

Annual Report 2011-2012



CENTRAL COAST
COUNCIL

www.centralcoast.tas.gov.au

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*Cover photo by Robert Coward:
Community celebration to mark the completion of the
Leven River Bridge and Anzac Park Playground*



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

Strategic Plan 2009-2014



Tasmania's Central Coast municipal area is set in the heart of the North-West Coast spanning an area of 932km², and has a population of 21,779¹ people. Extending westerly to the Blythe River and easterly just beyond the Forth River, from coastal beaches the boundary extends southwards through the fertile countryside to the rugged Leven Canyon, limestone caves and Black Bluff mountain range boasting snow-capped peaks in the depths of winter.



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

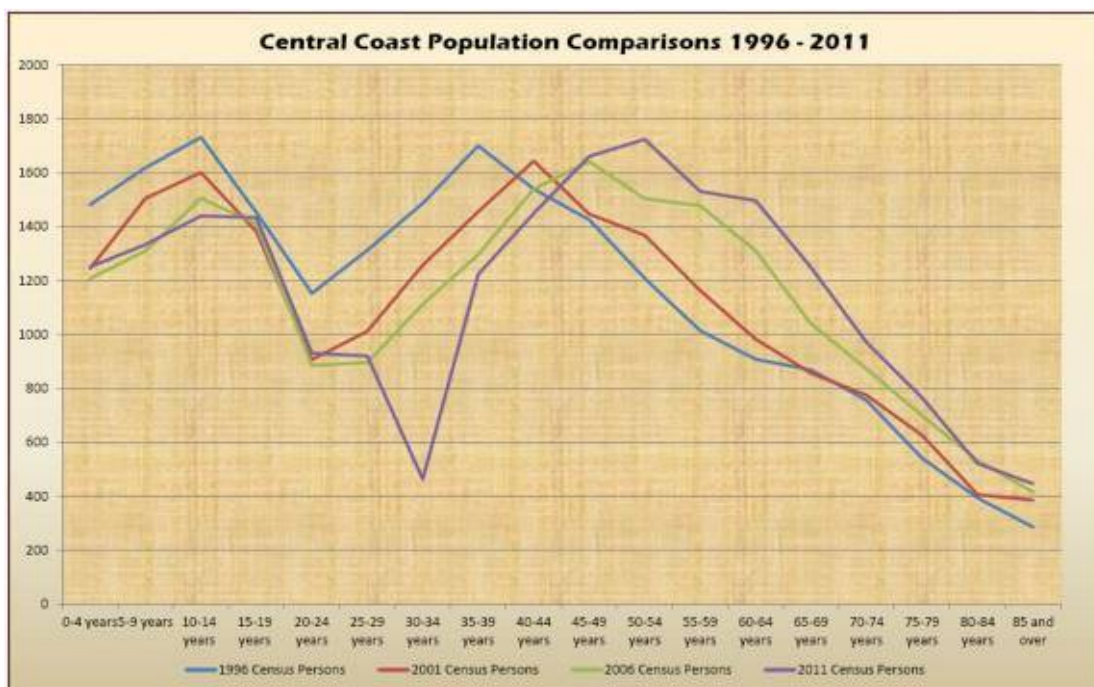
The coastal townships of Penguin (population 5,000 approx.) and Ulverstone (population 11,000



approx.), are the business centres of Tasmania's Central Coast; they offer quality friendly service, an extensive range of retail outlets, restaurants and coffee shops. All the services you would expect from large urban centres are here.

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

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.



I have great pleasure in presenting the Annual Report 2011-2012 for the Central Coast Council. While the year has been challenging in many ways, it has also been highlighted with the completion of several long-term strategic projects.



Community engagement and economic development have also been a focus throughout the year and steady gains have been made in these areas. We have continued to deliver the outcomes of our Strategic Plan 2009-2014 which, developed in consultation with our community, identifies the Council's priorities and sets out achievable and realistic goals to ensure that we are focused on what matters most.

Major projects this year have focused on the new Leven River Bridge and the Ulverstone Wharf development and surrounds, which when completed will be an attraction for tourists, visitors and a hub for community activity. A day of celebration saw the community come together to mark the completion of the Leven River Bridge and connecting pathways, and to officially open the Anzac Park Playground redevelopment. I don't think there has been a project which has generated more community interest, more comment, more expectation, or has been so avidly photographed, and we can all take great pride in the new-look riverfront precinct. The Ulverstone Wharf development is well under way and scheduled for completion in October 2012.

The Dial Regional Sports Complex Master Plan received a major boost with the announcement from the Federal Government that our Council was successful in its funding application for \$520,500 under the Regional Development Australia Fund (RDAF) Round Two. The funds requested are to resurface the track at the Penguin Regional



Athletics Centre, one of only three synthetic athletics facilities in Tasmania and the only one servicing the needs of the North-West Region. The Council will also provide supporting funds over the next 18 months to include new track and infield lighting, an upgrade to the operations centre, increased undercover seating, and a new administration building.

Community conversations were held with representatives from each of the service clubs within Central Coast, discussing current projects and identifying opportunities for working together and supporting each other on various community projects. I believe this was well received by the clubs and has assisted in building greater appreciation and a stronger working relationship for the future.



*Photos:
Community celebration to mark the
completion of the Leven River Bridge
and Anzac Park Playground*

Conversations were also held with a cross-section of our food industry in the process of developing our Central Coast Local Food Experience Strategy as part of our overall approach to local economic development. A reference group has now been formed, supporting the Council in the ongoing development of Central Coast as a food destination. The Council also hosted a community forum with Dr Ernesto Sirolli, a noted authority in the field of sustainable economic development, discussing how a grassroots approach to local development can reinvigorate local communities.



Local government elections were held in October and we welcomed new Councillors Kathleen Downie, Rowen Tongs, Shane Broad and John Bloomfield to the table. Sadly we also said goodbye to longstanding Councillors Brian Robertson, Ken Haines, David Dry and John Deacon and I thank them for their outstanding service to our Council and their community over many years. Cr Cheryl Fuller was elected Deputy Mayor, and I thank former Deputy Mayor, Tony van Rooyen for his valued support during his term. Councillors must also be commended on the way in which they have embraced new technology, using android tablets instead of the usual bulky agenda folders which have proven costly in stationery, photocopying and time involved in assembly and delivery. Documents are now accessed from a Cloud-based document portal, streamlining communications and efficiency. The good governance and success of any council is dependent on well-functioning elected leadership and the professional capacity of its staff, two areas where I believe our Council shows great strength.

Our 'Australia Day Picnic in the Park' continues to grow in popularity and is a lovely celebration of all that is good about being Australian. We recognised the outstanding service given to our community by Bev Zimic and Ray Ball who were awarded joint Citizens of the Year, Leah Lynd who was awarded Young Citizen of the Year for her work with Enormity, and the organisers of the Gunns Plains Potato Festival which was named Community Event of the Year.

Volunteer Week also gave us an opportunity to celebrate the wonderful work of volunteers within our community and to recognise the endless hours of dedication and commitment they give within so many organisations. I had pleasure in presenting our Central Coast Volunteer of the Year Award to Greg Rodman for his exceptional service to his community and to the Leven Country Music Association for their service to Giant Steps. The greatest strength of our community is our people and I am extremely proud of the strong community spirit which exists throughout our municipal area.

The official opening of the Penguin Skate Park redevelopment was also a highlight and such a lovely story. In 2010, Kerrie-Anne Waite nominated Penguin for the Bega 'What is your town famous for?' competition organised by Channel 7's *Sunrise* program. Her nomination of the Big Penguin was runner-up and the community was duly presented with a \$10,000 cheque for a project to be nominated by Kerrie-Anne. She chose the Penguin Skate Park improvements and with the help of the Council and contributions from the Lions Club of Penguin, the Leo Club and the skating community, the joint project was completed and duly celebrated.

I would like to take this opportunity to thank Councillors for their ongoing support and commitment throughout the year. They have shown strong leadership, with active participation in the community, at Council meetings, workshops and on-going professional development to affect the continued good governance of the Council. Our Council remains in a strong position due to the vision and sound financial management of our General Manager, Sandra Ayton, her Directors and staff, and I thank them for their continued hard work and dedication. Our Council remains strong, focused and committed to creating a



*Photo (bottom from left):
Mayor Bonde, Kerrie-Anne Waite, and Lions
and Leo members at the opening of the
Penguin Skate Park redevelopment*



culture that values our natural resources and relaxed lifestyle, encourages creativity, innovation, economic vitality and a sense of community as we continue to build our liveability and shape 'our place' for future generations.

A handwritten signature in black ink, appearing to read 'Jan Bonde', written over a faint, light-colored background.

(Cr) Jan Bonde
MAYOR



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



The Council is committed to the priorities of the Strategic Plan 2009-2014, developed in consultation with the community. The Strategic Plan is being delivered through the Council's Annual Plan which was adopted prior to the commencement of the new year. The Annual Report is therefore the official reporting mechanism on the Council's operations. The format in this Annual Report gives a snapshot of our progress throughout the year in achieving the key actions/initiatives of the Council and the community.

The Council continues to work to deliver quality services for Central Coast. One of the important aspects of managing an organisation that delivers a wide-ranging number of services and facilities is trying to identify and measure what is important to our community, what we do well and what we do not do well. This year we have undertaken to review some of our processes and services, including the Council's Internet services and a Buildings and Facilities review, to ensure we are managing these community assets in the most effective and efficient manner while taking into account the needs of the users with the ongoing asset management and maintenance of these facilities. Two other major areas of review included how we handle complaints that come into our organisation (including feedback) and a review of our waste management services. Implementation of various improvements is currently under way and should be finalised over the coming months.

The Leven River Precinct redevelopment has been a major strategic focus for the Council over the past eight years and it is pleasing to advise that this redevelopment is now nearing completion. It included the redevelopment of the Leven Canyon lookout, followed by the extension to the Ulverstone Sports and Leisure Complex adjacent to the showgrounds, and this year the completion of the Leven River Bridge (including the shared pathways and lighting features which were funded by the Council) along with the refurbishment of the Anzac Park Playground. The final stage, being the redevelopment of the Ulverstone Wharf precinct, has taken up considerable staff resources, and it is pleasing to report that this precinct will be completed and operational for the community and visitors alike before Christmas.



Photos: Leven River Precinct redevelopment



The last 12 months saw Council staff working tirelessly to make good the extensive flood damage that occurred on 14 January 2011. It is pleasing to advise that all those works were completed in the timelines required for the Council to access the available assistance from the Natural Disaster Relief and Recovery Arrangements funds. These funds were in addition to the considerable funds that the Council had to apply from its own resources. The Council thanks the community for its patience during this time and also for acknowledging that this has caused delays in the Council's delivery of our capital program.

In respect to the Council's financial performance, 2011-2012 has been another year of sustainable financial management. The Council's financial position is strong in terms of its cash, liquidity and recent performances against budget.

The Council has in excess of \$352m. of property, plant and infrastructure assets which it is directly responsible for, and considerable resources have been focused towards ensuring our Asset Management Plans, including our long-term asset renewal programs, have been updated and are able to be incorporated into our Long Term Financial Plan. As the custodian of our community's assets it is our obligation to ensure that these assets are managed in a responsible way for the benefit of existing and future generations.

The Council achieved an underlying surplus of \$635,593 for the year. Total Council revenue was \$22.63m. compared to the budgeted revenue of \$21.5m. The increase in revenue is primarily contributed to the Council receiving nearly half of its Federal Assistance Grants in advance for the following year.

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

This last year saw the Council invest \$9.09m., or 89.4% of its capital expenditure, towards asset renewal and upgrades.

Throughout the 2011-2012 year we continued to see significant investment into our capital works program. Areas of major capital works included \$4,977,385 on roads, bridges and footpaths; \$263,707 on waste management; \$418,555 on community services and facilities; \$458,891 on recreation facilities; and \$2,456,460 on strategic projects which included the Council's contribution to the Leven River Bridge, Wharf



building works and drainage works at Maskells Road. Overall, the Council delivered community infrastructure works to the value of \$9,755,043 in 2011-2012.

As an employer, the Council continues to promote core values in leadership and staff development that help retain and attract quality staff. The Council has invested this year in training nine of our staff as Continuous Improvement Facilitators to provide the skills to allow them to assume an active role in challenging the status quo and identify new and different approaches to the way we deliver our services. This will reap rewards to the Council in looking at ways to deliver better quality, lower costs or greater efficiency.

In summary, 2011-2012 has been another year of solid growth and achievement in Central Coast. This could not occur without the commitment of a dedicated team of Council staff to whom I extend my thanks. Our successes do not come by working in isolation, and I would like to thank the community for helping to build Central Coast into a place we can all enjoy.

Finally, I would like to extend my thanks to the Mayor, Councillors and staff for their dedication and commitment to ensuring that Central Coast is a vibrant and thriving community and a great place to live, visit and invest.

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

Sandra Ayton
GENERAL MANAGER



Council Members and Committee Membership

Cr Jan Bonde, Mayor

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



Cr Cheryl Fuller, Deputy Mayor (from 8.11.2011)

- Penguin Surf Life Saving Club
- Castra-Sprent-Nietta Community Advisory Committee
(Liaison) (to 21.11.2011)
- Australia Day Awards Committee (to 21.11.2011)
- Penguin Miniature Railway Management Committee
(Liaison) (to 21.11.2011)
- Dulverton Regional Waste Management Authority
Representatives Group
- Councillors Code of Conduct Panel
- Cradle Coast Authority Representatives Group
(from 8.11.2011)
- Central Coast Community Safety Partnership Committee
(from 21.11.2011)
- General Manager Performance Review Panel (from 21.11.2011)





Cr Tony van Rooyen, Deputy Mayor (to 8.11.2011)

- Development Support Special Committee
- Cradle Coast Authority Representatives Group (to 21.11.2011)
- General Manager Performance Review Panel (to 21.11.2011)



Cr John Bloomfield (from 8.11.2011)



Cr Lionel Bonde

- Bush Watch Western District Committee
- Councillors Code of Conduct Panel (from 21.11.2011)
- Ulverstone Band (Liaison) (from 21.11.2011)
- Castra-Sprent-Nietta Community Advisory Committee (Liaison) (from 21.11.2011)



Cr Shane Broad (from 8.11.2011)

- Development Support Special Committee (from 21.11.2011)
- Australia Day Awards Committee (from 21.11.2011)





Cr Garry Carpenter

- Australia Day Awards Committee (to 21.11.2011)
- Caves to Canyon Tourism Association (from 21.11.2011)



Cr Amanda Diprose

- East Ulverstone Swimming Pool Management Committee
- Community Small Grants Scheme Panel
- Festive Decorations Working Group
- Development Support Special Committee
- Ulverstone Community House (Liaison)



Cr Kathleen Downie (from 21.11.2011)

- Central Coast Chamber of Commerce and Industry Inc. (Liaison) (from 21.11.2011)
- Central Coast Council Bursary Working Group (from 21.11.2011)



Cr Gerry Howard

- Councillors Code of Conduct Panel
- Dial Sports Club Management Committee
- Riana Community Centre Committee
- Community Small Grants Scheme Panel
- Penguin Miniature Railway Management Committee (Liaison) (from 21.11.2011)





Cr Rowen Tongs (from 8.11.2011)

- Leven Fire Management Area Committee (Liaison)
(from 21.11.2011)
- Australia Day Awards Committee (from 21.11.2011)
- General Manager Performance Review Panel
(from 21.11.2011)



Cr Philip Viney

- Ulverstone Surf Life Saving Club (Liaison)
- Development Support Special Committee
- Community Small Grants Scheme Panel
- Central Coast Community Shed Management Committee
(Liaison) (from 15.08.2011)
- Central Coast Youth Engaged Steering Committee
(Liaison) (from 21.11.2011)





Retired Council Members

Cr John Deacon (to 28.10.2011)

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



Cr David Dry (to 28.10.2011)

- Ulverstone Band (Liaison)
- Councillors Code of Conduct Panel



Cr Ken Haines (to 28.10.2011)

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



Cr Brian Robertson (to 28.10.2011)

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





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

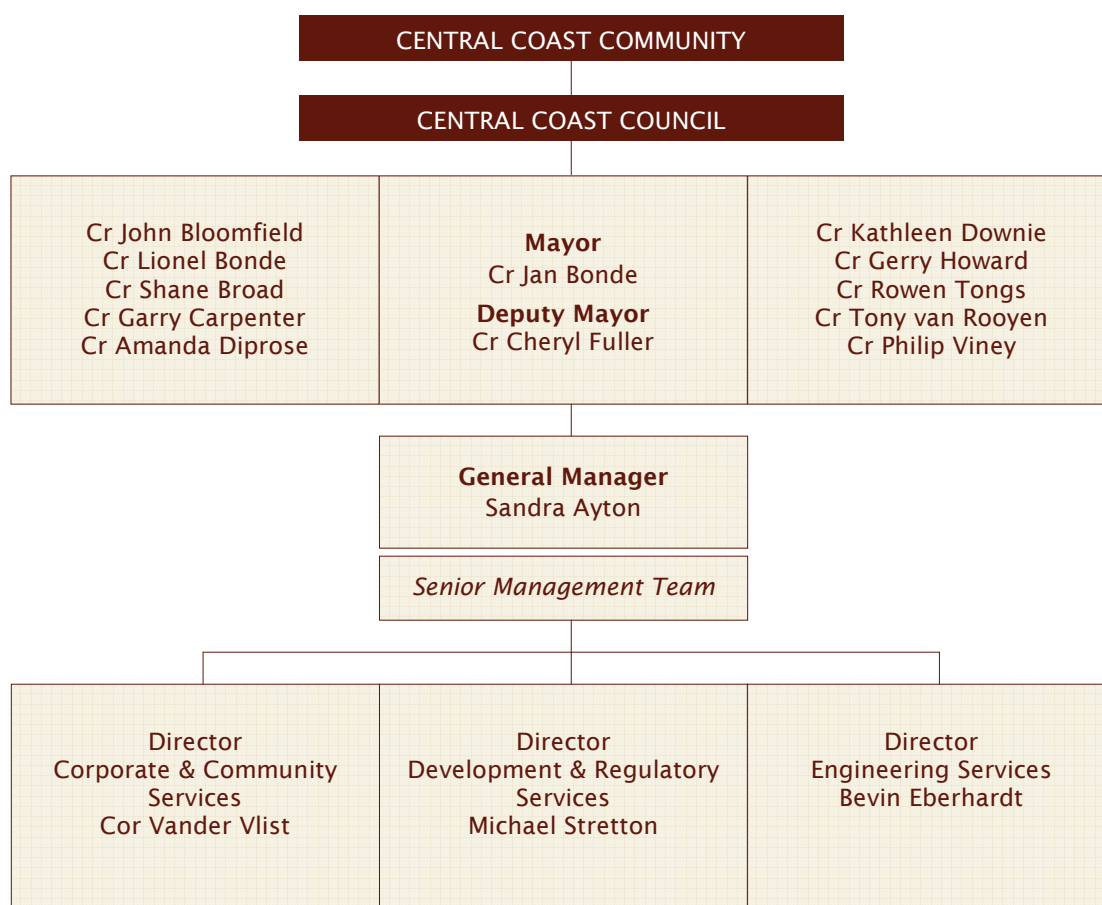
Bevin Eberhardt

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.



