



# Temora Shire Council **ANNUAL REPORT 2019 - 2020**

NOVEMBER 2020



**Temora Shire Council**  
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# 1.0 INTRODUCTION

## 1.1 Mayor's Foreword

It is my pleasure to present the Temora Shire Council 2019/2020 Annual Report.

The Temora Shire has endured yet another busy and productive year. The 2019/2020 Report incorporates the Integrated Planning & Reporting (IP&R) Framework. The report is closely aligned with the Temora Shire 2030 Community Plan and associated documents.

I am proud to report our Council continues to maintain itself in a strong and sound financial position. Council are particularly pleased to have deliberately built upon our reserve funds, whilst still investing in a solid capital works program which is most important.

Temora Shire is blessed to have had strong and united Councillors over the decades. This includes our dedicated staff from the General Manager, Directors, and all staff – both indoor and outdoor. Every one of them plays an important role to ensure Temora Shire remains prosperous and viable.

There have been many achievements for Temora Shire over the past 12 months. I encourage you to read through our Annual Report, to gain a more in depth understanding of what a rural Council can and does achieve.

I sincerely thank Deputy Mayor (Cr Graham Sinclair), my fellow Councillors, together with General Manager (Mr Gary Lavelle PSM), our Directors and every member of our Staff. We all work hard to ensure we remain a leader in local government and to enhance our cherished Temora Shire Community.

I trust this report will provide you with valuable information on the operations and management of Temora Shire Council.

Cr Rick Firman, OAM

MAYOR



Cr Rick Firman, OAM  
MAYOR

## 1.2 The Temora Shire

Situated in the North of the Riverina region of NSW, Temora Shire is in the heart of the rich and productive southern wheat and sheep area of the state. Grazing and intensive animal production, work in parallel with cropping to provide the other major rural industries for Temora. Sheep production for wool and meat is the main livestock based industry, but other significant enterprises centre on cattle, including a major feedlot, and pig production on a large intensive piggery and three small operations.

The towns and villages are the major areas of population, being home to about two thirds of the Shire's residents. Temora township has a population of 4,600 and the villages of Ariah Park (400) and Springdale (60) are home to the other non-rural dwellers. The towns have a cycle of activity which is sympathetic with the agricultural cycle, and Temora supports a wonderful safe and friendly lifestyle for all, with its many service industries, retail shops, professionals, medical facilities and schools.

Much of our past is there to see at the Rural Museum and the Temora Aviation Museum presents a world standard collection of working Warbirds. Above all Temora is a healthy, safe and secure place to live and a pleasure to visit. Our residents particularly enjoy sport and social activities, which are at the centre of Temora's community life. We love to showcase our town, and those experiencing Temora for work or pleasure marvel how over one hundred community groups work so well together, for the wellbeing and enjoyment of us all, in this: the friendliest little town in NSW.

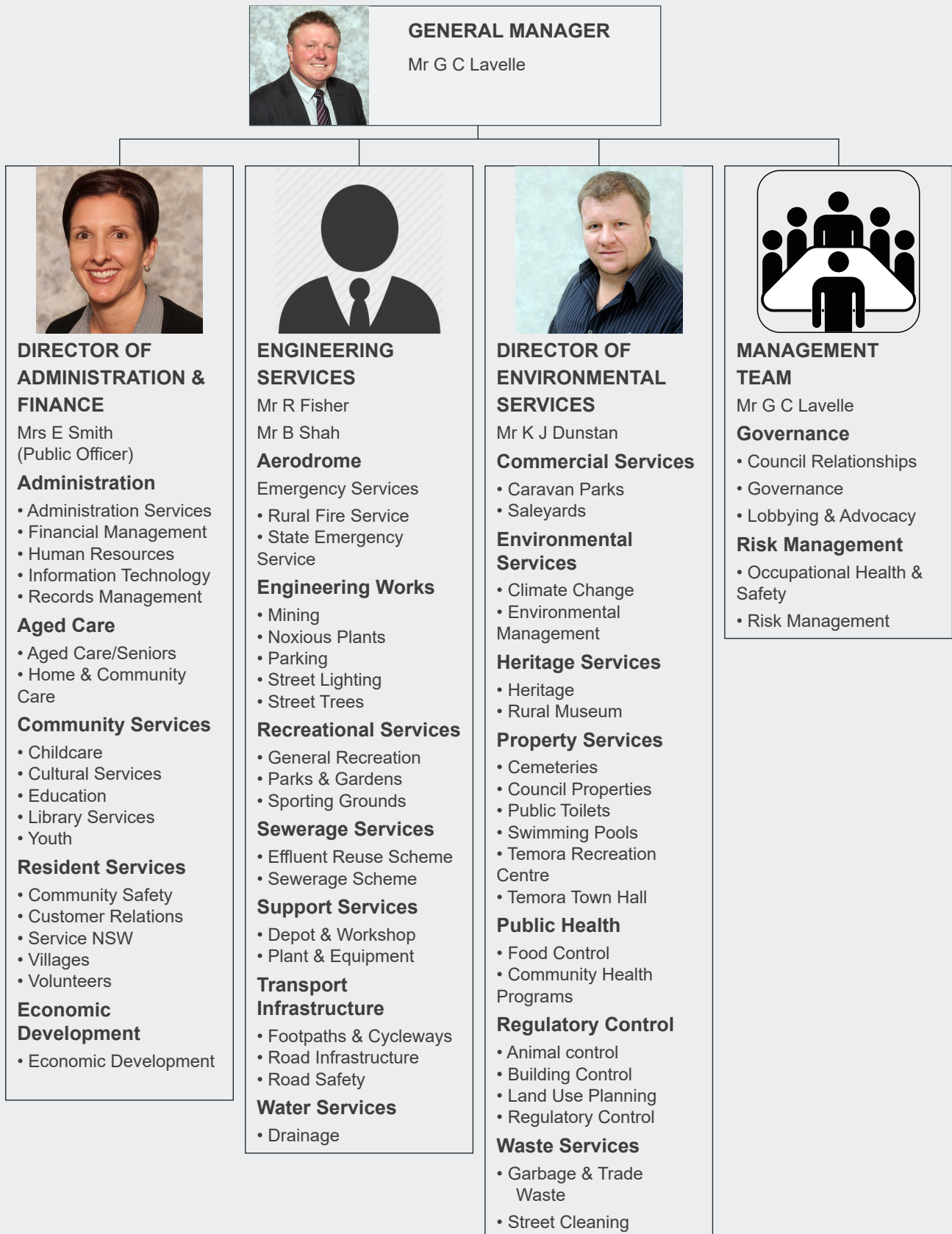
### Population statistic (2016 Census) 6236

	Males	Females	Total persons
	3,079	3,157	6,236
Age groups:			
0-4 years	201	189	390
5-14 years	438	393	831
15-19 years	208	188	396
20-24 years	151	119	270
25-34 years	308	315	623
35-44 years	280	311	591
45-54 years	415	435	850
55-64 years	430	427	857
65-74 years	391	385	776
75-84 years	180	258	438
85 years and over	77	137	214

### Distances from major centres:

Wagga Wagga	87km
Sydney	410km
Canberra	212km
Melbourne	518km

## 1.3 Organisational Structure



## 1.4 Contacting Council

### COUNCIL HEADQUARTERS

Council Chambers  
105 Loftus Street, Temora 2666  
PO Box 262, Temora 2666

Telephone: (02) 69801100  
Fax: (02) 69801138  
Email: [temshire@temora.nsw.gov.au](mailto:temshire@temora.nsw.gov.au)  
Internet: [www.temora.nsw.gov.au](http://www.temora.nsw.gov.au)

### OFFICE HOURS:

General Business: 8.00 am to 4.30 pm  
Service NSW: 9.00 am to 4.00 pm  
(Service NSW closed over Lunch from 12.30 pm to 1.30 pm)

Temora Shire Council welcomes resident input and a variety of channels of communication are available. You can ring, fax, email, write or call into the office.

### ELECTED MEMBERS – 22 September 2016

#### Councillors:

Mayor: Cr Rick Firman	69772021
Deputy Mayor: Cr Graham Sinclair	69738616
Cr Nigel Judd	69741026
Cr Max Oliver	69780493
Cr Claire McLaren	69762045
Cr Lindy Reinhold	69774026
Cr Dennis Sleight	69781260
Cr Ken Smith	69731262
Cr Dale Wiencke	69781785

#### Senior Staff:

General Manager, Gary Lavelle	0428 216057
Director of Administration & Finance, Elizabeth Smith	0427 461685
Director of Environmental Services, Kris Dunstan	0408 639688

## 1.5 Participating in Council decisions

There are a number of ways in which residents are able to have input into the Council decision making processes. These include:

### Council meetings

Open to the public, Council meetings are held monthly, every third Thursday at Temora Shire Council Chambers located at, 105 Loftus Street, Temora. From time to time these meetings are also held in close-by Temora shire communities. Recordings of all Council meetings are available on our website: [www.temora.nsw.gov.au](http://www.temora.nsw.gov.au)

All Council meetings are advertised through local media channels.

## Deputations

Members of the Public attending Council meetings do not generally address Council at these meetings. Application can be made to Council seeking approval to deliver a presentation during the public forum held before the commencement of each meeting. Details of how to apply are available at Temora Shire Council office. Residents are encouraged to avail themselves of this opportunity.

## Committee Structure

Council has established a number of committees. Considering specific issues in detail, each committee is available for residents participation or to contact to discuss community matters.

### The Mayor is ex-officio member of all committees

#### Temora Shire Council Committees

Committee	Council Delegate
Environmental Liaison Committee	Cr Sinclair, Cr Oliver, Cr Smith
Local Emergency Management Officer	Alex Dahlenburg
Riverina Eastern Regional Organisation of Councils (REROC)	Cr Firman (Alternate Cr Sinclair) G Lavelle
Riverina Regional Library Service	Cr Sleigh (Alternate Cr Oliver) E Smith
Bland-Temora Bushfire Zoning Liaison Committee	Cr Sinclair (Alternate Cr Wiencke) G Lavelle & E Smith
Goldenfields Water County Council**	Cr Sinclair **(4 year term)
Temora Traffic Committee	Cr Smith
Riverina Regional Weeds Committee	Cr Sinclair & K Dunstan
Lachlan Regional Transport Committee	Cr Wiencke

#### Section 355 Committees

Pinnacle Community Committee	Cr Reinhold, Cr Sleigh, Cr McLaren
Mary Gilmore Cultural Festival Committee	Cr Judd
Imagine Temora	Cr Reinhold
Lake Centenary Management Committee	Cr Sinclair, (Alternate Cr Oliver)
Australia Day	Cr Sinclair, Cr Firman, Cr Oliver
Ariah Park Advisory Committee	Cr Judd
Bushfire Management Committee	Cr Sinclair, G Lavelle
Bundawarra Centre Management Committee	Cr Smith, Cr Oliver
Friends of Temora Shire Cemeteries	Cr Oliver
Town Hall Theatre	Cr Reinhold, K Dunstan
Temora Agriculture & Innovation Committee	Cr Wiencke, Cr Sinclair, Cr McLaren, E Smith
Temora's Own Arts & Crafts	Cr Smith
Temora Women's Network	Cr Reinhold
Springdale Progress Association	Cr Oliver, Cr Smith
Temora Business Enterprise Groups – TBEG	Cr Reinhold
Temora & District Sports Council	Cr Firman, Cr Oliver
Heritage Committee	Cr Judd, Cr Oliver, Cr Wiencke
Film Club	Cr Reinhold
Ariah Park Pool Committee	Cr Judd
Access & Equity Committee	Cr Wiencke, Cr McLaren
Sister City Committee	Cr Smith (Cr Firman alternate)
Access & Equity Committee	Cr Wiencke, Cr McLaren
Sister City Committee	Cr Smith (Cr Firman alternate)

## 2.0 ACTIVITIES AND SERVICES

### 2.1 Principal Activities Performance Report for 2019/20

#### Administration

Action Name	Status	Annual Comment
Complete implementation and optimisation of Content Manager 9 including training of staff	Referred to the Next Financial Year	Content Manager consultants are being sourced to provide a health check of the current system, a strategy/plan for the optimisation and continued development of the system, documentation of processes and policies, and administrator and user training.
Continually review and test all internal procedures	Referred to the Next Financial Year	Changes have been made to staffing that will enable this to progress.
Continually review the use of Cloud technology for business applications	Completed for Current Year	Progressing with an office 365 upgrade from the old 2010 version to the 2016 version. Held discussions in regard to shifting users onto Microsoft teams from Ryver. The Temora Recreation Centre has moved from a physical database to a cloud-based database as the old software was no longer supported.
Continuation of a compliant internal audit program	Completed	Ongoing but awaiting guidelines on the new ARIC
Continue to develop and maintain internal and external user guides for Council IT systems	Completed for Current Year	Through out the financial year, Veritech and the Council IT officer have been developing and updating end user documentation and administration documentation. This includes online safety, security, and appropriate use of Council assets.
Continue to maximise the opportunity to use technology to automate processes through Authority, GIS, and 3rd Party applications	Completed	<p>Authority has been updated and all issues involving the upgrade has been resolved.</p> <p>GIS has been upgraded and Engineering are using one of the latest versions.</p> <p>Infocouncil has been updated from 7.2.3 to 7.9.0. Issues involving report generation lag, and opening documents from CM9 have been documented and the IT officer has been in contact with support teams from Infocouncil. A fix has been made for report generation, improving speed greatly. Investigations are still underway regarding CM9 communication issues.</p>
Develop ICT strategic plan	Completed	Completed by external consultant
Develop IT disaster recovery plan in conjunction with business continuity plan	Completed	Veritech and the IT officer, along with the General Manager and the Administration Manager, have developed a plan to upgrade the radio network between the Council office building and the NRCC building (where our disaster recovery is located).
Develop procedures for person specific roles and introduce review sheets for each procedure	Referred to the Next Financial Year	Changes have been made to staffing that will enable this to progress.
Develop Records Management strategy and development plan	Progressing	Content Manager consultants are being sourced to provide a 'health check' of the current system, a strategy/plan for the optimisation and continued development of the system, documentation of processes and policies, and administrator and user training.
Upgrade to Civica Authority 7.1 including training	Completed	System installed and operational
Civica - Implement inspection reporting module	Referred to the Next Financial Year	Civica not ready to proceed. Rollover



## Airport

Action Name	Status	Annual Comment
BBRF - Rehabilitate 18/36 Runway, reconstruct apron, Construct 1km underground drainage, seal runway F&G, Reconstruct runway C&D	Completed for Current Year	Progressing within grant timelines.
Continually review management and staffing at Temora Airport	Not Progressing	Ongoing.
Continue to advocate for the re-installation of TAF services at Temora Aerodrome including relocation of weather station to enable widening of grass strip	Completed	Ongoing advocacy to BOM, Minister and Local Member. Review of TAF services currently underway.
Implement the findings of the adopted Airport Master Plan	Completed for Current Year	Progressing well
Make application under Growing Local Economies Program for the servicing cost of new subdivision, potential accommodation, and potential Multi Purpose Building	Completed	Following a successful EOI, the development of a business case was a key next step for the development of the Saleyards Estate. The project awaits an announcement of funding by the State Government, expected at the end of August 2020. The accommodation and the multipurpose building are currently out of scope of the application.
Undertake preliminary plans for the construction of a Multipurpose Building at Temora Aerodrome.	Postponed by Council Decision	Not funded by Council. Item still in CSP though. Planning will recommence when funding allocated.

## Aged & Special Needs Care

Action Name	Status	Annual Comment
Access & Equity - Consider access issues at local parks, including removal of edging to allow wheelchair access	Completed for Current Year	Ongoing. Of the view we are making progress with inclusive access to Councils open spaces.
Access & Equity - Consider access issues at sporting grounds	Completed for Current Year	Ongoing. Awaiting the relaunch of Access and Equity Committee.
Access & Equity - Provide disabled car park spaces that meet the needs of the community in conjunction with the Access and Equity Committee	Progressing	Will look to report as soon as scoping and costing complete. Awaiting the relaunch of Access and Equity Committee.
Access & Equity - Review access to public buildings and businesses in conjunction with TBEG and Access and Equity Committee	Completed for Current Year	Ongoing progress being addressed though Access & Equity Committee
Access & Equity - Support for the Access and Equity Committee to inform Council processes relating to disabled, aged and mothers with young children	Completed	Committee was established however has been referred to Environmental Services for operation.
Aged Care Services - Support the increased capacity for seniors accommodation offerings in Temora	Completed	Ongoing liaison with The Whiddon Group regarding the Narraburra Lodge expansion (put on hold due to COVID-19) and support for the development proposal for low cost seniors housing in Temora Shire.
Aged Care Services - Advocacy and Lobbying on behalf of private aged care providers	Completed	Ongoing advocacy. New aged care facility able to attract government funding with the assistance of Council advocacy
Aged Care Services - Create a positive ageing expo/ information session	Completed	This event has been cancelled due to COVID-19

Aged Care Services - Maintain information about how to access aged care services in Temora Shire using digital media and information flyers covering relevant topics including medical services, transportation and home modifications	Completed	Pinnacle's Aged Care Services are regularly advertised, promoted and represented on social media, in Narraburra News and via the website. Each month the Narraburra news contains an advertisement or article dedicated to Pinnacle
Attendance and participation in Interagency Meetings by relevant staff including Pinnacle, Youth and Community Services	Completed	Have attended bi-monthly meetings (when possible) and delivered reports to Director of Administration and Finance
Disability Services - Include images of people with disabilities in Council publications	Completed	Disability services are regularly represented in Narraburra News and on social media.
Disability Services - Maintain a Temora Shire Disability Inclusion Action Plan	Completed for Current Year	Current Disability Inclusion Action Plan 2017-2021 - crossover of actions included in Community Strategic Plan - many actions have been completed that were identified as part of this plan.
Disability Services - Provide disability awareness training to staff, new and current, as well as Councillors	Progressing	Ongoing, collaboration required with PCS
Disability Services - Provide information linkages to National Disability Insurance Scheme (NDIS)	Completed	Ongoing...continued support for Temora and Cootamundra residents to navigate the NDIS system with plan reviews, plan implementation and support to liaise with allied health and GPs.
	Completed	Assessments completed for all referrals received from Community Options Australia for My Aged Care Regional Assessments.
		A total of 114 assessments were completed for the year with an income of \$58,799.40 inc GST.
		Pinnacle currently has 3 trained assessors.
Pinnacle continues to promote NDIS support services in both outlets and presence at local interagency meetings.	Completed	Pinnacle has accepted a new contract to continue to provide RAS assessments for 2019-20.
		Promotion of transport services through social media and flyers was ongoing throughout the year.
		Overall transport usage remained stable delivering a total of 12,514 trips for the year.
		Temora's transport usage was 3,185 trips (increase of 9.3%).
Pinnacle - Continue to maintain Pinnacle Service levels to meet the needs of clients	Completed	Cootamundra's direct transport was 2435 trips (decrease of 35%) and indirect transport (taxi vouchers) was 6894 trips (increase of 18%).
		Ongoing management of staffing levels has been done to maintain service level provisions to meet the needs of all Pinnacle Community Services clients.
		Encouragement and support provided to Support staff to complete relevant training to increase knowledge and skills to enable optimum client care.
		Ongoing recruitment of casual support staff will continue be monitored to ensure ongoing service provision levels can be maintained.
Pinnacle - Investigate options for improved signage at NRCC House	Referred to the Next Financial Year	Not completed - will get quotes arranged.

Pinnacle - Investigate options for the future accommodation of Pinnacle operations including administrative and operational accommodation	Completed for Current Year	Painting of upstairs at NRCC House was completed in January.  Rooms have been rearranged to accommodate for more efficient operations for Pinnacle.
Pinnacle - Monitor finances to ensure that Pinnacle Services are provided at no net cost to Council	Completed	Pinnacle Community Services has continued to grow with income increasing from \$4.3 million to \$5.8 million this year. This has resulted in an increase in staff numbers, so does not necessarily ensure that the services are supplied at no net cost to Council. Financial reports are presented to Council on a quarterly basis.
Pinnacle - Monitor the need to adjust hours of operation for Community Transport to include weekends and public holidays	Completed for Current Year	Put on- hold due to COVID-19
Pinnacle - Promote the availability of transport facilities through Pinnacle Services	Completed	Ongoing advertising of Community Transport services in local newspaper, on-line and Narraburra News periodically.
Pinnacle - Promotion of Pinnacle Community Services as a provider of choice for disability services	Completed	Temora overall client numbers have remained steady across the reporting year.  Cootamundra has seen an increase in overall numbers through active promotion and hardwork following change of leadership and renewed enthusiasm for NDIS services.
Pinnacle - Undertake My Aged Care Regional Assessment under contract to Community Options Australia	Completed	Total assessments completed for the year = 113.  Total income = \$44,002.20  Block funding = \$4,991.98  Community Options Australia has extended the contract for an additional two years to June 30, 2022.
Pinnacle - Use social media and information flyers to create awareness of who can access Community Transport and how to use this service	Completed	Promotion of transport services has continued through the reporting year through social media, client newsletters, Narraburra News and guest speakers at local service clubs.
Pinnacle - Utilise the My Aged Care portal Central Intake and Referral distribution to Pinnacle for Home Support Services (funded to 30 June 2020)	Completed	Total referrals received for 2019-20 through My Aged Care:  Temora: CHSP - 110, HCP - 21  Coota: CHSP - 148, HCP - 17  Leeton: CHSP - 59
Provide donation equivalent to 25% of General rate to the following: Arian Park Senior Housing, Temora Senior Citizens Group, Arian Park CWA	Completed	Donations currently being processed.
Regular promotion of health services	Completed	The Direct Me booklet was updated this financial year and continues to be updated in its online format regularly. It contains a great deal of information about health services in the Temora Shire.
Disability Services - Develop plans and construct an Independent Living facility in Temora Shire	Completed for Current Year	Council has drawn down a loan from TCorp and construction of the Supported Independent Living House has commenced. Completion is expected by Christmas.

## Commercial Services

Action Name	Status	Annual Comment
Provide budget to enable the continued operation of Temora Agricultural Innovation Centre including review of commercial partnership arrangements	Completed	Council has engaged a consultant to conduct a review of operations of TAIC to assist in renegotiating the terms of the new agreement with Farmlink. The current budget will show a deficit.
Provide comprehensive review of the operations of TAIC, considering Councils financial exposure and seeking additional revenue streams for TAIC	Completed for Current Year	Council has engaged a consultant to conduct an independent review of the operations of TAIC including total costs to both parties, benefits to Council and the community, risks and opportunities and how these are allocated between the parties involved. The review is expected to be completed in August 2020.
Temora Saleyards - Develop options for the long-term use of land	Completed for Current Year	Determination on the future use of land. Actual usage will be dependent on DA process and grant funding.

## Communications

Action Name	Status	Annual Comment
Acknowledgement of volunteers through Narraburra News and digital media	Completed	Volunteers are acknowledged on digital media and through Narraburra News throughout the year. There have been feature articles in Narraburra News about volunteering with Pinnacle and the Visitor Information Centre. We continue to advertise for volunteer positions when and where appropriate
Communicate with residents about the progress in the roll out of NBN and mobile towers in Temora Shire	Completed	An article about the NBN network was included in the May 2020 Narraburra News demonstrating the demand on the network during the coronavirus pandemic. There have been no further updates on the NBN rollout.
Continue to publish regular material on the Youth function in the Narraburra News	Completed	Regular articles appear in the Narraburra News about the functions of the Youth Department
Continue with regular job vacancy mailer and social media posts	Completed	A job Mail-Out is sent at least once a month to subscribers and appears on social media pages.
Create program content and resources based on youth vision, which cover print, broadcast and internet media	Completed for Current Year	Planning is underway for the youth workshop to restart their segment with TEM-FM. Three members are ready to start. The three young people and YPC Melissa Carter are collaborating with Rodney Gray- TEM-FM radio presenter. Once the restrictions are lifted due to the COVID 19 this youth workshop will recommence.
Disseminate grant information to relevant stakeholders	Completed	Council launched the Temora Grants Hub portal in partnership with the Grant Guru. Support was provided to commercial and community organisations to assist with understanding grant options. A joint TBEG - Council COVID-19 Response Team was formed to assist businesses to understand the stimulus packages provided by Government in response to the pandemic.
Ensure Council websites are mobile optimised	Completed	The new website went live in June 2020. It is mobile and tablet friendly.
Ensure information on digital platforms is current and accurate	Completed	Content on websites and social media is regularly reviewed and all care is taken to ensure the information is accurate and current.
Hold an annual meeting with rural ratepayers in rural localities on a rotational basis to discuss locality issues in conjunction with the local Councillor	Referred to the Next Financial Year	To be arranged 2020/21. Will be deferred due to COVID19.
Include images of people with a disability, information on NDIS and other disability services in new residents' packs	Completed for Current Year	New resident packs are made up throughout the year. The Visitor Information Centre has had little demand for these pack in the last 12 months with only 2 being given out.  Information on the NDIS is sourced from Pinnacle when new packs are made up.



Maintain current and accurate information on Council websites	Completed	All care is taken in maintaining accurate and current information on Council websites. With the development of the new website, all content has been reviewed before it was moved over to the new website and is updated when necessary.
Promote arts and cultural events through council media outlets including websites, facebook and whats on in Narraburra News	Completed	The Communications Officer and the Community Services Officer work closely together to advertise, promote and support events using all the publications available to Council.
Promote the achievements of Temora Shire residents through the 'Home grown heroes' program	Completed	One episode has been filmed in 2020 (Col Richards) and several people have been approached but are reluctant to participate. Convincing people that their story is worth telling can be difficult. Covid-19 has also made this task difficult to fulfil.
Provide a current and upcoming works program in the Narraburra News	Completed	When appropriate, TSC works projects are included as content in Narraburra News as well as receiving posts on social media.
Provide an easy format flyer advising of volunteer opportunities in the community	Completed	Volunteer opportunities are advertised on Council's website, sometimes in Narraburra News and social media. The Direct Me booklet also contains this information which has now been updated and published and will continue to be updated. A flyer has not been created as there has been no direction about where the flyer would be located, specific information to be included, and who the target audience is.
Provide information about childcare and early learning options in Temora on Council website, social media, new resident packs.	Completed	The Direct Me booklet, which is largely available online and updated regularly, contains detailed information about childcare options. Council's website also displays this information.
Provide relevant information about housing, services, facilities, and opportunities for community involvement to potential new residents	Completed for Current Year	Relevant information is sought from different organisations and businesses through out the year when new resident packs are updated. The Direct Me book is one of the main inserts in the pack. This project is ongoing.
Remain active on social media sites to ensure that issues affecting Council are identified	Completed	Council has numerous social media sites that range from very active (Temora Shire Council Facebook) to those with minimal activity (Temora Airpark Estate Facebook). Every attempt is made to utilise the social media pages and remain as active as possible. The Communications Officer currently manages 12 Facebook pages, 3 Facebook groups and 1 Instagram page related to Council. We often receive enquires via our Facebook pages and they are managed (and distributed where necessary) by the Communications Officer.
Support the concept of conducting a Survey to gain the Residents feedback and review mechanisms for ratepayers to provide ongoing feedback to Council (Next survey 2021)	Not Due to Start	Deferred to 2020/21 due to election deferral.
Undertake a Walk and Talk Tour of Temora for Councillors	Completed	Tour conducted
Update the Direct Me guide	Completed	Direct Me has recently undergone a complete makeover by a graphic designer and is now published online. It is able to be updated by the Communications Officer and is done so regularly. Quotes have been sought from printers for the production of a physical booklet.
Upgraded use of digital media platforms to communicate with residents	Completed	Council's new website went live in June 2020. Other digital platforms are used regularly for communication purposes including, but not limited to, community consultation, basic information output and two-way communication.
Use Council communications outlets to advise of volunteering opportunities	Completed	Volunteer positions are advertised on the Temora Shire Website as well as regular advertisements being posted to social media sites about volunteering opportunities

## Community Services

Action Name	Status	Annual Comment
Arts and Culture - Review of opportunities to develop arts-based programs under NDIS	Completed for Current Year	<p>The new Arts and Cultural space will make the delivery of arts-based projects for people with disability possible under COVID - 19 restriction.</p> <p>Further meetings with the Manager of Pinnacle Services will be required once the facility is underway. The Manager has informed the CCSO that NDIS is an ever-changing landscape and setting up arts-based programs under NDIS is not as simple as it first appeared. The simplest option for the new facility would be to create the workshops discussed below and let NDIS client book their hours as desired.</p>
Arts and Culture - Act as host of the 2019 Bald Archys	Completed	The 2019 event was very successful. There appears little value in hosting the event in 2021 as the dynamics of the exhibition have changed dramatically. Due to the passing of Peter Batey the exhibition will now be managed by Wagga City Museum, no longer making Temora the only exhibition venue in the Riverina.
Arts and Culture - Arrange visit by the National Gallery guides	Completed for Current Year	The CCSO met with representatives of the National Gallery of Australian and due to COVID -19 the Temora visit will be looked at again in early 2021 or when COVID 19 fears have been dramatically reduced.
Arts and Culture - Arts Precinct - Seek funding for the development of the precinct.	Completed	Representation made to government seeking grants. The project will be funded in 2020/21 under the LRCIP, following on from upgrade work on the existing building carried out this year under the Drought Communities Program
Arts and Culture - Conduct Temora Shire Council Art Prize	Completed	<p>2019 Exhibition astounding success with exhibition entries increased. 167 entries received and the venue ran out of hanging system .</p> <p>Please note the event has enjoyed increased interest from community, the 2019 event received new and valuable community sponsorship with the 2020 event set to receive the same.</p>
Arts and Culture - Develop activating unique spaces for cultural events	Completed	<p>Activating Unusual Spaces has proven to be a big success with Temora Shire Council now receiving contact from numerous international artists wishing to be part of the concept. The artists have received very positive feedback from local and international participants and are keen to stop off in Temora as part of their Australian tour.</p> <p>The CCSO has kept in contact with our regular artists such as Michael Fix, Christine Collesler and Mike McClellan throughout the COVID -19 event landscape. All artists have made a commitment to return to Temora in 2021 and are very complimentary of the delivery of the concept.</p>
Arts and Culture - Develop opportunities for the conduct of Artisan Markets	Completed for Current Year	Because of restrictions in the events landscape due to COVID -19 the CCSO has looked to find COVID Safe way to deliver the Artisan Markets and find a new space in the online market. An online gallery platform concept is being explored and will be presented to Imagine Temora for their input and feedback.
Arts and Culture - Hold a creative Lifestyle Expo	Referred to the Next Financial Year	The CCSO met with the Director Administration and Finance and it was decided to postpone the event until 2021. If there are vast changes to COVID Safe restriction before October, the event will be reviewed.
Arts and Culture - Maintain membership of Eastern Riverina Arts	Completed	<p>This membership delivers excellent value to Temora Shire Council and residents. An example is the Access Assistance Equipment package for events Temora Shire Council received this year free of charge from Eastern Riverina Arts.</p> <p>Additionally, Temora residents and creatives will also benefit from the NSW National Arts Event - Art Stat being hosted in Wagga Wagga in November 2020.</p>

Arts and Culture - Operation of a Sister City Committee to determine activities and future strategies	Completed	Sister City Committee is operating well and was meeting regularly before COVID -19
Arts and Culture - Temora Arts Precinct - Development of a management plan for development/usage of the ex Scout Hall involving stakeholders/ user groups.	Referred to the Next Financial Year	Under development following the decision to undertake an upgrade in 2020/21.
Events - Support events determined by resolution of Council and the following events (at a minimum),  Active Ageing Expo  Local Government Week  NAIDOC Day  International Women's Day  Australia Day  Volunteers Week  Mary Gilmore Festival Including seeking grant funding for those events	Completed	The CCSO has assisted events where required and applied for grants where appropriate.
Hold a welcome function for new residents	Completed	This event delivers an inordinate amount of positive feedback regarding Council and the community. It would be beneficial for Council to capture the 2020 event on video
Host an Afternoon Tea for carers	Completed	Event held
Imagine Temora - Conduct formal review of the structure and operation of Imagine Temora, including development and adoption of a policy for operation.	Referred to the Next Financial Year	Review to be conducted when COVID 19 issues resolved
Imagine Temora - Provision of an annual budget for the use within Council guidelines	Completed	Budget provided but details on usage protocols to be developed.
Lake Centenary - Investigate grant opportunities for funding of community activities at the Lake	Completed	The acquisition of a Dragon Boat for Lake Centenary was a great accomplishment for 2019 and now in 2020 ADFA has donated two more Dragon Boats this time carbon fibre boats valued at over \$20,000 each.  With 2020 events postponed more time may be available to pursue lengthy grant application.
Partner with Bland Shire regarding family day care provision.	Completed	Council is continuing to provide assistance.
Provision of a donation equivalent to rates for the Arianah Park Community Hall	Completed	Completed
Springdale Memorial Hall - Provide financial support to Committee	Completed	Hall in good conditions. Drought Communities Funding program also used well.
Temora Memorial Town Hall - Support volunteers associated with Temora Town Hall Theatre	Completed	Function Held.  Volunteer retention levels remain high
NRCC House - Construct outdoor reading room and provide access ramp to rear of NRCC House (subject to grants)	Completed	Council was recently advised that it was successful in its grant application. Detailed plans for the outdoor reading room & access ramp are currently being drawn up.
NRCC House - Undertake upgrade of toilets at Temora Library utilising grants and own source funds	Grant Not Available	Rollover
Temora Memorial Town Hall - Completion of refurbishment	Completed	Completed

## Economic Development, Tourism & Resident Attraction

Action Name	Status	Annual Comment
Bundawarra Centre - Undertake consultation with users regarding any proposed changes and complete planning for design options for Visitor Information Centre	Completed	Designs for Bundawarra Centre upgrade were approved by Council. External funding secured to add to Council's allocation, including \$10K from Federal Government and \$197,000 through round 2 of State drought assistance. Project to be completed by December 2020 in order to comply with funding acquittal. These works will deliver the majority of the scope of works, however further funding is required to fully complete the works.
Continually build rapport with relevant politicians	Completed	Ongoing. Regular meetings (pre covid) held
Develop priority projects to shovel ready in order to take advantage of funding opportunities as they arise.	Completed	Business Case preparation and/or support delivered for the Temora Airport Master Plan Implementation Project, Bundawarra Centre Upgrade, Temora Arts Precinct, Affordable Senior Housing project and Temora Recreation Centre upgrade.
Economic Development - Actively target, and support businesses identified in the Economic Development Strategy	Completed	New business activity in Temora Shire is growing despite impacts of COVID-19. There is strong interest from a range of industry sectors to establish or expand in Temora, including value-add agriculture, manufacturing, aviation, tourism, personal services, aged care, renewable energy, and retail services. The projection for 400+ new jobs in the next 4 years is looking very strong.
Economic Development - Attend quarterly RDA Riverina Economic Development Forums	Completed	The quarterly RDA Forums remain a worthwhile event for connecting with peers in economic development within the Riverina as well as learning about various government initiatives and regional programs coordinated by RDA, such as Country Change and migrant resettlement.
Economic Development - Conduct study to determine needs and develop strategies to address any housing shortfall in market	Completed	This action with completed in 2018. This year Council has progressed with the LEP review to assist new areas of residential housing to be developed. We also continue to work with developers of a range of housing types and estate agents to ensure there is a sufficient supply of residential land. Demand for housing in the sales and rental markets continues to be strong in Temora. This trend is expected to continue with the growth in demand from temporary workers for infrastructure projects as well as permanent population growth from new business growth in the next 4 to 5 years.
Economic Development - Connect businesses with complementary skills, needs and resources.	Completed	The professional development opportunities for businesses in Temora Shire have never been stronger with the partnership between Council, BREED and TBEG. The BREED business centre has provided a home for professional development delivery and courses are well attended. The relationship with BEC has provided an ongoing stream of training courses and mentorship for new and existing business owners, resulting in a supportive network of businesses.
Economic Development - Continually review workforce futures plan to determine likely spikes in population and communicate the impacts to relevant stakeholder in advance.	Completed	The impact of COVID-19 on many developments caused some projects to be delayed in their delivery. Many businesses are readjusting plans in what is a constantly changing landscape. However, all developers are committed to proceeding in Temora. Once their plans become more concrete Council will be in a better position to communicate to stakeholders.
Economic Development - Create a development prospectus including Aria Park and update the relevant pages on Council website	Completed for Current Year	Due to the time spent by officers responding to high interest in Temora Shire from developers, there has been little time to dedicate to developing the prospectus. Instead, the economic development pages of the website have been updated, providing more tools and resources for developers. More targeted proposals are presented to developers based on their industry and requirements. This appears to be an effective approach.



