

# Annual Report 2016-2017



CENTRAL COAST  
COUNCIL

[www.centralcoast.tas.gov.au](http://www.centralcoast.tas.gov.au)

# Annual Report

for the year ended 30 June 2017



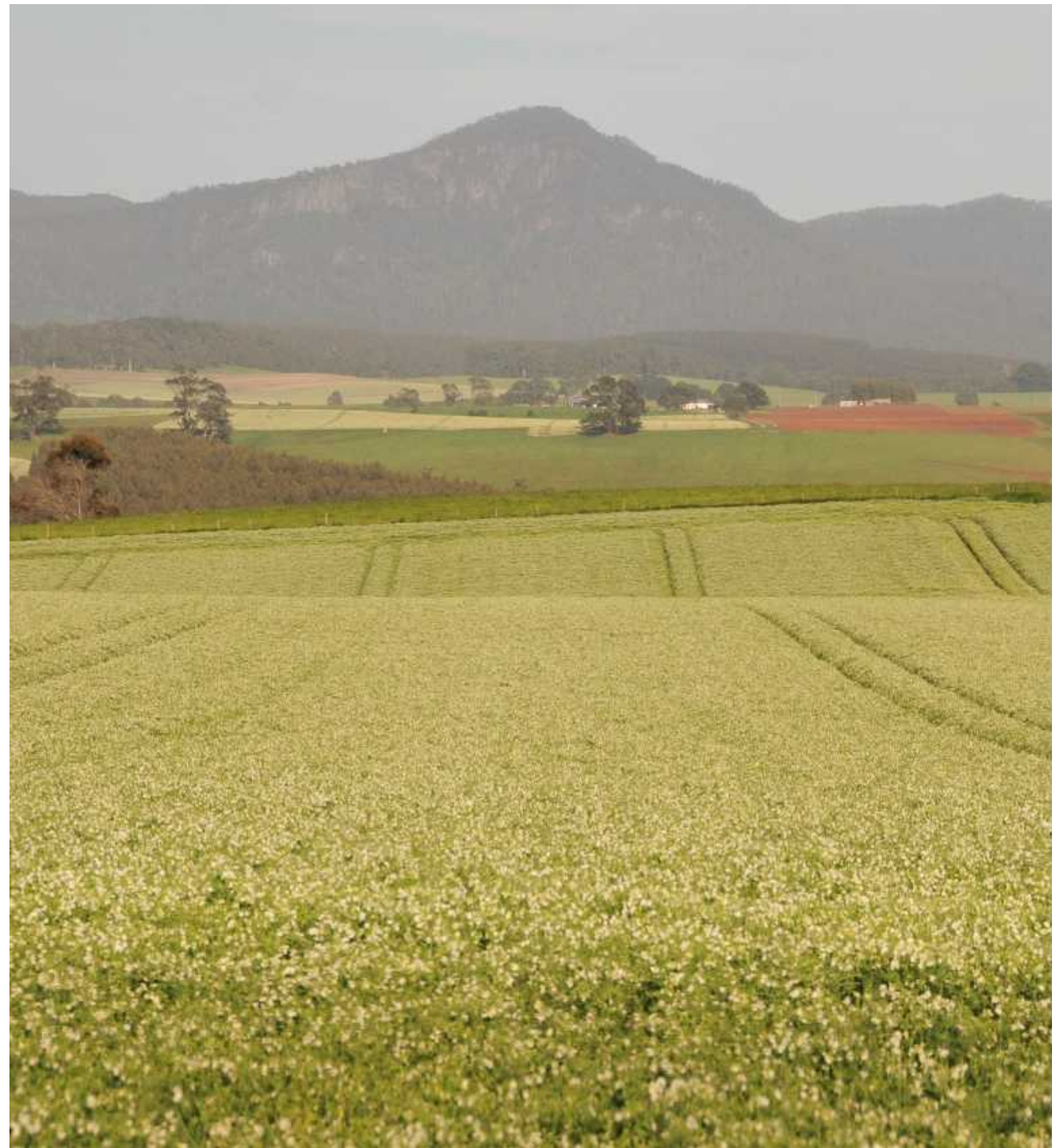


Photo acknowledgments: Robert Coward | Alastair Bett (F8 Photography) | Ingrid Karm Photography | Debra Lynch | Andrea Carey



## About this Annual Report

The Central Coast Council's Annual Report highlights the Council's performance against the 2014-2024 Strategic Plan and the 2016-2017 Annual Plan and Budget.

The Strategic Plan sets out five strategic directions for the Council, determining how best to target its resources and efforts.

The Strategic Plan is an integrated document which frames the Council's Annual Plan. The five key strategies are:

- 1 The Shape of the Place
- 2 A Connected Central Coast
- 3 Community Capacity and Creativity
- 4 The Environment and Sustainable Infrastructure
- 5 Council Sustainability and Governance

This Annual Report includes information about the Council's performance, achievements and challenges against each of the strategic directions within the 2016-2017 financial year, as well as an overview of the Council's services and operations.

This Annual Report structure aligns with the legislative obligations that are in the *Local Government Act 1993*. The Central Coast Council is committed to upholding open, transparent and accountable governance reporting. Our Annual Report aims to inform ratepayers, the community and stakeholders of the successes and challenges that the Council has faced throughout the 2016-2017 financial year.

Feedback or questions relating to the Annual Report are welcomed. If you wish to give feedback or raise a question, correspondence can be sent via:

Email: [admin@centralcoast.tas.gov.au](mailto:admin@centralcoast.tas.gov.au)  
Post: General Manager  
Central Coast Council  
PO Box 220  
Ulverstone 7315

1	THE VISION, OUR VALUES AND OUTCOMES	6
2	CENTRAL COAST TASMANIA	7
	About Central Coast	8
	Statistics	11
3	A YEAR IN REVIEW	12
	Mayor's and General Manager's Report	14
	Our Successes	18
	Financial Overview	21
	Event Highlights	24
4	YOUR COUNCIL	30
	Councillors	32
	Statement of Allowances and Expenses Paid to Elected Members	38
	Council Meetings	38
	Meeting Attendance	38
	Senior Leadership Team	39
	Organisational Chart	42
	Remuneration of Senior Employees	43
	Staffing Statistics	43
	Staff Management and Culture	44
5	STRATEGIC PERFORMANCE	46
	Reporting Performance	48
	- The Shape of the Place	49
	- A Connected Central Coast	54
	- Community Capacity and Creativity	58
	- The Environment and Sustainable Infrastructure	62
	- Council Sustainability and Governance	68
6	STATUTORY REPORTING	76
	Public Interest Disclosures	78
	Complaints	79
	Code of Conduct Complaint	79
	Statement of Activities	79
	Joint Authorities	79
	Public Health Statement	83
	Statement of Land Donated	83
	Grants, Assistance and Benefits Provided	84

	Contracts for the Supply of Goods and Services	85
	Governance and Legislative Requirements	86
	Public and Environmental Health Report	89
7	<b>STATISTICS</b>	<b>104</b>
	Community Assets	106
	Building	108
	Planning	109
	Environmental Management Processing Times	110
8	<b>FINANCIAL REPORT COMMENTARY</b>	<b>112</b>
	Financial Report Commentary	114
	Explanation of Financial Statements	121
	Financial Report and Audit Opinion	125



*Cover photo: Gawler to the Dial - by Robert Coward*

*The Dial Range is a 5,200ha recreational area of forest reserves stretching south from the town of Penguin to the hinterland. This chain of mountains and valleys is our most prominent natural landmark and was given its name because the silhouette of one of its summits resembles an ancient sun-dial. Its peaks include (from north to south) Mounts Montgomery, Dial, Gnomon, Duncan, Riana and Lorymer. A popular location for activities such as mountain biking, horse riding, fishing and bushwalking, the Range has over 50km of trails. It is also the start of the 80km Penguin-Cradle Trail which links with the world-famous Overland Track in the Cradle Mountain-Lake St Clair National Park.*



## The vision

*Central Coast –  
Living our potential*

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

## Our values

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

## Outcomes

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

Strategic Plan 2014–2024



About Central Coast  
Statistics

8  
11



## About Central Coast

Tasmania's Central Coast municipal area is set in the heart of the North-West Coast spanning an area of 932km<sup>2</sup>, and has a population of 21,851 people.

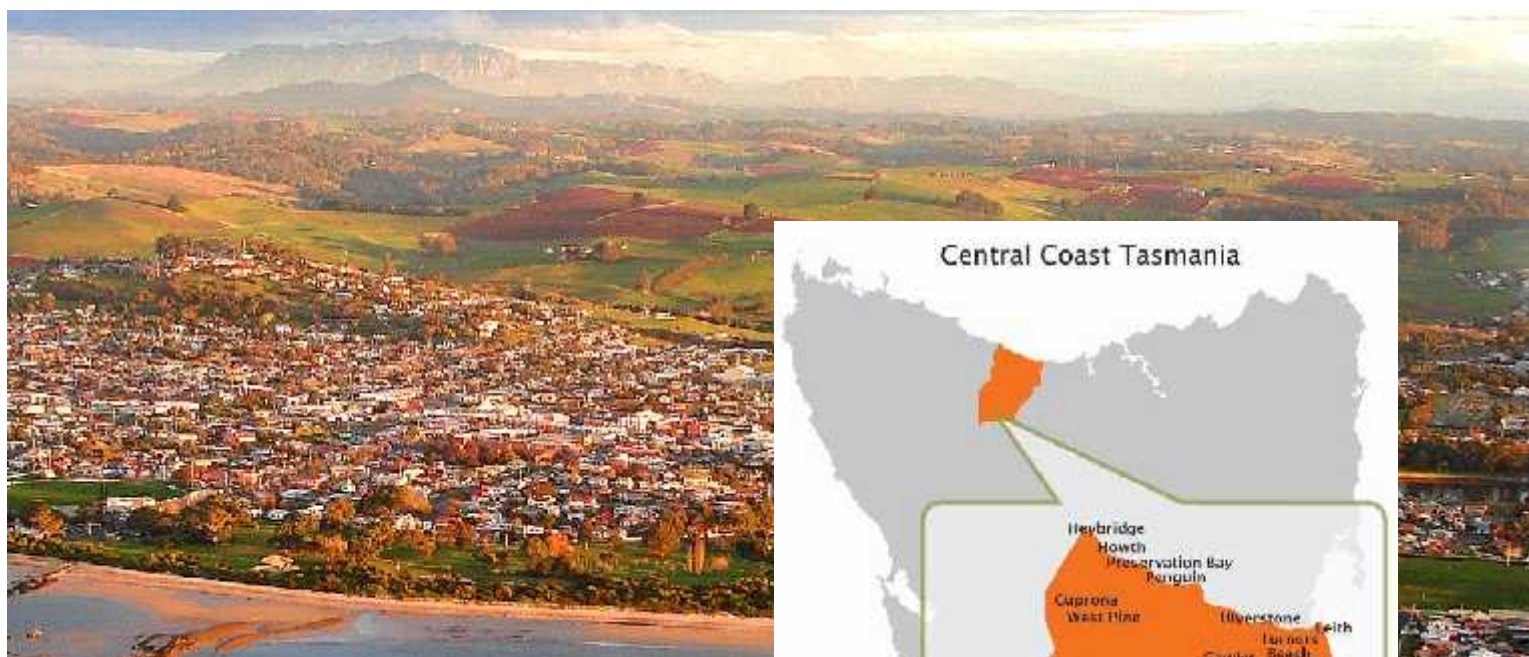
Extending westerly to the Blythe River and easterly just beyond the Forth River, from coastal beaches the boundary extends southwards through the fertile countryside to the rugged Leven Canyon, limestone caves and Black Bluff mountain range boasting snow-capped peaks in the depths of winter.

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 and nursing homes 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.

### Great Natured Place

It is not known who named Ulverstone, but it is certain it was named after Ulverston in Cumbria, England and is similarly built at the mouth of a Leven River. The district was loosely called The Leven decades before and after Ulverstone was officially gazetted in 1861 (pop. 15). Gangs of timber splitters, supplying shingles and palings to the Victorian goldfields, opened up the area's dense forests in the 1840s to reveal the rich basalt soil, ideal for growing potatoes, a staple of their diet, and today one of our largest production crops.

Local government commenced in 1852 in the form of the Devon Road Trust, with jurisdiction from Deloraine to Emu Bay. The first Ulverstone Town Board was elected in 1888 and was responsible for town affairs, with road trusts in charge of country areas and roads. They ceased with the introduction of the Local Government Act 1906, and elections were held in 1907 for the Penguin Municipal Council and Leven Municipal Council (became the Ulverstone Municipal Council in 1947).





The Central Coast Council and municipal area was created on 2 April 1993. As part of statewide local government reform, Central Coast was formed with the amalgamation of Forth/Leith (part of the City of Devonport), the Municipalities of Penguin (pop. 5,800) and Ulverstone (pop. 14,700) and a minor boundary adjustment with the Municipality of Kentish. The Council will mark 25 years of local government in 2018.



The *Central Coast Council Brand* (or logo) is a simple, striking identifier that represents what the organisation stands for, i.e. leading, creating, innovating for a vibrant community.

The corporate brand complements our place brand, known as *Coast to Canyon Brand* which represents the strengths of the area, i.e. our abundant natural spaces, superb location and quality lifestyle. A Coast to Canyon Brand gallery featuring the slogan 'Great natured place' and 'It's in our nature' message enhances place marketing outcomes for our industry and community stakeholders across a range of Council portfolios.



Ordinary meetings of the Council are held on the third Monday of each calendar month, excluding January and December. The January meeting is held on the fourth Monday and the December meeting is on the second Monday. Meetings are held in the Council Chamber, 19 King Edward Street, Ulverstone and are open to the public. Meetings commence at 6pm, and at 6.40pm 30 minutes are allocated to the public to ask questions of the Council. Agendas and minutes are available from either the Administration Centre or the Service Centre, or can be accessed on the Council's website.

Special meetings of the Council are held infrequently as required, and an Annual General Meeting is held in November.

The principal legislation establishing the powers and functions of the Council is the *Local Government Act 1993*.



## Statistics

General Statistics	2015-2016	2016-2017
Area	932km <sup>2</sup>	932km <sup>2</sup>
Population (ERP)	22,401	21,851
No. of Electors	16,440	16,680
Rateable Properties	10,823	10,869
Percentage of Receipts Received Electronically	68%	71%
Assets	2015-2016	2016-2017
Buildings (select)		
Aged Persons Units	77	77
Public Toilets	36	37
Barbecue Huts	20	21
Picnic Huts	7	7
Bus Shelters	41	41
Roads		
Urban - Sealed/Unsealed	137km/1km	137km/1km
Rural - Sealed/Unsealed	408km/122km	408km/122km
<i>Total Roads</i>	<i>667km</i>	<i>667km</i>
Bridges	85	85
Footpaths/Recreational Pathways	150km	151km
Drainage		
Pipeline Length	137km	137km
Waste Management		
Transfer Stations and Resource Recovery Centre	4	4
Recreation		
Recreation Grounds	11	11
Parks and Open Spaces	100	100
Percentage Achieved of Capital Works Program	66.4%	70.3%



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

Strategic Plan 2014–2024



Mayor's and General Manager's Report	14
Our Successes	18
Financial Overview	21
Event Highlights	24



## Mayor's and General Manager's Report

We have great pleasure in presenting the Central Coast Council Annual Report 2016-2017. The past year would be described as a busy one, highlighted by several major projects and clear and identifiable progress towards achieving the strategies outlined in the Council's Strategic Plan 2014-2024.

Our vision is 'Central Coast – Living our potential'. Central Coast is a vibrant thriving community that continues to draw inspiration and opportunities from its natural beauty, land and people and connected by a powerful sense of belonging. As a part of the development of the Council's Annual Plan, Councillors and staff ensured that any actions that were set for undertaking throughout the year, had a positive impact on the vision for Central Coast. We believe that the Council has fulfilled many of its strategic objectives which were outlined in the 2016-2017 Annual Plan.

The construction of the Dial Regional Sports Complex has been a highlight over the last 12 months, with completion expected by February 2018. This will allow the Complex to be utilised for the 2018 football and cricket seasons. The cost of the project is \$10.5m., with the Australian and Tasmanian Governments and Central Coast Council each contributing \$3.5m. to the project.

With users of the former Penguin Recreation Ground moving to the Dial Regional Sports Complex, a Master Plan has been developed for the use of this strategic piece of land in the Penguin township. After significant consultation and input from stakeholders, the 'Think Tank' team and the community, a final Master Plan was adopted by the Council at its June 2017 meeting.

It has been wonderful to see many infrastructure improvement/renewal programs progressing throughout the municipal area. These include renewal of the Hobbs Parade pathway and drainage works, Leven Street footpath, construction of River Road (Heybridge) footpath, and many works in the rural area due to the floods of June 2016.

Work has progressed on the development of a Dementia-Friendly Framework, our guide and resource for transforming the Central Coast into a dementia-friendly community. Dementia is an umbrella term for a number of conditions that progressively affect a person's cognition, memory and behaviours. The consequences of dementia are not just felt on an individual level – dementia has profound social impacts that can diminish quality of life for people with dementia and their caregivers. Central Coast is committed to enhancing community wellbeing and positive ageing to help the community to live its potential. The Council recognises that meeting the challenges of dementia will require a whole-of-community approach joining the growing network of dementia-friendly communities worldwide.



Throughout the year, we made regular visits to businesses within Central Coast. These provide an insight into varied industries and identify some of the strengths in our municipal area as well as providing an understanding of some of the issues businesses have faced. Visits were made to Wing's Wildlife Park, Kindred Organics, Penguin Composites, Iso-Tech Engineering, Discovery Early Learning Centre and Simplot Ulverstone.



Viewing one of two traverse caravans (pictured) destined for Antarctica was a highlight of a visit to Penguin Composites.

During the year the Council held 10 citizenship ceremonies on behalf of the Department of Immigration and Border Protection, with the most popular being the Australia Day ceremony on 26 January. Mayor Jan Bonde presided over these ceremonies, with 24 conferees pledging their allegiance to Australia and its laws, coming from countries that included Canada, India, Moldova, Myanmar, Netherlands, Philippines, Russian Federation, South Africa, Taiwan, Thailand, the United Kingdom and United States. We welcome new citizens who have chosen Central Coast as their community of choice.

The Council ended the year in a healthy financial position. The financial statements show a net operating surplus of \$7,358,563. This surplus, when adjusted for income received specifically for capital projects, flood reimbursements and the changes to timing of receipt of the Commonwealth Federal Assistance Grants, produced an underlying surplus of \$1,428,000 against an estimate of \$847,600.

The audited financial statements were prepared in accordance with the requirements of the Australian Accounting Standards, the statements are included in the latter part of this report. It is pleasing to be able to report that we received an unqualified audit opinion from the Tasmanian Audit Office. As in previous years, the challenges facing



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

A total of 235 planning permits were lodged with the Council during 2016-2017, which is a 14.6% increase over the number lodged in the previous year. A total of 177 building permits were lodged during the year, with an estimated value of these building works being \$31,463,410.

The Council plays a significant role lobbying on behalf of its community for funding opportunities to support major infrastructure projects. During 2016-2017, the Council successfully sought more than \$7.5m. for community projects. There were only two unsuccessful applications, with advice pending on two other funding submissions.

One of the topics that has been exercising the mind of Council in the last 12 months has been the State Government's proposed takeover of TasWater. The Council is a strong supporter of TasWater in its current form. While there have been issues with TasWater operations, the majority of these have now been addressed with an independent board which has allowed for due diligence and a wide range of skills to ensure that we are moving towards 'best practice'.

The Council does not believe that the proposed takeover of TasWater by the State Government is in the interest of our ratepayers. The process has been flawed from the outset, has not included a consultative approach by the State Government, and has lacked data coming from the State Government to TasWater and its owners to support their assertions.

The Council's success is the result of the collegiate relationship between the Mayor and Councillors and the General Manager and her staff. Together we are working as a unified team to deliver vital services and positively influence the lives of our community. As can be seen in the subsequent pages of this report, we have had many achievements this



year, and no doubt there will be many more to come as we continue working towards our community's vision for Central Coast.

We would like to take this opportunity to thank the many people who took part in our community engagement activities, the Councillors for their hard work and achievements whilst representing the Central Coast community, and our staff for their commitment to achieving a high level of performance and service delivery in all they do.



Councillor Jan Bonde  
MAYOR



Sandra Ayton  
GENERAL MANAGER



## Our Successes

Significant progress was made on many of the Council's projects, despite the impact felt from the June 2016 floods. These achievements will bring lasting benefit to Central Coast, its residents and visitors. Along with our success, unfortunately comes some level of disappointment; however, this is not due to lack of effort and only motivates us for greater improvement in the coming year.

- The commencement of the 2016-2017 financial year saw the Council facing the challenge of working with the community on recovery from the **June 2016 floods**. Whilst the impact of the floods is still being felt, Central Coast and the community commenced the road to recovery determined, and with a spirit of togetherness. BlazeAid (volunteer-based organisation) arrived in Central Coast in June 2016, laden with equipment and materials and practical knowledge to assist in the recovery of farm infrastructure, and with them brought an array of volunteers who provided not only manual labour, but offered support and friendship in a difficult time. The Council would like to recognise staff, community members, organisations and neighbours who gave so generously and contributed to the community's ongoing flood recovery. The Council was successful in obtaining \$850,950 from the Australian Government's National Disaster Relief and Recovery Arrangements program and \$144,431 from insurance claims.
- The allocation of **Federal and State funding** enables the Council to achieve many of the infrastructure upgrades, renewals and recreational projects. In 2016-2017, \$8,708,129 worth of grants was applied for, with the Council successful in obtaining \$7,546,129 in funding. This funding contributed to the Dial Regional Sports Complex, Wongi Lane upgrade, West Ulverstone pontoon upgrade, Victoria Street and Beach Road intersection, Ulverstone Showground lighting, installation of solar panels at the Ulverstone Showground building and varied smaller community-based projects.
- The two major capital projects for the year were the **Dial Regional Sports Complex and the Penguin Recreation Ground**. Construction of the Dial Regional Sports Complex was well under way by the end of the financial year. Works progressed steadily throughout the year, with a scheduled completion date set for February 2018. The Complex will be a wonderful addition to Central Coast and the region, providing a facility that will sustainably meet a variety of sport and recreation facilities and activities in the long-term. The Penguin Recreation Ground Master Plan was adopted by the Council in June 2017. Once the relocation of the Penguin

Football and Cricket Clubs to the Dial Regional Sports Complex facility has been finalised, the implementation of actions will commence; however, some projects will be determined by available funding.

- Our **community morning teas** have been a regular event since 2013. In 2016-2017, the Council held morning teas in Riana, Gunns Plains-Preston, Sprent and surrounding districts, Sulphur Creek-Preservation Bay, and North Motton-Gawler. Held in an informal setting, these events provide residents an opportunity to get to know their elected members and senior staff, including a forum to raise local concerns, whilst enjoying morning tea provided by the Council in conjunction with community groups.
- In June 2016, the Council adopted the **Central Coast Local Food Security Strategy** and as part of the Strategy's first-year implementation of actions, the Council entered the Heart Foundation's 2017 Local Government Awards for councils with populations between 10,000 and 50,000 people. The awards recognise and showcase councils working to improve heart health through building a sense of community, encouraging people to be physically active, be smoke-free and make healthy food choices. Some of the actions undertaken in collaboration with the community were the release of over 1,800 Healthy Eating brochures, Healthy Food Recipes campaign, and the (Australian Red Cross) FoodREDi food education program. It is pleasing to report that the Council was awarded State winner by the Heart Foundation. This award acknowledges the success of the actions identified within the Strategy, recognising that the project is creating positive health outcomes. It is the first Local Food Security Strategy for local government in Tasmania.



An initiative of the Central Coast Local Food Security Strategy, Healthy Food Recipes have been a successful social media campaign partnership for Council and local businesses.



### Improvements

- Whilst we saw positive reaction to the June 2016 floods, unfortunately, the impact saw damages in excess of \$5.1m. to Council assets and the municipal area. This resulted in \$520,000 of capital works projects, along with \$403,000 of budget adjustments being adopted by Council at its September 2016 meeting. This resulted in projects for the following year being deferred, including Gawler River Bridge–Isandula Road, Preston Road and Wongi Lane upgrade. Kings Parade–Queen’s Garden and urban reseals budget allocations were reduced along with a number of smaller developments. These projects will remain on the Council’s schedule into the future.
- The Council was unsuccessful in its grant application of \$450,000 to the Regional Revival Fund – Department of State Growth. The funding would have seen the construction of a shared pathway between Turners Beach and Leith.
- The lack of progress in the handover by State Government of Preservation Drive has been disappointing. The Council is still pursuing the handover of this asset to allow us to progress the development of the shared pathway in this area.



## Financial Overview

Our community expects and deserves an efficient and productive organisation that can deliver service and value for money. As the custodian of our community's assets, it is the Council's obligation to ensure that these assets are managed in a responsible way for the benefit of present and future generations.

I am pleased to report that the Council's financial position remains strong, with a net surplus result of \$7.35m. for the 2016-2017 year. As with all councils, it is crucial that we provide core services for the community along with continuing work on our capital works projects including renewal of our existing assets.

In preparing estimates for each year we must continue to deliver the basic services to our community as well as balancing the competing priorities of required services and the continuation of strategic directions/initiatives.

A snapshot of our key 2016-2017 financial results includes:

- Total income of \$32.41m. against a budget of \$31.70m.
- Total expenses of \$25.05m. against a budget of \$24.15m.
- Total assets of \$533m. which is up 4.72% from the previous year
- Net assets of \$513m. which is up 3.01% from the previous year
- Total liabilities of \$19.8m. which is up 17.76% from the previous year

Rates and charges revenue is the most significant source of revenue to the Council, representing 44.88% of the Council's operating revenue for the year.

Total liabilities increased by \$8.67m. primarily due to the Council participating in the State Government's Accelerated Local Government Capital Program. This allowed us to accelerate some capital works over the next five years, paying the funds back to the State Government in five years' time. These loans are interest free (for up to five years) and the Council has budgeted to repay the loans in full at the end of this period.

Expenses were higher than expected due to the flood event of June 2016, pleasingly this has been offset by the increase in revenue for the year.

A key measure of financial sustainability is the underlying operating result, which identifies whether the Council is generating enough revenue to cover operating



expenses and includes the cost of replacing our assets. The Council's underlying surplus was \$1,428,000 against an underlying surplus budget of \$847,600.

The seven financial sustainability indicators as assessed by the Tasmanian Audit Office are:

- Operating margin ratio;
- Current ratio;
- Net financial liabilities ratio;
- Asset sustainability ratio;
- Asset consumption ratio;
- Self-financing ratio; and
- Own source revenue.

It is pleasing to note that the Council has performed satisfactorily against these indicators. The audited financial statement can be found from page 125 of the Annual Report.

### Key Financial Performance Information

	2015-2016	2016-2017
Current Assets	\$7,963,964	\$17,949,724
Current Liabilities	\$5,285,735	\$6,291,313
Non Current Assets	\$501,308,001	\$515,468,500
Non Current Liabilities	\$5,886,067	\$13,551,768
Net Wealth of the Council	\$498,100,163	\$513,575,143
Rate Revenue	\$13,982,962	\$14,542,980
Operating Revenue	\$24,955,971	\$32,407,304
Operating Expenditure	\$24,724,421	\$25,048,741
Operating Surplus (Deficit)	\$231,550	\$7,358,563
Loan Debt	\$3,061,596	\$10,600,380
Total Employee Costs	\$10,767,092	\$10,838,192
Number of Full-time Equivalent Employees	137	137.5
Rates Outstanding	1.63%	1.81%



### Financial Sustainability Indicators

	2015-2016	2016-2017
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



## Event Highlights

During the year the Council has hosted and supported a considerable number of events, some of the bigger events included Australia Day and Volunteer Week.

In October 2016, the Council participated in Seniors Week, providing our senior citizens a full and varied program which focused on encouraging participants to be 'out and about'. Some of the activities provided were a coach tour which travelled to Derwent Bridge in Tasmania's Central Highlands, via the Great Lakes, to experience one of Australia's most ambitious art projects, The Wall in the Wilderness. The weather decided to turn on a spectacle, with the 95 participants experiencing snow in October. It was a great trip for those who attended. Another group headed along the picturesque North-West Coast to Arthur River. This trip saw group members witness the damage of the bush fires that swept through the area in late 2015. The Deloraine District Discovery tour was well supported, with this group visiting local attractions such as Ashgrove Cheese, the Meander Dam and Mole Creek.

Ladies open day was held at the Community Shed, which was a great event to help 'sharpen' up the ladies' woodworking and machinery skills. The Shed also hosted a 'meet n greet' barbecue and open day for the gents.

During November 2016, Central Coast was fortunate to host the Veteran Car Club of Australia's National Rally. It was an absolute delight to see our community filled with pre-1919 veteran cars that have been kept in pristine condition. Reibey Street, Ulverstone was a hype of activity when the gas-light parade was held; this saw the cars parading up and down Reibey Street with many of the drivers and their passengers dressed in period attire. This event was enjoyed by the many onlookers who lined the street in admiration. During their trip, rally entrants visited Ulverstone High School and stopped for morning tea at Sprent Primary School on their way to the Leven Canyon.