Councillors John Deacon, David Dry, Ken Haines and Brian Robertson retired 28.10.2011.



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 the Annual Report reflects the actions that the Council approved through the Annual Plan for the 2011-2012 year – identified under the five Strategic Directions below – and the progress that has been made against those areas. We believe this format gives a snapshot of our progress throughout the year in achieving the key actions/initiatives of the Council and the community. If you require further details on any of these actions then we would be happy to discuss these further.

► STRATEGIC DIRECTION 1 – The Shape of the Place

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

► STRATEGIC DIRECTION 2 – A Connected Central Coast

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

► STRATEGIC DIRECTION 3 – Community Capacity and Creativity

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

► STRATEGIC DIRECTION 4 – The Environment and Sustainable Infrastructure

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

► STRATEGIC DIRECTION 5 – Council Sustainability and Governance

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



STRATEGIC DIRECTION 1

The Shape of the Place

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

STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

1 Improve the value and use of open space

2011-2012 Actions/Initiatives	Performance
▪ Staged implementation of the Dial Regional Sports Complex Master Plan – investigate feasibility	→
▪ Progress the development of the Ulverstone Wharf	✓
▪ Investigate the feasibility of completing the fit-out of the Ulverstone Showground Indoor Precinct	→

2 Adopt an integrated approach to land-use planning

2011-2012 Actions/Initiatives	Performance
▪ Incorporate the Cradle Coast Regional Land Use Plan into the Planning Scheme	→
▪ Identify and promote appropriate land for industrial and commercial use	→
▪ Continue the development of a contemporary policy framework to guide the land-use planning function	✓
▪ Develop a Local Settlement Management Plan for Central Coast	→



STRATEGIES AND KEY ACTIONS: cont.

✓ Completed → In progress ↶ Deferred

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

2011-2012 Actions/Initiatives	Performance
▪ Commence staged implementation of the Ulverstone, Penguin and Forth Area Plans	✓
▪ Coordinate the implementation plan for the Penguin and Ulverstone Urban Design Guidelines and the Forth and Turners Beach Local Area Plans	✓

Highlights

The redevelopment of the Ulverstone Wharf precinct has continued over the last 12 months, with the Council committing to the completion of Stages 1.1a and 1.1b by October 2012. The works include the building (restaurant, meeting room and multi-purpose facility), surrounds and connections to the open space network. The lease for the restaurant is expected to be finalised and signed by July 2012. Project teams including community representatives have been established to develop a program of activities to celebrate the opening of the new facilities and the development of an ongoing annual calendar of events, including a possible regular artisan market. The opening of both the Wharf precinct and the 'Mike Downie View' platform is anticipated to be held in November 2012.

A draft master plan for the staged implementation of the Dial Regional Sports Complex has been developed following consultation with users. The staging and implementation of this master plan will be subject to both the Council's Long Term Financial Plan and external grants being received. A project business plan has also been developed to inform the Council's decision making relating to the proposed establishment of recreation grounds and amenities at the Complex. It is expected that the master plan and project business plan will be tabled at a Council meeting for endorsement during this financial year. The Council was advised in June 2012 that it had been successful in attracting \$520,500 from the Regional Development Australia Fund to contribute to the resurfacing of the Penguin Regional Athletics Track.

Over the past year the Council has continued to work with the Cradle Coast Regional Planning Initiative in readiness for the expected implementation of an Interim Planning Scheme in early 2013. The Council's Town Planners have attended regular regional



meetings to develop the Cradle Coast Regional Planning Scheme Template and have also worked to review the Council's planning scheme ordinance and zoning in order to facilitate a smooth transition to the Interim Planning Scheme.

During the year the Council has worked with consultants GHD to develop a Draft Local Settlement Strategy for Central Coast. Once finalised, this Strategy will provide a coordinated long-term Local Settlement Strategy for the Central Coast municipal area which will align with both the Central Coast Strategic Framework for Settlement and Investment and the Cradle Coast Regional Land Use Planning Framework 2010-2030 'Living on the coast'. In doing so it will identify sufficient land to accommodate and provide convenient access to a diverse and compatible mix of employment, housing, business, institutional, recreation and community uses to meet the needs of the Central Coast population and Cradle Coast region for the period to 2030. At the conclusion of this financial year the Strategy is in a draft format and will undergo further stakeholder consultation and refinement before being released for public comment.



The actions recommended in the Penguin Urban Design Guidelines, Forth Local Area Plan and the Turners Beach Local Area Plan have now been included in the Council's future works program and will be considered on an annual basis as part of the Council's Estimates process. In addition, many elements of these local area plans will be delivered through the Interim Planning Scheme.



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

2011-2012 Actions/Initiatives	Performance
<ul style="list-style-type: none"> Create a plan for a network of transport routes to connect communities and attractions throughout Central Coast 	→

2 Connect the people with services

2011-2012 Actions/Initiatives	Performance
<ul style="list-style-type: none"> Further development of Cradle Country marketing strategies 	✓

3 Improve community wellbeing

2011-2012 Actions/Initiatives	Performance
<ul style="list-style-type: none"> Review the Council's role, responsibility and capacity to improve social and economic development outcomes for the community 	→
<ul style="list-style-type: none"> Conduct a review of the impact of the Council's 'Opt-in program' 	→
<ul style="list-style-type: none"> Participate in the Cradle Coast Healthy Communities Project 	✓

Highlights

A range of programs has been run over the last 12 months as part of the Council's Opt-in program. Some of the projects undertaken included school holiday activities, Charity Bike Ride, Kids Theatre, Seniors Week, Corporate Games, Rural Health Week,

Pitstop program, Youth Week activities and a Families Week event. Currently a review is being conducted to determine the impact of the program in the community to ensure that we are delivering a program that effectively meets the needs of our community.

Over the last year work progressed on discrete projects on the network of transport routes to connect communities and attractions throughout Central Coast. This year our focus was on connections from the bridge to the Wharf precinct and Anzac Park. A draft path network plan has been developed and funding for this plan will be incorporated in the Long Term Financial Plan.



Photos (from top to bottom):
 1. Cudas Charity Bike Ride participants
 2. Seniors Week visit to Wing's Wildlife Park
 3. Rural Health Week at Forth Primary School



A draft social planning framework was completed through the year and is being used when reviewing our community development processes and systems to identify how the Council can better engage with, and support, key community groups to improve social and economic outcomes. A desktop audit of local essential services has also been undertaken to identify potential gaps in such services. A workshop was conducted with identified key community leaders and practitioners to discuss the desktop audit and confirm specific gaps and opportunities and identify proposed solutions.

In April of this year the Mayor hosted a forum of key local leaders/practitioners in the food retail, processing and production sectors to identify opportunities to establish Central Coast as a major food region. An outcome from this meeting was consensus that the food community needed to work more collaboratively and that there was merit in continuing to meet. A working group has been established to develop a series of networking forums. The group is also investigating the potential for the development of an artisan market at the Ulverstone Wharf.

The Cradle Coast Authority 'Healthy Communities Initiative' (HCI) has been active and effective in building the health capacity of our Central Coast community in 2011-2012. Considerable HCI resources have been directed to supporting the training of qualified instructors from our community to provide appropriate exercise workout options for all community members, but in particular the target audience:

- those in our municipal area from low socio-economic backgrounds and/or
- those with chronic health issues and/or
- the long-term unemployed.

The Heart Foundation's 'Heartmoves' classes and 'Aqua Fitness' classes are examples of programs that are regularly operating in the Central Coast area as a direct result of HCI funding. Both these programs are new to Central Coast and are already well supported. The 'Aqua Fitness' classes have had support from 60 participants, with up to three classes



being conducted per week at the Ulverstone Learn to Swim Pool. The 'Heartmoves' program has only recently commenced and already has 20 participants who are regularly working out.



The Devonport and Cradle Country Marketing Group undertook a range of cooperative advertising opportunities including a revamp of the Devonport & Cradle Country Visitor Guide brochure, advertisements in the North West Coast Visitor Guide, This Week in Tasmania publication, Lets Go Kids publication, a two-page spread in Travelways and The Examiner publication Tasmania's Heartland. The Group identified opportunities for the Cradle Country Visitor Guide to be distributed, including on the Spirit of Tasmania 1 and 2, placed in all Tasmanian Visitor Information Network (TVIN) centres and distributed at interstate consumer shows. Brochures proved to be very popular and a 'top up' reprint was required. Strategies were developed to engage with Cradle Country tourism stakeholders. The Group arranged networking/feedback sessions inviting industry input and is pursuing a range of future initiatives to build strong cooperative partnerships.



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

2011-2012 Actions/Initiatives	Performance
▪ Investigate the feasibility of establishing a 'Social and Economic Enterprise and Innovation Lab' in Central Coast	✓
▪ Support community groups to develop and/or attract new community events	✓

2 Facilitate entrepreneurship in the business community

2011-2012 Actions/Initiatives	Performance
▪ Continue to develop the Coast to Canyon brand/visitor experience	✓
▪ Review and update the Council's promotion/business packs	→

3 Cultivate a culture of creativity in the community

2011-2012 Actions/Initiatives	Performance
▪ Develop a management plan for the Ulverstone History Museum	✓
▪ Develop an Events Brand for Central Coast	↻

Highlights

Encouraging innovation and entrepreneurship is important in helping to reinvigorate local communities. The Council is working with a number of partners to create a range of development programs and activities designed to support innovation and entrepreneurship. The activities will form part of an exciting calendar of events to be conducted at the Ulverstone Wharf. The Council is also supporting a working group of local community and business leaders who are investigating the feasibility of introducing an Enterprising Facilitation Program into the local community. Enterprise Facilitation is a grassroots approach to local development that supports enterprising people in starting new businesses. The Enterprise Facilitation program is the work of Dr Ernesto Sirolli of the Sirolli Institute. The working group has invited Dr Sirolli to meet with them to discuss the merits of enterprise facilitation as a means of supporting local economic development and community renewal.

Council staff have continued to support community groups in planning for their local events. Along with our ongoing support for annual events, support was provided to the North West Environmental Centre Sustainable Living Festival, bike races and the Turners Beach Track Challenge. Staff also organised and ran the Australia Day ceremony and activities, along with the official opening of the newly constructed Leven River Bridge and Anzac Park Playground.



Photo: Susanne Clear, Visitor Information Centre Coordinator, receives a Regional Tourism Award presented by Jason Purdie of The Advocate newspaper

The Council was successful at the Regional Tourism Forum and Awards Night in July and came away with two awards: 'Visitor Information and Services' Award and 'Contribution to Local Tourism' Award, which were in recognition of Susanne Clear's contribution to both our Visitor Information Centres and also to the wider tourism industry. The awards were well deserved by our hard-working staff and volunteers and we should be very proud of their achievements and recognition.



A Strategic Plan and Management Plan for the Ulverstone History Museum was developed throughout the year with the help of Darryl Rogers and Sue Atkinson Museum Consulting working with our volunteers. These plans have been endorsed by the Council and are now on public display on our website. Work will commence on the implementation of these plans next year.



As part of evaluating the Council's approach to promoting Central Coast as a 'Place to Live, Visit and Invest', staff have reviewed our current promotion/business packs. A working group involving both internal and external people participated in the review and subsequently a marketing company was given the brief to write and present updated brochures, including graphic design for the group's consideration. There are five brochures being prepared: 'a place to visit', 'a place to invest', 'a place to live, work and play', a 'Facts Sheet' and 'Our business is your business' (a Central Coast Chamber of Commerce brochure). These brochures are currently being finalised, with a view to being distributed prior to the end of the calendar year.



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

2011-2012 Actions/Initiatives	Performance
▪ Investigate the upgrade of the Leven River embankments	→
▪ Develop a Stormwater Management Plan	→
▪ Implement Vegetation Management Plans	✓
▪ Refine Parks & Open Space Development Plans	→

2 Contribute to a safe and healthy environment

2011-2012 Actions/Initiatives	Performance
▪ Continue with the education campaign to improve public health and food safety standards and include community groups and event organisers	✓
▪ 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	✓

3 Develop and manage sustainable built infrastructure

2011-2012 Actions/Initiatives	Performance
▪ Develop and implement Service and Asset Management Plans in accordance with the Council's Asset Management Improvement Strategy	→



STRATEGIES AND KEY ACTIONS: cont.

✓ Completed → In progress ↪ Deferred

- Assist in the implementation of the Cradle Coast Waste Management Strategy ✓
- Actively participate in the ongoing development of the Dulverton Waste Management Authority ✓
- Develop service level agreements for all asset classes →
- Develop a public amenities strategy →
- Refine building asset management and maintenance services →
- Finalise car parking strategy →
- Develop a Compliance and Enforcement Policy →
- Investigate rural flood catchments →
- Complete a management plan for the Ulverstone Sports and Leisure Complex →

4 Contribute to the preservation of the natural environment

2011-2012 Actions/Initiatives	Performance
▪ Promote and participate in regional, State and national climate change-related initiatives	✓
▪ Implement suitable climate change adaptation and/or mitigation strategies	→
▪ Investigate and plan for the effects of climate change on the local area	✓
▪ Provide support and assistance to community groups engaged in environmental activities in Central Coast, such as Coastcare and Rivercare	✓
▪ Coordinate the implementation of the Central Coast Climate Change Action Plan	✓



Highlights

The Council's education campaign to improve public health and food safety standards has continued to provide significant benefits to the community. Over the last few years the Council has provided free food handler training sessions to Central Coast food businesses which has now seen training provided to at least one food handler in nearly every Central Coast food business. In addition to this program, the Council's free on-line food handler training program "I'm Alert" has continued to achieve success, with over 2,000 users having accessed training from the site.

The Council has been working with the community in looking at opportunities for residents to understand their energy consumption. Because of the high demand for the use of Home Energy Audit Test Kits by the community, the Council has continued co-ordinating the release of these kits to local residences. The Council is also continuing its participation in the Planet Footprint program.

Throughout the year the Council has undertaken a review of its Customer Service Policy which has been a vital and necessary initial step in the development of a Compliance and Enforcement Policy. The outcomes of the Customer Service Policy review are currently being incorporated into a draft Policy which is due for completion early in the following year.

Forward Asset Management Plans are in draft form and currently being prioritised to be incorporated into the Long Term Financial Plan. Workshops were conducted with Councillors to provide an understanding of our asset renewal program and service gap.

Early in the year the Chairman of the Water and Sewerage Corporations challenged councils to consider combining the four Corporations into one State-wide Corporation still being owned by councils. The nine councils within our region commissioned an Options Report from an external consultant, and a position was formed by the region that the councils believed that it was too soon to look at merging the four Corporations into one State-wide Corporation. The Cradle Coast Region's views were not supported by the majority of councils within the State and as a result the Local Government Association of Tasmania is facilitating a working group to further the reforms to ensure that changes are made to legislation, the constitution and the shareholders letter of expectation in line with local government's requirements in regard to the merger. At this stage there appears to be support from the State Government for the changes that local government has requested. It is anticipated that the new Tasmanian Water and Sewerage Corporation will come into effect on or around 1 July 2013.



A draft Open Space and Recreation Plan 2012-2022 has been prepared to provide direction for the planning and management of Central Coast's open space network including all recreational and sporting open spaces for the period 2012-2022. Once the draft plan is endorsed by the Council, public consultation will be undertaken with the community centred around the Plan's open space classification, land description standards, asset provision standards and maintenance service delivery standards as well as our Open Space Supply and Demand Analysis. A review of the Central Coast recreation grounds will also take place and will include consultation with committees of the respective sporting clubs that use the grounds.



To assist the Council with the management of the coastal environment and some reserves within the municipal area, management plans have been developed or are in the process of being developed.

The objectives of these management plans are to:

- Manage the natural resources identified in all vegetated areas of Central Coast.
- Maintain and preserve all existing native flora and fauna in a natural state, by:
 - Reducing or eliminating any influence that will impact on the natural resources such as weed infestations and human pressures;
 - Preserving the natural resources and processes that help to maintain biodiversity in the area.
- Restore degraded areas through revegetation/remediation.
- Provide and maintain safe open space for passive recreation users.
- Provide and maintain suitable assets to support the community.
- Manage the risk of fire.

Activities that have been undertaken or programmed thus far are:

- OC Ling fuel reduction zones;
- Weed mapping and weed control;
- Street-tree assessment and maintenance;
- Foreshore revegetation to restore degraded areas.



The Council is currently developing a Parking Strategy for the Central Coast area. ARRB (Luxmoore Consulting) was engaged to provide information to help inform our Strategy. Along with looking at car-parking requirements around our CBD areas, the Strategy will also look at the location of disabled parking, caravan, motorhome and bus/coach areas. Demand surveys will now be undertaken to provide further information on how our car parks are currently being utilised (short, medium and long term). This will allow the Council to finalise its Strategy in the 2012-2013 year.



Following the floods of 2011 it was decided to capture information and investigate the flooding of some of the main streams and rivers with catchments in the rural areas. A grant under the Natural Disaster Resilience Program was obtained to assist the Council with these investigations. The project aligns with the Mersey-Leven Combined Area Municipal Emergency Risk Register. The project will enable flood analysis to progress further on the Forth River (Devonport/Kentish boundaries), Wilmot River (Kentish boundary), Leven River, Gawler River, Blythe River (Burnie boundary), Clayton Rivulet, Buttons Creek, Penguin Creek and Sulphur Creek flood catchments in the future.



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

2011-2012 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	✓
▪ Implement the Council's Sustainability Action Plan	✓
▪ Identify, prioritise and complete key process and service reviews to achieve best value	✓
▪ Implement strategic and operational risk management strategies in all Council activities	✓
▪ Refine Apply.Gov applications management software for the Land Use Planning function	✓
▪ Implement the Council's Sustainability Action Plan	✓
▪ Manage the Council's Occupational Health and Safety program to meet accreditation standards	✓
▪ Conduct a review of the Council's community development processes and programs	→
▪ Conduct an audit of existing community services within Central Coast	→
▪ Conduct an organisational efficiency audit	✓



STRATEGIES AND KEY ACTIONS: cont.

✓ Completed → In progress ↻ Deferred

- | | |
|---|---|
| ▪ Develop further the organisation's values and culture | ✓ |
| ▪ Review implementation of an Audit Committee | ↻ |
| ▪ Implement the Business Excellence program | ✓ |
| ▪ Develop an Internal Audit Manual | ↻ |

2 Improve service provision

2011-2012 Actions/Initiatives	Performance
▪ Animal Control Service process review	↻
▪ Aged Care accommodation process review	↻
▪ Leases and Agreements process review	✓
▪ Continue with the implementation of Apply.Gov across the Building Control, Plumbing Control and Environmental Protection service activities	✓
▪ Increase utilisation of child care services	✓
▪ Undertake information session with parents (child care services)	✓
▪ Parking Control process review	↻
▪ Complete the IT Disaster Recovery Plan	✓
▪ Review IT platform and software applications	✓
▪ Develop suitable controls and make electronic submission of Building and Plumbing applications available to the community	→
▪ Administrative Services process review	↻
▪ Visitor Services process review	↻
▪ Review commercial garbage/recycling service	✓
▪ Review rural waste transfer stations and rural garbage/recycling collection service in conjunction with Dulverton Waste Management	→



STRATEGIES AND KEY ACTIONS: cont.