Economic Development - Develop strategies to invigorate the Hoskins St CBD to ensure future prosperity	Completed	The response to the invigoration of the main street is multi-pronged. Businesses are supported through initiatives such as Find it in Temora, Plug it in Temora, the professional development programs, BREED business centre, support for new businesses to open, provision of grant information, heritage grant funding, and retail events such as the Christmas Street Fair. Main street infrastructure is also a key aspect of the attraction with street furniture, soft landscaping and footpath treatments assisting the visual appeal. The second stage of main street upgrade and the outcome of the funding application for additional planters and street furniture will ensure the CBD continues to remain vibrant.
Economic Development - Development of strategic partnership with Farmlink to attract new industry and provide opportunities for existing industry through diversification	Completed	The TAIC continues to be an important asset for the Temora Shire. The TAIC Review will assist to highlight the social and economic value the Centre brings to the Shire and the role that FarmLink plays in the delivery of those benefits as a partner of Council. The Centre continues to attract positive attention from regional, state and federal organisations as well as commercial entities in Australia and overseas. Investments made in the Centre over the past few years are beginning to show dividends by attracting new research and investment opportunities.
Economic Development - Facilitate a smooth DA process for investors	Completed	Officers continue to work together in economic development and planning to ensure the DA process is smooth. This begins from initial meetings with developers well in advance of a DA being submitted. This supportive culture has gained Council a strong reputation for being easy to do business with and is our strongest tool for attracting new investment to the Shire.
Economic Development - Maintain a development prospectus, including Arian Park and update the relevant pages on the Council website	Referred to the Next Financial Year	Council website was updated with current tools and resources for developers. There is currently no prospectus due to time constraints.
Economic Development - Participate in relevant conferences that focus on regional development issues	Completed	Conferences have moved online due to COVID-19 but continue to be an important forum for continued professional development and networking.
Economic Development - Participate in relevant Government and Non-Government programs for regional growth	Completed	Country Change and migrant resettlement are two programs coordinated by RDA Riverina that Council participate in to attract new residents and fill job vacancies so businesses can continue to grow. Council has also participated in a number of funding programs related to economic growth and stimulation in particular as a response to the drought.
Economic Development - Provide advice and support to the TBEG and BREED Australia including provision of assistance to employ executive officer	Completed	Council's partnerships with TBEG and BREED Australia remains a key tool for engaging with and supporting the local business community. The TBEG executive committee act as an extension of the economic development function and assist Council to achieve far more than would be possible working in isolation. This year TBEG has been supported to develop a new strategic plan for the coming 2 years which includes becoming an incorporated association. TBEG recognise the importance of the relationship with Council so plan to include Council representation in the organisational constitution.
Economic Development - Review the relative cost of the provision of electricity and other utilities in Temora Shire.	Completed	This review was completed in 2018 however the cost of connecting services in Temora Shire, in particular water, remains a barrier for developers looking to establish here.
Economic Development - Support TBEG in the delivery of events and initiatives	Completed	Prior to COVID-19, TBEG ran a popular suite of events with the support of the Economic Development officer, including the Christmas Street Fair, monthly beers and business events, and professional development opportunities. Since COVID-19, these events have changed to be delivered online or cancelled to comply with social distancing directives.

Economic Development - Work with Environmental Services and local developers to ensure there is a sufficient pipeline of available residential land	Completed	This year Council has progressed with the LEP review to assist new areas of residential housing to be developed. We also continue to work with developers of a range of housing types and estate agents to ensure there is a sufficient supply of residential land. Demand for housing in the sales and rental markets continues to be strong in Temora. This trend is expected to continue with the growth in demand from temporary workers for infrastructure projects as well as permanent population growth from new business growth in the next 4 to 5 years.
Investigate options for the reuse of Greenstone Lodge if the facility becomes vacant	Completed	The Whiddon Group are aware of Council's wish for Greenstone Lodge to be reused in some capacity. Once the Narraburra Lodge is back on track for development they will be better placed to discuss the future of Greenstone.
Investigate the potential for the establishment of a campus of U3A in Temora	Referred to the Next Financial Year	To be considered in next financial year
Investigate the viability of establishing a Country University Centre in Temora	Referred to the Next Financial Year	Although this project has stalled, there is potentially a greater need for it given the impact of COVID-19 on the delivery of university education. It is likely that more school leavers will choose or be forced to study from home, rather than leaving Temora Shire to attend a traditional campus.
Maintain a local trades directory	Completed	The trades directory was launched in Q3 and forms part of the updated DirectMe guide which is available in both printed copy and on Council's website.
Maintain a subscription to Easy Grants & distribute to relevant stakeholders	Completed	The introduction of the Temora Grants Hub online portal in partnership with Grant Guru demonstrates Council's commitment to providing businesses and community groups with the tools to find funding options. Council officers continue to promote the portal, support organisations to complete applications and provide letters of support. Launched at the end of April, the tool has 20 registered users and received a total of 33 visits during May and June 2020.
Maintain strong relationships with local estate agents to monitor markets and communicate to property owners	Completed	Council officers maintain a close working relationship with local estate agents. This assists in helping to understand the current state of the market in terms of supply and demand of housing, as well as supporting new residents and businesses. The agents are supportive of Council initiatives and assist with strategic planning for a range of Council programs and developments.
Participate in regional programs to attract new residents eg Country Change	Completed	Country Change continues to be an important and successful program for Council's new resident attraction strategy. The year-round social media strategy ensures that those registered with the program are continually reminded about the opportunities provided in Temora. As a result of COVID-19 there is an emphasis on country living for many metropolitan dwellers who have been forced to isolate in small homes and who may also have an employer who is more open to the concept of remote working. This program will provide a cost-effective platform for reaching more potential new residents than Council could alone.
Support developments that broaden the range and raise the quality of visitor experiences in Temora Shire.	Completed for Current Year	This is an ongoing project. The relevant information is given or sent or referred according to the nature of the inquiry. Inquiries usually come via telephone or email. Request for local tourism information packs have dwindled considerably to around 2 - 3 per month instead of 5- 7 per week but in saying that people are still coming to the VIC to access brochures on local, regional, NSW and interstate areas. Corporate inquiries are usually referred on to the area of need giving options. Over the last 12 months there have been several referrals made to local businesses and community organisations.

Support relevant organisations to prepare grant applications	Completed	The Temora Grants Hub provides the tools and resources to assist organisations to prepare grant applications. This will now provide a valuable aid to Officers in providing advice and guidance to grant applicants.
Tourism - Develop tools that encourage conference and event's organisers to come to Temora Shire	Progressing	This project has halted due to other priorities and the impact of COVID-19 on the events industry. The project will be pushed forward in 2020/21 as part of the recovery strategy.
Tourism - Ensure all accommodation options are listed on Get Connected, Council Website, Google and Trip Advisor	Progressing	This is an ongoing process due to expiry dates. Not all operators wish to have their business included.
Tourism - Implement actions from tourist signage study	Progressing	No actions received back from the Signage Committee regarding the Rural Tourism Signage Report.
Tourism - Maintain membership of, and actively participate in, regional tourism bodies	Completed	Tourism marketing is another victim of COVID-19. Changing travel restrictions have made it difficult to confidently promote the region or organise events. The Canberra Handmade Markets was a key event for promoting the region, however this was cancelled due to COVID-19. The focus has therefore been to reinvigorate the social media tools and plan for future projects. The EDM handed over the role of Chair of Thrive during this period and supported the organisation's strategic review.
Tourism - Promote the use of booking engines to accommodation providers	Progressing	Almost 50% of the accommodation operators use booking engines. The remaining wish not to participate.
Tourism - Provide a budget and associated policy for the PVC for the purpose of promoting and developing events and tourism initiatives	Completed	PVC review complete. Council resolved to disband the committee in November 2019. The responsibilities for events was passed to TBEG. Tourism strategy will be discussed as part of the Economic Development Committee and there will be regular tourism operator forums throughout the year.
Tourism - Work with Junee and Coolamon Shires to actively develop and promote the Canola Trail experience and brand in all relevant tourism channels	Completed	The Canola Trail partnership remains a valuable and successful destination marketing tool for Council. The brand continues to gain recognition and support from Destination NSW and the media. The planning and executive of marketing activities is much more efficient and cost-effective as the workload and financial burden is split between the three Shires. This year saw the launch of the Canola Trail Visitor Guide, which was fully funded by the CT budget and advertisers.
Utilise support available through Randwick City Council	Completed	The sister city relationship with RCC has somewhat recovered since Randwick was engaged in the amalgamation process. However, there is still some work to be done to strengthen ties between the two Councils. COVID-19 has prevented face to face networking with Randwick so Officers are relying on the strength of existing connections. Despite the challenges, Randwick continue to be very supportive of Temora Shire, providing funding to assist with drought relief and ABR data to assist with business engagement.
Visitor Information Centre - Improve tourism signage	Progressing	The out of town review was conducted and actions reported to Council. The internal review remains outstanding. The village entrance signage upgrade was commenced but then put on hold pending a Council decision regarding the design.
Visitor Information Centre - Maintain accreditation	Completed for Current Year	The Accreditation for the VIC has been extended due to the COVID 19. No advise has been given as to when the next audit will take place.
Visitor Information Centre - Provide report on implementation of design changes for the Temora VIC space	Referred to the Next Financial Year	Several meetings have taken place in the last 12 months regarding the VIC refurbishment. Plans have been approved and tenders been called. Work should commence in the next few months.

## Emergency Services

Action Name	Status	Annual Comment
Hold 3 (three) meetings of the LEMC annually	Completed	Meetings held
Support for Local Emergency Management Committee (LEMC)	Completed	Usual LEMC support continued however was increased comparative to previous years due to a statewide EOC review following the NSW Bushfire events followed by the COVID-19 human pandemic which required significant involvement by LEMO correspondence.

## Engineering Services

Action Name	Status	Annual Comment
Commence review of current construction methods to ensure consistency	Completed for Current Year	Ongoing action.
Develop procedures and templates for the provision of a business case for all capital works on Council land not covered by asset development plans (roads, plant, transport infrastructure)	Referred to the Next Financial Year	Templates developed. The availability and urgency of stimulus grants has put this planning tool on hold.
Development of a maintenance Memorandum of Understanding (MOU) with utility companies working within the road verge and nature strip	Referred to the Next Financial Year	Ongoing and differed to next FY Year
Review of engineering policies and procedures	Completed for Current Year	Progressing slowly
Review of plant and equipment policy framework and Asset Management Plan	Completed for Current Year	Ongoing
Road Safety - Campaigns include: Speed, Drink Driving, Fatigue, Driver Distraction/ Inattention, Seatbelts/Child Restraints, GLS (x2), Mobility Scooter Workshops, Pedestrian Safety, Older Drivers, Safety Around Schools, Young Drivers	Completed	This program has been disrupted by officer resignation and the appointment of a new Road Safety Officer, who commenced duties on 1 June 2020. Programs have continued through this time, mainly on a digital platform.
Road Safety - Conduct local projects including (but not limited to): Bike Week Campaign, Stepping On Programs with local Allied Health, Youth Programs (e.g. Cool Heads), Fatality Free Friday Campaign, Road Rules Awareness Week Campaign, Bus Safety Awareness Week Camp	Completed	This program has been disrupted by officer resignation and the appointment of a new Road Safety Officer, who commenced duties on 1 June 2020.
Road Safety - Conduct stakeholder meetings and community consultation on local road safety issues	Completed	Due to staffing constraints, there has been limited interaction during the past year.
Road Safety - Maintain RSO Facebook page and update Councils social media platforms and website with up-to-date road safety information	Completed	Facebook page maintained and new facebook page established by newly appointed RSO.
Road Safety - Participation in the Local Government Road Safety Program and adherence to terms of LGRSP Agreement	Completed	Ongoing participation with Bland, Coolamon & Junee Councils.
Road Safety - Retention of the Safe Systems Approach to planning, development, and implementation of RSO programs to improve road user safety in local communities	Completed	Safe systems approached adopted and applied.
Road Safety - Review of Rural Bus Stops and Pick Up/ Drop Off points	Referred to the Next Financial Year	Will be undertaken by new RSO.



## Engineering Works

Action Name	Status	Annual Comment
Develop a formal Street Tree Policy dealing with replacement species, early care and maintenance, planting location, adjacent asset protection and removal rehabilitation	Completed for Current Year	Draft plan completed. Awaiting GIS mapping before referring to Council
Implement priority actions for removal and replacement of street trees	Completed for Current Year	Currently working toward identified actions
Review footpath policy to ensure it is based on community service expectations	Completed for Current Year	Complete. Will report to Council in the new financial year.

## Environmental Services

Action Name	Status	Annual Comment
Ariah Park - Report to Council on options for the Ariah Park Nature Reserve	Not Progressing	No action
Commitment by Council to the Fight the Fruit Fly Committee	Completed	Committee has opted to wind up. Letter of appreciation sent by Council acknowledging the groups achievements.
Support the activities of the Bland/ Temora Landcare groups	Completed	

## Governance

Action Name	Status	Annual Comment
Advocate for the abolition of mandatory webcasting or government funding of the facility. Implement webcasting to meet legislative requirements if unable to change government position.	Completed	Unable to change govt position. Audio webcasting implemented within prescribed times
Advocate on behalf of the Community for the retention of:	Completed	Ongoing advocacy. Formal submissions made regarding electoral pre-poll voting
* Schools within Temora Shire		
* Health Services within Temora Shire		
* Adequate Police Numbers		
* Electoral Commission re pre-poll voting in Temora in State and Federal Elections		
* Lobby for the retention of R2R and FAG funding		
* Lobby for constitutional recognition of Local Government		
Ensure all available funding options are utilised to achieve the Council projects outlined in the Delivery Program	Completed	Funding has been at unprecedented levels in the recent past due to Covid-19
Establish flexible work practices to encourage an inclusive working environment	Completed for Current Year	Working from home or remote environments has been well tested in the past months with staff working remotely due to COVID restrictions. Flexible work practices are also the norm given the number of part time & casual positions. The impacts to the rest of the organisation always need to be considered in these instances.
Investigate corporate offerings for Councillors and Senior Staff representing Council (ties, blazer etc)	Referred to the Next Financial Year	Not dealt with. Will ideally coincide with new Council election
Lobby state and federal governments for ongoing increased local road funding	Completed	Ongoing. Current funding at unprecedented levels
Maintain communication at an official level between Council and Temora Hospital administration and LHAC	Completed	Ongoing. Council representation on LHAC
Maintain communication at an official level between Council and the Temora Community Centre	Completed	Ongoing. Attendance at Interagency a priority
Maintain membership to following organisations: Eastern Riverina Arts, REROC, Riverina JO, Destination Riverina Murray, Thrive Riverina, Riverina Food Network, Local Government NSW, Economic Development Officers Network, Riverina Regional Library Service, Country Mayors Association	Completed	Membership maintained

Provide the Mayor with the appropriate information to best represent the Shires needs.	Completed	Ongoing activity
Review the Workforce Plan including workshop with key staff	Completed	Workforce plan completed in June 2020. Annual review required
Villages - Hold a committee meeting (Assets & Operations) at Arian Park	Completed	Meeting held March in Arian Park

## Heritage

Action Name	Status	Annual Comment
Bundawarra Centre - Ambulance Museum Stage 3 Design Plans and Specifications (Subject to external funding)	Completed for Current Year	A quote for the preparation of preliminary site surveys and plans for the proposed building has been obtained. This has been submitted for grant funding once, unsuccessfully. Still awaiting further Grant funding opportunities. In the meantime, the museum collection is continuing to increase in anticipation of future exhibition development.
Bundawarra Centre - Develop Rural Museum social media presence	Completed	The Rural Museum Facebook page was rebranded in 2019 to fall under "The Bundawarra Centre".  Historical photos spark a great deal of interest on social media and are scheduled to be posted once a week. These always get a good conversation going on the Bundawarra Centre Facebook page. The Backstory program also generated interest on social media.
Bundawarra Centre - Develop virtual tour of facility (subject to grant funding)	Grant Not Available	Numerical identification of tour highlights will be installed following the planned upgrade of the museum entry and planning for a visual tour is ongoing. Digital presentations have been installed in both the Keeping Place and Bradman's Cottage.
Bundawarra Centre - Implement actions from Tourist Signage Strategy	Not Progressing	Rural Tourism Signage Audit has been completed and sent to the Signage Committee with a list of recommendations.  The Urban Signage Audit is still in progress due to the shut down with the Covid 19 and weather.
Bundawarra Centre - Landscape forecourt and update signage.	Referred to the Next Financial Year	Commencement of this project is imminent, and completion is expected by Dec. 31 2020
Bundawarra Centre - Support the concept of hosting temporary travelling exhibitions	Completed	A busy program of exhibitions preceded the COVID 19 shutdown. A small exhibit celebrating the 150th Anniversary of the Birth of Marie Narelle has been on display throughout 2020.
Commitment to the Temora Shire Sportsman Walk of Honour including provision of budget as required	Completed	The commitment to provide budget as required is assured.
Heritage - Continue the Temora Heritage Advisor program	Completed	
Heritage - Review Items of Environmental Heritage as part of Temora Local Environmental Plan review	Completed	
Heritage - Support the Heritage Assistance Fund. Support community heritage groups in accordance with policy	Completed	Good Progress Completed in 19/20. Ongoing
Heritage - Support the Temora Heritage Committee	Completed	Another successful year for the heritage committee.
Temora Railway Precinct - Provide resources towards enhancement as a heritage tourism and event destination	Completed	Continued support - next stage another grant application through NSW Transport for repair works to roof and drainage.
Bundawarra Centre - Construct bridge over dam	Referred to the Next Financial Year	Funding has been secured and a design is being prepared. Tenders for construction and installation will be invited as soon as the design is finalized. Geotechnical assessment of the site is in progress

## Property Services

Action Name	Status	Annual Comment
Crown Land - Develop Management Plans for all Crown Land in the care and control of Council. (Funded by State Government)	Completed for Current Year	Lake Centenary, Temora Golf Course and generic open space plans complete. Sports fields, parks and Agricultural Innovation Centre plan commenced. Due to be completed end June 2021.
Support Friends of Temora Shire Cemeteries	Completed	Another great year from FÖTSC.
Council Chambers - Investigate options for redesign/ expansion of Council admin building	Cancelled by Council	No Funding allocated. Still in Delivery Plan. Planning will recommence when funding allocated
Incorporate the Cardax system into Bundawarra Centre	Referred to the Next Financial Year	To be incorporated into upgrade work, which is programmed to commence in September 2020 which is funded by Drought Communities Project funding
NRCC House - Internal painting (\$21k Pinnacle, \$14k Library)	Completed	Completed
Platform Y - Install air conditioning	Completed	Completed. Works Well.
Support the concept of installing solar panels on Council buildings subject to the provision of a positive business case. In 2019/20 install 35kw system at Temora Council offices.	Completed	Complete
Temora Cemetery - Heavy patching and reseal of internal roads and construct northern drainage dish drain	Completed	Completed
Temora Cemetery - Install plinth to incorporate existing headstones. 2 rows in alternate years (2020/21)	Referred to the Next Financial Year	Rollover to 2020/21
Ariah Park Swimming Pool - upgrade facilities	Completed	This item refers to the Stronger Country Communities project which involves the installation of a new chlorinator and some concreting work around the pool deck. This work is different to the Amenities Upgrade (Drought Communities Funding) which is underway and scheduled for completion prior to 31st October 2020
Apollo Place - Develop a plan of management and services design	Completed for Current Year	Council has tentatively scheduled a meeting for September 2020 to further discuss the project before investing any more funding to complete the Business plan.



## Public Health

Action Name	Status	Annual Comment
Advocate for the maintenance and additional services at Temora Hospital	Completed	Ongoing advocacy
Proactively support and promote community mental health facilities and programs	Completed	Supported and reports on major mental health initiatives sent to Director of Admin and Finance
Provide inspections of food premises, including Scores on Doors Policy	Completed	COVID affected these premises, lots of information forwarded as soon as information was readily available. All are doing a fantastic job with the circumstances.

## Recreational Services

Action Name	Status	Annual Comment
Ariah Park Recreation Ground - Upgrade skate park	Referred to the Next Financial Year	Ongoing. To be completed in the next year.
Data collection, asset register and mapping of recreational spaces	Not Progressing	Project on hold. Struggling to resource.
Hillview Park - refurbishment of gardens and pathway	Completed	Completed
Investigate drainage solutions for Nixon Park No.2 and Bob Aldridge	Completed for Current Year	Progressing well.
Investigate the issue of collection of an equitable contribution towards the provision of sports facilities from sporting groups	Completed for Current Year	Progressing slowly.
Maintain a comprehensive and regular playground inspection system for all Council facilities	Completed for Current Year	Electric system available. There is a need to improve compliance with the established inspection regime.
Plan, develop and maintain facilities, parks and gardens that respond to the needs of the community	Completed for Current Year	Progressing slowly
Temora Recreation Centre - Signage Upgrade	Completed	Completed
Lake Centenary - Construct new playground	Completed	Rubber soft fall contractor will complete the works in August 2020
Ariah Park Recreation Ground - Install drainage pipes and structures	Not Due to Start	Design completed and work will be delivered in conjunction with the other road works in Recreation Ground (If required)
Ariah Park Recreation Ground - Upgrade to change rooms including painting, electrical and guttering	Completed	All Completed.
Nixon Park - Contribute toward the construction of storage facilities for Temora Cricket Assoc.	Progressing	Ongoing.
Nixon Park - Fencing of play equipment	Completed	Completed
Nixon Park - Modification and expansion of Nixon Pk No1 clubhouse	Completed	Work Completed. Good result.
Nixon Park - Modifications to amenities building	Progressing	Project underway. Scheduled for completion by November, 2020
Nixon Park - New Rugby League canteen and associated storage	Completed	Completed. Funding acquittal submitted.
Temora Town Tennis Courts - Resurface 2 courts	Completed	Completed. Funding acquittal submitted
The Oval - Upgrade/ resurface netball courts	Completed	Complete

## Regulatory Control

Action Name	Status	Annual Comment
Conduct a review of the Temora Local Environmental Plan 2010 involving development of a discussion paper and community consultation	Completed for Current Year	Good Progress Completed in 19/20. Ongoing
Determine a policy outlining the relationship between Council and Temora Veterinary Clinic and pet rescue groups	Completed	Veterinary clinic rehousing kittens, euthanizing unwanted cats unsuitable for rescue. Working in harmony at the moment.
Provide a calendar of regulatory issues to be addressed throughout the year, such as information flyers about responsible pet ownership	Completed	Completed. Ongoing
Provide annual inspections of beauticians, hairdressers, mortuaries premises	Completed	COVID put a dampener on these businesses, but once given the approval to reopen. They all have been doing fantastic, most have submitted their covid safety plans.
Provide inspections of septic tanks in accordance with risk category	Completed	AWTS (High Risk) inspections up to date.
Provide inspections of swimming pools in accordance with Councils policy, every 3 years or at the time of sale	Completed	As per sale and tenancy agreements inspections were completed within 1 day of receiving application.
Provide monthly report to Council about ranger activities incl. parking, companion animals	Completed	Monthly reporting on all activities on going.
Report statistics of number of Development Applications, Complying Development Applications, and assessment times. Planning Reports to Council where required	Completed	Completed
Use of social media to advertise availability of companion animals	Completed for Current Year	Companion animal availability working well with social media Facebook rescue groups buy swap and sell, only issue waiting for transport. Companion animals rehomed close to 95%

## Resident Services

Action Name	Status	Annual Comment
Construct/ reinstall a Nativity Scene in Temora including investigation of community based low cost alternatives.	Completed	Complete
Install new entrances to Temora township	Completed	Tree planting undertaken
Lake Centenary - Provide GWCC drink station	Completed	Drinking station installed near the new play equipment
Maintain CCTV system in Temora to a modern standard acceptable to the users of the facility.	Completed for Current Year	Plans to shift the business data network onto a separate wireless set up has been put into motion by the General Manager. We are expecting the CCTV cameras will be more stable and dropouts less frequent.
Investigations are underway by the IT officer and Advanced Communications regarding camera quality as requested by the police.		
Provide the Service NSW Agency at no cost to Council that meets the needs of residents	Completed	This service is meeting its expected outcomes and is being provided at no cost to Council.
Support the concept of Smart Communities through the Southern Lights Program.	Cancelled by Council	LED luminaires to be installed late 2020 calendar year. Smart communities component not supported.
Utilise public events to acknowledge volunteers for example Volunteers Week, Local Government Week and nominating volunteers for awards within the community.	Completed	Event cancelled due to COVID -19 currently working with Mayor to deliver an alternative acknowledgement.
Villages - Investigate the installation of an RV Dump Point at Arianh Park	Completed	Completed. High Quality job. Funding from CMCA helped finish signage and fencing to a high standard
Villages - Retain staff member at Arianh Park	Completed	Ongoing
Villages - Support community in the establishment of a nature walking track and bicycle track from Broken Dam Heritage Area to Arianh Park Cemetery (Subject to Grant Funding)	Not Progressing	Ongoing
Update street Christmas decorations	Completed	Nativity Scene updated.
Install town/village signs	Referred to the Next Financial Year	Delays experienced. EDM to work through with interested stakeholders to design with local sign writer to manufacture and install. Rollover to 2020/21.
Villages - Install landscaping and street furniture in Coolamon Street, Arianh Park	Referred to the Next Financial Year	Ongoing

## Risk Management

Action Name	Status	Annual Comment
Commit to the conduct of regular Risk Management meetings	Completed for Current Year	Daily meetings were held during initial COVID-19 wave to discuss operational changes required and ensure service delivery can be maintained. Broader risk committee structure to be developed in accordance with ARIC requirements set by State Govt, once these become available.
Develop a Risk Management Action Plan that will assist Council to counteract new challenges arising into the future (eg technological changes, climate change)	Completed for Current Year	Ongoing
Develop an integrated safety, quality, and environmental management system	Completed for Current Year	Progressing well
Develop an integrated safety, quality, and environmental management system to ISO9001, 4801 and 14001 certifications	Completed	Certification requirement has been removed by TfNSW.
Develop and implement a structured Risk Audit program	Completed	Linked with "Implement ERM program". Under construction. Documentation has been developed to identify, assess and record risks present at TSC sites. Pulse ERM module in use, to enable actions allocated and tracked.
Implement Enterprise Risk Management program	Completed for Current Year	Risk appetite workshop will not be able to be held for some time due to COVID-19, timeline is unclear.
Integration of Quarry Management Plan into the Council Integrated Risk Management Plan	Completed for Current Year	Quarry management is now with the Engineering Works Department. We now have a second person qualified as a Quarry Manager.
Replace grass on roundabouts in Hoskins Street with concrete	Completed	Job completed within time frame and Budget
Undertake Employee programs to support employees in the workforce, including:  * Hearing Tests  * Mental Health Programs  * Skin Checks  * Employee Assistance Programs  * Health Checks  * Team Building Exercises  * Instal ergonomic chairs	Completed for Current Year	Staff immunisation program in place and underway. Mental Health Programs and Employee Assistance Program promoted periodically and at employee induction. Hearing tests conducted in accordance with WHS requirements. Pre-employment medicals now conducted by providers in Temora. Ergonomic furniture currently provided on an "as required" basis.