Veteran cars on display for the public in Anzac Park





## Events Calendar

Calendar	Council Held	Council Supported
July 2016		Cradle Coast Regional Tourism Awards
August 2016	Riana community morning tea Central Coast Youth Engaged Steering Committee and Central Cost Chamber of Commerce and Industry - Business Breakfast	TastroFest - Tasmania's Astronomy Festival
September 2016	Penguin Family Fun Day	"Methanga to Nietta, A History of the Ulverstone to Nietta Railway" book launch
October 2016	Seniors Week program of events	Ulverstone Show Central Coast Chamber of Commerce and Industry - Business Awards Leven District Scouts - Yankee Auction Bicycle Network - Peaks Challenge Cradle Mountain Cycling Australia - Tour of Tasmania
November 2016	Gunns Plains community morning tea Australian Army Band Concert	ArtEx - Cradle Coast Rotary Art Exhibition Veteran Car Club Australia - 2016 National Rally
December 2016		Christmas parades and celebrations Tasmanian Sports Carnivals - Ulverstone Criterium
January 2017	Australia Day Celebration	
February 2017		Rotary Clubs of Ulverstone and Ulverstone West, and Rotaract Club of Central Coast - Festival in the Park Triathlon Tasmania - Ulverstone Triathlon North West Motorcycle Show

## Events Calendar cont.

Calendar	Council Held	Council Supported
March 2017	Sulphur Creek community morning tea	Forth Valley Blues Festival Bupa KidFit Series - KidFit Triathlon Cancer Council Tasmania - Relay for Life
April 2017		Targa Tasmania Anzac Day commemorative services
May 2017	National Volunteer Week program of events Recognise Your Volunteers Sprent community morning tea	RSPCA Million Paws Walk Mersey Valley Devonport Cycling Club - Time Trials Rotary Tasmania - Youth Driving Program
June 2017	North Motton community morning tea All About Arts - Central Coast Youth Engaged Steering Committee project	Leven Regional Arts - Arts on Fire

## Australia Day Celebration

On 26 January 2017, the Council celebrated Australia Day by hosting Breakfast by the Leven in Anzac Park. The day once again turned on the weather and a large crowd gathered to enjoy a free barbecue breakfast cooked by volunteers from our local service clubs – Rotary Club of Ulverstone, Lions Clubs of Ulverstone and Forth Valley. The Ulverstone Municipal Band captivated the crowd during breakfast, which enhanced the celebration's atmosphere.

A number of local community members were awarded as a part of the national Australia Day Awards. Pam Ingram was awarded the Central Coast Citizen of the Year for her dedicated service to the community.



Pam Ingram, Citizen of the Year  
(Photo courtesy of The Advocate)

Young Citizen of the Year was awarded to Mieke van Rooyen for her service to Girl Guides and the community. The Ulverstone Repertory Theatre Society was awarded Community Event of the Year for the 2015 Christmas Carols. At the conclusion of the awards ceremony, another talented local, Patrick Murphy, entertained the crowd with his singing and musical talents.



Mieke van Rooyen, Young Citizen of the Year (Photo courtesy of The Advocate)

Bianca Welsh, the 2016 Tasmanian Young Australian of the Year Finalist and Youth Ambassador, attended as our Australia Day Ambassador. Bianca is a business woman who, alongside her business interests, has undertaken a psychology degree and is heavily involved within her own community, with a particular interest in youth and mental health issues, as well as promoting Tasmanian produce. It was fantastic to hear her story of how hard work and determination can lead to huge success.

As a part of the celebrations, a formal citizenship ceremony was held, with four new Australian citizens proudly making their pledge.

Children were kept busy with various activities on offer throughout the morning. Fortunately for attendees, the Council received funds via the Australia Day Great Ideas Grant Program which, with the assistance of the Ulverstone Cricket Club and Ulverstone Tennis Club, provided free Kanga Cricket and Hot Shots Tennis for families to enjoy on the day.



Australia Day 'Breakfast by the Leven'

### National Volunteer Week

Volunteering is the backbone of our communities. Without volunteers, many of our services, events and festivals just wouldn't happen. In celebration of Volunteer Week (9-15 May 2017), the Council held a ceremony and afternoon tea on 12 May at the Gnomon Pavilion to recognise the valuable contributions of our local volunteers.

Nominations were received from organisations who wished to recognise volunteers who had completed 2,000, 5,000 and 10,000 hours of service. From the nominations submitted, 146 volunteers were presented with certificates by Deputy Mayor Kath Downie and General Manager Sandra Ayton, in recognition of their efforts and contributions.

The event was lucky enough to have the delightful Brooke Farrelly of Penguin, speak in relation to her experiences with volunteering and most importantly, why people should volunteer and the benefits gained from doing so. Students from Ulverstone High School performed musical pieces throughout the event, showcasing their many talents.

As part of seeking to develop our volunteering base, the "Lending a Hand - it's in our nature" booklet was launched at the function held at the Gnomon Pavilion during Volunteer Week. The booklet is a culmination of volunteering organisations providing a point of reference for anyone seeking to volunteer in the community. The booklet is available on the Council's website and from the Administration Centre and Service Centre.

(From top to bottom) Students entertain and the "Lending a Hand" booklet is launched at the National Volunteer Week ceremony

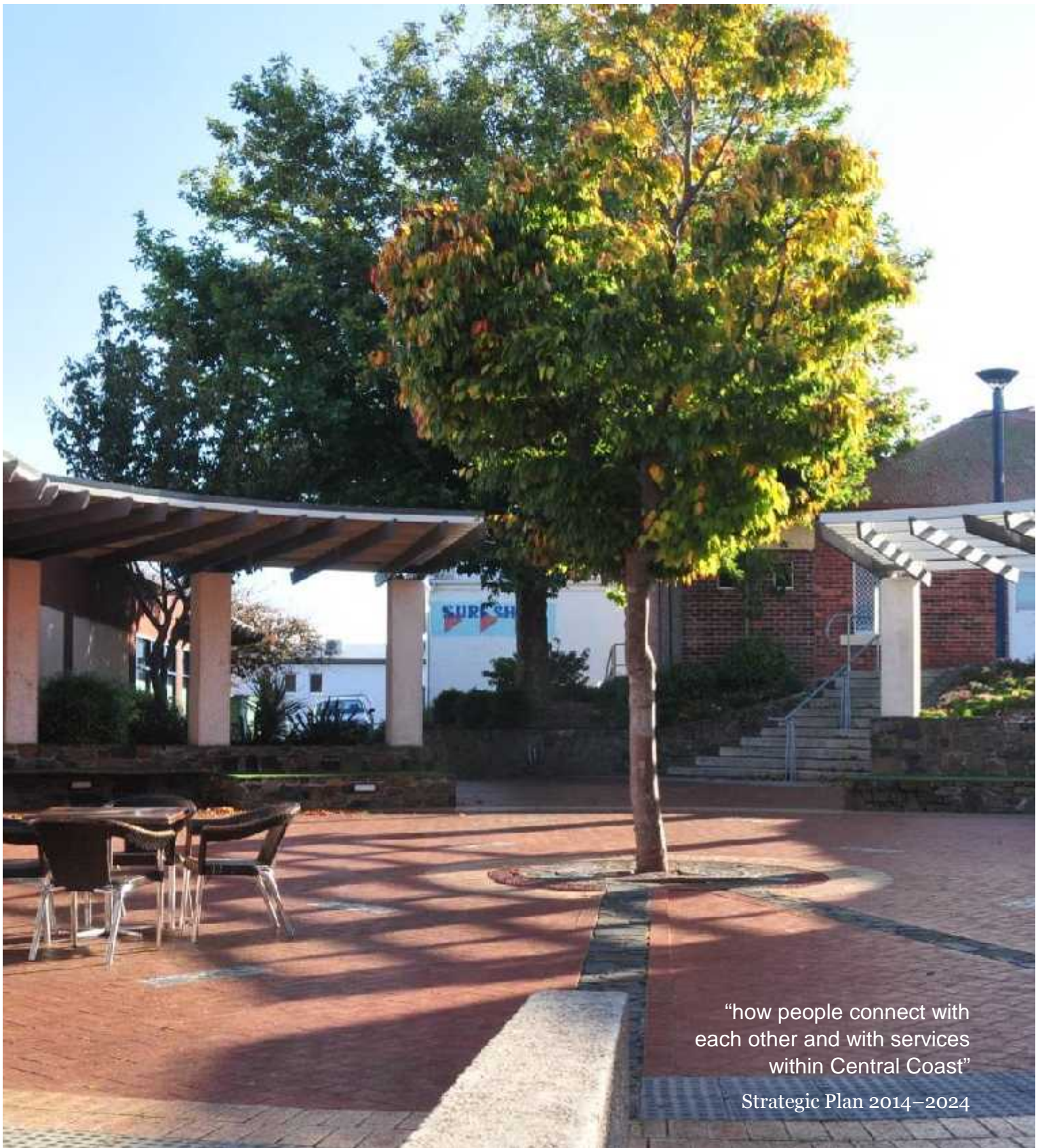




To recognise our younger volunteers, students from Ulverstone High School participated in the 'Nominate a Mate' program facilitated by the Council. The program was designed to recognise students contributing to their school and broader community through volunteering roles. The Council received a good response to the program, with 16 students nominated, resulting in two students being recognised for their outstanding service and commitment to volunteering. Students were presented with Certificates of Acknowledgement at a whole-of-school assembly by Mayor Jan Bonde.



National Volunteer Week recognition event



“how people connect with  
each other and with services  
within Central Coast”  
Strategic Plan 2014–2024



Councillors	32
Statement of Allowances and Expenses Paid to Elected Members	38
Council Meetings	38
Meeting Attendance	38
Senior Leadership Team	39
Organisational Chart	42
Remuneration of Senior Employees	43
Staffing Statistics	43
Staff Management and Culture	44





## Councillors



**Mayor Councillor Jan Bonde**

### Elected

Councillor 28.10.2005–29.10.2009–  
31.10.2014–(2018)

Deputy Mayor 29.10.2009–16.11.2010  
Mayor 16.11.2010–(2018)

**M: 0408 545 584**

**E: [jan.bonde@centralcoast.tas.gov.au](mailto:jan.bonde@centralcoast.tas.gov.au)**

Mayor Bonde's professional background is in business and agriculture; her qualifications include a Graduate Certificate in Business.

Cr Bonde has been actively involved with Women in Agriculture, Girl Guides Australia, the Central Coast Chamber of Commerce and Industry, and community volunteering for many years. She is a current Board member of Island Care, Residential Aged Care.

### External Representation

- Chief Representative - Cradle Coast Authority Representatives Group
- Member - Premier's Local Government Council
- Member - General Management Committee of the Local Government Association of Tasmania
- Member - TasWater Board Selection Committee

### Council Committees and Advisory Groups

- 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 - Annual General Meeting, General Meetings and General Management Committee
- Mersey-Leven Emergency Management Planning Committee
- Premier's Local Government Council
- TasWater Owners' Representatives Group



*Deputy Mayor* Councillor **Kathleen Downie**

#### Elected

Councillor 28.10.2011–31.10.2014–(2018)  
Deputy Mayor 31.10.2014–(2018)

M: 0408 442 293

E: [kathleen.downie@centralcoast.tas.gov.au](mailto:kathleen.downie@centralcoast.tas.gov.au)

The Deputy Mayor's professional background is in education and, with her husband Mike, she has been the proprietor of two small businesses, namely, the South Riana Shop and the Penguin Market Lolly Shop.

Cr Downie's qualifications are in Education and she completed a Bachelor Degree in Tourism in 2010. She is a lifelong learner and believes one can never learn too much.

#### Council Committees and Advisory Groups

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



Councillor **John Bloomfield**

#### Elected

Councillor 28.10.2011–31.10.2014–(2018)

M: 0418 140 135

E: [john.bloomfield@centralcoast.tas.gov.au](mailto:john.bloomfield@centralcoast.tas.gov.au)

Cr Bloomfield has resided in Ulverstone since 1957 and during his professional career was the proprietor of Bloomfield Toyota and Bloomfield Realty.

Cr Bloomfield has been a State Board member for the Royal Automobile Club for nine years, Justice of the Peace since 1990, Bench Justice in Magistrates Court since 2003, Board member of Governing Council at Marist College since 1982 and is a member of Red Cross. He has previously been a member of the Commonwealth Government Schools Commission Planning and Finance Committee and State President of the Real Estate Institute.

#### Council Committees and Advisory Groups

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



Councillor **Shane Broad** (Resigned)

#### Elected

Councillor 28.10.2011–31.10.2014–7.4.2017 (resigned)

Cr Broad has a Doctorate in Agricultural Science and has worked in various professional fields including agriculture, finance, education, science, and in government at all levels.

In April 2017, after a House of Assembly recount, Cr Broad was elected as the Member for Braddon in the Tasmanian Parliament and subsequently resigned as a Councillor.

#### Council Committees and Advisory Groups

- Australian Masters Games Steering Committee (Liaison)
- Central Coast Chamber of Commerce and Industry Inc. (Liaison)
- Councillors Code of Conduct Panel (to 20.6.2016)
- Development Support Special Committee



Councillor **Garry Carpenter**

#### Elected

Councillor 16.11.2010 (by-election)–31.10.2014–(2018)

Deputy Mayor 18.11.2013–31.10.2014

M: 0407 376 256

E: [garry.carpenter@centralcoast.tas.gov.au](mailto:garry.carpenter@centralcoast.tas.gov.au)

Cr Carpenter has been self-employed for 37 years and is heavily involved with the agricultural industry and currently operates three dairy farms. He is a Director/Treasurer with Holstein Australia and sits on the Audit and Member Strategic Directions Committees.

#### Council Committees and Advisory Groups

- Caves to Canyon Tourism Association (Liaison)
- Central Coast Shared Audit Panel
- Councillors Code of Conduct Panel (to 20.6.2016)
- Cradle Coast Authority Representatives Group
- Development Support Special Committee
- Dulverton Regional Waste Management Authority Representatives Group



Councillor **Amanda Diprose**

#### Elected

Councillor 29.10.2009–31.10.2014 |  
27.4.2017 (vacancy recount)–(2018)

M: 0400 173 045

E: [amanda.diprose@centralcoast.tas.gov.au](mailto:amanda.diprose@centralcoast.tas.gov.au)

Cr Diprose was re-elected to Council in April after a recount for the vacancy created with Cr Shane Broad's election to the Tasmanian Parliament.

Cr Diprose's professional career has encompassed varied industries, including retail, community care, Trades and Labour Council, and in more recent years, has held the role of Electorate Officer for three Tasmanian Senators.

Outside of her role as councillor, Cr Diprose sits on the Tasmanian Health Service Community Engagement Reference Group (consumer representative) and Ulverstone High School association committees.

#### Council Committees and Advisory Groups

- Development Support Special Committee



Councillor **Gerry Howard**

#### Elected

Councillor 3.11.2007–29.10.2009–31.10.2014–  
(2018)

M: 0429 211 111

E: [gerry.howard@centralcoast.tas.gov.au](mailto:gerry.howard@centralcoast.tas.gov.au)

Cr Howard has been involved in the Central Coast community for many years. Prior to becoming a councillor, he was President of the Mission Hill Neighbourhood Watch group, life member of the Penguin Football Club and member of the Lions Club of Penguin.

Outside of his role on Council, Cr Howard is a member of the Ulverstone Red Cross, RAAF and Heybridge Improvement Association.

#### Council Committees and Advisory Groups

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



**Councillor Rowen Tongs**

**Elected**

Councillor 28.10.2011–31.10.2014–(2018)

M: 0418 144 343

E: [rowen.tongs@centralcoast.tas.gov.au](mailto:rowen.tongs@centralcoast.tas.gov.au)

Cr Tongs has resided in Ulverstone since childhood and has operated his sheet-metal business for the past 29 years. He has a special interest in providing mentorship/work experience for local, disengaged students.

Cr Tongs has been heavily involved with speedway racing for 40 years, and the Variety Children's Charity for the past 27 years.

In 2012, he was awarded the Paul Harris Fellow by the Rotary Club of Ulverstone West, and on Australia Day in 2010, received an award for his services to the community.

**Council Committees and Advisory Groups**

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



**Councillor Tony van Rooyen**

**Elected**

Councillor 28.10.2005–31.10.2014–(2018)

Deputy Mayor 14.6.2010–28.10.2011

M: 0456 216 390

E: [tony.vanRooyen@centralcoast.tas.gov.au](mailto:tony.vanRooyen@centralcoast.tas.gov.au)

Cr van Rooyen has resided within Central Coast most of his life and during his professional career operated several businesses within the area. He is proud of the development in Central Coast during the last years and is honoured to have been part of the decision-making process.

**Council Committees and Advisory Groups**

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



Councillor **Philip Viney**

#### Elected

Councillor 29.10.2009–31.10.2014–(2018)

P: 6425 5388

E: [philip.viney@centralcoast.tas.gov](mailto:philip.viney@centralcoast.tas.gov).

Cr Viney has resided in Ulverstone since 1965 and has been trained and qualified as a professional accountant, practising in the Central Coast area since 1980, and has owned and operated his own certified practicing accountancy firm in Ulverstone since 2002.

Cr Viney is currently the Chairman of the Tasmanian Lions Foundation, Justice of the Peace, Treasurer of Switch Tasmania and President of the East Ulverstone Cricket Club.

#### Council Committees and Advisory Groups

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



## Statement of Allowances and Expenses Paid to Elected Members

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

Councillors' allowances	\$259,834.71
Councillors' expenses	\$52,983.28

## Council Meetings

2016 Dates	2017 Dates
Monday 18 July	Monday 23 January
Monday 15 August	Monday 20 February
Monday 19 September	Monday 20 March
Monday 17 October	Wednesday 19 April
Tuesday 8 November – Annual General Meeting	
Monday 21 November	Monday 15 May
Monday 12 December	Monday 19 June

## Meeting Attendance

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

Councillor	Council Meetings	Councillors' Workshops
Bloomfield, John	13	30
Bonde, Jan	13	29
Broad, Shane (to 7.4.2017)	9	20
Carpenter, Garry	12	26
Diprose, Amanda (from 27.4.2017)	1	4
Downie, Kathleen	13	23
Howard, Gerry	13	30
Tongs, Rowen	10	23
van Rooyen, Tony	13	28
Viney, Philip	12	24
<i>Total meetings</i>	<i>13</i>	<i>31</i>

Council meetings include Special Council meetings.



## Senior Leadership Team



General Manager

**Sandra Ayton**, B.Com, CPA, MBA, MPubPolGov

### Appointed

July 2008

Sandra Ayton is a Certified Public Accountant, has a Bachelor of Commerce, Master of Business Administration (Human Resource Management), and Master of Public Policy and Governance.

As General Manager, she is head of the Council's staff and principal adviser to the Council. She is responsible for Council day-to-day operations; human resource management; communication and engagement; economic development; strategic policy and planning; and executive governance.

Ms Ayton is a member of the Premier's Local Government Council Officials Committee, representative on the Cradle Coast Authority Representatives Group, and Chair of the Cradle Coast Waste Management Group.

### Memberships

- Chartered Manager - Chartered Management Institute
- Fellow - Australian Institute of Management
- Member - Australian Institute of Company Directors
- Member - Local Government Professionals
- Member - Australian Society of Certified Practising Accountants



Director Community Services  
**Cor Vander Vlist**, MA(PSL), B.Com, MLGPA

**Appointed**  
July 2008

Cor Vander Vlist has completed Business Studies, has a Graduate Certificate in Public Sector Management, Master of Arts (Public Sector Leadership) and Bachelor of Commerce.

He has managed various Council departments, including Corporate, Finance, Administration, Community and Regulatory Services.

In his role as Director, he is responsible for social planning and development (including visitor services, events, recreation and community facilities management); child care services; regulatory services (including building, plumbing and environmental health); land-use planning; animal control; and parking control.

#### **Memberships**

- Member - Local Government Professionals



Director Infrastructure Services  
**John Kersnovski**, B.Eng(Civ)

**Appointed**  
June 2014

John Kersnovski has a Bachelor of Engineering (Civil), is on the National Engineers Register and is a Registered Professional Engineer of Queensland. He has had almost 40 years' local government experience and has held the positions of Shire Engineer/Director, Deputy Chief Executive Officer and Chief Executive Officer.

As a Director, he is responsible for emergency management; climate change; natural resource management; public safety; asset management; and the planning, development, operation and maintenance of the physical infrastructure and facilities of the municipal area.

#### **Memberships**

- Fellow - Institute of Public Works Engineering Australia
- Member - The Institution of Engineers Australia
- National Engineers Register
- Member - Local Government Professionals



Director Organisational Services  
**Bill Hutcheson**, B.AppSc(EnvSc), AdvDipAcc

#### Appointed

March 2017

Bill Hutcheson has a Bachelor of Applied Science (Environmental Science) and Advanced Diploma Accounting.

He has 30 years' local government experience, predominately in Victoria, with varying roles encompassing such areas as Finance, Corporate Governance, Community Planning and Risk Management. His focus is on transparency in local government and providing value for money for all its residents and ratepayers.

As a Director, he is responsible for corporate services (including administration, records management, business, legal, finance, accounting and information technology).

#### Memberships

- Member - Local Government Professionals
- Member - Institute of Community Directors Australia



Director Organisational Services  
**Vernon Lawrence**, B.Com, B.Acc (Resigned)

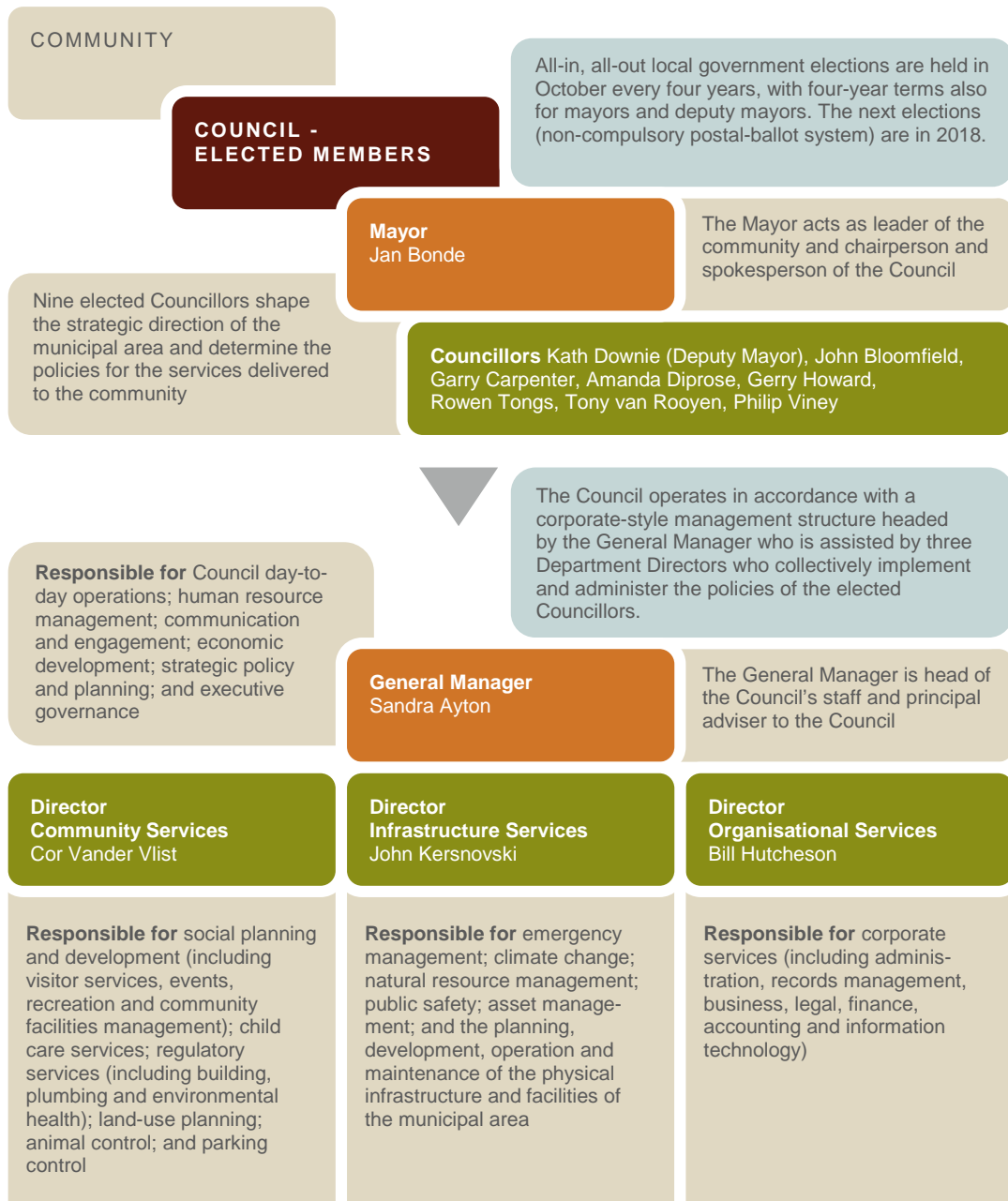
#### Appointed

November 2015-January 2017 (resigned)

Vernon Lawrence has a Bachelor of Commerce, Bachelor of Accounting, Higher Diploma of Tax Law and is a Chartered Accountant (South Africa).

During his time with the Council, he undertook the roles of Senior Accountant, Finance Group Leader and Director. As a Director, he was responsible for corporate services (including administration, records management, business, legal, finance, accounting and information technology).

## Organisational Chart





## Remuneration of Senior Employees

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

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

Remuneration includes salary, superannuation, motor vehicle and other allowances or benefits.

## Staffing Statistics

Department	Full-time	Part-time	Casual	Total
General Management	6	-	-	6
Organisational Services	7	11	1	19
Community Services	20	32	43	95
Infrastructure Services	69	4	-	73
<i>Total</i>	<i>102</i>	<i>47</i>	<i>44</i>	<i>193</i>

The number of Full-time Equivalent Employees was 137.5.

General Statistics	2015-2016	2016-2017
Average Cost Per Employee	\$78,592	\$78,538
Staff Turnover Rate	6.76%	2.68%
Average Sick Leave Per Employee	5.8 days	6.37 days
Lost Time due to Injury (LTI)	97 hrs	1,166 hrs*

\*The 2015-2016 LTI figure related to 7 claims and the 2016-2017 LTI figure related to 13 claims.



## Staff Management and Culture

### Central Coast Council Enterprise Agreement

In 2016, an Enterprise Bargaining Committee comprising of management representatives, a union representative and employee bargaining representatives, was established to negotiate a new Enterprise Agreement for Council staff. The Agreement relates to all staff not under a fixed-term employment contract and provides general terms and conditions, under which staff are employed. The Agreement is underpinned by the terms and conditions in the Local Government Modern Award. The Central Coast Council Enterprise Agreement 2016 was approved by the Fair Work Commission and operational from 13 January 2017. The nominal expiry date of the Agreement is 1 September 2020.

### Human Resource Strategic Plan

To outline the strategic initiatives required for future success, a Human Resource (HR) Strategic Plan (the Plan) has been developed. The Plan provides a 'road map' setting our strategic initiatives that will be implemented to ensure all core HR processes are aligned to, and support the future goals and service delivery requirements of the Council.

The Plan is broken down into four key objectives:

- 1 Planning and Recruiting our Workforce;
- 2 Achieving through People;
- 3 Creating an Equitable, Consultative and Supportive Working Environment; and
- 4 Creating a Positive and Safe Working Environment.

### Performance Management

All staff are required to participate in an annual performance appraisal with their direct supervisor. This process provides a formal opportunity to assess individual and team performance. Performance reviews identify employee achievements throughout the year, identify areas of improvement and potential training opportunities.

### Work Health and Safety (WHS)

The Central Coast Council is committed to:

- Maintaining a system based approach to the management of WHS risks, in compliance with Australian Standard AS/NZS 4801:2001; and
- The principle of 'zero harm', believing that accidents are preventable, and that all workers should return home from work in the same condition in which they started.

In March 2017, British Standards Institute Australia (BSI) undertook an audit of the Council's management systems for re-certification. The objective of the assessment was to conduct a re-assessment of the existing certification to ensure the elements of the proposed scope of registration and the requirements of the management standard are effectively addressed by the organisation's management system. Their report indicated the objectives have been achieved, with four minor non-conformances. Based upon the acceptance of a satisfactory correct action plan for the minor non-conformances, the Council was recommended for continued certification.

### Health and Wellbeing

The Council's Health and Wellbeing program continues to provide initiatives to support employees with their overall health and wellbeing. Staff flu vaccinations were administered to a number of employees under the Council's vaccination program, the swimming program was once again popular amongst employees and their families, and counselling services continued to be made available.

One of the year's highlights was our entry in the 2016 'Burnie Ten' 10km road race which saw good staff participation.

Council staff complete  
the *Burnie Ten*



### Contributions to Charity

During 2016-2017, Council staff participated in several fundraising activities to raise money for local and national charities. These included the Cancer Council Relay for Life, The Hannah Foundation (Pet Sanctuary), Ronald McDonald House Charities and The Movember Foundation (supporting men's health).



“distinctiveness, character,  
capability and resources  
already embedded in  
our place and on which  
we can build”

Strategic Plan 2014–2024



Reporting Performance	48
- The Shape of the Place	49
- A Connected Central Coast	54
- Community Capacity and Creativity	58
- The Environment and Sustainable Infrastructure	62
- Council Sustainability and Governance	68



## Reporting Performance

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

The format of the Annual Report reflects the actions that the Council approved through the Annual Plan for the 2016-2017 year – identified under the five Strategic Directions below – and the progress that has been made against those areas. We believe this format gives a snapshot of our progress throughout the year in achieving the key actions/initiatives of the Council and the community. If you require further details on any of these actions then we would be happy to discuss these further.



