



**Edward
River**
COUNCIL

I hereby give notice that an Ordinary Meeting of Council will be held on:

Date: Thursday, 18 October 2018
Time: 9am
**Location: Council Chamber 180 Cressy Street
Deniliquin**

BUSINESS PAPER

Ordinary Council Meeting

18 October 2018

**Adam McSwain
General Manager**

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- 1 ACKNOWLEDGEMENT OF COUNTRY**
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Ordinary Council Meeting - 20 September 2018



**Edward
River**
COUNCIL

MINUTES

Ordinary Council Meeting

20 September 2018

**MINUTES OF EDWARD RIVER COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE BLIGHTY RECREATION RESERVE
ON THURSDAY, 20 SEPTEMBER 2018 AT 9.00AM**

PRESENT: Cr Norm Brennan (Mayor), Cr Pat Fogarty (Deputy Mayor), Cr Peta Betts, Cr Marg Bull, Cr Ashley Hall, Cr Norm McAllister, Cr Peter McCrabb, Cr Nick Metcalfe, Cr Mac Wallace

IN ATTENDANCE: Adam McSwain (General Manager), Caroline Wallis (Director Corporate Services), Oliver McNulty (Director Infrastructure), Julie Rogers (Manager Environmental Services, Michelle Cobb (Manager Tourism and Economic Development

GALLERY: One from 10.50am

ACKNOWLEDGEMENT OF COUNTRY

“I would like to acknowledge that we are here today on the land of the Wamba Wamba Perrepa Perrepa people. I would also like to acknowledge and pay my respects to past Aboriginal Elders, the present Aboriginal and Torres Strait Islander people who reside within this area, and their future generations.”

STATEMENT OF PURPOSE

I have come here as a Councillor freely and without bias to:

- Represent the views of the community in considering the matters before us today
- To vote in a matter I consider to be in the best interest of the community
- To observe the Code of Conduct and respect the rule of the chair and views of my fellow Councillors.

2018/202 APOLOGIES AND REQUESTS FOR LEAVE OF ABSENCE

Moved: Cr Wallace
Seconded: Cr McCrabb

That the apology tendered for non-attendance from Cr Metcalfe be accepted.

CARRIED

2018/203 DISCLOSURE OF INTEREST

Cr Fogarty declared an interest in report number 11.4 Deniliquin Boat Club Request and 11.12 2018/19 Community Grants Program.

Cr Peter McCrabb declared an interest in report number 11.21 Drought Relief.

Moved: Cr Fogarty
Seconded: Cr Wallace

CARRIED

2018/204 CONFIRMATION OF MINUTE FROM PREVIOUS MEETING**RESOLUTION**

Moved: Cr Fogarty

Seconded: Cr Hall

That the minutes of the Ordinary Council Meeting held on 16 August 2018 and the Extraordinary Council Meeting held on 6 September 2018 be confirmed.

CARRIED

2018/205 BUSINESS ARISING FROM MINUTES

Moved: Cr Wallace

Seconded: Cr Betts

RESOLUTION

That minute 2018/179 Section 355 Funding be amended to reflect the amount of up to \$15,000 be available to the Booroorban Sporting and Social Club.

CARRIED

2018/206 MAYORAL MINUTES

Mayor Brennan suggests Edward River Council submit a motion to the Local Government New South Wales Annual Conference being held in Albury October 21 – 23, 2018. The motion to be prepared and submitted to Local Government New South Wales by Sunday 23 September 2018. The proposed motion, will be regarding water and water strategies and when written will be forwarded to all councillors for approval.

RESOLUTION

Moved: Cr McAllister

Seconded: Cr Bull

A motion to be submitted to the Local Government New South Wales Annual Conference from Edward River Council on Dilution Flows and EC Levels.

CARRIED

2018/207 MAYOR AND GENERAL MANAGER MEETINGS**RESOLUTION**

Moved: Cr McCrabb

Seconded: Cr Betts

That Council note the information.

CARRIED

2018/208 RESOLUTIONS OF COUNCIL

RESOLUTION

Moved: Cr Wallace

Seconded: Cr McCrabb

That Council note the information in the Resolutions of Council September 2018 update.

CARRIED

2018/209 LOCAL GOVERNMENT ACT SECTION 333 REVIEW OF ORGANISATIONAL STRUCTURE

RESOLUTION

Moved: Cr McAllister

Seconded: Cr McCrabb

That Council

1. Note that this review was undertaken to ensure compliance with section 333 of the Local Government Act 1993
2. Reaffirm the existing organisational structure

CARRIED

2018/210 DENILIQVIN BOAT CLUB REQUEST

RESOLUTION

That Council consider the request for additional funding from the Deniliquin Boat Club for the accessible toilet project.

Moved: Cr Wallace

Seconded: Cr McCrabb

That Council defer this request to the October 18, 2018 Council Meeting to allow a delegation from the Deniliquin Boat Club to attend.

CARRIED

2018/211 CENTRAL MURRAY COUNTY COUNCIL**RESOLUTION**

Moved: Cr McCrabb

Seconded: Cr Betts

That Council in the event that the Central Murray County Council is wound up

1. Resolve to deliver its weed control authority responsibilities as an internal Council service
2. Requests that the following equipment be provided:
 - The Deniliquin Depot including sheds and demountables and all equipment, fixtures and fittings contained therein
 - Two Ranger utes based in Deniliquin
 - Two quick spray units
 - One Canter Truck – BE34DL
 - Two rearing cages
 - Two motion tablets
 - Software for tablets
 - Two kestrel wind meters
 - Two mobile phones
3. Requests that the two Deniliquin CMCC staff be transferred to Council
4. Resolve that any financial return to Council be established in an internally restricted 'weeds authority' reserve
5. Requests Council Officers investigate other plant items held by the County Council, and if the cost benefit of having the plant is positive, that Officers bring a further report to Council for consideration.

CARRIED

Mayor Brennan left the meeting at 9.48am and returned at 9.50am.

2018/212 AIRPORT FUNDING APPLICATION - STATE APPLICATION**RESOLUTION**

Moved: Cr Fogarty

Seconded: Cr Betts

That Council

1. Note that additional information was submitted by the deadline of 7 September 2018 for the NSW State Government Growing Local Economies airport funding application
2. Note that the application submitted maintained the \$10 million funding request from the State Government
3. Note that the expected total project cost for the project, factoring in the indexing of funding for the future years in which it will be spent, is \$20,550,118
4. Note that the expected ongoing operational and capital expenditure required from Council for the project commencing in 2021/22 until 2026/27, if completed, is \$219,320 annually (based off the expected annual operating and capital costs minus the projected revenue from the project). In 2018/19 it costs Council \$82,850 to operate the airport
5. Approve that in the 2020/21 financial year Council allocate \$550,118 towards the project if the \$20 million in grant funding applied for is successful.

CARRIED

Congratulations was extended to General Manager Adam McSwain and staff on the work that has been done so far.

Cr McAllister left the meeting at 10.06am.

Cr McAllister returned to the meeting at 10.08am.

2018/213 COUNCIL MEETING ANNUAL SCHEDULE**RESOLUTION**

Moved: Cr McCrabb

Seconded: Cr Betts

That Council:

1. Will hold its monthly Council meetings on the third Thursday of the month commencing at 9am and these meetings will all be held in the Edward River Council Chambers, 180 Cressy Street, Deniliquin.
2. Resolves to not hold a Council meeting in January 2019.
3. Publishes the new schedule of Council meetings on the Edward River Council website.

CARRIED

2018/214 FEES AND CHARGES 2018-19**RESOLUTION**

Moved: Cr Fogarty

Seconded: Cr McCrabb

1. That Council, having received one submission from the debtor officer make and levy a Non Residential Filtered Water Usage Charge of \$1.38 cents per kilolitre for non residential properties in the former Deniliquin Council area sub-categorised as NON RESIDENTIAL, to rectify an omission.
2. That Council, having received nil submissions from members of the public following a public exhibition period of 28 days, adopts the amended Fees and Charges 2018-19.
3. That Council publishes the amended Fees and Charges 2018-19 on Council's website.

CARRIED

2018/215 INVESTMENT REPORT 31 AUGUST 2018**RESOLUTION**

Moved: Cr McCrabb

Seconded: Cr Wallace

That Council

1. Note and receive the Report on Investments totalling \$45,053,298 inclusive of cash at bank for day-to-day operations;
2. Note that actual interest received for the month of August 2018 was \$60,753.
3. Note that accrued interest earned to 31 August 2018 but not yet received was \$392,942

CARRIED

2018/216 PECUNIARY INTEREST RETURNS - DISCLOSURES BY COUNCILLORS AND DESIGNATED PERSONS 2018**RESOLUTION**

Moved: Cr Wallace

Seconded: Cr Betts

That Council tables the pecuniary interest returns in accordance with Section 449 and 450A of the *Local Government Act 1993* (Act).

CARRIED

2018/217 RECORDS MANAGEMENT POLICY**RESOLUTION**

Moved: Cr Fogarty

Seconded: Cr Betts

That Council adopts the Records Management Policy as attached to this report.

CARRIED

2018/218 COMMUNITY GRANTS PROGRAM

Cr Fogarty declared an interest and left the meeting at 10.35am.

RESOLUTION

Moved: Cr Wallace

Seconded: Cr Bull

That Council approve and fund the recommended projects through the 2018/19 Edward River Community Grants Program.

CARRIED

Cr Fogarty returned to the room at 10.46am

2018/219 ECONOMIC DEVELOPMENT STRATEGY 2018-2021**RESOLUTION**

Moved: Cr Betts

Seconded: Cr Fogarty

That Council adopt the Edward River Economic Development Strategy 2018-2021

CARRIED

Councillors congratulated Manager Tourism and Economic Development, Michelle Cobb on the Strategy.

2018/220 DRAFT MANAGEMENT OF FERAL AND/OR INFANT COMPANION ANIMALS POLICY**RESOLUTION**

Moved: Cr McAllister

Seconded: Cr Fogarty

That Council adopt the draft Management of Feral and/or Infant Companion Animals Policy.

CARRIED

2018/221 ENVIRONMENTAL SERVICES PROJECT QUARTERLY REPORT (SEPTEMBER 2018)**RESOLUTION**

Moved: Cr Betts

Seconded: Cr McAllister

That Council note the Environmental Services Project Quarterly Report (September 2018).

CARRIED

Manager Tourism and Economic Development left the meeting at 11.01am

2018/222 MINUTES - OPEN AND PUBLIC SPACE STRATEGIC WORKING GROUP**RESOLUTION**

Moved: Cr Wallace

Seconded: Cr McAllister

That Council adopt the minutes from the Open and Public Space Strategic Working Group meeting held on 27 August 2018.

CARRIED

Cr McAllister left the meeting at 11.04am and returned at 11.06am

Cr Fogarty left the meeting at 11.06am and returned at 11.08am

2018/223 DRAFT ROADSIDE GRAZING POLICY**RESOLUTION**

Moved: Cr McAllister

Seconded: Cr McCrabb

That Council:

- a) Adopt the draft Roadside Grazing Policy with the amendment that Public Liability Insurance Policy should read \$20 million; and
- b) Delegate to the General Manager in accordance with section 377 of the Local Government Act 1993 the power to grant concurrence to the issuing of a roadside grazing permit on a road vested in Council in accordance with section 78 of the Local Land Services Act.

CARRIED

Moved: Cr McAllister

Seconded: Cr Fogarty

The local roads will remain closed for the next four weeks with a review to be held during the October Council meeting.

CARRIED

2018/224 ENVIRONMENTAL SERVICES REPORT (AUGUST 2018)**RESOLUTION**

Moved: Cr McAllister

Seconded: Cr Bull

That Council notes the Environmental Services report for August 2018.

CARRIED

2018/225 STRONGER COMMUNITIES FUND - MAJOR PROJECTS PROGRAM AND THE STRONGER COUNTRY COMMUNITIES PROGRAM - SEPTEMBER PROGRESS REPORT**RESOLUTION**

Moved: Cr McCrabb

Seconded: Cr Betts

That Council note the Stronger Communities Fund- Major Projects Program and the Stronger Country Communities Program- Progress Report for September 2018

CARRIED

Manager Environmental Services, Julie Rogers, left the meeting at 11.29am

2018/226 DENI PLAY ON THE PLAINS - UTE MUSTER 2018**RESOLUTION**

Moved: Cr McAllister

Seconded: Cr Hall

That Council approve the 2018 Play on the Plains Festival (Ute Muster) Special Event Application with the following conditions:

1. No Camping” Signs be erected on both sides of the road. No camping will be allowed on any road side or public reserves near the event. All Campers must be contained within the fenced Ute Muster allocated camping area on the corner of Moonee Swamp Road and Conargo Road (MR 552). Police will monitor and move on any campers not in the designated fenced area of the Ute Muster site.
2. The Ute Muster as the event owner must provide a duty of care to the patrons of their event and ensure that there is adequate fencing to prevent anyone camping outside the designated Ute Muster area. This is to ensure the safety of the campers.
3. If traffic starts to impact non-event traffic the reserve between Smart Street and Augustus Street will be used as a holding area. Traffic will then be intermittently (with the use of a traffic controller) directed across Conargo Road into the Ute Muster entrance. The area is noted on TCP 1A.

CARRIED

2018/227 DROUGHT RELIEF**RESOLUTION**

Moved: Cr McAllister

Seconded: Cr Wallace

That Council approve that during this period of drought;

1. Ratepayers can apply for 30,000 litres of rural water for their private use by completing the necessary application form,
2. That Council will donate this water to ratepayers for their use
3. That ratepayers purchase a temporary fob for the Avdata system to enable them to collect and transport this water to their properties and that staff will work with ratepayers to ensure the best way of collection.
4. This resolution will be reviewed at the March 2019 Council meeting

CARRIED

2018/228 SALE OF LAND TO CARUSO - LOT 234 BARHAM ROAD DENILQUIN**RESOLUTION**

Moved: Cr McAllister

Seconded: Cr Fogarty

That Council ratify the decision to sell Lot 1 DP 1213955 (Barham Rd, Deniliquin) to EL-Max Nominees Pty Ltd for \$66,000.00 as per the agreement signed 22nd May 2013 and that the Common Seal of Council be affixed to the relevant documents.

CARRIED

2018/229 CONFIDENTIAL MATTERS**RESOLUTION**

Moved: Cr McAllister

Seconded: Cr Wallace

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 10A(2) of the Local Government Act 1993:

16.1 Retirement Living Project Update

This matter is considered to be confidential under Section 10A(2) - c of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

16.2 Planning and Design Services - Deniliquin Town Hall Revitalisation and Staff Accommodation

This matter is considered to be confidential under Section 10A(2) - c and d(i) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

Council moved into closed council at 11.47am

CARRIED

2018/230 RETIREMENT LIVING PROJECT UPDATE**RESOLUTION**

Moved: Cr McAllister

Seconded: Cr Bull

That Council

1. Note the correspondence received from the preferred site developer and operator
2. Note that final approval for the proposed development on the site and the acquisition of the second piece of land is still pending approval from the Office of Local Government
3. Approve that following written confirmation from the Office of Local Government that the proposed development complies with the site and that the compulsory acquisition for the second piece of land is completed, that Council agree to entering into a further 12-week period with the proposed developer to complete a community consultation, market testing and feasibility assessment process
4. Approve the General Manager to draft a letter to the preferred developer in line with the above recommendations.

CARRIED

**2018/231 PLANNING AND DESIGN SERVICES - DENILIQUN TOWN HALL
REVITALISATION AND STAFF ACCOMMODATION****RESOLUTION**

Moved: Cr McAllister

Seconded: Cr Fogarty

That Council

1. Accepts the tender from Gerard Brandrick & Associates Pty Ltd for Contract 2.19.260 – Planning and Design Services – Deniliquin Town Hall Revitalisation and Staff Accommodation for the overall price of \$283,620 (ex GST)
2. Approves a total budget for the project of \$302,000 to cover additional sub-consultants (if-required) for acoustic engineering, environmentally sustainable design, fire consultants and in-ground service locations
3. Authorise the General Manager and Mayor to sign and affix the Common Seal of Edward River Council to the contract documentation for Contract 2.19.260 – Planning and Design Services – Deniliquin Town Hall Revitalisation and Staff Accommodation
4. Notes that as per the Tender documentation only Stage One of the project currently has funding to proceed
5. Approves that if funding for the Town Hall Revitalisation is confirmed, the General Manager can approve the Town Hall Revitalisation stage of this project to proceed
6. Notes that the stage relating to Staff Accommodation will only proceed following the completion of Stage One and the subsequent approval and allocation of budget from Council

CARRIED

2018/232 RESOLUTION

Moved: Cr McCrabb

Seconded: Cr Wallace

That Council moves out of Closed Council into Open Council.

CARRIED

1 CLOSE OF MEETING

The Meeting closed at 11.54am

The minutes of this meeting were confirmed at the Ordinary Council Meeting held on 18 October 2018.

.....
CHAIRPERSON

6 BUSINESS ARISING FROM MINUTES

7 DEPUTATIONS

Nil

8 CORRESPONDENCE

Nil

9 MAYORAL MINUTES

Nil

10 PUBLIC FORUM

11 REPORTS FROM OFFICERS**11.1 MAYOR AND GENERAL MANAGER MEETINGS**

File Number:

Author: Belinda Perrett, Executive Assistant

Authoriser: Adam McSwain, General Manager

RECOMMENDATION

That Council note the information.

ACKGROUND

The report details meetings undertaken by the Mayor and General Manager on behalf of Council during September 2018.

Mayor and General Manager meetings September 2018			
Date	Participants	Topic	Council Reps
3	Speak Up Campaign	Teleconference	Mayor
5	RAMJO Board Meeting	Board Meeting	Mayor, General Manager
5	Southern Riverina Group Meeting	Regional Plans	General Manager
5	Civic Reception Brenda Norman	Civic Reception	Councillors, General Manager, Directors, Managers
11	Deniliquin Airport Expansion Project Steering Committee	First Meeting Steering Committee	Mayor, Cr Hall, General Manager, Manager Tourism and Economic Development
20	Deniliquin Masterplan Function	Business Invitation	Mayor, General Manager, Cr Bull, Cr McAllister, Manager Environmental Services, Manager Tourism and Economic Development
25	Water Strategy Meeting	Water	Mayor
26	Lagoons Project	Update	Mayor, General Manager
28	Deniliquin High School	Visit with Austin Evans	Mayor, General Manager
28	Ute Muster	Chairman's Reception	Mayor, General Manager, Councillors

ISSUE/DISCUSSION

Nil

STRATEGIC IMPLICATIONS

Nil

COMMUNITY STRATEGIC PLAN

Nil

FINANCIAL IMPLICATIONS

Nil

LEGISLATIVE IMPLICATIONS

Nil

ATTACHMENTS

Nil

11.2 RESOLUTIONS OF COUNCIL

Author: Belinda Perrett, Executive Assistant

Authoriser: Adam McSwain, General Manager

RECOMMENDATION

That Council note the information in the Resolutions of Council October 2018 update.

BACKGROUND

The attached report details the status of open Resolutions of Council.

ISSUE/DISCUSSION

Monthly report to update Councillors and community members on the progress of Council Resolutions.

STRATEGIC IMPLICATIONS

As outlined in the status updates.

COMMUNITY STRATEGIC PLAN

This report aligns with Outcome 5 – A community working together to achieve its potential. Particularly it supports outcome 5.3, our local government is efficient, innovative and financially sustainable.

FINANCIAL IMPLICATIONS

Not applicable

LEGISLATIVE IMPLICATIONS

Not applicable

ATTACHMENTS

1. September

Resolutions

Council Meeting Resolutions September 2018

20 September 2018	Resolution	Responsibility	Status	Expected Date of Completion
206/18	Mayoral Minute A motion to be submitted to the Local Government New South Wales Annual Conference from Edward River Council on Dilution Flows and EC Levels.	Mayor and General Manager	Motion Submitted	October 23, 2018
210/18	That Council defer this request to the October 18, 2018 Council Meeting to allow a delegation from the Deniliquin Boat Club to attend.	General Manager	Deniliquin Boat Club members informed. It is listed on the October agenda.	October 18, 2018
211/18	That Council in the event that the Central Murray County Council is wound up <ol style="list-style-type: none"> 1. Resolve to deliver its weed control authority responsibilities as an internal Council service 2. Requests that the following equipment be provided: <ul style="list-style-type: none"> • The Deniliquin Depot including sheds and demountables and all equipment, fixtures and fittings contained therein • Two Ranger utes based in Deniliquin • Two quick spray units • One Canter Truck – BE34DL • Two rearing cages • Two motion tablets • Software for tablets • Two kestrel wind meters • Two mobile phones 3. Requests that the two Deniliquin CMCC staff be transferred to Council 4. Resolve that any financial return to Council be established in an internally restricted 'weeds authority' reserve 5. Requests Council Officers investigate other plant items held by the County Council, and if the cost benefit of having the plant 	General Manager	Resolution provided to Central Murray County Council	September 2019

Council Meeting Resolutions September 2018

	is positive, that Officers bring a further report to Council for consideration.			
223/18	<p>Draft Roadside Grazing Policy</p> <p>That Council:</p> <ol style="list-style-type: none"> a) Adopt the draft Roadside Grazing Policy with the amendment that Public Liability Insurance Policy should read \$20 million; and b) Delegate to the General Manager in accordance with section 377 of the Local Government Act 1993 the power to grant concurrence to the issuing of a roadside grazing permit on a road vested in Council in accordance with section 78 of the Local Land Services Act. <p>The local roads will remain closed for the next four weeks with a review to be held during the October Council meeting.</p>	Manager Environmental Services	Complete. Report listed on October agenda.	October 2018
227/18	<p>Drought Relief</p> <p>That Council approve that during this period of drought;</p> <ol style="list-style-type: none"> 1. Ratepayers can apply for 30,000 litres of rural water for their private use by completing the necessary application form, 2. That Council will donate this water to ratepayers for their use 3. That ratepayers purchase a temporary fob for the Avdata system to enable them to collect and transport this water to their properties and that staff will work with ratepayers to ensure the best way of collection. 4. This resolution will be reviewed at the March 2019 Council meeting 	Director Infrastructure	System implemented and operational.	March 2019
228/18	<p>Sale of Land to Caruso – Lot 234 Barham Road Deniliquin</p> <p>That Council ratify the decision to sell Lot 1 DP 1213955 (Barham Rd, Deniliquin) to EL-Max Nominees Pty Ltd for \$66,000.00 as per the agreement signed 22nd May 2013 and that the Common Seal of Council be affixed to the relevant documents.</p>	General Manager	Documents signed and being processed	October 2018

Council Meeting Resolutions September 2018

230/18	<p>Retirement Living Project That Council</p> <ol style="list-style-type: none"> 1. Note the correspondence received from the preferred site developer and operator 2. Note that final approval for the proposed development on the site and the acquisition of the second piece of land is still pending approval from the Office of Local Government 3. Approve that following written confirmation from the Office of Local Government that the proposed development complies with the site and that the compulsory acquisition for the second piece of land is completed, that Council agree to entering into a further 12-week period with the proposed developer to complete a community consultation, market testing and feasibility assessment process 4. Approve the General Manager to draft a letter to the preferred developer in line with the above recommendations. 	General Manager	Approval being sought by Councils lawyer	November 2018
231/18	<p>Planning and Design Services – Deniliquin Town Hall Revitalisation and Staff Accommodation That Council</p> <ol style="list-style-type: none"> 1. Accepts the tender from Gerard Brandrick & Associates Pty Ltd for Contract 2.19.260 – Planning and Design Services – Deniliquin Town Hall Revitalisation and Staff Accommodation. 2. Approves a total budget for the project of \$302,000 to cover additional sub-consultants (if-required) for acoustic engineering, environmentally sustainable design, fire consultants and in-ground service locations 3. Authorise the General Manager and Mayor to sign and affix the Common Seal of Edward River Council to the contract documentation for Contract 2.19.260 – Planning and Design Services – Deniliquin Town Hall Revitalisation and Staff Accommodation 4. Notes that as per the Tender documentation only Stage One of the project currently has funding to proceed 	General Manager		Completed

Council Meeting Resolutions September 2018

	<ol style="list-style-type: none"> 5. Approves that if funding for the Town Hall Revitalisation is confirmed, the General Manager can approve the Town Hall Revitalisation stage of this project to proceed 6. Notes that the stage relating to Staff Accommodation will only proceed following the completion of Stage One and the subsequent approval and allocation of budget from Council 			
16 August 2018	Resolution	Responsibility	Status	Expected Date of Completion
179/18	<p>Section 355 Funding</p> <ol style="list-style-type: none"> 1. Provide funding to the following Committees for the sole purpose of delivering the activities outlined in the submissions received: - <ol style="list-style-type: none"> a. Conargo Memorial Hall Committee \$8,000 b. Wanganella Advancement Committee \$1,300 c. The Long Paddock Committee \$12,006.50 d. Deniliquin Airport Advisory Committee \$19,929 e. Edward River Concert Band \$6,725 2. Seek further clarification on the submissions received from: - <ol style="list-style-type: none"> a. Boorooban Sporting & Social Club \$10,000 b. Deniliquin Multi Arts Centre \$6,600 c. Blighty Advancement Committee \$10,000 3. Delegate approval to the General Manager to sign off on these grants once additional information has been confirmed and the grants are suitable for approval 4. Not provide funding to the Deniliquin Yard Dog Association nor the Edward River Society of Model Engineers as they are not directly Section 355 Committees 5. Provide funding of \$10,000 for improved entrance and wayfinding signage for Memorial Park 	General Manager	Letters of advice forwarded.	December 2018
187/18	<p>Emergency Sewer Works</p> <ol style="list-style-type: none"> 1. Note that emergency works were carried out to repair the sewer at Cressy Street and Harfleur Street 2. Note that the total cost for these emergency sewer works was \$188,075 	Director Infrastructure	Completed	September 2018

Council Meeting Resolutions September 2018

	3. Ratify that the budget for these works was provided for from the sewer reserve			
190/18	River Street Drainage 1. Re-allocate \$10,000 from the Stormwater – Drainage Cleaning budget item to the River Street Drainage budget item 2. Note that the work shall be completed by Council's Operational staff.	Director Infrastructure	Works to proceed January 2019	January 2019
193/18	Plant Replacement Accept the tender submitted by Wagga Trucks and the FM1 2002 Sterling be offered for sale by public auction	Director Infrastructure	Order has been placed	November 2018
19 July 2018	Resolution	Responsibility	Status	Expected Date of Completion
155/18	Conargo Hall Committee Incorporation That Council work with the Conargo Memorial Hall and Recreation Ground Committee and explore the opportunity to change its status from a Section 355 Committee of Council to an Incorporated Body.	Director Corporate Services	Draft Agreement distributed to committee. Still pending report from Committee. Following meeting email sent to return to Edward River Council and General Manager	November 2018
162/18	Alcohol Free Zones That Council: 1. Prepare a proposal for the re-establishment of an alcohol free zone within the area outlined in blue in Attachment 1 of this report titled 'Proposed AFZ 2018-2022' in accordance with section 644 of the Local Government Act; 2. Undertake public consultation of the proposal to establish the alcohol free zone within the area outlined in blue in attachment 1 of this report titled 'Proposed AFZ 2018-2022' in accordance	Manager Environmental Services	On Public Exhibition until 19 September 2018	October 18, 2018

Council Meeting Resolutions September 2018

	<p>with section 644A of the Local Government Act and the "Ministerial Guidelines on Alcohol Free Zones" (February 2009); and</p> <p>3. Upon completion of this public consultation, consider a further report on the proposal to establish the alcohol free zone.</p>			
163/18	<p>Sale and Development Former Council Depot 143-147 Hardinge Street Deniliquin</p> <p>That Council Determine that the former Council Depot (South Depot) at 143-147 Hardinge Street, Deniliquin, Lot 261 DP634603 is surplus to Council requirements and approve the sale of this land; Allocate a budget of approximately \$50,000 from the Infrastructure Reserve to undertake soil and contamination investigations at 143-147 Hardinge Street, Deniliquin on both Lot 261 DP634603 and Lot 27 DP756325; Once site rectification works are complete, approve an Expression of Interest process for the sale of Lot 261 DP634603 that places a focus on supporting business expansion, job creation and economic development as the preferred outcome; Approve that upon completion of sale of the property, all costs associated with the above investigations will be reallocated to the Infrastructure Reserve; Note that the sale won't be finalised until all Council required equipment and shedding is removed from the site; Note that Lot 27 DP756325 is Crown Land leased by Council and as such won't be included as part of the land sale; Note that the relocation of sheds at the back of the site used by local service groups will need to be relocated to a suitable site and that the costs to do this will be funded through the proceeds from the sale of the land</p>	<p>Manager Tourism & Economic Development</p>	<p>Contractor Engaged to undertake soil testing.</p> <p>Testing commenced</p> <p>EOI Drafted</p>	<p>October 30, 2018</p>
171/18	<p>Contract 2.19.254 – Road Reconstruction/Rehabilitation Program Works</p> <p>That Council not accept the tender submissions for Contract 2.19.254 – Road Reconstruction/ Rehabilitation Program, in accordance with Clause 178(1) of the <i>Local Government (General) Regulations</i>, since submitted tender price was very much greater than the grant funding for the project; In accordance with Clause 178(3)(e) of the <i>Local Government (General) Regulations</i>, enter negotiations with</p>	<p>Director Infrastructure</p>	<p>In discussion with contractors to progress delivery of this work.</p>	<p>November 2018</p>

Council Meeting Resolutions September 2018

	<p>contractors in relation to the subject matter of the tender. Approve that General Manager can enter a sign contract with a single contractor or multiple contractors to ensure that the works related to in this tender are delivered. In accordance with clause 178 (4)(b) of the <i>Local Government (General) Regulations</i>, Council note the reasons for following this process are;</p> <p>(a)Due to the lack of interest from contractors in the initial tender process</p> <p>(b)The timeframes imposed by the funding authority for the delivery of this work restrict the ability to progress through a full tender process and complete all the works</p>			
17 May 2018	Resolution	Responsibility	Status	Expected Date of Completion
113/18	<p>Deniliquin Ethanol Plant That Council: Approve the sale of lots two and three of the land Council hold title over in Gheringhap for \$300,000 Approve the Mayor and General Manager signing and applying the Council seal to sell lots two and three in Gheringhap Recover from Dongmun the \$18,000 currently held in trust Do not proceed with the sale of lot one of the land in Gheringhap until 30 June 2018 Following 30 June 2018 if the loan provided to Dongmun Greentech (inclusive of all associated costs) is not re-paid in full proceed with the sale of the remaining land in Gheringhap</p>	General Manager	\$300k received for sale of lots 2 & 3. Continuing to work with Francis, Kelly & Grant. Sale of remaining land now underway	November 2018
19 April 2018	Recommendation	Responsibility	Status	Expected Date of Completion
80/18	That Council: Prepare a planning proposal to amend the Deniliquin Local Environmental Plan 2013 in accordance with section 3.33 of the Environmental Planning and Assessment	Manager Environmental Development	Gateway determination issued 29 May	31 December 2018

Council Meeting Resolutions September 2018

	Act 1979 to insert an additional permitted use for Lot 114 DP756310, 227 Augustus Street, Deniliquin; Forward the planning proposal to the Minister for Planning and Infrastructure in accordance with section 3.34(1) of the Environmental Planning and Assessment Act 1979. Request that the local plan making functions in relation to this planning proposal be delegated to Council.		2018. Council liaising with the Department of Planning about specific definition for the type of general industry to occur on the subject site.	
15 March 2018	Recommendation	Responsibility	Status	Expected Date of Completion
45/18	That Council: Establish an access committee; Invite Intereach and Kurrajong to provide one representative each on the committee; call for expressions of interest from the community to join the committee; Council to receive a report to determine the membership of the committee; and appoint the Mayor or a delegate to be a Councillor representative on this Committee.	Manager Environmental Development	Calls for expressions of interest advertised. No responses received. Possible community members to be contacted to gauge interest.	Further report to Council July 2018
47/18	Central Murray Regional Library Draft Deed of Agreement. That council receive the report And agree to adopt and sign the draft Central Murray Regional Library Deed of Agreement	Manager Tourism & Economic Development	Currently Reviewing Deed. Meeting scheduled 28 September 2018.	October 2018

Council Meeting Resolutions September 2018

49/18	<p>Deniliquin Airport Project Business Case Report That Council: Receive the Deniliquin Airport Project Final Report prepared by KPMG. 2.Lodge an E.O.I seeking \$10 million funding in the Regional Growth Fund and seek matching State funding. 3.Commence discussions with state and federal government in relation to the project. 4.Commence discussions with Brisbane West Wellcamp Airport regarding terms of agreement for the link between Deniliquin Airport and Brisbane West Wellcamp Airport should council proceed with the proposed upgrade. 5.Commence discussions with stakeholders identified in the KPMG report and any other stakeholders that may be identified through this process. 6.Seek formal letters of support from commercial partners and investors. 7.Further develop the phased approach regarding construction of a business par in the airport precinct. This should include site planning for a large indoor farming operation. 8.Develop a detailed risk management plan for the project to address or mitigate all identified risks. 9.Further develop financial modelling for the project to understand project costs depending on the level of government or private funding able to be received. 10.Request a further report be prepared for council updating on the outcome of each of the above items prior to further progressing the project.</p> <p><i>Project Steering Committee Appointed. Project Manager Currently being appointed.</i></p>	Manager Tourism & Economic Development	<p>State Government grant application for \$10 million in funding submitted. Federal Government seeking \$10 million in funding submitted</p> <p>Meeting held in Brisbane with John Wagner. Still really strong support for the project and an updated MOU is being prepared for John to sign.</p> <p>Letters sent and discussions commenced with prospective</p>	Ongoing
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Council Meeting Resolutions September 2018

26 July 2017	Recommendation	Responsibility	Status	Expected Date of Completion
	<p>Consolidation of Operational Depots That Council submit a DA for the expansion of the existing depot site and receive a further report regarding detailed layout and costings following further consultation with staff.</p>	Infrastructure	<p>suppliers and supporters of the project.</p> <p>Workshop discussion held with staff. Design is being completed. DA application to remove houses being lodged.</p>	30 Oct 2018

11.3 DENILQUIN BOAT CLUB REQUEST

Author: Adam McSwain, General Manager

Authoriser: Adam McSwain, General Manager

RECOMMENDATION

That Council consider the request for additional funding from the Deniliquin Boat Club for the accessible toilet project.

BACKGROUND

Through Council's Stronger Communities funding program (merger funding) the Deniliquin Boat Club (Boat Club) applied for and were successful in receiving funding for a project to construct an accessible toilet for the club room/function room facility.

The grant amount provided was \$50,000 (ex GST), this was as per the request from the Boat Club.

Delivery of the Stronger Communities projects is happening in a couple of ways, the majority of projects are being managed and delivered by Council, a few other projects (basketball stadium boat club and children's centre) are being delivered by the organisation who applied for the funding.

For the organisations that are managing the project themselves, a funding agreement has been put in place between Council and the organisation. This agreement stipulates the funding provided and a variety of other clauses for how the funds are to be managed.

ISSUE/DISCUSSION

The Boat Club have now completed the accessible toilet project. Following the completion of the project the Boat Club have written to Council advising that the project went over budget by \$7,000. The original budget was \$55,000 (including GST) and the final invoice has come in at \$62,000 (including GST). The Boat Club have advised that the reason the project went over budget was due to the age of the building which lead to unforeseen complications when constructing and installing the toilets.

The Boat Club have advised that they operate with a tight budget and the \$7,000 increase will impact on their ability to complete their regular summer programming.

Receiving this request after the completion of the project, with no notice prior, makes it difficult for Council Officers to assist. Other similar 'community run' merger projects that are facing similar issues with budget are being proactive in working with Council Officers to make the changes required to ensure that the projects remain within the budget. Unfortunately, in the case of the Boat Club this did not take place.

A response was received from the Boat Club advising they didn't know who to talk to in Council to get assistance.

It is requested that Council consider the request from the Boat Club. Council has two options with this request; Council can choose to provide the additional \$7,000 funding to the Boat Club or choose to not provide the additional funding.

STRATEGIC IMPLICATIONS

Council are currently managing and overseeing a significant number of grant funded projects. If additional funding is provided to the Boat Club, it may encourage others to also seek additional funding.

COMMUNITY STRATEGIC PLAN

The Boat Club project aligns with Outcome 1 – A great place to live. Particularly, the project contributes towards target 1.2 our community is safe, happy and healthy, both physically and mentally.

FINANCIAL IMPLICATIONS

Council currently have unallocated funds within the Stronger Communities program that could be utilised for this purpose.

LEGISLATIVE IMPLICATIONS

Nil

ATTACHMENTS

Nil

11.4 ROADSIDE GRAZING POLICY

Author: Julie Rogers, Manager Environmental Services

Authoriser: Adam McSwain, General Manager

RECOMMENDATION

That Council consider granting concurrence in accordance with section 377 of the Local Government Act 1993 to the issuing of a roadside grazing permit on a road vested in Council in accordance with section 78 of the Local Land Services Act.

BACKGROUND

At its meeting on 20 September 2018 Council resolved to adopt the Roadside Grazing Policy and stated that local roads will remain closed for the next four weeks with a review to be considered at the October Council meeting.

ISSUE/DISCUSSION

Council has requested that the opening of local roads for roadside grazing is to be reviewed at the October Council meeting.

STRATEGIC IMPLICATIONS

This policy provides a framework for Council to make a decision about issuing concurrence for a permit for roadside grazing.

COMMUNITY STRATEGIC PLAN

The policy meets target 1 'a great place to live' and target 3 'a valued and enhanced natural environment' of the Community Strategic Plan.

FINANCIAL IMPLICATIONS

Nil.

LEGISLATIVE IMPLICATIONS

Roadside grazing permits are issued under the Local Land Services Act 2013 with the concurrence of the road authority.

ATTACHMENTS

Nil

11.5 DROUGHT ASSISTANCE PROGRAM - SUPPORTING SEVERLY DROUGHT STRICKEN FARMERS

Author: Adam McSwain, General Manager

Authoriser: Adam McSwain, General Manager

RECOMMENDATION

That Council consider whether to make a donation to the 'Buy a Bale' foundation or other appropriate contribution in line with Riverina and Murray Joint Organisation of Councils (RAMJO).

BACKGROUND

Council has received an email from the Interim Executive Officer of Riverina and Murray Joint Organisation of Councils (RAMJO) advising that Albury City Council has recently resolved to make a donation of \$25,000 in support of severely drought-stricken farmers in NSW. Following on from this donation, Griffith City Council passed a motion to also provide a donation of \$20,000.

Council is also providing drought support in other ways, this has been through providing free access to rural water and through another report on the October Council meeting agenda to consider providing additional funding towards a tourism marketing campaign to attract visitation to the region.

ISSUE/DISCUSSION

The resolution adopted by Albury City Council as referred to above, is as follows:

- A. *Council approve the donation of \$25,000, in support of severely drought-stricken farmers in NSW.*
- B. *Should Council approve the donation; that the Mayor and General Manager determine the best method of support being either the 'Buy a Bale' foundation or other appropriate contributions in conjunction with RAMJO.*

The 'Buy a Bale' website link below indicates that the RAMJO region falls under the Western NSW Farmers assistance program <https://www.buyabale.com.au/westernnsw/>

It is suggested that a regional approach by local government (i.e. through RAMJO) could contribute a pool of funding to assist with drought relief initiatives.

Options available to Council with this report include:

Option One

- A. *Council approve the donation of \$???, in support of severely drought-stricken farmers in NSW.*
- B. *The Mayor and General Manager determine the best method of support being either the 'Buy a Bale' foundation or other appropriate contributions in conjunction with Riverina and Murray Joint Organisation of Councils (RAMJO).*

Option Two

Council note the report

Option Three

Council elect to provide support in a different manner as determined by Council

STRATEGIC IMPLICATIONS

The drought is having a significant impact on the rural sector and in turn will impact 'urban' based businesses. Any additional support Council can provide to lessen these impacts will be of benefit to the whole Edward River Local Government Area.

COMMUNITY STRATEGIC PLAN

This report aligns with the vision to make Edward River 'A great place to live' and 'A prosperous and vibrant economy'.

FINANCIAL IMPLICATIONS

Should Council agree to make a donation, there is no direct line item for this to be funded from in Councils 2018/19 budget. The funding for it would need to come from Councils reserves and could be included in Councils November Quarterly Budget review.

LEGISLATIVE IMPLICATIONS

The Local Government Act 1993 makes provision for Council to make donations.

ATTACHMENTS

Nil

11.6 LOCAL GOVERNMENT NSW ANNUAL CONFERENCE 2018**Author:** Belinda Perrett, Executive Assistant**Authoriser:** Adam McSwain, General Manager**RECOMMENDATION**

That Council resolves to approve the Mayor Councillor Norm Brennan, Councillor Margaret Bull, Councillor Ashley Hall, and the General Manager to attend the Local Government NSW Annual Conference from 21 – 23 October 2018 being held at the Albury Entertainment Centre.

BACKGROUND

The Local Government NSW Annual Conference is the annual signature event for NSW Councils and associate members. It gathers all together to debate issues important to local communities and provides an opportunity to hear from State and Federal leaders.

It is also an opportunity to network with a very broad range of Councils on matters that are common.

ISSUE/DISCUSSION

This year the Annual Conference is being held in Albury which makes accessibility for Edward River Council far easier than previous years.

Early bird registration of \$840.00 plus registration of \$110 to the Conference Dinner has been taken advantage of. Accommodation has been secured at \$161.00 per night per delegate.

STRATEGIC IMPLICATIONS

Not applicable

COMMUNITY STRATEGIC PLAN

Not applicable

FINANCIAL IMPLICATIONS

The 2018/19 budget has sufficient funds to cover attendance at this event.

LEGISLATIVE IMPLICATIONS

Not applicable.

ATTACHMENTS

Nil

11.7 AUDIT, RISK AND IMPROVEMENT COMMITTEE MINUTES OCTOBER 2018 MEETING**Author:** Adam McSwain, General Manager**Authoriser:** Adam McSwain, General Manager**RECOMMENDATION**

That Council

1. Receive and note the minutes of the Edward River Council Audit, Risk and Improvement Committee meeting held on Tuesday 12 October 2018
2. Note the following motion passed by the Audit, Risk and Improvement Committee regarding the 2017/18 financial statements:

The Edward River Council Audit, Risk and Improvement Committee endorse to Council the 2017/18 Edward River Council financial statements

BACKGROUND

The Edward River Council's Audit, Risk and Improvement Committee (ARIC) met on Tuesday 12 October 2018.

The minutes were distributed to the committee members via email, have been informally approved by Committee member and are attached to this report for Council to receive and note.

ISSUE/DISCUSSION

The key activities undertaken by the ARIC at this meeting were:

- Presentation of 2017/18 financial statements
- Meeting with Council's Auditor to discuss the 2017/18 financial statements
- Update on 2018/19 budget vs actual report
- Update on Council's excess leave report

A motion was passed by the Committee to inform Council that 'the Edward River Council Audit, Risk and Improvement Committee endorse to Council the 2017/18 Edward River Council financial statements'.

