



**G W Y D I R**  
SHIRE COUNCIL

**MINUTES ORDINARY MEETING**

**GWYDIR SHIRE COUNCIL**

**THURSDAY 26 SEPTEMBER 2019**

**COMMENCING AT 9.00AM**

**BINGARA OFFICE COUNCIL CHAMBERS**

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**Present:**

**Councillors:** Cr. Catherine Egan (Deputy Mayor), Cr. Stuart Dick, Cr Marilyn Dixon OAM, Cr. Jim Moore, Cr. Geoff Smith, Cr. David Coulton, Cr Tiffany Galvin and Cr Frances Young

**Staff:** Max Eastcott (General Manager), Leeah Daley (Deputy General Manager), Helen Thomas (Manager, Finance) and Alex Eddy (Manager, Engineering Services)

**Public:** Nil

**Visitor:** Nil

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Chairman .....

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**OFFICIAL OPENING AND WELCOME – MAYOR**

**APOLOGIES** Cr John Coulton

**COUNCIL RESOLUTION:  
MINUTE 299/19**

**THAT the apology of Cr John Coulton is accepted.**

**FURTHER that Cr D Coulton is an apology for the October Committee Meeting.**

**(Moved Cr Galvin, seconded Cr Smith)**

**CONFIRMATION OF THE MINUTES**

**COUNCIL RESOLUTION:  
MINUTE 300/19**

**THAT the Minutes of the previous Council Meeting held on Thursday 29 August 2019 as circulated be taken as read and CONFIRMED.**

**(Moved Cr Dick, seconded Cr Young)**

**PRESENTATION Nil**

**CALL FOR THE DECLARATIONS OF INTERESTS AND CONFLICTS OF INTEREST**

The General Manager declared a pecuniary interest in Item 1 of the Confidential Agenda relating to his Annual Performance Review.

**ADDITIONAL/LATE ITEMS**

**COUNCIL RESOLUTION:  
MINUTE 301/19**

**THAT the following items, namely:**

- 1. Bingara Riverside Caravan Park, road naming**
- 2. Model Code of Conduct - Gifts and Benefits**
- 3. Certification of the 2018-2019 Financial Statements**
- 4. Internal Audit Committee Resolutions**

**are accepted as late items onto this Agenda for discussion.**

**(Moved Cr D Coulton, seconded Cr Dixon OAM)**

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**COMMITTEE OF THE WHOLE – CONFIDENTIAL ITEMS**

**COUNCIL RESOLUTION:  
MINUTE 302/19**

**THAT the Council resolve into Confidential Session, Committee of the Whole and that in the public interest and in accordance with Section 10A(2)(a) of the Local Government Act, 1993, the public and press be excluded from the meeting to consider the items listed on the agenda.**

**(Moved Cr Young, seconded Cr Moore)**

**ADOPTION OF THE RECOMMENDATIONS OF THE CONFIDENTIAL SESSION**

**COUNCIL RESOLUTION:  
MINUTE 303/19**

**THAT the recommendations of the Confidential Session, namely:**

**General Manager's Performance Review (Ref: 304/19)**

**THAT the report regarding the General Manager's Annual Performance Review is received**

**Monthly Confidential Organisation and Community Development Report for August 2019 (Ref: 305/19)**

**THAT the Confidential Organisation and Community Development report for August 2019 be received**

**Organisational Review**

**THAT the Councillor discussion regarding the organisational review is noted.**

**are adopted.**

**(Moved Cr D Coulton, seconded Cr Young)**

**Item 1 Monthly Councillor Activity Statement for August 2019**

**DELIVERY PROGRAM**

**GOAL: 5. Organisational Management**

**OUTCOME: 5.1 CORPORATE MANAGEMENT**

**STRATEGY: 5.1.3 Administrative functions - GM - internal**

The Councillors' activity schedule for August 2019 commitments is outlined below:

<b>August 2019</b>		
<b>Councillor</b>	<b>Event</b>	<b>Date</b>
Cr J Coulton (Mayor)	Country Mayors Meeting - Sydney	2 <sup>nd</sup> Aug.
	Black Dog Ball - Bingara	3 <sup>rd</sup> Aug.
	Warialda Fire Break Project Group - Warialda	5 <sup>th</sup> Aug.
	Bingara Pool Precinct Meeting – The Roxy	7 <sup>th</sup> Aug.
	Committee Meeting - Warialda	8 <sup>th</sup> Aug.
	GM's Performance review - Warialda	8 <sup>th</sup> Aug.
	BROC Meeting - Walgett	9 <sup>th</sup> Aug.
	CWA Monument Official unveiling - Bingara	15 <sup>th</sup> Aug.
	Entrepreneurial Meeting – Warialda	15 <sup>th</sup> Aug.
Cr Catherine Egan (Deputy Mayor)	Bingara Pool Precinct Meeting –The Roxy	7 <sup>th</sup> Aug.
	Committee Meeting - Warialda	8 <sup>th</sup> Aug.
	GM Performance review	8 <sup>th</sup> Aug.
	Visiting Minister for Aboriginal Affairs The Hon. Don Harwin – Myall Creek Memorial	13 <sup>th</sup> Aug.
	Show Group Meeting - Bingara	14 <sup>th</sup> Aug.
	CWA Monument Official unveiling – Bingara	15 <sup>th</sup> Aug.
	Pulse of the Earth Meeting – Bingara	15 <sup>th</sup> Aug.
	CHSP Advisory Committee Meeting – Delungra	20 <sup>th</sup> Aug.
	Enterprise with Energy – Warialda	22 <sup>nd</sup> Aug.
	Ordinary Council Meeting – Warialda	29 <sup>th</sup> Aug.
Cr David Coulton	Warialda Fire Break Project Group – Warialda	5 <sup>th</sup> Aug
	LEMC Meeting – Warialda	6 <sup>th</sup> Aug.
	Committee Meeting – Warialda	8 <sup>th</sup> Aug
	GM's Performance Review – Warialda	8 <sup>th</sup> Aug.
	CWA Monument Official unveiling	15 <sup>th</sup> Aug.
	Warialda Fire Break Project Group	20 <sup>th</sup> Aug.

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	Ordinary Council Meeting - Warialda	29 <sup>th</sup> Aug
Cr Stuart Dick	RFS Meeting - Inverell	3 <sup>rd</sup> Aug.
	LEMC Meeting - Warialda	6 <sup>th</sup> Aug.
	Committee Meeting - Warialda	8 <sup>th</sup> Aug.
	Guyra RFS captain	13 <sup>th</sup> Aug
	CWA Monument Official unveiling	15 <sup>th</sup> Aug
	Warialda Rail Meeting	16 <sup>th</sup> Aug.
	Ordinary Council Meeting	29 <sup>th</sup> Aug.
Cr Dixon OAM	Bingara Pool Precinct Meeting – The Roxy	7 <sup>th</sup> Aug.
	Committee Meeting - Warialda	8 <sup>th</sup> Aug.
	Bingara Showground User group Meeting - Bingara	13 <sup>th</sup> Aug.
	CWA Monument Official unveiling - Bingara	15 <sup>th</sup> Aug.
	Ordinary Council Meeting - Warialda	29 <sup>th</sup> Aug.
Cr T Galvin	Commemorative Birth Certificate Ceremony – Bingara Toy Library	6 <sup>th</sup> Aug.
	Bingara Pool Precinct Meeting – The Roxy	7 <sup>th</sup> Aug.
	Committee Meeting - Warialda	8 <sup>th</sup> Aug.
	CWA Monument Official unveiling – Bingara	15 <sup>th</sup> Aug.
	CHSP Advisory Committee Meeting – Delungra	20 <sup>th</sup> Aug.
	Country Education Fund – Warialda	22 <sup>nd</sup> Aug.
	Enterprise with Energy - Warialda	22 <sup>nd</sup> Aug.
	Ordinary Council Meeting - Warialda	29 <sup>th</sup> Aug.
Cr J Moore	Warialda Fire Break Project Group – Warialda	5 <sup>th</sup> Aug.
	Reedy Creek Planting	13 <sup>th</sup> Aug.
	CWA Monument Official unveiling - Bingara	15 <sup>th</sup> Aug.
	Warialda Museum Meeting	15 <sup>th</sup> Aug.
	RFS Warialda Council Chambers	20 <sup>th</sup> Aug.
	Ordinary Council Meeting - Warialda	29 <sup>th</sup> Aug.
Cr G Smith	Warialda Fire Break Project Group - Warialda	5 <sup>th</sup> Aug.
	Committee Meeting – Warialda	8 <sup>th</sup> Aug.
	GM’s Performance Review – Warialda	8 <sup>th</sup> Aug.
	Ordinary Council Meeting	29 <sup>th</sup> Aug.
Cr F Young	LEMC Meeting - Warialda	6 <sup>th</sup> Aug.
	Bingara Pool Precinct Meeting – The Roxy	7 <sup>th</sup> Aug.
	Committee Meeting - Warialda	8 <sup>th</sup> Aug.
	BROC Meeting - Walgett	9 <sup>th</sup> Aug.
	CWA Monument Official unveiling – Bingara	15 <sup>th</sup> Aug.

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	Pulse of the Earth Meeting – Bingara	15 <sup>th</sup> Aug.
	NIRW Meeting – Welcome – The Roxy	22 <sup>nd</sup> Aug.
	Ordinary Council Meeting - Warialda	29 <sup>th</sup> Aug.

MAYORAL RECOMMENDATION

THAT the Monthly Councillor Activity Schedule for August 2019 be received

**COUNCIL RESOLUTION:  
MINUTE 306/19**

**THAT the Monthly Councillor Activity Schedule for August 2019 be received**

**(Moved Cr Dixon OAM, seconded Cr Galvin)**

**Item 2 Monthly Executive Report for August 2019**

**FILE REFERENCE**

**DELIVERY PROGRAM**

**GOAL:** 5. Organisational Management

**OUTCOME:** 5.1 CORPORATE MANAGEMENT

**STRATEGY:** 5.1.3 Administrative functions - GM - internal

**AUTHOR** General Manager

**DATE** 5 September 2019

**STAFF DISCLOSURE OF INTEREST** Nil

**TABLED ITEMS** Nil

**IN BRIEF/ SUMMARY RECOMMENDATION**

The monthly Executive report details the activities carried out by the Department during the month of August 2019.

**BACKGROUND**

The monthly Executive report forms part of a regular reporting regime. The purpose of the report is to inform Council of the activities carried out within the Department.

**COMMENT**

**PLANNING REPORT**

The following Development (D/A)/Complying Development (CDC) and Development Modification (s96) applications have been approved for the month of August 2019.

No.	Property Description	Development/ Work	\$	D/A	S96	CDC
8/2019	J Walton Lot 1 DP 747939 2 Brainard Street Bingara	7m x 3.6m Garage with attached 5m x 3.6m Carport	\$5,000	-	-	✓

The following Development (D/A)/Complying Development (CDC) and Development Modification (s96) applications remain outstanding for the month of August 2019.

No	Property Description and Description of Work	Reason	D/A	S96	CDC
35/2015	Copeton Dam State Park 3533 Copeton Dam Road Copeton - Continued use of existing caravan & camping facilities	Development being assessed as an existing use	✓	-	-
49/2016	Ceres Ag 'Gunyaerwarildi' 1470 North Star Road Warialda	Approved in principal awaiting compliance certification or engineering certification for the cabins	✓	-	-

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	- Continued occupation/use of rural worker accommodation being the installation of a number of premanufactured cabins				
2/2018	G & L Hosegood 'Barrak' 163 Upper Whitlow Road Whitlow - 20,000m <sup>3</sup> quarry for Council use	Awaiting Environmental Impact Statement as the quarry is considered designated development	✓	-	-
30/2018	M A Spencer 'Log Cabin' 2213 Gulf Creek Road Gulf Creek - 15,000m <sup>3</sup> quarry for Council use	Request for additional information regarding compliance with Biodiversity Conservation Act 2017 for the removal of vegetation	✓	-	-
35/2018	B Hutchins 63 Bingara Street Warialda - Mixed residential and commercial development including the opening of 'Gully Pub' with a small bar licence and retail antiques business	Request for additional information regarding whether the existing building meets or can meet current fire safety requirements under the National Construction Code for mixed commercial and residential use	✓	-	-
12/2019	Gwydir Shire Council 396 Taron Road Warialda - Quarry	Being Assessed by Planning Consultant independent of Council	✓	-	-
22/2019	Gwydir Shire Council / Estate of W K Hawkins & J M Hawkins 133 Kelly's Gully Road Warialda Rail - Quarry	Being Assessed by Planning Consultant independent of Council	✓	-	-
23/2019	J I Noad Consulting Surveyor P/L / D R & PM Blomfield 970 Cobbadah Road Barraba - 3 Lot Rural Subdivision	Being notified to neighbouring properties and on exhibition on Council's Website for 14 days as required by Schedule 1 of EP & A Act 1979	✓	-	-
24/2019	Gwydir Shire Council / S J Gray 1612 Reserve Creek Road Delungra - Quarry	Being Assessed by Planning Consultant independent of Council	✓	-	-
25/2019	Westbuilt Homes / K F Acres Ironbark Drive Warialda - Dwelling	Being notified to neighbouring properties and on exhibition on Council's Website for 14 days as required by Schedule 1 of EP & A Act 1979	✓	-	-
26/2019	B G Mills 16-18 David Street North Star - Garage	Being notified to neighbouring properties and on exhibition on Council's Website for 14 days as required by Schedule 1 of EP & A Act 1979	✓	-	-
27/2019	AJI Developments 49-51 Maitland Street & 8 Hallman Lane Bingara - Consolidation of 3 Lots into 2 Lots	Being notified to neighbouring properties and on exhibition on Council's Website for 14 days as required by Schedule 1 of EP & A Act 1979	✓	-	-

The following Development (D/A)/Complying Development (CDC) or Development Modification (s96) applications were approved and not previously reported to Council.

No.	Property Description	Development/ Work	\$	D/A	S96	CDC
4/2019	G W & D J Turner Lot 12 Section 42 DP 758111 88 Finch Street Bingara	Demolish existing garage and erect new 2 bay garage with bathroom	\$1,000	✓	-	-

There were no Development (D/A)/Complying Development (CDC) and Development Modification (s96) applications were refused(R)/ withdrawn (W)/ Cancelled (C) for the month of August 2019.

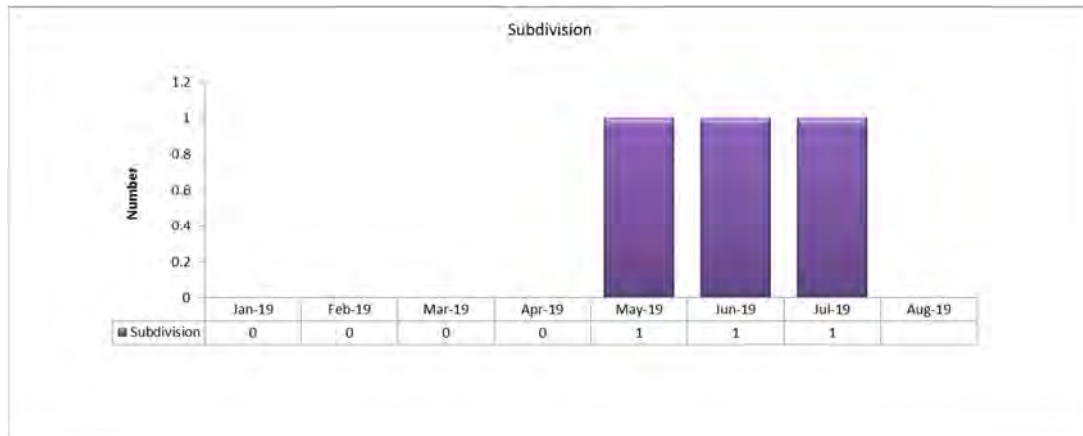
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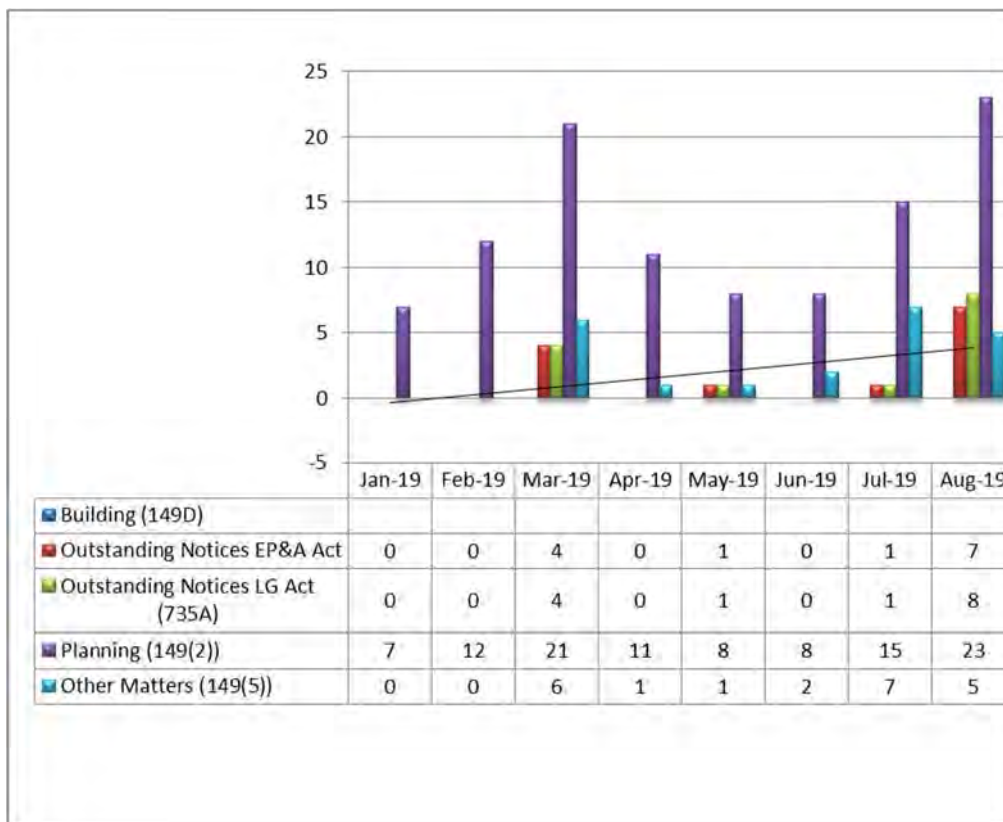
There were no Complying Development (CDC) application/s approved by Private Certifiers and lodged with Council for the month of August 2019.

There were no Development (D/A) and Complying Development (CDC) applications determined where there has been a variation in standards under SEPP 1 or clause 4.6 of the Gwydir Local Environmental Plan 2013 for the month of August 2019.

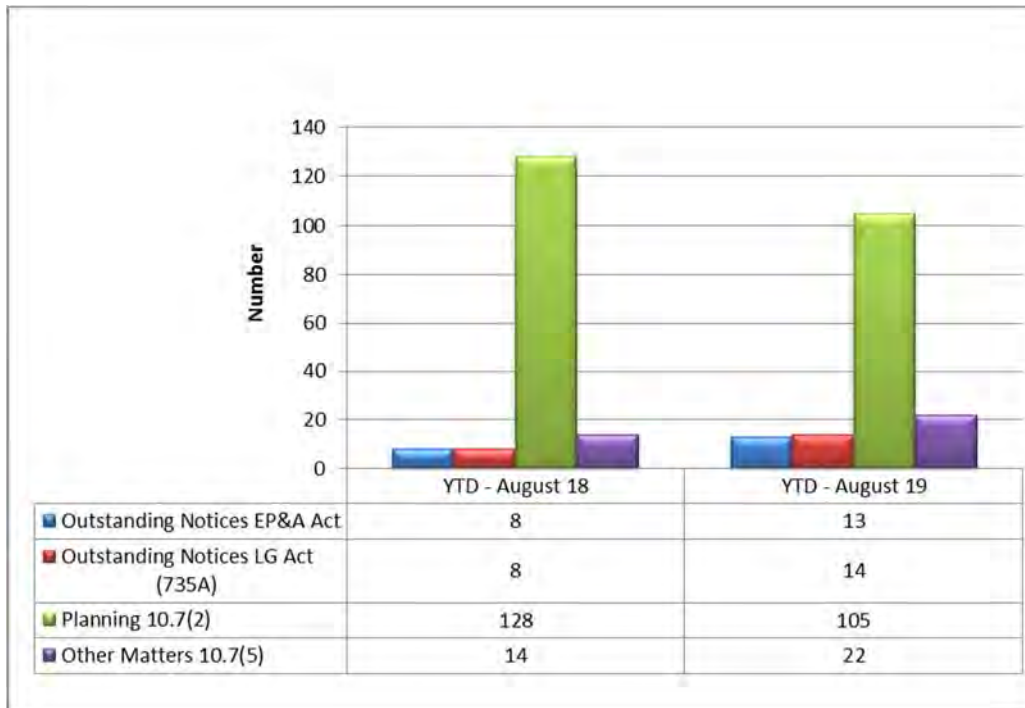
The following Subdivision Certificates were issued for the month of August 2019 and for the previous seven (7) months.



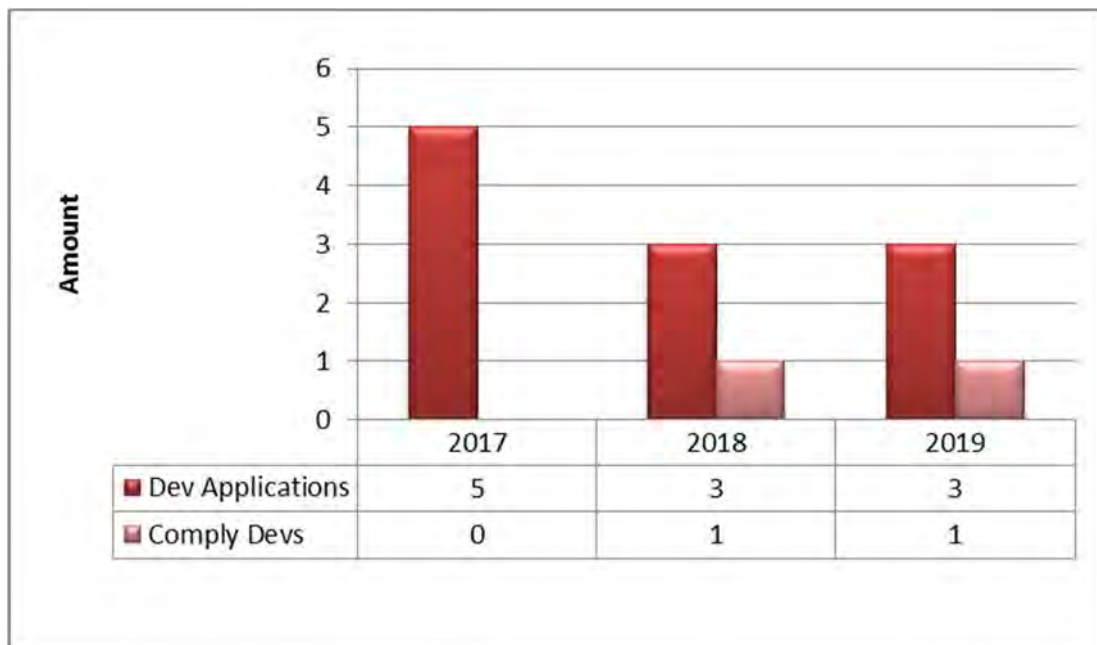
The following graph shows Conveyancing Certificates issued for August compared to the previous seven (7) months.



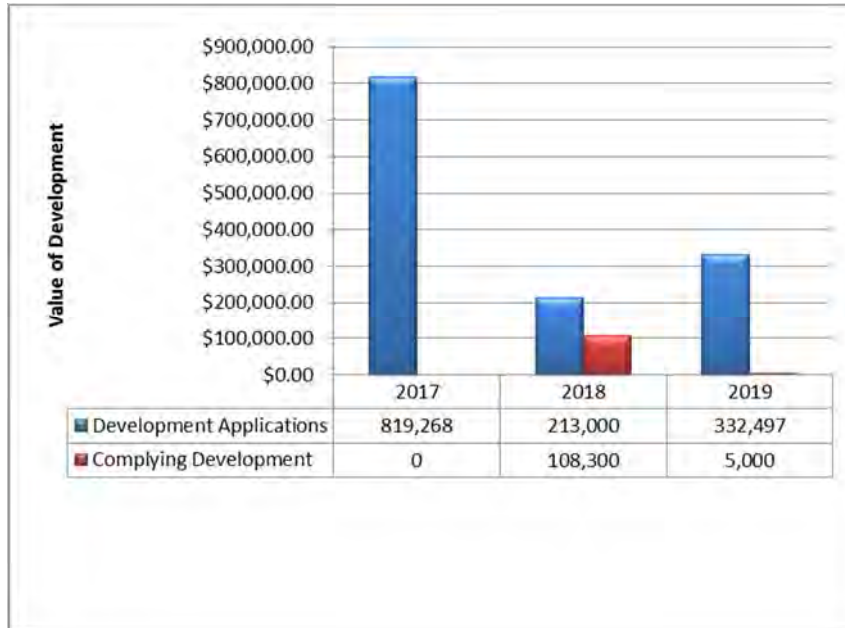
The following graph shows the number of Conveyancing Certificates issued up to and including the month of August 2019 compared with the same period in 2017.



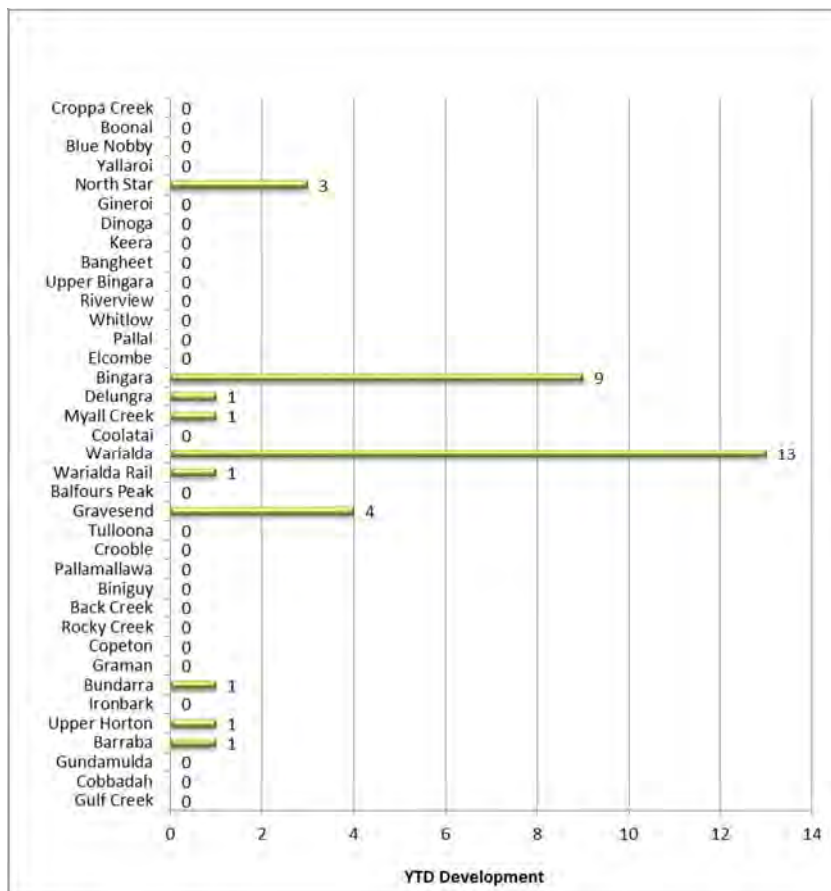
The table below shows a comparison between total applications lodged for the month of August 2019 compared to the last two years (excluding private certifier lodged applications).



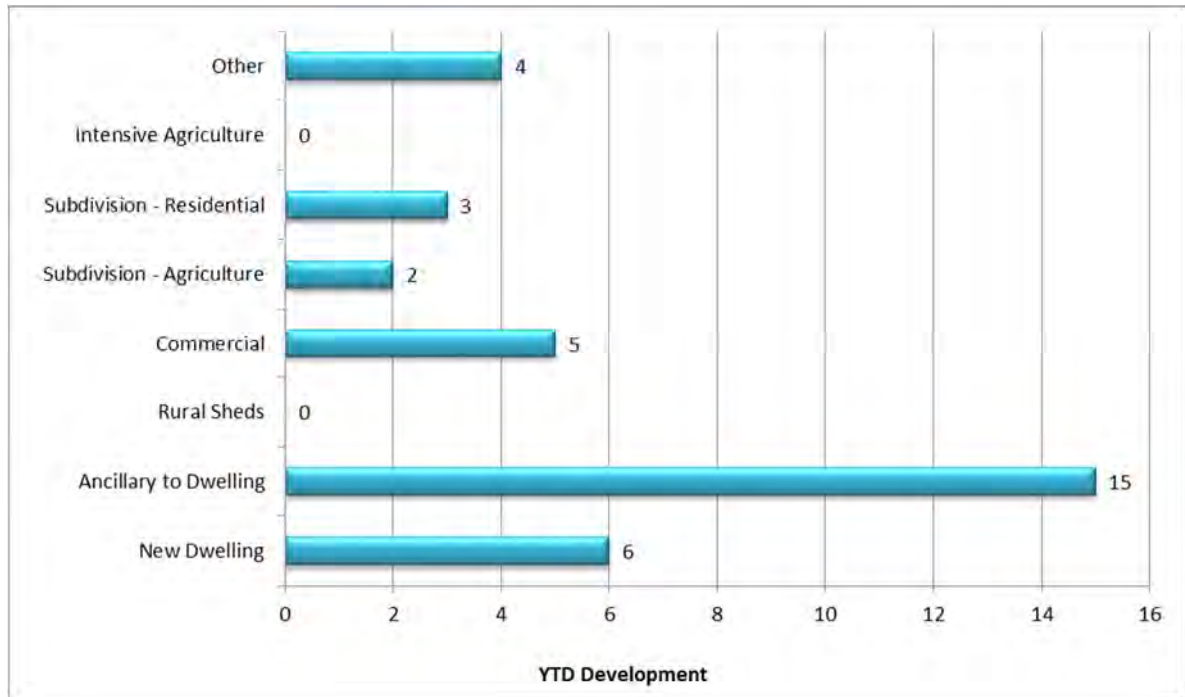
The table below shows a comparison between total applications lodged for the month of August 2019 compared to the last two years (excluding private certifier lodged applications).



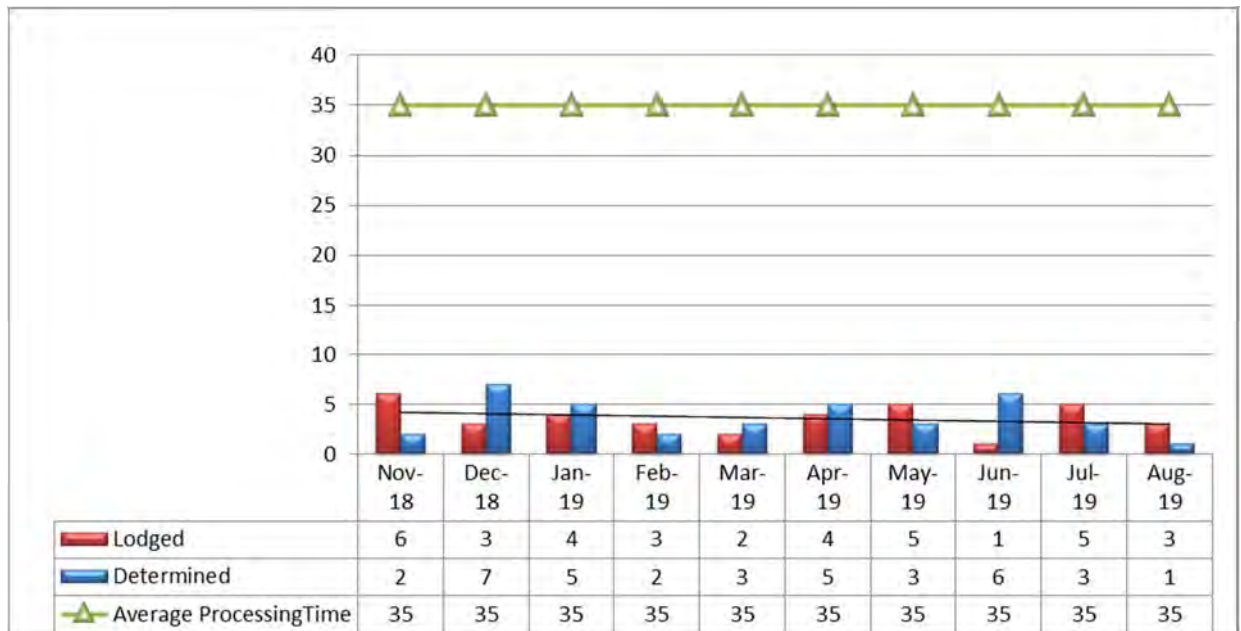
**Development Applications Received for the year by locality – August 2019 (includes private certifier lodged applications)**



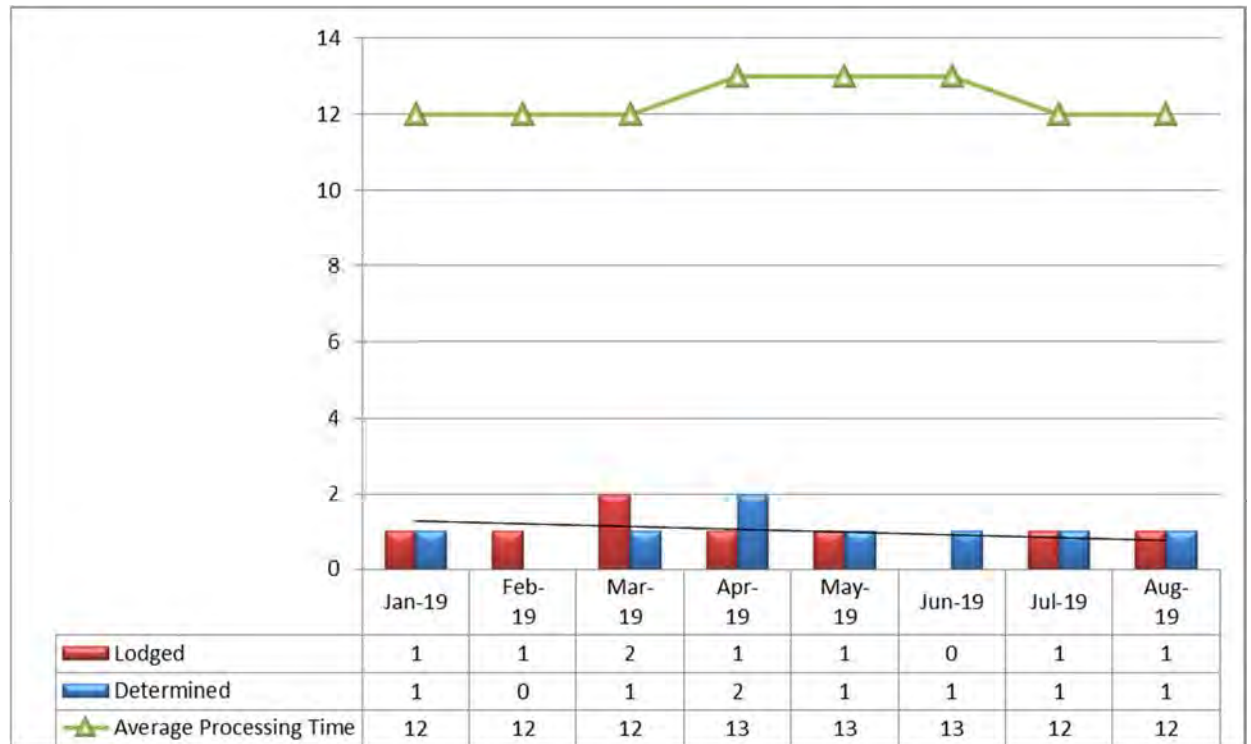
**Development Applications received for the year by type – August 2019**



**Development Applications – nine (9) months (excludes private certifier lodged and approved applications)**



**Complying Development Applications – nine (9) months (excludes private certifier lodged and approved applications)**



**GWYDIR LEARNING REGION (GLR)**

**GLR Automotive Trade Training Centre, Warialda (ATTC)**

**Signage**

A sign for the Automotive Trade Training Centre has been erected at its entrance.

**Heavy Vehicle Training**

Nine Final Competency Assessments (FCAs) were completed during the month of August. These included one Heavy Combination truck, six Heavy Rigid trucks and two Medium Rigid vehicles. In addition to these FCAs three additional clients received full training and assessment to gain their heavy vehicle licences, one for HC and two for HR licences.

**Learner car**

There were 38 bookings for learner driver training made in August. The majority of these were for the Indigenous communities through ACE Community College at Inverell. Two lessons were conducted separately in Inverell and Bingara.

**Usage of The Living Classroom (TLC) during July**

Bingara Community College has continued their “Paddock to Plate” program. They have propagated seedlings in the Nursery and have created two new



kitchen garden beds, one with faba beans (broad beans) and one with garlic. They meet on Mondays and Tuesdays with a supervisor and currently 6 students – 7 attending

Ten members of the U3A group spent a morning reconstructing the strawberry bed at TLC during August, removing weeds, constructing a meandering gravel pathway and separated strawberry ‘daughter’ plants from their ‘mothers’.



*U3A group at work in the strawberry patch at TLC*

Twenty attended the Regional Catholic Teachers Association 2 day Workshop at TLC.

Members of the GSC Parks and Gardens crew constructed a protective fence and access gate around the new Weather Station.



80 people attended an Indigenous Culture day conducted by the Bingara Central School at TLC in August. The focus was on food, dance and story-telling.

The pad base for the stage that will be used for the Pulse of the Earth Festival in September has been built at TLC.

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Seven members of the Committee organising the PULSE of the Earth Festival and Groundswell met for a meeting at TLC.

The NW Local Land Services conducted an information day at TLC hosted by Anne Coote – 20 attended.

