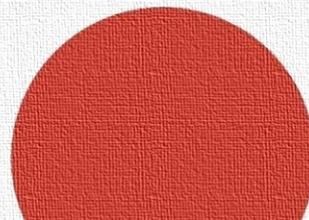
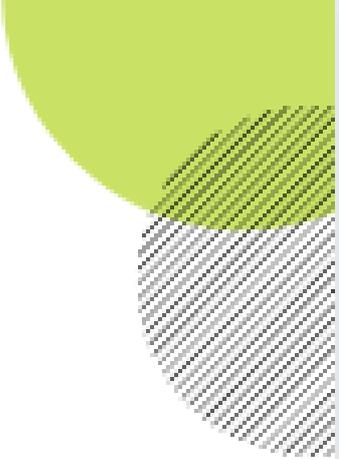


# ANNUAL REPORT 2020-2021

yass valley council  
the country the people





*We recognise the Ngunnawal people as the traditional custodians and pay respect to the Elders of the community and their descendants.*

Prepared by Yass Valley Council in accordance with the *Local Government Act 1993* and *Local Government General Regulation 2005*.

**Vision Statement:**

**To build and maintain sustainable communities while retaining the region's natural beauty.**

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## 1. Introduction

It is with pleasure that we present Yass Valley Council's 2020/21 Annual Report.

The presence of active COVID-19 cases in Yass Valley continues to impact Council operations and many businesses in our local government area. Council staff are continuing to work hard to maintain services in accordance with the public health orders.

Despite the continued health and economic challenges presented by COVID-19, Council continues to be in a sustainable long-term financial position. Council's Long-Term Financial Plan (LTFP) aligns with the objectives contained in Council's Community Strategic Plan (CSP). Council's LTFP and CSP will be reviewed during 2021/22 to reflect emerging community aspirations and goals against financial realities.

Our high population growth continues to be both an opportunity and a challenge. In September 2017, Council adopted the Yass Valley Settlement Strategy, which provides a roadmap for future growth. Between now and 2036, growth in Yass Valley will be focused on the existing settlements of Yass and Murrumbateman.

With that being said, we were lucky and proud to be allocated \$1,784,700 from the NSW Government's Public Spaces Legacy Program in July to build a new Adventure Playspace at Riverbank Park. This will be an exciting meeting place and a fabulous play space for our growing community. What's more, the funding was dependent on Council reducing its development application processing times and transitioning to the NSW Planning Portal by 1 July 2021 - a great result for us as an organisation and residents building locally.

Water quality and security have been a major focus for Council this financial year with the implementation of the Yass to Murrumbateman Pipeline project, which officially opened in early 2021. This major infrastructure project will increase water security for Murrumbateman.

In addition, Council commissioned Hunter H2O to prepare a design and business case for the upgrade of the Yass Water Treatment Plant.

When an agreement with the Department of Planning, Infrastructure and Environment (DPIE) (Water) was not achieved, Council commissioned an independent peer-review of the design proposal. The review confirmed the works necessary to address severe raw water quality challenges of odour, colour and hardness in Yass and incorporated some of the suggestions from DPIE (Water).

Council has since reached an agreement with DPIE (Water) on stage one of the Yass Water Treatment Plant upgrade and these works should be completed by April 2022. Under stage one, Council will install bubble plume aeration at Yass Dam, upgrade the raw water pump station and complete urgent works at the Yass Water Treatment Plant.

An agreement on stages two and three has not been finalised with DPIE (Water), however, Council has decided to commence the design work and business case to ensure the project is shovel ready in the event approval is forthcoming. Stage two involves the construction of a new water treatment plant that will ensure Yass Valley residents consistently receive high-quality drinking water. Stage three involves refurbishing the existing treatment plant for use when the new plant is undergoing long-term maintenance or experiencing excessive demand.

Looking ahead, the community can be assured that Council remains in a sound financial position due to substantial capital project funding. The sustainable provision of services to communities is a challenge for most Councils in an environment where more is expected of them from both the community and other tiers of government. Council has an ongoing commitment to continuous improvement to deliver value for money when providing services to its community.

Council also continues to seek innovative ways to communicate with our community to inform, consult and where appropriate, invite participation to ensure understanding and to get the best possible outcomes. Where we were unable to present information through our traditional Community Roadshows, Council continued to work through online forums.

Importantly, we acknowledge the contribution of all our Councillors and Council staff for their valued efforts over the past year, particularly given the impacts of COVID-19 public health orders.



We also acknowledge the work of the many dedicated volunteers who give up their time to help their community and make Yass Valley a great place to live. We will continue our fight against COVID-19 as a community that cares and cooperates - and we will get through it together.

We commend this Annual Report to you.

Cr Rowena Abbey  
Mayor

Chris Berry

General Manager

## 2. Council's Achievements in Implementing the Delivery Program

Council's achievements during the 2020/21 year are detailed within the Delivery Program Performance Reports:

- July – December 2020; and
- January – June 2021

These reports are provided as Attachment A.

## 3. Audited Financial Report

Council's audited financial statements are provided as Attachment B.

### 4. Rates and Charges Written Off

Pensioner Concessions Granted	\$120,451.21
Postponed Rates	\$4,795.57
Rates and Charges (including interest) written off	\$2,266.42

### 5. Overseas visits by Councillors, Council Staff or other representatives

Nil during 2020/2021

### 6. Payment of Expenses and Provision of Facilities to Councillors

A total of \$147,540.00 was attributed to the provision of Councillor facilities and payment of Councillor expenses, made up of:

- \$2,956.00 for Councillor communications (phone and data).
- \$8,613.00 for Councillor conferences, travel costs, accommodation, meals and reimbursement of travel for use of Councillor's private vehicles on Council business.

There were no interstate visits undertaken by Councillors, other than regional meetings in the ACT, which is included above

#### Mayoral and Councillor Fees and related expenses

Mayoral Allowance	\$26,530.00
Councillor Fees	\$109,441.00
Councillor Expenses	\$2,956.00

#### *Other Expenses*

Mayoral Car *	\$920.00	
Conference/meeting attendance	\$7,693.00	<u>\$8,613.00</u>
<b>Total Elected Members expenditure*</b>		<b><u>\$147,540.00</u></b>

**Total Elected Members expenditure\***The Mayor has elected not to take a Council vehicle and is reimbursed for her Council related use of her private vehicle. This is included in the figures above.

## 7. Contracts Awarded above \$150,000

<b>Nature of Contract</b>	<b>Name</b>	<b>Amount</b>
Road rehabilitation	Roadworx Surfacing P/L	\$1,685,000
Design and construction of concrete bridges	Complete Civil	\$1,093,590
Cleaning services	Fast Facilities Services	\$564,000
Engineering design services	Genium Civil Engineering	Schedule of Rate estimate of total cost of \$275,000
Purchase of Motor Grader	Westrac Equipment	\$491,955
Crago Mill precinct project management	APP Corporation P/L	\$191,200
Road rehabilitation	Divalls T/A Denrith P/L	\$879,821
Shared Pathway construction	Nick Pollack Concreting	\$225,000
Road rehabilitation	Hewatt Civil P/L	\$700,000
Winery trail construction	Complete Civil P/L	\$2,000,000
Architectural and interior design services	Brewster Hjorth Architects	\$841,000
Multi-service engineering services	NDY management T/A Norman Disney Young	\$583,000
Civil and structural engineering services	Van Der Meer (ACT) P/L	\$242,000
Quantity surveyor services	Currie and Brown (Australia) P/L	\$214,500
Construction of sewer pumping station and mains	TWS Evolution Ltd	\$1,666,225
Bridge replacement	Murray Constructions P/L	\$3,255,039
Road rehabilitation	Lentro Earthworks P/L	\$924,395
Road rehabilitation	Bost Civil P/L	\$690,000

## 8. Amounts Incurred in Relation to Legal Proceedings

The cost of collecting overdue rates and their related charges through a debt collection agency, including 62 summonses, judgements and writs was \$29,914. These costs are recovered from the related property owners.

Legal costs associated with Development Applications and planning was \$4,763.00.

## 9. Summary of Resolutions made under section 67 concerning work carried out on private land

Council has not undertaken any work on Private Land in 2019/20.

## 10. Grants and donations under Section 356

### Community Grants

• Binalong Progress Association – floor repairs to hall of historic courthouse	\$2,720.00
• Binalong Swimming Club – storage reel and lane ropes	\$2,095.00
• Bowning Public School P&C– shade sail for playground	\$4,000.00
• Murrumbateman Little Athletics – shipping container to store equipment	\$2,053.00
• Sutton Pony Club – replacement tank, repair of roof and guttering and shade sail	\$3,804.00
• Yass Early Childhood Centre – painting of the Centre fascia, walls and fence	\$1,265.00
• Yass Netball Association – first aid kits, post pads and club banner	\$700.00
• Yass Public School P&C – canteen mural and bathroom art	\$3,000.00
• Yass Roos Australian Football Club – replacement of goal posts	\$4,000.00
• Yass Roos Australian Football Club – goal post pads and equipment storage unit	\$4,000.00
• Yass Swimming Club – portable digital i-locks	\$725.00
• Yass Area Network of Landcare Groups- Purchase weather proof plant labels for nursery	\$1,870.00
• Yass Netball Association- Purchase new netballs	\$300.00
• Yass Show Society - - Erection of fencing around dressage arena, plantings and crusher dust for the arena	\$1,825.00
• Zac’s Place - Renovation/repairs to two office spaces to provide services to community	\$3,710.00
• Yass Community Carols-- Contribution to Yass Community Carols Event	\$2,500.00
• Yass Roos-- Purchase ball stop nets and post facilities	\$3,650.00

**Total \$42,217.00**

### Local Heritage Grants

• St Andrew’s Uniting Church, Yass	\$4,000.00
• St Patrick’s Binalong	\$3,500.00
• Royal Hotel Binalong	\$3,200.00
• Mechanics Institute Binalong	\$2,286.00
• Binalong Court House	\$3,912.00

**Total \$16,898.00**

### Mayoral Donations

• Yass High School	\$100.00
• NSW Rural Doctors Network- Bush Bursary Donation	\$3,300.00
• Yass District Education Foundation	\$5,000.00
• Yass District Education Foundation (John Lewis William’s Bequest)	\$126,230.00

**Total \$134,630.00**

**Rates and/or charges foregone**

• Binalong Mechanics Institute	\$1,442.33
• Bowring Hall	\$2,072.13
• Bookham Hall	\$839.00
• Gundaroo Hall	\$1,191.67
• Sutton Hall	\$35.00
• Wee Jasper Hall	\$35.00
• Binalong CWA	\$525.00
• Yass CWA	\$1,617.00
• Gundaroo Literary Institute	\$1,191.67
• Yass & District Historical Society	\$2,614.06
• Yass Senior Citizens Club	\$1,210.00
• The Vine Church	\$2,986.26
• Gundaroo Community Association	\$541.12
• Yass Golf Club-	\$7,476.66
• Yass Lawn Tennis Club	\$3,129.45
• Yass Bowling Club	\$3,316.04
• Binalong Golf Club	\$2,809.30
• Yass Branch of CanAssist (Waiving of fees for use of Yass Memorial Hall for meetings)	\$254.00
• Binalong Brahmans Rugby League Football Club- (Waiving of fees for ground hire for 2020 due to no games being held due to COVID-19)	\$565.00
• CWA Yass Branch – (Fee reimbursement for hire of Yass Memorial Hall)	\$105.00
• Sutton & District Community Association – (Fee waiver-meetings at Sutton Hall)	\$156.00
• Yass Ruby Union (Victoria Park Waiving of proportion of fees for ground hire for 2020 due to no games being held due to COVID-19)	\$1,335.00
• Yass Netball Association (O’Connor Park Waiving of proportion of fees for ground hire for 2020 due to no games being held due to COVID-19)	\$627.50
• Australian Rules (O’Connor Park & Murrumbateman Waiving of proportion of fees for ground hire for 2020 due to no games being held due to COVID-19)	\$1,560.00
• Fortem Australia (Riverbank Park Fee Waiver- Thank a first responder Day)	\$65.00
	<b>Total</b>
	<b>\$37,699.19</b>
	<b>Overall Total</b>
	<b>231,444.19</b>

#### 11. Statement of all External Bodies that exercised functions delegated by Council

No external bodies exercised any delegated functions of Council during the reporting period.