The minutes are attached to this report.

STRATEGIC IMPLICATIONS

The Audit Risk and Improvement Committee has been established by Council to ensure good governance.

COMMUNITY STRATEGIC PLAN

This report contributes to Council achieving outcome 5.3 of the Community Strategic Plan:

- Our local government is efficient, innovative and financially sustainable

FINANCIAL IMPLICATIONS

There are no financial implications of this report.

LEGISLATIVE IMPLICATIONS

Nil

ATTACHMENTS

1.	ARIC	Meeting	Minutes	October	2018
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**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING****MINUTES – 9/10/2018**

Date	9/10/18
Time	9.30 – 12.20
Place	Council Chambers, Customer Service Centre, 180 Cressy St Deniliquin
Attendees	Peter Rae (Chair), Cr Norm McAllister, Perin Davey, John Tushuizen, Adam McSwain, Colleen O'Connor, Helen Flisher, Ross Allen
Apologies	Cr Peter McCrabb, Caroline Wallis
Disclosure of Interest	Nil
Confirmation of minutes of previous meeting	N/A previous minutes weren't attached to agenda so will be re-presented at the next meeting for approval

Agenda Item	Points of discussion	Motions/Actions
External Audit	<p>Confidential discussion between Council's Auditor Crowe Horwath (appointed by the NSW Auditor General's Office), represented by Dannielle MacKenzie, and the Audit, Risk and Improvement Committee members, minus any Council staff.</p> <p>Discussion centered around:</p> <ul style="list-style-type: none"> • Draft Management Letter provided • Differences in user fees and charges between 2016/17 and 2017/18 • Water and Sewerage asset indexation • Fair value assessments and asset tracking and reporting <p>Following the confidential discussion Council staff, Adam McSwain, Colleen O'Connor and Ross Allen, attended the meeting. The same topics covered in the confidential session were discussed with staff.</p>	<p>Motion passed by the Committee that "The Edward River Council Audit, Risk and Improvement Committee endorse to Council the 2017/18 Edward River Council financial statements".</p> <p>Moved – Peter Rae</p> <p>Seconded – Cr Norm McAllister</p> <p>All in favour</p>
Corporate Reporting	<p>a) Budget vs Expenditure report – A year to date budget vs actual was presented to the Committee. The report highlighted that expenditure is in line with expectations for this point of the financial year.</p> <p>b) Annual Report Draft – No annual report was provided as this is still in early draft form.</p>	
Risk management, internal controls and fraud	<p>c) Receive and review excess leave report – The report was received by the Committee. The report outlined that management need to continually provide a focus on this area to reduce outstanding balances. The focus will be on annual leave as well as time in lieu and RDO's</p>	Report received and noted
General Business	<p>Nil</p> <p>Meeting closed 12:15</p>	

11.8 RIVERINA AND MURRAY JOINT ORGANISATION OF COUNCILS - DISTRIBUTION OF FUNDS

Author: Adam McSwain, General Manager

Authoriser: Adam McSwain, General Manager

RECOMMENDATION

That Council

1. Agree to re-contribute its share of the distribution of unused Riverina and Murray Regional Organisation of Councils (RAMROC) funds back to Riverina and Murray Joint Organisation of Councils (RAMJO) for the purpose of establishing a sound level of working capital
2. That Council's commitment under point one (1) above be subject to a majority of RAMJO member Councils making a similar commitment
3. Council note the minutes of the Board Meeting of RAMJO held on 5 September 2018

BACKGROUND

At the September RAMJO meeting The Interim Executive Officer submitted a report outlining the proposed distribution of unused RAMROC funds to RAMROC Member Councils, following the wind-up date of 30th June 2018 and amounting to \$143,379.

The report referred to the resolution at the June Board meeting that the eleven RAMJO Councils will be asked to contribute back to RAMJO their share of the RAMROC distribution. This request will not apply to Greater Hume, Balranald and Wentworth Councils, which are not RAMJO Member Councils.

In line with this report the following motion was resolved at the meeting:

1. *RESOLVED that the IEO's report be adopted and that the Board confirm its previous resolution calling upon Member Councils to agree to re-contribute the shared distribution of unused RAMROC funds back to RAMJO, for the purpose of establishing a sound level of working capital for the future*
- 2.
3. *(Moved Cr Dal Broi and seconded Cr Hannan)*

ISSUE/DISCUSSION

Council has been advised that following the preliminary wind up of all RAMROC financial transactions as at 30 June 2018 (subject to final audit), the indicative amount to be distributed to the RAMROC Member Councils is \$143,378.57. The distributions are calculated on the basis of each Council share being in proportion to the actual 2017/18 membership contributions paid.

Member Council	2018-2019 Member Contribution (ex GST)	% of total	Anticipated distribution to Councils
Albury City	\$ 39,153.72	19.97%	\$ 28,632.70
Balranald Shire	\$ 3,029.13	1.54%	\$ 2,208.03
Berrigan Shire	\$ 14,809.00	7.55%	\$ 10,825.08
Carrathool Shire	\$ 6,602.00	3.36%	\$ 4,817.52
Edward River Council	\$ 15,470.20	7.89%	\$ 11,312.57
Federation Council	\$ 18,435.88	9.40%	\$ 13,477.58
Greater Hume Shire	\$ 4,327.78	2.21%	\$ 3,168.67

Griffith City	\$ 25,485.00	12.99%	\$ 18,624.88
Hay Shire	\$ 6,886.20	3.51%	\$ 5,032.59
Leeton Shire	\$ 17,990.24	9.17%	\$ 13,147.82
Murray River Council	\$ 17,929.92	9.14%	\$ 13,104.80
Murrumbidgee Council	\$ 8,502.95	4.33%	\$ 6,208.29
Narrandera Shire	\$ 11,172.40	5.70%	\$ 8,172.58
Wentworth Shire	\$ 6,347.45	3.24%	\$ 4,645.46
Totals	\$ 196,141.87	100.00%	\$143,378.57

All of the above councils with the exception of Balranald, Greater Hume and Wentworth are members of the new RAMJO. Should all existing members of RAMJO agree to re-contribute their share of distributed funds from the wind up of RAMROC then the income derived from councils will amount to \$133,356.41. This will provide a reasonable level of funds to be used by the new organisation in the future.

Councillors should note that the Minister for Local Government has allocated \$300,000 to each of the new Joint Organisation of Councils to cover establishment costs. Any funds remaining are able to be used by the Joint Organisation of Councils for future projects.

STRATEGIC IMPLICATIONS

An effective and well-resourced RAMJO will provide significant benefit to the Edward River Council Local Government area and to the broader RAMJO region.

COMMUNITY STRATEGIC PLAN

This report aligns with outcome five of the vision in the Community Strategic Plan – A community working together to achieve its potential.

FINANCIAL IMPLICATIONS

Implementing this report will not directly have a financial impact on Council. If Council decided to not proceed with the proposed recommendation, then Council would receive an additional \$11,312.57 which would go to Council's unallocated cash reserve. Council currently has approx. \$11.8 million in this reserve.

LEGISLATIVE IMPLICATIONS

Edward River Council are a proclaimed member of RAMJO

ATTACHMENTS

- Minutes September meeting of RAMJO



MINUTES OF THE SECOND MEETING OF THE BOARD OF THE RIVERINA AND MURRAY JOINT ORGANISATION HELD IN THE IAN GILBERT ROOM OF THE MURRUMBIDGEE COUNCIL ON WEDNESDAY 5TH SEPTEMBER 2018 AT 10.00 AM

PRESENT

VOTING BOARD MEMBERS

Cr Kevin Mack	Mayor Albury City Council
Cr Matthew Hannan	Mayor Berrigan Shire Council
Cr Norm Brennan	Mayor Edward River Council
Cr John Dal Broi	Mayor Griffith City Council
Cr Paul Maytom	Mayor Leeton Shire Council
Cr Ruth McRae	Mayor Murrumbidgee Council

NON VOTING BOARD MEMBER – NSW GOVERNMENT REPRESENTATIVE

Mr James Bolton	Regional Director Riverina Murray – Department of Premier and Cabinet
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OTHER NON VOTING BOARD MEMBERS – COUNCIL GENERAL MANAGERS

Mr Frank Zaknich	Albury City Council
Ms Amanda Spalding	Hay Shire Council
Mr Rowan Perkins	Berrigan Shire Council
Mr Adam McSwain	Edward River Council
Mr Craig Moffitt	Murrumbidgee Council
Mr Adrian Butler	Federation Council
Ms Jackie Kruger	Leeton Shire Council
Ms Joanne Treacy	Carrathool Shire Council
Mr George Cowan	Narrandera Shire Council

OTHER COUNCIL REPRESENTATIVES

Cr Gen Campbell	Deputy Mayor Murray River Council
Cr David Fahey	Deputy Mayor Narrandera Shire Council
Mr Brian Barrett	Acting General Manager Murray River Council
Mr Phil King	Acting General Manager Griffith City

OFFICE OF LOCAL GOVERNMENT REPRESENTATIVES

Mr Cameron Templeton	Joint Organisation and Council Engagement Officer
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MEETING PRESENTERS

Mr Brad Ferris (Southern Lights Project)	Director of Engineering Albury City
Ms Kate de Hennin (Workshop)	Corporate Planner Albury City
Ms Deanne Drage (Workshop)	Consultant - Inspiring Health Solutions
Ms Edwina Hayes	CEO Murray RDA

INTERIM EXECUTIVE OFFICER

Mr Ray Stubbs

AGENDA ITEM 1 – WELCOME

The Chairperson welcomed Board Members, other Council representatives and special guests to the meeting.

AGENDA ITEM 1A – CAMERON TEMPLETON OLG ENGAGEMENT OFFICER

Cameron updated the meeting in relation to OLG initiatives, including the level of financial / management reporting being required of Councils by the NSW Auditor General, the potential for joint action by JOs for improved opportunities to recruit and retain Council officers in regional and rural areas, and the development of a new OLG website including a Councils' portal function.

AGENDA ITEM 2 - APOLOGIES**Voting Board Members**

Cr Patrick Bourke (Mayor Federation Council); Cr Bill Sheaffe (Mayor Hay Shire Council); Cr Chris Bilkey (Mayor Murray River Council); Cr Peter Laird (Mayor Carrathool Shire Council) and Cr Neville Kschenka (Mayor Narrandera Shire Council).

Non-Voting Board Members

Des Bilske (General Manager Murray River Council) and Brett Stonestreet (General Manager Griffith City Council)

Other

Rachel Whiting – CEO Riverina RDA

**RESOLVED that the apologies be accepted and that leave of absence be granted.
(Moved Cr Dal Broi and seconded Cr Hannan)**

AGENDA ITEM 3 – DECLARATION OF PECUNIARY OR OTHER INTEREST – BOARD MEMBERS / DESIGNATED PERSONS

There were no declarations of pecuniary or other interests lodged at the meeting by Board Members

AGENDA ITEM 4 - MINUTES OF INAUGURAL BOARD MEETING – HELD AT JERILDERIE ON 29TH JUNE 2018

**RESOLVED that the Minutes of the inaugural RAMJO Board Meeting held at Jerilderie on 29th June 2018 be confirmed
(Moved Cr McRae and seconded Cr Dal Broi)**

AGENDA ITEM 5 – MATTERS ARISING FROM MINUTES OF THE 29TH JUNE 2018 BOARD MEETING

There were no matters arising from the Minutes of the Board meeting held on 29th June 2018

AGENDA ITEM 6 – JOINT ORGANISATIONS NETWORK MEETING – IN SYDNEY ON 15TH AND 16TH AUGUST 2018

Consideration was given to the agenda report by the Interim Executive Officer and to a follow up verbal report by Chairperson Cr Mack in relation to the Joint Organisations' Network Meeting held in Sydney on 15th and 16th August 2018

**RESOLVED that the Chairperson and IEO reports be adopted
(Moved Cr McRae and seconded Cr Brennan)**

Riverina and Murray Joint Organisation – Board Minutes 5th September 2018

AGENDA ITEM 7 – SOUTHERN LIGHTS STREET LIGHTING PROJECT – PRESENTATION BY BRAD FERRIS (RAMJO REPRESENTATIVE ON PROJECT WORKING GROUP)

Brad Ferris delivered a Powerpoint Presentation in relation to the current status of the Southern Lights Street Lighting Project, including a video outlining the potential advantages of incorporating smart controls on the lamp fittings for a range of hi-technology Smart City control functions. Brad advised that collaborative negotiations with Essential Energy, the NSW Regional Infrastructure Co-ordinator and State Government Ministers are currently at the final Business Case preparation stage.

A copy of the Powerpoint slides will be distributed to RAMJO Councils and Board Members with the Meeting Minutes.

AGENDA ITEM 8 – REGIONAL DEVELOPMENT AUSTRALIA COMMITTEES – PRESENTATION BY EDWINA HAYES CEO MURRAY RDA

Edwina Hayes briefly addressed the meeting and advised that she had recently been appointed to the CEO position. She provided details of the RDA Charter and in particular to the actions in train with Rachel Whiting of Riverina RDA to collaborate with Joint Organisations and Councils in the Riverina and Murray region.

Edwina advised that some powerpoint slides have been sent by the Murray and Riverina RDAs to the Interim Executive Officer, which the IEO will distribute with the Meeting Minutes.

AGENDA ITEM 9 - WORKSHOP SESSION - DEVELOPMENT OF THE RAMJO STATEMENT OF STRATEGIC REGIONAL PRIORITIES

At this stage, the business agenda items were adjourned to enable the conduct of a workshop session facilitated by Deanne Drage and Kate de Hennin for the purpose of developing the RAMJO Statement of Strategic Regional Priorities (SSRP). Arising from the Board's consideration of the background papers and workshop materials and through agreement on a range of key strategic priorities, the next step will be the preparation of a draft document for the November Board Meeting, with a view to final development of the SSRP by the OLG deadline date of 31st December 2018.

AGENDA ITEM 10 – RAMROC FINAL – DISTRIBUTION OF UNSPENT FUNDS AS AT 30TH JUNE WIND UP

The Interim Executive Officer submitted a report outlining the proposed distribution of unused RAMROC funds to RAMROC Member Councils, following the wind up date of 30th June 2018 and amounting to \$143,379. The report referred to the resolution at the June Board meeting that the eleven RAMJO Councils will be asked to contribute back to RAMJO their share of the RAMROC distribution. This request will not apply to Greater Hume, Balranald and Wentworth Councils, which are not RAMJO Member Councils.

RESOLVED that the IEO's report be adopted and that the Board confirm its previous resolution calling upon Member Councils to agree to re-contribute the shared distribution of unused RAMROC funds back to RAMJO, for the purpose of establishing a sound level of working capital for the future
(Moved Cr Dal Broi and seconded Cr Hannan)

AGENDA ITEM 11 – STATUS OF JOINT ORGANISATION IMPLEMENTATION AND OLG ENGAGEMENT

Consideration was given to a report from the Interim Executive Officer as to the status of establishing the Riverina and Murray Joint Organisation (RAMJO) and meeting the requirements and timelines of OLG

RESOLVED that the report by the Interim Executive Officer be adopted
(Moved Cr McRae and seconded Cr Brennan)

Riverina and Murray Joint Organisation – Board Minutes 5th September 2018

AGENDA ITEM 12 – DRAFT REVENUE POLICY, BUDGET AND SCHEDULE OF MEMBER COUNCILS' CONTRIBUTIONS FOR 2018-2019

The Interim Executive Officer submitted for the Board's consideration the draft Revenue Policy, Budget Estimates and Schedule of Councils' membership contributions for the 2018-2019 financial year.

**RESOLVED that the RAMJO Revenue Policy, Annual Budget and Schedule of Membership Contributions for the 2018-2019 financial year be adopted
(Moved Cr Maytom and seconded Cr McRae)**

AGENDA ITEM 13 – DRAFT RIVERINA AND MURRAY JOINT ORGANISATION CHARTER

Following adoption of a Draft Charter at the June 29 Board meeting, the document was distributed to Member Councils for feedback and comment for a period of 42 days. No changes have been proposed, although the Interim Executive Officer has now included in a new draft a number of suggested provisions relating to the Vision, Values and Role content of the document.

**RESOLVED that the amendments and additions proposed by the Interim Executive Officer be adopted and that the Charter for the Riverina and Murray Joint Organisation (RAMJO) be now formally adopted and placed on the RAMJO website
(Moved Cr Hannan and seconded Cr Maytom)**

AGENDA ITEM 14 – DRAFT CODE OF MEETING PRACTICE

Following adoption of a Draft Code of Meeting Practice at the June 29 Board Meeting, the document was distributed to Member Councils for feedback and comment for a period of 42 days. No changes have been proposed and the document was therefore submitted to the Board for final adoption.

**RESOLVED that the Code of Meeting Practice be now formally adopted and placed on the RAMJO website
(Moved Cr Dal Broi and seconded Cr Maytom)**

AGENDA ITEM 15 – DRAFT EXPENSES AND FACILITIES POLICY

Following adoption of a Draft Expenses and Facilities Policy at the June 29 Board Meeting, the document was distributed to Member Councils for feedback and comment for a period of 42 days. No changes have been proposed and the document was therefore submitted to the Board for final adoption.

**RESOLVED that the Expenses and Facilities Policy be now formally adopted and placed on the RAMJO website
(Moved Cr McRae and seconded Cr Dal Broi)**

AGENDA ITEM 16 – DRAFT COMMUNICATIONS AND ENGAGEMENT PLAN

The Interim Executive Officer presented a Draft RAMJO Communications and Engagement Plan, which sets out how RAMJO proposes to engage with member Councils, other stakeholders and communities in carrying out its strategic and operational roles and functions.

**RESOLVED that the Board formally adopt the Draft Communications and Engagement Plan as submitted by the Interim Executive Officer and that the plan be placed on the RAMJO website
(Moved Cr Brennan and seconded Cr McRae)**

AGENDA ITEM 17 – RAMROC REPRESENTATIVE ON THE MURRAY REGION TOURISM BOARD

Murray Region Tourism has invited RAMJO to nominate a new representative for the Board of MRT for a three year period commencing October 2018, in place of the former representative Tracey Squire.

**RESOLVED that Adam McSwain General Manager of Edward River Council be nominated as the RAMJO representative to the Board of Murray Region Tourism
(Moved Cr Hannan and seconded Cr Brennan)**

Riverina and Murray Joint Organisation – Board Minutes 5th September 2018

AGENDA ITEM 18 – WASTE TO ENERGY – FEASIBILITY STUDY PROPOSAL BY TENTERFIELD SHIRE COUNCIL

Tenterfield Shire Council has submitted a proposal to the Federal and NSW Governments, seeking financial assistance to allow the commissioning of a comprehensive Feasibility Study to convert municipal and other sources of waste into energy (WtE) at a local community scale.

**RESOLVED that RAMROC provide a letter of support to the proposal submitted by Tenterfield Shire Council
(Moved Cr Brennan and seconded Cr Maytom)**

AGENDA ITEM 19 – RAMJO EXECUTIVE OFFICER POSITION – RECRUITMENT METHODOLOGY AND TIMETABLE

The Board considered a report by the Interim Executive Officer in relation to the planned recruitment of a new Executive Officer to follow on after the retirement of the Interim Executive Officer Ray Stubbs.

**RESOLVED that a small Working Panel be formed to progress the EO recruitment function internally, comprising the Chairperson Cr Mack, Deputy Chairperson Cr Dal Broi, General Managers Frank Zaknich and Rowan Perkins and one other external independent female panel member
(Moved Cr Hannan and seconded Cr Brennan)**

AGENDA ITEM 20 - RAMJO WORKING GROUP MINUTES

The following Working Group Meeting Minutes were submitted for information and endorsement:-

- Engineers Group Meeting – 9th May 2018
- Riverina Waste Group Meeting – 23rd May 2018
- Planners Group Meeting - 14th June 2018
- General Managers Group Meeting – 20th July 2018
- Murray Waste Group Meeting – 18th July 2018
- Riverina Waste Group Meeting – 8th August 2018
- Murray Waste Group Meeting – 8th August 2018

**RESOLVED that the minutes of the various Working Group Meetings be received and endorsed
(Moved Cr McRae and seconded Cr Dal Broi)**

AGENDA ITEM 21 – GENERAL BUSINESS**Item 21 (1) - Environmental water availability for farmers – Commonwealth and State Environmental Water Holdings**

Cr Mack reported on representations that have been made by RAMJO to both Federal and State politicians and bureaucrats, requesting that environmental water be made available to our region's farmers at favourable water prices, to enable them to finish off their crops which are already under stress, and to grow additional food and fodder to assist other drought stricken communities in western and northern NSW and Queensland. He advised that he and the Interim Executive Officer will continue to represent RAMJO communities, farmers and businesses in pursuing this matter.

Item 21 (2) – Commonwealth Productivity Commission Draft Report and Recommendations into the 5 year Assessment of the Murray Darling Basin Plan

The Productivity Commission has recently released its August 2018 Draft Report in relation to the 5 year Assessment of the effectiveness of the Murray Darling Basin Plan and its implementation. The PC has invited submissions on the Draft Report and Recommendations to be lodged by 10th October 2018.

**RESOLVED that the Interim Executive Officer distribute the Productivity Commission Report and recommendations to Member Councils and invite their feedback and comments, with a view to the RAMJO Executive lodging a composite regional submission by the due date of 10th October
(Moved Cr Maytom and seconded Cr Dal Broi)**

There being no further business, the RAMJO Board meeting concluded at 2.10 pm.

Riverina and Murray Joint Organisation – Board Minutes 5th September 2018

11.9 HEADWORKS CHARGES - REQUEST FOR PAYMENT OVER MULTIPLE YEARS - BIG 4 DENILIQUN

Author: Adam McSwain, General Manager

Authoriser: Adam McSwain, General Manager

RECOMMENDATION

That Council

1. Approve the request by Big 4 Deniliquin for the Headworks Charges of \$183,000 associated with the current 43 site expansion to be paid in annual instalments over a three-year period
2. Approve the General Manager to negotiate with Big 4 Deniliquin to agree the payment plan across the three-year period
3. Note that annual CPI increases will be applied to outstanding balances until paid in full

BACKGROUND

Council has received a request from Big 4 Deniliquin seeking Council to consider allowing the payment of headworks charges over a number of years.

Big 4 Deniliquin are currently undertaking an expansion that will create an additional 43 sites. The expansion itself is in the range of a \$1.5 million capital cost.

The additional sites will further expand the parks capacity and assist to attract additional visitors to Deniliquin. Economic analysis completed by the Big 4 shows that this will bring an additional economic spend of \$500,000 annually into Deniliquin and expand on the \$2,760,000 the park already contributes. The park has now invested in excess of \$6,000,000 to develop the overall facility and now employs six full time staff and up to an additional 15-part time staff during peak season. As part of the development of the park the Big 4 have also paid for the rising sewer main in Ochtertyre street and made a contribution of approx. \$40,000 to the sealing of Ochtertyre Street.

ISSUE/DISCUSSION

As part of the development Big 4 are required to pay Council headworks charges due to the additional usage the sites will create on Councils water and sewer systems.

These fees have been calculated at:

- Sewer charges - \$63,000
- Water charges - \$120,000

This is in addition to the \$35,000 they are paying to extend the water main to the site and the approx. \$100,000 required for the hydrant service the development requires.

To assist with cash flow and given the substantial benefits and investment the park has made to Deniliquin and the broader Edward River Council Local Government Area, the Big 4 are requesting that Council allow payment of these headworks charges over a multi-year period. Without this approval from Council, the full headworks charges (\$183,000) would be required to be paid up-front.

The former Deniliquin Council had a 'Bonds and Developer Contributions' Policy which is attached to this report. This Policy, which is currently being reviewed by staff to be considered by Council as an Edward River Council policy, allowed for Council to enter into deferred payment arrangements for developer contributions. Headworks charges are considered developer contributions.

The Policy allowed for instalments over a maximum period of three years with interest charged on balances owing at the statutory rate until paid in full. Councils Policy for not for profit organisations seeking assistance with headworks charges is also for a maximum of a three-year period.

Big 4 Deniliquin are requesting that they would like the headworks charges spread over a five year period.

Officers have considered this request and recommend that given the level of investment from the Big 4 Deniliquin through both this project and over many years that this request be supported by Council. The two previous not for profit requests to Council for assistance with headworks charges were provided with assistance to spread payments over a three-year period. As a result, the same approach of three years is recommended for this request.

STRATEGIC IMPLICATIONS

Providing support for the expansion of a local business aligns with Councils recently adopted Economic Development Strategy. Officers are currently working on an Economic Development Framework that will more broadly look at ways Council can incentive investment in the area.

COMMUNITY STRATEGIC PLAN

This request aligns with Outcome 2 for 'a prosperous and vibrant economy'.

FINANCIAL IMPLICATIONS

Council currently does not have a cash flow problem and the Water and Sewer cash reserves have adequate funding available. As a result, and given it is proposed that CPI be charged to outstanding money each year, there will be minimal financial implications for Council.

LEGISLATIVE IMPLICATIONS

Nil, relevant legislation allows for Council to provide this support

ATTACHMENTS

1. **Former Deniliquin Council - Bonds and Development Contributions Policy**



DENILIQVIN COUNCIL

BONDS AND DEVELOPER CONTRIBUTIONS

POLICY NO: Town Planning 5.10

DEPARTMENT: ENVIRONMENTAL SERVICES

OBJECTIVES:

Bonds

To allow developers, subject to mutual agreement between the developer and Council, to deposit a monetary payment or bank guarantee to Council as an alternative to undertaking engineering works required for a subdivision.

Developer Contributions

To allow developers subject to mutual agreement between the developer and Council, to enter into an agreement for deferred payment arrangements for developer contributions.

POLICY:

When will subdivision bonds be accepted by Council

Where Council determines it is not practical to physically construct works and that the deferment of works will result in improved community outcomes through co-ordination with other works, or there are other legitimate grounds, Council may consider the lodgement of a bond equivalent to the full cost of construction of the works.

Council may consider a bank guarantee or a cash bond equivalent to the full cost of construction of the works plus thirty (30) percent. Bank guarantees must not have expiry dates.

How to apply to bond engineering works associated with a subdivision

To apply to bond works associated with a subdivision the developer is required to apply in writing to the Council detailing the works required to be bonded and the reasons why the works cannot be carried out. The application is required to include two quotes from independent contractors on their company letterhead, two copies of approved engineering plans (construction certificate) detailing the location, dimensions and materials of the proposed bonded works, and the date by which the work to be bonded will be completed. Council will consider the date the developer has requested to complete the work and determine if the time frame is appropriate.

At what stage can the bond be paid to Council

Once the application for a bond has been received, Council will advise the developer in writing whether their application has been approved or refused including any conditions of approval.



DENILIKVIN COUNCIL

The bond is to be paid to Council prior to the release of the subdivision certificate.

Requirement for Maintenance Bonds

The developer is required to lodge a maintenance bond with Council prior to the practical completion of the engineering works. This will be a condition of any consent which involves engineering works.

The maintenance bond will be five (5) per cent of the total contract price of the engineering works associated with the subdivision or five hundred (500) dollars whichever is greater. The developer is to submit a copy of the successful quote/s for the works in order for Council to calculate the cost of the maintenance bond. Council has the right to review the submitted quotes if they do not appear to be of a realistic value.

Details of the maintenance bond paid and due dates of release will be entered into a register held by Council.

Refund of Bonds

Maintenance Bonds

Maintenance bonds will be held by Council for a period of six (6) months, after which will be refunded to the developer providing no maintenance was required. If maintenance was required within the six (6) month period, the balance of the bond, if any, will be refunded. If maintenance work has been carried out which exceeds the bond amount held, Council will send out a debtor account for the difference in cost to the developer.

To claim a refund of the maintenance bond the developer is required to apply in writing and submit a copy of the maintenance bond receipt as proof of payment.

Bonds for Subdivision Works

Applications for bonds for subdivision works are required to specify the date by which the work will be completed. If the work is not completed in the set timeframe, Council staff or contractors may enter onto the land, complete the works, and recover the costs from the bond monies. Once the work has been completed, the balance of the bond, if any, will be refunded.

To claim a refund of a bond paid for subdivision works the developer is required to apply in writing and submit a copy of the bond receipt as proof of payment.

Deferred payment arrangements for developer contributions

Council may consider entering into an agreement for deferred payment arrangements for developer contributions.



DENILIQVIN COUNCIL

Developer contributions required under any Council policy can be paid in full or by instalments over a maximum period of three (3) years. Interest will be charged on balances owing at the statutory rate until paid in full.

All deferred payment arrangements/agreements must be in writing between the Council and the developer.

RELATED POLICIES/DOCUMENTS:
 Technical Services Policy 4.12 – General Standard for Engineering Works

Date Approved	Revision No.	By Whom
23/4/14	-	Council Min 85/14



11.10 LEGAL COSTS ASSOCIATED WITH THE APPEAL OF LAND AND ENVIRONMENT COURT RATING**Author:** Belinda Perrett, Executive Assistant**Authoriser:** Adam McSwain, General Manager**RECOMMENDATION**

That Council consider the request for financial assistance of \$1,899.73 from Local Government NSW.

BACKGROUND

Local Government NSW has written requesting assistance with legal costs incurred by the City of Sydney Council, North Sydney Council and Bayside City Council in respect of an appeal of the Land and Environment Court's decision in Karimbla Properties v Council of the City of Sydney; Bayside City Council and North Sydney Council.

The LGNSW Board considered that this case is important to all local government throughout NSW as it concerns the interpretation of section 516(1)(a) of the Local Government Act 1993, being the categorisation of rateable land as residential.

ISSUE/DISCUSSION

There is no obligation for Council to remit the requested amount. Local Government NSW has requested assistance from all local councils in the belief that this is a shared concern.

STRATEGIC IMPLICATIONS

Not applicable

COMMUNITY STRATEGIC PLAN

This relates to outcome 5.2 that "we collaborate, partner and facilitate with other agencies and community groups to achieve great outcomes".

FINANCIAL IMPLICATIONS

This was not considered when preparing the budget.

LEGISLATIVE IMPLICATIONS

Not applicable.

ATTACHMENTS

1. Local Government NSW Request for Assistance



Our File Ref: R17/0031
Further contact: Jessica Wood, Legal Officer: 9242 4125

7 September 2018

General Manager
Mr Adam McSwain
Edward River Council
PO Box 270
DENILIQUIN NSW 2710



Dear Mr McSwain

Request for financial assistance for legal costs associated with the appeal of Land and Environment Court rating categorisation decision – City of Sydney Council, North Sydney Council and Bayside City Council

We are writing to request your assistance with legal costs incurred by the above councils in respect of an appeal of the Land and Environment Court's decision in *Karimbla Properties v Council of the City of Sydney; Bayside City Council and North Sydney Council* [2017] NSWLEC 75. The judgement can be viewed on the Land and Environment Court's website.

On 6 October 2017, the Board of LGNSW resolved to approve applications for legal assistance made by the City of Sydney Council and Bayside Council in accordance with the *LGNSW Legal Assistance Policy and Guidelines (November 2015)*, which is available at <https://www.lgnsw.org.au/files/imce-uploads/127/legal-assistance-policy-guidelines-november-2015.pdf>. On 9 February 2018, the Board approved an application for legal assistance made by North Sydney Council.

The LGNSW Board considered that this case is of importance to local government throughout NSW.

By way of background, the case concerns the interpretation of section 516 (1) (a) of the *Local Government Act 1993*, being the categorisation of ratable land as "residential". The Land and Environment Court held that land, on which development for the purposes of a residential development was being carried out in accordance with a development consent, is to be categorised as "residential", even though building construction was not complete and occupation certificates for use of buildings for residential accommodation had not been granted. The Court also found that Karimbla Properties are entitled to refunds of any rates paid for the land as a result the land being categorised by the councils as "business".

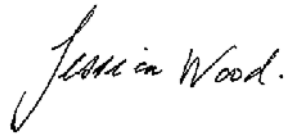
The three councils appealed the Land and Environment Court's decision. The Court of Appeal heard the matter in late July and has reserved its decision. Judgement is expected later in the year.

LOCAL GOVERNMENT NSW
GPO BOX 7003 SYDNEY NSW 2001
LB, 28 MARGARET ST SYDNEY NSW 2000
T 02 9242 4000 F 02 9242 4111
LGNSW.ORG.AU LGNSW@LGNSW.ORG.AU
ABN 49 653 913 882

Our request for assistance is detailed in the attached invoice. There is no obligation on Council to provide financial assistance. If Council chooses not to provide assistance, the invoice may be disregarded.

Please contact me on (02) 9242 4125 if you would like to discuss this matter.

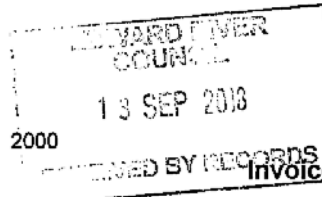
Yours sincerely,

A handwritten signature in cursive script that reads "Jessica Wood".

Jessica Wood
Legal Officer



ABN: 49 853 913 882
 GPO Box 7003 SYDNEY NSW 2000
 Level 8 28 Margaret Street SYDNEY NSW 2000
 Tel: (02) 9242 4000 Fax (02) 9242 4111
 www.lgnsw.org.au lgnsw@lgnsw.org.au



Tax Invoice

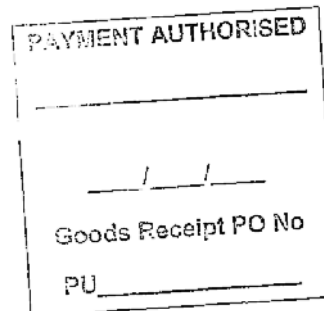
Invoice Number 80183
 Date 07/09/18

Invoice to:
 Edward River Council
 PO Box 270
 DENILQUIN NSW 2710

Customer Code ZZEDWARD
Customer Reference

Item Code	Item Description	Invoice Quantity	Per	Price	GST	Amount
LEGA	Legal Costs incurred in the matter of Karimbla Properties v Council of the City of Sydney; Bayside City Council; and North Sydney Council [2017] NSWLEC 75 which considered the construction of section 516 (1) (a) of the Local Government Act 1993 (please refer to attached letter)	1		1727.03	172.70	1,899.73

Attn: The General Manager



Terms: 30 Days Invoice Date

Total Includes GST of 172.70

Total
1,899.73

Payment to: Local Government NSW BSB: 062005 Account No. 00090198

11.11 FINANCIAL STATEMENTS 2017-2018**Author:** Colleen O'Connor, Manager Finance**Authoriser:** Caroline Wallis, Director Corporate Services**RECOMMENDATION**

That Council, having satisfied itself in relation to the preparation of its financial reports and special schedules resolves to:-

1. Refer its financial statements to the auditors for the audit report
2. Notify the public of Council's intention to present its audited financial reports at its meeting to be held on Thursday 15th November 2018
3. Sign the attached General Purpose Financial Report "Statement by Councillors and Management" and the Special Purpose Financial Report "Statement by Councillors and Management"
4. Delegate to the General Manager the authority to submit the Financial Statements to the Office of Local Government and the Australian Bureau of Statistics

BACKGROUND

The 2017-2018 Financial Statements have been prepared and audited by Crowe Horwarth on behalf of the Audit Office of New South Wales. The auditing process requires the auditor to prepare a report on the Financial Statements and a report on the conduct of the audit. The appointed auditor must send a copy of the auditor's reports to the Audit Office of New South Wales and to Council. Council must send a copy of the audited Financial Statements and the auditor's reports to the Office of Local Government and the Australian Bureau of Statistics by 31st October 2018.

Council must give public notice of presentation of the Financial Statements. Public presentation of the Statements allows for public submissions, which must be noted by the Council at the following Council meeting.

The Financial Statements are attached to this report. Upon signing, the Financial Statements are formatted to facilitate publishing on Council's website. The Financial Statements will be included in Council's Annual Report, due for completion no later than 30 November 2018.

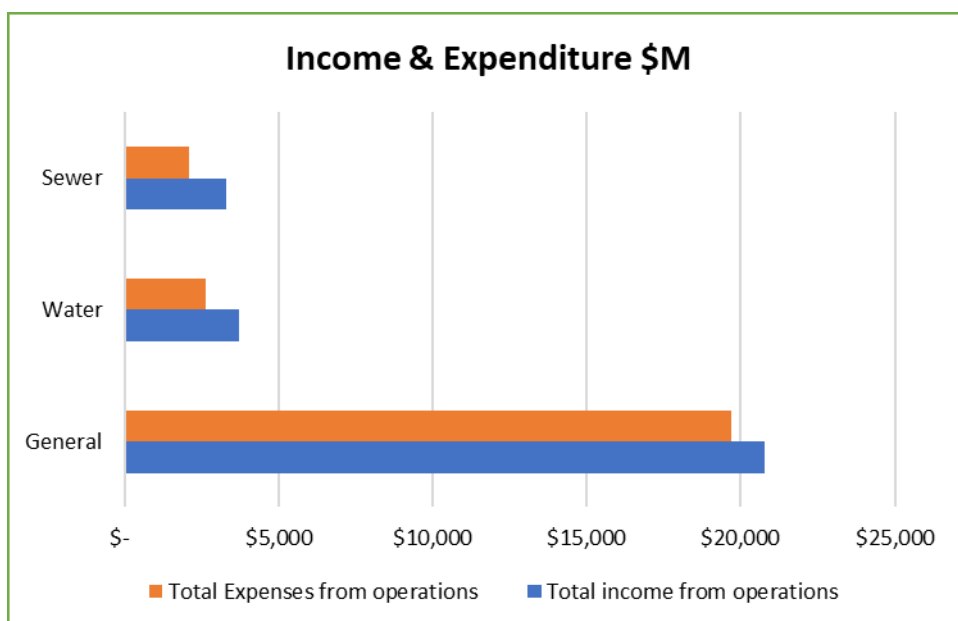
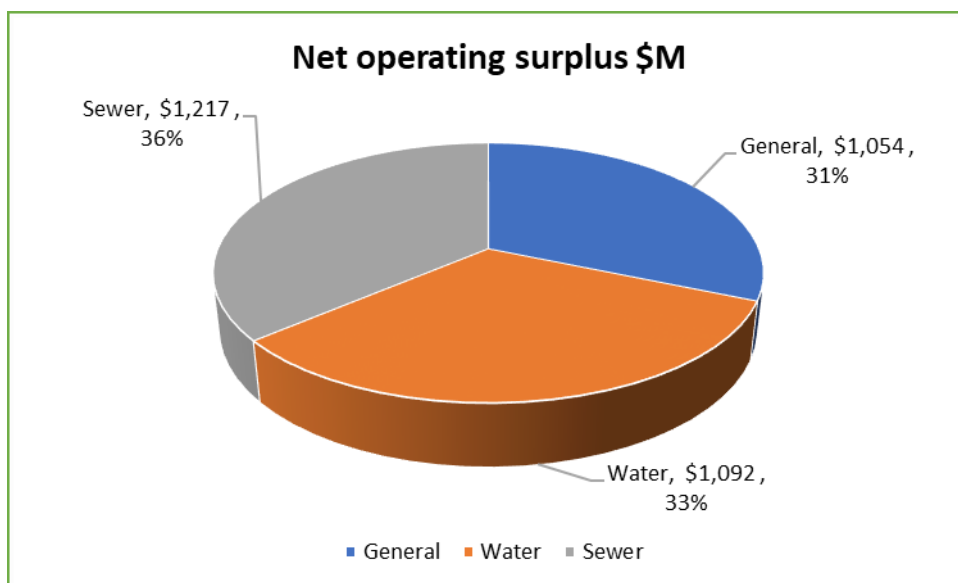
ISSUE/DISCUSSION**Summary of Results**

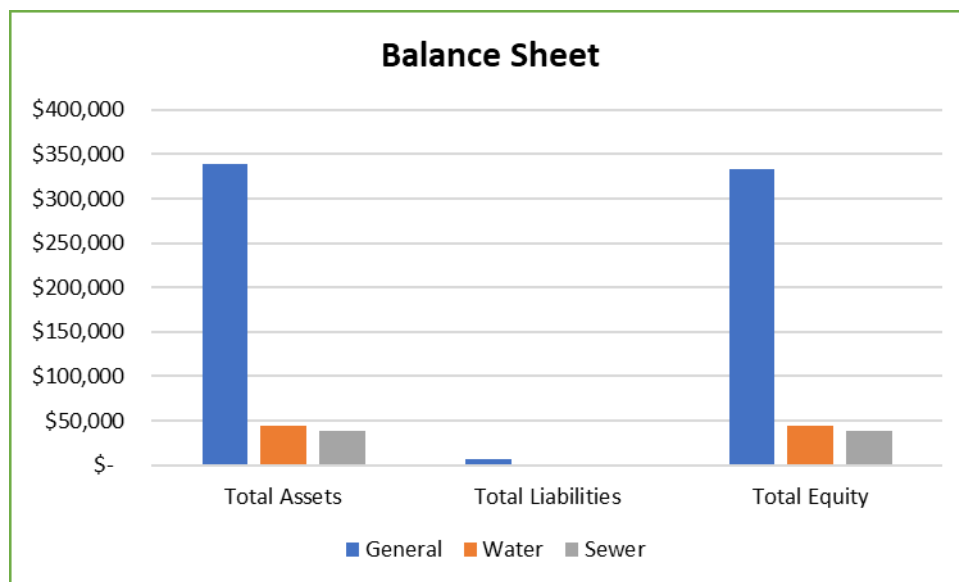
When comparing results, it is important to note that the previous year was for a period approximately 7 weeks longer than a usual financial year period, due to the merger process, and \$15m in direct grant funding was received to support the merger. The net result for the previous year includes a gain on amalgamation of \$402m of assets and liabilities transferred from the former Councils of Conargo and Deniliquin. Under the accounting policies, Council must include this amount in total comprehensive income.

The table below is a summary of the key results for the 2018 year.

OVERALL PERFORMANCE	2018	13/5/16 to 30/6/17
Net Operating result - surplus (deficit)	\$3.4m	\$9.8m
Net Operating result before capital grants and contributions - surplus (deficit)	\$2.7M	\$(1.4M)

INCOME AND EXPENSES		
Total Income from operations	\$27.8m	\$47.7
Total Expenses from operations	\$24.4m	\$37.9m
CASH AND INVESTMENTS		
Cash and cash equivalents	\$23.5m	\$22.4m
Investments	\$20.7m	\$21m
BALANCE SHEET		
Total assets	\$422.4m	\$420.7m
Total liabilities	\$7.4m	\$9.1m
Total equity	\$415m	\$411.6m





Operating result

The overall operating result was a surplus of \$3.4M. This was a \$2.9m improvement on the budgeted result of \$460K surplus. This favourable variance is due to:

- Improved water usage income following a hotter summer with prolonged dry conditions;
- Investment returns greater than anticipated due to the timing of capital projects;
- Lower employee benefits and on-costs as vacant positions were not filled immediately and/or were restructured;
- Lower operational employee expenses as employee hours were allocated toward capital projects, with those costs able to be captured as part of the asset value;
- Significant savings on materials and contracts due to the timing of projects and lower than anticipated reliance on contractors and consultants;

The unfavourable budget variance in capital grants is a timing issue as the capital grant for the rebuild of the RFS station will be recovered as project milestones are met.