The signs for the plant varieties to be trialled within the Nourish: Bush Tucker Garden at TLC have been completed and are with the printers. The signs have been produced by Northern Slopes Landcare Association with much of the work having been done by Jodi Kelehear. (See. Each Pod will have SIX featured plants.)



mock-ups below showing the Pod names and the colour schemes

The Gwydir Learning Region conducted a Workshop titled “Getting the Most out of Social Media”. It was attended by local business people, staff from Bingara Central School and GSC staff. The presenter was Glen Innes writer and media blogger Michael Burge – 11 attended.

The Bingara Garden Club conducted their Monthly Meeting at TLC. GLR Manager gave a presentation and invited them to consider an ongoing

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arrangement with the Classroom being made available for their meetings in exchange for some gardening work. (22)

The Inverell Bird Group visited TLC for an observation session. They spotted 52 species of birds including a rare and endangered Snipe. (9) *The birds observed are listed below.*

Brown treecreeper	Grey fantail	Eastern yellow robin
Wedgetailed eagle	Australian darter	Coot
Eastern rosella	Pied cormorant	Mistletoe bird
Blue bonnet	Eastern snipe	Brown honeyeater
Apostle bird	White browed scrubwren	Yellow billed spoonbill
Galah	Duskey moorhen	Little corella
Magpie	Australian grebe	White throated treecreeper
Red winged parrot	Crow	Lorikeet
Yellow throated honeyeater	Raven	Spotted pardolote
Crested pigeon	House sparrow	Brown throbill
Indian myna	Yellow thornbill	Golden whistler
Starling	Striped honeyeater	Turquoise parrot
Sulphur crested cockatoo	Restless flycatcher	<i>Pelican</i>
Nankeen kestrel	Striated pardolote	<i>Ibis</i>
King parrot	White plumed honeyeater	<i>Egret</i>
Australian wood duck	Tree martin	<i>Whistling duck</i>
Kookaburra	Spiny cheeked honeyeater	<i>Teal</i>
Welcolm swallow	Yellow faced honeyeater	<i>Harrier</i>
Pied currawong	Pale headed rosella	<i>Black shouldered kite</i>
Magpie lark	Willy wagtail	<i>White breasted sea-eagle</i>

**Other GLR Matters**

The GLR Manager and the General Manager met with Bingara Central School Principal, Brooke Wall and teacher, Charles Mill to discuss the prospects for the School’s Cattle Club using TLC.

**CARAVAN PARKS**

**Bingara Riverside Caravan Park**

Two permanent residences have been sold at the Bingara Caravan Park. New residents moved in on 29 June 2019 and 15 August 2019 respectively. The residents have settled in and are a positive presence in the park.

Permanent residents have been notified in writing of the Council’s adopted rental increase and this will come into effect after the legislated notification period.

Four of the older cabins in the Riverside Caravan Park have been listed for sale with local real estate agents.

Council's GIS staff have created a site map of the park which includes new site numbers and street names. When this map is finalised it will be available to visitors and erected at the park entrance.

**\$231,395 Upgrade for Bingara Riverside Caravan Park**

Northern Tablelands MP, Adam Marshall, recently announced a \$231,395 State Government grant to upgrade the Bingara Caravan Park's amenities block and construct a new caretaker's residence. The residence will be a three bedroom kit home with office, which Council hopes will house a family when the caretakers' positions next become available. Council will also use the funds to modernise the female toilet facilities which were built in the 1970s.

**Warialda Caravan Park**

Council staff will also create a site map for the Warialda Caravan Park. This will be made available to visitors together with an explanation as to how to book and pay for a site as requested by Council at its August meeting.

**SECTION 355 COMMITTEES**

**Bingara Anglers' Club**

The Club submitted an Expression of Interest for funding under the Federal Government's Communities Environment Program. This submission has successfully passed the first stage of assessment. The submission is for an upgrade of the hatchery to improve the existing breeding ponds and construct a tank, pump and filtration system with appropriate fencing and protective cover. The amount requested is \$20,000 and the estimated total cost of the project is \$45,000 (using in kind labour of volunteers and use of Council's plant and equipment).

**Gravesend Community Group**

The Gravesend Community Group held its Annual General Meeting on 31 July 2019. The Group reports that the Hall renovations are progressing well. The re-stumping, flooring, roof (including guttering), wall relining and roof cavity electrical cabling have been completed.

Works are currently being undertaken to construct internal steps, rear access stairs and handrails required after releveling.

The group has submitted another funding application under the FRRR Tackling Tough Times for the installation of air conditioning, installation of emergency exit doors and further wall relining. Advice as to whether this application is successful is expected by the end of November.



Gravesend Hall

The remaining renovation components, which require external funding, are to paint the building’s interior and exterior.

**Warialda Rail Recreation Reserve and Gravesend Recreation Land Management Committees**

Council has advised the Crowns Land Office of its June Council resolution (Ref: 178/19) and expects the Office to transfer management of the said reserves to Council by the end of October 2019.

**Myall Creek Memorial - Liaison**

On Tuesday, 13 August 2019, Cr Catherine Egan and senior Council staff met the Hon Don Harwin, NSW Government Minister for the Public Service and Employee Relations, Aboriginal Affairs and the Arts, and Member for Northern Tablelands, Adam Marshall, at Myall Creek at the invitation of the Friends of Myall Creek Memorial Committee.

The group were joined by local Aboriginal Elders and many school students from Bingara, Warialda, Inverell and Bundarra at the memorial site. Guests enjoyed several traditional songs and dance performances followed by a picnic lunch all organised by Council.



The Hon Dan Harwin, Adam Marshall MP, local elders and school children at Myall Creek Memorial Site



Smoking Ceremony at Myall Ck

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Carmen Southwell was invited to speak at the Reconciliation Australia Symposium held at Blacktown on 30 July 2019. The main attendees were from local government as the goal for the event was to inform and encourage councils to engage with local reconciliation community groups and Indigenous communities to advance reconciliation within the wider community. Reconciliation Australia deems Gwydir Shire Council as a leader in Local Truth Telling and an exemplar of 'best practice'.



Visual Scribe by Gavin Blake at Reconciliation Australia's recent Symposium

### Cranky Rock Recreation Reserve

Two replacement Onsite Septic Management Systems were installed at the Cranky Rock Recreation Reserve during the reporting period, one at the residence and one for the Reserve. The systems were installed by an external contractor within budget and are compliant.

The Reserve continues to be presented in an exceptional manner by the onsite caretakers. The caretakers and Council staff continue to receive a great deal of positive feedback on the tourism and safety infrastructure which includes extensive interpretive signage, bollards, replacement boundary fencing, closure of one walkway, installation of benches and sealed walkways.

### Property Management

Council currently has 29 properties which it leases out and manages. Council also leases St Mary's School in Riddell Street, Bingara and sub leases areas of the building to ensure community and legal services are available locally.

**Whitfeld Place, Bingara:** A new tenant has moved into Unit 1 on 12 August 2019. Unit 2 remains vacant. Council staff continue to liaise with Australian Unity Services, CHSP, and community nurses to try and find a suitable tenant.

**113 Long Street, Warialda:** The tenant vacated the premises on 26 June 2019. Upon vacation, Council advertised the vacancy and received four applications. Of these, two were deemed eligible for such housing, however both declined. After a recent house fire in Warialda, a family has moved into

the residence temporarily. The rental is market value and will be covered by their insurance cover.

**Warialda Visitor Information Centre:** The Warialda Visitor Information Centre has a new tenant as of 29 June 2019. The new business owner has entered into a lease with Council and is operating as the aptly named Country Dust Café.

**28 Maitland Street, Bingara:** The sale of the National Australia Bank, 28 Maitland Street, Bingara settled on 6 September 2019. The property was well presented when placed on the market due to the work undertaken by the casual staff employed under the federally funded Drought Program.

**10 Olive Pyrke Terrace, Warialda:** This property is currently rented as a commercial rental. The tenant moved in on 4 July 2019. This rental is managed by a local real estate agent.

**Aged Care Units:** Residents of Council’s aged units have been notified in writing of the Council’s adopted rental increase and this will come into effect after the legislated notification period.

**Warialda Memorial Hall:** Country Rugby League vacated their rented office at the Warialda Memorial Hall on 8 August 2019.

**Former Warialda Standard Office:** The office previously rented by Warialda Standard is now handled internally. A book entry is made for the market value rental so Council can track the operational cost of the newspaper.

**Scout Hall, Bingara:** The Scout Hall in Bingara continues to be occupied by The Patriots Club who are undertaking renovations of the building. To date they have painted the exterior of the building (including weatherboard repairs and replacement), removed a disused and damaged tank and stand, undertaken plumbing repairs, and constructed an external door to the rear of the Hall. Current projects include the replacement of guttering, construction of stairs to the new door, and enclosure of the front landing. Council has provided materials and the volunteers have provided the labour. The continuing use of the Hall by the Club is enhancing the presentation of the Gwydir Oval and complements the refurbished grandstand. The other current users of the Hall will continue to have access.



*Bingara Scout Hall*

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**MEDICAL CENTRES and RESIDENCES**

**Bingara Medical Centre**

The carport has been completed at the Bingara Medical Centre. Council acknowledges the generous donation by Dr Neil Wearne.

**Bingara Doctor's Residence**

The 84 Finch Street residence which is currently occupied by Doctor Lushanth and his family has been renovated. The renovation included installation of a dishwasher, replacement of back sliding and front security door, painting of the bathroom ceiling, installation of a blind over the back sliding door, removal of old curtain fittings, installation of air conditioning in the main bedroom, and replacement of the garage roller door. The family expressed their gratitude for these works and are planning to remain in Bingara for at least three years. They recently welcomed their baby girl, Keira, born on 24 August 2019.

Dr Lushanth has plenty to celebrate, with not only the birth of his new daughter, he is also celebrating his success in being accepted into the Remote Vocational Training Scheme. This is a highly sought after and greatly contended national scheme that provides medical practitioners with structured distance education and supervision allowing them to remain working in rural and remote areas while they continue to train. This augurs well not only for Dr Lushanth, but also for Bingara, meaning he can continue study without compromising the provision of medical services in Bingara.

**Warialda Medical Centre**

Warialda has welcomed Registrar, Dr Beatrice Bimacali, who started at the medical centre on 5 August 2019. Dr Beatrice is a valuable new member of the RaRMS team and is part of the GP Synergy Training Program.

Council resolved at its 28 March 2019 Ordinary Meeting (Ref: 71/19) 'to sponsor a grant application for \$200,000 for the Warialda Medical Centre upgrade' under the NSW Government My Community Project funding program. Unfortunately, Council was unsuccessful with the submission and the project did not proceed to the public vote.

**SWIMMING POOLS**

**Warialda Swimming Pool**

In preparation for the upcoming season, the following works have been undertaken at the Warialda Swimming Pool: plant room and main power board upgraded, pool and surrounding hob painted, benches repaired and painted, rock area fenced off (for security), perimeter fence repaired, kiosk entry floor repainted, and plant room backwash cement hob replaced. The works were completed within budget.

The lessee plans to open the pool two weeks in advance and will monitor the effectiveness of the new heating infrastructure and blankets. This period is at the expense of the lessee and of their own initiative.





*Painting works at Warialda Memorial Swimming Pool*

**Bingara Swimming Pool**

A public meeting was held on Wednesday, 7 August 2019 to discuss the Bingara Swimming Pool Precinct.

At this meeting Gwydir Shire Council advised the attendees that over the last twelve months Council had sought advice from three independent specialists as to whether the 33 metre pool can be repaired. All three stated, after extensive onsite assessments, that the pool cannot be repaired and needs to be replaced.

In addition, Council advised that no further monies will be invested in trying to repair the ageing and damaged structure as nothing will overcome the instability of the south-western corner and the area where the water is continually leaking through.

Council has obtained an opinion of costs for the construction of a 25 metre pool with six lanes and an access ramp and stairs with a 2.5 metre depth being \$1,374,900.



*Damaged tiles at Bingara Swimming Pool*

These costs include the demolition and removal of the existing 33 metre pool, engineered fill to the excavation area, services augmentation, re plumb the existing filter system, a new above ground backwash detention tank, and new concourses to link the proposed new splash pool and amenities building.

At the meeting, Council also described the new splash pool and activities building which is externally funded by the NSW and Federal Governments.

This splash pool project will include the demolition and removal of the existing wading pool, engineered fill to the excavation area, services augmentation, a new plant room, balance tank, filtration plant and UV filter, new concourses, shade structures and a new shallow water splash pool structure including water features.

The activities building will include the upgrade of the existing amenities, construction of a new all access amenities, upgrade of the existing kiosk and construction of a new activity room.

Initially, Council had considered constructing a splash pad but after consultation with the community stakeholders it was felt that a splash pool with a body of water which allows toddlers to float, blow bubbles and become water aware was the preferred option.

The attendees at the meeting unanimously supported Council to proceed with the construction of a new 25 metre pool. Councillor Catherine Egan, Deputy Mayor, stated at the meeting that Council will seek further external funding for the new pool.

The Bingara Swimming Pool will open as normal this season. A priority has been to identify and repair tiles in the pool to minimise the number of minor cut injuries. The condition of the pool's tiles will be monitored throughout the season.

### **COUNCIL'S CLEANING CONTRACT**

Council is yet to undertake a tender process for its cleaning contract. However, the tasks undertaken by contracted staff continue to be of a high standard. During the reporting period, in addition to the scheduled regular program, cleaning was completed at:

Warialda Access Toilets (on Reedy Creek) – call out

The Bingara Orange Festival - Civic Centre, Bingara

Warialda Wombats – home games – Recreation Stadium, Showground, Warialda

10 Olive Pyrke Terrace, Warialda – vacancy clean

113 Long Street, Warialda – refresh clean before re-letting

Unit 2 Whitfeld Place, Bingara – refresh clean due to long vacancy

Unit 1 Plunkett Street, Warialda – refresh clean before re-letting

Enterprise with Energy Launch - Warialda Memorial Hall

National Australia Bank, Bingara – refresh clean before settlement

The following Council buildings were added to the contract cleaning program:

Amenities at the All Abilities Park, Warialda

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Amenities at the Warialda Cemetery

Delungra CHSP Day Centre

At Council's August meeting, the cleanliness and condition of the public amenities in Cunningham Park, Bingara was raised. Public amenities are cleaned once a day early in the morning. Following the meeting the toilet doors had new locks fitted and the cistern repaired.

**GOVERNANCE**

Council staff assisted Councillors with the completion and lodgement of the NSW Electoral Commission disclosures.

Council staff are currently reviewing Human Resources policies. The draft policies will be presented to the Consultative and Safety Committee Meeting over the coming months and then, following feedback, the final drafts will be adopted by Council under delegation.

**Declarations of Interest**

<b>Declarations of Interest</b>	<b>Pecuniary - significant</b>	<b>Pecuniary – less than significant</b>	<b>Non-Pecuniary - significant</b>	<b>Non-Pecuniary – less than significant</b>
July - Committee	0	0	0	0
July – Ordinary	0	0	0	0
August - Committee	0	0	0	0
August - Ordinary	0	0	0	0

**Customer Service Requests**

<b>Customer Service Requests</b>	<b>Building Services</b>	<b>Technical Services</b>	<b>Town Utilities</b>	<b>Environmental and Sustainability Services</b>
July - Requests Received	14	45	19	13
July – Requests Completed	13	45	19	12
July – Requests Pending	1 open with notations	nil	nil	1 open with notations
August – Requests Received	15	84 * includes water delivery requests	25	24
August – Requests Completed	12	84	23	20
August – Requests Pending	3 open with notations	nil	2 open with notations	4 open with notations

**OFFICER RECOMMENDATION**

THAT the Monthly Executive Report for August 2019 be received

**ATTACHMENTS**

There are no attachments for this report.

**COUNCIL RESOLUTION:  
MINUTE 307/19**

**THAT the Monthly Executive Report for August 2019 be received.  
(Moved Cr Young, seconded Cr Galvin)**

**Item 3            Monthly Organisation and Community Development  
Report for August 2019**

**FILE REFERENCE**

**DELIVERY PROGRAM**

**GOAL:**            5. Organisational Management

**OUTCOME:**    5.1 CORPORATE MANAGEMENT

**STRATEGY:**   5.1.3 Administrative functions - GM - internal

**AUTHOR**        Organisational and Community Development Director

**DATE**            5 September 2019

**STAFF DISCLOSURE OF INTEREST** Nil

**IN BRIEF/ SUMMARY RECOMMENDATION**

The monthly Organisation and Community Development report details the activities carried out by the Department during August 2019.

**BACKGROUND**

The monthly Organisation and Community Development report forms part of a regular reporting regime. The purpose of the report is to inform Council of the activities carried out within the Department.

**COMMENT**

**AGED CARE SERVICES**

**Naroo Aged Care Facility, Warialda**

**Current Occupancy**

**Occupancy:**    36/36 with one resident in Naroo on respite care but will remain permanently. There is a waiting list.

**Meetings:** General staff meeting held on 21 August was well attended. Results from Royal Commission and New Aged Care Standards were discussed.

**Recruitment:** Two casual kitchen hands have been recruited and have commenced orientation.

**Building Works:** Plans for kitchen extension have been completed. Awaiting tender results. Kitchen staff are aware of the need to commence planning with Management on how food services will be implemented when work commences.

**Activities:** During August residents enjoyed 'Flower Power day' and some enjoyed the regular shopping trips.

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**Naroo Staff Training – year to date**

<b>Staff Training</b>	<b>Attendance</b>
Montessori Workshop Dementia activities - Goondiwindi	1 x Activities officer
Dementia Essentials Course - Inverell	4 x staff
Cultural Diversity in Ageing	In progress
Must read – Open Disclosure Policy	In progress
Must read – Dignity of Risk Policy	In progress
Must read – Management of Witnessed/Unwitnessed Fall	In progress
Elder Abuse – All staff	100%
Food Safety Handling – Kitchen Staff	In Progress
Use of Restraints – Care staff	In Progress
Medication Management – Use of Syringe Driver – Care staff	In Progress
Must read - Drug and Alcohol Policy	94%
Must read - Employee Assistance Program	94%
Must read - Code of Conduct	48%
Must read - Recover at Work Policy	48%

**Naroo Bond Report – August 2019** is Attachment 1

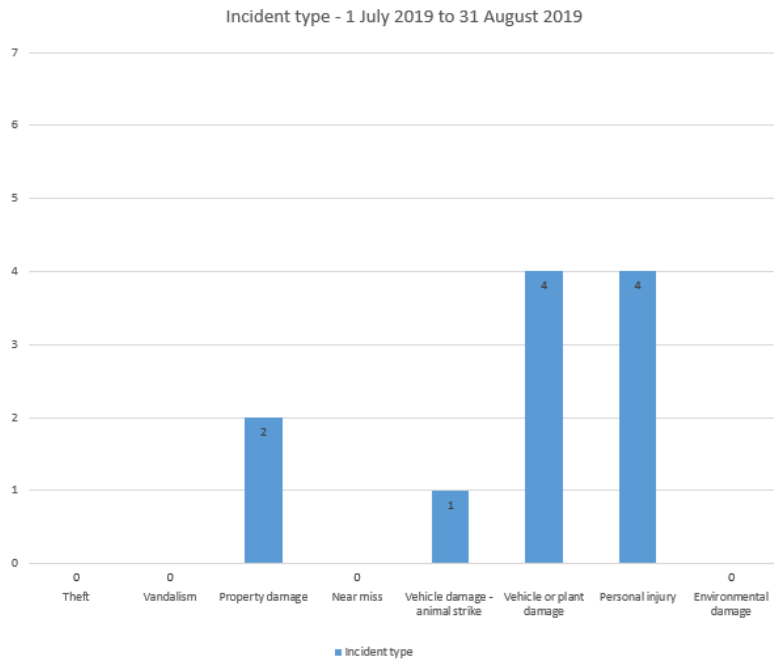
**WHS Report – August 2019**

**WHS Performance Summary for August** is Attachment 2.

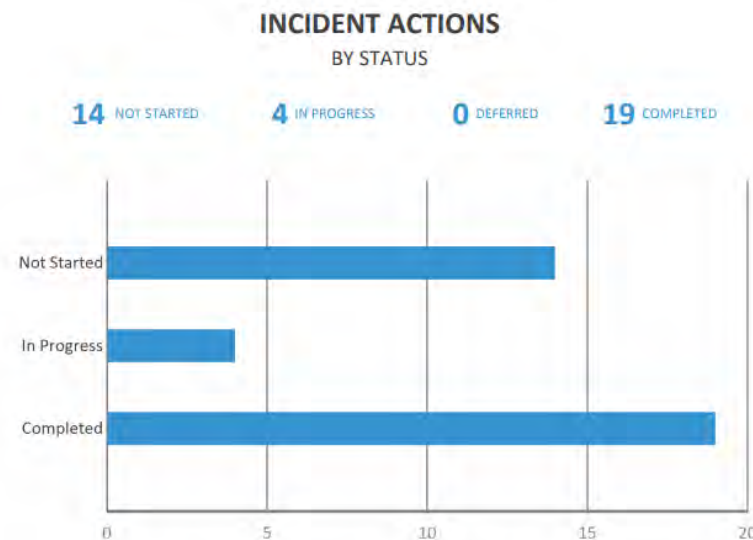
There were 7 incidents reported in August 2019: three vehicles damaged (1 private), two personal injuries, one kangaroo strike and one property damage incident where a water truck carrying out a water delivery broke a 240v service line to a house.

The total number of incidents is summarised below.

**Incident Type**



**Incident actions**



**New significant incidents**

On Wednesday 28 August, a Council watercart impacted and broke a live 240v service line while carrying out a potable water delivery at Warialda Rail. There were no injuries or damage apart from the service line which was replaced within two hours by Essential Energy. The incident was reported to SafeWork NSW who advised that the incident did not require a formal investigation. The investigation by Council staff concluded that the operator was not following correct procedures and that the service line was not identified in a site induction and controls put in place to manage the risk. Additional training has been arranged to address the issue.

**Significant issues for management consideration - Nil**

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**Gwydir Shire Commonwealth Home Support Program – Bingara, Delungra and Warialda**

<b>AUGUST 2019</b>	<b>BINGARA</b>	<b>DELUNGRA</b>	<b>WARIALDA</b>
<b>DAY CENTRE</b>			
Total active clients	100	20	103
Clients receiving service	40	13	52
Total Meals	31	48	156
Hours Clients Receive in Centre	447	114	405
<b>SOCIAL SUPPORT</b>			
No of Clients	40	13	52
Individual Hrs	4	0	49
Group Hrs	443	114	356
Total Hours Received	447	114	405
<b>FOOD SERVICE (Meals on Wheels)</b>			
Clients	5	0	3
Meals	80	0	57
<b>TRANSPORT</b>			
Number of Clients	32	3	21
Number of Trips	127	12	76
<b>TRANSPORT - YOUTH</b>			
Number of Clients	0	0	0
Number of Trips	0	0	0
<b>ACCESS BUS - INVERELL</b>			
Number of Clients	15	1	7
Number of Trips (per month)	2	2	2
<b>VOLUNTEERS</b>			
No of Volunteers for the Month	4	3	36
Monthly Volunteer Hours	412	36	533
<b>ACCOMMODATION UNITS FOR AGED</b>			
Occupancy	6/6	0	13/13

**BINGARA CHSP**

August was yet another busy month for Bingara CHSP.

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The regular Tuesday morning teas are averaging 15 - 18 clients.

The regular clients attending the day centre are busy knitting a variety of squares which go to a charity called Wrapped with Love and are made into blankets. They are then distributed throughout Australia to anyone in need.

The unsold items from the Orange Festival have been donated to Westmead Children’s Hospital in Sydney.

Coordinator attended an informative two day Transport Forum in Narrabri during August.

Two clients were transported to Ag Quip this year.

**WARIALDA / DELUNGRA**

Transport numbers have been average during August.

Clients enjoy bingo and lunch at the centre on Mondays.

Five Warialda clients enjoyed an outing to Inverell for lunch and a little shopping during August.

The quarterly Advisory Committee meeting was held at Delungra Day Centre in August.

The Delungra Day Centre will now be cleaned by contract cleaners fortnightly. A request has been made to Council’s Building Services to repair/replace part of the side fence.

**Roxy Theatre Monthly Report – August 2019**

**Usage of the Theatre**

Date	Purpose	Numbers
3 August	Black Dog Ball – Theatre Donated	Approx. 130
14 August	The Twits – Live Performance	Approx. 170
25 August	NWTC – Film Club	30
28 August	Centrelink Mobile Van – Foyer Area	43

**Conference Room**

Date	Purpose	Numbers
7 August	GSC Meeting – Bingara Pool	Approx 15
22 August	Northern Inland Regional Waste <u>mtg.</u>	Approx 15
29-30 August	<u>Resurg</u> meeting	Approx 15



The Black Dog Ball committee held another successful event in the Roxy Theatre with the emphasis on giving back to the people rather than raising funds this year. The Black Dog team and their many volunteers decorated the theatre in simple elegance and the event was well attended by approximately 130 guests.

The use of the Theatre, Trade Training Kitchen and Candy Bar was again kindly donated by Gwydir Shire Council.

Five of the primary schools in Gwydir region attend the live puppet performance of Roald Dahl's the Twits at The Roxy in August. A total of 155 students along with their teachers from Bingara Central School, Croppa Creek Primary School, St Joseph's Primary School Warialda and Barraba and Tulloona Primary Schools thoroughly enjoyed the hour long performance.



Primary School, St Joseph's Primary School Warialda and Barraba and Tulloona Primary Schools thoroughly enjoyed the hour long performance.

The Principal from the Tulloona School advised that the children talked about the performance all the way home and were still excited about it the next day.



**ECONOMIC DEVELOPMENT**

**Retail Revamp Workshop** - presented by Visual Experience in partnership with Gwydir Shire Council and the Office of the NSW Small Business Commissioner.

Local Bingara businesses were provided with the opportunity to participate in a two-stage retail revamp workshop during August. The first stage covered the theory of visual merchandising where retailers gained valuable and practical skills from visual merchandising expert Carol Bagaric, learning how to make better use of space, product arrangement, and signage to tell the story of their

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product or service and be empowered to take on the challenging times head on.

As part of the second stage Carol visited each retail store one-on-one to advise on potential changes to improve visual presence and increase sales.

The works shops were extremely well received by all.



*One suggested change for the window in the Bingara VIC*

### **Enterprise with Energy**

'The Idea Factory – Enterprise with Energy' was launched at the Warialda Town Hall on 22 August 2019. This is a joint initiative between Warialda High School and Gwydir Shire Council that aims to encourage Warialda High school students, as well as others with great business ideas, to jump in and start their own small business.

The initiative will see budding entrepreneurs submit their business idea to a panel of judges. Along the way, these applicants will be provided with advice and support to fully develop their concept, and to ensure their ideas become a viable and sustainable business. Information such as budgeting, business planning, marketing and tips to navigating red tape will be provided through access to expert business advisors.

To further assist, each applicant will be assigned with a business mentor. These mentors are local business men and women with extensive experience in their chosen field, who will advise and guide the start-up on a range of business matters.

An added incentive of \$500 for the best high school business ideas, and \$1,000 for the best community business idea was also announced on the evening to help get the winning ideas off the ground.

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Through this initiative, Warialda High School and Gwydir Shire Council are hoping to inspire a new generation of entrepreneurs, and help them navigate the difficult task of starting a business.

Special guest speaker, entrepreneur and author, Justin Herald, inspired the audience with the story of his meteoric rise to success. Justin is known for taking his last \$50 and turning it into a \$30 million global brand called Attitude Inc. Since selling his business five years ago, Justin has gone on to write eight international best-selling books, and was named the International Entrepreneur of the Year in 2006.

Representatives from Services NSW's Easy to Do Business program and the NORTEC Small Business Advisory Service were also on hand offering support and advice to those attendees considering starting their own business.

The launch marks the first stage of the initiative with applications open until Friday 11 October. Those interested in submitting a business idea are urged to visit the Gwydir Shire Council website to download an application form.



*Guest speaker Justin Herald and Principal of Warialda High School Shelly Way.*

**CWA Monument Launch - Bingara**

On 15 August, 100 years of the CWA of NSW was recognised with the unveiling of a monument in recognition of the centenary.

A large number of community members were in attendance along with representatives from Gwydir Shire Council and over 70 members of the CWA of NSW from across the state who travelled from as far away as Dubbo and Sydney. Also in attendance were members of the local Munro family, direct descendants of Grace Emily Munro, the founder and first president of the Country Women's Association in 1922.

Mrs Grace Munro's grandson, Hugh Munro, addressed the crowd and relayed fond memories of his grandmother and her determination and tenacity.

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Former Associated Country Women of the World President Mrs Ruth Shanks AM officially launched the memorial on behalf of Mrs Jenny Mitchell OAM, and past president of CWA of NSW, who was the driving force behind the establishment of the monument.

The project was made possible by the Federal Government’s Drought Communities Program with assistance by the Gwydir Shire Council. The launch event was an initiative of Gwydir Shire Council.



*Mayor John Coulton and some of the guests attending the opening of the CWA Monument in Bingara*

**Gwydir Newspaper**

Now in the fourth week of ownership, Council staff have risen to the challenge of coordinating the newly acquired Gwydir News. Former Gwydir News staff member Ann Brien has been retained for two days a week coordinating accounts and distribution of the publication. Nikki Adams has been seconded to the role of editor and is doing an excellent job publishing the paper each

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week, making improvements with every issue. Nikki is commended for her adaptability and dedication to the project. A third staff member to be based in Bingara for two days a week covering the stories in the south of the shire and selling advertising sales is currently being recruited.

**Staffing**

The part time Bingara Services NSW Officer has replaced Nikki Adams as the full time Warialda VIC/Services NSW Officer. A new part time Bingara Services NSW Officer has been recruited and is currently undergoing training in Parkes for four weeks to learn the Services NSW systems. This officer will also assist at the Warialda Services NSW Centre and VIC two days a week.

**Gwydir Libraries**

**Be Connected Tutorials for seniors**

	Participants for month
Bingara	15
Warialda	7
<b>Total</b>	<b>22</b>

**Statistics**

	Bingara	Warialda	GSC members total
Door Count	1166	585	
PC usage	119	126	
WIFI usage	176	146	
New membership	6	1	
Loans	755	346	
e-resources users			48
e-resources downloads			1250

Bingara	total programs	attendees
Adult	12	150
Kids	16	434
Be connected tech	6	16
<b>Total</b>	<b>34</b>	<b>600</b>

Warialda	Total programs	Attendees
Adult	21	39
Kids programs	9	186
Be connected tech	-	-
<b>Total</b>	<b>30</b>	<b>225</b>

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**Outreach**

Sessions	Bingara Sessions	Warialda Sessions	Attendees/ Total
Personal home delivery	4	7	
Aged Care hostel delivery	4		
Nursing Home delivery	9	1	
Golden Oldie craft Touriandi	1		
Golden Oldie craft Naroo		1	15
Library branch promotions	2		48
Outreach Book Week Bingara	4		175
Outreach Book Week Warialda		4	43

**Regular Programs**

After School Kid’s Program - Bingara after school program numbers have dropped on Wednesday and will continue to vary for the remainder of the term due to after school sport commitments. Kindy kids have been invited to attend for the remainder of the year; lesser numbers on Wednesday will enable staff to concentrate more on age appropriate programs. All children registered retain their spots once the sporting commitment is complete.

Ability - the Ability program is offered in both branches enabling the challenge group to attend their local library or visit Bingara library for an outing. Bingara school special needs students have been invited to attend sessions along with special needs members of the community not currently at school.

Lego Challenge - Library Lego challenge has been very successful.

**Promotion**

- Children’s Book Week (reading is my superpower) was celebrated across the Shire.
- The “Super Librarian” visited Yallaroi Playgroup, Gravesend Preschool and St Joseph’s Warialda
- The Wicked Witch of the south visited Bingara Preschool, Bingara Central School and Day Care playgroup.
- All areas were very happy to have staff visit and help celebrate Book Week. There were many, many stories followed by lots of craft.

**Statistics** - membership increasing due to promotions of e-resources. During the coming months both libraries will host groups to promote resources, especially the new movie streaming service and library app.

Promotional visits will occur to the outer villages in October to coincide with Story Time, Golden Oldies craft sessions and Be Connected tutorials.

**Library Training** - both library staff members attended a training session in Tamworth, the main focus social inclusion and e-resources. Staff discussed

removing fines, more renewals, one book one region, self-service RFID, statistics and more.

**VISITOR INFORMATION CENTRES**

**Warialda Visitor Information Centre**

June 2019	July 2019	Aug 2019
Opening hrs = 142.5	Opening hrs = 172.5	Opening hrs = 165
Volunteer hrs = 44	Volunteer hrs = 29	Volunteer hrs = 38

**Bingara Visitor Information Centre**

June 2019	July 2019	Aug 2019
Opening hrs = 170	Opening hrs = 181.5	Opening hrs = 179
Volunteer hrs = 40	Volunteer hrs = 32	Volunteer hrs = 36

<b>Income – Warialda VIC</b>	<b>\$ Jun</b>	<b>\$ Jul</b>	<b>\$ Aug</b>
Caravan Park	821.00	783.00	994.00
Plants of Gwydir Shire/Cunningham's Track	25.00	20.00	0.00
Centre hire	20.00	40.00	30.00
Merchandise sales	1,860.75	2,952.10	2,574.15
Goods on consignment sales	0.00	0.00	90.00
<b>Subtotal</b>	<b>\$2,726.75</b>	<b>\$3,795.10</b>	<b>\$3,688.15</b>
Less Caravan Park money banked	821.00	783.00	994.00
<b>Total Monthly Income</b>	<b>\$1,905.75</b>	<b>\$3,012.10</b>	<b>\$2,694.15</b>

<b>Income – Bingara VIC</b>	<b>\$ Jun</b>	<b>\$ Jul</b>	<b>\$ Aug</b>
Products on consignment	49.00	28.00	45.00
Merchandise	995.70	816.00	1,409.00
<b>Subtotal</b>	<b>\$1,044.70</b>	<b>\$844.00</b>	<b>\$1,454.00</b>
Less payments to consignees	34.30	19.60	25.95
<b>Total Merchandise sales/income</b>	<b>\$1,010.40</b>	<b>\$824.40</b>	<b>\$1,428.05</b>
Commission received on event bookings	0	0	
<b>Roxy Tour income</b>	<b>\$400.00</b>	<b>\$245.00</b>	<b>\$575.00</b>
<b>Total Monthly Income Bingara VIC</b>	<b>\$1,410.40</b>	<b>\$1,069.40</b>	<b>\$2,003.05</b>

<b>Cranky Rock Sites</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>
Powered sites	76	100	94
Unpowered sites	44	44	25
<b>Total</b>	<b>120</b>	<b>144</b>	<b>119</b>

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Visitors at Warialda VIC	Jun	Jul	Aug
Visitors	433	570	467
RMS clients	272	343	258
Cafe	177	792	698
<b>Total Warialda VIC</b>	<b>882</b>	<b>1,705</b>	<b>1,423</b>

Visitors at Bingara VIC	Jun	Jul	Aug
	478	747	609

**SOCIAL SERVICES – August 2019**

**Bingara Neighbourhood Centre**

*Funding body – Family and Community Services*

Bingara Neighbourhood Centre has continued to focus on drought relief applications with a significant number of farming families registering for the Rural Aid assistance as well as registering with several other organisations dedicated to drought relief assistance. Police matters and court support have also been addressed in this month.

**Be Connected (Broadband for Seniors)**

During August ‘Be Connected’ had 2 new and 6 returning learners. During this time lessons varied from how to save emailed documents and images to your computer, learning to use iCloud, setting up a passcode or fingerprint for an iPad and learning how to use a new device.

Month	Number of participants
June	12
July	12
August	17

**Youth Service**

*Funding body – Family and Community Services*

**Youth Council**

The Gwydir Youth Council held a meeting on 14<sup>th</sup> of August. A date has been set for a movie night on Thursday 5<sup>th</sup> of December. Catering, movies and activities were discussed by several members of the group and have been taken back to the whole Youth Council to build ideas to bring to the next meeting.

Joint meetings have been hard to coordinate given times schools have lunch, work experience and exams. The need for better communication between members of the group was raised and solutions are being discussed. The next meeting will be held during September, there will be one in Warialda and one in Bingara.

During September four members from the Youth Council will be attending the 2019 NSW Youth Council Conference held in Blacktown. Gwydir Shire Council were successful in gaining the \$1600 financial subsidy available.

The conference provides a fantastic opportunity for delegates to network with like-minded young leaders from across the state to connect, share, unpack and develop innovative solutions to current issues and unlock their capacity as future leaders in their communities.

**Youth Mentoring Program**

The Youth mentoring program has been assisting young people with Centrelink, Medicare, homelessness, behaviour management and grief.

Bryan McAuley, a rural caseworker from the Salvation Army, continues to work with a young person offering financial counselling and the Positive Lifestyle Program.

Month	Number of participants
August	3

**Bingara Toy Library**

*Funding body – Early Childhood Education and Care Directorate  
NSW Department of Education and Communities*

Particulars	June	July	August
Toy Library Members- children utilising the service	27 children KSK program	39 children 61 KSK program	44 children 76 KSK program
Toy Library Members - Parents/Adults attending	21 adults	35 adults	35 adults
Total memberships at Bingara Toy Library	13 borrowers 20 non borrowers 0 birth	11 borrowers 21 non borrowers 0 birth	12 borrowers 22 non borrowers 0 birth
Toys returned	6	13	13
Toys borrowed	6	15	11
Children/ Group using toys (members)	6	10 + Drs surgery	9
Craft/songs/stories/ Free play	19 children 14 adults	25 children 21 adults	20 children 15 adults



Nine children were welcomed to the Shire with a Birth Certificate Ceremony during the regular monthly Bubz Biz session. Cr Tiffany Galvin presented the families with their packs and a small gift for their baby before everyone enjoyed a light morning tea.

Debbie Armstrong, Child and Family Health Nurse attended to weigh and measure babies for the blue book records.

Mothers Group morning was an information session on child restraints with each family going home with a child safety door sticker, road sign stickers, statistical information and a page of important websites to look at, to further inform them of the rules and regulation surrounding child safety in the car.

The after school Kool Skool Kids program had a joint afternoon with the public library children on Tuesday 13 August. The boys made vegetable scrolls and apple and cinnamon scrolls which they shared with the girls. The girls created individual crafts using felt and glue.