### STRATEGIC DIRECTION 1 – The Shape of the Place

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



### STRATEGIC DIRECTION 2 – A Connected Central Coast

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



### STRATEGIC DIRECTION 3 – Community Capacity and Creativity

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



### STRATEGIC DIRECTION 4 – The Environment and Sustainable Infrastructure

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



### STRATEGIC DIRECTION 5 – Council Sustainability and Governance

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



## STRATEGIC DIRECTION 1

# The Shape of the Place

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

## STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↶ Deferred

## 1 Improve the value and utilisation of open space

2016-2017 Actions/Initiatives	Performance
▪ Completion of detailed design and commencement of Stage 2 build (Dial Regional Sports Complex)	✓
▪ Work with cycling group to progress design of an off-road criterion track	→
▪ Completion of business plan and estimates to ascertain feasibility of consolidation of equestrian activities to Batten Park	→
▪ Develop strategies for adventure outdoor visitor/leisure experiences to be included in the Local Visitor Strategy	→
▪ Work in collaboration with Parks and Wildlife Service to improve the interpretation and tracks within the Dial Range	→
▪ Review and update the Leven Canyon Master Plan	→
▪ Investigate further opportunities to complete the Canyon floor walk and link to the Dial Range walking track	→
▪ Implementation of the Turners Beach to Leith shared pathway including the old railway bridge (funding)	→
▪ Develop a Cycle Tourism plan	→
▪ Develop a discussion paper on the opportunities in our peri-urban area and the strategies required to implement	→



### *Highlights*

During the course of the year, the Council made extensive progress on a number of projects, with the commencement of construction of the Dial Regional Sports Complex being one of the highlights. Many of the actions listed are being undertaken over a two-year period, affirmed by the number of projects 'in progress'.

The Dial Regional Sports Complex made considerable progress over the year. Detailed designs were finalised after an in-depth consultation process, with planning approval granted on 12 October 2016. After completing an expression of interest for a Guaranteed Maximum Price contract for construction of the complex, Fairbrother was appointed as the successful contractor at a Council meeting in November 2016. The cost for the project was estimated at \$10,500,000, with the Australian and Tasmanian Governments and the Council each contributing \$3,500,000. Construction of the Complex commenced on 9 January 2017. As of June 2017, the project had reached a stage where the ovals had been shaped, with the drainage, irrigation and sand layer completed. The cricket practice nets have commenced, along with site sewer and drainage works, road pavements, pavilion footings and ground floor, and completion of the main retaining wall. The project is on schedule for a March 2018 completion date.

The Penguin Recreation Ground Master Plan was developed over several stages, which included early concepts (four concept sketches prepared from input from key stakeholders, think tank team and the community). These four concepts were released for community feedback in October 2016. After receiving feedback from this round of consultation, the draft Master Plan was developed following further research and consultation in January 2017. The draft Plan was made available to the community



in February 2017 for feedback. The Plan, accompanied by a Community Engagement Report, was submitted to the Council and adopted at its June 2017 meeting.

Designs and initial costings for a cycling criterion track at River Park were completed. The Council will work with the Mersey Valley Devonport Cycling Club to prepare a submission for funding opportunities to construct the track.

### *Improvements*

Opportunities to complete a Canyon floor walk linking to the Dial Range walking track were investigated, with outcomes indicating that Dial Range developments are not a priority for other groups; however, the North West Walking Club continues to keep the walking trails open as volunteer resources allow.

Preliminary progress was made on a business plan for the consolidation of equestrian activities at Batten Park. This will be completed in the following year in consultation with stakeholders.

#### STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

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

2016-2017 Actions/Initiatives	Performance
<ul style="list-style-type: none"> <li>Develop resource kit on energy-efficient urban design for community access</li> </ul>	✓
<ul style="list-style-type: none"> <li>Facilitate safer shared use between vehicles/cyclists along Penguin Road (between Robertsons Road and Seaside Crescent)</li> </ul>	→
<ul style="list-style-type: none"> <li>Participate in the Cradle Coast Authority Technical Working Group on the North West Coastal Pathways Strategy</li> </ul>	✓

### *Highlights*

A compendium of useful information relating to energy-efficient building was assembled. This information has been a great tool for residents who built, renovated or were researching the possibilities of improving energy efficiencies within their



homes and businesses. The information is available from the Council's Administration Centre and website.

The Council participated in the Cradle Coast Authority Technical Working Group who are working towards the implementation of the North West Coastal Pathways Strategy. The intention is to see a shared pathway from Latrobe to Waratah-Wynyard. Considerable work was undertaken, with the Group considering the possibility of councils jointly funding a project officer to see the project to development stage prior to the 2018 State election.

### *Improvements*

Whilst preliminary investigation into safer shared use of roads between cyclists and vehicles on Penguin Road (between Robertsons Road and Seaside Crescent) was undertaken, the impact of the June 2016 floods resulted in this project being deferred, and this will be completed in the 2017-2018 financial year.

#### STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↺ Deferred

### 3 Encourage a creative approach to new development

2016-2017 Actions/Initiatives	Performance
▪ Develop an Accommodation Strategy	→
▪ Develop plan of areas for future industrial and commercial/business use	→
▪ Implement the Rural Lands Strategy into our planning scheme	→

### *Highlights*

The development of an Accommodation Strategy commenced in July 2016, with a project plan and team being formed. Considerable work was undertaken towards the creation of a demand study and visitor survey in liaison with the Office of the Coordinator-General (Department of State Growth). The project has been carried over to the 2017-2018 year pending the outcomes of the Supply and Demand Study being undertaken by the Coordinator-General's Office.



The Council has adopted the Central Coast Rural Lands Report/Rural Living Strategy. The aim of the Strategy is to provide a framework for the consideration of rural living opportunities by providing a consistent, transparent and equitable set of guidelines under which the zoning or rezoning of land to Rural Living is undertaken.

Actions arising from the adoption of the Strategy are:

- 1 Pursue the rezoning of recommended rural living areas as identified from previous applications;
- 2 Pursue further rezoning of land to Rural Living as requested, with such request to be considered against the criteria identified in the Strategy; and
- 3 Pursue the rezoning of suitable parcels of land where such land might be more suitably considered to be part of any village zone.

### *Improvements*

The development of increased accommodation opportunities and identification of areas for industrial and commercial ventures will support and encourage growth within our municipal area. A review of commercial and industrial land requirements, along with draft plans and options for future use have been developed. Further work has been identified for inclusion prior to being presented to the Council.



## 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

2016-2017 Actions/Initiatives	Performance
<ul style="list-style-type: none"> <li>Develop themed maps of walking routes within Ulverstone and Penguin - both brochures and electronically, i.e. War Memorials Walk</li> </ul>	✓
<ul style="list-style-type: none"> <li>Installation of gateway signage to Ulverstone and Penguin</li> </ul>	→
<ul style="list-style-type: none"> <li>Review and implement smoke-free areas within the central business districts</li> </ul>	→
<ul style="list-style-type: none"> <li>Look at opportunities for the establishment of edible plants throughout our parks and gardens</li> </ul>	✓

### Highlights

The Council identified various ways to enhance areas within Central Coast towns for both visitors and residents. Themed maps and brochures highlighting popular walking routes throughout Ulverstone, Penguin, the Dial Range and Black Bluff were developed. The intention of the brochures is to increase usage of Council assets and encourage and promote a healthy lifestyle. The walks cater to various fitness and confidence levels. Brochures have been distributed via the Ulverstone and Penguin Visitor Centres and uploaded to the Council's website. Due to the popularity of their introduction, the Council will look to increase distribution in the coming year.

A suite of gateway signage options was agreed to by the Council and are in the process of being constructed for installation early in the new year. The delay for installation was due to the timing of the approval from the Department of State Growth, in relation to the placement and design works of the signage.



### Improvements

Investigation and consideration of smoke-free areas within the CBD was undertaken by the Council and businesses in the CBD. This will be further developed in 2017-2018 along with the review of the Reibey Street, Queen's Garden and Wharf Precinct.

#### STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↺ Deferred

## 2 Connect the people with services

2016-2017 Actions/Initiatives	Performance
<ul style="list-style-type: none"> <li>Develop a Disability Access Strategy</li> </ul>	↺

### Improvements

The Council identified a strong need to progress this area, as access can impact the way people move from place to place, including how people access services and connectivity with others within the community. The absence of dedicated resources meant that the development of a Disability Access Strategy was deferred until 2017-2018.

#### STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↺ Deferred

## 3 Improve community wellbeing

2016-2017 Actions/Initiatives	Performance
<ul style="list-style-type: none"> <li>Implement actions from the Local Food Security Strategy</li> </ul>	✓



## STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

- |   |   |
|---|---|
| ▪ Look at opportunities for the establishment of edible plants throughout our parks and gardens                       | ✓ |
| ▪ Implement strategies to develop Central Coast as an age-friendly community  | → |
| ▪ Review and update the Council's Positive Ageing Strategy to align with the Social Planning Framework                | → |
| ▪ Look at opportunities to give our youth a 'voice' in relation to youth outcomes within our area, i.e. Youth Council | → |
| ▪ Review and update the Council's Youth Strategy to align with the Social Planning Framework                          | → |
| ▪ Develop services business continuity plans for the Child Care Centre and the Recreation Centre complexes            | ✓ |

*Highlights*

People are the future of our community and to improve community wellbeing, significant emphasis has been placed on our youth, positive ageing, art and cultural events, and community programs.

Considerable work has been undertaken to develop Central Coast as an age-friendly community. Focus this year has been placed on the development of the Community Safety Plan 2017-2022 and the Dementia-Friendly Framework. These plans align with the Council's Social Planning Framework.

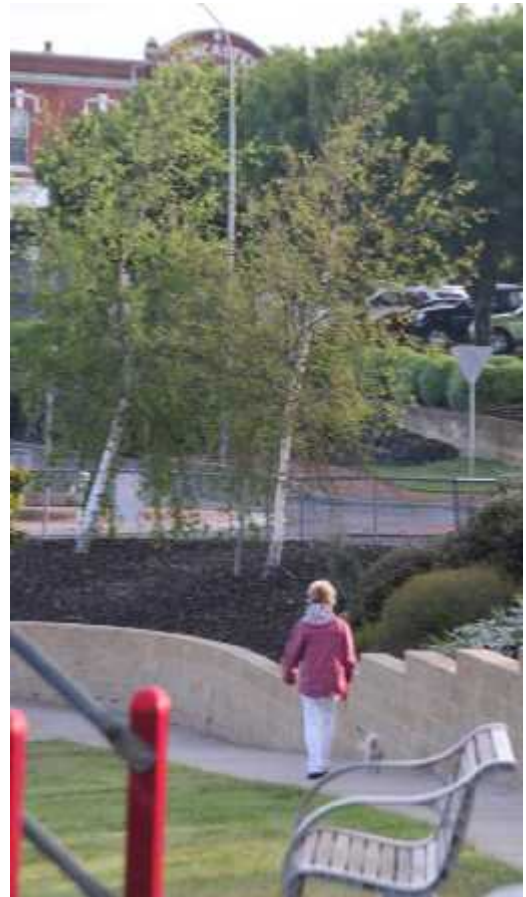
The Community Safety Plan 2017-2022 was adopted by the Council in June 2017. The Plan identifies four key areas in which community organisations, individuals and services, through a strengthened alliance, can impact positively on safety in our community.

The four key areas identified through community consultation, data analysis and stakeholder input are:

- 1 Safe people - to be safe and to feel safe in Central Coast.
- 2 Safe places - design, create and maintain places that provide for safe community activity.

- 3 Resilient communities - a strong, supportive community able to adapt and recover from hazards, shocks and stresses.
- 4 Program development and partnerships - collaborate to share responsibility to ensure community safety; one of the core actions for the committee in the coming year is to work towards obtaining accreditation as a Pacific/Australian Safe Community.

The Dementia-Friendly Central Coast Framework was developed following consultation with the community. Focus groups consisting of people living with dementia, carers and service providers, in addition to a community survey, indicated the community's aspirations to develop Central Coast as a place where people living with dementia are supported to live a high quality of life with meaning, purpose and value. The Framework provides actions that the Council and community can undertake together over the coming years.



In September 2016, the Council launched its 'Healthy Food Recipes' social media campaign via the Council's Facebook page and website. An official launch of Food Plant Solutions' "Guide to Nutritious Food Plants of Tasmania" was held in March 2017. The launch was officiated by the Mayor, with the Chair of Food Plant Solutions presenting about what the group does and the important role it can play in improving Tasmania's health. Other activities have included cross promotion for farmers' markets and investigation to establish a community garden in West Ulverstone.

### *Improvements*

The development of actions for the Positive Ageing Strategy are currently under way through community consultation and interviews, an online survey and feedback forms to ensure that directions and developments undertaken by the Council are aligned with the needs, desires and vision for the community of our ageing population.



## STRATEGIC DIRECTION 3

## Community Capacity and Creativity

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

## STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

### 1 Community capacity and creativity

2016-2017 Actions/Initiatives	Performance
<ul style="list-style-type: none"> <li>Working with the Youth Engaged Steering Committee to identify actions to help achieve outcomes</li> </ul>	✓
<ul style="list-style-type: none"> <li>Implement the Made Open Tasmania tool into our community engagement processes</li> </ul>	✓
<ul style="list-style-type: none"> <li>Connect people with volunteering through showcasing what is available in Central Coast through an 'Expo' event</li> </ul>	→
<ul style="list-style-type: none"> <li>Develop program for recognition of volunteers during Volunteer Week</li> </ul>	✓
<ul style="list-style-type: none"> <li>Work with Volunteers Tasmania to develop a Volunteering database for the use of both volunteers and organisations requiring volunteers</li> </ul>	→

### Highlights

Many of the events that were held within Central Coast throughout the year relied upon the participation and support of our many volunteers.

The Council worked with Volunteers Tasmania to develop a database of volunteering options, which resulted in the release of the “Lending a hand – It’s in our Nature” booklet. The booklet outlines and provided volunteering opportunities within the community. A launch for the booklet was held at a function during Volunteers Week.



“Nominate a Mate” was developed for students to recognise their peers who contribute through volunteering both within the school and broader community. A presentation was undertaken at a whole-of-school assembly.

The Central Coast Youth Engaged Steering Committee held a Business Breakfast in conjunction with the Chamber of Commerce and Industry in August 2016 attended by business representatives and Youth Engaged members. The theme of the Breakfast speakers was in relation to training and apprenticeships support, employers’ expectations, and the opportunities for school-based apprenticeship. “All About Arts” held in June 2017 was a careers forum for students looking to explore career opportunities within the arts industry, through meeting established artists in a small group setting.

### *Improvements*

The showcasing of events for volunteers by the way of an expo is being developed for the coming year.

#### STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↺ Deferred

## 2 Facilitate entrepreneurship in the business community

### 2016-2017 Actions/Initiatives

### Performance

- Work with the local health, community and aged-care services sectors to improve local business and employment opportunities

✓



### Highlights

In March 2017, the Wicking Dementia Research and Education Centre (in collaboration with the University of Tasmania) organised the Ulverstone Dementia-Friendly Forum. The forum included a presentation and a session to consult with the community. Following the Wicking forum, the Council facilitated focus groups exploring the many aspects of dementia and what makes a community dementia-friendly. Subsequently, a framework was prepared outlining the key priorities emerging from the project's community consultation.

#### STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

### 3 Cultivate a culture of creativity in the community

2016-2017 Actions/Initiatives	Performance
▪ Develop a marketing plan to maximise the use of the Ulverstone Sports and Leisure Centre complex	→
▪ Develop an interpretation plan showing areas and themes to showcase the Stories of Central Coast	→
▪ Implement the staged outcomes of the Ulverstone Civic Centre review	→
▪ Develop the Ulverstone History Museum/Visitor Information Precinct Plan	→
▪ Update and implement the Ulverstone History Museum Strategic Plan	↪
▪ Review and update the Central Coast Arts and Culture Strategy to align with the Social Planning Framework	→

### Highlights

The Council embraces the responsibility of fostering a creative culture within our community, this includes promotion and growth of community facilities and events.

Community consultation for the Ulverstone History Museum/Visitor Information Precinct commenced in May 2017, which aimed to determine community interest in



the project and the needs of different groups. Early concept plans are currently being developed and will be displayed for community review in the coming year.

An interpretation plan was developed to guide interpretation development across Central Coast. The plan outlines four main theme areas which are Living History; Wilderness and Nature; From Nature; History and Heritage, and these will be represented through the creation of Stories of Central Coast.

#### *Improvements*

The Marketing Plan for the Ulverstone Sports and Leisure Centre complex is currently being developed. This Plan was delayed until the Central Coast Place Marketing Strategy was completed.



## 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

## 2 Contribute to a safe and healthy environment

2016-2017 Actions/Initiatives	Performance
<ul style="list-style-type: none"> <li>Implement actions required by amendments to the <i>Food Act 2003</i> relating to state-wide food business registrations</li> </ul>	✓

### Highlights

The Council is responsible for ensuring that food businesses (e.g. cafés, restaurants and mobile food vans) provide members of the public with food which is safe to eat. The *Food Act 2003* is enforced by each council in Tasmania. Changes to the Act during 2003 made it easier for mobile food businesses to trade across municipal boundaries as, rather than requiring approval from each council, they could obtain a single state-wide licence.

### Improvements

The reforms were to include a state-based register of businesses that could be accessed by each council to ensure that mobile outlets selling food had in fact been checked and licensed by their home council. The proposed state-wide register is yet to eventuate.

## STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↺ Deferred

## 3 Develop and manage sustainable built infrastructure

2016-2017 Actions/Initiatives	Performance
<ul style="list-style-type: none"> <li>Complete investigation into rural flood catchments</li> </ul>	↺



STRATEGIES AND KEY ACTIONS:	✓ Completed	→ In progress	↪ Deferred
▪ Investigate opportunities for the relocation of Slipstream Circus and the Ulverstone Judo Club to a new facility	✓		
▪ Participate in working group to produce stormwater management plan template	✓		
▪ Preparation of implementation plan for flood warning systems	✓		
▪ Develop and implement improved parking signage including a new theme, directional signs, internal signs and wayfinding signs		→	
▪ Develop a Riparian Zone Development Plan			↪
▪ Develop guidelines/policies for roadside furniture and commence an upgrading program to ensure compliance			↪
▪ Finalise negotiations with the Department of State Growth to hand over Preservation Drive to the Council		→	
▪ Implement time zone changes outlined in Parking Plan	✓		
▪ Investigate shared parking arrangements with other private car park/land owners	✓		
▪ Provide disability space in the Civic Centre precinct		→	
▪ Review the Weed Management plan		→	
▪ Progress the Wongi Lane bus interchange area and its construction, including consultation with major bus companies		→	
▪ Develop and commence implementation of the Perry-Ling Gardens Management Plan		→	
▪ Plan and commence redevelopment of Anzac Park memorials pathway	✓		
▪ Investigate improvement options for the Trevor/Lovett Streets intersection and consider funding opportunities		→	
▪ Review grant opportunities as they arise in relation to the Council's Strategic Plan 2014-2024 and forward programs	✓		

### *Highlights*

Considerable planning and thought goes into developing and managing sustainable infrastructure and such projects form a large part of the process when preparing Council's budget and works schedule each year. From the 2016-2017 Annual Plan, the following projects were undertaken.

The reconstruction of Wongi Lane has provided a four-bay bus interchange, creating a centralised area for all bus and coach services, close to the central business district, and has seen an improvement in safety for regular bus users. Construction commenced in May 2017, with the project due for completion in August 2017.



The construction of the shared pathway in Anzac Park was completed in June 2017. This included 10 large plinths being placed in readiness for commemoration of all armed conflicts of the past 150 years.

The assistance of grant funding enables the Council to develop, improve and maintain its assets. During 2016-2017, the total grants applied for was \$8,708,129. The total amount received in Government grants was \$7,546,129.

Funding was received for Stage 2 of the Ulverstone Showground lighting project. This project will:

- provide and install new 250 lux lighting tower in the north-western corner (softball diamond infield) of the showgrounds;
- provide and install new 100 lux lighting tower to the north-eastern corner of the showgrounds (general sports field) lighting sufficient to allow for training in the softball 'diamond' area.



The project extended the Council's Showground lighting capacity to allow more night-time competition and training as well as other sporting, recreation and community events.

The Council received funding from the Tasmanian Community Infrastructure Fund – Minor Grants to undertake a feasibility study into the provision of an access track and viewing platform at the Upper Preston Falls, Raymond Road, Preston. The feasibility study and estimated costs of the project have now been received and are being considered in the context of future funding requirements. This grant also provided funding for the installation of solar panels at the Ulverstone Sports and Leisure Centre. The installation of the solar panels will supplement power consumption and enhance energy efficiency at the facility. The Council has already commenced energy efficiency measures by installing induction high bay lighting, upgrading the lighting in the squash courts, and is moving to replace the lighting in stadium 1 with LED lighting.

Funding was also received from the Tasmanian Recreational Boating Fund to upgrade the West Ulverstone pontoon.

Under the Vulnerable Road User Program, the Council received funding to upgrade and improve interactions between vehicles and pathway users at the intersection of Beach Road and Victoria Street. The project involved a realignment of the pathway to avoid the parking areas and construction of a 'wombat' crossing to improve safety for crossing of Beach Road.

Works on Furner's-Coles car park commenced in February 2017 and is nearing completion. Installation of new and themed signage for the major car-parking areas is planned for 2017-2018. Once completed, the Furner's-Coles car-parking area will have a parking limit of two hours.

### *Improvements*

Investigation into rural flood catchments was undertaken and resulted in a project proposal being developed. Following the June 2016 floods there was discussion held between various councils, the Hydro and the Department of Primary Industries, Parks, Water and Environment (Tasmania), resulting in the decision to investigate the possibility of submitting a joint application under the National Disaster Response Force (NDRF) for funding to assist with updating of flood plans. This section of the project is yet to progress but remains active.



As a result of the June 2016 floods, the inclusion of a disability space at the Ulverstone Civic Centre was deferred. This action will be revisited in the new year.

Improvement options for the Trevor/Lovett Streets intersection are to be investigated in the coming year.

#### STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

#### 4 Contribute to the preservation of the natural environment

2016-2017 Actions/Initiatives	Performance
▪ Develop a plan to implement energy efficiencies within our buildings	→
▪ Investigate funding opportunities to mitigate the impacts of climate change on the Council's assets	→
▪ Review and implement the Council's Climate Change Action Plan	✓
▪ Continue with the upgrading of Transfer Stations and Resource Recovery Centre to meet current usage	→
▪ Further investigation and implementation of the Food Organics and Garden Organics (FOGO) program, if feasible	→



### *Highlights*

Along with development and sustainability comes the preservation of the natural environment. During the 2016-2017 year, the Council's submission to the State Government Community Infrastructure Fund for implementation of energy efficiencies within Council buildings was successful. Solar panels are to be installed on the Ulverstone Sports and Leisure Centre building during the 2017-2018 year. The success of this project and subsequent allocations from grant funding will form part of the Council's approach to implementing energy efficiencies within Council buildings into the future.

Upgrading of the Preston Transfer Station commenced in early 2017 and is programmed to be completed in 2018. This work involves the construction of a new access ramp, retaining walls and the installation of safety barriers to improve safety for users of the facility.

### *Improvements*

During the year the Council's Climate Change Action was revised; however, the June 2016 floods saw all engineering resources of the Council committed to the recovery operation and this meant that the review had to be deferred until the 2017-2018 year.

Investigations were undertaken during the year on the viability of collecting Food Organics Garden Organics from households who currently receive the waste collection services. A report on the costs and viability of a possible collection service will be considered by the Council early in the 2017-2018 year.



## 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

2016-2017 Actions/Initiatives	Performance
▪ Develop a workforce plan	✓
▪ Continue to implement recommendations from the Works Review	✓
▪ Review the Council's Performance Management Processes	✓
▪ Implement Values and Behaviours into our Council operations	✓
▪ Work towards becoming known as an 'Employer of Choice'	→
▪ Develop an Internal Audit Work Program and audit tools	→
▪ Update and implement actions from the Council's Strategic Risk Register in all Council activities	✓
▪ Undertake a compliance audit of Land Use Planning function	↶
▪ Evaluate and implement changes from the review of the Building Act and regulations	✓

### Highlights

To enhance Council governance, considerable work was undertaken in improving operational processes. A Performance Management Policy and Framework was created and endorsed by the Senior Leadership Team during the year; this provided a clear performance structure for Council employees and forms part of the Council's continued effort towards gaining an 'Employer of Choice' certification.



Stage 2 (Implementation Phase) of the Works Review saw many operational improvements introduced during the year. These included workplace changes, operational reviews, continuous improvement and monthly all-of-staff tool-box sessions. The Innovations Review Team introduced a staff suggestions system, to improve works operations. A part of the Innovations Team responsibility was to consider each of the suggestions made.

The introduction of 'Organisational Values' by the General Manager was implemented throughout the organisation. Each month the Operational Leadership Team discussed the values to ensure that Departments are imparted with the vision of the Council in how they operate day to day. These values were also introduced and applied to HR and recruitment processes.

With the *Building Act 2016* coming into effect in January 2017, regulations and associated guidance documents were finalised in 2016. January 2017 saw standardised fees and forms introduced.

### Improvements

In order to continually improve as a workforce, the Council provided HR and senior employees the opportunity to expand their knowledge of workforce planning and from this a project plan was created. Further data and input from the Senior Leadership Team will ensure this project is accomplished.

The undertaking of a compliance audit for the Land Use Planning Function was to be completed; however, with the State-wide Planning Scheme yet to be implemented, the functions audit was unable to reach a final conclusion during the year. Therefore, this review will be carried over to 2017-2018.

#### STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↺ Deferred

## 2 Improve service provision

2016-2017 Actions/Initiatives	Performance
<ul style="list-style-type: none"> <li>Implement Integrated Project Management system across the organisation</li> </ul>	→
<ul style="list-style-type: none"> <li>Complete implementation of Open Office software in relation to Health services</li> </ul>	→



## STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

- Complete implementation of Open Office software in relation to Land Use Planning services →
- Implement State-wide Planning Scheme provisions →
- Update procedures to align with the Compliance and Enforcement Policy ✓
- Complete review of the Council's Aged Persons Home Units ✓
- Implement efficiencies at both the Ulverstone and Penguin Visitor Information Centres from the 'Lean Waste' process undertaken ✓
- Organise Roving Ambassadors and/or temporary information booths to be present at tourist-attracting events held in Central Coast →
- Undertake a Private Works process review ↪
- Undertake a review of the Council's Fleet Management →
- Implement the outcomes of the IT Strategic Framework →
- Review and update the register of legal opinions ↪
- Review the policies of the Council →
- Research and implement a new corporate geographic information system →
- Staged implementation of the Council's Records Management procedures →
- Complete implementation of Open Office software in relation to Building services →
- Document and implement service levels for the open space and parks area →



### *Highlights*

Considerable effort was made towards improving systems and services for the municipal area. Efficiencies for the Ulverstone and Penguin Visitor Information Centres were identified over the course of the year and changes implemented.

A review of the Council's aged-persons home units (APHU) commenced, identifying a need for housing in specific areas, together with a range of strategies to increase the overall occupancy rate of units in Penguin and Ulverstone. A survey of APHU residents was undertaken which showed that there was overall satisfaction with the units themselves and the service provided. Steps have been taken to make the units more accessible to pet owners as well as assessing suitable rental options. Further options involving possible rentals or upgrades, which are aimed at increasing occupancy, are being explored.

The purchase of equipment for the Visitor Information Centres, has enabled the Centres to have a 'mobile' presence at varied events. The Visitor Information Centre organised for Roving Ambassadors to be present at several events over the year, which included the National Veteran Vehicle Rally, Ulverstone Criterium and TastroFest. Roving Ambassadors will be utilised at further Council events.

### *Improvements*

The Council's Policies, Practices and Key Decisions review began, with considerable progress being made throughout the year. The review has highlighted matters requiring further attention and decision by the Council.



The Council commenced the staged implementation of records management procedures, with each Department focusing on their needs and areas identified for improvement during review and consultation. A Records Management Policy, including Business Rules and Guidelines, is being implemented throughout the organisation to ensure streamlining of processes and functions.

#### STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↪ Deferred

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

2016-2017 Actions/Initiatives	Performance
<ul style="list-style-type: none"> <li>Implement plans for the sale of Council surplus land associated with development and the Central Coast Open Space and Recreation Plan (Gawler Road and Overall Street)</li> </ul>	→
<ul style="list-style-type: none"> <li>Investigate opportunities for investment in renewable energy programs</li> </ul>	→
<ul style="list-style-type: none"> <li>Development Local Settlement Plan</li> </ul>	→
<ul style="list-style-type: none"> <li>Identify population targets for Central Coast and strategies to achieve the targets</li> </ul>	✓

#### Highlights

The Council continues to explore ways of improving our ability to meet the community's expectations in providing a sustainable and enjoyable community in the long term. One of the projects that can impact is identifying Central Coast's population targets and strategies to achieve these targets now and into the future. During the year an action plan was developed with a view to providing continued support for families, community, immigration and workforce development.

Following the development of the Central Coast Open Space and Recreation Plan 2012-2022, various parcels of land were identified as being surplus to the Council's requirements. A plan is in place to dispose of the surplus land over time. At the April 2017 Council meeting, it was resolved to commence the process of a boundary realignment and subdivision of land located at Overall Drive, Sulphur Creek. This block had previously been identified by the Council as being surplus to its Public Open Space requirements. It is anticipated that the two residential blocks created will be available for disposal by the end of the 2017-2018 financial year.



### Improvements

Investment by the Council in renewal energy projects and programs within Central Coast is seen as an opportunity that could benefit both our community as well as contributing to the financial capacity of the Council in dealing with climate change. Initial discussions were held during the year with specialist consultants on options available to produce renewable energy from our existing facilities and the economics of the installation of wind and/or solar power generation equipment. Contact was made with representatives of the Clean Energy Finance Corporation on financing options for these installations and further discussions will take place late in 2017. It is anticipated that a report will be available by the end of 2017-2018 for the Council to consider viable options.

#### STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↺ Deferred

#### 4 Effective communication and engagement

2016-2017 Actions/Initiatives	Performance
▪ Investigate a community idea that all service clubs can work on together	✓
▪ Meeting of service clubs to discuss ideas for the following year and how they might work together	✓
▪ Work with Cradle Coast Innovation towards the successful implementation of the Ideas 2017 or similar forum	✓
▪ Review and update the Coast to Canyon Facebook page	✓
▪ Develop a Place Marketing Framework	✓
▪ Develop a Place Marketing plan for local economic development opportunities	✓
▪ Develop a suite of social media tools and the appropriate use of them	✓
▪ Engage with the community on changes around the Queen's Garden precinct	→
▪ Engage with the community on opportunities to grow our events	✓



## STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↺ Deferred

- Develop regular themed round-table forums to be hosted by the Mayor to meet and engage with business and community leaders - including issues surrounding unemployment and literacy

✓

*Highlights*

As the Council continues to grow and improve community areas, it is imperative that we communicate and engage the community to ensure that the upgrades reflect the views of residents and is in keeping with a community feel. To achieve these results, the Council releases concept plans for community comment and utilises social media pages to communicate with its residents.