Of the \$3.4m surplus, \$834k relates to incomplete grant-funded projects:

- Crown reserves \$30K
- Stronger communities – swim centre works - \$98K
- Stronger communities – Scotts Park - \$223K
- Stronger communities – Lagoon to River walk - \$98K
- Noxious weed control - \$40K
- Local Land Services direct seeding - \$10K
- RMS roads funding \$335K

In addition to these grants, officers of Council will request, as part of the next quarterly budget review, to carry forward \$55K of operational projects that were included in the 17/18 budget and were not completed during the financial year.

Balance Sheet

Council's net assets total \$415m.

The largest class of assets is roads, followed by buildings, water and sewer.

Council holds total cash, cash equivalents and investments \$44.2m. Approximately \$18.4m is held in internally restricted reserves and \$14.5m is held in externally restricted reserves.

Incomplete multi-year capital projects at 30 June 2018 include:

- Merger funded projects: \$8M
- RFS Fire Control Centre: \$1.85M
- Major plant & fleet acquisitions: \$458K
- North depot refurbishment: \$157K
- Stormwater drainage: \$60K
- Waste facilities development: \$100K
- Swimming pool works: \$41K
- Parks and gardens capital works: \$107K
- Aged care land development: \$295K
- Mountain bike track: \$10K
- Kerb and gutter: \$50K
- Dust suppressant trial: \$100K
- Roads: \$513K
- Telemetry system upgrade: \$100K
- Electronic water meter installation: \$388K
- Manhole reline - \$50K
- Sewer main reline - \$250K
- Blighty Netball & Tennis Courts - \$38K

Of note is the reduction in leave entitlements following management focus on reducing the outstanding leave liability and improving employee health and wellbeing by encouraging the use of recreation leave. This action has resulted in a \$195K decrease in annual leave liability. Long service leave liability has also greatly decreased (↓\$287K) following the departure of several long-standing employees.

Sustainability Ratios

See below table.

The own source operating revenue ratio assesses council's level of financial self-sufficiency. The result in this ratio reflects Council's commitment to pursuing additional grant funding. Council will review all fees and charges during the 19/20 budget process.

Rates, annual charges, interest and extra charges outstanding percentage has increased following the amalgamation of former Conargo and former Deniliquin as the age of debt is now more accurately captured within the Technology One system. The finance team is currently reviewing this outstanding debt and will be referring those debtors that have less than 5 years outstanding rates debt to Council's debt management partners. Recommendations for action will also be made regarding those properties that have more than 5 years of overdue rates and charges outstanding. These recommendations may include sale of land.

	Benchmark	Consolidated	General	Water	Sewer
Operating Performance Ratio This ratio measures Council's achievement of containing operating expenditure within operating revenue	Greater than 0	10.97%	3.80%	28.42%	35.81%
Own Source Operating Revenue Ratio This ratio shows the degree of reliance on external funding sources such as operating grants and contributions	Greater than 60%	64.26%	52.80%	98.11%	97.94%
Unrestricted Current Ratio This ratio assesses the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council	Greater than 1.5 times	13.2 times	13.2 x	287.86 x	12.76 x
Debt Service Cover Ratio This ratio measures the availability of operating cash to service debt including interest and principal repayments	Greater than 2.0 times	15.0 times	14.4 x	N/A	8.66
Rates, Annual Charges, Interest and Extra Charges Outstanding Percentage This ratio assesses the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts	Less than 10%	8.90%	9.20%	7.57%	8.42%
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.	Greater than 3.0 mths	27.8 mths	24.1 mth		

Analysis

The Financial Assistance Grant (FAGs) advance payment was made to Council on 21st June 2018. The remaining 50% will be paid in the 2018-19 financial year in quarterly instalments. Under the Australian Accounting Standards, as the grant is not tied to a specific purpose, Council must bring the grant funding to account in the reporting period it is received, rather than the reporting period for which it has been allocated.

The FAGs grant has been paid in this manner (50% payment for the current financial year and 50% advance payment for the following financial year) for several years however there is no guarantee that this will continue. Notification of the advance payment is not received until late in the financial year, should the advance payment be ceased in any particular year there would be little time for Council to take corrective action to mitigate the impact of only receiving 50% of the FAGs grant in that year. This is a risk that Council will take into consideration when preparing the 19-20 annual budget.

STRATEGIC IMPLICATIONS

There are no policy or strategic implications of this report.

COMMUNITY STRATEGIC PLAN

Item 5.3 of Council's current community strategic plan requires Council's performance in achieving Fit for the Future benchmarks to be improving. As a consolidated entity, Council has met the benchmark in each of the measured sustainability ratios.

FINANCIAL IMPLICATIONS

There are no financial or resource implications of this report.

LEGISLATIVE IMPLICATIONS

Section 419 requires council to present its audited financial statements, together with the auditor's reports, at a meeting of council.

ATTACHMENTS

1. **2017-18 General Purpose Financial Statements**
2. **2017-18 Special Purpose Financial Statements**
3. **Special Schedules for the year ended 30 June 2018**

Edward River Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Edward River Council

General Purpose Financial Statements for the year ended 30 June 2018

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– On the Financial Statements (Sect 417 [2])	
– On the Conduct of the Audit (Sect 417 [3])	

Overview

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

180 Cressy Street
Deniliquin NSW 2710

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.edwardriver.nsw.gov.au.

Edward River Council

General Purpose Financial Statements for the year ended 30 June 2018

Understanding Council's financial statements

Introduction

Each year, individual local governments across New South Wales are required to present a set of audited financial statements to their council and community.

What you will find in the statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2018.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the primary financial statements

The financial statements incorporate five 'primary' financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, Property, Plant and Equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's annual financial statements are required to be audited by the NSW Audit Office. In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the financial statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the Audit Report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Edward River Council

General Purpose Financial Statements for the year ended 30 June 2018

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 financial 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 18 October 2018.

Mr Norm Brennan
Mayor
18 October 2018

Ms Patricia Fogarty
Councillor
18 October 2018

Mr Adam McSwain
General Manager
18 October 2018

Ms Colleen O'Connor
Responsible Accounting Officer
18 October 2018

Edward River Council

Income Statement

for the year ended 30 June 2018

Original unaudited budget 2018	\$ '000	Notes	Actual 2018	Actual 13/5/16 to 30/6/17
Income from continuing operations				
Revenue:				
12,287	Rates and annual charges	3a	12,347	12,086
3,184	User charges and fees	3b	4,006	4,738
890	Interest and investment revenue	3c	1,047	1,284
242	Other revenues	3d	436	541
8,901	Grants and contributions provided for operating purposes	3e,f	9,288	17,840
2,000	Grants and contributions provided for capital purposes	3e,f	634	11,207
Other income:				
552	Net gains from the disposal of assets	5	–	–
–	Net share of interests in joint ventures and associates using the equity method	14	20	–
28,056	Total income from continuing operations		27,778	47,696
Expenses from continuing operations				
9,385	Employee benefits and on-costs	4a	8,371	8,474
150	Borrowing costs	4b	148	278
5,780	Materials and contracts	4c	4,145	8,278
8,823	Depreciation and amortisation	4d	7,964	8,610
3,458	Other expenses	4e	3,521	11,819
–	Net losses from the disposal of assets	5	266	327
–	Net share of interests in joint ventures and associates using the equity method	14	–	68
27,596	Total expenses from continuing operations		24,415	37,854
460	Operating result from continuing operations		3,363	9,842
460	Net operating result for the year		3,363	9,842
Gain on local government amalgamation				
–	Assets and liabilities transferred from former councils		–	401,822
460	Net result for the year		3,363	411,664
460	Net result attributable to Council		3,363	411,664
(1,540)	Net operating result for the year before grants and contributions provided for capital purposes		2,729	(1,365)

This statement should be read in conjunction with the accompanying notes.

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Edward River Council

Statement of Comprehensive Income
for the year ended 30 June 2018

\$ '000	2018	13/5/16 to 30/6/17
Net result for the year (as per Income Statement)	3,363	411,664
Other comprehensive income:		
Nil		
Total comprehensive income for the year	3,363	411,664
Total comprehensive income attributable to Council	3,363	411,664

This statement should be read in conjunction with the accompanying notes.

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Edward River Council

Statement of Financial Position

as at 30 June 2018

\$ '000	Notes	2018	2017
ASSETS			
Current assets			
Cash and cash equivalents	6a	23,487	22,372
Investments	6b	20,755	21,000
Receivables	7	4,486	4,171
Other	8	25	108
Total current assets		48,753	47,651
Non-current assets			
Infrastructure, property, plant and equipment	9	372,725	371,864
Intangible assets	10	164	375
Investments accounted for using the equity method	14	769	841
Total non-current assets		373,658	373,080
TOTAL ASSETS		422,411	420,731
LIABILITIES			
Current liabilities			
Payables	11	1,347	1,976
Income received in advance	11	336	308
Borrowings	11	589	589
Provisions	12	2,580	3,042
Total current liabilities		4,852	5,915
Non-current liabilities			
Payables	11	50	51
Borrowings	11	1,951	2,540
Provisions	12	531	561
Total non-current liabilities		2,532	3,152
TOTAL LIABILITIES		7,384	9,067
Net assets		415,027	411,664
EQUITY			
Accumulated surplus		415,027	411,664
Total equity		415,027	411,664

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2018

Edward River Council

Statement of Changes in Equity
for the year ended 30 June 2018

\$ '000	2018		13/5/16 to 30/6/17	
	Accumulated surplus	Total equity	Accumulated surplus	Total equity
Opening balance	411,664	411,664	–	–
Net result for the year	3,363	3,363	411,664	411,664
Total comprehensive income	3,363	3,363	411,664	411,664
Equity – balance at end of the reporting period	415,027	415,027	411,664	411,664

This statement should be read in conjunction with the accompanying notes.

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Edward River Council

Statement of Cash Flows

for the year ended 30 June 2018

Original unaudited budget 2018	\$ '000	Notes	Actual 2018	Actual 13/5/16 to 30/6/17
Cash flows from operating activities				
Receipts:				
11,894	Rates and annual charges		11,954	12,820
2,106	User charges and fees		2,928	5,118
994	Investment and interest revenue received		1,151	1,098
11,134	Grants and contributions		10,155	30,652
–	Bonds, deposits and retention amounts received		–	119
2,563	Other		2,757	1,214
Payments:				
(9,387)	Employee benefits and on-costs		(8,931)	(8,485)
(6,586)	Materials and contracts		(4,874)	(8,698)
(145)	Borrowing costs		(148)	(200)
–	Bonds, deposits and retention amounts refunded		(5)	–
(4,478)	Other		(4,518)	(5,743)
8,095	Net cash provided (or used in) operating activities	13b	10,469	27,895
Cash flows from investing activities				
Receipts:				
12,500	Sale of investment securities		9,250	13,160
370	Sale of infrastructure, property, plant and equipment		444	851
Payments:				
(12,500)	Purchase of investment securities		(9,005)	(22,910)
(9,789)	Purchase of infrastructure, property, plant and equipment		(9,454)	(13,296)
–	Contributions paid to joint ventures and associates		–	(475)
(9,419)	Net cash provided (or used in) investing activities		(8,765)	(22,670)
Cash flows from financing activities				
Receipts:				
Nil				
Payments:				
(589)	Repayment of borrowings and advances		(589)	(583)
(589)	Net cash flow provided (used in) financing activities		(589)	(583)
(1,913)	Net increase/(decrease) in cash and cash equivalents		1,115	4,642
22,372	Plus: cash and cash equivalents – beginning of year	13a	22,372	–
–	Plus: cash transferred on amalgamation of councils		–	17,730
20,459	Cash and cash equivalents – end of the year	13a	23,487	22,372
	plus: Investments on hand – end of year	6b	20,755	21,000
	Total cash, cash equivalents and investments		44,242	43,372

This statement should be read in conjunction with the accompanying notes.

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Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

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Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 18/10/2018. Council has the power to amend and reissue these financial statements.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

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 for the purpose of preparing these financial statements.

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

Full dollars have been used in Note 20 Related party disclosures in relation to the disclosure of specific related party transactions.

Unless otherwise indicated, all amounts disclosed in the financial statements are actual amounts.

Specific budgetary amounts have been included for comparative analysis (to actuals) in the following reports and notes:

- Income statement
- Statement of cash flows
- Note 18 – Material budget variations

and are clearly marked.

(a) New and amended standards adopted by Council

There have been no new (or amended) accounting standards adopted by Council in this year's financial statements which have had any material impact on reported financial position, performance or cash flows.

AASB 124 Related Party Disclosures was adopted for the first time in the financial statements.

The impact adopting this standard has had no impact on the reporting of Council's financial position or performance.

Note 20 has now been included in these financial statements for related parties and incorporates all required related party disclosures.

(b) 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.

(c) 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.

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 1. Basis of preparation (continued)

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 Note 9,
- (ii) estimated tip remediation provisions – refer Note 12,
- (iii) employee benefit provisions – refer Note 12.

Significant judgements in applying the Council's accounting policies

- (iv) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables in Note 7.

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 other assets 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
- Water service
- Sewerage service

Due to their immaterial nature, the following Section 355 committees have been excluded from these financial statements:

- Deniliquin Floodplain Risk Management Advisory Committee
- Cemetery Advisory Committee
- Deniliquin Council Tidy Towns committee
- Deniliquin Council Heritage Committee
- Memorial Park Users Advisory Committee
- Deniliquin Council Community Safety & Crime Prevention Advisory Committee
- Deniliquin Council Airport Advisory Committee
- Deniliquin Council Community Garden Committee
- Memorial Hall Committee
- Oval Management Committee
- Park Management Committee

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 1. Basis of preparation (continued)

(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 other assets 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 other assets subject to Council's control have been included in these reports.

Trust monies and other assets are held by Council but are not considered to be under the control of Council and therefore are excluded from these financial statements.

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 which that are recoverable from, or payable to the taxation authority are presented as operating cash flows.

New accounting standards and interpretations issued not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and which have not been applied.

As at the date of authorisation of these financial statements, Council considers that the standards and interpretations listed below will have an impact upon future published financial statements ranging from additional and / or revised disclosures to actual changes as to how certain transactions and balances are accounted for.

Effective for annual reporting periods beginning on or after 1 July 2018

- AASB 9 *Financial Instruments*

This replaces AASB 139 *Financial Instruments: Recognition and Measurement*, and addresses the classification, measurement and disclosure of financial assets and liabilities.

The standard introduces a new impairment model that requires impairment provisions to be based on expected credit losses, rather than incurred credit losses.

Based on assessments to date, Council expects a small increase to impairment losses however the standard is not expected to have a material impact overall.

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 1. Basis of preparation (continued)

Effective for annual reporting periods beginning on or after 1 July 2019

- AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-Profit Entities* and AASB 2016-8 *Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities*

AASB 15 will replace AASB 118 Revenue, AASB 111 Construction Contracts and a number of Interpretations. AASB 2016-8 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1004 Contributions.

Together they contain a comprehensive and robust framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.

Council is still reviewing the way that income is measured and recognised to identify whether there will be any material impact arising from these standards, these standards may affect the timing of the recognition of some grants and donations.

- AASB 16 *Leases*

Council is currently a party to leases that are not recognised in the Statement of Financial Position.

It is likely that some of these leases will need to be included in the Statement of Financial Position when this standard comes into effect.

A lease liability will initially be measured at the present value of the lease payments to be made over the lease term.

A corresponding right-of-use asset will also be recognised over the lease term.

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

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

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

Functions/activities	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(b).									
	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations		Total assets held (current and non-current)	
	2018	13/5/16 to 30/6/17	2018	13/5/16 to 30/6/17	2018	13/5/16 to 30/6/17	2018	13/5/16 to 30/6/17	2018	2017
Governance	692	15,538	2,354	5,278	(1,662)	10,260	419	15,000	111	130
Administration	1,257	2,279	5,095	7,567	(3,838)	(5,288)	40	–	57,338	58,521
Public order & safety	398	559	651	681	(253)	(122)	378	520	550	652
Health	12	15	352	147	(340)	(132)	–	–	1,919	2,250
Environment	1,720	1,648	1,130	1,669	590	(21)	313	114	41,421	42,160
Community services & education	42	3	91	43	(49)	(40)	42	–	–	–
Housing & community amenities	318	439	585	560	(267)	(121)	39	–	401	484
Water supplies	3,713	3,544	2,595	5,862	1,118	(2,318)	34	37	41,279	39,105
Sewerage services	3,273	3,341	2,136	4,907	1,137	(1,566)	33	35	36,467	36,810
Recreation & culture	296	258	2,239	2,603	(1,943)	(2,345)	6	161	27,819	27,626
Mining, manufacturing & construction	7	1	247	316	(240)	(315)	–	–	15	17
Transport and communication	2,237	3,904	5,848	6,909	(3,611)	(3,005)	1,387	3,810	206,883	203,841
Economic affairs	851	764	1,092	1,244	(241)	(480)	220	101	8,208	8,294
Share of gains/(losses) in associates and joint ventures	20	–	–	68	20	(68)	90	–	–	841
General purpose income	12,942	15,403	–	–	12,942	15,403	5,359	7,578	–	–
Total functions and activities	27,778	47,696	24,415	37,854	3,363	9,842	8,360	27,356	422,411	420,731

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

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

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

Governance

Includes costs relating to Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of Council and policy-making committees, public disclosure (e.g. GIPA), and legislative compliance.

Administration

Includes corporate support and other support services, engineering works, and any Council policy compliance.

Public order & safety

Includes Council's fire and emergency services levy, fire protection, emergency services, beach control, enforcement of regulations and animal control.

Health

Includes immunisation, food control, health centres etc.

Environment

Includes noxious plants and insect/vermin control; other environmental protection; solid waste management, including domestic waste; other waste management; other sanitation; and garbage, street cleaning, drainage and stormwater management.

Community services & education

Includes administration and education; social protection (welfare); migrant, Aboriginal and other community services and administration (excluding accommodation – as it is covered under 'housing and community amenities'); youth services; aged and disabled persons services; children's services, including family day care; child care; and other family and children services.

Housing & community amenities

Includes public cemeteries; public conveniences; street lighting; town planning; other community amenities, including housing development and accommodation for families and children, aged persons, disabled persons, migrants and Indigenous persons.

Water supplies

Sewerage services

Recreation & culture

Includes public libraries; museums; art galleries; community centres and halls, including public halls and performing arts venues; sporting grounds and venues; swimming pools; parks; gardens; lakes; and other sporting, recreational and cultural services.

Mining, manufacturing & construction

Includes building control, quarries and pits, mineral resources, and abattoirs.

Transport and communication

Urban local, urban regional, includes sealed and unsealed roads, bridges, footpaths, parking areas, and aerodromes.

Economic affairs

Includes camping areas and caravan parks; tourism and area promotion; industrial development promotion; sale yards and markets; real estate development; commercial nurseries; and other business undertakings.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 3. Income from continuing operations

\$ '000	2018	13/5/16 to 30/6/17
(a) Rates and annual charges		
Ordinary rates		
Residential	3,426	3,342
Farmland	2,639	2,606
Business	981	984
Other	29	27
Less: pensioner rebates (mandatory)	(144)	(141)
Total ordinary rates	6,931	6,818
Special rates		
Business promotion levy	80	79
Total special rates	80	79
Annual charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)		
Domestic waste management services	1,170	1,267
Stormwater management services	77	77
Water supply services	1,304	1,205
Sewerage services	2,815	2,683
Waste management services (non-domestic)	144	139
Less: pensioner rebates (mandatory)	(174)	(182)
Total annual charges	5,336	5,189
TOTAL RATES AND ANNUAL CHARGES	12,347	12,086

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

Accounting policy for rates and annual charges

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenue when the Council obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

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.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018	13/5/16 to 30/6/17
(b) User charges and fees		
Specific user charges (per s.502 – specific 'actual use' charges)		
Domestic waste management services	15	14
Water supply services	2,173	2,022
Sewerage services	357	406
Waste management services (non-domestic)	87	155
Total specific user charges	2,632	2,597
Other user charges and fees		
(i) Fees and charges – statutory and regulatory functions (per s.608)		
Building regulation	33	42
Development fees	42	51
Impounding fees	3	3
Inspection services	32	52
Other – certificates and permits	9	11
Private works – section 67	128	127
Regulatory/ statutory fees	22	27
Re-zoning fees	12	14
Section 149 certificates (EPA Act)	16	22
Section 603 certificates	26	26
Total fees and charges – statutory/regulatory	323	375
(ii) Fees and charges – other (incl. general user charges (per s.608))		
Aerodrome	107	103
Agistment	4	4
Animal control	1	2
Caravan park	56	68
Cemeteries	74	133
Gravel pits	7	7
Leaseback fees – Council vehicles	5	6
Library and art gallery	15	10
Medical centre	93	114
Murray Valley industrial park	30	21
Museum donations	17	13
Other lease rentals	11	7
Park rents	7	5
Radio tower leases	14	16
RMS (formerly RTA) charges (state roads not controlled by Council)	509	1,097
Sewerage connection fees	–	40
Truckwash	81	84
Water connection fees	–	3
Other	20	33
Total fees and charges – other	1,051	1,766
TOTAL USER CHARGES AND FEES	4,006	4,738

Accounting policy for user charges and fees

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

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018	13/5/16 to 30/6/17
(c) Interest and investment revenue (including losses)		
Interest		
– Overdue rates and annual charges (incl. special purpose rates)	36	36
– Cash and investments	954	1,219
– Other	57	20
Dividend income	–	9
TOTAL INTEREST AND INVESTMENT REVENUE	1,047	1,284

Interest revenue is attributable to:**Unrestricted investments/financial assets:**

Overdue rates and annual charges (general fund)	36	17
General Council cash and investments	340	698

Restricted investments/funds – external:

Development contributions		
Water fund operations	221	155
Sewerage fund operations	131	72
Domestic waste management operations	42	50

Restricted investments/funds – internal:

Internally restricted assets	277	292
Total interest and investment revenue recognised	1,047	1,284

Accounting policy for interest and investment revenue

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

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018	13/5/16 to 30/6/17
(d) Other revenues		
Rental income – other council properties	50	64
Fines	19	23
Legal fees recovery – rates and charges (extra charges)	69	83
Commissions and agency fees	15	7
Diesel rebate	139	102
Insurance claim recoveries	4	43
Insurance rebates	45	92
Recycling income (non-domestic)	14	24
Royalties	7	8
Sales – general	38	58
Workers compensation reimbursement	29	19
Other	7	18
<u>TOTAL OTHER REVENUE</u>	<u>436</u>	<u>541</u>

Accounting policy for other revenue

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.

Rental income is accounted for on a straight-line basis over the lease term.

Miscellaneous sales are recognised when physical possession has transferred to the customer which is deemed to be the point of transfer of risks and rewards.

Other income is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018 Operating	13/5/16 to 30/6/17 Operating	2018 Capital	13/5/16 to 30/6/17 Capital
(e) Grants				
General purpose (untied)				
Current year allocation				
Financial assistance – general component	1,863	3,124	–	–
Financial assistance – local roads component	742	1,820	–	–
Payment in advance – future year allocation				
Financial assistance – general component	1,912	1,820	–	–
Financial assistance – local roads component	764	731	–	–
Other				
Pensioners' rates subsidies – general component	78	83	–	–
Total general purpose	5,359	7,578	–	–
Specific purpose				
Pensioners' rates subsidies:				
– Water	34	37	–	–
– Sewerage	33	35	–	–
– Domestic waste management	28	29	–	–
Crown reserve	210	–	–	75
Economic development	5	101	215	–
Employment and training programs	40	–	–	–
Environmental protection	75	85	–	–
Heritage and cultural	6	17	–	–
Library – per capita	90	60	–	–
Library – special projects	–	6	–	–
Merger funding – new Council implementation	–	5,000	–	–
Merger funding – stronger communities	–	–	419	10,000
NSW rural fire services	378	416	–	104
Recreation and culture	42	3	–	–
Street lighting	39	44	–	–
Transport (roads to recovery)	1,387	2,155	–	–
Transport (other roads and bridges funding)	–	85	–	1,026
Transport (flood repair works)	–	500	–	–
Total specific purpose	2,367	8,573	634	11,205
Total grants	7,726	16,151	634	11,205
Grant revenue is attributable to:				
– Commonwealth funding	6,663	9,651	–	–
– State funding	975	6,500	634	11,205
– Other funding	88	–	–	–
	7,726	16,151	634	11,205

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	Notes	2018 Operating	13/5/16 to 30/6/17 Operating	2018 Capital	13/5/16 to 30/6/17 Capital
(f) Contributions					
Developer contributions: (s7.4 & s7.11 – EP&A Act, s64 of the LGA):					
Cash contributions					
S 64 – water supply contributions		36	37	–	–
S 64 – sewerage service contributions		35	54	–	–
Total developer contributions – cash		71	91	–	–
Total developer contributions	21	71	91	–	–
Other contributions:					
Cash contributions					
Emergency services property levy contribution		–	56	–	–
Human resources		–	25	–	–
Economic Development		41	–	–	–
Library services		45	53	–	–
Other (planning – LEP)		–	1	–	–
Transport (Other Roads)		59	–	–	–
Recreation and culture		–	–	–	2
RMS contributions (regional roads, block grant)		1,341	1,450	–	–
Other		5	13	–	–
Total other contributions – cash		1,491	1,598	–	2
Total other contributions		1,491	1,598	–	2
Total contributions		1,562	1,689	–	2
TOTAL GRANTS AND CONTRIBUTIONS		9,288	17,840	634	11,207

Accounting policy for 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.

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.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018	13/5/16 to 30/6/17
(g) Unspent grants and contributions		
Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:		
Operating grants		
Unexpended at the close of the previous reporting period	14,840	1,035
Add: operating grants recognised in the current period but not yet spent	834	14,840
Less: operating grants recognised in a previous reporting period now spent	(4,606)	(1,035)
Unexpended and held as restricted assets (operating grants)	<u>11,068</u>	<u>14,840</u>
Contributions		
Unexpended at the close of the previous reporting period	39	39
Unexpended and held as restricted assets (contributions)	<u>39</u>	<u>39</u>

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 4. Expenses from continuing operations

\$ '000	2018	13/5/16 to 30/6/17
(a) Employee benefits and on-costs		
Salaries and wages	7,091	6,878
Employee termination costs	134	229
Employee leave entitlements (ELE)	1,221	1,272
Superannuation	872	799
Workers' compensation insurance	216	120
Fringe benefit tax (FBT)	67	96
Training costs (other than salaries and wages)	118	66
Protective clothing	4	25
Uniform clothing	39	75
Recruitment costs	–	42
OH&S expenses	7	13
Other	8	15
Total employee costs	9,777	9,630
Less: capitalised costs	(1,406)	(1,156)
TOTAL EMPLOYEE COSTS EXPENSED	8,371	8,474
Number of 'full-time equivalent' employees (FTE) at year end	109	99
Number of 'full-time equivalent' employees (FTE) at year end (incl. vacancies)	113	106

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, when 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 Note 16 for more information.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	2018	13/5/16 to 30/6/17
(b) Borrowing costs			
(i) Interest bearing liability costs			
Interest on loans		145	200
Total interest bearing liability costs expensed		145	200
(ii) Other borrowing costs			
Discount adjustments relating to movements in provisions (other than ELE)			
– Remediation liabilities	12	3	78
Total other borrowing costs		3	78
TOTAL BORROWING COSTS EXPENSED		148	278

Accounting policy for borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(c) Materials and contracts

Raw materials and consumables		1,502	2,920
Contractor and consultancy costs			
– Contractor engineering services		36	263
– Contractor merger related		227	1,660
– Contractor road services		256	685
– Contractor waste services		44	366
– Contractor water and sewer services		111	221
– Contractor IT related		103	–
– Contractor sports and recreation		224	–
– Contractor other		406	982
– Consultancy merger related		194	171
– Consultancy other		331	277
Auditors remuneration ⁽²⁾		72	74
Legal expenses:			
– Legal expenses: planning and development		10	8
– Legal expenses: debt recovery		53	67
– Legal expenses: other		25	20
Operating leases:			
– Operating lease rentals: minimum lease payments ⁽¹⁾		186	57
Other		367	507
TOTAL MATERIALS AND CONTRACTS		4,145	8,278

Operating leases

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		181	47
Other		5	10
		186	57

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

\$ '000	2018	13/5/16 to 30/6/17
(c) Materials and contracts (continued)		
2. Auditor remuneration		
During the year the following fees were paid or payable 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	72	74
Remuneration for audit and other assurance services	72	74
Total Auditor-General remuneration	72	74
Total Auditor remuneration	72	74
(d) Depreciation, amortisation and impairment		
Depreciation and amortisation		
Plant and equipment	1,091	1,194
Office equipment	109	131
Furniture and fittings	28	28
Land improvements (depreciable)	72	79
Infrastructure:		
– Buildings – non-specialised	180	199
– Buildings – specialised	717	810
– Other structures	119	135
– Roads	3,202	3,270
– Bridges	83	94
– Footpaths	258	292
– Other road assets	57	65
– Stormwater drainage	346	378
– Water supply network	647	735
– Sewerage network	609	689
– Swimming pools	69	79
– Other open space/recreational assets	108	139
Other assets:		
– Library books	29	29
– Other	18	20
Reinstatement, rehabilitation and restoration assets:		
– Tip assets	9 & 12 48	48
Intangible assets	10 174	196
Total depreciation and amortisation costs	7,964	8,610
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT / REVALUATION DECREMENT COSTS EXPENSED	7,964	8,610

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

(d) Depreciation, amortisation and impairment (continued)

Accounting policy for depreciation, amortisation and impairment expenses

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 Note 9 for IPPE assets and Note 10 for intangible assets.

Impairment of non-financial assets

Intangible assets that are not yet available for use at the end of the reporting period are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets 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.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

\$ '000	2018	13/5/16 to 30/6/17
(e) Other expenses		
Advertising	100	255
Bad and doubtful debts	120	43
Bank and centrepay charges	45	40
Contributions/levies to other levels of government	–	1
– Central Murray County Council	137	135
– Emergency services levy (includes FRNSW, SES, and RFS levies)	308	307
Councillor expenses – mayoral fee	29	–
Councillor expenses – councillors' fees	82	–
Councillors' expenses (incl. mayor) – other (excluding fees above)	71	–
Donations, contributions and assistance to other organisations (Section 356)	453	–
– Crown reserves contribution program	17	29
– ERC merger stronger communities contribution program	–	941
– ERC merger section 355 contribution program	6	8
– ERC merger ute muster contribution	–	200
– Other organisations	114	74
Election expenses	63	–
Electricity and heating	557	543
Fire and emergency services levy (FESL) implementation costs	–	1
Fair valuation decrements - I,PP&E	–	7,081
Information technology	169	285
Insurance	482	472
Licences, fees and permits	69	103
Merger administrator expenses	4	38
Merger committee expenses	–	242
Office expenses	20	45
Postage	35	51
Printing and stationery	31	34
Promotion material	143	297
Street lighting	140	149
Subscriptions and publications	99	141
Telephone and communications	105	127
Travel expenses	35	84
Valuation fees	78	48
Other	9	45
<u>TOTAL OTHER EXPENSES</u>	<u>3,521</u>	<u>11,819</u>

Accounting policy for other expenses

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

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 5. Gains or losses from the disposal of assets

\$ '000	Notes	2018	13/5/16 to 30/6/17
Plant and equipment	9		
Proceeds from disposal – plant and equipment		444	535
Less: carrying amount of plant and equipment assets sold/written off		(245)	(523)
Net gain/(loss) on disposal		199	12
Infrastructure	9		
Less: carrying amount of infrastructure assets sold/written off		(465)	(339)
Net gain/(loss) on disposal		(465)	(339)
Financial assets ⁽¹⁾	6		
Proceeds from disposal/redemptions/maturities – financial assets		9,250	13,160
Less: carrying amount of financial assets sold/redeemed/matured		(9,250)	(13,160)
Net gain/(loss) on disposal		-	-
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		(266)	(327)

Accounting policy for disposal of assets

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 derecognised.

Note 6(a). Cash and cash equivalent assets

Cash and cash equivalents			
Cash on hand and at bank		6,317	3,542
Cash-equivalent assets			
– Deposits at call		2,066	2,028
– Short-term deposits		15,104	16,802
Total cash and cash equivalents		23,487	22,372

Accounting policy for cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents includes 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.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 6(b). Investments

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Investments				
'Held to maturity'	20,755	–	21,000	–
Total investments	20,755	–	21,000	–
TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS	44,242	–	43,372	–
Held to maturity investments				
Long term deposits	20,755	–	21,000	–
Total	20,755	–	21,000	–

Accounting policy for investments**Classification**

Council classifies its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

Held to maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. Assets in this category are measured at amortised cost.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date: the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Investments are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 6(c). Restricted cash, cash equivalents and investments – details

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	44,242	–	43,372	–
attributable to:				
External restrictions (refer below)	14,506	–	15,479	–
Internal restrictions (refer below)	18,418	–	20,176	–
Unrestricted	11,318	–	7,717	–
	44,242	–	43,372	–

\$ '000	2018	2017
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Details of restrictions

External restrictions – other

Developer contributions – general	39	39
Specific purpose unexpended grants	1,017	3,483
Water supplies	6,978	6,727
Sewerage services	4,542	3,372
Domestic waste management	1,300	1,300
Business promotion levy	30	30
Conargo milestones / interpretative	17	17
Conargo Oval M&R	20	20
Deniliquin band committee	19	19
Deniliquin community gardens	3	2
EPA waste	36	36
Library reserve	502	431
Regional arts	3	3
External restrictions – other	14,506	15,479
Total external restrictions	14,506	15,479

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 6(c). Restricted cash, cash equivalents and investments – details (continued)

\$ '000	2018	2017
Internal restrictions		
Plant and vehicle replacement	1,799	1,799
Infrastructure replacement	3,113	3,113
Employees leave entitlement	692	1,142
Deposits, retentions and bonds	235	235
Airport industrial land	50	50
Asset management	14	14
Airport runway development	241	241
Blighty-upgrade power	70	70
Building maintenance	50	50
Cemetery upgrade	9	9
Conargo landscaping project	85	85
Depot office and gates upgrade	41	41
Dog trial	3	3
Election reserve	12	13
Fencing Conargo	7	7
Gravel pits	14	14
Human resources	18	18
Internal audit	6	6
Land development fund	400	400
Landscaping plans	90	90
Merger operational	2,133	2,547
Merger stronger communities	7,878	8,771
Recreation reserves / village landscaping	1,113	1,113
Risk management	5	5
Wanganella hall community	5	5
Shire – entrance signage	5	5
Tourism/industry promotion	18	18
Town planning plans, surveys and studies	103	103
Waste facilities	150	150
Water infrastructure	57	57
Website development	2	2
Total internal restrictions	18,418	20,176
TOTAL RESTRICTIONS	32,924	35,655

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 7. Receivables

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Purpose				
Rates and annual charges	1,152	–	720	–
Interest and extra charges	127	–	97	–
User charges and fees	2,178	–	908	–
Private works	22	–	69	–
Accrued revenues				
– Interest on investments	338	–	472	–
– Other income accruals	39	–	206	–
Amounts due from other councils	26	–	13	–
Government grants and subsidies	–	–	233	–
Loan to Dongmun Greentek	746	–	732	–
Net GST receivable	77	–	341	–
RMCC state roads	–	–	476	–
Other debtors	7	–	10	–
Total	4,712	–	4,277	–
Less: provision for impairment				
Rates and annual charges	(102)	–	(63)	–
Other debtors	(124)	–	(43)	–
Total provision for impairment – receivables	(226)	–	(106)	–
TOTAL NET RECEIVABLES	4,486	–	4,171	–
Externally restricted receivables				
Water supply				
– Rates and availability charges	94	–	95	–
– Other	1,276	–	469	–
Sewerage services				
– Rates and availability charges	232	–	166	–
– Other	163	–	95	–
Total external restrictions	1,765	–	825	–
Unrestricted receivables	2,721	–	3,346	–
TOTAL NET RECEIVABLES	4,486	–	4,171	–
Movement in provision for impairment of receivables			2018	13/5/16 to 30/6/17
Balance at the beginning of the year			106	108
+ new provisions recognised during the year			135	38
– amounts provided for but recovered during the year			(15)	(40)
Balance at the end of the year			226	106

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 7. Receivables (continued)

Accounting policy for receivables**Recognition and measurement**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They 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 included in other receivables (Note 8) and receivables (Note 7) in the Statement of Financial Position. 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.

Impairment

For receivables the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

Collectability of receivables is reviewed on an on-going basis. Debts that are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the Income statement.

Note 8. Other assets

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Other assets				
Prepayments	25	–	108	–
TOTAL OTHER ASSETS	25	–	108	–

Externally restricted assets

There are no restrictions applicable to the above assets.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 9(a). Infrastructure, property, plant and equipment

Asset class	as at 30/6/2017			Asset movements during the reporting period					as at 30/6/2018		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000											
Capital work in progress	1,739	–	1,739	2,086	536	–	–	(1,651)	2,710	–	2,710
Plant and equipment	13,973	8,869	5,104	1,303	–	(245)	(1,091)	–	14,287	9,216	5,071
Office equipment	2,848	2,407	441	13	–	–	(109)	–	2,861	2,516	345
Furniture and fittings	277	151	126	–	–	–	(28)	–	277	179	98
Land:											
– Operational land	4,929	–	4,929	51	–	–	–	–	4,980	–	4,980
– Community land	1,944	–	1,944	20	–	–	–	–	1,964	–	1,964
Land improvements – depreciable	3,669	1,262	2,407	77	–	–	(72)	–	3,746	1,334	2,412
Infrastructure:											
– Buildings – non-specialised	10,382	4,085	6,297	–	–	–	(180)	–	10,382	4,265	6,117
– Buildings – specialised	48,929	11,428	37,501	–	–	–	(716)	116	49,046	12,145	36,901
– Other structures	18,857	712	18,145	–	–	–	(119)	–	18,857	831	18,026
– Roads	200,597	57,458	143,139	3,255	–	(364)	(3,202)	745	204,597	61,024	143,573
– Bridges	7,135	2,164	4,971	–	–	–	(83)	–	7,135	2,247	4,888
– Footpaths and kerb and gutter	21,673	5,952	15,721	248	–	(64)	(258)	–	21,921	6,274	15,647
– Other road assets	4,089	583	3,506	–	–	–	(57)	–	4,089	640	3,449
– Bulk earthworks (non-depreciable)	27,471	–	27,471	–	–	–	–	–	27,471	–	27,471
– Stormwater drainage	33,681	11,879	21,802	39	–	–	(346)	–	33,720	12,225	21,495
– Water supply network	58,063	22,877	35,186	1,258	–	(37)	(647)	519	58,899	22,620	36,279
– Sewerage network	54,956	21,082	33,874	438	–	–	(609)	93	55,487	21,691	33,796
– Swimming pools	4,043	900	3,143	–	–	–	(69)	–	4,043	969	3,074
– Other open space/recreational assets	4,332	898	3,434	–	–	–	(109)	–	4,332	1,007	3,325
Other assets:											
– Library books	1,105	968	137	–	37	–	(29)	–	1,142	997	145
– Other	826	76	750	–	–	–	(18)	178	1,004	94	910
Reinstatement, rehabilitation and restoration assets:											
– Tip assets (refer Note 12)	430	333	97	–	–	–	(48)	–	431	382	49
TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIP.	525,948	154,084	371,864	8,788	573	(710)	(7,790)	–	533,381	160,656	372,725

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

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Edward River Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 9(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.

Increases in the carrying amounts arising on revaluation are credited to the asset 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:

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	5 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 40
Water and sewer assets		Stormwater assets	
Dams and reservoirs	80 to 100	Drains	80 to 100
Bores	20 to 40	Culverts	50 to 80
Reticulation pipes: PVC	70 to 80	Flood control structures	80 to 100
Reticulation pipes: other	25 to 75		
Pumps and telemetry	15 to 20		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	20	Bulk earthworks	20
Sealed roads: structure	50	Swimming pools	50
Unsealed roads	20	Unsealed roads	20
Bridge: concrete	100	Other open space/recreational assets	20
Bridge: other	50	Other infrastructure	20
Road pavements	60		
Kerb, gutter and footpaths	40		

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 9(a). Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment (continued)

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 fire fighting 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 fire fighting equipment has been purchased or constructed".

Council recognise rural fire service assets for land and buildings.