✓ Completed → In progress ↪ Deferred

- Review private works operations →
- Investigate further resource sharing opportunities in our Works operations ✓

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

2011-2012 Actions/Initiatives	Performance
▪ Develop and implement an Economic Development Plan	→
▪ Complete 10-year financial plan incorporating Asset Management Plans for all asset classes	→
▪ Investigate Recreation Pricing Policy in line with corporate pricing framework	→
▪ Develop a Fees and Charges Policy	→

4 Effective communication and engagement

2011-2012 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	✓
▪ 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	✓
▪ Develop a 'Community Engagement Resource Kit'	↪
▪ Implement the actions from the Communications Strategy	✓



STRATEGIES AND KEY ACTIONS: cont.

✓ Completed → In progress ↶ Deferred

5 Strengthen local-regional connections

2011-2012 Actions/Initiatives	Performance
<ul style="list-style-type: none"> Develop and enhance partnerships with governments, regional authorities, the private sector and community groups in achieving significant community goals 	✓
<ul style="list-style-type: none"> Actively participate in the development and implementation of regional strategies 	✓
<ul style="list-style-type: none"> Investigate resource sharing opportunities through the Cradle Coast Shared Services project 	✓

Highlights

Actions from the Sustainability Action Plan have been progressed throughout the year, including a review of processes using the Business Excellence Framework. Reviews include Waste Management, Engineering Services, Community Services and Development, and Buildings and Facilities, along with providing training for nine Continuous Improvement Facilitators within the organisation to continue looking at improvements to our processes. A review of the Sustainability Action Plan has just commenced and will be completed by the end of this calendar year.

The results of a local business survey are currently being collated to help inform the Council's draft Economic Development Plan. The State Government's regional economic development plan will need to inform our own local Economic Development Plan and the Council is still waiting for this to be completed. In the meantime, work has commenced on the development of food and art experience strategies as well as some preliminary work on developing a regional mountain-bike park and associated experience strategy in the Dial Range. Discussions have also commenced with the Latrobe and Kentish Councils relating to a more collaborative and coordinated approach to economic and tourism development.

To enable the electronic submission of building and plumbing applications, the Council has developed its Cloud-based document portal to receive applications and deliver permits, and has purchased and completed staff training in necessary software called 'Bluebeam'. The Council has been undertaking an electronic application submission trial with Pitt & Sherry throughout the latter half of the financial year which has been



demonstrating early success. Upon the conclusion of the trial, refinements to the system will be made before providing community access to the electronic applications submission service.

The Apply.Gov Applications Management software has now been in operation at Central Coast for over 12 months and has resulted in significant reductions in the processing time for the Council's planning, building and plumbing applications. Over this year the software has been further refined to now streamline the development applications notification process. Additionally, work has progressed with the development of an Environmental Health module for the software package which is expected to be completed early in the next year. Once implemented, this module will streamline the public health and food licensing processes as well as its food surveillance role.

At the 2011 Worksafe Tasmania Awards the Central Coast Council was announced the Winner – Public Sector for the 'Best Work-place Health and Safety Program' and joint winner for the 'Best Injury Management and Return to Work System'.

These are the result of the Council's OHWS continuous improvement activities across all areas. Ongoing training, risk assessments and an acceptance of 'safety first' have helped the Council achieve a significant reduction in injuries and costs.

As a result of being announced the Tasmanian winner the Council was automatically a Finalist for the National Awards held in Canberra in April.

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 to have our system audited externally. It is pleasing to note that we have been



Photos (from top to bottom):
 1. 2011 Worksafe Tasmania Awards
 2. 7th Annual Safe Work Australia Awards Finalist



successful in maintaining our accreditation as well as signing off on the potential risks raised in the previous audit.

Throughout the year the Council developed and implemented the Information Technology (IT) Disaster Recovery Plan and continued to update the Disaster Recovery and Business Continuity Plan. The IT Disaster Recovery Plan underpins the aim to re-establish computer services as quickly and as efficiently as possible and to minimise the effect on the public, staff and the operations of the Council. No matter which Council entity might be affected the Council is committed to returning that entity to a working IT state within a timeframe of eight hours, or sooner, depending on the entity involved and the severity of the disaster. This commitment is met by ensuring that the current system is backed up daily and the backup is stored off-site. This backup will be available for rebuilding the system in the event of a major disaster. Through the use of backup servers the Council is able to ensure that the existing main server network that serves the key administration functions of the Council can be switched to the remote server with a maximum loss of one hour's work in the event of any major failure. Through the temporary relocation of appropriate hardware and the use of backed up software the Council is able to restart or replace systems quickly and effectively with the minimum amount of disruption and inconvenience.

The Council is continuously looking at improving how we communicate with our community and this year has focused on reviewing the Council's website to ensure that the information provided is current and the site is user-friendly and easy to navigate. Some changes have already been made to our website, but prior to this being finalised a survey will be developed to gain further feedback on both the content and layout.

A number of conversations have also been held over the last year, including a café conversation on agri-business/food and also a forum with our service clubs to give them the opportunity to outline their projects for the year and find ways that they can work together, as well as with the Council, on community projects. We are also currently updating the Council's promotional 'Live, Visit and Invest' brochures which should be ready for distribution in the first part of next year. The Council has continued as well with a monthly page in The Advocate newspaper to provide information to the community on Council activities and projects.

The Ulverstone Child Care Centre continues to provide consistent high-quality care for the children in its care, supporting families and the community within which it operates. The Centre provides a warm, stimulating environment in which each child feels secure and is motivated to learn and develop through play at his/her own level.



The staff build a trusting and secure environment for both children and families. The Council's Child Care Services were increased by the addition of Forth After School Care, Forth Vacation Care and Forth Before School Care programs. These programs, based at the Forth Primary School, complement the Council's existing outside school hours care programs that run at Penguin Primary and East Ulverstone Primary Schools.

A review of waste management services commenced in August 2011 with the objective to deliver appropriate best value waste management services focusing on efficiency, effectiveness, cost and sustainability. The review examined all aspects of the Council's waste management services, both urban and rural, including current problems with the service and potential solutions to these problems. These solutions have been, and will be, provided to the Council on the basis of short-, medium- and long-term recommendations.

The short-term rural recommendations were implemented in early 2012, resulting in changes to opening days/hours, setting load size limits and increasing recycling scope and capacity at the country transfer stations. The provision of recycling opportunities at selected facilities and parks was the main short-term urban recommendation, with the initial indication from the trials pointing towards the expansion of this service. The majority of the medium- and long-term recommendations for waste management services will be investigated and considered in 2012-2013.



growing

our liveability, sustainability,
innovation and creative energy,
distinctiveness

Strategic Plan 2009-2014





Statement of Activities

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

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

Joint Authorities

Section 30(1) *Local Government Act 1993*

Under Section 30(1) of the *Local Government Act 1993*, the Central Coast Council resolved to participate in the establishment of three joint authorities: the Cradle Coast Authority, Cradle Mountain Water and Dulverton Regional Waste Management Authority. The following reports provide a summary of activities, budget and performance of the Authorities in 2011-2012.

- **Cradle Coast Authority**

“Since 2000, the Cradle Coast Authority has been providing ways for the councils and communities of North West Tasmania to work together for the benefit of our region.

It provides a strong voice for the region in dealings with other levels of government, shared administration for regional activities and development of new services and initiatives to meet the region’s changing needs.

In 2011-2012, the Authority advocated the region’s interests in public debate and policy processes on issues ranging from development in the Tarkine to air and sea access, health services reform and regional economic development.

The Authority’s business units continued to be leaders in their fields, with Cradle Coast NRM (Natural Resource Management) winning the Australian Government NRM Award at the 2011 Tasmanian Landcare Conference and the Cradle Coast Tourism team establishing the State’s first industry-based leadership group under the new Regional Tourism Organisation structure.

In its second year of operation, the Cradle Coast Healthy Communities Initiative launched a ‘toolkit’ for councils to support healthy lifestyles in their communities, and provided funding for 32 ‘local solutions’ to prevent lifestyle-related disease.



The Tarkine Forest Drive project reached an important milestone with the construction of the Tayatea Bridge at Meunna, a regional template for planning schemes was finalised and \$20,000 was secured for strategies to improve the wellbeing of lesbian, gay, bisexual, transgender and intersex people in our region.

These highlights reveal the diversity of issues the Authority is involved with, but also the region's growing confidence in working at regional scale.

The Authority's member councils expressed their confidence in the Authority by increasing the notice period for withdrawal of membership to 3 years, and supporting the borrowing of funds to establish new office premises under a 10-year lease.

The year ahead will see the Authority move into new headquarters, present nine new planning schemes for formal approval, investigate new regional models for waste management, planning, tourism and emergency management services, and help the region prepare for, and respond to, new political and economic challenges.

This will be possible with, and because of, the continuing efforts of our staff, our board, our councils and their communities, and their commitment to our region.

Copies of the Cradle Coast Authority Annual Report 2011-2012 are available from www.cradlecoast.com."

Roger Jaensch, Executive Chairman, Cradle Coast Authority

▪ **Cradle Mountain Water**

"In the first two years of operation, Cradle Mountain Water confronted significant challenges as we sought to become fully functional as a newly established, stand-alone business.

In the year under review we continued to face a number of significant challenges. The demands on our people have been extraordinary but through their efforts, 2011-2012 has been another year of significant progress.

In 2011-2012 we had before us two very significant non-negotiable deadlines: the legislated introduction of two-part pricing by 1 July 2012, which involved the



installation of more than 12,300 water meters across North Western Tasmania, and the preparation and finalisation of our Price and Service Plan for the three years commencing 1 July 2012.

The meter installation program was delivered within budget, a credit to all involved in the planning and management of the very demanding work schedule.

The preparation of the Price and Service Plan, its subsequent review and ultimate approval by the Tasmanian Economic Regulator was a significant whole of business task. That the Office of the Tasmanian Economic Regulator largely endorsed the Price and Service Plan prepared by Cradle Mountain Water reflects the effort and thought that underpinned our Plan. The approval of the Price and Service Plan means that from 1 July 2012 our customers will move to a fairer and more equitable pricing regime for water and sewerage services. Over time, customers with like services will pay like charges, irrespective of where they live in the North West region.

During the year, construction of the new Waratah Water Treatment Plant was completed and officially opened in August 2012. The new plant is providing the Waratah community with fully treated water. We also commenced the replacement of a major sewer main in Smithton.

Several other significant water projects continue to make good progress over the period including the Paloona Pipeline which will provide fully treated water to the Kelsey Tiers region. Also the provision of filtration to improve the quality of the Mountain Creek supply to Rosebery, and the implementation of critical control instrumentation for the control of chlorine and fluoride compliance at a number of treatment plants.

While the Queenstown water treatment plant was officially opened last year, quality issues have not yet been rectified. It is anticipated that the outstanding issues will be resolved early in the new financial year.

The plans for improved water quality for King Island continue to progress following a community forum that was held to address concerns regarding the project.

The implementation of our new billing system has led to significant progress in improving the timelines and accuracy of billing services and has enabled us to



commence debtor management processes that have been put on hold while we operate with interim billing systems.

The net profit after tax for 2011-2012 was \$0.462 million. The result was impacted by lower than anticipated revenue from developers and higher costs associated with: de-sludging of Sewage Treatment Plants to discharge quality compliance; higher employee related costs; and doubtful and bad debts.”

Extracted from *Cradle Mountain Water Annual Report 2011-2012*

- **Dulverton Regional Waste Management Authority**

“Dulverton Waste Management (DWM) is pleased to advise that it has concluded a challenging year in a positive manner, and indicators are for a better than budget operating profit and cash position.

Development of comprehensive 5 year financial forecasts on an activity basis has been completed and provided to Owner Councils. The financial forecasts detail future income, operational expenditure, capital investment, cash flow and likely dividends. This initial forecast will assist to more accurately guide the activities of the business into the future.

Development of the first stage of a 20 year site development plan is also complete and will form the basis of future more refined investigations. This comprehensive plan details future requirements for precious clay reserves and details where the likely reserves are located.

During 2011-2012 financial year DWM undertook considerable investment in new infrastructure. The investment in new infrastructure equated to over \$2.15m. This was mostly made up of the development of a new waste cell valued at \$1.8m. This cell secures adequate airspace for the region’s needs for the next 5 years and was partly funded by \$1.74m. of new borrowings. Significantly, DWM was able to fund the balance of the \$2.15m. capital works from its own funds. It should be noted that no further borrowing is forecast in the 5 year financial plan.

Financially DWM had a positive year, and while 2011-2012 financial statements remain subject to Tasmanian Audit Office audit, a greater than budget operating profit and cash position are anticipated. In both instances these results are an improvement on the 2010-2011 financial year results.

The overall total quantity of material managed by Dulverton Waste Management (DWM) has increased slightly (by 2.65%) to 71,861 tonnes. Revenue received from sale of goods and services is forecast at \$6,486,270 representing a 14% increase from 2010-2011. Expenditure is forecast to have reduced by 3% for same period.

In July 2011, DWM's Environmental Management System (EMS) was re-certified under AS/NZS ISO 14001:2004 through SAI Global. This process has enabled DWM to minimise the potential impacts the facilities may have on the environment, along with maintaining a continual improvement monitoring system. As part of the re-certification process an independent surveillance audit was conducted in June 2012 and no 'non-conformances' were identified demonstrating DWM's long term commitment towards best practice environmental performance.

Investigations into odour reports continued in 2011-2012. DWM are working closely with the relevant staff and departments of the Environment Protection Authority, and continue to refine processes and implement initiatives to ensure the whole site is operated in accordance with best practice.

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

Mat Greskie, Chief Executive Officer, Dulverton Waste Management

Public Health Statement

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

Section 72(1)(ab) of the *Local Government Act 1993* requires a statement of the Council's goals and objectives in relation to public health activities to be included in the Annual Report. This statement is provided in Appendix B of this Annual Report entitled '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	\$278,020
Councillors' expenses	\$49,607

Meeting Attendance

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

Councillor	Council Meetings	Councillors' Workshops
Bloomfield, John (from 8.11.2011)	10	17
Bonde, Jan	13	23
Bonde, Lionel	12	19
Broad, Shane (from 8.11.2011)	10	10
Carpenter, Garry	12	24
Deacon, John (to 28.10.2011)	3	6
Diprose, Amanda	13	25
Downie, Kathleen (from 8.11.2011)	9	12
Dry, David (to 28.10.2011)	4	8
Fuller, Cheryl	13	24
Haines, Ken (to 28.10.2011)	4	5
Howard, Gerry	14	28
Robertson, Brian (to 28.10.2011)	4	8
Tongs, Rowen (from 8.11.2011)	10	17
van Rooyen, Tony	12	25
Viney, Philip	14	22
<i>Total meetings</i>	<i>14</i>	<i>28</i>

Council meetings include Special Council meetings.



Remuneration of Senior Employees

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

Band	No. Employees
\$120,000-\$140,000	2
\$140,000-\$160,000	1
\$160,000-\$180,000	-
\$180,000-\$200,000	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.
Kentish Regional Clinic - Central Coast CORES Program	600
Leven Regional Arts - Bang Crash Tap dance program	2,000
Motton Preston Scout Group - Equipment and storage	800
North West Thunder Junior Development - Junior Program	1,500
North West Woodcraft Guild - Bandsaw	1,090
Penguin Football Club - Kitchen upgrade	3,000
Penguin Golf Club - Golf driving range	2,200
Penguin High School - Trades first-aid certificate	1,000
Red Cross Ulverstone - Commercial toaster	636
Riana Community Centre - Heating stage 2	2,000
Riana Cricket Club - Practice facility	2,500
Riana Primary School Association - Repair slide	2,727
Scouts Australia Leven District - Revamp Paton Park	799
South Riana Hall Committee - External hall cleaning	1,090



Grants, Assistance and Benefits Provided cont.

Details	\$ GST incl.
St Johns Ambulance Australia - Ulverstone Rooms refurbishment	2,272
Ulverstone Repertory Theatre Society - Building costs	1,818
Ulverstone Rowing Club - Outboard motor replacement	638
Ulverstone Girl Guides - Paint exterior of Guide Hall	1,000

Complaints

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

Nature	No. Received
Staff	5
Fees and Charges	1
Service/Product	8
Communication	-
Policies/Procedures	-

These complaints have been investigated and resolved.

Contracts for the Supply of Goods and Services

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

In accordance with section 23(5) of the *Local Government (General) Regulations 2005*, the following contracts or tenders awarded to the value of \$100,000 or above, excluding GST, were entered into during the 2011-2012 financial year.

Successful Contractor	Description of Contract	Period of Contract	Value of Tender/ Contract Sum \$
VEC Civil Engineering Pty Ltd	Design and construction of Leven River Wharf Precinct Pathways and retaining walls	Sep 2011– Mar 2012	586,676
Venarchie Contracting Pty Ltd	Supply of sprayed bituminous sealing for rural and urban roads	July 2011– June 2012	234,556



Contracts for the Supply of Goods and Services cont.

Successful Contractor	Description of Contract	Period of Contract	Value of Tender/ Contract Sum \$
TasSpan Civil Contracting Pty Ltd	Design and construction of Penguin Creek Bridge	Dec 2011 – Mar 2012	199,230
Australasian Playgrounds Pty Ltd trading as A-Play	Design and construction of new playground equipment	Feb 2012 – Apr 2012	210,000
Humes Pty Ltd	Supply and delivery of concrete pipes and box culverts for Stage 2 of East Ulverstone Industrial Estate development	Apr 2012 – July 2012	113,472
Komatsu	Supply and delivery of WB97R 5EO Platinum Backhoe Loader	June 2012	111,400
FRM Toyota	Supply and delivery of Hino FC1022 Medium truck	Apr 2012	102,455

Sub-regulation 27(1)(h) of the *Local Government (General) Regulations 2005* was applied.

In the case of the construction of the Leven River Wharf Precinct Redevelopment Stage 1.1B as per Concept Drawing No. 1.1B-3 as an extension of Contract No. 26/2010-2011 with Vos Construction & Joinery Pty Ltd, an exemption from the public tender process is considered applicable for the following reasons:

(i) Extenuating circumstances –

A satisfactory result for the construction of Stage 1.1B would not be achieved by reason of the extenuating circumstances of the design, construction and completion of Stage 1.1A.

(iii) The unavailability of competitive tenderers –

Due to the manner and circumstances of construction completion of both Stages 1.1A and 1.1B.