#### 12. Statement of all Corporations, Partnerships, Trusts, Joint Ventures, Syndicates or other Bodies in which Council held a controlling Interest

Council held no controlling interest in any such entity during the reporting period.

#### 13. Statement of all Corporations, Partnerships, Trusts, Joint Ventures, Syndicates or other Bodies in which Council participated

Canberra Region Joint Organisation (CRJO)	Southern Phones (Terminated in period)
ACT and Region Catchment Management Coordination Group	Country Mayors Association
Southern Tablelands Arts (STARTS) Inc	Local Government NSW
South West Regional Waste Management Committee	Statewide Mutual (Insurance)
South East Australia Transport Strategy Inc (SEATS)	Upper Murrumbidgee Catchment Network
	South East Weight of Loads Group

#### 14. Activities to Implement Council's Equal Employment Opportunity (EEO) Management Plan

Council's *EEO Management Plan 2019/2023* was adopted in June 2019. An EEO action plan was developed to ensure the objectives of the EEO management plan are achieved. The following activities were undertaken in 2020/2021:

##### **Objective 1 – All staff understand EEO principles and their responsibilities and rights in relation to EEO**

- The *EEO Management Plan* is accessible to all staff.
- New staff receive a copy of the plan and a briefing of their responsibilities at induction.

##### **Objective 2 – Ensure Council HR policies and procedures comply with EEO principles**

- HR policies and procedures conform with EEO principles with no complaints received in 2020/2021 in regards to EEO practices.
- Recruitment activities comply with EEO principles with no complaints received in 2020/2021 in regard to recruitment practices.
- Selection panels comprised of a least one representative of the same gender as candidates being interviewed.
- Position descriptions were reviewed prior to recruitment to the position to ensure EEO compliance.
- Applications for flexible working arrangements were considered and reviewed based on merit.

##### **Objective 3 – EEO Management Plan is successfully implemented, evaluated and periodically reviewed**

- New employees were asked to complete EEO questions on commencement (voluntary)
- EEO data has been collected for submission in Annual Report. (Details below).
- Cultural Awareness training was conducted for staff in February 2021.

#### Objective 4 – EEO TARGET GROUPS Council’s workforce diversity is reflective and representative of the broader community

- ATSI staff were advised of their entitlement under the *Local Government (State) Award 2020* to take one day of leave to participate in NAIDOC day celebrations.
- Aboriginal and Torres Strait Islander people are encouraged to apply for vacant positions.
- The number of women in management position has been reviewed.
- Staff facilities have been adapted to accommodate staff with disabilities.

The below table shows the number of employees in each EEO target group by salary levels as at 30 June 2021:

SALARY RANGE	NO. OF EMPLOYEES	MALE	FEMALE	NESB	ATSI	PWD
\$40,000 - \$49,999	18	15	3	1	1	0
\$50,000 - \$59,999	49	33	16	2	1	0
\$60,000 - \$69,999	31	18	13	3	0	0
\$70,000 - \$79,999	14	11	3	1	0	0
\$80,000 - \$89,999	16	12	4	4	0	0
\$90,000 - \$99,999	2	2	0	0	0	0
>\$100,000	15	10	5	2	0	0
<b>TOTAL</b>	<b>145</b>	<b>101</b>	<b>44</b>	<b>13</b>	<b>2</b>	<b>0</b>

NESB – Non-English Speaking Background  
 ATSI - Aboriginal and Torres Strait Islanders  
 PWD - People with a Disability

#### 15. Total Remuneration Package of the General Manager

The value of the General Manager's TRP as at 30 June 2021 was \$260,000.

#### 16. Total Remuneration Package of all Senior Staff Members

The value of the TRP for all senior staff members as at 30 June 2021 was \$593,958. The value is expressed as the combined total TRP of the senior staff members.

#### 17. Stormwater Management Services

Stormwater projects identified in Council’s Management Plan to be funded from storm water levy income:

Project	Status
Nil	

#### 18. Coastal Protection Services

Not applicable to Yass Valley Council.

#### 19. State of the Environment Report

Refer to Attachment D

## 20. Environmental upgrade agreement entered into, in accordance with any requirements imposed under s406

No environmental upgrade agreements have been entered into by Council that require compliance with section 406.

## 21. Special Rate Variation (SRV)

From 2020/21, the standard rate peg applicable to all Councils limited Council rate increases. From 2020/21 the rate peg was 2.6% . For 2021/22 the rate peg has been set at 2.0%.

<b>Projects identified in the 2017-2021 Delivery Program include:</b>	<b>The following Projects were completed/commenced in 2020/2021:</b>
<ul style="list-style-type: none"> <li>• Rural roads resealing</li> <li>• Gravel road resheeting</li> <li>• Timber bridge rehabilitation</li> <li>• Public amenities</li> <li>• Sporting fields and playgrounds</li> <li>• Murrumbateman traffic improvements</li> <li>• Kerb and gutter replacement</li> <li>• Rural and urban road rehabilitation</li> </ul>	<ul style="list-style-type: none"> <li>• \$2.5m on rural roads resealing</li> <li>• \$0.2m on gravel road resheeting</li> <li>• \$4.7 m on road rehabilitation</li> <li>• \$1.2m bridge replacement</li> <li>• \$0.2m on public amenities</li> <li>• \$0.7m on sporting fields &amp; playgrounds</li> </ul>

## 22. Report on Capital Works Projects

Council's report on capital works projects is provided at Attachment C.

## 23. Companion Animals Act 1998 and Companion Animals Regulation 2008

During 2020/21, Council carried out companion animal community education programs using local media, community notice boards, Facebook and the Council website. Educational letters and fact sheets were sent to individual owners and areas with a high number of reported animal incidents. Council has seen a reduction in incidents in the areas targeted. To assist with the identification of companion animals received at the impound facility; the Compliance Ranger received training and is now authorised to implant microchips on animals that have no identification.

Through the year, there were:

- 31 incidents involving dog attacks. These were predominately on stock and animals.
- 5 Orders were issued for Menacing and Nuisance dogs
- 10 Infringement Notices were issued
- 101 Advisory and education letters forwarded to owners of companion animals
- 69 dogs were impounded, 57 of those were returned to owners and 12 were rehomed through rescue organisations across the eastern States.

The rehome and return to owner's rate for suitable dogs in 2020/21 was 100%.

Council provides unfenced off leash areas within the Local Government Area at:

- Lower Walker Park; below Joe O'Connor Park at the riverbank
- Bowring Recreation Ground
- Binalong Recreation Ground
- Nirta Drive Common
- Murrumbateman
- Murrumbateman Recreation Area.

A fenced off leash park is provided in Yass on Laidlaw Street below the Yass Pool. There is ongoing Council consultation with a user groups to develop appropriate facilities for dog owners and their companions. A fenced off-leash area has been identified in 2021 Strategic Plan for Murrumbateman Recreation Grounds.

Council received \$38,101.00 in animal registration fees and \$4,600.00 in companion animal infringements during 2020/21. This income offsets Council's costs directly related to animal control of \$116,215.00 in 2020/21.

Daily activities are undertaken by Council's Compliance Officer to promote compliance with the *Companion Animals Act 1998* including patrols of parks and public areas across the LGA.

#### 24. Details of Inspection of private Swimming Pools - Swimming Pools Act & Regulation

Swimming Pool Inspections	Number of Inspections	Number of Certificates of Compliance	Number of Certificates of Non-Compliance
Tourist and Visitor Accommodation	0	0	0
Premises on which there are more than two dwellings	0	0	0
Inspections that resulted in issuance a Certificate of Compliance under s.22D SP Act	28	28	0
Of inspections that resulted in issuance a certificate of non-compliance under cl.21 SP Regulation	4	0	4

#### 25. Government Information (Public Access) Act 2009 and Regulation

- The *Government Information (Public Access) Act 2009* (GIPA Act 2009) provides four ways for government information to be released:
- Mandatory Disclosure – certain information must be published on State and Local Government agency's websites, free of charge. For example, these could include a register of government contracts, policies, media releases and annual reports;
- Proactive Release – State and Local Government agencies are encouraged to make as much other information as possible publicly available, in an appropriate manner, including on the internet. The information should be available free of charge or at the lowest reasonable cost. For example, frequently requested information or information of public interest may be made readily available;
- Informal Release – State and Local Government agencies are encouraged to release other information in response to an informal request, subject to any reasonable conditions an agency imposes, without the need for a formal application, unless there are good reasons to require one. For example, such information could include requests for personal information by the individual concerned;
- Formal Access – State and Local Government agencies may release information in response to a formal access application. Formal applications give rise to appeal rights for applicants if they disagree with the agencies decision about information released and was responsible for the coordination of GIPA matters.

The following tables contain statistical information required by the GIPA Act 2009.

## STATISTICAL INFORMATION ABOUT ACCESS APPLICATIONS

Total number of access applications received during the reporting year	2
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**Table A: Number of applications by type of applicant and outcome\***

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media								
Members of Parliament								
Private sector business								
Not for profit organisations or community groups								
Members of the public (application by legal representative)								
Members of the public (other)	2							

**Table B: Number of Applications by Type of Application and Outcome\***

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications**								
Access applications (other than personal information applications)	2							
Access applications that are partly personal information applications and partly other								

\*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. \*\*A **personal information application** is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

**Table C: Invalid Applications**

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

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

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

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

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

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

**Table F: Timeliness**

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	2
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
<b>Total</b>	<b>2</b>

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

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

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

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

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

## 26. Environmental Planning & Assessment Act 1979

Council has the following planning agreements in accordance with the *Environmental Planning & Assessment Act 1979*:

Development Consent	Property	Applicant	Date	Expiry Date	Purpose
DA 6-2014	1652 Yass Valley Way, Yass	South Eastern Livestock Exchange	3 August 2015	8 August 2020	Payment of Development Contributions
DA 92-2016	57 Rose Street, Murrumbateman	Abode – The Apartment Hotel Murrumbateman Pty Ltd	22 February 2017	6 March 2033	Payment of Development Contributions
DA 130-2012	11472 Wee Jasper Road, Yass	Vine Church	22 September 2017	1 July 2027	Payment of Development Contributions
DA 283-2014	Yass Valley Way, Yass	Yass Valley Industrial Park Pty Ltd	20 November 2017	20 November 2027	Payment of Development Contributions
SSD 6686	Off Wargeila and Tangmangaroo Roads, Yass	Bango Wind Farm Pty Ltd	28 June 2018	Wind Farm ceases operation	Community Enhancement Fund
SSD 6693	North of Yass and east of Rye Park	Rye Park Renewable Energy Pty Ltd	17 December 2020	Decommissioning of the last of the operating turbines	Community Enhancement Fund

## 27. Public Interest Disclosures

Section 6CA *Public Interest Disclosures Act* 1994 requires Council to provide the NSW Ombudsman with information about Council's obligations in relation to public interest disclosures every six months. The following information was provided to the Ombudsman during 2019/20.

	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
No. of public officials who made public interest disclosures to Council	0	0	0
No. of public interest disclosure received by Council	0	0	0
Of public interest disclosures received, how many were primarily about:			
Corrupt conduct	0	0	0
Maladministration	0	0	0
Serious and substantial waste	0	0	0
Government information contravention	0	0	0
Local government pecuniary interest contravention	0	0	0
No of public interest disclosures (received since 1 Jan 2012) that have been finalised in this reporting period	0	0	0
Has Council established an internal reporting policy?	YES		
Has the head of your public authority taken action to meet their staff awareness obligations?	YES	Training by Council, Links on Council's internet and intranet site, Training provided to new staff during induction	

## 28. Compliance with the NSW Carers (Recognition) Act 2010

### a) Education Strategies

Council provides information to staff to ensure awareness of the Act and the Charter.

### b) Consultation and Liaison with Carers

As no staff identified themselves as Carers in accordance with the Act, no follow up consultation was required. Council was not required to adopt new policies or make any amendments to existing policies.

## 29. Disability Inclusion Act 2014

### Introduction

Council adopted the *Disability Inclusion Action Plan* (DIAP) 2017-2020 in July 2017.