To further educate and save shires landfill sites, collection bins have been sourced and are now in the front foyer of the Toy Library for families to recycle their waste. Phones, household batteries and printer ink cartridges are the first to be targeted.

Bingara CWA donated \$653.23 to the toy library to purchase three sets of table and chairs to update the main toy room area.

**Supported Playgroup Development Worker**

*Funding body – Family and Community Services*

<b>Warialda Toy Library</b>	<b>June</b>	<b>July</b>	<b>Aug</b>
Total daily attendance count for children, (no. of children having utilised the service calculating each day over the month)	184	161	164
Full borrowing members (new)	0	1	0
Non borrowing members (new and/or renew)	0	1	0
Casual borrowing members (new or renew)	0	0	1
Commemorative Birth Certificate – voucher memberships	0	0	0
Commemorative Birth Certificate applications received	0	0	1
Toys returned	7	16	12
Toys borrowed	16	12	8
Groups using the service (FDC carers, Church and Pharmacy)	4	4	4
<b>Monday</b> group activity morning	18	31	32
<b>Tuesday</b> group activity morning	71	41	43
Wednesday group activity	0	14	0
<b>Thursday</b> group activity morning sessions	63	44	40
<b>Friday</b> group activity morning	32	31	49

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*Warialda Toy Library outside activities*

Significant events for the month of August included:

1 August - Cooking took place at the service on this morning, children participated in the process of making pikelets in preparation for morning tea. 12 Children attended on this day.

6 August – Children were provided with an opportunity to explore their creative play skills, engaging in a playdough making and creation morning. Face painting also took place at the service on this day. 10 Children attended the service on this day.

On 8 August feathers, sand and paint were made available for the children attending the service. Fine motor, creative and sensory play were incorporated in this experience and information provided to families regarding the importance of such play was distributed. 10 Children attended this morning play session.

9 August – ‘Munch and move’ was the focal point for the morning play session. Children were provided with various fruits and fruit kebabs were made, with each child having a parent or carer assist them. Discussions were prompted about the goodness of fruit with the children and families were given information about the importance of nutrition and active play. On this day 15 Children attended the service

An information morning, about sensory play was held on Monday 12 August. Families were encouraged to share ideas on, and their understanding of sensory play. A sensory play information handout, was provided to all families in attendance on this day. 8 Children attended the service on this day.

On 13 August a park play morning session took place, with families gathering in the park for the morning play session. A picnic morning tea was catered for, with the attending families bringing along a plate to share. Gross motor play

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was at the forefront of this session and families were provided information regarding the importance of play, incorporating gross motor skills. 14 Children attended this play session.

On 15 August an interactive story time session took place on this morning. Families were then encouraged to spend some time during the remainder of the session to read a book to their child. This session also provided children with the opportunity to utilise PVA glue and pasta as they explored the collage table, enhancing their creative play skills. 8 Children attended on this day.

The child and family health nurse was made available for families on 19 August. This service provides families with the opportunity to visit a play environment, while also ensuring blue book schedules and or immunizations are kept up to date and enables parents to discuss any queries they may have relating to baby feeding, sleeping, weight, hearing, sight and general routines and or health with a professional of the field. 7 Children attended this morning's play session.

20 August – Children attending the service celebrated book week with a special, super hero story time taking place in the town library. 9 Children participated in this play session.

22 August – Children engaged in a creative and sensory play experience, creating 'mud' and using the toy library jungle and farm animals to stomp, swim and hide in the mud. 10 Children took part in this play session.

26 August – A fine motor skills handout was provided for families, encouraging the skill be encouraged at home for their children. This handout included simple at home experiences that could be incorporated in routine activities and discussed why fine motor skills are an important component of learning for children. 9 Children attended the service on this day.

Music and movement took place on August 27, with children first taking time to create their own maraca using paper plates and rice. On this day 10 Children attended the service.

On 30 August children spent time creating father's day craft. 14 Children attended on this day.

<b>Playgroup Location</b>	<b>June</b>	<b>July</b>	<b>Aug</b>
Warialda – Monday morning	26	31	32
Gravesend – Wednesday morning	24	18	20
Bingara – Thursday morning	21	13	33
<b>Total</b>	<b>71</b>	<b>62</b>	<b>85</b>

Playgroup spent time discussing the ideas surrounding school readiness with parents during August. Information relating to transition to school dates and what to expect as children begin to prepare for this transition were discussed.

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As the end of the year approaches, cognitive and social and emotional based play skills have been encouraged with regular name and number recognition experiences being routinely incorporated into each playgroup session as well as interactive and dramatic play. Information for families on how to best support their child during this transition has been catered for, and a simple self-help check list for children, distributed to all families with children heading off to school in 2020.

During August, Bingara Playgroup welcomed a rugby tots program, which encouraged numbers in to the group with a total of 12 children having attended this morning play session. This experience encouraged gross motor skills, coordination and supported social skills for all children in attendance.

**Bingara Preschool**

*Funding body - Early Childhood Education and Care Directorate  
NSW Department of Education and Communities*

Days	June	July	August
Tuesday	23	24	24
Wednesday	21	22	22
Thursday	24	24	24
Friday	24	24	25

Debora Armstrong the Community Health Nurse for Hunter New England Health visited Bingara Preschool on 13 August. Debora spent time with children discussing healthy eating and also spoke on the importance of dental hygiene. Debbie will be visiting Preschool again on Thursday 29 August to conduct ear checks on the children.

On Friday 16 August, Kate Reed from the Department of Education arrived at Bingara Preschool to conduct a surprise compliance visit. The compliance visit centred on documentation requirements including: staff files, children’s enrolment information, medications, excursions, fire drills and first aid requirements. Kate did bring to Bingara Preschool’s attention, the new requirement for a risk assessment to be compiled in relation to potential bus emergencies. The Social Services manager and the Bingara Preschool Director developed this risk assessment and sent it through to Kate, early the following week. All documentation complied with the Education and Care Regulations and National Quality Framework requirements.

At Bingara Preschool we celebrated Book Week (20 – 23 August). The children dressed up as their favourite characters. The Bingara Librarian visited and she read some stories to the children at Bingara Preschool.

On Thursday 22 August, Bingara Preschool children and staff attended an excursion to Touriandi. The children performed the dances: Tooty Ta, Baby Shark and Let’s Twist. The children mingled with the residents, discussing the children’s costumes and what month their birthdays fell in. The children also shared morning tea with the residents. It was a wonderful morning out for everyone.

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*Dress up for Book Week at Preschool*

**Tharawonga Mobile Resource Unit**

*Funding body – Department of Education | Department of Employment Australian Government*

Day	Venue	2-3yo	3-5yo	Transition to school	Total In Attendance
Monday	Yetman	2	6	3	8
Tuesday	North Star	5	11	6	16
Wednesday	Yallaroi	3	9	3	12
Thursday	Tulloona	2	3	3	5
Thursday	Gravesend	1	7	2	8
Friday	Gravesend	0	12	5	12
Friday	Crooble	3	5	2	8

Enrolled and attending families have been heavily impacted by the drought. Tharawonga child numbers are reducing as parent’s jobs become unsustainable and families move to districts less drought affected. To combat the loss of children from the Tharawonga service the Director and Gravesend Group Leader have held a Promotional Preschool in the Park in Pallamallawa on Monday 26 August from 10am-12pm. One student was gained for the service at Gravesend on Fridays.

**Child Assessments**

Hearing tests and StEps assessments for eyesight are planned for September and Oral Care is being delivered by Warialda Community Health Nurse. The Tharawonga Director has had the App for Sound Scout downloaded and will be doing assessments for each child also.

Half yearly reports have been done for transitioning children. Parent/teacher interviews are underway. Some of the schools have already started their transition classes.

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**Yetman** - The three children transitioning to Yetman School had an excursion to the school with educators. They were thrilled with the chickens and worm farms and wonderful climbing frame over the sandpit. Children asked if they could use the climbing frame next year when they attend school.

**Tulloona** - Tulloona Public School has transition throughout the whole year. Three of the five Tulloona children are starting school next year which will leave the service very low in numbers.

**Gravesend** - educators have been busy preparing children for transition in Term 4. The Gravesend Group Leader has set goals to be met for each child per term. School readiness and independence are strongly encouraged for all ages with skills such as making their own beds at rest time, putting their lunch boxes and drink bottles in the fridge and personal name recognition, shape and colour recognition.

The Bingara Librarian visited Gravesend service on 23 August 2019. The children enjoyed a story and craft session.

**North Star** -The Tharawonga Director and School Principal from North Star are having a meeting in the next two weeks to discuss transition programs at the school. North Star service will lose five children to school in 2020. Discussions have been underway about possibly offering a second day at North Star next year. This was very well received.

**Crooble** - is now steady with eight children. Two children are moving on to school next year. There are a possible two new enrolments at Crooble coming from Croppa Creek.

**Yallaroi** - is steady at eleven children and losing only three children to school next year. The Yallaroi children were visited by Bingara Librarian on 21 August.

## **CONCLUSION**

The activities carried out by the Organisation and Community Development Department are in line with the 2019/2020 Operational Plan and otherwise as directed.

## **CONSULTATION**

Consultation has occurred within the Organisation and Community Development Directorate.

## **POLICY IMPLICATIONS**

Policy implications are those relating to the 2019/2020 Operational Plan and the Policies of Gwydir Shire Council.

## **FINANCIAL, ECONOMIC and RESOURCE IMPLICATIONS (including Asset Management)**

The activities carried out by the Organisation and Community Development Department are in line with the 2019/2020 Operational Plan.

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Chairman .....

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**SUSTAINABILITY IMPLICATIONS (Social and Environment)**

The activities undertaken by the Organisation and Community Development Department regarding social and environmental factors are targeted in line with the 2019/2020 Operational Plan.

**OFFICER RECOMMENDATION**

THAT the Monthly Organisation and Community Development Report for August 2019 be received

**ATTACHMENTS**

**AT-** Naroo Bond Report for August 2019

**AT-** WHS Performance Summary for August 2019

**COUNCIL RESOLUTION:  
MINUTE 308/19**

**THAT the Monthly Organisation and Community Development Report for August 2019 be received**

**(Moved Cr Dixon OAM, seconded Cr Moore)**



Multi Facility Summary

Active Accommodation Bonds / Payment Schedule - Summary

As at 2/09/2019

Printed Date: 2/09/2019, Last EAM: 30/06/2019

FACILITY NAME	Pre 1 July 2014 Payment Arrangements [Bonds]	Agreed Bond	Part Lump Sum Amount	Total Payment Amount	Lump Sum Amount Outstanding	Total Bond Balance Outstanding	Total Retention Deductions	Total Interest Deductions	Total Other Deductions	Balance
	Post 1 July 2014 Payment Arrangements [RADs/RACs]	Agreed Price	Agreed RAD/RAC Portion	Total RAD/RAC Received	Total RAD/RAC Outstanding	Agreed DAP/DAC Portion	Total DAP/DAC Deductions	Total Care Fee Deductions	Total Other Deductions	Balance
<b>NAROO AGE CARE FACILITY</b>										
Bonds		\$182,067.73	\$182,067.73	\$182,067.73	\$0.00	\$0.00	\$29,306.51	\$0.00	\$0.00	\$152,761.22
RADs/RACs		\$3,218,035.59	\$1,135,000.00	\$2,285,000.01	-\$970,000.01	\$903,078.00	\$0.00	\$0.00	\$0.00	\$2,285,000.01
<b>TOTAL</b>		<b>\$3,400,103.32</b>	<b>\$1,317,067.73</b>	<b>\$2,467,067.74</b>	<b>-\$970,000.01</b>					<b>\$2,437,761.23</b>
<b>GRAND TOTAL</b>										
Bonds		\$182,067.73	\$182,067.73	\$182,067.73	\$0.00	\$0.00	\$29,306.51	\$0.00	\$0.00	\$152,761.22
RADs/RACs		\$3,218,035.59	\$1,135,000.00	\$2,285,000.01	-\$970,000.01	\$903,078.00	\$0.00	\$0.00	\$0.00	\$2,285,000.01
<b>TOTAL</b>		<b>\$3,400,103.32</b>	<b>\$1,317,067.73</b>	<b>\$2,467,067.74</b>	<b>-\$970,000.01</b>					<b>\$2,437,761.23</b>



Attachment 2

WHS Performance Summary for August 2019

Objective	Action no.	Action	Key Performance indicator	Responsible	Due date	Total	Target	Total met KPI	% met KPI
That managers and supervisors visibly demonstrate their commitment to health and safety management and to the implementation of Council's work health and safety management systems	3.1	All operational supervisors and managers to complete one work verification record per month with a work crew to improve safety knowledge, carry out on the job training and demonstrate safety leadership.	% of work verifications completed vs monthly targets	Managers, Supervisors, WHS & Risk Management Officer	Monthly	11	11	10	91%
Improve the reporting culture as part of building an overall positive health and safety culture	5.1	All incidents/near misses are reported to Managers and Risk Unit within the same shift.	% of incidents reported same shift	Supervisors	Reported same shift	7	7	7	100%
Improve the reporting culture as part of building an overall positive health and safety culture	5.2	Complete all incident investigations within 7 days.	% of incident investigations completed within 7 days.	Managers	Within 7 days of notification	7	6	5	83%
Improve the reporting culture as part of building an overall positive health and safety culture	5.3	Corrective actions from incident investigations are completed within agreed timeframes and closed in Interplan.	% of corrective actions completed within specified timeframes	Managers, Supervisors, WHS & Risk Management Officer, HSRS	Within specified date, (cumulative total for year)	18	15	0	0%

Analysis

The summary above is generated from the monthly reportable actions listed in the WHS Action Plan. The number of Work Verifications completed last month is very good and is a significant improvement over previous months. Implementing corrective actions resulting from incident investigations are also an important part of reducing the number of incidents and injuries and staff need to prioritise completion of corrective actions.

**Item 4 Recommendations from the Gwydir Drought Forum held on 12 September 2019**

**FILE REFERENCE**

**DELIVERY PROGRAM**

**GOAL:** 1. A healthy and cohesive community

**OUTCOME:** 2.1 OUR ECONOMY IS GROWING AND SUPPORTED

**STRATEGY:** 4.2.2 Work in partnership to plan for the future - GM - external

**AUTHOR** General Manager

**DATE** 16 September 2019

**STAFF DISCLOSURE OF INTEREST** Nil

**TABLED ITEMS** Nil

**BACKGROUND**

At its Ordinary Meeting on 29 August 2019, Council agreed to hold a Drought Forum and invite delegates from the local community with a view to develop a submission to present to State and Federal Governments with suggestions for consideration for additional assistance in this current drought.

**COMMENT**

Representatives from local businesses, service clubs, schools, medical services and NSW Farmers were invited to attend a Drought Forum on Thursday 12 September, 2019.

NSW Drought Coordinator, Mr Jock Laurie and Pamela Welsh, Chair of the New England North West Drought Task Group were also invited and were in attendance.

Attached are the suggestions that were put forward at the Forum.

Also attached are the notes from the Gwydir Drought Forum including details of the Rural Aid Country Town Makeover Initiative with submissions closing 30 September 2019.

**FORUM RECOMMENDATION TO COUNCIL**

THAT the report be received

FURTHER that the attached submission be forwarded to the relevant State and Federal Ministers

FURTHER that Council apply to Rural Aid under the Country Town Makeover Initiative.

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Chairman .....

**ATTACHMENTS**

**AT-** Notes from Gwydir Drought Forum

**COUNCIL RESOLUTION:  
MINUTE 309/19**

**THAT the report be received**

**FURTHER that the attached submission be forwarded to the relevant State and Federal Ministers**

**FURTHER that Council apply to Rural Aid under the Country Town Makeover Initiative (Ref: 310/19).**

**(Moved Cr Young, seconded Cr Smith)**

Drought Forum - 12 September 2019

Gwydir Shire  
Council



**MINUTES DROUGHT FORUM  
GWYDIR SHIRE COUNCIL  
THURSDAY 12 SEPTEMBER 2019  
COMMENCING AT 9.30AM  
ROXY COMPLEX UPSTAIRS MEETING ROOM**

**Present:**

- Councillors:** Cr. Catherine Egan (Acting Mayor), Cr. Stuart Dick, Cr Marilyn Dixon OAM, Cr. Jim Moore, Cr. Geoff Smith, Cr. David Coulton, and Cr Frances Young
- Staff:** Max Eastcott (General Manager), Leeah Daley (Deputy General Manager), Alex Eddy (Manager, Engineering Services), Suzanne Webber (Manager, Social Services), Georgia Standerwick (Marketing and Promotions Team Leader) and Robyn Phillips
- Guests:** Jock Laurie, NSW Drought Coordinator, Pam Welsh, Chair NENW Drought Task Group (DPC)
- Public:** Ann Reardon, Sinclair Munro, Gail List, Ian Grieve, Rebel Thomson, Margaret Foster, Charmaine Reading, John Fraser, Josh McGregor, Leonie Southwell, Brooke Wall, Tanya Withers, David Conway, John Bishton, Shelley McDouall, Russell Smyth, Steve Adams, Lindsay Hagan, Peter Hancock

**DISCLAIMER**

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**Drought Forum - 12 September 2019**

**Gwydir Shire**  
**Council**

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Drought Forum - 12 September 2019

Gwydir Shire  
Council

**OFFICIAL OPENING AND WELCOME – MAYOR**

**APOLOGIES** Cr John Coulton, Cr Tiffany Galvin, Alison McGaffin, Michael Collins, Shelly Way, Joe Dimech, Dan Van Velthuizen, Ben Marshall, Don Mack, Bingara Medical Centre, Warialda Medical Centre, Warialda Lions, Lenore Kennedy, Minister for Agriculture, Adam Marshall MP

**THAT the apologies are accepted.**

**Item 1 Drought Assistance**

**FILE REFERENCE**

**DELIVERY PROGRAM**

**GOAL:** 1. A healthy and cohesive community

**OUTCOME:** 1.2 OUR COMMUNITY IS AN INVITING AND VIBRANT PLACE TO LIVE

**STRATEGY:** 1.2.2 A shared responsibility for community safety - OCD - external

**AUTHOR** General Manager

**DATE** 2 September 2019

**STAFF DISCLOSURE OF INTEREST** Nil

**IN BRIEF/ SUMMARY RECOMMENDATION**

The purpose of the discussion today is to develop a submission to outline suggested opportunities for additional support that could be considered by the State and Federal Governments.

This report also outlines the activities of Gwydir Shire Council to date designed to assist its community.

**TABLED ITEMS** Nil

**BACKGROUND**

According to the Department of Primary Industries the current drought began to really take effect in NSW in mid-2017 and it is equivalent to a major drought event on the long term historical record (100 years).

A range of local residents, business owners, service club officials and other interested persons have been invited to attend this meeting and participate in the discussion and developing the submission.

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Drought Forum - 12 September 2019

Gwydir Shire  
Council

**COMMENT**

Since December 2018 until 31<sup>st</sup> August 2019 the Council has delivered 5,743,000 of potable litres of water to farming families and villages with access only to tank water. More recently the Council has resolved to make no further charge for these deliveries. Prior to this decision the Council were only charging for the employee's actual cost for the delivery.

The Council has also facilitated various community meetings across the Shire to offer support to residents and provide information as well as an opportunity for social contact.

At a recent Namoi Joint Organisation discussion on the drought the following information was tabled from the Regional Leadership Executive (RLE), a meeting of all the relevant State Agencies:

*At the RLE last week, the Premier's Regional Director (Alison McGaffin) coordinated a workshop of members around the impact and directions of drought on NSW State Agencies, and sought their advice about what each Agency could do. Each Council within Namoi JO was requested to suggest any addition relevant information. Gwydir's submission is outlined after the list from the Agencies.*

**1. What is the impact of drought on your Agency?**

*Some of impacts proposed by RLE members were:*

- *Forestry – no plantings proposed, impact on processing and professional services*
- *Primary Industries – bore administration and resourcing, increase in the number of animal welfare panels*
- *Police/Justice – increased offenses; shoplifting, antisocial behaviours, increased risk taking, drugs, drink driving, DV, licencing and maintenance, family dysfunction, 6months ago no vacancies in the regions on positions – now there are.*
- *Trains – increased inbound from tourism, decreased outbound*
- *Education – decreased engagement and participation in the school community, funding for excursions, school attendance*
- *TAFE – increased training, means the needs for qualified trainers and assessors increases*
- *Weeds management and funding*
- *Seed capacity/availability for plantings*
- *Access and availability of fertiliser*
- *Stock for re-stocking*
- *Community service vulnerability, mental health, drugs and alcohol related presentations*
- *Employees connected to farms, no plantings, no stock, no gardens especially no vegetable gardens*
- *Health – cost for locums, impact on the drought to attracting a future workforce, no restrictions/cuts to regions although sound maybe reducing opportunities for innovation and collaboration on solutions*

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Drought Forum - 12 September 2019

Gwydir Shire  
Council

- Resignations because of on farm commitments, less people available to do overtime because of on farm commitments

**2. What is the impact of drought on the Community?**

Some of impacts proposed by RLE members were:

- The brain drain, the drain on professionals, community groups the 'brains and Braun' of the community
- Complexity and lack of understanding
- Sales downturn, business closures and relocations
- Financial, personal and physical stress
- Greater community impact; childcare becomes more expensive, people have to go further afield for work, family/kids are left alone, driving more distances, fatigue
- No water for road construction and or maintenance, perception is that the agencies are wasting good water, impacts the service deliverability, road fatalities "Northern NSW has had the highest increase in fatalities on the roads 40% year to year comparison
- Increased drink driving, drugs, fatigue, seat belts, road worthiness of vehicles – most at risk older males, 50+
- Aboriginal people feeling the impact of moving off country, the connection to water is strong current drought is being likened to genocide of the water, Aboriginal people the importance discussion of water is not being heard and they don't even have a forum for the discussion
- Mental health of kids and families
- Diminishing hope, always apologising for the drought, lack of everything
- Kids staying home from school to be with Dad
- Declining populations
- Conflict of priorities – the importance of family vs the importance of education

**3. What could your Council do that would have the greatest impact?**

Some of the ideas discussed by the RLE were:

- Training and capacity building sessions with businesses on local government procurement practice and procedures (with the NSW Government)
- Local employment opportunities
- Sister City relationships between LGAs, with schools, for respite and excursions
- Consider what impact will the drought have on the Premier/Deputy Premier achieving their priorities
- Environmental impact and sustainability planning

**4. What could the NSW Government do that would have the greatest impact?**

Some of the ideas discussed by the RLE were:

- Remove duplication
- Bring forward succession planning

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Drought Forum - 12 September 2019

Gwydir Shire  
Council

- *Speedier infrastructure roll out to create skills, address unemployment, provide opportunities for youth, succession planning, training and skills pathways*
- *Formal and informal training with agencies and LGAs*
- *Provide skills funding for 'other' courses*
- *Identification of training pathways for regional careers*
- *Opportunities for sharing of resources*
- *Funding for Cert IV Training and Assessment Qualifications TAFE teacher shortages – resilient measure for the future as well*
- *Additional funding for tourism campaigns*
- *Tax relief*
- *Payroll tax deferral*
- *Payment arrangements for regional businesses*
- *Application of annual data in future planning/decisions, drought years shouldn't be accepted as normal years*

Obviously quite a sobering list!

Gwydir responded to three questions:

**What is the impact of drought on the Community?**

No cash flow/ financial management

Children working alongside parents/fatigue

Depression/hopelessness

Not knowing what to do next

No discretionary spending

Ongoing health issues

Decline in working population due to migration

Decline in extracurricular activities due to time and financial constraints

People taking longer to pay debt and being hit with interest

Difficulty navigating assistance available

Family breakdown/desperation

Strain on relationships

**What could the NSW Government do that would have the greatest impact?**

Provide grants not loans

Fund schools and preschools better so that families are receiving quality education and care in small country communities

Fund respite and excursions for children experiencing hardship in small communities

Fund more Rural Financial Counsellors

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Drought Forum - 12 September 2019

Gwydir Shire  
Council

Provide better counselling services for smaller communities/travel is too difficult

**What could your Council do that would have the greatest impact?**

The Council outlined what actions it is taking:

- Waive any outstanding interest on rates when financial stress is evident
- Extend payment periods for rates
- Provide household water if possible at one load per 2 months for farming community
- Assist with the navigation of services and completion of forms
- Advocate and refer on behalf of farming community
- Provide opportunities to come together as break from everyday drudge
- Making the showers and laundry facilities available for free to farming families. Bingara Central School is also making showering facilities available
- Rescuing native breeding fish from the Gwydir River and relocating them (Noah's Ark)

As a community initiative the Gwydir Shire Community could apply to Rural Aid for a Country Town Makeover Initiative. See the attached information. Submissions close on 30<sup>th</sup> September 2019

**OFFICER RECOMMENDATION**

For Discussion

The individual suggestions from the Forum's participants are attached.

**ATTACHMENTS**

**AT-** Water deliveries to date

**AT-** Rural Aid

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Chairman .....



**Drought Forum - 12 September 2019**

**Gwydir Shire**  
**Council**

**FORUM RECOMMENDATION TO COUNCIL:**

**THAT the following submission be forwarded to the relevant State and Federal Government Ministers:**

**Supported Drought Submission Suggestions**

<b>Level of Government</b>	<b>Timeframe</b>	<b>Suggested response.</b>
Federal/State	Medium to long term	Move forward on significant nation building infrastructure designed to assist the community in future protracted droughts.
State	Immediate	Extend immediate payroll tax relief to rural based employers in order to encourage the retention of staff.
Federal	Immediate and ongoing	Allow all businesses reliant on the agricultural sector to have access to the Farm Management Deposit Scheme at a bank of their choice
State	Immediate and ongoing	Expand the Smart and Skilled program to offer farm based personnel access to free training to either gain accreditation for an existing skill through Recognised Prior Learning or gain new accredited skills.
Federal	Medium	Develop a range of rural based tax incentives to encourage new rural businesses in order to better diversify communities and create some insulation and further resilience to adverse conditions.
Federal/State	Immediate	Allocate two dedicated rural assistance workers to each local government authority that is drought declared to liaise directly with the farming community to assist in ensuring that each farmer is aware of the resources and assistance available. This can be done through already existing Neighbourhood Centres in the drought affected areas as they are already doing this work.
State	Immediate	Allocate trained social workers/ counsellors to work directly with schools and preschools to address the mental wellbeing of children impacted by the drought in their family environment. The numbers allocated must be sufficient to meet the need.
Federal/State	Immediate	Work with local medical practices, Area Heath Services and CWA branches to ensure that adequate counselling services are available to meet any identified need for intervention
State	Immediate	Increase the numbers of police in rural communities to address the increase in rural crime, especially stock related, as people become more desperate.
Federal/State	Immediate	That sufficient grant funds be allocated to each school and preschool within drought declared communities to ensure that no child is left behind for a camp or other activity because their parents can't afford to support the activity due to the drought.
Federal	Immediate	Another round of drought communities' grant funding designed to allow the direct employment of farmers and farm workers on local community projects. The allocation of at least \$2 million to each drought declared local government area. Eliminate the red tape as the assistance is required urgently.
State	Immediate	Expand the Drought Relief Heavy Vehicle Access Program to include the allocation of funds to develop bores and standpipes throughout the rural road network to allow for ongoing unsealed road maintenance and also access to water for the surrounding farming community.
State	Immediate	Make direct grants to local authorities for community based employment programs.
Federal/State	Medium	There is a need to identify the post-drought response process. Some farmers may decide to leave the land but will require transitional assistance to ensure that their property's infrastructure is maintained to a state that preserves the property's inherent value. Also the intergenerational transfer of farming ownership may need to be considered in order to ensure younger entrants can afford to enter the market through loan assistance and incentives such as

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**Drought Forum - 12 September 2019**

**Gwydir Shire**  
**Council**

		the waiving of stamp duty, etc.
State	Immediate	Funding of the \$500 million under the announced Fixing Local Roads' grant program be expedited to ensure the continuing employment of displaced workers within the farming community.
State	Immediate	Employ local contractors to construct exclusion fencing around National Parks and Nature Reserves.
Federal	Immediate	That the freight subsidy procedure be streamlined to ensure that approved payments are reimbursed in a timely manner. Further that the maximum payment be increased to \$80,000.
Federal	Immediate and ongoing	That the water infrastructure subsidy be returned to a 50% subsidy.
Federal	Immediate	That the current Farm Household Allowance Guidelines be relaxed to ensure that each farming family has sufficient access to an income stream to maintain the families health. Any required adjustment can be corrected after the drought conditions have substantially improved.

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Summary of water deliveries as at 31 August 2019

Month	Location	Delivery Amounts	Capacity (KL)
December 2018	Warialda	16	227
	Bingara	6	90
January 2019	Warialda	39	554
	Bingara	17	234
February 2019	Warialda	38	550
	Bingara	22	160
March 2019	Warialda	28	377
	Bingara	14	112
April 2019	Warialda	24	247
	Bingara	24	160
May 2019	Warialda	30	312
	Bingara	20	198
June 2019	Warialda	21	247
	Bingara	22	176
July 2019	Warialda	48	624
	Bingara	34	232
August 2019	Warialda	62	798
	Bingara	55	445
<b>Total</b>		<b>520</b>	<b>5,743 KL</b>

**TOTAL DELIVERIES FROM DECEMBER TO NOW**

Location	Load Amounts	Total Capacity – K/L
Warialda	274	3,936
Bingara	246	1,807

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Community Services and Planning Committee - 12 September 2019 Gwydir  
Shire

Council

**Nominate Your Town For A Makeover – 10 country towns impacted by drought to be selected.**

As the worst drought in history continues to take its toll, Rural Aid is launching a campaign aimed at providing 10 country towns impacted by drought, with a makeover.

Established within Rural Aid's ongoing Sustainable Community program, the 10 country towns will receive a minimum of \$100,000 each over five years.

Working with town leaders, the money will be spent developing plans, through facilitated workshops, to support the long-term sustainability of the town and local community. Rural Aid will partner with experts in rural/regional town renewal who will work with town leaders to develop the long-term renewal strategy.

Rural Aid's Farm Army of volunteers (usually between 50 - 100) will also spend a week in the town undertaking a range of infrastructure projects which town leaders identify as important to the town and community.

Small country towns play a critical role in supporting the social and economic fabric of their local communities.

They have unique symbiotic relationships with the farms located around them. Farmers rely on their local town for off farm income through employment, farm employees and services from the local doctor, teachers, dentists, accountants and government support staff. Then there's the small businesses like the local pharmacy, grocery, butcher, bakery, bank and rural supply company.

Rural Aid believes in community. Unfortunately, small town decline is real with some suggesting over 70 percent are at risk. Take these towns out of the equation and the local ecosystem is impacted forever. There are enough case studies of rural towns that have reversed the trend and created successful thriving communities to know that anything's possible.

Recent Australian Bureau of Statistics (ABS) figures show that since 2012, many parts of rural Australia have lost thousands of people due to the decline in the agricultural and mining sectors. This was highlighted in a Sydney Morning Herald article, published 30 August 2019, by Shane Wright and Eryk Bagshaw, [As cities grow, parts of regional Australia disappear and get angry](#).

Our community program lifts morale and injects much needed capital into the local community.

**Nominations close on 30 September 2019**

The selection process will include an evaluation and assessment of the town's vision and leadership capability.

**To help your application, please consider the following**

To help us choose your town consider the following:

- Why does your town need help?
- Do you have a long-term plan for your town, do you have a vision?
- Do you have a leadership team within your community?
- Do you have projects your town has had on hold and needs to complete?
- Do you have a plan to grow your community, grow or maintain your population?

To undertake Infrastructure projects:

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**Community Services and Planning Committee - 12 September 2019 Gwydir  
Shire**

**Council**

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- Our team and volunteers will need a camping space/ show ground with amenities for up to 40 caravan/ campers
- To feed everyone, we'll need undercover facilities to feed and cater for up to 70 volunteers
- Shower and toilet facilities at the venue.

For more information and to nominate your town, go to: <https://www.ruraid.org.au/nominate/>

I look forward to your application.

Sincerely

Charles Alder  
CEO  
Rural Aid

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Before general discussion began each participant was requested to briefly outline any suggestions that they wanted to put forward.

The following is a summary of the individual contributions considered to be achievable.

The main general concerns were in relation to mental health and the longer term outlook and recovery after the drought. Farmers don't always know what resources are available and some don't have the internet, or lack connectivity. Need to educate farmers and businesses to future drought proof.

Another major concern was the need for employment opportunities in rural areas.

*Suggestions for relief included:*

Expand the Farm Management Deposit Scheme to other businesses

Low interest or interest free loans to farmers and rural businesses

Increase freight subsidy for farmers (most have exceeded the K\$40 cap)

Provide training for farmers, enable qualifications

Provide a one stop shop in Bingara and Warialda with Counsellor and admin assistance available + travelling Social Services staff

Introduce 'Carry on Finance' through Regional Australia Bank instead of second mortgage for farmers

Need to reassess the criteria for rural aid

Consider grant funded 'work program' for farmers (like the Red Scheme) – suggest public roads fencing program

Increase Water Infrastructure subsidy from 25% to 50%

Long term assistance will be required (for after the drought)

Funding required for cropping and pasture options after the drought

Review those ineligible for farm household allowance

Review the process for farmers claiming subsidies

Social worker at all Gwydir schools

Feral animals an issue particularly coming from the National Parks – request Federal funding for exclusion fencing (National Parks), will provide local employment and business.

All farmers to be RFS members, have PPE and training – currently membership is too difficult, lengthy paperwork.

Request State Government to provide more police in rural areas to help prevent rural crime (livestock and machinery thefts)

*Business Incentives*

Payroll tax relief for rural businesses during drought

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Federal – Farm Management Deposits – need to get all banks on board –  
need to include businesses

Smart and Skilled Program – include RPL

Comments:

Need to consider mental health First Aid for men, women and children

Likely to be an influx of rural properties on the market

Consideration to waive stamp duty

Need volunteers to assist farmers

Rural communities need to develop strategies to attract a younger  
demographic

Need grants, not loans

Request Council to waive rates for 12 months for farmers and small business

Bingara Lions about to roll out another Bingara Bucks initiative \$300 / family

CWA has been offered 4,500 food packages for distribution throughout NSW  
– some will come to this area – not just for farming families

Children are affected – could we use children as face for media campaigns

McGregor's advised that their drought feeding forums have been well  
attended and provide a social outing as well as information

Some farmers have difficulty self-assessing – need guidance and (nutritional)  
knowledge

Financial assistance required for school children to allow sport, excursions,  
uniforms and additional school counsellor

Request State government to consider issuing vouchers for grey nomads to  
spend in regional areas

Need tourism to bring people into towns

Long term issues – need to attract private enterprise to the area

Some farmers are wanting to make their farms more efficient, regenerative  
agriculture, making farms more resilient – will need funding

NSLC have started small group sessions farmer groups around the area,  
huge social benefit

Water Infrastructure – State funding required to upgrade existing dams and  
build new

Outlying villages are isolated – exposure to assistance is minimal

Current fire situation – all should have fire plans in place

Suggest a shop local Christmas campaign target 10 smallest local businesses  
– spend \$50, get \$50 voucher (voucher subsidised by grant)

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A concert tour was suggested – obtain services of e.g. Shane Howard and John Schumann to conduct a series of concerts across smaller Northwest NSW towns (Walcha, Quirindi, Upper Horton, Burren Junction, Lightning Ridge) – grant of K\$50 – JB to coordinate concert if grant funding obtained

Namoi Unlimited advised – white card training is available – one day course scheduled soon - will include e.g. working at heights, chemical certification. Will expand to include dealing with conflict, business training– commence in October – advertise through Council - casual workforce agencies should attend

Jock Laurie advise that besides the M\$1 Federal grant – \$170M of State funding has been made available for training programs

Jock Laurie – encouraged everyone to contact their local member re ‘farm management deposits’.

Alex Eddy, Council’s Technical Services Manager, noted that Council is a drought affected business; lack of water means road maintenance doesn’t happen. Being unable to draw water from landholders, means Council is unable to provide level of infrastructure for ratepayers.

Jock Laurie – implications will be far reaching, don’t underestimate the impact on mental health, livestock and grazing industries, all agriculturally based communities need genuine support. State and Fed government need to understand communities can be lost. Need to have community focus.

Pam Welsh - Task Group with DPC exists, representatives from Health, Police, LLS – put issues to government (e.g. payroll tax) education, skills are a primary focus. Task Group focus on connectivity in rural areas, education on the ground, casual employment opportunities, tradies, infrastructure investment \$ to smaller centres, keeping professional staff

Namoi Unlimited advised that JO are developing strategies to attract local employment to regional communities, including training/re-training, upskilling.

Council to look at educational opportunities (including RPL)

Council is considering establishing stand pipes across the shire – can be used for stock water

Council’s Social Services Manager is available to assist families – please pass this information on to those in need.

Gwydir Shire will nominate (Bingara / Warialda) in the Rural Aid Country Town Makeover Initiative – as outlined in Attachment 2.

**Meeting closed 12.45pm**

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**Item 5 Tender for supply and delivery of bulk fuel**

**FILE REFERENCE**

**DELIVERY PROGRAM**

**GOAL:** 5. Organisational Management

**OUTCOME:** 5.1 CORPORATE MANAGEMENT

**STRATEGY:** 5.1.1 Financial management and accountability systems - CFO - internal

**AUTHOR** General Manager

**DATE** 16 September 2019

**STAFF DISCLOSURE OF INTEREST** Nil

**IN BRIEF/ SUMMARY RECOMMENDATION**

This report is to advise the Council that tenders are about to be called for the supply of Bulk Fuel to the Council.

**TABLED ITEMS** Nil

**BACKGROUND**

Council's existing supplier of fuels is Roger Moore's Pty Limited of Warialda. This has been the case since prior to the creation of Gwydir Shire Council in 2004.

Council last tendered the supply and delivery of fuel in 2010, where Roger Moore's Pty Ltd was selected as the preferred tenderer and awarded the work. Council's 2018 spend in fuel exceeded \$700,000

During Council's 2018 annual audit, the Auditor General's Office noted that several of the Council's regular suppliers of goods and services, such as Roger Moore Pty Ltd, exceeded the allowable annual tender threshold (then \$150,000). The threshold has been increased to \$250,000 in a recent amendment to the regulation.

Section 55 of the *Local Government Act* requires Council to either:

- a) go to tender for all spends over \$250,000; or;
- b) procure goods and services from a supplier who has a contract with Local Government Procurement (LGP), being BP Australia.