## Sewerage Service

Action Name	Status	Annual Comment
Address actions for 2017 Gap analysis and develop pathway to compliance	Completed for Current Year	Ongoing / making incremental progress.
Ariah Park - conduct consultation with the Ariah Park community to determine support for the installation of sewerage services within the village	Completed for Current Year	Ongoing / making incremental progress.
Ensure all staff involved in the sewerage function receive appropriate industry specific training for managers and operators	Completed	Training plan has been developed and regular training have been delivered in conjunction with the department manager
Investigate Renewable Energy at Sewerage Treatment Plant	Completed for Current Year	Progressing well.
Undertake CCTV inspection, smoke testing and condition rating of sewerage reticulation network including removal of sewerage infiltration	Completed for Current Year	Ongoing and CCTV of the targeted times will be completed every year
Aerodrome - Replace sewerage telemetry	Completed	Complete
Undertake Upgrade and renewal works on Sewerage and Recycled Water in accordance with identified program	Completed	Completed

## Support Services

Action Name	Status	Annual Comment
Review the adequacy of current materials from Council quarries	Completed	Ongoing
Review the Quarry Management Plan on a biennial basis	Not Due to Start	Additional staff member was provided training for the production manager. Quarry management plan is in development
Undertake Review of the operations at Temora Shire Council Depot	Completed	Completed

## Transport Infrastructure

Action Name	Status	Annual Comment
Commitment to the long-term facilitation of efficient heavy vehicle access through Temora Shire subject to minimisation of impact on: Resident amenity, Council finances, Resident safety	Completed for Current Year	Ongoing. Have made and continue to make good progress on HV access throughout LGA.
Develop a project brief for the construction of an Alternate Heavy Vehicle Route around Temora based on the preferred route	Completed for Current Year	Slow progress.
Develop submission and advocate politically for funding for the preferred route	Completed for Current Year	Awaiting liaison with TfNSW on the project.
Make application for a minimum of one (1) Fixing Country Roads grants annually	Completed	Complete
Seek funding (Full) for the installation of a roundabout and associated infrastructure at the corner of Hoskins & Polaris Streets	Completed for Current Year	Ongoing
Seek funding for appropriate signage for the truck stop/ rest area at Ingalba on Burley Griffin Way	Referred to the Next Financial Year	Ongoing
Undertake a progressive assessment of local road network for potential RAV use	Not Progressing	No Action
Undertake service level review of Hoskins Street maintenance	Completed	Completed
Undertake Kerb and Gutter construction and maintenance in accordance with the Kerb and Gutter Assets Capital Works Program	Completed	Completed
Undertake Footpath construction and maintenance in accordance with the Footpath Assets Capital Works Program	Completed	Completed
Undertake Cycleway construction and maintenance in accordance with the Cycleway Assets Capital Works Program	Completed	Completed
Undertake Rural Unsealed Roads construction and maintenance in accordance with the Rural Unsealed Roads Assets Capital Works Program	Completed	Completed
Undertake Urban Sealed Roads construction and maintenance in accordance with the Urban Sealed Roads Assets Capital Works Program	Completed	Completed
Undertake Urban Unsealed Roads construction and maintenance in accordance with the Urban Unsealed Roads Assets Capital Works Program	Completed	Completed
Undertake Pavement Rehabilitation/ Widening in accordance with the Pavement Rehabilitation / Widening Assets Capital Works Program	Completed	Completed
Undertake Rural Sealed Roads construction and maintenance in accordance with the Rural Sealed Roads Assets Capital Works Program	Completed	Completed



Undertake Fixing Country Roads/ Heavy Vehicle Safety and Productivity Program in accordance with the determined program	Completed	Completed
Undertake Regional Roads Program in accordance with the determined program	Completed	Completed

## Waste Services

Action Name	Status	Annual Comment
Continue support for Cleanup Australia Day program and anti litter promotion	Completed	
Efficiently enforce legislative requirements to abate nuisance caused by overgrown lots	Completed	Overgrown and untidy blocks excellent results with direct owner contact and clean up letters.
Efficiently investigate and enforce the legislative requirements related to illegal dumping	Completed	Household rubbish is at a minimum at the moment occasional dumping in forest areas, most forest areas will be camera monitored.
Support and expand the Adopt a Road Program	Completed	

## Water Services

Action Name	Status	Annual Comment
Complete the development of an Integrated Water Cycle Management Plan (IWCMP)	Completed for Current Year	Ongoing
Data collection, asset register and mapping of rural storm water assets	Completed for Current Year	Progressing. On track for 2020 completion.
Data collection, asset register and mapping of urban storm water drainage assets	Completed for Current Year	Progressing as resources permit.
Deliver Flood Study for Arian Park and Springdale	Referred to the Next Financial Year	Ongoing
Make application for a minimum of one (1) Safe and Secure Water grant annually	Grant Not Available	No action
Seek funding for the delivery of a Temora Floodplain Risk Management Study and Plan	Completed	Complete
Undertake a Flood Study for Temora	Completed	Complete
Undertake Stormwater Drainage construction and maintenance in accordance with the Stormwater Assets Capital Works Program	Completed	Works under capital works program completed

## Youth

Action Name	Status	Annual Comment
Acknowledge the definition of Youth incorporates young people up to age 25 inclusive	Completed	The 10 - 18-year category is heavily populated in our weekly workshops. The Adulting 101 program is about supporting post school transition of 16+ age group. This program will hopefully run once a new Youth Development Officer is appointed.
Celebrate talent by inviting young people to perform at Shire events	Completed	Performance opportunities have been placed on hold as a result of COVID-19. No Shire event to perform at due to the Covid restrictions.
Conduct regular Youth programs and workshops in relevant areas of youth interest	Completed	<p>Due to the Covid19 restrictions all youth programs were held online using BlueJeans or Houseparty. One Gaming workshop every Tuesday, Hospitality workshops every Thursday and Friday via BlueJeans. Every Wednesday Culture &amp; Performing arts workshop were held via Houseparty. Fortnightly the Leadership Team connected online via BlueJeans. Special guest Rodney Gray - TEM FM radio presenter attended Monday 4th May and Rick Firman - Mayor of Temora Shire Council attended Monday 18th May for the video conferencing. With the easing of restrictions all youth workshops have returned to Platform Y. In total, 74 workshops hours were completed.</p> <p>School holiday workshops were not held this quarter due to Covid - 19.</p>
Create program content and resources for youth programs	Completed	<p>This is an ongoing requirement of all mentors, overseen by the Youth Officer.</p> <p>Forward planning in the area of Hospitality has ensured the Youth Program Coordinator is delivering programs in the areas of whole food nutrition and nutritional science. The program now takes on a lifeskills focus, with learning how to prepare nutritious meals that cover breakfast right through to dinner and dessert.</p>
Develop and run weekly activities to allow young people to meet, connect and interact socially	Completed	The COVID 19 restrictions have lifted and allows the running of four weekly workshops for young people to meet, connect and interact socially back at Platform Y. Reopened 3 June 2020.
Development of a program for school holiday activities	Completed	Due to COVID the Term 1 School Holiday Youth Week Celebrations have been postponed until either the Term 2 or 3 holidays. The programs developed for this celebration included a vocal workshop, whole food sweet treat workshop, Skate workshop and BBQ with performances. During the school holiday break, we continued our online workshops to allow for social connections to be maintained.
Formulate strategy to bring village and town young people together	Completed	Programs are back up and running. The Youth Department has received more new membership applications from young people in our Shire villages and within the township of Temora. One application from two young people from Cootamundra. We have successfully offered support to families to help to overcome their individual barriers to participation.
Hold a Youth Team afternoon tea hosted by the Mayor	Completed	YPC Melissa Carter has made contact with Mayor Rick Firman to discuss options for dates.
Investigate the provision of vocational scholarships to local students	Completed	Reviewed by Scholarships Committee
Investigate viability of "The Youth Room" at Arah Park becoming a youth hub for villages	Completed	Resolved in previous financial year.

Marketing material to show youth mission statement	Completed	The youth membership forms have been updated for 2020. Youth web and social media pages have mission statement pinned to top of pages. The Youth Team recites the motto at the start of sessions to reinforce the values of the team.
Participate in regional Youth activities where available	Completed	All regional youth activities have been postponed due to COVID. We are continuing and carefully following our partners to stay connected to possible online options for participation.
Partner with Pinnacle Services to provide targeted programs that support and engage the young people in their care	Completed	The YPC Melissa Carter has build rapport with Pinnacle to continue to support young people attend the Temora Youth workshops. We collaborate with Pinnacle to accommodate 2 young people in our weekly workshops.
Partner with TemFM to train members of the team to run a regular youth radio spot on local radio	Completed	Covid restrictions make the development of new programs difficult, but the Youth Program Coordinator is liaising with radio presenter, Rod Gray to get this program off the ground when Covid restrictions are lifted.
Partner/ participate with local businesses/ agencies/ experts and professional development opportunities to support both the youth officer and youth teams	Completed	Until a Youth Development Officer is employed, this program (Adulthood 101) is on hold.
Platform Y - Maintain and develop Platform Y as the centre for Youth activity in Temora Shire	Completed	Platform Y reopened 3rd June. Platform Y holds 4 workshops weekly and 1 Leadership meeting fortnightly.
Scholarships - Provide one (1) scholarship to the Temora and District Education Fund	Completed	Scholarship provided
Scholarships - Provide scholarships in accordance with policy to be determined by Council through the Scholarships Sunset Committee	Completed	Scholarship provided
Schools are involved in learning about local natural resource management. Work with schools to develop project opportunities	Completed	Only running ELC Fund. Landcare Support Officer position no longer funded
Support for Youth Week events	Completed	Postponed due to the COVID. YPC Melissa Carter continues to collaborate with partners for when the Youth Week event can commence.
Support the concept of the Young Citizen of the Year Award as a way of recognising Youth	Completed	Awards made on Australia Day
Undertake careers promotion to local high school students in Local Government Week	Completed	Deliver 2019 Careers Bus Tour
Very well received by teachers, parents, students and TSC staff.		
2020 cancelled due to COVID -19 video of Council careers being undertaken for Local Government Week 2020		
Youth Hospitality Team to promote Youth team through catering and service opportunities	Completed	YPC Melissa Carter has completed the COVID Australia Hand Hygiene certificate and the COVID Food Safety certificate to support the returning of the Youth Hospitality Team and promote the Youth Team through catering and service opportunities in the future. Covid restrictions mean that catering opportunities are not currently available.
Youth Officer to visit villages/schools on a regular basis to build rapport and partnership opportunities	Completed	The development of the "Adulthood 101" program is on hold until a new Youth Development Officer is assigned. The Youth Program Coordinator will continue to keep in contact with schools, however face to face visits have been postponed due to COVID restrictions.

## Capital Works

Description	2019/2020	Not Completed/ planning in place
Administration Building – 30KW Solar System	34,617.19	Completed
Administration Building – Ergonomic Furniture	1,355.00	Ongoing
Aerodrome – Runway 18/36 Reconstruction	385,681.05	Ongoing
Aerodrome – Main Airport Apron Reconstruction	77,754.03	Ongoing
Aerodrome – Arterial Drainage Upgrade	581,703.45	Ongoing
Aerodrome – Taxiway C & D Reconstruction	339,426.87	Ongoing
Aerodrome – Taxiway F & G Initial Sealing	57,170.48	Ongoing
Aerodrome Upgrade – Project Management	39,875.11	Ongoing
Aerodrome – Security Fencing	44,936.27	Completed
Apollo Place – Development Planning	8,473.91	Ongoing
Apollo Place – Fencing	31,345.35	Completed
Ariah Park Recreation Ground – Drainage Pipes & Structures	512.17	Ongoing
Ariah Park Recreation Ground Kiosk Upgrade	42,977.20	Completed
Ariah Park Recreation Ground – Painting/Electrical/Guttering Toilets Football Club	12,296.40	Completed
Ariah Park Recreation Ground – Sewer Dump Point	35,376.50	Completed
Ariah Park Skate Park Upgrade	4,088.92	Ongoing
Ariah Park Swimming Pool – Chlorinator & Concreting	29,450.00	Completed
Ariah Park Swimming Pool – Upgrade Change Rooms	48,110.22	Ongoing
Ariah Park Swimming Pool to Skate Park – Footpath & Landscaping	26,626.98	Completed
Arts Precinct Fencing & Building Repair	61,047.95	Completed
Cemetery – Heavy Patching & Resealing Internal Roads	37,890.19	Completed
Cemetery – Northern Drainage	8,267.19	Completed
Cemetery – Powder Coated Bollards	10,297.69	Completed
Civica – Upgrade to v 7.1	53,510.00	Completed
Lake Centenary – Replace Play Equipment	148,820.92	Ongoing
Medical Complex – Automatic Doors	6,591.73	Completed
Medical Complex – Solar System	28,670.62	Completed
Nixon Park – Play Equipment Fencing	15,423.36	Completed
Nixon Park – Diversion of Vehicle Egress for extended Aussie Rules Clubhouse & removal of trees	10,730.82	Completed
Nixon Park Upgrade – Aussie Rules Clubhouse	359,842.23	Completed
Nixon Park Upgrade – Rugby League Club	526.05	Completed
Pinnacle House Purchase	474,678.58	Completed
Platform Y – Airconditioner for Main Hall	5,300.00	Completed
Platform Y – Kitchen Upgrade	15,366.01	Completed
Recreation Centre – Signage Upgrade	4,425.00	Completed
Recreation Centre – Entrance Upgrade	97,616.90	Ongoing
Saleyards Subdivision Planning	6,717.52	Ongoing
Sewerage – Airport Pump station Telemetry	46,103.01	Completed
Sewerage – Temora Recreation Ground – Irrigation Extension to hill area	5,109.33	Completed
Sewerage – French Street – Lift Pump Replacement	41,422.28	Completed
Effluent Reuse Scheme Renewals	19,628.40	Ongoing
Springdale Hall Upgrades	41,422.28	Completed

Description	2019/2020	Not Completed/ planning in place
Supported Independent Living House	228,378.18	Ongoing
TAIC – Irrigation Lines	60,441.01	Completed
Temora Town Entrance Beautification Project	109,499.16	Completed
Temora Swimming Pool Redevelopment	8,304.75	Ongoing
New Depot Purchase & Renovation	122,198.24	Completed
Golden Gate Reserve – Detention Basin	10,909.09	Ongoing
The Oval – Resurface Netball Courts	194,945.43	Completed
Town Hall – Foyer Development	227,036.20	Completed
Town Hall – Lighting & Sound, Main Hall Refurbishment	121,957.78	Completed
Town Hall – Electrical Upgrade	36,446.48	Completed
Town Hall Theatre to Council IT system & CCTV Upgrade	19,759.00	Completed
Town Village Signs Project (6 large sleeves, remove 4 loop signs, erect plain locality signs)	85.96	Ongoing
Visitor Information Centre renovations/design changes	3,472.73	Ongoing
Webcasting Equipment & Software – Audio only	12,005.00	Completed
Website Upgrade	15,500.00	Completed
Gloucester Park – Flying Fox & Play Equipment	100,721.01	Ongoing
Kerb & Gutter Construction Program	130,290.21	Ongoing
Footpath Construction Program	313,232.44	Ongoing
Maxwells Rd Seg 1 Upgrade to Seal	1,158,281.65	Completed
Narraburra St Sealing to Standpipe	26,193.49	Completed
Rural Sealed Roads – Renewals	130,823.08	Ongoing
Rural Unsealed Roads – Renewals	477,012.01	Ongoing
Urban Sealed Roads – Renewals	256,383.63	Ongoing
Urban Unsealed Roads – Renewals	3,276.58	Ongoing
Regional Roads – Renewals	742,277.31	Ongoing
	<b>\$7,810,877.64</b>	

## 2.2 Services for people with diverse cultures & language

Temora is a community containing a low level of persons from a non-English Speaking Background (NESB). The 2016 Census indicated:

Country of Birth	Temora (A)	%	New South Wales	%	Australia	%
Australia	5,383	88.4	4,899,090	65.5	15,614,835	66.7
England	76	1.2	226,564	3.0	907,570	3.9
Philippines	37	0.6	86,749	1.2	232,386	1.0
New Zealand	22	0.4	117,136	1.6	518,466	2.2
India	20	0.3	143,459	1.9	455,389	1.9
Germany	18	0.3	29,541	0.4	102,595	0.4

In Temora (A) (Statistical Local Areas), 88.4% of people were born in Australia. The most common countries of birth were England 1.2%, Philippines 0.6%, New Zealand 0.4%, India 0.3% and Germany 0.3%.

For the 2016 Census in Temora (A) (Statistical Local Areas), there were 144 Aboriginal and Torres Strait Islander people. Of these, 74 (or 51.4%) were male and 70 (or 48.6%) were female. The median age was 24 years.

People Characteristics	Temora (A)	%	New South Wales	%	Australia	%
Aboriginal and Torres Strait Islander	144	-	216,177	-	649,167	-
Male	74	51.4	107,368	49.7	322,171	49.6
Female	70	48.6	108,809	50.3	326,996	50.4
Median Age	24	-	22	50.3	23	-

This low level of ethnic diversity has been recognised by Council in the Social Plan. Accordingly, a number of activities have been developed and undertaken to overcome the lack of diversity. These include:

- Continuation of the sister-city activity with Izumizaki-mura, Japan and Uppington, South Africa;
- Participation in Reconciliation Week;
- The Special Broadcasting Service (SBS) radio station for the Temora community; and
- Hosting the Harmony Day morning tea at Paleface Park - Cultural Day during Local Government week.

Whilst it is acknowledged that the ethnic mix in Temora does not mirror many urban areas, the isolation of some NESB can be debilitating and Council has recognised its responsibility to these residents.



## 2.3 Child and Youth Services

Council recognises the responsibility to provide an innovative and appropriate mix of services for the residents of Temora and their families. The objective of Council is to ensure quality options are available for all residents irrespective of their ethnic or socio-economic background. Some of the options offered in 2019/2020 include:-

### • Long Day Care

Bland Shire Council offer a long day care program. Providing quality, affordable, in-house childcare services for children aged 0-12 years, the service provides regular or part-time care, occasional or emergency care, before and after school care as well as school vacation care.

During 2019/2020, the service catered for an average of 35 families, with 51 children from the Temora Shire. A similar number were serviced in the Bland Shire by the program.

### • Pre-Schools

Temora Shire Council provides accommodation for the Temora Pre-School and Out-of-School Hours Care program, located in Gloucester Park, and playground facilities for the Arianah Park Pre-School.

### • Immunisation

Temora Shire Council continued to operate a free immunisation clinic targeting children aged 0-5 years of age. Year 10 students in the Temora Shire Council area are also given free booster immunisation.

### • Library Services

Pre-school storytelling and craft activities are held each Friday during the school term with attendance of up to 8 children per week. Due to Covid restrictions the service stopped and only recommenced in term 4.

Activities are held during school holidays for school aged children including, crafts and games. The library has introduced commercial artists such as a cartoonist and an expert bug lady, who have proven very popular with the children.

Additional activities are also held during special weeks such as:

- Book Week;
- Local Government Week; and
- Mother's Day
- Fathers Day
- Monthly craft group
- Monthly lego club

Other local youth groups such as the Guides use the library's computers for their Jamboree of the Air Program.

Household deliveries occur every fortnight and also service the Aged Care Homes.

### • Sporting Facilities

Sport plays a major role in the lives of many young residents in the Temora Shire. Council continues to support the regions sporting interests by working closely with the community and sporting groups in an effort to ensure excellent sporting facilities are available and continually maintained to a high standard.

### • Representation

Temora Shire Council has engaged in the representation of Youth Services within a number of programs and committees such as:

- Temora Shire Youth Council 355 committee
- Interagency
- Temora Women's Network 355 committee
- Local Government Week Committee
- Youth Week
- REROC Youth Meeting

### • Support Programs and Events for Young People

- Temora Youth Council
- Arian Park Youth Council – "The Shed"

Platform Y and The Shed are recreation areas for young people of high school age to socialise and enjoy.

Council recognises the challenges of geographic isolation facing young people in the Temora Shire and aims to provide safe and supervised environments in which to socialise. These venues not only provide access for young people to socialise, they also provide a sense of empowerment through ownership and emancipation.

The employment of a trained Youth Officer ensures young Temora residents have a direct link to youth service providers in the local and Riverina region.

Additionally, The Shed and Platform Y in conjunction with the Men's Shed provide a mentoring program.

### • Interagency

Interagency provided access for young people to programs and support within Temora and wider Riverina

### • Temora Women's Network

Events provided for local women to gain knowledge on different issues

### • Youth Week

Provided young people with;

- Youth Week activities

### • Local Government Week

A special Day named Young Peoples Day was an event supported by Council held in Local Government Week. The event provided access to a range of programs run specifically for young people in the local and Riverina communities. The programs included:

- Young Peoples Careers Expo
- Arts competition
- Youth Advisory Meeting
- Youth Advisory Council Meeting

## 2.4 Services Encouraging Access and Equity

### • Community projects

The following projects have been undertaken with regard to improving access and equity for all residents living in the Temora Shire.

Disabled access was improved in the following ways:

- Lake Centenary Play Equipment
- Construction of New Footpaths
- Recreation Centre Entrance upgrade
- Gloucester Park Play Equipment
- Nixon Park Upgrades
- Town Hall Upgrades
- Aria Park Recreation Ground Kiosk Upgrade

### • Advertising

The Council promotes services in a variety of ways including:

- Advertising in local newspapers
- Producing and distributing publications
- Public meetings
- Community committee structure
- Media releases
- Monthly newsletter – Narraburra News
- Web Site
- Facebook, Twitter

The “Temora Independent” newspaper, has sole local coverage of the Temora Local Government area. In addition, the Narraburra News is utilised to disseminate information to local residents and relevant stakeholders about events and activities of the region. Given the scope of coverage, Council advertising reaches the majority of Shire residents.

### • Statement of Affairs

This process is carried out annually by publication in the Government Gazette and includes information on:

- Council structure and function;
- How the public may participate in policy development;
- List of documents available for use by the public;
- How the public may access documents.

### • Brochures

Council provides a range of brochures for the information of ratepayers including Childcare, Waste Management, Bushfire, Pinnacle Community Services etc. Brochure stands are located in the Council Chambers and Temora Library & Visitor Information Centre.

### • Community Directories

Council publishes a booklet which details all services available within the Temora Shire Council area including Temora Shire Council information, State and Federal Government services.

### • Public Meetings

Council convenes public meetings as required on issues of concern or where public input is required. This process facilitates information flow between community and Council.

### • Resident Committee Participation

Council outwardly encourages the participation of community representatives on appropriate Council committees. The committees which include community representation are:-

- |  |   |
|--|---|
| - Temora and District Sports Council           | - Bundawarra Centre Management Committee    |
| - Pinnacle Community Services Committee        | - Town Hall Theatre                         |
| - Friends of Temora Shire Cemeteries Committee | - Mary Gilmore Cultural Festival Committee  |
| - Springdale Progress Association Committee    | - Temora Agriculture & Innovation Committee |
| - Aerodrome Users Management Committee         | - Temora's Own Arts & Crafts Committee      |
| - Lake Centenary Management Committee          | - Film Club                                 |
| - Arian Park Pool Committee                    | - Temora Business Enterprise Group – TBEG   |
| - Arian Park Advisory Committee                | - Temora Women's Network                    |
| - Temora Traffic Committee                     | - Temora Fight the Fruit Fly Committee      |
| - Imagine Temora Committee                     | - Access & Equity Committee                 |
| - Australia Day Committee                      |   |

### • Web Site

"Temora Shire Council launched its new website in June 2020 on the Open Cities platform. This website is supported by a strong social media presence that allows for clear and concise communication with the public.

The [www.temora.com.au](http://www.temora.com.au) tourism website will soon receive a facelift and will continue to offer a portal to the tourism and events components of Council's operations. This website will have a focus on the outstanding facilities found in the Temora Shire, proposing Temora as a destination for events and conferences and supporting local tourism providers.

The [www.temora.nsw.gov.au](http://www.temora.nsw.gov.au) website offers access to the 'business' side of Temora Shire Council, providing regular news updates and featured programs allowing visitors to stay informed about the shire. The easy to navigate website allows residents to access information about Council policies, fees and charges, positions vacant and to do business with Council like paying rates.

Council's social media platforms are very active and offer an opportunity to reach out to residents who interact via Facebook, Twitter and Instagram. These platforms put Council more in touch with its younger residents. Social media is also an excellent way for past residents to stay in touch with their home town as well as being an additional tool to promote and market this magnificent shire. Our Temora Shire Council Facebook page is the most prominent social media account, with well over 4,200 followers at the end of 2020. Our Visit Temora Facebook and Instagram pages are aimed at our tourism market highlighting accommodation, events and exciting advancements suited to our region's visitors."

## 2.5 Stormwater Management – Annual Charge

Council levied an annual charge for stormwater management services in 2019/2020. This revenue was placed in Reserve for future works.

## 2.6 Companion Animals

Council lodged the 2019/20 Pound Data to the Office of Local Government via email. The data included in the lodgement follows:

- **Dog attacks:**

- 4 dog attacks reported to Council; and
- 4 dog attacks reported to Department of Local Government.

- **Amount of funding spent on Companion Animal Management and Activities:**

\$159,792.67

- **Companion Animal Community Education Programs**

The following community education programs were supported in 2019/2020 in cooperation with the Narraburra News and the Temora Independent Newspaper:

- N.D.N – National Desexing Network
- RSPCA – Radar Paw Club Rescue
- Australia Working Dog Rescue (TG Dogs)
- The Dog Line (DL Dog Directory)
- Local Vets – Desexing Month ½ price (Cats) (On going)
- Pet Rescue
- Air Event Australia
- Safe & Sound Pounds
- Dogmaster Trainers
- Jack Russell Rescue
- Cattle Dog Rescue
- Staffy Rescue
- Million Paws Walk
- Paw Pals
- Professional Trapping Supplies
- Aces Animal Care
- The Dog Line
- K9 Cat & Dog Rescue
- 1 Row Dog Rescue
- GTE Dog Transport
- Mick Collins Staff Rescue
- Red Dog Rescue

- **Council Strategies for Desexing Dogs and Cats**

- All animals re-housed are done so as desexed animals only.

#### • Alternatives to Euthanasia for Animals:

- Temora Shire Council offers a local re-housing agency for all animals. Dependent upon suitability, re-housing is considered as first option prior to euthanasia;
- Euthanasia fee is then used as a donation to the rehousing agency in the form of food to run the agency.
- Off Leash Areas provided - Council provide 2 off leash areas in Temora Shire – These facilities are located in Gardner Street and on the northern site of Lake Centenary.
- Brochures & pet ownership responsibilities handed out at the Cat Show
- Local radio segment and Councils Narraburra News on Rescue Group responsibilities and re-housing options for cats and dogs
- Vets – Desexing Program

#### Companion Animal Fund Money - 2019/20

Description	Amount
Expenditure	\$159,792.67
Income	\$7,152.00

#### Re-housing figures of companion animals - 2019/20

Description	Number of Animals
Rescued/Re-housed	63
Stolen	2
Euthanised – Cats/Dogs/Traffic	67
Claimed	29
TOTAL	161



## 2.7 Bushfire Hazard Reduction Program

### Management

- BTZ staff continue to manage the Zone with staff short falls. Subject to staff movements & availability Bland Fire Control Centre is open Mondays, Tuesday, Thursday & Fridays.
- ALL 34 Brigade AGM's were held with 145 elected field officers appointed & authorized in accordance with NSW RFS Service Standards.
- The Liaison Committee, Senior Management team, Pre-Season Captains & Bush Fire Management Committee (BFMC) meetings were held in September/October 2019.
- 2019/20 fire season was quite in the BTZ due to the drought, this was a blessing given the unprecedented fire season that occurred.
- During the 2019/20 fire season BTZ provided the following out of area assistance: 1 staff to Dorrigo, 1 staff to Grafton, 2 staff to Glen Innes, 2 volunteers to Northern Rivers, 1 volunteer to Narrabri, 4 volunteers 2 tankers & 1 staff to Moonbi Range, 22 volunteers 7 tankers to Mudgee, 1 volunteer 2 staff to Kempsey, 211 volunteers 76 tankers & 1 staff to Snowy Valley (Some of these volunteers attended this fire multiple times), 1 staff to Batemans Bay, 4 volunteers & 2 tankers to Greater Hume, 1 staff to Cooma.
- Any damage that occurred to BTZ tankers has been repaired & claimed against each respective Section 44's.
- Due to COVID19: March Liaison/Senior Management team & our BFMC Post Season meetings were held in July 2020. Unfortunately the 2019/20 Group Captains/Captains Post Season, appreciation dinner meeting was cancelled. The intent of the post season meeting was to carry out an After Action Review on the fires BTZ attended & hold an appreciation dinner for our Group Captains/Captains & ALL volunteers that went out of area during the unprecedented fire season.
- 17 Long Service Medals were presented.
- Ongoing: Code of Conduct & Ethics, Conflict of interest training for staff & volunteers.
- Ongoing: WH&S reporting.
- NSW Bush Fire Coordination Committee returned BTZ Bush Fire Risk Management plan again with further amendments to be made.
- 2019/20 Estimates were submitted for approval.
- 2019/20 Station construction & Council hazard reduction claims were submitted for reimbursement.
- South Western Area Command based in Albury commenced in May 2020, the Area Command covers the following fire districts: South Board (Albury area), Eastern Riverina (Wagga area), Northern Riverina (Griffith area), Southern Riverina (Deniliquin area) and South West (Wentworth area) & Bland Temora.
- Weather districts are still under review with BTZ to be considered in the Northern Riverina fire district area.

### Administration

- Brigade membership list were updated & disseminated to Brigades.
- New membership applications continue to be processed.
- National Parks & Wildfire pass continued to be issued to volunteers.
- 2019/20 Brigade call out books were updated & distributed to Brigades.
- Maintenance & repair financial reports are completed monthly.
- ALL accounts are processed within acceptable timeframes.
- Meeting notices and minutes are distributed within acceptable timeframes.
- Volunteer photo identification & authority cards continue to be processed & distributed.
- Brigade station event briefings & volunteers long service medal citation coordinated.

### **Operational Services (Community Safety)**

- Due to Operational Services staff shortfalls in Community Safety area minimal proposed programs were undertaken.
- Barmedman village proposed Community Protection Plan has been put on hold until further notice.
- Strategic slashing of Bland & Temora Councils roads & villages were undertake with Bland Shire completing all there programmed works.
- Section 63 Duty of care inspections in all villages across the Zone occurred.
- 2019/20 Fire season commenced 1st October 2019 & ended on the 31st March 2020.
- 1 Fire permit was issued in Bland LGA.
- 8 Fire Permits were issued in Temora LGA.

### **Membership Services: (Learning and Development)**

- Due to a staff vacancy no volunteer training occurred in 2019/20.
- 1 Multi Agency incident management exercise held.
- The Zones Communication Group continue to conduct weekly radio & paging checks every Sunday during the fire season.
- To date West Wyalong Hot Fire Training Centre has not been used.
- Ongoing promotion of volunteer for West Wyalong Airbase is still a high priority.

### **Infrastructure: (Operations)**

- 2 volunteers assisted in the Zones annual equipment & Brigade station inspections.
- All NSWRFs & Brigade maintained trailers have been RMS inspected.
- 82 annual inspections & servicing tankers completed & recorded.
- 21 Private tankers RMS inspections received were recorded.
- 2019/20 Out of area assistance plan reviewed & updated.
- 2019/20 Communications & Logistic plans reviewed & updated.
- 2019/20 Section 52 plan of operation reviewed & updated.
- All Brigade Stations & Fire Control Centres were sprayed for spiders.
- Ongoing WH&S corrective actions completed & recorded.
- Bland Creek Brigade double bay station construction commenced in February 2020.
- Tallimba Brigade station new disable toilet was installed
- Annual tanker servicing & inspection carried out by Barmedman Motors & Temora Truck & tractor is working well.

### **2019/2020 INCIDENTS**

INCIDENTS	
Bland LGA 39	Temora LGA 18

## 3.0 ELECTED REPRESENTATIVES & MANAGEMENT

### 3.1 Mayor and Councillors - Support and Expenses

In the 2019/2020 financial year, Council paid the following Mayoral and Councillor Fees:

Position	Fees Paid
Mayor	\$19,085
Councillors	\$97,560

#### Expenses Policy (Refer Policy G1 for more details)

Council has in place a Payment of Fees and Expenses and the Provision of Facilities for Councillors which was reviewed and adopted in January 2017. The policy states that where Councillors are required to incur expense on the business of Council, the following shall apply:-

##### 1. Travel:

- a) Where required to use the Councillors own vehicle, reimbursement shall be in accordance with the kilometre rate as prescribed by the Local Government (State) Award;
- b) When travelling outside the Local Government area, the mode of travel shall be determined by the General Manager and Mayor.

##### 2. Accommodation:

- a) When required to obtain overnight accommodation, the cost of accommodation up to 4 star standard and meals will be reimbursed. Monetary limits are imposed in the policy.

##### 3. Registration Fees:

- a) Where a registration or attendance fee is required, such fees will be reimbursed on an actual cost basis.

##### 4. Provision of Facilities:

- a) Council will provide the Mayor:-
  - (i) phone for business use at his/her place of residence;
  - (ii) Secretarial and administrative assistance relating to the discharge of his/her civic function;
- b) Where Council owned vehicles are available, these are to be provided to Councillors travelling on business of Council;
- c) Tablets (iPad or Android) to carry out duties as a Councillor.
- d) Internet access at place of residence to carry out duties as a Councillor
- e) No other facilities shall be provided to any Councillor.

## Councillors Expenditure

Total expended during 2019/2020 on the provision of Councillor Facilities and the payment of Councillor expenses was \$38,664.02

Fees	Amount
Provision of dedicated office equipment and internet allocated to Councillors (iPad)	\$1,083.86
Telephone calls made by Mayor	\$440.68
Attendance of Councillors at Conferences, meetings & Seminars	\$23,555.46
Training of Councillors & provision of skill development	\$1,364.00
Interstate visits by Councillors	NIL
Overseas visits by Councillors	NIL
Expenses of Spouse, partner or other person**	NIL
Internet Councillors	\$10,014.61
Internet Mayor	\$600.00
Other expenses	\$1,605.41
Total	\$38,664.02

\* Payable directly by Councillors

\*\* Training carried out in house

## 3.2 Salaries of Senior Staff

In the 2019/2020 year, Council employed:

Senior Staff	Number	Total Remuneration
General Manager – Salary Component	1	\$224,550.28
Superannuation including employer contribution & salary Sacrifice		\$24,960.00
Non-Cash Benefits		\$7,291.11
Fringe Benefits Tax Payable		\$7,079.11

Note:

Two other employees act in a senior capacity however, due to the remuneration requirement of the 'senior staff' classification; they are not technically classified as 'Senior Staff'.

## 3.3 Human Resource Activities

Council has undertaken the following activities in the 2019/2020 year:

- Monthly meetings and breakfast with the outdoor staff continue to be well received. During these meetings consultation regarding Council meetings and a variety of information is exchanged.
- The working relationship with the local Bland-Temora Zone Volunteer Fire Brigade continues to be strong and Council is grateful to have a co-operative and skilled crew of volunteer personnel.
- All employees were involved in consultation in relation to Council's Strategic Management Plan. This gave employees an insight in to Councils proposed development aims over the coming years.

### 3.4 EEO activities

Council's Equal Employment Opportunity Plan provides:

- a) A commitment to eliminate and ensure the absence of discrimination in employment on the grounds of race, sex, marital status, physical impairment, age or sexual preference; and
- b) A commitment to promote Equal Employment Opportunities for women, Aboriginal and Torres Strait Islanders, people with disabilities and people from non-English speaking backgrounds (NESB).

#### Staff Profile

	Total	Male	Female
Full Time	73	52	21
Part Time	13	0	13
Casual	90	26	64
Trainees	4	2	2
<b>Total</b>	<b>180</b>	<b>80</b>	<b>100</b>
Pinnacle	67	11	56
TSC	113	69	44
<b>TOTAL</b>	<b>180</b>	<b>80</b>	<b>100</b>

Age Range		Full Time	Casual	Part time	Trainee
Under 20 years (12) (6.66%)	4 Male (2.22%)	0	3	0	1
	5 Female (4.44%)	0	6	0	2
21-40 years (52) (28.88%)	27 Male (15%)	20	6	0	1
	25 Female (13.88%)	7	14	4	0
41-64 years (116) (64.46%)	49 Male (27.22%)	32	17	0	0
	67 Female (37.24%)	14	44	9	0

Average Age:

Males	45.80 years
Females	45.95 years

### HR Activities

#### Achievement of EEO Management Plan Objectives

##### Action 1:

*All staff are to be provided with a copy of the Equal Employment Opportunity Plan*

All staff members have been provided with copies and new staff members are informed as part of the induction program.