Note 9(b). Externally restricted infrastructure, property, plant and equipment

\$ '000	2018			2017		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
Water supply						
WIP	37	–	37	519	–	519
Plant and equipment	102	97	5	102	86	16
Office equipment	5	4	1	5	4	1
Infrastructure	58,380	22,620	35,760	58,063	22,877	35,186
Other assets	–	–	–	37	–	37
Total water supply	58,524	22,721	35,803	58,726	22,967	35,759
Sewerage services						
WIP	93	–	93	93	–	93
Plant and equipment	46	41	5	46	40	6
Office equipment	4	3	1	4	3	1
Infrastructure	55,394	21,691	33,703	54,956	21,082	33,874
Total sewerage services	55,537	21,735	33,802	55,099	21,125	33,974
TOTAL RESTRICTED IPP&E	114,061	44,456	69,605	113,825	44,092	69,733

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 10. Intangible assets

\$ '000	2018	2017
Intangible assets represent identifiable non-monetary assets without physical substance.		
Intangible assets are as follows:		
Opening values:		
Gross book value (1/7)	932	891
Accumulated amortisation (1/7)	(557)	(363)
Net book value – opening balance	375	528
Movements for the year		
– Purchases	–	46
– Other capitalised costs	(37)	–
– Amortisation charges	(174)	(196)
– Gross book value written off	–	(5)
– Accumulated amortisation charges written off	–	2
Closing values:		
Gross book value (30/6)	896	932
Accumulated amortisation (30/6)	(732)	(557)
TOTAL INTANGIBLE ASSETS – NET BOOK VALUE ¹	164	375

¹ The net book value of intangible assets represent:

– Software	164	375
	164	375

Accounting policy for intangible assets**IT development and software**

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service, direct payroll, and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight line basis over periods generally ranging from three to five years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility, and where Council has an intention and ability to use the asset.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 11. Payables and borrowings

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Payables				
Goods and services – operating expenditure	383	–	827	–
Goods and services – capital expenditure	199	–	329	–
Accrued expenses:				
– Salaries and wages	317	–	362	–
– Other expenditure accruals	130	–	125	–
Long service levy	4	–	10	–
Rural fire service liability	64	–	64	–
Security bonds, deposits and retentions	180	50	185	50
Workers compensation	68	–	54	1
Other	2	–	20	–
Total payables	1,347	50	1,976	51
Income received in advance				
Payments received in advance	336	–	308	–
Total income received in advance	336	–	308	–
Borrowings				
Loans – secured ¹	589	1,951	589	2,540
Total borrowings	589	1,951	589	2,540
TOTAL PAYABLES AND BORROWINGS	2,272	2,001	2,873	2,591

(a) Payables and borrowings relating to restricted assets

	2018		2017	
	Current	Non-current	Current	Non-current
Externally restricted assets				
Water	29	–	19	–
Sewer	387	589	303	758
Payables and borrowings relating to externally restricted assets	416	589	322	758
Total payables and borrowings relating to restricted assets	416	589	322	758
Total payables and borrowings relating to unrestricted assets	1,856	1,412	2,551	1,833
TOTAL PAYABLES AND BORROWINGS	2,272	2,001	2,873	2,591

¹ Loans are secured over the general rating income of Council

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 17.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 11. Payables and borrowings (continued)

\$ '000	2018	2017
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(b) Current payables and borrowings not anticipated to be settled within the next twelve months

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

Payables – security bonds, deposits and retentions	50	50
Other liabilities: workers compensation oncost	–	1
	50	51

(c) Changes in liabilities arising from financing activities

Class of borrowings	Opening balance as at 1/7/17	Cash flows	Non-cash changes			Closing balance as at 30/6/18
			Acquisition	Fair value changes	Other non-cash movements	
Loans – secured	3,129	(589)	–	–	–	2,540
TOTAL	3,129	(589)	–	–	–	2,540

Accounting policy for payables and borrowings**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 initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

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.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 12. Provisions

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Provisions				
Employee benefits:				
Annual leave	676	–	871	–
Sick leave	226	–	227	–
Long service leave	1,286	238	1,757	54
RDO leave	16	–	36	–
Time in lieu leave	50	–	24	–
ELE on-costs	100	8	124	2
Sub-total – aggregate employee benefits	2,354	246	3,039	56
Asset remediation/restoration:				
Asset remediation/restoration (future works)	226	285	3	505
Sub-total – asset remediation/restoration	226	285	3	505
TOTAL PROVISIONS	2,580	531	3,042	561

(a) Provisions relating to restricted assets

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

\$ '000	2018	2017
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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	1,929	1,882
	1,929	1,882

Edward River Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 12. Provisions (continued)

\$ '000

(c) Description of and movements in provisions

2018	Other provisions	
	Asset remediation	Total
At beginning of year	508	508
Changes to provision:		
Remeasurement effects	3	3
Total other provisions at end of year	<u>511</u>	<u>511</u>
2017		
At beginning of year	-	-
Changes to provision:		
Additional provisions	508	508
Total other provisions at end of year	<u>508</u>	<u>508</u>

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.

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.

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.

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Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 12. Provisions (continued)

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

Restoration

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals

Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting date and the cost is charged to the Income Statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the reporting date. These costs are charged to the Income Statement. Movements in the environmental clean up provisions are presented as an operating cost, except for the unwinding of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Other movements in the provisions for close down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Close down and restoration costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 13. Statement of cash flows – additional information

\$ '000	Notes	2018	2017
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6a	23,487	22,372
Balance as per the Statement of Cash Flows		23,487	22,372
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		3,363	9,842
Adjust for non-cash items:			
Depreciation and amortisation		7,964	8,610
Net losses/(gains) on disposal of assets		266	327
Losses/(gains) recognised on fair value re-measurements through the P&L:			
– Revaluation decrements / impairments of IPP&E direct to P&L		–	7,081
Other non cash items		92	–
Amortisation of premiums, discounts and prior period fair valuations		–	78
Unwinding of discount rates on reinstatement provisions		–	78
Share of net (profits) or losses of associates/joint ventures		(20)	68
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		(435)	942
Increase/(decrease) in provision for doubtful debts		120	(2)
Decrease/(increase) in other assets		83	29
Increase/(decrease) in payables		(444)	394
Increase/(decrease) in other accrued expenses payable		(40)	(103)
Increase/(decrease) in other liabilities		12	332
Increase/(decrease) in employee leave entitlements		(495)	(133)
Increase/(decrease) in other provisions		3	430
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		10,469	27,895

Note 14. Interests in other entities

\$ '000	Council's share of net income		Council's share of net assets	
	2018	13/5/16 to 30/6/17	2018	2017
Associates	20	(68)	769	841
Total	20	(68)	769	841

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 14. Interests in other entities (continued)

\$ '000

Associates

Council has incorporated the following associates into its consolidated financial statements.

(a) Net carrying amounts – Council's share

Name of entity	Nature of relationship	Measurement method	2018	2017
Central Murray Regional Library	Associate	% Net assets	392	403
Central Murray County Council	Associate	% Net assets	378	438
Total carrying amounts – material associates			770	841

(b) Details

Name of entity	Principal activity	Place of business
Central Murray Regional Library	Provision of Library Services	Deniliquin
Central Murray County Council	Noxious Weeds Control	Deniliquin

(c) Relevant interests and fair values

Name of entity	Quoted fair value		Interest in outputs		Interest in ownership		Proportion of voting power	
	2018	2017	2018	2017	2018	2017	2018	2017
Central Murray Regional Library	392	403	87%	87%	87%	87%	50%	50%
Central Murray County Council	378	438	36%	36%	36%	36%	33%	33%

(d) Summarised financial information for associates

	Central Murray Regional Library		Central Murray County Council	
	2018	2017	2018	2017
Statement of financial position				
Current assets				
Cash and cash equivalents	502	431	514	346
Other current assets	–	12	9	59
Non-current assets	180	182	662	970
Current liabilities				
Current financial liabilities (excluding trade and other payables and provisions)	36	40	21	53
Other current liabilities	102	102	113	105
Non-current liabilities				
Non-current financial liabilities (excluding trade and other payables and provisions)	95	124	–	–
Net assets	449	359	1,051	1,217
Reconciliation of the carrying amount				
Opening net assets (1 July)	359	250	1,212	1,401
Profit/(loss) for the period	90	109	(161)	(189)
Closing net assets	449	359	1,051	1,212
Council's share of net assets (%)	87.0%	87.0%	36.0%	36.0%
Council's share of net assets (\$)	392	403	378	438

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Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 14. Interests in other entities (continued)

\$ '000

Associates (continued)

(d) Summarised financial information for associates (continued)

	Central Murray Regional Library		Central Murray County Council	
	2018	13/5/16 to 30/6/17	2018	13/5/16 to 30/6/17
Statement of comprehensive income				
Income	505	546	821	917
Interest income	10	8	8	8
Depreciation and amortisation	(38)	(37)	(101)	(130)
Interest expense	(7)	(9)	–	–
Other expenses	(380)	(399)	(889)	(979)
Profit/(loss) from continuing operations	90	109	(161)	(184)
Profit/(loss) for period	90	109	(161)	(184)
Total comprehensive income	90	109	(161)	(184)
Share of income – Council (%)	87.0%	87.0%	36.0%	36.0%
Profit/(loss) – Council (\$)	78	95	(58)	(66)
Total comprehensive income – Council (\$)	78	95	(58)	(66)

Accounting policy for associates

Interests in associates are accounted for using the equity method in accordance with AASB128 Investments in *Associates and Joint Ventures*. Under this method, the investment is initially recognised as a cost and the carrying amount is increased or decreased to recognise the Council's share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

If the Council's share of losses of an associate equals or exceeds its interest in the associate, the Council discontinues recognising its share of further losses.

The Council's share in the associate's gains or losses arising from transactions between itself and its associate are eliminated.

Adjustments are made to the associate's accounting policies where they are different from those of the Council for the purpose of the consolidated financial statements.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 15. Commitments for expenditure

\$ '000	2018	2017
(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		
Buildings	133	–
Open space and recreational assets	367	–
Water infrastructure	243	671
Sewer infrastructure	148	–
Roads	147	–
Total commitments	1,038	671
These expenditures are payable as follows:		
Within the next year	1,038	671
Total payable	1,038	671
Sources for funding of capital commitments:		
Unrestricted general funds	647	–
Externally restricted reserves	391	671
Total sources of funding	1,038	671

Details of capital commitments

Commitments exist for various stronger communities grant funded projects, roads, water and sewer projects.

(b) Operating lease commitments (non-cancellable)**a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:**

Within the next year	181	181
Later than one year and not later than 5 years	165	289
Total non-cancellable operating lease commitments	346	470

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

Three year lease on office building. Commenced May 2017.

Contingent rentals may be payable depending on the condition of items or usage during the lease term.

Conditions relating to operating leases:

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

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 16. 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 participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The scheme's most recent full actuarial review indicated that the net assets of the scheme were not sufficient to meet the accrued benefits of the schemes defined benefit member category with member councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from its defined benefit scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable – similar to the accounting for defined contributions plans.

Member councils are treated as Pooled Employers for the purpose of AASB119. Pooled Employers are required to pay standard employer contributions and additional lump sum contributions to the Fund.

The standard 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 standard employer contribution rates are:

Division B	1.9 times employee contributions
Division C	2.5% salaries
Division D	1.64 times employee contributions

The additional lump sum contribution for each Pooled Employer is a share of the total additional contributions of \$40.0 million per annum from 1 July 2017 for 4 years to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2017. These additional lump sum contributions are used to fund the deficit of assets to accrued liabilities as at 30 June 2017.

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

As stated 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.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 16. Contingencies (continued)

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 entity.

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

There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

The plan is a defined benefit plan. However, 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). As such, there is not sufficient reliable information to allow each sponsoring employer to account for its proportionate share of the defined benefit obligation, sub-group assets and costs associated with the sub-group in the same way as it would for a single employer sponsored defined benefit plan.

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense and disclosed as part of superannuation expenses at Note 4 (a) for the year ending 30 June 2018 was \$202,884.20.

The last valuation of the scheme was performed by Mr Richard Boyfield FIAA (AFS Licence # 411770) on 12/12/17 and covers the period ended 30/06/17.

Council's expected contribution to the Fund for the next annual reporting period is \$185,719.88.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2018 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	1,817.8	
Past Service Liabilities	1,787.5	101.7%
Vested Benefits	1,778.0	102.2%

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

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

Investment return	6.0% 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.

Please note that the estimated employer reserves financial position above is a preliminary calculation.

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 16. Contingencies (continued)

and once all the relevant information has been received by the Funds Actuary, the 2018 triennial review will be completed around December 2018.

Council's additional lump sum contribution per annum 0.26% of the total additional lump sum contributions for all Pooled Employers (of \$40m each year from 1 July 2017 to 30 June 2021) provides an indication of the level of participation of Council compared with other employers in the Pooled Employer sub- 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 June 2018 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.

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.

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 16. Contingencies (continued)

(ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

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 June 2008.

(ii) Mortgage over land

Council has a first mortgage over land in return for a \$700,000 bank guarantee. The mortgage was entered into on the 7 March 2016 and remained in place until such time the bank guarantee is either no longer required (approximately six months from the mortgage date) or called on by the Favouree. The Favouree called the bank guarantee in August 2016. In August 2018 Council sold one lot of the property with on-going proceedings to recover the rest.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 17. Financial risk management

\$ '000

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.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

	Carrying value		Fair value	
	2018	2017	2018	2017
Financial assets				
Cash and cash equivalents	23,487	22,372	23,487	22,372
Investments				
– 'Held to maturity'	20,755	21,000	20,755	21,000
Receivables	4,486	4,171	4,486	4,171
Total financial assets	48,728	47,543	48,728	47,543
Financial liabilities				
Payables	1,397	2,027	1,397	2,027
Loans/advances	2,540	3,129	2,828	3,437
Total financial liabilities	3,937	5,156	4,225	5,464

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 mkt 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.

Edward River Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 17. Financial risk management (continued)

\$ '000

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 with the assistance of independent advisors.

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 investments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there 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.
- **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.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

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

The following represents a summary of the sensitivity of Council's Income Statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

2018	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
Possible impact of a 1% movement in interest rates	444	444	(444)	(444)
13/5/16 to 30/6/17				
Possible impact of a 1% movement in interest rates	434	434	(434)	(434)

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 17. Financial risk management (continued)

\$ '000

(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 this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

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.

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

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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

A profile of Council's receivables credit risk at balance date follows:

	2018 Rates and annual charges	2018 Other receivables	2017 Rates and annual charges	2017 Other receivables
(i) Ageing of receivables – %				
Current (not yet overdue)	22%	7%	0%	43%
Overdue	78%	93%	100%	57%
	100%	100%	100%	100%
(ii) Ageing of receivables – value				
Rates and annual charges			2018	2017
Current			250	–
< 1 year overdue			453	489
1 – 2 years overdue			279	159
2 – 5 years overdue			132	54
> 5 years overdue			38	18
			1,152	720
Other receivables				
Current			253	–
0 – 30 days overdue			2,231	1,541
31 – 60 days overdue			13	294
61 – 90 days overdue			34	130
> 91 days overdue			1,029	1,592
			3,560	3,557

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Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 17. Financial risk management (continued)

\$ '000

(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.

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 by borrowing long term and fixing the interest rate on a 4-year renewal basis. The Finance Section regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Weighted average interest rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
			≤ 1 Year	1 – 5 Years	> 5 Years		
2018							
Trade/other payables	0.00%	230	1,111	50	–	1,391	1,397
Loans and advances	5.17%	288	589	1,951	–	2,828	2,540
Total financial liabilities		518	1,700	2,001	–	4,219	3,937
2017							
Trade/other payables	0.00%	235	1,741	51	–	2,027	2,027
Loans and advances	5.12%	308	589	2,356	184	3,437	3,437
Total financial liabilities		543	2,330	2,407	184	5,464	5,464

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 18. Material budget variations

\$ '000

Council's original financial budget for 17/18 was adopted by the Council on 17 May 2017 and is not required to be audited.

While the Income Statement included in this General Purpose Financial Report 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.

Note that for variations* of budget to actual :

Material variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable budget variation, **U** = Unfavourable budget variation

\$ '000	2018 Budget	2018 Actual	2018 ----- Variance* -----		
REVENUES					
Rates and annual charges	12,287	12,347	60	0%	F
User charges and fees	3,184	4,006	822	26%	F
Increase in water revenue from adverse weather conditions and RMS unanticipated revenue.					
Interest and investment revenue	890	1,047	157	18%	F
Council took a conservative approach when it came to the budget for interest on investments. Budget was set at the lower end of the estimate on the basis that Cash and Investments would not increase significantly in balance.					
Other revenues	242	436	194	80%	F
Council received some unanticipated insurance claims during the year.					
Operating grants and contributions	8,901	9,288	387	4%	F
Capital grants and contributions	2,000	634	(1,366)	(68%)	U
RFS Fire Control Centre refurbishment grant received only after milestones are reached and milestones were reached after reporting period. Carried forward to 2018-19 financial year.					
Net gains from disposal of assets	552	-	(552)	(100%)	U
Replacement of roads, kerb & gutter, footpaths and water infrastructure resulted in loss on disposals instead of the anticipated gain.					
Joint ventures and associates - net profits	-	20	20	100%	F
Council did not anticipate a net profit from associates.					

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 18. Material budget variations (continued)

\$ '000	2018 Budget	2018 Actual	2018 ----- Variance* -----		
EXPENSES					
Employee benefits and on-costs	9,385	8,371	1,014	11%	F
Effective leave management of staff resulting in reduced costs compared to last year.					
Borrowing costs	150	148	2	1%	F
Materials and contracts	5,780	4,145	1,635	28%	F
The budget was based on a consolidated pre-merger position and also the shift in focus from operational to capital projects resulting in reduced spend.					
Depreciation and amortisation	8,823	7,964	859	10%	F
Reduced depreciation and amortisation charges as a result of carry over of capital works programs.					
Other expenses	3,458	3,521	(63)	(2%)	U
Net losses from disposal of assets	–	266	(266)	0%	U
Replacement of roads, kerb & gutter, footpaths and water infrastructure resulted in loss on disposals.					

Budget variations relating to Council's Cash Flow Statement include:

Cash flows from operating activities	8,095	10,469	2,374	29.3%	F
Increased cash flow from budget with operating result better than budgeted due to reduced costs. The main variations were under expenditure in material and contracts budgeted at \$5,780 against an actual of \$4,145 and employee costs at \$9,385 against \$8,406.					
Cash flows from investing activities	(9,419)	(8,765)	654	(6.9%)	F
Cash flows from financing activities	(589)	(589)	–	0.0%	F

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 19. Fair value measurement

\$ '000

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

– Infrastructure, property, plant and equipment

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).

(a) The following table presents all assets and liabilities that have been measured and recognised at fair values:

2018	Fair value measurement hierarchy			Total
	Level 1	Level 2	Level 3	
Recurring fair value measurements	Quoted prices in active mkts	Significant observable inputs	Significant unobservable inputs	
Infrastructure, property, plant and equipment				
Plant and equipment	30/06/17	–	5,071	5,071
Office equipment	30/06/17	–	345	345
Furniture and fittings	30/06/17	–	98	98
Operational land	30/06/15	–	4,980	4,980
Community land	30/06/15	–	1,964	1,964
Land improvements – depreciable	30/06/15	–	2,412	2,412
Buildings – non-specialised	30/06/15	–	6,117	6,117
Buildings – specialised	30/06/15	–	36,901	36,901
Other structures	30/06/15	–	18,026	18,026
Roads	30/06/15	–	143,573	143,573
Bridges	30/06/15	–	4,888	4,888
Footpaths and kerb	30/06/15	–	15,647	15,647
Bulk earthworks	30/06/15	–	27,471	27,471
Other road assets	30/06/15	–	3,449	3,449
Stormwater drainage	30/06/15	–	21,495	21,495
Water supply network	30/06/17	–	36,279	36,279
Sewerage network	30/06/17	–	33,796	33,796
Swimming pools	30/06/15	–	3,074	3,074
Other open spaces/recreational assets	30/06/15	–	3,325	3,325
Library books	30/06/15	–	145	145
Other assets	30/06/15	–	910	910
Tip assets	30/06/17	–	49	49
Total infrastructure, property, plant and equipment		–	370,015	370,015

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 19. Fair value measurement (continued)

\$ '000

(a) The following table presents all assets and liabilities that have been measured and recognised at fair values: (continued)

2017	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	
Recurring fair value measurements					
Infrastructure, property, plant and equipment					
Plant and equipment	30/06/17	—	—	5,104	5,104
Office equipment	30/06/17	—	—	441	441
Furniture and fittings	30/06/17	—	—	126	126
Operational land	30/06/15	—	—	4,929	4,929
Community land	30/06/15	—	—	1,944	1,944
Land improvements – depreciable	30/06/15	—	—	2,407	2,407
Buildings – non-specialised	30/06/15	—	—	6,297	6,297
Buildings – specialised	30/06/15	—	—	37,501	37,501
Other structures	30/06/15	—	—	18,145	18,145
Roads	30/06/15	—	—	143,139	143,139
Bridges	30/06/15	—	—	4,971	4,971
Footpaths and kerb	30/06/15	—	—	15,721	15,721
Bulk earthworks	30/06/15	—	—	3,506	3,506
Other road assets	30/06/15	—	—	27,471	27,471
Stormwater drainage	30/06/15	—	—	21,802	21,802
Water supply network	30/06/17	—	—	35,186	35,186
Sewerage network	30/06/17	—	—	33,874	33,874
Swimming pools	30/06/15	—	—	3,143	3,143
Other open spaces/recreational assets	30/06/15	—	—	3,434	3,434
Library books	30/06/15	—	—	137	137
Other assets	30/06/15	—	—	750	750
Tip assets	30/06/17	—	—	97	97
Total infrastructure, property, plant and equipment		—	—	370,125	370,125

(b) 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.

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 19. Fair value measurement (continued)

(c) 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)

Work in Progress - This class of asset category is not valued at fair value. The category is at depreciated historical cost, but is disclosed as fair value.

Plant and Equipment - This class of asset category is not valued at fair value. The category is at depreciated historical cost, but is disclosed as fair value.

Office Equipment - Same as Plant and Equipment above.

Furniture and Fittings - Same as Plant and Equipment above.

Operational Land - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. The valuation method is valued in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines). Operational Land should be valued at market value after considering the buyers and sellers in the market and, where possible, include elements such as zoning limitations, alternative use and size of the land.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, PDSLIVE property searches, Benchmarking, APV database of recent projects and on-site visits.

Community Land - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. The valuation method is valued in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines). Council is unable to provide neither observable nor unobservable valuation techniques and therefore it is reported as a Level 3.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, PDSLIVE property searches, Benchmarking, APV database of recent projects and on-site visits.

Land Improvements (Depreciable) - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. The valuation method is based on determining the Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, Rawlinson's Construction Guide, Benchmarking, APV database of recent projects and on-site visits.

Buildings (Non - Specialised) - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. The valuation method is based on determining the Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment. In accordance with the depreciation requirements of AASB 116, "complex assets" are componentised and depreciated separately. This is consistent with the AASB's May 2015 decision regarding residual value.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, Rawlinson's Construction Guide (or similar), Benchmarking, APV database of recent projects and on-site visits.

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 19. Fair value measurement (continued)

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

Buildings (Specialised) - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. Refer to Buildings (Non-Specialised above for valuation method and data sources.

Other Structures - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. The valuation method is based on determining the Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment. In accordance with the depreciation requirements of AASB 116, "complex assets" are componentised and depreciated separately (splitting each component into the short and long life parts). This is consistent with the AASB's May 2015 decision regarding residual value.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, Rawlinson's Construction Guide, Benchmarking, APV database of recent projects and on-site visits.

Roads & Bulk Earthworks - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. The valuation method is based on determining the Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment. In accordance with the depreciation requirements of AASB 116, "complex assets" are componentised and depreciated separately (splitting each component into the short and long life parts). This is consistent with the AASB's May 2015 decision regarding residual value.

Sources of data used when determining revaluations include: Actual construction or purchase prices, mapping evidence, Rawlinson's Construction Guide (or similar), Benchmarking, APV database of recent projects and on-site visits.

Bridges - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. Refer to Roads above for valuation method and data sources.

Footpaths - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. Refer to Roads above for valuation method and data sources.

Stormwater - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. Refer to Roads above for valuation method and data sources.

Water Supply Network - The latest valuation was conducted by APV Valuers during the 2016/17 financial year. The valuation method is based on determining the Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment. In accordance with the depreciation requirements of AASB 116, "complex assets" are componentised and depreciated separately (splitting each component into the short and long life parts). This is consistent with the AASB's May 2015 decision regarding residual value.

Sources of data used when determining revaluations include: Actual construction or purchase prices, mapping evidence, Rawlinson's Construction Guide (or similar), Benchmarking, APV database of recent projects and on-site visits.

Sewer Network - The latest valuation was conducted by APV Valuers during the 2016/17 financial year. Refer to Water Supply Network above for valuation method and data sources.

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 19. Fair value measurement (continued)

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

Swimming Pools - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. The valuation method is based on determining the Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment. In accordance with the depreciation requirements of AASB 116, "complex assets" are componentised and depreciated separately (splitting each component into the short and long life parts). This is consistent with the AASB's May 2015 decision regarding residual value.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, Rawlinson's Construction Guide (or similar), Benchmarking, APV database of recent projects and on-site visits.

Other Open Spaces/ Recreational Assets - The latest valuation was conducted by APV Valuers during the 2014/15 financial year. Refer to Swimming Pools above for valuation method and data sources.

Library Books - Same as Plant and Equipment above.

Other Assets - Refer to Swimming Pools above for valuation method and data sources.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 19. Fair value measurement (continued)

\$ '000

(d). Fair value measurements using significant unobservable inputs (level 3)

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

	Plant and equipment	Office equipment	Furniture and fittings	Operational land	Total
Balance on transfer from former Councils	5,281	355	119	4,541	10,296
Transfers from/(to) another asset class	–	–	–	48	48
Purchases (GBV)	1,540	217	35	340	2,132
Disposals (WDV)	(523)	–	–	–	(523)
Depreciation and impairment	(1,194)	(131)	(28)	–	(1,353)
Closing balance – 30/6/17	5,104	441	126	4,929	10,600
Purchases (GBV)	1,303	13	–	51	1,367
Disposals (WDV)	(245)	–	–	–	(245)
Depreciation and impairment	(1,091)	(109)	(28)	–	(1,228)
Closing balance – 30/6/18	5,071	345	98	4,980	10,494

	Community land	Land improvement	Buildings non- specialised	Buildings specialised	Total
Balance on transfer from former Councils	1,944	2,008	6,476	37,857	48,285
Transfers from/(to) another asset class	–	66	–	73	139
Purchases (GBV)	–	412	20	382	814
Disposals (WDV)	–	–	–	(139)	(139)
Depreciation and impairment	–	(79)	(199)	(810)	(1,088)
Amalgamations transfer	–	–	–	138	138
Closing balance – 30/6/17	1,944	2,407	6,297	37,501	48,149
Transfers from/(to) another asset class	–	–	–	116	116
Purchases (GBV)	20	77	–	–	97
Depreciation and impairment	–	(72)	(180)	(716)	(968)
Closing balance – 30/6/18	1,964	2,412	6,117	36,901	47,394

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 19. Fair value measurement (continued)

\$ '000

(d). Fair value measurements using significant unobservable inputs (level 3) (continued)

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

	Other structures	Roads	Bridges	Footpaths	Total
Balance on transfer from former Councils	18,280	152,505	5,065	15,933	191,783
Transfers from/(to) another asset class	–	131	–	–	131
Purchases (GBV)	–	4,084	–	80	4,164
Depreciation and impairment	(135)	(3,270)	(94)	(292)	(3,791)
Adjustments and transfers	–	(10,311)	–	–	(10,311)
Closing balance – 30/6/17	18,145	143,139	4,971	15,721	181,976
Purchases (GBV)	–	3,255	–	248	3,503
Disposals (WDV)	–	(364)	–	(64)	(428)
Depreciation and impairment	(119)	(3,202)	(83)	(258)	(3,662)
Adjustments and transfers	–	745	–	–	745
Closing balance – 30/6/18	18,026	143,573	4,888	15,647	182,134

	Bulk earthworks	Other road assets	Stormwater drainage	Water supply network	Total
Balance on transfer from former Councils	20,731	–	22,180	37,831	80,742
Transfers from/(to) another asset class	–	–	–	46	46
Purchases (GBV)	–	–	–	1,997	1,997
Disposals (WDV)	–	–	–	(144)	(144)
Depreciation and impairment	–	(65)	(378)	(735)	(1,178)
FV gains – Income Statement ¹	–	–	–	(3,809)	(3,809)
Adjustments and transfers	6,740	3,571	–	–	10,311
Closing balance – 30/6/17	27,471	3,506	21,802	35,186	87,965
Purchases (GBV)	–	–	39	1,777	1,816
Depreciation and impairment	–	(57)	(346)	(647)	(1,050)
FV gains – Income Statement ¹	–	–	–	(37)	(37)
Closing balance – 30/6/18	27,471	3,449	21,495	36,279	88,694

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 19. Fair value measurement (continued)

\$ '000

(d). Fair value measurements using significant unobservable inputs (level 3) (continued)

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

	Sewerage network	Swimming pools	Other open spaces	Library books	Total
Balance on transfer from former Councils	37,348	3,222	3,573	124	44,267
Transfers from/(to) another asset class	54	–	–	–	54
Purchases (GBV)	489	–	–	42	531
Disposals (WDV)	(56)	–	–	–	(56)
Depreciation and impairment	(689)	(79)	(139)	(29)	(936)
FV gains – Income Statement ¹	(3,272)	–	–	–	(3,272)
Closing balance – 30/6/17	33,874	3,143	3,434	137	40,588
Purchases (GBV)	531	–	–	37	568
Depreciation and impairment	(609)	(69)	(109)	(29)	(816)
Closing balance – 30/6/18	33,796	3,074	3,325	145	40,340

	Other assets	Tip assets	Total
Balance on transfer from former Councils	651	–	651
Purchases (GBV)	119	–	119
Depreciation and impairment	(20)	(48)	(68)
Amalgamations transfer	–	145	145
Closing balance – 30/6/17	750	97	847
Transfers from/(to) another asset class	178	–	178
Depreciation and impairment	(18)	(48)	(66)
Closing balance – 30/6/18	910	49	959

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 19. Fair value measurement (continued)

\$ '000

(d). Fair value measurements using significant unobservable inputs (level 3) (continued)

b. 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.

Class	Fair value (30/6/18) \$'000	Valuation technique/s	Unobservable inputs
IPP&E			
Work in progress	2,710	Cost approach	At cost.
Plant and equipment	5,071	Cost approach	Gross replacement cost, remaining useful life and residual value.
Office equipment	345	Cost approach	Gross replacement cost, remaining useful life and residual value.
Furniture and fittings	98	Cost approach	Gross replacement cost, remaining useful life and residual value.
Operational land	4,980	Market value approach	Comparison to other similar land sales/ property prices, use of land and land area.
Community land	1,964	Market value/ cost approach	Use of land, zoning conditions and unit rates per square metre.
Land improvements – depreciable	2,412	Cost approach - depreciated replacement	Unit rates, pattern of consumption and consumption score.
Buildings – non-specialised	6,117	Cost approach - depreciated replacement	Unit rates, pattern of consumption and consumption score.
Buildings – specialised	36,901	Cost approach - depreciated replacement	Unit rates, pattern of consumption and consumption score.
Other structures	18,026	Cost approach - depreciated replacement	Unit rates, pattern of consumption and consumption score.
Roads	143,573	Cost approach - depreciated replacement	Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost.

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Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 19. Fair value measurement (continued)

\$ '000

(d). Fair value measurements using significant unobservable inputs (level 3) (continued)

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

Class	Fair value (30/6/18) \$'000	Valuation technique/s	Unobservable inputs
IPP&E (cont'd)			
Bridges	4,888	Cost approach - depreciated replacement	Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost.
Footpaths and kerb	15,647	Cost approach - depreciated replacement	Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost.
Bulk earthworks	27,471	Cost approach - depreciated replacement	Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost.
Other road assets	3,449	Cost approach - depreciated replacement	Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost.
Stormwater drainage	21,495	Cost approach - depreciated replacement	Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost.
Water supply network	36,279	Cost approach - depreciated replacement	Unit rate cost from market evidence, split between short and long life components, valuation profiles and consumption score.
Sewerage network	33,796	Cost approach - depreciated replacement	Unit rate cost from market evidence, split between short and long life components, valuation profiles and consumption score.
Swimming pools	3,074	Cost approach - depreciated replacement	Unit rates, pattern of consumption and consumption score.
Other open spaces/recreational assets	3,325	Cost approach - depreciated replacement	Unit rates, pattern of consumption and consumption score.
Library books	145	Cost approach	Gross replacement cost and remaining useful life
Other assets	910	Cost approach - depreciated replacement	Gross replacement cost and remaining useful life
Tip assets	49	Cost approach - depreciated replacement	Gross replacement cost and remaining useful life

(e). Highest and best use

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

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 20. Related party transactions

 \$ '000

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:

Compensation:	2018
Short-term benefits	793
Post-employment benefits	63
Other long-term benefits	1
Termination benefits	25
Total	882

b. Other transactions with KMP and their related parties

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.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 20. Related party transactions (continued)

c. Other related party transactions

Nature of the transaction		Value of transactions during year	Outstanding balance (incl. loans and commitments)	Terms and conditions	Provisions for doubtful debts outstanding	Doubtful debts expense recognised
	Ref	Actual \$	Actual \$		Actual \$	Actual \$
2018						
Real Estate	1	11,700	–	–	–	–
Grading Services	2	8,676	–	–	–	–

- 1 Council paid \$11,700 to Big River Real Estate, which a member of the KMP is employed by and previously owned, for a deposit towards the purchase of a property.
- 2 Members of Council's KMP purchased grading services, via arm's length transaction, from Council's works department. The total value of these transactions was \$8,676.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 21. Statement of developer contributions

\$ '000

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

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset
		Cash	Non-cash				
Roads	11	-	-	-	-	-	11
Parking	8	-	-	-	-	-	8
Open space	4	-	-	-	-	-	4
Community facilities	9	-	-	-	-	-	9
Other	1	71	-	-	(71)	-	1
S7.11 contributions – under a plan	33	71	-	-	(71)	-	33
Total S7.11 and S7.12 revenue under plans	33	71	-	-	(71)	-	33
S7.11 not under plans	6	-	-	-	-	-	6
Total contributions	39	71	-	-	(71)	-	39

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 21. Statement of developer contributions (continued)

\$ '000

S7.11 CONTRIBUTIONS – UNDER A PLAN

CONTRIBUTION PLAN (former Deniliquin)

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset
		Cash	Non-cash				
Roads	11	-	-	-	-	-	11
Parking	8	-	-	-	-	-	8
Open space	4	-	-	-	-	-	4
Community facilities	9	-	-	-	-	-	9
Other	1	71	-	-	(71)	-	1
Total	33	71	-	-	(71)	-	33

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 22. Financial result and financial position by fund

Income Statement by fund \$ '000	2018	2018	2018
	Water	Sewer	General ¹
Continuing operations			
Income from continuing operations			
Rates and annual charges	1,241	2,755	8,351
User charges and fees	2,181	354	1,471
Interest and investment revenue	221	131	695
Other revenues	–	–	436
Grants and contributions provided for operating purposes	34	33	9,221
Grants and contributions provided for capital purposes	36	35	563
Other income			
Share of interests in joint ventures and associates using the equity method	–	–	20
Total income from continuing operations	3,713	3,308	20,757
Expenses from continuing operations			
Employee benefits and on-costs	417	304	7,650
Borrowing costs	–	43	105
Materials and contracts	1,209	909	2,027
Depreciation and amortisation	657	612	6,695
Other expenses	301	223	2,997
Net losses from the disposal of assets	37	–	229
Total expenses from continuing operations	2,621	2,091	19,703
Operating result from continuing operations	1,092	1,217	1,054
Net operating result for the year	1,092	1,217	1,054
Net result attributable to each council fund	1,092	1,217	1,054
Net operating result for the year before grants and contributions provided for capital purposes	1,056	1,182	491

¹ General fund refers to all Council's activities other than Water and Sewer.

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

Edward River Council

Notes to the Financial Statements

as at 30 June 2018

Note 22. Financial result and financial position by fund (continued)

Statement of Financial Position by fund			
\$ '000	2018	2018	2018
ASSETS	Water	Sewer	General¹
Current assets			
Cash and cash equivalents	3,601	2,305	17,581
Investments	3,378	2,237	15,140
Receivables	1,336	327	2,823
Other	–	–	25
Total current assets	8,315	4,869	35,569
Non-current assets			
Receivables	34	68	(102)
Infrastructure, property, plant and equipment	35,803	33,802	303,120
Investments accounted for using the equity method	–	–	769
Intangible assets	–	–	164
Total non-current assets	35,837	33,870	303,951
TOTAL ASSETS	44,152	38,739	339,520
LIABILITIES			
Current liabilities			
Payables	29	219	1,099
Income received in advance	–	–	336
Borrowings	–	168	421
Provisions	–	–	2,580
Total current liabilities	29	387	4,436
Non-current liabilities			
Payables	–	–	50
Borrowings	–	589	1,362
Provisions	–	–	531
Total non-current liabilities	–	589	1,943
TOTAL LIABILITIES	29	976	6,379
Net assets	44,123	37,763	333,141
EQUITY			
Accumulated surplus	44,123	37,763	333,141
Total equity	44,123	37,763	333,141

¹ General Fund refers to all Council's activities other than Water and Sewer.

NB. All amounts disclosed above are gross – that is, they include internal receivables and payables between the funds.

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 23(a). Statement of performance measures – consolidated results

\$ '000	Amounts 2018	Indicator 2018	Indicator 2017	Benchmark
Local government industry indicators – consolidated				
1. Operating performance ratio				
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions less operating expenses	<u>2,975</u>	10.97%	16.75%	> 0.00%
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions	27,124			
2. Own source operating revenue ratio				
Total continuing operating revenue ⁽¹⁾ excluding all grants and contributions	<u>17,836</u>	64.26%	39.10%	> 60.00%
Total continuing operating revenue ⁽¹⁾	27,758			
3. Unrestricted current ratio				
Current assets less all external restrictions ⁽²⁾	<u>32,482</u>	13.2x	8.56x	> 1.5x
Current liabilities less specific purpose liabilities ^(3,4)	2,457			
4. Debt service cover ratio				
Operating result ⁽¹⁾ before capital excluding interest and depreciation/impairment/amortisation	<u>11,087</u>	15.0x	25.64x	> 2x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	737			
5. Rates, annual charges, interest and extra charges outstanding percentage				
Rates, annual and extra charges outstanding	<u>1,177</u>	8.9%	5.49%	< 10% regional & rural
Rates, annual and extra charges collectible	13,206			
6. Cash expense cover ratio				
Current year's cash and cash equivalents plus all term deposits	<u>44,242</u>	27.8 mths	22.0 mths	> 3 mths
Monthly payments from cash flow of operating and financing activities	1,589			

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any real estate and land for resale not expected to be sold in the next 12 months.

⁽³⁾ Refer to Notes 11 and 12.

⁽⁴⁾ Refer to Note 11(b) and 12(b) – excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 23(b). Statement of performance measures – by fund

\$ '000	General indicators ⁵		Water indicators		Sewer indicators		Benchmark
	2018	2017	2018	2017	2018	2017	
Local government industry indicators – by fund							
1. Operating performance ratio							
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions							
less operating expenses							
<u>Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions</u>	3.8%	39.28%	28.42%	-93.09%	35.81%	-74.54%	> 0.00%
2. Own source operating revenue ratio							
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions							
<u>Total continuing operating revenue ⁽¹⁾</u>	52.8%	29.45%	98.11%	97.87%	97.94%	97.25%	> 60.00%
3. Unrestricted current ratio							
<u>Current assets less all external restrictions ⁽²⁾</u>	13.2x	8.56x	287.86x	383.74x	12.76x	11.99x	> 1.5x
Current liabilities less specific purpose liabilities ^(3,4)							

Notes

^{(1) - (4)} Refer to Notes at Note 23a above.

⁽⁵⁾ General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

Financial Statements 2018

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 23(b). Statement of performance measures – by fund (continued)

\$ '000	General indicators ⁵		Water indicators		Sewer indicators		Benchmark
	2018	2017	2018	2017	2018	2017	
Local government industry indicators – by fund (continued)							
4. Debt service cover ratio							
Operating result ⁽¹⁾ before capital excluding interest and depreciation/impairment/amortisation							
<u>Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)</u>							
	14.4x	18.97x	0.00x	0.00x	8.66x	7.16x	> 2x
5. Rates, annual charges, interest and extra charges outstanding percentage							
<u>Rates, annual and extra charges outstanding</u>							
Rates, annual and extra charges collectible							
	9.2%	5.17%	7.57%	7.88%	8.42%	5.59%	< 10% regional & rural
6. Cash expense cover ratio							
<u>Current year's cash and cash equivalents plus all term deposits</u>							
Monthly payments from cash flow of operating and financing activities							
	24.0 months	19.42 months	0.00 months	0.00 months	0.00 months	0.00 months	> 3 months

Notes

(1) Refer to Notes at Note 23a above.

(5) 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

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Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 23(c). Statement of performance measures – consolidated results (graphs)

<p>1. Operating performance ratio</p> <p>Benchmark: — Minimum >=0.00%</p> <p>Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of operating performance ratio</p> <p>This ratio measures Council's achievement of containing operating expenditure within operating revenue.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 11%</p> <p>The Operating Performance ratio is well above the 0.00% benchmark set out by NSW OLG.</p>
<p>2. Own source operating revenue ratio</p> <p>Benchmark: — Minimum >=60.00%</p> <p>Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of own source operating revenue ratio</p> <p>This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 64%</p> <p>Council's reliance on external funding such as Merger grant funding has improved and is now within acceptable levels.</p>
<p>3. Unrestricted current ratio</p> <p>Benchmark: — Minimum >=1.50</p> <p>Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of unrestricted current ratio</p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 13.2x</p> <p>The 2018 Current Ratio illustrates the above average capacity Edward River Council has to meet its short-term obligations. Council experienced a year on year improvement in this ratio.</p>

Edward River Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 23(c). Statement of performance measures – consolidated results (graphs)

<p>4. Debt service cover ratio</p> <p>Benchmark: — Minimum ≥ 2.00 Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of debt service cover ratio</p> <p>This ratio measures the availability of operating cash to service debt including interest, principal and lease payments</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 15.0x</p> <p>Although the Debt Service Cover Ratio decreased year on year, Council has the ability to service its debt obligation by at 14.51 times more than annual principal and interest payments on its loans.</p> <p> Ratio achieves benchmark Ratio is outside benchmark</p>
<p>5. Rates, annual charges, interest and extra charges outstanding percentage</p> <p>Benchmark: — Maximum $< 10.00\%$ Source for Benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of rates and annual charges outstanding ratio</p> <p>To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 9.0%</p> <p>The Rates and Charges ratio of 9% is below the regional industry benchmark of 10% as Council continues to convert receivable to cash.</p> <p> Ratio is within Benchmark Ratio is outside Benchmark</p>
<p>6. Cash expense cover ratio</p> <p>Benchmark: — Minimum ≥ 3.00 Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of cash expense cover ratio</p> <p>This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 27.8 mths</p> <p>Edward River Council's outstanding cash expense cover ratio as at 30 June 2018 indicate that the cash balances are at levels that would support its operations for a period of 27.9 months.</p> <p> Ratio achieves benchmark Ratio is outside benchmark</p>

Edward River Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 24. Council information and contact details

Principal place of business:

180 Cressy Street
Deniliquin NSW 2710

Contact details**Mailing address:**

PO Box 270
Deniliquin NSW 2710

Opening hours:

8.30am to 5.00pm
Monday to Friday

Telephone: 03 5898 3000

Facsimile: 03 5898 3021

Internet: www.edwardriver.nsw.gov.au

Email: council@edwardriver.nsw.gov.au

Officers**GENERAL MANAGER**

Mr Adam McSwain

Elected members**MAYOR**

Mr Norm Brennan

RESPONSIBLE ACCOUNTING OFFICER

Ms Colleen O'Connor

AUDITORS

Audit Office of New South Wales
Lvl 15,1 Margaret Street
Sydney NSW 2001

Other information

ABN: 90 407 359 958

Edward River Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Edward River Council

Special Purpose Financial Statements

for the year ended 30 June 2018

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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).
-

Edward River Council

Special Purpose Financial Statements

for the year ended 30 June 2018

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 financial 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.

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 18 October 2018.

