

Annual Report 2013-2014



CENTRAL COAST
COUNCIL

www.centralcoast.tas.gov.au

Annual Report

for the year ended 30 June 2014





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*Cover photo:
The community marked in 2014 the 60th anniversary of
the construction of the Ulverstone Shrine of Remembrance
clock-tower. The memorial was completed January 5, 1954.*



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 22,347¹ people. Extending westerly to the Blythe River and easterly just beyond the Forth River, from coastal beaches the boundary extends southwards through the fertile countryside to the rugged Leven Canyon, limestone caves and Black Bluff mountain range boasting snow-capped peaks in the depths of winter.



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

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



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

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

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

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



I have great pleasure in presenting the Central Coast Council Annual Report for 2013-2014. The year has been highlighted with the adoption of our new Strategic Plan 2014-2024 which outlines the key strategic directions, strategies and actions that the Council plans to pursue over the coming 10-year period.



The aspirations of our community were captured in the Strategic Plan through two half-day workshops which were well attended. The workshops focused on our quality of life, our capabilities and resources required to meet the needs of the community into the future, our innovation and entrepreneurial spirit, and the identity and special character of Central Coast which defines us from other municipal areas. Community values were expressed as the natural assets in our coastline and rural landscape, built assets such as parks and recreation facilities, our social and cultural assets and strong sense of community, and our human assets. The desired outcomes of the 10-year Plan are sustainable population growth, socio-economic well-being, economic prosperity and resilience, an engaged community, a healthy lifestyle and environment, and a sustainable and effective Council. The Strategic Plan 2014-2024 clearly articulates how you would like to see our community develop over the next 10 years and the Council looks forward to prioritising, actioning and delivering on that Plan.

In January, the official opening of the upgrade to the Penguin Regional Athletics Centre was well attended by athletes, sporting clubs, community members, and representatives of Federal, State and local government. The Centre is one of only three synthetic athletics facilities in Tasmania and the only one servicing the needs of the North-West region. Work completed in the upgrade included the resurfacing of the track, new sports lighting, administration area and increased undercover



seating. The total cost of the project was \$1.185m., with the Council receiving Australian Government funding of \$520,500. Improvements to the Centre have provided a national-class venue for athletics and mark the completion of the first stage of the Dial Sports Complex Master Plan.

Australia Day was again celebrated with 'Breakfast by the Leven' and I was delighted to present the Australia Day Citizen of the Year Award to Terry and Doreen Leary who have worked tirelessly over many years with various sporting and community organisations, particularly the Ulverstone Districts Football Club, Ulverstone Cricket Club, Ulverstone Football Club, Ulverstone Basketball Club and the Sacred Heart Church. It is good to recognise the contribution made to our community by outstanding citizens, and Terry and Doreen are truly worthy recipients of this year's award. Congratulations also to



*Photos (from top to bottom):
1,2&3. The official opening of the upgrade
of the Penguin Regional Athletics Centre
coincided with the 2014 Tasmanian 3000m
Championships and interclub
Track & Field events*



Dean Mainwaring who was awarded the Young Citizen of the Year Award for his outstanding contribution to our community, and to the Gunns Plains community, recognised for their efforts with their Tasmanian Bushfire Appeal Family Fun Day which was awarded the Community Event of the Year.

Our Council, in conjunction with The Advocate newspaper, hosted a community reception for cyclist Amy Cure in her home town of Penguin during March. Amy, who has achieved incredible success on the world stage at such a young age, has a very bright future ahead of her. Her win in the Women's 25km Point Race and third placings in the team and individual pursuit events at the World Championships in Colombia were a great source of pride – not only



- Photos (from top to bottom):*
1. Australia Day was celebrated with 'Breakfast by the Leven'
 2. The Australia Day Citizen of the Year Award was presented to Terry and Doreen Leary

for Amy, her family and friends, but also the local community who have followed and supported her along the way. Amy was given a warm home-town welcome as she rode with local cyclists along Main Road to the 'Big Penguin' before being officially welcomed and invited to speak about her experiences on the world cycling stage.

The 60th anniversary of the Ulverstone Shrine of Remembrance clock-tower was marked with a community celebration in Light Horse Park. 'The clock', as it is affectionately known, stands proudly as the centrepiece to the town and represents many things to many people. Most importantly, it honours those who gave their lives for their country during both the First and Second World Wars and is the gathering place for Anzac Day and Remembrance Day services. The design and construction of the Shrine has a fascinating history as it was built mostly by migrants who came to Tasmania after World War II. Mr Jernej Bajzelj, who worked on the construction of the clock-tower, detailed the history and enthralled guests with its fascinating story.



Photos (from top to bottom):
 1. Ulverstone Shrine of Remembrance clock-tower
 2. Celebrating the Shrine's 60th anniversary





Community engagement was again a major focus throughout the year, with a morning tea hosted at Forth, and Councillors and staff enjoying the opportunity of speaking with residents on local issues. The General Manager and I completed regular business visits to gain a better understanding of the diversity and strengths of our business community and the issues affecting businesses today. The Council is committed to creating an environment which encourages investment and job creation, and has placed a strong focus on economic development, innovation and entrepreneurship. Understanding and supporting our business community is a major part of that commitment. Community conversations were also hosted 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. Consultation with rural residents regarding country transfer waste stations was very positive and resulted in a trial of a new access system to address the concern of our rural community regarding the use of the country transfer stations by non-rural Central Coast residents and non-Central Coast residents and the effect of this on the cost of operating these services. Eligible rural property owners received a coupon card and information about the new country transfer station access system which came into effect on 1 May and will be trialled until 30 June 2015. This trial is part of a review aimed to improve the efficiency and effectiveness of our rural waste services into the future.

The Penguin Mountain Bike Park is quickly becoming an 'adventure hub' for our region, with several stages of this exciting recreational development now completed due to a great partnership between the Cradle Coast Mountain Bike Club, Central Coast Council, the Australian Government who contributed to a local training initiative, Equity Labour Services who delivered the skills training, and business supporters. The first major event, 'The Cranky Penguin' Mountain Bike Marathon, was a huge success, attracting worldwide interest, and plans are well under way to grow this annual event, putting Penguin on the international stage as a mountain biking destination. The Park attracts a large number of local riders each week and plans are under way for the next



Photo: In action at the Penguin Mountain Bike Park



stage, the 'Little Devil's Terrain Park' Skills and Kids Area, featuring small mounds, gentle corners and riding challenges appropriate for children and beginner mountain bike riders. It will be the perfect introductory space for later progression to adjacent mountain bike trails.

The Ulverstone Wharf Precinct continues to be a hub of community activity, with 'Live@theWharf' drawing large crowds enjoying a variety of talented local musicians every Friday night from 5.30pm to 7.30pm. The Cradle Coast Farmers Market provides a great atmosphere and an opportunity to purchase beautiful local produce each Sunday morning, and 'Artizano@theWharf' is now being held on the third Sunday of each month featuring unique, quality handmade arts and crafts.



Photo: A busy Sunday farmers market at the Ulverstone Wharf

In October, Cheryl Fuller sadly advised of her resignation from the Council. Cheryl has been a valuable contributor in her role as Councillor and Deputy Mayor and represented the Council and her community well. As the Council will be reducing its numbers from 12 to nine at the next local government elections, the Tasmanian Electoral Commission was required not to fill the vacancy. Councillor Garry Carpenter was elected as Deputy Mayor at the November Council meeting.

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



Central Coast Council shows great strength. 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 and workshops, 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 focused and committed to creating a 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.

Councillor Jan Bonde
MAYOR



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



In preparing the Annual Report it provides the opportunity to reflect on the achievements of this organisation for the 2013-2014 year, and further to reflect on whether we achieved the outcomes of our Strategic Plan 2009-2014. The 2013-2014 year was the last year of our current Strategic Plan and it is with pleasure that I can say that we have actioned or are nearing completion of most of the items identified in the Plan. The Plan focussed on planning for a vibrant and liveable place, enhancing connectivity both within Central Coast and the region, facilitating further community capacity and creativity, sustaining our built infrastructure and natural environment, and ensuring our future sustainability and good governance

The Council's Strategic Plan is delivered through the Council's Annual Plan which was adopted prior to the commencement of the 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 community.

The Council has continued to deliver an extensive range of services over the past year while taking steps forward in realising future opportunities. We are continually focusing on how to keep our services current and contemporary, while meeting our community's needs into the future. We have used the Business Excellence Framework to look



at continuous improvement opportunities in the services that we deliver. Some of the areas focussed on over this last year include a review of our Building and Facilities processes to ensure that we are delivering the best service we can to our facility users as well as ensuring that maintenance is undertaken as required. Other reviews include looking at the delivery of Visitor Services within Central Coast and a review of our Vegetation Management services. Vegetation Management was identified in our last community survey as an area that we needed to look more closely at to ensure that we are providing the right service in the most effective manner.

Strategic projects that the Council has been developing over the last year include the Dial Sports Complex Master Plan which is now moving to the next stage of design and further community consultation. This will also include discussions on future potential uses of the Penguin Recreation Ground. The Council also purchased land adjacent to Batten Park to allow the future expansion of Batten Park for all equestrian activities within Central Coast and the region. The Council's Parking Plan which will provide future direction in relation to the development of both our on-road and off-road assets is also close to completion.

In respect to the Council's financial performance, 2013-2014 has been another year of sustained 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 \$372m. 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, are incorporated into our Long-term Financial Plan. This is imperative to ensure that our current infrastructure is being maintained while progressing with strategic projects that the community has identified through our Strategic Plan. This last year saw the Council invest \$5.33m., or 79.6% of its capital expenditure towards asset renewal and upgrades.

Photo: Leven River Precinct





Throughout the 2013-2014 year we continued to see significant investment in our capital works program. Areas of major capital works included \$3,310,795 on roads, bridges and footpaths; \$106,875 on waste management; \$266,828 on community services and facilities; \$176,896 on recreation facilities; and \$1,502,737 on strategic projects which primarily included the redevelopment of the Penguin Regional Athletics Centre track.



Photo: Country road west of Ulverstone

The financial statements show a net surplus of \$23,702,099 which includes the recognition for the first time in our accounts of the value of land under roads. If land under roads (a book figure) was removed and the full amount of the 2013-2014 Federal Assistance Grants was recognised in the financial year it was provided for, then the net surplus would have been \$804,799.

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

The challenges facing the Council in the year ahead will continue to be financial, as we continually assess our ageing infrastructure and plan to upgrade or replace it and progress the Dial Sports Complex Master Plan.



This year saw the retirement of the Director Engineering Services, Bevin Eberhardt. Bevin commenced work with the Ulverstone Council in 1978 and served a total of 35½ years with the Ulverstone and Central Coast Councils. Bevin always focussed on ensuring the Central Coast area had the best asset infrastructure that could be afforded. We only have to look around our community to see evidence of this. We wish Bevin all the best in his retirement. John Kersnovski was appointed as the Council's Director Engineering Services in June.

Providing the successful outcomes as identified through the Annual Report is a credit to the dedicated, engaged staff who continue to demonstrate their commitment. Investment in a culture of continuous improvement is a key focus. I would like to take this opportunity to thank all staff for their ongoing service and commitment to the Central Coast community.

Finally, I would like to extend my appreciation to the Mayor and Councillors for their leadership and dedication to our community, displaying a passion for making our municipal area a great place to live, visit and invest, and planning for an even better future.

I commend this 2013-2014 Annual Report to you.

Sandra Ayton
GENERAL MANAGER



Council Members and Committee Membership

Cr Jan Bonde, Mayor

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



Cr Cheryl Fuller, Deputy Mayor (resigned 28.10.2013)

- Central Coast Community Safety Partnership Committee
(to 19.08.2013)
- Councillors Code of Conduct Panel
- Dulverton Regional Waste Management Authority
Representatives Group
- General Manager Performance Review Panel
- Penguin Surf Life Saving Club (Liaison)



Cr Garry Carpenter, Deputy Mayor (from 18.11.2013)

- Caves to Canyon Tourism Association (Liaison)
- Councillors Code of Conduct Panel (from 18.11.2013)
- Cradle Coast Authority Representatives Group
- Dulverton Regional Waste Management Authority
Representatives Group (from 18.11.2013)
- General Manager Performance Review Panel
(from 18.11.2013)





Cr John Bloomfield



Cr Lionel Bonde

- Bush Watch Western District Committee (Liaison)
- Castra-Sprent-Nietta Community Advisory Committee (Liaison)
- Central Coast Chamber of Commerce and Industry Inc. (Liaison) (from 19.08.2013 to 23.04.2014)
- Councillors Code of Conduct Panel
- Ulverstone Band (Liaison)



Cr Shane Broad

- Australia Day Awards Committee
- Central Coast Chamber of Commerce and Industry Inc. (Liaison) (from 23.04.2014)
- Development Support Special Committee



Cr Amanda Diprose

- Central Coast Community Safety Partnership Committee (from 19.08.2013)
- Community Small Grants Scheme Panel
- Development Support Special Committee
- East Ulverstone Swimming Pool Management Comm. (Liaison)
- Festive Decorations Working Group
- Ulverstone Community House (Liaison)





Cr Kathleen Downie

- Central Coast Chamber of Commerce and Industry Inc. (Liaison) (to 19.08.2013)
- Central Coast Council Bursary Working Group
- Penguin Surf Life Saving Club (Liaison) (from 18.11.2013)
- Slipstream Circus Board Inc.
- Ulverstone Wharf Precinct Advisory Committee (from 19.05.2014)



Cr Gerry Howard

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



Cr Rowen Tongs

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



Cr Tony van Rooyen

- Development Support Special Committee





Cr Philip Viney

- Central Coast Community Shed Management Committee (Liaison)
- Central Coast Youth Engaged Steering Committee (Liaison)
- Community Small Grants Scheme Panel
- Development Support Special Committee
- Sprent Primary School Association (from 19.08.2013)
- Ulverstone Surf Life Saving Club (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

Paul Bidgood

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



Director Engineering Services

Bevin Eberhardt (to 30.04.2014)

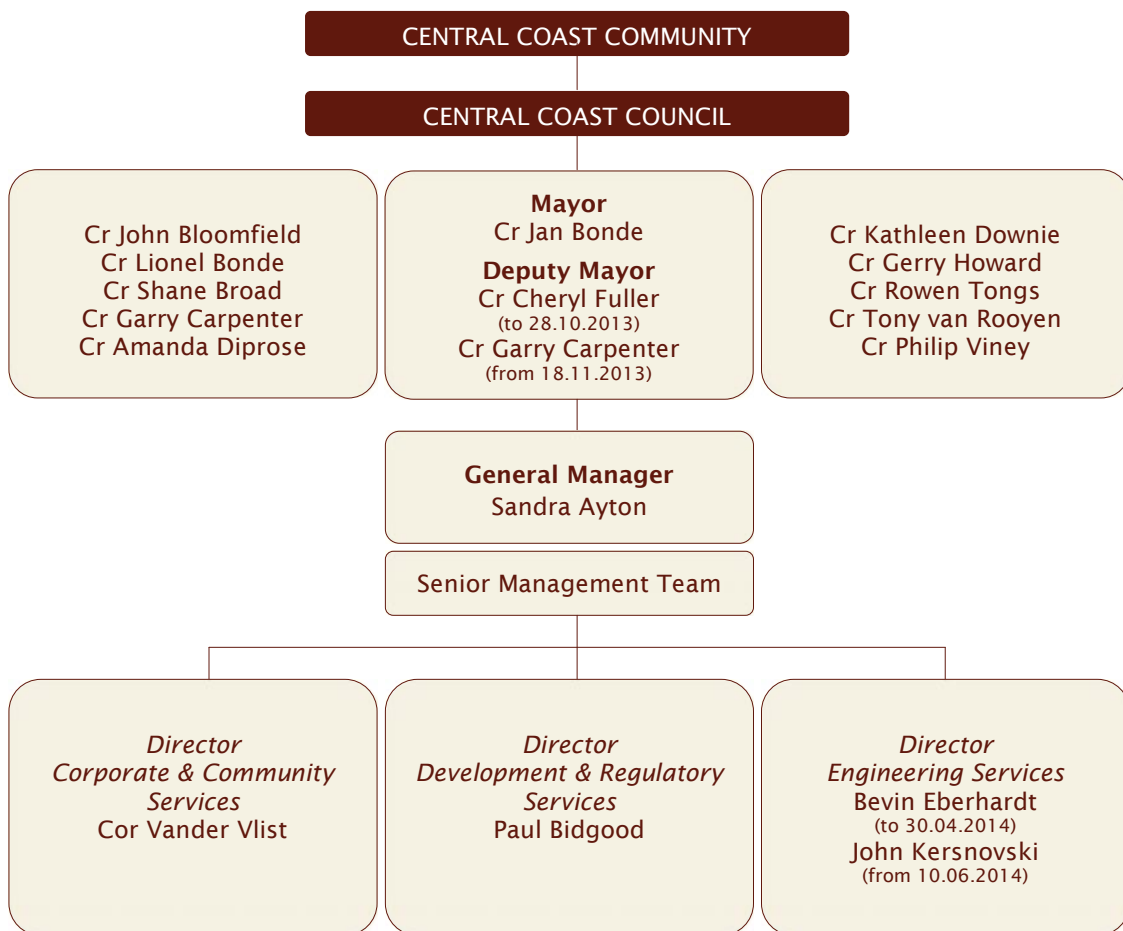
John Kersnovski (pictured) (from 10.06.2014)

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





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





Reporting Performance

The Council is committed to the priorities of the Strategic Plan 2009-2014, developed in consultation with the community. This Plan is being delivered through the Council's Annual Plan which is adopted prior to the commencement of the new year.

The format of the Annual Report reflects the actions that the Council approved through the Annual Plan for the 2013-2014 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

2013-2014 Actions/Initiatives	Performance
▪ Staged implementation of the Dial Sports Complex Master Plan	✓
▪ Develop a Central Coast recreational bike strategy	✓
▪ Implement the Central Coast Open Space and Recreation Plan 2012-2022 asset provision gaps (as identified in the Estimates)	✓
▪ Undertake a review of recreation grounds in Central Coast	✓

2 Adopt an integrated approach to land-use planning

2013-2014 Actions/Initiatives	Performance
▪ Identify and promote appropriate land for industrial and commercial use	→
▪ Achieve sign-off by the State Planning Commission of the Council's Interim Planning Scheme	✓
▪ Develop a Rural Lands Strategy for the Central Coast area	→
▪ Implement the actions from the Local Area Settlement Strategy	→



STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↻ Deferred

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

2013-2014 Actions/Initiatives	Performance
▪ Develop Park Tree Strategy	→
▪ Develop Tree Management Manual	→

4 Encourage a creative approach to new development

2013-2014 Actions/Initiatives	Performance
▪ Develop rural living design guidelines for Central Coast rural area	↻

Highlights

As part of the development of the Central Coast Open Space and Recreation Plan 2012-2022, the Mayor and Council staff had meetings with all sporting groups within Central Coast to discuss their short-term and long-term plans. The discussions with the groups were well received and allowed two-way communication about the issues facing both parties. The Council was looking at long-term sustainability issues in relation to sporting grounds and buildings, with the groups focussing mainly on long-term sustainability in relation to their future needs. The discussions were both fruitful and positive and have opened the way for future and more regular meetings with the sporting groups.

