflecting all four seasons. Visitors and residents alike enjoy the lovely beaches and easy lifestyle through the summer months; this is followed by sunny autumn days where the scenery is postcard perfect. 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 5,500 approx.) and Ulverstone (population 12,000 approx.), are the business centres of Tasmania's Central Coast; they offer quality friendly service, a wide range of retail outlets, restaurants, and coffee shops. All the services you would expect from a larger urban centre are here. The region is one of the safest places to live of anywhere in Australia, enjoying the nation's lowest crime rate.

Quality recreational facilities and expansive open spaces are synonymous with Central Coast. A diverse range of clubs and organisations caters for the wide range of interests amongst the community. Families can select from a number of kindergartens, primary and secondary schools and older people are well catered for too.



The proportion of total population in dependent ages is as follows:



The economy is largely rural based, with the majority of people in the workforce being employed in agriculture, manufacturing, community services and retail/wholesale trades.



This report is presented on behalf of Mayor Mike Downie who is on leave of absence.

The Central Coast Council has continued to deliver the outcomes of our Strategic Plan 2009-2014 which is based on our distinctiveness, our innovation and creative energy, our sustainability and our liveability.



The Plan has been realistic about what the Council can achieve and focused on outcomes it can control or influence, and actions detailed in the Annual Plan have remained on target throughout the year which is extremely pleasing. As stewards of a significant program of capital works, assets and services, the Council plays a key role contributing directly to the life and development of our community.

Whilst local government faces significant challenges in skills shortages, asset management, increasing costs and community expectation, our Council has taken a responsible approach in managing towards a sustainable future. While there is a need to achieve future revenue growth from other sources to achieve financial sustainability in the long term, the development of asset management plans, financial management programs and the implementation of the Sustainability Action Plan will allow the Council to make well-informed decisions for our future financial sustainability.

Councillors have shown strong leadership, with active participation in the community, at Council meetings and workshops, and continued professional development to effect the continued good governance of the Council.



Crs Terry McKenna and Warren Barker chose not to stand for re-election and after Council elections in October, we welcomed Crs Amanda Diprose and Philip Viney to the table. Cr McKenna was recognised for his long service and outstanding contribution to local government with the official naming of the former Penguin Council Chambers building, 'T.J. McKenna House'.

Major projects have been completed, with Mayor Mike Downie proudly opening the new stadium in May along with MPs Sid Sidebottom and Bryan Green. While the Showground indoor precinct has been developed in partnership with Federal and State Governments it has also been a project supported by a large stakeholder group. The creation of the shared facility has been a wonderful example of Council and user groups working together and a model for future development as Council balances asset management and the expectations of the community. The new stadium, named the Schweppes Arena, is now the official home of the NW Thunder basketball team and is an asset for local, regional and national basketball events. Work continues on the Showground community precinct.



The Ulverstone to Turners Beach Shared Pathway was also officially opened in June. The project was completed under the Federal Government's Better Regions Program in partnership with the State Government and the most pleasing aspect was the level of community involvement throughout all stages. With increased awareness of health and wellbeing and the benefits of physical activity, we hope this is only the first of a network of connected pathways within Central Coast. Discussions are currently under way regarding a pathway between Turners Beach and Forth, and the Council has active



representation on the Cradle Coast Authority Coastal Pathways Project aiming to link pathways along the North-West Coast.

Focus continues on major projects, with work commencing on the Leven River Bridge, an exciting project which will change the face of the river precinct. The bridge is scheduled for completion in June next year and will provide a significant architectural feature for Ulverstone and include improved access to the Wharf precinct and Ulverstone CBD and a walkway/cycleway for increased visitor and community use. The State Government announced a grant of \$950,000 towards refurbishment of the Wharf building included in stage one of the Ulverstone Wharf redevelopment scheduled to commence in the next financial year. Stage one will also include the development of the public open space area linking the Wharf precinct with the new bridge and the Ulverstone CBD.

The Prime Minister, Kevin Rudd, invited all mayors from around the nation to Canberra once again for the second Australian Council of Local Government meeting. The Australian Government acknowledges the importance of local government to the nation and it was pleasing for our Council to receive \$151,000 after the announcement of another round of Regional Local Community Infrastructure Project funding. These funds will be allocated to projects throughout the municipal area.

The strength of the Central Coast community is its people and I would like to especially thank those who have worked in a voluntary capacity, whether helping others or running activities and events, to make our community a better place to live. Our service clubs, sporting clubs, charity and youth organisations have all contributed to a wide range of functions and events throughout the year creating the very fabric of our woven society. A wonderful example of the community working together was the National Inflatable Rubber Boat Championships hosted by the Penguin Surf Life Saving Club in April. This event was hailed nationally as the most successful Championships ever held in Australia and required many volunteers to help run the event. The volunteers consisted of life members, past members, parents and friends of the Penguin Surf Life Saving Club, Lions Club of Penguin, Penguin Leo Club, Penguin Football Club, Lions Club of Forth Valley, Penguin Fire Brigade, Penguin High School students, a local doctor and the Council. Other examples are our Christmas parades, exhibitions, festivals, sporting competitions and numerous other activities and events, all achieved because our community works together.

I would like to take this opportunity to thank Councillors for their on-going support and commitment throughout the year, along with our General Manager, Sandra Ayton, her



Directors and staff for their continued hard work and dedication. Sandra's leadership has ensured our Council remains strong, focused and committed to our vision for Central Coast – living our potential.

(Cr) Jan Bonde
ACTING MAYOR
on behalf of the Mayor, Cr Mike Downie



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.



The Council continues to work to deliver quality infrastructure services for Central Coast. The Council's performance has been particularly strong in delivering a range of capital works in 2009-2010. Good planning and careful scheduling has meant the delivery of \$13.65m. worth of works. The \$6m. extension to the Ulverstone Showground redevelopment was completed in May 2010. This saw the first stage of the Showground/Wharf precinct completed, which was proudly opened by Mayor Mike Downie, Bryan Green MP and Sid Sidebottom MP. The vision for this precinct is progressing, with the construction of the new Leven River Bridge by the State Government, along with the commencement of planning and design works for the Ulverstone Wharf redevelopment.

Other areas of major capital works included \$5.17m. of work undertaken on roads, bridges and footpaths, \$661,000 on parks and amenities, \$440,000 on community services and facilities and \$1.17m. on recreation facilities, which included the Ulverstone to Turners Beach Shared Pathway.

Some of the major projects completed or under way include the Alexandra Road safety improvements, upgrade to South Riana Road, Golf Club Road/Leven River Bridge, Carroo Court footbridge, Leven Canyon Edge Track, playground equipment replacements, upgrades to the Riana Community Centre and Forth Hall, and the Ulverstone to Turners Beach Shared Pathway.



This year the Council committed itself to the long-term and strategic considerations of climate change through the development of the 'Central Coast Climate Change Action Plan'. The Plan outlines that the Council's response to climate change will involve a dual approach involving, managing and reducing greenhouse gas emissions (*mitigation*); and making adjustments to existing activities and practices so that vulnerability to potential impacts associated with climate change can be reduced or opportunities realised (*adaptation*).

The Council has undertaken a great deal of work in refining the Central Coast Planning Scheme 2005 throughout the year. Significant amendments to the Scheme were approved by the Tasmanian Planning Commission. The amendments corrected two zoning anomalies and refined development controls in various zones. The zoning change saw seven local businesses typically categorised as milk bars or corner stores, rezoned from Residential to Local Business. The purpose of the rezoning was to encourage the longer term retention of local businesses and to provide local business owners with the confidence to proceed with redevelopment of their current operations.

The organisation is continuing to work through its Sustainability Action Plan which requires us to investigate opportunities for the Council to sustainably reduce costs and improve processes and efficiencies. This Plan provides a platform for continuous improvement and ongoing cost savings well into the future.

Financially, the Council remains in a strong position. The Council has an ongoing commitment to a Long-term Financial Strategy which will ensure that we continue to



invest in renewing ageing community infrastructure. This last year saw the Council invest \$6.58m. or 48.2% of its capital works program towards asset renewal and upgrades.

The Council achieved a surplus of \$3.12m. for the year compared to a budgeted surplus of \$2.07m. The increase from budget is principally attributed to the transfer of subdivision assets from developers and grants to the Council.

Total Council revenue was \$24.75m. compared to the budgeted revenue of \$23.53m. Rates revenue continues to be the most significant source of revenue for the Council, representing 45.24% of revenue. The Council's net assets have increased by \$20.51m., from \$327.17m. to \$347.69m. Further detail is provided in the Financial Report.

The audited annual financial statements have been drawn up in accordance with the requirements of the Australian Accounting Standards and are appended to the end of the Annual Report.

The Council is committed to the priorities of the Strategic Plan 2009-2014, 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 this Annual Report has been changed to reflect the actions that the Council approved for the 2009-2010 year and the progress that has been made in these areas. The Annual Report is therefore the official reporting mechanism on the Council's operations. 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 I would be happy to discuss these further.

The Council has continued its commitment to its policy to 'reduce and, where practicable, eliminate the risk of injury or damage to the health of all Council employees, contractors and visitors.' The organisation's goal is to achieve 'zero injuries.' As part of our commitment to continuous improvement we have continued having our system audited externally. It is pleasing to note that we have been successful in maintaining our Accreditation as well as signing off on the potential risks raised in the previous audit.

As an employer, the Council continues to promote core values in leadership and staff development that help retain and attract quality staff. It is a pleasure to take this opportunity to thank and commend the loyal and committed staff of the Central Coast



Council, whose dedication to the effective delivery of Council's business remains outstanding.

I express my appreciation to all Councillors – those elected in October 2009 for the first time, and those continuing – for their untiring commitment, energy and leadership over the past year.

I commend this 2009-2010 Annual Report to you.

Sandra Ayton
GENERAL MANAGER



Council Members and Committee Membership

Cr Mike Downie, Mayor

- Local Government Association of Tasmania AGM and Members Conferences
 - Cradle Coast Authority Representatives Group
 - Development Support Special Committee
 - Economic Development Planning Committee
 - Central Coast Council Bursary Working Group
 - General Manager Performance Review Panel
 - Central Coast Community Safety Partnership Committee
 - Mersey Region Emergency Management Planning Committee
-



Cr Jan Bonde, Deputy Mayor (from 29.10.2009)

- Economic Development Planning Committee
 - Development Support Special Committee
 - Councillors Code of Conduct Panel
 - Cradle Coast Authority Representatives Group
 - Ulverstone Community House (Liaison)
 - Australia Day Awards Committee
 - General Manager Performance Review Panel
-



Cr Brian Robertson, Deputy Mayor (to 29.10.2009)

- Leven Fire Management Area Committee
- Central Coast Council Bursary Working Group
- Central Coast Youth Engaged Steering Committee (Liaison)





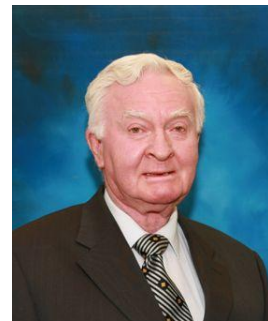
Cr Warren Barker (to 29.10.2009)

- Bush Watch Western District Committee
- Community Small Grants Scheme Panel



Cr Lionel Bonde

- Cradle Coast Water Representatives Group
- Bush Watch Western District Committee



Cr John Deacon

- Central Coast Chamber of Commerce and Industry Inc.
- Central Coast Youth Council (Liaison)
- Development Support Special Committee





Cr Amanda Diprose (from 29.10.2009)

- East Ulverstone Swimming Pool Management Committee
- Community Small Grants Scheme Panel



Cr David Dry

- Ulverstone Band
- Councillors Code of Conduct Panel



Cr Cheryl Fuller

- Penguin Surf Life Saving Club
- Castra-Sprent-Nietta Community Advisory Committee (Liaison)
- Australia Day Awards Committee
- Community Small Grants Scheme Panel
- Penguin Miniature Railway Committee (Liaison)
- Dulverton Regional Waste Management Authority Representatives Group





Cr Ken Haines

- Economic Development Planning Committee
- Central Coast Community Safety Partnership Committee
- General Manager Performance Review Panel



Cr Gerry Howard

- Councillors Code of Conduct Panel
- Ulverstone Local History Museum Committee (Liaison)
- Dial Sports Club Management Committee
- Riana Community Centre Committee
- Community Small Grants Scheme Panel



Cr Terry McKenna (to 29.10.2009)

- Cradle Coast Water Representatives Group
- Dulverton Regional Waste Management Authority Representatives Group
- Development Support Special Committee





Cr Tony van Rooyen

- Development Support Special Committee



Cr Philip Viney (from 29.10.2009)

- Ulverstone Surf Life Saving Club (Liaison)
- Development Support Special Committee





Organisational Structure

General Manager

Sandra Ayton

Head of the Council's staff and principal adviser to the Council.



Director Corporate & Community Services

Cor Vander Vlist

Responsible for corporate services (including administration, business, finance, accounting and computer systems) and the planning, development and provision of community services.



Director Development & Regulatory Services

Michael Stretton

Responsible for land-use planning, building control, plumbing control, and the environmental health of the municipal area.



Director Engineering Services

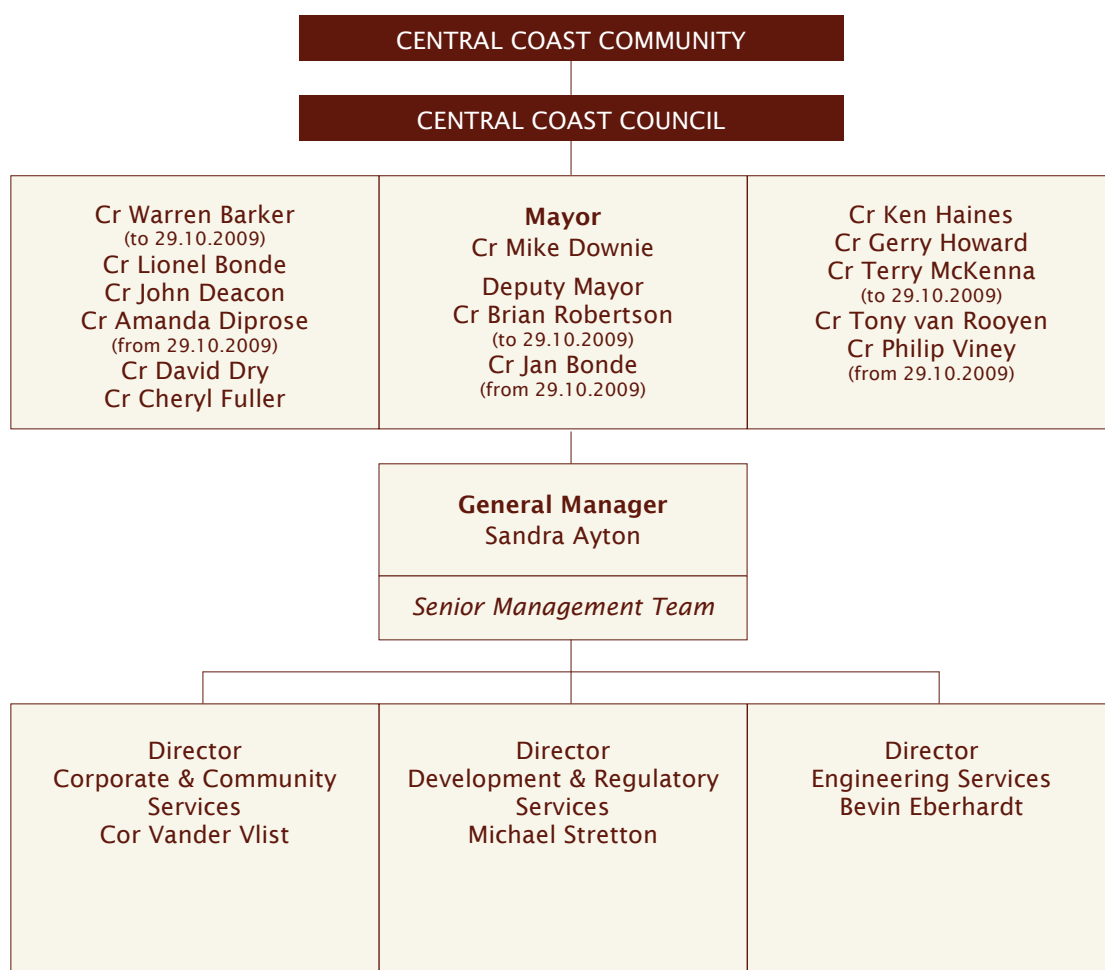
Bevin Eberhardt

Responsible for asset management (including roads, drainage, parks, buildings), and the planning, development, operation and maintenance of the physical infrastructure and facilities of the municipal area.





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 2009-2014, 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 this Annual Report has been changed to reflect the actions that the Council approved through the Annual Plan for the 2009-2010 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 I 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 use of open space

2009-2010 Actions/Initiatives	Performance
▪ Develop an open space and recreation strategy which adopts a hierarchical approach to the provision of open space within Central Coast	✓
▪ Stage implementation of the Dial Regional Sports Complex Master Plan (draft plan)	✓
▪ Complete the sport and community precinct at the Ulverstone Showground	✓
▪ Progress the development of the Ulverstone Wharf (to design stage)	✓
▪ Further develop recreation pricing policy in line with corporate pricing framework	→

2 Adopt an integrated approach to land use planning

2009-2010 Actions/Initiatives	Performance
▪ Continue implementation of the Central Coast Planning Scheme 2005 Implementation and Amendment Project	→

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

2009-2010 Actions/Initiatives	Performance
▪ Develop Urban Design Guidelines for Forth for incorporation into the Central Coast Planning Scheme 2005	→



STRATEGIES AND KEY ACTIONS: 3 cont.

✓ Completed → In progress ↪ Deferred

- Complete the Council's Street Tree Strategy →
- Implement risk management strategies (parks and amenities) ✓

4 Encourage a creative approach to new development

2009-2010 Actions/Initiatives

Performance

- No action identified in Corporate Plan this year

Highlights

This year has been very busy with the completion and opening of the sport and community precinct at the Ulverstone Showground, along with progressing the development of the Ulverstone Wharf precinct. The work on the construction of the Leven River Bridge has also commenced which will certainly add value to the long-term vision for this area of Ulverstone. Contracts have now been signed for the purchase of the land at the Ulverstone Wharf which will enable the Council to progress to the detailed design phase of the redevelopment of the Wharf building. Negotiations are currently being undertaken with some of the Wharf tenants to relocate to the sports and community precinct at the Ulverstone Showground. Some funds have been obtained from the State Government to be utilised towards the redevelopment of the building.

The Council undertook some significant amendments to the Central Coast Planning Scheme 2005 during the year. These amendments refined development controls in several zones and also rezoned seven local businesses typically categorised as milk bars or corners stores, from Residential to Local Business. The rezonings have provided these local business owners with the flexibility to redevelop their current operations if they choose.

The development of the Forth Local Area Plan is currently under way, with the parking and traffic study now completed. It is expected that this Plan will be finalised in the 2010-2011 year and enable the outcomes to be incorporated into the Central Coast Planning Scheme 2005.



The draft Dial Master Plan has been completed. The next stage of this project will see detailed consultation with stakeholders prior to being presented to the Council for endorsement. The consultation process will be similar to that which was undertaken with the redevelopment at the Ulverstone Showground.