(Council Minute No. 381A/2011 - 21.11.2011)



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	2010-2011	2011-2012
Area	932km ²	932km ²
Population	21,747	21,779
No. of Electors	16,327	16,177
Rateable Properties	10,434	10,518
No. of Planning Applications Lodged	362	323
No. of Building Applications Lodged	383	313
Average Days to Determine Planning and Building Applications:		
- Permitted Use	17	10.6
- Discretionary	34	27.4
- Buildings	7.3	4.55
No. of Food Businesses Inspections Undertaken	199	249
Percentage Achieved of Capital Works Program	79%	88.9%
Average Cost Per Employee	\$66,484	\$68,716
Staff Turnover Rate	7.31%	5.92%
Average Sick Leave Per Employee	6.4 days	5.7 days
Lost Time Due to Injury	345.5 hrs	406.7 hrs
No. of Electronic Service Delivery Receipts	23,806	25,943
Assets		
Roads		
Urban - Sealed/Unsealed	136km/1km	136km/1km
Rural - Sealed/Unsealed	406km/123km	406km/123km
<i>Total Roads</i>	<i>666km</i>	<i>666km</i>
Bridges	75	75
Footpaths/Recreational Pathways	143km	143km
Drainage		
Pipeline Length	133km	133km
Waste Management		
Transfer Stations and Resource Recovery Centre	4	4
Recreation		
Parks	99	99
Gardens	43	43

About Central Coast cont.

General Statistics	2010-2011	2011-2012
Recreation Grounds	12	12
Buildings (select)		
Aged-persons Units	77	77
Public Toilets	38	38
Barbecue Huts	20	20
Picnic Huts	7	7
Bus Shelters	41	41

Building

Building Approvals - Comparisons

Parameter	2008-2009	2009-2010	2010-2011	2011-2012
<i>No. of Approvals</i>	356	343	383	293
<i>Total Value (\$)</i>	\$43,725,204	\$52,529,667	\$52,045,131	\$44,109,229
Dwellings - No. approved \$ value	82 \$20,532,975	90 \$21,919,579	90 \$22,904,441	63 \$16,819,490
Flats/Units - No. approved \$ value	39 \$5,373,000	31 \$5,124,000	49 \$10,581,848	9 4,279,078
Additions - No. approved \$ value	92 \$4,234,290	87 \$4,241,237	99 \$4,493,526	95 \$3,545,945
Alterations - No. approved \$ value	16 \$569,450	8 \$317,400	8 \$338,499	9 \$229,500
Outbuildings - No. approved \$ value	104 \$1,762,589	91 \$1,615,300	102 \$2,384,472	81 \$2,888,645
Other Buildings - No. approved \$ value	23 \$11,252,900	36 \$19,312,151	35 \$11,342,345	36 \$16,346,571

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	293	4.5	49	1
Dwellings	63	4.4	14	1
Units	20	6.3	12	1
Additions	95	4.6	49	1
Alterations	9	4.0	8	1
Outbuildings	81	4.4	12	1
Other Buildings	36	4.9	11	1

Statutory requirement is 7 days.

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

Community Assets

Civic Centre, Public Halls and Buildings Utilisation Data

(Bookings unless otherwise identified)

Detail	2010-2011	2011-2012
Civic Centre - Leven Theatre	145	125
Civic Centre - Gawler Room	143	152
Civic Centre - Isandula Room	152	140
Civic Centre - Manager's Office	52	54
Castra-Sprent Community Centre	9	14
Montgomery Room	254	295
Gawler Hall (RAOB Lease)	19	N/A
North Motton Hall	72	71
Penguin Railway Station	80	83
Riana Community Centre	86	102
Sulphur Creek Hall	223	200
Turners Beach Hall	105	128



Recreation Facilities Utilisation Data

Details	2010-2011	2011-2012
Ulverstone Learn to Swim Pool		
- Hours Used	1,244.5	1,304
- Bookings	1,037	1,097
Ulverstone Waterslide (Operated 22.11.2011-28.03.2012)		
- Days Open	80	72
- Highest Utilisation Day	218	185
- Average Per Day	80	92
- Private Booking Hours	165	177
Forth Recreation Ground	139	165
Haywoods Reserve Recreation Ground	195	141
Heybridge Recreation Ground	117	86
Penguin Recreation Ground	170	189
Riana Recreation Ground	72	66
River Park Recreation Ground	152	141
Sprent Recreation Ground	65	67
Turners Beach Recreation Ground	155	140
Ulverstone Recreation Ground	390	402
West Ulverstone Recreation Ground	132	141
Ulverstone Sports Complex		
- Stadiums	1,694	1,775
- Squash Courts	251	310
Penguin Sports Complex		
- Stadiums	671	691
- Squash Courts	233	280
Ulverstone Showground		
- Playing Fields	654	668
- Netball Courts (incl. grass court)	67	129
- Dog Training Area	92	92
- Training Room	303	331
North Motton Equestrian Complex	59	63
Batten Park Rodeo Complex	23	45
Penguin Athletic Track	118	137

Environmental Management Processing Times

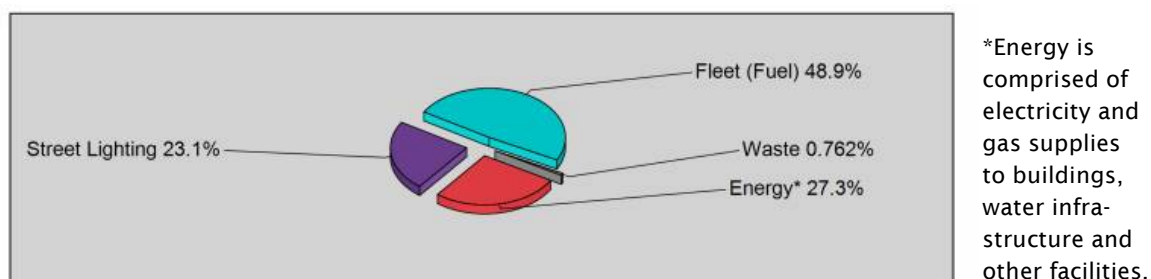
<i>Category \ Parameter</i>	<i>No. of Applications</i>	<i>Average No. of Days</i>	<i>Most No. of Days</i>	<i>Least No. of Days</i>
Special Plumbing Permits Statutory requirement is 18 days.	33	1.3	7	1
Food Business	182	4.8	61	1
Public Health Risk Activity	7	5.2	13	2
Place of Assembly	50	7.1	61	1

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)
2011-2012	1,450 Tonnes CO ₂ (e)
2010-2011	1,546 Tonnes CO ₂ (e)
2009-2010	1,509 Tonnes CO ₂ (e)
2008-2009	1,994 Tonnes CO ₂ (e)
2007-2008	1,615 Tonnes CO ₂ (e)
2006-2007	1,299 Tonnes CO ₂ (e)

Council Greenhouse Gas Emissions by Source for FY 11-12 to and including April-June 2012



Current and historical annual totals have been adjusted to reflect the Council's assets only (previously included some assets that were transferred to Cradle Mountain Water).

Key Financial Performance Information

	2010-2011	2011-2012
Current Assets	\$6,745,895	\$7,614,582
Current Liabilities	\$4,771,940	\$4,559,027
Non Current Assets	\$396,812,071	\$424,437,774
Non Current Liabilities	\$4,620,314	\$4,803,914
Net Wealth of the Council	\$394,165,712	\$422,689,415
Rate Revenue	\$11,565,980	\$12,309,569
Operating Revenue	\$24,621,984	\$27,856,115
Operating Expenditure	\$20,843,078	\$21,997,085
Operating Surplus (Deficit)	\$3,778,906	\$5,859,030
Loan Debt	\$2,340,942	\$2,239,487
Total Employee Costs	\$9,374,297	\$10,061,646
Number of Full-time Equivalent Employees	141	141
Rates Outstanding	2.65%	2.92%

Financial Sustainability Indicators

	2010-2011	2011-2012
Operating margin ratio <i>indicates a measure of the Council's overall operating effectiveness</i>	✗	✓
Current ratio <i>indicates the Council's ability to meet its current commitments (measure of liquidity)</i>	✓	✓
Net financial liabilities ratio <i>indicates the extent to which financial liabilities could be met by operating income</i>	✓	✓
Asset sustainability ratio <i>indicates whether the Council is replacing or renewing non-financial assets at the same rate its overall stock of assets is wearing out for the period</i>	✓	✓
Asset consumption ratio <i>indicates the depreciated replacement of Council's depreciable assets relative to their as new (replacement) value</i>	✓	✓
Self-financing ratio <i>measures the Council's ability to fund the replacement of assets from cash generated from operations</i>	✓	✓
Own source revenue <i>represents revenue generated by a council through its own operations</i>	✓	✓

✓ Performance is regarded as satisfactory

✗ Performance is below State benchmark



Planning

Subdivision – Net Lots Approved

Locality	2010-2011	2011-2012
Rural	4	1
Leith	3	5
Forth	-	-
Turners Beach	-	23
Ulverstone	151	6
Penguin	5	11
Sulphur Creek	-	5
Heybridge	1	-

Planning Permit Processing Times

Category	2011-2012	
	No. Applications	Av. No. of Days
Permitted	122	10.6
Discretionary	154	27.4

Statutory requirement is 42 days.

Staffing Numbers

Department	Full-time	Part-time	Casual	Total
General Management	6	-	-	6
Corporate & Community Services	23	31	40	94
Development & Regulatory Services	10	3	4	17
Engineering Services	69	5	1	75
<i>Total</i>	<i>108</i>	<i>39</i>	<i>45</i>	<i>192</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:

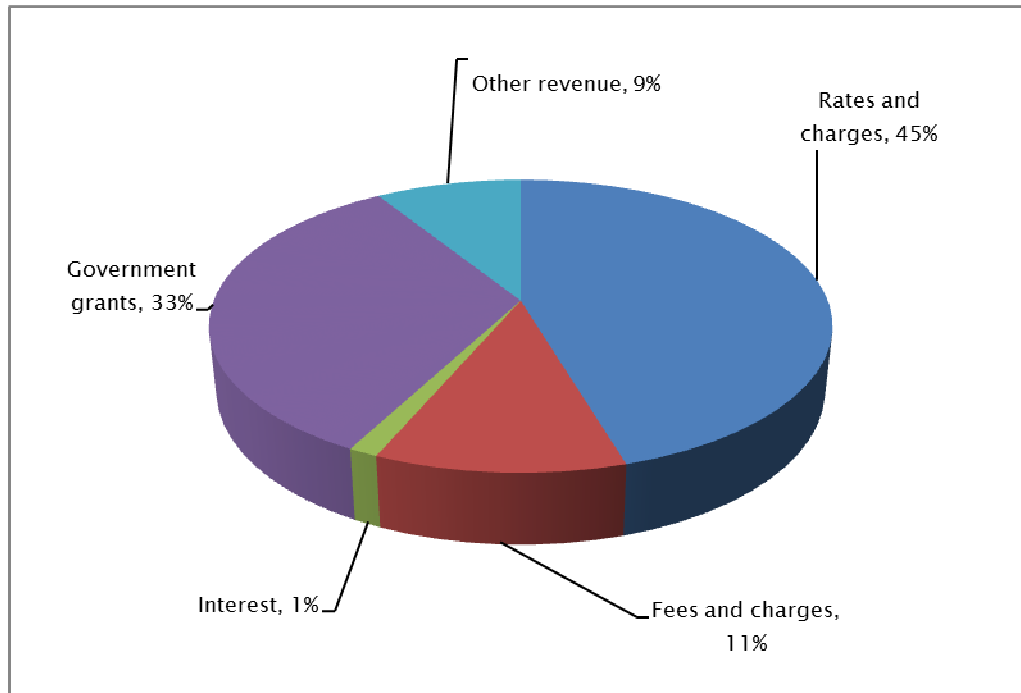
- (i) comply with applicable Australian Accounting Standards and Section 84 of the *Local Government Act 1993*;
- (ii) specify any interests as notified to the General Manager of any Councillor in respect of any body or organisation with which the Council has major financial dealings;
- (iii) contain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

Financial Performance

A surplus of \$5,185,086 (before non-monetary contributions and the change in fair value of investments) compared to a budgeted surplus of \$3,181,100 was reported this current financial year. The increase from budget is principally attributable to the effects of the increase in the early receipt of the instalment for the Commonwealth Government Financial Assistance Grant over the prior year.

The operating capability has continued to improve over prior 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 11%.

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 \$5,185,086. The Council's surplus for the period including non-monetary contributions was \$5,859,030. A sum of \$126,454 was appropriated to fund principal repayments of debt, and \$1,232,414 was transferred to reserves to meet anticipated future needs, while \$1,288,862 was transferred from reserves to accumulated surplus to fund budgeted programs.

At 30 June 2012, the equity of the Council comprised an accumulated surplus of \$200,857,396 and reserves of \$221,832,019.

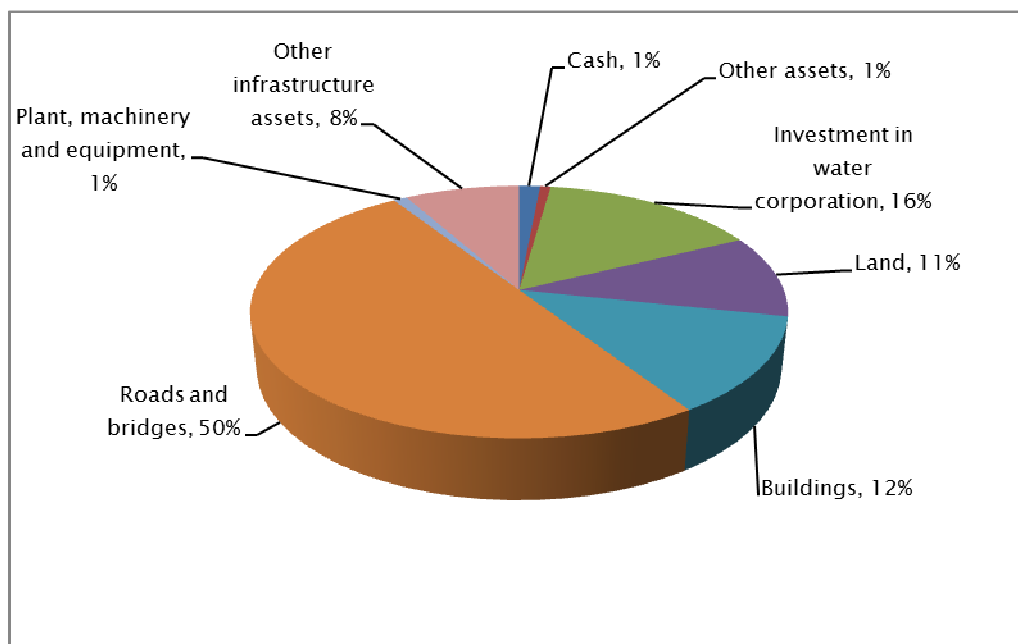


Assets

Total assets of the Council at 30 June 2012 amount to \$432,052,356 as indicated in the Balance Sheet. There has been an increase of \$28,494,390 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 \$673,944 were recognised for the first time by the Council. The Council has investments in Dulverton Regional Waste Management Authority and Cradle Mountain Water. The Council's share of investment in each of these at 30 June 2012 was \$66,971,245 in Cradle Mountain Water and \$2,009,245 in Dulverton Regional Waste Management Authority.

Indicated in Chart 2 is the mix of total assets at 30 June 2012.

Chart 2 - Mix of Total Assets





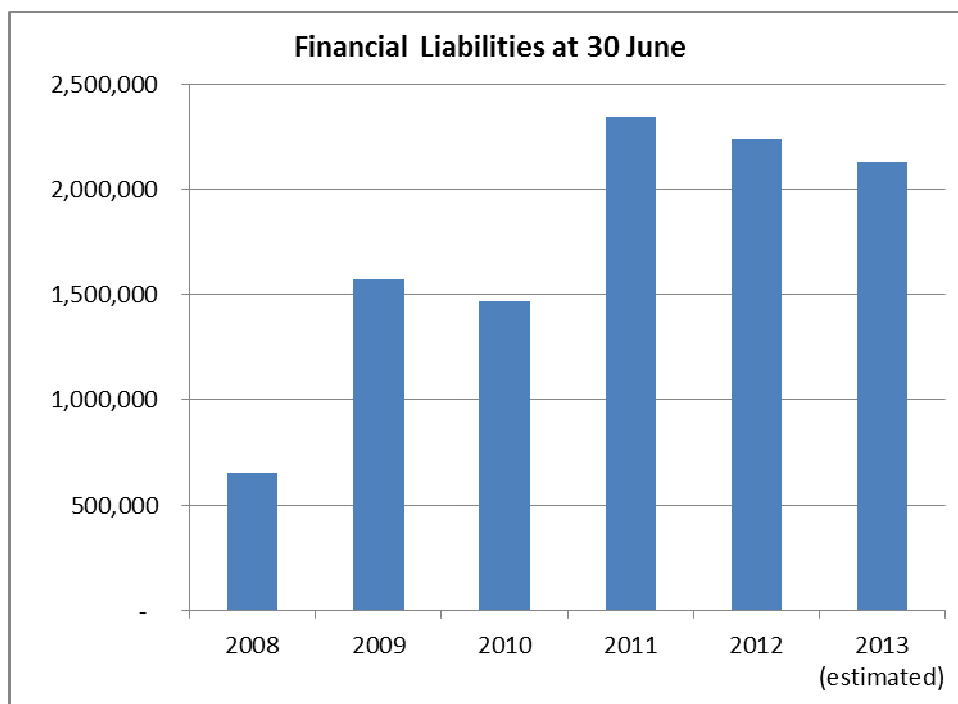
Liabilities

Total liabilities at 30 June 2012 amounted to \$9,362,941, a 0.3% decrease from 30 June 2011. Liabilities comprised mainly employee provisions \$2,368,003, aged-persons home unit provisions \$1,981,887, interest bearing loans \$2,239,487, and payables \$1,868,154. Payables decreased by 10.4% (\$216,163) due to completing the capital projects resulting from the flood damage. All other liabilities were comparable with previous years.

Debt Administration

Interest bearing loans have decreased by 4.3% (\$101,455). New long-term finance of \$25,000 was secured in January 2012 to help fund the Ulverstone Surf Life Saving Club facility upgrade. This loan is repayable to the Council on matching terms and conditions. While repayments of \$126,454 were made during the year, borrowing costs (interest) of \$154,605 were charged.

Indicated on Chart 3 is the level of debt owed by the Council over the last five years and estimated debt owing at the end of the 2012-2013 financial year. The Council's exposure to debt at 30 June 2012, given a debt exposure ratio of 2.11%, is considered to be responsible and manageable.





Financial Ratios of the Accounts

	2010-2011	2011-2012
Rate coverage ratio: (rates and charges revenue/total operating revenue)	51.90%	45.0%
Rate collection ratio: (rates receivables/rates and charges)	2.71%	2.99%
Debt payment ratio: (debt servicing cost/total revenue)	0.47%	0.59%
Debt exposure ratio: (total liabilities/total assets)	2.33%	2.16%
Government grants per capita: (grant revenue/population)	\$269	\$414
Expenditure per capita: (operating expenses/population)	\$958	\$1,010
Working capital ratio: (current assets/current liabilities)	1.41:1	1.67:1

- *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 rose by 6.66% this financial year which is reasonable considering the reduction in Government grants received during this financial year.
- *Rate collection ratio* represents the Council's outstanding rates as at 30 June.
- *Debt payment ratio* represents the capacity of the Council to service its outstanding debt.
- *Debt exposure ratio* represents the Council's exposure to debt.
- *Government grants per capita* measures the Council's financial independence in relation to population. The increase is due to the effects of the increase in the instalment of the early receipt for the Commonwealth Government Financial Assistance Grant.
- *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 1.67:1 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 2012, the net wealth of the Central Coast Council, as indicated in the Balance Sheet, amounted to \$422,689,415, a \$28,523,703 increase over the opening equity at the beginning of the year.