The nine Interim Planning Schemes developed for each of the municipal areas within the region were signed by the Minister for Planning and the councils on 16 October 2013 and became operational from 19 October 2013. The new Schemes were prepared over a three-year period by planners of the region and are based on common State and regional provisions. Nonetheless, they have provided the Council with some challenges, including implementation of the new State Bushfire Code and the building of houses in the Rural Resource Zone. The State Government will review the individual Interim Planning Schemes over the next year, including the issues of concern to the Council.

A Rural Lands report is close to completion. The report is intended to identify future options for rural living development in Central Coast rural areas in accordance with



the requirements of the Cradle Coast Regional Land Use Strategy 2010-2030, State legislative requirements and the Planning Scheme objectives. The main areas of focus are in identifying areas which may be suitable for rezoning for rural living and dealing with applications for houses on small blocks in the Rural Resource Zone. It is expected that this report will be finalised and presented to the Council in the first half of the 2014-2015 year.



Photo: Central Coast farmland

The Council is continuing with the staged implementation of the Dial Sports Complex Master Plan. Ongoing discussions with key stakeholders, including state-wide and local sporting groups, have continued. Preliminary discussions have also continued with both the Federal and State Governments in relation to the project, both from the funding and development aspects. The Council has had preliminary discussions with the State Government in regards to looking at a process to transfer land to the Council under a similar arrangement as the Crown Land Assessment Classification process to allow the Council to further this development. The Council's Long-term Financial Plan also includes the implementation of the Master Plan. The Council will be engaging with the community in the new year to discuss both the Master Plan and plans for the redevelopment of the current Penguin Recreation Ground.



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

2013-2014 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

2013-2014 Actions/Initiatives	Performance
<ul style="list-style-type: none"> Explore options for gas to Ulverstone 	→
<ul style="list-style-type: none"> Work with NBN Co. in respect of network rollout to Central Coast 	→
<ul style="list-style-type: none"> Work with TasRail in respect of replacements of railway bridges over the Leven River and Forth River 	✓
<ul style="list-style-type: none"> Review the Council's Positive Ageing Strategy 	↺
<ul style="list-style-type: none"> Develop management plan for the property provided for accommodation for medical students 	✓

3 Improve community wellbeing

2013-2014 Actions/Initiatives	Performance
<ul style="list-style-type: none"> Develop opportunities within the Opt-in brand 	✓
<ul style="list-style-type: none"> Explore the development of a 'Safest Community in Australia' strategy 	✓



Highlights

An overall concept plan has been developed for the urban footpath network which also incorporates the Coastal Pathway Plans concept plans. These have been included in the Footpath Asset Management Plan and incorporated into the Long-term Financial Plan. The Coastal Pathway Plans will most likely be subject to external funding to allow for their construction without impeding on existing funding for footpath renewal. Design works have been undertaken for the area between the Leven River Bridge and Air Force Park and included as part of our proposal to the State Government for the upgrade of the Leven River seawall and the footpath in this area. The State Government has agreed to fund the upgrade of the Leven River seawall as part of its election commitments and we are currently waiting to see in which year the funds will be available. This will allow the Council through its own funding to extend the pathway from the Leven River Bridge to Air Force Park as part of these works. Concept options and costs have also been commissioned in relation to the reuse of the old Forth River Railway Bridge as a pedestrian bridge.

The Council has continued to explore options for the rollout of gas to Ulverstone, prioritising the rollout to the East Ulverstone Industrial Estate. An application was submitted to the Federal/State Governments as part of the Tasmanian Forestry Agreement arrangement as well as to both major parties prior to the Federal Government election. No funding has been forthcoming at this stage, but we are still pursuing the matter with both Federal and State Governments as the opportunity arises.

After the Federal election, the rollout plan for the NBN (National Broadband Network) was deferred until new governance processes were put into place and a review of the plan was undertaken. We are continually having conversations with our local Federal member on the importance of NBN to the Central Coast area and as to when the rollout will now take place.

The Council manages a property at 52 Richardson Street, Ulverstone which provides for suitable accommodation and supportive infrastructure to GP registrars and medical students undertaking training in rural and remote parts of the North-West Coast. The project was originally a Commonwealth Department of Health and Ageing initiative. A review of this service through stakeholder consultation was undertaken to determine the ongoing need for the service. The outcome of the review was that there remained a market for shared accommodation and sufficient demand (all year round) for the utilisation of the property by at least one medical professional, and at peak times multiple health professionals. There was also agreement that the property could easily



serve the needs of a wider sphere of health professionals – for example, dental, physiotherapy and pharmacy locums – and the management plan has been broadened to accommodate a range of health professionals or students requiring short-term accommodation while training or practicing.

A range of programs has been operating over the last 12 months as part of the Council's Opt-in program. These have included new opportunities such as the development of aquatic basketball, an annual community singing event at the Ulverstone Wharf Precinct, working with primary schools in relation to hosting bike education, as well as continuing to support the 'park group exercise' (including boot camp) and complete circuit training. A review of the Community Shed Committee Charter has also been undertaken to ensure that the Central Coast Community Shed operates in accordance with its purpose. A regular user of the Community Shed is the Men's Shed group, averaging around 25 participants per session. The volunteer supervisors also cater for groups from Outside School Hours Care programs and art workshops. The Men's Shed program supports a number of local community groups (Ulverstone Repertory Theatre Society, Leven Regional Arts, Ulverstone History Museum, Slipstream Circus) building items for donations.



Photo: Men's 'Shedders' at work



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

2013-2014 Actions/Initiatives	Performance
▪ Develop a Mentor/Leader Register that stimulates creativity and innovation and supports local capacity building	✓
▪ Develop a place-based marketing strategy	→
▪ Continue to support local communities of interest, i.e. Local Food Strategy Group	✓

2 Facilitate entrepreneurship in the business community

2013-2014 Actions/Initiatives	Performance
▪ Complete review of the Central Coast Local Visitor Strategy	✓
▪ Continue to build the Coast to Canyon brand	✓
▪ Continue to support the development of Cradle Coast Innovation Inc.	✓
▪ Work with the Department of Education, Employment and Workplace Relations and local businesses/development agencies to increase local employment	✓

STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

3 Cultivate a culture of creativity in the community

2013-2014 Actions/Initiatives	Performance
▪ Develop an events brand for Central Coast	→
▪ Staged implementation of the Ulverstone History Museum Strategic Plan and Interpretive Strategy	✓
▪ Develop a Public Arts Policy	→
▪ Develop initiatives on the beautification of the top end of Reibey Street	→

Highlights

Council staff have been working with the Ulverstone History Museum volunteers in developing the designs for internal works at the Museum. Those works include insulation, electrical upgrade, meeting room, etc. As we were not successful in receiving a grant for the works, this project was deferred until additional Council funding was included in the 2014-2015 Estimates. Design work is also substantially complete for the staged implementation of the Tasmanian Migration Experience plan for the Museum. This work will help inform any funding opportunities which may arise.

An exhibition program was developed by our part-time curator, along with our volunteers, and has proved to be successful and insightful. During the year we had a celebration to mark the 60th birthday of the Ulverstone Shrine of Remembrance clock-tower. These celebrations also included an exhibition at the Ulverstone History Museum which was well attended. The clock has also been subject to an upgrade which has seen the old clock mechanism replaced with a digital mechanism. The superseded clock mechanism is now housed in the Museum.



Photo: Clock upgrade works



The Council continues to support Cradle Coast Innovation Inc. (CCI). In conjunction with the Council, CCI has facilitated the introduction of the Club Kidpreneur program into the region. Club Kidpreneur is a national program designed to introduce the principles of innovation and entrepreneurship to primary school-aged children. Three primary schools within the region signed up for the \$50 Challenge Program. The Council also worked with CCI and Illuminate SDF to deliver a Youth Innovation program. The event 'Illuminate the Future Day' was held in the Gnomon Pavilion and attracted around 50 students from seven local high schools. Some key local business leaders were invited to interact with the students during the day. Discussions have also progressed to support the development of a youth in agriculture initiative that focuses on activities from primary school to tertiary study and from the 'paddock to the plate', the purpose being to introduce young people to the future study/employment pathways in agriculture in the region as well as focusing on innovation and entrepreneurship opportunities. Activities will commence in the 2014-2015 year.

The Council also helped facilitate the 'Dream, Plan, Do' workshop series and networking sessions which attracted around 40 participants. The workshops were co-hosted by the Council, CCI and Department of Economic Development, Tourism and the Arts. Discussions have also taken place with CCI in relation to setting up a panel of community members that could support new innovative businesses in furthering ideas as part of a business set-up. This project is now under the auspice of that group.

The Council is currently establishing a staged online place-based marketing process. This includes a digital/social media presence which will be developed as part of a communication and engagement strategy that includes the training of key staff. The development of a place-based marketing strategy is included in the Central Coast Economic Development Framework, and implementation of identified actions will be included in the 2014-2015 Annual Plan.

The Council's Economic Development Framework also includes supporting local communities of interest, particularly around local food. A workshop has been planned which will be co-hosted by the Council and Sprout Tasmania (a not-for-profit organisation dedicated to supporting local food producers) relating to the development of local food economies. Funding has been secured for the workshop.



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

2013-2014 Actions/Initiatives	Performance
▪ Investigate rural flood catchments	→
▪ Review and implement Vegetation Management Plans	→
▪ Investigate the upgrade of the Leven River embankments	✓

2 Contribute to a safe and healthy environment

2013-2014 Actions/Initiatives	Performance
▪ Ensure the health of the public and environment is maintained at least to legislated levels	✓
▪ Actively participate in the Tasmanian Water and Sewerage Reform process to achieve best practice water and sewerage services in Central Coast	✓
▪ Participate in State and regional emergency management	✓
▪ Implement the Car Parking Strategy	→

3 Develop and manage sustainable built infrastructure

2013-2014 Actions/Initiatives	Performance
▪ Finalise Compliance and Enforcement Policy	→
▪ Assist in the implementation of the Cradle Coast Regional Waste Management Strategy	✓



STRATEGIES AND KEY ACTIONS: ✓ Completed → In progress ↶ Deferred

- Develop and implement Service and Asset Management Plans in accordance with the Council's Asset Management Improvement Strategy →
- Develop Public Amenities Strategy ✓
- Actively participate in the ongoing development of Dulverton Waste Management ✓
- Develop a Buildings and Facilities Strategy (incorporating energy efficiency) →

4 Contribute to the preservation of the natural environment

2013-2014 Actions/Initiatives	Performance
▪ Coordinate the implementation of the Central Coast Climate Change Action Plan	✓
▪ Investigate and plan for the effects of climate change on the local area	→
▪ Promote and participate in regional, State and national climate change-related initiatives	→
▪ Implement suitable climate change adaptation and/or mitigation strategies	✓
▪ Develop Urban Stormwater Management Plans	→
▪ Provide support and assistance to community groups engaged in environmental activities in Central Coast, i.e. Coastcare, Rivercare	✓

Highlights

As part of the Council's commitment to the implementation of our Climate Change Action Plan, we were successful in receiving funding to install four heat-pump hot-water systems at the West Ulverstone Football Clubrooms. The Council also receives quarterly reports from Planet Footprint which identifies areas that have over usage and high charges and makes recommendations for changes to help bring costs down, i.e. the use of different light fittings.



Work has continued looking at impacts of sea-level rises to the Turners Beach community through the 'Turners Beach-Leith Coastal Adaptation Pathways' report. A workshop was conducted in November as part of this project to discuss the issues raised in the report and to gain community feedback on which of three pathways both the Council and the community should work towards. The Council has now adopted the report and the actions will be incorporated in the Council's Long-term Financial Plan as appropriate.

Food premises inspections continued to be carried out this last year, with 261 food inspections carried out by Council staff. One area staff focussed on this year with operators of food premises was in relation to their responsibility of having their doors closed or measures taken to prevent pests entering their food premises. It is pleasing to report that food premises are now compliant within our area. Food safety newsletters were also distributed over the year. These newsletters include information on food safety issues and changes in the relevant legislation (Food Act). Food safety training was carried out in November and June this financial year. The training is also available through the "I'm Alert" program on the Council's website.

Council staff have been working on a Parking Plan for the Central Coast area. The Plan is to be used as a reference document to assist in making informed decisions in regard to car parking and related transport issues as they arise. To inform the Plan the Council has referenced previous Community Plans and the Urban Design Guidelines from the last few years, which involved community consultation as well as detailed parking surveys, to provide updated and more detailed information.



Photo: Ulverstone CBD car park



Key areas looked at in the Parking Plan include:

- . adequacy and efficiency of existing CBD parking supply, on- and off-street;
- . considerations and options for supply of CBD parking;
- . private car parking areas;
- . multi-storey or 'deck' parking;
- . signage and direction system;
- . disability parking improvements;
- . safety improvements;
- . sustainability of current and future parking arrangements;
- . review of provisions of the Planning Scheme;
- . review of 'free parking' versus 'pay parking';
- . enforcement; and
- . provision for alternative transport options, including cycling/pedestrians and public transport.

It is expected that this plan will be presented to the Council for endorsement early in the new financial year.

The Council is part of the Cradle Coast Waste Management Group, a group of seven councils within the region. The key strategy target for the region is to divert 50% of all municipal waste from landfill by 2017, and it is particularly pleasing to note that the initiatives and improvements being initiated by the group are making a real difference in



achieving the target. The group actioned 23 projects through the year spread across data collection, educational and compliance outputs, and included on-ground projects such as the household hazardous waste collection program and the regional contract for mulching of green waste. Two projects that are assisting significantly to increase the diversion target are the kerbside waste bin audit and kerbside recycling bin assessment. The waste bin audit has enabled identification of the type of products that are still being disposed to waste that could have a value opportunity as a re-use or recyclable. Similarly the recycling bin assessment identified the nature of contamination in recycling bins, and also proved to be a great educational tool as it was designed to let residents know what should or should not be in their recycling bin.



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

2013-2014 Actions/Initiatives	Performance
▪ Implement strategic and operational risk management strategies in all Council activities	✓
▪ Implement an Audit Committee	→
▪ Review the Council's annual insurance cover	✓
▪ Undertake an auditing program of Level 1 activities, e.g. mechanical repair garages, saw mills, service stations, etc.	✓
▪ Review Central Coast's Emergency Management Plans	✓
▪ Develop and implement a strategic human resource/organisational development plan	→
▪ Develop initiatives to achieve the goal of 'zero injuries' across the Council	✓
▪ Review the Council's Delegations Register	↪
▪ Manage the Council's Occupational Health and Safety program to meet accreditation standards and to achieve a further three-year certification	✓
▪ Development of the new Enterprise Agreement	✓
▪ Review Settlement and Investment Framework and integrate into the development of the Strategic Plan 2014-2024	✓



STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

2 Improve service provision

2013-2014 Actions/Initiatives	Performance
▪ Visitor Services process review	→
▪ Aged care accommodation process review	↪
▪ Increase utilisation of child care services	✓
▪ Review IT platform and software applications	✓
▪ Parking Control process review	↪
▪ Develop effective services business continuity plans	✓
▪ Reduce the number of unregistered dogs	✓
▪ Improve integration of customer services within the Administration Centre	✓
▪ Progressively implement the electronic recording of all Building and Plumbing applications/permits	→
▪ Complete review of rural waste transfer stations and rural garbage/recycling collection service	✓
▪ Review of vegetation management operations	→
▪ Private Works process review	↪

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

2013-2014 Actions/Initiatives	Performance
▪ Develop an Internal Audit Manual	→
▪ Investigate the impacts of moving to capital value rating	✓
▪ Develop plans for the sale of Council surplus public land associated with development, e.g. former Penguin Depot	→
▪ Develop plans for the sale of Council surplus land associated with the Central Coast Open Space and Recreation Plan	→



STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

- Review and implement the Council's Sustainability Action Plan ✓
- Review existing asset investment and performance ✓

4 Effective communication and engagement

2013-2014 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	✓
▪ Ensure effective communication with the Federal and State Governments on matters of importance to the Central Coast community	✓
▪ Increase communication and community awareness of the Council's services and activities	✓

5 Strengthen local-regional connections

2013-2014 Actions/Initiatives	Performance
▪ Actively participate in the development and implementation of regional strategies	✓
▪ Develop and enhance partnerships with governments, regional authorities, the private sector and community groups in achieving significant community goals	✓

Highlights

This year the Ulverstone Child Care Centre expanded its services to include Sprent After School and Vacation Care. The Centre currently operates After School and Vacation Care at the Ulverstone Child Care Centre, East Ulverstone Primary School, Penguin District School, Forth Primary School and Sprent Primary School. It is pleasing to note that overall, utilisation has increased in After School and Vacation Care services. Utilisation has decreased in Long Day Care services provided in the latter part of the year, but has been off-set by the increase in utilisation in other areas as identified above. One of the highlights for the Centre over the year was when a staff member



brought in a baby wallaby they had as a rescue pet, where the children could observe it feeding. This was very popular amongst the children and adults alike.

Preparations are in place for the establishment of an Audit Panel. Draft Orders under Section 70 of the *Local Government Act 1993* require all councils to implement Audit Panels. A draft Charter and Policy document has been developed for the Council and will be presented to the Council meeting in July 2014 for endorsement.

Staff have been pro-active in ensuring that services business continuity plans, including evacuation plans, are in place for our major facilities in the event of an incident that would mean we could not continue operating from those facilities in the short term. Plans have been completed for the Administration Centre, Ulverstone Child Care Centre and the Visitor Information Centres. For example, there is the option to temporarily integrate the Ulverstone Visitor Information Centre with the Ulverstone History Museum if the need arose, and the Penguin Visitor Information Centre to the Penguin Railway Station.

There has been a slight increase in the number of dog registrations over the last year, with 3,144 dogs registered. There are still a number of unregistered dogs in our area and over the next year we propose to institute measures to ensure that dogs are registered as required.



Photo: Ulverstone beach RSPCA Million Paws Walk



Staff undertook an auditing program this year of Level 1 activities within the Central Coast area. Level 1 activities include mechanical repair garages, saw mills, service stations, etc. It is pleasing to note that all Level 1 activities carried out within our area comply with the legislation.

This year has seen the introduction of a customer service counter upstairs. This allows a 'one-stop shop' to customers who are requiring Building, Plumbing, Environmental Health or Engineering Services. It was initially trialled with a temporary counter, and after positive feedback from both customers and staff, it will now continue permanently. Some minor building works will be undertaken over the next year but will not disrupt customer service being provided to the public.

As part of the review of rural waste transfer stations and rural garbage/recycling collection services, the Council considered the introduction of a new service delivery model in respect to access to the three country transfer station facilities at Castra, Preston and South Riana. A significant concern in the rural community is the use of the country transfer stations by non-rural Central Coast residents and non-Central Coast residents, and the effect of this on the cost of operating rural waste services. The Council agreed, after consultation and feedback from the rural community on ways to address the cost of operations, to implement a coupon card system in May of this year and will run it as a trial to the end of June 2015. Coupon cards were provided for rural residents to allow them to continue to use their current service, and users outside of the rural area can still use the sites as long as they have purchased coupon cards and present them at the site they are accessing. The system was designed to address cost of operations and use from people outside the rural area without compromising the legitimate normal use of these waste facilities by rural residents. At this stage the system appears to be working well.

The Council submitted two applications to the WorkSafe Tasmania Awards this year. Our nomination for Best WHS Management System achieved finalist status, but unfortunately we did not take out the award. Thanks to all staff involved in the submission and the work implemented on the ground which allowed us to be considered as a finalist. An analysis of our workers compensation claims shows that we were well below last year's figures, with our costs being only approximately 25% of 2012-2013. This has a flow-on effect to the premiums charged in the following year.