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

2009-2010 Actions/Initiatives	Performance
<ul style="list-style-type: none"> Develop a range of promotional activities to encourage greater use of the walking routes 	✓

2 Connect the people with services

2009-2010 Actions/Initiatives	Performance
<ul style="list-style-type: none"> Devise and implement a range of activities that link institutions and employers to improve employment opportunities 	✓

3 Improve community wellbeing

2009-2010 Actions/Initiatives	Performance
<ul style="list-style-type: none"> Develop and implement a Central Coast wellbeing program 	✓
<ul style="list-style-type: none"> Review and update the Central Coast Community Safety Plan 	✓
<ul style="list-style-type: none"> Review Ulverstone Community House promotional material 	✓
<ul style="list-style-type: none"> Implement and run Get Active programs 	✓
<ul style="list-style-type: none"> Undertake Community Recreation Leaders Award program 	↻
<ul style="list-style-type: none"> Implement the Youth Mobile Drop In Centre program 	✓
<ul style="list-style-type: none"> Develop and implement graffiti management strategy 	✓



Highlights

The new Community Safety Plan 2010-2013 has now been finalised. The Plan was primarily informed through the feedback from questionnaires that were distributed to households and the representatives from the Community Safety Partnership Committee. The Plan provides a list of key actions for identified stakeholders, including the community, to undertake over the next three years.

The Youth Mobile Drop In Centre program commenced this year with the fitting out of a mobile van. The van has been used in a number of locations and has proved to be a successful venture.

A range of promotional activities to encourage greater use of walking routes was developed over the year. Brochures were developed and are available at our Visitor Information Centres and Council offices. Walks have also been promoted through the Devonport & Cradle Country Visitors Guide, Lets Go Kids Magazine, Coast to Canyon tear-off brochure, and our Coast to Canyon Newsletter.





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-building

2009-2010 Actions/Initiatives	Performance
▪ Investigate the feasibility of developing youth-specific spaces	✓
▪ In conjunction with the local agricultural sector, support the development of an annual Tasmanian fine food expo at the Ulverstone Showground	↪
▪ Review compliance with community obligations under Council agreements	✓
▪ Develop and facilitate three-year program for Youth Week	✓

2 Facilitate entrepreneurship in the business community

2009-2010 Actions/Initiatives	Performance
▪ Develop and implement Ulverstone Cultural Master Plan	→
▪ Continue to develop the Coast to Canyon brand/experience	✓
▪ Develop and implement a Central Coast Value Adding Agri-business Plan, including identifying proposed agri-business precincts (stage 1)	✓
▪ Develop a Central Coast Retail Plan	↪



STRATEGIES AND KEY ACTIONS: cont.

✓ Completed → In progress ↪ Deferred

3 Cultivate a culture of creativity in the community

2009-2010 Actions/Initiatives	Performance
▪ Develop a management plan for the Ulverstone History Museum (stage 1)	✓
▪ Develop an events brand for Central Coast	→
▪ Facilitate arts/culture workshop	✓
▪ Complete TICT accreditation for the Ulverstone History Museum	→

Highlights

This last year saw Youth Week being celebrated in Central Coast through a Regional Expo event at the newly developed Ulverstone Showground facility. A parent session was also conducted by author, Michael McQueen speaking about 'Engaging Gen Y.'

The Ulverstone Visitor Information staff have been working on further developing the Coast to Canyon brand/experience. Some of the work undertaken this last year has included the new Coast to Canyon tear-off map being designed and printed and also placed on the Coast to Canyon website. Full-page advertorials were also included in both the 2010 North West Coast Zone Holiday Planner and the 2010 North West Coast Zone Visitor Guide.

Tourism Industry Council Tasmania (TICT) accreditation for the Ulverstone History Museum is currently under way. All current procedures have been amended and new ones developed. There have been delays in the completion of the project as TICT was reviewing its accreditation process to ensure that it is in line with the Australian Tourism Accreditation Program. Further documentation is now required before we can apply for accreditation.

Staff have been actively involved in the development of a regional food producers' network. The 'Food Connections' Network is working on a member-based website and a number of projects designed to progress local agriculture. Staff from Kentish, Central Coast and Devonport are collaborating to develop a 'Cradle Country Innovation Project' to support innovative businesses in the food sector. The project will involve presentations and workshops in September 2010.



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

2009-2010 Actions/Initiatives

Performance

- No action identified in Corporate Plan this year

2 Contribute to a safe and healthy environment

2009-2010 Actions/Initiatives

Performance

- Undertake an education campaign to improve public health and food safety standards and include community groups and event organisers ✓
- Actively participate in the Tasmanian Water and Sewerage Reform process to achieve best practice water and sewerage services in Central Coast ✓
- Participate in State and regional emergency management ✓
- Review the Council's immunisation program to reflect a move to employing a nurse immuniser ✓

3 Develop and manage sustainable built infrastructure

2009-2010 Actions/Initiatives

Performance

- Develop and implement Service and Asset Management Plans in accordance with the Council's Asset Management Improvement Strategy →
- Participate in State and regional infrastructure planning forums ✓



STRATEGIES AND KEY ACTIONS: 3 cont.

✓ Completed → In progress ↪ Deferred

- Assist in the implementation of the Cradle Coast Regional Waste Management Strategy →
- Actively participate in the ongoing development of Dulverton Waste Management ✓
- Develop unsealed roads policy →
- Develop service level agreements for all asset classes →
- Develop a public amenities strategy →
- Refine building asset management and maintenance services →
- Develop and refine existing project management and contractor management systems →
- Integrate OHW&S requirements into project management systems →
- Develop car parking strategy →
- Undertake review of community facility signage →
- Develop management plan for the Ulverstone Showground Sports and Leisure Complex →
- Complete management of construction of the Ulverstone Showground development project ✓

4 Contribute to the preservation of the natural environment

2009-2010 Actions/Initiatives	Performance
▪ Promote and participate in regional, State and national climate change-related initiatives	✓
▪ Investigate and plan for the effects of climate change on the local area	✓
▪ Implement suitable climate change adaptation and/or mitigation strategies	→
▪ Provide support and assistance to community groups engaged in environmental activities in Central Coast, such as Coastcare and Rivercare	✓



Highlights

Staff have developed a Public Events Kit for event organisers to provide assistance when preparing and applying for licences to hold public events. The Kit has been well received and has seen a significant improvement in the quality of information provided in applications received.

The Central Coast Council's Climate Change Action Plan was endorsed by the Council in May 2010. Planet Footprint has also provided the Council with a 'Blueprint for Energy and Greenhouse Improvements.' Work has been continuing with the Planet Footprint program to identify opportunities to improve the Council's energy usage.

The Council has been actively involved in the implementation of the Cradle Coast Regional Waste Management Strategy. The Central Coast Council has been a participant in both the Regional Recycling contract and also the Regional Green-waste Mulching contract.

Guidelines were developed during the year on the formation and management of volunteer environmental groups within Central Coast. The purpose of the guidelines is to provide assistance with the management of new and existing volunteer environmental groups. The guidelines are available both at the Council office as well as our Internet site.



The Council, in conjunction with Turners Beach Coastcare, was successful in receiving a Caring For Our Country – Community Coastcare grant to define, protect and rehabilitate remnant coastal vegetation at Turners Beach. The project will increase awareness and highlight the importance of maintaining and preserving our foreshore areas. Removal of weeds and planting of local provenance species will provide increased flora density, improved habitat for fauna species and increased stability and integrity to the dunes. The installation of new beach access points and vegetation protection barriers will enhance, define and protect this vegetated area, for the benefit of both visitors and the community. Work has commenced on this project and should be completed in early 2011.



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 governance

2009-2010 Actions/Initiatives	Performance
▪ Develop and implement a strategic human resource/organisational development plan	→
▪ Develop initiatives to achieve the goal of 'zero injuries' across the Council	✓
▪ Develop resources to provide clear, consistent guidelines on best practice environmental management	→
▪ Implement strategic and operational risk management strategies in all Council activities	✓
▪ Develop and report on meaningful organisational performance measures	✓
▪ Review the Partnership Agreement between the Council and the State Government	↻
▪ Review Emergency Management Plans	✓
▪ Develop workforce training and development plans	✓
▪ Implement integrated Development and Regulatory Services Application software	→
▪ Review implementation of an Audit Committee	→
▪ Review and/or develop financial policies	✓
▪ Review of Records Archival and Record Disposal	→



STRATEGIES AND KEY ACTIONS: cont.

✓ Completed → In progress ↪ Deferred

2 Improve service provision

2009-2010 Actions/Initiatives	Performance
▪ Develop Business Continuity Plans for services	→
▪ Identify, prioritise and complete key process/service reviews to achieve best value	✓
▪ Undertake bi-annual community satisfaction surveys and respond to information received	→
▪ Implement InfoCouncil and Building/Planning software	→
▪ Install retail software for Visitor Information Centres	✓
▪ Develop IT Disaster Recovery Plan	✓
▪ Reduce the number of unregistered dogs	✓
▪ Implement Occupational Health & Safety audit outcomes	✓
▪ Install dog tidy bins	✓
▪ Facilitate annual program for Seniors Week	✓
▪ Increase utilisation of child care services	✓
▪ Undertake information session with Child Care Service parents	✓
▪ Undertake business review of Inspectoral and Traffic Services	→
▪ Undertake business review of Animal Control Services	→
▪ Undertake business review of Ganesway housekeeping service provision	✓
▪ Complete re-accreditation for the Ulverstone Child Care Centre	✓
▪ Review Dog Management Policy	→
▪ Progressively input 'as constructed' plumbing drainage plans and on-site wastewater management system plans into the Council's Geographic Information System	✓
▪ Work with Cradle Mountain Water to provide an effective building, plumbing and planning permit referral process	✓



STRATEGIES AND KEY ACTIONS: 2 cont.

✓ Completed → In progress ↪ Deferred

- Implement outcomes of Works Review ✓
- Undertake a business process review of the Council's Internet and intranet ↪

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

2009-2010 Actions/Initiatives	Performance
▪ Implement the Council's Sustainability Action Plan	→
▪ Develop a Revenue and Investment Policy and Strategy	✓
▪ Prepare a 10-year financial plan incorporating Asset Management Plans for all asset classes	→
▪ Review existing asset investment and performance	→
▪ Sale of surplus Council land (Buttons Avenue, Knights Road)	→
▪ Investigate energy-efficient lighting for public areas	→

4 Effective communication and engagement

2009-2010 Actions/Initiatives	Performance
▪ Implement measures to promote community awareness of the 'Strategic Framework for Settlement and Investment' and involvement in the land use planning process	✓
▪ Develop a 'Community Engagement Resource Kit'	↪
▪ Increase communication and community awareness of Council's services and activities	✓
▪ Ensure effective communication with the Federal and State Governments on matters of importance to the Central Coast community	✓
▪ Further develop Cradle Country Marketing strategies	✓
▪ Update community profile	✓
▪ Update visitors signage at the Shrine of Remembrance	→



STRATEGIES AND KEY ACTIONS: cont.

✓ Completed → In progress ↪ Deferred

5 Strengthen local-regional connections

2009-2010 Actions/Initiatives	Performance
▪ Develop and enhance partnerships with governments, regional authorities, the private sector and community groups in achieving significant community goals	✓
▪ Actively participate in the development and implementation of regional strategies	✓
▪ Promote and participate in regional, State and national climate change-related initiatives	✓
▪ Investigate resource sharing opportunities	✓

Highlights

The organisation is continuing to work through its Sustainability Action Plan which requires us to investigate opportunities for the Council to sustainably reduce costs and improve processes and efficiencies. This Plan provides a platform for continuous improvement and ongoing cost savings well into the future. Some of the key process reviews in progress or completed this last year include the review of environment and health operations, tip shop operations, waste management, contract management and budgetary process.

Staff are also developing the Council's 10-year financial plan which integrates the asset management plans for all classes of assets. As part of this process a draft Long-term Financial Plan policy has been developed which includes planning assumptions, revenue raising strategies, revenue forecast and expenditure forecast. Financial policies have also been reviewed and additional policies added as required.

It was pleasing to note that the Ulverstone Child Care Centre obtained its three-year accreditation in June 2010. This process required a complete review of operations to ensure that our policies and practices remain current and safe for the children that attend the Centre. It is also pleasing to note that there has been an overall increase in numbers that have attended both the Ulverstone Vacation Care and Penguin After School Programs.



The Council is currently reviewing its Emergency Management Plan (EMP). This work is being undertaken in conjunction with the Mersey-Leven Municipal Combined Area EMP. This Plan involves integration of the existing plans of Central Coast, Devonport, Latrobe and Kentish into one emergency management plan. The Mersey-Leven EMP will be aligned with both the State and regional EMPs. It is expected that the Plan will be completed in the first half of the next financial year.

The Council has continued its commitment to its policy to 'reduce and, where practicable, eliminate the risk of injury or damage to the health of all Council employees, contractors and visitors.' The organisation's goal is to achieve 'zero injuries.' As part of our commitment to continuous improvement we have continued having our system audited externally. It is pleasing to note that we have been successful in maintaining our Accreditation as well as signing off on the potential risks raised in the previous audit.

The Council has participated in the development of regional strategies. Some of these projects include the Cradle Coast Resource Sharing working groups; the Cradle Coast strategic planning process; Coastal Pathway Steering Committee and the Regional Planning Initiative. The Regional Planning Initiative process has been time consuming for our planners but it is expected that all Councils in the region will have interim Planning Schemes completed based on both the State's Common Key Elements Template and our Regional Strategic Planning Framework by December 2010. These will then be forwarded to the Tasmanian Planning Commission for approval.

'Organisational best practice'



‘Growing
our
liveability,
sustainability,
innovation
and
creative
energy,
distinctiveness’





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 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 has resolved to participate in the establishment of two joint authorities: the Cradle Coast Authority and the Dulverton Regional Waste Management Authority. The following reports provide a summary of activities, budget and performance of the Authorities in 2009-2010.

- **Cradle Coast Authority**

A decade of operation was marked in 2009-2010 for the Cradle Coast Authority and a year of challenging economic conditions for Councils and the region. In response, the Authority's Board announced a zero increase in Council contributions and was pleased to be able to close the year within this reduced budget.

The Authority also contributed to the region's resilience by winning the contract to host the Local Employment Coordinator for northern Tasmania and the Authority's Tourism team and Cradle Coast Natural Resource Management expanded their operations, bringing new staff and funding for programs and services in the region.

The Authority's role in the regional operations of local government also grew in 2009-2010, with examples including the successful roll out of kerbside recycling campaigns and a formal memorandum to investigate shared service opportunities across member Councils.

Throughout the year, the Authority and its participating Councils conducted a major strategic review of the organisation. The outcome defined four goals for the region that the Authority would work towards – a resilient economy, healthy communities, long-term thinking and confident, creative people.



This renewed mandate is far broader than the Authority's original 'economic development' focus, and better reflects the roles the Authority has played, in response to the region's needs, over the last decade.

The 2009-2010 Cradle Coast Authority Annual Report can be accessed from www.cradlecoast.com.

- **Dulverton Regional Waste Management Authority**

The total quantity of materials managed by Dulverton Waste Management (DWM) has increased by 17% this year to 58,179 tonnes. Although waste to landfill has increased, an excellent result of nearly 30% of materials being accepted to the facility is being diverted for recycling at the Organics Recycling Facility.

Sales of compost have been steadily growing on the back of a presence at Agfest, direct marketing and field trials that are being undertaken with the assistance of Harvest Moon and Botanical Resources Australia.

Despite significant leachate management infrastructure investment in previous years, the wetter-than-average winter during 2009 resulted in additional operational costs. These costs consisted of temporarily capping parts of the landfill as a precaution against a repeat wet winter in 2010, pump hire and cartage costs to dispose of leachate to Pardoe Wastewater Treatment Plant. A detailed study of the leachate management system was also undertaken which concluded that the best option to rectify the problem was a 7km pipeline to remove leachate off-site to the Latrobe sewerage system. It is proposed to construct this pipeline in December 2010.

This year DWM took on the provision of services to the Northern Tasmanian Waste Management Group under a similar arrangement to that that is currently operating with the Cradle Coast Waste Management Group.

The 2009-2010 financial year generated a before tax profit of \$327,882 while equity increased slightly (2%) to \$3,962,809.



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 'State of Environment and Public Health Report.'

Statement of Allowances and Expenses Paid to Elected Members

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

Councillors' allowances	\$259,047
Councillors' expenses	\$47,556

Meeting Attendance

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

Councillor	Council Meetings	Councillors' Workshops
Barker, Warren (to 29.10.2009)	3	7
Bonde, Jan	16	21
Bonde, Lionel	16	18
Deacon, John	12	6
Diprose, Amanda (from 29.10.2009)	12	14
Downie, Mike	14	14
Dry, David	13	17
Fuller, Cheryl	15	23
Haines, Ken	12	16
Howard, Gerry	16	26
McKenna, Terry (to 29.10.2009)	4	8
Robertson, Brian	14	22
van Rooyen, Tony	16	25
Viney, Philip (from 29.10.2009)	12	15
<i>Total meetings</i>	<i>16</i>	<i>27</i>

Council meetings include Special Council meetings.



Remuneration of Senior Employees

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

Band	No. Employees
\$100,000-\$120,000	1
\$120,000-\$140,000	1
\$140,000-\$160,000	1
\$160,000-\$180,000	1

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.
Coastal Motocross Club - Install fresh water system	1,650
Lions Club of Forth Valley - Litch gate at Pioneer Cemetery	3,000
North West Dog Training Club - Furniture for shed meeting room	500
North West Model Engineering Society - Railway station	2,200
Penguin Hockey Club - Equipment	450
Penguin Play Centre - Equipment	585
Penguin Primary School - Penguin After School Activities Program	2,860
Penguin Senior Citizens Club - Floor coverings	1,200
Riana Pioneer Park Tourist Management Assoc. - Shower refurbishment	3,000
The Rock Community Church Inc. - Games equipment for youth programs	1,500
Scouts Australia Tas Branch, Leven Districts Paton Park - Install concrete tank	3,000
Slipstream Circus - Event support for Civic Centre performance	1,600
South Riana Hall - Upgrade floor coverings	1,500



Grants, Assistance and Benefits Provided cont.

Details	\$ GST incl.
Gunns Plains Community Centre Association - Hall maintenance	1,650
Ulverstone Rowing Club - Gym equipment	1,500
Ulverstone Surf Life Saving Club - Equipment	1,250
West Ulverstone Football Club - Replace carpets	3,000
Leven Branch, Tas Regional Arts - Sharing creative works	600
East Ulverstone Football Club - Clubroom heater upgrade	3,029

Complaints

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

Nature	No. Received
Staff	8
Fees and Charges	4
Service/Product	6
Communication	7
Policies/Procedures	-

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 to the value of \$100,000 or above, excluding GST, were entered into during the 2009-2010 financial year.

Successful Contractor	Description of Contract	Period of Contract	Value of Tender/ Contract Sum \$
Mead Con 89 Devonport Road Quoiba Tas 7310	Stage 2 renovations of buildings at Ulverstone Showground	Nov 2009- June 2010	410,000
Downer EDI Works 3 Whitestone Drive Austins Ferry Tas 7011	Supply of sprayed bituminous sealing for rural and urban roads	July 2009- June 2010	438,155



Contracts for the Supply of Goods and Services cont.