Considerable work went into the Coast to Canyon brand review. Extensive consultation with stakeholders, community members, Councillors and Council staff helped to reinvigorate the brand. This included development of the new “Great Natured Place” slogan, improvements to the existing logo, and development of a style guide and brand book that will help guide the brand’s application across a range of Council portfolios.

Review of the Coast to Canyon Facebook page was completed and aligned with the Council’s Social Media Policy and actions, regularly informing the community of events and happenings in and around Central Coast.

*Improvements*

Community consultation for the upgrade of the Queen’s Garden was deferred and is likely to commence in August 2017.

## STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↺ Deferred

## 5 Strengthen local-regional connections

2016-2017 Actions/Initiatives	Performance
Investigate regional and sub-regional shared services arrangements	✓
Participate in the Regional Waste Management Governance review	✓



## STRATEGIES AND KEY ACTIONS:

✓ Completed → In progress ↶ Deferred

- Work towards consistency in interpretation of the Interim Planning Scheme through the region →

*Highlights*

Our Council is strongly involved with strengthening local and regional connections and participates in several groups to improve services and opportunities.

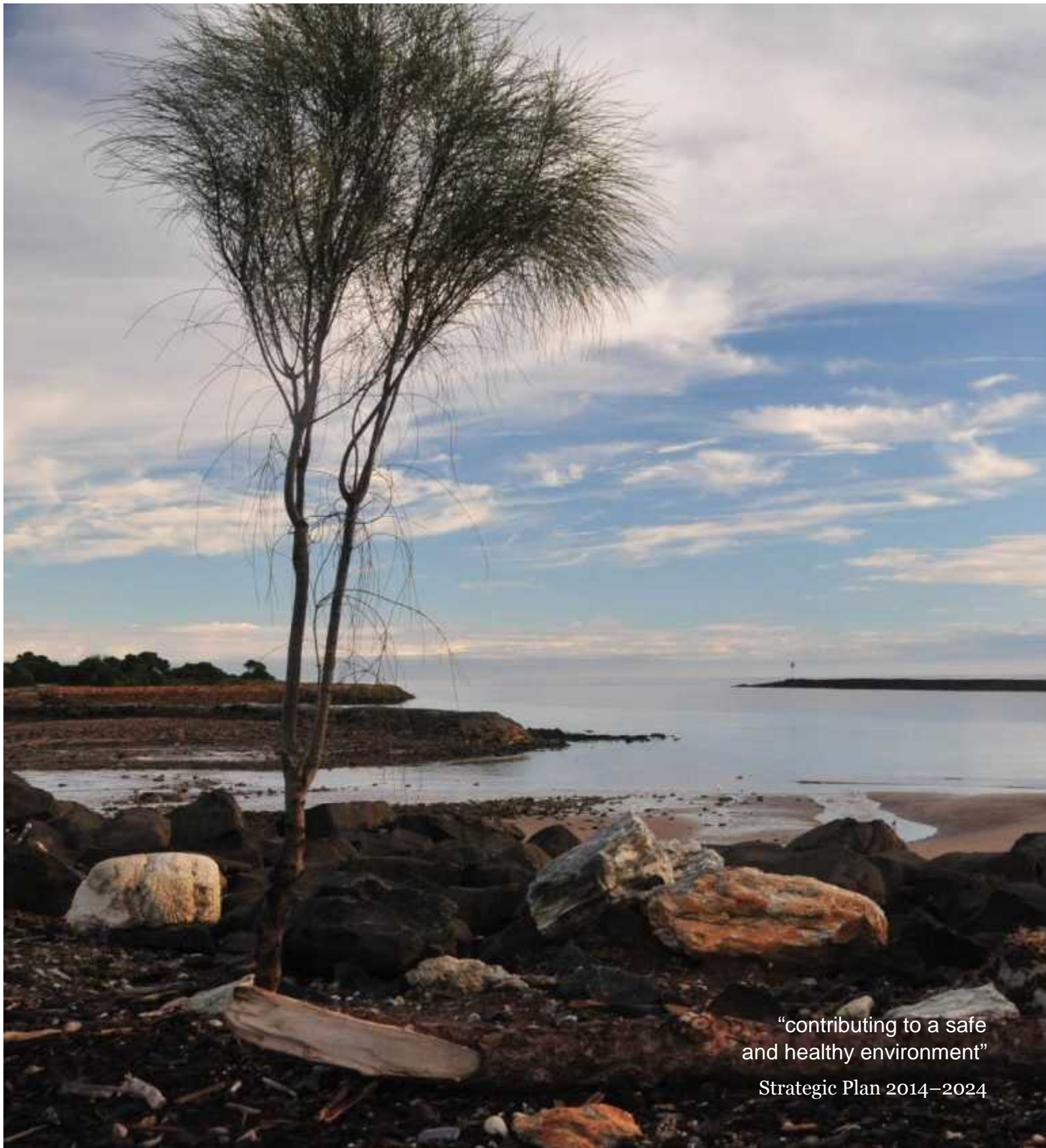
The Cradle Coast Waste Management Group commissioned a three-part study into the governance and management arrangements of waste management services in the Cradle Coast region, with clear program objectives to:

- Achieve the goals and objectives of the Cradle Coast Regional Waste Management Strategy 2017-2022;
- Provide best practice in both governance, management and cost effectiveness; and
- Position the region to participate strongly in a future state-wide waste management framework.

The Group has recommended to the seven participating Councils to approve 'in principle support' for the establishment of a self-standing joint authority, subject to a more detailed report. A decision by all participating Councils should be made early in the new year.

*Improvements*

The Council is participating in a regional shared services project and is currently waiting on the final consultant's report. The Council is actively participating in the Cradle Coast Waste Management Group's governance review.



“contributing to a safe  
and healthy environment”  
Strategic Plan 2014–2024



Public Interest Disclosures	78
Complaints	79
Code of Conduct Complaint	79
Statement of Activities	79
Joint Authorities	79
Public Health Statement	83
Statement of Land Donated	83
Grants, Assistance and Benefits Provided	84
Contracts for the Supply of Goods and Services	85
Governance and Legislative Requirements	86
Public and Environmental Health Report	89



## 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](http://www.centralcoast.tas.gov.au) or a copy can be made available by contacting the Council's protected disclosure officer/coordinator.

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

(b)	the number and types of disclosures made to the relevant public body during the year and the number of disclosures determined to be a public interest disclosure	None
(c)	the number of disclosures determined by the relevant public body to be public interest disclosures that it investigated during the year	None
(d)	the number and types of disclosed matters referred to the public body during the year by the Ombudsman	None
(e)	the number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate	None
(f)	the number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year	None
(g)	the number and types of disclosed matters that the relevant public body has declined to investigate during the year	None
(h)	the number and type of disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation	None
(i)	any recommendations made by the Ombudsman that relate to the relevant public body	None



## Complaints

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

Nature	No. Received
Staff	7
Fees and Charges	-
Service/Product	10
Communication	-
Policies/Procedures	-

These complaints have been investigated and resolved.

## Code of Conduct Complaint

### Section 72 (ba)(bb) *Local Government Act 1993*

Under Section 72(ba)(bb) of the *Local Government Act 1993*, the Central Coast Council received one complaint relating to the Councillors Code of Conduct and was upheld in part. Costs associated were:

Complaint process	\$4,642.45
Councillors' training/workshop	\$2,700.00

## 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 2016-2017.



- **Cradle Coast Authority**

“The Cradle Coast Authority (CCA) was created by the nine north-west Tasmanian councils to connect communities, business and government to work together for the good of the Cradle Coast Region. The CCA and the councils are building a vibrant, capable and resilient Cradle Coast region through effective collective action.

In 2016/17, Central Coast Council invested \$162,912 into the CCA which in turn has been matched by co-investments of \$676,840 from local government – for regional and economic development, \$327,500 from State Government – for the development of the region’s visitor economy; and \$1,746,686 from the Commonwealth and State Governments – for natural resource management. The CCA has also been able to secure \$871,994 in government grants for the region.

Regional and economic development activities in 2016/17 included the development of the Cradle Mountain Master Plan. As the region’s largest visitor attraction, the CCA secured \$1m. to undertake the detailed investigations required to build the business case for the reimagination of the Cradle Mountain visitor experience. The CCA completed the Coastal Pathway Investment Prospectus which has been used to attract government co-investment in the infrastructure required to build a pedestrian pathway connecting communities between Latrobe and Wynyard. The Regional Futures Plan is being developed as a foundation for a long-term partnership with State and Commonwealth Governments for collaboration and investment in the region on important social and economic infrastructure and initiatives.

The CCA has invested \$2,062,828 in natural resource management projects within the region during 2016/17. Key projects included managing the region’s response to the June 2016 floods which devastated parts of the region’s agriculture assets and infrastructure. NRM officers worked closely with Government to help landowners recover. Other projects delivered during the year included; the Macquarie Harbour clean-up, in April 2017 – which saw a 5-day clean-up effort of unprecedented proportions across 80kms of shoreline along Tasmania’s West Coast; the Clean Rivers project, which in conjunction with Dairy Tas, provided funding to help protect waterways impacted by the dairy industry; and the many projects which assist the ongoing protection endangered species such as the Giant Freshwater Lobster and the Tasmanian Devil.



The visitor economy is an increasingly significant contributor to the region's prosperity representing around 5% of the regional economic activity including more than 3,800 jobs. The visitor economy supports traditional business within accommodation and hospitality but also more broadly services that support visitors including retail, health and automotive service business. During 2016-17, the CCA invested \$627,411 in projects and initiatives designed to support and stimulate the visitor economy.

During 2016/17, the CCA and its representatives reviewed the organisation's governance model resulting in changes to improve its relationship with the region. The councils now have two Mayors and a General Manager as directors on the CCA Board. The CCA's Rules are being amended to clarify and reinforce the roles and responsibilities of the CCA. In August 2017, a new Corporate Plan was approved which provides the CCA with a clear and focused suite of activities to address current and emerging issues and gaps that have been barriers to the betterment of the region's economic and social prosperity.

Throughout 2016/17, the CCA has been working closely with councils in preparation for the 16th Australian Masters Games. To be held in October 2017, the AMG will attract more than 5,000 visitors to the region with an expected financial benefit in excess of \$12m. into the region's economy.

In July, Mr Sid Sidebottom was appointed as the new Chairperson of the CCA. Mr Sidebottom brings a wealth of experience representing the region. The CCA thanks Mrs Cheryl Bellchambers who stepped down as the Chairperson and director in June. Mr Ian Waller stepped down as the Manager, Regional Tourism after 15 years of tireless and dedicated service to the region."

*Brett Smith, Chief Executive Officer, Cradle Coast Authority*

- **Dulverton Regional Waste Management Authority**

"2016/17 was a great year all round for DWM. Being recognised as the best landfill facility in Australia was a highlight.

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



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

Workplace Health and Safety (WHS) continues to be a major focus for the Board, Management, Staff and Contractors. Directors commenced a program of site safety inspections during the 2012/13 financial year which continues today.

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

With the stability that robust systems for WHS, environment, finance, business, risk management and records management bring, Owner Representatives, Board and staff have been able to focus on business growth and development. Growth in revenues has resulted.

The Rules of the Authority were revised and officially adopted on the 1st of September 2016, providing increased clarity around roles and responsibilities of all parties.

During 2015/16 DWM undertook an extensive and rigorous tender process for the site Operation and Maintenance services. New contractor Gradco commenced on site on the 31st of October 2016. The detailed systems in place at DWM resulted in an extremely smooth transition with no drop in the customer experience during the changeover. Gradco have worked closely with DWM to further refine the safety, environmental and quality outcomes on site.

As the primary waste management provider in the region, DWM continues to provide waste expertise to the Cradle Coast Waste Management Group (CCWMG). 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.

The 2016/17 Financial Year concluded far stronger than budgeted. The result was influenced by a number of waste stream revenues which were the result of considerable effort by the whole DWM team. Growth in dairy processing wastes and the



construction of the aluminium salt-cake mono-cell are examples. Expenditure growth remained below tonnage growth.

Both income and profit exceeded budget. DWM was able to fund all 2016/17 capital works 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 land acquisition, major plant replacement and landfill cell construction.

The total quantity of chargeable waste disposals managed by DWM increased by 17.78% to 88,533 tonnes from 75,165 tonnes in the previous year. The majority of this waste goes to landfill, however, in 2016/17 diversion to the Dulverton Organics Recycling Facility (DORF) for recycling into compost increased from 22.9% to 25.2%. This figure does not include approximately 7,525 tonnes of green-waste also accepted at the DORF.

Pleasingly the amount of tax equivalents (or NTER - National Tax Equivalent Regime) paid and payable to the Owner Councils relating to the 2016/17 financial year, plus Dividends paid, increased on previous years. Dividends to Owner Councils are forecast into the foreseeable future.”

*Mat Greskie, Chief Executive Officer, Dulverton Waste Management*

## Public Health Statement

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

Section 72(1)(ab) of the *Local Government Act 1993* requires a statement of the Council’s goals and objectives in relation to public health activities to be included in the Annual Report. The full report is located on page 89 entitled ‘Public and Environmental Health Report.’

## 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 Local Government Act 1993

Details	\$
West Ulverstone Football Club - Defibrillator	1,223
Lions Club of Penguin Inc. - Contribution to food van	3,000
Mt St Vincent Nursing Home - Dementia care garden	3,000
Ulverstone Fire Brigade - 4 x Galaxy tablets and RAM	948
Penguin History Group - Framing	1,000
Penguin History Group - Art supplies, tracks and fixtures	1,153
Central Coast Men's Shed - Supply of chairs	3,000
Ulverstone Rowing Club - Supply and install 2 aluminium windows	950
Penguin District School - Sensory/kitchen garden	3,000
North West Woodcraft Guild - Equipment purchase	1,500
Penguin History Group - Stainless-steel hangers and push-button hooks	867
Just Mosaic Ventures - Mosaic materials	3,000
North West Branch Show Jumping Tasmania - Timing gear	950
Learn Grow Services Inc. - Printing and project management	2,000
Arts Health Agency - Social Tonic - artist fees	2,840
Veteran Car Club of Australia (Tasmania) Pty Ltd - 50% rate remission	441
M J Kent - Rate remission	223
Single Pensioner Remissions	35,105
TOTAL	\$64,200



## 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, including GST, were entered in to during the 2016-2017 financial year.

Successful Contractor	Description of Contract	Period of Contract	Value of Tender/ Contract Sum \$ incl. GST
Fairbrother Pty Ltd	Construction of Dial Regional Sports Complex	July 2016– June 2017	11,390,713
BridgePro Engineering Pty Ltd	Bridge replacement – Leven River, Marshalls Bridge Road, Gunns Plains	July 2016– June 2017	1,003,370
Hardings Hotmix Pty Ltd	Resealing of rural roads	July 2016– June 2017	445,758
S & K Design Building	Provision of gardening services	Jan 2017– Dec 2019	125,532
S & K Design Building	Provision of cleaning services	Jan 2017– Dec 2019	146,700
Civilscape Contracting Tasmania Pty Ltd	Furner's Hotel and Coles Supermarket car park reconstruction	July 2016– June 2017	505,488
JF Machinery	Provision of front-end loader/backhoe	July 2016– June 2017	130,126
Hardings Hotmix Pty Ltd	Construction of Wongi Lane bus stops	July 2016– June 2017	303,953
Gradco Pty Ltd	Gunns Plains Road flood rehabilitation works	July 2016– June 2017	2,175,169
Veolia Environmental Services (Australia) Pty Ltd	Provision of domestic waste collection service	Jul 2017– June 2024	3,192,000

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



## Governance and Legislative Requirements

Governance	Performance
<b>Annual Plan</b>	Adopted by Council - June 2017 The Council complies in accordance with Section 71 of the <i>Local Government Act 1993</i>
<b>Annual Report</b> Reports to the community the operations, audited financial and performance statements for the previous financial year	The Council complies in accordance with Section 72 of the <i>Local Government Act 1993</i>
<b>Asset Management Policy</b>	Adopted by Council - July 2017 The Council complies in accordance with Section 70C of the <i>Local Government Act 1993</i>
<b>Audit Panel Charter</b> Sets out the Audit Panel's objective, authority, composition, tenure, functions, responsibilities, reporting and administrative arrangements	Adopted by Council - April 2017 The Council complies in accordance with Sections 85; 85A; 85B of the <i>Local Government Act 1993</i>
<b>Business Continuity Plan</b> Actions that will be undertaken to ensure that key services continue to operate in the event of a disaster	The Council continues to develop and maintain a business continuity system, enabling the Council to re-establish services in a timely manner, in the event of an emergency
<b>Central Coast Place Marketing Plan</b>	Adopted by Council - May 2017
<b>Central Coast Strategic Plan 2014-2024</b>	Adopted by Council - April 2014 The Council complies in accordance with Section 66 of the <i>Local Government Act 1993</i>
<b>Community Engagement Policy</b> Outlines Council's commitment to engaging with the community on matters of public interest	Adopted by Council - January 2016
<b>Councillor Code of Conduct</b> Conduct principles and dispute resolution processes followed by Councillors	Adopted by Council - June 2016 The Council complies in accordance with Section 28R of the <i>Local Government Act 1993</i>



Governance	Performance
<b><i>Credit Card Policy</i></b>	Adopted by Council - June 2017 The Council complies in accordance with the report of the Tasmanian Audit Office
<b><i>Delegations</i></b> A register that sets out the powers, duties and functions of the Council, General Manager and Council employees	Adopted by Council - June 2017 Made in accordance with S.22 of the <i>Local Government Act 1993</i> , are delegations made by Council to the General Manager; furthermore, S.64 of the Act, allows sub-delegations from the General Manager to staff
<b><i>Disaster Recovery Plans</i></b>	Business and Continuity Plans are in place and cover numerous areas of the organisation
<b><i>Dog Management Policy</i></b>	Adopted by Council - October 2015 The Council complies in accordance with Section 7 of the <i>Dog Control Act 2000</i>
<b><i>Elected Members Professional Development Policy</i></b>	Adopted by Council - January 2016
<b><i>Estimates</i></b>	Adopted by Council - June 2017 The Council complies in accordance with Section 82 of the <i>Local Government Act 1993</i>
<b><i>Fees and Charges</i></b>	Adopted by Council - June 2017 The Council complies in accordance with Division 7 Section 205 of the <i>Local Government Act 1993</i>
<b><i>Fraud Policy</i></b>	Adopted by Council - May 2017
<b><i>Financial Reporting</i></b> Statements comparing budgeted revenue and expenditure with actual revenue and expenditure	Monthly reports submitted to Council
<b><i>Investment Policy</i></b>	Adopted by Council - April 2016
<b><i>Long-term Financial Plan</i></b>	Adopted by Council - June 2017 The Council complies in accordance with Section 70 of the <i>Local Government Act 1993</i>



Governance	Performance
<b>Meeting Procedures</b> Legislation governing the conduct of meetings of Council and Special Committees	Council complies with the <i>Local Government (Meeting Procedures) Regulations 2015</i> in the conduct of its Council meetings
<b>Municipal Emergency Management Plan</b> Plan for emergency prevention, response and recovery	Currently utilising the Mersey-Leven Emergency Management Plan
<b>Payment of allowances and expenses to the Mayor, Deputy Mayor and Councillors</b>	In accordance with Regulation 42 of the <i>Local Government (General) Regulations 2015</i> and S.340A of the <i>Local Government Act 1993</i>
<b>Performance Reporting</b> Reports of indicators measuring the results against financial and non-financial performance	Council provided with quarterly updates and audited biannually
<b>Public Interest Disclosures Act 2002</b>	June 2014
<b>Procurement Policy</b>	Adopted by Council - November 2015
<b>Rates and Charges Policy</b>	Adopted by Council - June 2015  The Council complies in accordance with Section 86B of the <i>Local Government Act 1993</i>
<b>Risk Management Policy</b> Outlines Council's approach to managing risks to Council's operations	Adopted by Council - December 2016
<b>Risk Reporting</b>	Strategic Risk Register review undertaken annually



## Public and Environmental Health Report

The corporate structure and principal functional activities of the Council are detailed in the Annual Report for the year ended 30 June 2017 pursuant to Section 72 of the Local Government Act 1993.

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

This report is intended to provide a detailed summary of the Council's actions and performance in the discipline of environmental 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 at recreational swimming sites and a need for improvement in the standard and quality of a number of food businesses. The responses to these issues are addressed in the report.



## Immunisation Service

### Target

To implement an immunisation program for the municipal area.

### Desired outcome

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

### Strategy

Provide annual immunisation clinics for schools.

### Performance

During the 2016-2017 financial year the Council operated school clinics for Chickenpox, Diphtheria/Tetanus and aCellular Pertussis (dTpa), and Human Papilloma Virus (HPV).

In total, 775 immunisations were administered in 2016-17 (see Table 1).

Table 1: Immunisation clinics

CATEGORY	TYPE OF VACCINATION		
School	Chickenpox (Grade 7)	HPV (Grade 7)	dTpa (Grade)
Leighland Christian	32	99	40
North West Christian	4	15	6
Penguin District	24	93	34
Ulverstone High	71	265	92
Total	131	472	172

The Council also conducted in-house immunisation clinics to immunise 39 staff members against seasonal Influenza.



### Protection of the Community against the Spread of Infectious Disease and Conditions causing Ill Health

#### Notification of Notifiable Diseases

##### *Target*

Investigate all notified cases of infectious diseases.

##### *Desired outcome*

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

##### *Strategy*

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

##### *Performance*

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

Table 2: Notifiable Diseases

Disease	Number Reported	Number Investigated
Salmonellosis	10	5

#### Public Health Risk Activities

##### *Target*

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

##### *Desired outcome*

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

##### *Strategy*

- To ensure that all public health risk premises are registered;



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

#### *Performance*

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

Table 3: Public Health Risk Activity

Type of Facility	Number of Registered Businesses	Number of Licensed Operators	Number of Routine Inspections Undertaken
Body Piercing/Ear Piercing	3	6	3
Tattooist	2	3	2
Total	5	9	5

#### Regulated Systems for Air (Cooling Towers)

##### *Target*

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

##### *Desired outcome*

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

##### *Strategy*

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



### *Performance*

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

During the 2016-2017 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.

## Food Surveillance and Education

### Registered Food Premises

#### *Target*

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

#### *Desired outcome*

Food that is safe for human consumption.

#### *Strategy*

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

#### *Commentary*

Food surveillance includes both proactive and reactive work.

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

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



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

The required frequency of food premises inspections varies from once every six months for high risk premises to once every 18 months for low risk premises.

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 2016-2017 financial year 167 food businesses were registered.

A total of 112 food inspections were undertaken in 2016-2017 with some premises requiring more than one inspection in the year. The risk classification of the food businesses and surveillance program are detailed in Table 4.

Table 4: Registered Food Premises

Risk	Number of Registered Businesses	Number of Routine Inspections Undertaken	Number of Follow up Inspections Undertaken
High	6	7	0
Medium	126	88	7
Low	35	17	0
Total	167	112	7

*The general standard of the food premises and food hygiene*

There was a general compliance in the performance of food premises throughout 2016-2017 with many premises demonstrating a consistency with the Food Safety Standards and the *Food Act 2003*.

However, some premises still required additional inspections and/or enforcement action to bring them into compliance with the Legislation. Two Improvement Notices were issued during the year. No food premises were fined for failing to comply with an Improvement Notice.

*Food handler education*

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

**Mobile Food Premises***Target*

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

*Desired outcome*

Food that is safe for human consumption.

*Strategy*

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

*Commentary*

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

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

*Performance*

During the reporting period 71 mobile food businesses were registered. Sixteen of these were mobile food vehicles and 55 were temporary food stalls. Temporary food stalls can obtain an annual state-wide licence.

There were no complaints or incidents requiring investigation



## Safe Water

### Recreational Water Quality

#### *Target*

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

#### *Desired outcome*

Water bodies that are safe for their respective uses.

#### *Strategy*

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

#### *The sampling program*

##### RECREATIONAL WATERS -

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

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

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

##### LOCATION OF SITES -

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



Table 5: Recreational sites monitored and uses

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

Table 6: Swimming pool and spa sites monitored

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



### Performance

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

Table 7: Summary of Recreational Water Quality Results for 2016-2017

Site	Parameters		
	Number of samples	Lowest enterococci level/100mL *(Standard<140/100mL)	Highest enterococci level/100mL *(Standard<140/100mL)
Midway Point, Penguin	3	<10/100mL	64/100mL
Preservation Bay, Penguin – Surf Club	3	<10/100mL	10/100mL
Johnsons Beach, Penguin – caravan park	3	<10/100mL	<10/100mL
Main Beach, Penguin	3	<10/100mL	20/100mL
Picnic Point Beach, West Ulverstone	7	10/100mL	1091/100mL
Main Beach, Ulverstone – Surf Club	3	<10/100mL	20/100mL
Bannons Park, Gunns Plains	7 (4 routine, 3 re-samples)	99/100mL	124/100mL
Turners Beach	4	<10/100mL	31/100mL

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



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

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

	East Ulverstone Indoor Pool	Ulverstone Water Slide	Dolphinius Aquatics	Mt St Vincent Hydrotherapy Pool
Lowest Microbial Levels				
<i>Thermotolerant coliforms</i>	<1CFU/100mL	<1CFU/100mL	<1CFU/100mL	<1CFU/100mL
SPC 35°C	<1CFU/mL	<1CFU/mL	<1CFU/mL	<1CFU/mL
<i>Pseudomonas aeruginosa</i>	<1CFU/100/mL	<1CFU/100/mL	<1CFU/100/mL	<1CFU/100/mL
Highest Microbial Levels				
<i>Thermotolerant coliforms</i>	<1CFU/100mL	<1CFU/100mL	<1CFU/100mL	<1CFU/100mL
SPC 35°C	1CFU/mL	1CFU/mL	<1CFU/mL	31CFU/mL
<i>Pseudomonas aeruginosa</i>	<1 CFU/100/mL	<1CFU/100/mL	1 est. CFU/100/mL	<1CFU/100/mL

### 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 Picnic Point Beach. After the sample taken on 14 December 2016 returned a failed result, a re-sample was taken on 19 December 2016. This re-sample was also non-compliant. While the normal course of action in this situation is to conduct a sanitary inspection and re-sample, the Christmas break meant re-sampling was an impossibility. Therefore, signage was placed at the site advising the public that the water was unsuitable for primary contact. A re-sample was then carried out on 3 January 2017, with this result indicating satisfactory water quality.

The routine sample taken on 18 January 2017 showed the quality of the water had again deteriorated, so a site assessment was carried out. No point source for the contamination was identified, so a re-sample was taken on 23 January 2017. This also



showed poor water quality. After a third failed result on 25 January 2017, signage was placed at the site advising the public of the poor water quality.

Due to poor water quality at Picnic Point Beach, West Ulverstone this swimming season, permanent signs are recommended at the beach access. These will have variable messages which can be changed to reflect the water quality. Similar signage may also be placed at Bannons Park, Gunns Plains due to fluctuating water quality at the site in the past.

#### 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*

No private water suppliers were registered under the *Public Health Act 1997*, although a number of water suppliers were exempt from registration under the *Public Health (Exemption) Order 2001* due to their registration under the *Food Act 2003*.

#### Healthy and Safe Places of Assembly

##### Places of Assembly

##### *Target*

To ensure that public events have satisfactory facilities that are maintained to a standard that complies with the *Public Health Act 1998*.



### *Strategy*

To inspect and licence all applications for places of assembly within the municipal area.

### *Commentary*

A place of assembly licence is required for outdoor public gatherings with 1000 or more people in attendance for two hours or more.

### *Performance*

Place of Assembly licences were issued to four outdoor events held during the 2016-2017 financial year, for events such as the Ulverstone Rodeo and Relay for Life.

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

## Management and Administration

### *Target*

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

### *Desired outcome*

Completion of statutory and corporate obligations within these disciplines.

### *Strategy*

- Allocation of sufficient budgetary resources to enable the Department to meet its targets;



- Actively engage in on-going education and professional development to ensure that officers are aware of, and active in, modern and current practices within these disciplines.

### *Performance*

#### STAFF NUMBERS –

The Council's 2016-2017 Environmental Health staff is described in the following table.