As part of the Council's commitment to continuous improvement, we have continued to have our Occupational Health and Safety systems audited to ensure that our systems and procedures are current and also being implemented in our work practices. It is



pleasing to advise that the audit was successful and a new three-year Certificate of Registration has been received. This Certificate recognises that the Council is compliant with the Australian Standard 4801 Occupational Health and Safety Management Systems.

As the Council's current Central Coast Strategic Plan 2009-2014 needed to be updated, consultation was undertaken with the community on reviewing where we have come from and where we should be heading over the next 10-year horizon (2014-2024). The Council took this information provided by the community, along with information from other strategy documents and community engagement activities, to inform our new Plan. The Plan went out again for consultation with the community, with no changes required. The Strategic Plan focuses on the distinctiveness of our location, lifestyle and strengths to achieve the aspirations of our local communities and to set the direction for the Council in determining how best to target its resources and efforts. The Council's Annual Plan and Estimates for 2014-2015 are based on the new Strategic Plan.

Central Coast Strategic Plan 2014–2024



The Mayor and General Manager continue to meet with both the Federal and State Governments on matters of importance to the Central Coast community. Issues raised include bringing natural gas to the East Ulverstone Industrial Estate, upgrade of the Leven River seawall and new pathway opposite the Ulverstone Wharf Precinct, the Dial Sports Complex Master Plan, opportunities in relation to funding for a shared pathway over the old Forth River Rail Bridge, and the rollout of the NBN.

The Council continues with its commitment to engage with the community. Councillors managed a booth at the Ulverstone Show which allowed the public to come by and ask questions on issues they may have and also look at information that was on display. This year we also formally engaged with each of our sporting groups within Central Coast to listen to their short-term and long-term visions for their clubs. This helped to inform our Recreation and Open Space Plan. Engagement with our rural community was successful, with both the community and Council jointly looking at ways to resolve



the operational and long-term sustainability issues at our country transfer stations. The Council has representative groups at both Turners Beach and Forth to interact with Council staff on issues of concern within their areas. This is only two of a number of community-based committees which provide input into our processes. A new group formed this year is the Ulverstone Wharf Precinct Advisory Committee which looks at ensuring that the Wharf community space (internal and external) remains vibrant through establishing an events calendar.



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 two joint authorities: the Cradle Coast Authority and Dulverton Regional Waste Management Authority. The following reports provide a summary of activities, budget and performance of the Authorities in 2013-2014.

▪ Cradle Coast Authority

“It goes without saying that the year of 2013-14 was a landmark for the Cradle Coast Authority in a number of ways, but particularly with the departure of its Executive Chairman Roger Jaensch.

Being given the privilege of filling his shoes in a temporary way has helped me to fully appreciate the unique nature of the Authority and the challenges faced in trying to manage such a diverse and divergent range of stakeholders and interest groups.

The Authority has continued its role as the ‘go-to’ place for regional activities and is in regular contact with a wide array of local, state and national organisations from government, private and not-for-profits.

Among the highlights of the 2013-14 year would be –

- The Ministerial sign-off on Interim Planning Schemes for the nine councils of the Cradle Coast region marking the penultimate stage of the Regional Planning Initiative and a major achievement in the long and detailed project to reform land use planning;



- The establishment of the Regional Training Alliance which has attracted \$424,000 from Skills Tasmania to provide training in Competitive Systems and Practices to employees from a variety of businesses and increase the sustainability of these operations;
- The completion of the Visitor Services Review which has the potential to create a much improved experience for visitors to the region and generate savings and efficiencies for the councils of Cradle Coast;
- The delivery of practical climate change scenario tools and information for the agricultural sector by Cradle Coast NRM.

The Authority played an active role in lobbying for a number of projects and policies in both the Federal and State election campaigns, working with its Councils to present a list of priorities to major parties. This has led to follow-up with the new Governments in both Canberra and Hobart to see commitments to the region honoured and ongoing projects maintained.

It has been a challenging year for the tourism unit with a forecast of a major cut in funding for its operations, but the team has worked hard with the Cradle Coast Tourism Executive to continue to develop and improve the industry in the region, which was highlighted in a number of successes at the State tourism awards.

Cradle Coast Natural Resource Management has also faced its share of uncertainty with the transition to its new five-year program, again with reduced funding. The NRM management, staff and committee have worked diligently to find new ways to make the greatest impact on the diverse landscape of the region despite these restrictions.

As well as changes in personnel, the Authority's physical shift to its new regional headquarters has proved to be well received from both a staff and stakeholder perspective. The new Spring Street premises has provided a new level of engagement with old and new, with the greatly increased capacity for meetings, training and less formal gatherings in-house. The physical improvements to a heritage listed building and energy efficiency measures undertaken as part of the renovations have also generated significant savings, and been a regular talking point for visitors.

Former Executive Chairman Roger Jaensch has laid a significant foundation for a regional organisation which can continue to make a major impact in Tasmania for the Cradle Coast region. As the baton passes to a new leadership structure the



challenge will be to build on that foundation, remain adaptable and innovative and to continue to work for the region.

The contribution to the region of the late Mayor Darryl Gerrity must also be recognised, in his own colourful and unique manner. His passion for his municipality and the Cradle Coast region will be hard to match, and during his time as Chief Representative he played a key role in advancing the interests of the Authority and its member councils.”

Luke Sayer, Chief Executive Officer (Acting), Cradle Coast Authority

- **Dulverton Regional Waste Management Authority**

“Dulverton Waste Management (DWM) is pleased to advise that it has concluded 2013/14 in a positive manner, with a better than budget operating profit and cash position.

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

Comprehensive financial reporting is also provided to Owner Councils at four Owner Representative Meetings each year. Representatives can readily monitor the financial health of DWM by reviewing a comprehensive suite of Key Performance Indicators, and by review of the detailed chart of accounts and activity reporting.

DWM continued to prioritise the health and safety performance of its staff, contractors and visitors. Workplace Health & Safety is the first matter considered by the Directors at each Board Meeting. Directors commenced a program of site safety inspections during the 2012/13 financial year which continues today. During 2013/14 the Owner Representatives considered a detailed report on the viability of the compost facility. The Representatives unanimously agreed that the Authority is to ‘continue to operate the Dulverton Organics Recycling Facility until advised otherwise.’

The 20 year site development plan and investigations into clay reserves and qualities continued to be refined. Investigations into landfill stability and groundwater levels commenced, and these results will feed into future iterations of the



aforementioned plans. Preliminary results indicate substantial gains in site resource efficiency may be achieved.

Financially, DWM had a positive year with profit exceeding the anticipated budget by 11.4%, and also had continued growth of its cash position. DWM was able to fund all 2013/14 capital works equating to over \$420,000 from its own funds. It should be noted that the forecast in the five year financial plan is to avoid further borrowing other than for major plant replacement or cell construction.

The total quantity of chargeable waste disposals managed by DWM decreased by 3.92% to 61,494 tonnes from 64,901 tonnes in the previous year. The majority of this waste goes to landfill, however, almost 10% was diverted to the Dulverton Organics Recycling Facility (DORF) for recycling into compost. This figure does not include approximately 8,000 tonnes of green-waste also accepted at the DORF. Total income was higher than the previous financial year which resulted in achieving revenue above the budgeted amount of \$7.49million. Expenditure increased by 3.9% for same period.

Considerable work has been undertaken in developing a long term financial plan for DWM. The Board will refine and progress the plan and its many recommendations in 2014/15.

DWM were immensely proud to have their efforts acknowledged when presented with 2 Keep Australia Beautiful Tidy Towns Awards:

- 2013 Sustainable Communities Awards (Tasmania Award for ‘an outstanding example of handling waste through an imaginative landfill process and first-class composting’); and
- 2013 Resource Recovery and Waste Management (National Award).

As a primary waste management provider in the region, DWM continues to provide waste expertise to the Cradle Coast Waste Management Group (CCWMG). With the CCWMG workload growing considerably in the 2013/14 financial year, with a budget exceeding \$560,000 and over 20 projects to complete, the DWM team has delivered a very high completion rate of projects. 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	\$282,625
Councillors' expenses	\$34,663

Meeting Attendance

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

Councillor	Council Meetings	Councillors' Workshops
Bloomfield, John	15	32
Bonde, Jan	16	30
Bonde, Lionel	16	29
Broad, Shane	16	30
Carpenter, Garry	16	29
Diprose, Amanda	15	27
Downie, Kathleen	13	21
Fuller, Cheryl (to 28.10.2013)	4	8
Howard, Gerry	16	32
Tongs, Rowen	15	30
van Rooyen, Tony	16	30
Viney, Philip	15	29
<i>Total meetings</i>	<i>16</i>	<i>33</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	1
\$140,000-\$160,000	2
\$160,000-\$180,000	-
\$180,000-\$200,000	-
\$200,000-\$220,000	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.
Cradle Coast Mountain Bike Club Inc. - Mountain Bike Park development	2,000
East Ulverstone Primary School - 'Music makes me shine' event	850
Environment Tasmania - Sustainable Agriculture Conference	1,000
Leven Regional Arts - Central Coast Community Art	1,350
National team selection	600
Northwest Athletics Club Inc. - Fridge/freezer upgrade	2,000
Penguin Sports and Services Club - Stove/oven upgrade	3,000
Pensioner rate remissions	31,990
Rate remissions	2,461
Rotary Ulverstone - Equipment	2,000
Royal Australian Air Force - Social bus trip	900
Scouts Australia, Scouts Tasmania Branch, 1st 2nd Ulverstone Group - Equipment	1,300
Show Jumping Association North-West - Equipment housing	1,300



Grants, Assistance and Benefits Provided cont.

Details	\$ GST incl.
Sprent Primary School Association - Sprent Community Enterprise Kitchen	2,500
Ulverstone Basketball Association - Gym equipment	1,000
Ulverstone District Cricket Club Inc. - Storage	2,000
Ulverstone Football Club - Kitchen upgrade	2,000
Ulverstone Junior Football Centre - Portable goal posts	1,500
Ulverstone Rowing Club - Gym equipment	1,000
Ulverstone Surf Life Saving Club - IRB replacement motor	2,000
Velocette Owners Club - Good Companion Rally	3,000

Complaints

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

Nature	No. Received
Staff	5
Fees and Charges	-
Service/Product	7
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 2013-2014 financial year.

Successful Contractor	Description of Contract	Period of Contract	Value of Tender/ Contract Sum \$
TasSpan Civil Contracting Pty Ltd PO Box 225 Latrobe 7307	Design and construction of East Gawler River Bridge, Central Castra Road, Central Castra	Oct 2013– May 2014	284,665



Contracts for the Supply of Goods and Services

Successful Contractor	Description of Contract	Period of Contract	Value of Tender/ Contract Sum \$
Hardings Hotmix Pty Ltd PO Box 709 Ulverstone 7315	Supply of sprayed bituminous sealing for urban and rural roads	Oct 2013– June 2014	446,157
Komatsu Australia PO Box 339 Mowbray 7248	Supply and delivery of Komatsu GD555-5 motor grader and roller	Feb 2014	371,800
Cradle Coast Electrical PO Box 123 Ulverstone 7315	Provision of electrical maintenance services	July 2013– June 2014	166,711

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

Public Interest Disclosures

Public Interest Disclosure Act 2002

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

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



About Central Coast

General Statistics	2012-2013	2013-2014
Area	932km ²	932km ²
Population (ERP)	22,365	22,347 ¹
No. of Electors	16,177	16,177
Rateable Properties	10,631	10,702
No. of Planning Applications Lodged	216	242
No. of Building Applications Lodged	245	220
Average Days to Determine Planning and Building Applications:		
- Permitted Use	15.98	21.86
- Discretionary	32.6	33.05
- Buildings	5.24	5.51
No. of Food Businesses Inspections Undertaken	261	236
Percentage Achieved of Capital Works Program	93.3%	86.2%
Average Cost Per Employee	\$71,142	\$71,477
Staff Turnover Rate	7.69%	6.2%
Average Sick Leave Per Employee	7.1 days	6.3 days
Lost Time Due to Injury	217.4 hrs	83 hrs
Percentage of Receipts Received Electronically	64%	65%
Assets		
Roads		
Urban - Sealed/Unsealed	137km/1km	137km/1km
Rural - Sealed/Unsealed	406km/123km	406km/123km
<i>Total Roads</i>	<i>667km</i>	<i>667km</i>
Bridges	85	85
Footpaths/Recreational Pathways	149km	149km
Drainage		
Pipeline Length	136km	136km
Waste Management		
Transfer Stations and Resource Recovery Centre	4	4
Recreation		
Parks	99	99



About Central Coast cont.

General Statistics	2012-2013	2013-2014
Gardens	43	43
Recreation Grounds	11	11
Buildings (select)		
Aged-persons Units	77	77
Public Toilets	38	38
Barbecue Huts	20	20
Picnic Huts	7	7
Bus Shelters	40	40

Building

Building Approvals - Comparisons

Parameter	2010-2011	2011-2012	2012-2013	2013-2014
<i>No. of Approvals</i>	383	293	249	224
<i>Total Value (\$)</i>	\$52,045,131	\$44,109,229	\$32,530,661	\$30,037,963
Dwellings - No. approved \$ value	90 \$22,904,441	63 \$16,819,490	53 \$16,312,518	54 \$15,615,948
Flats/Units - No. approved \$ value	49 \$10,581,848	9 4,279,078	31 \$5,010,555	20 \$3,899,758
Additions - No. approved \$ value	99 \$4,493,526	95 \$3,545,945	56 \$2,576,346	61 \$2,506,205
Alterations - No. approved \$ value	8 \$338,499	9 \$229,500	10 \$174,500	2 \$39,500
Outbuildings - No. approved \$ value	102 \$2,384,472	81 \$2,888,645	64 \$1,375,346	74 \$2,498,797
Other Buildings - No. approved \$ value	35 \$11,342,345	36 \$16,346,571	35 \$7,081,396	25 \$4,477,755



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	224	5.51	23	1
Dwellings	54	5.61	23	1
Units	20	3.66	6	2
Additions	61	5.85	23	1
Alterations	2	7.00	12	2
Outbuildings	74	6.03	12	2
Other Buildings	25	4.87	14	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	2012-2013	2013-2014
Civic Centre - Leven Theatre	98	119
Civic Centre - Gawler Room	92	96
Civic Centre - Isandula Room (leased part of year in 2013-2014)	91	58
Civic Centre - Manager's Office	(now leased) 4	N/A
Castra-Sprent Community Centre	10	12
Montgomery Room	399	463
North Motton Hall	68	85
Penguin Railway Station	78	103
Riana Community Centre	175	176
Sulphur Creek Hall	247	236
Turners Beach Hall	106	159



Recreation Facilities Utilisation Data

Details	2012-2013	2013-2014
Ulverstone Learn to Swim Pool		
- Hours Used	1,847	1,498
- Bookings	1,571	1,282
Ulverstone Waterslide (operated 20.11.2013-30.03.2014)		
- Days Open	100	94
- Highest Utilisation Day	257	249
- Average Per Day	73.5	62
- Private Booking Hours	226	236
Forth Recreation Ground	149	155
Haywoods Reserve Recreation Ground	143	127
Heybridge Recreation Ground	73	80
Penguin Recreation Ground	194	183
Riana Recreation Ground	73	84
River Park Recreation Ground	196	185
Sprent Recreation Ground	71	79
Turners Beach Recreation Ground	130	137
Ulverstone Recreation Ground	358	373
West Ulverstone Recreation Ground	109	81
Ulverstone Sports Complex		
- Stadiums	1,611	1,681
- Squash Courts	304	332
Penguin Sports Complex		
- Stadiums	665	684
- Squash Courts	281	297
Ulverstone Showground		
- Playing Fields	753	832
- Netball Courts (incl. grass court)	175	173
- Dog Training Area	94	83
- Training Room (boxing club closed in 2013-2014)	300	10
North Motton Equestrian Complex	43	45
Penguin Athletics Centre Track (closed for a period for track renewal in 2013-2014)	74	30



Environmental Management Processing Times

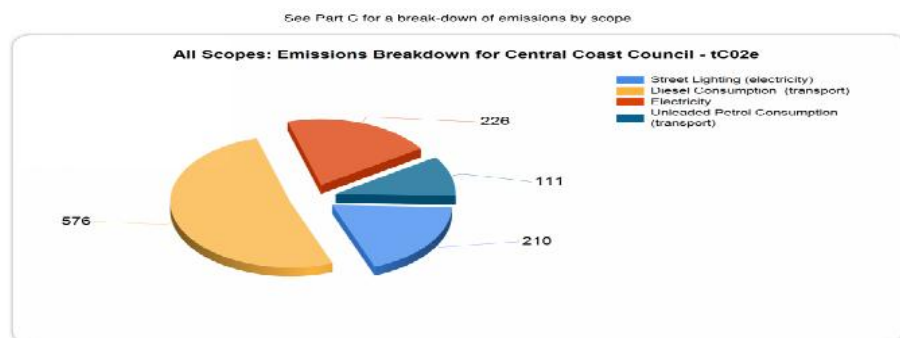
<i>Category \ Parameter</i>	<i>No. of Applications</i>	<i>Average No. of Days</i>	<i>Most No. of Days</i>	<i>Least No. of Days</i>
Special Plumbing Permits Statutory requirement is 18 days.	22	5.50	11	1
Food Business	209	4.88	55	0
Public Health Risk Activity	8	6.87	32	1
Place of Assembly	53	7.06	48	1

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)
2013-2014	1,122 Tonnes CO ₂ (e)
2012-2013	1,323 Tonnes CO ₂ (e)
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)

Council Greenhouse Gas Emissions by Source for FY 13-14 to and including April-June 2014



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

Current and historical annual totals have been adjusted to reflect the Council's assets only.



Key Financial Performance Information

	2012-2013	2013-2014
Current Assets	\$5,345,461	\$4,322,817
Current Liabilities	\$4,528,588	\$4,240,198
Non Current Assets	\$436,488,064	\$449,395,314
Non Current Liabilities	\$5,591,045	\$6,142,608
Net Wealth of the Council	\$431,713,892	\$443,335,325
Rate Revenue	\$12,876,877	\$13,114,400
Operating Revenue	\$22,922,115	\$47,214,468*
Operating Expenditure	\$22,252,033	\$23,512,369
Operating Surplus (Deficit)	\$670,082	\$23,702,099*
Loan Debt	\$2,830,521	\$3,188,446
Total Employee Costs	\$10,031,086	\$9,935,312
Number of Full-time Equivalent Employees	141	139
Rates Outstanding	3.48%	3.82%

* Includes the recognition of land under roads

Financial Sustainability Indicators

	2012-2013	2013-2014
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	2012-2013	2013-2014
Rural	2	2
Leith	-	-
Forth	-	3
Turners Beach	3	5
Ulverstone	4	6
Penguin	1	6
Sulphur Creek	2	2
Heybridge	-	-
<i>Total</i>	<i>12</i>	<i>24</i>

Planning Permit Processing Times

Category	2013-2014	
	No. Applications	Av. No. of Days
Permitted	63	21.86
Discretionary	138	33.05

Statutory requirement is 42 days.