Successful Contractor	Description of Contract	Period of Contract	Value of Tender/ Contract Sum \$
Hardings Hotmix P/L PO Box 709 Ulverstone Tas 7315	Asphalt surfacing works on Ulverstone to Turners Beach Shared Pathway	Dec 2009-Feb 2010	116,774
Roadways P/L PO Box 303 Glenorchy Tas 7010	Supply and delivery of hot-mix asphalt	July 2009-June 2010	149,767
VEC Civil Engineering P/L PO Box 812 Ulverstone Tas 7315	Design and construct replacement bridge over Leven River at Golf Club Road	July 2009-Dec 2009	890,771
Dobson Electrical 6 Kilowatt Drive Ulverstone Tas 7315	Provision of three light-towers at the Ulverstone Showground	Feb 2010-June 2010	119,000
De Jong & Sons Constructions P/L 11 Eastland Drive Ulverstone Tas 7315	Office renovations at King Edward Street, Ulverstone	Feb 2010-June 2010	132,130
D&L Morrison Machinery Spares P/L PO Box 170 Clayton South Vic 3169	Supply and delivery of Kobelco Geospec Excavator	Oct 2009	143,129
Macdonald Johnston P/L Unit 60, 80 Fairbanks Rd Newstead Tas 7250	Supply and delivery of Macdonald Johnston VS500 Sweeper unit	Oct 2009	227,379
Zaganite Specialised Coatings P/L 28 Jackson Street Glenorchy Tas 7010	Thermoplastic linemarking and installation of RRPMS	Dec 2009-Jan 2010	361,397

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 homepage at www.centralcoast.tas.gov.au or a copy can be made available by contacting the Council's protected disclosure officer/coordinator.

There were no disclosures made to the Council during the year.



About Central Coast

General Statistics	2008-2009	2009-2010
Area	932km ²	932km ²
Population	21,588	21,732
No. of Electors	15,856	16,148
Rateable Properties	10,208	10,373
No. of Planning Applications Lodged	372	369
No. of Building Applications Lodged	356	343
Average Days to Determine Planning and Building Applications:		
- Permitted Use	19	23
- Discretionary	36	40
- Buildings	8.2	9.7
No. of Food Businesses Inspections undertaken	123	217
Percentage Achieved of Capital Works Program	73%	82%
Average Cost Per Employee	\$60,945	\$64,520
Staff Turnover Rate	9.3%	16%
Average Sick Leave Per Employee	6.9 days	8.15 days
Lost Time Due to Injury	376 hrs	74.8 hrs
No. of Electronic Service Delivery Receipts	22,119	24,068
Assets		
Roads		
Urban - Sealed/Unsealed	133km/1km	133km/1km
Rural - Sealed/Unsealed	403km/133km	403km/133km
<i>Total Roads</i>	<i>670km</i>	<i>670km</i>
Bridges	75	75
Footpaths/Recreational Pathways	135km	141km
Drainage		
Pipeline Length	119km	123km
Waste Management		
Transfer Stations and Resource Recovery Centre	4	4
Recreation		
Parks	99	99
Gardens	43	43



About Central Coast cont.

General Statistics	2008-2009	2009-2010
Recreation Grounds	12	12
Buildings (select)		
Aged-persons Units	77	77
Public Toilets	40	39
Barbecue Huts	13	16
Picnic Huts	4	7
Bus Shelters	23	41

Building Building Approvals - Comparisons

Parameter	2006-2007	2007-2008	2008-2009	2009-2010
<i>No. of Approvals</i>	441	375	356	343
<i>Total Value (\$)</i>	\$40,194,403	\$39,869,632	\$43,725,204	\$52,529,667
Dwellings - No. approved \$ value	94 \$20,974,390	95 \$22,580,730	82 \$20,532,975	90 \$21,919,579
Flats/Units - No. approved \$ value	53 \$7,574,300	27 \$3,378,000	39 \$5,373,000	31 \$5,124,000
Additions - No. approved \$ value	100 \$3,764,637	78 \$3,835,100	92 \$4,234,290	87 \$4,241,237
Alterations - No. approved \$ value	22 \$505,200	15 \$834,000	16 \$569,450	8 \$317,400
Outbuildings - No. approved \$ value	135 \$1,775,249	132 \$2,184,702	104 \$1,762,589	91 \$1,615,300
Other Buildings - No. approved \$ value	37 \$5,600,627	28 \$7,057,100	23 \$11,252,900	36 \$19,312,151

Building Permit Processing Times

<i>Category \ Parameter</i>	<i>No. of Applications</i>	<i>Average No. of Days</i>	<i>Most No. of Days</i>	<i>Least No. of Days</i>
All Buildings	343	9.7	273	2
Dwellings	90	10.1	273	3
Units	31	7.1	42	4
Additions	87	9.7	92	3
Alterations	8	11.6	244	6
Outbuildings	91	9.7	57	3
Other Buildings	36	9.0	137	2

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

Detail	Bookings 2009-2010
Civic Centre - Leven Theatre	159
Civic Centre - Gawler Room	199
Civic Centre - Isandula Room	250
Civic Centre - Manager's Office	134
Castra Sprent Community Centre	18
Montgomery Room	134
Gawler Hall	22
North Motton Hall	59
Penguin Railway Station	67
Riana Community Centre	94
Sulphur Creek Hall	155
Turners Beach Hall	115



Recreation Facilities Utilisation Data

Details	2008-2009	2009-2010
Ulverstone Learn to Swim Pool		
- Hours Used	1,234	1,562
- Bookings	1,041	1,205
Ulverstone Waterslide (Operated 7.11.2009-27.03.2010)		
- Open	70 days	108 days
- Highest Utilisation Day	277	189
- Average Per Day	100	94
- Private Booking Hours	120	211
Forth Recreation Ground	115	130
Haywoods Reserve Recreation Ground	136	212
Heybridge Recreation Ground	115	153
Penguin Recreation Ground	240	281
Riana Recreation Ground	62	67
River Park Recreation Ground	114	138
Sprent Recreation Ground	80	65
Turners Beach Recreation Ground	155	199
Ulverstone Recreation Ground	250	415
West Ulverstone Recreation Ground	143	186
Ulverstone Sports Complex		
- Stadiums (*Third stadium completed in April 2010)	636	1,391*
- Squash Courts	282	394
Penguin Sports Complex		
- Stadiums	636	809
- Squash Courts	282	343
Ulverstone Showground		
- Playing Fields	448	671
- Netball Courts	71	99
- Dog Training Area	56	72
- Training Room	316	328
North Motton Equestrian Complex	91	77
Batten Park Rodeo Complex	N/A	14
Penguin Athletic Track	68	75



Environmental Management Processing Times

<i>Category \ Parameter</i>	<i>No. of Applications</i>	<i>Average No. of Days</i>	<i>Most No. of Days</i>	<i>Least No. of Days</i>
Special Plumbing Permits Statutory requirement is 18 days.	46	6.4	68	1
Food Business	162	24.9	307	1
Public Health Risk Activity	8	79	242	8
Place of Assembly	40	55	178	1

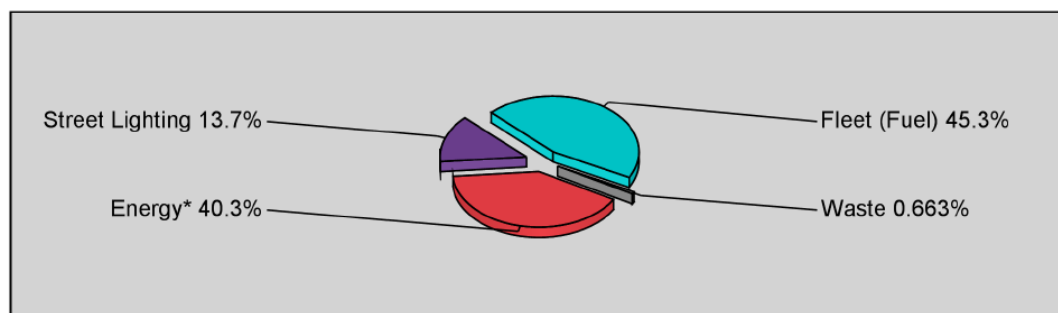
Explanatory comment - Figures include days when the clock was stopped.

Greenhouse Gas Emissions

Year	Total Greenhouse Gas Emissions (Tonnes of Equivalent Carbon Dioxide (CO ₂) Emitted)	Energy Consumption (GJ)	Fuel Consumption (GJ)
2009-2010	1,662 Tonnes CO ₂ (e) (up until end of March 2010)	670	753
2008-2009	1,710 Tonnes CO ₂ (e)	666	804
2007-2008	1,362 Tonnes CO ₂ (e)	410	808
2006-2007	1,297 Tonnes CO ₂ (e)	314	839
2005-2006	1,010 Tonnes CO ₂ (e)	141	801

Council Greenhouse Gas Emissions by Source

Emissions By Source for FY 09-10 up to and including Apr - Jun 2010



* Energy is comprised of electricity and gas supply to buildings, water infrastructure and other facilities.



Key Financial Performance Information

	2008-2009	2009-2010
Current Assets	\$11,615,707	\$6,335,316
Current Liabilities	\$4,727,078	\$3,965,467
Non Current Assets	\$324,108,325	\$348,944,289
Non Current Liabilities	\$3,822,414	\$3,623,184
Net Wealth of the Council	\$327,174,540	\$347,690,954
Rate Revenue	\$15,191,204	\$10,914,164
Operating Revenue	\$31,348,290	\$24,127,243
Operating Expenditure	\$27,858,385	\$21,631,140
Operating Surplus (Deficit)	\$5,854,361	\$3,122,029
Loan Debt	\$1,573,630	\$1,469,789
Total Employee Costs	\$9,873,092	\$9,097,222
Number of Full-time Equivalent Employees	162	141
Rates Outstanding	2.08%	2.66%

Financial Sustainability Indicators

	2008-2009	2009-2010
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>	✓	✓
Debt service ratio <i>indicates the capacity of the Council to service its outstanding debt</i>	✓	✓
Investment gap <i>indicates whether the Council is maintaining its physical capital by reinvesting in or renewing non-current assets</i>	✓	✓
Renewal gap <i>indicates whether the Council has been maintaining existing assets at a consistent rate</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	2009-2010
Rural	4
Leith	0
Forth	1
Turners Beach	-
Ulverstone	89
Penguin	6
Sulphur Creek	-
Heybridge	-

Planning Permit Processing Times

Category	2009-2010	
	No. Applications	Av. No. of Days
Permitted	206	23
Discretionary - Developments	149	40
- Subdivisions	14	41

Statutory requirement is 42 days.

Staffing Numbers

	Full-time equiv.			Total
Department	Full-time	Part-time	Casual	
General Management	6	-	-	6
Corporate & Community Services	28	28	52	108
Development & Regulatory Services	10	3	2	15
Engineering Services	67	4	1	72
<i>Total</i>	<i>111</i>	<i>35</i>	<i>55</i>	<i>201</i>



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, including Australian Interpretations;
- (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

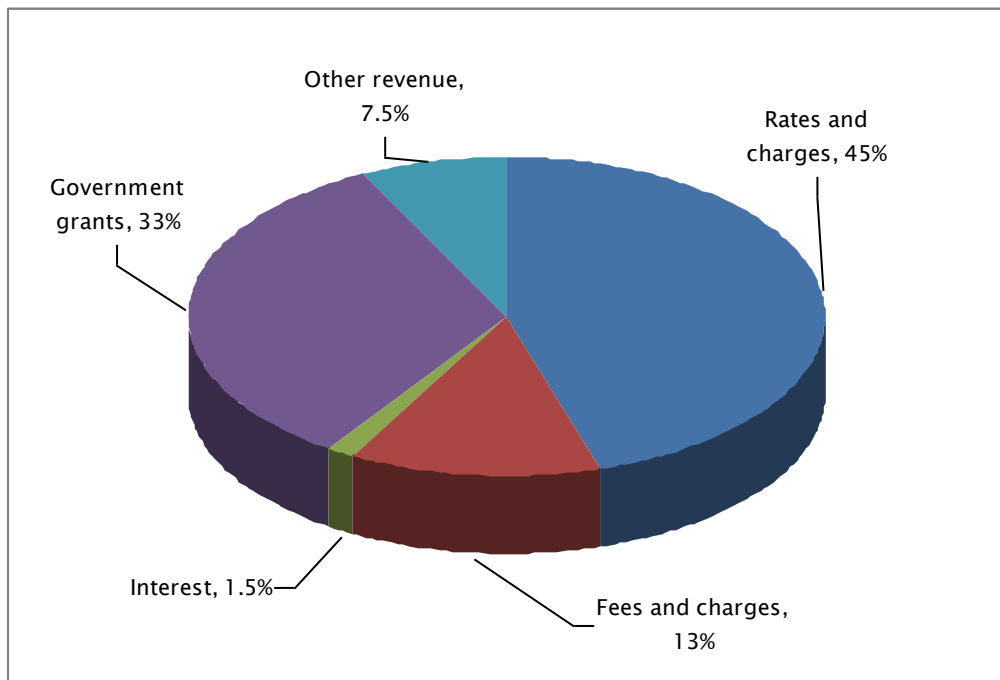
A surplus of \$2,496,103 (before non-monetary contributions and the change in fair value of investments) compared to a budgeted surplus of \$2,071,000 was reported this current financial year. The increase from budget is principally attributable to the receipt of additional government grants.

The operating capability has improved considerably over the last few years due mainly to reviewing the Council's assets on a three-year rolling plan and the use of additional external sources of funding for capital projects.

As can be seen from Chart 1, rates and charges revenue is the most significant source of revenue to the Council, representing 45% of the Council's operating revenue for the year. Government grants represent 33% of revenue and fees and charges 13%.



Chart 1 - Sources of Operating Revenue



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.

Increased operating capability before non-monetary contributions and the change in fair value of investments for the year was \$2,496,103. An expense amount of \$12,804,714 was reported to recognise the decrease in fair value of the Council's investment in Cradle Mountain Water. The Council's surplus for the period including non-monetary contributions was \$3,122,029. A sum of \$103,841 was appropriated to fund principal repayments of debt, and \$1,179,976 was transferred to reserves to meet anticipated future needs, while \$2,480,194 was transferred from reserves to accumulated surplus to fund budgeted programs.



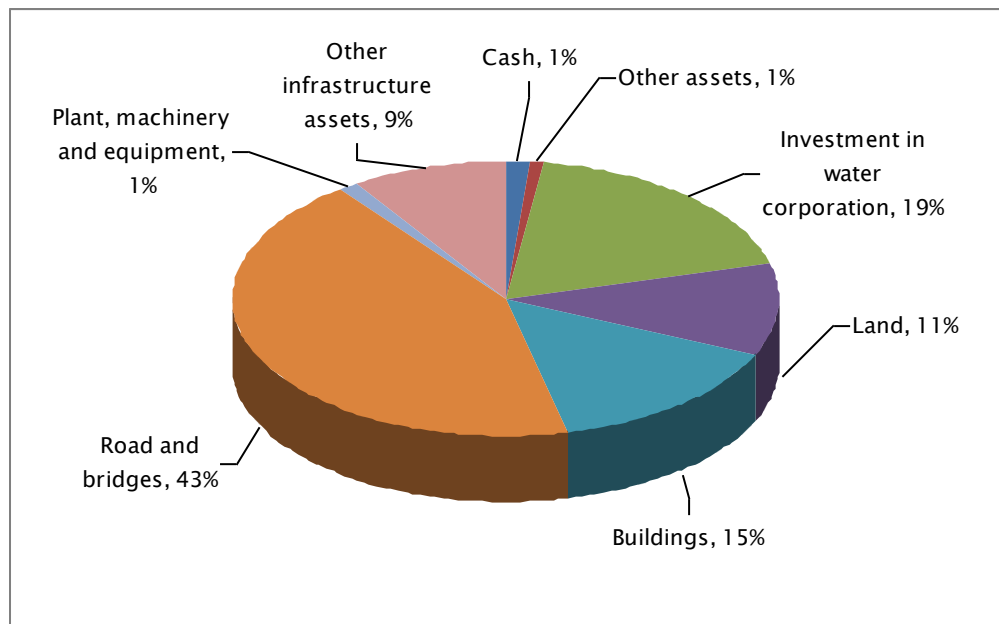
At 30 June 2010, the equity of the Council comprised an accumulated surplus of \$190,909,713 and reserves of \$156,781,241.

Assets

Total assets of the Council at 30 June 2010 amount to \$355,279,605 as indicated in the Balance Sheet. There has been an increase of \$19,555,573 over last financial year largely due to the revaluation of buildings and bridges and the indexation of road and land assets, along with construction of new and the upgrade of existing assets. New assets valued at \$625,926 were recognised from the transfer of subdivision assets to the Council. The Council's investment in Cradle Coast Water, \$21,012,619 at 1 July 2009, was included in the transfer of net assets valued at \$79,294,862 to Cradle Mountain Water. The Council's share in Cradle Mountain Water at 30 June 2010 was \$66,490,148.

Indicated in Chart 2 is the mix of total assets at 30 June 2010.

Chart 2 - Mix of Total Assets





Liabilities

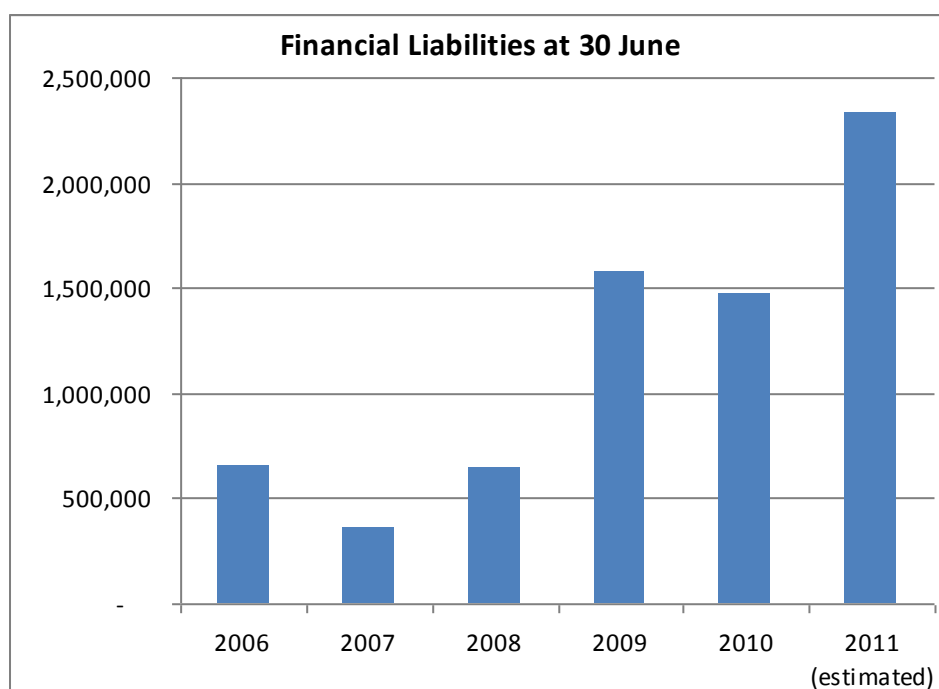
Total liabilities at 30 June 2010 amounted to \$7,588,651, an 11% decrease from 30 June 2009. Liabilities comprised mainly employee provisions \$2,129,950, aged person home unit provisions \$1,902,501, interest bearing loans \$1,469,789, and payables \$1,463,200. Employee provisions decreased by 14% (\$348,180) due to the transfer of employees to Cradle Mountain Water. Payables decreased by 21% (\$386,376) due to the reduction in capital projects not completed. All other liabilities were comparable with previous years.

Debt Administration

While repayments of \$103,841 were made during the year, borrowing costs (interest) of \$62,428 were charged. A new loan of \$700,000 was taken up in May 2010 to assist with the Ulverstone Sports & Leisure Centre redevelopment. A \$700,000 loan liability was transferred to Cradle Mountain Water from 1 July 2009.

Indicated on Chart 3 is the level of debt owing by the Council over the last five years and estimated debt owing at the end of the 2010-2011 financial year. The Council's exposure to debt at 30 June 2010, given a debt exposure ratio of 2.06%, is considered to be responsible and manageable.