Position	Employment Status	Base Qualifications	Period Employed
Regulatory Services Group Leader	Full Time	Environmental Health Officer	July '16 – June '17
Environmental Health Officer	Full Time	Environmental Health Officer	July '16 – June '17
Environmental Health Officer	Part Time	Environmental Health Officer	July '16 – March '17
Regulatory Services Assistant	Part-Time	Administration	July '16 – June '17
Nurse Immuniser	Casual	Nursing	July '16 – June '17
Immunisation Nurse	Casual	Nursing	July '16 – June '17

#### FINANCIAL RESOURCES -

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

#### STAFF DEVELOPMENT -

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

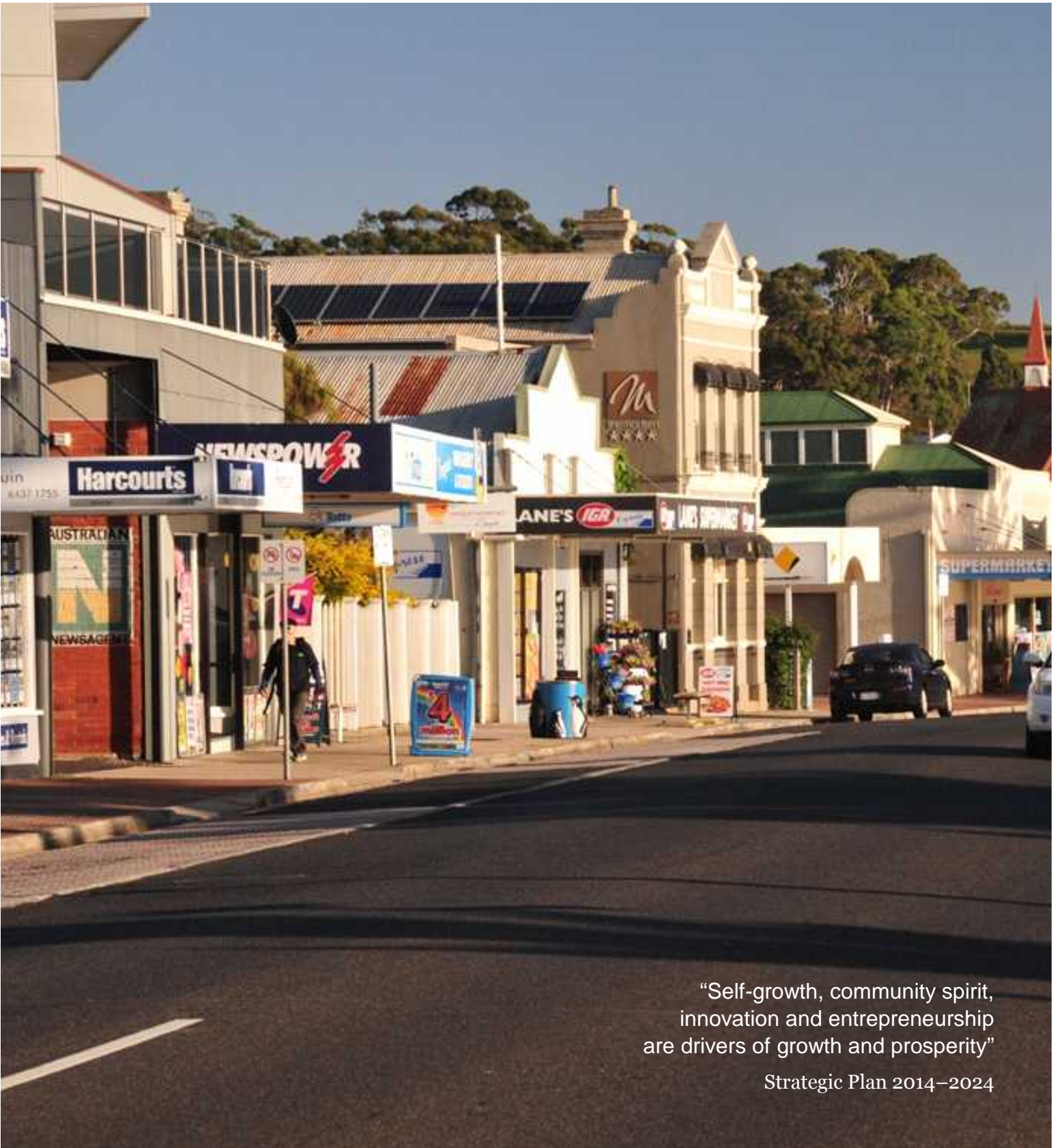
- continuing professional development –
  - Environmental Health Australia Tasmania National Conference (2 November 2016, Hobart).
  - Environmental Health Australia Quarterly Seminar (14 December 2016, Campbell Town).
  - Environmental Health Australia Quarterly Seminar (15 March 2017, Campbell Town).
  - Environmental Health Australia Quarterly Seminar (14 June 2017, Campbell Town).
  - School-based Immunisation Program Workshop (21 April 2017, Campbell Town).



- North/North West Region Quarterly EHO Meeting (27 July 2016, Westbury).
- North/North West Region Quarterly EHO Meeting (19 October 2016, Ulverstone).
- North/North West Region Quarterly EHO Meeting (15 February 2017, Burnie).
- North/North West Region Quarterly EHO Meeting (31 May 2017, Latrobe).
- Department Health and Human Services Workshop, Food Safety Update (25 May 2017, Ulverstone).

A handwritten signature in black ink, appearing to read 'Bill Hyndes'.

Bill Hyndes  
REGULATORY SERVICES GROUP LEADER



“Self-growth, community spirit,  
innovation and entrepreneurship  
are drivers of growth and prosperity”

Strategic Plan 2014–2024



Community Assets	106
Building	108
Planning	109
Environmental Management	
Processing Times	110



## Community Assets

### Civic Centre, Public Halls and Buildings Utilisation Data (Bookings unless otherwise identified)

Details	2015-2016	2016-2017
Civic Centre - Leven Theatre	140	148
Civic Centre - Gawler Room	198	186
Civic Centre - Isandula Room	116	91
Castra-Sprent Community Centre	-	4
Montgomery Room	573	420
North Motton Hall	52	82
Penguin Railway Station	82	72
Riana Community Centre	140	133
Sulphur Creek Hall	183	169
Turners Beach Hall	163	130
Wharf Precinct – Gnomon Pavilion	-	150
Wharf Precinct – River Room	-	319

### Recreation Facilities Utilisation Data

Details	2015-2016	2016-2017
Ulverstone Learn to Swim Pool		
- Hours Used	1,003	716.5
- Bookings	803	543
Ulverstone Waterslide (operated 19.11.2016–2.04.2017)		
- Days Open	97	89
- Highest Utilisation Day	194	179
- Average Per Day	84	73
- Private Booking Hours	208	213
Forth Recreation Ground	131	141
Haywoods Reserve Recreation Ground	137	141
Heybridge Recreation Ground	81	82
Penguin Recreation Ground	215	259



### Recreation Facilities Utilisation Data cont.

Details	2015-2016	2016-2017
Riana Recreation Ground	43	49
River Park Recreation Ground	200	188
Sprent Recreation Ground	19	-
Turners Beach Recreation Ground	136	115
Ulverstone Recreation Ground	236	242*
West Ulverstone Recreation Ground	181	128
Ulverstone Sports and Leisure Centre		
- Stadiums	1,213	1267*
- Squash Courts	211	187
Penguin Sports Centre		
- Stadiums	576	592
- Squash Courts	374	355
Ulverstone Showground		
- Playing Fields	753	786*
- Netball Courts (incl. grass court)	108	78
- Dog Training Area	103	111
- Training Room	107	110
North Motton Equestrian Complex	35	33
Penguin Athletics Centre Track	78	93

\*Note: In response to user requests regarding billing, a number of junior and senior bookings at the Ulverstone Recreation Ground, Sports and Leisure Centre Stadiums and Playing Fields were consolidated as single bookings. Overall the usage in these areas was similar or greater than the previous year.



## Building

### Building Approvals - Comparisons

Parameter	2013-2014	2014-2015	2015-2016	2016-2017
<i>No. of Approvals</i>	224	236	251	169*
<i>Total Value (\$)</i>	\$30,037,963	\$32,910,138	\$47,544,462	\$31,463,410
Dwellings - No. approved \$ value	54 \$15,615,948	71 \$21,289,731	75 \$26,071,202	46 \$15,950,624
Flats/Units - No. approved \$ value	20 \$3,899,758	15 \$1,120,400	23 \$3,606,456	18 \$2,592,000
Additions - No. approved \$ value	61 \$2,506,205	66 \$3,106,548	68 \$3,796,827	36 \$1,999,724
Alterations - No. approved \$ value	2 \$39,500	5 \$36,000	3 \$31,999	2 \$119,000
Outbuildings - No. approved \$ value	74 \$2,498,797	57 \$2,518,378	63 \$2,387,982	52 \$1,602,162
Other Buildings - No. approved \$ value	25 \$4,477,755	30 \$4,839,081	29 \$11,649,996	15 \$9,199,900

\*Note: The reduction in the number of Building Approvals and the related reduction in value is the result of the adoption of the *Building Act 2016* which came into force on 1 January 2017. The Act introduced a range of low-risk building works that no longer required a Council permit.



### Building Permit Processing Times

Category \ Parameter	No. of Applications	Average No. of Days	Most No. of Days	Least No. of Days
All Buildings	177	4.57	22	1.00
Dwellings	60	5.25	22	1.00
Units	6	5.20	6.00	1.00
Additions	19	4.40	13	1.00
Alterations	21	3.48	8.00	0.00
Outbuildings	54	3.60	11.00	1.00
Other Buildings	17	3.17	8.00	1.00

Statutory requirement is 7 days.

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

### Planning

#### Subdivision – Net Lots Approved

Locality	2015-2016	2016-2017
Rural	13	5
Leith	-	-
Forth	-	-
Turners Beach	25	-
Ulverstone	66	24
Penguin	2	9
Sulphur Creek	-	-
Heybridge	2	2
<i>Total</i>	<i>108</i>	<i>42</i>



### Planning Permit Processing Times

Category	2016-2017	
	No. Applications	Av. No. of Days
Permitted	50	10.04
Discretionary	185	26.21

Statutory requirement is 42 days.

### Environmental Management Processing Times

Category \ Parameter	No. of Applications	Average No. of Days	Most No. of Days	Least No. of Days
Special Plumbing Permits*	15	6.20	10	3
Food Business (including Temporary and Mobile)	238	2.50	5	1
Public Health Risk Activity	14	3.00	6	1
Place of Assembly	4	5.00	8	2

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

Special Plumbing Permits – statutory requirement is 14 days.

\*Special Plumbing Permits no longer apply after 1 January 2017

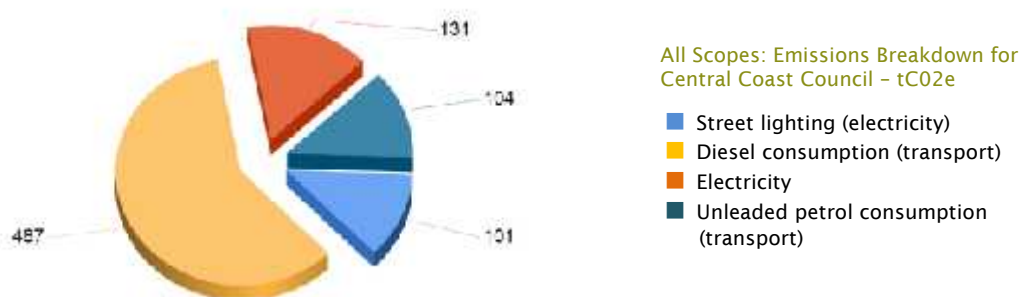


## Greenhouse Gas Emissions

As part of its environmental management, the Council monitors its corporate greenhouse gas emissions and energy use. The information below provides a summary of the Council's emission and energy information for the 2016-2017 year. The Council has been measuring its emissions and energy use since 2008 and continues to strategically work toward a continual reduction in emissions. The reduction in emissions for 2016-2017 was due to a decrease in electricity and street lighting.

Year	Total Greenhouse Gas Emissions (Tonnes of Equivalent Carbon Dioxide (CO <sub>2</sub> ) Emitted)
2011-2012	1,450 Tonnes CO <sub>2</sub> (e)
2012-2013	1,323 Tonnes CO <sub>2</sub> (e)
2013-2014	1,122 Tonnes CO <sub>2</sub> (e)
2014-2015	1,229 Tonnes CO <sub>2</sub> (e)
2015-2016	870 Tonnes CO <sub>2</sub> (e)
2016-2017	822 Tonnes CO <sub>2</sub> (e)

Council Greenhouse Gas Emissions by Source for FY 16-17 to and including April-June 2017





“generating new economic opportunities,  
sustainability and future livability”

Strategic Plan 2014–2024



Financial Report Commentary	114
Explanation of Financial Statements	121
Financial Report and Audit Opinion	125



## Financial Report Commentary

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

The financial report for a financial year is to:

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

## Financial Performance

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

The primary measure of financial performance is whether the Council achieved an underlying surplus. The long-term financial sustainability of the Council is dependent on consistently achieving underlying surpluses. This is a measure of recurrent revenue against recurrent expenditure after adjusting for advance receipts (refer Note 41 in the Financial Report). The underlying surplus for 2016-2017 is \$1,428,000.

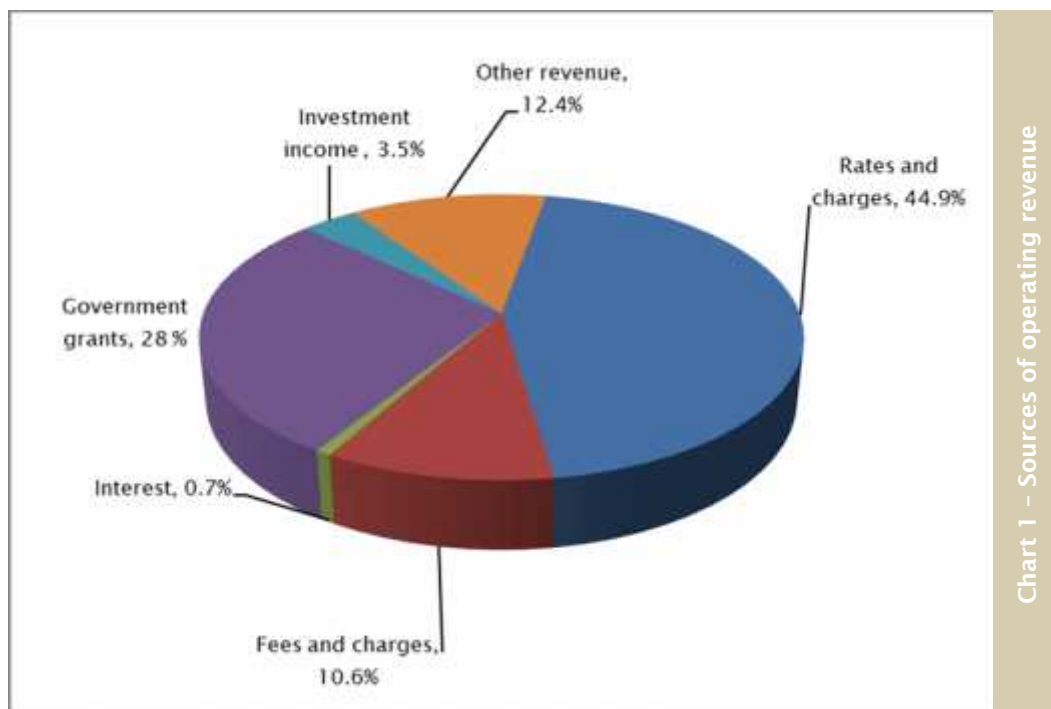


The Council achieved a net surplus of \$7,358,563 compared to a budgeted operating surplus of \$7,550,100. This difference between the current year and the prior year actual amounts can be explained by this year's surplus which includes an advance payment of the Commonwealth Financial Assistance Grant of \$1,972,789. There was also a net loss on disposal of Council assets, compared with a budgeted surplus.

The Council received investment income from TasWater and Dulverton Regional Waste Management Authority during the financial year. This income comprised dividend receipts, guarantee fees and tax equivalent receipts totalling, \$2,129,190.

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

As can be seen from Chart 1, rates and charges revenue is the most significant source of revenue to the Council, representing 46.0% of the Council's operating revenue for the year. This has reduced from the 2015-2016 financial year as a result of the advance receipt of the Commonwealth Financial Assistance Grants. Fees and charges decreased to 11.0% for the same reason. Consequently, Government grants have increased to represent 18% of revenue. The investment income the Council received comprises dividends received from TasWater and Dulverton Regional Waste Management Authority. This is 3.6% of its income.



### Changes in Equity

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

The operating capability before non-monetary contributions and the change in fair value of investments for the year was increased by \$7,358,563. This is lower than what was anticipated from the data prepared in the estimates. The reduction is principally due to the advance receipt of the Commonwealth Financial Assistance Grant in the 2015-2016 year. The Council's surplus for the period including non-monetary contributions and the change in fair value of assets was \$15,474,980.

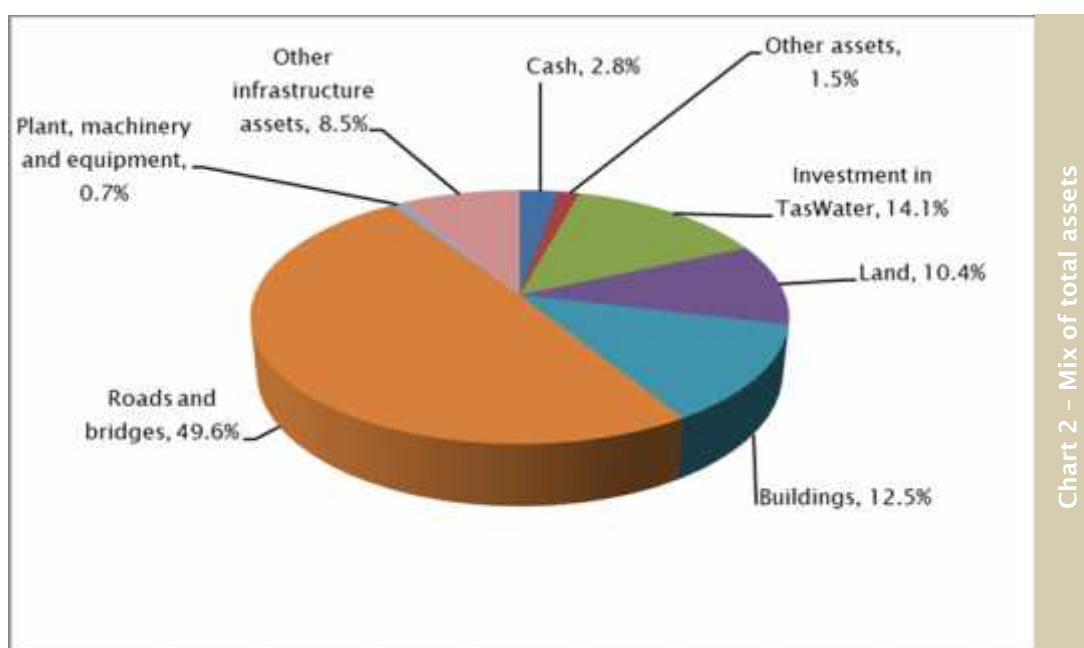
At 30 June 2017, the equity of the Council comprised an accumulated surplus of \$237,372,111 and reserves of \$276,203,032.



## Assets

Total assets of the Council at 30 June 2017 amount to \$533,418,224 as indicated in the Balance Sheet. There has been an increase of \$24,146,259 over last financial year largely due to the revaluation of infrastructure assets and the construction of new and the renewal and upgrade of existing assets. The Council has investments in Dulverton Regional Waste Management Authority and TasWater. The Council's share of investment in each of these at 30 June 2017 was \$74,972,525 in TasWater and \$4,673,702 in Dulverton Regional Waste Management Authority.

Indicated in Chart 2 is the mix of total assets at 30 June 2017.



## Liabilities

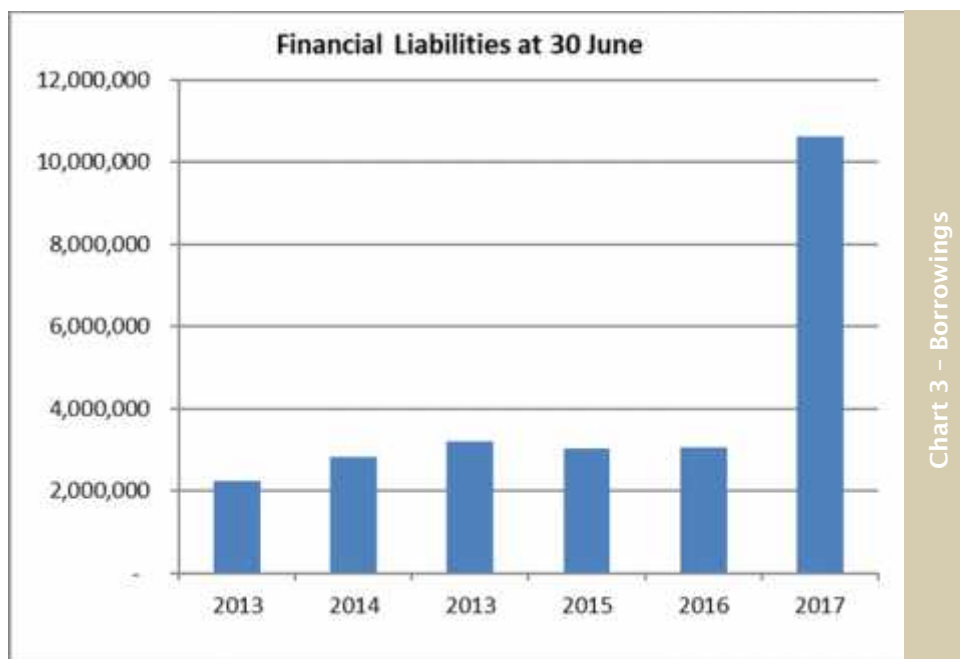
Total liabilities at 30 June 2017 amounted to \$19,843,081, a \$8,671,279 increase from 30 June 2016. This is largely a result of the borrowings that were undertaken by the Council through the State Government Accelerated Local Government Capital Program (ALGCP). Liabilities comprised mainly employee provisions \$3,137,269, aged-persons home unit provisions \$1,786,520, interest bearing loans \$10,600,380, and payables \$3,186,502.



### Debt Administration

Interest bearing loans have increased by \$7,538,784. This is due to Council utilising the State Government ALGCP to fund \$7,730,000 of capital works. The ALGCP is an initiative of the State Government for councils to fund projects which have been proposed for future years. As part of the Council's financial plan, funds will be allocated to a reserve as part of future estimates to allow for the repayment of the loans in 2021-2022. The Council will use these loans to fund the following capital projects. These loans are to finance the capital works projects at Anzac Park, Dial Regional Sports Complex, Creamery Road, Nine Mile Road, James/Grove/Gollan Streets intersections and Quadrant carpark stage 2. There is a \$3,500,000 State Government contribution included in the \$7,730,000; however, at this time the State has paid the Council this as an interest-free loan for the State to repay in the 2020-2021 financial year.

Indicated on Chart 3 is the level of debt owed by the Council over the last six years and debt owing at the end of the 2016-2017 financial year. This includes borrowing of \$7,730,000 in the 2016-2017 financial year to fund the capital works program. The Council's exposure to debt at 30 June 2017, given a debt exposure ratio of 3.68%, is considered responsible and manageable.





### Financial Ratios of the Accounts

	2015-2016	2016-2017
Rate coverage ratio: (rates and charges revenue/total operating revenue)	56.1%	44.88%
Rate collection ratio: (rates receivables/rates and charges)	1.63%	1.81%
Debt payment ratio: (debt servicing cost/total revenue)	0.71%	0.68%
Debt exposure ratio: (total liabilities/total assets)	2.19%	3.72%
Government grants per capita: (grant revenue/population)	\$165*	\$325*
Expenditure per capita: (operating expenses/population)	\$1,104	\$1,146
Working capital ratio: (current assets/current liabilities)	1.51:1	2.85:1

\* The increase is due to the Commonwealth Federal Assistance Grant advance payment in 2016/17 and the under payment of the grant in the 2015-2016 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 decreased by 20% this financial year which is reasonable considering that grant income as a proportion of revenue has increased during the 2016-2017 year.
- *Rate collection ratio* represents the Council's outstanding rates as at 30 June.
- *Debt payment ratio* represents the capacity of the Council to service its outstanding debt.
- *Debt exposure ratio* represents the Council's exposure to debt.
- *Government grants per capita* measures the Council's financial independence in relation to population. The increase is due to the Commonwealth Financial Assistance Grant recommencing the advance payment for this financial year. Prior year was only a half payment and this year is a 1½ year allocation.



- *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 2.85:1 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 2017, the net wealth of the Central Coast Council, as indicated in the Balance Sheet, amounted to \$513,575,143, a \$15,474,980 increase over the opening equity at the beginning of the year.

Bill Hutcheson  
DIRECTOR ORGANISATIONAL SERVICES



## Explanation of Financial Statements

### Income Statement

The Income Statement is sometimes referred to as a 'Profit and Loss Statement' and shows the sources or the Council's revenue under various income headings and expenses incurred in running the Council during the year. These expenses relate only to the 'Operations' and do not include the cost associated with the purchase or the building of assets. While asset purchase costs are not included in the Expenses, there is an item for 'Depreciation'. This value is the value of the assets used during the year.

The key figure to look at is the surplus (or deficit) for the year which is equivalent to the profit (or loss) of the Council for the year. A surplus means that the revenue was greater than the expenses.

### Balance Sheet

The one-page summary is a snapshot of the financial situation as at 30 June. It shows what the Council owns as Assets and what it owes as Liabilities. The bottom line of this Statement is Net Assets. This is the net worth of the Council which has been compiled over many years.

The assets and liabilities are separated into Current and Non-current. Current means those assets or liabilities which fall due in the next 12 months. The components of the Balance Sheet are described here.

#### *1 Current and Non-current Assets*

Cash includes cash and investments, i.e. cash held in the bank and petty cash and the market value of the Council's investments.

Receivables are monies owed to the Council by ratepayers and others.

Other is inventory and accounts which have been pre-paid.

Non-current Assets as held for sale. It includes Council land that is currently for sale.

Property, Infrastructure, Plant and Equipment is the largest component of the Council's worth and represents the value of all land, buildings, roads, vehicles, equipment etc. which has been compiled by the Council.



## 2 *Current and Non-current Liabilities*

Payables are those to whom the Council owes money as at 30 June.

Employee Benefits include accrued Long Service Leave and Annual Leave owed to employees.

Trust monies represent monies held in Trust by the Council.

## 3 *Net Assets*

This term is used to describe the difference between the value of Total Assets and the value of Total Liabilities. It represents the net worth of the Council as at 30 June.

## 4 *Total Equity*

This always equals Net Assets. It is made up of the following components.

Asset Revaluation Reserve which is the difference between the previously recorded value of assets and their current valuations.

General Reserves which are allocations of the Accumulated Surplus to specific projects.

Accumulated Surplus is the value of all net assets accumulated over time.

## *Statement of Changes in Equity*

During the course of the year the value of Total Ratepayer's Equity is set out in the Statement of Income changes. This Statement shows the values of such changes and how these changes arose.

The main reasons for a change in equity stem from:

- . The profit or loss from operations, described in the Statement as Operating Surplus;
- . Deficit for the year;
- . The use of monies from the Council's Reserves;
- . Revaluation of the assets. This takes place on a regular basis. It also occurs when existing assets are taken up in the books for the first time.



## Statement of Cash Flows

The Statement of Cash Flows summarises the Council's cash payments and cash receipts for the year. This Statement is presented according to a specific Accounting Standard and needs some care in analysis. The values may differ from those shown in the Statement of Income because the Statement of Income is prepared on an accrual accounting basis.

Cash in this Statement refers to Bank Deposits and other forms of highly liquid investments that can readily be converted to cash such as cash invested with Fund Managers.

The Council's cash arises from, and is used in three main areas.

### 1 *Cash Flows From Operating Activities*

Receipts: All cash received into the Council's bank account from ratepayers and others who owe money to the Council. Receipts also include the interest earnings from the Council's cash investments. It does not include the costs associated with the sale of assets.

Payments: All cash paid by the Council from its bank account to staff, creditors and other persons. It does not include the costs associated with the creation of assets.

### 2 *Cash Flows From Investing Activities*

This section shows where the cash invested in the creation or purchase of Property, Infrastructure, Plant and Equipment assets and the cash received from the sale of these assets.

### 3 *Cash Flows From Financing Activities*

This is where the receipt and repayment of borrowed funds are recorded. The bottom line of the Statement of Cash Flows is the cash at the end of the financial year. This shows the capacity of the Council to meet its cash debts and other liabilities.

## Notes to the Accounts

The Notes are an important and informative section of the report. The Australian Accounting Standards are not prescriptive in a lot of issues. Therefore, to enable the reader to understand the basis on which the values shown in the Statements are



established, it is necessary to provide details of the Council's accounting policies. These are described in Note 1.

Apart from the accounting policies, the Notes also give details behind many of the summary figures contained in the Statements. The Note numbers are shown beside the relevant items in the Income Statement, Balance Sheet and the Statement of Cash Flows.

Where the Council wishes to disclose other information which cannot be incorporated into the Statements, then this is shown in the Notes.

Other Notes include: the cost of various functions of the Council; the breakdown of expenses, revenues, reserves and other assets; contingent liabilities; transactions with persons related to the Council; and financial performance indicators. The Notes should be read at the same time as the Financial Statements to get a clear picture of the accounts.

### Standard Statements

The Standard Statements section provides three of the four Statements mentioned above (Income Statement, Balance Statement and Statement of Cash Flows), together with a further Statement (Statement of Capital Works).

The Statement of Capital Works sets out the expenditure on creating or buying Property, Infrastructure, Plant and Equipment assets by each category of asset. It also shows how much has been spent on renewing, upgrading, expanding or creating new assets of this type.

These Standard Statements provide a comparison between the actual results for the year and the budget that was set at the start of the year. All major differences are explained in accompanying Notes.