Staffing Numbers

Department	Full-time	Part-time	Casual	Total
General Management	5	1	-	6
Corporate & Community Services	19	36	42	97
Development & Regulatory Services	10	1	6	17
Engineering Services	67	6	-	73
<i>Total</i>	<i>101</i>	<i>44</i>	<i>48</i>	<i>193</i>

The number of Full-time Equivalent Employees was 139



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

The financial report for a financial year is to:

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

Financial Performance

The Council achieved a surplus of \$23,702,099 which includes the recognition for the first time in our accounts for the value of land under roads of \$25,005,767. The deficit before the recognition of land under roads was \$1,303,668 compared to a budgeted surplus of \$3,651,000. The decrease from budget is principally attributable to the Commonwealth Financial Assistance Grant advance payment ceasing during the current financial year. The Council estimates that had the advance payments continued, additional grant income of \$2.0m would have been received and a surplus before recognition of land under roads achieved.

Two additional contributory factors were depreciation exceeding the budget estimates by \$525,198 and the disposal of infrastructure assets having a written down value of \$694,695 that did not form part of the budget estimates [refer Note 36(b) in the Financial Report].

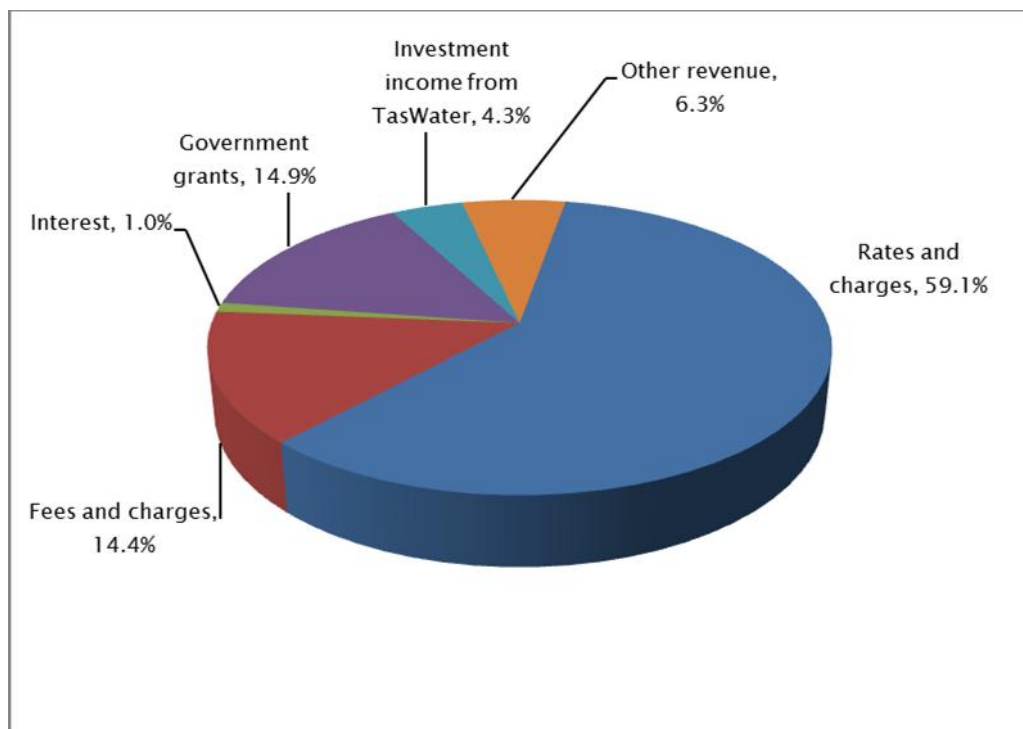
The Council received investment income from TasWater for the first time during the financial year. This income comprised dividend receipts, guarantee fees and tax equivalent receipts totalling \$961,968.



The operating capability continued to improve over the prior year. The effect of the advance payment of the Commonwealth Financial Assistance Grant ceasing was mitigated by the Council retaining the advance funds from the prior year to utilise in the current year. The Council, as part of its long-term financial planning, reviews the asset management plans for all categories of assets on an annual basis to preserve its operating capability. Furthermore, the Council reviews the fair value of its asset base annually and the associated useful lives to ensure adequate provision for renewals is made. The use of additional external funding for capital projects has also enhanced the operating capability of the Council.

As can be seen from Chart 1, rates and charges revenue is the most significant source of revenue to the Council, representing 59.1% of the Council's operating revenue for the year. Government grants represent 14.9% of revenue, and fees and charges 14.4%. The investment income the Council received from TasWater is 4.3% of its income.

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.

The operating capability before non-monetary contributions and the change in fair value of investments for the year was reduced by \$1,303,668 principally due to the change in the advance receipts of the Commonwealth Financial Assistance Grant. The Council's surplus for the period including non-monetary contributions and the recognition of assets was \$23,702,099. A sum of \$142,075 was appropriated to fund principal repayments of debt, and \$1,631,351 was transferred to reserves to meet anticipated future needs, while \$1,662,419 was transferred from reserves to accumulated surplus to fund budgeted programs.

At 30 June 2014, the equity of the Council comprised an accumulated surplus of \$225,612,368 and reserves of \$217,722,957.

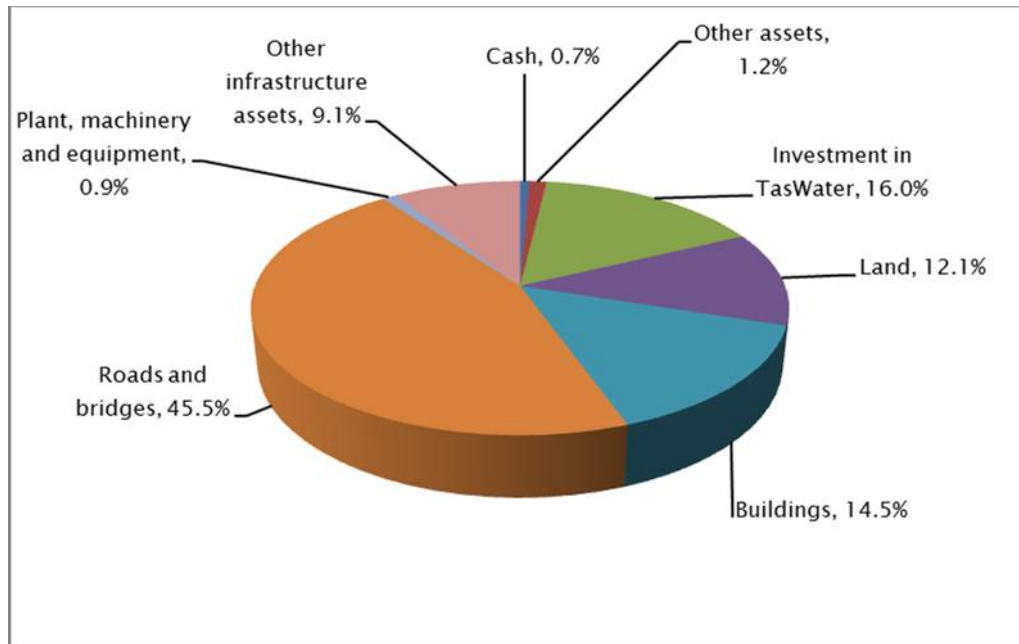
Assets

Total assets of the Council at 30 June 2014 amount to \$453,718,131 as indicated in the Balance Sheet. There has been an increase of \$11,884,606 over last financial year largely due to the recognition of land under roads, the revaluation of infrastructure assets and the construction of new and the renewal and upgrade of existing assets. Land under roads valued at \$25,005,767 was recognised for the first time by the Council. The Council has investments in Dulverton Regional Waste Management Authority and TasWater. The Council's share of investment in each of these at 30 June 2014 was \$72,653,935 in TasWater and \$2,610,681 in Dulverton Regional Waste Management Authority.

Indicated in Chart 2 is the mix of total assets at 30 June 2014.



Chart 2 - Mix of Total Assets



Liabilities

Total liabilities at 30 June 2014 amounted to \$10,382,806, a 2.6% increase from 30 June 2013. Liabilities comprised mainly employee provisions \$2,813,577, aged-persons home unit provisions \$2,039,778, interest bearing loans \$3,188,446, and payables \$1,364,615. All other liabilities were comparable with previous years.

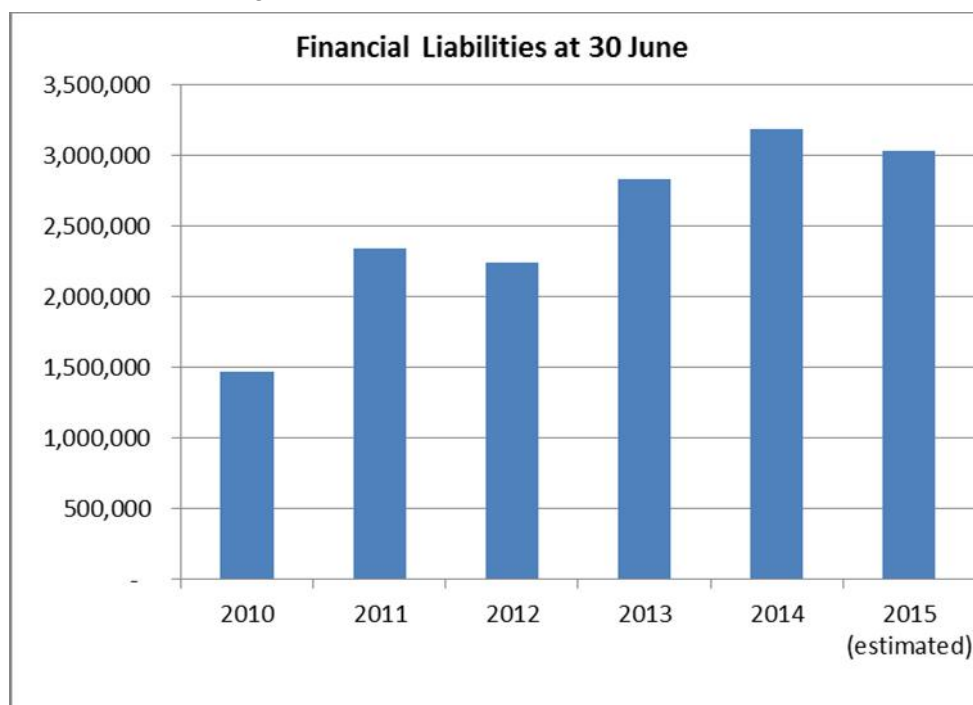
Debt Administration

Interest bearing loans have increased by 12.6% (\$357,925). New long-term finance of \$500,000 was secured in February 2014 to help fund the acquisition of land at 2 Knights Road for the development of Batten Park. Principal repayments of \$142,075 were made during the year and borrowing costs (interest) of \$170,461 were incurred.

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 2014-2015 financial year. The Council's exposure to debt at 30 June 2014, given a debt exposure ratio of 2.29%, is considered to be responsible and manageable.



Chart 3 – Borrowings



Financial Ratios of the Accounts

	2012-2013	2013-2014
Rate coverage ratio: (rates and charges revenue/total operating revenue)	58.3%	59.1%
Rate collection ratio: (rates receivables/rates and charges)	3.48%	3.82%
Debt payment ratio: (debt servicing cost/total revenue)	0.70%	0.74%
Debt exposure ratio: (total liabilities/total assets)	2.29%	2.29%
Government grants per capita: (grant revenue/population)	\$222	\$148*
Expenditure per capita: (operating expenses/population)	\$995	\$1,052
Working capital ratio: (current assets/current liabilities)	1.18:1	1.02:1

* The decrease is due to the Commonwealth Federal Assistance Grant advance payment ceasing during the 2013-2014 year



- *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 dropped by 1.7% this financial year which is reasonable considering the Commonwealth Financial Assistance Grant advance payment ceased during the financial year thereby reducing overall income.
- *Rate collection ratio* represents the Council's outstanding rates as at 30 June.
- *Debt payment ratio* represents the capacity of the Council to service its outstanding debt.
- *Debt exposure ratio* represents the Council's exposure to debt.
- *Government grants per capita* measures the Council's financial independence in relation to population. The decrease is mainly due to the Commonwealth Financial Assistance Grant advance payment being discontinued in the current financial year.
- *Expenditure per capita* measures the Council's operating expenditure in relation to population.
- *Working capital ratio* represents the Council's ability to meet current commitments. A favourable working capital ratio of 1.02:1 indicates that the Council has sufficient capacity to meet current commitments from its current assets as and when they fall due.

Conclusion

At 30 June 2014, the net wealth of the Central Coast Council, as indicated in the Balance Sheet, amounted to \$443,335,325, a \$11,621,433 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 - as of 30 June 2013
Australian Bureau of Statistics – Estimated Resident Population (ERP) 2013

Photo acknowledgments

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Financial Report

for the year ended 30 June 2014

Appendix A



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1 STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014



	Note	2013-2014 Budget	2013-2014 Actual	2012-2013 Actual
Income				
Recurrent Income				
Rates	3	13,044,000	13,114,400	12,876,877
Fees and charges	4	3,368,200	3,194,485	3,117,505
Government grants	6	4,104,000	2,153,326	4,131,033
Contributions – cash	7(a)	1,006,300	1,317,303	1,033,218
Interest	5	380,000	246,984	325,113
Share of profit/(losses) of associates	21	200,000	284,877	363,917
Investment revenue from water corporation	8	800,000	961,698	-
Other income	9	212,000	268,105	213,434
		23,114,500	21,541,178	22,061,097
Capital Income				
Government grants	6	1,470,000	1,146,679	824,607
Recognition of assets	7(b)	-	25,005,767	-
Net gain/(loss) on disposal of assets	10	1,522,000	(479,156)	36,411
		2,992,000	25,673,290	861,018
Total Income		\$ 26,106,500	\$ 47,214,468	\$ 22,922,115
Expenses				
Employee benefits	11	9,004,000	9,179,646	9,166,511
Materials and services	12	7,592,500	7,882,022	7,287,249
Depreciation and amortisation	14	5,310,000	5,835,198	5,259,886
Finance costs	13	178,000	256,230	173,891
Other expenses	15	371,000	359,273	364,496
Total Expenses		22,455,500	23,512,369	\$ 22,252,033
Net Surplus/(Deficit)		\$ 3,651,000	\$ 23,702,099	\$ 670,082
Other Comprehensive Income				
<i>Items that may be reclassified subsequently to surplus or deficit</i>				
Fair value adjustment for available for sale assets	22	-	4,779,345	903,345
<i>Items that will not be reclassified to surplus or deficit</i>				
Net asset revaluation increment/(decrement) - Council		-	(16,951,008)	7,583,575
Net asset revaluation increment/(decrement) - Associates	21	-	90,997	(138,355)
Total Other Comprehensive Income		-	(12,080,666)	\$ 8,348,565
Comprehensive Result		\$ -	\$ 11,621,433	\$ 9,018,647

The above statement should be read in conjunction with the notes to and forming part of the Financial Report set out on the following pages.

2 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014



	Note	30-Jun-14	30-Jun-13
ASSETS			
Current Assets			
Cash and cash equivalents	16	3,019,732	3,947,675
Trade and other receivables	17	1,070,911	1,051,244
Inventories	18	27,360	27,878
Other assets	19	204,814	318,664
Total Current Assets		4,322,817	5,345,461
Non-current Assets			
Trade and other receivables	17	34,054	58,085
Investment in associates	21	2,610,681	2,234,807
Investment in water corporation	22	72,653,935	67,874,590
Property, plant and infrastructure	23	372,534,730	365,393,304
Capital work in progress	20	1,414,826	786,478
Other assets	19	147,088	140,800
Total Non-current Assets		449,395,314	436,488,064
TOTAL ASSETS		\$ 453,718,131	\$ 441,833,525
LIABILITIES			
Current Liabilities			
Trade and other payables	24	1,364,615	1,846,074
Trust funds and deposits	27	219,204	257,787
Provisions	25	2,495,140	2,286,298
Interest bearing liabilities	26	161,239	138,429
Total Current Liabilities		4,240,198	4,528,588
Non-current Liabilities			
Provisions	25	3,115,401	2,898,953
Interest bearing liabilities	26	3,027,207	2,692,092
Total Non-current Liabilities		6,142,608	5,591,045
TOTAL LIABILITIES		10,382,806	10,119,633
NET ASSETS		\$ 443,335,325	\$ 431,713,892
EQUITY			
Accumulated surpluses		225,612,368	201,879,201
Reserves	28	217,722,957	229,834,691
TOTAL EQUITY		\$ 443,335,325	\$ 431,713,892

The above statement should be read in conjunction with the notes to and forming part of the Financial Report set out on the following pages.

3 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2014



	Opening Balance	Comprehensive Result	Transfers to Reserve	Transfers from Reserve	Closing Balance
Asset Revaluation Reserve - Council					
2013-2014	225,178,372	(16,951,008)	-	-	208,227,364
2012-2013	217,594,797	7,583,575	-	-	225,178,372
Asset Revaluation Reserve - Associates					
2013-2014	826,232	90,997	-	-	917,229
2012-2013	964,587	(138,355)	-	-	826,232
Fair Value Reserve – Water Corporation					
2013-2014	1,384,442	4,779,345	-	-	6,163,787
2012-2013	481,097	903,345	-	-	1,384,442
Asset Replacement Reserve					
2013-2014	1,588,101	-	1,385,445	(1,298,416)	1,675,130
2012-2013	1,777,962	-	1,063,340	(1,253,201)	1,588,101
Fire Services Reserve					
2013-2014	20,376	-	5,865	-	26,241
2012-2013	17,967	-	2,409	-	20,376
Garbage Collection Reserve					
2013-2014	110,440	-	-	(70,299)	40,141
2012-2013	21,727	-	88,713	-	110,440
Special Projects Reserve					
2013-2014	726,728	-	240,041	(293,704)	673,065
2012-2013	973,882	-	36,714	(283,868)	726,728
Total Reserves					
2013-2014	229,834,691	(12,080,666)	1,631,351	(1,662,419)	217,722,957
2012-2013	221,832,019	8,348,565	1,191,176	(1,537,069)	229,834,691
Accumulated Surpluses					
2013-2014	201,879,201	23,702,099	(1,631,351)	1,662,419	225,612,368
2012-2013	200,863,226	670,082	(1,191,176)	1,537,069	201,879,201
Total Equity					
2013-2014	431,713,892	11,621,433	-	-	443,335,325
2012-2013	422,695,245	9,018,647	-	-	431,713,892

The above statement should be read in conjunction with the notes to and forming part of the Financial Report set out on the following pages.

4 STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2014



	Note	2013-2014	2012-2013
Cash flows from operating activities			
Rates and charges		13,061,810	12,796,862
Fees and charges		3,820,650	3,658,084
Interest		246,984	325,113
Divided Income		961,698	-
Government grants		2,153,327	4,131,034
Contributions		1,081,892	882,335
Net GST refunds/(payments)		1,042,684	1,119,996
Other income		268,105	213,434
Payments to employees		(8,794,960)	(9,105,909)
Payments to suppliers		(9,256,149)	(9,451,204)
Finance costs		(170,461)	(154,114)
Other payments		(359,273)	(364,496)
Net cash provided by operating activities	29	\$ 4,056,307	\$ 4,051,135
Cash flows from investing activities			
Capital grants		1,146,679	824,607
Proceeds from sale of land		475,630	183,182
Proceeds from sale of plant and equipment		214,909	299,012
Payments for property, plant and equipment		(7,179,393)	(8,443,243)
Net cash provided by (used in) investing activities		\$ (5,342,175)	\$(7,136,442)
Cash flows from financing activities			
New loans		500,000	700,000
Loan repayments		(142,075)	(108,967)
Net cash provided by (used in) financing activities		\$ 357,925	\$ 591,033
Net increase (decrease) in cash and cash equivalents		(927,943)	(2,494,274)
Opening cash balance		3,947,675	6,441,949
Closing Cash Balance	16	\$ 3,019,732	\$ 3,947,675

The above statement should be read in conjunction with the notes to and forming part of the Financial Report set out on the following pages.