##### Action 2:

*Invite comment and input from all Council employees at all levels on initiative within and resulting from the Equal Employment Plan.*

All staff are encouraged to provide comment at annual Staff reviews.

**Action 3:**

*Job advertised to be written in non-discriminatory terms.*

All job advertisements are non-discriminatory.

**Action 4:**

*Review Council practices and establish formal policies and procedures for all recruitment activities.*

Council has maintained the practices of the Human Resource Policy which was developed in 1996/97 and reviewed regularly.

**Action 5:**

*Interview questions to be designed to determine whether applicants understand and can apply Equal Employment Opportunities principles.*

All applicants are required to demonstrate knowledge of Equal Employment Opportunity principles.

**Action 6:**

*Review all job evaluation/performance appraisals to ensure that it is non-discriminatory in content and administration.*

The performance appraisal criteria are continually monitored to ensure non-discriminatory content.

**Action 7:**

*Constantly review the policy and guidelines on relief/acting in higher position*

Council contracted a Human Resource Consultant to develop an unambiguous policy on this matter.

**Action 8:**

*Identify opportunities for providing positions for people with physical disabilities*

Participation in Temora High School Support Unit work experience programs when appropriate

**Action 9:**

*Identify barriers to people gaining promotion and career path development*

Ongoing Project.

**Action 10:**

*Advertise all advancement opportunities to all staff*

Ongoing.

**Action 11:**

*Identify occupations and levels where part-time positions are currently availing.*

Ongoing Project.

**Action 12:**

*Identify opportunities within Council for the employment of trainees and encourage people under 21 to apply for such positions*

In 2019/2020 Council employed 3 trainees under the Commonwealth Government Trainee Initiative Program.



**Action 13:**

*Commitment by Council to provide traineeships and apprenticeships positions as a social responsibility.*

Council continues to meet its social obligations to employ youth on training programs. There are Presently 4 apprentices/ trainees on staff.

**Action 14:**

*Prepare a formal training plan and review this annually.*

The training plan is currently being developed.

**Action 15:**

*Publicise available training and development courses directly to all staff at all work places, clearly identifying who should attend and the objective of the course.*

Staff are advised via staff noticeboards & internal staff newsletter.

**Action 16:**

*Document conditions of service practices and procedures for all categories of employees.*

Ongoing process.

**Action 17:**

*Evaluation of condition of services to ensure non-discriminatory priorities.*

Ongoing process.

**Action 18:**

*Regularly review progress on implementation and relevance of plan.*

The plan is informally assessed on a regular basis and formally reviewed annually during the Resourcing Strategy and Annual Report formulation.

**Action 19:**

*Develop a reporting format to enable the issue of annual progress report.*

This report is the defined reporting format.

## Summary

This review has indicated compliance with the specific action plans to address Equal Employment Opportunities principles. The defining test of the effectiveness of the plan is the results achieved.

Council is totally committed to Equal Employment Opportunities principles. It is the responsibility of Temora Shire Council as employer to ensure equal access to all people for positions, and accordingly, the most suitable applicant will be appointed without discrimination.

## Workforce Plan

In working toward the goal of “Getting the right number of people, with the right skills, in the right jobs, at the right time”, Council is actively implementing the recommendations presented in its Workforce Plan.

As part of this commitment, Council spent \$220,605 on staff training across the workforce, upskilling existing employees. This ensures employees have the appropriate skill base to undertake their duties to a high standard whilst meeting community service level expectations.

In the 2019/2020 year, staff turnover was 10.55%. This is a positive reflection on the communication, recruitment and retention strategies utilised by Council and its employees. Continual monitoring of these strategies is undertaken in consultation with staff to assist Council to achieve preferred employer status. Approximately 8% of staff turn over is attributed to casual staff movements, with the majority of these in Pinnacle Community Services.

In support of the workforce strategies, Council has initiated a review of internal work practices and its employee salary system. It is expected the review will identify opportunities for productivity gains and commensurate rewards for employees.

This is an ongoing process which will assist in retaining a stable and skilled workforce heading into the future.

## 3.5 Overseas Visits

No overseas visits were undertaken during the course of 2019/2020 on Council business by any Councillors, Council staff or other persons while representing Council.

## 4.0 CORPORATE GOVERNANCE

### 4.1 Legal proceedings

Council expended \$NIL on unrecoverable monies on legal proceedings in 2019/2020. In relation to public liability claims, Council paid an amount of NIL claims handling fees relating to individual claims. All payments were made from an internally restricted fund set aside for this purpose.

Council contributed \$NIL to Local Government NSW for other Councils legal appeals with industry implications in 2019/2020.

There are no unfinalised legal proceedings as at 30 June 2020.

### 4.2 Contract details

Company	Service	Contract Price
Downer EDI Works Pty Ltd	Bitumen	\$836,878.00
MJ & JA Reardon	Town Hall Upgrade	\$471,415.86
Millers Metals	Sealing Aggregate	\$254,633.00
MJ & JA Reardon	Temora Recreation Centre – Entrance Upgrade	\$90,909.00
Robert Ferguson Management Pty Ltd	Noxious Weeds Management	\$257,008.00
Killer Constructions	Nixon Park Club House	\$336,735.00
Durhams Building	Supported Independent Living House	\$202,469.00

### 4.3 External bodies with delegation of Council

Council did not delegate any functions to external bodies during 2019/2020

### 4.4 Grants under Section 356 Introduction

Recipient	Description	Amount
Ariah Park Central School	Presentation Night donation 2019	\$200.00
Ariah Park Community Projects	Rates Donation	\$68.78
Ariah Park Senior Housing	Rates Donation	\$139.20
NSW Greyhound Breeders Owners	Sponsorship of Cup Carnival 2020	\$500.00
Regency Ramblers	Donation of Hall Hire	\$850.00
Riverina Institute of TAFE Temora	Annual Campus Presentation 2019	\$150.00
St Anne's Central School	Presentation Night donation 2019	\$200.00
Temora Little Athletics	2019 Carnival Sponsorship	\$100.00
Temora High School	Presentation Night donation 2019	\$200.00
Temora Schoolboys Rugby League	2019 Yearbook sponsorship	\$75.00
Temora Senior Citizens Groups	Rates Donation	\$525.35
Temora Show Society	Show Sponsorship	\$500.00
Temora Trotting Club	Gold Carnival of Cups sponsorship	\$500.00
The Rainbow Ball Committee	Donation	\$200.00
Ariah Park Preschool	S94 Contribution	\$2,650.00
Rotary	Town hall Hire	\$35.00
Golden Plains	Dramatic Minds Festival	\$350.00
Temora & District Education Fund	Sponsorship	\$1,500.00
Ariah Park CWA	Rates Donation	\$87.19

Temora High School	Ready for Life program Sponsorship	\$5,000.00
Ariah Park Community Projects	Christmas Tree Event – Ariah Park	\$1,000.00
Temora Girl Guides	Rates Donation	\$113.38
Temora West School	Street Banner Fee	\$77.27
TOTAL		\$15,021.17

## 4.5 Privacy & Personal Information

Temora Shire Council has adopted the model Management Plan for the Privacy and Personal Information as required by the Act. The Management Plan provides:

- a) Statement of Council commitment to the principles enshrined in the Act;
- b) Details of the information of the Privacy Management Plan;
- c) Plan of implementation of the Privacy Management Plan.
- d) Internal review of the Plan.

In the period 1 July 2019 to 30 June 2020, no complaints regarding privacy or personal information were received by Council.

## 4.6 Category 1 & 2 Businesses

### • Category One Businesses

Council conducted no business activities which meet the requirement of a Category 1 Business. The principles of competitive neutrality and complaints handling mechanism are therefore irrelevant.

### • Category Two Businesses

Temora Shire Council has one business activity categorised as Category 2, namely the Temora Sewerage Treatment Works.

## 4.7 Rates and Charges Written Off

During 2019/2020 no rates and charges were written off by Council. Donations were made to several aged care facilities and are separately detailed in Contributions/Donations [Section 428 (2) (I)].

## 4.8 Works on Public Land

All works carried out under Section 67 of the Local Government Act have been carried out in accordance with the rates set in the adopted Schedule of Fees & Charges. No subsidisation of actual costs were undertaken in 2019/2020.

## 4.9 Freedom of information - Government Information Public Access Act (GIPA)

### *Statistical Information about Access Applications (s125 GIPA Act)*

#### **Publicly available information**

Council encourages the public to make informal applications where appropriate in order to meet the intent of the Government Information (Public Access) Act by allowing more information to become more easily available.

A range of information is available for public access on Council's website, at Council's offices or by contacting the Right to Information Officer by telephone or email. The Officer will either advise where the information is located or request that an Informal Access Request form be lodge with Council. There is no charge for this request; however appropriate photocopying charges may be applicable in accordance with Council policy.

The Officer will discuss the method of supply of the information, including the likely timeframe. The public will also be offered the opportunity to inspect and obtain copies of the information from Council's Temora Administration Office during office hours.

#### **Access applications received**

Overall Temora Shire Council received NIL access applications as at 30 June 2020. A schedule providing details for the information required under the act is included in this Annual report.

Schedule 2 Statistical information about access applications to be included in annual report

**Table A: Number of applications by type of applicant and outcome**

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	6	0	0	3	0	0	0	0

\*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

**Table B: Number of application by type of applicant and outcome**

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal Information application*	0	0	0	0	0	0	0	0
Access application (other than personal information application)	6	0	0	3	0	0	0	0
Access application that are partly personal information application and partly other	0	0	0	0	0	0	0	0

\*A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

**Table C: Invalid applications**

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

**Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act**

	Number of times consideration used
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

\*More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

**Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act**

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

**Table F: Timeliness**

	No of applications
Decided within the statutory timeframe (20 days plus any extensions)	9
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	9

**Table G: Number of applications reviewed under Part 5 of the Act (by type of review and the outcome)**

	Decision varied	Decision upheld	Total
Internal Review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
Total	0	0	0

\*The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

**Table H: Applications for review under Part 5 of the Act (by type of applicant)**

	Number of applications for view
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

### **Annual Statistical Comparison [Section 68(6)]**

Temora Shire Council received Nil application under the Freedom of Information Act in 2019/2020, hence statistical comparison is unnecessary.

### **Assessment of Impact [Section 68(6)]**

Due to the extremely low level of activity in relation to Freedom of Information applications, the impact of meeting the requirements for Council was negligible. In the period 1 July 1995 to 30 June 2020, only five applications were made. One application was unnecessarily treated as a Freedom of Information application where the information was readily available as a counter enquiry, one application was accepted and information provided as required and three were transferred out and not required to be handled by Council.

## **4.10 Statement of affairs**

Council maintains a number of documents which are available for inspection and copying including:-

- a) Annual Report;
- b) Annual Financial Statements including Auditor's Report;
- c) Operational Plan, Delivery Plan and Resourcing Strategy;
- d) Returns of the interests of Councillors, designated persons and delegates;
- e) Business Papers and Minutes for Council and Committee Meetings (excluding items deemed Confidential);
- f) Register of Delegations;
- g) Records of Building Certificates.

The Management Manual of Council is also available to peruse and copies will be made upon request, of Council policies. Due to the size of this publication, full copies will not be provided to the public. The document is also on display at Temora Library and Arian Park Post Office.

The policies include:

### **COMMUNITY**

- C1 Use & Hire of Mobile Stage
- C2 Street Stalls
- C3 By Laws and Regulations for use of Lake Centenary
- C4 Cemeteries Policy
- C5 Street Banner
- C6 Terms of Usage for Nixon Park Club House
- C7 Guidelines for Television and Film Production Shoots
- C10 CCTV Guidelines
- C14 Camping Policy Lake Centenary
- C15 Art Acquisition, Management & Decommissioning Policy
- C16 Flag Protocols Policy
- C17 Event Management Application
- C18 Disability Inclusion Action Plan
- C19 Sporting Fields Yearly Right of Use
- C20 Communications Policy



## ENGINEERING WORKS

EW2	Footpath Maintenance & Construction
EW3	Pirvate Hire of Council Equipment
EW5	Restricted Access Vehicle Policy
EW7	Environmental Policy
EW8	Amenity Tree Management Plan
EW9	Engineering Environmental Management
EW10	Remote Supervision Signs
EW11	Construction of foot paving, kerb & gutter
EW12	Street Lighting
EW13	Road Verge & Nature Strip Policy
EW14	Business Rules for Use of TAIC Irrigation Dam
EW15	Airport Usage Fees

## GOVERNANCE

G1	Payment of Expenses & Provision of Facilities
G2	Code of meeting Practice
G3	Procurement Procedure
G4	Related Party Disclosures Policy
G5	Complaints Disclosure Reporting Procedure
G6	Fraud Control Policy
G7	Provision of Information to and Interaction between Councillors & Staff
G8	Code of Practice Section 355 Committees
G9	Corporate Credit Card
G10	Model Privacy Management Plan for Local Government
G11	Child Protection
G12	Recond and Information Management
G13	Media Policy
G14	Records Management Policy for Councillors
G15	Statement of Business Ethics
G17	Code of Conduct
G18	Privacy Management Plan
G19	Enforcement Policy
G20	Internal Audit Charter & Committee Charter
G21	General Policies
G22	Procedures for the Administrationof the Model Code of Conduct
G23	Legislative Compliance Policy
G24	Password Protection Policy

## **FINANCE**

F1	Plant Replacement
F2	Debt Recovery
F3	Investments

## **HUMAN RESOURCES**

HR1	Hearing Conservation Policy
HR2	Workplace Injury management Procedures
HR3	Infectious Disease Policy
HR4	Private or Secondary Employment Policy
HR5	Stress Policy for Employees and Councillors
HR6	Staff & Council Presentation
HR7	Employee Incentive Scheme
HR8	Email & Internet Usage
HR9	First Aid Policy
HR10	Protective Clothing Protective Equipment
HR11	Workplace Amenities
HR12	Level 3 WHS Committee Constitution
HR13	Manual Handling
HR14	Working at Heights
HR15	Volunteer Risk management
HR16	Critical Incident Response
HR17	Disaster Workforce Recovery & Continuity Business Plan
HR19	Staff Training Policy
HR20	Staff Uniform
HR21	Alcohol and Other Drugs Policy
HR22	Workplace Surveillance Policy
HR23	Social Media Policy
HR24	Bullying, Harassment & Discrimination Policy
HR25	Equal Employment Opportunity management Policy & Plan
HR26	Motor Vehicle Policy for Private use
HR27	Staff Exit Policy
HR28	Private or Secondary Employment Policy

## **PLANNING REGULARY**

PR1	Sewage Management Plan
PR2	Home Based Business Policy and Guidelines
PR3	Signage Policy and Guidelines
PR4	Swimming Pool Safety Policy (Private)
PR5	Local Orders Policy
PR6	Liquid Trade Waste Regulation Policy
PR7	Contaminated Lands Policy
PR8	Temora Shire Council Model Asbestos Policy for NSW Councils

## **RISK MANAGEMENT**

RM1	Gathering Information for Incident Management
RM2	Notification Plan for Pesticide Use
RM3	Settlement of Minor Liability Claims
RM4	Water Supply – Backflow prevention
RM5	Play equipment policy and procedures
RM6	Cemetery Safety Management Plan
RM7	Contractor Management & Procedure
RM8	Management of Flooded Roads Procedures
RM9	Incident Response Procedure
RM10	Asbestos – Procedures for Employees & Contractors
RM12	Risk Management Policy
RM13	Fire Protection for Council facilities Buildings
RM14	Footpath, Café & Dining

# State of the Environment Report

This report has been prepared to report on the environmental objectives identified in the Temora Shire Community Strategic Plan – Temora Shire 2030 dated May 2013

## The Outcome We Seek Is:

### Outcome 10. Effective and Sustainable Usage of Our Precious Water

Strategic Objectives (SO)	Strategic Actions (SA)	Comment
10A To plan for and act upon reduced water availability	10A1 Adopt and implement an Integrated Water Cycle Management Plan	<p>Council has a stormwater management plan and identified projects within this plan are implemented in accordance with Council's Operational and Delivery Plans. 100% of effluent produced at the Temora Sewerage Treatment Plant is recycled. Stormwater Management Plan is now complete. Council is moving forward to progress the development of an Integrated Water Cycle Management Strategy and seek grant funding for eligible water and sewer projects resulting from the IWCM Strategy.</p> <p>Council has begun the pre-development stages of the construction of a new holding dam located in the Gardner Street Dam scheme.</p> <p>The O'Shannessy's dam went through a desilting process which will increase this dam's capacity.</p>

The Outcome We Seek Is:

Outcome 11. Protected and Enhanced Quality of Our Natural Resources

Strategic Objectives (SO)	Strategic Actions (SA)	Operational Actions (OA)
11A To improve the extent and quality of terrestrial and aquatic native flora and fauna populations and habitats	11A5 Actively manage the recovery of priority terrestrial and aquatic threatened flora and fauna species, endangered populations and significant species within the Shire	Temora Shire is included in the Lachlan Riparian Database, which identifies and assesses riparian vegetation within the Lachlan catchment. This project provides information relating to connectivity, species composition and density. This information is then used to identify priority areas for projects such as revegetation, weed removal and fencing.
	11A6 Actively restrict the extent of pest animals and environmental weeds within the Shire	<p>Ongoing. Pest animals eradicated and managed through the assistance of LLS. Ongoing weed management through the NSW Weeds Action Program, overseen by DPI. This program involves the eradication of new weeds and managing existing environmental weeds through community and government involvement. Government manages high priority invasive species on public land and waterways.</p> <p>Council is preparing for the commencement of the Biosecurity Act 2015 through contribution to the Regional Strategic Weed Management Plan, which includes the identification of Priority Weeds for management action.</p>
	11A7 Manage roadside reserves in line with a Shire Roadside Vegetation Management Plan.	
	11B1 Encourage local farmers to take on board latest farming practices	<p>Temora Agricultural Innovation Centre (TAIC) is managed as a joint venture between Temora Shire Council and FarmLink Research. The vision for TAIC is one of a respected Centre for Excellence for Mixed Farming Research and Development. Currently 24 research and development organisations are hosted at the site. There are over 14,000 trial plots on-site relating to cereal, canola and pasture varieties, nutrition, disease, weeds, carbon, growth regulants, farming systems, trace elements, time of sowing and water use efficiency.</p> <p>The Centre usually provides information sessions, but due to COVID these events did not eventuate.</p> <p>The Temora Agricultural Innovation Centre (TAIC) is a community owned research farm with soils and an environment typical of more than half the state's grain producing area.</p>

	11B2 Ensure that the agricultural research station continues research for local needs	Partnership continues between FarmLink and TSC for research through trials implemented by commercial companies, with a significant economic contribution made to the local economy as a result of their commercial trial activity. Research areas covered at the Temora Agricultural Innovation Centre include maintaining profitable farming systems with retained stubble, profitable and sustainable sheep production in the mixed farming zone, strategic use of tillage within conservation farming, stubble burning, soil moisture, climate change and computer modelling relating to crop growth, water use and nitrogen demand. Benefits of the venture are that the research is typical of the Temora region (i.e. soil types, topography and rain fall). FarmLink have partnerships with Universities (Charles Sturt University, Australian National University & Melbourne University), these partnerships were affected by COVID.
	11B3 Ensure that learnings from the research station are shared with the Shire's farmers through field days, local media and other means	Ongoing. The TAIC provides numerous activities throughout the year such as Annual FarmLink Open Day, University Crop Competition, field days, crop walks, training days and seminars, unfortunately these events were affected by COVID.

# Temora Shire Council

ANNUAL FINANCIAL STATEMENTS  
for the year ended 30 June 2020

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*"Success through determination and inspiration"*

# Temora Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2020

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*"Success through determination and inspiration"*

# General Purpose Financial Statements

for the year ended 30 June 2020

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## Overview

Temora Shire Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

105 Loftus Street  
Temora NSW 2666

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: [www.temora.nsw.gov.au](http://www.temora.nsw.gov.au).



## Temora Shire Council

### General Purpose Financial Statements

for the year ended 30 June 2020

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#### Statement by Councillors and Management made pursuant to Section 413(2)(c) of the Local Government Act 1993 (NSW) (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

- the *Local Government Act 1993* (NSW) (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the *Local Government Code of Accounting Practice and Financial Reporting*.

To the best of our knowledge and belief, these statements:

- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

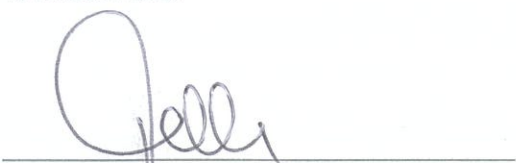
Signed in accordance with a resolution of Council made on 15 October 2020.



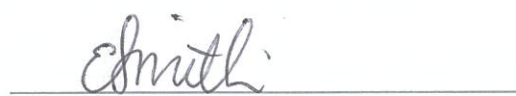
Rick Firman  
Mayor  
15 October 2020



Graham Sinclair  
Councillor  
15 October 2020



Gary Lavelle  
General Manager  
15 October 2020



Elizabeth Smith  
Responsible Accounting Officer  
15 October 2020

# Income Statement

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Actual 2019
	<b>Income from continuing operations</b>			
5,664	Rates and annual charges	3a	5,627	5,415
7,142	User charges and fees	3b	8,964	6,972
976	Other revenues	3c	676	1,082
6,980	Grants and contributions provided for operating purposes	3d,3e	7,125	7,626
8,025	Grants and contributions provided for capital purposes	3d,3e	4,891	3,275
179	Interest and investment income	4	222	244
77	Net gains from the disposal of assets	6	121	–
–	Rental income	12c	282	–
–	Net share of interests in joint ventures and associates using the equity method	17	3	9
29,043	<b>Total income from continuing operations</b>		27,911	24,623
	<b>Expenses from continuing operations</b>			
7,556	Employee benefits and on-costs	5a	8,411	8,530
54	Borrowing costs	5b	55	64
5,222	Materials and contracts	5c	5,671	5,507
5,055	Depreciation and amortisation	5d	5,476	5,014
2,822	Other expenses	5e	2,946	2,361
–	Net losses from the disposal of assets	6	–	45
20,709	<b>Total expenses from continuing operations</b>		22,559	21,521
8,334	<b>Operating result from continuing operations</b>		5,352	3,102
8,334	<b>Net operating result for the year</b>		5,352	3,102
8,334	Net operating result attributable to council		5,352	3,102
309	<b>Net operating result for the year before grants and contributions provided for capital purposes</b>		461	(173)

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Income Statement should be read in conjunction with the accompanying notes.

# Statement of Comprehensive Income

for the year ended 30 June 2020

\$ '000	Notes	2020	2019
<b>Net operating result for the year (as per Income Statement)</b>		<b>5,352</b>	<b>3,102</b>
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	10(a)	16,486	370
Impairment (loss) reversal / (Revaluation decrement) relating to IPP&E	10(a)	—	1,496
Other comprehensive income – joint ventures and associates	17	6	—
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>16,492</b>	<b>1,866</b>
<b>Total other comprehensive income for the year</b>		<b>16,492</b>	<b>1,866</b>
<b>Total comprehensive income for the year</b>		<b>21,844</b>	<b>4,968</b>

Total comprehensive income attributable to Council	21,844	4,968
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The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

# Statement of Financial Position

as at 30 June 2020

\$ '000	Notes	2020	2019
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7(a)	1,622	972
Investments	7(b)	12,122	8,708
Receivables	8	3,657	3,117
Inventories	9a	1,636	1,828
Contract assets	11a	29	—
Other	9b	109	64
<b>Total current assets</b>		<b>19,175</b>	<b>14,689</b>
<b>Non-current assets</b>			
Receivables	8	—	5
Infrastructure, property, plant and equipment	10(a)	229,070	209,093
Investments accounted for using the equity method	17	204	195
<b>Total non-current assets</b>		<b>229,274</b>	<b>209,293</b>
<b>Total assets</b>		<b>248,449</b>	<b>223,982</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	13	2,410	1,701
Income received in advance	13	—	306
Contract liabilities	11b	2,020	—
Borrowings	13	355	229
Provisions	14	3,975	4,219
<b>Total current liabilities</b>		<b>8,760</b>	<b>6,455</b>
<b>Non-current liabilities</b>			
Payables	13	—	1
Borrowings	13	2,249	1,605
Provisions	14	54	61
<b>Total non-current liabilities</b>		<b>2,303</b>	<b>1,667</b>
<b>Total liabilities</b>		<b>11,063</b>	<b>8,122</b>
<b>Net assets</b>		<b>237,386</b>	<b>215,860</b>
<b>EQUITY</b>			
Accumulated surplus	15	94,385	89,345
Revaluation reserves	15	143,001	126,515
<b>Council equity interest</b>		<b>237,386</b>	<b>215,860</b>
<b>Total equity</b>		<b>237,386</b>	<b>215,860</b>

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

# Statement of Changes in Equity for the year ended 30 June 2020

\$ '000	Notes	as at 30/06/20			as at 30/06/19		
		Accumulated surplus	IPP&E revaluation reserve	Total equity	Accumulated surplus	IPP&E revaluation reserve	Total equity
Opening balance		89,345	126,515	215,860	86,243	124,649	210,892
Changes due to AASB 1058 and AASB 15 adoption	15	(318)	–	(318)	–	–	–
Changes due to AASB 16 adoption	15	–	–	–	–	–	–
<b>Restated opening balance</b>		<b>89,027</b>	<b>126,515</b>	<b>215,542</b>	<b>86,243</b>	<b>124,649</b>	<b>210,892</b>
Net operating result for the year		5,352	–	5,352	3,102	–	3,102
<b>Restated net operating result for the period</b>		<b>5,352</b>	<b>–</b>	<b>5,352</b>	<b>3,102</b>	<b>–</b>	<b>3,102</b>
<b>Other comprehensive income</b>							
– Gain (loss) on revaluation of IPP&E	10(a)	–	16,486	16,486	–	370	370
– Impairment (loss) reversal / (Revaluation decrement) relating to IPP&E	10(a)	–	–	–	–	1,496	1,496
– Joint ventures and associates	17	6	–	6	–	–	–
<b>Other comprehensive income</b>		<b>6</b>	<b>16,486</b>	<b>16,492</b>	<b>–</b>	<b>1,866</b>	<b>1,866</b>
<b>Total comprehensive income</b>		<b>5,358</b>	<b>16,486</b>	<b>21,844</b>	<b>3,102</b>	<b>1,866</b>	<b>4,968</b>
<b>Equity – balance at end of the reporting period</b>		<b>94,385</b>	<b>143,001</b>	<b>237,386</b>	<b>89,345</b>	<b>126,515</b>	<b>215,860</b>

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Actual 2019
<b>Cash flows from operating activities</b>				
<b>Receipts:</b>				
5,654	Rates and annual charges		5,627	5,386
7,226	User charges and fees		10,248	7,499
171	Investment and interest revenue received		236	212
14,686	Grants and contributions		12,141	11,314
–	Bonds, deposits and retention amounts received		5	5
957	Other		2,169	1,314
<b>Payments:</b>				
(7,548)	Employee benefits and on-costs		(8,669)	(8,259)
(5,306)	Materials and contracts		(4,865)	(6,556)
(48)	Borrowing costs		(54)	(56)
(2,822)	Other		(4,628)	(2,626)
12,970	<b>Net cash provided (or used in) operating activities</b>	16b	12,210	8,233
<b>Cash flows from investing activities</b>				
<b>Receipts:</b>				
–	Sale of investment securities		3,079	2,011
278	Sale of real estate assets		266	420
138	Sale of infrastructure, property, plant and equipment		132	296
8	Deferred debtors receipts		11	16
<b>Payments:</b>				
–	Purchase of investment securities		(6,493)	(4,080)
(12,955)	Purchase of infrastructure, property, plant and equipment		(9,129)	(8,233)
(100)	Purchase of real estate assets		(29)	(422)
–	Deferred debtors and advances made		(167)	–
(12,631)	<b>Net cash provided (or used in) investing activities</b>		(12,330)	(9,992)
<b>Cash flows from financing activities</b>				
<b>Receipts:</b>				
700	Proceeds from borrowings and advances		1,000	2,001
<b>Payments:</b>				
(229)	Repayment of borrowings and advances		(230)	(480)
471	<b>Net cash flow provided (used in) financing activities</b>		770	1,521
810	<b>Net increase/(decrease) in cash and cash equivalents</b>		650	(238)
2,638	Plus: cash and cash equivalents – beginning of year	16a	972	1,210
3,448	<b>Cash and cash equivalents – end of the year</b>	16a	1,622	972
6,639	plus: Investments on hand – end of year	7(b)	12,122	8,708
10,087	<b>Total cash, cash equivalents and investments</b>		13,744	9,680

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Notes to the Financial Statements

for the year ended 30 June 2020

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# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 15 October 2020. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (NSW)* and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not-for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

### (a) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of infrastructure, property, plant and equipment and investment property.

### (b) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

### Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Infrastructure, property, plant and equipment note.
- (ii) employee benefit provisions – refer Provisions note.

### Covid 19 Impacts

Covid 19 caused some disruption to council's business practices with several staff working remotely for approximately 8 weeks during the financial year. Whilst this caused minor inconvenience it did not result in significant additional cost. Some costs have been incurred for additional equipment and cleaning.

Council provided rent relief to two lessee's of Council owned properties, based on evaluation of requests received, to compensate for lost income due to the compulsory lockdown. There was also a reduction in income attributed to Covid-19 lockdowns in relation to the Town Hall, Theatre, Caravan Parks, Sports Stadium, Indoor Swimming Pool and the Tourist Information Centre. These amounts were immaterial individually & collectively.

Council received additional grant income to support Council through the Covid-19 Pandemic. During 2019/20 these additional grants totalled \$21,000.

Overall the financial impact has not been significant, although it is anticipated to increase in future years.



## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 1. Basis of preparation (continued)

Council is of the view that physical non-current assets will not experience substantial declines in value due to covid. Fair value for the majority of Council's non-current assets is determined by replacement cost where there is no anticipated material change in value due to covid.

#### Significant judgements in applying the council's accounting policies

##### (i) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables – refer Receivables note.

#### Monies and other assets received by Council

##### (a) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations
- Sewerage service
- Pinnacle Community Services (Home & Community Care)
- Temora Agricultural Innovation Centre

Due to their immaterial value and nature, the following Committees, Entities and Operations have been excluded from consolidation:

- Springdale Progress Association
- Arianah Park Swimming Pool Committee
- Temora & District Sports Council
- Temora's Own Arts & Crafts
- Temora Rural Museum
- Lake Centenary Management Committee
- Temora Arts Council
- Mary Gilmore Music Festival

##### (b) The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these reports.

A separate statement of monies held in the Trust Fund is available for inspection at the council office by any person free of charge

#### Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 1. Basis of preparation (continued)

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#### **Volunteer services**

Whilst Council has an extensive network of volunteers across a broad section of Council functions, Council would not purchase the services if they were not provided voluntarily and Council is unable to reliably measure the value of these services. Consequently the value of volunteer services has not been recognised in these financial statements.

#### **New accounting standards and interpretations issued not yet effective**

##### **New accounting standards and interpretations issued but not yet effective**

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for 30 June 2020 reporting period.

Council has elected not to apply any of these pronouncements in these financial statements before their operative dates.

As at the date of authorisation of these financial statements, Council does not consider that any of these new (and still to be applied) standards and interpretations are likely to have a material impact on the Council's future financial statements, financial position, financial performance or cash flows.

#### **New accounting standards adopted during the year**

During the year, Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from 1 July 2020.

Those newly adopted standards which had an impact on Council's reported financial position, performance and/or associated financial statement disclosures are further discussed in the Accumulated Surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors note.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 2(a). Council functions/activities – financial information

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note 2(b).										
\$ '000	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations		Carrying amount of assets	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>Functions or activities</b>										
Retaining our Quality of Life	6,534	6,590	8,236	7,515	(1,702)	(925)	1,357	1,865	137,672	113,824
Engaging & Supporting the Community	1,461	2,166	2,497	2,524	(1,036)	(358)	718	1,453	15,282	13,450
Building our Shire's Economy	6,668	4,129	4,887	1,906	1,781	2,223	1,897	828	28,521	27,571
Preserving our Beautiful Surrounds	1,422	1,035	1,858	1,922	(436)	(887)	410	127	11,061	12,600
Embracing & Developing Aviation	1,506	226	322	544	1,184	(318)	1,399	–	4,743	4,134
Enhancing our Agricultural Wealth	2,386	2,667	2,156	4,075	230	(1,408)	2,164	2,176	46,884	46,672
Administration & General Purpose	7,934	7,810	2,603	3,035	5,331	4,775	3,648	4,006	4,286	5,731
<b>Total functions and activities</b>	<b>27,911</b>	<b>24,623</b>	<b>22,559</b>	<b>21,521</b>	<b>5,352</b>	<b>3,102</b>	<b>11,593</b>	<b>10,455</b>	<b>248,449</b>	<b>223,982</b>

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 2(b). Council functions/activities - component descriptions

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Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

#### Retaining our Quality of Life

Strategic objectives are to ensure there is a continuum of housing and care facilities for the aged; improve public transport to regional centres; encourage the provision of educational opportunities including post school education; support and develop the provision of health services; support village life; provision of child care services to meet the needs of the community; ensure there is a continuum of housing and care facilities for the disabled; provide a safe and supportive living environment for our residents; provide services required for excellent liveability in a rural community.