# Financial Report and Audit Opinion

for the year ended 30 June 2017



STATEMENT OF COMPREHENSIVE INCOME .....	128
STATEMENT OF FINANCIAL POSITION .....	129
STATEMENT OF CASH FLOWS .....	130
STATEMENT OF CHANGES IN EQUITY .....	131
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT:	
1 Reporting entity .....	132
2 Basis of accounting .....	132
3 Use of estimates and judgements .....	133
4 Functions/Activities of the Council .....	134
5 Rates and charges .....	136
6 Fees and Charges .....	137
7 Grants .....	138
8 Contributions .....	140
9 Interest .....	141
10 Other income .....	141
11 Net gain/(loss) on disposal of property, infrastructure, plant and equipment .....	141
12 Investment revenue .....	142
13 Employee benefits .....	142
14 Materials and services .....	143
15 Depreciation and amortisation .....	144
16 Finance costs .....	146
17 Other expenses .....	146
18 Investment in Regional Waste Management Authority .....	147
19 Investment in water corporation .....	148
20 Cash and cash equivalents .....	149
21 Trade and other receivables .....	150
22 Assets held for sale .....	150
23 Inventories .....	151
24 Other assets .....	151
25 Property, plant and infrastructure .....	152
26 Trade and other payables .....	163
27 Trust funds and deposits .....	163
28 Provisions .....	163
29 Interest-bearing liabilities .....	167
30 Reserves .....	168
31 Reconciliation of cash flows from operating activities to surplus or deficit .....	171
32 Reconciliation of cash and cash equivalents .....	171
33 Superannuation .....	172
34 Commitments .....	174
35 Operating leases .....	174
36 Contingent liabilities and contingent assets .....	175
37 Financial Instruments .....	176
38 Events occurring after balance date .....	184
39 Related party transactions .....	185



40	Significant business activities.....	189
41	Management indicators.....	190
42	Fair value measurements.....	195
43	Material budget variations.....	200
44	Other significant accounting policies and new accounting standards.....	201
	Certification of the Financial Report.....	208

# STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017



	Note	Budget 2017	Actual 2017	Actual 2016
<b>Income</b>				
<b>Recurrent Income</b>				
Rates and charges	5	14,418,000	14,542,980	13,982,962
Fees and charges	6	3,592,800	3,428,153	3,489,599
Government grants	7	3,837,000	5,888,343	2,034,683
Contributions - cash	8	885,500	1,384,432	950,426
Share of net profits/(losses) of associates	18	200,000	633,251	714,613
Interest	9	322,000	258,759	362,164
Other income	10	945,500	2,125,211	853,923
Investment revenue	12	800,000	1,123,223	1,117,138
		<b>25,000,800</b>	<b>29,384,352</b>	<b>23,505,508</b>
<b>Capital income</b>				
Capital grants	7	4,808,500	3,195,463	1,787,161
Net gain/(loss) on disposal of assets	11	1,894,000	(172,511)	(336,698)
		<b>6,702,500</b>	<b>3,022,952</b>	<b>1,450,463</b>
<b>Total Income</b>		<b>\$ 31,703,300</b>	<b>\$ 32,407,304</b>	<b>\$ 24,955,971</b>
<b>Expenses</b>				
Employee benefits	13	(9,890,000)	(9,957,030)	(10,023,527)
Materials and services	14	(7,852,700)	(8,232,327)	(8,129,155)
Depreciation and amortisation	15	(5,919,000)	(6,197,489)	(6,154,623)
Finance costs	16	(150,500)	(315,687)	(91,333)
Other expenses	17	(341,000)	(346,208)	(325,783)
<b>Total expenses</b>		<b>(24,153,200)</b>	<b>(25,048,741)</b>	<b>(24,724,421)</b>
<b>Net Surplus/(Deficit)</b>		<b>\$ 7,550,100</b>	<b>\$ 7,358,563</b>	<b>\$ 231,550</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified to surplus or deficit</i>				
Net asset revaluation increment/(decrement) Council	30	-	7,603,370	27,217,625
Net asset revaluation increment/(decrement) Associates	18	-	24,400	39,680
		-	<b>7,627,770</b>	<b>27,257,305</b>
<i>Items that may be reclassified subsequently to surplus or deficit</i>				
Financial assets available for sale reserve				
- Fair Value adjustment on Available for Sale Assets	19	-	488,647	1,246,639
		-	<b>8,116,417</b>	<b>28,503,944</b>
		<b>\$ 7,550,100</b>	<b>\$ 15,474,980</b>	<b>\$ 28,735,494</b>

The above statement should be read with the accompanying notes

# STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017



	Note	30-Jun-17	30-Jun-16
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	20	14,879,468	6,650,511
Trade and other receivables	21	1,384,609	951,466
Assets held for sale	22	200,000	-
Inventories	23	-	26,299
Other assets	24	1,485,647	335,688
<b>Total current assets</b>		<b>\$ 17,949,724</b>	<b>\$ 7,963,964</b>
<b>Non-current assets</b>			
Trade and other receivables	21	8,321	16,794
Investment in Regional Waste Management Authority	18	4,673,702	4,016,051
Investment in water corporation	19	74,972,525	74,483,878
Property, infrastructure, plant and equipment	25	428,042,931	418,809,033
Capital work in progress	25	7,739,021	3,933,233
Other assets	24	32,000	49,012
<b>Total non-current assets</b>		<b>515,468,500</b>	<b>501,308,001</b>
<b>TOTAL ASSETS</b>		<b>\$ 533,418,224</b>	<b>\$ 509,271,965</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	26	3,186,502	2,246,194
Trust funds and deposits	27	227,247	219,992
Provisions	28	2,677,159	2,628,333
Interest bearing liabilities	29	200,405	191,216
<b>Total current liabilities</b>		<b>\$ 6,291,313</b>	<b>\$ 5,285,735</b>
<b>Non-current liabilities</b>			
Provisions	28	3,151,793	3,015,687
Interest bearing liabilities	29	10,399,975	2,870,380
<b>Total non-current liabilities</b>		<b>13,551,768</b>	<b>5,886,067</b>
<b>TOTAL LIABILITIES</b>		<b>19,843,081</b>	<b>11,171,802</b>
<b>NET ASSETS</b>		<b>\$ 513,575,143</b>	<b>\$ 498,100,163</b>
<b>EQUITY</b>			
Accumulated surplus		237,372,111	230,392,773
Reserves	30	276,203,032	267,707,390
<b>TOTAL EQUITY</b>		<b>\$ 513,575,143</b>	<b>\$ 498,100,163</b>

The above statement should be read with the accompanying notes.

# CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2017



	Note	2017 Inflows/ (outflows)	2016 Inflows/ (outflows)
<b>Cash flows from operating activities</b>			
Rates and Charges		14,508,354	14,050,500
Fees and Charges		3,512,150	4,169,279
Interest		188,251	362,164
Dividends		1,123,223	1,117,138
Government Grants		5,888,343	1,904,801
Contributions		1,553,150	1,007,550
Net GST refund/payment		1,082,412	950,722
Other income		1,213,904	853,923
Payments to employees		(9,653,885)	(9,970,077)
Payments to suppliers		(10,076,379)	(9,083,257)
Finance costs		(150,745)	(120,644)
Other payments		(346,208)	(325,783)
<b>Net cash provided by (used in) operating activities</b>	<b>31</b>	<b>\$ 8,842,570</b>	<b>\$ 4,916,315</b>
<b>Cash flows from investing activities</b>			
Capital grants (inclusive of GST)		3,195,463	1,787,161
Proceeds from sale of land		235,000	200,000
Proceeds from sale of plant and equipment		186,895	119,334
Payments for property, plant and equipment		(11,769,755)	(7,549,283)
<b>Net cash provided by (used in) investing activities</b>		<b>\$ (8,152,397)</b>	<b>\$ (5,442,788)</b>
<b>Cash flows from financing activities</b>			
New borrowings		7,730,000	200,000
Loan repayments		(191,216)	(165,610)
<b>Net cash provided by (used in) financing activities</b>		<b>\$ 7,538,784</b>	<b>\$ 34,390</b>
Net increase (decrease) in cash and cash equivalents		8,228,957	(492,083)
Cash and cash equivalents at the beginning of the financial year		6,650,511	7,142,594
<b>Cash and cash equivalents at the end of the financial year</b>	<b>32</b>	<b>\$ 14,879,468</b>	<b>\$ 6,650,511</b>
Restrictions on cash assets	20		

The above statement should be read with accompanying notes.

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017



2017	Note	Total	Accumulated Surplus	Asset Revaluation Reserve	Fair Value Reserve	Other Reserves
Balance at beginning of the financial year		498,100,163	230,392,773	256,927,359	7,993,730	2,786,301
Adjustment due to compliance with revised accounting standard		-	-	-	-	-
Adjustment on change in accounting policy		-	-	-	-	-
Surplus / (deficit) for the year		7,358,563	7,358,563	-	-	-
Other Comprehensive Income:						
- Fair value adjustments for financial assets at fair value		-	-	-	-	-
Financial assets available for sale reserve						
- Fair Value adjustment on Available for Sale Assets	19	488,647	-	-	488,647	-
Net asset revaluation increment/(decrement)	30	7,603,370	-	7,603,370	-	-
Actuarial gain/loss on defined benefits plans		-	-	-	-	-
Share of other comprehensive income of Associates & joint ventures accounted for by the equity method		24,400	-	24,400	-	-
Transfers between reserves		-	(379,225)	-	-	379,225
<b>Balance at the end of the financial year</b>		<b>\$513,575,143</b>	<b>\$237,372,111</b>	<b>\$264,555,129</b>	<b>\$8,482,377</b>	<b>\$3,165,526</b>
2016						
Balance at beginning of the financial year		469,364,669	230,258,215	229,670,054	6,747,091	2,689,309
Adjustment due to compliance with revised accounting standard		-	-	-	-	-
Adjustment on change in accounting policy		-	-	-	-	-
Surplus / (deficit) for the year		231,550	231,550	-	-	-
Other Comprehensive Income:						
Fair value adjustments for financial assets at fair value		-	-	-	-	-
Financial assets available for sale reserve						
- Fair Value adjustment on Available for Sale Assets	19	1,246,639	-	-	1,246,639	-
Net asset revaluation increment/(decrement)	30	27,217,625	-	27,217,625	-	-
Actuarial gain/loss on defined benefits plans		-	-	-	-	-
Share of other comprehensive income of associates & joint ventures accounted for by the equity method		39,680	-	39,680	-	-
Transfers between reserves		-	(96,992)	-	-	96,992
<b>Balance at the end of the financial year</b>		<b>\$ 498,100,163</b>	<b>\$ 230,392,773</b>	<b>\$ 256,927,359</b>	<b>\$ 7,993,730</b>	<b>\$ 2,786,301</b>

The above statement should be read with accompanying notes.



## 1 Reporting entity

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

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

- (b) The purpose of the Council is to:

- . provide for 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.

## 2 Basis of accounting

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

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

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

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

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

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



### 3 Use of judgements and estimates

#### *Judgements and Assumptions*

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

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

#### *Employee entitlements*

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

#### *Defined benefit superannuation fund obligations*

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

#### *Fair value of property, plant & equipment*

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

#### *Investment in water corporation*

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

#### *Landfill / Tip Rehabilitation*

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



#### 4 Functions

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

	Grants	Other	Total Revenue	Total Expenditure	Surplus/ (Deficit)	Assets
<b>Governance and administration</b>						
2016-2017	631,584	2,187,950	2,819,534	4,153,161	(1,333,627)	102,744,568
2015-2016	157,631	3,183,731	3,341,362	4,247,648	(906,286)	93,824,924
<b>Roads, streets and bridges</b>						
2016-2017	5,266,076	1,052,279	6,318,355	6,222,716	95,639	299,679,763
2015-2016	2,729,028	(47,891)	2,681,137	5,860,878	(3,179,741)	287,884,083
<b>Drainage</b>						
2016-2017	278,525	85,996	364,521	566,705	(202,184)	26,389,344
2015-2016	69,514	(13,345)	56,169	567,371	(511,202)	25,677,340
<b>Waste management</b>						
2016-2017	390,326	1,296,265	1,686,591	3,529,901	(1,843,310)	4,268,329
2015-2016	97,418	1,851,336	1,948,754	3,592,191	(1,643,437)	3,910,623
<b>Environmental health/environmental management</b>						
2016-2017	3,477	54,438	57,915	310,507	(252,592)	56,215
2015-2016	7,965	37,144	45,109	299,731	(254,622)	48,764
<b>Planning services</b>						
2016-2017	-	123,153	123,153	601,134	(477,981)	15,681
2015-2016	-	211,270	211,270	543,754	(332,484)	20,279
<b>Building control</b>						
2016-2017	-	192,454	192,454	512,775	(320,321)	30,254
2015-2016	-	302,441	302,441	576,656	(274,215)	36,622
<b>Community amenities</b>						
2016-2017	884,610	371,270	1,255,880	2,029,663	(773,783)	32,764,001
2015-2016	220,781	793,349	1,014,130	1,958,338	(944,208)	33,036,229
<b>Community services</b>						
2016-2017	44,363	1,615,976	1,660,339	2,149,416	(489,077)	3,028,965
2015-2016	14,080	1,539,494	1,553,574	2,106,108	(552,534)	3,008,353
<b>Recreation facilities</b>						
2016-2017	496,245	524,898	1,021,143	3,868,917	(2,847,774)	58,383,190
2015-2016	123,853	490,498	614,351	3,620,864	(3,006,513)	55,401,980
<b>Economic development</b>						
2016-2017	1,088,600	1,025,249	2,113,849	387,759	1,726,090	6,057,914
2015-2016	271,693	352,665	624,358	654,079	(29,721)	6,422,768
<b>Other - not attributable</b>						
2016-2017	-	14,793,570	14,793,570	716,087	14,077,483	-
2015-2016	-	12,563,316	12,563,316	696,803	11,866,513	-
<b>Total</b>						
2016-2017	9,083,806	23,323,498	32,407,304	25,048,741	7,358,563	533,418,224
2015-2016	3,691,963	21,264,008	24,955,971	24,724,421	231,550	509,271,965



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

	2017	2016
Current assets	17,949,724	7,963,964
Non-current assets	515,468,500	501,308,001
	<b>\$ 533,418,224</b>	<b>\$ 509,271,965</b>

(c) *Governance and administration*

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

*Roads, streets and bridges*

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

*Drainage*

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

*Waste Management*

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

*Environmental Health/Environmental Management*

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

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

*Planning Services*

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



*Building control*

The development and maintenance of building constructions standards.

*Community amenities*

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

*Community services*

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

*Recreation facilities*

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

*Economic development*

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

*Other - not attributable*

Rates and charges and work not attributed elsewhere.

**5 Rates and Charges**

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

The valuation base used to calculate general rates for 2016-17 was \$158 million (2015-16 \$147 million). The 2016-17 rate in the dollar was 8.33 cents (2015-16, 8.43 cents).



	30-Jun-17	30-Jun-16
Rates and charges levied	15,068,699	14,567,823
Rates and charges in advance	97,147	54,869
Early payment discount	(585,367)	(548,894)
Rates remitted	(37,499)	(90,836)
<b>Total rates and charges</b>	<b>\$ 14,542,980</b>	<b>\$ 13,982,962</b>

The date of the latest general revaluation of land for rating purposes within the municipality was 30 May 2013. At 30 June 2017 the Council updated property and land valuations based on the adjustment factors published by the Valuer-General. Rates were calculated using this updated valuation factor.

### Accounting policy

#### Rates and charges income

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

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

## 6 Fees and Charges

	30-Jun-17	30-Jun-16
Cemetery fees	76,532	89,930
Certificate charges	177,102	137,268
Child care fees	618,990	563,737
Community development	68,228	55,938
Fines	62,266	46,783
Inspection and connection fees	75,668	109,556
Licence fees	139,239	126,965
Other fees and charges	163,688	229,744
Other rental	391,858	388,633
Recreation	304,628	342,159
Regulatory charges	356,311	365,620
Rental of Aged Persons Home Units	195,069	194,005
Rental of Ganesway units	166,789	167,716
Resource Recovery Centre - entry fees	324,366	289,234
Resource Recovery Centre - other income	59,961	76,110
Swimming pool and waterslide	115,672	141,359
Visitor centres	131,786	164,842
<b>Total fees and charges</b>	<b>\$ 3,428,153</b>	<b>\$ 3,489,599</b>



### Ageing analysis of contractual receivables

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

### Accounting policy

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

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

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.

## 7 Grants

Grants were received in respect of the following:

Summary of grants	2017	2016
Federally funded grants	8,427,428	3,680,197
State funded grants	656,378	141,647
	<b>9,083,806</b>	<b>3,821,844</b>
<i>Grants - operating</i>		
National Youth Week	-	1,800
Vaccination funding	4,916	7,965
Australia Day Contribution	540	2,000
Heavy Vehicle Motor Tax	68,298	129,882
<i>Commonwealth Government Financial Assistance Grant</i>		
Current year receipt	3,841,800	1,893,036
Advance receipt	1,972,789	-
<b>Total operating grants</b>	<b>\$ 5,888,343</b>	<b>\$ 2,034,683</b>

The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. In 2014-15 and 2016-17 the Commonwealth made early payment of the two quarterly instalments for the following year of \$1,974,357 and \$1,972,789 respectively. In accordance with AASB1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control.



The early receipt of instalments resulted in the Surplus/(deficit) being higher in 2014-15 and lower in 2015-16 by \$1,974,357 and higher in 2016-17 and lower in 2015-16 by \$1,972,789.

	30-Jun-17	30-Jun-16
<i>Capital grants received specifically for new or upgraded assets</i>		
Roads to recovery	1,557,839	1,630,000
Heavy Vehicle Safety and Productivity Program	-	157,161
Dial Regional Sports Complex	1,055,000	-
	2,612,839	1,787,161
<i>State funded capital grants</i>		
Blackspot funding	390,124	-
Vulnerable Road Users Program – Main Road, Penguin	100,000	-
Ulverstone Showground - Lighting	67,500	-
Rural Bus Stop Program – Wongi Lane	25,000	-
	582,624	-
<b>Total capital grants</b>	<b>\$ 3,195,463</b>	<b>\$ 1,787,161</b>

### Accounting policy

#### Grant income - operating and capital

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

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

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

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



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

## 8 Contributions

### (a) Cash contributions

	30-Jun-17	30-Jun-16
Child care contributions	728,032	750,098
Contributions – Ulverstone Municipal Band	2,800	5,600
Other contributions	653,600	194,728
<b>Total</b>	<b>1,384,432</b>	<b>950,426</b>
<b>Total contributions</b>	<b>\$ 1,384,432</b>	<b>\$ 950,426</b>

### Accounting policy

#### Contribution income

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

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

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



## 9 Interest

	30-Jun-17	30-Jun-16
Interest on financial assets	258,759	362,164
<b>Total</b>	<b>\$ 258,759</b>	<b>\$ 362,164</b>

### Accounting policy

#### Interest Income

Interest is recognised progressively as it is earned.

## 10 Other income

	30-Jun-17	30-Jun-16
Guarantee fees - TasWater	122,915	125,319
Tax equivalent received - Dulverton	467,523	331,966
Tax equivalent received - TasWater	415,529	268,666
Private works	10,300	3,839
Reimbursements	1,038,436	124,133
Accelerated Local Government Capital Program Loan Interest reimbursement	70,508	-
<b>Total other income</b>	<b>\$ 2,125,211</b>	<b>\$ 853,923</b>

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

	30-Jun-17	30-Jun-16
<i>Proceeds of sale</i>		
Land	235,000	200,000
Property, plant and infrastructure	186,895	119,334
<i>Written down value of assets sold</i>		
Land	(236,250)	(178,500)
Property, plant and infrastructure	(358,156)	(477,532)
<b>Total</b>	<b>\$ (172,511)</b>	<b>\$ (336,698)</b>

**Accounting policy****Gains and losses on asset disposals**

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

**12 Investment revenue**

	30-Jun-17	30-Jun-16
Dividend revenue - Dulverton	195,146	147,280
Dividend revenue - TasWater	928,077	969,858
<b>Total investment revenue from corporations</b>	<b>\$ 1,123,223</b>	<b>\$ 1,117,138</b>

**Accounting policy****Investment revenue**

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

**13 Employee benefits**

	30-Jun-17	30-Jun-16
Gross salary and wages	7,273,292	7,330,843
Leave paid/accrued	1,829,476	1,733,320
Superannuation	1,008,015	974,071
Payroll tax	558,497	584,428
Other employee costs	168,912	144,430
	10,838,192	10,767,092
Less capitalised employee benefits	(881,162)	(743,565)
<b>Total employee benefits</b>	<b>\$ 9,957,030</b>	<b>\$ 10,023,527</b>

**Accounting policy****Employee benefits**

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



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

#### 14 Materials and services

	30-Jun-17	30-Jun-16
Aged Persons Home Units	382,445	347,230
Amenities & cemeteries	417,169	404,986
Child care centre	334,912	309,187
Computer maintenance	341,624	306,284
Contributions to LGAT	50,784	50,068
Contributions to Cradle Coast Authority	164,852	175,364
Corporate administration and governance	210,959	236,320
Election expenses	11,320	-
Fire service contribution	598,943	576,806
Garbage collection contracts	1,289,338	1,286,501
Insurance	118,918	112,640
Land tax	174,713	177,567
Other materials and contracts	154,903	126,578
Other waste management costs	1,148,215	1,177,988
Parks	650,902	653,568
Recreation grounds and centres	659,349	617,600
Roads, footpaths and car parks	888,825	873,362
Street lighting power charges	401,760	492,232
Flood damage repairs	232,396	204,874
<b>Total materials and services</b>	<b>\$ 8,232,327</b>	<b>\$ 8,129,155</b>

#### Accounting policy

##### Materials and services expense

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

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



## 15 Depreciation and amortisation

	30-Jun-17	30-Jun-16
Amortisation of municipal revaluation	32,004	48,006
Bridges	404,212	416,658
Buildings	1,070,895	1,049,844
Drainage	404,035	389,484
Environmental	84,460	82,778
Furniture and equipment	156,871	166,982
Plant and machinery	667,930	705,539
Recreation facilities	419,840	404,978
Roads, streets, footpaths and car parks	2,957,242	2,890,354
<b>Total depreciation and amortisation</b>	<b>\$ 6,197,489</b>	<b>\$ 6,154,623</b>

### Accounting policy

#### Depreciation and amortisation expense

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

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

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

Land is not depreciated

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

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

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



	Period
Plant and machinery	2-30 years
Furniture and equipment	5-40 years
Drainage	100 years
Roads, streets and footpaths	15-150 years
Buildings	20-100 years
Recreation	5-60 years
Environmental	10-30 years
Bridges	10-100 years
Municipal property revaluation	5 years

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

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

#### *Gravel Roads*

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

#### *Repairs and maintenance*

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

#### *Roads*

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

**16 Finance costs**

	30-Jun-17	30-Jun-16
Changes in discount rate [note 28 (c)]	82,079	(41,928)
Interest – borrowings	219,134	120,644
Unwinding of discount [note 28 (c)]	14,474	12,617
<b>Total</b>	<b>315,687</b>	<b>91,333</b>
<b>Total finance costs</b>	<b>\$ 315,687</b>	<b>\$ 91,333</b>

**Accounting policy****Finance expense**

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

Finance costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised. No borrowing costs were capitalised during the period.

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

**17 Other expenses**

	30-Jun-17	30-Jun-16
Audit fees	27,845	24,630
Travel and expenses	4,895	6,105
Other services (audit of grant statements)	650	1,000
Audit services	33,390	31,735
Councillors' emoluments (Note 39)	312,818	294,048
<b>Total other expenses</b>	<b>\$ 346,208</b>	<b>\$ 325,783</b>



## Accounting policy

### Other expenses

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.

## 18 Investment in Regional Waste Management Authority

	30-Jun-17	30-Jun-16
Dulverton Regional Waste Management Authority	4,673,702	4,016,051
<b>Total investment in associates</b>	<b>\$ 4,673,702</b>	<b>\$ 4,016,051</b>

### Dulverton Regional Waste Management Authority

#### Background

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

The Council's ownership interest in the Authority at 30 June 2017 was 36.82%. The proportion of voting power held in the Authority is 25%. The Council's investment in the Authority at 30 June 2017, \$4,673,702 has been calculated by reference to the Authority's equity at 30 June 2017. The share of profit for the current year is based on an estimate of the profit to be received for the 2017 financial year.

There were no quantified contingent liabilities disclosed by the Authority.

	30-Jun-17	30-Jun-16
<i>Share of Profit of the Authority</i>		
Authority's profit/(loss) before tax	3,214,079	2,774,667
Authority's tax expense	(964,224)	(833,838)
Authority's profit/(loss) after tax	<b>2,249,855</b>	<b>1,940,829</b>
Calculated share of profit after tax	828,397	1,021,632
Calculated share of dividends paid	(195,146)	(307,019)
Calculated share of profit after dividends	<b>633,251</b>	<b>714,613</b>

*Movement in carrying value of specific investment*

Carrying value of investment at start of year	4,016,051	3,261,758
Share in profit/(loss) after dividends	633,251	714,613
Share in asset revaluation	24,400	39,680
<b>Carrying value of investment at end of year</b>	<b>4,673,702</b>	<b>4,016,051</b>

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

Total assets	18,459,116	16,364,412
Total liabilities	5,765,736	5,457,156
Revenue	10,290,552	9,124,060

Council has derived returns from the Waste Management Authority as disclosed at note 12.

**Accounting policy****Accounting for investments in associates**

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

**19 Investment in water corporation**

	30-Jun-17	30-Jun-16
Opening balance	74,483,878	73,237,239
Fair value adjustments on available-for-sale assets	488,647	1,246,639
<b>Total investment in water corporation</b>	<b>\$ 74,972,525</b>	<b>\$ 74,483,878</b>

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

**Accounting policy****Investment assets**

Council's investment in TasWater is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2017, Council continued to hold a 4.73% ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution which reflects the Council's voting



rights. Any unrealised gains and losses are recognised through the Statement of Comprehensive Incomes to an Available-for-sale assets Fair value reserve each year (note 30).

Council has classified this asset as an Available-for-sale financial asset as defined in AASB 139 Financial Instruments: Recognition and Measurement and has followed AASB 132 Financial Instruments: Presentation and AASB 7 Financial Instruments: Disclosures to value and present the asset in the financial report. Council's investment is not traded in an active market and is only sensitive to fluctuations in the value of TasWater's net assets.

On 7 March 2017 the State Government announced its intention to take ownership of Tasmanian Water and Sewerage Corporation Pty Ltd from July 2018. The State Government intends to introduce a suite of legislation in the Spring Session of Parliament that will transfer all of Tasmanian Water and Sewerage Corporation Pty Ltd's assets, rights, obligations and liabilities, including employees under their current terms and conditions, to a newly created government business, which will commence operations by 1 July 2018. As at the date of these financial statements, there is no indication as to whether the legislation will be passed, no change has been made to the basis on which the investment Tasmanian Water and Sewerage Corporation Pty Ltd has been recognised for the year ended 30 June 2017.

## 20 Cash and cash equivalents

	30-Jun-17	30-Jun-16
Cash at bank and on hand	1,868,754	1,749,655
Cash management account	13,010,714	4,900,856
<b>Total cash and cash equivalents</b>	<b>\$ 14,879,468</b>	<b>\$ 6,650,511</b>

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

	30-Jun-17	30-Jun-16
- Leave provisions [note 28(a)]	3,137,269	2,883,153
- Trust Funds and deposits (note 27)	227,247	219,912
<b>Restricted funds</b>	<b>3,364,516</b>	<b>3,103,065</b>
<b>Unrestricted funds</b>	<b>11,514,952</b>	<b>3,547,446</b>



### Accounting policy

#### Cash and cash equivalents

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

#### 21 Trade and other receivables

	30-Jun-17	30-Jun-16
<i>Current receivables</i>		
Rates receivable	263,000	228,374
Loans and advances	8,474	8,059
Other debtors	689,637	414,237
Net GST receivable	423,498	300,796
	<b>1,384,609</b>	<b>951,466</b>
<i>Non-current receivables</i>		
Loans and advances	8,321	16,794
<b>Total</b>	<b>8,321</b>	<b>16,794</b>
<b>Total trade and other receivables</b>	<b>\$ 1,392,930</b>	<b>\$ 968,260</b>

### Accounting policy

#### Trade and other receivables

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

#### 22 Assets held for sale

	30-Jun-17	30-Jun-16
Internal transfer from land	200,000	-
<b>Total assets held for sale</b>	<b>\$ 200,000</b>	<b>\$ -</b>

Council has one pending sale of land.

**23 Inventories**

	30-Jun-17	30-Jun-16
Stores	-	26,299
<b>Total inventories</b>	<b>\$ -</b>	<b>\$ 26,299</b>

**Accounting policy****Inventories**

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

In 2016-17, Council determined that there was no longer a need for an Inventory store and all existing stock was utilised as part of the normal Works operations.

**24 Other assets**

	30-Jun-17	30-Jun-16
<i>Current other assets</i>		
Accrued revenue	1,269,769	102,405
Prepaid expense	215,878	233,283
<b>Total</b>	<b>1,485,647</b>	<b>335,688</b>
<i>Non-current other assets</i>		
Prepaid expenses	32,000	49,012
<b>Total other assets</b>	<b>\$ 32,000</b>	<b>\$ 49,012</b>

Accrued income only includes items that are reciprocal in nature.



## 25 Property, plant and infrastructure

### Land

	30-Jun-17	30-Jun-16
Opening balance	56,226,401	56,226,401
Revaluation	(185,791)	-
Disposals	(236,250)	-
Acquisitions/Improvements	40,212	-
Transfer to assets held for sale	(200,000)	-
<b>Total land at fair value</b>	<b>\$ 55,644,572</b>	<b>\$ 56,226,401</b>

### Accounting policy

Land is valued per the Valuer-General's valuation at 30 June 2013. At 30 June 2017 the Council revalued land based on the adjustment factors published by the Valuer-General on 28 February 2017.

### Buildings

	30-Jun-17	30-Jun-16
Opening balance	105,343,674	101,493,742
Revaluation	(824,692)	2,874,963
Disposals	(117,785)	(98,980)
Transfer from work in progress	495,220	1,087,000
Transfers (to)/from other asset classes	299,516	(13,051)
	<b>105,195,933</b>	<b>105,343,674</b>
<i>Accumulated Depreciation</i>		
Opening balance	(37,647,962)	(35,780,416)
Revaluation	-	(916,682)
Disposals	75,514	98,980
Depreciation expense	(1,070,895)	(1,049,844)
	<b>(38,643,343)</b>	<b>(37,647,962)</b>
<b>Total Buildings at fair value</b>	<b>\$ 66,552,590</b>	<b>\$ 67,695,712</b>

### Accounting policy

Buildings were revalued at 30 June 2016 by David Johnston, Assoc Dip Val, FAPI, CPV of Opteon Property Group Pty Ltd. The revaluation included an assessment of the replacement values of the buildings. An assessment of the



useful lives of the building assets has been made by Council staff taking into account the condition of the asset and its ability to provide future services.