As part of Council's operations, it maintains a wide range of vehicles and plant that use unleaded petrol, diesel, and various oil and lubricant products



**COMMENT**

This tender would encompass the supply and delivery of Diesel, Unleaded Fuel and Adblue to the Bingara, Warialda and North Star depots as well as the four mobile tankers used in the northern part of the shire.

Tendering will allow a bulk discount rate that is cheaper than the commercial rate of supplying. The tender will not result in a fixed price over the term (2 years plus a further option of 12 months) due to the nature and fuel and transport costs. The contract will contain mechanisms which govern how fuel and transport pricing is determined and when pricing can be reviewed

**CONCLUSION**

The Council met with representatives from Roger Moore’s Pty Limited to advise them that the Council would be calling tenders and the reason behind this requirement.

In addition the process the Council has been through to try and maintain the current bulk fuel arrangement and remain within the requirements of the legislation were outlined to Roger Moore’s Pty Limited. The following points were also passed on:

BP Australia currently holds a contract with Local Government Procurement (LGP), however, BP did not list any subcontractors in their tender response and therefore contract with LGP

- Campbell’s Fuel Services did not respond to the LGP Fuel Tender and are not listed as an approved LGP Supplier
- Whilst Campbell’s Fuel Services is a BP distributor, BP is unwilling to list Campbell’s as their distributor under the LGP Fuel contract
- It should be noted though, if Campbell’s were an authorised LGP supplier, all dealings would be with Campbell’s directly as Roger Moore Pty Ltd would only be delivering (not distributing) the fuel
- The Council is quite happy with the service currently being provided and this will be taken into account as will the local nature of the business operation.

It is intended to issue the tender documentation in October 2019 via Council’s online portal, hosted by TenderLink.

The tender will be released to an open market and the tenderers will have approximately 60 days to respond and Council will assist them through this process as much as possible.

The tender responses would be assessed using a weighted scoring process and the overall score will acknowledge the locality of the business in respect to the Gwydir Shire.

The Contract would commence in 2020.



OFFICER RECOMMENDATION

THAT the Council notes that tenders are about to be called for the supply of Bulk Fuel to the Council.

**ATTACHMENTS**

There are no attachments for this report.

**COUNCIL RESOLUTION:  
MINUTE 311/19**

**THAT the Council notes that tenders are about to be called for the supply of Bulk Fuel to the Council.**

**(Moved Cr D Coulton, seconded Cr Young)**

**Item 6            Monthly Technical Services Report for August 2019**

**FILE REFERENCE**

**DELIVERY PROGRAM**

**GOAL:**            5. Organisational Management

**OUTCOME:**      5.1 CORPORATE MANAGEMENT

**STRATEGY:**    2.1.1 Plan for and develop the right assets and infrastructure - TS -external

**AUTHOR**        Manager, Engineering Services

**DATE**            17 September 2019

**STAFF DISCLOSURE OF INTEREST**   Nil

**BACKGROUND**

The monthly Technical Services report has been identified by Council as the process of reporting the activities carried out monthly by the Technical Services Department.

**COMMENT**

**1.    TECHNICAL SERVICES AND ADMINISTRATION**

Technical Services infrastructure, planning, design and surveys were carried out in-house. The Technical Services staff continue to provide customer service to the Gwydir Shire residents.

**2.    ENGINEERING SERVICES**

**Warialda Truck wash**

Concreting works continue on the truck wash site. All floors and some walls of the sludge treatment pits have been poured with formwork being erected for remaining walls. Concreting works are being completed by Lachlan Hall Construction. Council staff continue work on the site with maintenance staff commencing erection of the solar light network for the facility. All lighting for the truck wash will be solar powered. Solar lighting is both cheaper to run and cheaper to install as it does not need to be part of the electrical distribution network.



*Warialda Truck Wash, amenities block and tank pad*

### **Regional Road Capital Works**

Construction of a new triple cell pipe culvert on North Star Road near Postmans Gully has been completed. The new formation has been constructed and sealed. The culvert structure replaced a causeway with a significant dip midway through a corner. This poor coordination of horizontal and vertical geometry has been addressed with the new formation which will also provide flood proofing to improve access during large rain events.

### **Unsealed Roads**

Drought conditions continue to impact maintenance and construction activities. No works are able to be carried out now without water trucks always accompanying graders. Several resheeting projects have been postponed until significant rain is received.

Due to the increased cost associated with using watercarts in construction and maintenance, the practice will be ceased before December. It is hoped that the maintenance backlog created by drought will be addressed with the aid of \$500 million announced by Deputy Premier John Barilaro in February 2019 to assist councils in repairing, maintaining and sealing important local roads.

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**Reserve Creek Road Resheeting**

5km of Reserve Creek Road (3.0km to 8.0km from Adams Scrub Road) was resheeted in August. A local granite material was used for the project. Water was not available on site and was carted from the Warialda Town supply to complete the works.

**Unsealed Road Maintenance**

The following roads received maintenance grades in August:

- Horton Road
- Terry Hie Road
- Caroda Road
- Adams Scrub Road
- Gulf Creek Road
- Nooroo Road
- Nunga Road
- Singapoore Road
- Bundilla Road
- Carlington Lane
- Campbells Lane
- Dunrobyn Road
- Mungle Road
- IB Bore Road
- Tucka Tucka Road
- Goat Road
- Peates Road

**Roads Maintenance Council Contract – Works Orders issued by RMS**

All Work Orders issued by RMS are quality assurance schedule of rates projects carried out by Council staff under the Roads Maintenance Council Contract with Roads and Maritime Services.

A final design has been completed and approved for segment 5340 on MR63 Fossickers Way. This segment is programmed to be rehabilitated early in 2020. Works are still in progress for the pedestrian access ramps onto the northern side of Campbell Bridge in Bingara and both sides of the Copeton Dam Road intersection. Crew members have finished pouring the concrete path on the northern approach, with only half a footpath length on Copeton Dam Road to be poured this week. Additional works have also included the installation of new guardrail end terminals and a disability safety rail along the outside of the northern path.

Works proposals have been submitted for the survey and design of three segments, programmed for rehabilitation next financial year. These segments include 5150 and 5255 on MR63 Fossickers Way and 8270 on HW12 Gwydir Highway. The survey and design works are scheduled for submission to the RMS before Christmas 2019. Further programmed works this financial year will include approximately 4 weeks of heavy patching throughout various

segments, where required. No reseals are programmed for completion this financial year.

Routine maintenance continues each week undertaking inspections, rest area services, vegetation control and bitumen repairs.

**HW12 Gwydir Highway – Warialda HPV Route Intersection Works Authorisation Deed (WAD)**

The WAD for the Warialda HPV Route Intersection works has now been approved by RMS, with a set of plans returned, stamped “accepted for construction”. Further lighting design diagrams are currently being undertaken by the RMS, but are being assessed separately to avoid any further delays in starting the construction stage of the project. Pre-construction management plans and documentation is currently being submitted, with an anticipated construction start date at the beginning of October.

**Other Services**

Street services continued to be maintained for vehicular, pedestrian and public conveniences.

Storm water drainage facilities continue to be maintained.

Aerodromes at Warialda and Bingara continue to be maintained and inspections are done monthly.

Existing quarry sources are continually being utilised and future sources are being investigated as time permits with other competing projects.

The radio and television towers continued to be maintained.

**3. DESIGN AND ASSET SERVICES**

Survey, design and soil testing is continuing for the 2019-2020 works programs. Progress is as follows:

**Asset Revaluations**

Analysis is currently being completed on the asset revaluations. The last four years of road rehabilitation jobs and resheeting jobs will be analysed to give accurate unit rates.

**Warialda Truckwash**

Survey staff continued survey set out as the project progresses.

**North Star Road – Postmans Gully**

Survey staff continued set out during construction of the project.

**Footpath Inspections**

The footpaths throughout Warialda and Bingara are currently being inspected for failures and to check for compliance to the current codes.

**Emergency Action Plans**

Staff are currently reviewing the emergency action plans for the Council buildings.

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**4. TOWN SERVICES**

**Water and Sewer**

During August water operators attended to 21 service line repairs, five water main breaks and 16 sewer blockages. Due to several sewer chokes staff were busy doing planned jetting sewer lines in Warialda.

Bingara, Gravesend and North Star reservoirs were cleaned by contract drivers 30th August.

Truck stop amenities were 'roughed in' for internal plumbing for building works to proceed.

Plunkett Street elevated tower was fitted with a new high-pressure pilot altitude valve and indicator rod.

Bingara's second Dump Point at the Saleyards is now operational.



*The new dump point near the old Bingara Saleyards*

**Parks and Gardens**

Gwydir Oval grandstand now complete with footpath constructed between canteen and grandstand.

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*Footpath near Gwydir Oval canteen*

Staff are adding finishing touches to All Abilities Park in Warialda.



*All Abilities Park – Warialda*

Weekly Inspections are carried out on Playgrounds across the Shire.

Regular watering of all parks, ovals and gardens continues due to the prolonged drought.

Parks staff also assisted in the unloading and loading of Drought Relief fodder as distributed to local farmers.

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*Unloading drought fodder for distribution (at the Bingara Showground)*

**Bingara Showground preparing for the Pulse of Earth Festival**

The Showground car park was line marked and toilets were cleaned in preparation for the Pulse of the Earth Festival.

Other work carried out in preparation for the festival included slashing, showground access construction, marking of tent sites, portable toilet delivery, painting of the entrance fence and fence around weather station.



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*Water Staff built an access for cars and a safe pedestrian walkway for the Pulse Festival*  
**Plant and Workshop**



*P1933 – Lime Spreader*

Major workshop repairs carried out during August included:

- Modification to the elevated platform at the Truck Wash.
- Complete overhaul of the lime spreader including change of all oils, adjustment to all brakes, replacement of PTO pump, cleaning out transmission and prepare for pink slip
- Replaced all s-cam bushes and brake linings in rear and wheel bearings in the Western Star Truck

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- Split tractor and install new seals into transmission
- Electrical repairs to compactor
- Repack wheel bearings new s-cam bushes and brake drums plus linings on low loader



*Warialda Entry Sign installed on the Mosquito Creek Road town entrance.*

## 5. DEVELOPMENT AND BUILDING SERVICES

The Department continues to receive enquiries and provide advice on a range of planning and building matters including:

- Minor structure construction e.g. sheds
- Commercial opportunities and construction
- Basix (Building Sustainability Index)
- Bushfire requirements
- Building construction standards and requirements
- Stormwater
- Licensing and owner builder requirements
- Fees and charges

The following Construction Certificate (C/C), Building Information Certificate (BIC) and S68 applications have been approved for the month.

No.	Property Description	Development/ Work	\$	C/C	BIC	S68
5/2019	14 Bassett Street BINGARA NSW 2404	Whole House, including additions and shed.	NA		✓	
6/2019	16 Bassett Street BINGARA NSW 2404	Shed converted to dwelling.	NA		✓	

There were no Construction Certificate (C/C) applications approved by a Private Certifier or lodged with Council during the month.

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**NO. OF COMPLAINTS/INSPECTIONS**

<b>Type</b>	<b>No.</b>	<b>Yr. to Date</b>	<b>Actioned</b>	<b>Pending</b>
Building	27	241	240	1

**BUILDING MAINTENANCE**

The Department continues to receive requests to carry out minor maintenance and these are generally dealt with in a timely manner. Otherwise the works are scheduled into maintenance staff building activities including new works for attention.

**Projects Worked on during August 2019**

Staff worked on the following projects during August:

- Captain Cook Park Warialda – Commenced installation of shade sail over playground equipment.
- Truck Wash Amenities Building Warialda – Commenced standing of frames and roof.
- Bingara Civic Centre – Framing walls for rooms and demolishing amenities.
- Naroo – Repairs and maintenance.
- Public Toilets – Repairs and maintenance.

**6. ENVIRONMENTAL SERVICES**

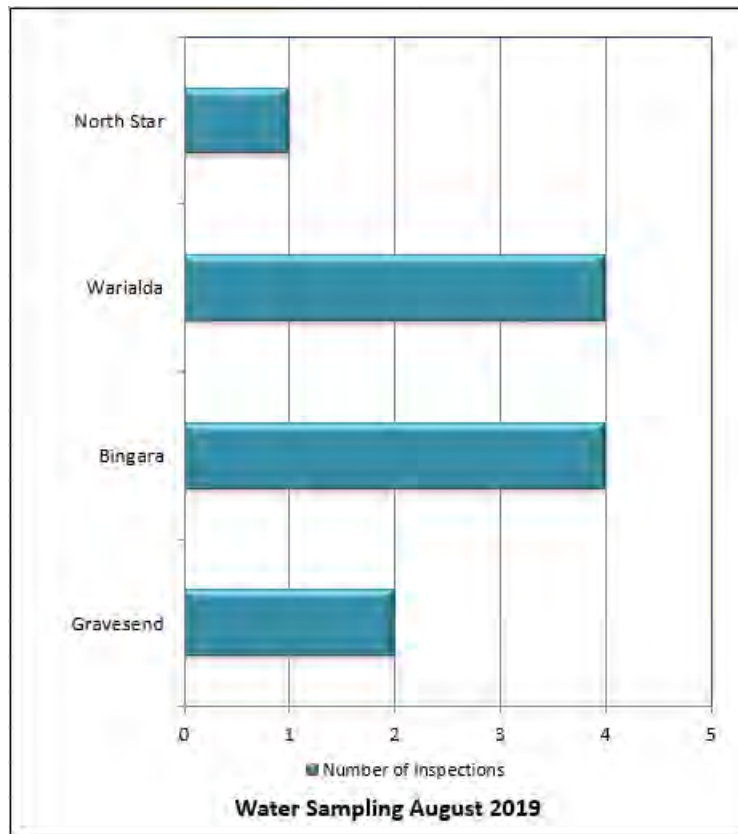
The Department continues to receive enquiries and provide advice on a range of health matters including

- Overgrown properties
- Food premises design and fit-out
- Food handling practices
- Mobile food vendors
- Licensing
- Water carting
- Pet ownership

**Water Surveillance**

The Department continues to carry out routine weekly microbiological sampling of the water supply in the towns of Warialda and Bingara, fortnightly sampling of Gravesend and monthly sampling at North Star.

**Health Related Inspections for August 2019**

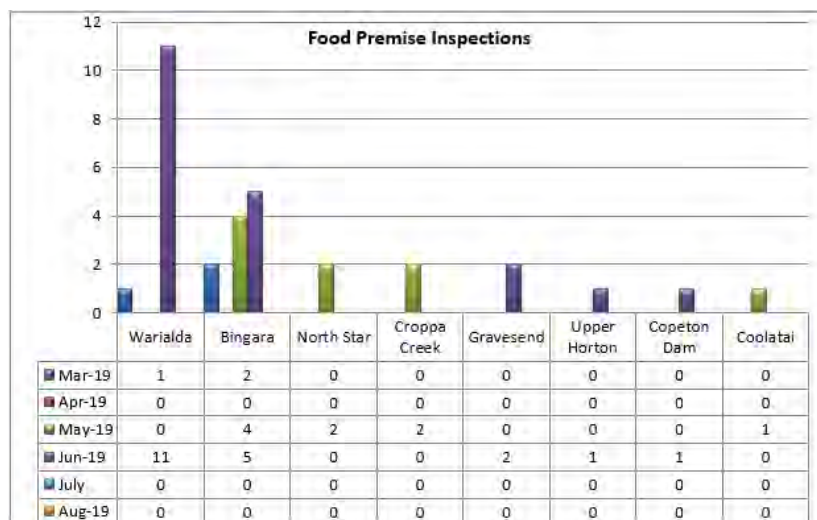


**Cemeteries**

Both Warialda and Bingara Cemeteries continue to be maintained.

**Food Premise Inspections/Re-inspections**

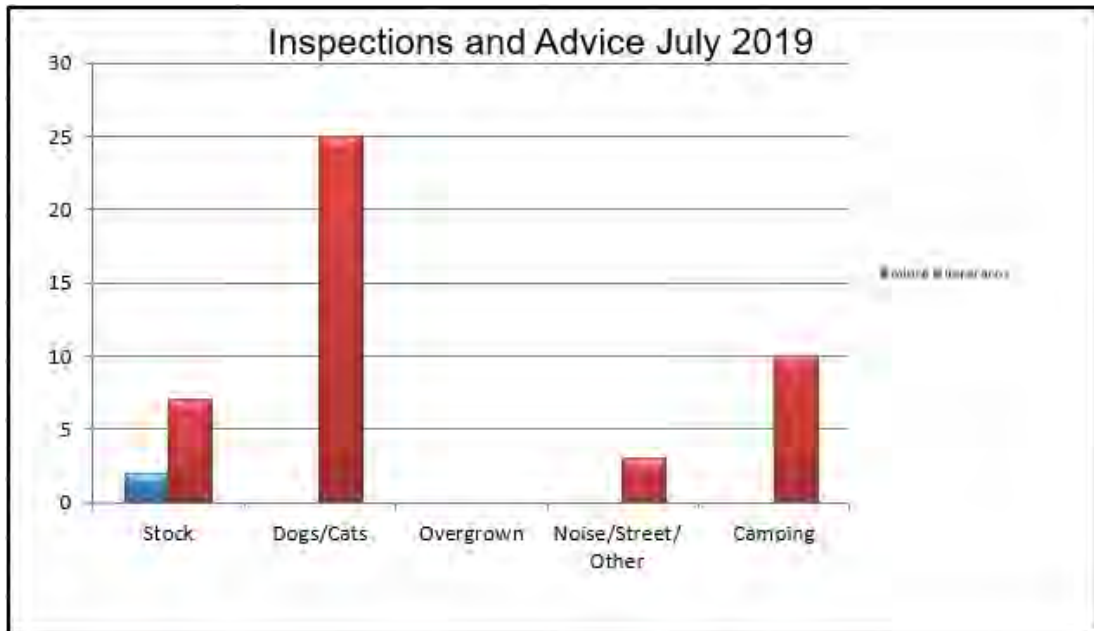
Food Premise Inspections are completed annually and all food premises within the shire have been inspected for 2018/2019. There were no inspections carried out during August 2019. The graph below shows inspections that have been carried out during the previous 6 months. Enquiries or complaints are actioned as necessary.



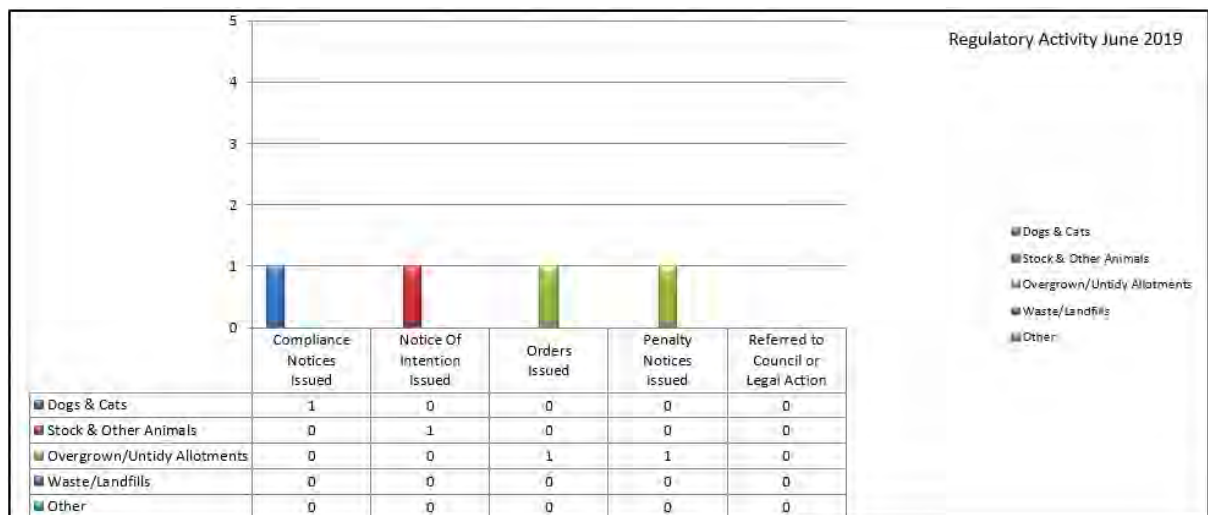
**Compliance and Regulatory Control**

Council received complaints regarding roaming stock and dogs, noise, the keeping of animals and other concerns during the month of August 2019. These are investigated and actioned as necessary and are detailed in the following table.

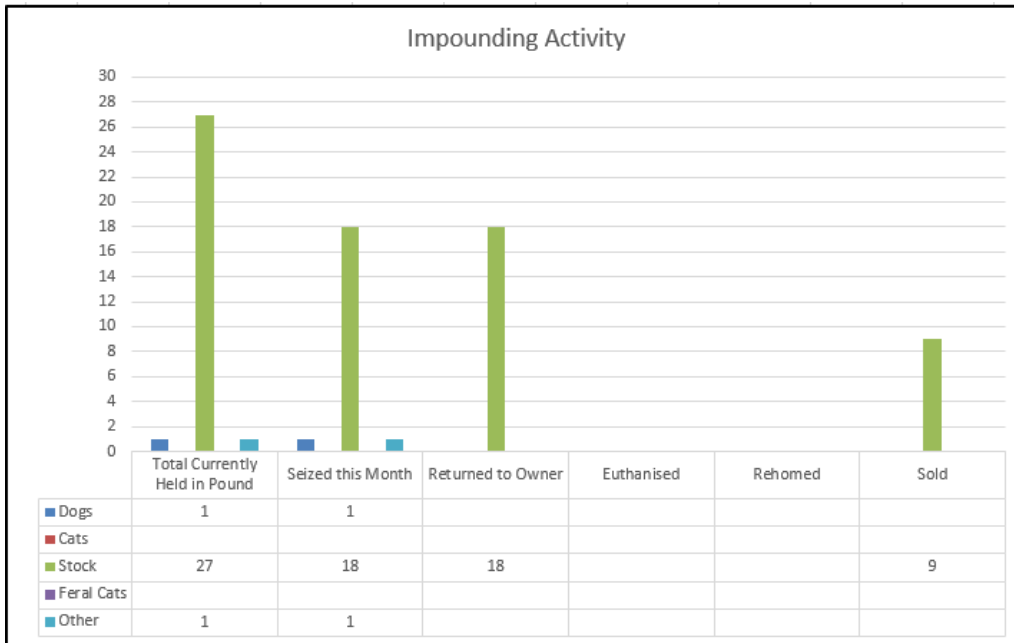
**Inspections and Advice August 2019**



**Regulatory Activity August 2019**



**Pound Activity August 2019**

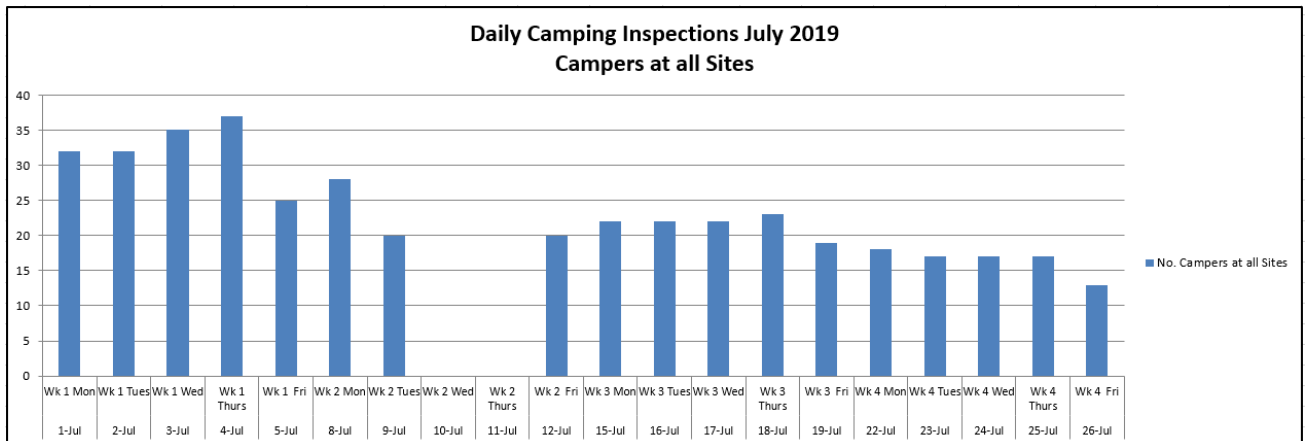


**RIVERSIDE CAMPING**

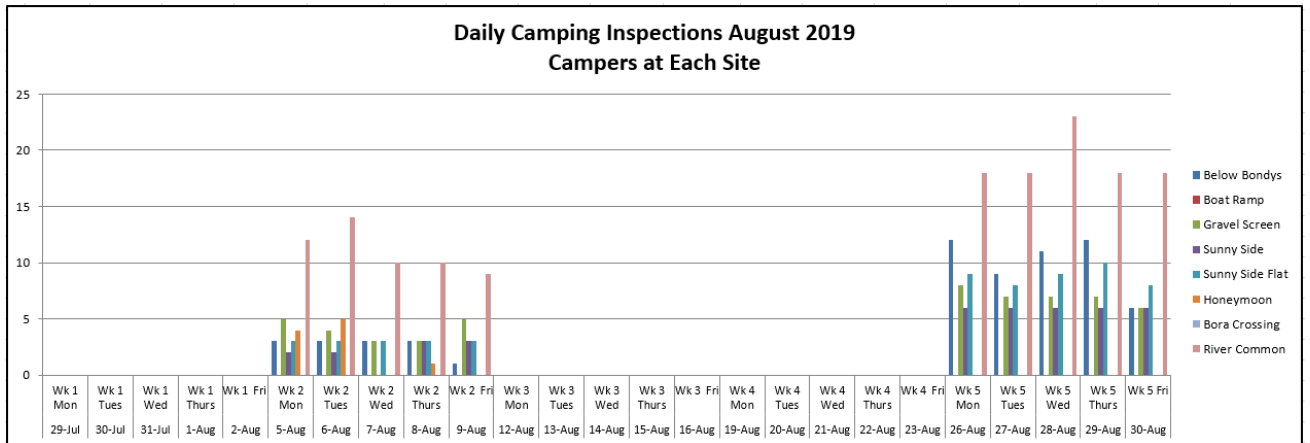
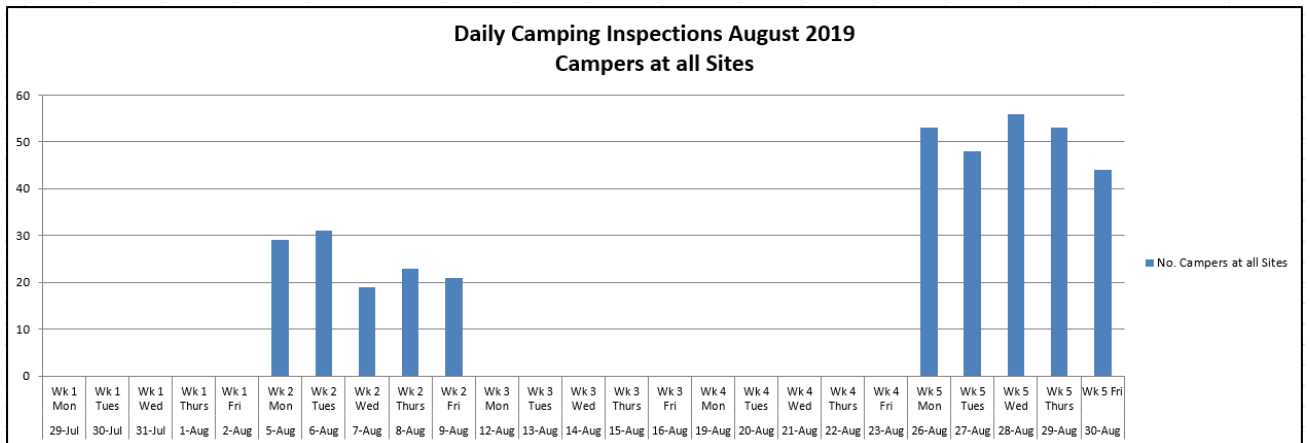
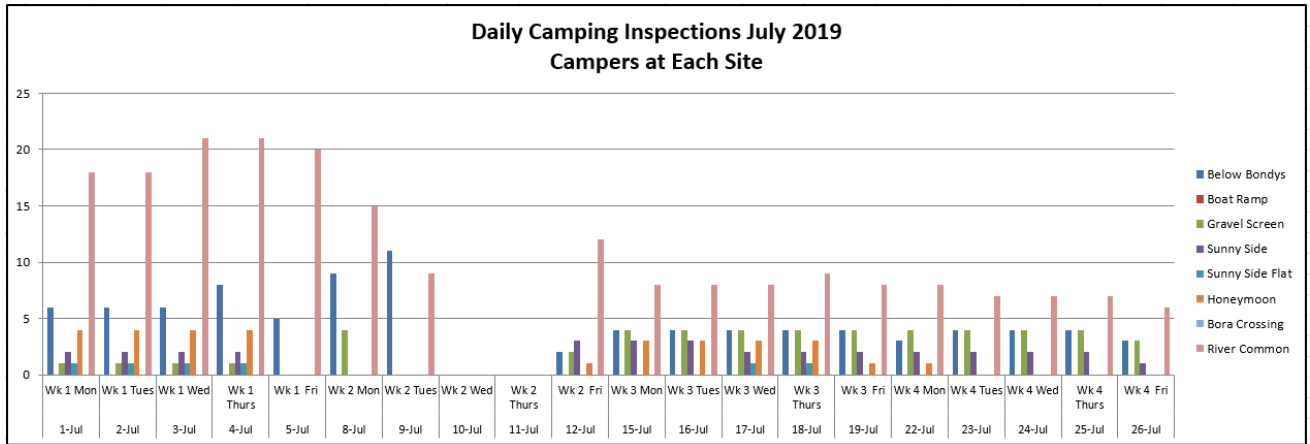
Council’s Compliance Officer aims to carry out daily checks along the Gwydir River to ensure that camping is being conducted in a safe and hygienic manner. Flyers promoting local events and services are distributed to campers and enquires from campers are addressed as necessary. The graphs below show total numbers of campers and the distribution of campers at the different campsites.

The Rangers, with the assistance of Parks and Gardens staff, have installed new signage at each of the campsites as well as planting over 200 native plants.

The July camping figures for the Gwydir River were unavailable at the time of the July report and are included here along with the August camping figures.

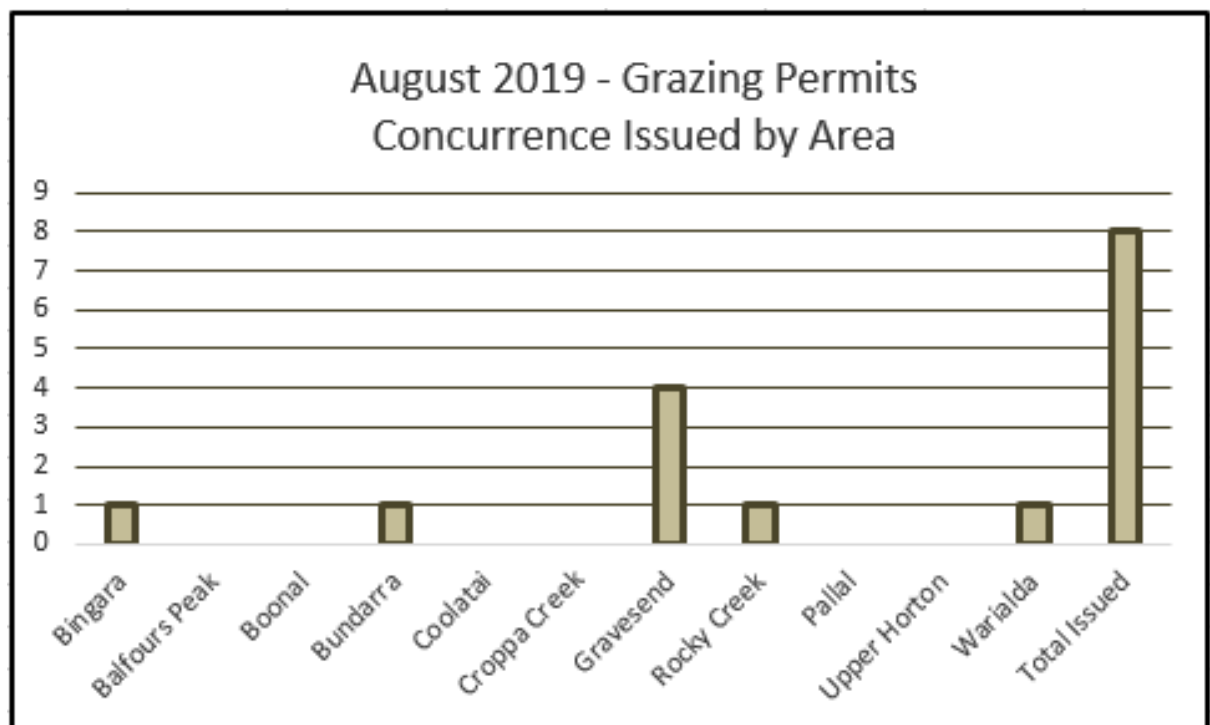
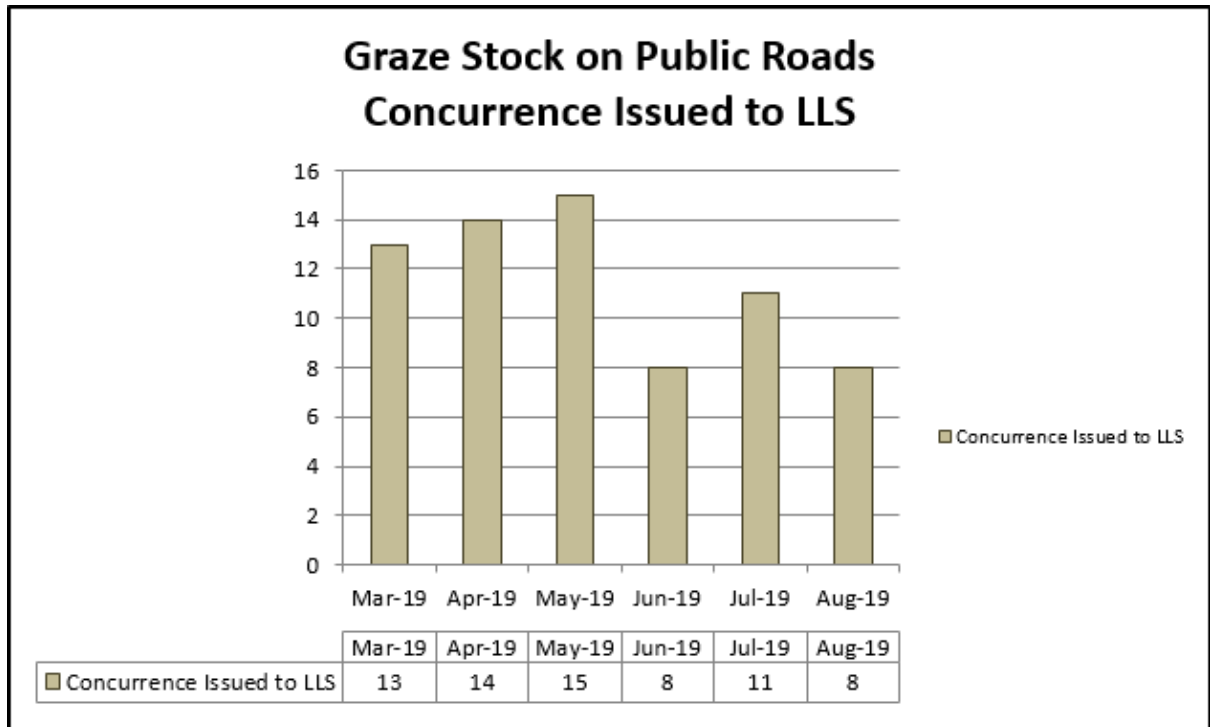






**GRAZING PERMITS**

The demand for Roadside Grazing Permits has remained steady. As the Consent Authority for road reserves, Council has issued concurrence to the North West Local Land Services for Roadside Grazing Permits during the month of August 2019. The following graph shows the applications received for July 2019 compared to the previous 5 months. The second graph shows the Locality of the applications.



**WASTE SERVICES**

Scheduled kerbside collection of waste, recycling and green waste was carried out throughout the Shire during August. Customer service requests are processed and actioned as necessary.

All Waste Recovery Centres in the Shire continue to be supervised/monitored and maintained. Staff continue to make changes to the site layout and

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Chairman .....

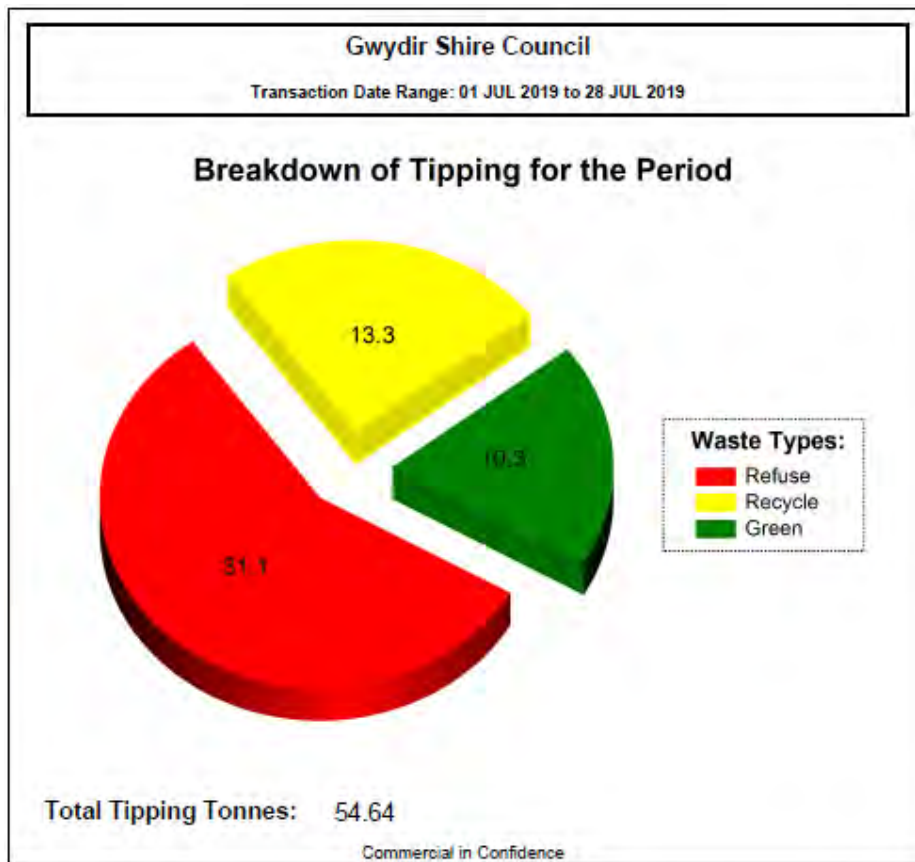
signage to improve onsite operation and access for residents unloading waste and recyclable materials.