A DIAP Implementation Plan developed by Council's Community Access Committee has been used to guide and track the delivery of the actions identified in the DIAP.

Council's DIAP is structured under the focus areas: Promoting Positive Community Attitudes and Behaviours; Ensuring Safe and Accessible Community Facilities; Increasing Access to Meaningful Employment; and Improving Access to Services through better Systems and Processes.

The DIAP is a part of Council's hierarchy of plans and strategies and includes actions relevant to all areas of Council. The actions in the DIAP Implementation Plan have been reflected in Council's Delivery Program and Operational Plan and reported on annually.

## Reporting

It is a legislative requirement that Council's Annual Report includes progress towards achievement of the *Disability Inclusion Action Plan 2017-2020* and that a copy of this section of the report be lodged with the Department of Communities and Justice (DCJ) and the Minister for Disability Services.

The following tables provide an update on the implementation of actions in the DIAP.

Strategic Goal	Action	Measurement	Link to CSP objectives	Progress
<b>FOCUS AREA 1</b> Positive attitudes and behaviours	Deliver Disability Awareness training for Council staff	Number of Council officers who completed the training	C03, C11	On-line training sourced. Community Services and Library staff promoted availability to staff.
	Compile and distribute a making your event accessibility guide to local and regional event organisers	Guide compiled and distributed	C02	COMPLETED. On line information available on Council's web site as part of event information.
	Conduct Aboriginal Cultural Awareness for all Council staff	Number of Council officers who completed the training	C03	COMPLETED. Managers undertook training. Further training to be considered annually as part of Council's Learning & Development Plan.
	Support the development of a Disability Support Service Interagency in Yass	Interagency established	C03, C14	COMPLETED. Interagency meeting for all community services (including disability services) in place. Council's Community Planner now Council's representative in the forum.
	Utilise International Day of People with Disability to promote inclusion to the general community	Positive media coverage	C03	COMPLETED.
	Promote the importance of access to businesses in the main street of Yass	Pre and post survey to determine business owners attitudes towards access	C03	Audit report distributed to Committee Members 10 Sept 2018. Access must be considered as part of any approval for publicly accessible buildings and is routinely part of pre-lodgement discussions.
<b>FOCUS AREA 2</b> Safe and accessible community facilities	Audit Council buildings and facilities to ensure compliance with related standards. Prepare an annual program of accessibility upgrades for public halls and amenities	Audit completed  Annual upgrade program implemented	IN4	Design completed and approved for Administration Office entrance. Work programmed for 2018/19 financial year not completed. Project placed on hold pending the design and development of a new Council Precinct.
	Undertake physical access improvements to main entry of Council's Administration Office	Works completed	IN4	Refer above.
	Provide disabled toilet facilities in Council's Administration Office	Works completed	IN4	A disabled toilet facility provided but access to it is not compliant. No further work is planned on the present facility as Council is currently arranging for the design and development of new administrative offices as part of a new Council Precinct.

	Undertake an audit of designated accessible parking spaces on-street and in car parks in the CBD, town and villages to identify the number of spaces available in close proximity to key services and their compliance with access standards and develop a strategy to address needs	Audit completed	IN3	Project brief prepared.
	Install automatic doors at the Yass Visitor Information Centre	Works completed	EC2 and IN4	COMPLETED.
	Prioritise DIAP actions and integrate with action that are contained in the PAMP	Increased number of continuous paths of travel that link key destinations throughout the LGA	IN4	COMPLETED. Considered in the development of the PAMP and annual budget allocations.
	Develop and implement a program for installing and upgrading kerb ramps and footpaths to improve continuous accessible paths of travel and deliver access outcomes. Priority locations include: Town and village centres, Council buildings linked to designated accessible car parking and key transport nodes			COMPLETED. Part of the PAMP.
<b>FOCUS AREA 3</b> Increase access to meaningful employment	Work with disability services employment organisations to identify opportunities for employment and work experience at Council and within the community	Numbers of placements filled at Council and within the community	EC5	Relationships being developed.
	Review Council's recruitment processes, forms and languages for accessibility	Review undertaken	EC5	Relationships being developed.
	Review Council's current communication methods (print and social media) to comply with level AA in the W2C's Web Content Accessibility Guidelines	Audit of accessibility undertaken	CL1, C02 and CL3	COMPLETED. Format for printed documents altered so captions included for all illustrations/ photographs and colour contrasting being used.
	Investigate implementation of a process that will facilitate communication with customers who have a disability. This may include promotion of new accessible technologies including web self -	Investigation completed  Report provided to Access Committee	CL1	COMPLETED. New website launched August 2018 compliant with the relevant standards. Access Committee representative joined working group to review format.

<p><b>FOCUS AREA 4</b>  <b>Improve access to services through better systems and processes</b></p>	<p>service, web chat and video calls</p>			
	<p>Ensure that Yass Valley Council's web service complies with the web accessibility national transition</p>	<p>Audit completed</p>	<p>CL2, CL3</p>	<p>COMPLETED. New web site launched August 2018.</p>
	<p>Undertake an audit of Yass Valley's public transport system to identify service provision gaps and work with service providers to maximise access to public transport</p>	<p>Gaps identified.  Access improvements made.</p>	<p>IN2, CO1, CL3</p>	<p>Deferred.</p>
	<p>Improve access to health services by working with NSW Health including Southern Local District and the Yass Community Consultative Committee to identify gaps in service provision and seek funding to maximise access</p>	<p>Audit completed</p>	<p>CO1, CL3</p>	<p>Ongoing advocacy undertaken seeking upgraded facilities at Yass Hospital.</p>
	<p>Provide an annual report to the Community Access Committee that confirms the number of Development Applications submitted to Council for works that have resulted in improvement to publically accessible infrastructure</p>	<p>Report provided</p>	<p>CO1</p>	<p>All Development Applications are required to be assessed against the <i>Disability Discrimination Act 1992</i> and the Building Code of Australia. Report to extract information from Council's Development Application Register not yet designed.</p>

### 30. Fisheries Management ACT 1994

N/A to Yass Valley Council.

**Attachment A**

# Performance Reporting



# Delivery Program Progress Report

July– December 2020



# Access to Information

You can find out information about Council by reading the meeting agenda papers, subscribing to the online newsletter, checking out our website and Facebook pages or by visiting Council's administration office in Yass.

We also produce a newsletter, 'The Valley Views' which is mailed to all residents and businesses three times per year.

## How to contact us

In person:

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209 Comur Street  
YASS NSW 2582

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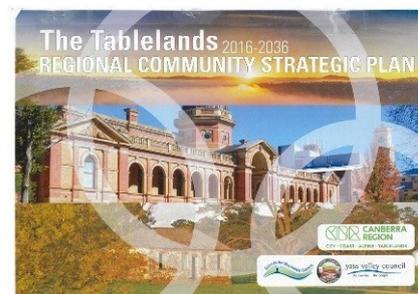
# Introduction

This Delivery Program Progress report forms part of Yass Valley Council's implementation of the State Government's Integrated Planning and Reporting (IPR) Framework.

Council's use of this framework complies with the *Local government Act 1993*. Specifically:

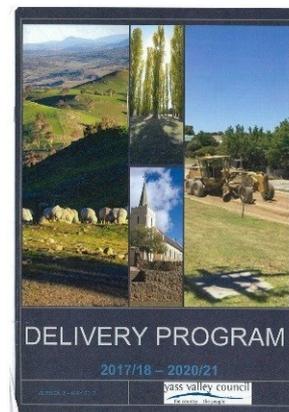
## The Tablelands Regional Community Strategic Plan 2016 – 2036

- Sets out our community's goals and aspirations
- Outlines the strategies and objectives to achieve these goals and aspirations
- Contains measures to check progress
- Is used by Yass Valley, Goulburn Mulwaree, and Upper Lachlan Councils



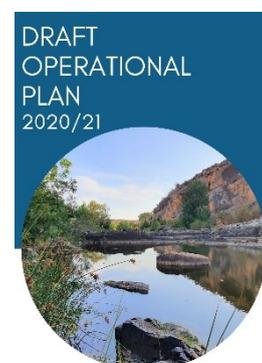
## Delivery Program 2017-2021

- Details Council commitments and priorities during its four year term
- Contains actions to achieve the objectives set out in the Community Strategic Plan for the Yass Valley community



## Operational Plan 2020-2021

- Details of activities Council will undertake during the financial year to implement the Delivery Program
- It includes the annual budget adopted by Council, Statement of Revenue Policy, and the annual Fees and Charges for Council's services



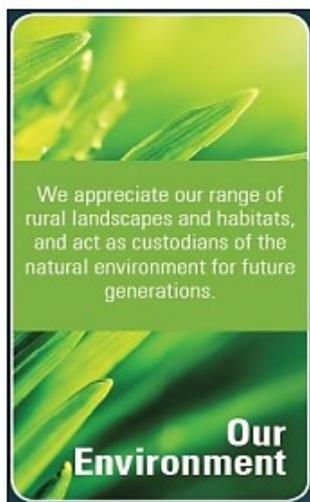


# Overview

We are pleased to report progress on Yass Valley Council’s four year Delivery Program for the period July to December 2020.

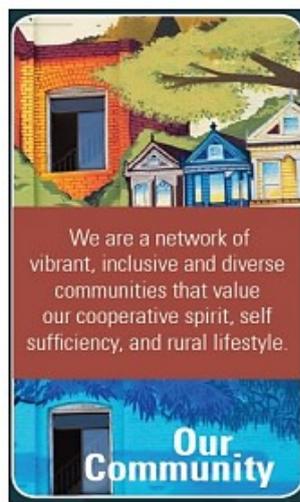
The actions in Council’s Delivery Program sets out what will be done to meet the objectives of our long term Regional Community Strategic Plan (The Tablelands Regional Strategic Plan 2016 - 2016).

We have set out this plan along the 5 strategic pillars so that the links to the CSP are easily identified and we have developed measures to demonstrate how we are progressing towards these goals.



We appreciate our range of rural landscapes and habitats, and act as custodians of the natural environment for future generations.

**Our Environment**



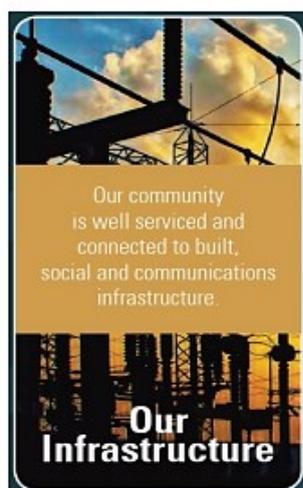
We are a network of vibrant, inclusive and diverse communities that value our cooperative spirit, self sufficiency, and rural lifestyle.

**Our Community**



We have a strong regional economy experiencing sustainable growth, which provides for a diverse range of employment opportunities.

**Our Economy**



Our community is well serviced and connected to built, social and communications infrastructure.

**Our Infrastructure**



Our leaders operate ethically and implement good governance. We empower our residents with the tools to participate actively in the development of our communities.

**Our Civic Leadership**

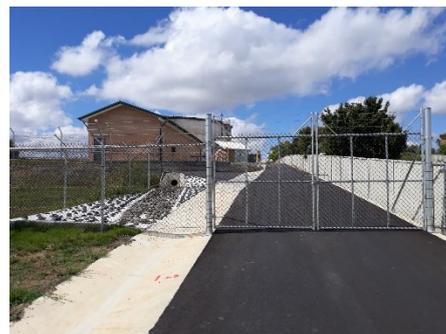


# Achievements

We are happy to report a number of completed projects and achievements for this reporting period. Some of these are listed below:-

## **New Morton Pump Station:**

This pump station was built as part as part of the Yass to Murrumbateman Water Transfer Project. Pumps will transfer water through a pipeline that was also built as part of the project from Yass to Murrumbateman. Pipeline is 18km long and 250mm in diameter. It is due to be commissioned in February-March 2021.



## **New Murrumbateman Reservoir:**

This, 2.15-megalitre reservoir will receive the water pumped from the new Morton Pump Station. It can service a population of 3,000 people and will support the growth of Murrumbateman Village.



## **Rehabilitation of Yass Valley Way from Hume Highway to Barton Highway**

The reconstruction of approximately 5.2kms of road was completed recently by Contractors. These works were jointly funded by 'Fixing Country Roads' and Yass Valley Council.