Chart 3 – Borrowings





Financial Ratios of the Accounts

	2008-2009	2009-2010
Rate coverage ratio: (rates and charges revenue/total operating revenue)	48.46%	45.24%
Rate collection ratio: (rates receivables/rates and charges)	2.08%	2.66%
Debt payment ratio: (debt servicing cost/total revenue)	0.19%	0.26%
Debt exposure ratio: (total liabilities/total assets)	2.55%	2.14%
Government grants per capita: (grant revenue/population)	\$377	\$367
Expenditure per capita: (operating expenses/population)	\$1,311	\$995
Working capital ratio: (current assets/current liabilities)	2.46:1	1.60:1

- *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 fell by 3.22% this financial year which is reasonable considering the loss of water and sewerage charges.
- *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.
- *Expenditure per capita* measures the Council's operating expenditure in relation to population. The fall is due to the loss of water and sewerage services.
- *Working capital ratio* represents the Council's ability to meet current commitments. A favourable working capital ratio of 1.60:1 indicates that the Council has more than sufficient capacity to meet current commitments from its current assets as and when they fall due.



Conclusion

At 30 June 2010, the net wealth of the Central Coast Council, as indicated in the Balance Sheet, amounted to \$347,690,954, a \$20,516,414 increase over the opening equity at the beginning of the year.

Cor Vander Vlist
DIRECTOR CORPORATE & COMMUNITY SERVICES

Appendixes

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Photo Acknowledgements

Photos: Rick Eaves, David Coy, Roger Jaensch, Michael Lynch, Eye in the Sky and Fiona Brine.

Cover: Penguin Road and the Three Sisters

Financial Report

for the year ended 30 June 2010

Appendix A

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Comprehensive Income Statement for the year ended 30 June 2010

		2009-2010	2009-2010	2008-2009
	Note	Actual	Budget	Actual
Income				
Rates and charges	3	10,914,164	10,936,000	15,191,204
Fees and charges	4	3,106,815	2,975,850	4,636,065
Interest	5	395,284	550,000	418,303
Government grants	6	7,967,431	7,347,800	8,008,298
Contributions – cash	7	1,121,495	1,020,650	1,511,048
Other income	8	482,823	333,200	651,966
Net gain/(loss) on disposal of assets	9	(62,972)	367,000	(123,764)
Share of profit/(losses) of associates	22	202,203	–	1,055,170
Total income		24,127,243	23,530,500	31,348,290
Expenses				
Employee costs	10	8,326,605	8,665,000	9,343,234
Materials and contracts	11	6,870,924	6,090,800	10,884,004
Borrowing costs	12	82,326	59,200	58,069
Depreciation and amortisation	13	6,022,222	6,302,500	7,265,456
Other expenses	14	329,063	342,000	307,622
Total expenses		21,631,140	21,459,500	27,858,385
Surplus/(deficit) before:		2,496,103	2,071,000	3,489,905
Contribution – non-monetary assets	7	625,926	–	2,364,456
Surplus/(deficit) before:		3,122,029	2,071,000	5,854,361
Other comprehensive income				
Change in fair value of investment in Cradle Mountain Water	23	(12,804,714)	–	–
Net asset revaluation – Council		30,154,063	–	10,177,219
Net asset revaluation – Associate	22	45,036	–	2,145,824
Comprehensive result		\$ 20,516,414	\$ 2,071,000	\$ 18,177,404

The above statement should be read in conjunction with the notes to and forming part of the financial report set out on the attached pages.

Balance Sheet as at 30 June 2010

	Note	30 June 2010	30 June 2009
ASSETS			
Current Assets			
Cash and cash equivalents	15	3,456,243	1,806,552
Trade and other receivables	16	1,335,657	1,422,603
Financial assets	17	1,324,714	7,863,609
Inventories	18	26,934	119,033
Property held for resale	19	-	162,392
Other assets	20	191,768	241,518
Total Current Assets		6,335,316	11,615,707
Non-current Assets			
Capital work in progress	21	877,528	3,781,515
Trade and other receivables	16	104,508	123,496
Investment in associates	22	1,430,600	22,195,980
Investment in water corporation	23	66,490,148	-
Other assets	20	67,120	100,680
Property, plant and infrastructure	24	279,974,385	297,906,654
Total Non-current Assets		348,944,289	324,108,325
TOTAL ASSETS		355,279,605	335,724,032
LIABILITIES			
Current Liabilities			
Trade and other payables	25	1,463,200	1,849,576
Provisions	26	2,124,156	2,467,310
Interest bearing loans and borrowings	27	128,847	156,776
Other liabilities	28	249,264	253,416
Total Current Liabilities		3,965,467	4,727,078
Non-current Liabilities			
Provisions	26	2,282,242	2,405,560
Interest bearing loans and borrowings	27	1,340,942	1,416,854
Total Non-current Liabilities		3,623,184	3,822,414
TOTAL LIABILITIES		7,588,651	8,549,492
NET ASSETS		\$ 347,690,954	\$ 327,174,540
EQUITY			
Accumulated Surplus		190,909,713	152,784,763
Reserves	29	156,781,241	174,389,777
TOTAL EQUITY		\$ 347,690,954	\$ 327,174,540

The above statement should be read in conjunction with the notes to and forming part of the financial report set out on the attached pages.

Statement of Changes in Equity for the year ended 30 June 2010

	Opening Balance	Direct Adjustments *	Comprehensive Result	Transfers to Reserve	Transfers from Reserve	Closing Balance
Asset Revaluation Reserve – Council						
2009–2010	152,301,721	(29,527,242)	30,154,063	–	–	152,928,542
2008–2009	142,124,502	–	10,177,219	–	–	152,301,721
Asset Revaluation Reserve – Associates						
2009–2010	17,686,553	(16,980,175)	45,036	–	–	751,414
2008–2009	15,540,729	–	2,145,824	–	–	17,686,553
Asset Replacement Reserve						
2009–2010	2,381,919	–	–	920,053	(1,778,538)	1,523,434
2008–2009	2,680,873	–	–	1,495,185	(1,794,139)	2,381,919
Sewerage and Water Reserve						
2009–2010	–	–	–	–	–	–
2008–2009	16,460	–	–	994,201	(1,010,661)	–
Fire Services Reserve						
2009–2010	5,612	–	–	5,479	–	11,091
2008–2009	8,986	–	–	–	(3,374)	5,612
Garbage Collection Reserve						
2009–2010	37,337	–	–	–	(51,640)	(14,303)
2008–2009	10,522	–	–	26,815	–	37,337
Special Projects Reserve						
2009–2010	1,976,635	–	–	254,444	(650,016)	1,581,063
2008–2009	1,576,484	–	–	823,371	(423,220)	1,976,635
Total Reserves						
2009–2010	174,389,777	(46,507,417)	30,199,099	1,179,976	(2,480,194)	156,781,241
2008–2009	161,958,556	–	12,323,043	3,339,572	(3,231,394)	174,389,777
Accumulated Surplus						
2009–2010	152,784,763	46,507,417	(9,682,685)	(1,179,976)	2,480,194	190,909,713
2008–2009	147,038,580	–	5,854,361	(3,339,572)	3,231,394	152,784,763
Total Equity						
2009–2010	\$ 327,174,540	\$ –	\$ 20,516,414	\$ –	\$ –	\$ 347,690,954
2008–2009	\$ 308,997,136	\$ –	\$ 18,177,404	\$ –	\$ –	\$ 327,174,540

The Direct Adjustments comprise the elimination of asset revaluation reserves relating to assets transferred to Cradle Mountain Water.

The above statement should be read in conjunction with the notes to and forming part of the financial report set out on the attached pages.

Statement of Cash Flows for the year ended 30 June 2010

	Note	2009-2010	2008-2009
Cash flows from operating activities			
Rates and charges		10,939,442	15,201,577
Fees and charges		3,882,681	5,836,200
Interest		395,284	418,303
Government grants		3,823,456	4,523,677
Contributions		1,077,631	1,457,065
Net GST refunds/(payments)		1,399,737	874,268
Other income		482,823	571,905
Payments to employees		(8,342,020)	(9,257,598)
Payments to suppliers		(8,935,258)	(12,508,942)
Finance costs		(62,428)	(58,069)
Other payments		(329,063)	(307,622)
Net cash provided by (used in) operating activities	30	4,332,285	6,750,764
Cash flows from investing activities			
Proceeds from sale of land		507,129	297,545
Proceeds from sale of plant and equipment		324,164	283,518
Dividend revenue		-	698,862
Payment to water corporation		(707,327)	-
Capital grants		4,043,975	3,483,871
Payments for property, plant and equipment		(13,985,589)	(10,496,348)
Proceeds/(payments) from/(to) Financial Assets		6,538,895	(1,147,798)
Net cash provided by (used in) investing activities		(3,278,753)	(6,880,350)
Cash flows from financing activities			
New loans		700,000	1,000,000
Loan repayments		(103,841)	(77,087)
Net cash provided by (used in) financing activities		596,159	922,913
Net increase/(decrease) in cash and cash equivalents		1,649,691	793,327
Opening Cash Balance		1,806,552	1,013,225
Closing Cash Balance	15	\$ 3,456,243	\$ 1,806,552

The above statement should be read in conjunction with the notes to and forming part of the financial report set out on the attached pages.

Notes to the Financial Report for the year ended 30 June 2010

Introduction

- a** The Central Coast Council was established on 2 April, 1983 and is a body corporate with perpetual succession and a common seal.

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

- b** The functions of the Council include:

- to provide for the health, safety and welfare of the community;
- represent and promote the interests of the community;
- to provide for the peace, order and good government of the municipal area.

This financial report is a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, 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 (AASB), and the *Local Government Act 1993 (LGA1993)* (as amended).

1 Significant Accounting Policies

a Basis of accounting

This financial report has been prepared as a going concern on an accrual basis and is based on historic costs, modified where applicable, by the measurement of selected non-current assets, financial assets and financial liabilities.

The principal accounting policies adopted in the preparation of the financial report are set out below.

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, have been included in this financial report. All transactions between these entities and Council have been eliminated in full.

Notes to the Financial Report for the year ended 30 June 2010

b Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

Rates, grants and contributions

Rates, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

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.

Income 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.

Where grants or 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 grant or contribution is disclosed in note 6. 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.

Fees and charges

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 first occurs.

A provision for impairment is recognised when collection in full is no longer probable.

Sale of property, plant and equipment

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

Notes to the Financial Report for the year ended 30 June 2010

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.

Interest and rents

Interest and rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

Dividend revenue

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

c 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.

d Depreciation and amortisation of property, plant and infrastructure

Buildings, land improvements, plant and equipment, infrastructure and other assets 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 asset 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 residual values and a separate depreciation rate is determined for each component.

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

Notes to the Financial Report for the year ended 30 June 2010

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

Land (not depreciated)	Unlimited Life
Plant and machinery	2–30 years
Furniture and equipment	5–40 years
Drainage	100 years
Roads and Streets	15–100 years
Buildings	20–100 years
Recreation	5–50 years
Environmental	10–30 years
Bridges	10–100 years
Municipal property revaluation	5 years

Formation costs

The Council has chosen not to depreciate the formation costs of both sealed and unsealed roads. The asset is considered to be more in the nature of land, as it has an extended life and is not affected by subsequent road construction.

Gravel roads

The Council has not depreciated unsealed roads, as these roads are maintained to a standard that the asset neither deteriorates nor improves and therefore the value of the asset remains constant.

e 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

Earthworks carried out during road construction are considered to be a sunk cost and are therefore expensed in the year in which they are incurred.

Reseals and reconstructions are generally capitalised. Shouldering, gravel re-sheeting and tar patching are expensed.

Notes to the Financial Report for the year ended 30 June 2010

f Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on bank overdrafts, interest on borrowings and finance lease charges.

g Recognition and measurement of assets

Acquisition of assets

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

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 note 24. 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	\$1,000
Plant and machinery	\$1,000
Recreation	\$2,000
Environmental	\$2,000

Revaluation of non-current assets

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and machinery, and furniture and equipment, are measured at

Notes to the Financial Report for the year ended 30 June 2010

their fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arm's length transaction.

At balance date, the 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 by application of an applicable index.

In addition, the Council undertakes a formal revaluation of asset classes measured on the fair value basis with sufficient regularity on a three-year rolling cycle. The valuation is performed either by experienced council officers or independent experts. The cost of acquisitions and capital works during the year is considered to represent their fair value.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation surplus 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

The Council elected not to recognise land under roads owned prior to 1 July 2008 as an asset in accordance with AASB 1051 *Land Under Roads* because a reliable measurement was not available.

Land under roads acquired after 30 June 2008 is brought to account using the fair value basis. Council does not recognise land under roads that it controlled prior to that period in its financial report.

h 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. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Notes to the Financial Report for the year ended 30 June 2010

i Financial assets

Managed funds are valued at fair value, being market value, at balance date. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

j Investments

Investments, other than investments in associates and water corporations, are measured at cost.

Investments in associates

The Council's investment in associates is accounted for using the equity method as the 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 the Council's share of the net assets of the entities. The Council's share of the financial result of the entities is recognised in the Comprehensive Income Statement.

The Council has determined that its investment in the Dulverton Regional Waste Management Authority is an investment in associate. Refer to Note 22 for further details.

Investments in water corporation

Investments in water corporations are valued at fair value, at balance date. Fair value was determined by using the Council's ownership percentage against the water corporations' net asset value at balance date. Any unrealised gains and losses on holdings at balance date are recognised in the Comprehensive Income Statement.

k Employee Benefits

AASB 119 *Employee Benefits* has been applied when calculating and reporting employee entitlements. The bases of measurement of liabilities for each type of employee benefit are as follows:

Wages and salaries

Liabilities for wages and salaries and rostered days off are recognised and are measured as the amount unpaid at balance date and include appropriate on-costs such as workers compensation and payroll costs.

Notes to the Financial Report for the year ended 30 June 2010

Annual leave

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date.

Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate on-costs, expected to be paid when settled.

Amounts expected to be settled beyond 12 months have not been inflated and discounted to their present value in accordance with AASB 119 as the impact has been assessed as immaterial.

Long service leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related on-costs and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service.

Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled.

Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Classification of employee benefits

An employee benefit liability is classified as a current liability if the Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period. This includes all annual leave and unconditional long service leave entitlements.

I Leases

Finance leases

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense.

Notes to the Financial Report for the year ended 30 June 2010

Leased assets are depreciated on a straight line basis over their estimated useful lives to Council where it is likely that Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter.

Operating leases

Lease payments for operating leases are required by the Australian accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

m 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.

n 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.

o 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 comprehensive income statement,

Notes to the Financial Report for the year ended 30 June 2010

unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus 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.

p Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest dollar.

q Non-current assets held for sale

A non-current asset held for sale (including disposal groups) is measured at the lower of its carrying amount and fair value less costs to sell, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification. Revenue arising from the sale of land is recognised in the comprehensive income statement on the signing of a valid unconditional contract of sale.

r Provisions

Provision for Aged Person Unit (APU) contributions

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 specified term. Refer to Note 26.

Provision for rehabilitation

Council operates a Resource Recovery Centre which imposes obligations for rehabilitation in the future. Provision is made for rehabilitation costs to be incurred in the future based on current costs incurred at similar sites. This future cost is discounted back to present value at balance date. At each balance date the discounting is unwound with the movement in the liability charged to the comprehensive income statement as part of 'borrowing costs'.

s Significant Business Activities

Council is required to report the operating capital and competitive neutrality costs in respect of each significant business activity undertaken by the council. The council's disclosure is reconciled in Note 36. The council has determined, based upon materiality that Roads, Streets and Bridges defined in Note 2 are considered significant business activities.

Notes to the Financial Report for the year ended 30 June 2010

Competitive neutrality costs include notional costs i.e. income tax equivalents, rates and loan guarantees in preparing the information disclosed in relation to significant business activities, i.e. following assumptions have been applied:

- The notional opportunity cost of capital was calculated by applying an interest rate of 9% 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 the 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 determined to be immaterial and have not been included.

t Pending Accounting Standards

The following Australian Accounting Standards have been issued or amended but are not yet effective.

They have not been adopted in preparation of the financial statements at reporting date.

Standard/ Interpretation	Summary	Operative date *	Impact on Local Government financial statements
AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project. [AASB 5, 8, 101, 107, 117, 118, 136 & 139]	Some amendments will result in accounting changes for presentation, recognition or measurement purposes, while other amendments will relate to terminology and editorial changes.	1 Jan 2010	Terminology and editorial changes. Impact minor.

Notes to the Financial Report for the year ended 30 June 2010

Standard/ Interpretation	Summary	Operative date *	Impact on Local Government financial statements
AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash-settled Share- based Payment Transactions. [AASB 2]	The amendments clarify the scope of AASB 2.	1 Jan 2010	No impact. AASB 2 does not apply to Local Government; consequently this Standard does not apply.
AASB 2009-9 Amendments to Australian Accounting Standards – Additional Exemptions for First- time Adopters [AASB 1]	Applies to entities adopting Australian Accounting Standards for the first time, to ensure entities will not face undue cost or effort in the transition process in particular situations.	1 Jan 2010	No impact. Relates only to first time adopters of Australian Accounting Standards.
AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB 132]	The Standard makes amendments to AASB 132, stating that rights issues must now be classed as equity rather than derivative liabilities.	1 Feb 2010	No impact. Local Government do not issue rights, warrants and options, consequently the amendment does not impact on the statements.
AASB 9 Financial Instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).	1 Jan 2013	Detail of impact is still being assessed.

Notes to the Financial Report for the year ended 30 June 2010

Standard/ Interpretation	Summary	Operative date *	Impact on Local Government financial statements
AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	This gives effect to consequential changes arising from the issuance of AASB 9.	1 Jan 2013	Detail of impact is still being assessed.
AASB 2009-12 Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]	This Standard amends AASB 8 to require an entity to exercise judgement in assessing whether a government and entities know to be under the control of that government are considered a single customer for purposes of certain operating segment disclosures .This Standard also makes numerous editorial amendments to other AASs.	1 Jan 2011	ASB 8 does not apply to Local Government therefore no impact is expected. Otherwise, only editorial changes arising from amendments to other standards, no major impact. Impacts of editorial amendments are not expected to be significant.
AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19. [AASB 1]	Consequential amendment to AASB 1 arising from publication of Interpretation 19	1 Jul 2010	Local Governments do not extinguish financial liabilities with equity instruments, therefore requirements of Interpretation 17 and related amendments have no impact

Notes to the Financial Report for the year ended 30 June 2010

Standard/ Interpretation	Summary	Operative date *	Impact on Local Government financial statements
AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14]	Amendment to Interpretation 14 arising from the issuance of Prepayments of a Minimum Funding Requirement	1 Jan 2011	Expected to have no significant impact
AASB 1053 Application of Tiers of Australian Accounting Standards	Establishes a differential reporting framework, which consists of two tiers of reporting requirements.	1 Jul 2013	Expected to have no significant impact

* Annual reporting periods beginning on or after

u Contingent assets and contingent liabilities and commitments

Contingent assets and contingent liabilities, if any, are not recognised in the Balance Sheet, 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 Balance Sheet. Commitments are disclosed at their nominal value and inclusive of the GST payable.

v Comparative and budget information

The estimated revenue and expense amounts in the Comprehensive Income Statement represent revised budget amounts and are not audited.

Where necessary by accounting standards, comparative information has been adjusted to conform with changes in presentation for the current year.