Cor Vander Vlist
DIRECTOR CORPORATE & COMMUNITY SERVICES

¹ 3218.0 Regional Population Growth, Australia
Released at 11.30am (Canberra time) 30 March 2012
Population Estimates by Local Government Area, 2001 to 2011

Photo acknowledgments

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Financial Report

for the year ended 30 June 2012

Appendix A

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1 COMPREHENSIVE INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2012



	Note	2011-2012 Actual	2011-2012 Budget	2010-2011 Actual
Income				
Rates	3	12,309,569	12,219,000	11,565,980
Fees and charges	4	3,008,759	3,221,100	3,117,906
Interest	5	383,631	475,000	373,144
Grants	6	5,473,379	4,212,900	3,839,852
Contributions – cash	7(a)	1,024,558	934,000	1,033,307
Other income	8	197,419	269,600	205,173
Share of profit/(losses) of associates	21	235,363	200,000	130,109
Total income		\$ 22,632,678	\$ 21,531,600	\$ 20,265,471
Expenses				
Employee benefits	10	9,145,321	8,958,000	8,490,576
Materials and services	11	6,850,460	6,633,000	6,862,689
Finance Costs	12	411,282	155,500	124,690
Depreciation and amortisation	13	5,228,856	5,526,000	5,044,806
Other expenses	14	361,166	356,000	320,317
Total expenses		21,997,085	21,628,500	20,843,078
Surplus/(deficit) before:		635,593	96,900	(577,607)
Capital Grants	6	3,556,118	2,986,000	2,019,780
Contributions – non-monetary assets	7(b)	673,944	-	2,246,063
Net gain/(loss) on disposal of assets	9	993,375	292,000	90,670
Net Surplus/(deficit)		\$ 5,859,030	\$ 3,181,100	\$ 3,778,906
Other comprehensive income				
Change in fair value of investment in Cradle Mountain Water	22	169,904	-	311,193
Net asset revaluation - Council		22,463,477	-	42,202,778
Net asset revaluation - Associate	21	31,292	-	181,881
Comprehensive result		\$ 28,523,703	\$ 3,181,100	\$ 46,474,758

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.



	Note	30 June 2012	30 June 2011
ASSETS			
Current Assets			
Cash and cash equivalents	15	6,441,949	5,416,470
Trade and other receivables	16	957,004	951,403
Inventories	17	31,120	25,309
Non-current assets classified as held for sale	18	-	102,136
Other assets	19	184,509	250,577
Total Current Assets		7,614,582	6,745,895
Non-current Assets			
Trade and other receivables	16	83,826	84,280
Investment in associates	21	2,009,245	1,742,590
Investment in water corporation	22	66,971,245	66,801,341
Property, plant and infrastructure	23	352,596,673	324,780,014
Capital work Progress	20	2,776,785	3,370,286
Other assets	19	-	33,560
Total Non-current Assets		424,437,774	396,812,071
TOTAL ASSETS		432,052,356	403,557,966
LIABILITIES			
Current Liabilities			
Trade and other payables	24	1,868,154	2,084,317
Trust Funds and deposits	27	253,781	363,853
Provisions	25	2,328,125	2,197,316
Interest bearing loans and borrowings	26	108,967	126,454
Total Current Liabilities		4,559,027	4,771,940
Non-current Liabilities			
Provisions	25	2,673,394	2,405,826
Interest bearing loans and borrowings	26	2,130,520	2,214,488
Total Non-current Liabilities		4,803,914	4,620,314
TOTAL LIABILITIES		9,362,941	9,392,254
NET ASSETS		\$ 422,689,415	\$ 394,165,712
EQUITY			
Accumulated Surpluses		200,857,396	194,941,918
Reserves	28	221,832,019	199,223,794
TOTAL EQUITY		\$ 422,689,415	\$ 394,165,712

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.

3 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2012



	Opening Balance	Comprehensive Result	Transfers to Reserve	Transfers from Reserve	Closing Balance
Asset Revaluation Reserve - Council					
2011-2012	195,131,320	22,463,477	-	-	217,594,797
2010-2011	152,928,542	42,202,778	-	-	195,131,320
Asset Revaluation Reserve - Associates					
2011-2012	933,295	31,292	-	-	964,587
2010-2011	751,414	181,881	-	-	933,295
Fair Value Reserve – Water Corporation					
2011-2012	311,193	169,904	-	-	481,097
2010-2011	-	311,193	-	-	311,193
Asset Replacement Reserve					
2011-2012	1,614,407	-	1,073,638	(910,083)	1,777,962
2010-2011	1,523,434	-	1,214,237	(1,123,264)	1,614,407
Fire Services Reserve					
2011-2012	4,860	-	13,107	-	17,967
2010-2011	11,091	-	-	(6,231)	4,860
Garbage Collection Reserve					
2011-2012	1,956	-	19,771	-	21,727
2010-2011	(14,303)	-	16,259	-	1,956
Special Projects Reserve					
2011-2012	1,226,763	-	125,898	(378,779)	973,882
2010-2011	1,581,063	-	97,633	(451,933)	1,226,763
Total Reserves					
2011-2012	199,223,794	22,664,673	1,232,414	(1,288,862)	221,832,019
2010-2011	156,781,241	42,695,852	1,328,129	(1,581,428)	199,223,794
Accumulated Surpluses					
2011-2012	194,941,918	5,859,030	(1,232,414)	1,288,862	200,857,396
2010-2011	190,909,713	3,778,906	(1,328,129)	1,581,428	194,941,918
Total Equity					
2011-2012	394,165,712	28,523,703	-	-	422,689,415
2010-2011	347,690,954	46,474,758	-	-	394,165,712

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.



	Note	2011-2012	2010-2011
Cash flows from operating activities			
Rates and charges		12,255,598	11,542,379
Fees and charges		3,590,114	4,537,447
Interest		383,631	373,144
Government grants		5,473,379	3,839,852
Contributions		888,597	900,731
Net GST refunds/(payments)		1,212,110	952,971
Other income		156,108	205,173
Payments to employees		(8,997,405)	(8,165,395)
Payments to suppliers		(8,065,682)	(8,704,718)
Finance costs		(154,605)	(103,674)
Other payments		(361,166)	(320,317)
Net cash provided by (used in) operating activities	29	\$ 6,380,679	\$ 5,057,593
Cash flows from investing activities			
Proceeds from sale of land		1,531,187	872,446
Proceeds from sale of plant and equipment		337,289	373,182
Capital grants		3,556,118	2,019,780
Payments for property, plant and equipment		(10,678,339)	(8,558,614)
Proceeds from Financial Assets (managed funds)		-	1,324,714
Net cash provided by (used in) investing activities		\$ (5,253,745)	\$ (3,968,492)
Cash flows from financing activities			
New loans		25,000	1,000,000
Loan repayments		(126,455)	(128,874)
Net cash provided by (used in) financing activities		\$ (101,455)	\$ 871,126
Net increase in cash and cash equivalents		1,025,479	1,960,227
Opening Cash Balance		5,416,470	3,456,243
Closing Cash Balance	15	\$ 6,441,949	\$ 5,416,470

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.



Introduction

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

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

- b** The functions of the Council include:

- provide for the peace, order and good government in the municipality;
- to promote the social, economic and environmental viability and sustainability of the municipal area;
- to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
- to improve the overall quality of life of people in the local community;
- to promote appropriate business and employment opportunities;
- to ensure that services and facilities provided by the Council are accessible and equitable;
- to ensure the equitable imposition of rates and charges; and
- to ensure transparency and accountability in Council decision making.

- c** Basis of preparation:

This financial report is a general purpose financial report that consists of the Statements of Comprehensive Income, Financial Position, Changes in Equity, 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). Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities. As a result this financial report does not comply with International Financial Reporting Standards.

1 Significant Accounting Policies

a Basis of accounting

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

This has further been prepared under the going concern convention, except these specifically stated in notes 1(f), 1(i), 1(j), and 1(p).

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.

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

Judgements and Assumptions

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

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

Fair Value of Property Plant & Infrastructure

Assumptions and judgements are utilised in determining the fair value of Council's property, plant and infrastructure including useful lives and depreciation rates. These assumptions are discussed in note 1(f) and in note 23.

Defined benefit superannuation fund obligations

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

Employee entitlements

Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in note 1(o) and note 25.



Investment in water corporation

Assumptions utilised in the determination of Council's valuation of its investment in Cradle Mountain Water are discussed in note 1(m) and in note 22.

Landfill / Tip Rehabilitation

Assumptions and judgements are utilised in determining the estimated liability for restoring the site at Lobster Creek Road. These assumptions are discussed in note 25(c).

b Change in accounting policy

The Council during 2010/11 implemented residual values on part of its road assets. It implemented a 50% residual on road pavements and a 30% residual on road surfaces. The effect of these changes deliver a more reliable measure of depreciation over the useful life of the asset. It further changed the useful lives of some infrastructure and plant assets and standardised the useful lives within assets classes. The change to the useful lives was made to ensure consistency for like assets and for depreciation to better reflect the actual useful life of the assets. The financial impact of these changes was to reduce the depreciation charge by approximately \$980,000 for the year ended 30 June 2011. This reduction is expected to continue in future years.

c 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.

A provision for impairment on rates has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

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



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.

Non-monetary contributions

Non-monetary contributions (including developer contributions) with a value in excess of the recognition thresholds are recognised as revenue and as non-current assets. Non-monetary contributions below the thresholds are recorded as revenue and expenses.

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.

Council do not have any assets classified as investment properties and received rent from buildings that are primarily occupied for Council purposes.

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

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.

Interest

Interest is recognised progressively as it is earned.



Dividends

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

d Expense recognition

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

Employee benefits

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

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.

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

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

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

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. The impact of depreciation is considered immaterial.

Repairs and maintenance

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

Roads

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

Finance costs

Finance 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, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised. No borrowing costs were capitalised during the period.

Finance costs include interest on bank overdrafts, interest on borrowings, unwinding of discounts, and finance lease charges.



f 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.

The asset capitalisation threshold adopted by Council is between \$1000 and \$5000 depending on the category. Assets valued at less than the threshold applicable to the asset category are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

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 23. 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 their fair value. Fair value is represented by the deprival value of the asset approximated by its written down replacement cost.

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 re-valued 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 to ensure the carrying amount reflects fair value. 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 re-valued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve 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 are recognised at cost.

g 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.

h 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.

**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 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.

k Investments

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

l 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 21 for further details.

m Investments in water corporation

Council's investment in Cradle Mountain is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date based on Final Treasurer's Allocation Order in 2011. Council has an ownership interest of 20.5% in the corporation. Any unrealised gains and losses on holdings at balance date are recognised through the Statement of Comprehensive Income to a Financial Assets Available for Sale Reserve each year (refer note 32).

Council has classified this asset as an Available-for-Sale financial asset as defined in AASB 139 Financial Instruments: Recognition and Measurement and has followed AASB 132 Financial Instruments: Presentation and AASB 7 Financial Instruments: Disclosures to value and present the asset in the financial report.



n Tender deposits

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited (refer to note 27).

o 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.

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 *Employee Benefits* 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.



Sick leave

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

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.

p Interest bearing liabilities

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

q 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.

r Web site costs

Costs in relation to websites are charged as an expense in the period in which they are incurred.

s Taxation

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



Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

t 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, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset. For non-cash generating assets of Council such as roads, drains, public buildings and the like, value in use is represented by the deprival value of the asset represented by its written down replacements cost.

u 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.

**v 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 25(b).

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'. Refer Note 25(c).

w 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 35. The council has determined, based upon materiality that Roads, Streets and Bridges defined in Note 2 are considered significant business activities.

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.

X Pending Accounting Standards

Council but are not yet effective. They have not been adopted in preparation of the financial report at reporting date.

<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or ending on</i>	<i>Impact on Local Government financial statements</i>
AASB 9: Financial Instruments.	<p>These standards are applicable retrospectively and amend the classification and measurement of financial assets. Council has not yet determined the potential impact on the financial statements. Specific changes include:</p> <ul style="list-style-type: none"> • simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value; • reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on: <ul style="list-style-type: none"> a) the objective of the entity's business model for managing the financial assets; and b) the characteristics of the contractual cash flows. 	Applicable for annual reporting periods commencing on or after 1 January 2013.	These changes are expected to provide some simplification in the accounting for and disclosure of financial instruments.



<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or ending on</i>	<i>Impact on Local Government financial statements</i>
AASB 12: Disclosure of Interests in Other Entities.	This Standard supersedes AASB 127 <i>Consolidated and Separate Financial Statements</i> and AASB 131 <i>Interests in Joint Ventures</i> . This Standard was issued in August 2011.	Applicable for annual reporting periods commencing on or after 1 January 2013.	Council has not yet determined the application or the potential impact of the Standard.
AASB 13: Fair Value Measurement.	This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. There is no financial impact.	Applicable for annual reporting periods commencing on or after 1 January 2013.	No financial impact.
AASB 119: Employee Benefits.	This Standard supersedes AASB 119 <i>Employee Benefits</i> , introducing a number of changes to accounting treatments. This Standard was issued in September 2011.	Applicable for annual reporting periods commencing on or after 1 January 2013.	Council has not yet determined the application or the potential impact of the Standard.
AASB 128: Investments in Associates and Joint Ventures.	This Standard supersedes AASB 128 <i>Investments in Associates</i> , introducing a number of changes to accounting treatments. This Standard was issued in August 2011.	Applicable for annual reporting periods commencing on or after 1 January 2013.	Council has not yet determined the application or the potential impact of the Standard.
AASB 1053: Application of Tiers of Australian Accounting Standards.	This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. This Standard is	Applicable for annual reporting periods commencing on or after 1 July 2013.	These amendments are not expected to impact Council.



<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or ending on</i>	<i>Impact on Local Government financial statements</i>
	not expected to impact Council. However, it may affect disclosures if reduced disclosure requirements apply.		
AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and int 10 and 12].	[Modified by AASB 2010-7]	Applicable for annual reporting periods commencing on or after 1 July 2013.	Council has not yet determined the application or the potential impact of the Standard.
AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and int 2, 5, 10, 12, 19 and 127].	This Standard makes consequential amendments to other Australian Accounting Standards and interpretations as a result of issuing AASB 9 in December 2010.	Applicable for annual reporting periods commencing on or after 1 January 2013.	Council has not yet determined the application or the potential impact of the Standard.



<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or ending on</i>	<i>Impact on Local Government financial statements</i>
AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 and 1038 and Int 5, 9, 16 and 17].	This Standard gives effect to consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 <i>Separate Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i> .	Applicable for annual reporting periods commencing on or after 1 January 2013.	Council has not yet determined the application or the potential impact of the Standard.
AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 and 1038 and int 2, 4, 12, 13, 14, 17, 19, 131, 132].	This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact.	Applicable for annual reporting periods commencing on or after 1 January 2013.	No financial impact.



<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or ending on</i>	<i>Impact on Local Government financial statements</i>
AASB 2011-9: Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 and 1049]	This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially re-classifiable to profit or loss subsequently (reclassification adjustments).	Applicable for annual reporting periods commencing on or after 1 July 2013.	Council has not yet determined the application or the potential impact of the Standard.
AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 and 2011-8 and int 14]	The Standard makes amendments to other Australian Accounting Standards and interpretations as a result of issuing AASB 119 Employee Benefits in September 2011.	Applicable for annual reporting periods commencing on or after 1 January 2013.	Council has not yet determined the application or the potential impact of the Standard.

y Contingent assets, contingent liabilities and commitments

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value and inclusive of the GST payable. Refer to note 30.

z Budget

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



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						
2011-2012	53,000	1,524,094	1,577,094	3,814,279	(2,237,185)	82,730,221
2010-2011	834,000	1,027,840	1,861,840	3,772,155	(1,910,315)	80,055,347
Roads, Streets and Bridges						
2011-2012	5,888,186	309,716	6,197,902	5,123,359	1,074,543	223,409,052
2010-2011	2,095,780	1,448,410	3,544,190	4,818,083	(1,273,893)	200,692,676
Drainage						
2011-2012	139,000	7,386	146,386	493,448	(347,062)	24,391,978
2010-2011	240,000	861,666	1,101,666	615,390	486,276	25,356,230
Waste Management						
2011-2012	64,000	1,666,868	1,730,868	3,359,250	(1,628,382)	4,150,218
2010-2011	105,000	1,586,809	1,691,809	2,920,110	(1,228,301)	3,799,431
Environmental Health/Environmental Management						
2011-2012	-	76,608	76,608	360,756	(284,148)	64,238
2010-2011	-	69,688	69,688	338,576	(268,889)	74,834
Planning Services						
2011-2012	-	169,678	169,678	574,353	(404,675)	33,758
2010-2011	-	194,257	194,257	509,376	(314,120)	32,166
Building Control						
2011-2012	-	273,830	273,830	555,625	(281,795)	45,128
2010-2011	-	320,211	320,211	555,576	(235,365)	51,428
Community Amenities						
2011-2012	301,000	733,501	1,034,501	1,498,850	(464,349)	26,448,105
2010-2011	261,000	719,013	980,013	1,444,446	(464,433)	24,837,005



	Grants	Other	Total Revenue	Total Expenditure	Surplus/ (Deficit)	Assets
Community Services						
2011-2012	292,650	1,406,149	1,698,799	1,887,776	(188,977)	2,588,071
2010-2011	61,000	1,395,133	1,456,133	2,219,188	(763,055)	3,455,294
Recreation Facilities						
2011-2012	212,000	394,565	606,565	3,249,903	(2,643,338)	58,295,459
2010-2011	687,000	445,297	1,132,297	3,063,583	(1,831,296)	55,722,342
Economic Development						
2011-2012	1,018,345	1,188,008	2,206,353	439,644	1,766,709	9,896,128
2010-2011	1,575,852	670,828	2,246,680	430,435	1,816,245	8,691,213
Other - Not Attributable						
2011-2012	1,061,316	11,076,215	12,137,531	639,842	11,497,689	-
2010-2011	-	10,480,937	10,480,936	613,923	9,867,040	-
Total						
2011-2012	9,029,497	18,826,618	27,856,115	21,997,085	5,859,030	432,052,356
2010-2011	5,859,632	19,220,115	25,079,747	21,300,840	3,778,906	403,557,966

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

	2012	2011
Current assets	7,614,582	6,745,895
Non-current assets	424,437,774	396,812,071
	\$ 432,052,356	\$ 403,557,966

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.



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.

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 - not attributable

Rates and charges and work support not attributed elsewhere.