## **Christmas Street Parade**

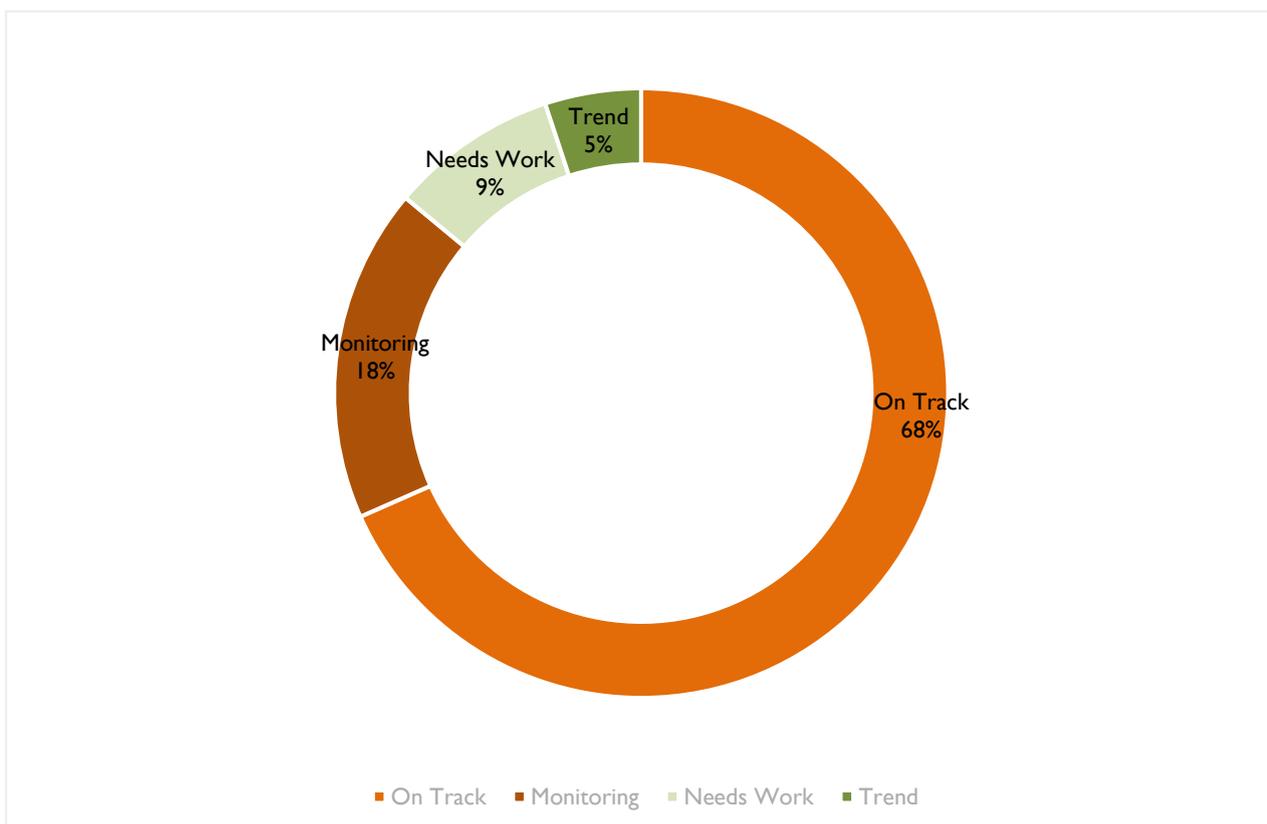
We organised a 'Street Parade' of vehicles from Local Emergency Service groups, Police and Council. The parade paid recognition to these important groups as well as transporting Santa down the main street. The parade was deemed highly successful with a huge amount of people turning up to witness the event. We will endeavour to make this an annual occurrence.



# Progress Summary

This report reflects our six-month progress against 75 performance indicators in the Delivery Program. The following rating scale is used to ensure consistency and transparency when assessing the status of each indicator. Performance indicators in this document are actions prescribed in our Operational Plan as their completion furthers the Delivery Program outcomes.

Rating Scale	Symbol	Description
On Track		When the 'actual' is either equal or better than the set target.
Monitoring		Corporate variance of $\pm 10\%$ applies to the set target and is considered achievable, feasible and realistic for performance improvement, with the exception of Legislative requirements
Needs Work		When the 'actual' is either below or above the corporate variance
Trend		Shows a pattern of change data over time where setting a target is not possible



# Strategic Pillar 1

## Our Environment

*We appreciate our range of rural landscapes and habitats, and act as custodians of the natural environment for future generations.*

Performance Indicator	Status	Progress Comment
<b>EN1 - Protect and enhance the existing natural environment, including flora and fauna native to the region</b>		
Protect our natural assets in line with community values.		Yass River water monitoring undertaken on a monthly basis. Biodiversity Assessments undertaken as required for Planning Proposals and Development Applications.
Work with Office of Environment & Heritage (OEH) to maintain a network of connected native vegetation (including reserves and council land).		Additional biodiversity surveys have been undertaken on Council owned property 'Hawthorn' to inform an application for Bio certification.
Meet obligations for weed control in the Yass Valley Local Government Area.		Weeds inspections have been undertaken in line with the Weeds Action Plan and reported to NSW DPI as required. Spraying in road reserves for priority weeds will commence in February. .
<b>EN2 – Adopt environmental sustainability practices</b>		
Implement Council's Environmental Sustainability Policy across all Council operations.		Policy and implementation requires review in 2021 Request for Quotation for Climate Change and Natural Disaster Risk Assessment for Council Operations opened in December – closes end January 2021.
Improve water efficiency of Council operations.		Water efficiency systems are installed in all new and refurbished council facilities.
Conduct engagement programs that encourage positive behaviour change in the community.		Hands On for Less Waste education project was concluded (after delay due to COVID) with Less Waste Week, featuring 4 online workshops. Targets for the project were met or exceeded.
Work with schools to increase awareness of caring for the local environment urban design principles in development.		Activities planned for Yass High School and local preschools regarding reducing waste, which will be delivered by Eaton Gorge Theatre Company (funded by the CBRJO).
Consider water sensitive urban design principles in development assessment		Water sensitive urban design principles are considered in the assessment process of all major developments.

Performance Indicator	Status	Progress Comment
<b>EN3 – Protect and rehabilitate waterways and catchments</b>		
Engage with the community and external agencies to deliver programs which improve the health of the Yass River and tributaries		Working with Yass Landcare on an Environmental Trust Restoration and Rehabilitation grant to restore a section of the Yass River and Manton Creek. Application submitted in December 2020.
Increase community awareness of the importance of stormwater health and quality		H2OK Community Stormwater Education project has concluded. All targets met or exceeded.
Deliver Plan of Management for the Yass Gorge		Plan of Management delivered and maintenance activities ongoing.
<b>EN4 - Maintain a balance between growth, development and environmental protection through sensible planning</b>		
Ensure Council's statutory planning instruments are up to date and reflective of community needs		Four Amendments have been finalised to the Yass Valley Local Environment Plan (LEP) between July and December, including the creation of the Parkwood LEP.
Ensure Development Application assessment is thorough and efficient		Changes are currently being made to find further efficiencies in the development assessment process through Council's participation in the Public Space Legacy Program and implementation of the NSW Planning Portal.
<b>EN5 - To investigate and implement approaches to reduce our carbon footprint</b>		
Reduce rubbish to landfill through effective waste management and recycling		Waste staff promote source separation with greater emphasis on domestic residents and commercial business/contractors to source separate all materials to increase recycling and reduce waste to landfill.
Work with local businesses to encourage recycling		Recycling programs have been coordinated in conjunction with CRJO waste group.
Promote initiatives in the community such as Eat/Shop Local, Love your Leftovers and being efficient with electricity		#SustainabilitySunday posts continued on Facebook, including topics such as energy efficiency, reducing food waste and reducing food miles.
Investigate low carbon technologies when Council assets are developed or due for replacement		Solar lights installed in parks and solar investigated for facilities with high electricity use. Upgraded lighting in buildings (Library) to LED lights. LED Street lighting upgraded.
Encourage efficient use of renewable energy by Yass Valley households		#SustainabilitySunday posts continued on Facebook, including topics that promote sustainable actions in households such as increasing energy efficiency and uptake of renewable energy.

## Strategic Pillar 2

# Our Economy

*We have a strong regional economy experiencing sustainable growth, which provides for a diverse range of employment opportunities.*

Performance Indicator	Status	Progress Comment
<b>EC1 – Capitalise on the region’s close proximity to Canberra and its position as a convenient hub to South East Australia to attract industry and investment</b>		
Facilitate business excellence, innovation and collaboration in the Yass Valley LGA to build stronger business networks and support structures identified through the Economic Development Committee and relevant government agencies and community organisations.		Work commenced to redraft our Economic Development Strategy and the role of the Committee. This will include a Small Business Action Plan.
Enhance and promote the Yass Valley brand to drive positive economic activity		Working on Grants to provide support for Tourism.
<b>EC 2 - Jointly develop appropriate tourism opportunities and promote the region as a destination</b>		
Enhance and promote the Yass Valley brand to drive positive tourism outcomes		During this reporting period a new Visitor Information guide was drafted and two tourist signs have been updated on the Hume and Barton highways.
Collaborate with regional tourism stakeholders		Consultations have taken place with Destination Southern New South Wales (DSNSW).
<b>EC3 - Support and foster conditions that enable local and small/home-based businesses to grow</b>		
Identify and participate in initiatives that assist small business		<p>In response to NSW Public Health Orders, our focus was placed on identifying support available for small business and provide information on financial support available.</p> <p>We have assisted by creating awareness of grant opportunities and the completion of COVID Business Safety Plans to ensure ongoing operation of business.</p>

Performance Indicator	Status	Progress Comment
<b><i>EC4 - Foster and develop a diverse, adaptive and innovative agricultural industry</i></b>		
<b>Protect rural lands for agricultural purposes</b>		<p>We continue to consider the relevant zone objectives within the Yass Valley LEP 2013 for all Development Applications. The zone objectives for rural land include:</p> <ul style="list-style-type: none"> <li>• To encourage sustainable primary industry production by maintaining and enhancing the natural resource base</li> <li>• To encourage diversity in primary industry enterprises and systems appropriate for the area</li> <li>• To minimise the fragmentation and alienation of resource lands</li> <li>• To minimise conflict between land uses within this zone and land uses within adjoining zones</li> <li>• To protect and enhance the biodiversity of Yass Valley</li> <li>• To protect the geologically significant areas of Yass valley</li> <li>• To maintain the rural character of Yass Valley</li> <li>• To encourage the use of rural land for agriculture and other forms of development that are associated with rural industry or that require</li> <li>• An isolated or rural location</li> <li>• To ensure that the location, type and intensity of development is appropriate, having regard to the characteristics of the land, the rural</li> <li>• Environment and the need to protect significant natural resources, including prime crop and pasture land</li> <li>• To prevent the subdivision of land on the fringe of urban areas into small lots that may prejudice the proper layout of future urban areas</li> </ul>
<b><i>EC5 - Encourage collaboration between businesses, government and training providers to develop employment and training opportunities for young people in the region</i></b>		
<b>Facilitate networking and collaboration amongst stakeholders</b>		<p>Early stage work and liaison has begun with Industry Groups including Canberra Wine Industry Association, Makers of Murrumbateman and the Yass Valley Business Chamber to fully understand priorities and areas for support to enable development of Industry Action Plans for 2020-21 which will align with priorities from REDS and Council's Delivery Program and Operating Plan.</p> <p>Engagement with Agriculture Industry groups, including NSW Farmers, has begun and will continue in the next reporting period.</p>

## Strategic Pillar 3

# Our Community

*We are a network of vibrant, inclusive and diverse communities that value our rural lifestyle.*

Performance Indicator	Status	Progress Comment
<b>CO1- Facilitate and encourage equitable access to community infrastructure and services such as health care, education and transport</b>		
Provide an accessible library service to all of the community.		<p>At present there are no set targets for usage of the library service, including visits to the mobile library.</p> <p>The recent review and subsequent closure of the physical branch in Murrumbateman, creates the opportunity to provide a more visual promotion of the library service through the use of the mobile library with the Murrumbateman Markets.</p> <p>Targets will be set for all areas of the library service including the main branch in Yass, the revamped Murrumbateman service and mobile visits to outlying villages.</p>
Advocate to the State Government and relevant agencies to ensure that transport, health and educational services are delivered equitably to all residents		We recently advocated for improvements to Health facilities including a review of clinical services during the Federal By-election for Eden Monaro. A meeting with Southern NSW LHD to commence preparation of the Health Care Services Plan 2020-2030 was scheduled for 15 December 2020
Ensure plans are in place for accessible community facilities and services in consultation with the Access Committee		On hold pending the preparation of the new Disability Inclusion Action Plan (DIAP) and will be addressed in the new term of Council.
<b>CO2 - Encourage and facilitate active and creative participation in community life</b>		
Deliver robust and diverse community engagement opportunities		We will inform, consult, involve or collaborate with our community in our agile approach to collaboration. We inform through a diverse number of communication channels. We consult and seek feedback about matters such as policy. We collaborate with groups such as Council Committees, NGOs and governance agencies to find solutions to community issues and identify opportunities.
Ensure the community is well informed about its projects, policies and programs		We continue to use our adopted Community Engagement Strategy to ensure adequate engagement is undertaken with our community. Specific Communication and Engagement Plans are developed for all major projects and are designed to ensure all information is included when informing our community.