Introduction

- A** The Central Coast Council (the 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 purpose of the Council is to:

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

This Financial Report is a general purpose financial report that consists of the Statements of Comprehensive Income, Financial Position, Changes in Equity, Cashflows, 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* (LGA 1993) as amended. The Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, the 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 report has further been prepared under the historical cost convention, with the exception of these specifically stated in Notes 1(e), 1(h), 1(l), and 1(n).

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, disclosure has been made of any material changes to comparatives.

All entities controlled by the Council that have material assets or liabilities, such as Special Committees of Management, material subsidiaries or joint



ventures, have been included in this Financial Report. All transactions between these entities and the Council have been eliminated in full.

Judgements and Assumptions

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

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

The 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 the Council that have significant effects on the Financial Report are disclosed in the relevant notes as follows:

Fair value of property, plant and infrastructure

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

Defined benefit superannuation fund obligations

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

Employee entitlements

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



Investment in water corporation

Assumptions utilised in the determination of the Council's valuation of its investment in TasWater are discussed in Note 1(l) and in Note 22.

Landfill/tip rehabilitation

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

(b) New and revised accounting standards

AASB 13 Fair Value Measurements

The Council has applied AASB 13 for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements. The fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items for which other A-IFRS require or permit fair value measurements and disclosures about fair value measurements, except for leasing transactions that are within the scope of AASB 17 leases, and measurements that have some similarities to fair value but are not fair value (e.g., net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements. However, Councils assets recorded at fair value, apart from land are measured on a depreciated replacement cost basis.

AASB 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, the Council has not made any new disclosures required by AASB 13 for the 2013 comparative period, except for financial instruments, of which the fair value disclosures are required under AASB 7: Financial Instruments, Disclosures.

Other than the additional disclosures, the application of AASB 13 has not had any material impact on the amounts recognised in the financial statements.



AASB 119 Employee benefits

In the current year, the Council has applied AASB 119 Employee Benefits (as revised) and the related consequential amendments for the first time. AASB 119 changes the definition of short-term employee benefits. These were previously benefits that were due to be settled within twelve months after the end of the reporting period in which the employees render the related service, however, short-term employee benefits are now defined as benefits expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously calculated/measured by the Council as short-term benefits no longer meet this definition and are now classified as long-term benefits. This has resulted in a change of measurement for that portion of the annual leave provision from an undiscounted to discounted basis.

This change in classification has not materially altered the Council's measurement of the annual leave provision.

(c) Revenue recognition

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.

Revenue is recognised when the 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 the Council and the amount of the contribution can be measured reliably. Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where 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 grants or contributions from prior years that was expended on the Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date and conditions include a requirement to refund unused contributions. Revenue is then recognised as the various performance obligations under an agreement are fulfilled. The Council does not currently have any reciprocal grants.

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.

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.

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

Rent

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

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

Land is not depreciated.

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

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

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

Plant and machinery	2-30 years
Furniture and equipment	5-40 years
Drainage	100 years
Roads and streets	15-150 years



Buildings	20-100 years
Recreation	5-50 years
Environmental	10-30 years
Bridges	10-100 years
Municipal property revaluation	5 years

In prior years the Council determined in relation to roads and streets that road pavements had a residual value of 50% and road surfaces had a residual value of 30%. The method of estimating depreciation of road pavements and road surfaces has changed.

The Council believes that the road pavement has two constituent parts, a pavement and a sub-pavement, each comprising 50% of the total pavement. The experience of the Council is that the sub-pavements are similar in type to the road formation assets and is therefore not depreciated. The pavement that is not similar to the road formation assets is depreciated in full over its useful life.

Road surfaces are resealed as part of a stringent resealing program. The resealing program the Council uses produces a modern equivalent asset with a saving of at least 30% on a complete reseal. By adopting this methodology the Council now estimates the depreciation based on the cost of a modern equivalent asset that is an average 30% cheaper than a complete replacement of the sealed road surface. The road surface assets have been revalued accordingly and depreciated in full.

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

Gravel roads

The Council now depreciates unsealed roads. The cost of resealing the roads is capitalised and depreciated over its estimated useful life. The amount capitalised in 2013-2014 is \$49,751 and the associated depreciation is \$31,486. These amounts are expected to be consistent in future years.

Repairs and maintenance

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



Roads

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

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 the Council. Where specific borrowings are obtained for the purpose of a particular 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.

(e) Recognition and measurement of assets

Acquisition and recognition of assets

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

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

Where assets are constructed by the 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 2(d). 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 property, plant and infrastructure

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

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

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

Land under roads

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

(f) 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.



(g) 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.

(h) 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

(i) Inventories

Inventories held for distribution are measured at cost and adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value.

(j) Investments

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

(k) 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 Statement of Comprehensive Income.

The Council has determined that its investment in Dulverton Regional Waste Management Authority is an investment in an associate. Refer to Note 21 for further details.

(l) Investments in water corporation

The Council's investment in TasWater is valued at its fair value at balance date. Fair value was determined by using the Council's ownership interest against the water corporation's net asset value at balance date based on the equity proportions for voting purposes in Schedule 2 of the TasWater constitution. The Council has an ownership interest of 4.73% in TasWater. Any unrealised gains and losses on holdings at balance date are recognised through the



Statement of Comprehensive Income and to the fair value – water corporation reserve each year (refer Note 28).

The Council has classified this asset as an available-for-sale financial asset as defined in AASB 139 Financial Instruments: Recognition and Measurement and has followed AASB 132 Financial Instruments: Presentation and AASB 7 Financial Instruments: Disclosures to value and present the asset in the Financial Report. Council has derived returns from the corporation as disclosed in Note 8.

(m) Tender deposits

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

(n) Employee benefits

Short-term obligations

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

Other long-term employee benefit obligations

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

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement



for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

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.

Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined benefit plans

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

Council makes superannuation contributions for a number of its employees to the 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.



Defined contribution plans

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

(o) Interest bearing liabilities

The borrowing capacity of Council is limited by the LGA 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.

(p) Leases

Operating leases as lessee

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

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

Operating leases as lessor

Council owns a range of facilities that are available for lease by not-for-profit sport, recreational and community organisations. Leases to not-for-profit organisations, in general, do not reflect commercial arrangements and have minimal lease payments. Land and buildings which are leased under these arrangements are recognised within Property, plant and equipment in the Statement of Financial Position and associated rental income is recognised in accordance with Council's revenue recognition policy.

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



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

(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 12 months, being the Council's operational cycle, or if the Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(r) Website costs

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

(s) Taxation

The 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, the 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 the 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 replacement 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 is not subject to depreciation. Non-current assets, disposal groups and related asset and 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 sale of the asset (or disposal group sale) is expected to be completed within 12 months from the date of classification.

(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

The 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 Statement of Comprehensive Income as part of 'finance costs'. Refer note to 25(c).

(w) Significant Business Activities

The 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

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2014 reporting periods. Council's assessment of the impact of these new standards and interpretations is set out below.

- (i) *AASB 9 Financial Instruments and the relevant amending standards (effective from 1 January 2017).*

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

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

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



When adopted, the Standard will affect, in particular, Council's accounting for its available-for-sale financial assets. Currently, Council recognises changes in the fair value of its available-for-sale assets through other comprehensive income. Under AASB 9 fair value gains and losses on available-for-sale assets will have to be recognised directly in profit or loss. Had this requirement been adopted at 30 June 2014, the fair value gain on Council's investment in TasWater of \$72,653,935 would have increased Council's surplus/deficit accordingly.

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

- (ii) *AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and the relevant amending standards (effective from 1 January 2014).*

This suite of five new and amended Standards address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the Standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns. There is also new guidance on participating and protective rights and on agent/principal relationships. Council has undertaken an assessment and no material changes to the composition of Council's accounts are anticipated from the application of the new Standard.



AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules. As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new Standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128. Application of this Standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a "partial disposal" concept. Council is still assessing the impact of these amendments.

- (iii) *AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132] (effective 1 January 2014).*

This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

The adoption of this Standard will not change the reported financial position and performance of Council.



(iv) *AASB 1031 Materiality (effective from 1 January 2014).*

The objective of this Standard is to make cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (as identified in AASB 1048 Interpretation of Standards) that contain guidance on materiality.

(v) *AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets (effective from 1 January 2014).*

This Standard amends the disclosure requirements of AASB 136. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. The adoption of this Standard will not impact Council's accounting policies but may result in changes to information disclosed in the financial statements.

(vi) *AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments (Part A - Conceptual Framework effective from 20 December 2013; Part B - Materiality effective from 1 January 2014; Part C - Financial Instruments effective from 1 January 2015).*

Part A of this Standard updates references to the Framework for the Preparation and Presentation of Financial Statements in other Standards as a consequence of the issue of AASB CF 2013-1 in December 2013.

Part B of this Standard deletes references to AASB 1031 Materiality in various other Standards. Once all references to AASB 1031 have been deleted from all Australian Accounting Standards, AASB 1031 will be withdrawn.

Part C of this Standard amends AASB 9 Financial Instruments to add Chapter 6 Hedge Accounting and makes consequential amendments to AASB 9 and numerous other Standards. Part C also amends the effective date of AASB 9 to annual reporting periods beginning on or after 1 January 2017, instead of 1 January 2015.

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



(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						
2013-2014	81,581	1,831,436	1,913,017	3,931,416	(2,018,399)	86,843,351
2012-2013	261,000	970,476	1,231,476	3,841,071	(2,609,595)	82,765,346
Roads, streets and bridges						
2013-2014	1,623,493	24,704,050	26,327,543	5,552,588	20,774,955	237,189,656
2012-2013	2,626,081	(275,071)	2,901,152	5,200,540	(2,299,388)	229,353,253
Drainage						
2013-2014	30,215	29,282	59,497	619,271	(559,774)	29,972,260
2012-2013	133,000	(2,736)	(135,736)	529,531	(393,795)	30,378,425
Waste management						
2013-2014	234,671	1,764,732	1,999,403	3,540,148	(1,540,745)	3,527,185
2012-2013	65,000	1,759,223	1,824,223	3,230,894	(1,406,671)	3,760,701
Environmental health/environmental management						
2013-2014	15,104	77,866	92,970	308,447	(215,477)	68,373
2012-2013	2,895	77,404	80,299	334,731	(254,432)	61,297
Planning services						
2013-2014	-	115,887	115,887	556,631	(440,744)	29,567
2012-2013	-	102,916	102,916	577,057	(474,141)	34,211



	Grants	Other	Total Revenue	Total Expenditure	Surplus/ (Deficit)	Assets
Building control						
2013-2014	-	205,561	205,561	456,760	(251,199)	49,534
2012-2013	-	196,952	196,952	503,657	(306,705)	55,990
Community amenities						
2013-2014	209,995	988,259	1,198,254	1,953,725	(755,471)	31,360,001
2012-2013	341,000	834,847	1,175,857	1,696,561	(520,714)	31,680,882
Community services						
2013-2014	88,272	1,568,879	1,657,151	1,875,616	(218,465)	2,869,138
2012-2013	119,124	1,477,015	1,596,139	1,885,034	(288,895)	2,749,057
Recreation facilities						
2013-2014	104,224	592,903	697,127	3,594,325	(2,897,198)	55,512,823
2012-2013	110,000	438,107	548,107	3,383,115	(2,835,008)	53,806,161
Economic development						
2013-2014	912,451	186,114	1,098,565	426,747	671,818	6,296,243
2012-2013	1,297,540	169,388	1,466,928	430,745	1,036,183	7,188,202
Other - not attributable						
2013-2014	-	11,849,493	11,849,493	696,695	11,152,798	-
2012-2013	-	11,662,342	11,662,342	639,097	11,023,245	-
Total						
2013-2014	3,300,006	43,914,462	47,214,468	23,512,369	23,702,099	453,718,131
2012-2013	4,955,640	17,966,475	22,992,115	22,252,033	670,082	441,833,525

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

	30-Jun-14	30-Jun-13
Current assets	4,322,817	5,345,461
Non-current assets	449,395,314	436,488,064
	\$ 453,718,131	\$ 441,833,525

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

Governance and administration

Operation and maintenance of the 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 or 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 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 the pound, 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 the Council can fulfil its 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

The 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*.

The valuation base used to calculate general rates for 2013-2014 was \$139.6 million (2012-2013 \$136.5 million). The 2013-2014 rate in the dollar was 8.34 cents (2012-2013, between 7.15 cents and 9.2 cents).

	30-Jun-14	30-Jun-13
Rates levied	13,631,775	13,348,690
Revenue in advance	50,784	82,623
Early payment discount	(533,708)	(518,024)
Rates remitted	(34,451)	(36,412)
Net rates and charges	\$ 13,114,400	\$ 12,876,877

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

4 Fees and charges

Certificate charges	129,308	90,015
Child care fees	544,803	582,624



	30-Jun-14	30-Jun-13
Inspection and connection fees	85,696	78,261
Rental of aged persons home units	191,702	192,302
Rental of Ganesway units	149,577	168,139
Resource Recovery Centre - entry fees	220,787	219,028
Resource Recovery Centre - other income	202,566	172,009
Swimming pool and waterslide	156,172	171,427
Licence fees	128,709	114,731
Fines	28,019	26,810
Other rental	351,673	293,323
Cemetery fees	94,717	105,394
Regulatory charges	281,124	275,064
Recreation	263,954	264,899
Visitor centres	74,486	78,751
Community development	56,513	37,018
Other fees and charges	234,679	247,710
Total fees and charges	\$ 3,194,485	\$ 3,117,505

5 Interest

Interest on financial assets	246,984	325,113
Total interest	\$ 246,984	\$ 325,113

6 Government grants

Grants were received in respect of the following:

Grants - operating

SRT funding – Penguin to Sulphur Creek Pathway	-	15,000
Vaccination funding	15,104	2,895
Volunteer funding	-	1,623

Commonwealth financial assistance grant

Current year receipt	2,138,222	2,003,048
Advance receipt	-	2,108,467

Total operating grants	\$ 2,153,326	\$ 4,131,033
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Capital grants received specifically for new or upgraded assets

	30-Jun-14	30-Jun-13
RDA funding	494,475	26,025
Roads to recovery	584,597	600,000
Sustainable transport funding	-	6,082
	<hr/> 1,079,072	<hr/> 632,107
<i>State funded capital grants</i>		
Wharf development	-	190,000
Hydro Tasmania	30,000	-
State Emergency Services	20,000	2,500
Local Government energy efficiency program	17,607	-
	<hr/> 67,607	<hr/> 192,500
Total capital grants	<hr/> \$ 1,146,679	<hr/> \$ 824,607
Total government grants	<hr/> \$ 3,300,005	<hr/> \$ 4,955,640
<i>Summary of grants</i>		
Federally funded grants	3,217,294	4,745,245
State funded grants	82,711	210,395
	<hr/> \$ 3,300,005	<hr/> \$ 4,955,640

The Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. In 2011-12 and 2012-13 the Commonwealth made early payment of two quarterly instalments for the following year. In accordance with AASB 1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control. The early receipt of instalments resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2012-2013 by \$500,000. This has impacted the Statement of Comprehensive Income resulting in the Surplus/(deficit) being higher in 2012-2013 by \$500,000. In the 2014-2015 Budget the Commonwealth announced it would discontinue the approach of prepaying instalments. Therefore there was no prepayment in 2013-2014.



7 Contributions and recognition of assets

(a) Cash contributions

	30-Jun-14	30-Jun-13
Contributions	419,551	155,811
Child care contributions	684,880	712,456
Other contributions	212,872	164,951
	\$ 1,317,303	\$ 1,033,218

(b) Recognition of assets

Transfer of subdivision assets and assets recognised for the first time

Land under roads[Note 23(a)]	25,005,767	-
	25,005,767	-
Total contributions	\$ 26,323,070	\$ 1,033,218

8 Investment revenue for water corporation

Dividend revenue	606,396	-
Tax equivalent received	233,271	-
Guarantee fee received	122,031	-
Total other income	\$ 961,698	\$ -

9 Other income

Dulverton - NTER payments	159,923	120,643
Private works	21,862	16,355
Reimbursements	86,320	76,436
Total other income	\$ 268,105	\$ 213,434

10 Disposal of assets

<i>Proceeds of sale</i>		
Property, plant and infrastructure	214,909	299,012
Land	475,630	183,182



	30-Jun-14	30-Jun-13
<i>Written down value of assets sold</i>		
Property, plant and infrastructure	(694,695)	(245,783)
Land	(475,000)	(200,000)
Net gain/(loss) on disposal of assets	\$ (479,156)	\$ 36,411
11 Employee benefits		
Gross salary and wages	6,498,804	6,832,850
Leave paid/accrued	1,858,892	1,545,882
Superannuation	912,786	893,532
Payroll tax	512,631	525,717
Other employee costs	152,199	233,105
Total employee benefits	9,935,312	10,031,086
Less capitalised employee benefits	(755,666)	(864,575)
Total employee benefits expensed	\$ 9,179,646	\$ 9,166,511
12 Materials and services		
Aged persons home units	210,003	209,164
Computer maintenance	233,767	230,389
Contributions to LGAT	49,820	49,576
Contributions to CCA	181,482	183,782
Fire service contribution	509,493	509,603
Ganesway housing	103,250	99,306
Garbage collection contracts	1,504,132	1,467,457
Other waste management costs	1,267,927	972,710
Insurance	198,010	197,517
Land tax	187,202	185,612
Street lighting power charges	349,139	445,040
Flood damage	64,430	7,936
Ulverstone Recreation Ground	227,156	178,504
Election expenses	9,323	8,944
Vegetation maintenance	514,442	413,713
Street sweeping and pavement cleaning	108,592	78,521
Child Care centre	396,017	239,574
Other materials and contracts	1,767,837	1,809,901
Total materials and services	\$ 7,882,022	\$ 7,287,249

**13 Finance costs**

	30-Jun-14	30-Jun-13
Interest - borrowings	170,461	154,114
Unwinding of discount [Note 25(c)]	18,143	19,777
Changes in discount rate [Note 25(c)]	67,626	-
Total finance costs	\$ 256,230	\$ 173,891

14 Depreciation and amortisation

Amortisation of municipal revaluation	36,770	-
Bridges	407,743	407,070
Buildings	1,046,323	915,687
Drainage	450,282	366,073
Environmental	93,221	91,676
Furniture and equipment	186,056	174,631
Plant and machinery	663,115	641,860
Recreation facilities	376,878	354,875
Roads, streets, footpaths and car parks	2,574,810	2,308,014
Total depreciation and amortisation	\$ 5,835,198	\$ 5,259,886

15 Other expenses

Audit fees	24,160	23,340
Travel and expenses	8,287	3,295
Other services (audit of grant statements)	1,968	1,000
Audit services	34,415	27,635
Councillors' emoluments (Note 31)	324,858	336,861
Total other expenses	\$ 359,273	\$ 364,496

16 Cash and cash equivalents

Cash at bank and on hand	684,502	301,612
Cash Management Account	2,335,230	3,646,063
Total cash and cash equivalents	\$ 3,019,732	\$ 3,947,675

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



	30-Jun-14	30-Jun-13
- Leave provisions [Note 25(a)]	2,813,577	2,431,479
- Trust Funds and deposits (Note 27)	219,204	257,787
Restricted Funds	3,032,781	2,689,266
Unrestricted Funds	\$ (13,049)	\$ 1,258,409

The excess cash held in the prior year is due to the Commonwealth Government assistance grants received in advance as disclosed in Note 6.