### Plant and Machinery

	30-Jun-17	30-Jun-16
Opening balance	7,176,481	7,199,457
Disposals	(506,946)	(428,179)
Transfers (to)/from other asset classes	-	-
Acquisitions	686,036	405,203
	<b>7,355,571</b>	<b>7,176,481</b>
<i>Accumulated Depreciation</i>		
Opening balance	(4,045,126)	(3,685,500)
Disposals	337,103	345,913
Transfers (to)/from other asset classes	-	-
Depreciation expense	(667,930)	(705,539)
	<b>(4,375,953)</b>	<b>(4,045,126)</b>
<b>Plant and machinery at cost</b>	<b>\$ 2,979,618</b>	<b>\$ 3,131,355</b>

### Furniture and equipment

	30-Jun-17	30-Jun-16
Opening balance	3,667,964	3,547,441
Disposals	-	-
Acquisitions	240,211	120,523
	<b>3,908,175</b>	<b>3,667,964</b>
<i>Accumulated depreciation</i>		
Opening balance	(3,080,964)	(2,913,982)
Disposals	-	-
Depreciation expense	(156,871)	(166,982)
	<b>(3,237,835)</b>	<b>(3,080,964)</b>
<b>Furniture and equipment at cost</b>	<b>670,340</b>	<b>587,000</b>
<b>Total Plant and Equipment</b>	<b>\$ 3,649,958</b>	<b>\$ 3,718,355</b>



## Infrastructure

### Recreation

	30-Jun-17	30-Jun-16
Opening balance	14,360,659	13,661,942
Revaluation	380,230	(2,768)
Disposals	(183,088)	(110,647)
Transfer from work in progress	661,829	785,940
Transfer (to)/from other asset classes	37,668	26,192
	<b>15,257,298</b>	<b>14,360,659</b>
<i>Accumulated depreciation</i>		
Opening balance	(6,290,586)	(5,965,552)
Revaluation	(243,606)	(26,956)
Disposals	143,699	106,900
Depreciation expense	(419,840)	(404,978)
	<b>(6,810,333)</b>	<b>(6,290,586)</b>
<b>Recreation - fair value</b>	<b>\$ 8,446,965</b>	<b>\$ 8,070,073</b>

### Accounting policy

Recreation assets were revalued on 30 June 2017 by the Infrastructure Services Department of the Council. The revaluation was based on the current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

### Environmental

	30-Jun-17	30-Jun-16
Opening balance	3,726,443	3,594,243
Revaluation	177,107	70,449
Transfer from work in progress	317,881	61,751
Transfer (to)/from other asset classes	(5,255)	-
	<b>4,216,176</b>	<b>3,726,443</b>
<i>Accumulated depreciation</i>		
Opening balance	(881,137)	(787,492)
Revaluation	(65,830)	(10,867)
Depreciation expense	(84,459)	(82,778)
	<b>(1,031,426)</b>	<b>(881,137)</b>
<b>Environmental - fair value</b>	<b>\$ 3,184,750</b>	<b>\$ 2,845,306</b>



### Accounting policy

Environmental assets were revalued on 30 June 2017 by the Infrastructure Services Department of the Council. The revaluation was based on the current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

### Roads and streets

	30-Jun-17	30-Jun-16
Opening balance	258,377,459	232,106,754
Revaluation	7,197,260	25,597,716
Disposals	(1,090,440)	(1,064,484)
Transfer from work in progress	4,116,012	1,578,607
Transfer (to)/from other asset classes	21,181	158,866
	<b>268,621,472</b>	<b>258,377,459</b>
<i>Accumulated depreciation</i>		
Opening balance	(43,319,755)	(40,090,736)
Revaluation	(111,370)	(1,891,193)
Disposals	1,020,335	953,676
Depreciation expense	(2,354,866)	(2,291,502)
	<b>(44,765,656)</b>	<b>(43,319,755)</b>
<b>Roads and Streets - fair value</b>	<b>\$ 223,855,816</b>	<b>\$ 215,057,704</b>

### Accounting policy

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

Roads and Streets were revalued on 30 June 2017 by the Infrastructure Services Department of the Council. The revaluation is based on the current replacement cost using modern equivalent materials and work methods for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

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



### Bridges

	30-Jun-17	30-Jun-16
Opening balance	26,123,478	27,069,694
Revaluation	799,907	(104,570)
Disposals	-	(841,646)
Transfer from work in progress	1,589,876	-
	<b>28,513,261</b>	<b>26,123,478</b>
<i>Accumulated depreciation</i>		
Opening balance	(11,692,587)	(12,238,341)
Revaluation	(998,421)	305,621
Disposals	-	656,791
Depreciation expense	(404,212)	(416,658)
	<b>(13,095,220)</b>	<b>(11,692,587)</b>
<b>Bridges - fair value</b>	<b>\$ 15,418,041</b>	<b>\$ 14,430,891</b>

### Accounting policy

Bridges were revalued at 30 June 2017 by the Infrastructure Services Department of the Council using data provided by AusSpan Pty Ltd.

### Footpaths

	30-Jun-17	30-Jun-16
Opening balance	35,581,904	34,259,587
Revaluation	1,091,336	702,192
Disposals	(40,960)	(191,530)
Transfer from work in progress	301,695	930,229
Transfer (to)/from other asset classes	(432,240)	(118,574)
	<b>36,501,735</b>	<b>35,581,904</b>
<i>Accumulated depreciation</i>		
Opening balance	(12,315,037)	(11,639,361)
Revaluation	(359,569)	(267,537)
Disposals	13,054	120,722
Depreciation	(542,973)	(528,861)
	<b>(13,204,525)</b>	<b>(12,315,037)</b>
<b>Footpaths - fair value</b>	<b>\$ 23,297,210</b>	<b>\$ 23,266,867</b>



### Accounting Policy

Footpaths were revalued on 30 June 2017 by the Infrastructure Services Department of the Council. The revaluation was based on current replacement costs for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

### Car parks

	30-Jun-17	30-Jun-16
Opening balance	3,185,993	3,055,611
Revaluation	456,660	27,937
Disposals	(16,890)	(17,657)
Transfer from work in progress	-	101,121
Transfer (to)/from other asset classes	(30,098)	18,981
	<b>3,595,665</b>	<b>3,185,993</b>
<i>Accumulated depreciation</i>		
Opening balance	(1,419,961)	(1,345,703)
Revaluation	(376,347)	(16,584)
Disposals	16,890	12,317
Depreciation expense	(59,403)	(69,991)
	<b>(1,838,821)</b>	<b>(1,419,961)</b>
<b>Car parks - fair value</b>	<b>\$ 1,756,844</b>	<b>\$ 1,766,032</b>

### Accounting policy

Car parks were revalued on 30 June 2017 by the Infrastructure Services Department of the Council. The revaluation was based on current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

### Drainage

	30-Jun-17	30-Jun-16
Opening balance	40,461,070	39,031,572
Revaluation	1,107,652	1,394,519
Disposal	(16,439)	(35,393)
Transfer from work in progress	181,660	142,787
Transfer (to)/from other asset classes	69,015	(72,415)
	<b>41,802,958</b>	<b>40,461,070</b>



<i>Accumulated depreciation</i>		
Opening balance	(14,729,378)	(13,836,967)
Revaluation	(441,155)	(518,612)
Disposal	7,796	15,685
Depreciation expense	(404,035)	(389,484)
	<b>(15,566,772)</b>	<b>(14,729,378)</b>
<b>Drainage - fair value</b>	<b>\$ 26,236,186</b>	<b>\$ 25,731,692</b>

### Accounting policy

Drainage were revalued on 30 June 2017 by the Infrastructure Services Department of the Council. The revaluation was based on current replacement cost for each asset as the best estimate of fair value taking into consideration the remaining useful life of the asset.

	30-Jun-17	30-Jun-16
<b><i>Total Infrastructure</i></b>	<b>302,195,812</b>	<b>291,168,565</b>
Gross value	570,612,815	554,231,526
Accumulated depreciation	(142,569,884)	(135,422,493)
<b><i>Total property, plant and infrastructure</i></b>	<b>\$ 428,042,931</b>	<b>\$ 418,809,033</b>

### Capital work in progress

	30-Jun-17	30-Jun-16
Opening balance	3,933,233	1,603,941
Additions	10,467,798	7,016,727
Transfers out	(6,662,010)	(4,687,435)
<b>Closing balance - cost</b>	<b>\$ 7,739,021</b>	<b>\$ 3,933,233</b>



### Reconciliation of property, plant and equipment and infrastructure

2017	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 30)	Depreciation and amortisation (note 15)	Written down value of disposals	Transfers	Balance at end of financial year
	\$	\$	\$	\$	\$	\$	\$
Land	56,226,401	-	(185,791)	-	(236,250)	(159,788)	55,644,572
Buildings	67,695,711	495,220	(824,692)	(1,070,895)	(42,271)	299,516	66,552,589
Total property	123,922,112	495,220	(1,010,483)	(1,070,895)	193,979	139,728	122,197,161
<b>Plant and equipment</b>							
Furniture and equipment	587,000	240,211	-	(156,871)	-	-	670,340
Plant and machinery	3,131,355	686,036	-	(667,930)	(169,843)	-	2,979,618
Total plant and equipment	3,718,355	926,247	-	(824,801)	(169,843)	-	3,649,958
<b>Infrastructure</b>							
Roads and streets	215,057,704	4,116,012	7,085,890	(2,354,866)	(70,105)	21,181	223,855,816
Footpaths	23,266,867	301,695	731,767	(542,973)	(27,906)	(432,240)	23,297,210
Car parks	1,766,032	-	80,313	(59,403)	-	(30,098)	1,756,844
Bridges	14,430,891	1,589,876	(198,514)	(404,212)	-	-	15,418,041
Drainage	25,731,692	181,660	666,497	(404,035)	(8,643)	69,015	26,236,186
Recreation	8,070,073	661,829	136,624	(419,840)	(39,389)	37,668	8,446,965
Environmental	2,845,306	317,881	111,277	(84,459)	-	(5,255)	3,184,750
Total Infrastructure	291,168,565	7,168,953	8,613,854	(4,269,788)	(146,043)	(339,729)	302,195,812
<b>Works in progress</b>							
Buildings	125,881	513,727	-	-	-	(495,220)	144,388
Environmental	505,435	641,270	-	-	-	(317,881)	828,824
Roads	2,109,469	3,507,160	-	-	-	(4,116,011)	1,500,618
Drainage	1,991	220,151	-	-	-	(181,660)	40,482
Footpaths	91,805	439,682	-	-	-	(301,695)	229,792
Car parks	7,565	631,399	-	-	-	-	638,964
Recreation	642,851	4,344,485	-	-	-	(661,829)	4,325,507
Bridges	448,236	169,924	-	-	-	(587,714)	30,446
Total works in progress	3,933,233	10,467,798	-	-	-	(6,662,010)	7,739,021
<b>Total property, plant and equipment, infrastructure</b>	<b>422,742,265</b>	<b>19,058,218</b>	<b>7,603,371</b>	<b>(6,165,484)</b>	<b>(121,907)</b>	<b>(6,862,011)</b>	<b>435,781,952</b>



Reconciliation of property, plant and equipment and infrastructure							
2016	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 30)	Depreciation and amortisation (note 15)	Written down value of disposals	Transfers	Balance at end of financial year
	\$	\$	\$	\$	\$	\$	\$
Land	56,226,401	-	-	-	-	-	56,266,401
Buildings	65,713,326	1,087,000	1,958,280	(1,049,844)	-	(13,051)	67,695,712
Total property	121,939,727	1,087,000	1,958,280	(1,049,844)	-	(13,051)	123,922,113
<b>Plant and equipment</b>							
Furniture and equipment	633,459	120,523	-	(166,982)	-	-	587,000
Plant and machinery	3,513,957	405,203	-	(705,539)	(82,266)	-	3,131,355
Total plant and equipment	4,147,416	525,726	-	(872,521)	(82,266)	-	3,718,355
<b>Infrastructure</b>							
Roads and streets	192,016,018	1,578,609	23,706,520	(2,291,502)	(110,808)	158,867	215,057,704
Footpaths	22,620,226	930,229	434,655	(528,861)	(70,808)	(118,574)	23,266,867
Car parks	1,709,908	101,121	11,353	(69,991)	(5,340)	18,981	1,766,032
Bridges	14,831,353	-	201,051	(416,658)	(184,855)	-	14,430,891
Drainage	25,194,605	142,787	875,907	(389,484)	(19,708)	(72,415)	25,731,692
Recreation	7,696,390	785,940	(29,724)	(404,978)	(3,747)	26,192	8,070,073
Environmental	2,806,751	61,751	59,582	(82,778)	-	-	2,845,306
Total Infrastructure	266,875,251	3,600,437	25,259,344	(4,184,252)	(395,266)	13,051	291,168,565
<b>Works in progress</b>							
Buildings	69,490	1,143,392	-	-	-	(1,087,000)	125,882
Environmental	390,502	176,683	-	-	-	(61,751)	505,434
Roads	9,136	3,678,940	-	-	-	(1,578,607)	2,109,469
Drainage	961	143,816	-	-	-	(142,787)	1,990
Footpaths	552,148	469,885	-	-	-	(930,228)	91,805
Car parks	5,626	103,060	-	-	-	(101,121)	7,565
Recreation	371,493	1,057,300	-	-	-	(785,941)	642,852
Bridges	204,585	243,651	-	-	-	-	448,236
Total works in progress	1,603,941	7,016,727	-	-	-	(4,687,435)	3,933,233
<b>Total property, plant and equipment, infrastructure</b>	<b>394,566,335</b>	<b>12,229,890</b>	<b>27,217,625</b>	<b>(6,106,617)</b>	<b>(477,532)</b>	<b>(4,687,435)</b>	<b>422,742,266</b>



## Accounting policy

### Recognition and measurement of assets

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

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

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

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

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

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

### Revaluation of property, plant and infrastructure

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

Land	Fair value
Buildings	Fair value
Roads and streets	Fair value
Footpaths	Fair value



Car parks	Fair value
Bridges	Fair value
Drainage	Fair value
Furniture and equipment	Cost
Plant and machinery	Cost
Recreation	Fair value
Environmental	Fair value

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

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

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

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

#### **Land under roads**

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



## 26 Trade and other payables

	30-Jun-17	30-Jun-16
Materials and contracts	1,014,418	1,356,308
Capital expenditure	1,826,400	642,655
Accrued expenses	345,684	247,231
<b>Total trade and other payables</b>	<b>\$ 3,186,502</b>	<b>\$ 2,246,194</b>

## 27 Trust funds and deposits

	30-Jun-17	30-Jun-16
Revenue in advance	2,605	-
Sundry deposits	224,642	219,992
<b>Total trust funds and deposits</b>	<b>\$ 227,247</b>	<b>\$ 219,992</b>

### Accounting Policy

#### Tender deposits

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

## 28 Provisions

2017	Employee benefits	Aged Person Home Units	Resource Recovery Centre Restoration	Total
	\$	\$	\$	\$
Balance at beginning of the financial year	2,883,153	1,952,257	808,610	5,644,020
Additional provisions	254,116	(165,738)	96,553	184,931
<b>Balance at the end of the financial year</b>	<b>\$ 3,137,269</b>	<b>\$ 1,786,519</b>	<b>\$ 905,163</b>	<b>\$ 5,828,951</b>

2016				
Balance at beginning of the financial year	2,829,702	1,920,721	837,921	5,588,344
Additional provisions	53,451	31,536	(29,311)	55,676
<b>Balance at the end of the financial year</b>	<b>\$ 2,883,153</b>	<b>\$ 1,952,257</b>	<b>\$ 808,610</b>	<b>\$ 5,644,020</b>



	30-Jun-17	30-Jun-16
<b>(a) Employee benefits</b>		
<i>Current provisions</i>		
Annual leave	682,872	653,986
Long service leave	1,385,040	1,318,890
Employee benefits (on-costs)	476,779	516,107
	<b>2,544,691</b>	<b>2,488,983</b>
<i>Non-current</i>		
Long service leave	497,547	318,884
Employee benefits (on-costs)	95,031	75,286
	<b>592,578</b>	<b>394,170</b>
Aggregate carrying amount of employee benefits:		
Current	2,544,691	2,488,983
Non-current	592,578	394,170
	<b>\$ 3,137,269</b>	<b>\$ 2,883,153</b>

**(i) Current**

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

Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value	682,872	653,986
Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value	1,385,040	1,318,890
On-costs associated with employee benefits, that fall due within 12 months at the end of the period measured at present value.	476,779	516,107
	<b>\$ 2,544,691</b>	<b>\$ 2,488,983</b>

**(ii) Non-current**

Long service leave representing less than 10 years of continuous service measured at present value

592,578	394,170
---------	---------

**(iii) Employee Numbers**

148	148
-----	-----

**Accounting Policy****Employee benefits***(i) Short term obligations*

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

*(ii) Other long term employee benefits obligations*

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

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

*(iii) Sick leave*

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

**(b) Aged Person Home Units**

	30-Jun-17	30-Jun-16
<b><i>Current provisions</i></b>		
Aged Person Home Units	132,468	139,350
<b><i>Non-current provisions</i></b>		
Aged Person Home Units	1,654,052	1,812,907
	<b>1,786,520</b>	<b>1,952,257</b>
<b><i>Movement in provision</i></b>		
Opening balance	1,952,257	1,920,721
Contributions received	306,000	390,500
Refunds paid	(334,455)	(286,206)
Amortisation revenue recognised	(137,282)	(72,758)
<b>Closing balance</b>	<b>\$1,786,520</b>	<b>\$ 1,952,257</b>

**Accounting policy**

The liability for Aged Persons Units is comprised of contributions received from tenants upon entry to units owned by the Council. The contributions are amortised over a twenty-year term on a straight line basis. The balance represents the unamortised portion of contributions received that Council would have to reimburse residents should the all units be vacated at 30 June 2017.

**(c) Land fill restoration**

	30-Jun-17	30-Jun-16
Rehabilitation of Resource Recovery Centre	905,163	808,610
<b>Total rehabilitation provisions</b>	<b>\$ 905,163</b>	<b>\$ 808,610</b>
<b><i>Movement in provision</i></b>		
Opening balance	808,610	837,921
Unwinding of discount	14,474	12,617
Change in discount rate	82,079	(41,928)
<b>Closing balance</b>	<b>905,163</b>	<b>808,610</b>
Current provisions	2,677,159	2,628,333
Non-current provisions	3,151,793	3,015,687
<b>Total provisions</b>	<b>\$ 5,828,952</b>	<b>\$ 5,644,020</b>



### Accounting policy

The Council is obligated to restore the Resource Recovery Centre landfill site at Lobster Creek Road to a particular standard. Infrastructure Services projections indicate that the Resource Recovery Centre at Lobster Creek Road will cease operations in 2030 and restoration work is expected to commence shortly thereafter.

The forecast life of the Resource Recovery Centre is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected costs of works undertaken. In calculating the present value, a discount rate of 3.0% (2.5% 2015-2016) has been used. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard and budgeted costs for that work. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast, timing of the work, work required and the related costs.

## 29 Interest-bearing liabilities

	30-Jun-17	30-Jun-16
Current loan liabilities	200,405	191,216
Non-current loan liabilities	10,399,975	2,870,380
<b>Total interest bearing loans and borrowings</b>	<b>\$ 10,600,380</b>	<b>\$ 3,061,596</b>

### Accounting policy

#### 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.



### 30 Reserves

#### (a) Asset revaluation reserve

2017	Balance at beginning of reporting year	Increment	(Decrement)	Balance at end of reporting year
	\$	\$	\$	\$
<b>Property</b>				
Land	23,786,531	-	(185,791)	23,600,740
Buildings	38,865,203	-	(824,692)	38,040,511
	62,651,734	-	(1,010,483)	61,641,251
<b>Infrastructure, Plant and Equipment</b>				
Roads and Streets, Car parks and Footpaths	166,828,459	7,897,971	-	174,726,430
Bridges	8,626,445	-	(198,514)	8,427,931
Furniture and Equipment	96,760	-	-	96,760
Drainage	15,694,808	666,496	-	16,361,304
Plant and Machinery	78,406	-	-	78,406
Recreation	1,179,105	136,623	-	1,315,728
Environmental	696,932	111,277	-	808,209
Associate - Dulverton Waste Management Authority (note 18)	1,074,709	24,400	-	1,099,109
	194,275,624	8,836,767	(198,514)	202,913,878
<b>Total asset revaluation reserve</b>	<b>\$ 256,927,358</b>	<b>\$ 8,836,767</b>	<b>\$ (1,208,997)</b>	<b>\$ 264,555,129</b>



2016	Balance at beginning of reporting year	Increment	(Decrement)	Balance at end of reporting year
	\$	\$	\$	\$
<b>Property</b>				
Land	23,786,531	-	-	23,786,531
Buildings	36,906,923	1,958,280	-	38,865,203
	60,693,454	1,958,280	-	62,651,734
<b>Infrastructure, Plant and Equipment</b>				
Roads and Streets, Car parks and Footpaths	142,675,928	24,152,531	-	166,828,459
Bridges	8,425,396	201,049	-	8,626,445
Furniture and Equipment	96,760	-	-	96,760
Drainage	14,818,901	875,908	-	15,694,808
Plant and Machinery	78,406	-	-	78,406
Recreation	1,208,830	-	(29,724)	1,179,105
Environmental	637,350	59,582	-	696,932
Associate - Dulverton Waste Management Authority (note 18)	1,035,029	39,680	-	1,074,709
	168,976,600	25,328,749	(29,724)	194,275,625
<b>Total asset revaluation reserve</b>	<b>\$ 229,670,053</b>	<b>\$ 27,287,029</b>	<b>\$ (29,724)</b>	<b>\$ 256,927,359</b>

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

**(b) Fair value reserve**

2017	Balance at beginning of reporting year	Increment	(Decrement)	Balance at end of reporting year
	\$	\$	\$	\$
<b>Available-for-sale assets</b>				
Investment in water corporation	7,993,730	488,647	-	8,482,377
<b>Total fair value reserve</b>	<b>\$ 7,993,730</b>	<b>\$ 488,647</b>	<b>-</b>	<b>\$ 8,482,377</b>



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

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

**(c) Other reserves**

2017	Balance at beginning of reporting year	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting year
	\$	\$	\$	\$
Asset replacement reserve	1,731,506	1,123,000	(1,059,201)	1,795,305
Fire service reserve	23,611	-	-	23,611
Garbage collection reserve	43,939	-	-	43,939
Special projects reserve	987,245	436,444	(121,017)	1,302,672
<b>Total Other reserves</b>	<b>2,786,301</b>	<b>1,559,444</b>	<b>(1,180,218)</b>	<b>3,165,527</b>

2016	Balance at beginning of reporting year	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting year
Asset replacement reserve	1,699,228	1,315,971	(1,283,693)	1,731,506
Fire service reserve	21,668	1,943	-	23,611
Garbage collection reserve	92,621	-	(48,682)	43,939
Special projects reserve	875,792	296,326	(184,874)	987,245
<b>Total Other reserves</b>	<b>2,689,309</b>	<b>1,614,241</b>	<b>(1,517,249)</b>	<b>2,786,301</b>

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



	2017	2016
	\$	\$
<b>Total Reserves</b>	<b>276,203,032</b>	<b>267,707,390</b>

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

	30-Jun-17	30-Jun-16
Result from continuing operations	7,358,563	231,550
<i>Cash flows from financing activities:</i>		
Less Capital Grants	(3,195,463)	(1,787,161)
	4,163,100	(1,555,611)
<i>Non-cash Items:</i>		
<i>Contributions – non-monetary assets</i>		
Depreciation/amortisation	6,197,489	6,154,623
(Profit)/loss on disposal of property, plant and equipment, infrastructure	172,511	336,698
Share of Profit in associate	(633,251)	(714,613)
	<b>5,736,749</b>	<b>5,776,708</b>
<i>Change in assets and liabilities:</i>		
Decrease/(increase) receivables	(424,670)	(65,745)
Decrease/(increase) in other assets	(1,132,947)	7,398
Decrease/(increase) in inventories	26,299	1,674
Increase/(decrease) in payables	281,852	694,517
Increase/(decrease) in provisions	184,932	55,675
Increase/(decrease) in other liabilities	7,255	1,699
	<b>(1,057,279)</b>	<b>695,218</b>
<b>Net cash provided by/(used in) operating activities</b>	<b>\$ 8,842,570</b>	<b>\$ 4,916,315</b>

### 32 Reconciliation of cash and cash equivalents

	30-Jun-17	30-Jun-16
Cash and cash equivalents (see note 20)	14,879,468	6,650,511
<b>Total reconciliation of cash and cash equivalents</b>	<b>\$ 14,879,468</b>	<b>\$ 6,650,511</b>



### 33 Superannuation

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

For the year ended 30 June 2017 Council contributed 9.5% of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, Council is required to meet its share of the deficiency.

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

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

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

- . During the reporting period the amount of contributions paid to defined benefits schemes was \$76,900 (2015-16, \$84,092), and the amount paid to accumulation schemes was \$930,957 (2015-16, \$889,980).
- . During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$78,505 and the amount to be paid to accumulation schemes is \$954,230.



As at 30 June 2016 the Fund had 151 members and the total employer contributions and member contributions for the year ending 30 June 2016 were \$1,956,576 and \$284,779 respectively.

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

<b>Fund</b>	<b>2017 \$</b>	<b>2016 \$</b>
<b>Defined benefits fund</b>		
Employer contributions to (Quadrant/TasPlan)	76,900	84,092
<b>Accumulation funds</b>		
Employer contributions to Accumulation funds *	930,957	889,980
	<b>\$ 1,007,857</b>	<b>\$ 974,072</b>

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

(i) Defined benefit plans

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

Council makes superannuation contributions for a number of its employees to the TasPlan Defined Benefits Fund, which is a sub-fund of the Quadrant Superannuation Scheme. The TasPlan Defined Benefits Fund has been classified



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

(ii) Defined contribution plans

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

### 34 Commitments

	30-Jun-17	30-Jun-16
<b>Capital Expenditure Commitments</b>		
Less than 12 months	1,122,734	642,655
<b>Total Capital expenditure commitments</b>	<b>1,122,734</b>	<b>642,655</b>
<b>Contractual commitments</b>		
Less than 12 months	11,612,616	789,442
Between 12 months and 2 years	655,893	69,883
More than 2 years	45,372	-
<b>Total contractual commitments</b>	<b>\$ 12,313,881</b>	<b>\$ 859,325</b>

### 35 Operating leases

(a) Operating lease commitments

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

	30-Jun-17	30-Jun-16
Not later than one year	47,376	47,376
Later than one year and not later than five years	59,220	106,596
Later than five years	-	-
	<b>\$ 106,596</b>	<b>\$ 153,972</b>



## **Accounting policy**

### **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's 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.

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

Council is not aware of any contingent assets or liabilities at 30 June 2017.



## 37 Financial Instruments

### (a) Accounting policy, terms and conditions

Recognised financial instruments	Note	Accounting Policy	Terms and Conditions
<b>Financial assets</b>			
Cash and cash equivalents	20	<p>Cash on hand and at bank and money market call accounts are valued at face value.</p> <p>Interest is recognised as it accrues.</p> <p>Investments are held to maximise interest returns of surplus cash.</p>	<p>The interest rate on on call deposits at balance date ranged between 1.00% and 1.44% (1.75% and 2.00% in 2015-16).</p> <p>Funds returned fixed interest rate of between 1.89% (3.76% in 2015-16), and 3.2% (3.87% in 2015-16) net of fees.</p>
<b>Trade and other receivables</b>			
Other debtors	21	<p>An impairment loss is not recognised on rates receivable.</p> <p>Receivables are carried at amortised cost using the effective interest method. A provision for impairment is recognised when there is objective evidence that an impairment loss has occurred.</p> <p>Collectability of overdue accounts is assessed on an ongoing basis.</p>	<p>Unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.</p> <p>General debtors are unsecured and arrears do not attract interest.</p>



### Available for sale financial assets

Investment in Water Corporation	19	The investment in TasWater is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date.	Investment in TasWater provided return of 1.86% excluding unrealised gains/losses.
---------------------------------	----	--	--

### Financial Liabilities

Trade and other payables	26	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing loans and borrowings	29	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.	Borrowings are secured by way of mortgages over the general rates of the Council.  The weighted average interest rate on borrowings is 3.83% in 2016-17 (5.28% in 2015-16).