Performance Indicator	Status	Progress Comment
<b>CO2 - Encourage and facilitate active and creative participation in community life cont'd</b>		
<b>Develop and implement a Public Art Strategy that includes specific actions for the development of creative pursuits</b>		Council adopted a Public Art Policy in November 2017 which superseded the need for a Strategy. Council has established a Public Arts Focus Group to evaluate art proposals. We recently approved a free graffiti wall under the Hume Bridge – a place where anyone who wishes to contribute to graffiti art can do so and for the community to enjoy.
<b>Provide a library service that facilitates creative participation in community life</b>		<p>The Yass Valley Library Service provides many programs to facilitate active participation for all ages. Due to COVID restrictions, all programs were suspended until the start of November 2020, since then a number of programs have recommenced (e.g. storytime, school holiday activities etc.). Unfortunately, the mobile library service and consequential pre-school outreach programs are still on hold.</p> <p>The Library service has recently introduced TechConnect which replaces the Tech Help sessions that were offered previously. TechConnect provides residents (in particular older persons) the opportunity to learn computer skills and how to use smart devices with the assistance of a dedicated Library Assistant. This program is offered to the Yass Valley community in partnership with the Australian Governments 'Be Connected' initiative.</p>
<b>Support the growth of a diverse range of community events</b>		
<b>CO3 - Foster and encourage positive social behaviours to maintain our safe, healthy and connected community</b>		
<b>Encourage and support existing and new interagency groups</b>		<p>Throughout the period we have been an active participant in the Yass Child &amp; Families Interagency Group. The restrictions arising from COVID-19 resulted in us providing the option for members to attend via Zoom. This had the unintended but welcome effect of markedly increasing attendance numbers.</p> <p>The Yass Youth Working Group was established in September 2020 to plan and implement projects with and for young people. The initial program developed by the Working Group reflects the results of an online survey we undertook of young people to establish their needs and interests and to provide a basis for funding applications</p>

Performance Indicator	Status	Progress Comment
<b>CO3 - Foster and encourage positive social behaviours to maintain our safe, healthy and connected community cont'd</b>		
<b>Connecting the community to Yass Valley Council through a range of Advisory Committees</b>		During the period, consultation with Council's Youth Council, Aboriginal Consultative Committee was undertaken online in relation to a range of issues. A review of the effectiveness of Advisory Committees as a mechanism for connecting the community to Council commenced in the period through the Audit Risk and Improvement Committee (ARIC).
<b>Support the growth and development of volunteering</b>		With the assistance of a Wesley LifeForce Community Development Officer, in October 2020 we facilitated establishment of the Yass Suicide Prevention Network. A further meeting was held in November 2020.
<b>Develop a Crime Prevention Plan</b>		Yass Valley crime statistics are monitored to determine the need for a Crime Prevention Plan. Current crime statistics indicate that the response by the NSW Police is adequate for the local government area.
<b>Foster road safety awareness</b>		Via a series of social media posts on our Facebook page, the Road Safety Program transferred messaging to online consistent with COVID Guidelines. Following a sharp increase in heavy vehicle fatalities, we participated in a multi organisational awareness day. Heavy vehicle drivers at Mundoonan Rest Stop were provided fatigue prevention strategies. A grant was secured to upgrade road geometry at the site of a fatal crash in Yass. We also conducted two workshops for older road users called 65 PLUS.
<b>CO4 - Recognise and celebrate our diverse cultural identities and protect and maintain our community's natural and built environment</b>		
<b>Ensure appropriate controls are in place to conserve the heritage value of our built environment.</b>		Heritage design standards and guidelines have been drafted and are to be included within the comprehensive Development Control Plan in 2021.
<b>Continue the Heritage Advisory Service</b>		There were five visits from Council's Heritage Advisor between July and December. The visits included the assessment of the 2020-2021 Local Heritage Grants, and advice on future use of the Liberty Theatre, adaptive reuse of a former church, proposed works at the Globe Inn, and a preliminary assessment of the Council owned stone outbuildings in Dutton Street.
<b>Continue the Local Heritage Grants Program</b>		Funding offers for preservation work on heritage buildings were made in relation to the Binalong Court House, the Binalong Mechanics Institute, the Royal Hotel, Binalong, St Patricks Church, Binalong, the Uniting Church, Yass, and the Sutton Public School.

Performance Indicator	Status	Progress Comment
<b>CO4 - Recognise and celebrate our diverse cultural identities and protect and maintain our community's natural and built environment cont'd</b>		
<p><b>Implement the Yass Valley Aboriginal Reconciliation Action Plan in conjunction with the Aboriginal Advisory Committee</b></p>		<p>The scarred tree installation on Oak Hill was completed in June 2020 and weed removal and maintenance activities have been undertaken in the period since. The opening celebration has been deferred as a consequence of COVID-19 restrictions.</p> <p>NAIDOC Week was celebrated in the period, with Council hanging banners with Aboriginal motifs in Comur Street. We assisted the Aboriginal community mount a display and conduct an audiovisual presentation in the Memorial Hall, conducting smoking and flag-raising ceremonies and holding a storytime session for children involving a local Elder.</p>
<b>CO5 - Maintain our rural lifestyle</b>		
<p><b>Ensure the community is attractive and vibrant while maintaining our village atmosphere</b></p>		<p>We have commenced work on a High Street Grant application for upgrades to Comur Street, Yass.</p>





## Strategic Pillar 4

# Our Infrastructure

*Our community is well serviced and connected to built, social and communications infrastructure.*

Performance Indicator	Status	Progress Comment
<b>IN1 – Develop high speed rail links between the region, Canberra, Sydney and Melbourne</b>		
Assess the advantages and disadvantages for Yass Valley of any high speed rail proposal		We will assess all proposals when they are provided. No proposals received.
<b>IN2 - Improve public transport links to connect towns within the region and increase access to major centres</b>		
Lobby the Federal and State Governments to upgrade the Barton Highway		No new community needs requiring advocacy were identified during the reporting period.
Advocate for public transport links or improved services where there is a demonstrated community need		We transferred Community Transport functions to Valmar Support Services which includes transport to Canberra for medical appointments.
Seek funding opportunities to deliver upgrade works on regional roads		In August - September 2020 we completed a review of Regional Road classifications for the transfer of all Regional Roads to the State Government for ongoing road management.
<b>IN3 - Maintain and improve road infrastructure and connectivity</b>		
Deliver transport asset infrastructure, maintenance, renewal and enhancement programs for urban, rural and regional roads to maintain or improve overall condition.		We continued the maintenance of our transport network. We have also been successful in receiving a number of grants for the rehabilitation of the network including: \$450k for regional road repairs \$3.1M for local road rehabilitation \$2.4M for local road resealing
Deliver Roads & Maritime Services (RMS) state road maintenance and renewal programs in accordance with the road Maintenance Council Contract		We delivered the level of service on State Roads in accordance within the contract (RMCC) agreed with TfNSW and to the satisfaction of TfNSW representatives.

Performance Indicator	Status	Progress Comment
<b>IN4 - Maintain and update existing community facilities and support the development of new community infrastructure as needed.</b>		
Develop and maintain new and existing recreational and community assets to address our communities needs in a sustainable manner		Work continued on plans for amenities and sporting facilities.
Ensure sufficient land is appropriately located for future Council facilities and emergency services		In November 2020 we completed a comprehensive review of our operational and community land assets. This review has identified land that will continue to be held for operational and community purposes along with land that could be disposed of.
<b>IN5 - Ensure high quality water supply options for the towns in the region</b>		
Council supplies quality water, that addresses the community needs		A significant rainfall event and flooding in the Yass River catchment between 8-9 August 2020 resulted in "Boil Water Alert" due to treatment failure between 10- 20 August 2020 on the advice of NSW Health. Help was sought from DPIE Water and the upgrade to the water treatment plant and raw water pump station are prioritised to address the effects of future events.
Council caters for growth to ensure we meet future community needs		Major components of the Yass to Murrumbateman Water Transfer System Project have been completed (98%). Commissioning is scheduled for completion by <a href="#">March 2021</a> .  Studies to prepare an Integrated Water Cycle Management Plan (water) is underway. Data collection and analysis is nearly complete including a detailed sewer modelling with flow gauging. An Issues Paper will be ready for review and comments in February 2021.
Council makes quality enhancements that address community needs		We resolved at our December 2020 meeting to undertake a staged approach for Yass Water Treatment Plant (WTP) Upgrade. Stage 1 works will now include upgrade to the Raw Water Pump Station and bubble plume aeration of Yass Dam. A technical peer review will precede Stage 2 and 3 works that involves major upgrades to Yass WTP.
<b>IN6 - Provide an efficient and sustainable waste service</b>		
Council provides a quality sewer network that address the community needs		Performance of the Yass and Murrumbateman sewerage systems were in compliance with the EPA requirements except for very minor exceedances due to the effect of extreme wet weather.

Performance Indicator	Status	Progress Comment
<b>IN6 - Provide an efficient and sustainable waste service cont'd</b>		
Council caters for growth to meet future community needs		Tendering and award of contract for the construction of Wellington Road Sewage Pump Station, Rising Main and Gravity main were completed. Construction to commence in January 2021 to service the catchment in Wellington Road area.
Council makes quality enhancements that address community needs		Tendering and negotiations were completed for the upgrade works at Ford Street Sewage Pump Station. Installation of emergency generator and associated electrical works are scheduled to commence in February 2021.  Contract for sewer relining was awarded in November 2020. Work involves relining approximately 0.6 km of sewer mains and commenced in December 2020.
Provide an efficient and sustainable waste service		Greater emphasis at site to encourage source separation of material to reduce waste to landfill.  Council again participated in the Garage Trail Sale program as part of the CRJO group initiative.  Design & quotations sort for Gundaroo Transfer Station waste trailer pad and wall ready for construction.  Commercial and kerbside collection continue to operate and accept appropriately sorted materials. Recycling is undertaken at all transfer stations with materials being processed at Yass.
<b>IN7 - Secure improvements for and future proof telecommunications infrastructure</b>		
Advocate for servicing of mobile blackspot areas		We will advocate whenever these concerns are known. We have supported a grant application for a pilot project in Murrumbateman to improve internet performance.
Advocate for a more stable communication network		We will advocate whenever these concerns are known.
<b>IN8 – Improve accessibility to and support the development of health and medical facilities in the region</b>		
Continue to advocate on behalf of the community for health and medical facilities in the region.		We recently advocated for improvements to Health facilities, including a review of clinical services, during the Federal by election for Eden Monaro.  A meeting with Southern NSW LHD to commence preparation of the Health Care Services Plan 2020-2030.