Notes to the Financial Report for the year ended 30 June 2010

2 Functions/Activities of the Council

a Revenue, expenditure and assets attributable to each function

Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants	Other	Total Revenue	Total Expenditure	Surplus/ (Deficit)	Assets
Governance and Administration						
2009-2010	265,000	1,046,731	1,311,731	3,692,668	(2,380,937)	12,055,386
2008-2009	342,000	1,780,289	2,122,289	3,175,428	(1,053,139)	17,896,528
Roads, Streets and Bridges						
2009-2010	3,708,486	539,681	4,248,167	5,828,528	(1,580,361)	159,774,705
2008-2009	2,243,871	307,778	2,551,649	5,647,325	(3,095,676)	144,426,649
Water and sewerage						
2009-2010	-	-	-	-	-	66,490,148
2008-2009	-	9,396,693	9,396,693	7,103,181	2,293,512	79,590,052
Drainage						
2009-2010	136,000	112,342	248,342	465,658	(217,316)	24,503,368
2008-2009	220,000	174,935	394,935	585,063	(190,128)	24,419,007
Waste Management						
2009-2010	172,000	1,671,664	1,843,664	2,751,743	(908,079)	4,956,323
2008-2009	268,000	1,392,486	1,660,486	2,450,389	(789,903)	4,231,980
Environmental Health						
2009-2010	-	61,201	60,201	290,202	(229,001)	66,958
2008-2009	-	38,115	38,115	298,323	(260,208)	70,451
Planning Services						
2009-2010	-	198,395	198,395	559,443	(361,048)	38,742
2008-2009	-	137,274	137,274	581,637	(444,363)	39,288

Notes to the Financial Report for the year ended 30 June 2010

	Grants	Other	Total Revenue	Total Expenditure	Surplus/ (Deficit)	Assets
Building Control						
2009-2010	-	315,212	315,212	566,069	(250,857)	50,397
2008-2009	-	274,964	274,964	580,288	(305,324)	65,859
Community Amenities						
2009-2010	227,000	667,406	894,406	1,574,535	(680,129)	24,260,879
2008-2009	946,000	417,307	1,363,307	1,516,972	(153,665)	18,071,491
Community Services						
2009-2010	41,000	1,591,654	1,632,654	1,803,472	(170,818)	2,403,135
2008-2009	60,970	1,408,224	1,469,194	1,745,617	(276,423)	1,704,325
Recreation Facilities						
2009-2010	2,646,000	235,451	2,881,451	2,938,768	(57,317)	53,873,176
2008-2009	2,911,367	577,528	3,568,895	2,870,489	698,406	40,606,417
Economic Development						
2009-2010	771,945	434,427	1,206,372	398,220	808,152	6,806,388
2008-2009	29,000	280,177	309,177	486,244	(177,067)	4,601,985
Other – Not Attributable						
2009-2010	-	9,911,574	9,911,574	761,834	9,149,740	-
2008-2009	907,09	9,518,678	10,425,768	817,429	9,608,339	-
Total						
2009-2010	\$ 7,967,431	\$16,785,738	\$24,753,169	\$ 21,631,140	\$ 3,122,029	\$355,279,605
2008-2009	<i>\$ 8,008,298</i>	<i>\$ 25,704,448</i>	<i>\$ 33,712,746</i>	<i>\$ 27,858,385</i>	<i>\$ 5,854,361</i>	<i>\$ 335,724,032</i>

b Reconciliation of Assets from note 2(a) with Balance Sheet as at 30 June:

	2010	2009
Current assets	6,335,316	11,615,707
Non-current assets	348,944,289	324,108,325
	\$ 355,279,605	\$ 335,724,032

Notes to the Financial Report for the year ended 30 June 2010

- c The activities of Council are categorised into the following broad functions:

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.

Water and sewerage

The supply of reticulated water for domestic and other purposes within the Central Coast Water District and to extraordinary connections outside the water district. Operation and maintenance of the disposal of human and other waste, including industrial waste by means of deep mains town systems.

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 regulation of activities affecting the environment.

Notes to the Financial Report for the year ended 30 June 2010

Planning services

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

Building control

The development and maintenance of building construction standards.

Community amenities

Operation and maintenance of housing for aged persons and persons of limited means, the Ulverstone Civic Centre, Council halls (excluding indoor sporting complexes), public conveniences and burial facilities.

Community services

Administration and operation of dog registration, operation of pounds, control of straying stock, and noxious weeds.

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 Council can fulfil their general responsibility for enhancing the quality of life of the whole community.

Recreation facilities

Operation and maintenance of sporting facilities (including 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 non-attributable

Rates and charges and work support not attributed elsewhere.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
3 Rates and charges		
Rates levied	11,352,994	15,785,656
Revenue in advance	47,997	58,320
Early payment discount	(453,319)	(601,115)
Rates remitted	(33,508)	(51,657)
Net rates and charges	\$ 10,914,164	\$ 15,191,204
4 Fees and charges		
Certificate charges	156,943	125,593
Child care fees	536,838	473,676
Excess water charges	–	200,669
Inspection and connection fees	121,336	105,605
Rental of aged persons home units	187,732	169,943
Rental of Ganesway units	130,755	142,913
Resource Recovery Centre – entry fees	252,936	268,112
Resource Recovery Centre – other income	179,615	138,184
Special user charges – sewerage	–	710,274
Special user charges – water	–	866,730
Swimming pool and waterslide	118,514	106,839
Other fees and charges	1,422,146	1,327,527
Total fees and charges	\$ 3,106,815	\$ 4,636,065
5 Interest		
Interest	351,531	287,645
Gains from financial assets at fair value through profit and loss	43,753	130,658
Total interest	\$ 395,284	\$ 418,303

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
6 Government grants		
Grants were received in respect of the following:		
<i>Federally funded capital grants</i>		
Auslink Strategic Regional Program	-	233,199
Penguin Medical Centre redevelopment	-	60,000
Regional Local Community Infrastructure Projects	151,000	391,000
Roads to recovery	640,000	397,672
Shared pathway	750,000	-
Showground redevelopment	1,350,000	450,000
	<u>2,891,000</u>	<u>1,531,871</u>
<i>Other federally funded grants</i>		
Commonwealth financial assistance grant	3,628,456	4,513,457
	<u>3,628,456</u>	<u>4,513,457</u>
<i>State funded capital grants</i>		
Blackspot projects	766,486	113,000
Caves to Canyon experience project	145,000	-
Community commuter bus	41,489	-
Main Street makeover	200,000	25,000
Showground redevelopment	-	1,814,000
	<u>1,152,975</u>	<u>1,952,000</u>
<i>Other state funded grants</i>		
Opt-in program	30,000	-
Pothole fund	265,000	-
Other miscellaneous grants	-	10,970
	<u>295,000</u>	<u>10,970</u>
Total recurrent grants	3,923,456	4,524,427
Total capital grants	4,043,975	3,483,871
Total government grants	\$ 7,967,431	\$ 8,008,298

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
<i>Unspent grants at 30 June:</i>		
Regional Local Community Infrastructure Projects	125,721	326,940
Showground redevelopment	–	2,264,000
Total unspent grants	125,721	2,590,940

7 Contributions

a Cash contributions

Capital contributions	193,749	705,755
Child care contributions	616,124	569,528
Other contributions	311,622	235,765
	1,121,495	1,511,048

b Non-monetary contributions

Transfer of subdivision and other assets

Roads and streets	451,532	196,724
Footpaths	67,639	272,168
Drainage	106,755	179,259
Water supply	–	434,882
Sewerage	–	1,754,594
Transfer to Kentish Council	–	(473,171)
	625,926	2,364,456

Total contributions	\$ 1,747,421	\$ 3,875,504
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8 Other income

Dulverton NTER payments	127,481	80,061
Flood damage reimbursed	–	65,185
Private works	219,508	112,814
Reimbursements	135,834	110,181
Water and sewerage reform	–	283,725
Total other income	\$ 482,823	\$ 651,966

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
9 Disposal of assets		
Proceeds from sale of property	507,129	297,545
Cost of property sold	(305,112)	(214,394)
	<u>202,017</u>	<u>83,151</u>
Proceeds from sale of plant	324,164	283,518
Written down value of plant sold	(237,501)	(255,391)
	<u>86,663</u>	<u>28,127</u>
Proceeds from disposal of other assets	-	-
Written down value of assets disposed	(351,652)	(235,042)
	<u>(351,652)</u>	<u>(235,042)</u>
Net gain/(loss) on disposal of assets	\$ (62,972)	\$ (123,764)
10 Employee costs		
Gross salary and wages	6,313,117	6,730,770
Leave paid/accrued	1,266,636	1,519,949
Superannuation	810,753	891,469
Payroll tax	471,205	567,968
Other employee costs	235,511	162,936
Total Employee Costs	<u>9,097,222</u>	<u>9,873,092</u>
Less capitalised employee costs	(770,617)	(529,858)
Total employee costs expensed	\$ 8,326,605	\$ 9,343,234

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
11 Materials and contracts		
Aged persons home units	200,459	181,476
Computer maintenance	188,406	176,310
Contributions to LGAT/CCA	199,840	204,834
Crown land assessment title transfers	–	106,140
Fire service contribution	472,490	453,857
Ganesway housing	139,772	133,637
Garbage collection contracts	1,004,108	953,463
Other waste management costs	1,106,238	1,077,443
Insurance	218,882	232,338
Land Tax	289,344	363,572
Street lighting power charges	347,587	311,550
Water purchases and charges	–	3,231,309
Other materials and contracts	2,703,798	3,458,075
Total materials and contracts	\$ 6,870,924	\$ 10,884,004
12 Finance costs		
Interest – borrowings	62,428	58,069
Unwinding of discount (Note 26c)	19,898	–
Total finance costs	\$ 82,326	\$ 58,069
13 Depreciation and amortisation		
Amortisation of municipal revaluation	33,560	33,560
Bridges	386,288	380,025
Buildings	1,184,044	1,199,556
Drainage	351,843	479,103
Environmental	80,877	64,174
Furniture and equipment	170,007	152,343
Plant and machinery	632,299	610,648
Recreation facilities	255,489	245,718
Roads and streets	2,927,815	2,914,444
Sewerage	–	931,512
Water supply	–	254,373
Total depreciation and amortisation	\$ 6,022,222	\$ 7,265,456

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
14 Other expenses		
Audit services	22,460	22,753
Councillors emoluments	306,603	284,869
Total other expenses	\$ 329,063	\$ 307,622
15 Cash and cash equivalents		
Cash at bank and on hand	1,688,001	787,358
Cash Management Account	1,768,242	1,019,194
Total cash and cash equivalents	\$ 3,456,243	\$ 1,806,552
16 Receivables		
<i>Current receivables</i>		
Rates receivable	290,344	315,622
Loans and advances	18,988	17,824
Other debtors	783,881	807,089
Net GST receivable	242,444	282,068
	<u>1,335,657</u>	<u>1,422,603</u>
<i>Non-current receivables</i>		
Loans and advances	104,508	123,496
	<u>104,508</u>	<u>123,496</u>
Total receivables	\$ 1,440,165	\$ 1,546,099
17 Financial assets		
Managed funds	1,324,714	7,863,609
Total financial assets	\$ 1,324,714	\$ 7,863,609

Managed funds are held with ING Funds Management Limited. The balance at 30 June 2010 is represented by 1,353,986.98 units @ 0.97838 (30 June 2009 2,961,094.35 units @ 0.94133). At 30 June 2009 Council also held funds with Tasmanian perpetual Trustees and AllianceBernstein Cash Enhanced Trust.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
18 Inventories		
Stores	26,934	119,033
Total inventories	\$ 26,934	\$ 119,033
19 Property held for resale		
Current property assets	–	162,392
Total property held for resale	\$ –	\$ 162,392
20 Other assets		
<i>Current other assets</i>		
Accrued revenue	94,858	75,144
Prepaid expense	96,910	166,374
	191,768	241,518
<i>Non-current other assets</i>		
Prepaid expense	67,120	100,680
	67,120	100,680
Total other assets	\$ 258,888	\$ 342,198
21 Capital work in progress		
Opening balance	3,781,515	2,983,404
Transfers out	(3,636,520)	(2,648,606)
Transfers in	732,533	3,446,717
Closing balance – cost	\$ 877,528	\$ 3,781,515

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
22 Investment in associates		
Cradle Coast Water	–	21,012,619
Dulverton Regional Waste Management Authority	1,430,600	1,183,361
Total investment in associates	\$ 1,430,600	\$ 22,195,980

Cradle Coast Water

Central Coast Council's ownership interest in Cradle Coast Water was transferred to Cradle Mountain Water from 1 July 2009.

Share of Profit of Authority

Authority's profit/(loss) before tax	–	1,492,407
Authority's tax expense	–	(447,722)
Authority's profit/(loss) after tax	–	1,044,685
<i>Calculated share of profit before tax</i>	–	<i>394,130</i>
<i>Calculated share of tax expense</i>	–	<i>(118,239)</i>
<i>Calculated share of profit after tax</i>	–	<i>275,891</i>
Share of dividends paid by authority	–	(171,650)
Actual dividends received by Council	–	698,862
Share of Profit of Authority	–	803,103

Movement in Carrying Value of Investment

Carrying value of investment at start of year	21,012,619	18,803,676
Share in profit after tax for year	–	803,103
Share in asset revaluation	–	2,104,702
Distribution received by Council	–	(698,862)
Investment transferred to water corporation	(21,012,619)	–
Carrying value of investment at end of year	\$ –	\$ 21,012,619

Notes to the Financial Report for the year ended 30 June 2010

Dulverton Regional Waste Management Authority

The Council is a partner in the Dulverton Regional Waste Management Authority, a Joint Authority established under the Local Government Act. The primary activity of the Authority is to operate a regional landfill site at Dulverton. Other partners in this Joint Authority are Devonport City, Latrobe and Kentish Councils.

The Council's ownership interest in the Authority at 30 June 2010 was 36.82%. The proportion of voting power held in the Authority is 25%. Council's investment in the Authority at 30 June 2010, \$1,430,600, has been calculated by reference to the Authority's equity at 30 June 2009.

There were no quantified contingent liabilities disclosed by the Authority.

Share of Profit of Authority

	30-Jun-10	30-Jun-09
Authority's profit/(loss) before tax	785,801	978,657
Authority's tax expense	(236,636)	(294,064)
Authority's profit/(loss) after tax	549,165	684,593
<i>Calculated share of profit before tax</i>	<i>289,332</i>	<i>360,341</i>
<i>Calculated share of tax expense</i>	<i>(87,129)</i>	<i>(108,274)</i>
<i>Calculated share of profit after tax</i>	<i>202,203</i>	<i>252,067</i>

Movement in Carrying Value of Investment

Carrying value of investment at start of year	1,183,361	890,172
Share in profit/(loss) after tax for year	202,203	252,067
Share in asset revaluation	45,036	41,122
Carrying value of investment at end of year	\$ 1,430,600	\$ 1,183,361

The Authority's assets, liabilities and revenue for the relevant financial years were:

Total Assets	6,623,835	6,782,750
Total Liabilities	2,738,447	3,568,841
Revenue	3,145,917	2,997,098

Notes to the Financial Report for the year ended 30 June 2010

23 Investment in water corporation

In February of 2008 State and Local Government reached agreement to establish three Local Government owned, vertically integrated businesses providing bulk, distribution and retail water and sewerage services, and a common service provider subsidiary company. The Water and Sewerage Corporations Act 2008 (Corporations Act) was subsequently enacted and received Royal Assent on 13 June 2008.

Full transfer of water and sewerage assets, liabilities and staff to the new corporations took place on 1 July 2009. From that date, responsibility for the provision of water and sewerage services moved from local councils to three new regional water and sewerage corporations (trading as Cradle Mountain Water, Ben Lomond Water and Southern Water). A fourth company provides common services and support to the three regional corporations.

Council will in future derive returns from the new corporations, mainly in the form of dividends. Central Coast Council is not eligible for priority dividends paid in the first three years of operation.

The following assets and liabilities relating to water and sewerage were transferred to Cradle Mountain Water from 1 July 2009. Council's opening ownership interest in the new corporation will be represented by the net assets transferred.

Cash and cash equivalents	707,327
Inventories	85,868
Land	1,394,782
Buildings	571,394
Water infrastructure	15,728,204
Sewerage infrastructure	40,509,257
Other property, plant and equipment	244,603
Work in Progress	49,446
Investment in Cradle Coast Water	21,012,619
Payables	(7,327)
Financial Liabilities	(700,000)
Employee provisions	(301,311)
Net assets transferred	\$ 79,294,862

Council has an ownership of 20.5% (based on the 2009 Draft Treasurer's Returns Allocation Order) in Cradle Mountain Water. At the time of preparation of this report the Treasurer was yet to finalise the Order. Council does not have significant influence to allow it to use the equity method to account for this interest.

Notes to the Financial Report for the year ended 30 June 2010

It has classified this asset as an Available-for-Sale financial asset as defined in *AAB 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 statements.

There is no active market for the investment and so it is valued at Council's share of total equity as at each balance date. Changes in the fair value are recognised as revenue or expense in the Comprehensive Income Statement each year. Council's investment is disclosed on the face of the Balance Sheet with the value being determined as disclosed above.

Council's share of the Corporation's net assets at 30 June 2010 is \$66,490,148.

	30-Jun-10	30-Jun-09
Net assets transferred 1 July 2009	79,294,862	–
Change in fair value of investment	(12,804,714)	–
Total investment in water corporation	\$ 66,490,148	\$ –

24 Property, plant and infrastructure

a Land

Opening balance	31,639,606	31,706,000
Revaluation	7,527,106	–
Disposals	(198,400)	(214,394)
Transfer to Cradle Mountain Water	(1,394,782)	–
(Increase)/decrease in land held for resale	62,000	148,000
Closing balance – fair value	\$ 37,635,530	\$ 31,639,606

Land is valued as per the Valuer-General's valuation 30 June 2007 and adjusted at 30 June 2010. The adjustment factor of 1.25 was determined by the Valuer-General in March 2010.

Land valued at \$1,394,782 was transferred to Cradle Mountain Water on 1 July 2009.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
b Buildings		
Opening balance	64,527,083	63,097,006
Revaluation	18,028,171	–
Additions	5,160,648	1,521,297
Disposals	(299,375)	–
Transfer from work in progress	2,971,432	248,672
Transfer to Cradle Mountain Water	(717,034)	–
Transfer (to)/from other asset classes	826,683	(239,500)
(Increase)/decrease in property held for resale	100,392	(100,392)
Closing balance – fair value	90,598,000	64,527,083
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(29,765,054)</i>	<i>(28,666,376)</i>
<i>Revaluation</i>	<i>(6,726,365)</i>	–
<i>Disposals</i>	<i>94,352</i>	–
<i>Transfer to Cradle Mountain Water</i>	<i>145,640</i>	–
<i>Transfer to/(from) other asset classes</i>	<i>(248,529)</i>	<i>100,878</i>
<i>Depreciation expense</i>	<i>(1,184,044)</i>	<i>(1,199,556)</i>
<i>Closing balance</i>	<i>(37,684,000)</i>	<i>(29,765,054)</i>
Buildings – net book value	\$ 52,914,000	\$ 34,762,029

Buildings were revalued on 30 June 2010 by David D Johnston (A.A.P.I.) Certified Practising Valuer, eskproperty. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Buildings with a written down value of \$571,394 were transferred to Cradle Mountain Water on 1 July 2009.

Buildings with a written down value of \$578,154 were transferred from recreation.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
c Roads and streets		
Opening balance	161,758,598	159,087,895
Revaluation	13,273,703	–
Additions	2,574,374	1,164,229
Transfer from work in progress	267,147	1,309,750
Transfer (to)/from other asset classes	86,018	–
Acquisitions at no cost	451,532	196,724
Closing balance – fair value	<u>178,411,372</u>	<u>161,758,598</u>
<i>Accumulated Depreciation</i>		
Opening balance	(50,379,701)	(47,899,075)
Revaluation	(4,261,010)	–
Transfer to/(from) other asset classes	(3,665)	1,299
Depreciation expense	<u>(2,482,768)</u>	<u>(2,481,925)</u>
Closing balance	<u>(57,127,144)</u>	<u>(50,379,701)</u>
Roads and streets – net book value	<u>\$ 121,284,228</u>	<u>\$ 111,378,897</u>

Roads and streets include substructures, seals and kerbs relating to the road network.