#### Engaging & Supporting the Community

Strategic objectives are the provision of sports facilities that are well maintained, planned and meet the expectations of the community; provision and support of arts and cultural activities; encourage a welcoming, inclusive and tolerant community that welcomes new residents from all backgrounds; support volunteers within the community; support and develop the Youth of our community; maintain regular communication with residents.

#### Building our Shire's Economy

Strategic objectives are to improve telecommunications within the Shire; seek affordable housing options for all residents; provide adequate parking to meet the needs of shire residents; ensure accommodation in Temora Shire meets standards in terms of quality and quantity; strengthen the Temora Shire economy; support tourism, acknowledging the value it brings to the Temora Shire economy.

#### Preserving our Beautiful Surrounds

Strategic objectives are to provide a network of heavy vehicle routes that meet the needs of industry and residents; introduce environmentally, socially and economically responsible waste policies; improve drainage within the Shire area; ensure local planning instruments meet the needs of the community; ensure an aesthetically pleasing environment.

#### Embracing & Developing Aviation

Strategic objectives are to optimise telecommunications at Temora Airport; retain and develop facilities at Temora Airport; ensure land use plans are developed to protect the future use of the airport; provide a clear direction for the current use and future direction of the Temora Airport.

#### Enhancing our Agricultural Wealth

Strategic objectives are to maintain infrastructure to support agriculture; optimise the opportunities to develop agricultural industry; commitment to the support of agriculture in Temora Shire; develop a strategy to cope with the consolidation of farming enterprises.

#### Administration & General Purpose

Includes items of an administrative nature or general purpose which do not fall under any of the six Integrated Planning & Reporting themes detailed above.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 3. Revenue from continuing operations

\$ '000	AASB	2020	2019
<b>(a) Rates and annual charges</b>			
<b>Ordinary rates</b>			
Residential	1058 (1)	1,553	1,501
Farmland	1058 (1)	1,905	1,855
Business	1058 (1)	508	496
Less: pensioner rebates (mandatory)	1058 (1)	(61)	(60)
Less: pensioner rebates (Council policy)	1058 (1)	(50)	(49)
<b>Rates levied to ratepayers</b>		<b>3,855</b>	<b>3,743</b>
Pensioner rate subsidies received	1058 (1)	61	58
<b>Total ordinary rates</b>		<b>3,916</b>	<b>3,801</b>
<b>Annual charges</b>			
(pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic waste management services	1058 (1)	543	512
Stormwater management services	1058 (1)	49	48
Sewerage services	1058 (1)	1,044	988
Waste management services (non-domestic)	1058 (1)	111	103
Less: pensioner rebates (mandatory)	1058 (1)	(45)	(43)
Less: pensioner rebates (Council policy)	1058 (1)	(36)	(35)
<b>Annual charges levied</b>		<b>1,666</b>	<b>1,573</b>
Pensioner subsidies received:			
– Sewerage	1058 (1)	23	21
– Domestic waste management	1058 (1)	22	20
<b>Total annual charges</b>		<b>1,711</b>	<b>1,614</b>
<b>TOTAL RATES AND ANNUAL CHARGES</b>		<b>5,627</b>	<b>5,415</b>

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

- 15 (1)** indicates income recognised under AASB 15 “at a point in time”,
- 15 (2)** indicates income recognised under AASB 15 “over time”,
- 1058 (1)** indicates income recognised under AASB 1058 “at a point in time”, while
- 1058 (2)** indicates income recognised under AASB 1058 “over time”.

Council has used 2016 year valuations provided by the NSW Valuer General in calculating its rates.

### Accounting policy for rates and charges

Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate.

Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners’ place of residence in the local government council area that are not subsidised by the NSW Government.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are in substance a rates payment.

### 2019 accounting policy

Control over assets acquired from rates and annual charges 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.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 3. Revenue from continuing operations (continued)

\$ '000	AASB	2020	2019
<b>(b) User charges and fees</b>			
<b>Specific user charges</b>			
(per s.502 - specific 'actual use' charges)			
Domestic waste management services	15 (1)	94	97
Sewerage services	15 (1)	17	21
Waste management services (non-domestic)	15 (1)	47	26
<b>Total specific user charges</b>		<b>158</b>	<b>144</b>
<b>Other user charges and fees</b>			
<b>(i) Fees and charges – statutory and regulatory functions (per s.608)</b>			
Planning and building regulation	15 (1)	133	145
Private works – section 67	15 (1)	62	47
Section 10.7 certificates (EP&A Act)	15 (1)	12	12
Section 603 certificates	15 (1)	13	12
<b>Total fees and charges – statutory/regulatory</b>		<b>220</b>	<b>216</b>
<b>(ii) Fees and charges – other (incl. general user charges (per s.608))</b>			
Aerodrome	15 (1)	30	2
Caravan park	15 (1)	108	224
Cemeteries	15 (1)	108	91
RMS (formerly RTA) charges (state roads not controlled by Council)	15 (1)	4,276	2,500
Saleyards	15 (1)	–	16
Swimming centres	15 (1)	160	167
Animal control	15 (1)	3	5
Cinema	15 (1)	94	120
Community Technology Centre – printing and laminating	15 (1)	2	3
Cultural Groups	15 (1)	2	4
Frail and aged	15 (1)	3,777	3,430
Sports stadium	15 (1)	8	17
Tourism information centre	15 (1)	15	29
Other		3	4
<b>Total fees and charges – other</b>		<b>8,586</b>	<b>6,612</b>
<b>TOTAL USER CHARGES AND FEES</b>		<b>8,964</b>	<b>6,972</b>

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

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**1058 (1)** indicates income recognised under AASB 1058 “at a point in time”, while

**1058 (2)** indicates income recognised under AASB 1058 “over time”.

### Accounting policy for user charges and fees

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as caravan parks, the customer is required to pay on arrival. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as membership fees for the leisure centre the fee is recognised on a straight-line basis over the expected life of the membership.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 3. Revenue from continuing operations (continued)

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

### 2019 accounting policy

User charges and fees are recognised as revenue when the service has been provided.

\$ '000	AASB	2020	2019
<b>(c) Other revenues</b>			
Rental income – other council properties (2019 only)		–	299
Legal fees recovery – rates and charges (extra charges)		5	13
Diesel rebate	1058 (1)	84	77
Insurance claims recoveries	1058 (1)	13	26
Bushfire – Hazard Reduction	1058 (1)	–	7
Commissions and agency fees – Service NSW	15 (1)	128	137
Reimbursement from Service NSW – travel and training costs	1058 (1)	1	10
Donations	1058 (1)	103	12
Gravel royalties	1058 (1)	1	3
Risk management bonus	1058 (1)	48	91
Agricultural Innovation Centre revenues	1058 (1)	164	301
Youth Activities	1058 (1)	–	10
Other	1058 (1)	18	7
Sale of Gravel	15 (1)	109	60
Reimbursement from RFS	1058 (1)	2	29
<b><u>TOTAL OTHER REVENUE</u></b>		<b><u>676</u></b>	<b><u>1,082</u></b>

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

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**1058 (2)** indicates income recognised under AASB 1058 “over time”.

### Accounting policy for other revenue

Where the revenue relates to a contract with customer, the revenue is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

Where the revenue relates to a contract which is not enforceable or does not contain sufficiently specific performance obligations then revenue is recognised when an unconditional right to a receivable arises or the cash is received, which is earlier.

### 2019 accounting policy:

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council's activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Parking fees and fines are recognised as revenue when the service has been provided, or when the penalty has been applied, whichever occurs first.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 3. Revenue from continuing operations (continued)

\$ '000	AASB	Operating 2020	Operating 2019	Capital 2020	Capital 2019
<b>(d) Grants</b>					
<b>General purpose (untied)</b>					
<b>Current year allocation</b>					
Financial assistance – general component	1058 (1)	1,113	1,169	–	–
Financial assistance – local roads component	1058 (1)	649	701	–	–
<b>Payment in advance - future year allocation</b>					
Financial assistance – general component	1058 (1)	1,215	1,211	–	–
Financial assistance – local roads component	1058 (1)	653	727	–	–
<b>Total general purpose</b>		<b>3,630</b>	<b>3,808</b>	<b>–</b>	<b>–</b>
<b>Specific purpose</b>					
Aerodrome Upgrades	1058 (2)	–	–	1,399	–
Aged Services	15 (1)	822	842	–	–
Bundawarra Centre	1058 (2)	–	–	3	–
Bushfire and emergency services	1058 (1)	315	311	–	–
Companion Animals		4	–	–	–
Crown Lands Plans of Management	1058 (1)	9	–	–	–
Disability Services	15 (1)	29	33	–	–
Drought Communities Program - Community Projects	15 (2)	381	–	–	–
Drought Communities Program - Council Projects	1058 (2)	52	–	698	–
Economic development	15 (2)	20	–	–	–
Employment and training programs	1058 (1)	8	12	–	–
Environmental Protection	1058 (1)	1	–	–	–
Everyone Can Play	1058 (2)	–	–	7	–
Flood Study Grant	1058 (1)	43	34	–	–
Heritage and cultural	1058 (1)	12	16	–	–
Innovation Fund – Online Internal Audit Portal		–	–	–	186
Library	1058 (1)	77	31	–	–
LIRS subsidy	1058 (1)	–	6	–	–
Nixon Park Play Equipment		–	–	–	48
Other		1	4	–	–
Noxious weeds	1058 (1)	53	52	–	–
Pedestrian Access Mobility Plan (PAMP) Works	1058 (1)	–	4	–	9
RFS Community Engagement Centre		–	3	–	–
Road Safety Officer	1058 (1)	41	73	–	–
Street lighting	1058 (1)	41	41	–	–
Stronger Country Communities Fund - Arian Park Pool/Skate Park	1058 (2)	–	–	33	–
Stronger Country Communities Fund – Arian Park Rec Ground Toilet Upgrade	1058 (2)	–	–	5	160
Stronger Country Communities Fund - Coolamon St Central Island Upgrade	1058 (2)	–	–	28	5
Stronger Country Communities Fund - Lake Centenary Play Equipment	1058 (2)	–	–	121	17
Stronger Country Communities Fund - Gloucester Park Play Equipment	1058 (2)	–	–	68	–
Stronger Country Communities Fund - Di Boom Netball Complex Resurfacing	1058 (2)	–	–	76	2
Stronger Country Communities Fund - Nixon Park Upgrades	1058 (2)	–	–	265	59
Stronger Country Communities Fund - Temora Golf Club Irrigation	15 (2)	39	14	–	–

continued on next page ...



# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 3. Revenue from continuing operations (continued)

\$ '000	AASB	Operating 2020	Operating 2019	Capital 2020	Capital 2019
Stronger Country Communities Fund - Temora Recreation Centre Amenities Upgrade	1058 (2)	—	—	—	234
Stronger Country Communities Fund - Temora Tennis Courts - Resurfacing	1058 (2)	—	—	—	79
Stronger Country Communities Fund - Temora Town Entrance Beautification	15 (2)	105	16	—	—
Stronger Country Communities Fund - Temora West Sports Ground - Amenities Block Rebuild	1058 (2)	—	—	—	60
Stronger Country Communities Fund – Town Hall Upgrade	1058 (2)	—	—	198	786
Temora Agricultural Innovation Centre (TAIC) - Machinery Shed		—	—	—	199
Transport (fixing country roads)	1058 (2)	—	—	926	303
Transport (flood damage)	1058 (1)	—	1,336	—	—
Transport (kerb and gutter)	1058 (1)	—	—	—	4
Transport (other roads and bridges funding)	1058 (1)	—	—	—	196
Transport (regional roads block grant)	1058 (1)	122	197	592	503
Transport (repair program)	1058 (1)	—	—	130	128
Transport (roads to recovery)	1058 (1)	1,239	641	—	—
Youth services	1058 (1)	—	3	—	—
<b>Total specific purpose</b>		<b>3,414</b>	<b>3,669</b>	<b>4,549</b>	<b>2,978</b>
<b>Total grants</b>		<b>7,044</b>	<b>7,477</b>	<b>4,549</b>	<b>2,978</b>
<b>Grant revenue is attributable to:</b>					
– Commonwealth funding		5,302	5,342	2,002	210
– State funding		1,737	2,135	2,449	2,768
– Other funding		5	—	98	—
		<b>7,044</b>	<b>7,477</b>	<b>4,549</b>	<b>2,978</b>

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

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**1058 (2)** indicates income recognised under AASB 1058 “over time”.

\$ '000	Notes	AASB	Operating 2020	Operating 2019	Capital 2020	Capital 2019
<b>(e) Contributions</b>						
<b>Developer contributions:</b>						
<b>(s7.4 &amp; s7.11 - EP&amp;A Act, s64 of the LGA):</b>						
<b>Cash contributions</b>						
S 7.12 – fixed development consent levies		1058 (1)	—	—	116	30
<b>Total developer contributions – cash</b>			<b>—</b>	<b>—</b>	<b>116</b>	<b>30</b>
<b>Total developer contributions</b>	24		<b>—</b>	<b>—</b>	<b>116</b>	<b>30</b>

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 3. Revenue from continuing operations (continued)

\$ '000	Notes	AASB	Operating 2020	Operating 2019	Capital 2020	Capital 2019
<b>Other contributions:</b>						
<b>Cash contributions</b>						
Emergency Services Levy		15 (1)	54	—	—	—
Drainage		15 (1)	5	—	—	—
Heritage/cultural			—	1	—	6
Economic Development		15 (2)	18	58	—	—
FBT contributions			—	41	—	—
Footpath contributions		1058 (1)	4	—	25	19
Nixon Park		1058 (2)	—	—	90	—
TAIC – Machinery Shed, Offices, Labs – GRDC			—	—	—	123
Temora Swimming Club - New Pool Blanket			—	—	—	13
Temora West Sports Ground Amenities - Temora United Soccer Club		1058 (2)	—	—	—	106
Ariah Park Skate Park Upgrade - Ariah Park School		1058 (2)	—	—	1	—
LCMC - Contribution to Works			—	29	—	—
Other Councils - Contribution to Internal Audit			—	20	—	—
Medical Complex - Solar Panels		1058 (1)	—	—	14	—
CMCA - Ariah Park Sewer Dump Point		1058 (2)	—	—	9	—
CMCA - Free Camp Establishment - Pinney Park		1058 (2)	—	—	7	—
Di Boom Netball Complex Resurfacing		1058 (2)	—	—	78	—
Quota - Flying Fox		1058 (2)	—	—	2	—
<b>Total other contributions – cash</b>			<b>81</b>	<b>149</b>	<b>226</b>	<b>267</b>
<b>Total other contributions</b>			<b>81</b>	<b>149</b>	<b>226</b>	<b>267</b>
<b>Total contributions</b>			<b>81</b>	<b>149</b>	<b>342</b>	<b>297</b>
<b>TOTAL GRANTS AND CONTRIBUTIONS</b>			<b>7,125</b>	<b>7,626</b>	<b>4,891</b>	<b>3,275</b>

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

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**1058 (2)** indicates income recognised under AASB 1058 “over time”.

### Accounting policy for grants and contributions

Control over grants and contributions is normally obtained upon their receipt (or acquittal) and is valued at the fair value of the granted or contributed asset at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner, or used over a particular period, and those conditions were un-discharged at reporting date, the unused grant or contribution is disclosed above.

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of section 7.12 of the *Environmental Planning and Assessment Act 1979*.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 3. Revenue from continuing operations (continued)

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

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 reporting date.

\$ '000	2020	2019
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### (f) Unspent grants and contributions – external restrictions

Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner due to externally imposed restrictions.

#### Operating grants

Unexpended at the close of the previous reporting period	1,495	779
<b>Add:</b> operating grants recognised as income in the current period but not yet spent (2019 only)	–	1,495
<b>Add:</b> operating grants received for the provision of goods and services in a future period	1,667	–
<b>Less:</b> operating grants recognised in a previous reporting period now spent (2019 only)	–	(779)
<b>Less:</b> operating grants received in a previous reporting period now spent and recognised as income	(1,177)	–
<b>Unexpended and held as externally restricted assets (operating grants)</b>	<b>1,985</b>	<b>1,495</b>

#### Capital grants

<b>Less:</b> capital grants received in a previous reporting period now spent and recognised as income	–	–
<b>Unexpended and held as externally restricted assets (capital grants)</b>	<b>–</b>	<b>–</b>

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 4. Interest and investment income

\$ '000	2020	2019
<b>Interest on financial assets measured at amortised cost</b>		
– Overdue rates and annual charges (incl. special purpose rates)	12	13
– Cash and investments	210	231
<b>Total Interest and investment income</b>	<b>222</b>	<b>244</b>
<b>Interest revenue is attributable to:</b>		
<b>Unrestricted investments/financial assets:</b>		
Overdue rates and annual charges (general fund)	12	13
<b>Restricted investments/funds – external:</b>		
Sewerage fund operations	34	34
Domestic waste management operations	21	19
Other externally restricted assets	36	40
<b>Restricted investments/funds – internal:</b>		
Internally restricted assets	119	138
<b>Total interest and investment revenue</b>	<b>222</b>	<b>244</b>

### Accounting policy for interest and investment revenue

Interest income is recognised using the effective interest rate at the date that interest is earned.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 5. Expenses from continuing operations

\$ '000	2020	2019
<b>(a) Employee benefits and on-costs</b>		
Salaries and wages	7,341	7,105
Employee leave entitlements (ELE)	885	1,244
ELE on-costs	(10)	(96)
Superannuation	832	822
Workers' compensation insurance	134	86
Fringe benefit tax (FBT)	60	72
Training costs (other than salaries and wages)	80	109
Staff uniforms and safety clothing	16	16
<b>Total employee costs</b>	<b>9,338</b>	<b>9,358</b>
Less: capitalised costs	(927)	(828)
<b>TOTAL EMPLOYEE COSTS EXPENSED</b>	<b>8,411</b>	<b>8,530</b>
Number of 'full-time equivalent' employees (FTE) at year end	112	114

### Accounting policy for employee benefits and on-costs

Employee benefit expenses are recorded when the service has been provided by the employee.

#### Retirement benefit obligations

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

#### Superannuation 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.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore 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 – refer to the Contingencies and Other Liabilities/Assets Not Recognised Note for more information.

\$ '000	2020	2019
<b>(b) Borrowing costs</b>		
<b>(i) Interest bearing liability costs</b>		
Interest on loans	55	64
<b>Total interest bearing liability costs</b>	<b>55</b>	<b>64</b>
<b>Total interest bearing liability costs expensed</b>	<b>55</b>	<b>64</b>
<b>TOTAL BORROWING COSTS EXPENSED</b>	<b>55</b>	<b>64</b>

### Accounting policy for borrowing costs

Borrowing costs are expensed when incurred.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 5. Expenses from continuing operations (continued)

\$ '000	2020	2019
<b>(c) Materials and contracts</b>		
Raw materials and consumables	6,604	6,967
Contractor and consultancy costs	6,011	5,619
Auditors remuneration <sup>2</sup>	30	29
<b>Legal expenses:</b>		
– Legal expenses: debt recovery	3	13
– Legal expenses: other	16	10
Expenses from short-term leases (2020 only)	25	–
Expenses from leases of low value assets (2020 only)	51	–
Expenses from Peppercorn leases (2020 only)	1	–
Variable lease expense relating to usage (2020 only)	3	–
<b>Operating leases expense (2019 only):</b>		
– Operating lease rentals: minimum lease payments <sup>1</sup>	–	75
<b>Total materials and contracts</b>	<b>12,744</b>	<b>12,713</b>
Less: capitalised costs	(7,073)	(7,206)
<b>TOTAL MATERIALS AND CONTRACTS</b>	<b>5,671</b>	<b>5,507</b>

### Accounting policy for materials and contracts

Expenses are recorded on an accruals basis as the council receives the goods or services.

### Operating leases (2019 only)

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.

### 1. Operating lease payments are attributable to:

Buildings	–	25
Photocopiers	–	50
	<b>–</b>	<b>75</b>

### 2. Auditor remuneration

During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

#### Auditors of the Council - NSW Auditor-General:

##### (i) Audit and other assurance services

Audit and review of financial statements	29	28
<b>Remuneration for audit and other assurance services</b>	<b>29</b>	<b>28</b>

#### Total Auditor-General remuneration

	<b>29</b>	<b>28</b>
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#### Non NSW Auditor-General audit firms

##### (i) Audit and other assurance services

Other audit and assurance services – Grant Acquittals	1	1
<b>Remuneration for audit and other assurance services</b>	<b>1</b>	<b>1</b>

#### Total remuneration of non NSW Auditor-General audit firms

	<b>1</b>	<b>1</b>
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#### Total Auditor remuneration

	<b>30</b>	<b>29</b>
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# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 5. Expenses from continuing operations (continued)

\$ '000	Notes	2020	2019
<b>(d) Depreciation, amortisation and impairment of non-financial assets</b>			
<b>Depreciation and amortisation</b>			
Plant and equipment		761	801
Office equipment		46	34
Furniture and fittings		32	30
Land improvements (depreciable)		27	28
<b>Infrastructure:</b>	10(a)		
– Buildings – non-specialised		296	288
– Buildings – specialised		723	620
– Other structures		96	95
– Roads (incl Kerb & Gutter)		2,511	2,243
– Bridges		115	97
– Footpaths		108	105
– Stormwater drainage		125	142
– Sewerage network		231	258
– Swimming pools		56	55
– Other open space/recreational assets		95	83
– Other infrastructure		53	25
Leasehold improvements		29	28
<b>Other assets:</b>			
– Library books		–	1
– Other		172	148
<b>Total gross depreciation and amortisation costs</b>		<b>5,476</b>	<b>5,081</b>
Less: capitalised costs		–	(67)
<b>Total depreciation and amortisation costs</b>		<b>5,476</b>	<b>5,014</b>
<b>Impairment / revaluation decrement of IPP&amp;E</b>			
<b>Infrastructure:</b>	10(a)		
– Roads (incl Kerb & Gutter)		–	(1,496)
<b>Total gross IPP&amp;E impairment / revaluation decrement costs / (reversals)</b>		<b>–</b>	<b>(1,496)</b>
Amounts taken through revaluation reserve	10(a)	–	1,496
<b>Total IPP&amp;E impairment / revaluation decrement costs / (reversals) charged to Income Statement</b>		<b>–</b>	<b>–</b>
<b>TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT FOR NON-FINANCIAL ASSETS</b>		<b>5,476</b>	<b>5,014</b>

### Accounting policy for depreciation, amortisation and impairment expenses of non-financial assets

#### Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in the Infrastructure, Property, Plant & Equipment Note and the Intangible Assets Note.

#### Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 5. Expenses from continuing operations (continued)

Intangible assets that have an indefinite useful life, or are not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

\$ '000	2020	2019
<b>(e) Other expenses</b>		
Advertising	63	62
Bad and doubtful debts	9	–
Bank charges	25	26
Cleaning	166	149
Conferences	7	5
Contributions/levies to other levels of government		
– Bushfire fighting fund	303	241
– Emergency services levy (includes FRNSW, SES, and RFS levies)	10	8
– NSW fire brigade levy	37	34
Councillor expenses – mayoral fee	19	17
Councillor expenses – councillors' fees	98	82
Councillors' expenses (incl. mayor) – other (excluding fees above)	34	38
Donations, contributions and assistance to other organisations (Section 356)	221	198
Electricity and heating	277	283
Insurance	410	387
Office expenses (including computer expenses)	499	219
Postage & Freight	54	47
Printing and stationery	55	58
Street lighting	147	166
Subscriptions and publications	82	57
Telephone and communications	111	105
Valuation fees	29	32
Water	159	146
Other	131	1
<b>Total other expenses</b>	<b>2,946</b>	<b>2,361</b>
<b>TOTAL OTHER EXPENSES</b>	<b>2,946</b>	<b>2,361</b>

### Accounting policy for other expenses

Other expenses are recorded on an accruals basis as the Council receives the goods or services.



# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 6. Gain or loss from disposal of assets

\$ '000	Notes	2020	2019
<b>Property (excl. investment property)</b>			
Proceeds from disposal – property		7	28
Less: carrying amount of property assets sold/written off		(10)	(216)
<b>Net gain/(loss) on disposal</b>		<b>(3)</b>	<b>(188)</b>
<b>Plant and equipment</b>			
	10(a)		
Proceeds from disposal – plant and equipment		125	268
Less: carrying amount of plant and equipment assets sold/written off		(76)	(251)
<b>Net gain/(loss) on disposal</b>		<b>49</b>	<b>17</b>
<b>Real estate assets held for sale</b>			
	9		
Proceeds from disposal – real estate assets		266	420
Less: carrying amount of real estate assets sold/written off		(191)	(294)
<b>Net gain/(loss) on disposal</b>		<b>75</b>	<b>126</b>
<b>Investments</b>			
	7(b)		
Proceeds from disposal/redemptions/maturities – investments		3,079	2,011
Less: carrying amount of investments sold/redeemed/matured		(3,079)	(2,011)
<b>Net gain/(loss) on disposal</b>		<b>–</b>	<b>–</b>
<b>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</b>		<b>121</b>	<b>(45)</b>

### Accounting policy for disposal of assets

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 7(a). Cash and cash equivalents

\$ '000	2020	2019
<b>Cash and cash equivalents</b>		
Cash on hand and at bank	1,619	457
Cash-equivalent assets		
– Deposits at call	3	3
– Short-term deposits	–	512
<b>Total cash and cash equivalents</b>	<b>1,622</b>	<b>972</b>

### Accounting policy for cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

## Note 7(b). Investments

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
<b>Investments</b>				
b. 'Financial assets at amortised cost'	12,122	–	8,708	–
<b>Total Investments</b>	<b>12,122</b>	<b>–</b>	<b>8,708</b>	<b>–</b>
<b>TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS</b>	<b>13,744</b>	<b>–</b>	<b>9,680</b>	<b>–</b>
<b>Financial assets at amortised cost</b>				
Long term deposits	12,122	–	8,708	–
<b>Total</b>	<b>12,122</b>	<b>–</b>	<b>8,708</b>	<b>–</b>

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 7(b). Investments (continued)

#### Accounting policy for investments

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

#### Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 7(c). Restricted cash, cash equivalents and investments

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Total cash, cash equivalents and investments	13,744	—	9,680	—
<b>attributable to:</b>				
External restrictions	5,170	—	4,010	—
Internal restrictions	8,104	—	5,668	—
Unrestricted	470	—	2	—
	13,744	—	9,680	—

\$ '000	2020	2019
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### Details of restrictions

#### External restrictions – included in liabilities

Specific purpose unexpended grants – general fund (2020 only)	1,985	—
Specific purpose unexpended grants – water fund (2020 only)	—	—
Specific purpose unexpended grants – sewer fund (2020 only)	—	—
<b>External restrictions – included in liabilities</b>	<b>1,985</b>	<b>—</b>

#### External restrictions – other

Developer contributions – general	96	25
Specific purpose unexpended grants (recognised as revenue) – general fund	—	1,495
Sewerage services	2,085	1,555
Stormwater management	181	139
Domestic waste management	823	796
<b>External restrictions – other</b>	<b>3,185</b>	<b>4,010</b>

#### Total external restrictions

	<b>5,170</b>	<b>4,010</b>
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#### Internal restrictions

Plant and vehicle replacement	447	206
Infrastructure replacement	854	494
Employees leave entitlement	1,379	325
Carry over works	521	1,012
355 Committees Unexpended Funds	52	—
Airside Maintenance	34	—
Computer Upgrade	213	217
Financial Assistance Grants Received in Advance	1,868	1,938
Gravel royalty	307	306
Industrial development	198	198
Izumizaki donation	2	2
Local roads reserve	417	204
Medical complex	18	40
Other Equipment Reserve	35	—
Other Waste Management	440	173
Pinnacle Unexpended Funds	818	—
Roads reserve	500	553
Other	1	—
<b>Total internal restrictions</b>	<b>8,104</b>	<b>5,668</b>

#### TOTAL RESTRICTIONS

	<b>13,274</b>	<b>9,678</b>
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# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 8. Receivables

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
<b>Purpose</b>				
Rates and annual charges	219	—	210	—
Interest and extra charges	10	—	18	—
User charges and fees	599	—	852	—
Accrued revenues				
– Interest on investments	67	—	73	—
– Other income accruals	118	—	253	—
Deferred debtors	172	—	11	5
Government grants and subsidies	2,334	—	1,526	—
Net GST receivable	135	—	141	—
Other debtors	15	—	36	—
<b>Total</b>	<b>3,669</b>	<b>—</b>	<b>3,120</b>	<b>5</b>
<b>Less: provision of impairment</b>				
User charges and fees	(12)	—	(3)	—
<b>Total provision for impairment – receivables</b>	<b>(12)</b>	<b>—</b>	<b>(3)</b>	<b>—</b>
<b>TOTAL NET RECEIVABLES</b>	<b>3,657</b>	<b>—</b>	<b>3,117</b>	<b>5</b>
<b>Externally restricted receivables</b>				
<b>Sewerage services</b>				
– Rates and availability charges	53	—	49	—
– Other	1,899	—	797	—
<b>Domestic waste management</b>	<b>36</b>	<b>—</b>	<b>37</b>	<b>—</b>
<b>Total external restrictions</b>	<b>1,988</b>	<b>—</b>	<b>883</b>	<b>—</b>
<b>Unrestricted receivables</b>	<b>1,669</b>	<b>—</b>	<b>2,234</b>	<b>5</b>
<b>TOTAL NET RECEIVABLES</b>	<b>3,657</b>	<b>—</b>	<b>3,117</b>	<b>5</b>

\$ '000	2020	2019
<b>Movement in provision for impairment of receivables</b>		
Balance at the beginning of the year	3	3
+ new provisions recognised during the year	9	—
<b>Balance at the end of the year</b>	<b>12</b>	<b>3</b>

### Accounting policy for receivables

#### Recognition and measurement

Receivables are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 8. Receivables (continued)

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#### Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

None of the receivables that have been written off are subject to enforcement activity.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 9. Inventories and other assets

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
<b>(a) Inventories</b>				
<b>(i) Inventories at cost</b>				
Real estate for resale	1,176	–	1,338	–
Stores and materials	460	–	490	–
<b>Total inventories at cost</b>	<b>1,636</b>	<b>–</b>	<b>1,828</b>	<b>–</b>
<b>TOTAL INVENTORIES</b>	<b>1,636</b>	<b>–</b>	<b>1,828</b>	<b>–</b>

## (b) Other assets

Prepayments	108	–	63	–
Other	1	–	1	–
<b>TOTAL OTHER ASSETS</b>	<b>109</b>	<b>–</b>	<b>64</b>	<b>–</b>

### Externally restricted assets

There are no restrictions applicable to the above assets.

## (i) Other disclosures

\$ '000	Notes	2020 Current	2020 Non-current	2019 Current	2019 Non-current
<b>(a) Details for real estate development</b>					
Residential		1,064	–	1,226	–
Industrial/commercial		112	–	112	–
<b>Total real estate for resale</b>		<b>1,176</b>	<b>–</b>	<b>1,338</b>	<b>–</b>

(Valued at the lower of cost and net realisable value)

### Represented by:

Acquisition & development costs	1,176	–	1,338	–
<b>Total costs</b>	<b>1,176</b>	<b>–</b>	<b>1,338</b>	<b>–</b>
<b>Total real estate for resale</b>	<b>1,176</b>	<b>–</b>	<b>1,338</b>	<b>–</b>

### Movements:

Real estate assets at beginning of the year	1,338	–	1,210	–
– Purchases and other costs	29	–	422	–
– WDV of sales (expense)	(191)	–	(294)	–
<b>Total real estate for resale</b>	<b>1,176</b>	<b>–</b>	<b>1,338</b>	<b>–</b>

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# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 9. Inventories and other assets (continued)

### (b) Current assets not anticipated to be settled within the next 12 months

The following inventories and other assets, even though classified as current are not expected to be recovered in the next 12 months;

\$ '000	2020	2019
Real estate for resale	847	1,138
	<u>847</u>	<u>1,138</u>

### Accounting policy for inventories and other assets

#### Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition and development.



# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 10(a). Infrastructure, property, plant and equipment

	as at 30/06/19		Asset movements during the reporting period										as at 30/06/20	
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Other movements (Assets Written Off)	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Net carrying amount
<b>\$ '000</b>														
Capital work in progress	995	–	995	570	244	–	–	(865)	–	(99)	–	–	845	845
Plant and equipment	8,911	(4,452)	4,459	860	65	(74)	(761)	–	–	–	–	–	9,514	4,549
Office equipment	518	(396)	122	44	80	–	(46)	–	–	–	–	–	492	200
Furniture and fittings	361	(216)	145	4	16	–	(32)	–	–	–	–	–	381	133
<b>Land:</b>														
– Operational land	2,950	–	2,950	–	74	(5)	–	–	–	–	–	–	3,019	3,019
– Community land	2,911	–	2,911	–	–	–	–	–	–	–	–	–	2,911	2,911
Land improvements – depreciable	571	(208)	363	194	8	–	(27)	2	–	–	–	–	776	540
<b>Infrastructure:</b>														
– Buildings – non-specialised	13,738	(7,452)	6,286	–	445	–	(296)	–	–	–	–	–	14,175	6,435
– Buildings – specialised	27,896	(12,588)	15,308	824	129	–	(723)	822	–	–	–	–	29,671	16,360
– Other structures	2,160	(968)	1,192	–	14	–	(96)	–	10	–	–	–	2,194	1,120
– Roads	144,396	(59,560)	84,836	1,200	1,752	(5)	(2,511)	2	–	–	–	600	154,728	85,874
– Bridges	9,658	(2,156)	7,502	–	–	–	(115)	–	1,827	–	–	4,571	18,453	13,785
– Footpaths	4,992	(1,543)	3,449	–	307	–	(108)	–	(194)	–	–	1,456	6,706	4,910
– Bulk earthworks (non-depreciable)	51,007	–	51,007	–	–	–	–	–	–	–	–	10,268	61,275	61,275
– Stormwater drainage	14,338	(5,533)	8,805	29	96	–	(125)	1	(1,837)	–	(522)	–	11,449	6,447
– Sewerage network	21,187	(8,040)	13,147	20	36	(2)	(231)	–	(1,079)	–	–	113	20,278	12,004
– Swimming pools	2,183	(1,060)	1,123	13	–	–	(56)	–	–	–	–	–	2,196	1,080
– Other open space/recreational assets	1,687	(645)	1,042	153	159	–	(95)	2	–	–	–	–	2,001	1,261
– Other infrastructure	1,984	(521)	1,463	1,575	138	–	(53)	36	1,273	–	–	–	5,084	4,432
Leasehold improvements	428	(101)	327	–	12	–	(29)	–	–	–	–	–	440	310
<b>Other assets:</b>														
– Library books	61	(21)	40	–	–	–	(1)	–	–	–	–	–	61	39
– Other	2,437	(816)	1,621	20	71	–	(171)	–	–	–	–	–	2,528	1,541
<b>Total Infrastructure, property, plant and equipment</b>	<b>315,369</b>	<b>(106,276)</b>	<b>209,093</b>	<b>5,506</b>	<b>3,646</b>	<b>(86)</b>	<b>(5,476)</b>	<b>–</b>	<b>–</b>	<b>(99)</b>	<b>(522)</b>	<b>17,008</b>	<b>349,177</b>	<b>229,070</b>

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 10(a). Infrastructure, property, plant and equipment (continued)

as at 30/06/18				Asset movements during the reporting period								as at 30/06/19		
\$ '000	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	Impairment reversal (recognised in equity)	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation	Net carrying amount
Capital work in progress	216	–	216	944	–	–	–	–	–	(165)	–	995	–	995
Plant and equipment	8,931	(4,279)	4,652	854	5	(251)	(801)	–	–	–	–	8,911	(4,452)	4,459
Office equipment	473	(362)	111	39	6	–	(34)	–	–	–	–	518	(396)	122
Furniture and fittings	348	(185)	163	1	11	–	(30)	–	–	–	–	361	(216)	145
Land:														
– Operational land	2,793	–	2,793	–	176	(19)	–	–	–	–	–	2,950	–	2,950
– Community land	2,748	–	2,748	–	–	–	–	–	–	–	163	2,911	–	2,911
Land improvements – depreciable	566	(180)	386	5	–	–	(28)	–	–	–	–	571	(208)	363
Infrastructure:														
– Buildings – non-specialised	13,553	(7,164)	6,389	185	–	–	(288)	–	–	–	–	13,738	(7,452)	6,286
– Buildings – specialised	24,779	(11,899)	12,880	1,049	1,605	(39)	(620)	–	141	292	–	27,896	(12,588)	15,308
– Other structures	2,350	(992)	1,358	41	–	(112)	(95)	–	–	–	–	2,160	(968)	1,192
– Roads	140,968	(57,316)	83,652	1,920	11	–	(2,243)	1,496	–	–	–	144,396	(59,560)	84,836
– Bridges	9,658	(2,059)	7,599	–	–	–	(97)	–	–	–	–	9,658	(2,156)	7,502
– Footpaths	4,834	(1,438)	3,396	–	158	–	(105)	–	–	–	–	4,992	(1,543)	3,449
– Bulk earthworks (non-depreciable)	51,007	–	51,007	–	–	–	–	–	–	–	–	51,007	–	51,007
– Stormwater drainage	13,839	(5,391)	8,448	495	–	–	(142)	–	4	–	–	14,338	(5,533)	8,805
– Sewerage network	20,671	(7,655)	13,016	122	60	–	(258)	–	–	–	207	21,187	(8,040)	13,147
– Swimming pools	2,183	(1,005)	1,178	–	–	–	(55)	–	–	–	–	2,183	(1,060)	1,123
– Other open space/recreational assets	1,574	(596)	978	80	112	(46)	(83)	–	1	–	–	1,687	(645)	1,042
– Other infrastructure	1,865	(496)	1,369	50	69	–	(25)	–	–	–	–	1,984	(521)	1,463
Leasehold improvements	973	(327)	646	1	–	–	(28)	–	–	(292)	–	428	(101)	327
Other assets:														
– Library books	61	(20)	41	–	–	–	(1)	–	–	–	–	61	(21)	40
– Other	2,222	(669)	1,553	74	123	–	(148)	–	19	–	–	2,437	(816)	1,621
Total Infrastructure, property, plant and equipment	306,612	(102,033)	204,579	5,860	2,336	(467)	(5,081)	1,496	–	–	370	315,369	(106,276)	209,093

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 10(a). Infrastructure, property, plant and equipment (continued)

### Accounting policy for infrastructure, property, plant and equipment

Infrastructure, property, plant and equipment are held at fair value. Independent valuations are performed at least every five years, however the carrying amount of assets is assessed at each reporting date to confirm that it is not materially different from current fair value.

Sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Crown Lands and Water (CLAW).

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

<b>Plant and equipment</b>	<b>Years</b>	<b>Other equipment</b>	<b>Years</b>
Office equipment	5 to 10	Playground equipment	10 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 15
Computer equipment	4 to 7		
Vehicles	5 to 10	<b>Buildings</b>	
Heavy plant/road making equipment	5 to 10	Buildings: all	40 to 100
Minor plant and equipment	2 to 10		
		<b>Other infrastructure assets</b>	
<b>Sewer assets</b>		Bulk earthworks	Infinite
Earth Lagoons and reservoirs	200	Swimming pools	50 to 60
Sewer Reticulation Pipes	70 to 120	Other open space/recreational assets	10 to 50
Sewer Maintenance Shafts	150		
Sewer Reticulation Connections	100	<b>Transportation assets</b>	
Pump Stations Structural	100	Sealed roads: surface	18 to 20
Effluent Reticulation Pipes	80	Sealed roads: structure	100
Irrigation Network Structural	40	Unsealed roads: structure	100
Internal Roads	20	Unsealed roads: surface	15 to 40
Mechanical	20 to 30	Bridge: concrete	100
Electrical - 3 phase power	100	Bridge: other	100
Electrical - Other	20	Road pavements	20 to 100
		Kerb, gutter and footpaths	50 to 100
<b>Stormwater assets</b>			
Drains	100		
Culverts	100		

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

### Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 10(a). Infrastructure, property, plant and equipment (continued)

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

### Crown reserves

Crown reserves under Council's care and control are recognised as assets of the council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

### Rural Fire Service assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed".

Until such time as discussions on this matter have concluded and the legislation changed, Council will not recognise rural fire service assets including land, buildings, plant and vehicles.

## Note 10(b). Externally restricted infrastructure, property, plant and equipment

\$ '000	as at 30/06/20			as at 30/06/19		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
<b>Sewerage services</b>						
Plant and equipment	197	56	141	109	44	65
Land						
Infrastructure	20,278	8,274	12,004	21,187	8,040	13,147
<b>Total sewerage services</b>	<b>20,475</b>	<b>8,330</b>	<b>12,145</b>	<b>21,296</b>	<b>8,084</b>	<b>13,212</b>
<b>Domestic waste management</b>						
Plant and equipment	223	152	71	252	164	88
Land						
– Operational land	130	–	130	167	–	167
– Improvements – depreciable	37	8	29	47	10	37
Buildings	83	29	54	104	34	70
Other structures	59	33	26	81	42	39
Other assets	35	32	3	43	38	5
<b>Total DWM</b>	<b>567</b>	<b>254</b>	<b>313</b>	<b>694</b>	<b>288</b>	<b>406</b>
<b>TOTAL RESTRICTED IPP&amp;E</b>	<b>21,042</b>	<b>8,584</b>	<b>12,458</b>	<b>21,990</b>	<b>8,372</b>	<b>13,618</b>

## Note 10(c). Infrastructure, property, plant and equipment – current year impairments

\$ '000	Notes	2020	2019
(iv) Reversals of impairment losses previously recognised direct to equity (ARR):			
– Road Assets previously impaired and reversed		–	1,496
<b>Total impairment reversals</b>		<b>–</b>	<b>1,496</b>
<b>IMPAIRMENT OF ASSETS – DIRECT to EQUITY (ARR)</b>		<b>–</b>	<b>1,496</b>

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 11. Contract assets and liabilities

\$ '000		2020 Current	2020 Non-current
<b>(a) Contract assets</b>			
Other Grants		29	—
<b>Total Contract assets</b>		<b>29</b>	<b>—</b>

\$ '000	Notes	2020 Current	2020 Non-current
<b>(b) Contract liabilities</b>			
<b>Grants and contributions received in advance:</b>			
Unexpended capital grants (to construct Council controlled assets)	(i)	430	—
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	454	—
<b>Total grants received in advance</b>		<b>884</b>	<b>—</b>
<b>User fees and charges received in advance:</b>			
Homecare Packages	(iii)	1,136	—
<b>Total user fees and charges received in advance</b>		<b>1,136</b>	<b>—</b>
<b>Total contract liabilities</b>		<b>2,020</b>	<b>—</b>

### Notes

(i) Council has received funding to construct/upgrade assets including sporting facilities, library and other infrastructure. The funds received are under an enforceable contract which require Council to construct/upgrade an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

(iii) The contract liability relates to user fees received for various Pinnacle Homecare Package clients. The funds received are recorded as a contract liability on receipt and recognised as revenue as the packages are provided.

### Significant changes in contract assets and liabilities

The contract liabilities have arisen on adoption of AASB 15 and AASB 1058. Previously income received in advance was recognised for reciprocal contracts. The increase in a contract liability is primarily due to grants in the scope of AASB 15 and capital grants received by Council to acquire or construct assets which will be under Council's control. Previously, revenue was recognised on receipt of the funds.

### Accounting policy for contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before the payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.

When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 12. Leases

The Council has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

Council has leases over a range of assets including land and buildings and IT equipment. Information relating to the leases in place and associated balances and transactions is provided below.

### Terms and conditions of leases

#### Office and IT equipment

Leases for office and IT equipment are considered low value assets. The leases are for between 3 and 5 years with no renewal option, the payments are fixed, however some of the leases include variable payments based on usage.

Council does not believe that any of the leases in place are material from a statement of financial position or performance perspective.

\$ '000	2020
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#### (a) Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

Variable lease payments based on usage not included in the measurement of lease liabilities	3
Expenses relating to short-term leases	25
Expenses relating to low-value leases	51
Expenses relating to Peppercorn leases	1
	80

#### (b) Statement of Cash Flows

Total cash outflow for leases	81
	81

#### Leases at significantly below market value – concessionary / peppercorn leases

Council has a number of leases at significantly below market for land and buildings which are used for:

- Youth Programs
- RV Motorhome Free Camp
- Tourism

The leases are generally between 7 and 10 years and require payments of less than \$1,000 per year. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council does not believe that any of the leases in place are material from a statement of financial position or performance perspective.

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 12. Leases (continued)

**Accounting policy****Accounting policies under AASB 16 – applicable from 1 July 2019**

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

At the lease commencement, Council recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives. The right-of-use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

**Exceptions to lease accounting**

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

**Leases at significantly below market value / concessionary leases**

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

**Accounting policy under AASB 117 and associated Accounting Interpretations (2019 only)**

Refer to Expenses from Continuing Operations - Materials & Contracts Note and Payables & Borrowings Note.

**(c) Operating leases**

Council leases out a number of properties and /or plant and equipment to businesses and community groups. These leases have been classified as operating leases for financial reporting purposes and the assets are included as IPP&E (refer in this note part (v) below) in the Statement of Financial Position.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below:

<b>\$ '000</b>	<b>2020</b>
<b>(i) Operating lease income</b>	
Room/Facility Hire	221
Leaseback fees - council vehicles	39
Aerodrome Hangars	8
Sporting Grounds	9
Vacant Land	5
<b>Total income relating to operating leases</b>	<b>282</b>

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 12. Leases (continued)

\$ '000	2020
<b>(iv) Maturity analysis of contractual lease income</b>	
Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:	
< 1 year	204
1–2 years	207
2–3 years	149
3–4 years	140
4–5 years	141
> 5 years	141
<b>Total undiscounted contractual lease income receivable</b>	<b>982</b>

### Accounting policy

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

If the lease contains lease and non-lease components then the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income is recognised on a straight-line basis over the lease term.



# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 13. Payables and borrowings

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
<b>Payables</b>				
Prepaid rates	84	—	75	—
Goods and services – operating expenditure	1,826	—	1,050	—
Goods and services – capital expenditure	—	—	76	—
Accrued expenses:				
– Borrowings	13	—	12	—
– Salaries and wages	279	—	285	1
– Other expenditure accruals	18	—	18	—
Security bonds, deposits and retentions	190	—	185	—
<b>Total payables</b>	<b>2,410</b>	<b>—</b>	<b>1,701</b>	<b>1</b>
<b>Income received in advance (2019 only)</b>				
Payments received in advance	—	—	306	—
<b>Total income received in advance</b>	<b>—</b>	<b>—</b>	<b>306</b>	<b>—</b>
<b>Borrowings</b>				
Loans – secured	355	2,249	229	1,605
<b>Total borrowings</b>	<b>355</b>	<b>2,249</b>	<b>229</b>	<b>1,605</b>
<b>TOTAL PAYABLES AND BORROWINGS</b>	<b>2,765</b>	<b>2,249</b>	<b>2,236</b>	<b>1,606</b>

### (a) Payables and borrowings relating to restricted assets

There are no restricted assets (external or internal) applicable to the above payables and borrowings

### (b) Changes in liabilities arising from financing activities

\$ '000	as at 30/06/19		Non-cash changes				as at 30/06/20
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	1,834	770	—	—	—	—	2,604
<b>TOTAL</b>	<b>1,834</b>	<b>770</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,604</b>

\$ '000	as at 30/06/18		Non-cash changes				as at 30/06/19
	Opening Balance	Cash flows	Acquisition	Fair value changes	Other non-cash movement		Closing balance
Loans – secured	313	1,521	—	—	—		1,834
<b>TOTAL</b>	<b>313</b>	<b>1,521</b>	<b>—</b>	<b>—</b>	<b>—</b>		<b>1,834</b>

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 13. Payables and borrowings (continued)

\$ '000	2020	2019
<b>(c) Financing arrangements</b>		
<b>(i) Unrestricted access was available at balance date to the following lines of credit:</b>		
Bank overdraft facilities <sup>1</sup>	200	200
Credit cards/purchase cards	30	30
<b>Total financing arrangements</b>	<b>230</b>	<b>230</b>
<b>Drawn facilities as at balance date:</b>		
– Credit cards/purchase cards	8	9
<b>Total drawn financing arrangements</b>	<b>8</b>	<b>9</b>
<b>Undrawn facilities as at balance date:</b>		
– Bank overdraft facilities	200	200
– Credit cards/purchase cards	22	21
<b>Total undrawn financing arrangements</b>	<b>222</b>	<b>221</b>

## Additional financing arrangements information

## Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of the loans.

## Security over loans

Loans are secured by a mortgage over future years rate revenue only.

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

## Accounting policy for payables and borrowings

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Council comprise trade payables and bank loans.

## Payables

These amounts represent liabilities for goods and services provided to the council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

## Borrowings

Borrowings are carried at their principal amounts, which represents the present value of future cash flows associated with servicing the debt.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 14. Provisions

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
<b>Provisions</b>				
<b>Employee benefits</b>				
Annual leave	1,008	–	981	–
Sick leave	1,172	–	1,366	–
Long service leave	1,795	54	1,872	61
<b>Sub-total – aggregate employee benefits</b>	<b>3,975</b>	<b>54</b>	<b>4,219</b>	<b>61</b>
<b>TOTAL PROVISIONS</b>	<b>3,975</b>	<b>54</b>	<b>4,219</b>	<b>61</b>

### (a) Provisions relating to restricted assets

There are no restricted assets (external or internal) applicable to the above provisions

\$ '000	2020	2019
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### (b) Current provisions not anticipated to be settled within the next twelve months

The following provisions, even though classified as current, are not expected to be settled in the next 12 months.

Provisions – employees benefits	3,202	2,977
	<b>3,202</b>	<b>2,977</b>

### (c) Description of and movements in provisions

	ELE provisions			
\$ '000	Annual leave	Sick leave	Long service leave	Total
<b>2020</b>				
At beginning of year	981	1,366	1,933	4,280
Additional provisions	484	217	230	931
Amounts used (payments)	(455)	(402)	(278)	(1,135)
Other	(2)	(9)	(36)	(47)
Total ELE provisions at end of year	1,008	1,172	1,849	4,029
<b>2019</b>				
At beginning of year	994	1,359	1,791	4,144
Additional provisions	470	309	253	1,032
Amounts used (payments)	(488)	(376)	(225)	(1,089)
Remeasurement effects	5	74	114	193
Total ELE provisions at end of year	981	1,366	1,933	4,280

### Accounting policy for provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 14. Provisions (continued)

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Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### Employee benefits

##### Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) 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 and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

##### Other long-term employee benefit obligations

The liability for long-service leave and annual leave that 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, 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.

##### On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council 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.

#### Provisions for close-down and restoration, and environmental clean-up costs – tips and quarries

##### Restoration

Close-down, restoration and remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and remediation of disturbed areas.

Council has undertaken a review of the work required to restore the quarries and tips within its area. Due to the current working methods being carried out at the sites, restoration costs are negligible and are unable to be accurately identified. Due to the small cost involved, it has been classified as immaterial and has not been recognised in the financial statements.

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

#### (a) Nature and purpose of reserves

##### **Infrastructure, property, plant and equipment revaluation reserve**

The infrastructure, property, plant and equipment revaluation reserve is used to record increments / decrements of non-current asset values due to their revaluation.

#### (b) Changes in accounting policies due to adoption of new accounting standards (not-retrospective)

During the year ended 30 June 2020, the Council has adopted AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-profit Entities* and AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method and therefore the comparative information for the year ended 30 June 2019 has not been restated and continues to comply with AASB 111 *Construction Contracts*, AASB 117 *Leases*, AASB 118 *Revenue*, AASB 1004 *Contributions* and associated Accounting Interpretations.

All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

The impacts of adopting these standards and associated transition disclosures are provided below:

#### (ii) AASB 15 and AASB 1058

The following approach has been applied on transition to AASB 15 and AASB 1058:

- Council has not adopted the completed contract expedient and therefore has not excluded revenue which was fully recognised in previous years in accordance with the former accounting standards and pronouncements
- Council has retrospectively restated contracts for modifications that occurred before 1 July 2019 unless such contract modification were minor.

##### **Transfer of control to a customer – over time or at a point in time**

AASB 15 has specific criteria regarding whether control is transferred over time or at a point in time. The entity has reviewed its contracts and concluded that the criteria for recognition over time is not met in some circumstances. In such cases, revenue and related production costs will be recognised at the delivery of each separate performance obligation instead of over the contract using a single margin.

##### **Principal v agent**

Prior to adoption of AASB 15, the Council had assessed that they were a principal in transactions where another party was involved in providing the goods or services including pass-through grants.

Under AASB 15, the indicators of a principal have changed and there are now a number of performance obligations within grant agreements where the Council is acting as an agent since the only obligation is to transfer the funds to a third party. The result is that Council can only recognise the “commission” to which they are entitled rather than the gross revenue and expenses. There is no change to reported profit.

##### **Prepaid rates**

Under AASB 1004, rates were recorded as revenue at the earliest of receipt of the funds from the ratepayer and the beginning of the rating period. Under AASB 1058, prepaid rates are recognised as a financial liability until the beginning of the rating period.

##### **Grants – operating**

Under AASB 1004, most grant income was recognised as revenue on receipt. Under AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed, or recognised at the point in time that the control of the services passes to the customer.

##### **Grants – capital**

Under AASB 1004, most grant monies were recorded as revenue on receipt. Under AASB 1058, where Council has received assets (including cash) to acquire or construct a non-financial asset, the asset is to be controlled by Council and the contract is enforceable, then the asset is recognised as a contract liability on receipt and recorded as revenue as the performance obligation to acquire or construct the asset is completed.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

### Changes in presentation

In addition to the above changes in accounting policies, the Council has also amended the presentation of certain items to align them with the requirements of AASB 15 and AASB 1058:

- Additional line items for contract liabilities has been created.

\$ '000	Balance at 1 July 2019
<b>Opening contract balances at 1 July 2019</b>	
<b>Contract liabilities</b>	
– Under AASB 1058	318
<b>Total Contract liabilities</b>	<b>318</b>

### Comparison of financial statement line items under AASB 15 compared to previous standards for the current year

The following tables show the impact of adopting AASB 15 and AASB 1058 on the Council's financial statements for the year ended 30 June 2020.

#### Statement of Financial Position

\$ '000	Carrying amount per Statement of Financial Position under AASB 15 and AASB 1058	Reclassific- ation	Remeasur- ement	Carrying amount under previous revenue standards
<b>Current assets</b>				
Cash and cash equivalents	1,622	–	–	1,622
Investments	12,122	–	–	12,122
Receivables	3,657	438	–	4,095
Inventories	1,636	–	–	1,636
Contract assets	29	(438)	–	(409)
Other	109	–	–	109
<b>Total current assets</b>	<b>19,175</b>	<b>–</b>	<b>–</b>	<b>19,175</b>
<b>Current liabilities</b>				
Payables	2,410	–	–	2,410
Contract liabilities	2,020	–	(2,020)	–
Borrowings	355	–	–	355
Provisions	3,975	–	–	3,975
<b>Total current liabilities</b>	<b>8,760</b>	<b>–</b>	<b>(2,020)</b>	<b>6,740</b>

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

\$ '000	Carrying amount per Statement of Financial Position under AASB 15 and AASB 1058	Reclassific- ation	Remeasur- ement	Carrying amount under previous revenue standards
<b>Non-current assets</b>				
Infrastructure, property, plant and equipment	229,070	–	–	229,070
Investments accounted for using equity method	204	–	–	204
<b>Total non-current assets</b>	<b>229,274</b>	<b>–</b>	<b>–</b>	<b>229,274</b>
<b>Non-current liabilities</b>				
Borrowings	2,249	–	–	2,249
Provisions	54	–	–	54
<b>Total Non-current liabilities</b>	<b>2,303</b>	<b>–</b>	<b>–</b>	<b>2,303</b>
<b>Net assets</b>	<b>237,386</b>	<b>–</b>	<b>2,020</b>	<b>239,406</b>
<b>Equity</b>				
Accumulated surplus	94,385	–	2,020	96,405
Revaluation reserves	143,001	–	–	143,001
<b>Council equity interest</b>	<b>237,386</b>	<b>–</b>	<b>2,020</b>	<b>239,406</b>
<b>Total equity</b>	<b>237,386</b>	<b>–</b>	<b>2,020</b>	<b>239,406</b>

Funds under AASB 15 and AASB 1058 which have been recieved prior to the satisfaction of the performance obligation

## Income Statement

\$ '000	Income Statement and comprehen- sive income under AASB 15 and AASB 1058	Reclassific- ation	Remeasur- ement	Income Statement and comprehen- sive income under previous revenue standards
<b>Income from continuing operations</b>				
Rates and annual charges	5,627	–	–	5,627
User charges and fees	8,964	–	1,136	10,100
Other revenues	676	–	–	676
Grants and contributions provided for operating purposes	7,125	–	454	7,579
Grants and contributions provided for capital purposes	4,891	–	430	5,321
Interest and investment income	222	–	–	222
Net gains from the disposal of assets	121	–	–	121
Rental income	282	–	–	282
Net share of interests in joint ventures and associates using the equity method	3	–	–	3
<b>Total Income from continuing operations</b>	<b>27,911</b>	<b>–</b>	<b>2,020</b>	<b>29,931</b>

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

### Expenses from continuing operations

Employee benefits and on-costs	8,411	–	–	8,411
Borrowing costs	55	–	–	55
Materials and contracts	5,671	–	–	5,671
Depreciation and amortisation	5,476	–	–	5,476
Other expenses	2,946	–	–	2,946

<b>Total Expenses from continuing operations</b>	<b>22,559</b>	<b>–</b>	<b>–</b>	<b>22,559</b>
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### Total Operating result from continuing operations

	5,352	–	2,020	7,372
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Net operating result for the year	5,352	–	2,020	7,372
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<b>Total comprehensive income</b>	<b>21,844</b>	<b>–</b>	<b>2,020</b>	<b>23,864</b>
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Difference in revenue between recognition on receipt under the old standards and as/when performance obligations are met under the new standards

## Adjustments to the current year figures for the year ended 30 June 2020

### Statement of Financial Position

\$ '000	Original Balance 1 July, 2019	Impact Increase/ (decrease)	Restated Balance 1 July, 2019
Contract assets	–	–	–
<b>Total assets</b>	<b>223,982</b>	<b>–</b>	<b>223,982</b>
Contract liabilities	–	318	318
<b>Total liabilities</b>	<b>8,122</b>	<b>318</b>	<b>8,440</b>
Accumulated surplus	89,345	(318)	89,027
<b>Total equity</b>	<b>215,860</b>	<b>(318)</b>	<b>215,542</b>

### (iii) AASB 16 Leases



# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

### Council as a lessee

Under AASB 117, Council assessed whether leases were operating or finance leases, based on its assessment of whether the significant risks and rewards of ownership had been transferred to Council or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low-value assets).

Council has used the exception to lease accounting for short-term leases and leases of low-value assets, and the lease expense relating to these leases is recognised in the Income Statement on a straight-line basis.

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition. Council has used the following expedients:

- Contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16.
- Lease liabilities have been discounted using the Council's incremental borrowing rate at 1 July 2019.
- Right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjustment by the any prepaid or accrued lease payments.
- A single discount rate was applied to all leases with similar characteristics.
- The right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset.
- Excluded leases with an expiry date prior to 30 June 2020 from the Statement of Financial Position, and lease expenses for these leases have been recorded on a straight-line basis over the remaining term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

### Financial statement impact of adoption of AASB 16

Council has made no adjustment for leases as at 1 July 2019 as the commitments are for copiers which are low value assets.

\$ '000	Notes	Balance at 1 July 2019
<b>Operating lease commitments at 30 June 2019 per Council financial statements</b>		<b>135</b>
<b>Reconciliation of lease liabilities recognised on adoption of AASB 16 Leases</b>		
<b>Operating lease commitments discounted using the incremental borrowing rate at 1 July 2019</b>		<b>135</b>
<b>Less:</b>		
Leases for low-value assets included in commitments note		(135)
<b>Lease liabilities recognised at 1 July 2019</b>		<b>—</b>

### Council as a lessor

For the arrangements where Council is a lessor, there are no significant accounting policy changes on adoption of AASB 16 except for sub-leases, which have now been classified in relation to the right-of-use asset under the head lease rather than the underlying asset.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 16. Statement of cash flow information

\$ '000	Notes	2020	2019
<b>(a) Reconciliation of cash and cash equivalents</b>			
Total cash and cash equivalents per Statement of Financial Position	7(a)	1,622	972
<b>Balance as per the Statement of Cash Flows</b>		<b>1,622</b>	<b>972</b>
<b>(b) Reconciliation of net operating result to cash provided from operating activities</b>			
<b>Net operating result from Income Statement</b>		5,352	3,102
<b>Adjust for non-cash items:</b>			
Depreciation and amortisation		5,476	5,014
Net losses/(gains) on disposal of assets		(121)	45
Adoption of AASB 15/1058		(318)	–
Share of net (profits)/losses of associates/joint ventures using the equity method		(3)	(9)
<b>+/- Movement in operating assets and liabilities and other cash items:</b>			
Decrease/(increase) in receivables		(388)	453
Increase/(decrease) in provision for impairment of receivables		9	–
Decrease/(increase) in inventories		30	(237)
Decrease/(increase) in other current assets		(45)	81
Decrease/(increase) in contract assets		(29)	–
Increase/(decrease) in payables		776	(168)
Increase/(decrease) in accrued interest payable		1	8
Increase/(decrease) in other accrued expenses payable		(7)	(29)
Increase/(decrease) in other liabilities		(292)	(163)
Increase/(decrease) in contract liabilities		2,020	–
Increase/(decrease) in provision for employee benefits		(251)	136
<b>Net cash provided from/(used in) operating activities from the Statement of Cash Flows</b>		<b>12,210</b>	<b>8,233</b>

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 17. Interests in other entities

\$ '000	Council's share of net income		Council's share of net assets	
	2020	2019	2020	2019
Joint ventures	3	9	204	195
<b>Total</b>	<b>3</b>	<b>9</b>	<b>204</b>	<b>195</b>

## Joint arrangements

### (i) Joint ventures

Council has incorporated the following joint ventures into its consolidated financial statements.

#### (a) Net carrying amounts – Council's share

\$ '000	Nature of relationship	Measurement method	2020	2019
Riverina Regional Library	Joint venture		204	195
<b>Total carrying amounts – material joint ventures</b>			<b>204</b>	<b>195</b>

#### (b) Details

Principal activity		Place of business
Riverina Regional Library	Provision of library services	Riverina

#### (c) Relevant interests and fair values

\$ '000	Interest in outputs		Interest in ownership		Proportion of voting power	
	2020	2019	2020	2019	2020	2019
Riverina Regional Library	4.5%	4.4%	4.5%	4.4%	4.5%	4.4%

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 17. Interests in other entities (continued)

### (d) Summarised financial information for joint ventures

\$ '000	Riverina Regional Library	
	2020	2019
<b>Statement of financial position</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,866	2,651
Other current assets	31	26
<b>Non-current assets</b>		
	2,641	2,742
<b>Current liabilities</b>		
Current financial liabilities (excluding trade and other payables and provisions)	981	939
<b>Non-current liabilities</b>		
Non-current financial liabilities (excluding trade and other payables and provisions)	4	3
<b>Net assets</b>	<b>4,553</b>	<b>4,477</b>
<b>Reconciliation of the carrying amount</b>		
Opening net assets (1 July)	4,477	4,253
Profit/(loss) for the period	76	224
<b>Closing net assets</b>	<b>4,553</b>	<b>4,477</b>
<b>Council's share of net assets (%)</b>		
	4.5%	4.4%
<b>Council's share of net assets (\$)</b>		
	204	195
<b>Statement of comprehensive income</b>		
Income	3,054	2,954
Interest income	29	26
Interest expense	(13)	(10)
Depreciation and amortisation	(853)	(828)
Other expenses	(2,141)	(1,918)
<b>Profit/(loss) from continuing operations</b>	<b>76</b>	<b>224</b>
<b>Profit/(loss) for the period</b>	<b>76</b>	<b>224</b>
<b>Total comprehensive income</b>	<b>76</b>	<b>224</b>
<b>Share of income – Council (%)</b>		
	4.5%	4.4%
<b>Profit/(loss) – Council (\$)</b>		
	3	9
<b>Total comprehensive income – Council (\$)</b>		
	3	9
<b>Summarised Statement of cash flows</b>		
Cash flows from operating activities	1,013	1,137
Cash flows from investing activities	(798)	(760)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>215</b>	<b>377</b>

### (i) County Councils

Council is a member of the Goldenfields Water County Council, a body corporate under the Local Government Act 1993 (NSW) as a Local Water Authority. Council is one of seven constituent members and does not control nor significantly influence the county council. Accordingly, the County Council has not been consolidated or otherwise included within these financial statements.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 18. Commitments

\$ '000	2020	2019
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### (a) Capital commitments (exclusive of GST)

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

#### Property, plant and equipment

Land and Buildings	585	192
<b>Total commitments</b>	<b>585</b>	<b>192</b>

#### These expenditures are payable as follows:

Within the next year	585	192
<b>Total payable</b>	<b>585</b>	<b>192</b>

#### Sources for funding of capital commitments:

Grants	207	192
Unexpended loans	378	—
<b>Total sources of funding</b>	<b>585</b>	<b>192</b>

#### Details of capital commitments

Construction of the Supported Independent Living House and upgrade works at the Temora Recreation Centre were incomplete at 30 June 2020. These amount represents the balance of unperformed works.

\$ '000	2020	2019
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### (b) Non-cancellable operating lease commitments (2019 only)

#### a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:

Within the next year	—	45
Later than one year and not later than 5 years	—	90
<b>Total non-cancellable operating lease commitments</b>	<b>—</b>	<b>135</b>

#### b. Non-cancellable operating leases include the following assets:

Refer to Note 15 for information relating to leases for 2020.

The operating lease is in place for Photocopiers and is for a 60 month term. Contingent rentals may be payable depending on the condition of items or usage during the lease term.

#### Conditions relating to finance and operating leases:

- All finance agreements are secured only against the leased asset.
- No lease agreements impose any financial restrictions on Council regarding future debt etc.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 19. Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

### LIABILITIES NOT RECOGNISED

#### 1. Guarantees

##### (i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

#### *Description of the funding arrangements.*

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are::

Division B	1.9 times member contributions for non-180 Point Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times member contributions

\* For 180 Point Members, Employers are required to contribute 7% of salaries to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$40.0 million for 1 July 2019 to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2019. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

#### *Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan*

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 19. Contingencies (continued)

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2020 was \$142,317. The last valuation of the Scheme was performed by Richard Boyd FIAA as at 30 June 2019.