Mr Norm Brennan
Mayor
18 October 2018

Ms Patricia Fogarty
Councillor
18 October 2018

Mr Adam McSwain
General manager
18 October 2018

Ms Colleen O'Connor
Responsible accounting officer
18 October 2018

SPFS 2018

Edward River Council

Income Statement of Council's Water Supply Business Activity
for the year ended 30 June 2018

\$ '000	2018	13/5/16 to 30/6/17
Income from continuing operations		
Access charges	1,241	1,205
User charges	2,181	2,045
Interest	221	155
Grants and contributions provided for non-capital purposes	34	37
Total income from continuing operations	3,677	3,442
Expenses from continuing operations		
Employee benefits and on-costs	417	437
Materials and contracts	1,209	1,172
Depreciation, amortisation and impairment	657	745
Loss on sale of assets	37	144
Calculated taxation equivalents	11	11
Loss on revaluation	-	3,808
Other expenses	301	329
Total expenses from continuing operations	2,632	6,646
Surplus (deficit) from continuing operations before capital amounts	1,045	(3,204)
Grants and contributions provided for capital purposes	36	37
Surplus (deficit) from continuing operations after capital amounts	1,081	(3,167)
Surplus (deficit) from all operations before tax	1,081	(3,167)
Less: corporate taxation equivalent (30%) [based on result before capital]	(314)	-
SURPLUS (DEFICIT) AFTER TAX	768	(3,167)
Plus opening retained profits	43,031	46,187
Plus adjustments for amounts unpaid:		
- Taxation equivalent payments	11	11
- Corporate taxation equivalent	314	-
Closing retained profits	44,123	43,031
Return on capital %	2.9%	-9.0%
Subsidy from Council	-	4,055
Calculation of dividend payable:		
Surplus (deficit) after tax	768	(3,167)
Surplus for dividend calculation purposes	768	-
Potential dividend calculated from surplus	384	-

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SPFS 2018

Edward River Council

Income Statement of Council's Sewerage Business Activity
for the year ended 30 June 2018

\$ '000	2018	13/5/16 to 30/6/17
Income from continuing operations		
Access charges	2,755	2,683
User charges	333	361
Fees	21	69
Interest	131	72
Grants and contributions provided for non-capital purposes	33	36
Total income from continuing operations	3,273	3,221
Expenses from continuing operations		
Employee benefits and on-costs	304	350
Borrowing costs	43	59
Materials and contracts	909	913
Depreciation, amortisation and impairment	612	694
Loss on sale of assets	-	56
Calculated taxation equivalents	10	10
Loss on revaluation	-	3,272
Other expenses	223	268
Total expenses from continuing operations	2,101	5,622
Surplus (deficit) from continuing operations before capital amounts	1,172	(2,401)
Grants and contributions provided for capital purposes	35	54
Surplus (deficit) from continuing operations after capital amounts	1,207	(2,347)
Surplus (deficit) from all operations before tax	1,207	(2,347)
Less: corporate taxation equivalent (30%) [based on result before capital]	(352)	-
SURPLUS (DEFICIT) AFTER TAX	855	(2,347)
Plus opening retained profits	36,546	38,883
Plus adjustments for amounts unpaid:		
- Taxation equivalent payments	10	10
- Corporate taxation equivalent	352	-
Closing retained profits	37,763	36,546
Return on capital %	3.6%	-6.9%
Subsidy from Council	-	3,151
Calculation of dividend payable:		
Surplus (deficit) after tax	855	(2,347)
Surplus for dividend calculation purposes	855	-
Potential dividend calculated from surplus	428	-

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Edward River Council

Statement of Financial Position – Council's Water Supply Business Activity
as at 30 June 2018

\$ '000	2018	2017
ASSETS		
Current assets		
Cash and cash equivalents	3,601	2,654
Investments	3,378	4,073
Receivables	1,336	551
Other	–	13
Total current assets	8,315	7,291
Non-current assets		
Receivables	34	–
Infrastructure, property, plant and equipment	35,803	35,759
Total non-current assets	35,837	35,759
TOTAL ASSETS	44,152	43,050
LIABILITIES		
Current liabilities		
Payables	29	19
Total current liabilities	29	19
Non-current liabilities		
Nil		
TOTAL LIABILITIES	29	19
NET ASSETS	44,123	43,031
EQUITY		
Accumulated surplus	44,123	43,031
TOTAL EQUITY	44,123	43,031

SPFS 2018

Edward River Council

Statement of Financial Position – Council's Sewerage Business Activity
as at 30 June 2018

\$ '000	2018	2017
ASSETS		
Current assets		
Cash and cash equivalents	2,305	2,348
Investments	2,237	1,024
Receivables	327	229
Other	–	32
Total current Assets	4,869	3,633
Non-current assets		
Receivables	68	–
Infrastructure, property, plant and equipment	33,802	33,974
Total non-current assets	33,870	33,974
TOTAL ASSETS	38,739	37,607
LIABILITIES		
Current liabilities		
Payables	219	135
Borrowings	168	168
Total current liabilities	387	303
Non-current liabilities		
Borrowings	589	758
Total non-current liabilities	589	758
TOTAL LIABILITIES	976	1,061
NET ASSETS	37,763	36,546
EQUITY		
Accumulated surplus	37,763	36,546
TOTAL EQUITY	37,763	36,546

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SPFS 2018

Edward River Council

Special Purpose Financial Statements
for the year ended 30 June 2018

Contents of the notes accompanying the financial statements

Note	Details	Page
1	Summary of significant accounting policies	8
2	Water Supply Business Best-Practice Management disclosure requirements	12
3	Sewerage Business Best-Practice Management disclosure requirements	14

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Edward River Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

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 1993 (NSW), the Local Government (General) Regulation, 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)

- a. Water business activity
- b. Sewer business activity

Edward River Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

Category 2

(where gross operating turnover is less than \$2 million)

Nil

Monetary amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest thousand dollars, except for Note 2 (Water Supply Best-Practice Management Disclosures) and Note 3 (Sewerage Best-Practice Management Disclosures).

As required by Crown Lands and Water (CLAW), the amounts shown in Note 2 and Note 3 are disclosed in whole dollars.

(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 – 30%

Land tax – the first \$629,000 of combined land values attracts **0%**. For the combined land values in excess of \$629,001 up to \$3,846,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$3,846,000 a premium marginal rate of **2.0%** applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$750,000.

In accordance with Crown Lands and Water (CLAW), a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the NSW Office of Water Guidelines to 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 NSW Office of 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.

Edward River Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

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 30%.

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 30% is not the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face 'true' commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(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.

(iii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

The rate of return is calculated as follows:

Edward River Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 2.63% at 30/6/18.

(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 water supply and sewerage businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

Each dividend must be calculated and approved in accordance with the DPIW guidelines and must not exceed:

- (i) 50% of this surplus in any one year, or
- (ii) the number of water supply or sewerage assessments at 30 June 2018 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the DPIW guidelines a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the DPIW.

SPFS 2018

Edward River Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2018Note 2. Water supply business
best-practice management disclosure requirementsDollars amounts shown below are in whole dollars (unless otherwise indicated) 2018**1. Calculation and payment of tax-equivalents**

[all local government local water utilities must pay this dividend for tax equivalents]

(i) Calculated tax equivalents	11,000
(ii) Number of assessments multiplied by \$3/assessment	11,121
(iii) Amounts payable for tax equivalents [lesser of (i) and (ii)]	11,000
(iv) Amounts actually paid for tax equivalents	–

2. Dividend from surplus

(i) 50% of surplus before dividends [calculated in accordance with Best-Practice Management for Water Supply and Sewerage Guidelines]	383,750
(ii) Number of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	100,210
(iii) Cumulative surplus before dividends for the 3 years to 30 June 2018, less the cumulative dividends paid for the 2 years to 30 June 2017 and 12 May 2016	(2,399,500)

2018 Surplus	767,500	2017 Surplus	(3,167,000)	2016 Surplus	–
		2017 Dividend	–	2016 Dividend	–

(iv) Maximum dividend from surplus [least of (i), (ii) and (iii) above]	n/a
(v) Dividend actually paid from surplus [refer below for required pre-dividend payment criteria]	–
(vi) Are the overhead reallocation charges to the water business fair and reasonable? ^a	YES

3. Required outcomes for 6 criteria

[to be eligible for the payment of a 'dividend from surplus', all the criteria below need a 'YES']

(i) Completion of strategic business plan (including financial plan)	YES
(ii) Full cost recovery, without significant cross subsidies [refer item 2 (a) in table 1 on page 22 of the Best-Practice Guidelines]	YES
– Complying charges [item 2 (b) in table 1]	YES
– DSP with commercial developer charges [item 2 (e) in table 1]	YES
– If dual water supplies, complying charges [item 2 (g) in table 1]	YES
(iii) Sound water conservation and demand management implemented	YES
(iv) Sound drought management implemented	YES
(v) Complete performance reporting form (by 15 September each year)	YES
(vi) a. Integrated water cycle management evaluation	YES
b. Complete and implement integrated water cycle management strategy	YES

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Edward River Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2018Note 2. Water supply business
best-practice management disclosure requirements (continued)

Dollars amounts shown below are in whole dollars (unless otherwise indicated) 2018

National Water Initiative (NWI) financial performance indicators

NWI F1	Total revenue (water) Total income (w13) – grants for the acquisition of assets (w11a) – interest income (w9) – Aboriginal Communities W&S Program income (w10a)	\$'000	3,492
NWI F4	Revenue from residential usage charges (water) Income from residential usage charges (w6b) x 100 divided by the sum of [income from residential usage charges (w6a) + income from residential access charges (w6b)]	%	63.10%
NWI F9	Written down replacement cost of fixed assets (water) Written down current cost of system assets (w47)	\$'000	35,797
NWI F11	Operating cost (OMA) (water) Management expenses (w1) + operational and maintenance expenses (w2)	\$'000	1,826
NWI F14	Capital expenditure (water) Acquisition of fixed assets (w16)	\$'000	1,257
NWI F17	Economic real rate of return (water) [total income (w13) – interest income (w9) – grants for acquisition of assets (w11a) – operating costs (NWI F11) – current cost depreciation (w3)] x 100 divided by [written down current cost of system assets (w47) + plant and equipment (w33b)]	%	2.82%
NWI F26	Capital works grants (water) Grants for the acquisition of assets (w11a)	\$'000	–

- Notes:
1. References to w (e.g. w12) refer to item numbers within Special Schedules 3 and 4 of Council's Annual Financial Statements.
 2. The NWI performance indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators and Definitions.
- a refer to 3.2 (2) on page 15 of the Best-Practice Management of Water Supply and Sewerage Guidelines, 2007

Edward River Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2018

Note 3. Sewerage business
best-practice management disclosure requirements

Dollars amounts shown below are in whole dollars (unless otherwise indicated) 2018

1. Calculation and payment of tax-equivalents

[all local government local water utilities must pay this dividend for tax equivalents]

(i) Calculated tax equivalents	<input type="text" value="10,000"/>
(ii) Number of assessments multiplied by \$3/assessment	<input type="text" value="10,422"/>
(iii) Amounts payable for tax equivalents [lesser of (i) and (ii)]	<input type="text" value="10,000"/>
(iv) Amounts actually paid for tax equivalents	<input type="text" value="-"/>

2. Dividend from surplus

(i) 50% of surplus before dividends [calculated in accordance with Best-Practice Management for Water Supply and Sewerage Guidelines]	<input type="text" value="427,700"/>
(ii) Number of assessments x (\$30 less tax equivalent charges per assessment)	<input type="text" value="94,220"/>
(iii) Cumulative surplus before dividends for the 3 years to 30 June 2018, less the cumulative dividends paid for the 2 years to 30 June 2017 and 12 May 2016	<input type="text" value="(1,491,600)"/>

2018 Surplus	855,400	2017 Surplus	(2,347,000)	2016 Surplus	-
		2017 Dividend	-	2016 Dividend	-

(iv) Maximum dividend from surplus [least of (i), (ii) and (iii) above]	<input type="text" value="n/a"/>
(v) Dividend actually paid from surplus [refer below for required pre-dividend payment criteria]	<input type="text" value="-"/>
(vi) Are the overhead reallocation charges to the sewer business fair and reasonable? ^a	<input type="text" value="YES"/>

3. Required outcomes for 4 criteria

[to be eligible for the payment of a 'dividend from surplus', all the criteria below need a 'YES']

(i) Completion of strategic business plan (including financial plan)	<input type="text" value="YES"/>
(ii) Pricing with full cost-recovery, without significant cross subsidies [refer item 2 (a) in table 1 on page 22 of the Best-Practice Guidelines]	<input type="text" value="YES"/>
Complying charges (a) Residential [item 2 (c) in table 1]	<input type="text" value="YES"/>
(b) Non-residential [item 2 (c) in table 1]	<input type="text" value="YES"/>
(c) Trade waste [item 2 (d) in table 1]	<input type="text" value="YES"/>
DSP with commercial developer charges [item 2 (e) in table 1]	<input type="text" value="YES"/>
Liquid trade waste approvals and policy [item 2 (f) in table 1]	<input type="text" value="YES"/>
(iii) Complete performance reporting form (by 15 September each year)	<input type="text" value="YES"/>
(iv) a. Integrated water cycle management evaluation	<input type="text" value="YES"/>
b. Complete and implement integrated water cycle management strategy	<input type="text" value="YES"/>

Edward River Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2018Note 3. Sewerage business
best-practice management disclosure requirements (continued)

Dollars amounts shown below are in whole dollars (unless otherwise indicated)		2018
National Water Initiative (NWI) financial performance indicators		
NWI F2	Total revenue (sewerage) Total income (s14) – grants for acquisition of assets (s12a) – interest income (s10) – Aboriginal Communities W&S Program income (w10a)	\$'000 3,163
NWI F10	Written down replacement cost of fixed assets (sewerage) Written down current cost of system assets (s48)	\$'000 33,796
NWI F12	Operating cost (sewerage) Management expenses (s1) + operational and maintenance expenses (s2)	\$'000 1,344
NWI F15	Capital expenditure (sewerage) Acquisition of fixed assets (s17)	\$'000 455
NWI F18	Economic real rate of return (sewerage) [total income (s14) – interest income (s10) – grants for acquisition of assets (s12a) – operating cost (NWI F12) – current cost depreciation (s3)] x 100 divided by [written down current cost (i.e. WDCC) of system assets (s48) + plant and equipment (s34b)]	% 3.57%
NWI F27	Capital works grants (sewerage) Grants for the acquisition of assets (12a)	\$'000 –
National Water Initiative (NWI) financial performance indicators Water and sewer (combined)		
NWI F3	Total income (water and sewerage) Total income (w13 + s14) + gain/loss on disposal of assets (w14 + s15) minus grants for acquisition of assets (w11a + s12a) – interest income (w9 + s10)	\$'000 6,618
NWI F8	Revenue from community service obligations (water and sewerage) Community service obligations (NWI F25) x 100 divided by total income (NWI F3)	% 1.01%
NWI F16	Capital expenditure (water and sewerage) Acquisition of fixed assets (w16 + s17)	\$'000 1,712
NWI F19	Economic real rate of return (water and sewerage) [total income (w13 + s14) – interest income (w9 + s10) – grants for acquisition of assets (w11a + s12a) – operating cost (NWI F11 + NWI F12) – current cost depreciation (w3 + s3)] x 100 divided by [written down replacement cost of fixed assets (NWI F9 + NWI F10) + plant and equipment (w33b + s34b)]	% 3.18%
NWI F20	Dividend (water and sewerage) Dividend paid from surplus (2 (v) of Note 2 + 2 (v) of Note 3)	\$'000 –
NWI F21	Dividend payout ratio (water and sewerage) Dividend (NWI F20) x 100 divided by net profit after tax (NWI F24)	% 0.00%

SPFS 2018

Edward River Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2018Note 3. Sewerage business
best-practice management disclosure requirements (continued)Dollars amounts shown below are in whole dollars (unless otherwise indicated) 2018**National Water Initiative (NWI) financial performance indicators
Water and sewer (combined)**

NWI F22	Net debt to equity (water and sewerage) Overdraft (w36 + s37) + borrowings (w38 + s39) – cash and investments (w30 + s31) x 100 divided by [total assets (w35 + s36) – total liabilities (w40 + s41)]	%	-13.14%
NWI F23	Interest cover (water and sewerage) Earnings before interest and tax (EBIT) divided by net interest Earnings before interest and tax (EBIT): 2,215 Operating result (w15a + s16a) + interest expense (w4a + s4a) – interest income (w9 + s10) – gain/loss on disposal of assets (w14 + s15) + miscellaneous expenses (w4b + w4c + s4b + s4c) Net interest: (309) Interest expense (w4a + s4a) – interest income (w9 + s10)		> 100
NWI F24	Net profit after tax (water and sewerage) Surplus before dividends (w15a + s16a) – tax equivalents paid (Note 2-1 (iv) + Note 3-1 (iv))	\$'000	2,309
NWI F25	Community service obligations (water and sewerage) Grants for pensioner rebates (w11b + s12b)	\$'000	67

- Notes:
1. References to w (eg. s12) refer to item numbers within Special Schedules 5 and 6 of Council's Annual Financial Statements.
 2. The NWI performance indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators and Definitions.
 - a refer to 3.2 (2) on page 15 of the Best-Practice Management of Water Supply and Sewerage Guidelines, 2007

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Edward River Council

SPECIAL SCHEDULES
for the year ended 30 June 2018

Edward River Council

Special Schedules

for the year ended 30 June 2018

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¹ Special Schedules are not audited (with the exception of Special Schedule 2).

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water (NOW), and
 - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Edward River Council

Special Schedule 1 – Net Cost of Services
for the year ended 30 June 2018

\$'000				
Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	2,354	692	–	(1,662)
Administration	5,095	863	394	(3,838)
Public order and safety				
Fire service levy, fire protection, emergency services	512	138	240	(134)
Beach control	–	–	–	–
Enforcement of local government regulations	–	–	–	–
Animal control	139	20	–	(119)
Other	–	–	–	–
Total public order and safety	651	158	240	(253)
Health	352	12	–	(340)
Environment				
Noxious plants and insect/vermin control	–	–	–	–
Other environmental protection	181	160	–	(21)
Solid waste management	520	1,560	–	1,040
Street cleaning	–	–	–	–
Drainage	429	–	–	(429)
Stormwater management	–	–	–	–
Total environment	1,130	1,720	–	590
Community services and education				
Administration and education	10	–	–	(10)
Social protection (welfare)	79	42	–	(37)
Aged persons and disabled	2	–	–	(2)
Children's services	–	–	–	–
Total community services and education	91	42	–	(49)
Housing and community amenities				
Public cemeteries	70	74	–	4
Public conveniences	6	–	–	(6)
Street lighting	140	39	–	(101)
Town planning	369	205	–	(164)
Other community amenities	–	–	–	–
Total housing and community amenities	585	318	–	(267)
Water supplies	2,595	3,713	–	1,118
Sewerage services	2,136	3,273	–	1,137

Edward River Council

Special Schedule 1 – Net Cost of Services (continued)
for the year ended 30 June 2018

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	429	159	–	(270)
Museums	106	17	–	(89)
Art galleries	65	–	–	(65)
Community centres and halls	200	107	–	(93)
Performing arts venues	–	–	–	–
Other performing arts	–	–	–	–
Other cultural services	11	–	–	(11)
Sporting grounds and venues	208	–	–	(208)
Swimming pools	311	–	–	(311)
Parks and gardens (lakes)	589	13	–	(576)
Other sport and recreation	320	–	–	(320)
Total recreation and culture	2,239	296	–	(1,943)
Fuel and energy	–	–	–	–
Agriculture	–	–	–	–
Mining, manufacturing and construction				
Building control	247	7	–	(240)
Other mining, manufacturing and construction	–	–	–	–
Total mining, manufacturing and const.	247	7	–	(240)
Transport and communication				
Urban roads (UR) – local	382	–	–	(382)
Urban roads – regional	188	590	–	402
Sealed rural roads (SRR) – local	267	–	–	(267)
Sealed rural roads (SRR) – regional	192	–	–	(192)
Unsealed rural roads (URR) – local	484	–	–	(484)
Unsealed rural roads (URR) – regional	–	–	–	–
Bridges on UR – local	84	–	–	(84)
Bridges on SRR – local	–	–	–	–
Bridges on URR – local	–	–	–	–
Bridges on regional roads	22	–	–	(22)
Parking areas	–	–	–	–
Footpaths	282	–	–	(282)
Aerodromes	162	–	–	(162)
Other transport and communication	3,785	1,647	–	(2,138)
Total transport and communication	5,848	2,237	–	(3,611)
Economic affairs				
Camping areas and caravan parks	26	56	–	30
Other economic affairs	1,066	795	–	(271)
Total economic affairs	1,092	851	–	(241)
Totals – functions	24,415	14,182	634	(9,599)
General purpose revenues ⁽¹⁾		12,942		12,942
Share of interests – joint ventures and associates using the equity method	–	20		20
NET OPERATING RESULT ⁽²⁾	24,415	27,144	634	3,363

(1) Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges

(2) As reported in the Income Statement

Special Schedules 2018

Edward River Council

Special Schedule 2 – Permissible income for general rates

for the year ended 30 June 2019

\$'000		2018/19			2017/18			
		Deniliquin Council	Conargo Shire Council	Edward River Council	Deniliquin Council	Conargo Shire Council	Edward River Council	
Notional general income calculation ⁽¹⁾								
	Last year notional general income yield	a	4,564	2,594	7,158	4,497	2,576	7,073
	Plus or minus adjustments ⁽²⁾	b	9	(1)	8	–	–	–
	Notional general income	c = (a + b)	4,573	2,593	7,166	4,497	2,576	7,073
Permissible income calculation								
	Special variation percentage ⁽³⁾	d	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Or rate peg percentage	e	2.30%	2.30%	2.30%	1.50%	1.50%	1.50%
	Or crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Less expiring special variation amount	g	(80)	–	(80)	–	–	–
	Plus special variation amount	h = d x (c – g)	–	–	–	–	–	–
	Or plus rate peg amount	i = c x e	105	60	165	67	39	106
	Or plus Crown land adjustment and rate peg amount	j = c x f	–	–	–	–	–	–
	Sub-total	k = (c + g + h + i + j)	4,598	2,653	7,250	4,564	2,615	7,179
	Plus (or minus) last year's carry forward total	l	(17)	21	4	–	–	–
	Less valuation objections claimed in the previous year	m	–	–	–	–	–	–
	Sub-total	n = (l + m)	(17)	21	4	–	–	–
	Total permissible income	o = k + n	4,581	2,673	7,254	4,564	2,615	7,179
	Less notional general income yield	p	4,595	2,649	7,244	4,564	2,594	7,158
	Catch-up or (excess) result	q = o – p	(14)	24	10	0	21	21
	Plus income lost due to valuation objections claimed ⁽⁴⁾	r	–	–	–	–	–	–
	Less unused catch-up ⁽⁵⁾	s	–	–	–	(17)	–	(17)
	Carry forward to next year	t = q + r – s	(14)	24	10	(17)	21	4

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Edward River Council

Special Schedule 2 – Permissible income for general rates (continued) for the year ended 30 June 2019

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.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a return (FDR) to administer this process.
- (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 Special Schedule 2 in the financial data return (FDR) to administer this process.

Special Schedules 2018

Edward River Council

Special Schedule 2 – Independent Auditors Report
for the year ended 30 June 2019

Report on Special Schedule 2

Insert here signed Independent Auditors Report

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Edward River Council

Special Schedule 3 – Water Supply Income Statement

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018

\$'000	2018	13/5/16 to 30/6/17
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	453	331
b. Engineering and supervision	316	335
2. Operation and maintenance expenses		
– dams and weirs		
a. Operation expenses	–	–
b. Maintenance expenses	–	–
– Mains		
c. Operation expenses	208	219
d. Maintenance expenses	143	112
– Reservoirs		
e. Operation expenses	3	3
f. Maintenance expenses	–	–
– Pumping stations		
g. Operation expenses (excluding energy costs)	–	3
h. Energy costs	211	215
i. Maintenance expenses	31	21
– Treatment		
j. Operation expenses (excluding chemical costs)	31	208
k. Chemical costs	163	186
l. Maintenance expenses	266	151
– Other		
m. Operation expenses	–	25
n. Maintenance expenses	1	6
o. Purchase of water	–	–
3. Depreciation expenses		
a. System assets	647	735
b. Plant and equipment	10	9
4. Miscellaneous expenses		
a. Interest expenses	–	–
b. Revaluation decrements	–	3,809
c. Other expenses	101	123
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	–	–
5. Total expenses	2,584	6,491

Edward River Council

Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018

\$'000	2018	13/5/16 to 30/6/17
Income		
6. Residential charges		
a. Access (including rates)	1,060	1,021
b. Usage charges	1,813	1,516
7. Non-residential charges		
a. Access (including rates)	197	192
b. Usage charges	352	517
8. Extra charges	–	–
9. Interest income	221	155
10. Other income	–	4
10a. Aboriginal Communities Water and Sewerage Program	–	–
11. Grants		
a. Grants for acquisition of assets	–	–
b. Grants for pensioner rebates	34	37
c. Other grants	–	–
12. Contributions		
a. Developer charges	36	37
b. Developer provided assets	–	–
c. Other contributions	–	–
13. Total income	<u>3,713</u>	<u>3,479</u>
14. Gain (or loss) on disposal of assets	(37)	(144)
15. Operating result	<u>1,092</u>	<u>(3,156)</u>
15a. Operating result (less grants for acquisition of assets)	1,092	(3,156)

Special Schedules 2018

Edward River Council

Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018

\$'000	2018	13/5/16 to 30/6/17
B Capital transactions		
Non-operating expenditures		
16. Acquisition of fixed assets		
a. New assets for improved standards	912	15
b. New assets for growth	246	2,200
c. Renewals	99	343
d. Plant and equipment	–	–
17. Repayment of debt	–	–
18. Totals	<u>1,257</u>	<u>2,558</u>
Non-operating funds employed		
19. Proceeds from disposal of assets	–	–
20. Borrowing utilised	–	–
21. Totals	<u>–</u>	<u>–</u>
C Rates and charges		
22. Number of assessments		
a. Residential (occupied)	3,211	3,157
b. Residential (unoccupied, ie. vacant lot)	–	–
c. Non-residential (occupied)	496	495
d. Non-residential (unoccupied, ie. vacant lot)	–	–
23. Number of ETs for which developer charges were received	– ET	– ET
24. Total amount of pensioner rebates (actual dollars)	\$ 62,849	\$ 65,781

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Edward River Council

Special Schedule 4 – Water Supply Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis
as at 30 June 2018

\$'000	Current	Non-current	Total
ASSETS			
25. Cash and investments			
a. Developer charges	–	–	–
b. Special purpose grants	–	–	–
c. Accrued leave	–	–	–
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	6,978	–	6,978
26. Receivables			
a. Specific purpose grants	–	–	–
b. Rates and availability charges	94	–	94
c. User charges	85	–	85
d. Other	1,191	–	1,191
27. Inventories	–	–	–
28. Property, plant and equipment			
a. System assets	–	35,797	35,797
b. Plant and equipment	–	7	7
29. Other assets	–	–	–
30. Total assets	<u>8,348</u>	<u>35,804</u>	<u>44,152</u>
LIABILITIES			
31. Bank overdraft	–	–	–
32. Creditors	29	–	29
33. Borrowings	–	–	–
34. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	–	–	–
35. Total liabilities	<u>29</u>	<u>–</u>	<u>29</u>
36. NET ASSETS COMMITTED	<u>8,319</u>	<u>35,804</u>	<u>44,123</u>
EQUITY			
37. Accumulated surplus			44,123
38. Asset revaluation reserve			–
39. Other reserves			–
40. TOTAL EQUITY			<u>44,123</u>
Note to system assets:			
41. Current replacement cost of system assets			58,416
42. Accumulated current cost depreciation of system assets			(22,620)
43. Written down current cost of system assets			<u>35,797</u>

Edward River Council

Special Schedule 5 – Sewerage Service Income Statement

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018

\$'000	2018	13/5/16 to 30/6/17
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	386	306
b. Engineering and supervision	331	306
2. Operation and maintenance expenses		
– mains		
a. Operation expenses	–	–
b. Maintenance expenses	189	224
– Pumping stations		
c. Operation expenses (excluding energy costs)	–	–
d. Energy costs	–	–
e. Maintenance expenses	–	–
– Treatment		
f. Operation expenses (excl. chemical, energy, effluent and biosolids management costs)	–	–
g. Chemical costs	–	–
h. Energy costs	121	172
i. Effluent management	3	1
j. Biosolids management	–	–
k. Maintenance expenses	227	303
– Other		
l. Operation expenses	–	–
m. Maintenance expenses	87	141
3. Depreciation expenses		
a. System assets	609	689
b. Plant and equipment	4	6
4. Miscellaneous expenses		
a. Interest expenses	43	59
b. Revaluation decrements	–	3,272
c. Other expenses	77	77
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	–	–
5. Total expenses	2,077	5,556

Special Schedules 2018

Edward River Council

Special Schedule 5 – Sewerage Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018

\$'000	2018	13/5/16 to 30/6/17
Income		
6. Residential charges (including rates)	2,406	2,343
7. Non-residential charges		
a. Access (including rates)	348	340
b. Usage charges	258	285
8. Trade waste charges		
a. Annual fees	61	69
b. Usage charges	16	30
c. Excess mass charges	–	–
d. Re-inspection fees	–	–
9. Extra charges	–	–
10. Interest income	131	72
11. Other income	6	46
11a. Aboriginal Communities Water and Sewerage Program	–	–
12. Grants		
a. Grants for acquisition of assets	–	–
b. Grants for pensioner rebates	33	36
c. Other grants	–	–
13. Contributions		
a. Developer charges	35	54
b. Developer provided assets	–	–
c. Other contributions	–	–
14. Total income	<u>3,294</u>	<u>3,275</u>
15. Gain (or loss) on disposal of assets	–	(56)
16. Operating result	<u>1,217</u>	<u>(2,337)</u>
16a. Operating result (less grants for acquisition of assets)	1,217	(2,337)

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Edward River Council

Special Schedule 5 – Sewerage Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2018

\$'000	2018	13/5/16 to 30/6/17
B Capital transactions		
Non-operating expenditures		
17. Acquisition of fixed assets		
a. New assets for improved standards	–	–
b. New assets for growth	–	–
c. Renewals	455	583
d. Plant and equipment	–	–
18. Repayment of debt	168	168
19. Totals	<u>623</u>	<u>751</u>
Non-operating funds employed		
20. Proceeds from disposal of assets	–	–
21. Borrowing utilised	–	–
22. Totals	<u>–</u>	<u>–</u>
C Rates and charges		
23. Number of assessments		
a. Residential (occupied)	2,969	2,957
b. Residential (unoccupied, ie. vacant lot)	72	68
c. Non-residential (occupied)	414	416
d. Non-residential (unoccupied, ie. vacant lot)	19	19
24. Number of ETs for which developer charges were received	– ET	– ET
25. Total amount of pensioner rebates (actual dollars)	\$ 60,727	\$ 63,301

Edward River Council

Special Schedule 6 – Sewerage Service Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis
as at 30 June 2018

\$'000	Current	Non-current	Total
ASSETS			
26. Cash and investments			
a. Developer charges	-	-	-
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	4,542	-	4,542
27. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and availability charges	232	-	232
c. User charges	-	-	-
d. Other	163	-	163
28. Inventories	-	-	-
29. Property, plant and equipment			
a. System assets	-	33,796	33,796
b. Plant and equipment	-	6	6
30. Other assets	-	-	-
31. Total assets	<u>4,937</u>	<u>33,802</u>	<u>38,739</u>
LIABILITIES			
32. Bank overdraft	-	-	-
33. Creditors	219	-	219
34. Borrowings	168	589	757
35. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
36. Total liabilities	<u>387</u>	<u>589</u>	<u>976</u>
37. NET ASSETS COMMITTED	<u>4,550</u>	<u>33,213</u>	<u>37,763</u>
EQUITY			
38. Accumulated surplus			37,763
39. Asset revaluation reserve			-
40. Other reserves			-
41. TOTAL EQUITY			<u>37,763</u>
Note to system assets:			
42. Current replacement cost of system assets			55,487
43. Accumulated current cost depreciation of system assets			(21,691)
44. Written down current cost of system assets			<u>33,796</u>

Edward River Council

Notes to Special Schedules 3 and 5
for the year ended 30 June 2018**Administration** ⁽¹⁾

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Meter reading
- Bad and doubtful debts
- Other administrative/corporate support services

Engineering and supervision ⁽¹⁾

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Other technical and supervision staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.

Operational expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

Maintenance expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

Other expenses (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

Impairment losses (item 4d and 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

Aboriginal Communities Water and Sewerage Program (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and sewerage revenue.

Residential charges ⁽²⁾ (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a access charges (including rates if applicable) and 6b usage charges.

Non-residential charges ⁽²⁾ (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a access charges (including rates if applicable) and 7b usage charges.

Trade waste charges (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a annual fees, 8b usage charges and 8c excess mass charges and 8d re-inspection fees.

Other income (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

Other contributions (items 12c and 13c of Special Schedules 3 and 5 respectively) including capital contributions for water supply or sewerage services received by Council under Section 565 of the *Local Government Act*.

Notes:

⁽¹⁾ Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

⁽²⁾ To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

Edward River Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018

\$'000

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	2017/18 Required maintenance ^a	2017/18 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Buildings – non-specialised	200	200	7	6	6,117	10,382	10%	35%	42%	11%	2%
	Buildings – specialised	480	480	175	178	36,900	49,045	25%	26%	31%	17%	1%
	Sub-total	680	680	182	184	43,018	59,427	22.4%	27.6%	32.9%	16.0%	1.2%
Other structures	Other structures	–	–	14	4	18,026	18,857	60%	30%	10%	0%	0%
	Sub-total	–	–	14	4	18,026	18,857	60.0%	30.0%	10.0%	0.0%	0.0%
Roads	Sealed roads	1,000	1,000	850	895	124,373	204,597	10%	49%	30%	10%	1%
	Unsealed roads	350	350	730	857	19,200	–	10%	20%	30%	40%	
	Bridges	75	75	62	84	4,888	7,135	10%	70%	15%	5%	0%
	Footpaths	100	100	200	284	4,152	7,279	5%	35%	50%	10%	0%
	Kerb and gutter	200	200	70	–	11,495	14,642	5%	35%	50%	10%	0%
	Other road assets	150	150	31	38	3,449	4,089	10%	25%	46%	15%	4%
	Bulk earthworks	–	–	–	–	27,471	27,471	35%	30%	33%	2%	0%
	Sub-total	1,875	1,875	1,943	2,158	195,028	265,213	12.2%	46.1%	31.8%	9.1%	0.8%

Edward River Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018 (continued)

\$'000

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	2017/18 Required maintenance ^a	2017/18 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Water supply network	Water supply network	–	–	987	988	36,279	58,899	1%	20%	59%	20%	0%
	Other	50	50	10	21	–	–	15%	70%	8%	6%	
	Sub-total	50	50	997	1,009	36,279	58,899	1.0%	20.0%	59.0%	20.0%	0.0%
Sewerage network	Sewerage network	500	500	908	609	33,796	55,487	18%	40%	36%	3%	3%
	Sub-total	500	500	908	609	33,796	55,487	18.0%	40.0%	36.0%	3.0%	3.0%
Stormwater drainage	Stormwater drainage	50	50	109	99	21,495	33,720	10%	25%	45%	20%	0%
	Sub-total	50	50	109	99	21,495	33,720	10.0%	25.0%	45.0%	20.0%	0.0%
Open space/recreational assets	Swimming pools	80	80	238	249	3,074	4,043	0%	40%	45%	13%	2%
	Other open space/recreational	80	80			3,325	4,332	45%	35%	10%	8%	2%
	Sub-total	160	160	238	249	6,399	8,375	23.3%	37.4%	26.9%	10.4%	2.0%
TOTAL – ALL ASSETS		3,315	3,315	4,391	4,312	354,041	499,978	14.6%	38.0%	35.6%	10.9%	0.9%

Notes:

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

Edward River Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2018

	Amounts 2018	Indicator 2018	Indicator 2017	Benchmark
Infrastructure asset performance indicators * consolidated				
1. Buildings and infrastructure renewals ratio ⁽¹⁾				
Asset renewals ⁽²⁾	<u>8,788</u>	137.42%	117.81%	>= 100%
Depreciation, amortisation and impairment	<u>6,395</u>			
2. Infrastructure backlog ratio ⁽¹⁾				
Estimated cost to bring assets to a satisfactory standard	<u>3,315</u>	0.93%	1.45%	< 2.00%
Net carrying amount of infrastructure assets	<u>356,453</u>			
3. Asset maintenance ratio				
Actual asset maintenance	<u>4,312</u>	98.20%	88.63%	> 100%
Required asset maintenance	<u>4,391</u>			
4. Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	<u>3,315</u>	0.66%	0.84%	
Gross replacement cost	<u>499,978</u>			

Notes

* All asset performance indicators are calculated using the asset 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.

Edward River Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2018

<p>1. Buildings and infrastructure renewals ratio</p> <p>Benchmark: — Minimum >=100.00% Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of asset renewals ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 137.42%</p> <p>This ratio improved as Council continues to invest in its assets</p>
<p>2. Infrastructure backlog ratio</p> <p>Benchmark: — Maximum <2.00% Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of infrastructure backlog ratio</p> <p>This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 0.93%</p> <p>Council has a limited unfunded infrastructure backlog</p>
<p>3. Asset maintenance ratio</p> <p>Benchmark: — Minimum >100.00% Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of asset maintenance ratio</p> <p>Compares actual vs. required annual asset maintenance. A ratio above 100% indicates Council is investing enough funds to stop the infrastructure backlog growing.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 98.20%</p> <p>Council has improved its planned maintenance in the reporting period</p>
<p>4. Cost to bring assets to agreed service level</p>	<p>Purpose of agreed service level ratio</p> <p>This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 0.66%</p> <p>Council needs minimal investment to achieve the agreed service levels. The levels are being reviewed as part of Council continue improvement plan for assets</p>

Special Schedules 2018

Edward River Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2018

	General indicators ⁽¹⁾		Water indicators		Sewer indicators		Benchmark
	2018	2017	2018	2017	2018	2017	
Infrastructure asset performance indicators by fund							
1. Buildings and infrastructure renewals ratio ⁽²⁾							
Asset renewals ⁽³⁾	171.01%	-454.94%	0.00%	34.29%	0.00%	70.97%	>= 100%
Depreciation, amortisation and impairment							
2. Infrastructure backlog ratio ⁽²⁾							
Estimated cost to bring assets to a satisfactory standard	0.97%	1.48%	0.14%	1.42%	1.48%	1.27%	< 2.00%
Net carrying amount of infrastructure assets							
3. Asset maintenance ratio							
Actual asset maintenance	108.37%	90.55%	101.20%	101.16%	67.07%	70.26%	> 100%
Required asset maintenance							
4. Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council	0.72%	0.85%	0.08%	0.86%	0.90%	0.78%	
Gross replacement cost							

Notes

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

⁽²⁾ Excludes Work In Progress (WIP)

⁽³⁾ 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.

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11.12 INVESTMENT REPORT 30 SEPTEMBER 2018**Author: Rindayi Matienga, Financial Accountant****Authoriser: Caroline Wallis, Director Corporate Services****RECOMMENDATION**

That Council

1. Note and receive the Report on Investments totalling \$45,355,621 inclusive of cash at bank for day-to-day operations;
2. Note that actual interest received for the month of September 2018 was \$123,810.
3. Note that accrued interest earned to 30 September 2018 but not yet received was \$356,259.

BACKGROUND

The purpose of this report is to update Council on the investment of surplus funds and interest earned as required in Regulation No 264 (Part 19) of the Local Government Act 1993.

All investments have been made in accordance with Council's Policy, Section 625 of the Local Government Act 1993, and Regulation No 264.

As at 30 September 2018, Council has a total of \$45,355,621 in invested funds and cash at bank. This balance does not include unrepresented receipts or cheques.

Interest received from investments during the month of September 2018 was \$123,810 consisting of \$14,076 for on-call/ bank accounts and \$109,734 for term deposits. Year to date interest received to 30 September 2018 for Edward River Council is \$243,149. Accrued interest of \$356,259 has been earned to 30 September 2018 but is not yet received as these investments mature in later months.

To optimise returns and to reduce exposure to risk, Council is investing surplus funds prudently in authorised financial institutions under current legislation in accordance with the Council's Investment Policy.