Roads and streets were revalued on 1 July 2007 by the Assets and Engineering Department of the Central Coast Council and adjusted at 30 June 2010. The index used was 8.06% derived for the Council Cost Index for the 2008/09 and 2009/10 financial years.

Road assets with a written down value of \$82,353 were transferred from footpaths and recreation. New road assets with a total value of \$451,532 have been recognised from subdivisions transferred to Council.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
d Footpaths		
Opening balance	23,851,651	23,454,957
Revaluation	2,085,588	–
Additions	1,260,974	281,894
Disposals	–	(53,636)
Transfer from work in progress	–	70,817
Transfer (to)/from other asset classes	763,159	(174,549)
Acquisitions at no cost	67,639	272,168
Closing balance – fair value	28,029,011	23,851,651
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(6,839,195)</i>	<i>(6,515,265)</i>
<i>Revaluation</i>	<i>(598,377)</i>	–
<i>Disposals</i>	–	23,363
<i>Transfer to/(from) other asset classes</i>	<i>(212,172)</i>	20,777
<i>Depreciation expense</i>	<i>(373,963)</i>	<i>(368,070)</i>
<i>Closing balance</i>	<i>(8,023,707)</i>	<i>(6,839,195)</i>
Footpaths – net book value	\$ 20,005,304	\$ 17,012,456

Footpaths include recreational pathways with a written down value of \$462,166 and \$114,378 transferred from parks and open space and active recreation. Assets with a written down value of \$25,558 were transferred to roads.

Footpaths were revalued on 1 July 2007 by the Assets and Engineering Department of the Central Coast Council and adjusted at 30 June 2010. The index used was 8.06% derived for the Council Cost Index for the 2008/09 and 2009/10 financial years.

New footpaths with a total value of \$67,639 have been recognised from subdivisions transferred to Council.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
e Carparks		
Opening balance	2,577,812	2,373,264
Revaluation	212,649	–
Additions	60,513	142,138
Transfer from work in progress	–	62,410
Closing balance – fair value	2,850,974	2,577,812
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(1,155,440)</i>	<i>(1,090,991)</i>
<i>Revaluation</i>	<i>(98,963)</i>	<i>–</i>
<i>Depreciation expense</i>	<i>(71,084)</i>	<i>(64,449)</i>
<i>Closing balance</i>	<i>(1,325,487)</i>	<i>(1,155,440)</i>
Carparks – net book value	\$ 1,525,487	\$ 1,422,372

Carparks were revalued on 1 July 2007 by the Assets and Engineering Department of the Central Coast Council and adjusted at 30 June 2010. The index used was 8.06% derived for the Council Cost Index for the 2008/09 and 2009/10 financial years.

f Bridges

Opening balance	18,437,387	11,510,146
Revaluation	718,371	6,488,332
Additions	1,447,672	45,962
Disposals	(883,172)	(135,841)
Transfer from work in progress	79,526	528,788
Closing balance – fair value	19,799,784	18,437,387
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(8,909,609)</i>	<i>(5,617,326)</i>
<i>Revaluation</i>	<i>(371,194)</i>	<i>(3,022,290)</i>
<i>Disposals</i>	<i>883,172</i>	<i>110,032</i>
<i>Depreciation expense</i>	<i>(386,288)</i>	<i>(380,025)</i>
<i>Closing balance</i>	<i>(8,783,919)</i>	<i>(8,909,609)</i>
Bridges – net book value	\$ 11,015,865	\$ 9,527,778

Bridges were revalued on 30 June 2010 by the Assets and Engineering Department of the Central Coast Council using data provided by TasSpan.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
g Drainage		
Opening balance	39,520,232	29,195,412
Revaluation	–	9,801,028
Additions	303,928	265,123
Disposals	(3,349)	(10,659)
Transfer from work in progress	50,324	90,069
Acquisitions at no cost	106,755	179,259
Closing balance – fair value	39,977,890	39,520,232
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(15,216,767)</i>	<i>(11,392,373)</i>
<i>Revaluation</i>	<i>–</i>	<i>(3,349,280)</i>
<i>Disposals</i>	<i>583</i>	<i>3,989</i>
<i>Depreciation expense</i>	<i>(351,843)</i>	<i>(479,103)</i>
<i>Closing balance</i>	<i>(15,568,027)</i>	<i>(15,216,767)</i>
Drainage – net book value	\$ 24,409,863	\$ 24,303,465

Drainage assets were revalued on 1 July 2008 by the Assets and Engineering Department of the Central Coast Council. The useful lives of drainage assets were reviewed and industry standard lives of 100 years adopted from 1 July 2009. This resulted in the reduction of depreciation expense by approximately \$100,000.

New drainage assets with a total value of \$106,755 have been recognised from subdivisions transferred to Council.

h Furniture and equipment

Opening balance	2,583,747	2,445,565
Acquisitions	337,776	191,578
Disposals	(151,444)	(53,396)
Closing balance – cost	2,770,079	2,583,747
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(1,986,945)</i>	<i>(1,886,633)</i>
<i>Disposals</i>	<i>139,918</i>	<i>52,031</i>
<i>Depreciation expense</i>	<i>(170,007)</i>	<i>(152,343)</i>
<i>Closing balance</i>	<i>(2,017,034)</i>	<i>(1,986,945)</i>
Furniture and equipment – cost	\$ 753,045	\$ 596,802

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
i Plant and machinery		
Opening balance	6,847,207	6,616,508
Acquisitions	1,292,556	910,768
Disposals	(1,004,572)	(680,069)
Transfer to Cradle Mountain Water	(632,234)	–
Closing balance – cost	<u>6,502,957</u>	<u>6,847,207</u>
<i>Accumulated Depreciation</i>		
Opening balance	(3,758,387)	(3,572,417)
Disposals	767,071	424,678
Transfer to Cradle Mountain Water	387,631	–
Depreciation expense	(632,299)	(610,648)
Closing balance	<u>(3,235,984)</u>	<u>(3,758,387)</u>
Plant and machinery – cost	\$ 3,266,973	\$ 3,088,820

Plant and Machinery assets with a written down value of \$244,603 were transferred to Cradle Mountain Water on 1 July 2009.

j Recreation		
Opening balance	10,166,837	9,596,151
Revaluation	1,210,722	–
Additions	400,272	253,797
Disposals	(380,472)	–
Transfer from work in progress	81,623	122,814
Transfer (to)/from other asset classes	(1,673,004)	194,075
Closing balance – fair value	<u>9,805,978</u>	<u>10,166,837</u>
<i>Accumulated Depreciation</i>		
Opening balance	(4,340,626)	(4,064,713)
Revaluation	(846,338)	–
Disposals	165,368	–
Transfer to/(from) other asset classes	461,510	(30,195)
Depreciation expense	(255,489)	(245,718)
Closing balance	<u>(4,815,575)</u>	<u>(4,340,626)</u>
Recreation – net book value	\$ 4,990,403	\$ 5,826,211

Recreation assets were revalued on 30 June 2010 by the Assets and Engineering Department of the Central Coast Council.

Assets with a written down value of \$576,545 were transferred to footpaths, \$578,154 to buildings and \$56,795 to roads.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
k Water supply		
Opening balance	24,066,488	23,579,423
Additions	–	282,302
Disposals	–	(222,505)
Transfer from work in progress	–	11,912
Transfer to Cradle Mountain Water	(24,066,488)	–
Transfer to other asset classes	–	(19,526)
Acquisitions at no cost	–	434,882
Closing balance – fair value	–	24,066,488
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(8,338,284)</i>	<i>(8,183,063)</i>
<i>Disposals</i>	<i>–</i>	<i>91,033</i>
<i>Transfer to Cradle Mountain Water</i>	<i>8,338,284</i>	<i>–</i>
<i>Transfer to other asset classes</i>	<i>–</i>	<i>8,119</i>
<i>Depreciation expense</i>	<i>–</i>	<i>(254,373)</i>
<i>Closing balance</i>	<i>–</i>	<i>(8,338,284)</i>
Water supply – net book value	\$ –	\$ 15,728,204

Water assets with a written down value of \$15,728,204 were transferred to Cradle Mountain Water on 1 July 2009.

I Sewerage

Opening balance	63,582,689	60,015,273
Additions	–	1,547,616
Disposals	–	(50,263)
Transfer to Cradle Mountain Water	(63,582,689)	–
Transfer from work in progress	–	163,237
Transfer from other asset classes	–	152,232
Acquisitions at no cost	–	1,754,594
Closing balance – fair value	–	63,582,689
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(23,073,432)</i>	<i>(22,156,872)</i>
<i>Disposals</i>	<i>–</i>	<i>30,840</i>
<i>Transfer to Cradle Mountain Water</i>	<i>23,073,432</i>	<i>–</i>
<i>Transfer from other asset classes</i>	<i>–</i>	<i>(15,888)</i>
<i>Depreciation expense</i>	<i>–</i>	<i>(931,512)</i>
<i>Closing balance</i>	<i>–</i>	<i>(23,073,432)</i>
Sewerage – net book value	\$ –	\$ 40,509,257

Sewerage assets with a written down value of \$40,509,257 were transferred to Cradle Mountain Water on 1 July 2009.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
m Environmental		
Opening balance	2,478,832	2,215,810
Revaluation	–	318,599
Additions	112,617	394,746
Disposals	–	(490,460)
Transfer from work in progress	31,190	40,137
Closing balance – fair value	<u>2,622,639</u>	<u>2,478,832</u>
<i>Accumulated Depreciation</i>		
Opening balance	(368,075)	(708,439)
Revaluation	–	(59,170)
Disposals	–	463,708
Depreciation expense	(80,877)	(64,174)
Closing balance	<u>(448,952)</u>	<u>(368,075)</u>
Environmental – net book value	\$ 2,173,687	\$ 2,110,757

Environmental assets were revalued on 1 July 2008 by the Assets and Engineering Department of the Central Coast Council.

n Total Property, plant and infrastructure

Gross value	419,004,214	452,038,169
Accumulated Depreciation	(139,029,829)	(154,131,515)
Net Book Value	\$ 279,974,385	\$ 297,906,654

25 Payables

Employee costs	227,124	195,670
Materials and contracts	860,121	755,383
Capital expenditure	340,436	690,489
Accrued expenses	35,519	208,034
Total Payables	\$ 1,463,200	\$ 1,849,576

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
26 Provisions		
a Employee benefits		
<i>Current provisions</i>		
Annual leave	772,415	905,816
Long service leave	1,099,605	1,284,718
Employee benefits (on-costs)	125,573	147,037
	<u>1,997,593</u>	<u>2,337,571</u>
<i>Non-current provisions</i>		
Long Service Leave	123,123	130,753
Employee benefits (on-costs)	9,234	9,806
	<u>132,357</u>	<u>140,559</u>
Total employee benefits	<u>2,129,950</u>	<u>2,478,130</u>

The liability for employee benefit on-costs comprises superannuation, workers compensation and payroll tax relating to the employee benefit provisions.

b Aged Person Home Units

<i>Current provisions</i>		
Aged Person Home Units	126,563	129,739
<i>Non-current provisions</i>		
Aged Person Home Units	1,775,938	1,910,952
Total Aged Person Home Units provisions	<u>1,902,501</u>	<u>2,040,691</u>
<i>Movement in Provision</i>		
Opening balance	2,040,691	1,501,731
Contributions received	200,250	779,654
Refunds paid	(194,576)	(105,900)
Amortisation revenue recognised	(143,864)	(134,794)
Closing balance	<u>1,902,501</u>	<u>2,040,691</u>

The liability for Aged Person Home Units is comprised of contributions received from tenants upon entry to units owned by the Council. The contributions are amortised over a 20 year term.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
c Resource Recovery Centre restoration		
<i>Non-current provisions</i>		
Rehabilitation of resource recovery centre	373,947	354,049
Total rehabilitation provisions	373,947	354,049
<i>Movement in Provision</i>		
Opening balance	354,049	–
Provision recognised	–	354,049
Unwinding of discount	19,898	–
Closing balance	373,947	354,049

Council operates a Resource Recovery Centre at Lobster Creek Road which imposes an obligation for rehabilitation after expiration of the site's useful life which is expected to be around 2030.

A provision for rehabilitation costs, representing the net present value of future obligations, has been created at 30 June 2009. Council engineers estimated the costs based on the current costs incurred at similar sites.

Total current provisions	2,124,156	2,467,310
Total non-current provisions	2,282,242	2,405,560
Total provisions	\$ 4,406,398	\$ 4,872,870

27 Interest bearing loans and borrowings

Current loan liability	128,847	156,776
Non-current loan liability	1,340,942	1,416,854
Total interest bearing loans and borrowings	\$ 1,469,789	\$ 1,573,630

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
28 Other liabilities		
Revenue in advance	–	6,960
Sundry deposits	249,264	246,456
Total other liabilities	\$ 249,264	\$ 253,416

29 Reserves

a Asset revaluation reserves

Asset revaluation reserve – Council	152,928,542	152,301,721
Asset revaluation reserve – Associate	751,414	17,686,553
	<u>153,679,956</u>	<u>169,988,274</u>

Asset revaluation reserves represent the increase in the value of property, plant and equipment owned by the Council and Associates (see notes 22 and 24).

b Other reserves

Asset replacement reserve	1,523,434	2,381,919
Fire services reserve	11,091	5,612
Garbage collection reserve	(14,303)	37,337
Special projects reserve	1,581,063	1,976,635
	<u>3,101,285</u>	<u>4,401,503</u>
Total Reserves	\$ 156,781,241	\$ 174,389,777

Cash reserves are held for asset replacement and special projects.

Surpluses from fire and garbage collection services are held in reserve.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
30 Reconciliation of surplus/deficit to net cash from operating activities		
Surplus/(deficit)	\$ 3,122,029	\$ 5,854,361
<i>Cash flows from investing activities</i>		
Less Capital grants	(4,043,975)	(3,483,871)
	<u>(4,043,975)</u>	<u>(3,483,871)</u>
<i>Non-cash Items</i>		
Depreciation and amortisation	6,022,222	7,265,456
Share of profit in associate	(202,203)	(1,055,170)
(Profit)/loss on disposal of assets	62,972	123,764
Contributions – non-monetary assets	(625,926)	(2,364,456)
	<u>5,257,065</u>	<u>3,969,594</u>
<i>Change in Assets and Liabilities</i>		
(Increase)/decrease in receivables	105,934	(92,395)
(Increase)/decrease in inventories	92,099	(47,531)
(Increase)/decrease in other assets	83,310	(457,676)
Increase/(decrease) in payables	186,447	79,747
Increase/(decrease) in provisions	(466,472)	952,413
Increase/(decrease) in other liabilities	(4,152)	(23,878)
	<u>(2,834)</u>	<u>410,680</u>
Net cash provided by operating activities	\$ 4,332,285	\$ 6,750,764

The Council has seven Corporate Credit Cards with a total limit of \$25,500. The balance is paid in full on a monthly basis.

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
31 Commitments for expenditure		
Capital expenditure contracted for at 30 June but not recognised in the financial report as liabilities:		
less than 12 months	96,294	4,629,419
12 months – 2 years	–	–
2 years – 5 years	–	–
greater than 5 years	–	–
	\$ 96,294	\$ 4,629,419

32 Related party disclosures

Councillors allowances and reimbursements	306,603	284,869
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Section 84(2)(b) of the Local Government Act requires the reporting of any material interests of Councillors as notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings.

During the financial year ending 30 June 2010 no material disclosures were made.

Councillors during the period were:

Cr M Downie – Mayor
 Cr B Robertson – Deputy Mayor (to 29 October 2009)
 Cr J Bonde – Deputy Mayor (from 29 October 2009)
 Cr W Barker (to 29 October 2009)
 Cr L Bonde
 Cr J Deacon
 Cr A Diprose (from 29 October 2009)
 Cr D Dry
 Cr C Fuller
 Cr K Haines
 Cr G Howard
 Cr T McKenna (to 29 October 2009)
 Cr T van Rooyen
 Cr P Viney (from 29 October 2009)

Notes to the Financial Report for the year ended 30 June 2010

33 Financial instruments

a Accounting policy, terms and conditions

Financial instruments	Note	Accounting policy	Terms and conditions
Financial assets			
Cash and cash equivalents	15	Cash on hand, at bank and in cash management accounts are valued at face value. Interest is recognised as it accrues. Investments are held to maximise interest returns of surplus cash.	On call deposits returned a floating interest rate of 3.7% (4.83% in 2008/2009). The interest rate at balance date was 4.4% (3.97% in 2008/2009). Funds returned fixed interest rate of between 2.9% (2.9% in 2008/2009), and 4.5% (7.32% in 2008/2009) net of fees.
Trade and other receivables	16	An impairment loss is not recognised on rates receivable. A provision for doubtful debts is recognised on other debtors when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis.	Unpaid rates represent a charge against the ratable property that will be recovered when the property is next sold. General debtors are unsecured and arrears do not attract interest.
Other financial assets	17	Managed funds are measured at market value.	Managed funds provided a return of 3.94% (3.12 % in 2008/2009) excluding unrealised gains/losses.
Financial liabilities			
Trade and other payables	25	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	27	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 6.85% (6.50% in 2008/2009).

Notes to the Financial Report for the year ended 30 June 2010

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:

2010	Floating interest rate	Fixed interest maturing in: One year or less	Over 1 to 5 years	More than 5 years	Non- interest bearing	Total
Financial assets						
Cash and cash equivalents	3,456,243	–	–	–	–	3,456,243
Other financial assets	1,324,714	–	–	–	–	1,324,714
Trade and other receivables	–	–	–	–	1,440,165	1,440,165
Accrued revenue	–	–	–	–	94,858	94,858
Investment in water corporation	–	–	–	–	66,490,148	66,490,148
Total financial assets	4,780,957	–	–	–	68,025,171	72,806,128
Weighted average interest rate	4.24%					
Financial liabilities						
Trade and other payables	–	–	–	–	1,463,200	1,463,200
Trust funds and deposits	–	–	–	–	249,264	249,264
Interest-bearing loans and borrowings	–	–	124,473	1,345,316	–	1,469,789
Total financial liabilities	–	–	124,473	1,345,316	1,712,464	3,182,253
Weighted average interest rate			6.64%	6.87%		
Net financial assets (liabilities)	4,780,957	–	(124,473)	(1,345,316)	66,312,707	69,623,875

Notes to the Financial Report for the year ended 30 June 2010

2009	Floating interest rate	Fixed interest maturing in:			Non- interest bearing	Total
		One year or less	Over 1 to 5 years	More than 5 years		
Financial assets						
Cash and cash equivalents	1,806,552	-	-	-	-	1,806,552
Other financial assets	7,863,609	-	-	-	-	7,863,609
Trade and other receivables	-	-	-	-	1,546,099	1,546,099
Accrued revenue	-	-	-	-	75,144	75,144
Total financial assets	9,670,161	-	-	-	1,621,243	11,291,404
Weighted average interest rate	3.68%					
Financial liabilities						
Trade and other payables	-	-	-	-	1,849,576	1,849,576
Trust funds and deposits	-	-	-	-	253,416	253,416
Interest-bearing loans and borrowings	-	709,783	125,850	737,997	-	1,573,630
Total financial liabilities	-	709,783	125,850	737,997	2,102,992	3,676,622
Weighted average interest rate		5.90%	6.69%	7.05%		
Net financial assets (liabilities)	9,670,161	(709,783)	(125,850)	(737,997)	(481,749)	7,614,782

Notes to the Financial Report for the year ended 30 June 2010

c Net fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Balance Sheet, are as follows:

Fair Values	30 June 2010		30 June 2009	
	Carrying amount	Net Fair Value	Carrying amount	Net Fair Value
<i>Financial assets</i>				
Cash and cash equivalents				
Cash at bank and on hand	1,688,001	1,688,001	787,358	787,358
Cash management account	1,768,242	1,768,242	1,019,194	1,019,194
Trade and other receivables	1,440,165	1,440,165	1,546,099	1,546,099
Other financial assets	1,324,714	1,324,714	7,863,609	7,863,609
Accrued revenue	94,858	94,858	75,144	75,144
Investment in water corporation	66,490,148	66,490,148	–	–
	72,806,128	72,806,128	11,291,404	11,291,404
<i>Financial liabilities</i>				
Payables	1,463,200	1,463,200	1,849,576	1,849,576
Interest-bearing loans and borrowings	1,469,789	1,516,202	1,573,630	1,594,139
Other liabilities	249,264	249,264	253,416	253,416
	3,182,253	3,228,666	3,676,622	3,697,131
Net financial assets	\$ 69,623,875	\$ 69,577,462	\$ 7,614,782	\$7,594,273
Carrying amounts classified as:	30 June 2010		30 June 2009	
<i>Financial assets</i>				
Cash and cash equivalents		3,456,243		1,806,552
Financial assets at fair value through profit and loss upon initial recognition		1,324,714		7,863,609
Loans and receivables		1,535,023		1,621,243
Available for sale financial assets		66,490,148		–
		72,806,128		11,291,404
<i>Financial liabilities</i>				
Financial liabilities measured at amortised cost		3,182,253		3,676,622
		3,182,253		3,676,622
Net financial assets / (liabilities)	\$	69,623,875	\$	7,614,782

The basis for determining fair values is disclosed in Note 1.