3 Rates

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

	30-Jun-12	30-Jun-11
Rates levied	12,768,923	12,033,808
Revenue in advance	78,826	38,785
Early payment discount	(497,898)	(470,388)
Rates remitted	(40,282)	(36,225)
Net rates and charges	\$ 12,309,569	\$ 11,565,980

4 Fees and charges

Certificate charges	101,323	127,310
Child care fees	585,838	605,336
Inspection and connection fees	96,755	191,259
Rental of aged persons home units	186,696	187,655
Rental of Ganesway units	169,193	159,001
Resource Recovery Centre - entry fees	232,484	220,480
Resource Recovery Centre - other income	122,914	126,385
Swimming pool and waterslide	77,217	118,093
Other fees and charges	1,436,339	1,382,387
Total fees and charges	\$ 3,008,759	\$ 3,117,906



5 Interest

	30-Jun-12	30-Jun-11
Interest on financial assets	383,631	360,200
Gains from financial assets at fair value through profit and loss	-	12,944
Total interest	\$ 383,631	\$ 373,144

6 Government grants

Grants were received in respect of the following:

Grants - Operating

Opt-in program	25,000	28,000
Natural disaster funding	366,718	-
Volunteer funding	7,220	-
Transition National Framework Support Funding	5,000	-
Commonwealth financial assistance grant		
• Current year receipt	2,032,396	2,840,772
• Advance receipt	3,037,045	971,080
Total operating grants	\$ 5,473,379	\$ 3,839,852

Capital grants received specifically for new or upgraded assets.

Projects	-	148,000
Roads to recovery	468,333	709,922
Sustainable transport funding	69,184	-
Leven Canyon	-	60,000
Safer travel speeds in shared urban spaces program	-	200,000
	537,517	1,117,922

State funded capital grants

Blackspot projects	-	141,858
Wharf development	-	760,000
Natural disaster funding	2,987,951	-
State Emergency Services	22,500	-
Community Shed	4,000	-
Penguin Fun Club	4,150	-
	3,018,601	901,858
Total capital grants	\$ 3,556,118	\$ 2,019,780
Total government grants	\$ 9,029,497	\$ 5,859,632



	30-Jun-12	30-Jun-11
<i>Summary of Grants</i>		
Federally funded grants	5,606,958	3,909,774
State funded grants	3,422,539	1,949,858
	\$ 9,029,497	\$ 5,859,632

The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. On 11 May 2012 the Government announced in the Commonwealth Budget following the downturn in the economy that, "to assist local councils with planning for the recovery and to ensure local government has maximum certainty to begin planning their 2012-13 works programs", it would bring forward for payment to all councils in June 2012, the first two instalments of the 2012-13 grant pool. Since 2009-10 the Commonwealth has been making early payment of the first quarterly instalment for the following year. However, the above General Purpose and Roads Financial Assistance Grants for 2011-12 thus include an additional instalment over that received in 2010-11. In accordance with AASB1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control. The effects of the early receipt of instalments each year has resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2011-12 by \$1,061,316 and 2010-11 by \$25,802. This has impacted the Statement of Comprehensive Income resulting in the Net surplus/(deficit) from continuing operations being higher in both years by these amounts. With fewer instalments due to be received in 2012-13, the reverse effect is expected to occur.

Unspent grants at 30 June:

Regional Local Community Infrastructure Projects	-	175,996
Other Projects	25,846	-
Total unspent grants	\$ 25,846	\$ 175,996

7 Contributions

a Cash contributions

Contributions	224,232	197,271
Child care contributions	627,139	572,337
Other contributions	173,187	263,699
	1,024,558	1,033,307


b Non-monetary contributions
Transfer of subdivision assets and assets recognised for the first time.

	30-Jun-12	30-Jun-11
Buildings [Note 23(b)]	673,944	-
Roads and streets	-	779,232
Footpaths	-	285,340
Drainage	-	847,348
Bridges	-	334,143
	673,944	2,246,063
Total contributions	\$ 1,698,502	\$ 3,279,370
8 Other income		
Dulverton NTER payments	79,020	77,289
Private works	27,950	40,517
Reimbursements	90,449	87,367
Total other income	\$ 197,419	\$ 205,173
9 Disposal of assets		
Proceeds of sale		1,244,364
. Property, plant and infrastructure	1,536,657	-
. Property held for resale	331,818	-
Written down value of assets sold		(1,153,694)
. Property, plant and infrastructure	(772,964)	-
. Property held for resale	(102,136)	-
Net gain/(loss) on disposal of assets	\$ 993,375	\$ 90,670
10 Employee costs		
Gross salary and wages	6,893,858	6,445,749
Leave paid/accrued	1,533,017	1,340,385
Superannuation	911,795	842,377
Payroll tax	513,690	486,059
Other employee costs	209,286	259,727
Total Employee Costs	10,061,646	9,374,297
Less capitalised employee costs	(916,325)	(883,721)
Total employee costs expensed	\$ 9,145,321	\$ 8,490,576

**11 Materials and Services**

	30-Jun-12	30-Jun-11
Aged persons home units	198,158	206,857
Computer maintenance	201,298	201,939
Contributions to LGAT	53,922	44,141
Contributions to CCA	173,727	169,869
Fire service contribution	491,902	481,801
Ganesway housing	106,970	134,389
Garbage collection contracts	1,408,699	1,327,497
Other waste management costs	1,036,238	1,265,256
Insurance	223,448	189,985
Land Tax	201,319	132,121
Street lighting power charges	415,145	387,246
Flood Damage	103,038	548,570
Ulverstone Recreation Ground	275,626	322,117
Election Expenses	60,413	37,870
Vegetation Maintenance	309,330	285,908
Street Sweeper	59,902	58,592
Public Convenience Expenses	236,144	208,979
Legal Costs	71,792	33,854
Other materials and contracts	1,223,389	825,697
Total materials and services	\$ 6,850,460	\$ 6,862,688

12 Finance costs

Interest - borrowings	154,605	103,629
Unwinding of discount [Note 25(c)]	22,197	21,061
Changes in discount rate [Note 25 (c)]	234,480	-
Total finance costs	\$ 411,282	\$ 124,690

13 Depreciation and amortisation

Amortisation of municipal revaluation	33,560	33,560
Bridges	388,920	393,994
Buildings	930,209	914,152
Drainage	361,931	390,945
Environmental	85,408	73,378
Furniture and equipment	188,721	195,950
Plant and machinery	603,514	532,846
Recreation facilities	333,263	267,482
Roads, streets, footpaths and car parks	2,303,330	2,242,499
Total depreciation and amortisation	\$ 5,228,856	\$ 5,044,806



14 Other expenses

	30-Jun-12	30-Jun-11
Audit Fees	22,979	23,290
Travel & Expenses	-	4,096
Other services (audit of grant statements)	10,560	2,040
	<hr/>	<hr/>
Audit services	33,539	29,426
Councillors' emoluments (Note 31)	327,627	290,891
	<hr/>	<hr/>
	\$ 361,166	\$ 320,317

15 Cash and cash equivalents

Cash at bank and on hand	65,917	154,674
Cash Management Account	6,376,032	5,261,796
	<hr/>	<hr/>
Total cash and cash equivalents	\$ 6,441,949	\$ 5,416,470

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

- Leave provisions (Note 25(a))	2,368,003	2,172,711
- Trust Funds and deposits (Note 27)	253,781	335,550
	<hr/>	<hr/>
Restricted Funds	\$ 2,621,784	\$ 2,508,261
	<hr/>	<hr/>
Unrestricted Funds	\$ 382,016	\$ 2,908,209

Unrestricted funds held in cash substantially represent other reserves [refer note 28(b)]. The excess cash held in the current year is due to the additional advance commonwealth assistance grant. [Refer note 25(a)].

16 Receivables

<i>Current receivables</i>		
Rates receivable	367,917	313,946
Loans and advances	24,187	20,228
Other debtors	367,946	347,799
Net GST receivable	196,954	269,430
	<hr/>	<hr/>
	957,004	951,403



	30-Jun-12	30-Jun-11
<i>Non-current receivables</i>		
Loans and advances	83,826	84,280
	83,826	84,280
Total receivables	\$ 1,040,830	\$ 1,035,683
17 Inventories		
Stores	31,120	25,309
Total inventories	\$ 31,120	\$ 25,309
18 Property held for resale		
Current property assets	-	102,136
Total property held for resale	\$ -	\$ 102,136
19 Other assets		
<i>Current other assets</i>		
Accrued revenue	45,348	144,534
Prepaid expense	139,161	106,043
	184,509	250,577
<i>Non-Current other assets</i>		
Municipal property revaluation	-	33,560
Total other assets	\$ 184,509	\$ 284,137
20 Capital work in progress		
Opening balance	3,370,286	877,528
Additions	9,161,542	7,742,222
Transfers out	(9,755,043)	(5,249,464)
Closing balance - cost	\$ 2,776,785	\$ 3,370,286



21 Investment in associates

	30-Jun-12	30-Jun-11
Dulverton Regional Waste Management Authority	2,009,245	1,742,590
Total investment in associates	\$ 2,009,245	\$ 1,742,590

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 2012 was 36.82%. The proportion of voting power held in the Authority is 25%. Council's investment in the Authority at 30 June 2012, \$2,009,425, has been calculated by reference to the Authority's equity at 30 June 2012. The share of profit for the current year is based on the 2012 financial year.

There were no quantified contingent liabilities disclosed by the Authority.

Share of Profit of Authority

Authority's profit/(loss) before tax	914,723	508,050
Authority's tax expense	275,496	(152,686)
Authority's profit/(loss) after tax	639,227	353,364
Calculated share of profit before tax	336,801	187,064
Calculated share of tax expense	101,438	(56,955)
Calculated share of profit after tax	235,363	130,019

Movement in Carrying Value of Investment

Carrying value of investment at start of year	1,742,590	1,430,600
Share in profit/(loss) after tax for year	235,363	130,109
Share in asset revaluation	31,292	181,881
Carrying value of investment at end of year	\$ 2,009,245	\$ 1,742,590



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

	30-Jun-12	30-Jun-11
Total Assets	11,959,774	9,377,400
Total Liabilities	6,502,835	4,644,674
Revenue	6,486,270	5,781,670

22 Investment in Water Corporation

Opening Balance	66,801,341	66,490,148
Change in fair value of investment	169,904	311,193
Total investment in water corporation	\$ 66,971,245	\$ 66,801,341

Council has an ownership interest of 20.5% in Cradle Water based on the Final Treasurer's Allocation Order in 2011. Council does not have significant influence to allow it to use the equity method to account for this interest.

23 Property, plant and infrastructure

a Land

Opening balance	41,364,809	37,635,530
Revaluation	4,161,207	3,382,658
Disposals	(429,260)	(256,614)
Transfer from work in progress	677,229	-
Transfer land held for resale	-	(102,136)
Acquisitions	-	705,371
Land - fair value	\$ 45,773,985	\$ 41,364,809

Land is valued per the Valuer-General's valuation 30 June 2007 and adjusted annually using the adjustment factors determined by the Valuer General and indexed at 30 June 2012. An adjustment factor of 1.1 was determined by the Valuer-General on 5 March 2012.

b Buildings

Opening balance	90,701,205	90,598,000
Revaluation	920,686	-
Assets not previously recognised	1,367,387	34,238
Disposal	-	(773,000)
Transfer from work in progress	829,907	495,162
Transfer (to)/from other asset classes	-	346,805
Closing balance	93,819,185	90,701,205



	30-Jun-12	30-Jun-11
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	(38,141,081)	(37,684,000)
<i>Revaluation</i>	(388,345)	-
<i>Disposals</i>	-	682,968
<i>Assets not previously recognised</i>	(693,443)	-
<i>Transfer to/(from) other asset classes</i>	-	(225,897)
<i>Depreciation expense</i>	(930,207)	(914,152)
<i>Closing balance</i>	(40,153,076)	38,141,081
Buildings – fair value	\$ 53,666,109	\$ 52,560,124

Buildings were re-valued on 30 June 2010 by David D Johnston (A.A.P.I.) Certified Practising Valuer, Esk Property Group. The valuation was at fair value based on replacement cost less accumulated depreciation as at the date of valuation. Fair value has been maintained in 2012 by applying an index of 1% to approximate the replacement costs of each asset.

c Roads and streets

Opening balance	195,114,152	178,411,372
Revaluation	7,012,482	14,585,904
Additions	-	1,108,185
Disposals	(615,089)	-
Transfer from work in progress	2,949,552	506,607
Transfer (to)/from other asset classes	-	(274,831)
Acquisitions at no cost	-	776,915
<i>Closing balance</i>	204,461,097	195,114,152
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	(36,528,246)	(57,127,144)
<i>Revaluation</i>	9,892,984	22,301,166
<i>Disposals</i>	568,333	-
<i>Depreciation expense</i>	(1,753,435)	(1,702,268)
<i>Closing balance</i>	(27,820,364)	(36,528,246)
Roads and streets - fair value	\$ 176,640,733	\$ 158,585,906

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



Roads and streets were re-valued on 1 July 2010 by the Assets and Engineering Department of the Central Coast Council. The revaluation was based on current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset. Fair value has been maintained in 2012 by applying an index to the assets of 3.59% which approximates replacement cost of each asset. The rate of 3.59% was determined on the weighted average increase of the replacement cost of road, carpark and footpath assets.

The basis of depreciation for road pavements and surfaces was reviewed during the 2010-2011 financial year. In that financial year Council applied a residual value of 50% to the road pavements and a 30% residual to the road surface. This will, in 2010-11, and in future more accurately estimate the value of the asset over its useful life. The change in accounting policy had the effect of increasing the net fair value of the assets by increasing, in 2010-11, the gross valuation by \$14,585,904 and reducing accumulated depreciation by \$22,301,166, and reducing the annual depreciation charge. However, based on information identified in 2011-12, it was discovered that the full financial impact of the increase in fair value was not fully implemented in the 2010-2011 year. As a consequence, part of the financial impact was implemented in 2011-2012; this part being a further revaluation adjustment of \$7,012,482 and reduction in accumulated depreciation of \$9,892,984. The financial impact on depreciation was a reduction of approximately \$780,000 from 2009-2010 to 2010-2011. This reduction is expected to continue in future years.

d Footpaths

	30-Jun-12	30-Jun-11
Opening balance	31,108,205	28,029,011
Revaluation	1,116,855	2,277,426
Additions	-	494,754
Transfer from work in progress	1,437,711	-
Transfer (to)/from other asset classes	-	21,674
Acquisitions at no cost	-	285,340
Closing balance	33,662,771	31,108,205
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(9,100,974)</i>	<i>(8,023,707)</i>
<i>Revaluation</i>	<i>(304,480)</i>	<i>(592,860)</i>
<i>Transfer to/(from) other asset classes</i>	<i>-</i>	<i>(7,030)</i>
<i>Depreciation expense</i>	<i>(490,927)</i>	<i>(477,377)</i>
<i>Closing balance</i>	<i>(9,896,381)</i>	<i>(9,100,974)</i>
Footpaths - fair value	\$ 23,766,390	\$ 22,007,231



Footpaths were re-valued on 1 July 2010 by the Assets and Engineering Department of the Central Coast Council. The revaluation was based on current replacement cost for each asset as the best estimate of fair value taking in to consideration the remaining useful life of the asset. Fair value has been maintained in 2012 by applying an index of 3.59%, which approximates the replacement cost of each asset. The rate of 3.59% was determined on the weighted average increase of the replacement cost of road, carpark and footpath assets.

e Car Parks

	30-Jun-12	30-Jun-11
Opening balance	3,166,737	2,850,974
Revaluation	99,989	135,277
Disposals	-	(10,586)
Additions	-	-
Transfer to/(from) other asset classes	-	11,079
Transfer from work in progress	15,120	179,993
Closing balance	3,281,846	3,166,737
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(1,134,409)</i>	<i>(1,325,487)</i>
<i>Revaluation</i>	<i>(40,725)</i>	<i>253,337</i>
<i>Disposal</i>	<i>-</i>	<i>594</i>
<i>Depreciation expense</i>	<i>(58,968)</i>	<i>(62,853)</i>
<i>Closing balance</i>	<i>(1,234,102)</i>	<i>(1,134,409)</i>
Car Parks - fair value	\$ 2,047,744	\$ 2,032,328

Carparks were re-valued on 1 July 2010 by the Assets and Engineering Department of the Central Coast Council. The revaluation was based on current replacement cost for each asset as the best estimate of fair value taking in to consideration the remaining useful life of the asset. Fair value has been maintained in 2012 by applying an index of 3.59%, which approximates the replacement cost of each asset. The rate of 3.59% was determined on the weighted average increase of the replacement cost of road, carpark and footpath assets.