The amount of additional contributions included in the total employer contribution advised above is \$95,000. Council's expected contribution to the plan for the next annual reporting period is \$130,269.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2020 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	1,695.2	
Past Service Liabilities	1,773.2	95.6%
Vested Benefits	1,757.5	96.5%

\* excluding member accounts and reserves in both assets and liabilities.

Council's participation in the Scheme compared with other entities is about 0.25% based on Council's current level of annual additional contributions against total contributions.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	5.75% per annum
Salary inflation *	3.5% per annum
Increase in CPI	2.5% per annum

\* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

### (ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

### (iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 19. Contingencies (continued)

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

#### (iv) Other guarantees

Council has provided no other guarantees other than those listed above.

### 2. Other liabilities

#### (i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

### ASSETS NOT RECOGNISED

#### (i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

#### (ii) Fencing of Quarries

Council leases various gravel quarries throughout the Shire. Recent changes to the Mining Act mean that Council will now be required to fence off these quarries to restrict access in an attempt to limit Council's possible liabilities.

Council's solicitor has compiled an agreement between Council and the landowners setting out the requirements and possible responsibilities of each party. These agreements have not yet been ratified by all landowners.

These future liabilities have not been brought to account because:

- Council is yet to decide which quarries it will actually fence off, as it is considering closing a number of the least used sites. Restoration costs on these sites would be negligible.
- Preliminary engineering estimates of the individual amounts required to undertake the fencing works have not yet been made due to the variations between each site's size, distance from access point etc.



## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 20. Financial risk management

#### Risk management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio.

Council has an investment policy which complies with the *Local Government Act 1993* and Ministerial Investment Order 625. This policy is regularly reviewed by Council and its staff and a monthly Investment report is provided to Council setting out the make-up and performance of the portfolio as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price Risk** - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

- **Interest Rate Risk** - the risk that movements in interest rates could affect returns and income.

- **Liquidity Risk** - the risk that Council will not be able to pay its debts as and when they fall due.

- **Credit Risk** - the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and held-to-maturity investments** – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) '**at fair value through profit and loss**' or (ii) '**available-for-sale**' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 20. Financial risk management (continued)

### (a) Market risk – price risk and interest rate risk

The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.

\$ '000	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
<b>2020</b>				
Possible impact of a 1% movement in interest rates	137	137	(137)	(137)
<b>2019</b>				
Possible impact of a 1% movement in interest rates	97	97	(97)	(97)

### (b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements.

Council makes suitable provision for doubtful receivables as required.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

### Credit risk profile

#### Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

\$ '000	Not yet overdue	< 1 year overdue	1 - 2 years overdue	2 - 5 years overdue	> 5 years overdue	Total
<b>2020</b>						
Gross carrying amount	–	183	22	13	1	219
<b>2019</b>						
Gross carrying amount	–	168	25	17	–	210

#### Receivables - non-rates and annual charges

Council applies the simplified approach for non-rates and annual charges debtors to provide for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision. To measure the expected credit losses, non-rates and annual charges debtors have been grouped based on shared credit risk characteristics and the days past due.

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 20. Financial risk management (continued)

The loss allowance provision as at 30 June 2020 is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	61 - 90 days overdue	> 91 days overdue	Total
<b>2020</b>						
Gross carrying amount	3,140	136	52	2	120	3,450
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	10.00%	0.35%
<b>ECL provision</b>	—	—	—	—	12	12
<b>2019</b>						
Gross carrying amount	2,425	165	19	35	271	2,915
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	1.10%	0.10%
<b>ECL provision</b>	—	—	—	—	3	3

### (c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through diversification of borrowing types, maturities and interest rate structures. The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The contractual undiscounted cash outflows of Council's payables and borrowings are set out in the table below:

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
<b>2020</b>							
Trade/other payables	0.00%	190	2,136	—	—	2,326	2,326
Loans and advances	2.47%	—	355	1,121	1,128	2,604	2,604
<b>Total financial liabilities</b>		<b>190</b>	<b>2,491</b>	<b>1,121</b>	<b>1,128</b>	<b>4,930</b>	<b>4,930</b>
<b>2019</b>							
Trade/other payables	0.00%	185	1,442	—	—	1,627	1,627
Loans and advances	3.10%	—	229	991	614	1,834	1,834
<b>Total financial liabilities</b>		<b>185</b>	<b>1,671</b>	<b>991</b>	<b>614</b>	<b>3,461</b>	<b>3,461</b>

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 21. Material budget variations

Council's original financial budget for 19/20 was adopted by the Council on 20/06/2019 and is unaudited.

While the Income Statement included in this General Purpose Financial Statements must disclose the original budget adopted by Council, the Local Government Act 1993 requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of **material variations** between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Material variations represent those variances between the original budget figure and the actual result that amount to **10%** or more.

**Variation Key:** **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2020 Budget	2020 Actual	2020 ----- Variance -----	
<b>REVENUES</b>				
<b>Rates and annual charges</b>	<b>5,664</b>	<b>5,627</b>	<b>(37)</b>	<b>(1)% U</b>
<b>User charges and fees</b>	<b>7,142</b>	<b>8,964</b>	<b>1,822</b>	<b>26% F</b>
While revenues from a number of facilities (including the caravan park, cinema, sports stadium & tourist information centre) were down as a result of Covid-19, this decrease is more than offset by the variation in RMCC Single invitation contract and Frail & Aged revenue. RMCC revenue was up \$836k on budget. Fees & Charges in relation to Frail & Aged were also up \$693k on budget.				
<b>Other revenues</b>	<b>976</b>	<b>676</b>	<b>(300)</b>	<b>(31)% U</b>
Budgeted rental income of \$235k is now classified as lease income as a result of the changes in accounting standards. Revenues from the Agricultural Innovation Centre were also down \$151k on budget, primarily as a result of the severe drought. Council was fortunate to receive a number of donations and bequests this year which partially offset the above negative variations.				
<b>Operating grants and contributions</b>	<b>6,980</b>	<b>7,125</b>	<b>145</b>	<b>2% F</b>
<b>Capital grants and contributions</b>	<b>8,025</b>	<b>4,891</b>	<b>(3,134)</b>	<b>(39)% U</b>
Council's budget included \$5.3m for Aerodrome upgrades. Works completed and income recognised for 2020 were only \$1.4m. Council had included \$90k in the budget for Library upgrades. Funding for this project was announced late in 2020 with the project to be completed during 2021. There were also some variations on budget in relation to the timing of expenditure and therefore income recognition for Stronger Country Communities Fund projects. This resulted in approximately \$170k less income than budgeted in 2020, but this is purely a timing issue.				
Partially offsetting these unfavourable variances are the fact that at the time of budget preparation, our entire regional roads allocation is classified as operating due to the uncertainty regarding the allocation of expenditure. In 2020 \$722k was classified as capital. Drought Communities Funding was received unbudgeted in 2020. \$601k of DCP funding was classified as capital.				
<b>Interest and investment revenue</b>	<b>179</b>	<b>222</b>	<b>43</b>	<b>24% F</b>
Council takes a very conservative approach to budgeting for interest revenues and reserves have continued to increase.				
<b>Net gains from disposal of assets</b>	<b>77</b>	<b>121</b>	<b>44</b>	<b>57% F</b>
Proceeds on Sale of Plant were higher than anticipated.				
<b>Rental income</b>	<b>–</b>	<b>282</b>	<b>282</b>	<b>∞ F</b>
The budget amount for this item is included in the budget for Other Revenues in accordance with previous accounting standards.				

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 21. Material budget variations (continued)

\$ '000	2020 Budget	2020 Actual	2020 ----- Variance -----	
<b>Joint ventures and associates – net profits</b>	–	3	3	∞ <b>F</b>
This amount relates to Council's interest in the Riverina Regional Library and was not budgeted.				

## EXPENSES

<b>Employee benefits and on-costs</b>	<b>7,556</b>	<b>8,411</b>	<b>(855)</b>	<b>(11)%</b>	<b>U</b>
This variation can be attributed to differing budget allocations between salaries & wages and materials & contracts.					
<b>Borrowing costs</b>	<b>54</b>	<b>55</b>	<b>(1)</b>	<b>(2)%</b>	<b>U</b>
<b>Materials and contracts</b>	<b>5,222</b>	<b>5,671</b>	<b>(449)</b>	<b>(9)%</b>	<b>U</b>
<b>Depreciation and amortisation</b>	<b>5,055</b>	<b>5,476</b>	<b>(421)</b>	<b>(8)%</b>	<b>U</b>
<b>Other expenses</b>	<b>2,822</b>	<b>2,946</b>	<b>(124)</b>	<b>(4)%</b>	<b>U</b>
<b>Net losses from disposal of assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>∞</b>	<b>F</b>

## STATEMENT OF CASH FLOWS

<b>Cash flows from operating activities</b>	<b>12,970</b>	<b>12,210</b>	<b>(760)</b>	<b>(6)%</b>	<b>U</b>
<b>Cash flows from investing activities</b>	<b>(12,631)</b>	<b>(12,330)</b>	<b>301</b>	<b>(2)%</b>	<b>F</b>
<b>Cash flows from financing activities</b>	<b>471</b>	<b>770</b>	<b>299</b>	<b>63%</b>	<b>F</b>

Council had budgeted to draw down a \$700k loan for the construction of a Supported Independent Living House, however the minimum amount permitted to be borrowed from T-Corp is \$1m.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 22. Fair Value Measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

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:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### (1) Assets and liabilities that have been measured and recognised at fair values

	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
<b>2020</b>					
<b>Infrastructure, property, plant and equipment</b>					
Plant and equipment	30/06/2020	–	–	4,549	4,549
Office equipment	30/06/2020	–	–	200	200
Furniture and fittings	30/06/2020	–	–	133	133
Operational land	30/06/2018	–	3,019	–	3,019
Community land	30/06/2017	–	–	2,911	2,911
Land improvements	30/06/2017	–	–	540	540
Buildings – non-specialised	30/06/2018	–	6,435	–	6,435
Buildings – specialised	30/06/2018	–	–	16,360	16,360
Leasehold improvements	30/06/2017	–	–	310	310
Other structures	30/06/2018	–	–	1,120	1,120
Roads	30/06/2020	–	–	85,874	85,874
Bridges	30/06/2020	–	–	13,785	13,785
Footpaths	30/06/2020	–	–	4,910	4,910
Bulk earthworks (roads)	30/06/2020	–	–	61,275	61,275
Stormwater drainage	30/06/2020	–	–	6,447	6,447
Sewerage network	30/06/2017	–	–	12,004	12,004
Swimming pools	30/06/2018	–	–	1,080	1,080
Other open space/recreational assets	30/06/2018	–	–	1,261	1,261
Other Infrastructure	30/06/2017	–	–	4,432	4,432
Library books	30/06/2020	–	–	39	39
Other	30/06/2020	–	–	1,541	1,541
<b>Total infrastructure, property, plant and equipment</b>		<b>–</b>	<b>9,454</b>	<b>218,771</b>	<b>228,225</b>

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 22. Fair Value Measurement (continued)

2019	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Infrastructure, property, plant and equipment					
Plant and equipment	30/06/19	—	—	4,459	4,459
Office equipment	30/06/19	—	—	122	122
Furniture and fittings	30/06/19	—	—	146	146
Operational land	30/06/18	—	2,950	—	2,950
Community land	30/06/17	—	—	2,911	2,911
Land improvements	30/06/17	—	—	363	363
Buildings – non-specialised	30/06/18	—	6,286	—	6,286
Buildings – specialised	30/06/18	—	—	15,308	15,308
Leasehold improvements	30/06/17	—	—	328	328
Other structures	30/06/18	—	—	1,192	1,192
Roads	30/06/15	—	—	84,836	84,836
Bridges	30/06/15	—	—	7,502	7,502
Footpaths	30/06/15	—	—	3,448	3,448
Bulk earthworks (roads)	30/06/15	—	—	51,007	51,007
Stormwater drainage	30/06/15	—	—	8,805	8,805
Sewerage network	30/06/17	—	—	13,148	13,148
Swimming pools	30/06/18	—	—	1,123	1,123
Other open space/recreational assets	30/06/18	—	—	1,042	1,042
Other Infrastructure	30/06/17	—	—	1,463	1,463
Library books	30/06/19	—	—	40	40
Other	30/06/19	—	—	1,620	1,620
Total infrastructure, property, plant and equipment		—	9,236	198,863	208,099

Note that capital WIP is not included above since it is carried at cost.

## (2) Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

## (3) Valuation techniques used to derive level 2 and level 3 fair values

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

### Infrastructure, property, plant and equipment (IPP&E)

#### Roads Infrastructure

This asset class comprises the road surface and pavement, bridges, drainage, kerb & gutter and footpaths. The cost approach was adopted to value these assets based on assessments and calculations from a condition assessment done in-house as part of the valuation project undertaken in 2020. Assets have been componentised and a full review of condition, useful lives and unit rates was undertaken.

Key inputs such as estimated pattern of consumption, asset condition and useful life required extensive professional judgement and impact significantly on the final determination of fair value.

There has been no change to the valuation process during the period.

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 22. Fair Value Measurement (continued)

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#### **Stormwater Drainage Infrastructure**

This asset class comprises the pits, pipes, open channels and headwalls.

The cost approach was adopted to value these assets based on assessments and calculations from a condition assessment done in-house as part of the valuation project undertaken in 2020. A full review of useful lives and unit rates was undertaken. Key inputs such as estimated pattern of consumption, asset condition and useful life required extensive professional judgement and impact significantly on the final determination of fair value.

There has been no change to the valuation process during the period.

#### **Sewerage Infrastructure**

This asset class comprises the treatment works, pumping station, sewerage mains and effluent reuse.

The cost approach was adopted to value these assets based on assessments and calculations from condition assessments done in-house as part of the valuation project undertaken in 2017. Assets have been componentised and a full review of condition, useful lives and unit rates was undertaken.

Key inputs such as estimated pattern of consumption, asset condition and useful life required extensive professional judgement and impact significantly on the final determination of fair value.

There has been no change to the valuation process during the period.

#### **Community Land**

This asset class comprises all of Council's land classified as Community Land under the NSW Local Government Act 1993. Council has used the Valuer General's Unimproved Capital Land Value (UCV) as the fair value. There has been no change in the valuation process during the period.

#### **Operational Land**

This asset class comprises all of Council's land classified as Operational Land under the NSW Local Government Act 1993. Council engaged AssetVal Pty Ltd to value all of its operational land with an effective date of 30 June 2018.

#### **Buildings – Specialised**

This asset class comprises all of Council's specialised buildings.

Council engaged AssetVal Pty Ltd to value all of its buildings with an effective date of 30 June 2018. The cost approach was adopted to estimate the fair value of these assets using the depreciated replacement cost allowing for professional fees, demolition, removal of debris and escalation in costs.

Inputs such as estimates of residual value and pattern of consumption required extensive professional judgement and impacted significantly on the final determination of fair value.

There has been no change to the valuation process during the period.



# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 22. Fair Value Measurement (continued)

### (4) Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

\$ '000	Level 3 Fair Value Assets
<b>2019</b>	
<b>Opening balance</b>	195,181
Purchases (GBV)	7,057
Disposals (WDV)	(448)
Depreciation and impairment	(4,793)
FV gains – other comprehensive income	370
Impairment Loss recognised in Equity	1,496
<b>Closing balance</b>	<b>198,863</b>
<b>2020</b>	
<b>Opening balance</b>	198,863
Purchases (GBV)	8,683
Disposals (WDV)	(81)
Depreciation and impairment	(5,180)
FV gains – other comprehensive income	16,486
<b>Closing balance</b>	<b>218,771</b>

b. Information relating to the transfers into and out of the level 3 fair valuation hierarchy (as disclosed in the table above) includes:

During the year, there were no transfers into or out of the Level 3 Fair Valuation Hierarchy.

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

\$ '000	Fair value (30/6/20)	Valuation technique/s	Unobservable inputs
<b>Infrastructure, property, plant and equipment</b>			
Plant & Equipment	4,549	Valued at Cost	Cost per unit, useful life, residual value, condition of asset
Office Equipment	200	Valued at Cost	Cost per unit, useful life, residual value, condition of asset
Furniture & Fittings	133	Valued at Cost	Cost per unit, useful life, residual value, condition of asset
Community Land	2,911	Based on Valuer General Valuation	Cost per sq metre, Valuer General's valuation
Land Improvements	540	Valued at Cost	Cost per unit, pattern of consumption, useful life, asset condition
Buildings – Specialised	16,360	External Valuation using cost approach	Cost per sq metre, pattern of consumption, condition assessment, useful life
Leasehold Improvements	310	Valued at Cost	Cost per sq metre, pattern of consumption, condition assessment, term of lease
Other Structures	1,120	External Valuation using cost approach	Cost per unit, useful life, condition of asset

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 22. Fair Value Measurement (continued)

\$ '000	Fair value (30/6/20)	Valuation technique/s	Unobservable inputs
Roads	85,874	Internal Valuation using cost approach	Unit rates, useful life, pattern of consumption, condition assessment
Bridges	13,785	Internal Valuation using cost approach	Unit rates, useful life, dimensions & specifications, pattern of consumption, components, condition assessment
Footpaths	4,910	Internal Valuation using cost approach	Unit rates, useful life, pattern of consumption, components, condition assessment
Bulk Earthworks (Roads)	61,275	Internal Valuation using cost approach	Cost per sq metre
Stormwater Drainage	6,447	Internal Valuation using cost approach	Cost per unit/metre
Sewerage Network	12,004	Internal Valuation using cost approach	Unit rates, useful life, pattern of consumption, components, condition assessment
Swimming Pools	1,080	External Valuation using cost approach	Cost per unit
Other Open Space/Recreational Assets	1,261	External Valuation using cost approach	Unit rates, pattern of consumption, components, useful life, asset condition
Other Infrastructure	4,398	Valued at Cost	Unit rates, useful life, pattern of consumption, condition assessment
Library Books	–	Valued at Cost	Unit Costs
Other	1,580	Valued at Cost	Unit Costs

### d. The valuation process for level 3 fair value measurements

The inputs used for applying the Cost Approach to the valuation process were:

- pattern of consumption
- residual value (where appropriate)
- asset condition
- unit rates
- useful lives

When necessary Council has engaged external consultants with specific expertise to work in conjunction with Council staff to establish the fair value of the assets based on the above inputs.

## (5) Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 23. Related party disclosures

#### (a) Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2020	2019
<b>Compensation:</b>		
Short-term benefits	1,211	1,115
Post-employment benefits	86	86
Other long-term benefits	28	33
<b>Total</b>	<b>1,325</b>	<b>1,234</b>

#### (b) Other transactions with KMP and their related parties

Pre-amble

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

Nature of the transaction	Ref	Value of transactions during year	Outstanding balance (incl. loans and commitments)	Terms and conditions	Provisions for impairment of receivables outstanding	Expense recognised for impairment of receivables
<b>\$ '000</b>						
<b>2020</b>						
Employee expenses for close family members of KMP	1	286	–	NSW Local Govt State Award	–	–
Catering Supplies	3	1	–	7 day terms on invoices	–	–
Plumbing Services	3	65	–	7 day terms on invoices	–	–
Uniform Purchases	2	4	–	7 day terms on invoices	–	–
Laundry Services	2	7	–	7 day terms on invoices	–	–
Real Estate Services	4	59	–	7 day terms on invoices	–	–
Building Services	3	69	–	7 day terms on invoices	–	–
Electrical Services	3	12	–	7 day terms on invoices	–	–
Fees & Charges charged to entities who influence or are influenced by KMP	5	3	–	7 day terms on invoices	–	–

continued on next page ...

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 23. Related party disclosures (continued)

Nature of the transaction	Ref	Value of transactions during year	Outstanding balance (incl. loans and commitments)	Terms and conditions	Provisions for impairment of receivables outstanding	Expense recognised for impairment of receivables
<b>\$ '000</b>						
<b>2019</b>						
Employee expenses for close family members of KMP	1	435	–	NSW Local Govt State Award	–	–
Catering Supplies	3	1	–	7 day terms on invoices	–	–
Plumbing Services	3	9	–	7 day terms on invoices	–	–
Uniform Purchases	2	4	–	7 day terms on invoices	–	–
Laundry Services	2	9	–	7 day terms on invoices	–	–
Real Estate Services	4	18	–	7 day terms on invoices	–	–
Building Services	3	270	–	7 day terms on invoices	–	–
Electrical Services	3	68	–	7 day terms on invoices	–	–

1 All close family members of KMP were employed through an arm's length process. They are paid in accordance with the Award for the job they perform. Council employs 180 staff, of which only 6 are close family members of KMP.

2 Council purchased the following materials and services from entities that are controlled by KMP. All purchases were at arm's length and were in the normal course of Council operations. Amounts were billed based on normal rates for such services/supplies and were due and payable under normal payment terms following Council's procurement processes.

- Work Uniforms
- Laundry Services

Council purchased the following materials and services from entities that are controlled by a related party of a KMP. All purchases were at arm's length and were in the normal course of Council operations. Amounts were billed based on normal rates for such services/supplies and were due and payable under normal payment terms following Council's procurement processes.

- 3
- Plumbing Services
  - Electrical Services
  - Building Services
  - Catering Supplies

4 Council engages the services of a local real estate agency, of which one of the principals is a related party of a KMP. All real estate listings were at arm's length and in the normal course of Council operations. Commission is deducted from the property sale proceeds at a rate of 3% of the sale price. All properties listed for sale are also listed with another reputable real estate agent in the area on the same terms and conditions. Council also rents a residential premises and this real estate agency is the managing agent for this property.

The fees & charges charged to entities controlled by KMP or entities that are controlled by a related party of a KMP were in accordance with the schedule of fees and charges adopted by Council. The total disclosed includes:

- 5
- Development Application fees received from two related parties of KMPs. The development applications were assessed and approved in accordance with Council's normal terms and conditions. The KMPs did not participate in any decisions related to the applications.

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 24. Statement of developer contributions

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas.

It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

### Summary of contributions and levies

\$ '000	as at 30/06/19	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	as at 30/06/20	
		Cash	Non-cash				Held as restricted asset	Cumulative internal borrowings due/(payable)
<b>S7.12 levies – under a plan</b>	25	116	–	–	(45)	–	96	–
<b>Total S7.11 and S7.12 revenue under plans</b>	25	116	–	–	(45)	–	96	–
<b>Total contributions</b>	25	116	–	–	(45)	–	96	–

### S7.12 Levies – under a plan

#### S7.12 (former S94A) Contributions Plan 2018

Roads	21	33	–	–	–	–	54	–
Open space	4	83	–	–	(45)	–	42	–
<b>Total</b>	<b>25</b>	<b>116</b>	<b>–</b>	<b>–</b>	<b>(45)</b>	<b>–</b>	<b>96</b>	<b>–</b>

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 25. Result by fund

\$ '000	General <sup>1</sup> 2020	Sewer 2020
<b>Income Statement by fund</b>		
<b>Income from continuing operations</b>		
Rates and annual charges	4,579	1,048
User charges and fees	8,904	60
Interest and investment revenue	186	36
Other revenues	664	12
Grants and contributions provided for operating purposes	7,102	23
Grants and contributions provided for capital purposes	4,891	–
Net gains from disposal of assets	121	–
Rental income	282	–
Share of interests in joint ventures and associates using the equity method	3	–
<b>Total income from continuing operations</b>	<b>26,732</b>	<b>1,179</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	8,201	210
Borrowing costs	55	–
Materials and contracts	5,534	137
Depreciation and amortisation	5,234	242
Other expenses	2,766	180
<b>Total expenses from continuing operations</b>	<b>21,790</b>	<b>769</b>
<b>Operating result from continuing operations</b>	<b>4,942</b>	<b>410</b>
<b>Net operating result for the year</b>	<b>4,942</b>	<b>410</b>
<b>Net operating result attributable to each council fund</b>	<b>4,942</b>	<b>410</b>
<b>Net operating result for the year before grants and contributions provided for capital purposes</b>	<b>51</b>	<b>410</b>

NB. All amounts disclosed above are gross – that is, they include internal charges and recoveries made between the funds.

(1) General fund refers to all of Council's activities except for its sewer activity which is listed separately.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 25. Result by fund (continued)

\$ '000	General <sup>1</sup> 2020	Sewer 2020
<b>Statement of Financial Position by fund</b>		
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	(463)	2,085
Investments	12,122	–
Receivables	1,705	1,952
Inventories	1,636	–
Contract assets	29	–
Other	109	–
<b>Total current assets</b>	<b>15,138</b>	<b>4,037</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	216,924	12,146
Investments accounted for using the equity method	204	–
<b>Total non-current assets</b>	<b>217,128</b>	<b>12,146</b>
<b>TOTAL ASSETS</b>	<b>232,266</b>	<b>16,183</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	2,410	–
Contract liabilities	2,020	–
Borrowings	355	–
Provisions	3,975	–
<b>Total current liabilities</b>	<b>8,760</b>	<b>–</b>
<b>Non-current liabilities</b>		
Borrowings	2,249	–
Provisions	54	–
<b>Total non-current liabilities</b>	<b>2,303</b>	<b>–</b>
<b>TOTAL LIABILITIES</b>	<b>11,063</b>	<b>–</b>
<b>Net assets</b>	<b>221,203</b>	<b>16,183</b>
<b>EQUITY</b>		
Accumulated surplus	85,235	9,150
Revaluation reserves	135,968	7,033
<b>Council equity interest</b>	<b>221,203</b>	<b>16,183</b>
<b>Total equity</b>	<b>221,203</b>	<b>16,183</b>

NB. All amounts disclosed above are gross – that is, they include internal charges and recoveries made between the funds. Assets and liabilities shown in the sewer columns are restricted for use for this activity.

(1) General fund refers to all of Council's activities except for its sewer activity which is listed separately.

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 26(a). Statement of performance measures – consolidated results

\$ '000	Amounts 2020	Indicator 2020	Prior periods 20192018		Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1, 2</sup>	337	1.47%	(0.64)%	7.71%	>0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	22,896				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions <sup>1</sup>	15,771	56.76%	55.71%	49.91%	>60.00%
Total continuing operating revenue <sup>1</sup>	27,787				
3. Unrestricted current ratio					
Current assets less all external restrictions	11,170	3.13x	2.49x	2.17x	>1.50x
Current liabilities less specific purpose liabilities	3,573				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	5,868	20.59x	9.08x	18.80x	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	285				
5. Rates, annual charges, interest and extra charges outstanding percentage					
Rates, annual and extra charges outstanding	229	3.90%	4.04%	3.68%	<10.00%
Rates, annual and extra charges collectible	5,872				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	13,744	8.94	6.46	5.60	>3.00
Monthly payments from cash flow of operating and financing activities	1,537	mths	mths	mths	mths

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method



# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 26(b). Statement of performance measures – by fund

	General Indicators <sup>3</sup>		Sewer Indicators		Benchmark
\$ '000	2020	2019	2020	2019	
<b>1. Operating performance ratio</b>					
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>					
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	(0.34)%	(2.65)%	34.78%	35.31%	>0.00%
<b>2. Own source operating revenue ratio</b>					
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	54.93%	53.68%	98.05%	98.14%	>60.00%
Total continuing operating revenue <sup>1</sup>					
<b>3. Unrestricted current ratio</b>					
Current assets less all external restrictions	3.13x	2.49x	∞	∞	>1.50x
Current liabilities less specific purpose liabilities					
<b>4. Debt service cover ratio</b>					
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	18.30x	7.86x	∞	∞	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)					
<b>5. Rates, annual charges, interest and extra charges outstanding percentage</b>					
Rates, annual and extra charges outstanding	4.75%	4.91%	0.00%	0.00%	<10.00%
Rates, annual and extra charges collectible					
<b>6. Cash expense cover ratio</b>					
Current year's cash and cash equivalents plus all term deposits	7.58	5.42	∞	∞	>3.00
Payments from cash flow of operating and financing activities	mths	mths			mths

(1) - (2) Refer to Notes at Note 26a above.

(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

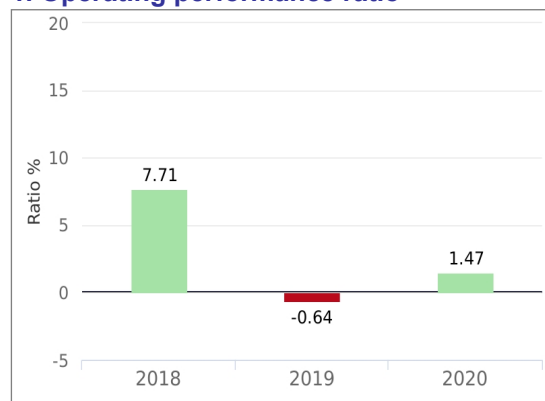
End of audited financial statements

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 26(c). Statement of performance measures – consolidated results (graphs)

### 1. Operating performance ratio



#### Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

#### Commentary on 2019/20 result

2019/20 ratio 1.47%

Council has achieved a small operating surplus this year. Increased depreciation costs as a result of the ongoing asset revaluation cycle continue to put pressure on Council's operating result.

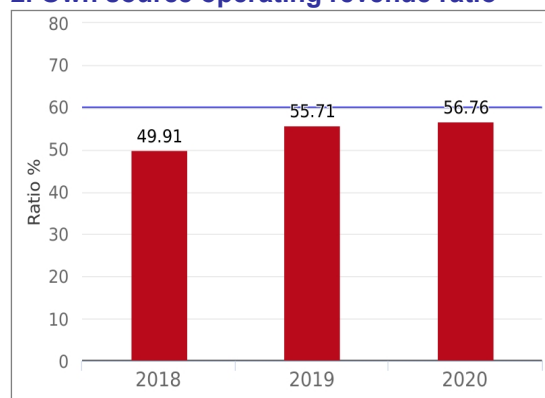
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

### 2. Own source operating revenue ratio



#### Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

#### Commentary on 2019/20 result

2019/20 ratio 56.76%

Grants & Contributions continue to represent a significant portion of Council's income, which inhibits Council's ability to achieve the 60% Own Source Revenue benchmark.

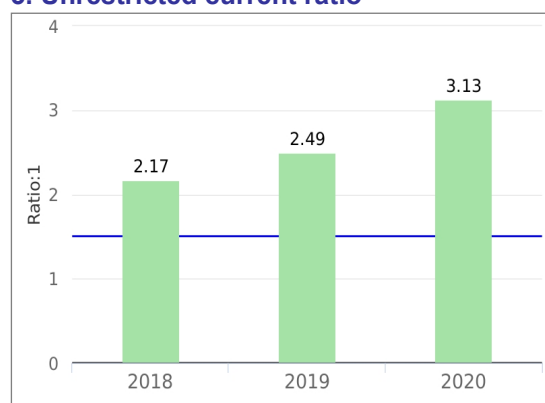
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

### 3. Unrestricted current ratio



#### Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

#### Commentary on 2019/20 result

2019/20 ratio 3.13x

This ratio is a reflection of Council's sound financial position.

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

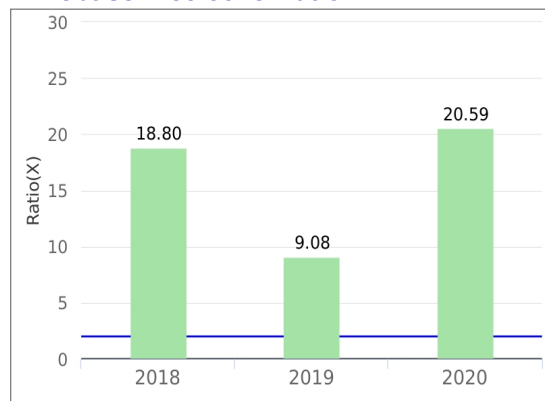
Ratio is outside benchmark

# Notes to the Financial Statements

for the year ended 30 June 2020

## Note 26(c). Statement of performance measures – consolidated results (graphs)

### 4. Debt service cover ratio



#### Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

#### Commentary on 2019/20 result

2019/20 ratio 20.59x

Council's borrowings increased this year with Council drawing down a loan to fund the construction of a Supported Independent Living House. Council also had an existing loan for the purchase of the works depot.

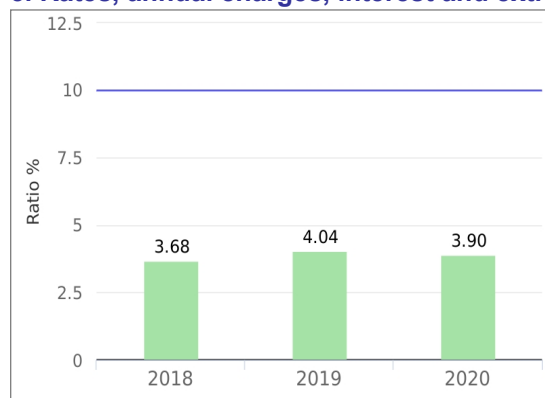
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

### 5. Rates, annual charges, interest and extra charges outstanding percentage



#### Purpose of rates, annual charges, interest and extra charges outstanding

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

#### Commentary on 2019/20 result

2019/20 ratio 3.90%

Council continues to perform extremely well in this area.