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 Balance Sheet.

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. 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.

Notes to the Financial Report for the year ended 30 June 2010

We manage interest rate risk by adopting an investment policy that ensures:

- . conformity with State and Federal regulations and standards,
- . capital protection,
- . appropriate liquidity,
- . diversification by credit rating, financial institution and investment product,
- . monitoring of return on investment,
- . benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

- . we have a policy for establishing credit limits for the entities we deal with;
- . we may require collateral where appropriate; and
- . we only invest surplus funds with financial institutions which have a recognised credit rating specified in our Investment policy.

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 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 balances are monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant. We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party.

Notes to the Financial Report for the year ended 30 June 2010

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 & Other Receivables was:

Trade receivables	30 June 2010	30 June 2009
Current (not yet due)	579,134	327,733
Past due 0–30 days	42,278	382,549
Past due 31–60 days	61,490	57,078
Past due 61–90 days	18,286	7,866
More than 90 days	82,693	31,863
Total trade receivables	783,881	807,089
Rates receivable	290,344	315,622
Total receivables	\$ 1,074,225	\$ 1,122,711

Ageing of individually impaired trade and other receivables

At balance date no debtors were impaired. Some 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.

Notes to the Financial Report for the year ended 30 June 2010

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 undiscounted gross payments including both principal and interest amounts.

	Less than 1 year	1–5 years	More than 5 years	Total contractual cash flows	Carrying amount
30 June 2010					
Trade and other payables	1,463,200	–	–	1,463,200	1,463,200
Other liabilities	249,264	–	–	249,264	249,264
Interest-bearing loans and borrowings	227,459	715,578	1,271,589	2,214,626	1,469,789
Total	\$ 1,939,923	\$ 715,578	\$ 1,271,589	\$ 3,927,090	\$ 3,182,253
30 June 2009					
Trade and other payables	1,849,576	–	–	1,849,576	1,849,576
Other liabilities	253,416	–	–	253,416	253,416
Interest-bearing loans and borrowings	862,735	473,052	606,507	1,942,294	1,573,630
Total	\$ 2,965,727	\$ 473,052	\$ 606,507	\$ 4,045,286	\$ 3,676,622

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 4.4%.

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.

Notes to the Financial Report for the year ended 30 June 2010

		+1% (100 basis points)		– 0.5% (50 basis points)	
		Profit/(loss)	Equity	Profit/(loss)	Equity
Financial assets					
Cash and cash equivalents	3,456,243	34,562	34,562	(17,281)	(17,281)
Financial assets	1,324,714	13,247	3,247	(6,624)	(6,624)
Financial liabilities					
Interest bearing loans	1,469,789	14,698	14,698	(7,349)	(7,349)

g Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method.

The different levels have been defined as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices included within level one that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- Level 3 – inputs for the asset or liability that are not based on observable market data

30 June 2010	Level 1	Level 2	Level 3	Total
Available for sale financial assets	–	–	66,490,148	66,490,148
Financial assets at fair value through the comprehensive income statement	–	1,324,714	–	1,324,714
Financial assets held for trading	–	–	–	–
Derivative financial assets	–	–	–	–

There were no transfers between Level 1 and 2 in the period.

Reconciliation of Level 3 Fair Value Movements	2010
Opening balance	–
Investment on transfer of net assets	79,294,862
<i>Gains (losses) recognised in other comprehensive income:</i>	
Change in fair value of investment in Cradle Mountain Water	(12,804,714)
Closing balance	\$66,490,148

34 Superannuation

The Central Coast Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund, which is a sub fund of the Quadrant Superannuation Scheme. The 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, the Council does not use defined benefit accounting for these contributions.

At the present time the Council contributes 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, the Council is required to meet its share of the deficiency.

Bendzulla Actuarial Pty Ltd undertook the last actuarial review of the Fund at 30 June 2008. The review disclosed that at that time the net market value of assets available for funding member benefits was \$84,786,241, the value of vested benefits was \$77,075,401, the surplus was \$7,707,840, and the value of total accrued benefits was \$81,398,000. These amounts relate to all members of the fund at the date of valuation and no asset or liability is recorded in the Quadrant Superannuation Scheme's financial statements for Council employees.

The financial assumptions used to calculate the Accrued Benefits for the Fund were:

Net Investment Return	(17.0)% for 2008/2009 and 7.0% per annum thereafter
Salary Inflation	4.0% per annum
Price Inflation	n/a

In the opinion of the Actuary, the Quadrant Defined Benefit Fund was adequately funded in that assets were sufficient to cover the vested benefits of all members at the review date and the actuarial value of accrued past service benefits.

At 30 June 2009, the net market value of assets available for funding members benefits had fallen to \$58,450,000 largely due to the poor investment returns that were experienced during the 2009 financial year. The value of vested benefits at that date was \$64,350,000 resulting in a shortfall of \$5,900,000. When the Fund's assets are below the vested benefits, superannuation law defines this as an "unsatisfactory financial position". As a result of the Fund moving into an unsatisfactory financial position, the Quadrant Trustee prepared a plan to restore the financial position within a reasonable timeframe. This plan noted the improved investment returns since 30 June 2009 and confirmed that the 9.5% contribution rate remained appropriate.

Notes to the Financial Report for the year ended 30 June 2010

The next full triennial review will be undertaken after 31 October 2011 for 30 June 2011.

The 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 year the Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the Superannuation Guarantee (Administration) Act 1992.

The amount of contributions paid by the Council during the reporting period to defined benefit schemes was \$104,116 (2008/2009 was \$125,213). The amount paid to accumulation schemes was \$710,268 (2008/2009 was \$730,425).

	30-Jun-10	30-Jun-09
35 Capital expenditure		
<i>Capital expenditure areas:</i>		
Buildings	8,132,080	1,769,969
Roads and streets	2,841,521	2,944,872
Footpaths	1,260,974	352,711
Carparks	60,513	204,548
Bridges	1,527,198	574,750
Drainage	354,252	355,192
Furniture and equipment	337,776	191,578
Plant and machinery	1,292,556	910,768
Recreation	481,895	376,611
Water supply	-	294,214
Sewerage	-	1,710,853
Environmental	143,807	434,883
Total capital work	\$ 16,432,572	\$ 10,120,949

Property, plant and equipment, infrastructure movement

The movement between the previous year and the current year in property, plant and equipment, infrastructure as shown in the Balance Sheet links to the net of the following items:

Notes to the Financial Report for the year ended 30 June 2010

	30-Jun-10	30-Jun-09
Total capital works	16,432,572	10,120,949
Asset revaluation movement	30,154,063	10,177,219
Contributions – non-monetary assets	625,926	2,364,456
(Increase)/decrease in property held for resale	162,392	47,608
Depreciation/amortisation	(5,988,662)	(7,231,896)
Disposals	(870,320)	(711,549)
Assets transferred	(58,448,240)	–
Net movement in property, plant and equipment infrastructure	\$ (17,932,269)	\$ 14,766,787

a Renewal

Expenditure on an existing asset which returns the service potential or the life of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time.

b Upgrade

Expenditure which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the council's asset base.

c Expansion

Expenditure which extends an existing asset, at the same standard as is currently enjoyed by residents, to a new group of users. It is discretionary expenditure which increases future operating and maintenance costs, because it increases council's asset base, but may be associated with additional revenue from the new user group.

Notes to the Financial Report for the year ended 30 June 2010

36 Significant Business Activities

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

	Roads, Streets and Bridges		Sewerage		Water	
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
Revenue						
Rates	1,580,360	1,696,778	-	1,963,864	-	2,817,432
Other Revenue	4,248,168	2,551,649	-	2,928,464	-	1,686,933
Total Revenue	5,828,528	4,248,427	-	4,892,328	-	4,504,365
Expenses						
<i>Direct</i>						
Employee Costs	561,373	554,625	-	599,826	-	426,227
Materials and Contracts	1,396,621	1,217,178	-	729,725	-	3,359,941
Borrowing Costs	-	-	-	8,612	-	-
<i>Indirect</i>						
Engineering and Administration	251,248	333,342	-	337,887	-	379,129
Total Expenses	2,209,242	2,105,145	-	1,676,050	-	4,165,297
Capital Costs						
Depreciation	3,619,286	3,542,180	-	966,994	-	294,840
Opportunity Cost of Capital	13,750,961	12,957,777	-	3,808,665	-	3,334,316
Total Capital Costs	17,370,247	16,499,957	-	4,775,659	-	3,629,156
Competitive Neutrality Costs	\$ -	\$ -	\$ -	\$ 686,384	\$ -	\$ 12,577

Notes to the Financial Report for the year ended 30 June 2010

Certification of the Financial Report

The financial report presents fairly the financial position of the Central Coast Council as at 30 June 2010, 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 Australian Accounting Interpretations, and other mandatory professional reporting requirements.

A handwritten signature in dark ink, reading "Sandra Ayton". The signature is written in a cursive, flowing style.

Sandra Ayton
GENERAL MANAGER

27 August 2010



INDEPENDENT AUDIT REPORT

To the Councillors of Central Coast Council

Financial Report for the Year Ended 30 June 2010

Report on the Financial Report

I have audited the accompanying financial report of Central Coast Council (Council), which comprises the balance sheet as at 30 June 2010, the comprehensive income statement, 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.

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 (including Australian Accounting Interpretations) 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 statements 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Council's preparation and fair presentation of the financial statements 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 statements.

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in Council's financial report.

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* further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

Auditor's Opinion

In my opinion the financial report of Central Coast Council:

- (a) presents fairly, in all material respects, the financial position of Council as at 30 June 2010, and its financial performance, cash flows and changes in equity for the year then ended; and
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards (including Australian Accounting Interpretations).

TASMANIAN AUDIT OFFICE



J J Tongs

DIRECTOR - FINANCIAL AUDIT
Delegate of the Auditor-General

HOBART

20 September 2010

State of Environment and Public Health Report

for the year ended 30 June 2010

Appendix B

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P3	Introduction
4	Immunisation service
5–7	Protection of the community against the spread of infectious disease and conditions causing ill health
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11–15	Safe water
16–19	Solid waste management
20–21	Effective and safe management of wastewater
22	Healthy and safe Places of Assembly
23	Environmental management assessment and investigation
24–26	Management and administration

Introduction

The corporate structure and principal functional activities of the Council are detailed in the Annual Report for the year ended 30 June 2010 pursuant to Section 72 of the Local Government Act 1993.

The Council's Development & Regulatory Services Department is a multi-disciplinary unit comprising 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.

Immunisation service

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 2009/2010 financial year the Council operated school clinics for Chicken Pox; Hepatitis B; Human Papilloma Virus (HPV); and Diphtheria/Tetanus/ Pertussis (dTpa).

The total number of immunisations administered was 622 as shown in Table 1.

Table 1: Immunisation clinics

CATEGORY	TYPE OF VACCINATION			
School	Chicken Pox (Grade 6)	Hepatitis B (Grade 6)	HPV (Grade 7)	dTpa (Grade 10)
East Ulverstone Primary	10	43	N/A	N/A
Forth Primary	4	22	N/A	N/A
Leighland Christian	5	36	19	20
North West Christian	3	6	2	3
Penguin Primary	10	65	N/A	N/A
Penguin High	N/A	N/A	21	29
Riana Primary	2	15	N/A	N/A
Sacred Heart Primary	4	43	N/A	N/A
Sprent Primary	3	16	N/A	N/A
Ulverstone Primary	19	76	N/A	N/A
Ulverstone High	N/A	N/A	33	59
West Ulverstone Primary	11	43	N/A	N/A
Total	71	365	75	111

The Council also conducted in-house immunisation clinics to immunise staff members; 68 against seasonal Influenza, 20 against Diphtheria/Tetanus and 11 against Hepatitis A and B.

Protection of the community against the spread of infectious disease and conditions causing ill health

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	3	3
Campylobacteriosis	0	0

Public Health Risk Activities (skin penetration premises)

Target:

- *To register all skin penetration 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 of skin penetration including acupuncture; 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 prevent the risk of cross contamination in premises used for skin penetration.

Protection of the community against the spread of infectious disease and conditions causing ill health

Strategy:

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

Performance:

Nine public health risk activities were registered in the reporting period (see table below).

Type of Facility	Number of Registered Businesses	Number of Routine Inspections Undertaken
Body Piercing/Ear Piercing	7	7
Acupuncturist	2	2
Total	9	9

Regulated systems for air (cooling towers)

Target:

Compliance with statutory requirements. Conduct biannual audits of all 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.

Protection of the community against the spread of infectious disease and conditions causing ill health

Performance:

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

During the 2009/2010 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.

Mosquito vector control

Target:

To monitor mosquito vector presence at locations identified as breeding or staging grounds within the municipal area.

Strategy:

To monitor mosquito larvae presence as required.

Performance:

No monitoring was carried out during the reporting period.

Discussion:

There were no incidents requiring investigation for the reporting period.

Food surveillance and education

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 audit frequency is determined by a priority (risk) classification assessment in accordance with Department of Health and Human Services' discussion paper on 'Requirements for Local Government Food Premises Audits' (1 August 1996). The aim of the inspections is to identify risks to the safety of food from handling and operator proficiency and to detect and regulate any statutory non-compliance.

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 audits varies from once a year to once a month depending on the risk assessment, category and classification of a premise.

Food surveillance and education

Performance:

During the 2009/2010 financial year 162 food businesses and 11 registerable food vans were registered.

A total of 237 food inspections were undertaken in the 2009/2010 financial year with some premises requiring more than one inspection in the year. The risk classification of the food businesses and surveillance program are detailed in the following table.

Risk	Number of Registered Businesses	Number of Routine Inspections Undertaken	Number of Follow up Inspections Undertaken
High	23	39	11
Medium	79	114	7
Low	60	64	2
Total	162	217	20

The general standard of the food premises and food hygiene:

Many premises have shown a consistent level of compliance with the Food Safety Standards and the *Food Act 2003*. However, some premises required additional inspections and/or Improvement Notice to bring them into compliance with the Legislation. One food premise was fined for failing to comply with an Improvement Notice. Fifteen Improvement Notices were issued in the year.

Public Health Education Campaign:

There are many public events held in Central Coast each year. To assist the organisers in meeting their public health and food handling obligations, the Council held an educational forum which was attended by some 30 event organisers. Additionally, a public events kit has been developed and is now being widely used by organisers when preparing and applying for licenses to hold their public events.

During the year the Council subscribed to an on-line food handler training package called "I'm Alert". People are now able to access quality food handler training through the Council's website and has been responsible for training 423 people during the year.

Food surveillance and education

Food sampling:

No food sampling was required by the Department of Health and Human Services in the 2009/2010 financial year.

Temporary Food Premises

Target:

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

Desired outcome:

Food that is safe for human consumption.

Strategy:

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

Commentary:

Temporary food premises include transient food vans and other food vans and food stalls normally associated with markets and infrequent outdoor events.

Performance:

Sixty four temporary food premises were registered in the reporting 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 –

*Recreational use of waterbodies – see Table 5
Type of sampling conducted – Enterococci/100mL
Sampling frequency – monthly (December to March)
Locations – see attached maps 4–6*

Recreational water bodies are sampled during the main bathing season. Enterococci analysis is undertaken at a NATA accredited laboratory.

The results are compared with the appropriate standard in the NH&MRC Guidelines for Managing Risks in Recreational Water (2006) and the Recreational Water Quality Guidelines 2007 (*Public Health Act 1997*). If a recreational water body is found to continually exceed the guidelines, signs are placed to advise the public not to swim in that location.

Table 3 is a list of the sites where samples are taken and the type of water-related recreation that occurs at each site.

Safe water

Table 3: Recreational sites monitored and uses

Site	Site Number	Recreational Purposes
Blythe River - mouth	PEN 1	fishing, surfing, boating
Preservation Bay - Surf Club	PEN 2	swimming, surfing
Johnsons Beach - caravan park	PEN 3	swimming
Main Beach - Penguin	PEN 4	swimming, surfing
Lobster Creek Reserve	ULV 1	swimming, water sports
West Beach - opposite shop	ULV 2	swimming
Picnic Point Beach	ULV 3	swimming
Tobruk Park	ULV 4	skiing, fishing
Main Beach - Surf Club	ULV 5	swimming, surfing
Buttons Creek - mouth	ULV 6	historically this site was used for swimming
Victoria Park - Gunns Plains	ULV 7	swimming, fishing
West Turners Beach	ULV 8	swimming
Gables Park - Turners Beach	ULV 9	boating, swimming
Canoe Course - Forth River	ULV 10	kayaking, rafting, swimming

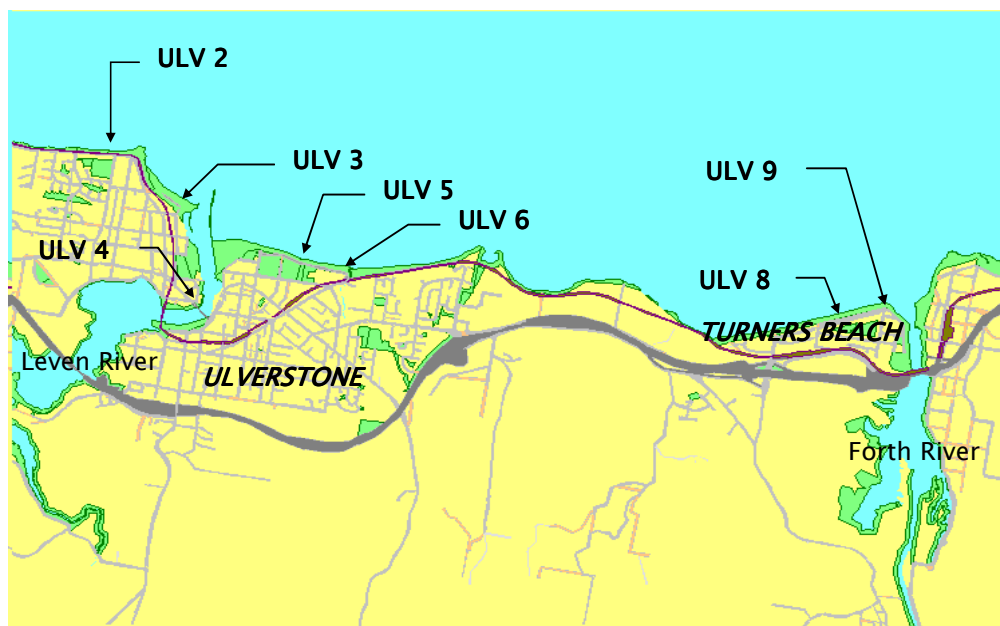
Maps 1 to 3 illustrate where recreational water quality monitoring takes place within the Central Coast municipal area.