Performance Indicator	Status	Progress Comment
<b><i>IN9 - Improve accessibility to and support the development of education and training facilities in the region</i></b>		
<p><b>Continue to advocate on behalf of the community for education and training activities to serve our residents</b></p>		<p>We have entered into an MOU with Education for school facilities.</p> <p>Regular discussions have occurred with the Department of Education for Yass High School improvements and for a new school at Murrumbateman.</p> <p>A new primary school site has been selected for Murrumbateman and discussions have commenced regarding the design and community access into the new facilities.</p>





## Strategic Pillar 5

# Our Civic Leadership

*Our leaders operate ethically and implement good governance. We empower our residents with the tools to participate actively in the development of our communities.*

Performance Indicator	Status	Progress Comment
<b>CL1 – Effect resourceful and respectful leadership and attentive representation of the community</b>		
Ensure activities carried out in Yass Valley are in a safe manner and meet legislative requirements		Targets are on track or have been exceeded in a number of cases. All incidents in the community have been responded to in a timely manner.
Address the community's needs in a sustainable manner		We constantly monitor decisions about services and infrastructure for the community in its ten year Long Term Financial Plan. This ensures Council can address the community's needs in a sustainable manner.
Meet its objective through improving the effectiveness of risk management, controls and governance processes		We constantly monitor our Risk Management objectives. We have implemented Risk Management & WHS policies and frame works to minimise our risk exposure. We ensure policies and levels of indemnity are in accordance with Council risk appetite.
Be compliant, more efficient and effective		A new Governance Manager has been appointed.
Improve Council's operating performance (operating performance ratio)		The benchmark is greater than 0%. Council has achieved the following Operating performance ratio results: 2017/18 5.49% 2018/19 5.59% 2019/20 10.97% (unaudited)
Maximise Council's ability to generate income		We regularly reviews our investment and cash management methodology to maximise income. Fees and charges are reviewed annually to ensure income is generated to cover operational costs.
Ensure that Council assets are being renewed faster than they are deteriorating		Councils Buildings and infrastructure renewals ratio for 2019/20 (unaudited) was 112.57%. This is projected to remain at 100%.

<b><i>CL2 - Encourage and facilitate open and respectful communication between the community, the private sector, Council and other government agencies</i></b>		
<b>Make doing business with Council easier</b>		We have introduced a number of online forms, and commenced the use of the NSW Planning Portal for Development Applications.
<b>Inform and engage with the community on all actions of Council</b>		We continue to inform the community with e-newsletters and the quarterly Yass Valley Views. Our website and social media pages are continually updated with the latest information.
<b>Undertake community engagement to ensure the community is involved in Council's decision making process</b>		We continue to use our official website to inform the community of engagement opportunities and announcements. The website is also regularly revised to ensure all content is updated and easily accessible. Residents that are directly impacted by major projects are directly informed and engaged via letter and/or email.
<b><i>CL3 – Collaborate and cooperate to achieve efficiencies and a greater voice in regional decision-making and encourage similar cooperation across other sectors and community groups.</i></b>		
<b>Actively participate in the Canberra region of joint Councils (CRJO)</b>		We participated in all scheduled meetings and we have membership on a number of working groups. The Mayor is the Chair of the CRJO.
<b><i>CL4 - Actively investigate and communicate funding sources and collaboration opportunities that can strengthen the region</i></b>		
<b>Monitor and distribute information from government</b>		We monitor all relevant government information distribution channels and disseminate to the community as required. Communicating COVID-19 restrictions to the community was a focus during 2020.
<b>Facilitate networking in the region to share ideas</b>		We continue to do this through our participation in the CRJO. General Managers of Goulburn-Mulwaree, Upper Lachlan Shire and Yass Valley Council meet quarterly to identify shared service opportunities.

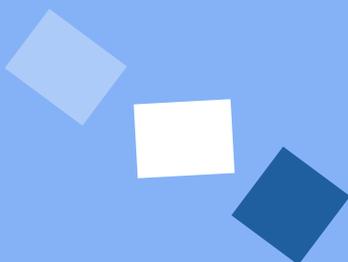


yass valley council

the country the people

## Delivery Program 2017-2021

**Progress Report  
January to June 2021**





## Access to Information

You can find out information about Council by reading the meeting agenda papers, subscribing to the online newsletter, checking out our website and Facebook pages or by visiting Council's administration office in Yass.

We also produce a newsletter, 'The Valley Views' which is mailed to all residents and businesses three times per year.

### How to contact us

In person:

Yass Valley Council  
209 Comur Street  
YASS NSW 2582

Monday to Friday, 9.00am to 4.30pm

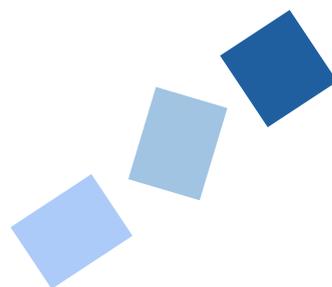
Phone 02 6226 1477 (8.30am – 5.00pm)

After Hours 02 6226 1477

Mail PO Box 6, YASS NSW 2582

Email [council@yass.nsw.gov.au](mailto:council@yass.nsw.gov.au)

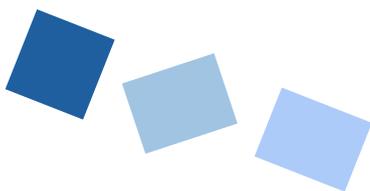
Website [www.yassvalley.nsw.gov.au](http://www.yassvalley.nsw.gov.au)





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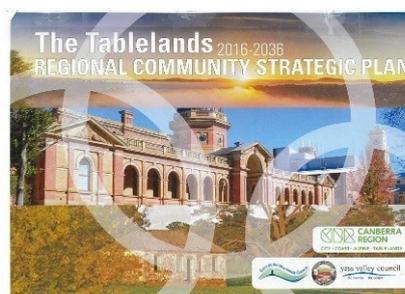
# Introduction

This Delivery Program Progress report forms part of Yass Valley Council's implementation of the Integrated Planning and Reporting (IPR) Framework.

Council's use of this framework complies with the *Local government Act 1993*. Specifically:

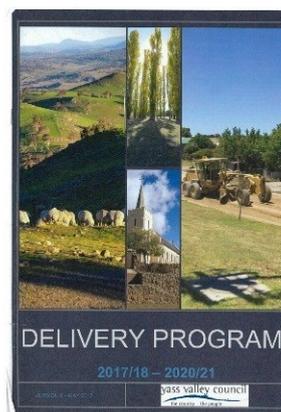
## The Tablelands Regional Community Strategic Plan 2016 – 2036

- Sets out our community's goals and aspirations
- Outlines the strategies and objectives to achieve these goals and aspirations
- Contains measures to check progress
- Is used by Yass Valley, Goulburn Mulwaree, and Upper Lachlan Councils



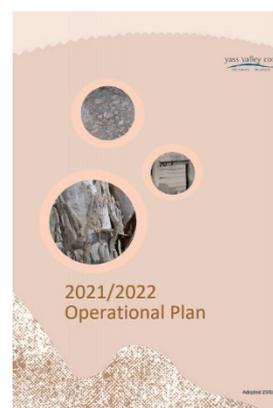
## Delivery Program 2017-2021

- Details Council commitments and priorities during its four year term
- Contains actions to achieve the objectives set out in the Community Strategic Plan for the Yass Valley community



## Operational Plan 2020-2021

- Details of activities Council will undertake during the financial year to implement the Delivery Program
- It includes the annual budget adopted by Council, Statement of Revenue Policy, and the annual Fees and Charges for Council's services.





# Overview

We are pleased to report progress on Yass Valley Council’s four year Delivery Program for the period July to December 2020.

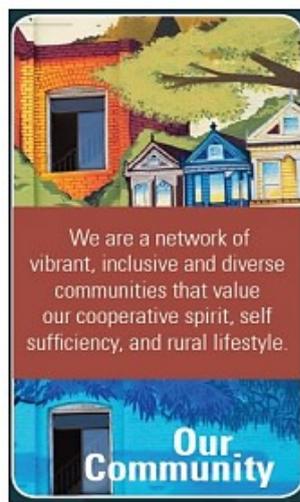
The actions in Council’s Delivery Program sets out what will be done to meet the objectives of our long term Regional Community Strategic Plan (The Tablelands Regional Strategic Plan 2016 - 2016).

We have set out this plan along the 5 strategic pillars so that the links to the CSP are easily identified and we have developed measures to demonstrate how we are progressing towards these goals.



We appreciate our range of rural landscapes and habitats, and act as custodians of the natural environment for future generations.

**Our Environment**



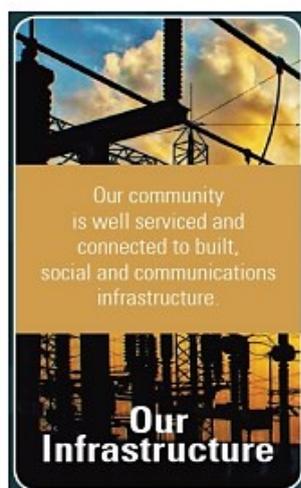
We are a network of vibrant, inclusive and diverse communities that value our cooperative spirit, self sufficiency, and rural lifestyle.

**Our Community**



We have a strong regional economy experiencing sustainable growth, which provides for a diverse range of employment opportunities.

**Our Economy**



Our community is well serviced and connected to built, social and communications infrastructure.

**Our Infrastructure**



Our leaders operate ethically and implement good governance. We empower our residents with the tools to participate actively in the development of our communities.

**Our Civic Leadership**

# Achievements

We are happy to report a number of completed projects and achievements for this reporting period.

## Completion of 3 Timber Bridges

Balgagal Creek Bridge - Garry Owen Road Binalong  
Carrolls Creek Bridge – Burrinjuck  
Tributary to Carrolls Creek Bridge – Burrinjuck

These 3 timber bridges were at the end of their useful life and were in need of replacement. Council secured \$1.2M under the Community Development Grant Program, to replace the 3 timber structures with single span concrete bridges.

Works were undertaken by Complete Civil, a local contractor, from February to June 2021.

There are no longer any load limits on these bridges which provide a critical route for infrastructure to the Burrinjuck Dam as well as servicing the tourist park and agricultural businesses and homes.



Balgagal Creek Bridge



Tributary to Carrolls Creek



Carrolls Creek

## Victoria Park

During this period, Council commenced the preparation of the masterplan for Victoria Park, working together with local sports groups to determine their future needs.



## Murrumbateman Primary School

Council's continued advocacy over a number of years for a primary school in Murrumbateman has been realised, with a development application being lodged with the NSW Department of Planning, Infrastructure and Environment.