ISSUE/DISCUSSION

At 30 September 2018 Council investments had a carrying value of \$45,355,621 as detailed on the following page

Schedule of Investments									
This Report is at date 30-September-2018									
Financial Institution	Account No.	Rating at End of Month (S&P)	Date Invested	Maturity Date	Days	Rate	Face Value Amount	% of Portfolio	Estimated Interest
On-Call/ CMT Accounts									
Westpac Business Cheque Plus Account	032-870 16-6545	A1+	N/A	N/A	365	0.01%	2,422,602.19	5.34%	Monthly
Westpac Business Cash Reserve	032-870 17-9231	A1+	N/A	N/A	365	0.70%	2,250,000.00	4.96%	Monthly
Westpac 31 Day Notice Account	032-870 23-2596	A1+	N/A	N/A	365	2.50%	2,116,449.13	4.67%	Monthly
Commonwealth Bank General Fund	062-533 000 000 10	A1+	N/A	N/A	365	0.00%	176,721.52	0.39%	Monthly
Commonwealth Bank Business On Line Acc	062-533 101 511 17	A1+	N/A	N/A	365	0.60%	3,291,552.23	7.26%	Monthly
NAB Business Cheque Account	89-575-7273	A1+	N/A	N/A	365	0.00%	12,530.84	0.03%	Monthly
Macquarie Bank - Rates	3005-79778	A1+	N/A	N/A	365	0.01%	4,874.36	0.01%	Monthly
Macquarie Bank - Water	2643-18940	A1+	N/A	N/A	365	0.00%	576.87	0.00%	Monthly
AMP Business Saver Account	939-200 164957532	A1+	N/A	N/A	365	1.80%	2,075,314.13	4.58%	Monthly
Total Oncall/ CMT Accounts							12,350,621.27	27.23%	
Term Deposits									
St George	354032747	A1+	04-Sep-18	04-Apr-19	212	2.45%	1,250,000.00	2.76%	17,787.67
Deniliquin	354775348	A1+	07-Oct-17	02-Oct-18	360	2.55%	1,500,000.00	3.31%	37,726.03
Deniliquin	355276209	A1+	02-Sep-18	02-Jan-19	122	2.35%	1,000,000.00	2.20%	7,854.79
St George	033-621 357900	A1+	21-Nov-17	27-Nov-18	371	2.53%	3,000,000.00	6.61%	77,147.67
Westpac	032-870 22-6635	A1+	31-Jul-18	30-Oct-18	91	2.46%	500,000.00	1.10%	3,066.58
Westpac	032-870 22-2287	A1+	10-Oct-17	16-Oct-18	371	2.59%	1,500,000.00	3.31%	39,488.63
Westpac	032-870 22-8830	A1+	10-Jul-18	12-Mar-19	245	2.49%	1,000,000.00	2.20%	16,713.70
Westpac	032-870 23-4616	A1+	21-Nov-17	27-Nov-18	371	2.53%	1,000,000.00	2.20%	25,715.89
Commonwealth Bank	062-533 37543602	A1+	17-Apr-18	17-Dec-18	244	2.71%	500,000.00	1.10%	9,058.08
National Australia Bank	24-710-0644	A1+	27-Apr-18	25-Jan-19	273	2.60%	500,000.00	1.10%	9,723.29
National Australia Bank	31-162-5542	A1+	08-Aug-18	09-Apr-19	244	2.65%	1,000,000.00	2.20%	17,715.07
Total A1+ Deposits							12,750,000.00	28.11%	
AMP Bank	085241479-427214	A1	16-Jan-18	23-Oct-18	280	2.65%	1,005,000.00	2.22%	20,430.41
AMP Bank	286870456-429501	A1	28-Aug-18	30-Jul-19	336	2.80%	1,000,000.00	2.20%	25,775.34
AMP Bank	933904831-467929	A1	29-May-18	04-Dec-18	189	2.75%	1,000,000.00	2.20%	14,239.73
AMP Bank	2 Deposits	A1	27-Jun-18	23-Jan-19	210	2.85%	1,000,000.00	2.20%	16,397.26
Total A1 Deposits							6,005,000.00	13.24%	
Bendigo and Adelaide Bank	2112060	A2	04-Sep-18	05-Mar-19	182	2.60%	1,000,000.00	2.20%	12,964.38
Deniliquin	105306781	A2	05-Dec-17	04-Dec-18	364	2.60%	1,000,000.00	2.20%	25,928.77
Edwards River	157745555/157745696	A2	21-Aug-18	22-Jan-19	154	2.60%	500,000.00	1.10%	5,484.93
Edwards River	157745555/157745696	A2	21-Aug-18	19-Mar-19	210	2.65%	500,000.00	1.10%	7,623.29
Edwards River	157745694	A2	17-Jun-18	19-Feb-19	247	2.80%	500,000.00	1.10%	9,473.97
Edwards River	157745951/157746033	A2	17-Jun-18	19-Mar-19	275	2.83%	1,000,000.00	2.20%	21,321.92
Edwards River	157746082/157746124	A2	17-Jun-18	23-Apr-19	310	2.83%	1,000,000.00	2.20%	24,035.62
Edwards River	157746140/157746199	A2	17-Jun-18	21-May-19	338	2.83%	1,000,000.00	2.20%	26,206.58
Edwards River	157746223	A2	17-Jun-18	18-Jun-19	366	3.15%	500,000.00	1.10%	15,793.15
Edwards River	313-140 138363486	A2	16-Jul-18	18-Jun-19	337	2.85%	1,000,000.00	2.20%	26,313.70
Edwards River	313-140 138364459	A2	17-Apr-18	16-Oct-18	182	2.60%	750,000.00	1.65%	9,723.29
Edwards River	11379100	A2	08-May-18	13-Nov-18	189	2.72%	1,000,000.00	2.20%	14,084.38
Edwards River	11379100	A2	08-Aug-18	07-May-19	272	2.75%	1,000,000.00	2.20%	20,493.15
Edwards River	171548852	A2	25-Sep-18	26-Feb-19	154	2.60%	500,000.00	1.10%	5,484.93
Total A2 Deposits							11,250,000.00	24.80%	
BananaCoast Credit Union	112214	NR	10-Jul-18	11-Dec-18	154	2.90%	500,000.00	1.10%	6,117.81
Police Credit Union	72668	NR	28-Aug-18	28-May-19	273	2.80%	1,000,000.00	2.20%	20,942.47
Police Credit Union	69759	NR	12-Jun-18	15-Jan-19	217	2.90%	500,000.00	1.10%	8,620.55
Police Credit Union	71966	NR	15-May-18	20-Nov-18	189	2.90%	1,000,000.00	2.20%	15,016.44
Total Non Rated Deposits							45,355,621.27	100.00%	652,573.56
						Average Interest Rate			

4. The cash and investments balance is restricted as follows:

Internal Restrictions

Infrastructure replacement	\$ 3,112,631
Plant replacement reserve	\$ 1,798,670
Recreation reserves/villages	\$ 1,113,000
Employee entitlements	\$ 692,727
Land Development Fund	\$ 400,000
Airport Development	\$ 291,447
Deposits, retentions and bonds	\$ 229,831
Other internal reserves	\$ 762,235

Total Internal Restrictions \$ 8,400,541

External Restrictions

Water supplies fund	\$ 7,751,431
Sewerage services fund	\$ 6,037,503
Tip remediation	\$ 1,300,000
Business promotion levy	\$ 23,950
Unexpended Merger Funds	\$ 9,464,509
Library fund	\$ 394,399
Other external reserves	\$ 136,506

Total External Restrictions \$ 25,108,298

Unrestricted Funds \$ 11,846,783

Total Funds \$ 45,355,621

5.

6.

7. The Total Funds above are held between General, Water and Sewer as follows:

Fund Name	Bank and Investments	Percentage
General	\$ 31,566,687	69.60%
Water	\$ 7,751,431	17.09%
Sewer	\$ 6,037,503	13.31%
Total Funds	\$ 45,355,621	100.00%

8.

9.

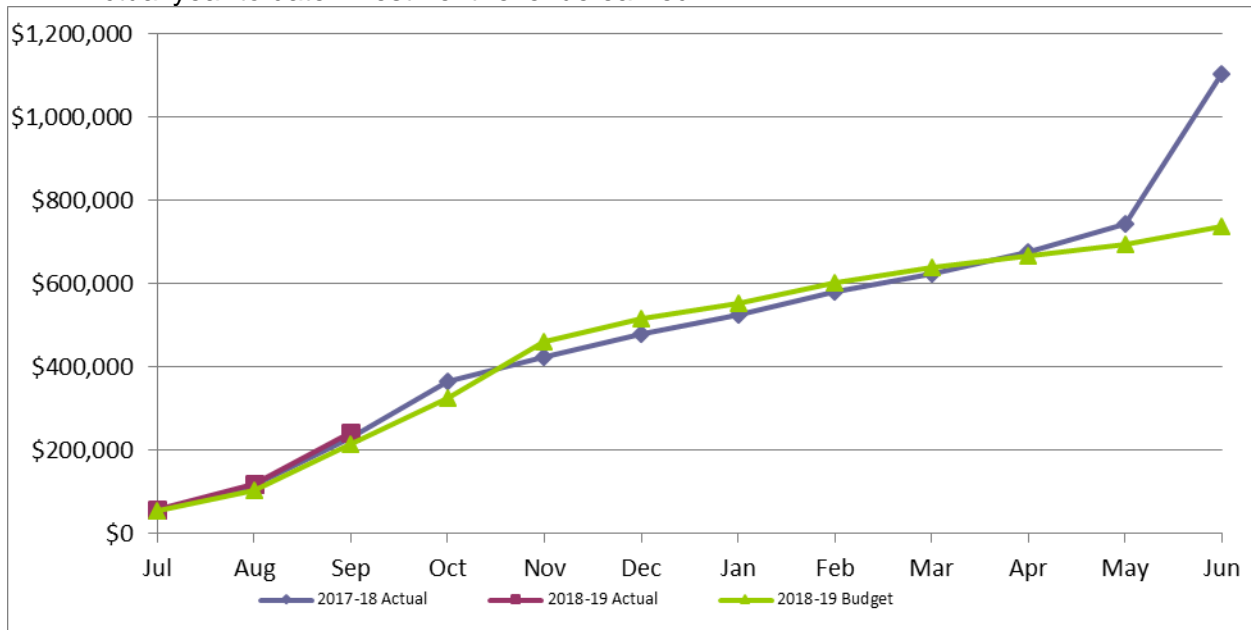
10. Investments matured during September 2018

Matured/ Redeemed Investments

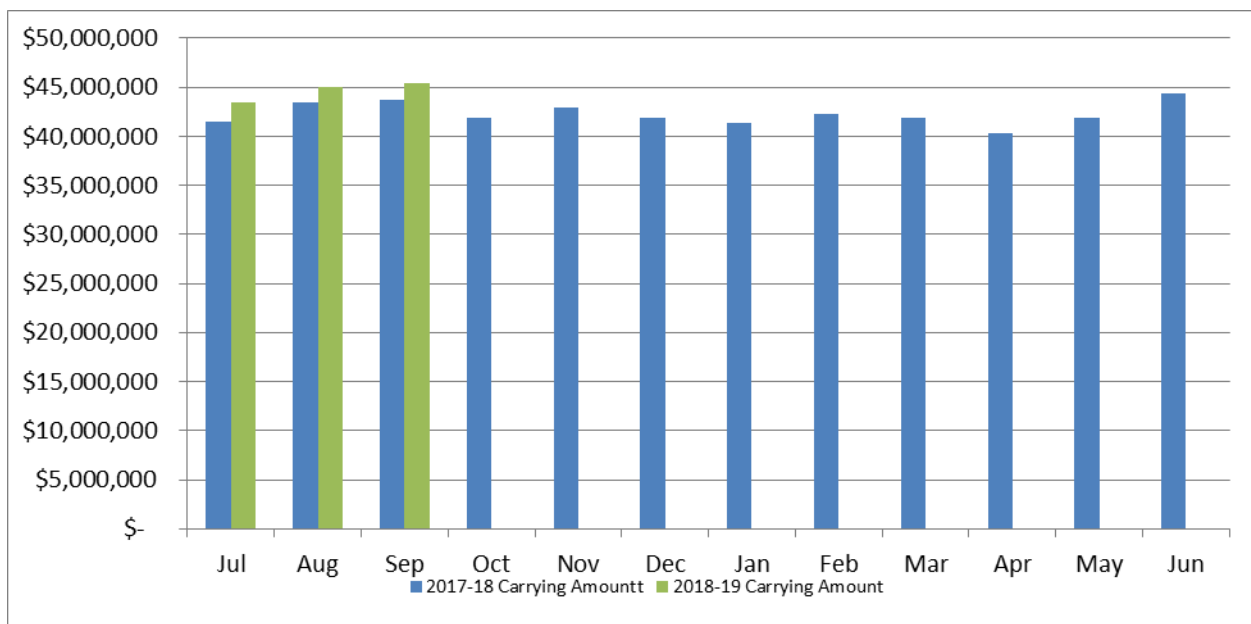
Financial Institution	Date Invested	Maturity Date	Days	Interest Rate	Amount	Actual Interest Received	Action Taken
Sep-18							
St George	02-Sep-17	02-Sep-18	365	2.60%	1,000,000	26,000.00	Rolled over for 4 months @ 2.35%
St George	10-Sep-17	04-Sep-18	359	2.60%	1,250,000	31,965.75	Rolled over for 7 months @ 2.45%
Bendigo and Adelaide Bank	28-Nov-17	04-Sep-18	280	2.50%	1,000,000	19,178.08	Rolled over for 6 months @ 2.60%
St George	12-Sep-17	11-Sep-18	364	2.59%	1,000,000	25,983.42	Redeemed
Defence Bank	27-Mar-18	25-Sep-18	182	2.65%	500,000	6,606.85	Rolled over for 5 months @ 2.60%
					<u>4,750,000.00</u>	<u>109,734.11</u>	

11.

12. Actual year to date investment revenue earned

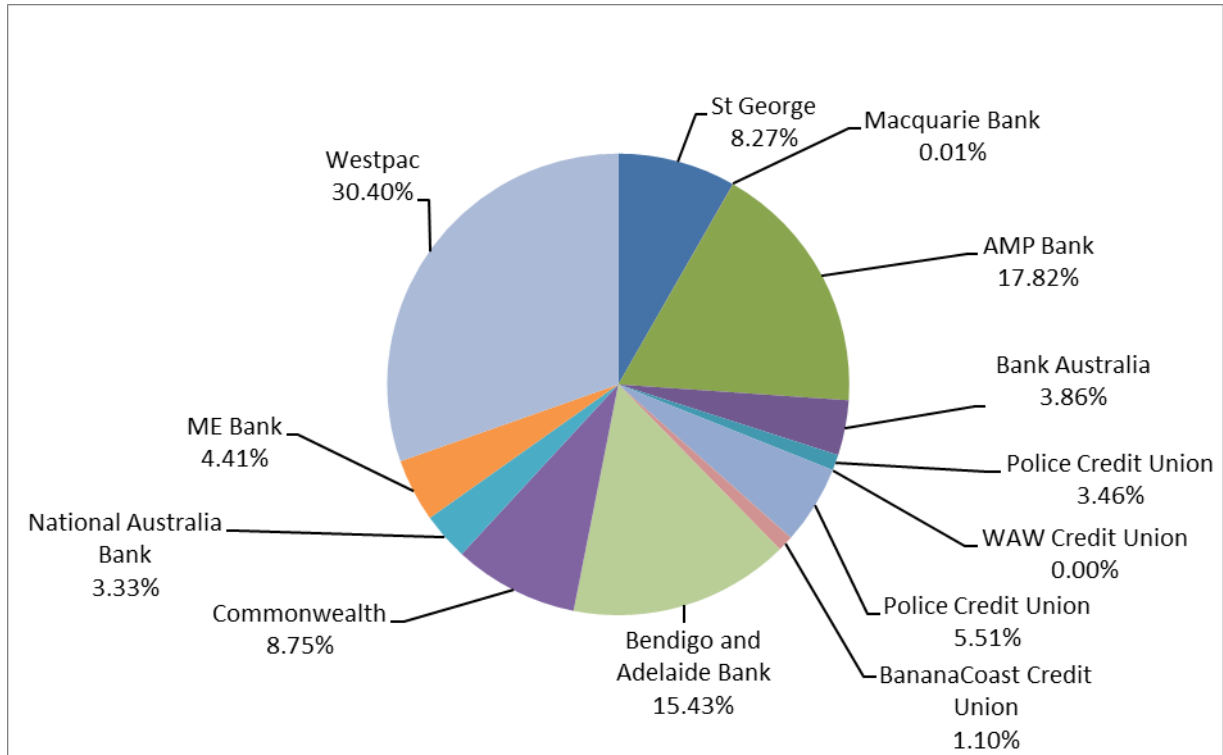


Total funds invested



- 13.
- 14.
- 15.
- 16.
- 17.
- 18.
- 19.
- 20.
- 21.

22. Cash and investments total breakup by institution



23.

STRATEGIC IMPLICATIONS

24. Investments have been made in accordance with Council’s investment policy, which was adopted on 17 May 2017.

COMMUNITY STRATEGIC PLAN

N/A

FINANCIAL IMPLICATIONS

Investments are managed to maximise returns while ensuring adequate cash flow to meet upcoming commitments.

Under Council’s investment policy, investments are made with a range of banks, with Council funds invested with a single institution not going above a percentage of the total portfolio as follows:

50%	A1+ rated institutions
45%	A1 rated institutions
40%	A2 rated institutions
20%	A3 rated institutions
10%	Unrated authorised deposit taking institutions

LEGISLATIVE IMPLICATIONS

25. All investments have been made in accordance with Section 625 of the Local Government Act 1993 and Regulation No. 264.

ATTACHMENTS

Nil

11.13 DEBT RECOVERY AND HARDSHIP POLICY**Author:** Colleen O'Connor, Manager Finance**Authoriser:** Caroline Wallis, Director Corporate Services**RECOMMENDATION**

That Council:

1. Rescinds all previous versions of the Debt Recovery and Hardship Policy, or any version of a hardship or debt policy; and
2. Adopt the Debt Recovery and Hardship Policy as attached to this report.

BACKGROUND

Edward River Council aims to ensure effective and efficient financial management over outstanding debts.

As part of the implementation process of the new Council, the review, development and adoption of policies has been ongoing.

This Debt Recovery and Hardship Policy (the Policy) applies to debts owed to Council through the non-payment of council rates, annual charges, interest and sundry debtors. It also outlines how Council may assist ratepayers who experience exceptional and genuine financial difficulties to pay their rates and charges.

ISSUE/DISCUSSION

The development of the Debt Recovery and Hardship Policy has followed a review and development process and has incorporated a collaborative effort from the Finance Department.

The Policy incorporates a new *Agreement to Pay Rates & Charges* form which is an internal administrative document that has been included as an attachment to the report.

Development of the Policy also includes an expanded section on how Council may assist ratepayers who may be experiencing genuine financial hardship. This is timely, given the impact being felt across the community in relation to the impacts of the current drought.

This Policy fulfils its legislative obligations in accordance with the *Local Government Act 1993* (the Act), the *Local Government (General) Regulations 2005* (the Regulations) and other relevant legislation in relation to the recovery of rates, charges, fees and other debts.

STRATEGIC IMPLICATIONS

Revenue is a key requirement for Council to deliver its priority projects and obligations to the community as outlined in its strategic plans. Rates are a major source of Council revenue and must be recovered in accordance with the Local Government Act 1993.

COMMUNITY STRATEGIC PLAN

This Policy aligns with:

- Outcome 1. A great place to live
- Outcome 2. A prosperous and vibrant economy
- Outcome 3. A valued and enhanced natural environment
- Outcome 4. A region with quality and sustainable infrastructure
- Outcome 5. A community working together to achieve its potential

by ensuring sufficient revenue is collected to enable Council to deliver the services in accordance with its Delivery Program.

FINANCIAL IMPLICATIONS

Debt management and timely collection ensures sufficient revenue is raised.

LEGISLATIVE IMPLICATIONS

Council is required under the Local Government Act 1993 to collect revenue in accordance with the legislation and regulations. This Policy is compliant with these statutory requirements.

ATTACHMENTS

- | | | | |
|----|---|--------------------|-------------|
| 1. | DRAFT Debt Recovery and Hardship Policy | | |
| 2. | DRAFT Agreement to Pay Rates and Charges | | |
| 3. | DRAFT Hardship | Application | Form |

POLICY OBJECTIVES

The objectives of this policy are to:

- Ensure debts for outstanding rates, annual charges, service usage charges, interest and sundry debtors owed to Council are recovered in a timely, efficient, and effective manner to finance Council's operations and deliver services.
- Provide a formal administrative process to objectively determine and assist those ratepayers who are experiencing genuine financial hardship.
- Ensure Council compliance with the relevant statutory requirements of the *Local Government Act 1993* (the Act).

LEGISLATIVE REQUIREMENTS

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Valuation of Land Act 1916 NSW
- Privacy and Personal Information Protection Act 1998

SCOPE

This policy applies to debts owed to Edward River Council through the non-payment of Council rates, annual charges, service usage charges, interest and sundry debtors. It also outlines how Council may help ratepayers who experience exceptional and genuine financial difficulties to pay their rates and charges.

POLICY STATEMENT

Edward River Council aims to ensure effective and efficient financial management over outstanding debts. This includes overdue rates, annual and service usage charges, interest and sundry debtors.

RECOVERY OF RATES AND CHARGES

26. Council issues rates and charges notices in accordance with section 562 of the *Local Government Act 1993* in July each year. An annual rate notice is issued on or before 31 July. They can be paid in full by 31 August or via four instalments due 31 August, 30 November, 28 February, and 31 May each year. Rate instalment reminder notices are issued on or before 31 October, 31 January and 30 April.

Arrangements to Repay Rates and Charges

In accordance with section 564 of the Act, a ratepayer may at any time arrange with Council officers to enter into a weekly, fortnightly, or monthly payment arrangement to repay the rates and charges with Council.

Failure to make payments as per the agreement voids the agreement and may result in Council referring the account for debt management. All ratepayers who enter into an arrangement will

continue to have interest charged on the outstanding amount in accordance with Section 566 of the Act. Rates are required to be paid in full prior to the end of the rating year.

Applications to repay rates by set regular repayments are to be made and forwarded to Council on the approved form available from Council's Customer Service Centre or on Council's website.

Interest Charges

Council charges overdue rates and water accounts with the maximum allowable interest rate in accordance with Section 566 of the Act and may write off interest charges on overdue rates in accordance with the Act, by resolution or by delegation of authority of the General Manager.

Recovery Action Referral to an External Agency

Where rates, annual charges and water charges continue to remain unpaid without a formal repayment arrangement in place Council may refer outstanding debts to an external agency for collection. Council will utilise the services of a debt recovery agent appointed by the Council where required for this purpose.

FINANCIAL HARDSHIP IN EXCEPTIONAL CIRCUMSTANCES

Council recognises that there are some cases of genuine and exceptional financial hardship experienced by individual ratepayers due to unforeseen circumstances such as a declared event /disaster i.e. drought and flood, which may require compassion and consideration by Council in these special circumstances.

While Council will not reduce rates or annual charges, it will consider alternative available approaches to assist with cases of financial hardship. This policy establishes guidelines for assessment of residential rates and charges financial hardship applications.

Principles in Determining Hardship

Council considers the principles of fairness, integrity, confidentiality, and its obligations under the Act and other related legislation when determining hardship applications. Financial assistance may take the form of:

- Arrangement of a payment agreement or schedules;
- Extending the period in which the outstanding rates may be repaid;
- Reducing or writing off accrued interest.

Each individual case will be considered on its merits. The criteria for assessment will be, but is not limited to, the following:

- the ratepayer must own and occupy the property as their principal place of residence;
- the property for which the ratepayer/s is requesting assistance is the ratepayer/s principal place of residence and the property must be land categorised as either residential or farmland for rating purposes;
- the residential component of mixed developments will only be considered for the hardship provision assistance;
- the ratepayer is required to provide Council with details of all income and expenses from all sources, with supporting evidence;

- the ratepayer is to provide reasons and reasonable proof of financial hardship.

Applications for Hardship Assistance

Applications must be made on the Hardship Assistance Application Form available from Council's Customer Service Centre and on Council's website.

In accordance with the Act, Council has several options available to it when considering a Hardship Application. These include:

a) Entering a Payment Plan

Under Section 564 of the Act, Council may:

- Negotiate with the applicant a suitable repayment plan.

b) Postponement of Rates

Under Section 585 – 599 Council may:

- Accept an application for the postponement of rates payable for the land in the current or following rating year.

c) Transfer of Land in lieu of Payment of Rates and Charges

Under Section 570 of the Act, Council may:

- Accept a transfer of the land in respect of which rates or charges or accrued interest is due and payable in full satisfaction of the rates, charges or accrued interest.

d) Sale of Property for Overdue Rates

Under Section 713 of the Act, Council may:

- Sell any land (including vacant land) on which any rate or charge has remained unpaid for more than five (5) years from the date on which it became payable;
- Sell any vacant land on which any rate or charge has remained unpaid for more than one (1) year, provided that the amount of such rates and charges are more than the land valuation it received from the NSW Valuer-General;
- Any sale will be carried out by public auction in accordance with the process outlined in the *Local Government Act 1993*.

e) Write off Rates and Charges

In accordance with regulation 131 of the *Local Government (General) Regulation 2005* Council may write off rates and charges:

- To correct a clerical error; or
- If the amount is not legally recoverable; or
- If a court orders the amount to be written off; or
- the General Manager believes it would not be cost effective to attempt to recover the amount outstanding.

RECOVERY OF UNPAID SUNDRY DEBTS

Sundry debtor accounts and invoices will be created when information becomes available and printed and posted weekly. The payment due date will be 30 days after the invoice issue. A statement will be issued within seven days of month's end.

Overdue Sundry Debtors

The following process applies to recovery of overdue sundry debtor accounts:

- A reminder notice will be issued 14 days after due date;
- A statement will be issued at the end of the month and serve as the 2nd reminder;
- If full payment is not received after issue of the 2nd reminder, then an overdue sundry debtor account letter requesting payment or the making of a satisfactory arrangement to pay will be sent to the debtor;
- The overdue sundry debtor account letter will advise that the recovery of the overdue account will be referred to Council's debt collection agency if the account is not paid within 14 days.

PRIVACY

Council is committed to ensuring that privacy will be maintained in accordance with the principles established under the *Privacy and Personal Information Protection Act 1998*.

VERSION CONTROL

Title	Debt Recovery and Hardship Policy			
ECM Doc Set ID				
Date Adopted	19 October 2018			
Council Minute No.				
Responsible Officer	Colleen O'Connor			
Version Number	Modified By	Modifications Made	Date modified and Approved by Council	Council Minute Number
1	Colleen O'Connor	New Council Policy		

*This is a controlled document. Before using this document, check it is the latest version by checking it on Council's intranet. Unless otherwise shown, printed, or downloaded versions of this document are uncontrolled.



Agreement to Pay Rates & Charges Corporate Services

Council Customer Service Centre: 180 Cressy Street, Deniliquin, NSW, 2710
Address all correspondence to: The General Manager, PO Box 270, Deniliquin, NSW, 2710
Email: council@edwardriver.nsw.gov.au **Web:** www.edwardriver.nsw.gov.au
Phone: (03) 5898 3000 **Fax:** (03) 5898 3029

1 Applicant

Given name(s):

Surname:

Business or Company Name (If applicable):

.....

Position Held (If applicable):

.....

Suburb: Postcode:

.....

Suburb: Postcode:

Phone: Mobile:

2 Property Details

Property Address:

.....

Suburb: Postcode:

Lot: DP:

3 Terms of Agreement

Council appreciates that some ratepayers, due to exceptional and unforeseen circumstances, cannot pay the rates and charges by the due dates shown on their rate notice and will accept agreements to pay the account as per arrangements shown below.

- (1) Daily interest will be charged on all overdue rates and charges. (Sec 566 Local Government Act 1993)
- (2) Payments are not to be missed or decreased without Council's prior agreement. Failure to maintain Council's agreement could result in immediate legal action being taken to recover the debt.
- (3) Council will only reply to you if the proposed amount requires further negotiation.
- (4) Other repayment agreements will be considered

4 Arrangement Details (please tick box for most suitable arrangement)

All agreements will be subject to periodic review by weekly / fortnightly / monthly payments of

\$

Commencing until 31 May of the current rating year

Commencing to cover the remainder of the current rating quarter.

or

I require an extension of time to pay the current outstanding rates and charges as of today's date until

Date

5 Declaration

I understand that daily interest charges will apply to overdue rates until paid in full and, provided I abide by the terms of the agreement, no legal action will be taken by Council.

..... (Date) / /

Privacy Notification: the information requested on this form is being collected by Edward River Council on behalf of the property owner for the purposes stated on the application. The information will be used solely by Council staff and other parties as nominated by the property owner for the purpose mentioned or a directly related purpose.

The applicant understands that this information is provided on a voluntary basis and they may apply to Council for access or amendment of the information at any time.

OFFICE USE ONLY:

Approved: YES <input type="checkbox"/> NO <input type="checkbox"/>	Date:	
Response letter sent to applicant? <input type="checkbox"/>	Signature of Council Officer	

 <p>Edward River COUNCIL</p>	<h2 style="margin: 0;">Financial Hardship Relief Application</h2> <p style="margin: 0;">Corporate Services</p>
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Council Customer Service Centre: 180 Cressy Street, Deniliquin, NSW, 2710
Address all correspondence to: The General Manager, PO Box 270, Deniliquin, NSW, 2710
Email: council@edwardriver.nsw.gov.au **Web:** www.edwardriver.nsw.gov.au
Phone: (03) 5898 3000 **Fax:** (03) 5898 3029

SECTION 1 - APPLICANT	
1. Applicant	I, _____ (Full name)
	of _____ (Address)
	(Postal address if different than above)
	(Mobile) _____ (Home Phone) _____
	(Work Phone) _____ (Email) _____

SECTION 2 – PROPERTY/S DETAILS	
2. Assessment	Council Rates Assessment Number _____
Description	Property address _____
	Do you own the property? <i>(please circle)</i> Yes No
	<input type="checkbox"/> By Yourself <input type="checkbox"/> With another person/s <input type="checkbox"/> Other – Please indicate below
	The property for which I am claiming has been my sole/principal place of living since / /
	<u>Is the property:</u>
	<input type="checkbox"/> Residential home <input type="checkbox"/> Vacant Land <input type="checkbox"/> Rural Land <input type="checkbox"/> Other please indicate below
	Value of House/Land \$ _____ Mortgage \$ _____
	Do you have interest in any other properties? <input type="checkbox"/> YES <input type="checkbox"/> NO

SECTION 3 – APPLICATION	
3. Application	This application is for hardship rate relief for the whole or part of the year commencing 1 July 20.....
	What is the cause of financial hardship (e.g. unemployment, illness)

SECTION 4 – INCOME AND EXPENDITURE			
4. Employment Details	Are you currently employed? <i>(If 'No' move to Question 5 below.)</i>		Yes No
	<input type="checkbox"/> Full Time	<input type="checkbox"/> Part Time / Casual _____ hrs per week	
	Name of employer?		
5. Pension or Allowances	Do you have a current Pensioner Concession Card (PCC) issued by the Commonwealth Government?		Yes No
	If 'Yes', type of pension or benefit		
	If 'Yes', PCC Number (attach copy)		
	Do you have a health benefits card?		Yes No
	If 'Yes' Card No		
	Have you claimed a Pension Concession on any other property other than this year in any other local government area?		Yes No
6. Income from all sources	My net weekly income received in dollars and cents from all sources of income is:		\$ <input type="text"/>
	Sources of income include:		
	1. Wages	Total Income \$	<input type="text"/>
	2. Pensions and benefits	Total Income \$	<input type="text"/>
	3. Compensation, superannuation, insurance or retirement benefits	Total Income \$	<input type="text"/>
	4. Spouse's income	Total Income \$	<input type="text"/>
	5. Income of other residents of property	Total Income \$	<input type="text"/>
	6. Casual / Part-time employment	Total Income \$	<input type="text"/>
	7. Family allowance	Total Income \$	<input type="text"/>
	8. Interest from Banks, Credit Unions, Building Societies	Total Income \$	<input type="text"/>
7. Savings	Total savings held in Bank, Credit Union or Building Society.		Total Savings \$ <input type="text"/>
	Name of Financial Institution		
	Branch		
	Balance		

SECTION 4 – INCOME AND EXPENDITURE (Continued)			
8. Expenditure	Please state details of weekly outgoings:		
	Outgoings	Owed to	Amount
	Rent/Home Loan		
	Other mortgages		
	Personal loans/Hire Purchase		
	Credit Card/s repayments		
	Food		
	Electricity costs		
	Gas costs		
	Health costs		
	Council rates and charges		
	Private Medical Insurance		
	School expenses		
	Water Rates		
	Other outgoings		
	Total Expenditure	\$	
9. Income less Expenditure		Total Income	\$
		Total Expenditure	\$
		TOTAL	\$

SECTION 5 – APPLICANT CONSENT	
10. Centrelink Consent	For the sole purpose of authorising the Council to confirm with Centrelink the detail I have provided to the Council matches Centrelink or other Commonwealth portfolio department or agency records in relation to the status of my Commonwealth Benefit:
	I, _____ (Full Name)
	Authorise Council to confirm with Centrelink the following details: Pension Number; Name; Address; Postcode, and that I am a valid concessional card holder.
Signature of Applicant	Date:

SECTION 6 – DECLARATION	
11. Applicant Declaration	I hereby declare that the information provided is true and correct. <i>(If you make a false statement in an application, you may be guilty of an offence and may be fined)</i>
Signature of Applicant	Date:

SECTION 7 – INFORMATION FOR APPLICANTS	
Council will accept this application if all information sought is provided by you. Additional information that you may have that supports your application can be attached.	
<small><i>Privacy Notification: The information requested on this form is being collected by Edward River Council on behalf of the property owner for the purposes stated on the application. The information will be used solely by Council staff and other parties as nominated by the property owner for the purpose mentioned or a directly related purpose. The applicant understands that this information is provided on a voluntary basis and they may apply to Council for access or amendment of the information at any time.</i></small>	

OFFICE USE ONLY	
Approved: YES <input type="checkbox"/> NO <input type="checkbox"/>	Date:
Response to applicant sent: YES <input type="checkbox"/> NO <input type="checkbox"/>	Signature of Council Officer:

11.14 COUNCILLOR APPOINTMENT TO COMMITTEES**Author:** Caroline Wallis, Director Corporate Services**Authoriser:** Caroline Wallis, Director Corporate Services**RECOMMENDATION**

That Council

- 1. REVIEW THE CURRENT COUNCILLOR APPOINTMENTS TO COMMITTEES AND DETERMINE ANY CHANGES FOR THE PERIOD OCTOBER 2018 TO OCTOBER 2019.**

BACKGROUND

The following table outlines committee membership by Councillors and Officers for the period October 2017 to October 2018. The table has been updated to reflect the following:

- a) Acting Director Infrastructure – change to Director Infrastructure and/or Manager Engineering Services as appropriate
- b) RAMROC – change to RAMJO
- c) Added in Audit, Risk and Improvement Committee – members Cr McCrabb and Cr McAllister

Councillors are requested to review this table and update with any changes for Councillor membership on Committees.

Type	Name of Committee	Councillor membership
Emergency services	Community Safety and Crime Prevention Advisory Committee	Mayor, Cr Peta Betts
	Deniliquin/Conargo Area Local Emergency Management Committee	Director Infrastructure
	NSW Rural Fire Service Liaison Committee (Mid Murray Zone)	Cr Mac Wallace, Cr Norm McAlister
	Zone Bushfire Management Committee	Cr Mac Wallace
Natural Resources Management	ERC Floodplain Risk Management Advisory Committee	-
	Central Murray County Council - noxious weeds	Cr Ashley Hall, Cr Nick Metcalfe
	Billabong Yanco Creek System Project	Cr Mac Wallace
Operations	Local traffic committee	Cr Nick Metcalfe

	ERC Airport Advisory Committee	Mayor, Cr Ashley Hall
	Audit, Risk and Improvement Committee	Cr Peter McCrabb and Cr Norm McAllister
Social/Cultural/Heritage	ERC Promotional Advisory Committee	Mayor Council's Manager Economic and Business Development (Ex Officio)
	South West Music	Cr Marg Bull
	Central Murray Regional Library	Cr Marg Bull
	Werkitya Kalpal Deniliquin and District Indigenous working party	Cr Pat Fogarty
	The long paddock committee	Cr Peter McCrabb (Chair)
Community Engagement	ERC Open Space and Public Space Strategic Working Group	Mayor, Cr Marg Bull
	Edward River ERC Community Garden Committee	Cr Pat Fogarty
	ERC Municipal Band Committee	-
	ERC Tidy Towns Committee	-
	Memorial Park Users Advancement Committee	Mayor, Cr Ashley Hall
Grant/s	Edward River Country Education Fund	Cr Marg Bull
Hall Committees	Blighty Hall Committee-with advancement committee running parallel	Conargo – Cr Marg Bull Blighty – Cr Nick Metcalfe
	Booroorban Hall Committee-with advancement committee running parallel	Booroorban – Cr Peter McCrabb
	Conargo Hall and recreation ground Committee-	Mayrung – Cr Nick Metcalfe
	Mayrung Hall Committee-with advancement committee running parallel	Wanganella – Cr Mac Wallace

	Pretty Pine Hall Committee- with advancement committee running parallel	Pretty Pine – Cr Norm McAllister
	Wanganella Hall Committee- with advancement committee running parallel	
	Multi Arts centre	Cr Pat Fogarty
	General Manager's Performance Management Committee	As per Council Policy
Regional development	Country Mayors Association	Mayor and GM as delegate
	Murray Darling Association	Mayor, Cr Ashley Hall
	Riverina and Murray Joint Organisation (RAMJO)	Mayor, Deputy Mayor, and GM
	Deniliquin Business Advisory Committee (DBEC)	Cr Mac Wallace
	Deniliquin Business Chamber	Cr Peter McCrabb

ISSUE/DISCUSSION

Nil additional discussion/commentary required.

STRATEGIC IMPLICATIONS

There are no strategic implications arising from this report.

COMMUNITY STRATEGIC PLAN

This report aligns to the following outcomes

5.1 Our community is informed and engaged

5.2 We collaborate and pursue partnerships that achieve great outcomes for our community

FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

LEGISLATIVE IMPLICATIONS

There are no legislative implications arising from this report.

ATTACHMENTS

Nil

11.15 PASSWORD POLICY

Author: Mark Siena, Manager Information Technology

Authoriser: Caroline Wallis, Director Corporate Services

RECOMMENDATION

That Council resolves to adopt the Password Policy as attached to this report.

BACKGROUND

The Password Policy (Policy) has been developed to ensure staff clearly understand their obligations and responsibilities to protect the security of council information. The draft Policy has been prepared for consideration by Council and is attached to this report.

ISSUE/DISCUSSION

The purpose of this Policy is to ensure that Council officials:

- clearly understand their obligations in password security;
- that this policy is enforced by Council to keep all Council records, information and other data secure to meet statutory requirements.

The Policy is supported by a range of guidelines, management practices and policies governing the use and access to information and communications technology.

STRATEGIC IMPLICATIONS

The draft Policy provides a framework for password security for all Council officials.

COMMUNITY STRATEGIC PLAN

This Policy aligns to the Community Strategic Plan target 5.3 "Our local government is efficient, innovative and financially sustainable"

FINANCIAL IMPLICATIONS

There are no financial implications of this Policy.

LEGISLATIVE IMPLICATIONS

This Policy complies with the following legislation and regulations:

- Local Government Act 1993
- State Records Act 1998
- Privacy and Personal Information Protection Act 1998
- Government Information (Public Access) Act 2009

ATTACHMENTS

1. Password	Policy	-	Draft
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POLICY OBJECTIVE

The purpose of this Policy is to establish a standard for the creation, protection and frequency of change of strong passwords.

SCOPE

This Policy applies to all Edward River Council employees, volunteers, contractors and Councillors in the use of all Council equipment that contains or allows access to Council data.

LEGISLATIVE REQUIREMENTS

- Local Government Act 1993
- Local Government Regulation 1994
- State Records Act 1998
- Privacy and Personal Information Protection Act 1998
- Government Information (Public Access) Act 2009
- Local Government (State) Award 2017

POLICY STATEMENT

Passwords are an important aspect of computer security. They are the front line of protection for user accounts. A poorly chosen password may result in the compromise of the entire Edward River Council network. As such, all employees, volunteers, contractors and councillors (including third parties with access to ERC systems) are responsible for selecting and securing their passwords.

This Password Policy is enforced by Council to keep all Council records, information and other data secure to meet statutory requirements.

General

- All passwords are protectively marked CONFIDENTIAL. Users are responsible for ensuring the security of their password.
- All passwords should be changed at least every 60 days.
- Temporary passwords must be changed at first log-on.
- Passwords must not be shared, printed or inserted into email messages or other forms of electronic communication. This rule includes the notification of temporary passwords.
- All user-level and system-level passwords must conform to this Policy and the password guideline document.

Enforcement

Password cracking or guessing may be performed on a periodic or random basis by the Manager Information Management (MIM) or delegated officer. All activities of this nature must be authorised by the MIM. If a password is guessed or cracked during one of these scans, the user will be required to change it.

As all users are responsible for ensuring the security of their password, any incident concerning a session using their logon credentials will be attributed to them. Any incidents and/or other violations may be subject to Council's Code of Conduct and relevant HR policies.

Lost or Compromised Passwords

If you suspect that your password has been compromised, it must be changed immediately, and the Manager Information Management must be alerted.



Group Accounts

Group accounts whereby users use the same password are only allowed on the approval of the Manager Information Systems. Risks will be considered, and the process and justification will be fully documented.

Roles and Responsibilities

All Staff

All staff are required to comply with this policy.

Managers

Managers should ensure that their staff comply with the requirements of this policy.

Manager Information Management

Reports of compromised passwords and related incidents will be investigated by the Manger Information Management.

ASSOCIATED POLICIES AND PROCEDURES

- Mobile Phone Policy
- Internet, Email and Computer use Policy
- Password Guidelines

DEFINITIONS

- **Information Security** - The preservation of the confidentiality, integrity and availability of information.
- **Council** – Edward River Council

POLICY VERSION CONTROL

Title	Password Policy			
ECM Doc Set ID	43589			
Date Adopted				
Council Minute No.				
Responsible Officer	Mark Siena			
Version Number	Modified By	Modifications Made	Date modified and Approved by Council	Council Minute Number
4	Mark Siena	21/8/2018		

11.16 MOBILE PHONE POLICY

Author: Mark Siena, Manager Information Technology

Authoriser: Caroline Wallis, Director Corporate Services

RECOMMENDATION

That Council resolves to adopt the Mobile Phone Policy as attached to this report.

BACKGROUND

The Mobile Phone Policy (Policy) has been developed to ensure council officials clearly understand their obligations and responsibilities when using council owned mobile phones. The draft Policy has been prepared for consideration by Council and is attached to this report.

ISSUE/DISCUSSION

The purpose of this Policy is to ensure that Council officials:

- clearly understand their obligations when using Council's owned mobile phones and;
- all mobile phone use may be subject to scrutiny.

The Policy is supported by a range of guidelines, management practices and policies governing the use and access to information and communications technology.

STRATEGIC IMPLICATIONS

The draft Policy provides a framework for Mobile Phone use for all Council officials.

COMMUNITY STRATEGIC PLAN

This Policy aligns to the Community Strategic Plan target 5.3 "Our local government is efficient, innovative and financially sustainable"

FINANCIAL IMPLICATIONS

There are no financial implications of this Policy.

LEGISLATIVE IMPLICATIONS

This Policy complies with the following legislation and regulations:

- Local Government Act 1993
- State Records Act 1998
- Privacy and Personal Information Protection Act 1998
- Government Information (Public Access) Act 2009

ATTACHMENTS

1.	Draft	Mobile	Phone	Policy
----	-------	--------	-------	--------

POLICY OBJECTIVE

The aim of the policy is to provide council officials with guidelines regarding the appropriate use of their council supplied mobile phone. Reference is also made to the use of private mobile phones on council business and provides information about using non-council owned smart phone devices to access your council mailbox.

SCOPE

This policy applies to council officials who have access to a council supplied mobile phone and those council officials seeking reimbursement, who have approval to use their private mobile phone on council business.

LEGISLATIVE REQUIREMENTS

- Local Government Act 1993
- Local Government Regulation 1994
- State Records Act 1998
- Privacy and Personal Information Protection Act 1998
- Government Information (Public Access) Act 2009
- Local Government (State) Award 2017

POLICY STATEMENT

Council officials will only be eligible to have a mobile phone if they are in a Management role, an Edward River Councillor or if it is deemed necessary to their position, for example, if the council officials duties require them to spend time out of the office and/or to be contactable outside the normal hours of work.

If a council official has been allocated a mobile phone and it is not deemed necessary to their position, upon expiration of their council mobile phone contract they will be required to return the council issued mobile phone to the IT Department. Any battery chargers or other accessories supplied by the council for use with the mobile phone must also be returned. For council owned mobile phones the "Mobile Phone Use Agreement" form must be completed and returned to the IT Department. For non-council owned phones, the "Mobile Phone Use Agreement" form page 5 must be signed and returned to the IT Department before the council official can set up their phone.

ASSOCIATED POLICIES AND PROCEDURES

- Mobile Phone Use Agreement
- Internet, Email and Computer use Policy
- Social Media Management Practice
- Code of Conduct policy

DEFINITIONS

- Council - Edward River Council
- Official – Council employees, volunteers, councillors, contractors



POLICY VERSION CONTROL

Title	Mobile Phone Policy			
ECM Doc Set ID				
Date Adopted				
Council Minute No.				
Responsible Officer	Mark Siena			
Version Number	Modified By	Modifications Made	Date modified and Approved by Council	Council Minute Number
4	Mark Siena	11/10/2018		

DRAFT

11.17 INTERNET EMAIL AND COMPUTER USE POLICY

Author: Mark Siena, Manager Information Technology

Authoriser: Caroline Wallis, Director Corporate Services

RECOMMENDATION

That Council resolves to adopt the Internet, Email and Computer Use Policy as attached to this report.