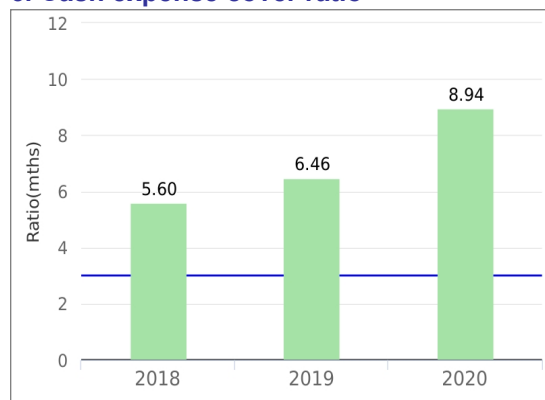
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

### 6. Cash expense cover ratio



#### Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

#### Commentary on 2019/20 result

2019/20 ratio 8.94 mths

Council continues to work on building up its cash reserves.

Benchmark: — > 3.00mths

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 27. Council information and contact details

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**Principal place of business:**

105 Loftus Street  
Temora NSW 2666

**Contact details**

**Mailing Address:**

PO Box 262  
TEMORA NSW 2666

**Telephone:** 02 6980 1100

**Facsimile:** 02 6980 1138

**Opening hours:**

8:00am - 4:30pm  
Monday to Friday

**Internet:** [www.temora.nsw.gov.au](http://www.temora.nsw.gov.au)

**Email:** [temshire@temora.nsw.gov.au](mailto:temshire@temora.nsw.gov.au)

**Officers**

**General Manager**

Gary Lavelle

**Responsible Accounting Officer**

Elizabeth Smith

**Public Officer**

Elizabeth Smith

**Auditors**

Audit Office of New South Wales  
Level 15, 1 Margaret Street  
SYDNEY NSW 2001

**Elected members**

**Mayor**

Rick Firman

**Councillors**

Nigel Judd  
Claire McLaren  
Max Oliver  
Lindy Reinhold  
Graham Sinclair  
Dennis Sleigh  
Kenneth Smith  
Dale Wiencke

**Other information**

**ABN:** 55 048 860 109



## INDEPENDENT AUDITOR'S REPORT

### Report on the general purpose financial statements

#### Temora Shire Council

To the Councillors of Temora Shire Council

### Opinion

I have audited the accompanying financial statements of Temora Shire Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2020, the Statement of Financial Position as at 30 June 2020, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
  - have been prepared, in all material respects, in accordance with the requirements of this Division
  - are consistent with the Council's accounting records
  - present fairly, in all material respects, the financial position of the Council as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

## Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

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

## Other Information

The Council's annual report for the year ended 30 June 2020 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

## The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the 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.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note 21 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Nathan Carter  
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

10 November 2020  
SYDNEY



Cr Rick Firman (OAM)  
Mayor  
Temora Shire Council  
105 Loftus Street  
TEMORA NSW 2666

Contact: Nathan Carter  
Phone no: (02) 9275 7349  
Our ref: D2025579/1793

10 November 2020

Dear Mayor

## Report on the Conduct of the Audit for the year ended 30 June 2020 Temora Shire Council

I have audited the general purpose financial statements (GPFS) of the Temora Shire Council (the Council) for the year ended 30 June 2020 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2020 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

### INCOME STATEMENT

#### Operating result

	2020 \$m	2019 \$m	Variance %
Rates and annual charges revenue	5.6	5.4	↑ 3.7
User charges and fees	9.0	7.0	↑ 28.6
Grants and contributions revenue	12.0	10.9	↑ 10.1
Operating result from continuing operations	5.4	3.1	↑ 74.2
Net operating result before capital grants and contributions	0.5	(0.2)	↑ 350

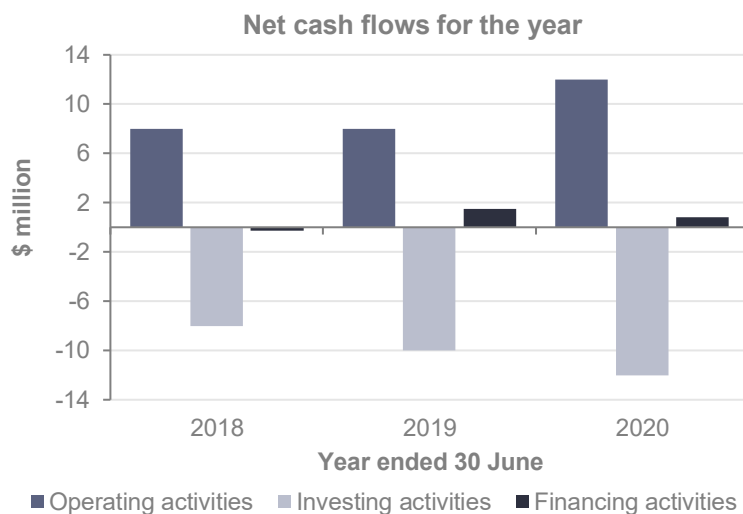


Council's operating result was a surplus of \$5.4 million (\$3.1 million surplus for the year ended 30 June 2019). The net operating result before capital grants and contributions was a surplus of \$0.5 million (\$0.2 million deficit for the year ended 30 June 2019). These movements are largely attributable to an increase in user fees and charges for frail and aged care fees and Roads and Maritime Services charges due to the Bull Plains project works in 2020. In addition, Council also recognised an additional \$1.4 million of capital grant funding for the aerodrome project in 2019-20 in comparison to the 2018-19 year.

Rates and annual charges revenue was \$5.6 million (\$5.4 million for the year ended 30 June 2019). The increase of \$0.2 million (3.7%) is consistent with a modest increase in the number of rateable properties in the Shire, as well as a 2.7% rate-cap increase.

## STATEMENT OF CASH FLOWS

- Council's cash and cash equivalents were \$1.6 million as at 30 June 2020 (\$1 million as at 30 June 2019). There was a net increase in cash and cash equivalents of \$0.7 million for the year ended 30 June 2020.
- Net cash provided by operating activities increased by \$4 million. This is mainly due to an increase in receipts from user charges and fees of \$2.7 million and a decrease in payments for materials and contracts of \$1.7 million.
- Net cash used in investing activities increased by \$2.3 million. This is mainly due to the increase in the net purchase of investment securities of \$1.4 million and an increase in purchases of infrastructure, property, plant and equipment of \$0.9 million.
- Net cash provided in financing activities decreased by \$0.8 million, mainly due to a decrease of \$1 million in proceeds from borrowings compared to the previous year.



## FINANCIAL POSITION

### Cash and investments

Cash and investments	2020	2019	Commentary
	\$m	\$m	
External restrictions	5.2	4.0	<ul style="list-style-type: none"> <li>Externally restricted cash and investments are restricted in their use by externally imposed requirements. The increase of \$1.2 million is primarily due to an increase in specific purpose unexpended grants and sewerage services restrictions.</li> <li>Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect identified programs of works and any forward plans identified by Council. The increase of \$2.4 million is primarily due to additional amounts set aside to manage employee leave entitlements and unexpended pinnacle funding.</li> <li>There was a minor increase in the unrestricted cash and investments balance consistent with the overall increase in funds held by Council.</li> </ul>
Internal restrictions	8.1	5.7	
Unrestricted	0.5	0.0	
<b>Cash and investments</b>	<b>13.8</b>	<b>9.7</b>	

### Debt

Council took out a new \$1 million loan during the year. The Council has total borrowings of \$2.6 million at 30 June 2020. The new debt in 2020 was used to fund the construction of a supported independent living home.

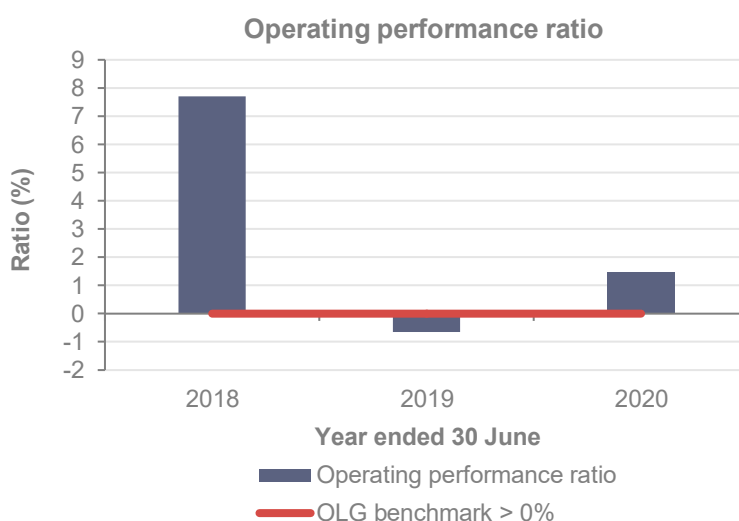
## PERFORMANCE

### Performance measures

The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Industry and Environment.

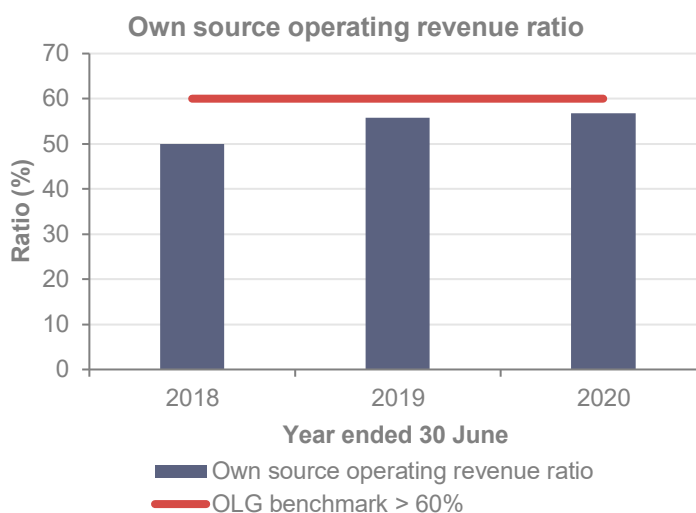
#### Operating performance ratio

- The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.
- The Council exceeded the OLG benchmark for the current reporting period.
- The operating performance ratio increased to 1.47% (2019: (0.64)%) due to the increase in operating revenue from rates and annual charges and user charges and fees, which is explained in the 'Income Statement' commentary above.



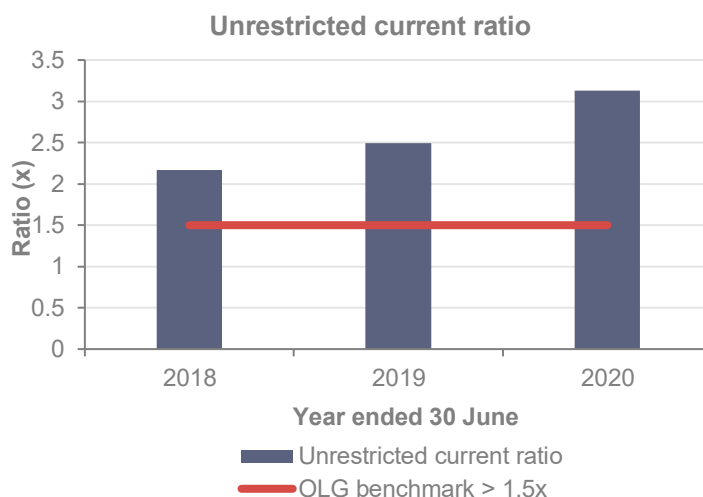
### Own source operating revenue ratio

- The 'own source operating revenue ratio' measures Council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.
- The Council did not meet the OLG benchmark for the current reporting period.



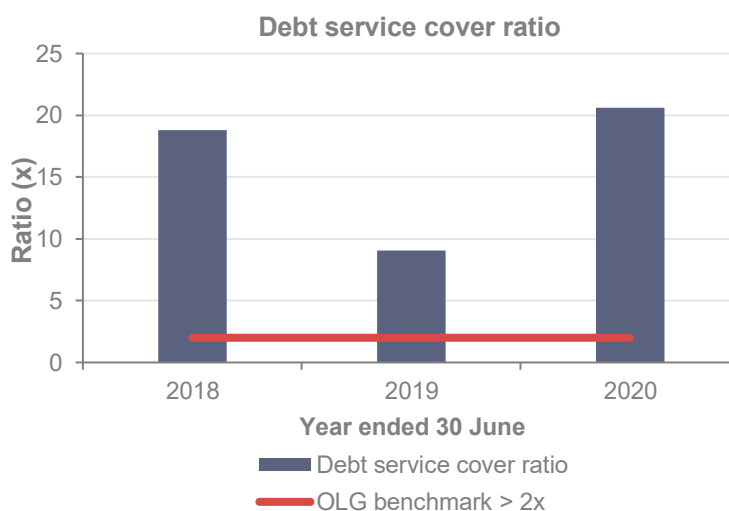
### Unrestricted current ratio

- The 'unrestricted current ratio' is specific to local government and represents Council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.
- The Council exceeded the OLG benchmark for the current reporting period.



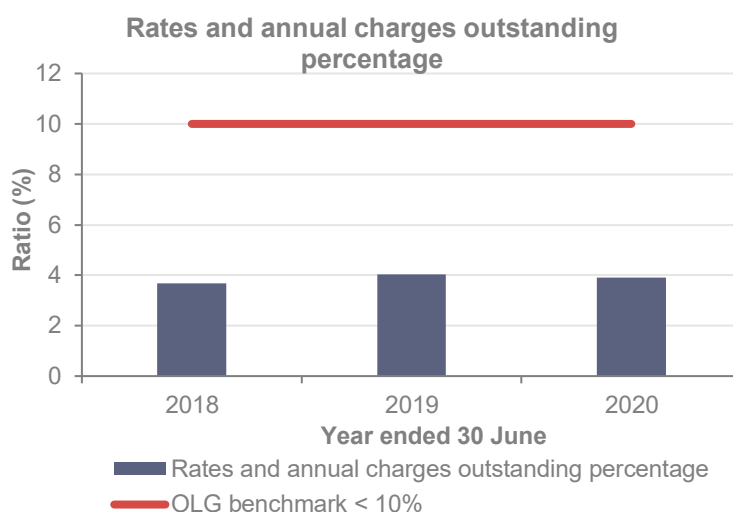
### Debt service cover ratio

- The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than 2.0 times.
- The Council exceeded the OLG benchmark for the current reporting period.



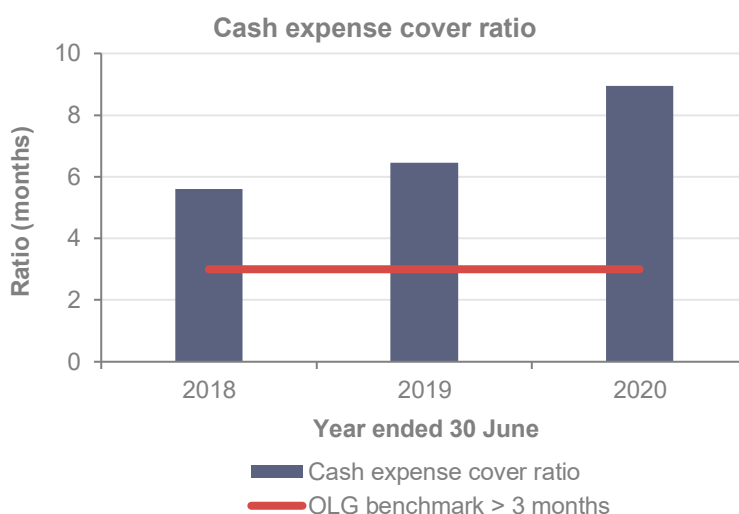
## Rates and annual charges outstanding percentage

- The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural Councils.
- The Council exceeded the OLG benchmark for the current reporting period.



## Cash expense cover ratio

- This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.
- The Council exceeded the OLG benchmark for the current reporting period.
- The Council's cash expense cover ratio has increased from prior year due to the increase in cash and investments held.



## Infrastructure, property, plant and equipment renewals

The Council has renewed \$5.5 million of infrastructure, property, plant and equipment assets in the 2019-20 financial year, compared to \$5.9 million of assets in the 2018-19 financial year.

## OTHER MATTERS

### Impact of new accounting standards

#### **AASB 15 'Revenue from Contracts with Customers' and AASB 1058 'Income for Not-for-Profit Entities'**

The Council adopted the new accounting standards AASB 15 'Contracts with Customers' and AASB 1058 'Income of Not-for-Profit Entities' (collectively referred to as the Revenue Standards) for the first time in their 2019–20 financial statements.

AASB 15 introduces a new approach to recognising revenue based on the principle that revenue is recognised when control of a good or service transfers to a customer. AASB 15 impacts the timing and amount of revenue recorded in a councils' financial statements, particularly for grant revenue. AASB 15 also increases the amount of disclosures required.

AASB 1058 prescribes how not-for-profit entities account for transactions conducted on non-commercial terms and the receipt of volunteer services. AASB 1058 impacts the timing and amount of income recorded in a councils' financial statements, particularly for grant income and rates which are paid before the commencement of the rating period.

The Council recognised a \$0.3 million adjustment to opening accumulated surplus at 1 July 2019 on adoption of the new Revenue Standards.

The Council disclosed the impact of adopting the new Revenue Standards in Note 15.

#### **AASB 16 'Leases'**

The Council adopted the new accounting standard AASB 16 'Leases' for the first time in their 2019–20 financial statements.

AASB 16 changes the way lessees treat operating leases for financial reporting. With a few exceptions, operating leases will now be recorded in the Statement of Financial Position as a right-of-use asset, with a corresponding lease liability.

AASB 16 results in lessees recording more assets and liabilities in the Statement of Financial Position and changes the timing and pattern of expenses recorded in the Income Statement.

The Council did not recognise right-of-use assets and lease liabilities at 1 July 2019 on adoption of AASB 16, as its leases were low value or short term.

The Council disclosed the impact of adopting AASB 16 in Note 15.

### Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



Nathan Carter  
Director, Financial Audit Services

cc: Mr Gary Lavelle, General Manager  
Mr Elizabeth Smith, Director Administration & Finance  
Mr Peter Veneris, Audit, Risk & Improvement Committee Chair

# Temora Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2020

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*"Success through determination and inspiration"*

# Special Purpose Financial Statements

for the year ended 30 June 2020

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<b>Statement by Councillors &amp; Management</b>	<b>3</b>
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<b>Auditor's Report on Special Purpose Financial Statements</b>	<b>9</b>

## Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

## Temora Shire Council

### Special Purpose Financial Statements

for the year ended 30 June 2020

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#### Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

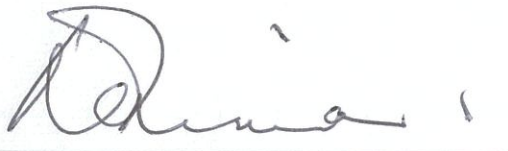
- the NSW Government Policy Statement 'Application of National Competition Policy to Local Government',
- the Division of Local Government Guidelines 'Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

To the best of our knowledge and belief, these statements:

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

We are not aware of any matter that would render these statements false or misleading in any way.

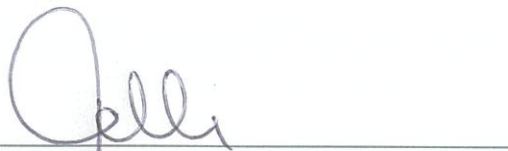
Signed in accordance with a resolution of Council made on 15 October 2020.



Rick Firman  
Mayor  
15 October 2020



Graham Sinclair  
Councillor  
15 October 2020



Gary Lavelle  
General Manager  
15 October 2020



Elizabeth Smith  
Responsible Accounting Officer  
15 October 2020



# Income Statement – Sewerage Business Activity

for the year ended 30 June 2020

\$ '000	2020	2019
<b>Income from continuing operations</b>		
Access charges	1,048	995
User charges	60	64
Interest	36	34
Grants and contributions provided for non-capital purposes	23	21
Other income	12	13
<b>Total income from continuing operations</b>	<b>1,179</b>	<b>1,127</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	210	197
Materials and contracts	137	182
Depreciation, amortisation and impairment	242	269
Other expenses	180	81
<b>Total expenses from continuing operations</b>	<b>769</b>	<b>729</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>410</b>	<b>398</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>410</b>	<b>398</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>410</b>	<b>398</b>
Less: corporate taxation equivalent (27.5%) [based on result before capital]	(113)	(109)
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>297</b>	<b>289</b>
<b>Plus accumulated surplus</b>	<b>8,740</b>	<b>8,275</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Corporate taxation equivalent	113	109
<b>Closing accumulated surplus</b>	<b>9,150</b>	<b>8,673</b>
<b>Return on capital %</b>	<b>3.4%</b>	<b>3.0%</b>
<b>Subsidy from Council</b>	<b>–</b>	<b>–</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	297	289
<b>Surplus for dividend calculation purposes</b>	<b>297</b>	<b>289</b>
<b>Potential dividend calculated from surplus</b>	<b>149</b>	<b>144</b>

# Statement of Financial Position – Sewerage Business Activity

as at 30 June 2020

\$ '000	2020	2019
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,085	1,555
Receivables	1,952	846
<b>Total current assets</b>	<b>4,037</b>	<b>2,401</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	12,146	13,212
<b>Total non-current assets</b>	<b>12,146</b>	<b>13,212</b>
<b>TOTAL ASSETS</b>	<b>16,183</b>	<b>15,613</b>
<b>NET ASSETS</b>	<b>16,183</b>	<b>15,613</b>
<b>EQUITY</b>		
Accumulated surplus	9,150	8,673
Revaluation reserves	7,033	6,940
<b>TOTAL EQUITY</b>	<b>16,183</b>	<b>15,613</b>

# Notes to the Special Purpose Financial Statements

for the year ended 30 June 2020

## Note 1. Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the Local Government Act 2093 (NSW), the *Local Government (General) Regulation 2005*, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

### National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The *Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

### Declared business activities

In accordance with Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality, Council has declared that the following are to be considered as business activities:

#### Category 1

(where gross operating turnover is over \$2 million)

**Council has no Category 1 business activities.**

#### Category 2

(where gross operating turnover is less than \$2 million)

#### Sewerage Service

Comprising the whole of the sewerage reticulation and treatment operations and net assets servicing the Shire of Temora.

### Monetary amounts

Amounts shown in the financial statements are in Australian dollars and rounded to the nearest one thousand dollars, except for Note 3 (Sewerage Best-Practice Management Disclosures).

As required by Crown Lands and Water (CLAW), the amounts shown in Note 3 are disclosed in whole dollars.

## Notes to the Special Purpose Financial Statements for the year ended 30 June 2020

### Note 1. Significant Accounting Policies (continued)

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#### (i) Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

#### Notional rate applied (%)

Corporate income tax rate – 27.5%

In accordance with the Department of Industry (DoI) – Water guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from sewerage business activities.

The payment of taxation equivalent charges, referred to in the DoI – Water guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to the DoI – Water guidelines is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

#### Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 27.5%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 27.5% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

#### (ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

## Notes to the Special Purpose Financial Statements for the year ended 30 June 2020

### Note 1. Significant Accounting Policies (continued)

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#### **(iv) Dividends**

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local government sewerage businesses are permitted to pay an annual dividend from its sewerage business surplus.

Each dividend must be calculated and approved in accordance with the Department of Industry – Water guidelines and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2020 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the Department of Industry – Water guidelines a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the Department of Industry – Water.



**INDEPENDENT AUDITOR'S REPORT**  
**Report on the special purpose financial statements**  
**Temora Shire Council**

To the Councillors of Temora Shire Council

**Opinion**

I have audited the accompanying special purpose financial statements (the financial statements) of Temora Shire Council's (the Council) Declared Business Activity, which comprise the Statement by Councillors and Management, the Income Statement of the Declared Business Activity for the year ended 30 June 2020, the Statement of Financial Position of the Declared Business Activity as at 30 June 2020 and Note 1 Significant accounting policies for the Business Activity declared by Council.

The Declared Business Activity of the Council is the Sewerage Business Activity.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activity as at 30 June 2020, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting – update number 28 (LG Code).

My opinion should be read in conjunction with the rest of this report.

**Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

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

### **Emphasis of Matter - Basis of Accounting**

Without modifying my opinion, I draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

### **Other Information**

The Council's annual report for the year ended 30 June 2020 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 'Permissible income for general rates'. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

### **The Councillors' Responsibilities for the Financial Statements**

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in Note 1 to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the 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.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or

in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Nathan Carter  
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

10 November 2020  
SYDNEY



# Temora Shire Council

SPECIAL SCHEDULES  
for the year ended 30 June 2020

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*"Success through determination and inspiration"*

## Special Schedules

for the year ended 30 June 2020

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#### **Special Schedules**

Permissible income for general rates

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# Permissible income for general rates

\$ '000	Notes	Calculation 2020/21	Calculation 2019/20
<b>Notional general income calculation <sup>1</sup></b>			
Last year notional general income yield	a	4,042	3,913
Plus or minus adjustments <sup>2</sup>	b	3	17
<b>Notional general income</b>	c = a + b	<b>4,045</b>	<b>3,930</b>
<b>Permissible income calculation</b>			
Or rate peg percentage	e	2.60%	2.70%
Or plus rate peg amount	i = e x (c + g)	105	106
<b>Sub-total</b>	k = (c + g + h + i + j)	<b>4,150</b>	<b>4,036</b>
Plus (or minus) last year's carry forward total	l	(5)	1
<b>Sub-total</b>	n = (l + m)	<b>(5)</b>	<b>1</b>
<b>Total permissible income</b>	o = k + n	<b>4,145</b>	<b>4,037</b>
Less notional general income yield	p	4,141	4,042
<b>Catch-up or (excess) result</b>	q = o - p	<b>4</b>	<b>(5)</b>
<b>Carry forward to next year <sup>6</sup></b>	t = q + r - s	<b>4</b>	<b>(5)</b>

## Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the Valuation of Land Act 1916.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Local Government Act 1993. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



## INDEPENDENT AUDITOR'S REPORT

### Special Schedule - Permissible income for general rates

#### Temora Shire Council

To the Councillors of Temora Shire Council

### Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Temora Shire Council (the Council) for the year ending 30 June 2021.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting – update number 28 (LG Code), and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

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

## Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

## Other Information

The Council's annual report for the year ended 30 June 2020 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets' as at 30 June 2020.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and the special purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

## The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the 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.

## Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar8.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Nathan Carter  
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

10 November 2020  
SYDNEY

Report on Infrastructure Assets  
as at 30 June 2020

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard			Estimated cost to bring to the agreed level of service set by Council			2019/20 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost					
		\$ '000	\$ '000	\$ '000	2019/20 Required maintenance <sup>a</sup>	\$ '000	\$ '000				1	2	3	4	5	
(a) Report on Infrastructure Assets - Values																
Buildings	Other		-	-	460	553	22,795	43,846	34.0%	33.0%	33.0%	0.0%	0.0%			
	Sub-total		-	-	460	553	22,795	43,846	34.0%	33.0%	33.0%	0.0%	0.0%			
Other structures	Other structures		-	-	-	-	1,120	2,194	47.0%	19.0%	34.0%	0.0%	0.0%			
	Sub-total		-	-	-	-	1,120	2,194	47.0%	19.0%	34.0%	0.0%	0.0%			
Roads	Regional Roads		-	-	95	122	13,839	23,149	6.0%	27.0%	66.0%	1.0%	0.0%			
	Urban Sealed Roads	418	860	230	230	220	21,578	39,388	10.0%	19.0%	68.0%	3.0%	0.0%			
	Urban Unsealed Roads	162	324	35	35	16	372	930	5.0%	1.0%	55.0%	28.0%	11.0%			
	Bridges		-	-	5	-	13,785	18,453	68.0%	18.0%	14.0%	0.0%	0.0%			
	Rural Sealed Roads	759	1,615	304	314	29,477	53,931	5.0%	16.0%	73.0%	4.0%	2.0%				
	Rural Unsealed Roads	1,907	3,814	851	740	13,114	22,902	13.0%	23.0%	45.0%	19.0%	0.0%				
	Footpaths	672	672	26	24	4,910	6,706	48.0%	10.0%	29.0%	13.0%	0.0%				
	Bulk earthworks		-	-	-	-	61,276	61,276	0.0%	100.0%	0.0%	0.0%	0.0%			
	Kerb & Gutter	2,599	2,599	61	44	7,493	14,427	7.0%	18.0%	55.0%	16.0%	4.0%				
	Sub-total	6,517	9,884	1,607	1,480	165,844	241,162	11.5%	39.6%	43.4%	4.7%	0.7%				
Sewerage network	Sewerage Reticulation Network	343	343	164	94	9,128	14,854	8.0%	50.0%	35.0%	5.0%	2.0%				
	Sewerage Reticulation Pump Stations		-	16	38	333	723	18.0%	24.0%	12.0%	46.0%	0.0%				
	Sewerage Treatment Plant	225	225	151	98	639	1,129	0.0%	47.0%	48.0%	5.0%	0.0%				
	Effluent Reticulation Pipes		-	91	82	189	265	0.0%	100.0%	0.0%	0.0%	0.0%				
	Effluent Irrigation Network	8	8	-	-	572	1,097	1.0%	63.0%	31.0%	0.0%	5.0%				
	Effluent Infrastructure – Storage		-	-	-	622	1,358	0.0%	6.0%	86.0%	0.0%	8.0%				
	Effluent Infrastructure – Pump Stations	58	58	-	-	521	852	38.0%	29.0%	21.0%	3.0%	9.0%				
	Sub-total	634	634	422	312	12,004	20,278	8.2%	46.4%	37.1%	5.7%	2.6%				
Stormwater drainage	Other		-	-	19	17	6,447	11,449	1.0%	30.0%	61.0%	8.0%	0.0%			
	Sub-total		-	-	19	17	6,447	11,449	1.0%	30.0%	61.0%	8.0%	0.0%			

Report on Infrastructure Assets - Values (continued)  
as at 30 June 2020

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard			Estimated cost to bring to the agreed level of service set by Council		2019/20 Actual maintenance \$ '000	2019/20 Required maintenance <sup>a</sup> \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					1	2	3	4	5
Open space / recreational assets	Swimming pools	-	-	-	-	106	106	1,080	2,196	2,196	57.0%	29.0%	13.0%	1.0%	0.0%
	Open Space Assets	-	-	-	-	-	-	1,261	2,001	2,001	15.0%	55.0%	30.0%	0.0%	0.0%
	<b>Sub-total</b>	-	-	-	-	<b>106</b>	<b>119</b>	<b>2,341</b>	<b>4,197</b>	<b>4,197</b>	<b>37.0%</b>	<b>41.4%</b>	<b>21.1%</b>	<b>0.5%</b>	<b>0.0%</b>
Other infrastructure assets	Other Infrastructure	-	-	-	-	-	-	4,432	5,084	5,084	77.0%	23.0%	0.0%	0.0%	0.0%
	<b>Sub-total</b>	-	-	-	-	-	-	<b>4,432</b>	<b>5,084</b>	<b>5,084</b>	<b>77.0%</b>	<b>23.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>TOTAL - ALL ASSETS</b>		<b>7,151</b>	<b>10,518</b>	<b>2,627</b>	<b>2,468</b>	<b>214,983</b>	<b>328,210</b>	<b>15.5%</b>	<b>38.4%</b>	<b>41.2%</b>	<b>4.1%</b>	<b>0.7%</b>			

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

- |   |                     |                                       |
|---|---------------------|---------------------------------------|
| 1 | Excellent/very good | No work required (normal maintenance) |
| 2 | Good                | Only minor maintenance work required  |
| 3 | Satisfactory        | Maintenance work required             |
| 4 | Poor                | Renewal required                      |
| 5 | Very poor           | Urgent renewal/upgrading required     |



# Report on Infrastructure Assets (continued)

as at 30 June 2020

\$ '000	Amounts 2020	Indicator 2020	Prior periods 20192018		Benchmark
Infrastructure asset performance indicators (consolidated) *					
Buildings and infrastructure renewals ratio <sup>1</sup>					
Asset renewals <sup>2</sup>	3,814	86.50%	156.74%	169.52%	>=100.00%
Depreciation, amortisation and impairment	4,409				
Infrastructure backlog ratio <sup>1</sup>					
Estimated cost to bring assets to a satisfactory standard	7,151	3.33%	3.56%	2.50%	<2.00%
Net carrying amount of infrastructure assets	214,983				
Asset maintenance ratio					
Actual asset maintenance	2,468	93.95%	144.43%	115.08%	>100.00%
Required asset maintenance	2,627				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	10,518	3.20%	3.52%	2.35%	
Gross replacement cost	328,210				

(\*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Excludes Work In Progress (WIP)

(2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Report on Infrastructure Assets (continued)  
as at 30 June 2020

	General fund		Sewer fund		Benchmark
\$ '000	2020	2019	2020	2019	
<b>Infrastructure asset performance indicators (by fund)</b>					
<b>Buildings and infrastructure renewals ratio <sup>1</sup></b>					
Asset renewals <sup>2</sup>					
Depreciation, amortisation and impairment	<b>90.81%</b>	169.25%	<b>8.66%</b>	47.29%	>=100.00%
<b>Infrastructure backlog ratio <sup>1</sup></b>					
Estimated cost to bring assets to a satisfactory standard	<b>3.21%</b>	3.49%	<b>5.28%</b>	4.55%	<2.00%
Net carrying amount of infrastructure assets					
<b>Asset maintenance ratio</b>					
Actual asset maintenance	<b>97.78%</b>	158.12%	<b>73.93%</b>	78.64%	>100.00%
Required asset maintenance					
<b>Cost to bring assets to agreed service level</b>					
Estimated cost to bring assets to an agreed service level set by Council	<b>3.21%</b>	3.58%	<b>3.13%</b>	2.83%	
Gross replacement cost					

(1) Excludes Work In Progress (WIP)

(2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