## Yass Valley Eco Champs

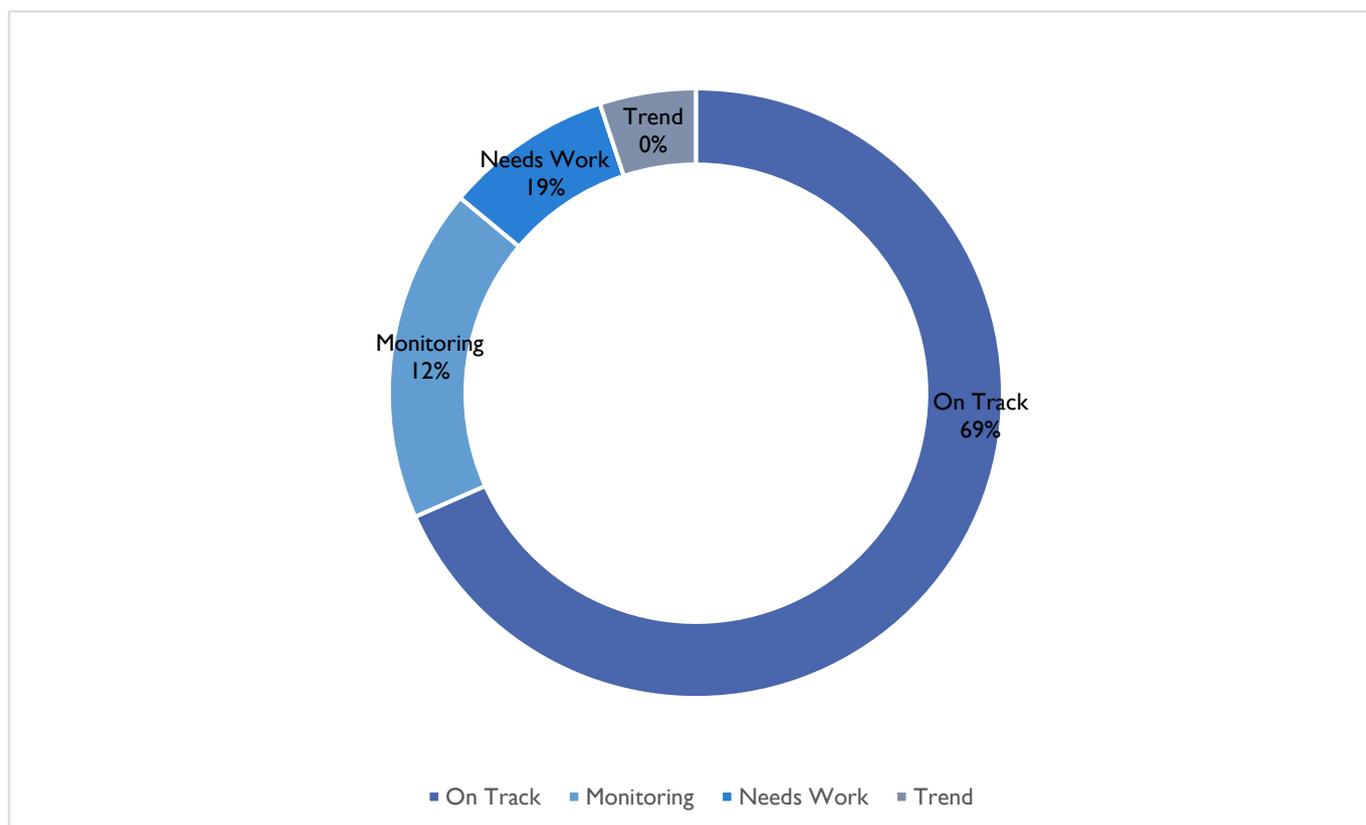
A promotional program giving recognition to local businesses who are making efforts to increase their environmental sustainability.



# Progress Summary

This report reflects our six-month progress against 76 performance indicators in the Delivery Program. The following rating scale is used to ensure consistency and transparency when assessing the status of each indicator. Performance indicators in this document are actions prescribed in our Operational Plan as their completion furthers the Delivery Program outcomes.

Rating Scale	Symbol	Description
On Track		When the 'actual' is either equal or better than the set target.
Monitoring		Corporate variance of $\pm 10\%$ applies to the set target and is considered achievable, feasible and realistic for performance improvement, with the exception of Legislative requirements
Needs Work		When the 'actual' is either below or above the corporate variance
Trend		Shows a pattern of change data over time where setting a target is not possible



## Strategic Pillar 1

# Our Environment

*We appreciate our range of rural landscapes and habitats, and act as custodians of the natural environment for future generations.*

Performance Indicator	Status	Progress Comment
<b>EN1 - Protect and enhance the existing natural environment, including flora and fauna native to the region</b>		
Protect our natural assets in line with community values.		Yass River water monitoring undertaken on a monthly basis. Biodiversity Assessments undertaken as required for Planning Proposals and Development Applications.
Work with Office of Environment & Heritage (OEH) to maintain a network of connected native vegetation (including reserves and council land).		Most recent OEH mapping is used in our Biodiversity layer to inform Development Application assessments. Council have identified priority sites for assessment this Spring as possible Biodiversity Stewardship sites. Council has applied for numerous Crown Land grants for weed control and biodiversity preservation.
Meet obligations for weed control in the Yass Valley Local Government Area.		Spray contractors were engaged and completed a woody weeds program in YVC road reserves (\$80 000) Numerous outreach activities with community groups/s were conducted and social media posts including 'Weed of the Week' were undertaken All targets for the Weed Action Plan were met \$2K Grant from Crown Lands for spraying at Kangiara was received and work completed \$20K Grant from LLS to purchase a unit/signage/etc.
<b>EN2 – Adopt environmental sustainability practices</b>		
Implement Council's Environmental Sustainability Policy across all Council operations.		Policy and implementation requires review after Council Election. Climate Change and Risk Assessment for Council Operations completed.
Improve water efficiency of Council operations.		Water efficiency systems are installed in all new and refurbished council facilities

Performance Indicator	Status	Progress Comment
<b>EN2 – Adopt environmental sustainability practices</b>		
Conduct engagement programs that encourage positive behaviour change in the community.		Sustainability Sunday posts on Facebook covering a broad range of environmental topics, and the recently launched Yass Eco Champs promotional program (see EN5.3)
Work with schools to increase awareness of caring for the local environment urban design principles in development.		Visit from the General Manager to discuss urban planning with Yass High School Geography students
Consider water sensitive urban design principles in development assessment		Water sensitive urban design principles are considered in the assessment of all major developments.
<b>EN3 – Protect and rehabilitate waterways and catchments</b>		
Engage with the community and external agencies to deliver programs which improve the health of the Yass River and tributaries		Contributing to the development and implementation of a project driven by Yass Landcare to remove weeds and improve habitat on the Yass River opposite Cooma Cottage. Project was successful in obtaining funding from the NSW Environmental Trust.
Increase community awareness of the importance of stormwater health and quality		H2OK Community Stormwater Education project has concluded. All targets met or exceeded.
Deliver Plan of Management for the Yass Gorge		Plan of Management delivered and maintenance activities ongoing.
<b>EN4 - Maintain a balance between growth, development and environmental protection through sensible planning</b>		
Ensure Council's statutory planning instruments are up to date and reflective of community needs		One amendment to the Yass Valley LEP was finalised between January and June
Ensure Development Application assessment is thorough and efficient		The Public Spaces Legacy Program development assessment efficiency targets have been achieved (subject to final review by DPIE). This included a reduction in gross median assessment times for development applications and 100% usage of the NSW Planning Portal.
<b>EN5 - To investigate and implement approaches to reduce our carbon footprint</b>		
Reduce rubbish to landfill through effective waste management and recycling		Council continues to reduce the waste to land fill through active work with the community and an active approach to rubbish separation at the waste transfer stations.

Performance Indicator	Status	Progress Comment
<b><i>EN5 - To investigate and implement approaches to reduce our carbon footprint cont'd</i></b>		
<b>Work with local businesses to encourage recycling</b>		We are working with local waste contractors to ensure waste is appropriately separated prior to being dropped off at the waste transfer stations
<b>Promote initiatives in the community such as Eat/Shop Local, Love your Leftovers and being efficient with electricity</b>		Yass Valley Eco Champs promotional program launched. Aimed at promoting local businesses who are making efforts to be more sustainable. 4 Facebook and Webpage articles and a further 8 scheduled.
<b>Investigate low carbon technologies when Council assets are developed or due for replacement</b>		Council has approved the installation of PV systems at the Council Depot, Water Treatment Plant and Sewage Treatment Plant. Council is investigating options for reduced emissions vehicles as part of the council vehicle fleet. Council is also investigating options for the use of PV and high efficiency HVAC for the Crago Mill Precinct Project.
<b>Encourage efficient use of renewable energy by Yass Valley households</b>		Continues to be a theme in Sustainability Sunday items on Facebook.





## Strategic Pillar 2

# Our Economy

*We have a strong regional economy experiencing sustainable growth, which provides for a diverse range of employment opportunities.*

Performance Indicator	Status	Progress Comment
<b>EC1 – Capitalise on the region’s close proximity to Canberra and its position as a convenient hub to South East Australia to attract industry and investment</b>		
Facilitate business excellence, innovation and collaboration in the Yass Valley LGA to build stronger business networks and support structures identified through the Economic Development Committee and relevant government agencies and community organisations.		Work commenced to redraft our Economic Development Strategy and the role of the Committee. This will include a Small Business Action Plan. The strategy will need to be updated after the release of current census data.
Enhance and promote the Yass Valley brand to drive positive economic activity		New Destination Guide and Z-cards into the region and across NSW which includes advertisements of businesses in the Yass Valley. Statistics of the distribution of these are being monitored through the collection data. A monthly small business and industry eNewsletter has been developed and distributed that provides support to local businesses.  Current Social Media is focusing on small business profiles which includes an audience reach outside of the local area
<b>EC 2 - Jointly develop appropriate tourism opportunities and promote the region as a destination</b>		
Enhance and promote the Yass Valley brand to drive positive tourism outcomes		New Destination Guide and Z-cards into the region and across NSW which includes advertisements of businesses in the Yass Valley. Statistics of the distribution of these are being monitored through the collection data.

Performance Indicator	Status	Progress Comment
<b>EC 2 - Jointly develop appropriate tourism opportunities and promote the region as a destination</b>		
<b>Collaborate with regional tourism stakeholders</b>		Consultations have taken place with Destination Southern New South Wales (DSNSW). Yass Valley Council is part of a number of working groups, including the Southern Tablelands and AVIC, to work collaborate on projects and networking.
<b>EC3 - Support and foster conditions that enable local and small/home-based businesses to grow</b>		
<b>Identify and participate in initiatives that assist small business</b>		<p>A monthly small business and industry eNewsletter has been developed and distributed that provides support to local businesses.</p> <p>Yass Valley Council attend the Yass Valley Business Chamber functions to provide advice and information if required.</p> <p>Yass Valley Council has a partnership agreement with Service NSW to work together to support local small business.</p>
<b>EC4 - Foster and develop a diverse, adaptive and innovative agricultural industry</b>		
<b>Protect rural lands for agricultural purposes</b>		<p>The following are being considered in the assessment of development applications in rural zones, in accordance with the <i>Yass Valley Local Environmental Plan 2013</i>:</p> <ul style="list-style-type: none"> <li>• relevant zone objectives</li> <li>• prescribed minimum lot size or average lot size provisions</li> <li>• consideration of potential land use conflict between existing and proposed development, particularly between residential and rural land uses.</li> <li>• Potential for subdivisions to adversely affect the use of the development site and surrounding land for agricultural purposes.</li> </ul>
<b>Identify opportunities and barriers for the agricultural industry in Yass Valley</b>		<p>In response to the ongoing impacts of COVID-19 pandemic and restrictions, our focus remains in identifying support available for small business and provide information on financial support available.</p> <p>We have assisted by creating awareness of grant opportunities and the completion of COVID Business Safety Plans to ensure ongoing operation of business. The monthly eNewsletter provides and overview of all available support to industry and small business.</p>

Performance Indicator	Status	Progress Comment
<b>EC5 - Encourage collaboration between businesses, government and training providers to develop employment and training opportunities for young people in the region</b>		
<b>Facilitate networking and collaboration amongst stakeholders</b>		<p>Yass Valley Council has established strong collaboration and networking connections including Canberra Wine Industry Association and the Yass Valley Business Chambers. We aim to fully understand priorities and areas for support to enable development of Industry Action Plans for 2021-22 which will align with priorities from REDS and Council’s Delivery Program and Operating Plan.</p> <p>Engagement with Agriculture Industry groups, including NSW Farmers, is yet to fully be explored and is an objective that will be a priority in 2021-22.</p>



## Strategic Pillar 3

# Our Community

*We are a network of vibrant, inclusive and diverse communities that value our rural lifestyle.*

Performance Indicator	Status	Progress Comment
<b>CO1- Facilitate and encourage equitable access to community infrastructure and services such as health care, education and transport</b>		
Provide an accessible library service to all of the community.		This is an ongoing objective of the library service with it being a main focus within the Business Unit Plan. COVID-19 restrictions have impacted on accessibility of the library service to some of the community (mobile library service currently on hold).
Advocate to the State Government and relevant agencies to ensure that transport, health and educational services are delivered equitably to all residents		Council continues to pursue opportunities for advocacy for the delivery of State Government services for our community.
Ensure plans are in place for accessible community facilities and services in consultation with the Access Committee		On hold pending the preparation of the new Disability Inclusion Action Plan (DIAP) and will be addressed in the new term of Council
<b>CO2 - Encourage and facilitate active and creative participation in community life</b>		
Deliver robust and diverse community engagement opportunities		Council's new Director Corporate and Community has commenced engagement with community groups
Ensure the community is well informed about its projects, policies and programs		Council continues to use its adopted Community Engagement Strategy to ensure adequate engagement is undertaken with our community. Specific Communication and Engagement Plans are developed for all major projects and are designed to ensure all information is included when informing our community.
Develop and implement a Public Art Strategy that includes specific actions for the development of creative pursuits		This is being considered as part of the new Civic Centre development