**f Bridges**

	30-Jun-12	30-Jun-11
Opening balance	19,336,833	19,799,784
Revaluation	2,432,208	(25,107)
Additions	2,255,687	-
Disposals	-	(1,349,059)
Transfer from work in progress	288,186	577,063
Acquisitions at no cost	-	334,152
Closing balance	24,312,914	19,336,833
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(7,931,674)</i>	<i>(8,783,919)</i>
<i>Revaluation</i>	<i>(1,931,459)</i>	<i>(48,132)</i>
<i>Disposals</i>	<i>-</i>	<i>1,294,371</i>
<i>Depreciation expense</i>	<i>(388,920)</i>	<i>(393,994)</i>
<i>Closing balance</i>	<i>(10,252,053)</i>	<i>(7,931,674)</i>
Bridges – fair value	\$ 14,060,861	\$ 11,405,159

Bridges were re-valued on 30 June 2012 by the Assets and Engineering Department of the Central Coast Council using data provided by TasSpan.

g Drainage

Opening balance	41,157,933	39,977,890
Revaluation	(4,968,253)	-
Additions	-	372,430
Disposals	(41,344)	(198,576)
Transfer from work in progress	183,290	-
Transfer to/(from) other asset classes	-	158,841
Acquisitions at no cost	-	847,348
Closing balance	36,331,626	41,157,933
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(15,859,231)</i>	<i>(15,568,027)</i>
<i>Revaluation</i>	<i>4,146,856</i>	<i>-</i>
<i>Disposals</i>	<i>14,505</i>	<i>100,700</i>
<i>Transfer to/(from) other asset classes</i>	<i>-</i>	<i>(959)</i>
<i>Depreciation expense</i>	<i>(361,931)</i>	<i>(390,945)</i>
<i>Closing balance</i>	<i>(12,059,801)</i>	<i>(15,859,231)</i>
Drainage – fair value	\$ 24,271,825	\$ 25,298,702



Drainage assets were re-valued on 1 July 2011 by the Assets and Engineering Department of the Central Coast Council. The revaluation was based on current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

h Furniture and equipment

	30-Jun-12	30-Jun-11
Opening balance	2,990,540	2,770,079
Acquisitions	232,824	220,461
Disposals	(28,701)	-
Closing balance - cost	3,194,663	2,990,540
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(2,212,985)</i>	<i>(2,017,034)</i>
<i>Disposals</i>	<i>28,701</i>	<i>-</i>
<i>Depreciation expense</i>	<i>(188,721)</i>	<i>(195,951)</i>
Closing balance	(2,373,005)	(2,212,985)
Furniture and equipment - cost	\$ 821,658	\$ 777,555

i Plant and machinery

Opening balance	6,657,043	6,502,957
Acquisitions	812,066	1,024,984
Disposals	(996,371)	(870,898)
Closing balance - cost	6,472,738	6,657,043
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	<i>(3,294,467)</i>	<i>(3,235,984)</i>
<i>Disposals</i>	<i>781,566</i>	<i>474,364</i>
<i>Depreciation expense</i>	<i>(603,514)</i>	<i>(532,847)</i>
Closing balance	(3,116,415)	(3,294,467)
Plant and machinery - cost	\$ 3,356,323	\$ 3,362,576

**j Recreation**

	30-Jun-12	30-Jun-11
Opening balance	9,920,572	9,805,978
Revaluation	575,855	-
Additions	-	483,148
Disposals	(140,624)	(194,710)
Transfer from work in progress	556,136	117,358
Transfer (to)/from other asset classes	-	(291,202)
Closing balance	10,911,939	9,920,572
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	(4,743,440)	(4,815,575)
<i>Revaluation</i>	(405,214)	75,369
<i>Disposals</i>	59,437	264,248
<i>Depreciation expense</i>	(333,263)	(267,482)
<i>Closing balance</i>	(5,422,480)	(4,743,440)
Recreation - fair value	\$ 5,489,459	\$ 5,177,132

Recreation assets were re-valued on 30 June 2010 by the Assets and Engineering Department of the Central Coast Council. Fair value has been maintained in 2012 by applying an index of 2%, which approximates the replacement cost of each asset. The rate of 2% was determined with reference to Consumer Price Index, Producer Price Index and the Labour Wage Index.

k Environmental

Opening balance	2,712,866	2,622,639
Revaluation	175,130	-
Additions	-	-
Disposals	-	(49,492)
Transfer from work in progress	409,789	139,719
Closing balance	3,297,785	2,712,866
<i>Accumulated Depreciation</i>		
<i>Opening balance</i>	(504,375)	(448,952)
<i>Revaluation</i>	(6,418)	-
<i>Disposals</i>	-	17,956
<i>Depreciation expense</i>	(85,408)	(73,379)
<i>Closing balance</i>	(596,201)	(504,375)
Environmental -fair value	\$ 2,701,584	\$ 2,208,491



Environmental assets were re-valued on 1 July 2011 by the Assets and Engineering Department of the Central Coast Council. The revaluation was based on current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

I Total Property, plant and infrastructure

	30-Jun-12	30-Jun-11
Gross value	465,520,550	444,230,896
<i>Accumulated Depreciation</i>	<i>(112,923,877)</i>	<i>(119,450,882)</i>
Net Book Value	\$ 352,596,673	\$ 324,780,014

24 Trade and other payables

Employee costs	231,170	278,545
Materials and contracts	1,492,406	1,064,261
Capital expenditure	102,725	693,507
Accrued expenses	41,853	48,004
Total Payables	\$ 1,868,154	\$ 2,084,317

25 Provisions

a Employee benefits

Current provisions

Annual leave	753,817	716,908
Long service leave	1,086,097	1,022,969
Employee benefits (on-costs)	351,424	321,877
	2,191,338	2,061,754

Non-current provisions

Long Service Leave	148,333	93,635
Employee benefits (on-costs)	28,332	17,322
	176,665	110,957

Total employee benefits	\$ 2,368,003	\$ 2,172,711
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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**

	30-Jun-12	30-Jun-11
<i>Current provisions</i>		
Aged Person Home Units	136,787	135,563
<i>Non-current provisions</i>		
Aged Person Home Units	1,845,090	1,899,907
Total Aged Person Home Units provisions	1,981,877	2,035,470
<i>Movement in Provision</i>		
Opening balance	2,035,470	1,902,501
Contributions received	183,994	459,110
Refunds paid	(101,626)	(193,566)
Amortisation revenue recognised	(135,961)	(132,575)
Closing balance	\$ 1,981,877	\$ 2,035,470

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.

c Resource Recovery Centre restoration

<i>Non-current provisions</i>		
Rehabilitation of resource recovery centre	417,160	394,963
Total rehabilitation provisions	417,160	394,963
<i>Movement in Provision</i>		
Opening balance	394,963	373,947
Unwinding of discount	22,197	21,016
Change in discount Refer Note 12	234,480	
Closing balance	\$ 651,640	\$ 394,963

Under a Council undertaking, the Council is obligated to restore the Resource Recovery Centre at Lobster Creek Road site to a particular standard. Current engineering projections indicate that the Resource Recovery Centre at Lobster Creek Road site will cease operation in 2030 and restoration work is expected to commence shortly thereafter. The forecast life of the Resource Recovery Centre at Lobster Creek Road site is based on current estimates of remaining capacity



and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. In calculating the present value a discount rate of 3.035% (2011 – 5.62%) has been used. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard and budgeted costs for that work. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council does not expect to receive reimbursement from a third party.

d Total Provisions

	30-Jun-12	30-Jun-11
Total current provisions	2,328,125	2,197,316
Total non-current provisions	2,673,394	2,405,826
Total provisions	\$ 5,001,519	\$ 4,603,142

26 Interest bearing loans and borrowings

Current loan liability	108,967	126,454
Non-current loan liability	2,130,520	2,214,488
Total interest bearing loans and borrowings	\$ 2,239,487	\$ 2,340,942

27 Trust funds and deposits

Revenue in advance	5,830	8,303
Sundry deposits	247,951	355,550
Total other liabilities	\$ 253,781	\$ 363,853

28 Reserves

a Asset revaluation reserves

Asset revaluation reserve - Council	217,594,797	195,131,320
Asset revaluation reserve - Associate	964,587	933,295
	218,559,384	196,064,615

Asset revaluation reserves represent the increase in the value of property, plant and equipment owned by the Council and Associates (see notes 22 and 23).

**b Other reserves**

	30-Jun-12	30-Jun-11
Asset replacement reserve	1,777,962	1,614,407
Fire services reserve	17,967	4,860
Garbage collection reserve	21,727	1,956
Special projects reserve	973,882	1,226,763
	<hr/>	<hr/>
	2,791,538	2,847,986

Cash reserves are held for asset replacement and special projects.

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

c Fair value reserve

Reserve – Water Corporation	481,097	311,193
	<hr/>	<hr/>
Total Reserves	\$ 221,832,019	\$ 199,223,794

29 Reconciliation of surplus/deficit to net cash from operating activities

Surplus/(deficit)	5,859,030	3,778,906
<i>Cash flows from investing activities</i>		
Less Capital grants	(3,556,118)	(2,019,780)
	<hr/>	<hr/>
	(3,556,118)	(2,019,780)
<i>Non-cash Items</i>		
Depreciation and amortisation	5,228,856	5,044,806
Share of profit in associate	(235,363)	(130,109)
(Profit)/loss on disposal of assets	(993,375)	(90,670)
Contributions - non-monetary assets	(673,944)	(2,246,063)
	<hr/>	<hr/>
	3,326,174	2,577,964



	30-Jun-12	30-Jun-11
<i>Change in Assets and Liabilities</i>		
(Increase)/decrease in receivables	(5,147)	404,482
(Increase)/decrease in inventories	(5,811)	1,625
(Increase)/decrease in other assets	99,629	(25,250)
Increase/(decrease) in payables	374,617	28,311
Increase/(decrease) in provisions	398,377	196,746
Increase/(decrease) in other liabilities	(110,072)	114,589
	751,593	720,503
Net cash provided by operating activities	\$ 6,380,679	\$ 5,057,593

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

30 Commitments for expenditure

Capital expenditure contracted for at 30 June but not recognised in the financial report as liabilities:

less than 12 months	1,053,166	4,310,232
12 months - 2 years	-	-
2 years - 5 years	-	-
greater than 5 years	-	-
	\$ 1,053,166	\$ 4,310,232

31 Related party disclosures

Councillors allowances and reimbursements	327,627	290,891
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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 anybody or organisation with which the Council has major financial dealings.

During the financial year ending 30 June 2012 no material disclosures were made.

Councillors during the period were:

Cr J Bonde – Mayor

Cr C Fuller – Deputy Mayor



Cr J Bloomfield (from 28 October 2011)
 Cr L Bonde
 Cr S Broad (from 28 October 2011)
 Cr G Carpenter
 Cr J Deacon (to 27 October 2011)
 Cr A Diprose
 Cr D Downie (from 28 October 2011)
 Cr D Dry (to 27 October 2011)
 Cr K Haines (to 27 October 2011)
 Cr G Howard
 Cr B Robinson (to 27 October 2011)
 Cr R Tongs (from 28 October 2011)
 Cr T van Rooyen
 Cr P Viney

32 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 between 4.65% and 3.46% (4.4% and 4.65% in 2010/2011). The interest rate at balance date was 3.46% (4.65% in 2010/2011). Funds returned fixed interest rate of between 6.55% (5.4% in 2010/2011), and 5.59% (6.55% in 2010/2011) net of fees.
Trade and other receivables	16	An impairment loss is not recognised on rates receivable. A provision for impairment 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 rateable 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.	The Council did not have any investments in Managed funds during the 2011/2012 financial year. Managed funds held and disposed of in the 2010/2011 financial year provided a return of 3.94% excluding unrealised gains/losses.



Financial instruments	Note	Accounting policy	Terms and conditions
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 6.73% (6.74% in 2010/2011).

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:

2012	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	6,441,949	-	-	-	-	6,441,949
Other financial assets	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	1,040,830	1,040,830
Accrued revenue	-	-	-	-	45,348	45,348
Invest in Water Corp.	-	-	-	-	66,971,245	66,971,245
Total financial assets	6,441,949	-	-	-	68,057,423	74,499,372
Weighted average interest rate	4.79%	-	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	-	-	1,868,154	1,868,154
Trust funds and deposits	-	-	-	-	247,951	247,951
Interest-bearing loans and borrowings	-	108,967	492,002	1,638,518	-	2,239,487
Total financial liabilities	-	108,967	492,002	1,638,518	2,116,105	4,355,592



2012	Floating interest rate	Fixed interest maturing in:			Non- interest bearing	Total
		One year or less	Over 1 to 5 years	More than 5 years		
Weighted average interest rate	-	6.69%	6,70%	6,74%	-	-
Net financial assets (liabilities)	6,441,949	(108,967)	(492,002)	(1,638,518)	65,941,318	70,143,780
2011	Floating interest rate	Fixed interest maturing in:			Non- interest bearing	Total
		One year or less	Over 1 to 5 years	More than 5 years		
<i>Financial assets</i>						
Cash and cash equivalents	5,416,470	-	-	-	-	5,416,470
Trade and other receivables	-	-	-	-	1,035,683	1,035,683
Accrued revenue	-	-	-	-	144,534	144,534
Investment in water corporation	-	-	-	-	66,801,341	66,801,341
Total financial assets	5,416,470	-	-	-	67,981,558	73,398,028
Weighted average interest rate	3.68%	-	-	-	-	-
<i>Financial liabilities</i>						
Trade and other payables	-	-	-	-	2,084,317	2,084,317
Trust funds and deposits	-	-	-	-	355,550	355,550
Interest-bearing loans and borrowings	-	126,454	459,999	1,754,488	-	2,340,942
Total financial liabilities	-	126,454	459,999	1,754,488	2,439,867	4,780,809
Weighted average interest rate	-	6,71%	6.73%	6.75%	-	-
Net financial assets (liabilities)	5,416,469	(126,454)	(459,999)	(1,754,488)	65,541,691	68,617,219

c Net fair values

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



Fair Values	30 June 2012		30 June 2011	
	Carrying amount	Net Fair Value	Carrying amount	Net Fair Value
Financial assets				
Cash and cash equivalents				
Cash at bank and on hand	65,917	65,917	154,673	154,673
Cash management account	6,376,032	6,376,032	5,261,796	5,261,796
Trade and other receivables	1,040,830	1,040,830	1,035,683	1,035,683
Other financial assets	-	-	-	-
Accrued revenue	45,348	45,348	144,534	144,534
Investment in water corporation	66,971,245	66,971,245	66,801,341	66,801,341
	74,499,372	74,499,372	73,398,028	73,398,028

Financial liabilities				
Payables	1,868,154	1,868,154	2,084,317	2,084,317
Interest-bearing loans and borrowings	2,239,487	2,313,927	2,340,942	2,418,563
Other liabilities	247,951	247,951	355,550	355,550
	4,355,592	4,430,032	4,780,809	4,858,430
Net financial assets	70,143,780	70,069,340	68,617,219	68,539,598

Carrying amounts classified as:	30 June 2012	30 June 2011
Financial assets		
Cash and cash equivalents	6,441,949	5,416,470
Financial assets at fair value through profit and loss upon initial recognition	-	-
Loans and receivables	1,086,178	1,180,217
Available for sale financial assets	66,971,245	66,801,341
	74,499,372	73,398,028
Financial liabilities		
Financial liabilities measured at amortised cost	4,355,592	4,780,809
	4,355,592	4,780,809
Net financial assets / (liabilities)	70,143,780	\$ 68,617,219



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

c Credit risk

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

d 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.

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; and
- . 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.

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 2012	30 June 2011
Current (not yet due)	191,487	219,514
Past due 0–30 days	93,600	57,182
Past due 31–60 days	24,036	8,219
Past due 61–90 days	4,615	11,576
More than 90 days	54,208	51,308
Total trade receivables	367,946	347,799
Rates receivable	367,917	313,946
Total receivables	\$ 735,863	\$ 661,745

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.

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 2012					
Trade and other payables	1,868,154	-	-	1,868,154	1,868,154
Other liabilities	247,951	-	-	247,951	247,951
Interest-bearing loans and borrowings	257,846	1,009,276	2,519,276	3,786,398	2,239,487
Total	2,373,951	1,009,276	2,519,276	5,902,503	4,355,592
30 June 2011					
Trade and other payables	2,084,317	-	-	2,084,317	2,084,317
Other liabilities	363,853	-	-	363,853	363,853
Interest-bearing loans and borrowings	281,697	1,004,728	2,750,466	4,036,891	2,340,942
Total	\$ 2,729,867	\$1,004,728	\$ 2,750,466	\$ 6,485,061	\$4,789,112

e 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 3.46%.

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.

		+1% (100 basis points)		- 0.5% (50 basis points)	
		Profit/(loss)	Equity	Profit/(loss)	Equity
<i>Financial assets</i>					
Cash and cash equivalents	6,441,949	64,419	64,419	(32,210)	(32,210)
Financial assets	-	-	-	-	-
<i>Financial liabilities</i>					
Interest bearing loans	2,239,487	22,395	22,395	(11,197)	(11,197)

f 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 2012	Level 1	Level 2	Level 3	Total
Available for sale financial assets	-	-	66,971,245	66,971,245
Financial assets at fair value through the comprehensive income statement	-	-	-	-
Financial assets held for trading	-	-	-	-
Derivative financial assets	-	-	-	-



30 June 2011	Level 1	Level 2	Level 3	Total
Available for sale financial assets	–	–	66,801,341	66,801,341
Financial assets at fair value through the comprehensive income statement	–	–	–	–
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	2012	2011
Opening balance	66,801,341	66,490,148
Investment on transfer of net assets	–	–
<i>Gains (losses) recognised in other comprehensive income:</i>		
Change in fair value of investment in Cradle Mountain Water	169,904	311,193
Closing balance	\$ 66,971,245	\$ 66,801,341

33 Superannuation

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

At the present time 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 2011. The review disclosed that at that time the net market value of assets available for funding member benefits was \$57,588,247, the value of vested benefits was \$52,794,839, the surplus over vested benefits was \$4,793,408 and the value of total accrued benefits was \$57,330,437. 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 % p.a. for 2011/12 and 7.0% p.a. thereafter

Salary Inflation 4.0% pa

Price Inflation n/a

The actuarial review concluded that:

- 1 The value of assets of the Quadrant Defined Benefit Fund was adequate to meet the liabilities of the Fund in respect of vested benefits as at 30 June 2011.
- 2 The value of assets of the Fund was adequate to meet the value of the liabilities of the Fund in respect of accrued benefits as at 30 June 2011.
- 3 Based on the assumptions used, and assuming the Employer contributes at the levels described below, the value of the assets is expected to continue to be adequate to meet the value of the liabilities of the Fund in respect of vested benefits at all times during the period up to 30 June 2014.

The Actuary recommended that in future the Council contribute 9.5% of salaries in 2012/13, 10.5% of salaries in 2013/14, and 11% of salaries in 2014/15.

The Actuary will continue to undertake a brief review of the financial position the Fund at the end of each financial year to confirm that the contribution rates remain appropriate. The next full triennial actuarial review of the Fund will have an effective date of 30 June 2014 and is expected to be completed late in 2014 or early in 2015.

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 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.

During the reporting period the amount of contributions paid to defined benefits schemes was \$85,849 (2010-11, \$83,946), and the amount paid to accumulation schemes was \$825,946 (\$788,092).



34 Capital expenditure

Capital expenditure areas:

	30-Jun-12	30-Jun-11
Buildings	829,907	529,401
Roads and streets	2,949,552	1,614,792
Footpaths	1,437,712	494,754
Carparks	15,120	179,994
Bridges	2,543,874	577,063
Drainage	183,290	372,430
Furniture and equipment	232,823	219,429
Plant and machinery	812,066	1,024,984
Recreation	556,136	600,506
Land	677,229	705,371
Environmental	409,789	139,719
Total capital work	\$ 10,647,498	\$ 6,458,443

Property, plant and infrastructure movement

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

Total capital works	10,647,498	6,458,443
Asset revaluation movement	22,463,477	42,202,778
Contributions – non-monetary assets	673,944	2,246,063
(Increase)/decrease in property held for resale	-	(102,136)
Depreciation/amortisation	(5,195,296)	(5,011,246)
Disposals	(772,964)	(988,273)
Net movement in property, plant and infrastructure	\$ 27,816,659	\$ 44,805,629

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.

35 Significant Business Activities

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

	Roads, Streets and Bridges	
	2011-2012	2010-2011
Revenue		
Rates	–	1,273,893
Other Revenue	6,757,946	3,544,189
Total Revenue	\$ 6,757,946	\$ 4,818,083
Expenses		
<i>Direct</i>		
Employee Costs	602,266	566,483
Materials and Contracts	1,684,121	763,975
Borrowing Costs	0	–
<i>Indirect</i>		
Engineering and Administration	463,990	672,897
Total Expenses	\$ 2,750,377	\$ 2,003,355



	Roads, Streets and Bridges	
	2011-2012	2010-2011
Capital Costs		
Depreciation	2,933,026	2,814,728
Opportunity Cost of Capital	19,167,490	16,253,580
Total Capital Costs	22,100,516	19,068,308
Competitive Neutrality Costs	\$ -	\$ -



Certification of the Financial Report

The financial report presents fairly the financial position of the Central Coast Council as at 30 June 2012, 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 black ink that reads "Sandra Ayton".