Council is continuing to supply mulch from chipped green waste to residents.

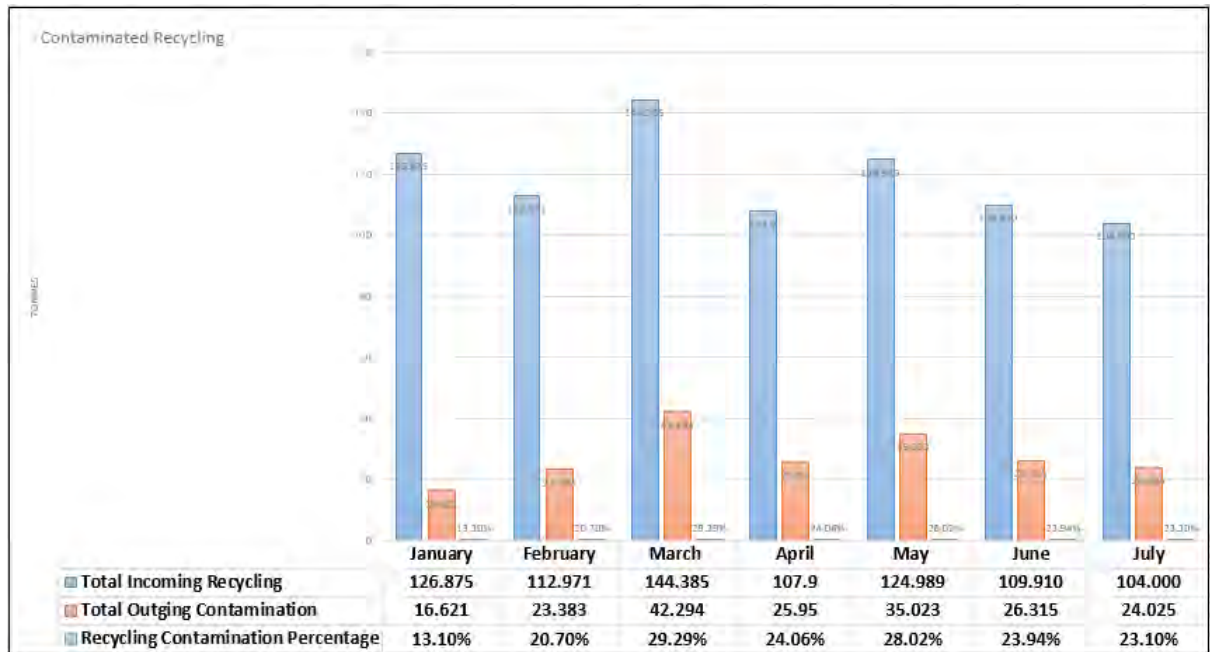
Steel continues to be stockpiled for collection at the Bingara and Warialda Waste Recovery Centre.

The Waste breakdown figures for July were unavailable at the time of the July report and are included here. Waste data figures for August are unavailable at the time of reporting.

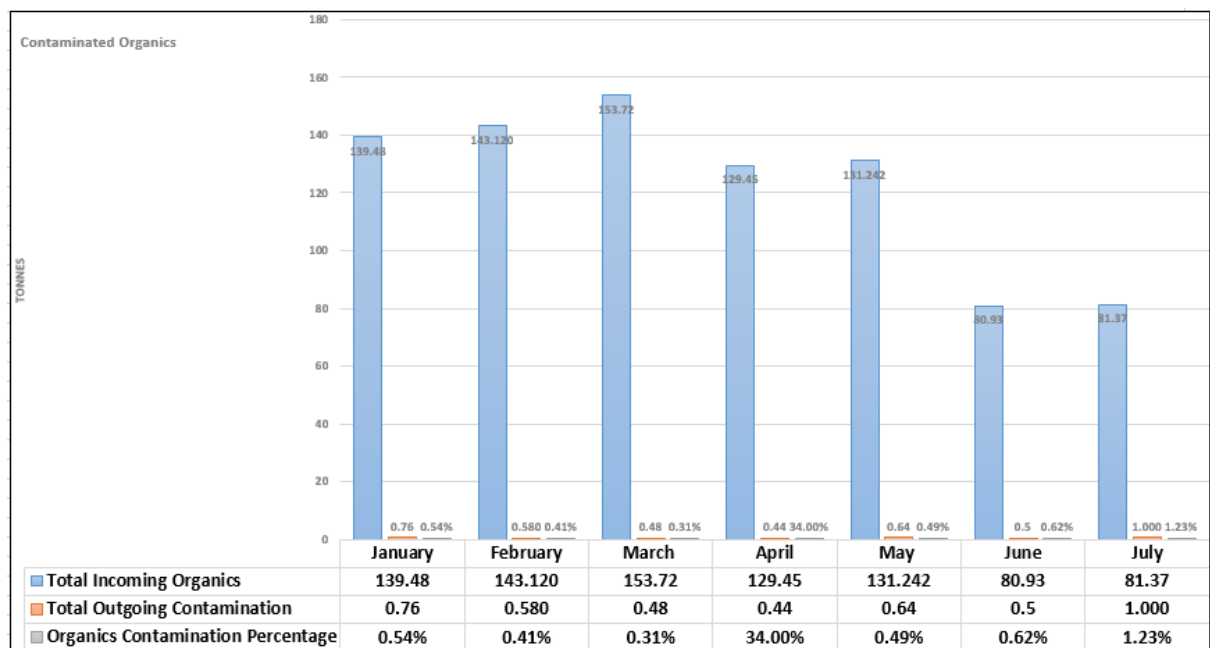
**Breakdown of Waste Collection for July 2019**



Recycling Contamination July 2019



Organics Contamination July 2019



**NOXIOUS WEEDS CONTROL**

**Property Inspection Program**

Staff continue to assist farmers and the community with:

- Funding advice
- Noxious weeds advice
- Property inspections

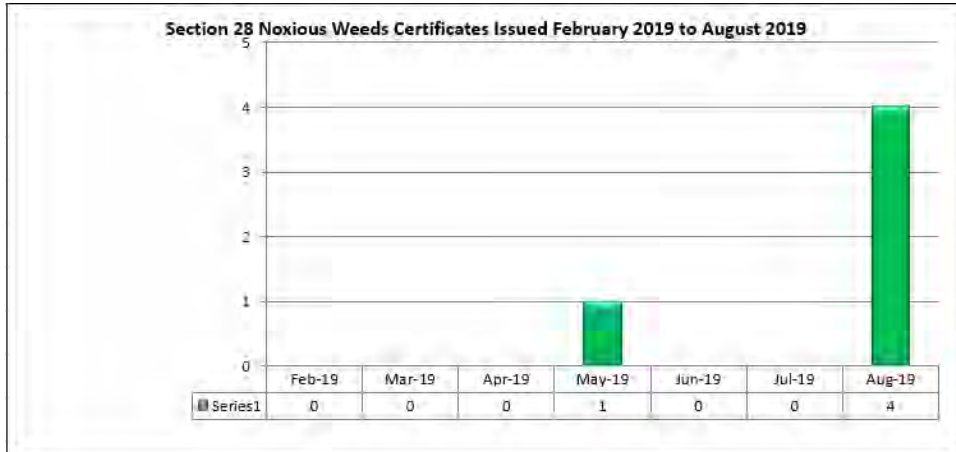
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Chairman .....

- Spraying of noxious weeds
- Property inspections are currently being undertaken in Section D.

**Section 28 Noxious Weeds Certificates**

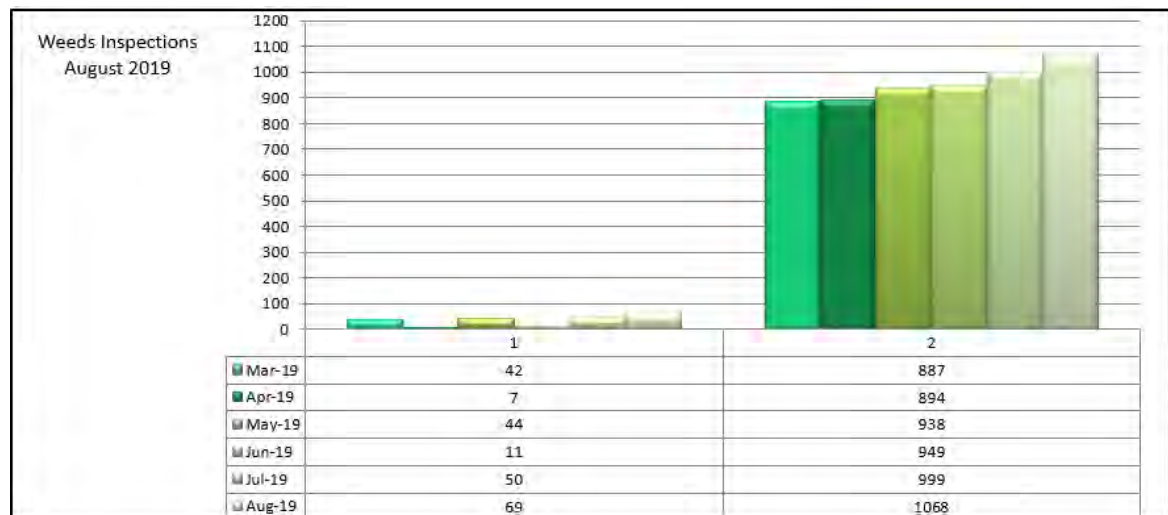
The graph below shows the noxious weeds certificates issued during August 2019, compared to the previous six (6) months.



**Weeds Inspections**

With the drought conditions not even the weeds have been thriving, but the recent rains will bring change and the weeds are starting to appear throughout the shire. Property inspections are currently being undertaken in Section D.

The following graph and chart shows the noxious weeds inspections carried out in August 2019 compared to the previous five (5) months.



**Noxious Weeds Inspections for the month of August 2019**

<i>Areas Inspected</i>	<i>No.</i>	<i>Ha</i>	<i>Rd km</i>	<i>Weeds Present</i>
Private Property	1	144		Tiger Pear, Rope Pear, Blackberry
Private Property – High Risk	13	9144		Tree Pear, Common Pear, Tiger Pear, Rope Pear, African Boxthorn, Green Cestrum, Mother of Millions, Harrisia Cactus
Roadside	3	221	44.13	African Boxthorn, Tiger Pear
Roadside – High Risk Pathways	5	187	35	Tree Pear, Rope Pear, Tiger Pear, Green Cestrum, African Boxthorn
Waterways – High Risk	3	1080		Tiger Pear, Rope Pear, African Boxthorn, Green Cestrum
Other Council Lands	15	553		Paterson's Curse, Tiger Pear, Tree Pear, Blackberry, Blue Heliotrope, Mother of Millions, Green Cestrum, Noogoora Burr, Madeira Vine, African Boxthorn, Mimosa Bush, Galvanised Burr, Bathurst Burr
NWLLS Reserves	23	303		Tiger Pear, African Boxthorn, Prickly Pear, Mother of Millions, Bathurst Burr, Tree Pear, Patterson's Curse, Rope Pear, Galvanised Burr, Green Cestrum
Truck stops	6	14		Mimosa Bush, Common Pear, Tree Pear

**Noxious weeds control works for August 2019**

<b>Road/Property</b>	<b>Locality</b>	<b>Weed Code</b>	<b>Area Ha</b>	<b>Road km</b>	<b>High Risk Road</b>	<b>Council Road</b>	<b>Other</b>
Allan Cunningham Rd	Warialda	tp-cp	225	45	1		
Copeton Dam Rd	Bingara	pc	261.7	52.34	1		
Gwydir River Foreshores	Sunnyside	tp-t-pc	10				1
Gwydir River Foreshores	Honeymoon	tp-t-pc	15				1
Gwydir River Foreshores	Bora Crossing	tp-t-pc	10				1
Gwydir Hwy	Warialda	mb	289.85	57.97	1		
Killarney Gap Rd	Bingara	pc	332.50	66.50		1	
Killarney Gap Rd	Bingara	pc	332.50	66.50		1	
Terry Hie Hie Rd	Rocky Creek	pc	30.75	6.15		1	
Cobbadah Rd	Bingara	pc	246.65	49.33		1	
Delungra Rd	Myall Creek	pc	101.25	20.25		1	
Reedy Creek	Warialda	GCG	2				1
Gineroi Rd	Warialda Rail	tp-p	158.95	31.79		1	

**Other Activities**

- Weeds Officers attended Agquip in Gunnedah on 20<sup>th</sup> & 21<sup>st</sup> August
- Weeds Officers attended Weeds Conference in Newcastle from 27<sup>th</sup> to 29<sup>th</sup> August. 2019.

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Chairman .....

**RECOMMENDATION**

That the Report by the Technical Services Department on the activities of the Department including Notices of Intent, Orders and Penalty Notices issued by Council be noted.

**CONCLUSION**

The activities carried out by the Technical Services Department are in line with the 2019/2020 Management Plan and otherwise as directed.

**CONSULTATION**

Consultation is carried out within the Technical Services Department during the monthly Technical Services team meetings and other relevant persons.

**OFFICER RECOMMENDATION**

THAT the monthly Technical Services Report for August 2019 be received

**ATTACHMENTS**

There are no attachments for this report.

**COUNCIL RESOLUTION:  
MINUTE 312/19**

**THAT the monthly Technical Services Report for August 2019 be received.**

**FURTHER that all the consultants and staff involved in the creation of the various town and village entry signs are commended.**

**(Moved Cr Galvin, seconded Cr D Coulton)**



**Item 7 Monthly Investment and Rates Collection Report for August 2019**

**FILE REFERENCE**

**DELIVERY PROGRAM**

**GOAL:** 5. Organisational Management

**OUTCOME:** 5.1 CORPORATE MANAGEMENT

**STRATEGY:** 5.1.1 Financial management and accountability systems - CFO - internal

**AUTHOR** Manager, Finance

**DATE** 17 September 2019

**STAFF DISCLOSURE OF INTEREST** Nil

**BACKGROUND**

At each monthly Ordinary Meeting, the Council is presented with the schedule relating to Investments, as at the end of the previous month.

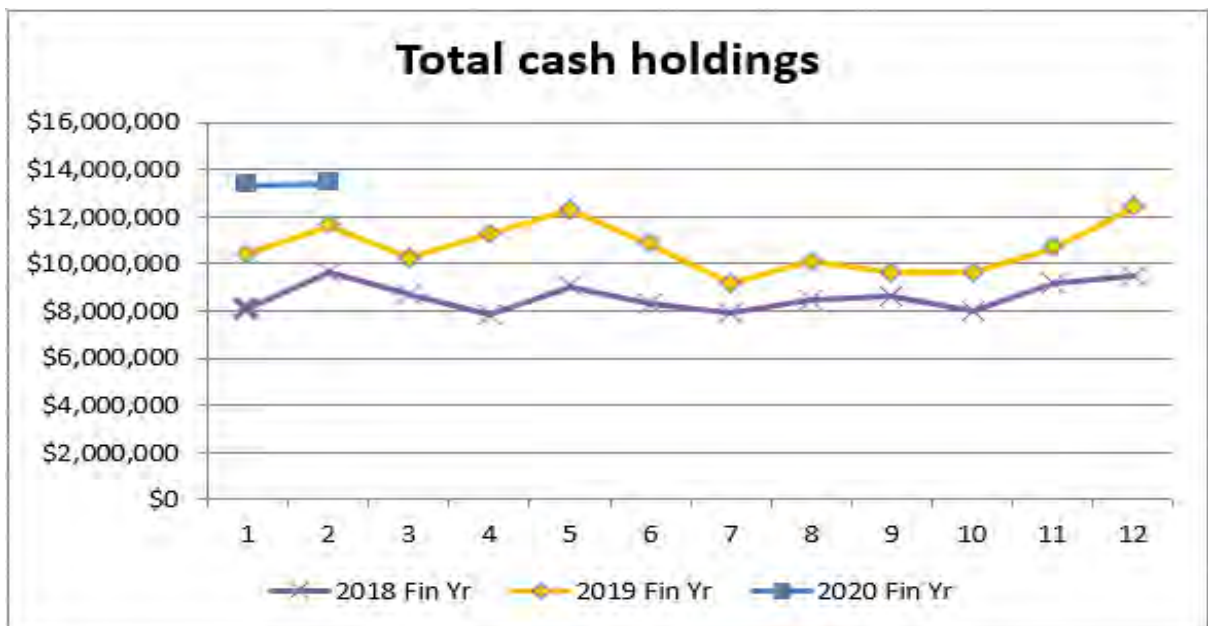
In accordance with Clause 19(3) of the Local Government (Financial Management) Regulation 1993, the following information provides details of Council's funds invested as at 31<sup>st</sup> August 2019.

Direct Investments							
Broker	ID	Investment Name	Rating	Type	Next Rollover	Yield	Current Value
NAB	2020.01	NAB	AA	TD	3-10-19	1.93%	\$1,000,000.00
NAB	2020.02	NAB	AA	TD	3-10-19	1.93%	\$1,000,000.00
NAB	2020.03	NAB	AA	TD	14-10-19	1.93%	\$1,000,000.00
<b>Grand Total</b>							<b>\$3,000,000.00</b>
Managed Funds							
Fund	Investment Horizon	Type	3 Mth Avg Yield	Current Value			
Regional Australia Bank	At Call	Cash	See report	\$302,648.72			
Tcorp Cash Fund	At Call	Cash	See report	\$8,029,911.40			
Tcorp Medium Term Fund	At Call	Cash	See report	\$1,055,778.92			
<b>Grand Total</b>							<b>\$9,388,339.04</b>
Total Investments							
<b>Direct Investments</b>							<b>\$3,000,000.00</b>
<b>Managed Funds</b>							<b>\$9,388,339.04</b>
<b>Grand Total</b>							<b>\$12,388,339.04</b>

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Chairman .....

Cash and Investments	
<b>Total Investments</b>	
Direct Investments	\$3,000,000.00
Managed Funds	\$9,388,339.04
<b>Grand Total Investments</b>	<b>\$12,388,339.04</b>
<b>Total Cash and Investments</b>	
Investments	\$12,388,339.04
Cash at bank	\$ 980,547.22
<b>Grand Total Cash and Investments</b>	<b>\$13,368,886.26</b>
<b>General Fund Cash</b>	
<b>Total cash and investments</b>	<b>\$13,368,886.26</b>
<b>LESS:</b>	
Water fund*	-\$1,709,040.13
Sewer fund*	-\$3,832,629.61
Waste fund*	-\$2,922,207.11
<b>Other restrictions:</b>	
Employee leave entitlements*	-\$900,000.00
Carry over works in progress*	-\$2,000,000.00
Asset replacement*	-\$200,000.00
Bonds and deposits	-\$290,000.00
Unexpended grants*	-\$1,100,000.00
Developer contributions	-\$262,000.00
*These figures may change with end of year processing	
<b>Discretionary General Fund Cash</b>	<b>\$153,009.41</b>



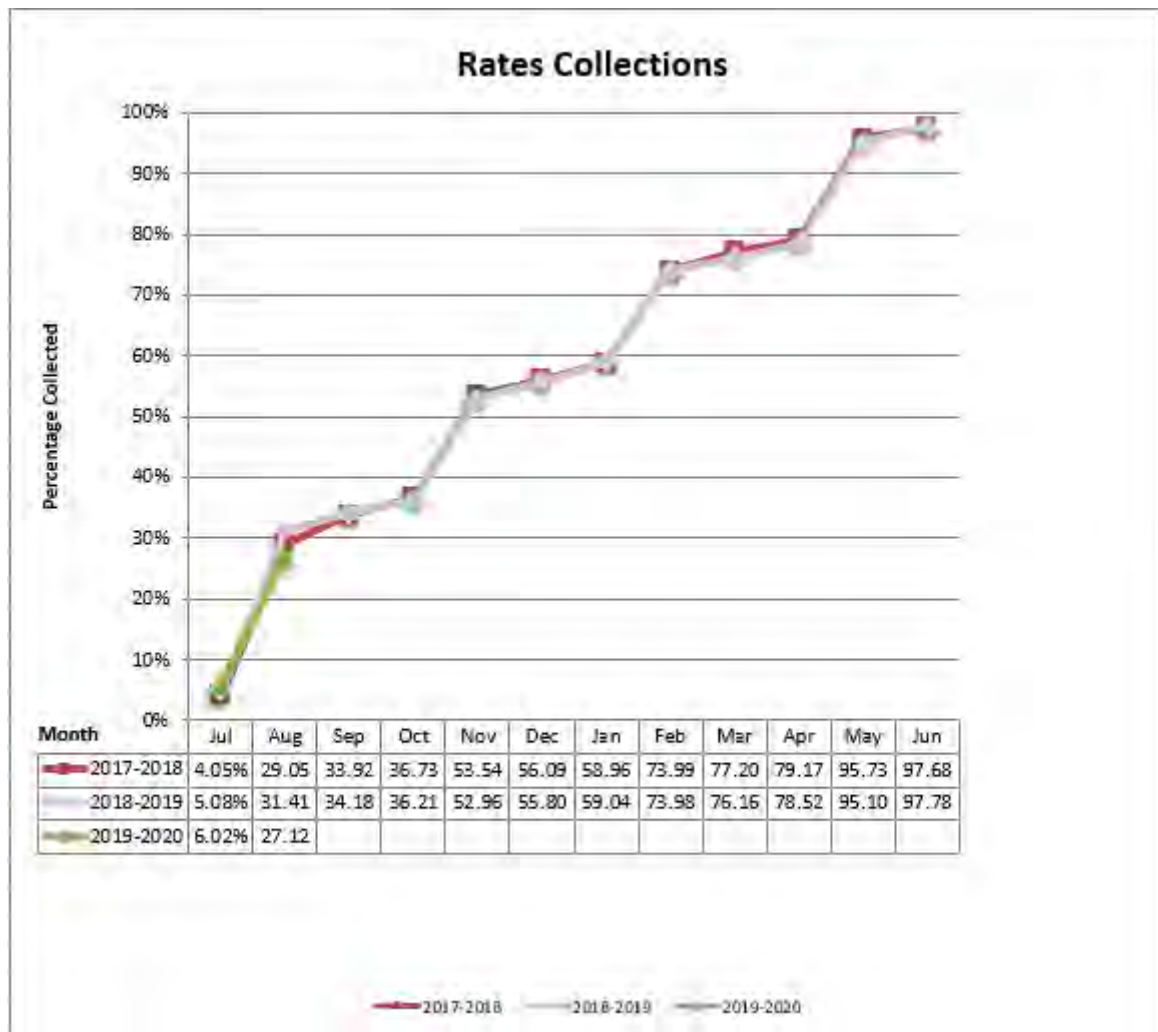
This is page number 91 of the minutes of the Ordinary Meeting held on Thursday 26 September 2019

Chairman .....

I, Helen Thomas, Finance Manager and Responsible Accounting Officer for Gwydir Shire Council, certify that the Council’s investments have been made in accordance with the Local Government Act 1993, Local Government (General) Regulation 2005 and Council’s Investment Policy (F.01.03), as amended.

**RATES COLLECTIONS**

The graph below represents a comparative of the percentage collections for the current year against the two previous rating years. The current year’s collections are up to 31 August 2019.



TCorpIM Corer Funds Monthly Report – August 2019



Performance Summary

31 August 2019

TCorpIM Core Funds \*

	10 year (% p.a.)	7 year (% p.a.)	3 year (% p.a.)	1 year %	FYTD %	1 month %
<b>TCorpIM Cash Fund</b>	3.27	2.58	2.16	2.18	0.26	0.07
Bloomberg AusBond Bank Bill Index	2.96	2.28	1.81	1.82	0.20	0.08
<b>Excess return</b>	<b>0.32</b>	<b>0.30</b>	<b>0.35</b>	<b>0.36</b>	<b>0.05</b>	<b>(0.01)</b>
<b>TCorpIM Short Term Income Fund **</b>	3.50	2.83	2.43	2.70	0.36	0.06
Bloomberg AusBond Bank Bill Index	2.96	2.28	1.81	1.82	0.20	0.08
<b>Excess return</b>	<b>0.54</b>	<b>0.55</b>	<b>0.62</b>	<b>0.88</b>	<b>0.16</b>	<b>(0.03)</b>
<b>TCorpIM Medium Term Growth Fund</b>	6.15	6.34	5.64	6.21	1.36	0.29
SAA benchmark	6.16	6.33	5.68	6.43	1.37	0.33
CPI + 2.0% p.a. (over rolling 7 years)	4.13	3.93	3.84	3.51	0.73	0.37
<b>Excess return to CPI + 2.0% p.a.</b>	<b>2.01</b>	<b>2.41</b>	<b>1.80</b>	<b>2.71</b>	<b>0.63</b>	<b>(0.08)</b>
<b>TCorpIM Long Term Growth Fund</b>	8.62	10.60	9.44	7.22	1.41	(0.25)
SAA benchmark	8.85	10.72	9.61	7.95	1.47	(0.28)
CPI + 3.5% p.a. (over rolling 10 years)	5.63	5.43	5.34	5.01	0.97	0.48
<b>Excess return to CPI + 3.5% p.a.</b>	<b>2.99</b>	<b>5.17</b>	<b>4.10</b>	<b>2.21</b>	<b>0.44</b>	<b>(0.74)</b>

\*Performance returns are net of fees and expenses.

\*\*On 15 October 2018 the TCorpIM Strategic Cash Fund changed its name to the TCorpIM Short Term Income Fund.



Net = Net Return; BM = Benchmark Return; ER = Excess Return

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Chairman .....



TCorpIM Cash Fund Monthly Report – August 2019

## TCorpIM Cash Fund

### August 2019

	Since inception (% p.a.)	10 year (% p.a.)	5 year (% p.a.)	3 year (% p.a.)	1 year (%)	FYTD (%)	6 month (%)	3 month (%)	1 month (%)
<b>Net returns<sup>(1)</sup></b>	5.70	3.27	2.33	2.16	2.18	0.26	1.01	0.42	0.07
<b>Benchmark</b>	5.61	2.96	2.03	1.81	1.82	0.20	0.82	0.34	0.08
<b>Net relative to benchmark<sup>(2)</sup></b>	<b>0.09</b>	<b>0.32</b>	<b>0.30</b>	<b>0.35</b>	<b>0.36</b>	<b>0.05</b>	<b>0.19</b>	<b>0.09</b>	<b>(0.01)</b>

1. Net performance includes all investment management fees and expenses and assumes all distributions are reinvested.  
2. Numbers may not add up due to rounding.  
Past performance does not guarantee future performance.

**Performance commentary**

The Fund returned 0.07% in August and for the financial year to date has returned 0.26%. Over the past 12 months the Fund has returned 2.18%.

The low monthly return reflected the first full month that includes the two interest rate cuts. The cash rate was left unchanged at 1.00% at the RBA's August monetary policy meeting. In its August Statement on Monetary Policy, the RBA adjusted its forecasts for growth and inflation down, while adjusting its unemployment forecasts up. The adjusted forecasts and accompanying language exhibit an explicit easing bias, which is consistent with other central banks globally.

**Benchmark:** Bloomberg AusBond Bank Bill Index

**Funds under management:** \$905m

**Distribution frequency:** Monthly

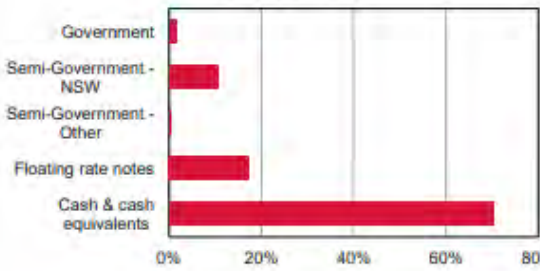
**Inception date:** 30 June 1989

**Investment manager:** NSW Treasury Corporation

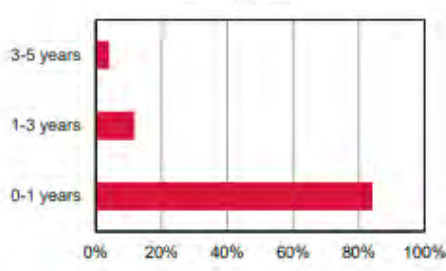
**Cashflow notification period:** Daily (same day cashflows with notification by 12 noon)

**Objective:** To produce returns similar to the benchmark, over one year periods, on an after-fees basis.

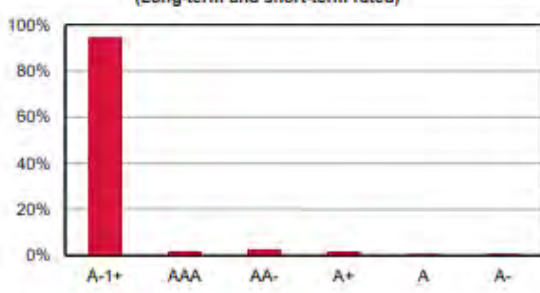
**Security allocation**



**Maturity profile**



**Credit allocation  
(Long-term and short-term rated)**



<b>Running yield</b>	<b>%</b>
Fund	1.14
Benchmark	1.01

<b>Duration</b>	<b>Years</b>
Fund	0.2
Benchmark	0.1

**Disclaimer**  
The portfolio characteristics displayed in the exhibits are based in part on third party databases that are not subject to independent review.

TCorpIM Funds Monthly Report – August 2019
Unclassified / 3 of 7

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Chairman .....

TCorpIM Medium Term Growth Fund Monthly Report – August 2019



**TCorpIM Medium Term Growth Fund**  
August 2019

	10 year (% p.a.)	7 year (% p.a.)	5 year (% p.a.)	3 year (% p.a.)	1 year %	FYTD %	6 month %	3 month %	1 month %
Net returns <sup>(1)</sup>	6.15	6.34	5.36	5.64	6.21	1.36	4.94	2.98	0.29
CPI + 2.0% p.a.	4.13	3.93	3.62	3.84	3.51	0.73	1.57	0.90	0.37
<b>Net relative to CPI + 2.0% p.a.<sup>(2)</sup></b>	<b>2.01</b>	<b>2.41</b>	<b>1.74</b>	<b>1.80</b>	<b>2.71</b>	<b>0.63</b>	<b>3.37</b>	<b>2.08</b>	<b>(0.08)</b>
SAA benchmark	6.16	6.33	5.52	5.68	6.43	1.37	5.03	2.97	0.33
<b>Net relative to benchmark<sup>(2)</sup></b>	<b>(0.01)</b>	<b>0.01</b>	<b>(0.16)</b>	<b>(0.04)</b>	<b>(0.21)</b>	<b>(0.01)</b>	<b>(0.09)</b>	<b>0.01</b>	<b>(0.04)</b>

1. Net performance includes all investment management fees and expenses and assumes all distributions are reinvested.  
2. Numbers may not add up due to rounding.  
Past performance does not guarantee future performance.

**Performance commentary**

Despite falling equity markets, the Fund posted a modestly positive performance. The long term performance remains above the Fund's CPI+2% p.a. objective. High quality bonds often perform well in times of economic and equity market stress and this was the case in August, as yields fell and bond prices rose.

The Fund has a strategic allocation of 13% to Australian bonds and these investments contributed 0.21% to returns over the month. Other interest rate sensitive investments such as global credit and listed property also contributed. These gains were sufficient to offset losses in the Australian and global share markets. The ASX 200 fell 2.4% which detracted 0.11% from the overall performance, while the impact of global equity market decline was contained due to the decline in the AUD relative to the USD.

**Benchmark:** Medium Term Growth Fund strategic asset allocation weighted index  
**Funds under management:** \$695m  
**Distribution frequency:** Annual  
**Inception date:** 1 December 1990  
**Objective:** To produce a return of CPI plus 2% p.a. over rolling 7 years, on an after fees and expenses basis.



Asset class performance	Actual return	
	1 month %	FYTD %
Australian shares	(1.90)	0.94
International shares (unhedged)	0.39	2.58
International shares (hedged)	(1.91)	(0.94)
Listed property	2.71	4.04
Multi-asset class	(0.40)	(0.15)
Global credit	2.31	3.28
Bank loans	(0.23)	0.53
Emerging market debt	0.78	3.81
High yield	(0.07)	0.46
Australian bonds	1.59	2.66
Inflation linked bonds	0.47	2.15
Cash	0.06	0.34

**Disclaimer**

The portfolio characteristics displayed in the exhibits are based in part on third party databases that are not subject to independent review.

OFFICER RECOMMENDATION

THAT the monthly Investment and Rates Collection Report for August 2019 be received

**ATTACHMENTS**

There are no attachments for this report.

**COUNCIL RESOLUTION:  
MINUTE 313/19**

**THAT the monthly Investment and Rates Collection Report for August 2019 be received**

**(Moved Cr Young, seconded Cr Dick)**



**Item 8**            **Bingara Riverside Caravan Park, road naming**

**FILE REFERENCE**

**DELIVERY PROGRAM**

**GOAL:**            **4. Proactive Regional and Local Leadership**

**OUTCOME:**    **4.1 WE ARE AN ENGAGED & CONNECTED COMMUNITY**

**STRATEGY:**   **2.1.1 Plan for and develop the right assets and infrastructure - TS -external**

**AUTHOR**        GIS Officer

**DATE**            19 September 2019

**STAFF DISCLOSURE OF INTEREST**   Nil

**IN BRIEF/ SUMMARY RECOMMENDATION**

The Bingara Riverside Caravan Park has had an upgrade with regard to addressing site numbers and naming roads in the park. The park is naming the roads to be in keeping with the NSW Addressing Policy. This will make it easier for tourists to find their designated area, for permanent residents to have an address and for Emergency Services to respond if a need should arise.

**BACKGROUND**

Under the NSW Addressing Policy, all roads must be named whether they are Council roads, Crown roads, private roads, right of ways or easements intended as roads.

In the NSW Addressing Policy it states:

*“The Geographical Names Board (GNB) advises that Local Government (with jurisdiction over the area in which the road is located) are responsible for endorsing the authoritative road name and ensuring it is approved by the GNB and gazetted, all roads must be named.*

*For the purposes of this policy a road is considered to be an area that is open to and/or used by the public and is navigable by vehicle or foot and can be used for assigning addresses or allowing access between points or to a feature.”*

**ISSUES AND COMMENT**

**Bingara Riverside Caravan Park**

Addressing has been implemented for the Bingara Riverside Caravan Park with updated site numbers. Naming the roads will mean completion of addressing for the caravan park.

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Chairman .....

In naming the roads, a consultative process was undertaken with local business owners, Council tourism staff, caravan park staff and permanent residents resulting in the following names:

- Big River Way
- Orange Blossom Way
- Cinnabar Close and
- Gum Tree Grove.

When naming the park's streets, consideration was given to the district's natural attributes and key tourist areas. Refer Attachment 1.

### **CONCLUSION**

Addressing the Riverside Caravan Park will distinguish between each site and give permanent residents an address within the park and make it easier for emergency services to respond if a need should arise. Creating the road names will be in accordance with the NSW Addressing Policy.

### **CONSULTATION**

Consultation has been conducted with NSW Spatial Services - Department of Community Services, Geographical Names Board, Riverside Caravan Park residents and staff, Council tourism staff, Geographical Information Services Officer and Property and Liaison Manager of Gwydir Shire Council.

### **STRATEGIC IMPLICATIONS**

The naming of all roads will provide consistency with other government authorities and in particular Emergency Services and Australia Post.

### **OFFICER RECOMMENDATION**

THAT the report be received

FURTHER that Council approves the naming of Big River Way, Orange Blossom Way, Cinnabar Close and Gum Tree Grove for the Riverside Caravan Park and that this is sent to the Geographical Names Board for approval.