17 Trade and Other Receivables

Current receivables

Rates receivable	500,522	447,932
Loans and advances	24,031	25,742
Other debtors	451,038	333,003
Net GST receivable	95,320	244,567
	1,070,911	1,051,244

Non-current receivables

Loans and advances	34,054	58,085
	34,054	58,085
Total receivables	\$ 1,104,965	\$ 1,109,329

18 Inventories

Stores	27,360	27,878
Total inventories	\$ 27,360	\$ 27,878

19 Other assets

Current other assets

Accrued revenue	115,798	231,742
Prepaid expense	89,016	86,922
	204,814	318,664



	30-Jun-14	30-Jun-13
<i>Non-Current other assets</i>		
Prepaid expenses	147,088	140,800
Total other assets	\$ 351,902	\$ 459,464
20 Capital work in progress		
Opening balance	786,478	2,776,785
Additions	5,673,797	8,055,321
Transfers out	(5,045,449)	(10,045,628)
Closing balance - cost	\$ 1,414,826	\$ 786,478
21 Investment in Associates		
Dulverton Regional Waste Management Authority	2,610,681	2,234,807
Total investment in Associates	\$ 2,610,681	\$ 2,234,807

Dulverton Regional Waste Management Authority

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

The Council's ownership interest in the Authority at 30 June 2014 was 36.82%. The proportion of voting power held in the Authority is 25%. The Council's investment in the Authority at 30 June 2014, \$2,610,681, has been calculated by reference to the Authority's equity at 30 June 2014. The share of profit for the current year is based on an estimate of the profit to be received for the 2014 financial year.

There were no quantified contingent liabilities disclosed by the Authority.



Share of Profit of the Authority

	30-Jun-14	30-Jun-13
Authority's profit/(loss) before tax	1,105,288	1,412,318
Authority's tax expense	(331,586)	(423,948)
Authority's profit/(loss) after tax	773,702	988,370
Calculated share of profit before tax	406,967	520,015
Calculated share of tax expense	(122,090)	(156,098)
Calculated share of profit after tax	284,877	363,917

Movement in carrying value of investment

Carrying value of investment at start of year	2,234,807	2,009,245
Share in profit/(loss) after tax for year	284,877	363,917
Share in asset revaluation	90,997	(138,355)
Carrying value of investment at end of year	\$ 2,610,681	\$ 2,234,807

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

Total Assets	13,700,718	10,778,689
Total Liabilities	6,610,328	4,709,143
Revenue	7,872,959	7,831,161

22 Investment in Water Corporation

Opening balance	67,874,590	66,971,245
Fair value adjustments on available-for-sale assets	4,779,345	903,345
Total investment in water corporation	\$ 72,653,935	\$ 67,874,590

Council has derived returns from the water corporation as disclosed at Note 8.

At 30 June 2013, Council held a 20.5% ownership interest in Cradle Mountain Water based on the Final Treasurer's Allocation Order in 2011. From 1 July 2013 a new State-wide water and sewerage corporation trading as "TasWater", commenced in accordance with the Water and Sewerage Corporation Act 2012. TasWater took over the water and sewerage services and assets previously operated by Ben Lomond Water, Cradle Mountain Water and Southern Water.



At 30 June 2014, Council had an ownership interest of 4.73% in the new corporation which was based on the equity proportions for voting purposes in Schedule 2 of the TasWater constitution.

23 Property, plant and infrastructure

(a) Land

	30-Jun-14	30-Jun-13
Opening balance	29,678,262	45,773,985
Revaluation	-	(15,355,237)
Disposals	(475,000)	(200,000)
Acquisitions	541,345	136,743
Recognition of Land under roads (refer Note 7(b))	25,005,767	-
Transfer (to)/from other asset classes	-	(677,229)
Land - fair value	\$ 54,750,374	\$ 29,678,262

Land is valued per the Valuer-General's valuation at 30 June 2013. No revaluation was done in the 2013-2014 year as the adjustment factors published by the Valuer-General in terms of section 50A of the *Valuation of Land Act 2001* indicated no adjustment is required for the classes of land owned by the Council.

(b) Buildings

Opening balance	100,918,532	93,819,185
Revaluation	(1,996)	2,098,748
Disposal	(216,125)	-
Transfer from work in progress	829,096	5,002,213
Transfer (to)/from other asset classes	-	(1,614)
Closing balance	101,529,507	100,918,532
<i>Accumulated depreciation</i>		
Opening balance	(34,445,603)	(40,153,076)
Revaluation	(299,802)	6,609,037



	30-Jun-14	30-Jun-13
Disposals	216,125	14,123
Depreciation expense	(1,046,323)	(915,687)
Closing balance	(35,575,603)	(34,445,603)
Buildings – fair value	\$ 65,953,904	\$ 66,472,929

Buildings were revalued on 30 June 2013 by David D Johnston (A.A.P.I.) Certified Practising Valuer, OPTEON Property Group. The valuation was at fair value based on replacement cost less accumulated depreciation as at the date of valuation. The revaluation included a reassessment of the useful lives of the building assets. No revaluation index was applied to the buildings as the adjustment factors published by the Valuer-General in terms of section 50A of the *Valuation of Land Act 2001*, indicated no adjustment is required for the classes of land owned by the Council. The next formal valuation will be done with effect from 30 June 2016.

(c) Roads and streets

Opening balance	213,861,004	204,461,097
Revaluation	(14,214,610)	7,784,812
Transfer from work in progress	1,631,309	1,684,441
Transfer (to)/from other asset classes	(126,769)	(69,346)
Closing balance	201,150,934	213,861,004
<i>Accumulated depreciation</i>		
Opening balance	(30,356,654)	(27,820,364)
Revaluation	(1,022,074)	(779,084)
Depreciation expense	(1,969,782)	(1,757,206)
Closing balance	(33,348,510)	(30,356,654)
Roads and streets - fair value	\$ 167,802,424	\$ 183,504,350

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

Since the 2010-2011 financial year the Council had applied a residual value of 50% to the road pavements and a 30% residual to the road surface. This



method of estimating depreciation has changed for the 2013-2014 year as noted in Note 1(d).

Roads and streets were revalued on 30 June 2014 by the Engineering Services Department of the Council. The revaluation was based on the current replacement cost using modern equivalent materials and work methods for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

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

This is expected to continue in future years.

(d) Footpaths

	30-Jun-14	30-Jun-13
Opening balance	34,578,488	33,662,771
Revaluation	(236,753)	665,408
Disposal	(687,691)	-
Transfer (to)/from other asset classes	-	(364,795)
Transfer from work-in-progress	116,465	615,104
Closing balance	33,770,509	34,578,488
<i>Accumulated depreciation</i>		
Opening balance	(10,592,708)	(9,896,381)
Revaluation	8,916	(205,712)
Depreciation expense	(531,758)	(490,615)
Closing balance	(11,115,550)	(10,592,708)
Footpaths - fair value	\$ 22,654,959	\$ 23,985,780

Footpaths were revalued on 30 June 2014 by the Engineering Services Department of the 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.



The Council contributed funding to the construction of the Leven River Bridge and footpath. Since the asset is not owned by the Council the capitalised costs of the asset have been derecognised.

(e) Car parks

	30-Jun-14	30-Jun-13
Opening balance	3,554,263	3,281,846
Revaluation	(852,691)	116,860
Transfer from work in progress	-	155,557
Transfer (to)/from other asset classes	169,129	-
Closing balance	2,870,701	3,554,263
<i>Accumulated depreciation</i>		
Opening balance	(1,112,273)	(1,234,102)
Revaluation	(73,226)	182,022
Depreciation expense	(73,270)	(60,193)
Closing balance	(1,258,769)	(1,112,273)
Car parks - fair value	\$ 1,611,932	\$ 2,441,990

Car parks were revalued on 30 June 2014 by the Engineering Services 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.

(f) Bridges

Opening balance	26,666,058	24,312,914
Revaluation	(2,948)	1,946,772
Transfer from work in progress	-	406,372
Closing balance	26,663,110	26,666,058
<i>Accumulated depreciation</i>		
Opening balance	(11,932,876)	(10,252,053)
Revaluation	(43,869)	(1,273,752)
Depreciation expense	(407,743)	(407,071)
Closing balance	(12,384,488)	(11,932,876)
Bridges - fair value	\$ 14,278,622	\$ 14,733,182



Bridges were revalued on 30 June 2014 by the Engineering Services Department of the Council using data provided by TasSpan.

(g) Drainage

	30-Jun-14	30-Jun-13
Opening balance	45,252,363	36,331,626
Revaluation	(430,959)	7,683,002
Transfer from work in progress	482,640	890,475
Transfer to/(from) other asset classes	9,910	347,260
Closing balance	45,313,954	45,252,363
<i>Accumulated depreciation</i>		
Opening balance	(14,894,635)	(12,059,801)
Revaluation	8,296	(2,468,761)
Depreciation expense	(450,282)	(366,073)
Closing balance	(15,336,621)	(14,894,635)
Drainage – fair value	\$ 29,977,333	\$ 30,357,728

Drainage assets were revalued on 30 June 2014 by the Engineering Services Department of the Council. The revaluation was based on current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

(h) Furniture and equipment

Opening balance	3,285,282	3,194,663
Acquisitions	130,343	90,619
Closing balance - cost	3,415,625	3,285,282
<i>Accumulated depreciation</i>		
Opening balance	(2,547,636)	(2,373,005)
Depreciation expense	(186,056)	(174,631)
Closing balance	(2,733,692)	(2,547,636)
Furniture and equipment - cost	\$ 681,933	\$ 737,646

**(i) Plant and machinery**

	30-Jun-14	30-Jun-13
Opening balance	6,643,928	6,472,738
Acquisitions	875,888	884,063
Disposals	(457,836)	(712,873)
Closing balance - cost	7,061,980	6,643,928
<i>Accumulated depreciation</i>		
Opening balance	(3,263,760)	(3,116,415)
Disposals	476,353	494,515
Depreciation expense	(663,115)	(641,860)
Closing balance	(3,450,522)	(3,263,760)
Plant and machinery - cost	\$ 3,611,458	\$ 3,380,168

(j) Recreation

Opening balance	13,368,672	10,911,939
Revaluation	(291,750)	717,456
Transfer from work in progress	1,395,621	987,409
Transfer (to)/from other asset classes	(52,270)	751,868
Closing balance	14,420,273	13,368,672
<i>Accumulated depreciation</i>		
Opening balance	(6,276,087)	(5,422,480)
Revaluation	641,064	(498,732)
Depreciation expense	(376,878)	(354,875)
Closing balance	(6,011,901)	(6,276,087)
Recreation - fair value	\$ 8,408,372	\$ 7,092,585

Recreation assets were revalued on 30 June 2014 by the Engineering Services Department of the Central Coast Council. The revaluation was based on the current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

**(k) Environmental**

	30-Jun-14	30-Jun-13
Opening balance	3,623,648	3,297,785
Revaluation	(132,370)	287,822
Transfer from work in progress	52,084	38,305
Transfer (to)/from other asset classes	-	(264)
Disposal	(29,000)	-
Closing balance	3,514,362	3,623,648
<i>Accumulated depreciation</i>		
Opening balance	(614,964)	(596,201)
Revaluation	(6,237)	72,914
Disposal	3,479	-
Depreciation expense	(93,221)	(91,677)
Closing balance	(710,943)	(614,964)
Environmental - fair value	\$ 2,803,419	\$ 3,008,684

Environmental assets were revalued on 30 June 2014 by the Engineering Services Department of the Council. The revaluation was based on the current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

(l) Total property, plant and infrastructure

Gross value	494,461,329	481,430,500
Accumulated depreciation	(121,926,599)	(116,037,196)
Net Book Value	\$ 372,534,730	\$ 365,393,304

24 Trade and other payables

Employee costs	230,884	228,295
Materials and contracts	891,041	996,402
Capital expenditure	128,414	587,899
Accrued expenses	114,276	33,478
Total payables	\$ 1,364,615	\$ 1,846,074



25 Provisions

(a) Employee benefits

	30-Jun-14	30-Jun-13
<i>Current provisions</i>		
Annual leave	653,161	681,893
Long service leave	1,276,784	1,118,472
Employee benefits (on-costs)	418,482	340,970
	<hr/> 2,348,427	<hr/> 2,141,335
<i>Non-current provisions</i>		
Long service leave	390,554	243,614
Employee benefits (on-costs)	74,596	46,530
	<hr/> 465,150	<hr/> 290,144
Total employee benefits	<hr/> \$ 2,813,577	<hr/> \$ 2,431,479

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

(b) Aged Person Home Units

<i>Current provisions</i>		
Aged Person Home Units	146,713	144,963
<i>Non-current provisions</i>		
Aged Person Home Units	1,893,065	1,937,392
Total Aged Person Home Units provisions	<hr/> 2,039,778	<hr/> 2,082,355
<i>Movement in provision</i>		
Opening balance	2,082,355	1,981,877
Contributions received	391,650	424,906
Refunds paid	(198,816)	(173,545)
Amortisation revenue recognised	(235,411)	(150,883)
Closing balance	<hr/> \$ 2,039,778	<hr/> \$ 2,082,355



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

	30-Jun-14	30-Jun-13
<i>Non-current provisions</i>		
Rehabilitation of Resource Recovery Centre	757,186	671,417
Total rehabilitation provisions	757,186	671,417
<i>Movement in provision</i>		
Opening balance	671,417	651,640
Unwinding of discount	18,143	19,777
Change in discount (refer Note 13)	67,626	-
Closing balance	\$ 757,186	\$ 671,417

Under a Council undertaking, the Council is obligated to restore the Resource Recovery Centre at Lobster Creek Road to a particular standard. Current engineering projections indicate that the Resource Recovery Centre at Lobster Creek Road will cease operation in 2030 and restoration work is expected to commence shortly thereafter. The forecast life of the Resource Recovery Centre is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. In calculating the present value a discount rate of 2.455% (2013 – 2.75%) 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.

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

(d) Total provisions

Total current provisions	2,495,140	2,286,298
Total non-current provisions	3,115,401	2,898,953
Total provisions	\$ 5,610,541	\$ 5,185,251

**26 Interest bearing liabilities**

	30-Jun-14	30-Jun-13
Current loan liabilities	161,239	138,429
Non-current loan liabilities	3,027,207	2,692,092
Total interest bearing loans and borrowings	\$ 3,188,446	\$ 2,830,521

27 Trust funds and deposits

Sundry deposits	219,204	257,787
Total trust funds and deposits	\$ 219,204	\$ 257,787

28 Reserves**(a) Asset revaluation reserves**

Asset revaluation reserve - Council	208,227,364	225,178,372
Asset revaluation reserve - Associates	917,229	826,232
	209,144,593	226,004,604

Asset revaluation reserves represent the increase in the value of property, plant and infrastructure owned by the Council and Associates (see Notes 21 and 23).

(b) Other reserves

Asset replacement reserve	1,675,130	1,588,101
Fire services reserve	26,241	20,376
Garbage collection reserve	40,141	110,440
Special projects reserve	673,065	726,728
	2,414,577	2,445,645

(c) Fair value reserve

Fair value reserve – water corporation	6,163,787	1,384,442
Total Reserves	\$ 217,722,957	\$ 229,834,691



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

	30-Jun-14	30-Jun-13
Surplus/(deficit)	23,702,099	670,082
<i>Cash flows from financing activities</i>		
Less Capital grants	(1,146,679)	(824,607)
	(1,146,679)	(824,607)
<i>Non-cash Items</i>		
Depreciation and amortisation	5,835,199	5,259,886
Share of profit in associate	(284,877)	(363,917)
(Profit)/loss on disposal of assets	(208,535)	(63,835)
Contributions - non-monetary assets	(24,318,076)	27,424
	(18,976,289)	4,859,558
<i>Change in assets and liabilities</i>		
(Increase)/decrease in receivables	4,364	(68,499)
(Increase)/decrease in inventories	518	3,242
(Increase)/decrease in other assets	107,563	(274,955)
Increase/(decrease) in payables	(21,976)	(507,255)
Increase/(decrease) in provisions	425,290	183,733
Increase/(decrease) in other liabilities	(38,583)	9,836
	477,176	(653,898)
Net cash provided by operating activities	\$ 4,056,307	\$ 4,051,135

The Council has seven Corporate Credit Cards with a total limit of \$35,000. The balance is paid in full on a monthly basis. The Council has two contract performance guarantees outstanding totalling \$70,252 (2012-2013 - \$70,252).

30 Commitments for expenditure

Capital expenditure contracted for at 30 June 2014 but not recognised in the financial report as liabilities:



	30-Jun-14	30-Jun-13
Less than 12 months	736,483	1,216,712
12 months - 2 years	412,517	384,458
2 years - 5 years	-	245,517
Greater than 5 years	-	-
	\$ 1,149,000	\$ 1,846,687

31 Related party disclosures

Councillors allowances and reimbursements \$ 324,858 \$ 336,861

Section 84(2)(b) of the LGA 1993 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 2014 no material disclosures were made.

Councillors during the period were:

Cr J Bonde – Mayor
 Cr G Carpenter - Deputy Mayor
 Cr J Bloomfield
 Cr L Bonde
 Cr S Broad
 Cr A Diprose
 Cr K Downie
 Cr C Fuller (resigned on 28 October 2013)
 Cr G Howard
 Cr R Tongs
 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	16	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 2.65% and 2.40% (3.40% and 2.65% in 2012-2013). The interest rate at balance date was 2.40% (2.65% in 2012-2013). Funds returned fixed interest rate of between 4.96% (5.59% in 2012-2013), and 4.05% (4.96% in 2012-2013) net of fees.
Trade and other receivables	17	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.
Financial liabilities			
Trade and other payables	24	Liabilities are recognised for amounts to be paid in the future for goods and services provided to the 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 liabilities	26	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.	Borrowings are secured by way of mortgages over the general rates of the Council. The weighted average interest rate on borrowings is 5.67% (6.19% in 2012-2013).