Sandra Ayton
GENERAL MANAGER

August 2012



Independent Auditor's Report

To the Councillors of Central Coast Council

Financial Report for the Year Ended 30 June 2012

I have audited the accompanying financial report of Central Coast Council (Council), which comprises the statement of financial position as at 30 June 2012 and the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

Auditor's Opinion

In my opinion Council's financial report:

- (a) presents fairly, in all material respects, its financial position as at 30 June 2012 and financial performance, cash flows and changes in equity for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

The Responsibility of the General Manager for the Financial Report

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Section 84 of the *Local Government Act 1993*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.


Auditor's Responsibility

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

...1 of 2

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on 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 the General Manager's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General Manager, as well as evaluating the overall presentation of the financial report.

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

My audit 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
- 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.

Tasmanian Audit Office



H M Blake
Auditor-General

HOBART
20 September 2012

...2 of 2

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State of Environment and Public Health Report

for the year ended 30 June 2012



P3	Introduction
4-5	Immunisation service
6-8	Protection of the community against the spread of infectious disease and conditions causing ill health
9-11	Food surveillance and education
12-17	Safe water
18-21	Solid waste management
22	Effective and safe management of wastewater
23	Healthy and safe Places of Assembly
24	Environmental management assessment and investigation
25-27	Management and administration



The corporate structure and principal functional activities of the Council are detailed in the Annual Report for the year ended 30 June 2012 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.



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 2011/2012 financial year the Council operated school clinics for Chicken Pox; Hepatitis B; and Human Papilloma Virus (HPV).

In total, 604 immunisations were administered in 2011/12 (see Table 1).

Table 1: Immunisation clinics

CATEGORY	TYPE OF VACCINATION		
School	Chicken Pox (Grade 6)	Hepatitis B (Grade 6)	HPV (Grade 7)
East Ulverstone Primary	16	32	0
Forth Primary	2	20	0
Leighland Christian	12	55	63
North West Christian	0	3	4
Penguin Primary	11	47	0
Penguin High	0	0	44
Riana Primary	4	17	0
Sacred Heart Primary	2	39	0
Sprent Primary	1	17	0
Ulverstone Primary	10	60	0
Ulverstone High	0	0	111
West Ulverstone Primary	8	26	0
Total	66	316	222



The Council also conducted in-house immunisation clinics to immunise 71 staff members against seasonal Influenza.



Notification of notifiable diseases

Target:

Investigate all notified cases of infectious diseases.

Desired outcome:

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

Strategy:

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

Performance:

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

Table 2: Notifiable Diseases

Disease	Number Reported	Number Investigated
Salmonellosis	10	10
Campylobacteriosis	0	0

Public Health Risk Activities

Target:

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



Desired outcome:

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

Strategy:

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

Performance:

Eight 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	3	4
Acupuncturist	3	0
Tattooist	2	1
Total	8	5

Regulated systems for air (cooling towers)

Target:

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

Desired outcome:

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



Strategy:

- To maintain up to date records of those cooling towers including:
 - their location;
 - type of cooling system;
 - details of their annual operation;
 - persons responsible for their operation and maintenance; and
 - contact name of person responsible for the facility; and
- To provide a copy of those records to the Department of Health and Human Services in a timely manner.

Performance:

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

During the 2011/2012 financial year no cases of Legionella were reported.

The general standard of cooling towers:

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



Registered Food Premises

Target:

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

Desired outcome:

Food that is safe for human consumption.

Strategy:

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

Commentary:

Food surveillance includes both proactive and reactive work.

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

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

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

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



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

Performance:

During the 2011/2012 financial year 167 food businesses and 13 food vehicles were registered.

A total of 249 food inspections were undertaken in 2011/2012 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	9	13	5
Medium	96	128	15
Low	75	85	3
Total	180	226	23

The general standard of the food premises and food hygiene:

There was a general improvement in the performance of food premises throughout 2011/12 with a 22% reduction being experienced in the number of premises categorised as 'high risk'.

Many premises have demonstrated a consistent level of compliance with the Food Safety Standards and the *Food Act 2003*. However, some premises still required additional inspections and/or enforcement action to bring them into compliance with the Legislation. No food premise was fined for failing to comply with an Improvement Notice. Eight Improvement Notices were issued in the year.

Food Handler Education:

To assist food businesses in keeping up to date with food legislation, standards, and safe food handling practices, the Council ran free food safety training sessions which were attended by 87 food handlers throughout 2011/12.

Additionally, the Council subscribes to an on-line food handler training package called "I'm Alert". 1031 people accessed this quality food handler training through the Council's website during the year.

Food sampling:

During 2011/12 the Council did not undertake any food sampling.

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 inspections of temporary food premises at a frequency determined by risk assessments 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 various public events.

Performance:

93 temporary food premises were registered in the reporting period, while 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.



Table 3: Recreational sites monitored and uses

Site	Site Number	Recreational Purposes
Blythe River - mouth	PEN 1	fishing, surfing, boating
Midway Point	PEN 2A	swimming, surfing
Preservation Bay - Surf Club	PEN 2	swimming, surfing
Johnsons Beach - caravan park	PEN 3	swimming
Main Beach - Penguin	PEN 4	swimming, surfing
West Beach - opposite 16 Penguin Road	ULV 2	swimming
Picnic Point Beach	ULV 3	swimming
Tobruk Park	ULV 4	water skiing, fishing, water sports
Main Beach - Surf Club	ULV 5	swimming, surfing
Buttons Creek - mouth	ULV 6	historically this site was used for swimming
Bannons Park - Gunns Plains	ULV 7	swimming, fishing
West Turners Beach	ULV 8	swimming
Canoe Course - Forth River	ULV 10	kayaking, rafting, swimming

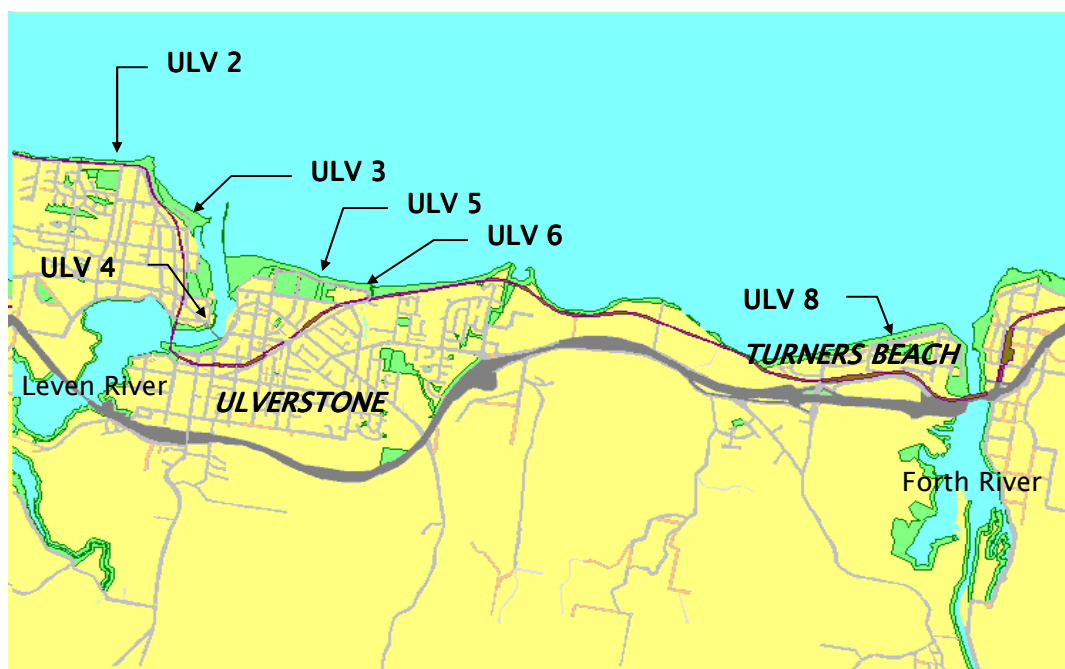
Maps 1 to 3 illustrate where recreational water quality monitoring takes place within the Central Coast municipal area.

Map 1: Central Coast municipal area

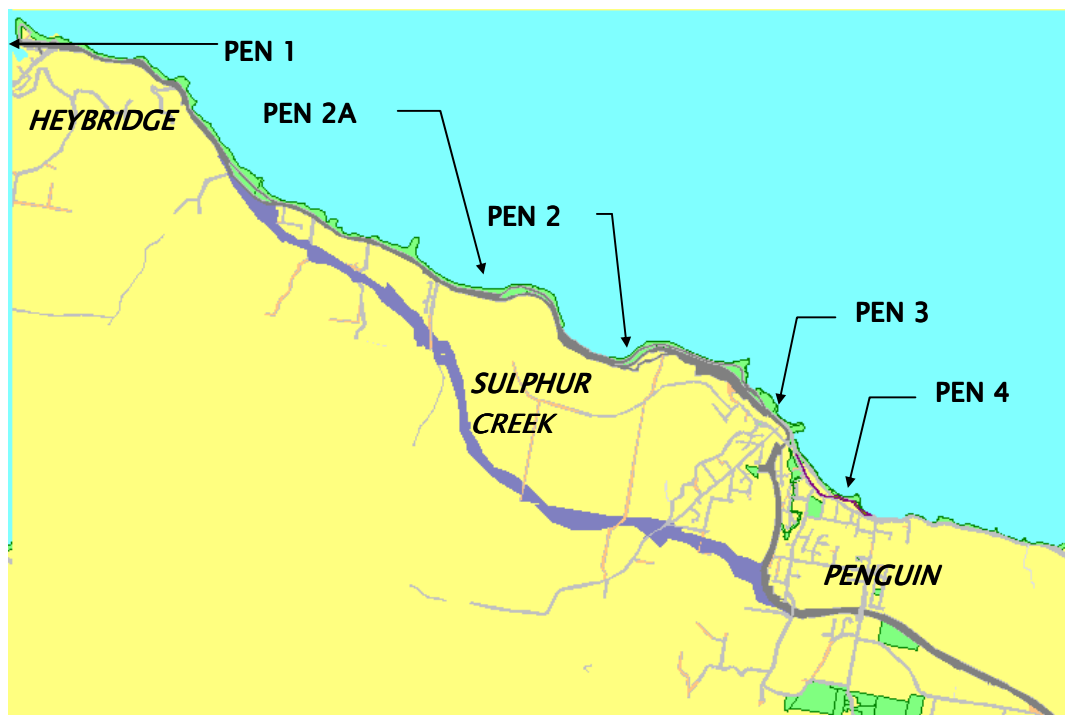




Map 2: Ulverstone Insert



Map 3: Penguin Insert





Performance:

Table 4 is a summary of the recreational water quality monitoring results for the period ending 30 June 2012:

Table 4: Summary of Recreational Water Quality Results for 2011/2012

Site		Parameters	
		Number of samples	Median Enterococci/100mL *(Standard<140/100mL)
Blythe River - mouth	PEN1	5	<10
Midway Point	PEN 2A	5	<10
Preservation Bay – surf club	PEN 2	4	<10
Johnsons Beach – caravan park	PEN 3	4	<10
Main Beach, Penguin	PEN 4	4	<10
West Beach – opposite 16 Penguin Road	ULV 2	8	10
Picnic Point Beach	ULV 3	8	31
Tobruk Park	ULV 4	4	20
Main Beach – Surf club	ULV 5	8	10
Buttons Creek - mouth	ULV 6	4	1652
Bannons Park, Gunns Plains	ULV 7	6	124
West Turners Beach	ULV 8	4	<10
Canoe course – Forth River	ULV 10	5	42

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, with the exception of Buttons Creek.

It should be noted that the level for investigation was exceeded at Bannons Park on three occasions between January and March 2012. Following these exceedences, the Council undertook sanitary survey investigations and re-sampling was undertaken.

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:

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

Performance:

During 2011/12, twelve private water suppliers were registered. Each of these private water suppliers have implemented an annual management plan to assist them to meet the requirements of the Act and guidelines. Regular water sampling results are now being received from the registered suppliers.



Two private water suppliers had positive results for E.coli. Businesses were advised to cease supplying water, clean and disinfect their water supply and resample. No E.coli was detected in either of the two resamples. It is believed that one of the samples may have been accidentally contaminated with E.coli by a new staff member, who was unfamiliar with correct sampling procedures.

**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 2012.



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.

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	7	6.7	-	-
Conductivity	30-350	78	69	-	-
Ammonia	0.9	0.02	0.01	-	-
Nitrate	0.7	0.30	0.18	-	-
Nitrite	-	<0.01	<0.01	-	-
Nitrate & Nitrite (oxidised N)	-	0.30	0.18	-	-
COD	-	10	10	-	-
Iron (Fe) Dissolved	-	-	-	-	-
Aluminium (Al) Dissolved	0.055	0.03	0.06	-	-
Copper (Cu) Dissolved	0.0014	<0.001	<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	-	0.004	0.003	-	-
Nickel (Ni) Dissolved	0.011	<0.001	<0.001	-	-
Lead (Pb) - Dissolved	0.0034	<0.001	<0.001	-	-
Cadmium (Cd) Dissolved	0.0002	<0.001	<0.001	-	-
Arsenic (As) Dissolved	-	<0.001	<0.001	-	-
Enterococci	-	21	7	-	-
Thermotolerant Coliforms	-	300	34	-	-

* 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 2012.



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

		FORMER PENGUIN LANDFILL SITE					ULVERSTONE RESOURCE RECOVERY CENTRE		
Parameter	* Standard	Surface Water							
		Stream above Landfill	900mm Pipe	Stream below Landfill **	Organic Farm	Golf Course	Stormwater Pond SW1	Down Stream SW2	Up Stream Creek SW3 **
Ph	6.5 – 7.5	-	6.74	7.34	7.97	7.42	7.6	6.0	-
Conductivity us/cm	30-350	-	2080	2960	1430	282	2020	232	-
TDS	-	-	1210	1490	872	155	118	138	-
Total Suspended Solids	-	-	700	255	12	19	24	31	-
Total Alkalinity	-	-	742	780	85	31	27	39	-
Total Nitrogen	0.48	-	96.3	98.9	49	2.3	1.0	1.4	-
Ammonia	0.020	-	73.5	82	4.91	0.22	2.4	<0.01	-
Nitrate	0.7	-	0.02	<0.01	4.91	0.220	2.40	<0.01	-
Nitrite	-	-	0.16	<0.01	0.02	0.01	0.33	<0.01	-
Nitrate & Nitrite (oxidised N)	-	-	0.18	2.52	0.70	1.51	0.33	<0.01	-
Total phosphorus	0.013	-	0.52	0.10	0.16	0.04	0.06	0.09	-
TOC	-	-	94	100	56	16	9	6	-
COD	-	-	346	304	160	67	38	35	-
BOD	-	-	46	7	7	<2	<2	<2	-
Iron (Fe) Dissolved	-	-	0.54	1.22	0.43	2.20	0.14	0.38	-
Aluminium (Al) Dissolved	0.055	-	0.11	0.02	0.03	0.20	0.35	0.08	-
Copper (Cu) Dissolved	0.0014	-	0.001	<0.001	0.002	0.011	0.008	0.001	-
Zinc (Zn) Dissolved	0.001 mg/l	-	<0.005	0.041	<0.005	0.015	0.009	0.011	-
Chromium (Cr) Dissolved	0.001 mg/l	-	0.006	0.001	0.002	0.001	0.001	0.001	-



Parameter	* Standard	FORMER PENGUIN LANDFILL SITE					ULVERSTONE RESOURCE RECOVERY CENTRE		
		Surface Water							
		Stream above Landfill	900mm Pipe	Stream below Landfill **	Organic Farm	Golf Course	Stormwater Pond SW1	Down Stream SW2	Up Stream Creek SW3 **
Mercury (Hg) Dissolved	0.001 mg/l	-	<0.0001	<0.0001	0.0001	0.0003	<0.0001	-	-
Cobalt (Co) Dissolved	0.001 mg/l	-	0.006	0.004	0.003	0.004	<0.001	0.003	-
Manganese (Mn) Dissolved	1 mg/l	-	0.779	0.317	0.188	0.204	0.100	0.120	-
Nickel (Ni) Dissolved	0.001 mg/l	-	0.013	0.012	0.007	0.003	0.003	0.003	-
Lead (Pb) Dissolved	0.001 mg/l	-	0.022	<0.001	<0.001	0.002	0.001	<0.001	-
Cadmium (Cd) Dissolved	0.0001	-	0.0001	0.0003	0.0002	0.0002	<0.0001	0.0002	-
Arsenic (As) Dissolved	0.001 mg/l	-	0.002	0.001	0.001	0.0002	<0.001	0.001	-
Sodium (Na)	1 mg/l	-	122	170	105	30	9	21	-
Potassium (K)	1 mg/l	-	115	164	15	11	10	5	-
Calcium (Ca)	1 mg/l	-	101	111	62	10	12	12	-
Magnesium (Mg)	1 mg/l	-	32	35	22	5	2	5	-
Enterococci	1 CFU/100ml	-	41	31	330	52	1300	20	-
Thermotolerant Coliforms	2 MPN/100ml	-	8700	10	12000	17000	220	9800	-

* 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).

** Sampling site was dry. Where results are stated in the table the median figure for the year has been provided.

**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.

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 –**

Thirty eight on-site wastewater management systems were approved in 2011/2012 (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.

Type of System	Number of Permits issued	Number of routine installation Inspections	Number of Complaints
Septic Tanks	34	134	0
AWTS	4	66	0
Other	0	0	0
Total	38	200	0

**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:

The Place of Assembly premises licensed within the municipal area during 2011/12 are illustrated in the following table.

	Premises licensed	Inspections undertaken	Number of Complaints
Places of Assembly	52	50	0
Temporary Places of Assembly	28	3	0

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

**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 included on the Council's Level 1 Activity register and are generally 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 – Fifteen incidents were received, investigated and documented throughout 2011/12. 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.

**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 (etc).

Performance:**Staff Numbers –**

The Council's 2011/12 Environment & Health staff are described in the following table.

Name	Position	Employment Status	Base Qualifications	Period Employed
Michael Stretton	Director Development & Regulatory Services	Full Time	Environmental Health Officer	July '11 – June '12
Darren Fairbrother	Environmental Health Officer	Full Time	Environmental Health Officer	July '11 – June '12
Clare Harding	Cadet Environmental Health Officer	Part Time	Student	July '11 – Dec '11
	Environmental Health Officer	Full Time	Environmental Health Officer	Jan '12 – June '12
Paul Bidgood	Regulatory Services Group Leader	Full Time	Compliance Officer	July '11 – June '12
Jenny Johnson	Regulatory Services Assistant	Full Time	Administration	July '11 – June '12
Vicki Duniam	Nurse Immuniser	Part Time	Nursing	July '11 – June '12
Mandy Cahill	Immunisation Nurse	Part Time	Nursing	July '11 – June '12
Carmel Miller	Consultant Environmental Health	Part Time	Environmental Health Officer	July '11 – Dec '11



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 2011/2012 Operational Plan (Estimates) shows estimated and actual expenditure for the 2010/2011 financial year, as well as estimated expenditure for 2012/2013.

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* –
 - Various Environment Health Australia quarterly seminars and State Conference.
- *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 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.

* * * E N D * * *

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