BACKGROUND

The Internet, Email and Computer Use Policy (Policy) has been developed to ensure staff clearly understand their obligations and responsibilities when using the corporate IT network and equipment. The draft Policy has been prepared for consideration by Council and is attached to this report.

ISSUE/DISCUSSION

The purpose of this Policy is to ensure that Council officials:

- clearly understand their obligations when using Council's corporate internet, email and computer resources;
- understand that emails created from or to an Edward River Council email address are corporate documents;
- understand that web-browsing is for work purposes; and
- all corporate computer use may be subject to scrutiny.

The Policy is supported by a range of guidelines, management practices and policies governing the use and access to information and communications technology.

STRATEGIC IMPLICATIONS

The draft Policy provides a framework for Internet, Email and computer use for all Council officials.

COMMUNITY STRATEGIC PLAN

This Policy aligns to the Community Strategic Plan target 5.3 "Our local government is efficient, innovative and financially sustainable"

FINANCIAL IMPLICATIONS

There are no financial implications of this Policy.

LEGISLATIVE IMPLICATIONS

This Policy complies with the following legislation and regulations:

- Local Government Act 1993
- State Records Act 1998
- Privacy and Personal Information Protection Act 1998
- Government Information (Public Access) Act 2009

ATTACHMENTS

- 1. Internet Email and Computer Use Policy**



Internet, Email and Computer use policy

Council Policy
Information Management
Director Corporate Services

POLICY OBJECTIVE

The purpose of this policy is to ensure that Council officials:

- clearly understand their obligations when using Council's corporate internet, email and computer resources
- understand that emails created from or to an Edward River Council email address are corporate documents
- understand that web-browsing is for work purposes
- and all corporate computer use may be subject to scrutiny.

SCOPE

This Policy applies to all council officials using and accessing council owned IT equipment, data and communications links.

LEGISLATIVE REQUIREMENTS

- Local Government Act 1993
- Local Government (General) Regulation 2015
- State Records Act 1998
- Privacy and Personal Information Protection Act 1998
- Government Information (Public Access) Act 2009
- Local Government (State) Award 2017

POLICY STATEMENT

The use of email and web browsing on the Edward River Council network is for work related purposes and all email and web access logs may be monitored for compliance with this Policy.

Minor and infrequent use of email and internet access for private purposes will not be the subject of investigation by the Council. If general monitoring of email and internet traffic identifies an official is using email and internet for private purposes to an unreasonable and/or excessive level, it may lead to an investigation which may result in disciplinary action.

ASSOCIATED POLICIES AND PROCEDURES

- Mobile Phone Policy
- Social Media Management Practice
- Code of Conduct policy
- Internet, Email and Computer use Guidelines

DEFINITIONS

- Council - Edward River Council
- Official – Council employees, volunteers, councillors, contractors



Internet, Email and Computer use policy

Council Policy
 Information Management
 Director Corporate Services

POLICY VERSION CONTROL

Title	Internet, Email and Computer use Policy			
ECM Doc Set ID	43983			
Date Adopted				
Council Minute No.				
Responsible Officer	Mark Siena			
Version Number	Modified By	Modifications Made	Date modified and Approved by Council	Council Minute Number
4	Mark Siena	23/8/2018		

DRAFT

11.18 MEDIA POLICY

Author: Caroline Wallis, Director Corporate Services

Authoriser: Caroline Wallis, Director Corporate Services

RECOMMENDATION

That

1. Council rescinds all previous versions of the Media Policy; and
2. Council adopt the reviewed and amended Media Policy attached to this report.

BACKGROUND

Edward River Council is committed to encouraging open and transparent public participation and engagement. Facilitating an appropriate and collegiate working relationship with the media is part of our approach.

Council's Media Policy is due for review and as such the current policy has been reviewed, updated and aligned to current industry expectations.

ISSUE/DISCUSSION

NSW Councils have been impacted by the numerous changes resulting from the introduction of the *Local Government (Governance and Planning) Act 2016*. These sweeping changes include the soon to be prescribed requirement for enhanced public participation and resulted from consideration of some Councils' inappropriate public communication and engagement methods.

Inappropriate communication presents both reputational and legal risks to Council.

This Policy establishes the framework for public communication especially with members of the media and details the expectations of Council officials in how to communicate in contemporary local government, with its increasing online communication platforms.

Council's Media Policy presents a mitigation strategy to reduce the impact of organisational risks caused by inappropriate communication.

STRATEGIC IMPLICATIONS

There are no Strategic implications arising from this Policy.

COMMUNITY STRATEGIC PLAN

The reviewed and updated Media Policy aligns to the following outcomes in the Community Strategic Plan

5.1 Our community is informed and engaged

5.2 We collaborate and pursue partnerships that achieve great outcomes for our community

FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

LEGISLATIVE IMPLICATIONS

The Media Policy complies with the *Local Government Act 1993* and *Local Government (Governance and Planning) Act 2016*

ATTACHMENTS

1. Media

Policy

POLICY OBJECTIVE

This Policy provides guidance to ensure communication by Council with the media, through all its forms, is consistent, well informed, timely, appropriate and newsworthy. The Media Policy provides direction to:

- Clearly indicate Council's authorised spokespersons and define roles and responsibilities within Council for working with the media;
- Ensure appropriate authorisation and responsibility for information provided;
- Assist the media by clarifying the level of service they can expect regarding access to Council officials, provision of information and responses to enquiries;
- To limit the reputation risk and communication of inaccurate information; and
- Provide effective communication of Council affairs to the public through the media.

SCOPE

The Policy applies to all Council officials in situations where Council officials:

- Communicate with the media about Council affairs;
- Attend public speaking engagements; or
- Make public comment on Council affairs and other Council officials.

The Media Policy is applicable to all communication with the media using all communication platforms, including traditional and online platforms.

LEGISLATIVE REQUIREMENTS

- Local Government Act 1993
- Government Information (Public Access) Act 2009
- Privacy and Personal Information Protection Act 1998
- Copyright Act 1879
- Defamation Act 1974

POLICY STATEMENT

1. General Principles

- 1.1 Edward River Council is committed to keeping its local community well informed about its decisions, services, programs, events and activities. To achieve this outcome, Council recognises the value of establishing and maintaining a strong working relationship with the media and facilitating an open exchange of information between Council and the media.
- 1.2 The aim of public engagement through the media is to communicate and build the Edward River region's reputation and to maximise positive news and editorial coverage of Council decisions, services, programs, events and activities, with an emphasis on promoting a positive, progressive and professional image of Council and its staff.
- 1.3 Council officers must support Council decisions and all Council officials must refrain

from using the media to make negative personal reflections on each other, or comments that could be interpreted as such and which are reasonably likely to undermine public confidence in the Council or local government generally.

2. Public Comment by Councillors

- 2.1 Council will openly discuss matters of interest with the media and provide public comment to the media unless disclosure of certain information contravenes Council's obligations of confidentiality or privacy, duty of care, or could infringe on laws or regulations that govern its operations.
- 2.2 When making public comment, Councillors must uphold and represent accurately the policies and decisions of Council.
- 2.3 When making public comment, Councillors must make clear to the media that comments:
 - a. are being made as an individual;
 - b. are not necessarily the view of the Council; and
 - c. may relate to matters that have not yet been determined by Council.

3. Authorised Spokespersons

- 3.1 The Mayor is the authorised spokesperson to the media on decisions made by Council and committees of Council.
- 3.2 In the absence of the Mayor, the Deputy Mayor is the authorised spokesperson to the media on decisions made by Council and committees of Council.
- 3.3 The General Manager is the authorised spokesperson to the media on all administrative and operational matters.
- 3.4 The General Manager may delegate to other Council officers the authority to speak to the media on administrative and operational matter where comment of a technical nature is required. Council officers will generally be used as authorised spokespeople when public comment about specific decisions, services, programs, events and activities relevant to the spokesperson's area of expertise or responsibility is required.
- 3.5 The Governance and Communications Officer is an authorised spokesperson on matters of fact or clarification. When responding to media enquiries, the Governance and Communications Officer will request that media credit their responses to 'a Council spokesperson', unless expressly credited to the Mayor, General Manager or other authorised spokesperson.

4. Media Liaison

- 4.1 The Governance and Communications Officer is the principal liaison between Council and the media and is responsible for managing media enquiries and requests for interviews. This assists in ensuring accurate, responsible and relevant information is provided to the media and ensure the most positive and appropriate coverage of Council affairs is achieved.

- 4.2 Media organisations and their representatives will be treated equally and without bias.
- 4.3 Media enquiries and requests for interview will be actioned promptly and efficiently and with a view to meeting the media's deadlines.
- 4.4 Council spokespersons will not knowingly provide information to the media which is misleading, untruthful or inaccurate. The Governance and Communications Officer will ensure all information provided to the media is checked for accuracy and relevance prior to being distributed.

5. Breaches

- 5.1 Council officials will not provide public comment unless express authorised to do so under this Policy. Breaches of this Policy will be dealt with in accordance with Council's Code of Conduct.

ASSOCIATED POLICIES AND PROCEDURES

- Edward River Council Code of Conduct
- Social Media Policy
- Records Management Policy

DEFINITIONS

Council means Edward River Council.

Council affairs means matters before the Council or other Council business, Council policy, interpretation of policy, management of Council business, management of Council staff or actions or matters that may commit the Council's resources to any purpose.

Councillor means a person elected to the governing body of Edward River Council as per section 222 of the Local Government Act 1993.

Council officer means staff of Edward River Council.

Council officials means Council officials as defined in Council's Code of Conduct, including Councillors, Council officers, and delegates of Council, including contractors, consultants, volunteers and external persons appointed to committees of Council.

Media includes all print, broadcast and online media mediums used for communicating information to the public domain, including, but not limited to, newspapers, magazines, internet publishers, radio and television broadcasters.

Public comment includes any information, opinion or view communicated to a public audience via a public medium or medium where it is reasonably foreseeable that the publication or circulation will enter the public domain, including, but not limited to, media releases, press statements, interviews with the media, public speaking engagements, opinion pieces and letters to the editor.

Publication is the distribution of information via print or electronic media including, but not limited to, newspapers, magazines, internet publishers, radio and television broadcasters

POLICY VERSION CONTROL

Title	Media Policy			
ECM Doc Set ID				
Date Adopted				
Council Minute No.				
Responsible Officer	Governance and Communications Officer			
Version Number	Modified By	Modifications Made	Date modified and Approved by Council	Council Minute Number
2		Updated Policy to approved policy format Corrected legislation references Emphasis added about on line communication platforms		

11.19 UNION PICNIC DAY

Author: Helen Flisher, Manager People & Customer Service

Authoriser: Caroline Wallis, Director Corporate Services

RECOMMENDATION

That Tuesday 6 November 2018 be approved for the purpose of union picnic day public holiday as allowed under the Local Government State Award 2017.

That the Customer Service Centre, Works Depot and Central Murray Regional Library be closed for the day.

BACKGROUND

The Local Government State Award 2017 allows for a public holiday for financial members of the union each year. A staff function is not normally organised for this public holiday.

The day is held on a date normally determined by the consultative committee and approved by the General Manager.

In 2016 a vote was held by the staff of Edward River Council and the date for the union picnic was set as Melbourne Cup Day each year.

Melbourne Cup Day falls on Tuesday 6th November in 2018.

Union Picnic Day is a public holiday under the Local Government State Award. An excerpt of the award is below.

- 1.
2. **LOCAL GOVERNMENT STATE AWARD 2017**
3. **20. HOLIDAYS**
4. **B. UNION PICNIC DAY**
5. *(i) Union Picnic Day shall for the purposes of this Award be regarded as a holiday for employees who are financial members of the union(s). The Union Picnic Day shall be on such day as is agreed between the employer and the union(s).*
- 6.
7. *(ii) The union(s) shall advise the employer of financial members as at the time of the Union Picnic Day. Such advice must be given at least two weeks prior to the Union Picnic Day.*
- 8.
9. *(iii) Employees who are not financial members of the union(s) and who are required to work on Union Picnic Day, shall be paid ordinary pay for their normal working day.*
- 10.
11. *(iv) Employees who are not financial members of the union(s) and who are not required to work on Union Picnic Day, may apply to the employer to take annual leave, long service leave, time off in lieu of overtime, leave without pay, such other leave as may be approved by the employer, or may be required by the employer to make up time.*

ISSUE/DISCUSSION

Council offices, the works depot and the library have traditionally closed for the union picnic day. Staff who are not union members normally have the option to work or take leave.

Previously the depot staff have moved their rostered day off from the Friday to the Monday prior to the picnic.

Garbage runs are operated as normal and the tip and Tourist Information Centre are normally open on this day.

Consultation will be through the Consultative Committee.

Closures will be advertised on the council website and in the Deniliquin Pastoral Times.

Posters will be placed in customer service area and library to advise customers at least one week before.

STRATEGIC IMPLICATIONS

Nil

COMMUNITY STRATEGIC PLAN

Nil

LEGISLATIVE IMPLICATIONS

This public holiday is covered under the Local Government State Award 2017.

ATTACHMENTS

Nil

11.20 VISIT DENI CAMPAIGN - 2018/2019 MARKETING AND PROMOTIONAL CAMPAIGN AND REQUEST FOR ADDITIONAL FUNDING FOR DROUGHT RELATED MARKETING PROGRAM

Author: Michelle Cobb, Manager Tourism & Economic Development

Authoriser: Adam McSwain, General Manager

RECOMMENDATION

That Council

1. Support the 2018/19 Visit Deni campaign implementation program as outlined in this report
2. Approve an additional \$25,000 for the TV and media famil to boost visitor numbers to alleviate the effects of the current drought.
3. Support the Christmas Activation Plan implementation
4. Approve an additional \$10,000 for long-term Christmas decorations to boost community and business morale

BACKGROUND

27. The purpose of this report is to provide Council with background information and an update on the current activities and future implementation of the Visit Deni Campaign for the next nine months and to discuss options to boost business and consumer confidence

28.

29. The report will provide Council with information regarding:

1. Implementation of the promotional strategy.
2. Promotional activities and activity budget.
3. Provide a presentation on performance measures and expected results.

ISSUE/DISCUSSION**Current Budget**

Edward River Council has provided a budget of \$50,000 to undertake marketing and promotional activities to promote Deniliquin and the Edward River region. The budget was put in place to partially replace the Special Rate Variation applied to all commercial and industrial properties (Business Levy), which raised approximately \$80,000 per annum over three years.

Approximately \$48,000 will be rolled forward from the 2017/18 budget, of which \$22,000 is in the business levy reserve; and \$26,000 from unspent funds.

It was intended to leverage this budget with a new application under Destination NSW's Regional Cooperative Tourism Marketing Program which requires a \$100,000 co-contribution. Current guidelines require Council to submit their contribution to DNSW and they will execute a fully digital campaign. However, it is not viable for ERC to commit the entire budget to a fully digital marketing campaign; and current funding guidelines favour Destination Networks to be funded. It is intended that ERC contributes \$10,000 toward Murray Regional Tourism's and Destination Riverina Murray's applications under this funding stream.

Response to Drought – Visit Deni campaign

Due to increasing drought conditions, coupled with ongoing media coverage of the drought, Council has suggested that extra funds be made available for an intense media campaign. The media campaign is recommended to run before Christmas and just afterwards, to ensure potential visitors are aware the Edward River is flowing, and the town is open for business.

It is recommended two four-week television and radio campaigns are launched mid-October and at the end of January. The advertising will be specifically targeted at identified markets.

In addition - and following the outstanding success of the media famil conducted in Phase Two of the Visit Deni campaign - it is recommended that new media famil be pitched to the media as an entire new destination, with new product and experiences - much more than the river. This strategy is also designed to ease the peaks and troughs experienced by tourism operators by exposing new things to do in Deni and surrounds. Representatives from Sun Herald, Newscorp, Weekly Times, Royal Auto, Little Melbourne, AAP, family bloggers and freelance travel writers will be invited; along with journalists who visited the region in early 2017. The approximate cost for the famil is \$10,000.

The extra funding will bring the total budget to \$126,000. The 2018/19 Visit Deni campaign and budget follows:

Activity	Details	Spend	Timeline
TV, Radio & Media	Two x Four Week TV & Radio Campaigns, media famil	\$28,000*	October 2018 – February 2019
We Are Explorers	Content creation: photos, video and copy for nature-based activities	\$10,000	October 2018
Digital & Social Media	Paid promotion across social/digital platforms	\$9,000	October 2018 – March 2019
Official Visitor Guide	Design and print 20,000 new OVG's	\$2,000 (remaining)	November 2018
Competitions	Promotional competition prizes run through radio and online	\$2,000	December 2018 – April 2019
Photography	Refresh tourism photo library for new website	\$4,000	January 2019
Video Production	Produce new promotional videos for YouTube and TV	\$7,000	January 2019
Website Development and Brand Refresh	Develop a new Visit Deni website and refresh Visit Deni brand	\$17,000	January 2019 – June 2019
Media famil	Representatives from Sun Herald, Newscorp, Weekly Times, Royal Auto, Little Melbourne, AAP, family bloggers and freelance travel writers	\$10,000	February 2019 – May 2019
Influencer Fees	Content creation and social media promotion	\$10,000	March 2019
Moomba Activation	Trade site and associated media at 2019 Moomba	\$15,000	March 2019

MRT / DRM / DNSW Campaign	Regional cooperative tourism marketing program	\$10,000	March 2019
Print Advertising	Print media advertisements: What's On etc.	\$2,000	As required
	TOTAL SPEND	\$126,000	

Response to Drought - Christmas

To boost community and retail morale, a Christmas Activation Plan has been developed in conjunction with the Deniliquin Chamber of Commerce. Council's Community and Economic Development Team will again be working with the Rotary Club to combine the Edward River Christmas Party and the Carols by Candlelight.

The Christmas Activation Plan includes:

- Deni Lights Up at Christmas Competition with prizes for the Best House, Best Street, Best Business and Best Farm Gate
- Light up Waring Gardens
- Light Up the Multi Arts Centre
- Repurpose/revitalise old Christmas trees and paint two existing wagons in a Christmas theme
- The City of Stonnington have generously donated decorations including tree guards, bin wraps, decals for shop windows, flags and banners to brighten the streets.
- Edward River Christmas Party and Sunrice Carols by Candlelight on Sunday 16 December from 4pm.

It is recommended that Council invest in new large-scale decorations for the town. In keeping with Deni's brand and existing public art, it is proposed that Council commission the manufacture of giant one and a half metre letters from rusted steel to spell the word DENI (imagine the Conargo signs on steroids!). Steel mesh inside the letters will allow the letters to be used year-round and lit up in appropriate colours depending on the time of year. People will be encouraged to hang Christmas decorations on them at Christmas, eggs at Easter, and cattle tags during the Ute Muster. It is envisaged that the letters will provide a photo opportunity for visitors and residents alike. Indicative costs suggest the letters will cost approximately \$10,000 including lighting, installation and freight.

STRATEGIC IMPLICATIONS

These campaigns align with Councils Delivery Program and Economic Development Strategy. Marketing and promoting the region provides a significant benefit and return on investment on the funds allocated.

COMMUNITY STRATEGIC PLAN

This report aligns with the vision to make Edward River 'A great place to live' and 'A prosperous and vibrant economy'.

FINANCIAL IMPLICATIONS

Additional funding is required for drought related marketing and Christmas decorations. It is proposed that this be funded from Councils cash reserves, this will require \$35,000 funding.

LEGISLATIVE IMPLICATIONS

Nil

ATTACHMENTS

1.	Visit	Deni	Campaign	Presentation
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A large green decorative shape in the top-left corner of the page, consisting of a quarter-circle arc on the right side and a straight edge on the top and left sides.

VISIT DENI

Destination campaign and key action items

October 2018



Where we are



- Recently completed two year intensive destination campaign
- Finalised post-campaign reporting
- Completed social media audit
- Reviewing current tourism product offering
- Renewed focus on social media marketing

Where we need to be by June 2019



- Revamped Visit Deni brand
- New and thorough suite of content (video, photos and copy)
- New, modern and adaptive website
- Consistent and ongoing destination campaigns
- New tourism products launched

Our market



Aaron

"Dude, let's go!"

- 26
- Electrician
- Single



Brett

"Wanna meet at the pub?"

- 29
- Carpenter
- Long-term girlfriend



Glenn & Katie

"I wish I had more time with the kids."

- 35
- Single Income
- Family



Helen

"If it's cheaper, we'll go there."

- 65
- Retired
- Married



John

"Happy wife, happy life."

- 48
- Business Owner
- Family Man



Key action items

Our big ticket items for the next six months:

- Produce and release new Official Visitor Guide
- Launch a new tourism product
- Three month destination campaign using traditional media
- Influencer/media famil trip
- Develop new Visit Deni website
- Brand review and potential Visit Deni rebrand
- Extensive content creation (video, photography, copy)



Activities and budget breakdown

Spend	Activity	Details	Timing
\$35,000*	TV, Radio & Media	Two x Four Week TV & Radio Campaigns, media famil	October 2018 – February 2019
\$10,000	We Are Explorers	Content creation: photos, video and copy for nature based activities	October 2018
\$9,000	Digital & Social Media	Paid promotion across social/digital platforms	October 2018 – March 2019
\$2,000 (remaining)	Official Visitor Guide	Design and print 20,000 new OVG's	November 2018
\$2,000	Competitions	Promotional competition prizes run through radio and online	December 2018 – April 2019
\$4,000	Photography	Refresh tourism photo library for new website	January 2019
\$7,000	Video Production	Produce new promotional videos for YouTube and TV	January 2019
\$17,000	Website and Brand Development	Develop a new Visit Deni website and refresh Visit Deni brand	January 2019 – June 2019
\$10,000	Influencer Fees	Content creation and social media promotion	March 2019
\$15,000	Moomba	Trade site and associated media at 2019 Moomba	March 2019
\$10,000	MRT / DRM / DNSW Campaign	Regional cooperative tourism marketing program	March 2019
\$2,000	Print Advertising	Print media advertisements: What's On etc.	As required

Budget \$133,000

Total proposed spend: \$123,000

*From new drought relief budget



TV and Media Famil

- Use existing footage in October (Water-based, skiing, fishing, camping)
- Use new footage in early 2019 (Mountain biking, canoeing, nature-based)
- Media Famil – Launch new brand and new products
- New journalists, bloggers and influencers



Social media benchmarking

All data as of 2/10/2018 based on the previous 30 days.



Visit Deni

15.48%
IG engagement

- Instagram following: 713
- Facebook following: 2,748
- FB engagement: 48.4%



Echuca Moama

2.17%
IG engagement

- Instagram following: 3,787
- Facebook following: 11,773
- FB engagement: 0.0%



Visit The Murray

3.43%
IG engagement

- Instagram following: 2,464
- Facebook following: 3,946
- FB engagement: 17.0%



Discover Dindi

13.91%
IG engagement

- Instagram following: 1,009
- Facebook following: 8,490
- FB engagement: 62.1%



Social targets

- Posting four times per week on each platform
- Average engagement rate of 10.00% on Instagram
- Average engagement rate 15.00% on Facebook
- Follower growth of 40% on Instagram by June 2019
- Follower growth of 15% on Facebook by June 2019



Questions?



11.21 ENVIRONMENTAL SERVICES REPORT (SEPTEMBER 2018)**Author:** Julie Rogers, Manager Environmental Services**Authoriser:** Adam McSwain, General Manager**RECOMMENDATION**

That Council notes the Environmental Services report for September 2018.

BACKGROUND

Attachment 1 details the activities for Environmental Services for September 2018.

ISSUE/DISCUSSION

Nil.

STRATEGIC IMPLICATIONS

Nil.

COMMUNITY STRATEGIC PLAN

Nil.

FINANCIAL IMPLICATIONS

Nil.

LEGISLATIVE IMPLICATIONS

Nil.

ATTACHMENTS

1. Environmental Services Report (September 2018)



Edward River
COUNCIL

Current Applications at 30 September 2018					
Application	Property Description	Applicant	Proposal	Date Rec'd	Status
Development Applications/Construction Certificates					
CC 55/14	Lot 272 DP756325, 234 Barham Road, Deniliquin 10/11/14	Jamie Park/JNP Architecture & Associates Pty Ltd	Erection of a shed for use as 'rural industry' (maintenance & construction shed for the proposed ethanol plant)	10/11/14	Awaiting advice from the applicant
DA 2/17	Lots 11 & 12 DP1018080, 475-477 George Street, Deniliquin 11/01/17	Murray Constructions	Replacement of existing concrete retaining walls including an extension of jetty	11/01/17	Awaiting advice from applicant
DA 28/18	Lot 174 & 210, DP756305, 218 Campbells Road, "Wyoming" Mayrung	CAF Consulting Services Pty Ltd	3,500 head dairy cattle feedlot	07/06/2018	Under assessment
DA 37/18	Lot 1, DP114624, Conargo Road, Deniliquin	Robert Hallum (Deniliquin Ute Muster)	Installation of an information education facility (museum) including part use for office accommodation and retail sales	1/06/2018	Awaiting advice from the applicant
DA 16/15/ A	Lot 5, DP720227 & Lots 8, 22, 30, 31, 33, 34, 35, 36, 61, 72, DP756268, Conargo Road, Deniliquin	FS Falkiner & Sons Pty Ltd	Modification to the existing feedlot approval of 5,000 head of cattle & 15,000 head of sheep (7055 scu) to 5,000 head of cattle & 15,000 head of sheep of up to 8,000 head of cattle with no sheep or varying numbers of cattle & sheep	13/07/2018	Under assessment



			to a maximum of 7,458 scu.		
DA 41/18	Lot 26, DP877116, 81 Boundary Street, Deniliquin	Caitrin Watson	Installation of rural workers dwelling – which allows for 4 bedrooms / ensuites	1/08/2018	Under assessment
DA 46/18	Lot 20, DP873364, 555 Poitiers Street, Deniliquin	Paul Park	2 lot subdivision	28/08/2018	Under assessment
DA 47/18	Lot 210, DP756305, 80 Cooks Road, Mayrung	Christian Steenholdt	Install 2 demountable buildings	29/08/2018	Under assessment
DA 48/18	Lot 525, DP1116931, 47-53 Burton Street, Deniliquin	Lance & Dianne Gardiner	3 lot subdivision in 2 stages	31/08/2018	Under assessment
DA 49/18	Lot 156, DP756325, 185-197 Henry Street, Deniliquin	Garry Coote	7 lot subdivision	4/09/2018	Under assessment
DA 50/18	Lot 2 DP740184, Lot 17 DP23259 & Lot 18 DP23259, 455 & 457 Harfleur Street, Deniliquin	FPY Pty Ltd	Construct a car park for funeral home	6/09/2018	Under assessment
DA 51/18	Lot 7012, DP1120697, Davidson Street, Deniliquin (land adjoining Crown Reserve 79140 known as the Edward River Oval)	Lawrence & Leanne Wright	Installation of a single mooring	7/09/2018	Under assessment
DA 53/18	Lot 488, DP721980, Ochertyre Street, Deniliquin	GSD Architects	Installation of a service station	13/09/2018	Under assessment



DA 54/18 CC 29/18	Lot 34, DP1069691, 258-260 Henry Street, Deniliquin	Christine Buchanan	Extension to existing dwelling	18/09/2018	Under assessment
DA 55/18 CC 30/18	Lot 13, Section 52, DP758913, 79 Macauley Street, Deniliquin	Barry Priest	1.8m front boundary fence	19/09/2018	Under assessment
DA 56/18	Lot 7012, DP1120697, Davidson Street, Deniliquin	Deniliquin RSL Fishing Club	Temporary event being the Deniliquin RSL Fishing Classic	24/09/2018	Under assessment
DA 57/18 CC 31/18	Lot 102, DP735598, 295 Noyes Street, Deniliquin	Jeremy Pirkebner	Residential shed	28/09/2018	Under assessment
Complying Development Certificates					
-	-	-	-	-	-
S68 Applications					
-	-	-	-	-	-

Applications Determined September 2018				
Application	Property Description	Applicant	Development	Amount
DA 39/18	Lot 1, DP285397, Boxwood Court, Deniliquin	Anthony Tonkin – on behalf of Riverview Community Association	2 lot subdivision (Dedication of Boxwood Court to the public)	0.00



DA 43/18 CC 26/18	Lot 13, DP719544, Lot 13 Phylands Lane, Deniliquin	Stephen Grimshaw & Michelle Reynolds	New single dwelling	290,486.00
DA 44/18 CC 27/18	Lot 21, DP873364, 557 Poitiers Street, Deniliquin	Craig Druitt	Shed extension	3,000.00
DA 45/18	Lot 101, DP756331, 299 Warragoon Road, Deniliquin	Doug Adamson, NSW Rural Fire Service	Install demountable toilet block	20,000.00
DA 52/18 CC 28/18	Lot 7, Section 23 DP758913, 366 Cressy Street, Deniliquin	Murray Constructions	Demolition of part building	8,000.00
CDC 23/18	Lot 19, DP29825, 434 Albert Street, Deniliquin	Troy Denbrock	Carport	8,000.00
CDC 24/18	Lot 2242, DP1142887, 36 Carew Street, Deniliquin	Metricon Homes	New single dwelling	359,410.00
CDC 25/18	Lot 27, DP242452, 123 Burton Street, Deniliquin	Neville Lowry	Storage Shed	16,539.00
CDC 26/18	Lot 8, DP258101, 70A Cooinda Lane, Deniliquin	Yvette White	Verandah	4,000.00
S68 12/18	Lot 101, DP756331, 299 Warragoon Road, Deniliquin	Doug Adamson, NSW Rural Fire Service	Install septic tank	
S68 13/18	Lot 1, DP1142624, Conargo Road, Deniliquin	Robert Hallum, Deniliquin Play on the Plains	Sewerage works	2,000.00
S68 14/18	Lot 71, DP756511, 8477 Pretty Pine Road, Deniliquin	Gary Phelan	Install septic tank	10,000.00
S68 15/18	Lot 2424, DP1142887, 36 Carew Street, Deniliquin	Metricon Homes	Install septic tank	



Processing Times for September 2018		
Application Type	Mean Gross Days	Mean Net Days
DA	30	30
Mod (S96) of DA & DA/CC	-	-
CDC	15	15
CC	20	20
S68 Applications	14	14



Value and Number of Applications Determined 2017 and 2018								
Month	DAs 2017	DAs 2018	CDCs 2017	CDCs 2018	S68 2017	S68 2018	Value 2017	Value 2018
January	6	3	2	0	0	0	\$953,130	\$96,900
February	4	8	1	2	9	3	\$1,121,555	\$753,100
March	7	3	3	5	3	1	\$436,881	\$1,560,188
April	5	6	2	4	3	1	\$998,414	\$522,400
May	11	6	3	2	7	2	\$1,853,315	\$119,300
June	9	8	5	3	5	1	\$717,371	\$1,062,899
July	11	6	4	3	2	3	\$2,721,000	\$624 300
August	6	6	4	3	4	1	\$1,099,213	\$872 810
September	12	5	5	4	2	4	\$1,625,621	\$709,435
October	13		4		4		\$3,171,654	
November	9		5		1		\$4,456,450	
December	3		2		1		\$2,220,230	
TOTALS	96	51	40	26	41	16	\$21,374,834.00	\$6,321,332

Note: numbers of application determined does not include construction certificates, modifications and applications determined by private certifiers. Value of application determined does not include the value of work for s68 applications.

Section 149 Certificates/Sewerage Drainage Diagrams	
Planning certificates	21
Sewerage drainage diagrams	13

Swimming Pool Inspection Program			
Month	1 st Inspection	2 nd Inspection	3 rd Inspection
September 2018	2		



Ranger's Report – September 2018			
Companion Animals			
	Cats	Dogs	Other
Animals seized/surrendered	4	17	
Animals released to owner	0	9	
Animals euthanised	1	0	
Animals rehomed	0	4	
Dogs declared dangerous / menacing	0	0	
Animals still impounded	3	4	
Animals microchipped by Council	0	1	
Animals microchipped by Council (quarterly free chipping week)	0	0	
Animals registered	7	11	
Animal registration notices sent	3	47	
Animal fines		4	0 wandering stock
Clean Up Notices			
Property clean up notices	0		
Illegal dumping	No notices sent but one fine for illegal dumping of rubbish		
Parking Fines			
Parking fines	1		
Impoundment (Impounding Act 1993)			
Vehicles	0		
Livestock	0		
Euthanised Wildlife			
	0		

Dog Attacks

Council responded to alleged dog attack in September. Matter is still under investigation.

11.22 ALCOHOL FREE ZONES

Author: Maggie McCalman, Building Surveyor Trainee

Authoriser: ,

RECOMMENDATION

That Council;

1. In accordance with section 644B of the Local Government Act establish an alcohol free zone on all public roads and public carparks within the area outlined in red on the map titled "Proposed AFZ 2018-2022" in the attachment of this report to operate for a period of four years, commencing at 12am, 1 November 2018;
2. In accordance with section 644C of the Local Government Act place a notice in the local media advising of Council's decision; and
3. Advise all licensees within or adjoining the proposed AFZ, the Edward River Liquor Accord, the Deniliquin Local Aboriginal Land Council, Yarkuwa Indigenous Knowledge Centre and the NSW Police of Council's decision.

BACKGROUND

At its meeting on 19th July 2018, Council resolved to;

1. *Prepare a proposal for the re-establishment of an alcohol free zone in the area outlined in red in Attachment 1 of this report titled "Proposed AFZ 2018-2022" in accordance with section 644 of the Local Government Act;*
2. *Undertake public consultation of the proposal to establish the alcohol free zone within the area outlined in red in attachment 1 of this report titled "Proposed AFZ 2018-2022" in accordance with section 644A of the Local Government Act and the Ministerial Guidelines on Alcohol Free Zones (Feb 2009); and*
3. *Upon completion of this public consultation, consider a further report on the proposal to establish the alcohol free zone.*

Council has now completed the community consultation and it is recommended that the alcohol free zone (AFZ) be re-established. Attachment 1 shows the extent of the AFZ.

PUBLIC CONSULTATION

Public consultation was undertaken in accordance with section 644A of the Local Government Act (the Act) and included the following:

- Notice in the Deniliquin Pastoral Times and on Council's website inviting submissions from 17 August 2018 to 17 September 2018 – no submissions were received;
- Council staff attended the Edward River Liquor Accord meeting on 21 August 2018 – no objections were raised to the re-establishment of the AFZ; and
- All licensees who border on or adjoin the proposed AFZ, the Edward River Liquor Accord, the Deniliquin Local Aboriginal Land Council, Yarkuwa Indigenous Knowledge Centre and the NSW Police were notified of the proposal on 31 July 2018 and were given until 31 August 2018 to respond. Refer below to the advice received from the NSW Police.

Section 644A(3) of the Act requires Council to give a copy of the proposal to the Anti Discrimination Board if they are a Council that is identified in the Ministerial Guidelines on Alcohol Free Zones (Feb 2009). Edward River (or former Deniliquin) Council is not identified on this list.

NSW POLICE

The NSW Police advised Council that they strongly support the re-establishment of the AFZ, and its current parameters. They believe, along with other measures supported by Council, such as

limited late night trading hours of food outlets have help greatly reduce alcohol-related incidents and malicious damage around the centre of town.

FUTURE ACTION

Section 644B of the Act provides after complying with the procedures set out in sections 644 and 644A, the Council may adopt a proposal to establish an AFZ and must publish a notice in the newspaper declaring that the AFZ has been re-established and specify the period for which it will operate. It cannot operate earlier than 7 days after the first publication of the notice in the newspaper (s644C of the Act). The guidelines recommend that interested parties should be notified of Council's decision including the NSW Police, affected liquor licensees and club secretaries and other organisations advised of the original proposal. It is proposed that the AFZ will be notified in the local media on 23 October 2018 and will commence on 1 November 2018

There are public signs currently notifying of the extent of the AFZ. These signs will be updated by replacing the former Deniliquin Council logo and the dates for the operation of the AFZ.

STRATEGIC IMPLICATIONS

Nil

COMMUNITY STRATEGIC PLAN

The re-establishment of the AFZ meets target 1.3 of the community strategic plan being 'our community is safe, happy and healthy, both physically and mentally'.

FINANCIAL IMPLICATIONS

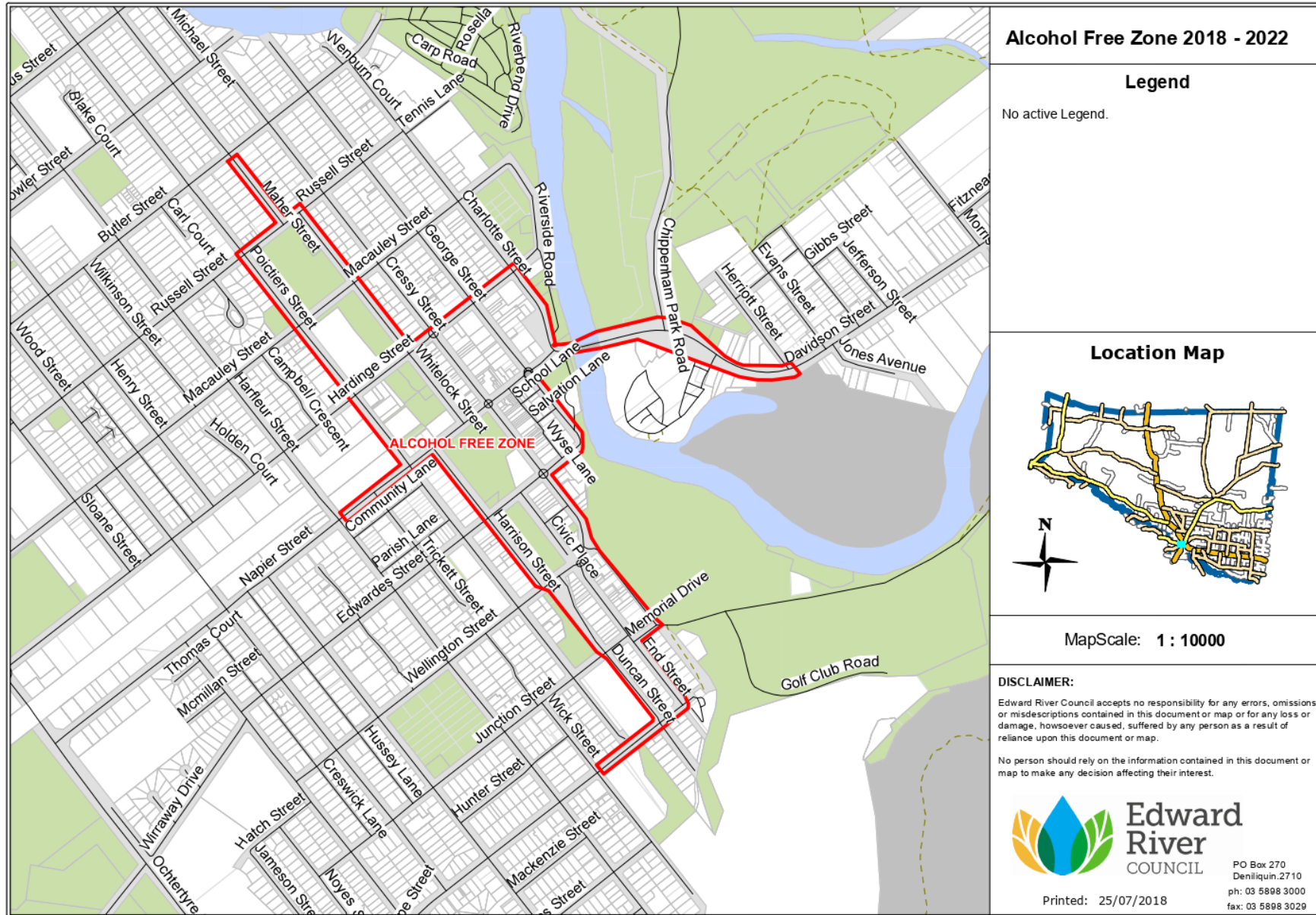
There will be costs associated with updating the dates on existing signs around town.

LEGISLATIVE IMPLICATIONS

The implementation of the AFZ must comply with the Local Government Act

ATTACHMENTS

1. Alcohol	Free	Zone
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11.23 STRONGER COMMUNITIES FUND - MAJOR PROJECTS PROGRAM AND THE STRONGER COUNTRY COMMUNITIES PROGRAM - OCTOBER PROGRESS REPORT

Author: Nicole Rogers, Executive Assistant

Authoriser: Oliver McNulty, Director Infrastructure

RECOMMENDATION

That Council note the Stronger Communities Fund- Major Projects Program and the Stronger Country Communities Program- Progress Report for October 2018

BACKGROUND

The Stronger Communities Fund was established by the NSW Government to provide newly merged Councils with funding to spend on priority community initiatives.

Edward River Council received \$10 million in funding. An amount of \$1.4 million was allocated to various community groups for projects under the Community Grants Program. The remaining \$8.6 million has been allocated for the Major Project Program.

After this Edward River Council received funding from the Stronger Country Communities Program to a total value of \$1,269,841

The projects adopted by the Stronger Communities Fund Assessment Panel are as follows:

30. Project – Stronger Communities Fund	31. Grant Amount
32. Deniliquin Swim Centre Revitalisation	33. 880,000
34. Community Masterplans & Initial Works	35. 2,105,000
36. Deniliquin Regional Sports & Entertainment Stadium	38. 540,000
37. Extension	
39. Blighty Community Netball & Tennis Facility	40. 550,000
41. Deniliquin Children's Centre Extension	42. 500,000
43. Deniliquin Netball Facility Improvement Works	44. 320,000
45. Rural Villages Beautification Project	46. 300,000
47. Beach to Beach Walk Connectivity Improvements	48. 300,000
49. Deniliquin Community Facility Refurbishments	50. 165,000
51. Urban Road Infrastructure Program	52. 2,390,000
53. Deniliquin Airport Heritage Centre Development	54. 50,000

55. Unallocated Funding for New Council	56. 500,000
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The projects that have been funded through the Stronger Country Communities Program are as follows:

Project – Stronger Country Communities	Grant Amount
Scott’s Park – A destination Playground	\$676,620
Deniliquin Swim Centre – All Abilities Facilities	\$295,796
Lagoons to River Walk	\$297,425

A project summary update report for both programs to October 2018 is attached to this report.

Additional Stronger Country Communities funding of \$3.3 million has also now been approved. These projects will be added to this update once funding agreements are signed and the projects commence.

Given the importance of these projects to the community and the value of the funding being spent, officers will bring a monthly project update report to each Council meeting. This report will ensure a high level of accountability for progressing these projects and ensure transparency to the community on project progress.