### **ATTACHMENTS**

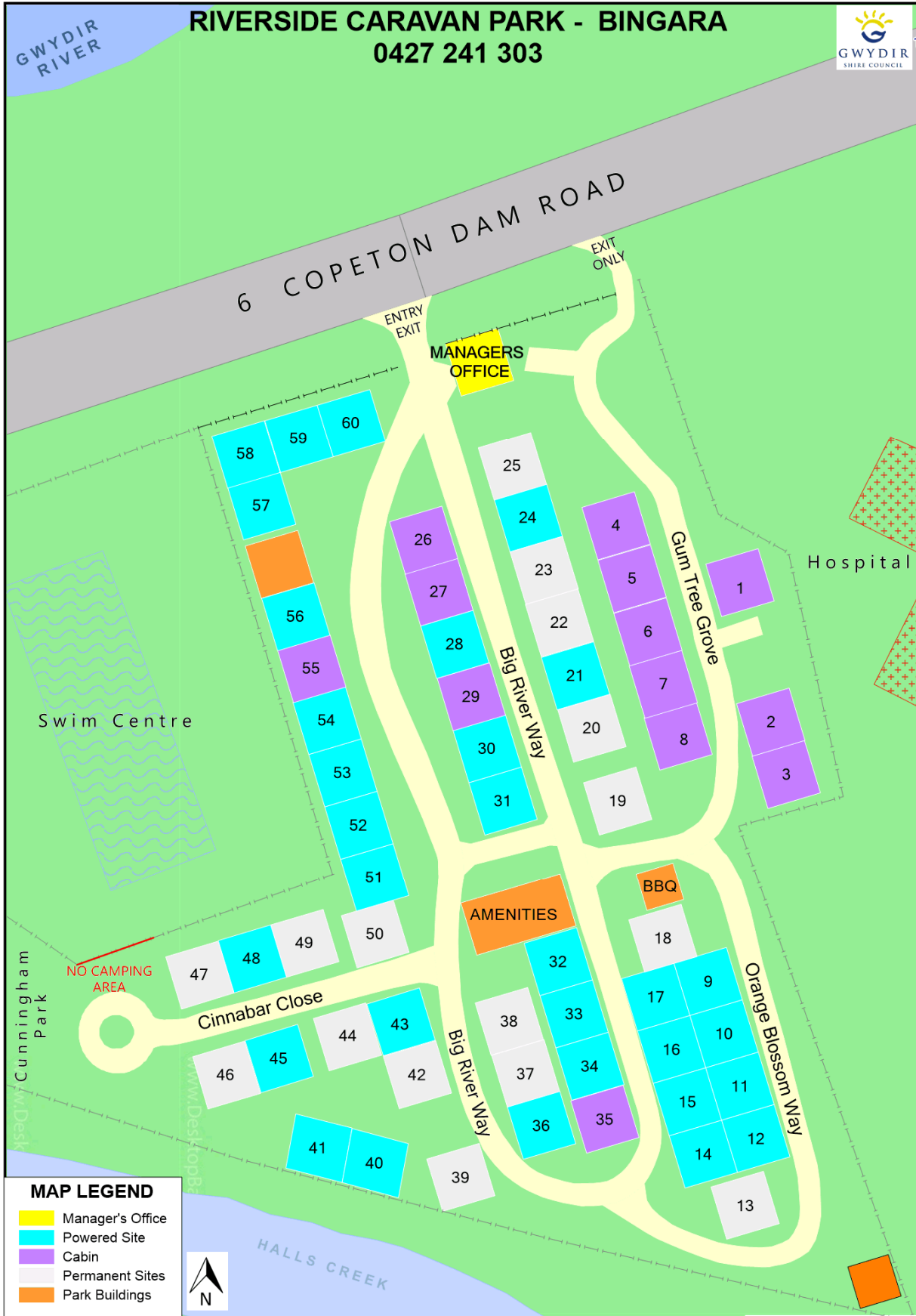
**AT-** Map - Riverside Caravan Park, Bingara

**COUNCIL RESOLUTION:  
MINUTE 314/19**

**THAT** the report be received

**FURTHER** that Council approves the naming of Big River Way, Orange Blossom Way, Cinnabar Close and Gum Tree Grove for the Riverside Caravan Park and that this is sent to the Geographical Names Board for approval.

**(Moved Cr Dixon OAM, seconded Cr Galvin)**



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Chairman .....

**Item 9 Model Code of Conduct - Gifts and Benefits**

**FILE REFERENCE**

**DELIVERY PROGRAM**

**GOAL:** 5. Organisational Management

**OUTCOME:** 5.1 CORPORATE MANAGEMENT

**STRATEGY:** 5.1.1 Financial management and accountability systems - CFO - internal

**AUTHOR** General Manager

**DATE** 20 September 2019

**STAFF DISCLOSURE OF INTEREST** Nil

**TABLED ITEMS** Nil

**BACKGROUND**

Council adopted the Gwydir Shire Council Code of Conduct and Procedures for Administration of the Code of Conduct at its Ordinary Meeting on 11 April 2019. This revised Code of Conduct was based on the Model Code of Conduct for Local Councils in NSW.

A monetary threshold on the value of gifts was set at \$50 in Council's Code of Conduct.

**COMMENT**

Council has received the following correspondence from the Minister for Local Government, The Hon. Shelley Hancock MP:

*As you would be aware, the new Model Code of Conduct sets for the first time a monetary threshold on the value of gifts that may be accepted by council officials. The Office of Local Government (OLG) consulted with councils and integrity agencies such as the NSW Ombudsman and the Independent Commission Against Corruption, in setting that threshold at \$50. The threshold now applies uniformly to all council officials including both councillors and council staff.*

*Out of the 95 submissions received in response to the consultation draft of the Model Code of Conduct, only 5 raised concerns about the \$50 cap on the value of gifts that may be accepted by council officials.*

*I have since been approached by a number of mayors and councillors, who have raised concerns with me about the appropriateness of the \$50 cap on the value of gifts that may be accepted by councillors. In particular, it has been suggested that the cap on the value of gifts that may be accepted by councillors should be raised to \$500.*

*I am interested to hear the views of other councils on this matter. In particular, I would be interested to hear councils' views on the following:*

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Chairman .....

- *Whether \$50 is an appropriate monetary value for the cap on the value of gifts that may be accepted by councillors.*
- *If the \$50 cap on the value of gifts that may be accepted by councillors is not appropriate, at what value should it be set?*
- *If it is suggested that the cap on the value of gifts that may be accepted should be raised, should it be raised uniformly for all council officials, or should it just be raised for councillors and the \$50 cap retained for other council officials such as council staff.*
- *If it is suggested that the cap on the value of gifts that may be accepted should be raised for councillors and not for other council officials such as council staff, why does your council believe that councillors should be subject to a different standard than the one that applies to other classes of council officials in relation to the acceptance of gifts.*

*I request that councils make a submission to the Office of Local Government (OLG) at [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au) by **Friday 8 November 2019**. Submissions should be marked "Gifts and Benefits Feedback" and marked to the attention of OLG's Council Governance Team.*

This issue was raised at the last Country Mayors' Meeting where the general view was that the conditions that relate to NSW Parliamentarians should apply to elected local government councillors.

#### OFFICER RECOMMENDATION

THAT the report be received

FURTHER that Council make a submission to the Office of Local Government recommending that the Model Code of Conduct be reviewed to set the same limitation on Councillors that applies to members of State Parliament

FURTHER that the current cap of \$50 for council officials remain unchanged noting the different social expectations placed onto elected officials.

#### ATTACHMENTS

There are no attachments for this report.

**COUNCIL RESOLUTION:  
MINUTE 315/19**

**THAT the report be received**

**FURTHER that Council make a submission to the Office of Local Government recommending that the Model Code of Conduct be reviewed to set the same limitation on Councillors that applies to members of State Parliament**

**FURTHER that the current cap of \$50 for council officials remain unchanged noting the different social expectations placed onto elected officials.**

**(Moved Cr Dixon OAM, seconded Cr Young)**



**Item 10 Certification of the 2018-2019 Financial Statements**

**FILE REFERENCE**

**DELIVERY PROGRAM**

**GOAL:** 5. Organisational Management

**OUTCOME:** 5.1 CORPORATE MANAGEMENT

**STRATEGY:** 5.1.1 Financial management and accountability systems - CFO - internal

**AUTHOR** Manager, Finance

**DATE** 20 September 2019

**STAFF DISCLOSURE OF INTEREST** Nil

**IN BRIEF/ SUMMARY RECOMMENDATION**

The purpose of this report is to comply with statutory requirements in relation to the General Purpose and Special Purpose Financial Reports for the year ended 30 June 2019, for Gwydir Shire Council.

Due to material changes being made to the Statements after the Audit process, these statements are being presented again for referral.

The General Purpose and Special Purpose Financial Reports for Gwydir Shire Council for the year ended 30 June 2019, have been prepared and are ready for Council to refer for audit.

When the audit is completed, the NSW Audit Office will issue a client service report which will be presented along with the audited financial reports to the Audit Risk and Improvement Committee for review. Following this review, the financial statements will be put to Council on 26 September 2019 to approve for lodgement with the Office of Local Government by 31 October 2019 and for public exhibition.

The audited financial statements and independent auditors report will then be presented to Council and the public at the Council meeting to be held 28 November 2019, in accordance with Section 419 (1) of the *Local Government Act 1993*.

Section 413(2)(c) requires a Statement, signed by the General Manager, Responsible Accounting Officer, Mayor and one Councillor, in the form approved by the Council as to its opinion on the General Purpose Financial Reports, Special Purpose Financial Reports and any such General Schedules. It should be noted that the Statement reflects an opinion only and is not legally binding.

**Staff Certification**

The General Manager, Mr Max Eastcott, and the Responsible Accounting Officer, Mrs Helen Thomas, certify that to the best of their knowledge, the

This is page number 104 of the minutes of the Ordinary Meeting held on Thursday 26 September 2019

Chairman .....

General Purpose and Special Purpose Financial Reports have been prepared in accordance with all statutory requirements and believe the reports present fairly the financial position of Gwydir Shire Council at 30 June 2019.

OFFICER RECOMMENDATION

THAT the report be received

FURTHER that in relation to the report "Certification of the 2018/2019 Annual Financial Reports" for the period ending 30 June 2019, Council:

(i) Resolve to present the Audited General Purpose and Special Purpose Financial Reports, together with the Auditors Reports at a Public Meeting to be held as part of Council's Meeting on 13 November 2019, in accordance with Section 419 (1) of the Local Government Act, 1993;

(ii) Record as an opinion of the Council pursuant to Section 413 (2c) of the *Local Government Act 1993* (NSW) (as amended), that the General Purpose Financial Reports for Gwydir Shire Council for the period ending 30 June 2019:

(a) have been prepared in accordance with:

- the *Local Government Act 1993* (as amended) and Regulations made thereafter
- the Australian Accounting Standards and professional pronouncements; and
- the Local Government Code of Accounting Practice and Financial Reporting;

(b) the General Purpose Financial Report presents fairly the Council's operating result and financial position for the year;

(c) the General Purpose Financial Report accords with the Council's accounting and other records; and

(d) the signatories are not aware of anything that would make the General Purpose Financial Report false or misleading in any way.

(iii) Record as an opinion of the Council pursuant to the Local Government Code of Accounting Practice and Financial Reporting, that the Special Purpose Financial Reports for Gwydir Shire Council for the period ending 30 June 2019:

(a) 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 & Costing for Council Businesses: A Guide to Competitive Neutrality";

- the Local Government Code of Accounting Practice and Financial Reporting; and
- (b) the Special Purpose Financial Reports present fairly the operating result and financial position for each of the Council's declared Business Activities for the year;
- (c) the Special Purpose Financial Reports accord with the Council's accounting and other records; and
- (d) the signatories are not aware of anything that would make the Special Purpose Financial Reports false or misleading in any way.

FURTHER that the reports be authorised for issue

FURTHER that the reports be referred to Council's auditors for audit.

### ATTACHMENTS

AT- General Purpose Financial Statements for year ended 30 June 2019

AT- Special Purpose Financial Statements for year ended 30 June 2019

### COUNCIL RESOLUTION: MINUTE 316/19

**THAT the report be received**

**FURTHER that in relation to the report "Certification of the 2018/2019 Annual Financial Reports" for the period ending 30 June 2019, Council:**

**(i) Resolve to present the Audited General Purpose and Special Purpose Financial Reports, together with the Auditors Reports at a Public Meeting to be held as part of Council's Meeting on 13 November 2019, (Ref: 317/19) in accordance with Section 419 (1) of the Local Government Act, 1993;**

**(ii) Record as an opinion of the Council pursuant to Section 413 (2c) of the *Local Government Act 1993 (NSW)* (as amended), that the General Purpose Financial Reports for Gwydir Shire Council for the period ending 30 June 2019:**

**(a) have been prepared in accordance with:**

- **the *Local Government Act 1993* (as amended) and Regulations made thereafter**
- **the Australian Accounting Standards and professional pronouncements; and**
- **the Local Government Code of Accounting Practice and Financial Reporting;**

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Chairman .....

(b) the General Purpose Financial Report presents fairly the Council's operating result and financial position for the year;

(c) the General Purpose Financial Report accords with the Council's accounting and other records; and

(d) the signatories are not aware of anything that would make the General Purpose Financial Report false or misleading in any way.

(iii) Record as an opinion of the Council pursuant to the Local Government Code of Accounting Practice and Financial Reporting, that the Special Purpose Financial Reports for Gwydir Shire Council for the period ending 30 June 2019:

(a) 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 & Costing for Council Businesses: A Guide to Competitive Neutrality";
- the Local Government Code of Accounting Practice and Financial Reporting; and

(b) the Special Purpose Financial Reports present fairly the operating result and financial position for each of the Council's declared Business Activities for the year;

(c) the Special Purpose Financial Reports accord with the Council's accounting and other records; and

(d) the signatories are not aware of anything that would make the Special Purpose Financial Reports false or misleading in any way.

**FURTHER** that the reports be authorised for issue

**FURTHER** that the reports be referred to Council's auditors for audit.

**(Moved Cr Smith, seconded Cr Moore)**

# Gwydir Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2019

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*To be the recognised leader in Local Government through  
continuous learning and sustainability.*



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Chairman .....

Gwydir Shire Council

Financial Statements 2019

General Purpose Financial Statements  
for the year ended 30 June 2019

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**Overview**

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

33 Miatland Street  
Bingara NSW 2404

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.gwydirshire.com](http://www.gwydirshire.com).

## Gwydir Shire Council

Financial Statements 2019

### General Purpose Financial Statements for the year ended 30 June 2019

## Understanding Council's Financial Statements

### Introduction

Each year, individual Local Governments across NSW 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 2019.

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 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.

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This is page number 110 of the minutes of the Ordinary Meeting held on Thursday 26 September 2019

Chairman .....



Gwydir Shire Council

General Purpose Financial Statements

for the year ended 30 June 2019

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

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

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

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


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

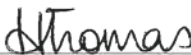
We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 29 August 2019.

  
Cr Catherine Egan  
Deputy Mayor  
29 August 2019

  
Cr David Coulton  
Councillor  
29 August 2019

  
Max Eastcott  
General Manager  
29 August 2019

  
Helen Thomas  
Responsible Accounting Officer  
29 August 2019

Gwydir Shire Council

Financial Statements 2019

Income Statement

for the year ended 30 June 2019

Original unaudited budget 2019	\$ '000	Notes	Actual 2019	Actual 2018 <sup>1</sup>
	<b>Income from continuing operations</b>			
	<u>Revenue:</u>			
10,479	Rates and annual charges	3a	10,314	10,128
3,201	User charges and fees	3b	3,491	3,376
101	Interest and investment revenue	3c	263	216
2,977	Other revenues	3d	4,170	3,739
13,042	Grants and contributions provided for operating purposes	3e,3f	9,709	9,333
4,545	Grants and contributions provided for capital purposes	3e,3f	5,114	2,738
34,345	<b>Total income from continuing operations</b>		33,061	29,530
	<b>Expenses from continuing operations</b>			
12,515	Employee benefits and on-costs	4a	12,078	11,606
516	Borrowing costs	4b	615	519
6,790	Materials and contracts	4c	6,102	5,261
6,411	Depreciation and amortisation	4d	8,265	7,185
2,779	Other expenses	4e	2,050	2,191
50	Net losses from the disposal of assets	5	120	3,140
–	Revaluation decrement / impairment of IPP&E	4d	–	6,021
29,061	<b>Total expenses from continuing operations</b>		29,230	35,923
5,284	<b>Operating result from continuing operations</b>		3,831	(6,393)
5,284	<b>Net operating result for the year</b>		3,831	(6,393)
5,284	Net operating result attributable to council		3,831	(6,393)
739	<b>Net operating result for the year before grants and contributions provided for capital purposes</b>		(1,283)	(9,131)

(1) The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under AASB 139 Financial Instruments: Recognition and Measurement

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

Gwydir Shire Council

Financial Statements 2019

Statement of Comprehensive Income  
 for the year ended 30 June 2019

\$ '000	Notes	2019	2018 <sup>1</sup>
<b>Net operating result for the year (as per Income Statement)</b>		<b>3,831</b>	<b>(6,393)</b>
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	9	342	(8,474)
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>342</b>	<b>(8,474)</b>
<b>Total other comprehensive income for the year</b>		<b>342</b>	<b>(8,474)</b>
<b>Total comprehensive income for the year</b>		<b>4,173</b>	<b>(14,867)</b>
Total comprehensive income attributable to Council		4,173	(14,867)

(1) The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under AASB 139 Financial Instruments: Recognition and Measurement

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

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Chairman .....

Gwydir Shire Council

Financial Statements 2019

Statement of Financial Position  
 as at 30 June 2019

\$ '000	Notes	2019	2018 <sup>1</sup>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalent assets	6(a)	3,787	3,485
Investments	6(b)	8,606	5,842
Receivables	7	1,894	2,374
Inventories	8a	804	220
Other	8b	–	3
<b>Total current assets</b>		<u>15,091</u>	<u>11,924</u>
<b>Non-current assets</b>			
Infrastructure, property, plant and equipment	9	410,006	405,441
<b>Total non-current assets</b>		<u>410,006</u>	<u>405,441</u>
<b>TOTAL ASSETS</b>		<u>425,097</u>	<u>417,365</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	10	3,415	2,543
Income received in advance	10	163	164
Borrowings	10	1,274	991
Provisions	11	2,725	2,698
<b>Total current liabilities</b>		<u>7,577</u>	<u>6,396</u>
<b>Non-current liabilities</b>			
Borrowings	10	8,266	7,686
Provisions	11	3,842	2,044
<b>Total non-current liabilities</b>		<u>12,108</u>	<u>9,730</u>
<b>TOTAL LIABILITIES</b>		<u>19,685</u>	<u>16,126</u>
<b>Net assets</b>		<u>405,412</u>	<u>401,239</u>
<b>EQUITY</b>			
Accumulated surplus	12	277,731	273,900
Revaluation reserves	12	127,681	127,339
<b>Council equity interest</b>		<u>405,412</u>	<u>401,239</u>
<b>Total equity</b>		<u>405,412</u>	<u>401,239</u>

(1) The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under AASB 139 Financial Instruments: Recognition and Measurement

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

Gwydir Shire Council

Financial Statements 2019

Statement of Changes in Equity  
 for the year ended 30 June 2019

\$ '000	2019			2018 <sup>(1)</sup>		
	Accumulated surplus	IPP&E revaluation reserve	Total equity	Accumulated surplus	IPP&E revaluation reserve	Total equity
Opening balance	273,900	127,339	401,239	280,293	135,813	416,106
Net operating result for the year	3,831	-	3,831	(6,393)	-	(6,393)
<b>Other comprehensive income</b>						
- Gain (loss) on revaluation of IPP&E		342	342	-	(8,474)	(8,474)
<b>Other comprehensive income</b>		342	342	-	(8,474)	(8,474)
<b>Total comprehensive income</b>	3,831	342	4,173	(6,393)	(8,474)	(14,867)
<b>Equity – balance at end of the reporting period</b>	<b>277,731</b>	<b>127,681</b>	<b>405,412</b>	<b>273,900</b>	<b>127,339</b>	<b>401,239</b>

(1) The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under AASB 139 Financial Instruments: Recognition and Measurement

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

Gwydir Shire Council

Financial Statements 2019

Statement of Cash Flows  
 for the year ended 30 June 2019

Original unaudited budget 2019	\$ '000	Notes	Actual 2019	Actual 2018
<b>Cash flows from operating activities</b>				
<u>Receipts</u>				
10,609			10,315	9,985
3,350			3,803	3,391
259			280	236
13,217			15,678	11,257
-			-	2
2,129			5,161	4,622
<u>Payments</u>				
(11,986)			(11,967)	(11,704)
(5,629)			(6,592)	(5,876)
(506)			(486)	(381)
-			(55)	-
(1,620)			(702)	(2,737)
		13b		
<b>9,823</b>			<b>15,435</b>	<b>8,795</b>
<b>Cash flows from investing activities</b>				
<u>Receipts</u>				
-			12,000	3,016
945			263	535
<u>Payments</u>				
-			(14,764)	(5,842)
(10,372)			(13,268)	(8,209)
-			(179)	-
<b>(9,427)</b>			<b>(15,948)</b>	<b>(10,500)</b>
<b>Cash flows from financing activities</b>				
<u>Receipts</u>				
-			2,023	-
<u>Payments</u>				
(1,002)			(1,208)	(1,327)
<b>(1,002)</b>			<b>815</b>	<b>(1,327)</b>
<b>(606)</b>			<b>302</b>	<b>(3,032)</b>
4,300		13a	3,485	6,517
<b>3,694</b>		13a	<b>3,787</b>	<b>3,485</b>
Additional Information:				
8,500		6(b)	8,606	5,842
<b>12,194</b>			<b>12,393</b>	<b>9,327</b>

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

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
for the year ended 30 June 2019

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Chairman .....



Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
for the year ended 30 June 2019

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on dd MMMM yyyy. Council has the power to amend and reissue these financial statements.

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

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

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

Council is a not for-profit entity.

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

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 17 – Material budget variations

and are clearly marked.

**(a) New and amended standards adopted by Council**

During the year, Council adopted all standards which were mandatorily effective for the first time at 30 June 2019.

AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement from 1 July 2018.

*Classification and Measurement of financial assets*

There is no impact to the financial statements other than a the change in classification name to amortised cost.

*Impairment of financial assets*

Council has reviewed its receivables which has resulted in an increase in the impairment provision. The transactions which relate to the increase mainly occurred in the 2019 financial year. The majority of receivables are rates and charges and amounts due from government for grant programs. Rates and charges are secured against the property and there no adjustment is required to the impairment provision for rates.

**(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.

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.

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
for the year ended 30 June 2019

Note 1. Basis of preparation (continued)

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 11
- (iii) employee benefit provisions – refer Note 11.

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

- (i) Impairment of receivables

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

**Monies and other assets received by Council**

**(a) The Consolidated Fund**

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

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

- General purpose operations
- Water service
- Sewerage service
- Waste management
- Naroo Aged Care

**(b) The Trust Fund**

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

Trust monies and properties are held by Council but 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 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 30 June 2019 reporting periods (and which have not been early adopted by Council).

Council's assessment of these new standards and interpretations (where they have been deemed as having a material impact on Council's future financial performance, financial position and cash flows) are set out below:

**AASB 16 Leases**

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Financial Statements 2019

Notes to the Financial Statements  
for the year ended 30 June 2019

Note 1. Basis of preparation (continued)

AASB 16 will result (for YE 19/20 and beyond) in almost all operating leases being recognised on the balance sheet by Council (alongside existing finance leases) with the distinction between operating and finance leases removed.

Under the new standard, a financial liability (ie. a lease liability) and an asset (ie. a right to use the leased item) will be recognised for nearly all arrangements where Council commits itself to paying a rental fee for the use of a specific asset.

The only exceptions are short-term and low-value leases which are exempt from the accounting (but not disclosure) requirements of AASB 16 - Leases.

Council has an agreement for the rental of multi function printers/copiers. The agreement does not individually list the rental cost for each item of equipment however, the suppliers have provided the outright purchase prices for the printers/copiers. These are considered to be low value assets and therefore will be exempt from the requirements and as such council will not record a lease liability.

**AASB 15 Revenue from Contracts with Customers and associated amending standards.**

AASB15 introduces a five-step process for revenue recognition, with the core principle of the new standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

Accounting policy changes will arise in the timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element.

Councils has assessed each revenue stream particularly the impact for grant income and rates which are paid before the commencement of the rating period.

The changes in revenue recognition requirements in AASB15 may cause changes to the timing and amount of revenue recorded in the financial statements as well as additional disclosures.

AASB 15 will have no impact on rates and charges paid in advance as council has always accounted for these as a liability. There may be a very minor impact in relation to grants as council is currently auspicing several Stronger Country Communities grants where the good/services will not be retained by council, unspent grants as at 30 June total \$56,809.

**AASB 1058 Income of NFP Entities**

AASB 1058 supersedes all the income recognition requirements relating to councils, previously in AASB 1004 Contributions.

Under AASB 1058 the future timing of income recognition will depend on whether the transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service) related to an asset (such as cash or another asset) received by an entity.

AASB 1058 also applies when a council receives volunteer services or enters into other transactions in which the consideration to acquire an asset is significantly less than the fair value of the asset, and where the council's objective is principally to enable the asset to further the council's objectives.

Upon initial recognition of the asset, this standard requires council to consider whether any other financial statement elements (called 'related amounts') should be recognised in accordance with the applicable accounting standard, such as:

- (a) contributions by owners
- (b) revenue, or a contract liability arising from a contract with a customer
- (c) a lease liability
- (d) a financial instrument, or
- (e) a provision.

If the transaction is a transfer of a financial asset to enable council to acquire or construct a recognisable non-financial asset to be controlled by council (i.e. an in-substance acquisition of a non-financial asset), the council recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. Council will then recognise income as it satisfies its obligations under the transfer similarly to income recognition in relation to performance obligations under AASB 15.

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements

for the year ended 30 June 2019

Note 1. Basis of preparation (continued)

If the transaction does not enable council to acquire or construct a recognisable non-financial asset to be controlled by council, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income.

The majority of capital grants are paid in arrears based on actual expenditure and therefore council will have met all obligations prior to receiving the grant payment. There were however a number of grants, totalling \$302,815, under the Stronger Country Communities program and \$353,377 for the upgrade of the kitchen at Naroo which were unspent as at 30 June 2019 and under the terms of the funding agreement would be shown as a liability and the income taken up when the works have been completed.

Council considers there could be similar grants that would be deferred as at 30 June 2020 but at the time of completing the 2019 financial statements, Council is unable to estimate the dollar impact as at 30 June 2020.

**AASB 2018-8 Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities**

This Standard provides a temporary option for not-for-profit entities to not apply the fair value initial measurement requirements for right-of-use assets arising under leases with significantly below market terms and conditions, principally to enable the entity to further its objectives (for example, concessionary or peppercorn leases).

The Standard requires an entity that elects to apply the option (i.e. measures a class or classes of such right-of-use assets at cost rather than fair value) to include additional disclosures in the financial statements to ensure users understand the effects on the financial position, financial performance and cash flows of the entity arising from these leases

As per a NSW Office of Local Government recommendation, Council has elected to measure right-of-use assets (under a concessionary or peppercorn lease) at cost. The standard requires additional disclosures be provided in relation to below market-value leases measured at cost.

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

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

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note 2(b).

Functions or activities	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)	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Social	4,218	3,267	4,580	4,531	(362)	(1,264)	1,942	1,777	13,945	14,093
Economic	9,790	8,153	10,223	9,154	(433)	(1,001)	3,048	3,623	340,664	343,000
Environment	2,946	2,873	2,648	2,652	298	221	185	76	20,212	16,147
Civic Leadership	667	557	1,536	1,367	(869)	(810)	-	-	3,941	4,078
Governance	15,440	14,680	10,243	18,219	5,197	(3,539)	6,807	4,352	46,335	40,047
<b>Total functions and activities</b>	<b>33,061</b>	<b>29,530</b>	<b>29,230</b>	<b>35,923</b>	<b>3,831</b>	<b>(6,393)</b>	<b>11,982</b>	<b>9,828</b>	<b>425,097</b>	<b>417,365</b>

**Gwydir Shire Council**

Financial Statements 2019

**Notes to the Financial Statements**  
for the year ended 30 June 2019

**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:

**Social**

Includes aged and disability services, social services, library, emergency services, parks and urban spaces, public health.

**Economic**

Includes Gwydir Learning Region, shire roads, asset management, sewerage services, marketing & promotion.

**Environment**

Includes development and land use management, water supply, environmental protection, waste operations and circular economy.

**Civic Leadership**

Includes organisational development & recreational facilities.

**Governance**

Includes technical services, governance, financial operations, information services, compliance, town utilities and plant operations.



Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 3. Income from continuing operations

\$ '000	2019	2018
<b>(a) Rates and annual charges</b>		
<b>Ordinary rates</b>		
Residential	1,227	1,200
Farmland	6,256	6,134
Business	215	210
Less: pensioner rebates (mandatory)	(89)	(88)
<b>Rates levied to ratepayers</b>	<b>7,609</b>	<b>7,456</b>
Pensioner rate subsidies received	48	48
<b>Total ordinary rates</b>	<b>7,657</b>	<b>7,504</b>
<b>Annual charges</b>		
<small>(pursuant to s.496, s.496A, s.496B, s.501 &amp; s.611)</small>		
Domestic waste management services	652	692
Stormwater management services	36	36
Water supply services	686	686
Sewerage services	626	624
Waste management services (non-domestic)	727	653
Less: pensioner rebates (mandatory)	(151)	(148)
<b>Annual charges levied</b>	<b>2,576</b>	<b>2,543</b>
Pensioner subsidies received:		
- Water	24	24
- Sewerage	20	20
- Domestic waste management	37	37
<b>Total annual charges</b>	<b>2,657</b>	<b>2,624</b>
<b>TOTAL RATES AND ANNUAL CHARGES</b>	<b>10,314</b>	<b>10,128</b>

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

**Accounting policy for rates and charges**

Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts.

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

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates.

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, which are held as a liability - rates in advance.

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	2019	2018
<b>(b) User charges and fees</b>		
<b>Specific user charges</b>		
<small>(per s.502 - specific 'actual use' charges)</small>		
Water supply services	666	774
Sewerage services	69	65
<b>Total specific user charges</b>	<b>735</b>	<b>839</b>
<b>Other user charges and fees</b>		
<b>(i) Fees and charges – statutory and regulatory functions (per s.608)</b>		
Inspection services	13	3
Planning and building regulation	61	77
Private works – section 67	161	269
Registration fees	8	19
Section 603 certificates	9	11
<b>Total fees and charges – statutory/regulatory</b>	<b>252</b>	<b>379</b>
<b>(ii) Fees and charges – other (incl. general user charges (per s.608))</b>		
Caravan park	376	362
Cemeteries	35	41
Child care	3	4
RMS (formerly RTA) charges (state roads not controlled by Council)	1,698	1,429
Tourism	5	6
Gwydir learning region	30	26
Home and community care / community transport	119	66
Pre-school services	107	46
Roxy theatre	46	56
Community fitness	34	30
Other	51	92
<b>Total fees and charges – other</b>	<b>2,504</b>	<b>2,158</b>
<b>TOTAL USER CHARGES AND FEES</b>	<b>3,491</b>	<b>3,376</b>

**Accounting policy for user charges and fees**

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

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	2019	2018
<b>(c) Interest and investment revenue (including losses)</b>		
<b>Interest on financial assets measured at amortised cost</b>		
– Overdue rates and annual charges (incl. special purpose rates)	23	22
– Cash and investments	76	78
Distribution income relating to investments held at fair value through other comprehensive income	164	116
<b>TOTAL INTEREST AND INVESTMENT REVENUE</b>	<b>263</b>	<b>216</b>
<b>Interest revenue is attributable to:</b>		
<b>Unrestricted investments/financial assets:</b>		
Overdue rates and annual charges (general fund)	14	13
General Council cash and investments	75	51
<b>Restricted investments/funds – external:</b>		
Development contributions		
– Section 7.11	6	–
Water fund operations	17	18
Sewerage fund operations	80	77
Domestic waste management operations	71	57
<b>Total interest and investment revenue</b>	<b>263</b>	<b>216</b>

**Accounting policy for interest and investment revenue**

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

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	2019	2018
<b>(d) Other revenues</b>		
Rental income – other council properties	247	244
Fines – other	8	5
Legal fees recovery – rates and charges (extra charges)	7	9
Commissions and agency fees	115	94
Diesel rebate	94	76
Insurance claims recoveries	16	16
Sales – general	54	45
Emergency services reimbursements	118	88
Employee related	89	74
Festivals	13	8
Medical centres	6	–
Naroo	2,438	2,442
Sewer operations	1	12
Tourism	53	35
Waste management revenues	16	95
Water supplies	33	4
Insurance Incentives	55	63
Companion Animals Reimbursement	6	52
Workers Compensation Premium Adjustment	–	129
Other – governance	3	25
Container Deposit reimbursement	45	–
Namoi Joint Organisation reimbursement	239	153
Crown Land Assets Reconciliation	373	–
Other	141	70
<b>TOTAL OTHER REVENUE</b>	<b>4,170</b>	<b>3,739</b>

**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.

Fines are recognised as revenue when the penalty has been paid.

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.

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	Operating 2019	Operating 2018	Capital 2019	Capital 2018
<b>(e) Grants</b>				
<b>General purpose (untied)</b>				
<b>Current year allocation</b>				
Financial assistance	2,335	2,124	-	-
<b>Payment in advance - future year allocation</b>				
Financial assistance	2,421	2,207	-	-
<b>Total general purpose</b>	<b>4,756</b>	<b>4,331</b>	<b>-</b>	<b>-</b>
<b>Specific purpose</b>				
Aged care	-	-	361	42
Child care	30	27	-	-
Community care	288	306	-	-
Community centres	14	14	-	-
Economic development	-	30	-	-
Employment and training programs	32	21	-	-
Library	45	47	-	-
Library – per capita	-	-	-	200
Noxious weeds	69	100	-	-
NSW rural fire services	175	173	-	-
Recreation and culture	-	66	566	34
Street lighting	20	20	-	-
Transport (other roads and bridges funding)	-	-	2,881	1,625
Family first – DOCS	102	100	-	-
Preschool	261	274	-	-
Tharawonga operational	328	295	-	-
Transport (3x3, flood works, roads to recovery)	890	1,794	-	-
Innovation	-	110	-	-
Drought Communities	305	-	433	-
Stronger Country Communities	315	-	-	219
Crown Lands	76	-	-	-
Other	35	-	-	-
<b>Total specific purpose</b>	<b>2,985</b>	<b>3,377</b>	<b>4,241</b>	<b>2,120</b>
<b>Total grants</b>	<b>7,741</b>	<b>7,708</b>	<b>4,241</b>	<b>2,120</b>
<b>Grant revenue is attributable to:</b>				
- Commonwealth funding	6,506	6,641	2,256	801
- State funding	1,235	1,060	1,985	1,319
- Other funding	-	7	-	-
	<b>7,741</b>	<b>7,708</b>	<b>4,241</b>	<b>2,120</b>

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	Notes	Operating 2019	Operating 2018	Capital 2019	Capital 2018
<b>(f) Contributions</b>					
<b>Developer contributions:</b>					
<b>(s7.4 &amp; s7.11 - EP&amp;A Act, s64 of the LGA):</b>					
<b>Cash contributions</b>					
S 7.11 – contributions towards amenities/services					
		–	–	238	256
<b>Total developer contributions – cash</b>		<b>–</b>	<b>–</b>	<b>238</b>	<b>256</b>
<b>Total developer contributions</b>		20 <b>–</b>	<b>–</b>	<b>238</b>	<b>256</b>
<b>Other contributions:</b>					
<b>Cash contributions</b>					
Recreation and culture					
		6	–	10	27
Roads and bridges					
		–	–	15	–
RMS contributions (regional roads, block grant)					
		1,924	1,606	592	292
Sewerage (excl. section 64 contributions)					
		–	–	2	–
Other					
		38	19	16	–
Self help roadwork contributions					
		–	–	–	9
<b>Total other contributions – cash</b>		<b>1,968</b>	<b>1,625</b>	<b>635</b>	<b>328</b>
<b>Non-cash contributions</b>					
Community services					
		–	–	–	34
<b>Total other contributions – non-cash</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>34</b>
<b>Total other contributions</b>		<b>1,968</b>	<b>1,625</b>	<b>635</b>	<b>362</b>
<b>Total contributions</b>		<b>1,968</b>	<b>1,625</b>	<b>873</b>	<b>618</b>
<b>TOTAL GRANTS AND CONTRIBUTIONS</b>		<b>9,709</b>	<b>9,333</b>	<b>5,114</b>	<b>2,738</b>

**Accounting policy for grants and contributions**

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

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner, or used over a particular period, and those conditions were un-discharged at reporting date, the unused grant or contribution is disclosed in note 3(g).

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979*.

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

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

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.

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	2019	2018
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(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	229	227
<b>Add:</b> operating grants recognised in the current period but not yet spent	252	143
<b>Less:</b> operating grants recognised in a previous reporting period now spent	(91)	(141)
<b>Unexpended and held as restricted assets (operating grants)</b>	<u>390</u>	<u>229</u>

**Capital grants**

Unexpended at the close of the previous reporting period	237	-
<b>Add:</b> capital grants recognised in the current period but not yet spent	656	237
<b>Less:</b> capital grants recognised in a previous reporting period now spent	(37)	-
<b>Unexpended and held as restricted assets (capital grants)</b>	<u>856</u>	<u>237</u>

**Contributions**

Unexpended at the close of the previous reporting period	256	-
<b>Add:</b> contributions recognised in the current period but not yet spent	6	256
<b>Unexpended and held as restricted assets (contributions)</b>	<u>262</u>	<u>256</u>

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 4. Expenses from continuing operations

\$ '000	2019	2018
<b>(a) Employee benefits and on-costs</b>		
Salaries and wages	9,458	9,501
Travel expenses	184	223
Employee leave entitlements (ELE)	1,960	1,723
Superannuation	1,184	1,216
Workers' compensation insurance	529	371
Fringe benefit tax (FBT)	29	29
Training costs (other than salaries and wages)	248	195
Protective clothing	40	27
Other	30	28
<b>Total employee costs</b>	<b>13,662</b>	<b>13,313</b>
Less: capitalised costs	(1,584)	(1,707)
<b>TOTAL EMPLOYEE COSTS EXPENSED</b>	<b>12,078</b>	<b>11,606</b>

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

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

*Retirement benefit obligations*

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

*Superannuation plans*

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

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note 15 for more information.