**(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:

2014	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	3,019,732	-	-	-	-	3,019,732
Other financial assets	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	1,104,965	1,104,965
Accrued revenue	-	-	-	-	115,798	115,798
Invest in water corp.	-	-	-	-	72,653,935	72,653,935
Total financial assets	3,019,732	-	-	-	73,874,698	76,894,430
Financial liabilities						
Trade and other payables	-	-	-	-	1,364,615	1,364,615
Trust funds and deposits	-	-	-	-	219,204	219,204
Interest-bearing liabilities	-	161,239	692,510	2,334,697	-	3,188,446
Total financial liabilities	-	161,239	692,510	2,334,697	1,583,819	4,772,265
Weighted average interest rate	-	5.75%	5.72%	5.64%	-	-
Net financial assets (liabilities)	3,019,732	161,239	692,510	2,334,697	72,290,879	72,122,165



2013	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	3,947,675	-	-	-	-	3,947,675
Other financial assets	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	1,109,329	1,109,329
Accrued revenue	-	-	-	-	231,742	231,742
Invest in water corp.	-	-	-	-	67,874,590	67,874,590
Total financial assets	3,947,675	-	-	-	69,215,661	73,163,336
Financial liabilities						
Trade and other payables	-	-	-	-	1,846,074	1,846,074
Trust funds and deposits	-	-	-	-	257,787	257,787
Interest-bearing liabilities	-	138,429	613,168	2,078,924	-	2,830,521
Total financial liabilities	-	138,429	613,168	2,078,924	2,103,861	4,934,382
Weighted average interest rate	-	6.35%	5.63%	4.86%	-	-
Net financial assets (liabilities)	3,947,675	(138,429)	(613,168)	(2,078,924)	67,111,800	68,228,954

(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 2014		30 June 2013	
	Carrying amount	Net fair value	Carrying amount	Net fair value
Financial assets				
Cash and cash equivalents				
Cash at bank and on hand	684,502	684,502	301,612	301,612
Cash management account	2,335,230	2,335,230	3,646,063	3,646,063
Trade and other receivables	1,104,965	1,104,965	1,109,329	1,109,329
Other financial assets	-	-	-	-
Accrued revenue	115,798	115,798	231,742	231,742
Investment in water corp.	72,653,935	72,653,935	67,874,590	67,874,590
	76,894,430	76,894,430	73,163,336	73,163,336
Financial liabilities				
Payables	1,364,615	1,364,615	1,846,074	1,846,074
Interest-bearing loans and borrowings	3,188,446	3,397,166	2,830,521	2,984,204
Other liabilities	219,204	219,204	257,787	257,787
	(4,772,265)	(4,980,985)	4,934,382	5,088,065
Net financial assets	72,122,165	71,913,445	68,228,954	68,075,271
Carrying amounts classified as:	30 June 2014		30 June 2013	
Financial assets				
Cash and cash equivalents	3,019,732		3,947,675	
Financial assets at fair value through profit and loss upon initial recognition	-		-	
Loans and receivables	1,220,763		1,341,071	
Available for sale financial assets	72,653,935		67,874,590	
	76,894,430		73,163,336	
Financial liabilities				
Financial liabilities measured at amortised cost	4,772,265		4,934,382	
	(4,772,265)		(4,934,382)	
Net financial assets/(liabilities)	72,122,165		68,228,954	

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



(d) Credit risk

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

(e) Risks and mitigation

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

Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. The 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. 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 LGA 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 the Council to make a financial loss. The Council has exposure to credit risk on some financial assets included in our Statement of Financial Position, to help manage this risk we:

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

Credit risk arises from the Council's financial assets, which comprise cash and cash equivalents, and trade and other receivables. The 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.

The Council generally trades with recognised, creditworthy third parties, and as such collateral is generally not requested, nor is it the Council's policy to securitise its trade and other receivables.

It is the 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 the 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 Statement of Financial Position, 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 and other receivables was:

Trade receivables	30-Jun-2014	30-Jun-2013
Current (not yet due)	262,791	201,133
Past due 0-30 days	8,486	53,875
Past due 31-60 days	46,965	74,195
Past due 61-90 days	(6,642)	7,440
More than 90 days	139,438	(3,640)
Total trade receivables	451,038	333,003
Rates receivable	500,522	447,932
Total receivables	\$ 951,560	\$ 780,935

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 the 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;
- . will be forced to sell financial assets at a value which is less than what they are worth; or
- . 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 2014					
Trade and other payables	1,364,615	-	-	1,364,615	1,364,615
Trust funds and deposits	219,204	-	-	219,204	219,204
Interest-bearing liabilities	161,239	692,510	2,334,697	-	3,188,446
Total	1,745,058	692,510	2,334,697	1,583,819	4,772,265
30 June 2013					
Trade and other payables	1,846,074	-	-	1,846,074	1,846,074
Trust funds and deposits	257,787	-	-	257,787	257,787
Interest-bearing liabilities	292,112	613,168	2,078,924	2,984,204	2,830,521
Total	2,395,973	613,168	2,078,924	5,088,065	4,934,382

(f) Sensitivity disclosure analysis

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

- a parallel shift of +1% and -0.5% in market interest rates (AUD) from year-end rates of 2.40%.



The table below discloses the impact on net operating result and equity for each category of financial instruments held by the 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
30 June 2014					
Financial assets					
Cash and cash equivalents	3,019,732	30,197	30,197	(15,098)	(15,098)
Financial liabilities					
Interest bearing liabilities	3,188,446	31,884	31,884	(15,942)	(15,942)
30 June 2013					
Financial assets					
Cash and cash equivalents	3,947,675	39,477	39,477	(19,738)	(19,738)
Financial liabilities					
Interest bearing liabilities	2,830,521	28,305	28,305	(14,153)	(14,153)

(g) Fair value hierarchy

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

The different levels have been defined as follows:

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



30 June 2014	Level 1	Level 2	Level 3	Total
Available for sale financial assets	-	-	72,653,935	72,653,935
Financial assets at fair value through the comprehensive income statement	-	-	-	-
Financial assets held for trading	-	-	-	-
Derivative financial assets	-	-	-	-
30 June 2013	Level 1	Level 2	Level 3	Total
Available for sale financial assets	-	-	67,874,590	67,874,590
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	2014	2013
Opening balance	67,874,590	66,971,245
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	4,779,345	903,435
Closing balance	\$ 72,653,935	\$ 67,874,680

33 Superannuation

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund), which is a sub-fund of the Quadrant Superannuation Scheme (the 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 34 of AASB 119 Employee Benefits, Council does not use defined benefit accounting for these contributions.



For the year ended 30 June 2014 the Council contributed 10.5% 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	0% p.a. for 2011-2012 and 7.0% p.a. thereafter
Salary inflation	4.0% p.a.
Price inflation	n/a

The actuarial review concluded that:

- (i) 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.
- (ii) 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.
- (iii) 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*.

As required in terms of paragraph 148 of AASB 119 Employee Benefits, Council discloses the following details:

- . The 2011 actuarial review used a funding method that sets the level of Council contributions targeting a margin of 10% in the value of Fund assets over the total of members' vested benefits over the medium to longer term.

The funding method used was the same as the method used at the previous actuarial review in 2008. Under the target funding method of financing the benefits, the stability of the Councils' contributions over time depends on how closely the Fund's actual experience matches the expected experience. If the actual experience differs from that expected, the Council's contribution rate may need to be adjusted accordingly to ensure the Fund remains on course towards its financing target.

- . In terms of Clause 1.9.2 of the Scheme Trust Deed, there is a risk that employers within the Fund may incur an additional liability when an Employer ceases to participate in the Fund at a time when the assets of the Fund are less than members' vested benefits. Each member of the Fund who is an employee of the Employer who is ceasing to Participate is required to be provided with a benefit at least equal to their vested benefit in terms of Clause 1.9.2(b). However in terms of Clause 1.9.2(d), the only contributions that can be sought from the Employer and its employee members are any arrears of contributions. This issue can be resolved by the Trustee seeking an Actuarial Certificate in terms of Clause 1.22.2(a) requiring the Employer to make good any shortfall before the cessation of participation is approved.

Clause 1.22.2(b) specifically provides that employers participating in the Fund will not be liable for the obligations of other Employers in other funds within the Scheme.

- . The application of Fund assets on the Fund or the Scheme being wound-up is set out in Clause 1.21.3. This Clause provides that expenses, pensions in payment and the Superannuation Guarantee benefits of



other members should have first call on the available assets. Additional assets will initially be applied proportionately to providing Member's benefits in respect of completed service. If additional assets are available they are applied to increasing members' benefits.

The Trust Deed does not contemplate the Fund withdrawing from the Scheme. However it is likely that Clause 1.9.2 would be applied in this case (as detailed above).

- . The Fund is a defined benefit fund.
- . 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. Thus the Fund is not able to prepare standard AAS B119 defined benefit reporting.
- . During the reporting period the amount of contributions paid to defined benefits schemes was \$88,793 (2012-2013, \$52,096), and the amount paid to accumulation schemes was \$823,993 (2012-2013, \$811,848).
- . During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$91,457 and the amount to be paid to accumulation schemes is \$848,713.
- . As reported on the first page of this note, assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2011. Favourable investment returns, since that date, make it quite probable that this is still the position. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2014.
- . An analysis of the assets and vested benefits of Funds participating in the Scheme, prepared by Bendzulla Actuarial Pty Ltd as at 30 June 2013, showed that the Fund had assets of \$61.5 million and members' vested benefits were \$54.2 million. These amounts represented 9.8% and 8.7% respectively of the corresponding total amounts for the Scheme.



34 Capital expenditure

Capital expenditure areas

	30-Jun-14	30-Jun-13
Buildings	829,095	5,002,213
Roads and streets	1,631,309	1,684,441
Footpaths	116,465	615,104
Car parks	-	155,557
Bridges	-	406,372
Drainage	482,640	890,475
Furniture and equipment	130,343	90,619
Plant and machinery	875,888	884,063
Recreation	1,395,621	987,409
Land	541,346	136,743
Environmental	52,084	38,305
Total capital work	\$ 6,054,791	\$ 10,891,301

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	6,054,791	10,891,301
Asset revaluation movement	(16,951,008)	7,583,575
Recognition of land under roads	25,005,767	-
Depreciation/amortisation	(5,798,429)	(5,259,886)
Disposals	(1,169,695)	(418,359)
Net movement in property, plant and infrastructure	\$ 7,141,426	\$ 12,796,631

(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 the 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	
	30-Jun-14	30-Jun-13
Revenue		
Rates	2,851,462	2,430,457
Other revenue	1,321,776	2,552,782
Total revenue	4,173,238	4,983,239
Expenses		
<i>Direct</i>		
Employee costs	692,072	769,025
Materials and contracts	1,765,267	1,459,696
Borrowing costs	-	-
<i>Indirect</i>		
Engineering and administration	376,547	232,736
Total expenses	2,833,886	2,461,457



Capital costs		
Depreciation	3,087,751	2,988,390
Opportunity Cost of Capital	18,571,314	20,222,980
Total capital costs	21,659,065	23,211,370
Competitive neutrality costs	\$ -	\$ -

36 Management indicators

	Benchmark	2014 \$'000	2013 \$'000	2012 \$'000	2011 \$'000
(a) Underlying surplus or deficit					
Recurrent income* less		23,170	22,021	22,570	20,330
Recurrent expenditure		23,512	22,252	21,996	(20,843)
Underlying surplus/(deficit)	>0	(342)	(231)	574	(513)

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

	Benchmark	2014	2013	2012	2011
(b) Underlying surplus ratio					
Underlying surplus/deficit		(342)	(231)	574	(513)
Recurrent income less*		23,170	22,021	22,570	20,330
Underlying surplus ratio	>0	(1.48)%	(1.05)%	2.54%	(2.52)%

This ratio serves as an overall measure of financial operating effectiveness.

The Council targets achieving an underlying surplus as a key financial strategy as set out in its long-term financial planning. The estimates for each year are prepared in order to achieve this objective. The Council did not meet this target due primarily to the reasons detailed below. Each of the factors below did not have an impact on the cash flow of the Council during the 2013-2014 year.



Firstly, depreciation exceeded the estimates by \$525,198. The road infrastructure assets were revalued for the first time since 2010 at the end of the 2012-13 financial year. This was after the estimates for the 2013-2014 year had been prepared. Consequently this resulted in higher asset values and similarly higher depreciation amounts. In the current and future financial years the Council will revalue the road and other infrastructure assets on an annual basis and this difference should be significantly reduced.

Secondly, the Council incurred a loss on disposal assets. As part of the Councils asset management program, infrastructure assets that are assessed to be at the end of their useful lives are disposed of. During the 2013-2014 year assets having a net written down value of \$694,695 were disposed of.

The combination of the two factors above had an effect of reducing the underlying surplus by \$1,219,893 from \$878,013 to a deficit of \$341,880. The effect on the underlying surplus ratio has been to reduce the ratio from 3.79% to (1.48%).

	Benchmark	2014	2013	2012	2011
(c) Net financial liabilities					
Liquid assets less		4,091	4,999	7,399	6,368
Total liabilities		(10,383)	(10,120)	(9,357)	(9,392)
Net financial liabilities		(6,292)	(5,121)	(1,958)	(3,024)

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

	Benchmark	2014	2013	2012	2011
(d) Net financial liabilities ratio					
Net financial liabilities		(6,292)	(5,121)	(1,958)	(3,024)
Recurrent income*		23,170	22,021	22,570	20,330
Net financial liabilities ratio %	0%-(50%)	(27.2%)	(23.3%)	(8.7%)	(14.9%)



This ratio indicates the net financial obligations of Council compared to its recurrent income. This is a measure of the quality of the net financial liability position. This ratio has trended down due to additional borrowings to fund the acquisition of land and the effect of the Commonwealth Federal Assistance grant advance payments ceasing. Despite this the ratio lies well within the benchmark.

(e) Asset consumption ratio

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

	Benchmark	2014	2013	2012	2011
<i>Buildings</i>					
Depreciated replacement cost		65,954	66,473	53,666	52,560
Current replacement cost		101,530	100,919	93,819	90,701
Asset consumption ratio %	60%	65.0%	65.9%	57.2%	57.9%
<i>Roads and Streets</i>					
Depreciated replacement cost		167,802	183,504	176,641	158,586
Current replacement cost		201,151	213,861	204,461	195,114
Asset consumption ratio %	60%	83.4%	85.8%	86.4%	81.3%
<i>Footpaths</i>					
Depreciated replacement cost		22,655	23,986	23,766	22,007
Current replacement cost		33,771	34,578	33,663	31,108
Asset consumption ratio %	60%	67.1%	69.4%	70.6%	70.7%
<i>Bridges</i>					
Depreciated replacement cost		14,279	14,733	14,061	11,405
Current replacement cost		26,663	26,666	24,313	19,337
Asset consumption ratio %	60%	53.6%	55.3%	57.8%	59.0%
<i>Drainage</i>					
Depreciated replacement cost		29,977	30,358	24,272	25,299
Current replacement cost		45,314	45,252	36,332	41,158
Asset consumption ratio %	60%	66.2%	67.1%	66.8%	61.5%
<i>Other infrastructure assets</i>					
Depreciated replacement cost		12,824	12,543	10,239	9,418
Current replacement cost		20,805	20,547	17,492	15,800
Asset consumption ratio %	60%	61.6%	61.0%	58.5%	59.6%



The Council has an overall asset consumption ratio of 75.3% which is well above the benchmark of 60%. The only category that falls below this benchmark is bridges. There is an asset renewal and upgrade program in place for bridges in the Long-term Financial Plan and this ratio should improve overtime above the benchmark.

(f) Asset renewal funding ratio

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

	Benchmark	2014	2013	2012	2011
<i>Buildings</i>					
Projected capital expenditure outlays**		5,302	4,894	n/a	n/a
Projected capital expenditure funding***		5,302	4,894	n/a	n/a
Asset sustainability ratio %	100%	100.0%	100.0%	n/a	n/a
<i>Roads and streets</i>					
Depreciated replacement cost**		21,927	21,472	n/a	n/a
Current replacement cost***		21,927	21,472	n/a	n/a
Asset sustainability ratio %	100%	100.0%	100.0%	n/a	n/a
<i>Footpaths</i>					
Projected capital expenditure outlays**		2,545	2,420	n/a	n/a
Projected capital expenditure funding***		2,545	2,420	n/a	n/a
Asset sustainability ratio %	100%	100.0%	100.0%	n/a	n/a
<i>Bridges</i>					
Projected capital expenditure outlays**		4,170	4,780	n/a	n/a
Projected capital expenditure funding***		4,170	4,780	n/a	n/a
Asset sustainability ratio %	100%	100.0%	100.0%	n/a	n/a
<i>Drainage</i>					
Projected capital expenditure outlays**		1,560	1,570	n/a	n/a
Projected capital expenditure funding***		1,560	1,570	n/a	n/a
Asset sustainability ratio %	100%	100.0%	100.0%	n/a	n/a



	Benchmark	2014	2013	2012	2011
<i>Car parks</i>					
Projected capital expenditure outlays**		2,995	2,530	n/a	n/a
Projected capital expenditure funding***		2,995	2,530	n/a	n/a
Asset sustainability ratio %	100%	100.0%	100.0%	n/a	n/a
<i>Recreation</i>					
Projected capital expenditure outlays**		3,691	7,454	n/a	n/a
Projected capital expenditure funding***		3,691	7,454	n/a	n/a
Asset sustainability ratio %	100%	100.0%	100.0%	n/a	n/a
<i>Other infrastructure assets</i>					
Projected capital expenditure outlays**		1,200	1,314	n/a	n/a
Projected capital expenditure funding***		1,200	1,314	n/a	n/a
Asset sustainability ratio %	100%	100.0%	100.0%	n/a	n/a

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

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

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

In the 2011 and 2012 financial years the Council did not prepare long-term financial plans covering a 10 year period. While the Council did have forward works programs no comparison can be made to the funding in a long-term financial plan.

For the 2013 and 2014 financial years the Council prepared long-term financial plans based on the information that the Engineering Services Department used to develop their 10 year forward works programs for renewal and upgrades to existing assets. Consequently the funding for the long-term financial plan and the projected outlays for the asset management plans are identical.

**(g) Asset sustainability ratio**

	Benchmark	2014	2013	2012	2011
Capex on replacement/ renewal of existing assets		5,437	7,650	9,400	5,161
Depreciation		5,798	5,260	5,195	5,011
Asset sustainability ratio %	100%	94%	145%	181%	103%

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

The asset sustainability ratio fell below the benchmark in the 2014 year. However, the average capex over the four year period of 130% demonstrates that on average over the period the Council has exceeded the benchmark. The main reasons the Council fell below the benchmark in the current year is the acquisition of land and construction of a new building at the Penguin Athletic Track.

37 Fair Value Measurements

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

- ☐ Property, infrastructure plant and equipment
 - Land
 - Buildings
 - Roads and streets including footpaths and car parks
 - Bridges
 - Drainage
 - Other infrastructure assets

Council does not measure any liabilities at fair value on a recurring basis. Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. A description of the valuation techniques and the inputs used to determine the fair value of this land is included below under the heading 'Land held for sale'. Currently the Council does not have any land that can be classified as "Land held for sale".

(a) Fair Value Hierarchy:

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

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

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2014. Comparative information has not been provided as allowed by the transitional provisions of AASB 13.

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

As at 30 June 2014

	Note	Level 1	Level 2	Level 3	Total
<i>Recurring fair value measurement</i>					
Land	26	-	54,750,374	-	54,750,374
Buildings	26	-	65,957,897	-	65,957,897
Roads, including footpaths and cycleways	26	-	-	192,069,315	192,069,315
Bridges	26	-	-	14,278,622	14,278,622
Drainage	26	-	-	29,977,333	29,977,333
Other Infrastructure	26	-	-	11,211,791	11,211,791
		-	120,708,271	247,537,061	368,245,332

Transfers between levels of the hierarchy

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period. There were no transfers between Levels 1 and 2 during the year, nor between Levels 2 and 3.

(b) Highest and best use:

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

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



Council adopted AASB 13 Fair Value Measurement for the first time this financial year and has reviewed each valuation to ensure compliance with the requirements of the new Standard. There have been no changes in valuation techniques as a result of this review.

Land

Land fair values were determined by the Valuer-General's valuation at 30 June 2013. The Valuer-General also publishes adjustment factors on an annual basis which are used to revalue land held by the Council. Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current planning provisions. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. All freehold land owned by the Council reserved for public open space is valued by the Valuer-General as part of the periodic municipal revaluation process.

Land held for sale

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

Land under roads

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

Buildings

The fair value of buildings were also determined by a qualified independent valuer effective 30 June 2013. Where there is a market for Council building assets, fair value has been derived from the sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant input into this valuation approach was price per square metre. Where Council buildings are of a specialist nature (e.g. heritage buildings) and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. The gross current values have been derived from reference to market data for recent projects and costing guides. In determining the level of accumulated depreciation the asset has not been disaggregated into significant components which exhibit useful lives but assessed as a whole. Then



accumulated depreciation is determined with reference to the expected life of the asset.