Map 1: Central Coast municipal area

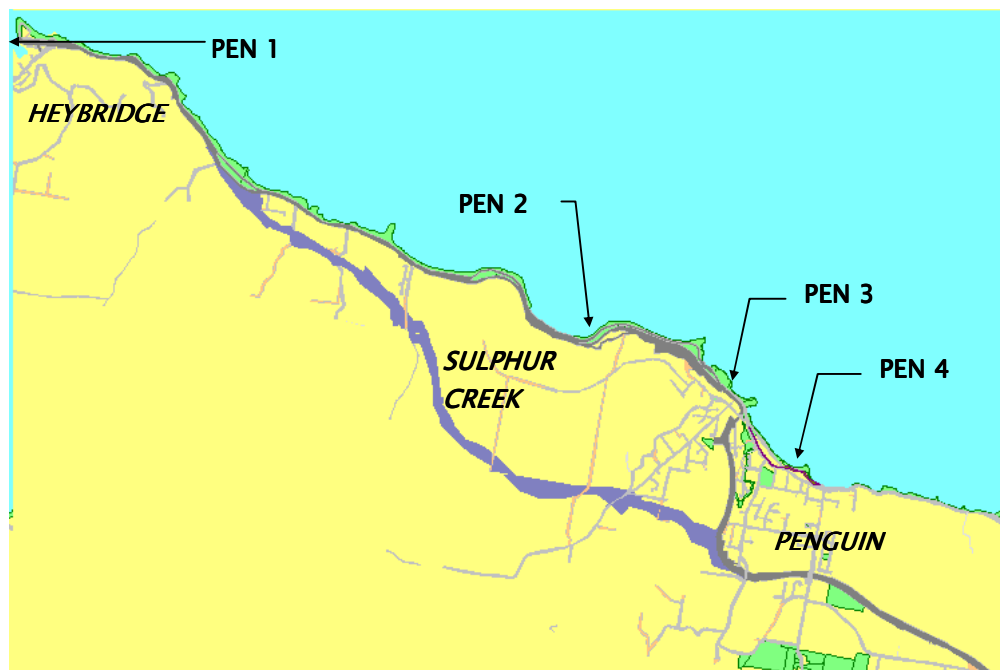


Safe water

Map 2: Ulverstone Insert



Map 3: Penguin Insert



Safe water

Performance:

Table 4 is a summary of the recreational water quality monitoring results for the period ending 30 June 2010:

Table 4: Summary of Recreational Water Quality Results for 2009/2010

Site		Parameters	
		Number of samples	Median Enterococci/100mL *(Standard<140/100mL)
Blythe River - mouth	PEN1	6	41
Preservation Bay – surf club	PEN 2	6	<10
Johnsons Beach – caravan park	PEN 3	6	<10
Main Beach, Penguin	PEN 4	6	<10
West Beach – opposite shop	ULV 2	22	31
Picnic Point Beach	ULV 3	26	42
Tobruk Park	ULV 4	7	20
Main Beach – surf club	ULV 5	15	10
Buttons Creek - mouth	ULV 6	18	345
Victoria Park, Gunns Plains	ULV 7	7	75
West Turners Beach	ULV 8	6	<10
Gables Park, Turners Beach	ULV 9	12	20
Canoe course – Forth River	ULV 10	7	53

EXPLANATORY COMMENT – The historical levels of bacterial contamination at all recreational sites meet the prescribed standards. Warning signs advising against recreational use are in place at Buttons Creek due to historically high levels of bacterial contamination. The bacteria listed are the only parameters* tested for due to limited financial resources. However, it would be reasonable to use these as indicator organisms in deciding the suitability of these waters for recreational use.

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

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.

It should be noted that the level for investigation was exceeded at Picnic Point Beach on nine occasions between December 2009 and March 2010 and three

Safe water

occasions at Gables Park, Turners Beach during January 2010. Following these exceedences, the Council undertook sanitary survey investigations and issued public health warnings for both sites in consultation with the Department of Health and Human Services. Public health warnings were in place for Picnic Point between 12–14 January 2010 and 1–3 March 2010 and Gables Park between 12–18 January 2010. On each occasion re-sampling was undertaken which demonstrated compliance with the Guidelines.

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 it can be confirmed over consecutive bathing seasons that 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.

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:

A new management process is currently being developed for private drinking water suppliers. Private drinking water suppliers will be required to have an Annual Management Plan showing how they will manage and sample their water supply to ensure that it complies with the Act.

The register of private drinking water suppliers is currently being reviewed to ensure that all premises that are required to be registered are included in the register.

Solid Waste Management

Target:

To ensure that solid waste is collected in a safe, efficient, and environmentally sound manner and disposed of to an appropriate and secure facility or waste service provider.

Desired outcome:

The effective and safe management of wastes.

Strategy

- Conduct water monitoring at sites where there is potential for leachate to contaminate water supplies; and
- Arrange timely collection and disposal of the Council's hazardous wastes.

Commentary:

Water monitoring is conducted at the Ulverstone Resource Recovery Centre (RRC), the former Penguin landfill site, and the Preston Transfer Station in accordance with the Department of Primary Industries, Parks, Water and Environment (DPIPWE) requirements. Water samples are analysed at a NATA registered laboratory for parameters typically associated with leachate.

The Council's hazardous wastes are centralised and collected when required by licensed operators for treatment and/or disposal.

Performance:

Hazardous waste disposal –

Unwanted, expired or unknown hazardous chemicals from Council operation are collected about every six months (when required). During the reporting period the Council required one collection of hazardous chemicals to occur.

Water monitoring –

Table 5 shows results of the water monitoring program at the Preston Transfer Station for the period ending 30 June 2010.

Solid Waste Management

Table 5: Preston Transfer Station – Water monitoring results

PRESTON TRANSFER STATION – WATER MONITORING PROGRAM					
Parameter (mg/L unless otherwise specified)	* Standard	Surface Water			
		Lake Isandula at Isandula Rd bridge SW1	West Gawler River at Closes Rd bridge SW2	Eastern surface run-off pond SW3 **	Western surface run-off pond SW4 **
pH	6.5-7.5	6.34	6.47	-	-
Conductivity	30-350	80.2	73.4	-	-
Ammonia	0.9	<0.01	<0.01	-	-
Nitrate	0.7	0.66	0.74	-	-
Nitrite	-	<0.01	<0.01	-	-
Nitrate & Nitrite (oxidised N)	-	0.66	0.74	-	-
COD	-	<5	99	-	-
Iron (Fe) Dissolved	-	0.23	0.30	-	-
Aluminium (Al) Dissolved	0.055	0.21	0.18	-	-
Copper (Cu) Dissolved	0.0014	0.004	<0.001	-	-
Zinc (Zn) – Dissolved	0.008	<0.005	<0.005	-	-
Chromium (Cr) Dissolved	0.001	0.001	<0.001	-	-
Cobalt (Co) Dissolved	-	<0.001	<0.001	-	-
Manganese (Mn) Dissolved	-	0.014	0.020	-	-
Nickel (Ni) Dissolved	0.011	0.002	0.001	-	-
Lead (Pb) - Dissolved	0.0034	<0.001	<0.001	-	-
Cadmium (Cd) Dissolved	0.0002	<0.0001	<0.0001	-	-
Arsenic (As) Dissolved	-	<0.001	<0.001	-	-
Enterococci	-	210	86	-	-
Thermotolerant Coliforms	-	47	100	-	-

* Australian and New Zealand Environment and Conservation Council (2000), *Australian and New Zealand Guidelines for Fresh and Marine Water Quality*, Canberra (Trigger value for 95% protection of freshwater aquatic ecosystems)

** No monitoring low creek flow/pond was dry/overgrown vegetation

Table 6 shows results of the water monitoring program at the former Penguin landfill site and the Ulverstone RRC for the period ending 30 June 2010.

Solid Waste Management

Table 6: Former Penguin Landfill Site and the Ulverstone Resource Recovery Centre – Water monitoring results

Parameter	* Standard	FORMER PENGUIN LANDFILL SITE					ULVERSTONE RESOURCE RECOVERY CENTRE		
		Surface Water							
		Stream above Landfill	900mm Leachate Pipe	Stream below Landfill	Organic Farm	Golf Course	Leachate Pond SW1	Creek SW2	Down Stream SW3
Ph	6.5 –7.5	9.1	8.7	8.7	8.3	8.8	6.79	5.96	6.09
Conductivity us/cm	30-350	155.8	351	399	453	279	794	200	141.3
TDS	-	100	200	254	240	160	460	140	126
Total Suspended Solids	-	<1	<1	<1	1	<1	206	<1	<1
Total Alkalinity	-	<1	67	92	83	36	223	8	8
Total Nitrogen	0.48	1.3	5.2	4.9	4.2	3.0	13.2	0.3	0.3
Ammonia	0.020	<0.01	4.14	4.01	3.09	0.24	5.59	<0.01	<0.01
Nitrate	0.7	0.86	0.61	1.05	1.10	2.03	0.04	0.29	0.29
Nitrite	-	<0.01	<0.01	0.04	0.03	0.02	0.07	<0.01	<0.01
Nitrate & Nitrite (oxidised N)	-	0.86	0.61	1.09	1.14	2.05	0.10	0.29	0.29
Total phosphorus	0.013	<0.03	0.05	0.05	0.26	0.03	0.51	0.03	0.03
TOC	-	47	40	37	40	30	29	8	7
COD	-	150	131	117	147	215	134	53	41
BOD	-	<2	6	2	<2	<2	15	<2	<2
Iron (Fe) Dissolved	-	1.47	4.62	3.94	3.65	1.65	0.31	0.24	0.27
Aluminium (Al) Dissolved	0.055	0.89	0.68	0.61	0.62	0.52	0.09	0.09	0.11
Copper (Cu) Dissolved	0.0014	<0.001	<0.001	<0.001	0.001	0.020	0.010	0.001	0.002
Zinc (Zn) Dissolved	0.001 mg/l	0.006	0.010	0.052	0.045	0.034	0.020	0.025	0.026
Chromium (Cr) Dissolved	0.001 mg/l	<0.001	<0.001	0.001	<0.001	<0.001	0.002	<0.001	<0.001

Solid Waste Management

Parameter	* Standard	FORMER PENGUIN LANDFILL SITE					ULVERSTONE RESOURCE RECOVERY CENTRE		
		Surface Water							
		Stream above Landfill	900mm Leachate Pipe	Stream below Landfill	Organic Farm	Golf Course	Leachate Pond Sw1	Creek SW2	Down Stream SW3
Mercury (Mg) Dissolved	0.001 mg/l	<0.0001	<0.0001	<0.0001	<0.0001	<0.0001	-	-	-----
Cobalt (Co) Dissolved	0.001 mg/l	<0.001	<0.001	<0.001	<0.001	<0.001	<0.004	<0.001	<0.001
Manganese (Mn) Dissolved	1 mg/l	0.035	0.112	0.135	0.133	.015	.342	0.027	.030
Nickel (Ni) Dissolved	0.001 mg/l	0.002	0.002	0.003	0.003	0.003	0.011	0.004	0.005
Lead (Pb) Dissolved	0.001 mg/l	0.143	0.085	0.077	0.065	0.018	<0.001	<0.001	<0.001
Cadmium (Cd) Dissolved	0.0001	0.0001	0.0001	0.0001	<0.0001	<0.0001	<0.0001	<0.0001	0.0006
Arsenic (As) Dissolved	0.001 mg/l	0.002	0.001	0.001	0.002	0.001	0.002	<0.001	0.001
Sodium (Na)	1 mg/l	16	20	24	24	21	27	18	18
Potassium (K)	1 mg/l	1	8	11	10	7	38	2	2
Calcium (Ca)	1 mg/l	1	14	21	19	10	53	5	6
Magnesium (Mg)	1 mg/l	2	5	6	6	5	11	5	5
Enterococci	1 CFU/100ml	<10	<10	<10	20	10	20,000	<10	<10
Thermotolerant Coliforms	2 MPN/100ml	17	23	-	13	79	>18000	-	---

* Australian and New Zealand Environment and Conservation Council (2000), Australian and New Zealand Guidelines for Fresh and Marine Water Quality, Canberra (Trigger value for 95% protection of freshwater aquatic ecosystems)

** No monitoring low creek flow/pond was dry/overgrown vegetation

Effective and safe management of wastewater

Discussion:

The guideline values from the Australian and New Zealand Guidelines for Fresh and Marine Water Quality (2000) have been included where available. These guidelines indicate several parameters would impact on freshwater ecosystems.

Target:

To ensure all wastewater systems are installed and operating in a sustainable manner without compromising health or environment.

Desired outcome:

The effective and safe management of wastewater and the safe disposal of sewage sludge.

Strategy:

- Process applications for on-site wastewater disposal in accordance with national and state standards;
- Remediation and monitoring of defective installations; and
- Assess wastewater disposal options.

Commentary:

Twelve months following approval and installation of an on-site wastewater management system for a dwelling, a final visit is undertaken to ensure the system is operating correctly. This provides an opportunity to ensure the system is installed correctly and to identify and remediate any problems. An assessment of Aerated Wastewater Treatment Systems (AWTS) takes place every three months by a qualified technician and periodically by the Council.

Performance:

On-site wastewater management –

Forty six wastewater management systems were approved in 2009/2010 (see table below). These systems have all been assessed to ensure they remain sustainable into the future and do not adversely impact on the environment.

Effective and safe management of wastewater

Type of System	Number of Applications	Number of routine Inspections	Number of Complaints
Septic Tanks	41	46	2
AWTS	4	23	2
Other	1	-	-
Total	46	69	4

Dairy sheds –

The Council has investigated a number of complaints concerning dairy effluent throughout the year and have worked with operators to make improvements to the waste management systems in accordance with the dairy effluent code of practice.

Vegetable Processors –

The Council has a number of vegetable processing plants within the municipal area. Council Environmental Health Officers participated in a review and audit of operations at the largest of the processing plants during the 2009/2010 financial year. The review resulted in an upgraded wastewater management plan for one of the factories to ensure that effluent from it complied with the Department of Primary Industries, Parks, Water and Environment Guidelines.

Auditing of the remaining vegetable processing plants will be undertaken in the 2010/2011 calendar year.

Healthy and safe Places of Assembly

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.

Performance:

During the 2009/2010 financial year there were 40 Place of Assembly premises licensed within the municipal area.

During this period there were 37 temporary Place of Assembly licenses issued.

Environmental management assessment and investigation

Target:

To ensure all human activities that have an impact on the environment are within an acceptable range.

Desired outcome:

A balanced environment that minimises health threats arising from human activity.

Strategy:

- To conduct regular monitoring and assessment of industrial waste, rural industries and residential waste in order to identify actual or potential environmental threats;
- To advise operators how to comply with environmental requirements and, if necessary, enforce these requirements; and
- To ensure environmental incidents are handled safely and effectively.

Commentary:

Level 1 Activities (under EMPCA) and other activities, which have the potential to impact on the environment, are assessed and approved through the Council's Development Application process. Once in operation these activities are regulated on a complaints basis.

Accidents and/or faults, which lead to emissions that impact on the environment, are assessed and dealt with according to their threat to human health and the environment. The Council's Incident Communication Protocol and other specific incident procedures (e.g. sewage spills) ensure an efficient and effective response.

Performance:

Environmentally significant activities –

Environmental incidents – Twenty five incidents were received, investigated and documented. These included smoke complaints, water pollution, dairy effluent, industrial emissions, and noise emissions. Incidents of a minor nature were not recorded. In each case the individuals responsible were informed of the problem, the consequences of their actions, and how to rectify the problem. They are also advised of the financial penalties for continuing to cause environment harm.

Management and administration

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:

- Maintain an updated Environment and Health Business Plan which in turn forms the basis of an Annual Program of activities;
- Allocation of sufficient budgetary resources to enable the Department to meet its targets;
- Actively engage in ongoing education and professional development to ensure that officers are aware of, and active in, modern and current practices within these disciplines; and
- Develop and maintain a comprehensive technical library of texts, codes of practice and guidelines.

Performance:

Staff Numbers –

The Council's 2009/10 Environment & Health staff are described in the following table. There was a re-alignment of the Group in March 2010 in which the Environment & Health function and Building & Plumbing function were incorporated into a broader Regulatory Services Group which is now supervised by the Regulatory Services Group Leader.

Name	Position	Base Qualifications	Period Employed
Michael Stretton	Director Development & Regulatory Services	Environmental Health Officer	July 2009 – June 2010
Darren Fairbrother	Environmental Health Officer	Environmental Health Officer	July 2009 – June 2010
Karen Loone	Environment & Health Group Leader	Environmental Health Officer	July 2009 – Feb 2010
Paul Bidgood	Regulatory Services Group Leader	Compliance Officer	Mar 2010 – June 2010
Jenny Johnson	Environment Assistant	Administration	July 2009 – June 2010
Vicki Duniam	Nurse Immuniser (part time)	Nursing	July 2009 – June 2010
Mandy Cahill	Immunisation Nurse (part time)	Nursing	July 2009 – June 2010
Carmel Miller	Consultant Environmental Health	Environmental Health Officer	Feb 2010 – June 2010

Management and administration

Plans, Programs and Reports –

The additional duties that have resulted from legislative reform are beyond our resources. We accept that the community cannot fund more resources.

For Environment and Health, we have developed an 'Environment and Health Business Plan', and subsequently an 'Annual Program' for activities based, where possible, on the risk management principles outlined in the 'AS/NZS 4360:2004 – Risk Management' or in accordance with relevant guidelines or codes. These are updated annually and monthly respectively.

We then focus our limited resources on high-risk areas.

Financial resources –

The Council's 2009/2010 Operational Plan (Estimates) shows estimated and actual expenditure for the 2008/2009 financial year, as well as estimated expenditure for 2010/2011.

These budget allocations were sufficient to fund the activities accounted for in this report, subject to the limitations mentioned above.

Staff development –

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

- *continuing professional development* –
 - Environmental Health Australia National Conference;
 - Various Environment Health Australia quarterly seminars;
 - Diploma of Management;
 - Doctorate of Business Administration; Doubtful Land Stability Workshop;
 - On-site wastewater management seminar.
- *Professional representation* – Michael Stretton represented the Council on the Cradle Coast Authority's Waste Management Advisory Group and was Deputy Chief Representative for the Dulverton Regional Waste Management Authority.

Physical resources –

The Environment and Health functional areas are adequately resourced in relation to vehicles and field equipment.

A comprehensive technical library has been developed, and frequent use of Internet sites for codes of practice (e.g. Environmental Protection Agency) and

Management and administration

legislation (e.g. the Tasmanian Government's 'The Law' site) are used to supplement this library.

Subscriptions to various technical magazines and professional journals complement other library material.

Maintenance and development of an in-house technical library is a strategy to help overcome the lack of available texts and journals in public libraries in this part of the State.

* * * END * * *

Michael Stretton
DIRECTOR DEVELOPMENT AND REGULATORY SERVICES