\$ '000	Notes	2019	2018
<b>(b) Borrowing costs</b>			
<b>(i) Interest bearing liability costs</b>			
Interest on loans		485	381
<b>Total interest bearing liability costs expensed</b>		<b>485</b>	<b>381</b>
<b>(ii) Other borrowing costs</b>			
Discount adjustments relating to movements in provisions (other than ELE)			
– Remediation liabilities	11	81	82
Amortisation of discounts and premiums: – unwinding discount on reduced interest loan		49	56
<b>Total other borrowing costs</b>		<b>130</b>	<b>138</b>
<b>TOTAL BORROWING COSTS EXPENSED</b>		<b>615</b>	<b>519</b>

**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.

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 4. Expenses from continuing operations (continued)

\$ '000	2019	2018
<b>(c) Materials and contracts</b>		
Raw materials and consumables	11,245	9,166
Contractor and consultancy costs		
– Consultants	345	163
– Domestic waste management contract	99	94
– Health services	12	2
– Pools	122	111
– Road infrastructure contractors	997	630
– Other	2,818	1,502
Auditors remuneration <sup>2</sup>	73	73
<b>Legal expenses:</b>		
– Legal expenses: debt recovery	18	12
– Legal expenses: other	10	45
<b>Total materials and contracts</b>	<b>15,739</b>	<b>11,798</b>
Less: capitalised costs	(9,637)	(6,537)
<b>TOTAL MATERIALS AND CONTRACTS</b>	<b>6,102</b>	<b>5,261</b>

**Accounting policy for 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.

**2. Auditor remuneration**

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

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

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

Audit and review of financial statements	69	69
<b>Remuneration for audit and other assurance services</b>	<b>69</b>	<b>69</b>
<b>Total Auditor-General remuneration</b>	<b>69</b>	<b>69</b>

**Non NSW Auditor-General audit firms**

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

Audit and review of financial statements	4	4
<b>Remuneration for audit and other assurance services</b>	<b>4</b>	<b>4</b>
<b>Total remuneration of non NSW Auditor-General audit firms</b>	<b>4</b>	<b>4</b>
<b>Total Auditor remuneration</b>	<b>73</b>	<b>73</b>

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Gwydir Shire Council

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Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	2019	2018
<b>(d) Depreciation, amortisation and impairment of intangible assets and IPP&amp;E</b>			
<b>Depreciation and amortisation</b>			
Plant and equipment		935	918
Office equipment		69	57
Furniture and fittings		50	51
<b>Infrastructure:</b>			
- Buildings – non-specialised		888	545
- Buildings – specialised		754	460
- Other structures		296	317
- Roads		4,380	3,959
- Bridges		11	12
- Footpaths		20	19
- Stormwater drainage		35	46
- Water supply network		385	303
- Sewerage network		187	194
- Swimming pools		113	154
<b>Other assets:</b>			
- Other		9	9
<b>Reinstatement, rehabilitation and restoration assets:</b>			
- Tip assets	9,11	103	103
- Quarry assets	9,11	30	38
<b>Total gross depreciation and amortisation costs</b>		<u>8,265</u>	<u>7,185</u>
<b>Total depreciation and amortisation costs</b>		<u>8,265</u>	<u>7,185</u>
<b>Impairment / revaluation decrement of IPP&amp;E</b>			
<b>Infrastructure:</b>			
- Buildings – non-specialised		–	1,986
- Sewerage network		–	4,035
<b>Total gross IPP&amp;E impairment / revaluation decrement costs / (reversals)</b>		<u>–</u>	<u>6,021</u>
<b>Total IPP&amp;E impairment / revaluation decrement costs / (reversals) charged to Income Statement</b>		<u>–</u>	<u>6,021</u>
<b>TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT / REVALUATION DECREMENT FOR INTANGIBLES AND IPP&amp;E</b>		<u>8,265</u>	<u>13,206</u>

**Accounting policy for depreciation, amortisation and impairment expenses of intangibles and IPP&E**

**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.

**Impairment of non-financial assets**

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.

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 4. Expenses from continuing operations (continued)

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

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

\$ '000	2019	2018
<b>(e) Other expenses</b>		
Advertising	31	52
Bad and doubtful debts	117	19
Bank charges	39	44
Contributions/levies to other levels of government		
– Emergency services levy (includes FRNSW, SES, and RFS levies)	345	277
Councillor expenses – mayoral fee	27	27
Councillor expenses – councillors' fees	113	110
Donations, contributions and assistance to other organisations (Section 356)	121	122
Electricity and heating	576	589
Insurance	542	503
Street lighting	78	79
Subscriptions and publications	157	143
Telephone and communications	204	194
Valuation fees	32	31
Reinstatement of Provision	(332)	–
Other	–	1
<b>Total other expenses</b>	<b>2,050</b>	<b>2,191</b>
<b>TOTAL OTHER EXPENSES</b>	<b>2,050</b>	<b>2,191</b>

**Accounting policy for other expenses**

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

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 5. Gains or losses from the disposal, replacement and de-recognition of assets

\$ '000	Notes	2019	2018
<b>Property (excl. investment property)</b>			
Proceeds from disposal – property		81	319
Less: carrying amount of property assets sold/written off		(42)	(168)
<b>Net gain/(loss) on disposal</b>		<u>39</u>	<u>151</u>
<b>Plant and equipment</b>			
	9		
Proceeds from disposal – plant and equipment		159	216
Less: carrying amount of plant and equipment assets sold/written off		(255)	(236)
<b>Net gain/(loss) on disposal</b>		<u>(96)</u>	<u>(20)</u>
<b>Infrastructure</b>			
	9		
Proceeds from disposal – infrastructure		23	–
Less: carrying amount of infrastructure assets sold/written off		(86)	(3,271)
<b>Net gain/(loss) on disposal</b>		<u>(63)</u>	<u>(3,271)</u>
<b>Investments</b>			
	6(b)		
Proceeds from disposal/redemptions/maturities – investments		12,000	3,016
Less: carrying amount of investments sold/redeemed/matured		(12,000)	(3,016)
<b>Net gain/(loss) on disposal</b>		<u>–</u>	<u>–</u>
<b>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</b>		<u>(120)</u>	<u>(3,140)</u>

**Accounting policy for disposal of assets**

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

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

Note 6(a). Cash and cash equivalent assets

\$ '000	2019	2018
<b>Cash and cash equivalents</b>		
Cash on hand and at bank	523	226
Cash-equivalent assets		
– Deposits at call	264	259
– Short-term deposits	3,000	3,000
<b>Total cash and cash equivalents</b>	<u>3,787</u>	<u>3,485</u>

**Accounting policy for cash and cash equivalents**

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

Gwydir Shire Council

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Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 6(b). Investments

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
<b>Investments</b>				
'Financial assets at fair value through other comprehensive income' / 'available for sale financial assets' (2018)	8,606	-	5,842	-
<b>Total Investments</b>	<u>8,606</u>	<u>-</u>	<u>5,842</u>	<u>-</u>
<b>TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS</b>	<u>12,393</u>	<u>-</u>	<u>9,327</u>	<u>-</u>

	Fair value at 30/06/19	Dividend income recognised during 1/7/18 – 30/6/19
<b>Financial assets designated as at fair value through other comprehensive income</b>		
At 1 July 2018, Council designated the investments shown below as financial assets as at fair value through other comprehensive income because these financial assets represent investments that the Council intends to hold for the long-term for strategic purposes. In 2018, these investments were classified as available for sale.		
<b>Total</b>	<u>-</u>	<u>-</u>

No strategic investments were disposed of during 2019, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

Accounting policy for investments

Accounting policy under AASB 9 – applicable from 1 July 2018

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

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

Financial assets

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

Classification

On initial recognition, Council classifies its financial assets as

- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

Fair value through other comprehensive income – equity instruments

Council has a number of strategic investments in entities over which they do not have significant influence nor control. Council has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised as dividend income - other comprehensive income in the profit and loss.

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
for the year ended 30 June 2019

Note 6(b). Investments (continued)

Accounting policy under AASB 139 – applicable for 2018 comparatives only

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.

(d) Available for sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term. Assets in this category are held at fair value with changes in fair value included as dividend income in the profit and loss.

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.

Gwydir Shire Council

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Notes to the Financial Statements  
 for the year ended 30 June 2019

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

\$ '000	2019		2018	
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	12,393	–	9,327	–
<b>attributable to:</b>				
External restrictions	7,438	–	6,103	–
Internal restrictions	4,906	–	3,137	–
Unrestricted	49	–	87	–
	12,393	–	9,327	–

\$ '000	2019	2018
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Details of restrictions

**External restrictions – included in liabilities**

Specific purpose unexpended loans – general	274	–
Aged care bonds	290	290

**External restrictions – included in liabilities**

	564	290
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**External restrictions – other**

Developer contributions – general	262	256
Specific purpose unexpended grants	1,246	466
Water supplies	560	417
Sewerage services	3,292	3,202
Domestic waste management	1,514	1,472

**External restrictions – other**

	6,874	5,813
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**Total external restrictions**

	7,438	6,103
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**Internal restrictions**

Infrastructure replacement	250	–
Employees leave entitlement	900	849
Deposits, retentions and bonds	44	99
Advance Payment Financial Assistance Grant	2,421	1,207
Other waste	1,291	982

**Total internal restrictions**

	4,906	3,137
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**TOTAL RESTRICTIONS**

	12,344	9,240
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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 7. Receivables

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
<b>Purpose</b>				
Rates and annual charges	344	-	345	-
Interest and extra charges	50	-	63	-
User charges and fees	266	-	323	-
Accrued revenues				
- Interest on investments	2	-	6	-
- Other income accruals	134	-	116	-
Government grants and subsidies	434	-	1,038	-
Developer Contributions	244	-	-	-
Net GST receivable	203	-	134	-
Sundry trade debtors	246	-	332	-
Other debtors	95	-	24	-
<b>Total</b>	<b>2,018</b>	<b>-</b>	<b>2,381</b>	<b>-</b>
<b>Less: provision of impairment</b>				
User charges and fees	(5)	-	-	-
Sundry debtors	(119)	-	(7)	-
<b>Total provision for impairment – receivables</b>	<b>(124)</b>	<b>-</b>	<b>(7)</b>	<b>-</b>
<b>TOTAL NET RECEIVABLES</b>	<b>1,894</b>	<b>-</b>	<b>2,374</b>	<b>-</b>
<b>Externally restricted receivables</b>				
<b>Water supply</b>				
- Rates and availability charges	42	-	39	-
- Other	237	-	303	-
<b>Sewerage services</b>				
- Rates and availability charges	31	-	30	-
- Other	37	-	35	-
Developer Contributions	238	-	-	-
<b>Total external restrictions</b>	<b>585</b>	<b>-</b>	<b>407</b>	<b>-</b>
<b>Unrestricted receivables</b>	<b>1,309</b>	<b>-</b>	<b>1,967</b>	<b>-</b>
<b>TOTAL NET RECEIVABLES</b>	<b>1,894</b>	<b>-</b>	<b>2,374</b>	<b>-</b>

\$ '000	2019	2018
<b>Movement in provision for impairment of receivables</b>		
Amount restated through opening retained earnings on adoption of AASB 9	7	-
Balance at the beginning of the year (calculated in accordance with AASB 139)	-	7
+ new provisions recognised during the year	117	-
<b>Balance at the end of the period</b>	<b>124</b>	<b>7</b>

Accounting policy for receivables

Recognition and measurement

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

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Gwydir Shire Council

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Notes to the Financial Statements  
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Note 7. Receivables (continued)

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**

**Accounting policy under AASB 9 applicable from 1 July 2018**

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

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

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

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

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

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

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

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

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

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

**Accounting policy under AASB 139 – applicable for 2018 comparatives only**

For receivables, the amount of the 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 ongoing basis. Debts that are known to be uncollectable 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 the 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 uncollectable 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.

Rates and annual charges outstanding are secured against the property.

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 8. Inventories and other assets

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
<b>(a) Inventories</b>				
<b>(i) Inventories at cost</b>				
Real estate for resale	576	-	-	-
Stores and materials	228	-	220	-
<b>Total inventories at cost</b>	<b>804</b>	<b>-</b>	<b>220</b>	<b>-</b>
<b>TOTAL INVENTORIES</b>	<b>804</b>	<b>-</b>	<b>220</b>	<b>-</b>

**(b) Other assets**

Prepayments	-	-	3	-
<b>TOTAL OTHER ASSETS</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>

**(i) Other disclosures**

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
<b>(a) Details for real estate development</b>				
Residential	576	-	-	-
<b>Total real estate for resale</b>	<b>576</b>	<b>-</b>	<b>-</b>	<b>-</b>
(Valued at the lower of cost and net realisable value)				
<b>Represented by:</b>				
Acquisition costs	397	-	-	-
Development costs	179	-	-	-
<b>Total costs</b>	<b>576</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total real estate for resale</b>	<b>576</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Movements:</b>				
- Purchases and other costs	179	-	-	-
- Transfers in from (out to) Note 9	397	-	-	-
<b>Total real estate for resale</b>	<b>576</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

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

\$ '000	2019	2018
Real estate for resale	451	-
	<b>451</b>	<b>-</b>

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Notes to the Financial Statements  
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Note 8. Inventories and other assets (continued)

Accounting policy for inventories and other assets

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value.

Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed, borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

Gwynidr Shire Council

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Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 9. Infrastructure, property, plant and equipment

	Asset movements during the reporting period										as at 30/6/2018		as at 30/6/2019	
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals <sup>(1)</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation	Net carrying amount	
Capital work in progress	2,810	-	2,810	5,696	-	-	-	(851)	-	-	7,655	-	7,655	
Plant and equipment	16,478	(8,321)	8,157	-	1,649	(255)	(935)	325	-	-	17,737	(8,796)	8,941	
Office equipment	801	(513)	288	-	62	-	(89)	-	-	-	864	(583)	281	
Furniture and fittings	1,260	(511)	749	-	-	-	(50)	-	-	-	1,260	(561)	699	
Land:														
- Operational land	4,952	-	4,952	-	236	(42)	-	28	-	(397)	4,777	-	4,777	
- Community land	2,557	-	2,557	-	373	-	-	-	-	-	2,930	-	2,930	
Infrastructure:														
- Buildings – non-specialised	41,690	(24,157)	17,533	178	-	(41)	(888)	21	-	-	41,664	(24,861)	16,803	
- Buildings – specialised	34,288	(18,151)	16,117	224	-	(22)	(754)	32	-	-	34,497	(18,900)	15,597	
- Other structures	5,618	(1,261)	4,357	268	-	(3)	(296)	78	-	-	5,941	(1,537)	4,404	
- Roads	324,381	(43,515)	280,866	2,382	-	-	(4,380)	218	-	-	326,965	(47,879)	279,086	
- Bridges	38,547	(393)	38,154	-	-	-	(11)	-	-	-	38,547	(404)	38,143	
- Footpaths	3,190	(504)	2,686	-	-	-	(20)	-	-	-	3,190	(524)	2,666	
- Stormwater drainage	3,860	(2,027)	1,833	-	-	-	(35)	-	29	-	3,922	(2,095)	1,827	
- Water supply network	22,405	(7,359)	15,046	130	-	(20)	(385)	143	236	-	23,001	(7,851)	15,150	
- Sewerage network	12,392	(7,412)	4,980	21	-	-	(187)	6	77	-	12,617	(7,720)	4,897	
- Swimming pools	2,707	(201)	2,506	-	-	-	(113)	-	-	-	2,708	(315)	2,393	
Other assets:														
- Other	184	(37)	147	-	-	-	(9)	-	-	-	184	(46)	138	
Reinstatement, rehabilitation and restoration assets (refer Note 14):														
- Tip assets	1,482	(103)	1,359	-	-	-	(103)	-	2,049	-	3,305	-	3,305	
- Quarry assets	397	(53)	344	-	-	-	(30)	-	-	-	397	(83)	314	
<b>Total Infrastructure, property, plant and equipment</b>	<b>519,959</b>	<b>(114,518)</b>	<b>405,441</b>	<b>8,899</b>	<b>2,320</b>	<b>(383)</b>	<b>(8,265)</b>	<b>-</b>	<b>2,049</b>	<b>(397)</b>	<b>532,161</b>	<b>(122,155)</b>	<b>410,006</b>	

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

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Notes to the Financial Statements  
 for the year ended 30 June 2019

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

	as at 30/6/2017										Asset movements during the reporting period										as at 30/6/2018		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renews	Additions new assets	Carrying value of disposals	Depreciation expense	Impairment loss/ revaluation decrements (recognised in P/L)	WIP transfers	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation	Net carrying amount								
Capital work in progress	1,912	-	1,912	2,221	-	-	-	(1,323)	-	-	-	-	2,810	-	2,810								
Plant and equipment	16,151	(7,718)	8,433	-	912	(190)	(918)	-	(80)	-	-	-	16,478	(8,321)	8,157								
Office equipment	1,124	(833)	291	-	99	(45)	(57)	-	-	-	-	-	801	(513)	288								
Furniture and fittings	1,254	(460)	794	-	6	-	(51)	-	-	-	-	-	1,260	(511)	749								
Land:																							
- Operational land	5,279	-	5,279	-	-	(5)	-	-	-	(322)	-	-	4,952	-	4,952								
- Community land	2,557	-	2,557	-	-	-	-	-	-	-	-	-	2,557	-	2,557								
Infrastructure:																							
- Buildings - non-specialised	31,346	(7,483)	23,863	221	-	(681)	(545)	(1,986)	-	(3,339)	-	-	41,690	(24,157)	17,533								
- Buildings - specialised	30,176	(5,116)	25,060	137	-	-	(460)	-	(3,042)	(5,578)	-	-	34,268	(18,151)	16,117								
- Other structures	4,817	(725)	4,092	187	-	-	(317)	-	350	-	-	-	5,618	(1,281)	4,337								
- Roads	323,492	(41,238)	282,254	4,213	-	(2,754)	(3,959)	-	1,112	-	-	-	324,381	(43,515)	280,866								
- Bridges	38,547	(381)	38,166	-	-	-	(12)	-	-	-	-	-	38,547	(393)	38,154								
- Footpaths	3,188	(485)	2,703	-	2	-	(19)	-	-	-	-	-	3,190	(504)	2,686								
- Stormwater drainage	3,755	(2,466)	1,289	41	-	(46)	(46)	-	-	-	-	-	3,860	(2,027)	1,833								
- Water supply network	16,993	(5,284)	11,709	80	-	(303)	(303)	-	67	2,692	-	801	22,405	(7,359)	15,046								
- Sewerage network	12,954	(3,435)	9,519	96	-	(194)	(194)	(4,035)	99	80	-	-	12,392	(7,412)	4,980								
- Swimming pools	2,679	(47)	2,632	28	-	(154)	(154)	-	-	-	-	-	2,707	(201)	2,506								
Other assets:																							
- Other	183	(27)	156	-	-	-	(9)	-	-	-	-	-	184	(37)	147								
Restatement, rehabilitation and restoration assets (refer Note 14):																							
- Tip assets	1,462	-	1,462	-	-	-	(103)	-	-	-	-	-	1,462	(103)	1,359								
- Quarry assets	398	(16)	382	-	-	-	(38)	-	-	-	-	-	397	(53)	344								
<b>Total Infrastructure, property, plant and equipment</b>	<b>498,267</b>	<b>(75,714)</b>	<b>422,553</b>	<b>7,224</b>	<b>1,019</b>	<b>(3,675)</b>	<b>(7,185)</b>	<b>(6,021)</b>	<b>-</b>	<b>(9,824)</b>	<b>1,350</b>	<b>-</b>	<b>519,959</b>	<b>(114,518)</b>	<b>405,441</b>								

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

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements

for the year ended 30 June 2019

Note 9. 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.

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

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

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

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

<b>Plant and equipment</b>	Years	<b>Other equipment</b>	Years
Office equipment	3 to 20	Playground equipment	5 to 15
Office furniture	9 to 30	Benches, seats etc.	10 to 20
Vehicles, plant and equipment	5 to 50	Other Structures	5 to 100
<b>Water and sewer assets</b>		<b>Buildings</b>	
Dams and reservoirs	15 to 100	Buildings	15 to 100
Bores	10 to 30		
Reticulation pipes: PVC	100	<b>Stormwater assets</b>	
Pumps and telemetry	15 to 100	Drains	50 to 100
Treatment plant	10 to 100	Culverts	100
<b>Transportation assets</b>		<b>Other infrastructure assets</b>	
Sealed roads: surface	20	Bulk earthworks	infinite
Sealed roads: structure	20 to 100	Swimming pools	60
Unsealed roads	9 to 100	Other Assets	10 to 100
Bridge: concrete	100		
Bridge: other	100		
Road pavements	60		
Kerb and gutter	80		
Footpaths	80 to 117		

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

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

**Land under roads**

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

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

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
for the year ended 30 June 2019

Note 9. 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 firefighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed".

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to recognise rural fire service assets including land, buildings, some of the plant and vehicles.

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 10. Payables and borrowings

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
<b>Payables</b>				
Goods and services – operating expenditure	188	–	27	–
Accrued expenses:				
– Borrowings	68	–	69	–
– Salaries and wages	443	–	299	–
– Other expenditure accruals	162	–	36	–
Security bonds, deposits and retentions	44	–	99	–
Aged care deposits and bonds	2,415	–	1,934	–
Sundry	21	–	25	–
Other	74	–	54	–
<b>Total payables</b>	<b>3,415</b>	<b>–</b>	<b>2,543</b>	<b>–</b>
<b>Income received in advance</b>				
Payments received in advance	163	–	164	–
<b>Total income received in advance</b>	<b>163</b>	<b>–</b>	<b>164</b>	<b>–</b>
<b>Borrowings</b>				
Loans – secured <sup>1</sup>	1,274	8,266	991	7,686
<b>Total borrowings</b>	<b>1,274</b>	<b>8,266</b>	<b>991</b>	<b>7,686</b>
<b>TOTAL PAYABLES AND BORROWINGS</b>	<b>4,852</b>	<b>8,266</b>	<b>3,698</b>	<b>7,686</b>

(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 16.

\$ '000	2019	2018
<b>(a) Current payables and borrowings not anticipated to be settled within the next twelve months</b>		
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	1,615	1,234
<b>Total payables and borrowings</b>	<b>1,615</b>	<b>1,234</b>

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 10. Payables and borrowings (continued)

(b) Changes in liabilities arising from financing activities

\$ '000	as at 30/6/2018					as at 30/6/2019
	Opening Balance	Cash flows	Non-cash acquisitions	Non-cash fair value changes	Other non-cash movements	Closing balance
Loans – secured	8,677	814	–	49	–	9,540
<b>TOTAL</b>	<b>8,677</b>	<b>814</b>	<b>–</b>	<b>49</b>	<b>–</b>	<b>9,540</b>

\$ '000	as at 30/6/2017					as at 30/6/2018
	Opening Balance	Cash flows	Non-cash acquisitions	Non-cash fair value changes	Other non-cash movements	Closing balance
Loans – secured	9,948	(1,327)	–	56	–	8,677
<b>TOTAL</b>	<b>9,948</b>	<b>(1,327)</b>	<b>–</b>	<b>56</b>	<b>–</b>	<b>8,677</b>

\$ '000	2019	2018
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(c) Financing arrangements

(i) Unrestricted access was available at balance date to the following lines of credit:

Bank overdraft facilities <sup>1</sup>	100	100
Credit cards/purchase cards	100	100
<b>Total financing arrangements</b>	<b>200</b>	<b>200</b>

Drawn facilities as at balance date:

– Credit cards/purchase cards	30	36
<b>Total drawn financing arrangements</b>	<b>30</b>	<b>36</b>

Undrawn facilities as at balance date:

– Bank overdraft facilities	100	100
– Credit cards/purchase cards	70	64
<b>Total undrawn financing arrangements</b>	<b>170</b>	<b>164</b>

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

Accounting policy for payables and borrowings

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

The financial liabilities of the Council comprise trade payables, bank and other loans and finance lease liabilities.

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

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
for the year ended 30 June 2019

Note 10. Payables and borrowings (continued)

will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent that 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.

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 11. Provisions

\$ '000	2019		2018	
	Current	Non-current	Current	Non-current
<b>Provisions</b>				
<b>Employee benefits</b>				
Annual leave	1,129	–	1,077	–
Long service leave	1,596	103	1,621	103
<b>Sub-total – aggregate employee benefits</b>	<b>2,725</b>	<b>103</b>	<b>2,698</b>	<b>103</b>
<b>Asset remediation/restoration:</b>				
Asset remediation/restoration (future works)	–	3,739	–	1,941
<b>Sub-total – asset remediation/restoration</b>	<b>–</b>	<b>3,739</b>	<b>–</b>	<b>1,941</b>
<b>TOTAL PROVISIONS</b>	<b>2,725</b>	<b>3,842</b>	<b>2,698</b>	<b>2,044</b>

\$ '000	2019	2018
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(a) 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	1,525	1,498
	<u>1,525</u>	<u>1,498</u>

(b) Description of and movements in provisions

\$ '000	Other provisions	
	Asset remediation	Total
<b>2019</b>		
At beginning of year	1,941	1,941
Remeasurement effects	1,716	1,716
Unwinding of discount	82	82
Total other provisions at end of period	<u>3,739</u>	<u>3,739</u>
<b>2018</b>		
At beginning of year	1,859	1,859
Unwinding of discount	82	82
Total other provisions at end of period	<u>1,941</u>	<u>1,941</u>

Nature and purpose of non-employee benefit provisions

**Asset remediation**

Council has a legal/public obligation to make, restore, rehabilitate and reinstate the council tip and quarry.

**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.

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Gwydir Shire Council

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Notes to the Financial Statements  
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Note 11. Provisions (continued)

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

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

**Employee benefits**

**Short-term obligations**

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

**Other long-term employee benefit obligations**

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

**On-costs**

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

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

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

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

**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.

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements

for the year ended 30 June 2019

Note 11. Provisions (continued)

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.

The cost estimate for landfill rehabilitation has been based on photocapping treatment which is yet to be approved by the EPA that recommends clay compaction. Estimated costs will increase if the EPA does not approve the different rehabilitation treatment.

Note 12. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

Nature and purpose of reserves

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

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



Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 13. Statement of cash flows - additional information

\$ '000	Notes	2019	2018
<b>(a) Reconciliation of cash assets</b>			
Total cash and cash equivalent assets	6(a)	3,787	3,485
<b>Balance as per the Statement of Cash Flows</b>		<b>3,787</b>	<b>3,485</b>

**(b) Reconciliation of net operating result to cash provided from operating activities**

<b>Net operating result from Income Statement</b>		3,831	(6,393)
<b>Adjust for non-cash items:</b>			
Depreciation and amortisation		8,265	7,185
Net losses/(gains) on disposal of assets		120	3,140
Non-cash capital grants and contributions		–	(34)
Losses/(gains) recognised on fair value re-measurements through the P&L:			
– Revaluation decrements / impairments of IPP&E direct to P&L		–	6,021
Unwinding of discount rates on reinstatement provisions		130	138
<b>+/- Movement in operating assets and liabilities and other cash items:</b>			
Decrease/(increase) in receivables		363	(1,287)
Increase/(decrease) in provision for impairment of receivables		117	–
Decrease/(increase) in inventories		(8)	4
Decrease/(increase) in other current assets		3	7
Increase/(decrease) in payables		161	21
Increase/(decrease) in accrued interest payable		(1)	–
Increase/(decrease) in other accrued expenses payable		270	92
Increase/(decrease) in other liabilities		441	256
Increase/(decrease) in provision for employee benefits		27	(355)
Increase/(decrease) in other provisions		1,716	–
<b>Net cash provided from/(used in) operating activities from the Statement of Cash Flows</b>		<b>15,435</b>	<b>8,795</b>

**(c) Non-cash investing and financing activities**

Donation of vehicle		–	34
<b>Total non-cash investing and financing activities</b>		<b>–</b>	<b>34</b>

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 14. Commitments

\$ '000	2019	2018
<b>Capital commitments (exclusive of GST)</b>		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
<b>Property, plant and equipment</b>		
Warialda Bypass Project	–	998
Purchase of Road Reclaimer	–	342
Purchase of Wheel Loader	148	–
<b>Total commitments</b>	<b>148</b>	<b>1,340</b>
<b>These expenditures are payable as follows:</b>		
Within the next year	148	1,340
<b>Total payable</b>	<b>148</b>	<b>1,340</b>
<b>Sources for funding of capital commitments:</b>		
Unrestricted general funds	148	417
Future grants and contributions	–	923
<b>Total sources of funding</b>	<b>148</b>	<b>1,340</b>

**Gwydir Shire Council**

Financial Statements 2019

**Notes to the Financial Statements**

for the year ended 30 June 2019

**Note 15. Contingencies and other assets/liabilities not recognised**

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

**LIABILITIES NOT RECOGNISED**

**1. Guarantees**

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

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

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

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

*Description of the funding arrangements.*

Pooled employers are required to pay 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 for non-180 Point Members; nil for 180 Point Members
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 million per year for 1 July 2018 for 3 years to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2018. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities..

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

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

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

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

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

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**Gwydir Shire Council**

Financial Statements 2019

**Notes to the Financial Statements**  
 for the year ended 30 June 2019

**Note 15. Contingencies and other assets/liabilities not recognised (continued)**

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2019 was \$ 273,443. The last valuation of the Scheme was performed by Mr Richard Boyfield, FIAA on 31 December 2018, and covers the period ended 30 June 2018.

The amount of additional contributions included in the total employer contribution advised above is \$116,600. Council's expected contribution to the plan for the next annual reporting period is \$260,454.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2019 is:

<b>Employer reserves only *</b>	<b>\$millions</b>	<b>Asset Coverage</b>
Assets	1,798.7	
Past Service Liabilities	1,784.2	100.8%
Vested Benefits	1,792.0	100.4%

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

Based on a Past Services Liabilities methodology, the share of surplus than can be attributed to Council is 0.29%.

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

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

\* Plus promotional increases

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

**(ii) Statewide Limited**

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

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

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

**(iii) StateCover Limited**

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

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

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

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.

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**Gwydir Shire Council**

Financial Statements 2019

**Notes to the Financial Statements**  
for the year ended 30 June 2019

**Note 15. Contingencies and other assets/liabilities not recognised (continued)**

(v) The Community Mutual Group  
Council provides bank guarantees to the value of \$263,460 to provide additional assistance to borrowers for home loans relating to properties within the local government area. The guarantees are provided to The Community Mutual Group.

**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.

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 16. Financial risk management

Risk management

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

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

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

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

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.

\$ '000	Carrying value 2019	Carrying value 2018	Fair value 2019	Fair value 2018
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Cash and cash equivalents	3,787	3,485	3,787	3,485
Receivables	1,894	2,374	1,894	2,374
<b>Fair value through other comprehensive income</b>				
Investments				
– 'Financial assets at fair value through other comprehensive income' / 'available for sale financial assets' (2018)	8,606	5,842	8,606	5,842
<b>Total financial assets</b>	<b>14,287</b>	<b>11,701</b>	<b>14,287</b>	<b>11,701</b>
<b>Financial liabilities</b>				
Payables	3,415	2,543	3,415	2,584
Loans/advances	9,540	8,677	9,540	8,636
<b>Total financial liabilities</b>	<b>12,955</b>	<b>11,220</b>	<b>12,955</b>	<b>11,220</b>

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings** – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.

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

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

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and it's staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

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

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 16. Financial risk management (continued)

- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
  - **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.
- Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

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

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

\$ '000	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
<b>2019</b>				
Possible impact of a 10% movement in market values	861	861	(861)	(861)
Possible impact of a 1% movement in interest rates	38	38	(38)	(38)
<b>2018</b>				
Possible impact of a 10% movement in market values	584	584	(584)	(584)
Possible impact of a 1% movement in interest rates	35	35	(35)	(35)

(b) Credit risk

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

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

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

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

Council makes suitable provision for doubtful receivables as required.

Credit risk profile

Receivables – rates and annual charges

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

	Not yet overdue	< 1 year overdue	1 - 2 years overdue	2 - 5 years overdue	> 5 years overdue	Total
<b>2019</b>						
Gross carrying amount	310	34	–	–	–	344
<b>2018</b>						

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Gwydir Shire Council

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Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 16. Financial risk management (continued)

	Not yet overdue	< 1 year overdue	1 - 2 years overdue	2 - 5 years overdue	> 5 years overdue	Total
Gross carrying amount	307	38	–	–	–	345

**Receivables - non-rates and annual charges**

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

The loss allowance provision as at 30 June 2019 is determined as follows. The expected credit losses incorporate forward-looking information.

	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	61 - 90 days overdue	> 91 days overdue	Total
<b>2019</b>						
Gross carrying amount	1,451	78	107	–	38	1,674
Expected loss rate (%)	0.00%	0.00%	95.00%	0.00%	14.00%	6.39%
<b>ECL provision</b>	–	–	102	–	5	107
<b>2018</b>						
Gross carrying amount	1,962	45	–	29	–	2,036
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ECL provision</b>	–	–	–	–	7	7

(c) Liquidity risk

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

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

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

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

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

The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

\$ '000	Weighted average interest rate	Subject to no maturity	payable in: ≤ 1 Year	1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
<b>2019</b>							
Trade/other payables	0.00%	44	3,371	–	–	3,415	3,415
Loans and advances	6.59%	–	1,795	6,361	3,648	11,804	9,540
<b>Total financial liabilities</b>		44	5,166	6,361	3,648	15,219	12,955

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
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Note 16. Financial risk management (continued)

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in:		Total cash outflows	Actual carrying values
				1 - 5 Years	> 5 Years		
<b>2018</b>							
Trade/other payables	0.00%	99	2,444	-	-	2,543	2,543
Loans and advances	6.14%	-	1,547	4,852	4,304	10,703	8,677
<b>Total financial liabilities</b>		<u>99</u>	<u>3,991</u>	<u>4,852</u>	<u>4,304</u>	<u>13,246</u>	<u>11,220</u>

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 17. Material budget variations

Council's original financial budget for 18/19 was adopted by the Council on 28/06/2018 and is unaudited.

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

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

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

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

\$ '000	2019 Budget	2019 Actual	2019 ----- Variance -----	
<b>REVENUES</b>				
Rates and annual charges	10,479	10,314	(165)	(2)% <b>U</b>
User charges and fees	3,201	3,491	290	9% <b>F</b>
Interest and investment revenue	101	263	162	160% <b>F</b>

Interest on investments was higher than budget due to additional funds being invested.

Other revenues	2,977	4,170	1,193	40% <b>F</b>
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Other revenues were greater than the budget forecast due to additional income from Naroo \$233k, \$373k Crown Land adjustment and reimbursements for council costs associated with the Joint Organisation \$239k.

Operating grants and contributions	13,042	9,709	(3,333)	(26)% <b>U</b>
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Council had budgeted for all projects under the Stronger Country Communities and Drought Communities Programs to be completed in the financial year. A number of the projects are still are not complete and as funding is only received based on the milestones in the grant agreements not all funding was received in the financial year.

Capital grants and contributions	4,545	5,114	569	13% <b>F</b>
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Council received additional funding for Regional Roads \$581k and \$361k for capital upgrade of the kitchen at Naroo.

**EXPENSES**

Employee benefits and on-costs	12,515	12,078	437	3% <b>F</b>
Borrowing costs	516	615	(99)	(19)% <b>U</b>

Council had not budgeted for the the discount (non cash) adjustment on the remediation liabilities for landfill and quarries \$81k.

Materials and contracts	6,790	6,102	688	10% <b>F</b>
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Council received additional funding for roads which increased materials and contract costs.

Depreciation and amortisation	6,411	8,265	(1,854)	(29)% <b>U</b>
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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
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Note 17. Material budget variations (continued)

\$ '000	2019 Budget	2019 Actual	2019 ----- Variance -----	
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Council revalued a number of assets classes in 2018 which significantly increased the asset value and subsequent depreciation expense. The 2019 budget had already been adopted prior to the completion of the revaluation.

<b>Other expenses</b>	2,779	2,050	729	26% <b>F</b>
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Council had budgeted for additional insurance and communication costs however the costs were not incurred.

Restatement of the landfill remediation provision also resulted in an adjustment of \$333k.

<b>Net losses from disposal of assets</b>	50	120	(70)	(140)% <b>U</b>
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Proceeds from the sale of plant & equipment was less than originally budgeted.

<b>Revaluation decrement / impairment of IPP&amp;E</b>	-	-	-	∞ <b>F</b>
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**STATEMENT OF CASH FLOWS**

<b>Net cash provided from (used in) operating activities</b>	9,823	15,435	5,612	57% <b>F</b>
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Additional revenue from Naroo operations and capital grants increased the cash provided from operating activities.

<b>Net cash provided from (used in) investing activities</b>	(9,427)	(15,948)	(6,521)	69% <b>U</b>
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Council income from the sale of assets was less than original budget and there were additional capital purchases.

<b>Net cash provided from (used in) financing activities</b>	(1,002)	815	1,817	(181)% <b>F</b>
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Council took out 2 loans totalling \$2,023k which were not in the original budget. Loan principal repayments were also lower than original budget.

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 18. Fair Value Measurement

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).

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

2019	Notes	Date of latest valuation	Fair value measurement hierarchy			Total
			Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
<b>Recurring fair value measurements</b>						
<b>Financial assets</b>						
Investments	6(b)					
- 'Financial assets at fair value through other comprehensive income'		30/06/19	-	8,606	-	8,606
<b>Total financial assets</b>			-	<b>8,606</b>	-	<b>8,606</b>
<b>Infrastructure, property, plant and equipment</b>						
	9					
Plant & Equipment		30/06/19	-	-	8,941	8,941
Office Equipment		30/06/19	-	-	281	281
Furniture & Fittings		30/06/19	-	-	699	699
Operational Land		30/06/18	-	-	4,777	4,777
Community Land		30/06/16	-	-	2,930	2,930
Buildings Specialised		30/06/18	-	-	15,597	15,597
Buildings Non-Specialised		30/06/18	-	-	16,803	16,803
Other Structures		30/06/16	-	-	4,404	4,404
Roads		30/06/15	-	-	279,086	279,086
Bridges		30/06/15	-	-	38,143	38,143
Footpaths		30/06/15	-	-	2,666	2,666
Stormwater Drainage		30/06/18	-	-	1,827	1,827
Water Supply Network		30/06/18	-	-	15,150	15,150
Sewerage Network		30/06/18	-	-	4,897	4,897
Swimming Pools		30/06/16	-	-	2,393	2,393
Other		30/06/16	-	-	138	138
Tip Asset		30/06/17	-	-	3,305	3,305
Quarry Asset		30/06/17	-	-	314	314
Work in Progress		30/06/19	-	-	7,655	7,655
<b>Total infrastructure, property, plant and equipment</b>			-	-	<b>410,006</b>	<b>410,006</b>

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Gwydir Shire Council

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Notes to the Financial Statements  
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Note 18. Fair Value Measurement (continued)

2018	Notes	Date of latest valuation	Fair value measurement hierarchy			Total
			Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
<b>Recurring fair value measurements</b>						
<b>Financial assets</b>						
Investments	6(b)	30/06/18	-	5,842	-	5,842
- 'Financial assets at fair value through other comprehensive income'						
<b>Total financial assets</b>			-	<b>5,842</b>	-	<b>5,842</b>
<b>Infrastructure, property, plant and equipment</b>						
Plant & Equipment	9	30/06/18	-	-	8,157	8,157
Office Equipment		30/06/18	-	-	288	288
Furniture & Fittings		30/06/18	-	-	749	749
Operational Land		30/06/18	-	-	4,952	4,952
Community Land		30/06/16	-	-	2,557	2,557
Buildings Specialised		30/06/18	-	-	16,117	16,117
Buildings Non-Specialised		30/06/18	-	-	17,533	17,533
Other Structures		30/06/16	-	-	4,357	4,357
Roads		30/06/15	-	-	280,866	280,866
Bridges		30/06/15	-	-	38,154	38,154
Footpaths		30/06/15	-	-	2,686	2,686
Stormwater Drainage		30/06/18	-	-	1,833	1,833
Water Supply Network		30/06/18	-	-	15,046	15,046
Sewerage Network		30/06/18	-	-	4,980	4,980
Swimming Pools		30/06/16	-	-	2,506	2,506
Other		30/06/16	-	-	147	147
Tip Asset		30/06/17	-	-	1,359	1,359
Quarry Asset		30/06/17	-	-	344	344
Work in Progress		30/06/18	-	-	2,810	2,810
<b>Total infrastructure, property, plant and equipment</b>			-	-	<b>405,441</b>	<b>405,441</b>

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

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

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

All assets have been valued at level 3 fair values

**Infrastructure, property, plant and equipment (IPP&E)**  
**Land & Buildings**

Highest and best use.