COMMUNITY STRATEGIC PLAN

This report aligns with outcome 1 – *A great place to live* and outcome 4 – *A region with quality and sustainable infrastructure* of the Community Strategic plan

FINANCIAL IMPLICATIONS

Projects funded through these programs include costs for the design, documentation, and supervision costs for each project. Each of these projects are fully funded for the scopes as set out by Council

LEGISLATIVE IMPLICATIONS

Council must ensure that these projects are completed within the timeframes set out within the funding agreements. Each project must ensure that they are delivered and compliant with any legislative requirement

ATTACHMENTS

1. **Project** **Progress** **Report**

Attachment One - Projects Progress Report – October 2018**Stronger Communities Fund – Major Project Program****Stronger Country Communities Program**

Project Description	Project Phase				Comments
	Initiation	Design & Documentation	Quotes and Tendering	Delivery and Handover	
Deniliquin Swim Centre Revitalisation					
Water Play facility	COMPLETE	COMPLETE	COMPLETE	November 2018	Splash Park construction is complete. Landscaping commenced. Works are on track to be complete by Nov18. Handover and training has commenced for new equipment
Lining of Main Pool and Wet Deck Construction	COMPLETE	COMPLETE	COMPLETE	November 2018-Phase 2 June 2019 - Complete	Tenders complete and awarded. Pool relining work has commenced. Work to be complete by Nov18. This is taking longer than expected and may result in the pool re-opening a week late. All other works to be completed June19
Solar Heating of medium pool	COMPLETE	Melbourne Pools and Spas have undertaken an assessment and providing recommendation on way forward.	To be tendered in December 2018	June 2019	Works dependent on the Lining of main pool, wet deck project and the Amenities facility project. The proposed new solar panels require to be on the roof of the amenities.

Project Description	Project Phase				Comments
	Initiation	Design & Documentation	Quotes and Tendering	Delivery and Handover	
Amenities Facility Refurbishment	COMPLETE	COMPLETE	COMPLETE	June 2019	The designs for the amenity building are complete.
Community Master Plans and Initial Works					
Recreation Strategy	COMPLETE	COMPLETE	COMPLETE	Consultants are working on the development of the strategy	This will go on public display in November 2018
Memorial Park – Masterplan	COMPLETE	COMPLETE	COMPLETE	Consultants are working on the development of the strategy	
River Front Master Plan	COMPLETE	COMPLETE	COMPLETE	Consultants are working on the development of the strategy	Out on public display
CBD Streetscape	COMPLETE	COMPLETE	COMPLETE	Consultants are working on the development of the strategy	Out on Public display
Arts & Culture Precinct	Funding has been allocated as outlined in the comments				<ul style="list-style-type: none"> • \$438,500 is included as part of the \$1.7mil Town Hall refurbishment. • \$20k has been allocated for the water tower art project. Work on a brief is progressing for this project. • \$11.5 K has been allocated for a master plan for the Pepin/Crossing café

Project Description	Project Phase				Comments
	Initiation	Design & Documentation	Quotes and Tendering	Delivery and Handover	
Deniliquin Sports and Entertainment Building Extension	COMPLETE	Construction documentation is 80% complete	Request for Tender will be issued in October 2018	Construction will commence in January 2019 will a June completion date	A meeting was held with the management committee to investigate options to proceed. Tender documentation is to be completed to enable options for flooring and requests for tenders will commence in October 2018
Blighty Community Netball & Tennis Facility	COMPLETE	COMPLETE	COMPLETE	Works to be commence early 2019	Tenders closed Subject to separate report
Deniliquin Children's Centre Expansion	Working Group formed Deed of Funding Agreement signed by both parties	COMPLETED	Project progressing and scheduled to meet timelines		Project almost complete
Deniliquin Netball Facility Improvements					
Deniliquin Oval	COMPLETE	COMPLETE	COMPLETE	Construction scheduled for February 2019	Works will commence February 2019
Memorial Park	COMPLETE	Discussion taking place with Netball Victoria to discuss courts and some compliance issues. This will guide further discussions and final project scope	TBC	TBC	Identification of scope of works undertaken with committee representatives and in consultation with Netball Victoria.
Rural Villages Projects					
Blighty					Discussions have commenced with representative of Blighty Community Groups to

Project Description	Project Phase				Comments
	Initiation	Design & Documentation	Quotes and Tendering	Delivery and Handover	
					determine options for funding
Boooroban	COMPLETE	Develop layout plan commenced and discussed with community	To proceed October/November 2018	Concept plans are being updated based on community group feedback	
Conargo	COMPLETE	Develop path alignments and interpretative signage layout – this has commenced	To proceed October/November 2018		A meeting has been held with the Conargo Hall Committee and more detailed sketches are being prepared for their feedback.
Mayrung	COMPLETE	Obtain quotes for fencing Develop road alignments – this has commenced	To proceed October/November 2018		Works around Community Hall are focus of local community
Pretty Pine	COMPLETE				An initial meeting has been held. This work is progressing.
Wanganella	COMPLETE	Design work has commenced			BBQ facility, lights for tennis courts. More details and costings are being developed subject to a recent community meeting.
Beach to Beach Connectivity Walks					
McLean's Beach access pathway	Scope of works and location identified	Tender construction documentation commenced		Construction work planned for Nov 2018	Site to be surveyed and best location for path identified. This will be added to the scope of works for the Lagoons Walk Project
Island Sanctuary Bridge Refurbishment	Scope of Works identified	Bridge assessment to be completed to enable tender		Construction to proceed early 2019	An engineer has been appointed to commence

Project Description	Project Phase				Comments
	Initiation	Design & Documentation	Quotes and Tendering	Delivery and Handover	
		and construction documentation			the review of the existing building structure.
Deniliquin Community Facility Refurbishment					
Scout Hall Refurbishment for Army Cadets	COMPLETE	COMPLETE	COMPLETE	Construction has commenced	Works on going
Deniliquin Boat Club Accessible Toilet	COMPLETE	COMPLETE	COMPLETE	Final documents to be completed	Works complete
Urban Road Infrastructure Program	COMPLETE	Geotech Complete Surveys Complete	Ongoing discussions with contractors	Works will commence January 2019	Officers are meeting local contractors to get estimates to progress this project. Ongoing
Deniliquin Airport Heritage Centre Development	COMPLETE	Master Plan completed	Additional works to progress in line with masterplan		A list of projects has been drawn up. These works will progress in consultation with Council
Unallocated Funding for New Council					\$142,000 has been allocated to the pool refurbishment project
Lagoons to River Walk		COMPLETE	COMPLETE	COMMENCED	Work ongoing
Scotts Park – A destination Playground	COMPLETE	COMPLETE	COMPLETE	Construction to be completed by August 2019	Tenders have closed and are subject to a separate report.

11.24 RUSSELL STREET KERB AND GUTTER REPLACEMENT

Author: Michael Williams, Project Engineer

Authoriser: Oliver McNulty, Director Infrastructure

RECOMMENDATION

That Council

1. Approve the replacement of the kerb and gutter and associated drainage works along the north-western side of Russel Street, between Sloane Street and Wood Street as part of the 2018/19 kerb replacement program.
2. Approve the transfer of \$50,000 from the infrastructure reserve to the Russel Street kerb and drainage project.
3. Note that any funds left will be returned to the infrastructure reserve

BACKGROUND

Council are currently planning for the reconstruction of pavement and seal for Russell Street between Sloane and Wood Streets as part of the 2018/19 Capital Works Program. It is noted that the replacement of kerb & gutter and associated drainage measures is not currently included in the proposed works.

ISSUE/DISCUSSION

During the survey and preparation of design plans, it was noted that the kerb & gutter along Russell Street was in poor condition with a localised low point. Inadequate drainage has led to and will continue to deteriorate the road pavement.

It is recommended that suitable drainage measures and new kerb and gutter be constructed along the north-western side of Russell Street as part of the proposed works. The works could be undertaken in conjunction with the Russell Street Reconstruction, using the same traffic management control.

The estimated costs to undertake the replacement of kerb and gutter and association drainage measures is approximately \$50,000.

It is more efficient to do these works at the same as the road pavement. The kerbs along the south eastern side of Russel Street are in god condition and perform to the required standard.

As this project is currently not included in the 2018/19 programme, it is proposed that funding for this project comes from Council's infrastructure reserve.

STRATEGIC IMPLICATIONS

This project meets Council's strategic objectives regarding renewal of road assets.

COMMUNITY STRATEGIC PLAN

This project meets the following targets of the Edward River Council Community Strategic Plan 2018 – 2030:

- 4.1: Our built environment is managed, maintained and improved; and
- 4.2: Our road network is a source of pride

FINANCIAL IMPLICATIONS

There is currently over \$3.1M in the infrastructure reserve. Any cost savings from this project and the 2018/19 kerb and gutter replacement program will reimbursed to the infrastructure reserve at the end of projects for redistribution to road and road related renewal projects.

LEGISLATIVE IMPLICATIONS

There are no legislative implications regarding this matter.

ATTACHMENTS

Nil

11.25 DENILIQVIN SWIM CENTRE**Author:** Oliver McNulty, Director Infrastructure**Authoriser:** Oliver McNulty, Director Infrastructure**RECOMMENDATION**

That Council

1. Agrees to the request from Deniliquin Outdoor Pools Inc to amend conditions 3.9.2 to read the following;

3.9.2 Availability of Lanes for Swimming Club

The Contractor shall make available two (2) lanes in the 50m pool and one (1) lane in the 20m

pool for use by the Deniliquin Amateur Swimming & Lifesaving Club for the following time periods:

Days – Monday, Tuesday, Wednesday, Thursday and Friday;

Time – 4.30pm to 6.30pm.

Additional lane space and/or lane availability outside these times may be provided to the Deniliquin

Amateur Swimming & Lifesaving Club as agreed to by both parties. If the numbers of swimmers exceed 15 students in each lane, DOPI are to provide an additional third lane for use at these times by the swim club. At times where there are no lap swimmers in the pool at the designated Swim Club times DOPI can agree to allow the club to use this lane.

2. Authorise the General Manager to sign the amendment to condition 3.9.2 of Contract 2.19.224 - Operation and Management of Deniliquin Swim Centre
- 1.
3. Write to Deniliquin Amateur Swimming & Life Saving Club Inc and Deniliquin Outdoor Pools Inc to inform them of this decision.

BACKGROUND

In July 2016 Council invited tenders from individuals/ organisations for the Operation and Management of Deniliquin Swim Centre for 2016/17, 2017/18 and 2018/19 Seasons. Deniliquin Outdoor Pools Inc (DOPI) were successful in their tender submission for the management of the Swim Centre. This was subject to the conditions and details as set out within Contract 2.19.224 for the Operations and Management of Deniliquin Swim Centre. (Copy Attached)

This Contract replaced a previous three-year contract with DOPI for the management of Deniliquin Swim Centre. Condition 3.9.2 was amended between the two contracts. There was a requirement in the older contract to provide two (2) lanes for use by the Swimming Club. This condition was amended as at the time the club trained in a single time slot and had a lot of active members.

The swim club now operate two-time slots for training 4.00pm -4.45pm and 5.00pm – 6:30pm.

ISSUE/DISCUSSION

In August John Arthur wrote to Council, on behalf of DOPI requesting a change to some of the conditions as set out within the agreement (letter attached). The request relates to the conditions within the contract as outlined below.

3.9.2 Availability of Lanes for Swimming Club

The Contractor shall make available three (3) lanes in the 50m pool and one (1) lane in the 20m pool for use by the Deniliquin Amateur Swimming & Lifesaving Club for the following time periods:

Days – Monday, Tuesday, Wednesday, Thursday and Friday;

Time – 4.30pm to 6.30pm.

Additional lane space and/or lane availability outside these times may be provided to the Deniliquin Amateur Swimming & Lifesaving Club as agreed to by both parties.

3.9.3 Public Lane Availability for Lap Swimming

The Contractor shall make available lanes for general lap swimming during the following time periods:

During DAS&LC Swim Training – *During the times noted above in Clause 3.9.2 one (1) lane shall be made available for general lap swimming. A board shall be placed at the shallow end of the pool advising users that the lane is available for lap swimming only; and*

All Other Times – *Two (2) lanes shall be made available for general lap swimming. A board shall be placed at the shallow end of the pool advising users that these lanes are available for lap swimming only.*

DOPI are requesting that condition **3.9.2** be amended to read that the contractor shall make available two (2) lanes in the 50m pool. Additional space/ lanes would still be made available as agreed by both parties. This request could be managed with “a number of student’s” trigger included within the contract. Officers have been advised that a swim class can typically handle up to 18 swimmers in a lane at a time.

Officers contacted Chris Hayes secretary for Deniliquin Amateur Swimming & Life Saving Club Inc (DASLSC) to provide them with an opportunity to give some feedback on the request.

Based on our telephone conversation and an email DASLSC provided the following feedback;

The club will have approximately 60 competitive swimmers.

Most swimmers are of primary school age and need to be closely monitored.

The club has set a safety maximum of 15 swimmers per lane dependant on their capability.

The advanced swimmers require a separate lane for most of their work and cannot be mixed with the junior groups.

The numbers peak from mid-December to mid-February. In March as the evenings close in, the whole squad starts early and uses all three lanes.

The Club also made some following observations in relation to the use at the pool.

- *Public lap swimmers during training periods are few and far between.*
- *Public lap swimmers generally want a lane to themselves which is an unreasonable imposition on the public and club swimmers and would not be considered in other municipal pools.*
- *Public swimming during training periods in the other 4 lanes would rarely exceed 10 people comprising mainly children diving from the edges of the pool.*
- *Club members are also public swimmers and contribute a considerable amount in pool admission fees when compared to lap swimmers.*

Officers contacted Campaspe Shire Council and asked them how they manage their pool and arrangements with their swim club.

Currently they provide two lanes for the swim club in two-time slots. The first-time slot is 6.00 am – 7.00 am and the second from 4:30pm to 6:00pm. They always provide a minimum of one lap lane. The swim club can request or hire additional lanes in consultation with the pools management.

OPTIONS

Option 1 – Business as usual

This is the final year of a three-year management contract. Council could choose to make no amendment at this time and review the contract prior to commencing the process to advertising a new expression of interest process later this year.

This option will not resolve the concerns raised by DOPI. These concerns would need to be addressed prior to an expression of interest process. By amending the conditions now, it will enable Council to observe and get feedback on how well it works

Option 2 – Amend the contract conditions to the following

Amend conditions 3.9.2 3 to provide DOPI with more flexibility with the management of the pool. This can still meet the swim clubs needs as at predicted busy times they can work with DOPI to enable access to more lanes.

This will provide the swim club with 2 lanes in the 50m pool and 1 lane in the 20m pool at the prescribed times.

It is proposed to introduce a trigger number that no more than 15 swimmers should be required to use a swim lane. At these times DOPI should provide the additional third lane for the swim clubs use. At times when the lap lane is not being used the swim club by agreement with DOPI staff may also avail of this additional lane.

STRATEGIC IMPLICATIONS

This recommendation will provide the framework of a review of this contract and the future direction for the management of Deniliquin Swim Centre.

COMMUNITY STRATEGIC PLAN

This report relates to Outcome 1- A great place to live

FINANCIAL IMPLICATIONS

NIL

LEGISLATIVE IMPLICATIONS

NIL

ATTACHMENTS

1. **Contract 2.19.224 - Operation and Management of Deniliquin Swim Centre - Pool Specification**
2. **Request for Variation of Contract conditions - Lanes for Swimming Club**

Operation and Management of Deniliquin Swim Centre

SECTION III

SECTION III – SPECIFICATION

3.1 INTRODUCTION

The Contract resulting from a Tender requested in accordance with the Conditions of Tendering for Contracts (hereinafter called "Conditions of Tendering") will be a Lump Sum Contract and all work performed under this Contract shall be in accordance with the Tender Documents as defined hereunder.

3.1.1 General

This Specification applies to the operation and Management of the Deniliquin Swim Centre. The Contractor must ensure that Services provided under this contract address the requirements of the Specification.

All Services provided under this Contract are to comply with relevant Australian Standards except where this specification requires otherwise, in which case this Specification takes precedence.

The Contractor shall comply with and observe all provisions of the Local Government Act 1993, the Trades Practice Acts 1974, Work Health and Safety Act 2011, Work Health and Safety Regulations 2011, Protection of the Environment Operations Act 2000 and all other Statutes and Regulations, and the Council bylaw for the time being in force relating to the subject matter of this Contract

Any conflict between Standards, Contract Specifications and documents, or any other reference document, shall be referred to the Council Representative for clarification before any relevant work proceeds.

3.1.2 Aims and Objectives

The Aims and Objectives of this Contract are:

- To provide high quality, recreational, health and sporting opportunities for all members of the Deniliquin community and its visitors,
- To promote and provide recreation facilities which meet the needs of the community;
- To ensure that the pools meet all the statutory requirements including water quality and other health requirements;
- To ensure that minor and major maintenance requirements are appropriately assessed and programmed so that maintenance expenditure is optimised to guarantee the maximum life of the pools;
- To operate the swimming pool complexes to ensure that the safety of the public and participants is maintained to the satisfaction of the council; and
- Improve facilities, services and programs to the pool complex.

3.2 DEFINITIONS

In this General Specification the following terms will, unless inconsistent with the context, have the meanings indicated:

"Approval" means the same as approved.

"Approved" means approved in writing by the contract manager.

"Award" means the appropriate industrial award or agreement under which employees of the contractor are employed for the Term.

Operation and Management of Deniliquin Swim Centre

“**Complex**” means the Swim Centre Complex, including the Warm Water Therapy Pool, outdoor pools and associated buildings and grounds

“**Contract Authority**” means the General Manager for the Edward River Council.

“**Contract Supervisor**” means the Health & Building Services Manager.

“**Contract Manager**” means the Health & Building Services Manager

“**Contractor**” means the person or persons named as the contractor in the contract, and the successors, transferees and assigns of such person or persons.

“**Council**” means the corporation of the Edward River Council.

“**Council's Representative**” means a person nominated by the Council, in writing, to represent its interests and to supervise the contract on behalf of the Council, generally the contract manager.

“**Customer**” includes the contract manager, general public, schools, clubs, community groups, other Council service providers, Council staff and units of Council.

“**Hours**” means the hours of operation determined by the contract.

“**Person**” includes a body or association incorporated or unincorporated and partnership.

“**Plant and Equipment**” means all motor vehicles, machinery, pumps, filtration equipment, café and kiosk equipment, public address system, first aid equipment, tools and like devices used by the Council or the contractor.

“**Premises**” includes the pools, the pool precincts/grounds and buildings or part of a building whether permanent or temporary.

“**RLSSA**” means the Royal Life Saving Society Australia.

“**Services**” means the services to be performed in accordance with the contract.

“**Sub Contractor**” relates to the firm or body corporate or unincorporated or individual who as a party to contract is bound to execute the work set out in the contract documents.

“**Swim Centre**” means the Swim Centre Complex, including the Warm Water Therapy Pool, outdoor pools and associated buildings and grounds

“**Term**” means the term of the Contract or such extended period as determined in accordance with **Clause 3.4**.

Where a word or expression is not defined in **Clause 3.2** but is defined in the Contract it shall have the meaning attributed to it in the Contract.

3.3 SUMMARY OF DENILIKUIN AND THE SWIM CENTRE

3.3.1 Background

Deniliquin is located on the Edward River in south-western New South Wales in the centre of the renowned Riverina merino sheep breeding and wool growing industry. It is the third largest centre in the Riverina. The population of Deniliquin is 7,500 with a further 6,000 people living in the rural areas surrounding Deniliquin.

Deniliquin is about 725 kilometres from Sydney and 270 kilometres from Melbourne.

3.3.2 Swim Centre Complex

The Swim Centre Complex is located in Poitiers Street and it comprises Warm Water Therapy Pool with changeroom facilities and office, three outdoor pools with a kiosk and Supervisor's office toilets, showers and change room facilities, amply adequate to cater for pool patronage.

Details of each Pool are as follows:

(a) Warm Water Therapy Pool

The Warm Water Therapy Pool is housed in a separate building within the confines of the Swim Centre grounds. The pool is 8 metres long by 5 metres and was first opened to the public in January 1999. The pool is solar heated with back-up gas heating. An automatic chemical dosing system is installed. The Pool is housed within a solid brick building which consists of an office, Disabled Amenities Room, separate Male and Female Amenities, Plant/Chemical Room, Storage Room, and Patron Poolside Shower. The pool is provided with filtered town water.

(b) Main Olympic Pool

This pool is 50 metres long by 15 metres wide and varies in depth from 1 metre to 2 metres. There are seven competition lanes with each lane having removable starting blocks.

(c) Learners Pool

This pool is approximately 18 metres long by 9 metres wide and varies in depth from 750 mm to 1 metre. A shade shelter partially covers the pool.

(d) Toddlers Pool

This pool is approximately 13 metres long by 6 metres wide and varies in depth from approximately 200 mm to approximately 400 mm. A shade shelter fully covers this pool.

The outdoor pools are supplied with filtered water through an interconnected reticulation system which recirculates filtered water through the sand filtration system located in the grounds of the Swimming Centre.

The chlorination, chemical and filtration equipment are all housed in the one building.

The pool water is provided with filtered town water of excellent quality which initially requires minimal treatment to be able to be used for pool water. The filtered water is also provided to the toilet and shower complex.

The lawn and pool surrounds are provided with raw water from the Council's reticulated town water system. Water supplied to the pool is not metered and no charge for water will be made at this stage, however there may be metering and usage charges implemented in the future.

Operation and Management of Deniliquin Swim Centre

Chlorination of the water is by way of liquid sodium hypochlorite through an automatic dosing pump and controller. Sodium Isocyanurate is used to act as a water stabiliser.

3.4 CONTRACT

The Contract Term is for three (3) years from the determined commencement date.

3.5 OPERATIONS

3.5.1 General

The Services provided under this Contract must be efficient and effective, and be services on which Customers using the Centre can depend. All services must be carried out with maximum regard for safety of all persons.

3.5.2 General Operational Requirements

The successful Contractor will be required to ensure that the pool operates to the maximum benefit of the Council, the general public and themselves.

In this regard the undermentioned items will be included in the contract agreement.

The Contractor will be required to:

- a) Maintain water quality standards to the minimum standard as required by NSW Health Department Public Swimming Pool and Spa Guidelines and the Public Health Act 2010.
- b) Maintain a register/diary showing details relating to water quality each day at the time of opening the pool, midday, and 5.00 pm, and any other time when requested by the responsible Council supervisor or other servant of the Council operating under their instructions. The diary is also to contain other information relating to the pool's usage. This information is to be provided in the form of a monthly report.
- c) To at least weekly mow all lawns and keep all edges neat and to ensure that clover growth is retarded to prevent bee stings. A regular clover poisoning program is to be provided.
- d) Ensure that concrete paths are regularly cleaned and washed.
- e) Collect all rubbish on a daily basis and store in bins provided for removal by the Council.
- f) Clean toilets and showers at least on a daily basis and ensure that they are kept in a clean, tidy and hygienic state and that sufficient toilet paper and hand towels are always available for pool patrons.
- g) Provide change and assistance to pool patrons and to operate the kiosk. All profits made from the kiosk will remain the property of the Contractor.
- h) To collect all entrance fees and regulate admission to the Swimming Centre. All entrance fees and season fees may be retained by the Contractor.
- i) To maintain all pools in a clean condition and remove windblown and other debris at least twice per week by vacuuming if necessary.

 Operation and Management of Deniliquin Swim Centre

- j) To ensure the proper conduct and behaviour of pool patrons and to have them removed where incidences of misbehaviour and/or bad language are detected.
- k) On a weekly basis to ensure that oxy-viva and resuscitation equipment is maintained in a satisfactory condition.
- l) To advise the Council as to any major malfunction or breakdown of any of the Council's equipment retained at the Swimming Centre.
- m) To keep clean and tidy the naturestrip and footpaths adjacent to Swim Centre buildings fronting Poitiers Street.

3.5.3 General Contractor Responsibilities

The Contractor is responsible for the following items including any associated costs, organisation and management as deemed necessary.

General

- Electricity To all buildings, pump rooms, pool surrounds and external lighting
- Gas For heating Warm Water Therapy Pool, building and Learners pool.
- Chemicals All chemicals necessary for water treatment including Chlorine, Aluminium, Sulphate (alum), Soda Ash, Sodium Isocyanurate
- Telephone All rental and usage costs
- First Aid Kit and supplies Provision of kit and re-stocking with supplies
- Water testing Equipment All equipment necessary for pool water quality testing
- Mowing/Edging Equipment & Fuel All machinery and Equipment necessary for grounds maintenance
- Seasons Tickets Supply of all tickets/tokens for season admission
- Handyman Tools and equipment for maintenance All equipment and tools required for general maintenance
- Cleaning equipment and Consumables All equipment and supplies necessary for cleaning and operation of amenities and office buildings including toilet paper, handtowels, soap, cleaning products and equipment
- Tiles Replacement of all broken, chipped and missing tiles
- Pool paint and equipment Supply of pool paint (type to be approved by supervisor) all paint brushes, rollers and painting equipment

 Operation and Management of Deniliquin Swim Centre

- Maintenance and repairs under the value of \$500 All maintenance works up to the value of \$500
Where the cost exceeds \$500 refer to schedule for who is responsible for the type of repairs undertaken
- Maintenance and repairs (regardless of value of works) All repairs to toilets and cisterns, taps, sewerage blockages, doors, fluorescent lights and tiles.
- Site security Security patrols, alarms and monitoring.

Kiosk

- Electricity All electricity required for operation of the kiosk
- Gas All gas required for operation of the kiosk
- Equipment /Appliances All equipment/appliances for the operation of kiosk

3.6 HOURS OF OPERATION**3.6.1 Warm Water Therapy Pool**

Open - Operates all year round.

3.6.2 Outdoor Pools

Open - NOVEMBER, DECEMBER, JANUARY, FEBRUARY, MARCH

3.6.3 Hours of Operation

The current operating times are documented in **Attachment C**. These should be seen as a minimum only.

The Contractor may and is encouraged to increase hours where a community demand is indicated.

3.7 ADMISSION FEES**3.7.1 Setting of Admission Fees**

Details of proposed admission fees are to be submitted to and approved by Council. The current fees for the 2015/16 are documented in **Attachment D**.

All admission fees are to be retained by the Contractor.

3.7.2 Future Increases of Admission Fees

Any proposed alteration to admission fees for subsequent seasons must be submitted in writing, thirty (30) days prior to opening, for approval prior to implementation.

3.8 OPERATION OF KIOSK**3.8.1 General Operation of the Kiosk**

The kiosk shall be operated at all times when the outdoor pool facility is open.

The kiosk shall comply with the relevant provisions of the Food Act 2003 and Regulations.

All profits made from the kiosk shall be retained by the Contractor.

3.9 COACHING AND TRAINING**3.9.1 Coaching Rights**

The Contractor shall have sole coaching rights for the use of the pool to provide swimming coaching except that the undermentioned will still be able to provide its own swimming instruction courses:-

- (a) The Deniliquin Amateur Swimming & Lifesaving Club annual Learn to Swim Campaign and Swim Club member coaching.
- (b) Any Learn to Swim or water confidence courses carried out by schools as part of its normal curriculum.
- (c) SwimSafe and AustSwim Courses or similar programs conducted by the Department of Sports Recreation and Racing.

3.9.2 Availability of Lanes for Swimming Club

The Contractor shall make available three (3) lanes in the 50m pool and one (1) lane in the 20m pool for use by the Deniliquin Amateur Swimming & Lifesaving Club for the following time periods:

Days – Monday, Tuesday, Wednesday, Thursday and Friday;

Time – 4.30pm to 6.30pm.

Additional lane space and/or lane availability outside these times may be provided to the Deniliquin Amateur Swimming & Lifesaving Club as agreed to by both parties.

3.9.3 Public Lane Availability for Lap Swimming

The Contractor shall make available lanes for general lap swimming during the following time periods:

During DAS&LC Swim Training – During the times noted above in **Clause 3.9.2** one (1) lane shall be made available for general lap swimming. A board shall be placed at the shallow end of the pool advising users that the lane is available for lap swimming only; and

Operation and Management of Deniliquin Swim Centre

All Other Times – Two (2) lanes shall be made available for general lap swimming. A board shall be placed at the shallow end of the pool advising users that these lanes are available for lap swimming only.

3.9.4 Annual Carnival

The Contractor will make the Swim Complex available to the Deniliquin Amateur Swimming & Lifesaving for their annual swimming carnival, normally scheduled in January. This shall be at the normal commercial rate for hiring of the Swim Centre.

3.10 STAFFING

3.10.1 Staffing Levels.

The Contractor will be required to provide appropriately qualified staff in sufficient numbers and at such notice as to be able to meet the Royal Life Saving Society's "*Guidelines for Safe Pool Operations*" in respect to supervision of recreational swimming pools.

Note: Advice has been received from the Royal Life Saving Society that the Warm Water Therapy Pool has been classified as a Low Patronage Pool and falls under these guidelines.

3.10.2 Qualifications

The minimum qualifications for staff are;

- At least one member of staff on duty has a current Pool Lifeguard Certificate or and equivalent award from The Royal Life Saving Society Australia or an equivalent award recognised by the Aquatic and Recreation Institute.
- All other pool attendants/lifeguards have a current bronze medallion from The Royal Life Saving Society Australia or an equivalent award recognised by the Aquatic and Recreation Institute.
- A current first aid certificate from:
 - Workcover NSW approved provider with an aquatic focus,
- A current advanced resuscitation certificate, which includes the use of oxygen from:
 - Workcover NSW approved provider with an aquatic focus

The certificate/award should specify the type of equipment the holder has been trained on.

3.10.3 Qualifications for Pool Manager

In addition to the qualifications noted above in **Clause 3.10.2**, the Pool Manager shall have suitable qualifications and expertise in the following areas:

- Maintenance of water quality, including testing, chemical treatment, disease control
- Provision of emergency life saving services
- Plant operation and maintenance

Operation and Management of Deniliquin Swim Centre

- Management, including business operation, human resources management and public relations
- Awareness of the Work Health and Safety Act
- Risk management
- Safe chemical handling.

3.10.4 Public Image and Identification

All personnel employed by the contractor must be dressed in accordance with the RLSSA guidelines on "Lifeguard Clothing and Equipment".

3.10.5 Training

All personnel employed by the Contractor to work as a lifeguard shall be instructed in the proper use of:

- The filtration plant in use at the swimming pool.
- The oxygen equipment available at the swimming pool, prior to the commencement of their duties at the pool.

3.11 SAFETY PROVISIONS

3.11.1 Work Health and Safety

The Contractor must provide and maintain a safe workplace so as to protect Council employees, the Contractor's employees and agents and members of the public against accidents and conditions injurious to health.

The Contractor must comply with all applicable Health & Safety Regulations (State & Federal).

The Contractor must demonstrate ability to ;

- Comply with WHS Act 2011 & Regulations 2011 and Workers Compensation Act
- Develop a basic Health and Safety plan showing their procedures for carrying out risk assessments and provide safe work procedures.
- Keep a register of all hazardous substances that apply to the facility
- Keep a register of all training, certificates and licences relevant to the project
- Provide a system for OHS Incident Notification
- Provide a certificate of currency for Workers Compensation insurance.

The Contractor is required to demonstrate evidence of an OH&S Management plan. The tenderer must submit a detailed response to the OH&S Management questionnaire as part of the tender response. The completed document and other documentary evidence is to be incorporated with the tender submission

3.11.2 Emergency Procedures

Prior to the commencement of the Contract the Contractor shall review, modify or develop emergency procedures in place at the complex. This shall include procedures in case of accident,

Operation and Management of Deniliquin Swim Centre

injury or fire and include evacuation procedures in the event of fire or chemical or gas leakage. All procedures developed shall be to the approval of the Council Supervisor.

3.12 PROMOTION OF THE FACILITY

3.12.1 Promotional Activities

The Contractor shall actively promote the use of the Swimming Pool Complex. The Council is committed to the principle of safer communities and will expect the Contractor and appointed staff to promote activities aimed at increasing water safety and the enjoyment of aquatic sports and recreation generally.

The Contractor and appointed staff shall:

- (a) Assist and promote AustSwim and Local Learn to Swim Programs;
- (b) Co-operate with the Deniliquin Amateur Swimming & Life Saving Club in the provision of opportunities for training and competition; and
- (c) Promote Swimming programs with the Local Schools.

3.13 REPORTING MECHANISMS

3.13.1 Reporting

The Contractor shall report to the Council Supervisor. The designated Council Supervisor is the Technical Officer.

3.13.2 Operations Report

The Contractor shall be required to liaise with the Council Supervisor and submit monthly reports regarding the operation of the centre. These reports will be required with the monthly payment claim.

The report shall include:

- (a) A weekly itemised breakdown of the usage of the pool or Centre.
- (b) Listing of special events, Club or Community Groups usage.
- (c) Report on any accidents or incidents that occurred in the Complex.
- (d) Report on any continuing programs being held at the complex.
- (e) Operational maintenance or mechanical problems encountered.
- (f) Maintenance works undertaken.
- (g) Staffing changes.

3.13.3 Records to be Kept

- A Log Book recording details of the daily water quality analysis.
- Diary of mowing operations and herbicide use.
- A register of any complaints/enquiries received and the action taken to rectify.
- Lost property register.

3.14 MAINTENANCE PROVISIONS**3.14.1 Maintenance Schedule**

At the commencement of the contract the Contractor shall be required to meet with the Council Supervisor to discuss any maintenance issues and identify any major works required.

Meetings should be held on a six (6) monthly basis to discuss works undertaken and works programmed. The meeting shall be minuted by the Contractor with copies of the minutes to be sent onto the Council Supervisor.

3.14.2 Pre-season Preparation and Maintenance

The undermentioned works are required to be carried out by the Contractor prior to the commencement of the opening of the outdoor pool facility.

- (a) Mowing of all lawns and trimming of edges.
- (b) Treatment of lawns to prevent clover growth.
- (c) Cleaning and maintenance of office and amenities building
- (d) Inspection and overhaul, where necessary, of all plant and equipment, including filters and pumps.
- (e) Upgrade/update existing signage.
- (f) Replacement of broken, missing and chipped tiles

3.15 COUNCIL'S RESPONSIBILITIES

Council is responsible for the following items including any associated costs, organisation and management as deemed necessary.

Operation and Management of Deniliquin Swim Centre

- Fire Extinguishers Provision and servicing of Fire Extinguishers to Office, Therapy pool and Pump room
- Hoses and Sprinklers Provision of hoses and maintenance of sprinklers system
- Garbage bins Provision of 55 litre garbage bins
Provision and collection of 240 litre garbage bins
- Oxy viva and resuscitation equipment Provision of oxy Viva resuscitation equipment
- Public Address system Servicing of public address system
- Pump Room and major pumping plant Maintenance, service and repairs to all major pump plant and equipment
- Vacuum pump and hoses, power leads Supply, service and maintenance of vacuum pump, hoses, power leads
- Sun shelters Repairs/maintenance to all sun shelters
- Maintenance and repairs Any maintenance matters which are not listed as the Contractor's responsibility and where the value of maintenance exceeds \$500
- General Building Insurance Council will insure all buildings and contents.

PO Box 578, Poictiers St. Deniliquin 2710. Ph. 03-58818586 mob. 0413 500 809

13th August, 2018

Attn Mr Oliver McNulty
Edward River Council
Email: oliver.mcnulty@edwardriver.nsw.gov.au

Dear Oliver,

Re: Request for variation of contract conditions - Lanes for Swimming Club

Further to our recent discussion we write seeking Councils agreement to a variation in the July 2016 contract between Deniliquin Outdoor Pools and Edward River Council for the operation and management contract of the Deniliquin Swim Centre.

Specifically we are seeking agreement to a variation of paragraph 3.9.2 Availability of Lanes for Swimming Club. The current clause states:

3.9.2 Availability of Lanes for Swimming Club

The Contractor shall make available three (3) lanes in the 50m pool and one (1) lane in the 20m pool for use by the Deniliquin Amateur Swimming & Lifesaving Club for the following time periods:

Days – Monday, Tuesday, Wednesday, Thursday and Friday;

Time – 4.30pm to 6.30pm.

Additional lane space and/or lane availability outside these times may be provided to the Deniliquin Amateur Swimming & Lifesaving Club as agreed to by both parties

In addition to the 3 lanes required for the swim club in the 50 metre pool clause 3.9.3 requires that concurrently a lane be available for general lap swimming. Accordingly meeting these requirements requires that a total of 4 lanes are in place during the hours of 4-6pm, Monday-Friday. In summary, 4 (57%) of the 7 available lanes are allocated to these specific groups with the result only 3 lanes are available for the general public who do not wish to lap swim, for recreational purposes. That is only 43% of the pool.

During the 2017/18 summer we have formed the opinion that the contract is overly restrictive in not allowing for centre management and lifeguards to manage the use of the pool in a fair and equitable manner between the demands of general pool users and the swim club. That is ensuring adequate free space is available for general pool users when there is high demand and lanes are available for both lap and swim club swimmers. As the demand demographic will change from day to day we are of the opinion that lane allocation should be a management decision.

We do recognise that the swim club in particular may prefer the certainty of a minimum lane allocation and note that contracts prior to the 2016 contract required 2 lanes (28.5%) for the Swim Club and 1 for Lap Swimming, a total of 3 lanes (43%). We are of the opinion that requirement struck a fair balance between providing management with the flexibility to ensure equitable allocation of the pool on a demand basis whilst providing the swim club with some baseline certainty.

Accordingly we are seeking Councils approval to vary the agreement reducing the required minimum lane availability for the swim club in para 3.9.2 from 3 to 2.

If it will assist we are happy to have a meeting and discuss the matter further.

Yours Faithfully

John Arthur

Group Manager

Deniliquin Outdoor Pools Incorporated

Ph: 0408 997705

11.26 WEED MANAGEMENT**Author:** Oliver McNulty, Director Infrastructure**Authoriser:** Oliver McNulty, Director Infrastructure**RECOMMENDATION**

That Council approve the project plan for weed management as outlined and commence the process to advertise the funding that is available.

BACKGROUND

Local Land Services (LLS) approached Council in May 2018 and informed it that there was funding available which could be used for weed management. This funding would be transferred to Council to work with the community to identify noxious weeds that could then be treated. A project plan had to be developed identifying how this funding would be utilised for LLS's approval. How this funding would be utilised was at Council's discretion.

Council confirmed with LLS that they would be able to work with the County Council to deliver this funding. \$40,000 was made available and a funding agreement was signed.

ISSUE/DISCUSSION

This opportunity has been discussed with Council and it was agreed that the funds would be best used by providing funding assistance for land owners for managing weeds on private land.

It is proposed that land owners would make an application to Council outlining what noxious weeds, the location and approximate area of weeds to be eradicated. The funding would be made on a 1:1 basis.

All applications would be assessed by a project board made up of Council officers, the County Council and LLS. A recommendation would then be presented to Council for their endorsement for the distribution of funds. The County Council would then work with the land owners for the delivery of works.

The proposed project plan for this has been attached to this report.

This project plan has been developed with LLS and discussion has taken place with the County Council. If Council are satisfied with the project plan officers will advertise this and request applications for funding from the community.

STRATEGIC IMPLICATIONS

This funding and this project will assist Council working with the community and Local County Council to reduce noxious weeds.

COMMUNITY STRATEGIC PLAN

This report aligns with Outcome 3- A valued and enhanced natural environment.

FINANCIAL IMPLICATIONS

This project is fully funded by LLS and will be made available to the community on a 1 for 1 basis.

LEGISLATIVE IMPLICATIONS

NIL

ATTACHMENTS

1.	Project	Plan	-	Weed	Management
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Project Plan

Weed Management – Edward River Council

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Document Control

Document Information

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Document History

Version	Issue Date	Changes
1.0		

1 Project Plan

1.1 Vision

To provide land owners and residents of Edward River Council with assistance to manage noxious weeds on their land holdings.

1.2 Objectives

1. Noxious Weeds identified by land owner (aligned with Murray Regional Strategic Weed Management Plan – priority weeds or weeds of local concern)
2. To provide funding assistance towards the management of noxious weeds on private land holdings.

1.3 Project Background

Local Land Services approached Council in May 2018 and informed that funding was available which could be used for weed management. Council confirmed that they would be in a position to work with the County Council and would avail of this funding. \$40,000 was made available and a funding agreement was signed.

Officers have discussed opportunities with Council and it was agreed that the funds would be best used by providing funding assistance for land owners for managing weeds on private land.

Land owners would make application to Council outline what noxious weeds, the location and approximate area of weeds to be eradicated. The funding would be made on a 1:1 basis.

All applications would be assessed by a project board made up of Council, the County Council and LLS. A recommendation would then be presented to Council for their endorsement for the distribution of funds. The County Council would then work out the land owners for the delivery of works.

1.4 Scope

1.4.1 Inclusions

1. Development of documents and brochures for distribution to inform residents and land owners
2. Assessment of all applications
3. Administration of distribution of funds and collection of land owner contributions prior to works proceeding
4. Delivery of works
5. All reports and records required as part of funding agreements

1.4.2 Exclusions

1. Eradication or removal of weeds that are outside the boundaries of Edward River municipal area.

1.4.3 Scheduling Requirements

1. All works must be identified by December 2018
2. All works will be agreed by Council February 2019
3. Works to be completed April 2019
4. Project closure report June 2019

2 Stakeholders

Stakeholder	Interested in
Director of Infrastructure	To provide oversight and to ensure delivery of requested outcome
Local land Services	Funding provider and to provide guidance to members of project group
County Council	Deliver identified works and provide guidance as a member of the project group
Project Group	To develop project documentation To advertise project To assess applicants and provide advice to Council on successful applicants. This will be dependant on number of applicants, noxious weed identified and scale of works.
Council	Provide decision on distribution of works
Operations Manager	Provide support and advice
Manager Engineering & Assets	Provide support and advice
Manager Environmental Services	Provide support and advice
Manager Finance	Provide support and advice
General Manager	Ensure works are delivered in line with Community Strategic Plan
Community/Residents	Identify opportunities and partially fund identified works

3 Financial Plan

Category	Cost Elements	Estimated Cost
Total Funding		\$40 000
Proposed Breakdown	Whole delivery Administration	\$36 000 \$ 4 000

Funding will be awarded up to a maximum of 50% towards works identified. This will be dependant upon number of applications received and the weeds identified. The Project Group will provide a recommendation to Council for the resolution.

12 REPORTS FROM COUNCIL COMMITTEES

Nil

13 MOTIONS OF WHICH NOTICE HAS BEEN GIVEN

Nil

14 RESCISSION MOTIONS

Nil

15 QUESTIONS ON NOTICE

Nil

16 CONFIDENTIAL MATTERS**RECOMMENDATION**

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 10A(2) of the Local Government Act 1993:

16.1 Contract 2.19.263 - Blighty Netball, Tennis and Community Sporting Facility

This matter is considered to be confidential under Section 10A(2) - d(i) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

16.2 Contract 2.19.265 - Scotts Park Destination Playground Upgrade

This matter is considered to be confidential under Section 10A(2) - d(i) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

17 CLOSE OF MEETING