### (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:



2017	Fixed interest maturing in:					Total
	Floating interest rate	One year or less	Over one to five years	More than five years	Non-interest bearing	
	\$	\$	\$	\$	\$	\$
<b>Financial assets</b>						
Cash and cash equivalents	14,879,468	-	-	-	-	14,879,468
Trade and other receivables	-	-	-	-	1,392,930	1,392,930
Accrued Revenue	-	-	-	-	1,269,769	1,269,769
Investment in water corporation	-	-	-	-	74,972,525	74,972,525
<b>Total financial assets</b>	<b>14,879,468</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77,635,224</b>	<b>92,514,692</b>
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	3,186,502	3,186,502
Trust funds and deposits	-	-	-	-	227,247	227,247
Interest-bearing loans and borrowings		200,405	8,490,755	1,909,220	-	10,600,380
<b>Total financial liabilities</b>	<b>-</b>	<b>200,405</b>	<b>8,490,755</b>	<b>1,909,220</b>	<b>3,413,749</b>	<b>14,014,129</b>
<b>Net financial assets (liabilities)</b>	<b>14,879,468</b>	<b>(200,405)</b>	<b>(8,490,755)</b>	<b>(1,909,220)</b>	<b>74,221,475</b>	<b>78,500,563</b>

2016	Fixed interest maturing in:					Total
	Floating interest rate	One year or less	Over one to five years	More than five years	Non-interest bearing	
	\$	\$	\$	\$	\$	\$
<b>Financial assets</b>						
Cash and cash equivalents	6,650,511	-	-	-	-	6,650,511
Trade and other receivables	-	-	-	-	968,260	968,260
Accrued Revenue	-	-	-	-	102,405	102,405
Investment in water corporation	-	-	-	-	74,483,878	74,483,878
<b>Total financial assets</b>	<b>6,650,511</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,554,543</b>	<b>82,205,054</b>
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	2,246,194	2,246,194
Trust funds and deposits	-	-	-	-	219,992	219,992



2016	Fixed interest maturing in:					Non-interest bearing	Total
	Floating interest rate	One year or less	Over one to five years	More than five years			
	\$	\$	\$	\$	\$		\$
Interest-bearing loans and borrowings	-	191,216	769,751	2,100,629	-		3,061,596
<b>Total financial liabilities</b>	-	191,216	769,751	2,100,629	2,466,186		5,527,782
<b>Net financial assets (liabilities)</b>	6,650,511	(191,216)	(769,751)	(2,100,629)	73,088,357		76,677,272

(c) Fair Value

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

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2017 \$	2016 \$	2017 \$	2016 \$
<b>Financial assets</b>				
Cash at bank and on hand	1,868,754	1,749,655	1,868,754	1,749,655
Cash management account	13,010,714	4,900,856	13,010,714	4,900,856
Trade and other receivables	1,392,930	968,260	1,392,930	968,260
Accrued revenue	1,269,769	102,405	1,269,769	102,405
Investment in water corporation	74,972,525	74,483,878	74,972,525	74,483,878
<b>Total financial assets</b>	<b>92,514,692</b>	<b>82,205,054</b>	<b>92,514,692</b>	<b>82,205,054</b>
<b>Financial liabilities</b>				
<i>Payables</i>	3,186,502	2,246,194	3,186,502	2,246,194
Interest bearing loans and borrowings	10,600,380	3,061,596	10,799,952	3,326,088
Other liabilities	227,247	219,992	227,247	219,992
<b>Total financial liabilities</b>	<b>14,014,129</b>	<b>5,527,782</b>	<b>14,213,701</b>	<b>5,792,274</b>

(d) Credit Risk

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



**(e) Risks and mitigation**

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

***Market risk***

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

***Interest rate risk***

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

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

- . ensuring access to diverse sources of funding;
- . reducing risks of refinancing by managing in accordance with target maturity profiles; and
- . setting prudential limits on interest repayments as a percentage of rate revenue.

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

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

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



### ***Credit Risk***

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

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

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

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

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

2017	Financial Institutions	Government agencies	Other	Total
Cash and cash equivalents	14,879,468	-	-	14,879,468
Trade and other receivables	1,392,930	-	-	1,392,930
Accrued revenue	1,269,769	-	-	1,269,769
<b>Total contractual financial assets</b>	<b>\$ 17,542,167</b>	<b>-</b>	<b>-</b>	<b>\$ 17,542,167</b>
<b>2016</b>				
Cash and cash equivalents	6,650,511	-	-	6,650,511
Trade and other receivables	968,260	-	-	968,260
Accrued revenue	102,405	-	-	102,405
<b>Total contractual financial assets</b>	<b>\$ 7,721,176</b>	<b>-</b>	<b>-</b>	<b>\$ 7,721,176</b>

### **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:

	2017 \$	2016 \$
Current (not yet due)	224,305	70,823
Past due by up to 30 days	81,199	121,105
Past due between 31 and 60 days	39,907	10,114
Past due between 61 and 90 days	55,741	12,653
Past due by more than 90 days	288,485	224,395
Rates receivable	263,000	228,374
Net GST and loans	440,293	300,796
<b>Total Trade &amp; Other Receivables</b>	<b>\$ 1,392,930</b>	<b>\$ 968,260</b>

#### Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$0.00 (2015-16: \$0.00) were impaired. The amount of the provision raised against these debtors was \$0.00 (2015-16: \$0.00). The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

#### Liquidity risk

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

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

To help reduce these risks we:

- . have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- . have readily accessible standby facilities and other funding arrangements in place;



- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

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

The table below lists the contractual maturities for Financial Liabilities.

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

2017	Less than one year \$	One to five years \$	More than five years \$	Contracted Cash Flow \$	Carrying Amount \$
Trade and other payables	3,186,502	-	-	3,186,502	3,186,502
Trust funds and deposits	227,247	-	-	227,247	227,247
Interest-bearing loans and borrowings	200,405	8,490,755	1,909,220	10,600,380	10,600,380
<b>Total financial liabilities</b>	<b>3,614,154</b>	<b>8,490,755</b>	<b>1,909,220</b>	<b>14,014,129</b>	<b>14,014,129</b>

2016	Less than one year \$	One to five years \$	More than five years \$	Contracted Cash Flow \$	Carrying Amount \$
Trade and other payables	2,246,194	-	-	2,246,194	2,246,194
Trust funds and deposits	219,992	-	-	219,992	219,992
Interest-bearing loans and borrowings	191,216	769,752	2,100,628	3,061,596	3,061,596
<b>Total financial liabilities</b>	<b>2,657,402</b>	<b>769,752</b>	<b>2,100,628</b>	<b>5,527,782</b>	<b>5,527,782</b>

#### (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 -2% in market interest rates (AUD) from year-end rates of 4.4%.

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

		Interest rate risk			
		+1 % (100 basis points)		-0.5 % (50 basis points)	
		Profit	Equity	Profit	Equity
		\$	\$	\$	\$
<b>2017</b>					

**Financial assets:**

Cash and cash equivalents	14,879,468	148,795	148,795	(74,397)	(74,397)
---------------------------	------------	---------	---------	----------	----------

**Financial liabilities:**

Interest-bearing loans and borrowings	10,600,380	(106,004)	(106,004)	53,002	53,002
---------------------------------------	------------	-----------	-----------	--------	--------

		Interest rate risk			
		+1 % (100 basis points)		-0.5 % (50 basis points)	
		Profit	Equity	Profit	Equity
		\$	\$	\$	\$
<b>2016</b>					

**Financial assets:**

Cash and cash equivalents	6,650,511	66,505	66,505	(33,253)	(33,253)
---------------------------	-----------	--------	--------	----------	----------

**Financial liabilities:**

Interest-bearing loans and borrowings	3,061,596	(30,616)	(30,616)	15,308	15,308
---------------------------------------	-----------	----------	----------	--------	--------

### 38 Events occurring after balance date

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



### 39 Related party transactions

#### (i) Responsible Persons

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

Jan Bonde – Mayor  
 John Bloomfield  
 Shane Broad – resigned 7 April 2017  
 Garry Carpenter  
 Amanda Diprose – appointed 27 April 2017  
 Kathleen Downie – Deputy Mayor  
 Gerry Howard  
 Rowen Tongs  
 Tony van Rooyen  
 Philip Viney

#### General Manager:

Sandra Ayton

#### (ii) Remuneration and Emolument of Councillors

2017	Allowances \$	Vehicles <sup>2</sup> \$	Super- annuation <sup>1</sup> \$	Total Compen- sation AASB 124 \$	Expenses \$	Total allowances and expenses section 72 \$
Mayor	74,055	-	-	74,055	-	74,055
Deputy Mayor	37,695	-	-	37,695	-	37,695
Councillors	148,085	-	-	148,085	52,983	201,068
<b>Total</b>	<b>259,835</b>	<b>-</b>	<b>-</b>	<b>259,835</b>	<b>52,983</b>	<b>312,818</b>
2016	Allowances \$	Vehicles <sup>2</sup> \$	Super- annuation <sup>1</sup> \$	Total Compen- sation AASB 124 \$	Expenses \$	Total allowances and expenses section 72 \$
Mayor	71,695	-	-	71,695	-	71,695
Deputy Mayor	36,826	-	-	36,826	-	36,826
Councillors	144,337	-	-	144,337	41,190	185,527
<b>Total</b>	<b>252,858</b>	<b>-</b>	<b>-</b>	<b>252,858</b>	<b>41,190</b>	<b>294,048</b>



<sup>1</sup> Superannuation is not provided for or paid on Councillor allowances.

<sup>2</sup> Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax). The vehicle provided to the Mayor is for Council business only.

<sup>3</sup> Councillor expense items detailed in the table above, relate to all Councillors, including the Mayor and Deputy Mayor. These costs are not allocated to individual positions and relate to expenses such as Councillor laptops, phones and phone allowances and conferences, accommodation and LGAT registrations.

**(iii) Key Management Personnel Remuneration**

2017	Number of employees	Short term employee benefits				Post employment benefits			Total \$
		Salary <sup>1</sup> \$	Short-term incentive payments <sup>2</sup> \$	Vehicles <sup>3</sup> \$	Other allowances and benefits <sup>4</sup> \$	Super-annuation <sup>5</sup> \$	Termination benefits <sup>6</sup> \$	Other long-term benefits <sup>7</sup> \$	
\$40,001 - \$60,000	1	33,021	-	4,922	-	3,137	-	3,224	44,304
\$60,001 - \$80,000	1	91,740	-	8,719	-	17,938	-	(50,514)	67,883
\$140,001 - \$160,000	1	121,351	-	13,660	-	33,949	-	(18,825)	150,135
\$160,001 - \$180,000	1	134,733	-	9,841	-	22,216	-	4,410	171,200
\$180,001 - \$240,000	1	201,307	-	8,972	-	19,124	-	3,330	232,733
<b>Total</b>		<b>582,152</b>	<b>-</b>	<b>46,114</b>	<b>-</b>	<b>96,364</b>	<b>-</b>	<b>(58,375)</b>	<b>666,255</b>

<sup>1</sup> Gross Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.

<sup>2</sup> Short term incentive payments are non-recurrent payments which depend on achieving specified performance goals within specified timeframes.



<sup>3</sup> Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).

<sup>4</sup> Other benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.

<sup>5</sup> Superannuation means the contribution to the superannuation fund of the individual.

<sup>6</sup> Termination benefits include all forms of benefit paid or accrued as a consequence of termination.

<sup>7</sup> Other non-monetary benefits include annual and long service leave movements and non-monetary benefits.

#### **(iv) Remuneration Principles**

##### ***Councillors***

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

##### ***Senior Employees***

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

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

**(v)** In accordance with s84(2)(b) of the LGA 1993, no interests have been notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings.

#### **(vi) Transactions with related parties**

During the period Council entered into the following transactions with related parties.



Nature of the transaction	Amount of the transactions during the year	Outstanding balances, including commitments at year end	Terms and conditions	Provisions for doubtful debts related outstanding balances
Towing services <sup>1</sup>	\$11,931	-	30-day terms on invoices	
Supply of metal fabrication services and materials <sup>2</sup>	\$30,731	-	30-day terms on invoices	

<sup>1</sup> Council utilised the services of Tongsy Hire during the 2016-17 financial year. It is a company which is controlled by a member of Council's KMP as a Councillor. The total value of transactions with this company was \$11,931.

<sup>2</sup> Council purchased metal fabrication services and materials from Tongs Sheetmetal during the 2016-17 financial year. It is a company which is owned by a member of Council's KMP as a Councillor. Amounts were billed based on normal rates for such supplied and were due and payable under normal payment terms.

#### (vii) Transactions with Associates

Nature of the transaction	Amount of the transactions during the year	Outstanding balances, including commitments at year end	Terms and conditions
Waste disposal services	\$970,097	\$111,768	30-day terms on invoices
National Taxation Equivalent Regime (NTER)	\$467,523	Council recorded accrued revenue of \$93,630	As per Section 71 of the <i>Government Business Enterprises Act 1995</i>
Dividends	\$195,146	\$0	As determined by the Board of Dulverton Regional Waste Management Authority



**(viii) Transactions with related parties that have not been disclosed**

Most of the entities and people that are related parties of Council live and operate within the municipality. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- . Payment of rates on a primary residence
- . Dog registration.

Council has not included these types of transactions in its disclosure, where they are made on the same terms and conditions available to the general public.

**40 Significant Business Activities**

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

		<b>Child Care Services</b>	
		<b>2017</b>	<b>2016</b>
		<b>\$</b>	<b>\$</b>
<i>Revenue</i>			
	Child care fees	618,990	563,737
	Contributions	730,296	750,098
	<b>Total Revenue</b>	<b>1,349,286</b>	<b>1,313,835</b>
<i>Expenditure</i>			
	Employee Costs	781,944	621,107
	Materials and Contracts	219,066	309,187
<i>Indirect</i>			
	Administration overhead	304,647	318,580
	<b>Total Expenses</b>	<b>1,305,657</b>	<b>1,248,874</b>
<i>Capital Costs</i>			
	Depreciation and amortisation	11,692	11,546
	Opportunity cost of capital	85,766	83,804
	<b>Total Capital Costs</b>	<b>97,458</b>	<b>95,350</b>
	<b>Competitive Neutrality Costs</b>	<b>9,581</b>	<b>16,024</b>



## Accounting policy

### Significant business activities

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

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

## 41 Management Indicators

### (a) Underlying surplus or deficit

	Benchmark	2017 \$'000	2016 \$'000	2015 \$'000	2014 \$'000
Recurrent income* less		26,417	25,480	24,986	23,170
Recurrent expenditure		24,989	24,671	23,688	22,824
Underlying surplus/(deficit)	>0	1,428	809	1,298	346

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

**(b) Underlying surplus ratio**

	Benchmark	2017 \$	2016 \$	2015 \$	2014 \$
Underlying surplus or (deficit)		1,428	809	1,298	346
Recurrent Income		26,417	25,480	24,986	23,170
Underlying surplus ratio %	>0%	5.41%	3.18%	5.19%	1.49%

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

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

**(c) Net financial liabilities**

	Benchmark	2017 \$	2016 \$	2015 \$	2014 \$
Liquid assets less		16,264	7,602	8,020	4,091
Total liabilities		(19,843)	(11,172)	(10,344)	(10,383)
Net financial liabilities	0	(3,579)	(3,570)	(2,324)	(6,292)

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

**(d) Net Financial liabilities ratio**

	Benchmark	2017 \$	2016 \$	2015 \$	2014 \$
Net financial liabilities		(3,579)	(3,570)	(2,324)	(6,292)
Recurrent income*		26,417	25,480	24,986	23,170
Net financial liabilities ratio %	0% - (50%)	(13.5%)	(14.0%)	(9.3%)	(27.2%)

This ratio indicates the net financial obligations of Council compared to its recurrent income. This is a measure of the quality of the net financial liability position. The ratio trended down in the 2014-2015 due primarily to the Council



receiving an advance payment of the Commonwealth Financial Assistance Grant once more for the 2015-2016 financial year.

**(e) Asset consumption ratio**

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

	Benchmark	2017 \$'000	2016 \$'000	2015 \$'000	2014 \$'000
<i>Buildings</i>					
<u>Depreciated replacement cost</u>		66,553	67,696	65,713	65,594
Current replacement cost		105,196	105,344	101,494	101,530
Asset consumption ratio %	60%	63.3%	64.3%	64.7%	64.6%
<i>Roads and Streets</i>					
<u>Depreciated replacement cost</u>		223,856	215,058	192,016	167,802
Current replacement cost		268,621	258,377	232,107	201,151
Asset consumption ratio %	60%	83.3%	83.2%	82.7%	83.4%
<i>Footpaths</i>					
<u>Depreciated replacement cost</u>		23,297	23,267	22,620	22,655
Current replacement cost		36,502	35,582	34,260	33,771
Asset consumption ratio %	60%	63.8%	65.4%	66.0%	67.1%
<i>Bridges</i>					
<u>Depreciated replacement cost</u>		15,418	14,431	14,831	14,279
Current replacement cost		28,513	26,123	27,070	26,663
Asset consumption ratio %	60%	54.1%	55.2%	54.8%	53.6%
<i>Drainage</i>					
<u>Depreciated replacement cost</u>		26,236	25,732	25,195	29,977
Current replacement cost		41,803	40,461	39,032	45,314
Asset consumption ratio %	60%	62.8%	63.6%	64.5%	66.2%
<i>Other Infrastructure assets</i>					
<u>Depreciated replacement cost</u>		13,389	12,681	12,213	12,824
Current replacement cost		23,069	21,273	20,312	20,805
Asset consumption ratio %	60%	58.0%	59.6%	60.1%	61.6%



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

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

		2017 \$'000	2016 \$'000	2015 \$'000	2014 \$'000
<i>Buildings</i>					
<u>Projected capital funding outlays**</u>		6,530	5,907	6,252	5,302
Projected capital expenditure funding***		6,530	5,907	6,252	5,302
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Roads and Streets</i>					
<u>Projected capital funding outlays**</u>		27,717	23,711	23,400	21,927
Projected capital expenditure funding***		27,717	23,711	23,400	21,927
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Footpaths</i>					
<u>Projected capital funding outlays**</u>		2,400	2,450	2,760	2,545
Projected capital expenditure funding***		2,400	2,450	2,760	2,545
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Bridges</i>					
<u>Projected capital funding outlays**</u>		3,090	4,340	4,970	4,170
Projected capital expenditure funding***		3,090	4,340	4,970	4,170
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Drainage</i>					
<u>Projected capital funding outlays**</u>		2,346	2,323	2,040	1,560
Projected capital expenditure funding***		2,346	2,323	2,040	1,560
Asset renewal funding ratio %	100%	100%	100%	100%	100%



<i>Car parks</i>					
<u>Projected capital funding outlays**</u>		3,300	3,525	3,441	2,995
Projected capital expenditure funding***		3,300	3,525	3,441	2,995
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Recreation</i>					
<u>Projected capital funding outlays**</u>		6,332	5,233	5,278	3,691
Projected capital expenditure funding***		6,332	5,233	5,278	3,691
Asset renewal funding ratio %	100%	100%	100%	100%	100%
<i>Other infrastructure assets</i>					
<u>Projected capital funding outlays**</u>		1,925	790	872	1,200
Projected capital expenditure funding***		1,925	790	872	1,200
Asset renewal funding ratio %	100%	100%	100%	100%	100%

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

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

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

For the 2014, 2015, 2016 and 2017 financial years the Council prepared Long-term Financial Plans based on the information that the Infrastructure Services Department used to develop their 10 year forward works programs for renewals and upgrades of existing assets. Consequently, the funding for renewals and upgrades in the Long-term Financial Plan and the projected outlays for renewals and upgrades in the asset management plans are identical.

#### (g) Asset sustainability ratio

	Benchmark	2017 \$'000	2016 \$'000	2015 \$'000	2014 \$'000
<u>Capex on replacement/renewal of existing assets</u>		7,767	6,078	5,514	5,437
Annual depreciation expense		6,165	6,107	5,824	5,798
Asset sustainability ratio %	100%	126%	100%	95%	94%



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

2017	Total Capital Expenditure
	\$
Asset Renewal program	11,770
<b>Total</b>	<b>11,770</b>
2016	
Asset Renewal program	7,549
<b>Total</b>	<b>7,549</b>

## 42 Fair value measurements

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

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

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

### (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.
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 2017.

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 2017

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Recurring fair value measurements</b>					
Land	25	-	55,644,572	-	55,644,572
Buildings	25	-	66,552,590	-	66,552,590
Roads, including footpaths and car parks	25	-	-	248,909,870	248,909,870
Bridges	25	-	-	15,418,041	15,418,041
Drainage	25	-	-	26,236,186	26,236,186
Other infrastructure	25	-	-	11,631,716	11,631,716
		-	122,197,162	302,195,813	424,392,975
<b>Non-recurring fair value measurements</b>					
Assets held for sale	22	-	200,000	-	200,000
		-	200,000	-	200,000

#### As at 30 June 2016

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



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

**(b) Valuation techniques and significant inputs used to derive fair values**

**Land**

Land fair values were determined by the Valuer-General's valuation at 30 June 2013. The Valuer-General also publishes adjustment factors on an annual basis which are used to revalue land held by the Council. At 30 June 2017 land was revalued using the Valuer-General adjustment factors. Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current planning provisions. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. All freehold land owned by the Council reserved for public open space is valued by the Valuer-General as part of the periodic municipal revaluation process.

***Land held for sale***

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

***Land under roads***

Land under roads is based on Council valuations at 30 June 2014 using site values provided for by the Valuer-General and adjusted at 30 June 2017 using the adjustment factor provided by the Valuer-General. This adjustment is an observable input in the valuation.

***Buildings***

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

**Infrastructure assets**

All Council infrastructure assets were fair valued at 30 June 2017 using written down current replacement cost. This valuation comprises the asset's gross replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic



benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

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

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

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

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

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

#### Roads, including footpaths and cycleways

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

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



outsourced, CRC is based on the average of completed similar projects over the last few years.

#### Bridges

A full valuation of bridges assets was undertaken by TasSpan, effective 30 June 2017. 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 Infrastructure Services Department, effective 30 June 2017. 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.

### **(c) Valuation processes**

Council's current policy for the valuation of property, infrastructure, plant and equipment, investment in water corporation and investment property (recurring fair value measurements) is set out in notes 28, 21 and 29. Respectively Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

### **(d) Assets and liabilities not measured at fair value but for which fair value is disclosed**

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



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

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

#### **43 Material Budget Variations**

Council's original budget was adopted by the Council on 20 June 2016. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, changing economic activity, the weather, and by decisions made by the Council. Material variations of more than 10% are explained below:

##### **Revenues**

###### **1 Rates and charges**

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

###### **2 User fees**

Revenue was within budget expectations and the marginal decrease in revenue from the budgeted amount primarily represents a reduction in Resource Recovery fees.

###### **3 Grants**

The budget estimates included the full estimate for the Commonwealth Federal Assistance Grant. Approximately half of the grant amounting to \$1.97m. for the 2017-18 year was received and accounted for in the 2016-17 financial year resulting in a significant budget variance for the 2016-17 year (refer note 7). A number of grants for capital works projects budgeted were not received during the year.

###### **4 Other income**

Other income has increased over the estimates by approximately \$1.18m. The main reasons for the increase is the accrual of the flood recovery reimbursement of \$850,950 and a flood insurance payment of \$144,431.



## **5 Cash Contributions**

Cash contributions were higher than budget due to child care contributions received being greater than estimated for the after school hours and vacation care programs. While the revenue has increased it is offset by matching expenditure to provide the service. The balance of the increase over the estimates can be explained by the receipt of unbudgeted contributions, car park contributions of \$344,293 and contributions exceeding the estimated amounts.

### **Expenses**

#### **1 Materials and services**

The increase in materials and contracts costs over budget of \$380,000 is due mainly to the unbudgeted costs related to flood damage. These costs amount to \$233,000 during the 2016-17 financial year.

#### **2 Employee benefits**

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

#### **3 Finance Costs**

The decrease in costs against budget is due to the increased finance charges associated with the change in the discount rate used to calculate the present value of costs for the rehabilitation of the Lobster Creek Resource Recovery Centre, together with the additional loan interest on the new borrowings of \$7.73m.

#### **4 Depreciation and Amortisation**

This expense is higher than estimated due mainly to additional depreciation calculated on the amount roads were revalued by at the end of the 2016-17 financial year.

## **44 Other significant accounting policies and new accounting standards**

### **(a) Taxation**

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

#### *Goods and services tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax



Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

**(b) Impairment of assets**

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

**(c) Allocation between current and non-current**

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

**(d) Contingent assets, contingent liabilities and commitments**

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

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

**(e) Budget**

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



**(f) Adoption of new and amended accounting standards**

In the current year, Council has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

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

Council has applied AASB 124 Related Party Disclosures for the first time. As a result Council has disclosed more information about related parties and transactions with those related parties. The standard further extends that required under the LGA 1993. This information is presented in note 39(vi).

- (i) *AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities* (effective from 1 July 2016)

The amendment provides relief to not-for-profit public sector entities from certain disclosures about the fair value measurement of property, plant and equipment held for their current service potential rather than to generate net cash inflows that is categorised within Level 3 of the fair value hierarchy.

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

**(g) Pending Accounting Standards**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below. (Note: standards are applicable to reporting periods beginning on or after to effective date referred to below.)

- (i) AASB 9 Financial Instruments and 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) (effective from 1 January 2018).

The main impacts of these standards on Council are that they will change the requirements for the classification, measurement, impairment and disclosures associated with the Council's financial assets. AASB 9 will introduce different criteria for whether financial assets can be measured at amortised cost or fair value. The



amortised cost model is available for debt assets meeting both business model and cash flow characteristics tests. 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 investment in TasWater which is an available-for-sale financial assets. Currently, Council recognises changes in the fair value of its available-for-sale assets through other comprehensive income. Council is likely to make an irrevocable election for its investment in TasWater as 'fair value through other comprehensive income' and therefore the adoption of this standard will not impact the way movements in the fair value are accounted for.

Another impact of AASB 9 relates to calculating impairment losses for Council's receivables. Assuming no substantial change in the nature of receivables, as they don't include a significant financing component, impairment losses will be determined according to the amount of lifetime expected credit losses. On initial adoption of AASB 9, Council will need to determine the expected credit losses for its receivables by comparing the credit risk at that time to the credit risk that existed when those receivables were initially recognised and also factor in any future changes or events.

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 derecognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed.

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

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



its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

AASB 16 will result in most of Council's operating leases being brought onto the Statement of Financial Position. There are limited exceptions relating to short-term leases and low-value assets which may remain off the balance sheet. Council's existing lease commitments are disclosed in note 35.

The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and increases in lease payments. A corresponding right to use assets will be recognised, which will be amortised over the term of the lease.

Rent expense will no longer be shown. The profit and loss impact of the leases will be through amortisation and interest charges. Council's current operating lease expenditure is shown at note 19. In the Statement of Cash Flows lease payments will be shown as cash flows from financing activities instead of operating activities.

Lessor accounting under AASB 16 remains largely unchanged. For finance leases, the lessor recognises a receivable equal to the net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate.

- (iii) AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107 (effective from 1 January 2017)

Amendments to AASB 107 will require additional disclosures to enable the reader to evaluate changes in liabilities arising from financing activities. These disclosures will include both cash flows and non-cash changes between the opening and closing balance of the relevant liabilities and be disclosed by way of a reconciliation in the notes to the Statement of Cash Flows.

AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 (effective 1 January 2017).

The amendments address an acknowledged inconsistency between the requirements in AASB 10, and those in AASB 128 (2011) in



dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. AASB 2015-10 has delayed the effective date of the amendments to 1 January 2018, i.e. Council's financial statements for the year ended 30 June 2019.

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

- (iv) AASB 1058 Income of Not-for-Profit Entities, AASB 15 Revenue from Contracts with Customers, and AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities. AASB 2015-8 Amendments to Australian Accounting Standards arising from AASB 15 provides for an effective of application from 1 January 2019.

AASB 15 will replace AASB 118 Revenue, AASB 111 Construction Contracts and a number of Interpretations. AASB 2016-8 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1004 Contributions. Together they contain a comprehensive and robust framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.

Council has commenced analysing the new revenue recognition requirements under these standards and is yet to form conclusions about significant impacts. Potential future impacts identifiable at the date of this report include:

Grants received to construct non-financial assets controlled by Council will be recognised as a liability, and subsequently recognised progressively as revenue as Council satisfies its performance obligations under the grant. At present, such Grants are recognised as revenue upfront.

Under the new standards, other Grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only in the associated performance obligations are enforceable and sufficiently specific. At present, such Grants are recognised as revenue



upfront. When the new standard becomes effective, Council will evaluate all grant agreements in place at that time to determine whether revenue from those Grants could be deferred under the new requirements.

Grants that are not enforceable and/or not sufficiently specific will not qualify for the deferral, Rates received in advance, which are currently required to be recognised as revenue when received will be deferred under the new requirements until the commencement of the rating period to which they relate.

Volunteer services and transactions where the consideration is significantly less than the fair value of that asset acquired, or no consideration is provided (for example below market leases) will be required to be recognised when certain recognition criteria are met. Council has not yet fully determined the impact of these requirements on its financial statements.

Depending on the respective contractual terms, the new requirements of AASB 15 may potentially result in a change to the timing of revenue from sales of goods and services such that some revenue may need to be deferred to a later reporting period to the extent that Council has received cash, but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime). An example of this is rates received in advance, which is currently required to be recognised as revenue when received. Council is yet to fully complete its analysis of existing arrangements for sale of its goods and services and the impact on revenue recognition has not yet been fully determined.

All other Australian accounting standards and interpretations with future effective dates are either not applicable to Council's activities, or have no material impact.



### **Certification of the Financial Report**

The financial report presents fairly the financial position of the Central Coast Council as at 30 June 2017, the results of its operations for the year then ended and the cash flows of the Council, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards (including interpretations) and other authoritative pronouncements issued by the Australian Accounting Standards Board.

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

Sandra Ayton  
GENERAL MANAGER

26 September 2017



## Independent Auditor's Report

To the Councillors of Central Coast Council

Report on the Audit of the Financial Report

### Opinion

I have audited the financial report of Central Coast Council (Council), which comprises the statement of financial position as at 30 June 2017 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

In my opinion the accompanying financial report:

- (a) presents fairly, in all material respects, Council's financial position as at 30 June 2017 and of its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

### Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

...1 of 3

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*



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

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

#### **Responsibilities of the General Manager for the Financial Report**

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1993* and for such internal control as determined necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the General Manager is responsible for assessing Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council is to be dissolved by an Act of Parliament or the Councillors intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Financial Report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager.

...2 of 3

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*



- Conclude on the appropriateness of the General Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the General Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

**Ric De Santi**  
**Deputy Auditor-General**  
**Delegate of the Auditor-General**

**Tasmanian Audit Office**

28 September 2017  
Hobart

.. 3 of 3

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*



PO Box 220 / DX 70506  
19 King Edward Street  
Ulverstone Tasmania 7315  
Tel 03 6429 8900  
Fax 03 6425 1224  
[admin@centralcoast.tas.gov.au](mailto:admin@centralcoast.tas.gov.au)  
[www.centralcoast.tas.gov.au](http://www.centralcoast.tas.gov.au)