There were no assets valued where it was assumed that the highest and best use was other than its current use.

Valuation techniques and inputs.

Asset	Level of valuation input	Valuation technique	Gross (RC or MV) (\$, 000)	Accumulated Depreciation (\$,000)	Fair Value (\$, 000)
<b>Land</b>					
Saleable land	3	Market	4,777		4,777

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 18. Fair Value Measurement (continued)

Non saleable land	3	Cost	2,930		2,930
Total					
<b>Buildings (cost approach)</b>					
Specialised buildings	3	Cost	34,497	18,900	15,597
Total					
<b>Buildings (market/income approach)</b>					
Residential Buildings	3	Market	41,664	24,861	16,803
Total					

**Plant & Equipment, Office equipment, Furniture & Fittings and Other Structures**

Plant & Equipment, Office equipment and Furniture & Fittings are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the assets. Examples of assets within the classes are as follows:

- \*Plant & Equipment Trucks, tractors, ride-on-mowers, earthmoving equipment and motor vehicles.
- \*Office Equipment Electronic whiteboards and computer equipment
- \*Furniture & Fittings Chairs, desks and filing cabinets.
- \*Other structures Fences, small sheds, water tanks and street bins

The key unobservable inputs to the valuations are the remaining useful life and residual value. Council reviews the value of these

**Community land**

All valuations of Community land are based upon the land valuations issued by the Valuer-General on a regular basis.

**Valuation techniques used to derive fair values - land and buildings**

The council engages external, independent and qualified valuers to determine the fair value of the entities land and buildings on a regular basis. An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. If any variation is considered material a revaluation is undertaken either by comprehensive revaluation or by applying an interim evaluation using appropriate indices.

As at 30 June 2018 a comprehensive revaluation was undertaken Scott Fullarton Valuers for Operational Land and Building Asset Classes.

The main level 3 inputs used are derived and evaluated as follows –

1. Relationship between asset consumption rating scale and the level of consumed service potential – Under the cost approach the
2. The consumption rating scales were based initially on the past experience of the valuation firm and industry guides and were then

**(i) Recurring fair value measurements**

The following methods are used to determine the fair value measurements.

**Land**

Level 3 valuation inputs were used to value land held in freehold title (investment and noninvestment) as well as land used for special purposes which is restricted in use under current zoning rules. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

**Buildings**

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
for the year ended 30 June 2019

Note 18. Fair Value Measurement (continued)

Level 3 valuation inputs

Specialised buildings were valued using the cost approach using professionally qualified Registered Valuers. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

**Infrastructure assets**

Highest and best use

There were no assets valued where it was assumed that the highest and best use was other than its current use.

The following methods are used to determine the fair value measurements.

Infrastructure assets

Level 3 valuation inputs

Infrastructure assets were valued using the cost approach using professionally qualified internal staff. The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. The unit rates were based on inputs such as estimates of residual value, useful life, pattern of consumption and asset condition and required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

**Swimming Pools**

This is a new class of asset and the fair value amount has been derived from assets originally classed in Other Structures. Swimming pools were valued as part of Other Structures on 30 June 2016 by APV Valuers. The valuation was based upon the depreciated replacement cost approach and unobservable inputs such as estimated patterns of consumption, residual value, asset condition and useful life require extensive professional judgement and rely on the experience of the valuer. The unobservable inputs place this class of asset at level 3. This has been no change to the valuation process during the reporting period.

**Water System Assets**

This class of assets includes water mains & reticulation, reservoirs, pumping stations and treatment works. The valuation is based on Modern Engineering Equivalent Replacement Asset (MEERA) and standard unit costs. The reference rates are obtained from the NSW Reference Rates Tables issued by NSW Office of Water. The last valuation was undertaken on 30 June 2018. The unobservable inputs are useful life, patterns of consumption, condition ratings, remaining life and residuals which rely on the skill and experience of the valuer. There has been no change to the valuation process during the reporting period.

**Sewer System Assets**

This class of assets includes sewer mains & reticulation, pumping stations, treatment works and ancillary. The valuation is based on Modern Engineering Equivalent Replacement Asset (MEERA) and standard unit costs. The reference rates are obtained from the NSW Reference Rates Tables issued by NSW Office of Water. The last valuation was undertaken on 30 June 2018. The unobservable inputs are useful life, patterns of consumption, condition ratings, remaining life and residuals which rely on the skill and experience of the valuer. There has been no change to the valuation process during the reporting period.

**Roads, Bridges, Bulk Earthworks and other Infrastructure Assets**

This class of asset includes roads, culverts, bridges, footpaths, kerb & gutter, bulk earthworks and causeways. The valuation of the infrastructure assets has been undertaken internally by Council's Engineering Department by experienced Engineers. This valuation relies on key unobservable inputs such as unit rates, gross replacement cost, condition ratings, pattern of consumption, useful life and residual value. The valuation process also relied on the skill and experience of the Engineers. The key unobservable inputs and no active market places this asset category at Level 3. The last valuation was undertaken internally by Council's Engineers on 30 June 2015. There has been no change to the valuation process during the reporting year.

**Stormwater Drainage**

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 18. Fair Value Measurement (continued)

This class of assets includes culverts, mains, open drains, trash screens, GPT. The valuation is based on Modern Engineering Equivalent Replacement Asset (MEERA) and standard unit costs. The reference rates are obtained from the NSW Reference Rates Tables issued by NSW Office of Water. The last valuation was undertaken on 30 June 2018. The unobservable inputs are useful life, patterns of consumption, condition ratings, remaining life and residuals which rely on the skill and experience of the valuer. There has been no change to the valuation process during the reporting period.

Remediation Assets

This class of asset includes the various landfill sites within the local government areas. Restoration, cell capping, leachate collection and site closures have been recognised as significant costs for the remediation assets. In particular the closing of a landfill site will include preparation, final cell capping, site re-vegetation and leachate management. The key unobservable inputs are discount rate, estimated costs, legislative requirements, and timing of remediation and indexation of labour costs. There has been changes to the valuation process during the reporting period. Also included in this group are the various gravel pits (quarries) operated by Council. The remediation cost include final site management and works to comply with environmental requirements. The key unobservable inputs are discount rate, estimated costs, legislative requirements, and timing of remediation and indexation of labour costs. There has been changes to the valuation process during the reporting period.

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

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

\$ '000	Total IPP&E
<b>2018</b>	
<b>Opening balance</b>	422,553
Purchases (GBV)	8,243
Disposals (WDV)	(3,675)
Depreciation and impairment	(7,185)
FV gains – other comprehensive income	(8,474)
Revaluation Decrements to P&L	(6,021)
Restate Provision	–
<b>Closing balance</b>	<b>405,441</b>
<b>2019</b>	
<b>Opening balance</b>	405,441
Transfers from/(to) another asset class	(397)
Purchases (GBV)	11,219
Disposals (WDV)	(383)
Depreciation and impairment	(8,265)
FV gains – other comprehensive income	342
Restate Provision	2,049
<b>Closing balance</b>	<b>410,006</b>

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 18. Fair Value Measurement (continued)

\$ '000	Fair value (30/6/19)	Valuation technique/s	Unobservable inputs
<b>b. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.</b>			
<b>Infrastructure, property, plant and equipment</b>			
Plant & Equipment	8,941	Cost	Gross Replacement Costs, Useful Life, Residual Value
Office equipment	281	Cost	Gross Replacement Costs, Useful Life, Residual Value
Furniture and fittings	699	Cost	Gross Replacement Costs, Useful Life, Residual Value
Operational land	4,777	Relevant sales in the area	Land Value
Community land	2,930	Land Values issued by Valuer General	Land Value
Buildings specialised	15,597	Depreciated Replacement Cost	Replacement Costs, Useful Life, Asset Condition
Buildings non-specialised	16,803	Depreciated Replacement Cost	Replacement Costs, Useful Life, Asset Condition
Other structures	4,404	Depreciated Replacement Cost	Replacement Costs, Useful Life, Asset Condition
Roads	279,088	Unit Rates and Condition Assessment	Replacement Costs, Useful Life, Asset Condition
Bridges	38,143	Unit Rates and Condition Assessment	Replacement Costs, Useful Life, Asset Condition
Footpaths	2,666	Unit Rates and Condition Assessment	Replacement Costs, Useful Life, Asset Condition
Stormwater drainage	1,827	Modern Engineering Equivalent Replacement Assets (MEERA) and Standard unit costs	Replacement Costs, Useful Life, Asset Condition
Water supply network	15,150	Modern Engineering Equivalent Replacement Assets (MEERA) and Standard unit costs	Replacement Costs, Useful Life, Asset Condition
Sewerage network	4,897	Depreciated Replacement Cost	Replacement Costs, Useful Life, Asset Condition
Swimming pools	2,393	Depreciated Replacement Cost	Gross Replacement Costs, Useful Life
Other	138	Depreciated Replacement Cost	Gross Replacement Costs, Useful Life
Tip asset	3,305	Unit Rates and Condition Assessment	Replacement Costs, Useful Life, Asset Condition
Quarry asset	314	Unit Rates and Condition Assessment	Replacement Costs, Useful Life, Asset Condition

(5) Highest and best use

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

Gwydir Shire Council

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 19. Related Party Transactions

(a) Key management personnel

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

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

\$ '000	2019	2018
<b>Compensation:</b>		
Short-term benefits	803	842
Post-employment benefits	158	366
<b>Total</b>	<b>961</b>	<b>1,208</b>

(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.

Nature of the transaction	Value of transactions during year	Outstanding balance (incl. loans and commitments)	Terms and conditions	Provisions for impairment of receivables outstanding	Expense recognised for impairment of receivables
<b>2019</b>					
Employee Expenses relating to close family members of KMP	129	-	Council staff award	-	-
Supply of Gravel cartage	217	-	7 days on invoice	-	-
Purchase of vacant land	85	-	-	-	-
<b>2018</b>					
Employee Expenses relating to close family members of KMP	120	-	Council staff award	-	-
Supply of Gravel cartage	183	-	7 days on invoice	-	-
Purchase of vacant land	-	-	-	-	-

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 20. Statement of developer contributions

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

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

Summary of contributions and levies

	as at 30/6/2018				as at 30/6/2019			
	Opening Balance	Contributions received during the year	Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)	
\$ '000								
S7.11 not under plans	256	238	6	-	-	500	-	
Total contributions	256	238	6	-	-	500	-	
<b>S7.11 Contributions – not under a plan</b>								
<b>CONTRIBUTIONS NOT UNDER A PLAN</b>								
Roads	256	238	6	-	-	500	-	
Total	256	238	6	-	-	500	-	

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 21. Financial result and financial position by fund

\$ '000	Waste 2019	General <sup>1</sup> 2019	Water 2019	Sewer 2019
<b>Income Statement by fund</b>				
<b>Income from continuing operations</b>				
Rates and annual charges	1,438	7,498	723	655
User charges and fees	–	2,372	1,049	70
Interest and investment revenue	71	95	17	80
Other revenues	80	4,054	35	1
Grants and contributions provided for operating purposes	–	9,709	–	–
Grants and contributions provided for capital purposes	–	5,112	–	2
<b>Total income from continuing operations</b>	<b>1,589</b>	<b>28,840</b>	<b>1,824</b>	<b>808</b>
<b>Expenses from continuing operations</b>				
Employee benefits and on-costs	393	10,944	457	284
Borrowing costs	5	467	143	–
Materials and contracts	784	4,536	544	238
Depreciation and amortisation	186	7,460	423	196
Other expenses	(318)	2,094	229	45
Net losses from the disposal of assets	–	100	20	–
<b>Total expenses from continuing operations</b>	<b>1,050</b>	<b>25,601</b>	<b>1,816</b>	<b>763</b>
<b>Operating result from continuing operations</b>	<b>539</b>	<b>3,239</b>	<b>8</b>	<b>45</b>
<b>Net operating result for the year</b>	<b>539</b>	<b>3,239</b>	<b>8</b>	<b>45</b>
<b>Net operating result attributable to each council fund</b>	539	3,239	8	45
<b>Net operating result for the year before grants and contributions provided for capital purposes</b>	539	(1,873)	8	43

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

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

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Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 21. Financial result and financial position by fund (continued)

\$ '000	Waste 2019	General <sup>1</sup> 2019	Water 2019	Sewer 2019
<b>Statement of Financial Position by fund</b>				
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	855	1,770	170	992
Investments	1,950	3,966	390	2,300
Receivables	86	1,461	279	68
Inventories	–	783	20	1
<b>Total current assets</b>	<b>2,891</b>	<b>7,980</b>	<b>859</b>	<b>3,361</b>
<b>Non-current assets</b>				
Infrastructure, property, plant and equipment	3,954	384,073	16,516	5,463
<b>Total non-current assets</b>	<b>3,954</b>	<b>384,073</b>	<b>16,516</b>	<b>5,463</b>
<b>TOTAL ASSETS</b>	<b>6,845</b>	<b>392,053</b>	<b>17,375</b>	<b>8,824</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	1	3,386	28	–
Income received in advance	–	163	–	–
Borrowings	8	1,085	181	–
Provisions	–	2,725	–	–
<b>Total current liabilities</b>	<b>9</b>	<b>7,359</b>	<b>209</b>	<b>–</b>
<b>Non-current liabilities</b>				
Borrowings	49	6,599	1,618	–
Provisions	3,306	536	–	–
<b>Total non-current liabilities</b>	<b>3,355</b>	<b>7,135</b>	<b>1,618</b>	<b>–</b>
<b>TOTAL LIABILITIES</b>	<b>3,364</b>	<b>14,494</b>	<b>1,827</b>	<b>–</b>
<b>Net assets</b>	<b>3,481</b>	<b>377,559</b>	<b>15,548</b>	<b>8,824</b>
<b>EQUITY</b>				
Accumulated surplus	2,880	253,537	12,748	8,566
Revaluation reserves	601	124,022	2,800	258
<b>Council equity interest</b>	<b>3,481</b>	<b>377,559</b>	<b>15,548</b>	<b>8,824</b>
<b>Total equity</b>	<b>3,481</b>	<b>377,559</b>	<b>15,548</b>	<b>8,824</b>

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

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



Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 22(a). Statement of performance measures – consolidated results

\$ '000	Amounts 2019	Indicator 2019	Prior periods		Benchmark
			2018	2017	
<b>1. Operating performance ratio</b>					
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	(1,163)	(4.16)%	0.11%	16.52%	>0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	27,947				
<b>2. Own source operating revenue ratio</b>					
Total continuing operating revenue excluding all grants and contributions <sup>1</sup>	18,109	54.77%	58.69%	57.18%	>60.00%
Total continuing operating revenue <sup>1</sup>	33,061				
<b>3. Unrestricted current ratio</b>					
Current assets less all external restrictions	6,596	1.56x	1.73x	2.04x	>1.50x
Current liabilities less specific purpose liabilities	4,228				
<b>4. Debt service cover ratio</b>					
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	7,717	4.23x	4.19x	6.81x	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	1,823				
<b>5. Rates, annual charges, interest and extra charges outstanding percentage</b>					
Rates, annual and extra charges outstanding	394	3.71%	3.90%	4.42%	<10.00%
Rates, annual and extra charges collectible	10,623				
<b>6. Cash expense cover ratio</b>					
Current year's cash and cash equivalents plus all term deposits	3,787	2.16	1.90	4.80	>3.00
Monthly payments from cash flow of operating and financing activities	1,751	mths	mths	mths	mths

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

(2) Excludes impairment/revaluation decrements, net loss on sale of assets, and net loss on share of interests in joint ventures and associates

Gwydir Shire Council

Financial Statements 2019

Notes to the Financial Statements  
 for the year ended 30 June 2019

Note 22(b). Statement of performance measures – by fund

	General Indicators <sup>3</sup>		Water Indicators		Sewer Indicators		Benchmark
	2019	2018	2019	2018	2019	2018	
<b>\$ '000</b>							
<b>1. Operating performance ratio</b>							
Total continuing operating revenue excluding capital grants and contributions less operating expenses	(4.87)%	(0.48)%	1.54%	0.24%	5.33%	17.61%	>0.00%
Total continuing operating revenue excluding capital grants and contributions							
<b>2. Own source operating revenue ratio</b>							
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	51.01%	54.84%	98.68%	100.00%	97.28%	100.00%	>60.00%
Total continuing operating revenue							
<b>3. Unrestricted current ratio</b>							
Current assets less all external restrictions	1.67x	1.73x	4.11x	3.01x	∞	∞	>1.50x
Current liabilities less specific purpose liabilities							
<b>4. Debt service cover ratio</b>							
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	4.73x	4.83x	1.61x	1.18x	∞	∞	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
<b>5. Rates, annual charges, interest and extra charges outstanding percentage</b>							
Rates, annual and extra charges outstanding	3.40%	3.59%	6.13%	6.51%	5.23%	4.93%	<10.00%
Rates, annual and extra charges collectible							
<b>6. Cash expense cover ratio</b>							
Current year's cash and cash equivalents plus all term deposits	1.67 mths	1.28 mths	1.28 mths	1.16 mths	20.99 mths	30.89 mths	>3.00 mths
Payments from cash flow of operating and financing activities							

(1) - (2) Refer to Notes at Note 28a above  
 (3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

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Gwydir Shire Council

Financial Statements 2019

General Purpose Financial Statements  
for the year ended 30 June 2019

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Gwydir Shire Council

Financial Statements 2019

General Purpose Financial Statements  
for the year ended 30 June 2019

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# Gwydir Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2019

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*To be the recognised leader in Local Government through  
continuous learning and sustainability.*



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Gwydir Shire Council

Special Purpose Financial Statements 2019

Special Purpose Financial Statements  
for the year ended 30 June 2019

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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).

Gwydir Shire Council

Special Purpose Financial Statements  
for the year ended 30 June 2019

Statement by Councillors and Management made pursuant to the Local Government Code of  
Accounting Practice and Financial Reporting

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

- the NSW Government Policy Statement 'Application of National Competition Policy to Local Government',
- the Division of Local Government Guidelines 'Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

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


- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.


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

Signed in accordance with a resolution of Council made on 29 August 2019.

  
Cr Catherine Egan  
Deputy Mayor  
29 August 2019

  
Cr David Coulton  
Councillor  
29 August 2019

  
Max Eastcott

  
Helen Thomas



Gwydir Shire Council

Special Purpose Financial Statements 2019

Income Statement – Water Supply Business Activity  
 for the year ended 30 June 2019

\$ '000	2019	2018
<b>Income from continuing operations</b>		
Access charges	723	722
User charges	1,046	956
Fees	3	3
Interest	17	18
Other income	35	2
<b>Total income from continuing operations</b>	<b>1,824</b>	<b>1,701</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	457	446
Borrowing costs	143	162
Materials and contracts	544	535
Depreciation, amortisation and impairment	423	331
Loss on sale of assets	20	-
Other expenses	229	223
<b>Total expenses from continuing operations</b>	<b>1,816</b>	<b>1,697</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>8</b>	<b>4</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>8</b>	<b>4</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>8</b>	<b>4</b>
Less: corporate taxation equivalent (27.5%) [based on result before capital]	(2)	(1)
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>6</b>	<b>3</b>
<b>Plus accumulated surplus</b>	<b>12,740</b>	<b>12,736</b>
<b>Less:</b>		
- Corporate taxation equivalent	2	1
<b>Plus adjustments for amounts unpaid:</b>		
<b>Closing accumulated surplus</b>	<b>12,748</b>	<b>12,740</b>
<b>Return on capital %</b>	<b>0.9%</b>	<b>1.0%</b>
<b>Subsidy from Council</b>	<b>67</b>	<b>269</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	6	3
<b>Surplus for dividend calculation purposes</b>	<b>6</b>	<b>3</b>
<b>Potential dividend calculated from surplus</b>	<b>3</b>	<b>1</b>

Gwydir Shire Council

Special Purpose Financial Statements 2019

Income Statement – Sewerage Business Activity  
 for the year ended 30 June 2019

\$ '000	2019	2018
<b>Income from continuing operations</b>		
Access charges	655	653
User charges	70	70
Interest	80	77
Other income	1	12
<b>Total income from continuing operations</b>	<b>806</b>	<b>812</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	284	307
Materials and contracts	238	116
Depreciation, amortisation and impairment	196	4,237
Other expenses	45	44
<b>Total expenses from continuing operations</b>	<b>763</b>	<b>4,704</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>43</b>	<b>(3,892)</b>
Grants and contributions provided for capital purposes	2	-
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>45</b>	<b>(3,892)</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>45</b>	<b>(3,892)</b>
Less: corporate taxation equivalent (27.5%) [based on result before capital]	(12)	-
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>33</b>	<b>(3,892)</b>
<b>Plus accumulated surplus</b>	<b>8,521</b>	<b>12,413</b>
- Corporate taxation equivalent	12	-
<b>Closing accumulated surplus</b>	<b>8,566</b>	<b>8,521</b>
<b>Return on capital %</b>	<b>0.8%</b>	<b>(71.6)%</b>
<b>Subsidy from Council</b>	<b>29</b>	<b>4,035</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	33	(3,892)
Less: capital grants and contributions (excluding developer contributions)	(2)	-
<b>Surplus for dividend calculation purposes</b>	<b>31</b>	<b>-</b>
<b>Potential dividend calculated from surplus</b>	<b>16</b>	<b>-</b>

Gwydir Shire Council

Special Purpose Financial Statements 2019

Income Statement – Waste business activity  
 for the year ended 30 June 2019

\$ '000	2019	2018
<b>Income from continuing operations</b>		
Access charges	1,438	1,407
User charges	–	17
Interest	71	57
Other income	80	95
<b>Total income from continuing operations</b>	<b>1,589</b>	<b>1,576</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	393	434
Borrowing costs	5	6
Materials and contracts	784	595
Depreciation, amortisation and impairment	186	183
Other expenses	(318)	2
<b>Total expenses from continuing operations</b>	<b>1,050</b>	<b>1,220</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>539</b>	<b>356</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>539</b>	<b>356</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>539</b>	<b>356</b>
Less: corporate taxation equivalent (27.5%) [based on result before capital]	(148)	(98)
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>391</b>	<b>258</b>
<b>Plus accumulated surplus</b>	<b>2,341</b>	<b>1,985</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Corporate taxation equivalent	148	98
<b>Add:</b>		
<b>Less:</b>		
<b>Closing accumulated surplus</b>	<b>2,880</b>	<b>2,341</b>
<b>Return on capital %</b>	<b>13.8%</b>	<b>18.1%</b>

Gwydir Shire Council

Special Purpose Financial Statements 2019

Income Statement – Naroo aged care  
 for the year ended 30 June 2019

\$ '000	2019	2018
<b>Income from continuing operations</b>		
Rentals	2,437	2,383
Interest	8	7
Other income	1	56
<b>Total income from continuing operations</b>	<b>2,446</b>	<b>2,446</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	2,079	2,032
Borrowing costs	150	(10)
Materials and contracts	385	539
Depreciation, amortisation and impairment	192	119
Other expenses	113	71
<b>Total expenses from continuing operations</b>	<b>2,919</b>	<b>2,751</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(473)</b>	<b>(305)</b>
Grants and contributions provided for capital purposes	361	-
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>(112)</b>	<b>(305)</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>(112)</b>	<b>(305)</b>
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>(112)</b>	<b>(305)</b>
Plus accumulated surplus	(359)	(54)
Plus adjustments for amounts unpaid:		
Add:		
Less:		
<b>Closing accumulated surplus</b>	<b>(471)</b>	<b>(359)</b>
Return on capital %	(7.5)%	(7.0)%
Subsidy from Council	380	434

Gwydir Shire Council

Special Purpose Financial Statements 2019

Statement of Financial Position – Water Supply Business Activity  
 for the year ended 30 June 2019

\$ '000	2019	2018
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	170	157
Investments	390	260
Receivables	279	342
Inventories	20	21
<b>Total current assets</b>	<b>859</b>	<b>780</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	16,516	16,549
<b>Total non-current assets</b>	<b>16,516</b>	<b>16,549</b>
<b>TOTAL ASSETS</b>	<b>17,375</b>	<b>17,329</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	28	–
Borrowings	181	259
<b>Total current liabilities</b>	<b>209</b>	<b>259</b>
<b>Non-current liabilities</b>		
Borrowings	1,618	1,766
<b>Total non-current liabilities</b>	<b>1,618</b>	<b>1,766</b>
<b>TOTAL LIABILITIES</b>	<b>1,827</b>	<b>2,025</b>
<b>NET ASSETS</b>	<b>15,548</b>	<b>15,304</b>
<b>EQUITY</b>		
Accumulated surplus	12,748	12,740
Revaluation reserves	2,800	2,564
<b>TOTAL EQUITY</b>	<b>15,548</b>	<b>15,304</b>

Gwydir Shire Council

Special Purpose Financial Statements 2019

Statement of Financial Position – Sewerage Business Activity  
 for the year ended 30 June 2019

\$ '000	2019	2018
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	992	1,202
Investments	2,300	2,000
Receivables	68	65
Inventories	1	2
<b>Total current assets</b>	<b>3,361</b>	<b>3,269</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	5,463	5,433
<b>Total non-current assets</b>	<b>5,463</b>	<b>5,433</b>
<b>TOTAL ASSETS</b>	<b>8,824</b>	<b>8,702</b>
<b>NET ASSETS</b>	<b>8,824</b>	<b>8,702</b>
<b>EQUITY</b>		
Accumulated surplus	8,566	8,521
Revaluation reserves	258	181
<b>TOTAL EQUITY</b>	<b>8,824</b>	<b>8,702</b>

Gwydir Shire Council

Special Purpose Financial Statements 2019

Statement of Financial Position – Waste business activity  
 for the year ended 30 June 2019

\$ '000	2019	2018
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	855	904
Investments	1,950	1,550
Receivables	86	79
<b>Total current assets</b>	<b>2,891</b>	<b>2,533</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	3,954	1,999
<b>Total non-current assets</b>	<b>3,954</b>	<b>1,999</b>
<b>TOTAL ASSETS</b>	<b>6,845</b>	<b>4,532</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	1	-
Borrowings	8	7
<b>Total current liabilities</b>	<b>9</b>	<b>7</b>
<b>Non-current liabilities</b>		
Borrowings	49	58
Provisions	3,306	1,525
<b>Total non-current liabilities</b>	<b>3,355</b>	<b>1,583</b>
<b>TOTAL LIABILITIES</b>	<b>3,364</b>	<b>1,590</b>
<b>NET ASSETS</b>	<b>3,481</b>	<b>2,942</b>
<b>EQUITY</b>		
Accumulated surplus	2,880	2,341
Revaluation reserves	601	601
<b>TOTAL EQUITY</b>	<b>3,481</b>	<b>2,942</b>



Gwydir Shire Council

Special Purpose Financial Statements 2019

Statement of Financial Position – Naroo aged care  
 for the year ended 30 June 2019

\$ '000	2019	2018
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	290	290
Receivables	75	72
<b>Total current assets</b>	<b>365</b>	<b>362</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	4,318	4,510
<b>Total non-current assets</b>	<b>4,318</b>	<b>4,510</b>
<b>TOTAL ASSETS</b>	<b>4,683</b>	<b>4,872</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Bank overdraft	1,051	1,413
Payables	–	1
Borrowings	155	42
Aged care bonds	2,415	1,934
<b>Total current liabilities</b>	<b>3,621</b>	<b>3,390</b>
<b>Non-current liabilities</b>		
Borrowings	2,431	2,739
Other Liabilities	117	117
<b>Total non-current liabilities</b>	<b>2,548</b>	<b>2,856</b>
<b>TOTAL LIABILITIES</b>	<b>6,169</b>	<b>6,246</b>
<b>NET ASSETS</b>	<b>(1,486)</b>	<b>(1,374)</b>
<b>EQUITY</b>		
Accumulated surplus	(471)	(359)
Revaluation reserves	(1,015)	(1,015)
<b>TOTAL EQUITY</b>	<b>(1,486)</b>	<b>(1,374)</b>

Gwydir Shire Council

Special Purpose Financial Statements 2019

Notes to the Special Purpose Financial Statements  
for the year ended 30 June 2019

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 2005*, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

**National Competition Policy**

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The *Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

**Declared business activities**

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

**Category 1**

*(where gross operating turnover is over \$2 million)*

**Naroo Aged Care Facility**

Comprising the whole of the operations and assets of the aged care facility located at Warialda.

**Category 2**

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

**Gwydir Water Supply -**

Comprising the whole of the operations and net assets of the water supply systems servicing the towns of Bingara, Warialda, Gravesend and North Star.

**Gwydir Sewerage Services -**

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This is page number 189 of the minutes of the Ordinary Meeting held on Thursday 26 September 2019

Chairman .....

Gwydir Shire Council

Special Purpose Financial Statements 2019

Notes to the Special Purpose Financial Statements  
for the year ended 30 June 2019

Note 1. Significant Accounting Policies (continued)

Comprising the whole of the operations and assets of the sewerage reticulation and treatment systems servicing the towns of Bingara and Warialda

**Gwydir Waste Management Services -**

Comprising the whole of the operations and assets of the waste management service carried out by the

**Monetary amounts**

Amounts shown in the financial statements are in Australian dollars and rounded to the nearest one thousand 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 – 27.5%

Land tax – the first \$692,000 of combined land values attracts 0%. For the combined land values in excess of \$692,001 up to \$4,231,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$4,231,000 a premium marginal rate of 2.0% applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$850,000.

In accordance with the Department of Industry (DoI) – Water guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the DoI – Water guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to the DoI – Water guidelines is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

**Income tax**

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 27.5%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

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This is page number 190 of the minutes of the Ordinary Meeting held on Thursday 26 September 2019

Chairman .....

Gwydir Shire Council

Special Purpose Financial Statements 2019

Notes to the Special Purpose Financial Statements  
for the year ended 30 June 2019

Note 1. Significant Accounting Policies (continued)

The rate applied of 27.5% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

**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:

**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 1.32% at 30/6/19.

**(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 Department of Industry – Water guidelines and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2019 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

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This is page number 191 of the minutes of the Ordinary Meeting held on Thursday 26 September 2019

Chairman .....

Gwydir Shire Council

Special Purpose Financial Statements 2019

Notes to the Special Purpose Financial Statements  
for the year ended 30 June 2019

Note 1. Significant Accounting Policies (continued)

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

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Gwydir Shire Council

Special Purpose Financial Statements 2019

Special Purpose Financial Statements  
for the year ended 30 June 2019

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Please upift Council's Audit Report PDF (opinion) for inclusion in the SPFS report (via the Home screen).

This is page number 193 of the minutes of the Ordinary Meeting held on Thursday 26  
September 2019

Chairman .....

**Item 11 Internal Audit Committee Resolutions**

**FILE REFERENCE**

**DELIVERY PROGRAM**

**GOAL:** 5. Organisational Management

**OUTCOME:** 5.1 CORPORATE MANAGEMENT

**STRATEGY:** 5.1.1 Financial management and accountability systems - CFO - internal

**AUTHOR** General Manager

**DATE** 20 September 2019

**STAFF DISCLOSURE OF INTEREST** Nil

**OFFICER RECOMMENDATION**

THAT the following resolutions from the Internal Audit Committee meeting held on 20<sup>th</sup> September 2019 are noted:

Confirmation of Minutes

THAT the Minutes of the previous Internal Audit Committee Meeting held on Friday 5 July 2019 as circulated be taken as read and CONFIRMED.

Financial Reports 2018/2019

THAT the Financial Reports for 2018/19 are received and noted.

FURTHER that the finance staff are commended and thanked for their excellent work in completing the Financial Statements.

FURTHER the contents of the Interim Auditor's Management Letter are noted together with the significant improvement in the content.

FURTHER that the final Management Letter be tabled at the next Internal Audit Committee Meeting.

Draft Climate Change Adaptation Plan

THAT the Draft Climate Change Adaptation Plan is endorsed.

FURTHER that the implementation of the plan be reported on to the Internal Audit Committee every 6 months.

Draft Guidelines for Comment

THAT the report regarding the discussion paper, "A New Risk Management and Internal Audit Framework for Local Councils in NSW" is received and noted with a submission to be prepared for consideration at the next IA Committee Meeting for lodgement prior



to the closing date of 31st December 2019.

Chairmanship of the Committee

That the following matter is noted:

It was noted that the Committee will need to address the position of Committee Chair at the next meeting due to Mr Tobin's recent appointment as a contracted consultant to the Council.

## ATTACHMENTS

There are no attachments for this report.

## COUNCIL RESOLUTION: MINUTE 318/19

**THAT the following resolutions from the Internal Audit Committee meeting held on 20<sup>th</sup> September 2019 are noted:**

### Confirmation of Minutes

**THAT the Minutes of the previous Internal Audit Committee Meeting held on Friday 5 July 2019 as circulated be taken as read and CONFIRMED.**

### Financial Reports 2018/2019

**THAT the Financial Reports for 2018/19 are received and noted.**

**FURTHER that the finance staff are commended and thanked for their excellent work in completing the Financial Statements.**

**FURTHER the contents of the Interim Auditor's Management Letter are noted together with the significant improvement in the content.**

**FURTHER that the final Management Letter be tabled at the next Internal Audit Committee Meeting (Ref: 319/19).**

### Draft Climate Change Adaptation Plan (Ref: 320/19)

**THAT the Draft Climate Change Adaptation Plan is endorsed.**

**FURTHER that the implementation of the plan be reported on to the Internal Audit Committee every 6 months.**

### Draft Guidelines for Comment (Ref: 321/19)

**THAT the report regarding the discussion paper, "A New Risk Management and Internal Audit Framework for Local Councils in NSW" is received and noted with a submission to be prepared for consideration at the next IA Committee Meeting for lodgement prior to the closing date of 31st December 2019.**

**Chairmanship of the Committee (Ref: 322/19)**

**That the following matter is noted:**

**It was noted that the Committee will need to address the position of Committee Chair at the next meeting due to Mr Tobin's recent appointment as a contracted consultant to the Council.**

**(Moved Cr Smith, seconded Cr D Coulton)**

**Cr Stuart Dick**

**Aionious (Ref: 323/19)**

Cr Dick asked when the consultant's report was likely to be received and considered by the Council.

The meeting was advised that the matter will be followed up and the Councillors will be advised.

**Cr Stuart Dick**

**Bushfire Update (Ref: 324/19)**

Cr Dick gave the meeting an update about the bushfires that are relatively close to Gwydir, known as the Bee's Nest and Kingsgate fires.

**Cr Jim Moore**

**Drought Funded Works (Ref: 325/19)**

Cr Moore advised the meeting that he attended the unveiling of the Federal Drought Funded works at the Gwydir River Foreshore and at the North Star Sporting Club.

**Cr Jim Moore**

**Warialda Historical Society (Ref: 326/19)**

Cr Moore advised the meeting that the Society would like to know the basis that the electricity is charged at the museum – is it Commercial or Residential?

**Cr Jim Moore**

**Oregon Road Table Drain (Ref: 327/19)**

Cr Moore requested that the table drain at Conway's Bridge receive some maintenance attention.

**Cr Geoff Smith**

**Warialda Fire Break (Ref: 328/19)**

Cr Smith asked if SMK Consulting has returned any further information about the development of the fire break around Warialda. The meeting was advised that nothing has been received as yet but that the matter will be followed up with Mr Peter Taylor.

**Cr Geoff Smith**

**44 Hope Street Warialda Property (Ref: 329/19)**

Cr Smith asked if any formal advice has been received regarding the transfer of this property to Council. The meeting was advised that nothing has been received to date but the matter has been followed up with the local State Member, The Hon. Adam Marshall.

**Cr Geoff Smith**

**Warialda Air Conditioning Gym (Ref: 330/19)**

Cr Smith asked if correspondence had been received regarding the need for reverse cycle air conditioning at the Warialda Gym. The meeting was advised that the correspondence has been received and that a quotation for the requested work is being sourced.

**Cr Frances Young**

**Disability Access Plan (Ref: 331/19)**

Cr Young reminded the meeting that the subject Plan was scheduled for discussion at the Council Meeting. An apology was extended by the staff and the meeting was advised that the Plan will be tabled for discussion at the October Council Meeting.

**Cr Frances Young**

**Fish Rescue (Ref: 332/19)**

Cr Young congratulated the Council on the initiative to rescue stranded native fish located in the water holes along the Horton River system.

**Cr David Coulton**

**Combined Bushfire Meeting at Moree (Ref: 333/19)**

Cr D Coulton advised the meeting that he attended this meeting and he advised the meeting that Gwydir Shire had recorded 99 reportable incidents for the year.

**Cr Catherine Egan**

**Upper Horton (Ref: 334/19)**

Cr Egan advised the meeting that she and Cr Young attended the launch of the Federal Drought Funded works at the Upper Horton Sporting Club.

Cr Egan also requested that the Council provide assistance to the Upper Horton community to access another bore for the supply of water.

**Cr Catherine Egan**

**Drought Donations (Ref: 335/19)**

Cr Egan advised the meeting that the Shire is receiving significant donations of food parcels, which although welcome can cause some issues for the local shops that provide similar products. Although the donations will not, of course, be turned away the ongoing concern about the Shire's existing businesses should not be underestimated.

**Cr Catherine Egan**

**Possible CMCA Rally May 2021 (Ref: 336/19)**

Cr Egan advised the meeting that a representative of CMCA has recently met with the Council to discuss a CMCA Rally in May 2021 at Bingara. Hopefully the Rally will be a breakeven event. The negotiations are ongoing.

**Meeting closed 11.54 am**