While the unit rates based on square metres can be supported by market evidence (Level 2), the estimates of residual value and useful life that are used to calculate accumulated depreciation comprise unobservable inputs (Level 3). Where these other inputs are significant to the valuation the overall valuation has been classified as Level 3. The table at (d) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

Infrastructure assets

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

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

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

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in Note 1(d).

The calculation of CRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation. The table at (d) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.



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

Roads and streets including footpaths and car parks

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

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

Bridges

A full valuation of bridges assets was undertaken by TasSpan, effective 30 June 2014. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area.

Drainage

A full valuation of drainage infrastructure was undertaken by Council's Engineering Services Department, effective 30 June 2014. Similar to roads, drainage assets are managed in segments; pits and pipes being the major components.

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

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



Other Infrastructure

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

(d) Unobservable inputs and sensitivities:

Asset/liability category*	Carrying amount (at fair value)	Key unobservable inputs *	Expected range of inputs	Description of how changes in inputs will affect the fair value
Buildings	65,957,897	Useful life	Refer to Note 1e	The higher the useful life the higher the fair value
Roads and streets including footpaths and car parks	192,069,315	Useful life	Refer to Note 1e	The higher the useful life the higher the fair value
Bridges	14,278,622	Useful life	Refer to Note 1e	The higher the useful life the higher the fair value
Drainage	29,977,333	Useful life	Refer to Note 1e	The higher the useful life the higher the fair value
Other infrastructure assets	11,211,791	Useful life	Refer to Note 1e	The higher the useful life the higher the fair value

*There were no significant inter-relationships between unobservable inputs that materially affect fair values.

(e) Changes in recurring Level 3 fair value measurements:

The changes in Level 3 assets with recurring fair value measurements are detailed in Note 23 (Property, plant and infrastructure). There have been no transfers between Level 1, 2 or 3 measurements during the year. The movement in the Level 3 assets is detailed in Note 23.

(f) Valuation processes:

Council's current policy for the valuation of property, infrastructure, plant and equipment and investment in the water corporation (recurring fair value measurements) is set out in Notes 1(e) and 1(l) respectively. Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

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

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes. (Refer Note 32.)

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in Note 32



is provided by Tascorp (Level 2) where applicable and at an amount that equates to the carrying amount as the carrying amount approximates fair value (Level 2).

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



Certification of the Financial Report

The financial report presents fairly the financial position of the Central Coast Council as at 30 June 2014, 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, and other mandatory professional reporting requirements.

A handwritten signature in black ink, appearing to read 'Cor Vander Vlist', with a stylized flourish at the end.

Cor Vander Vlist
ACTING GENERAL MANAGER

12 September 2014



Independent Auditor's Report

To the Councillors of Central Coast Council

Financial Report for the Year Ended 30 June 2014

Report on the Financial Report

I have audited the accompanying financial report of Central Coast Council (Council), which comprises the statement of financial position as at 30 June 2014 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 Acting 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 2014 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 Acting General Manager for the Financial Report

The Acting 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on my judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those

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To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
Professionalism | Respect | Camaraderie | Continuous Improvement | Customer Focus

Strive | Lead | Excel | To Make a Difference



risk assessments, I considered internal control relevant to the Acting 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 Acting 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 or the asset renewal funding ratio 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



Jara K Dean
**Assistant Auditor-General Financial Audit
Delegate of the Auditor-General**

Hobart
18 September 2014

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State of Environment and Public Health Report

for the year ended 30 June 2014

Appendix B



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The corporate structure and principal functional activities of the Council are detailed in the Annual Report for the year ended 30 June 2014 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 2013/2014 financial year the Council operated school clinics for Chickenpox, Diphtheria/Tetanus and aCellular Pertussis (dTpa), and Human Papilloma Virus (HPV).

In total, 1519 immunisations were administered in 2013/14 (see Table 1).

Table 1: Immunisation clinics

CATEGORY	TYPE OF VACCINATION		
School	Chickenpox (Grade 7)	HPV (Grade 7 girls and boys Grade 9 boys)	dTpa (Grades 7 and 9)
Leighland Christian	34	167	158
North West Christian	4	25	12
Penguin District	34	189	164
Ulverstone High	61	361	310
Total	133	742	644

The Council also conducted in-house immunisation clinics to immunise 69 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	7	7
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 businesses were registered and 15 operators were licensed in the reporting period (see table below).

Type of Facility	Number of Registered Businesses	Number of Licensed Operators	Number of Routine Inspections Undertaken
Body Piercing/Ear Piercing	4	10	3
Acupuncturist	3	3	2
Tattooist	1	2	0
Total	8	15	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:
 - Ø 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 2013/2014 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:

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

The frequency of food premises inspections varies from once a year to once every three 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 2013/2014 financial year 206 food businesses and 16 food vehicles were registered. Twenty two food businesses closed during the period with two being food vehicles. Also included in these numbers were 28 registrations to operate at the Turners Beach Growers Markets and Cradle Coast Farmers Markets held in the Central Coast area with four of these closing during the period.

A total of 305 food inspections were undertaken in 2013/2014 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	8	26	9
Medium	119	140	21
Low	95	95	14
Total	222	261	44

The general standard of the food premises and food hygiene:

There was a general improvement in the performance of food premises throughout 2013/14 with many premises demonstrating 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. One Improvement Notice was issued and complied with during the year. No food premises were fined for failing to comply with an Improvement Notice.

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 34 food handlers throughout 2013/14.

Additionally, the Council subscribes to an on-line food handler training package called "I'm Alert". One thousand six hundred and fifty two people accessed this quality food handler training through the Council's website during the year.

Food sampling:

During 2013/14 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:

One hundred and thirty nine 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

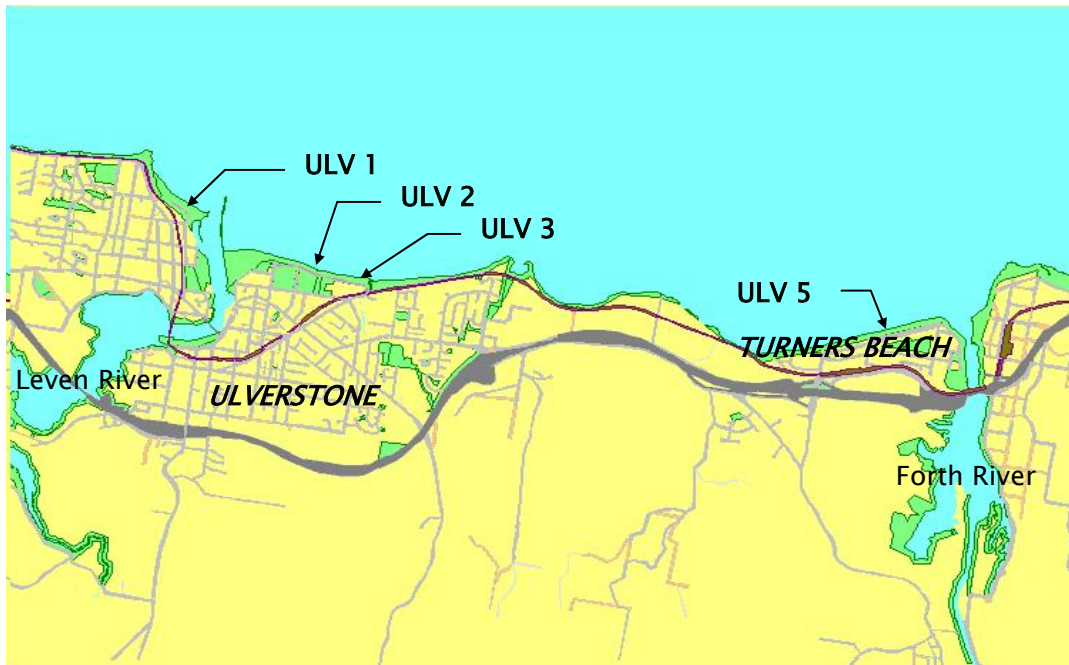
Site	Site Number	Recreational Purposes
Midway Point, Penguin	PEN 1	swimming, surfing
Preservation Bay, Penguin - Surf Club	PEN 2	swimming, surfing
Johnsons Beach, Penguin - caravan park	PEN 3	swimming
Main Beach, Penguin	PEN 4	swimming, surfing
Picnic Point Beach, West Ulverstone	ULV 1	swimming
Main Beach, Ulverstone - Surf Club	ULV 2	swimming, surfing
Bannons Park, Gunns Plains	ULV 4	swimming, fishing
Turners Beach	ULV 5	swimming

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

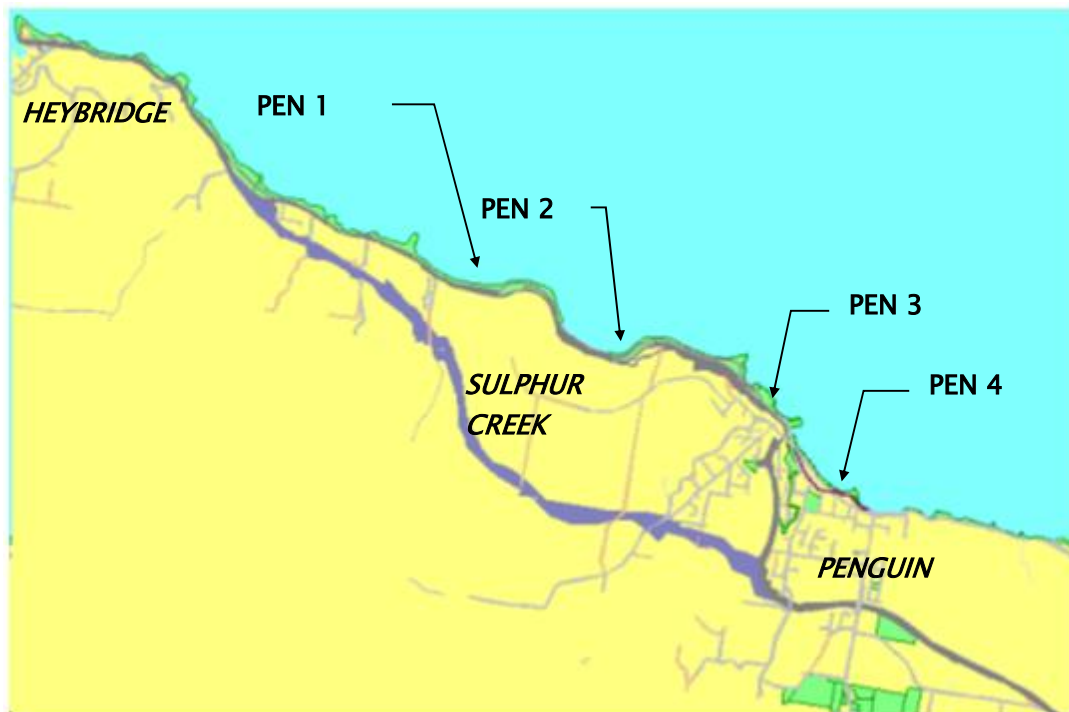
Map 1: Central Coast municipal area



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 2014:



Table 4: Summary of Recreational Water Quality Results for 2013/2014

Site		Parameters	
		Number of samples	Median Enterococci/100mL *(Standard<140/100mL)
Midway Point, Penguin	PEN 1	4	<10
Preservation Bay, Penguin – surf club	PEN 2	4	<10
Johnsons Beach, Penguin – caravan park	PEN 3	4	<10
Main Beach, Penguin	PEN 4	4	<10
Picnic Point Beach, West Ulverstone	ULV 1	5	<10
Main Beach, Ulverstone – Surf club	ULV 2	4	16
Buttons Creek, Ulverstone - mouth	ULV 3	0	N/A
Bannons Park, Gunns Plains	ULV 4	5	42
West Turners Beach	ULV 5	5	<10

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 instances that required investigation was low during the December to March period and occurred at four separate locations during this time. Following these exceedances, the Council undertook sanitary survey investigations and re-sampling was undertaken. No similarities or relationship between locations for the exceedances was identified but are normally impacted by rainfall events.

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 2013/14, ten private water suppliers were registered. Each of these private water suppliers has implemented an annual management plan to assist them to meet the requirements of the Act and guidelines. Regular water sampling results are now being received from the registered suppliers.

Two private water suppliers had positive results for E.coli. These businesses were advised to cease supplying water, clean and disinfect their water supply and resample. Both private water suppliers have retested, with no E.coli detected in either of the two resamples.

**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).

Water monitoring –

Table 5 shows results of the water monitoring program at the Preston Transfer Station for the period ending 30 June 2014.

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	7.2	7.3	-	-
Conductivity	30-350	69	64	-	-
Ammonia	0.9	0.02	0.02	-	-
Nitrate	0.7	0.88	0.87	-	-
Nitrite	-	<0.01	<0.01	-	-
Nitrate & Nitrite (oxidised N)	-	0.88	0.87	-	-
COD	-	11	12	-	-
Iron (Fe) Dissolved	-	0.17	0.22	-	-
Aluminium (Al) Dissolved	0.055	0.33	0.18	-	-
Copper (Cu) Dissolved	0.0014	0.009	0.001	-	-
Zinc (Zn) – Dissolved	0.008	0.006	0.006	-	-
Chromium (Cr) Dissolved	0.001	<0.001	<0.001	-	-
Cobalt (Co) Dissolved	-	0.001	0.001	-	-
Manganese (Mn) Dissolved	-	0.021	0.014	-	-
Nickel (Ni) Dissolved	0.011	0.004	0.001	-	-
Lead (Pb) - Dissolved	0.0034	<0.001	<0.001	-	-
Cadmium (Cd) Dissolved	0.0002	<0.0001	<0.0001	-	-
Arsenic (As) Dissolved	-	<0.001	<0.001	-	-
Enterococci	-	3	37	-	-
Thermotolerant Coliforms	-	40	80	-	-

* 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 2014.



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

Parameter	* Standard	FORMER PENGUIN LANDFILL SITE				ULVERSTONE RESOURCE RECOVERY CENTRE		
		Surface Water						
		Stream above Landfill	Stream below Landfill	Organic Farm	Golf Course	Stormwater Pond SW1	Hayes Creek SW2	Downstream Creek SW4
Ph	6.5 – 7.5	5.1	6.9	6.8	6.6	7.4	7.4	6.5
Conductivity us/cm	30-350	165	349	471	332	251	212	225
TDS	-	122	236	312	220	198	158	176
Total Suspended Solids	-	<5	<5	<5	<5	<5	<5	<5
Total Alkalinity	-	<1	84	121	24	34	31	13
Total Nitrogen	0.48	0.2	8.1	9.6	2.0	<0.1	0.1	0.7
Ammonia	0.020	0.01	7.09	6.75	0.08	0.03	0.08	0.09
Nitrate	0.7	0.21	0.31	1.16	2.03	<0.01	0.11	0.13
Nitrite	-	<0.01	<0.01	0.04	<0.01	<0.01	<0.01	<0.01
Nitrate & Nitrite (oxidised N)	-	0.21	0.31	1.2	2.03	<0.01	0.11	0.13
Total phosphorus	0.013	0.03	0.05	0.04	0.02	0.05	0.04	0.07
TOC	-	34	28	30	19	9	7	7
COD	-	82	70	71	43	22	17	14
BOD	-	<2	<2	<2	<2	11	9	10
Iron (Fe) Dissolved	-	1.35	3.08	2.95	0.92	<0.05	0.82	0.82
Aluminium (Al) Dissolved	0.055	0.87	0.55	0.38	0.23	0.05	0.09	0.32
Copper (Cu) Dissolved	0.0014	0.001	0.001	0.002	0.016	0.004	0.002	0.039
Zinc (Zn) Dissolved	0.001 mg/l	0.010	0.017	0.027	0.036	<0.005	0.008	0.068
Chromium (Cr) Dissolved	0.001 mg/l	0.002	0.002	0.002	<0.001	<0.001	<0.001	<0.001
Mercury (Hg) Dissolved	0.001 mg/l	<0.0001	<0.0001	<0.0001	<0.0001	-	-	-



Parameter	* Standard	FORMER PENGUIN LANDFILL SITE				ULVERSTONE RESOURCE RECOVERY CENTRE			
		Surface Water							
		Stream above Landfill	Stream below Landfill	Organic Farm	Golf Course	Stormwater Pond SW1	Hayes Creek SW2	Downstream Creek SW4	
Cobalt (Co) Dissolved	0.001 mg/l	<0.001	<0.001	<0.001	<0.001	<0.001	0.002	0.013	
Manganese (Mn) Dissolved	1 mg/l	0.066	0.173	0.164	0.022	0.014	0.182	0.448	
Nickel (Ni) Dissolved	0.001 mg/l	<0.001	0.001	0.002	0.002	0.003	0.004	0.018	
Lead (Pb) Dissolved	0.001 mg/l	0.098	0.026	0.014	0.004	<0.001	<0.001	<0.001	
Cadmium (Cd) Dissolved	0.0001	<0.0001	<0.0001	<0.0001	<0.0001	<0.0001	<0.0001	0.0001	
Arsenic (As) Dissolved	0.001 mg/l	0.002	0.002	0.002	<0.001	0.001	<0.001	<0.001	
Sodium (Na)	1 mg/l	19	23	30	30	12	25	23	
Potassium (K)	1 mg/l	1	9	17	12	11	2	2	
Calcium (Ca)	1 mg/l	1	16	26	11	20	6	7	
Magnesium (Mg)	1 mg/l	3	5	8	6	4	5	5	
Enterococci	1 CFU/100ml	2	4	13	6	16	17	0	
Thermotolerant Coliforms	2 MPN/100ml	10	30	30	580	20	91	1	

* 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).

**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 -**

Twenty two on-site wastewater management systems were approved in 2013/2014 (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	18	0	1
AWTS	4	291	0
Other	0	0	0
Total	22	291	1

**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 2013/14 are illustrated in the following table.

	Premises licensed	Inspections undertaken	Number of Complaints
Places of Assembly	53	50	0
Temporary Places of Assembly	25	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 – 19 incidents were received, investigated and documented throughout 2013/14. 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 on-going 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 2013/14 Environment & Health staff are described in the following table.

Name	Position	Employment Status	Base Qualifications	Period Employed
Paul Bidgood	Director Development & Regulatory Services	Full Time	Compliance Officer	July '13 – June '14
Darren Fairbrother	Environmental Health Officer	Full Time	Environmental Health Officer	July '13 – June '14
Clare Harding	Environmental Health Officer	Full Time	Environmental Health Officer	July '13 – July '13
Madeline McKinnell	Environmental Health Officer	Full-Time	Environmental Health Officer	September '13 – June '14
Jenny Johnson	Regulatory Services Assistant	Full Time	Administration	July '13 – June '14
Vicki Duniam	Nurse Immuniser	Part Time	Nursing	July '13 – June '14
Mandy Cahill	Immunisation Nurse	Part Time	Nursing	July '13 – June '14
Pam Pattison	Immunisation Nurse	Part Time	Nursing	Mar '13 – June '14
Christine Kinch	Nurse Immuniser	Part Time	Nursing	May '14 – June '14



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 2013/2014 Operational Plan (Estimates) shows estimated and actual expenditure for the 2012/2013 financial year, as well as estimated expenditure for 2014/2015.

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* -
 - Ø Various Environment Health Australia quarterly seminars and State/National Conferences.

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.

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