Performance Indicator	Status	Progress Comment
<b>CO2 - Encourage and facilitate active and creative participation in community life cont'd</b>		
Provide a library service that facilitates creative participation in community life		Council continues to provide a library service. The addition of staff to coordinate programs for children, youth and adults has created additional opportunities for residents to participate within community life.
Support the growth of a diverse range of community events		Work has commenced work in this area.
<b>CO3 - Foster and encourage positive social behaviours to maintain our safe, healthy and connected community</b>		
Encourage and support existing and new interagency groups		The Yass Youth Working Group was established in September 2020 to plan and implement projects with and for young people. The initial program developed by the Working Group reflects the results of an online survey we undertook of young people to establish their needs and interests and to provide a basis for funding applications
<b>CO3 - Foster and encourage positive social behaviours to maintain our safe, healthy and connected community cont'd</b>		
Connecting the community to Yass Valley Council through a range of Advisory Committees		A review of the effectiveness of Advisory Committees as a mechanism for connecting the community to Council was undertaken in the period through the Audit Risk and Improvement Committee (ARIC).
Support the growth and development of volunteering		With the assistance of a Wesley LifeForce Community Development Officer, in October 2020 Council facilitated establishment of the Yass Suicide Prevention Network.
Develop a Crime Prevention Plan		Yass Valley crime statistics are monitored to determine the need for a Crime Prevention Plan. Current crime statistics indicate that the response by the NSW Police is adequate for the local government area.
Foster road safety awareness		Via a series of social media posts on our Facebook page, the Road Safety Program transferred messaging to online consistent with COVID Guidelines.
<b>CO4 - Recognise and celebrate our diverse cultural identities and protect and maintain our community's natural and built environment</b>		
Continue the Heritage Advisory Service		Council's Heritage Advisor continued to attend Council's offices monthly and to advise planning staff and property owners.
Continue the Local Heritage Grants Program		Funding was provided to five projects that were completed, including the restoration of stained glass windows at St Patrick's Church Binalong.

Performance Indicator	Status	Progress Comment
<b>CO4 - Recognise and celebrate our diverse cultural identities and protect and maintain our community's natural and built environment cont'd</b>		
<b>Implement the Yass Valley Aboriginal Reconciliation Action Plan in conjunction with the Aboriginal Advisory Committee</b>		A Cultural Awareness Training Session was held in February 2021 for staff.
<b>CO5 - Maintain our rural lifestyle</b>		
<b>Ensure the community is attractive and vibrant while maintaining our village atmosphere</b>		Work continues on the grant application for upgrades to Comur Street Yass.



## Strategic Pillar 4

# Our Infrastructure

*Our community is well serviced and connected to built, social and communications infrastructure.*

Performance Indicator	Status	Progress Comment
<b>IN1 – Develop high speed rail links between the region, Canberra, Sydney and Melbourne</b>		
Assess the advantages and disadvantages for Yass Valley of any high speed rail proposal		Council will assess all proposals when they are provided. No proposals received
<b>IN2 - Improve public transport links to connect towns within the region and increase access to major centres</b>		
Lobby the Federal and State Governments to upgrade the Barton Highway		Council regularly promotes awareness of the need to duplicate the Barton Highway through political and administrative channels.
Advocate for public transport links or improved services where there is a demonstrated community need		No additional public transport needs have been identified requiring Council advocacy
Seek funding opportunities to deliver upgrade works on regional roads		Council is funded to the required level through Regional Roads grants to maintain the network within the LGA.
<b>IN3 - Maintain and improve road infrastructure and connectivity</b>		
Deliver transport asset infrastructure, maintenance, renewal and enhancement programs for urban, rural and regional roads to maintain or improve overall condition.		Council continued the maintenance of its transport network. Council has also been successful in receiving a number of grants for the rehabilitation of the network: including: <ul style="list-style-type: none"> <li>\$450k for regional road repairs</li> <li>\$3.1M for local road rehab</li> <li>\$2.4M for local road resealing</li> <li>\$1M for local road gravel re-sheeting</li> </ul> Local roads maintenance has not met all expected benchmarks for this reporting period due to the continuous nature of the unseasonal wet weather. Council is examining ways to improve the road network including the targeting of improved drainage.

Performance Indicator	Status	Progress Comment
<b><i>IN3 - Maintain and improve road infrastructure and connectivity</i></b>		
<b>Deliver Roads &amp; Maritime Services (RMS) state road maintenance and renewal programs in accordance with the road Maintenance Council Contract</b>		Council delivered the level of service on state roads in accordance within the contract (RMCC) agreed with TfNSW and to the satisfactory to TfNSW representatives
<b><i>IN4 - Maintain and update existing community facilities and support the development of new community infrastructure as needed.</i></b>		
<b>Develop and maintain new and existing recreational and community assets to address our communities needs in a sustainable manner</b>		<p>Council has continued to maintain recreational assets in a sustainable manner. A number of large trees were required to be removed due to safety concerns, these will be replaced at the appropriate time. A new playground has been constructed at Binalong and a new amenities block is being constructed on community land at Gundaroo.</p> <p>Council has identified that a problem with the structural integrity of the Memorial Hall. A full building assessment will determine any future works.</p> <p>Council has continued the development of the proposed Crago Mill Precinct to include a new library, commercial and co-working facility, and a new council chambers and administration building.</p> <p>Council continues to develop Plans of Management and site specific Masterplans for all council facilities to enable them to be managed and developed in accordance with community needs and expectations.</p>
<b>Ensure sufficient land is appropriately located for future Council facilities and emergency services</b>		Council plans to develop an open space strategy that will identify appropriate open space requirements. The North Murrumbateman masterplan also seeks to identify appropriate spatial requirements within north Murrumbateman
<b><i>IN5 - Ensure high quality water supply options for the towns in the region</i></b>		
<b>Council supplies quality water, that addresses the community needs</b>		Council has maintained water quality and supply to the network. Water supplied has at all times during the January to June period been safe to consume. Due to the wet weather, there have been a number of occasions where the water has not met the Australian Drinking Water Guidelines for colour and taste.

Performance Indicator	Status	Progress Comment
<b>IN5 - Ensure high quality water supply options for the towns in the region</b>		
<b>Council caters for growth to ensure we meet future community needs</b>		<p>The Yass to Murrumbateman water transfer pipeline and supporting components have been completed and Murrumbateman is now supplied with water from the Yass Water Treatment Plant.</p> <p>Studies to prepare an Integrated Water Cycle Management Plan (water) is nearing completion. Data collection and analysis is nearly complete including a detailed sewer modelling with flow gauging.</p>
<b>Council makes quality enhancements that address community needs</b>		<p>Council resolved in its December meeting to undertake a staged approach for Yass WTP Upgrade. Stage 1 works will now include upgrade to the Raw Water Pump Station and bubble plume aeration of Yass Dam. This has been agreed and construction will start in the July to December period. The completion of the peer review of stage 2 and 3 works has resulted in a number of changes to the approach and this will now progress to detailed design.</p>
<b>IN6 - Provide an efficient and sustainable waste service</b>		
<b>Council provides a quality sewer network that address the community needs</b>		<p>Performance of the Yass and Murrumbateman sewerage systems were in compliance with the EPA requirements except for very minor exceedances due to the effect of extreme wet weather.</p>
<b>Council caters for growth to meet future community needs</b>		<p>Wellington Road pump station is nearing completion of construction. New areas of development are being reviewed.</p>
<b>Council makes quality enhancements that address community needs</b>		<p>Upgrades to the Ford St Pump Station have been completed.</p> <p>The Sewer relining programme for the 2020/21 financial year has been completed.</p> <p>Minor service upgrades to maintain the efficiency of the sewer network have been completed</p>
<b>Provide an efficient and sustainable waste service</b>		<p>Council provided waste service in accordance with service standards and the number of missed bins was within agreed range</p>
<b>IN7 - Secure improvements for and future proof telecommunications infrastructure</b>		
<b>Advocate for servicing of mobile blackspot areas</b>		<p>Council will advocate whenever these concerns are known.</p>

Performance Indicator	Status	Progress Comment
<b><i>IN7 - Secure improvements for and future proof telecommunications infrastructure cont'd.</i></b>		
<b>Advocate for a more stable communication network</b>		Council will advocate whenever these concerns are known.
<b><i>IN8 – Improve accessibility to and support the development of health and medical facilities in the region</i></b>		
<b>Continue to advocate on behalf of the community for health and medical facilities in the region.</b>		Council continues to advocate for health and medical facilities for the region.
<b><i>IN9 - Improve accessibility to and support the development of education and training facilities in the region</i></b>		
<b>Continue to advocate on behalf of the community for education and training activities to serve our residents</b>		Council's continued advocacy over a number of years for a primary school in Murrumbateman has been realised, with a development application being lodged with the NSW Department of Planning, Infrastructure and Environment.



## Strategic Pillar 5

### Our Civic Leadership

*Our leaders operate ethically and implement good governance. We empower our residents with the tools to participate actively in the development of our communities.*

Performance Indicator	Status	Progress Comment
<b>CL1 – Effect resourceful and respectful leadership and attentive representation of the community</b>		
<b>Ensure activities carried out in Yass Valley are in a safe manner and meet legislative requirements</b>		<p>Provision of advice to business premises on C-19 requirements – educative approach undertaken</p> <p>Food Inspections focussed on high risk premises - pubs/clubs and large volume food premises (111 conducted)</p> <p>UPSS survey/inspections with CRJO representative - 5 service stations visited</p> <p>Swimming pool inspections with NSW Health (4 premises)</p> <p>OSSM inspections of district wineries &amp; private properties (96 conducted)</p> <p>Notices/Orders issued for Food premises/residential properties (health issues with rubbish/hoarding)</p> <p>Meeting with community groups re dumping/fill</p> <p>Meetings with CRJO re Illegal Dumping and Contaminated lands</p> <p>16 Protection of the Environment Notices/Orders issued (filling/dumping)</p> <p>5 Companion Animals Orders (Dangerous/Menacing dogs)</p> <p>101 Companion Animals Advisory letters</p> <p>Infringement notices (total of \$ 12,980)</p> <p>Companion Animals can now be microchipped by Council's Ranger</p>
<b>Address the community's needs in a sustainable manner</b>		We constantly monitor decisions about services and infrastructure for the community in its ten year Long Term Financial Plan. This ensures Council can address the community's needs in a sustainable manner.
<b>Meet its objective through improving the effectiveness of risk management, controls and governance processes</b>		We constantly monitor our Risk Management objectives. We have implemented Risk Management & WHS policies and frame works to minimise our risk exposure. We ensure policies and levels of indemnity are in accordance with Council risk appetite.

Performance Indicator	Status	Progress Comment
<b><i>CL1 – Effect resourceful and respectful leadership and attentive representation of the community</i></b>		
Be compliant, more efficient and effective		Work continues in this area
Improve Council's operating performance (operating performance ratio)		The benchmark is greater than 0%. Council achieved the following Operating performance ratio results: 2017/18 5.49% 2018/19 5.59% 2019/20 12.08%
Maximise Council's ability to generate income		Council regularly reviews its investment and cash management methodology to maximise income. Fees and charges are reviewed annually to ensure income is generated to cover operational costs.
Ensure that Council assets are being renewed faster than they are deteriorating		Councils Buildings and infrastructure renewals ratio for 2019/20 was 112.57%. This is projected to remain above 100%.
<b><i>CL2 - Encourage and facilitate open and respectful communication between the community, the private sector, Council and other government agencies</i></b>		
Make doing business with Council easier		Council staff continue to make doing business with Council easier
Inform and engage with the community on all actions of Council		Council has increased the community engagement
Undertake community engagement to ensure the community is involved in Council's decision making process		Council's Directors have increased the level of community engagement
<b><i>CL3 – Collaborate and cooperate to achieve efficiencies and a greater voice in regional decision-making and encourage similar cooperation across other sectors and community groups.</i></b>		
Actively participate in the Canberra region of joint Councils (CRJO)		All the Executive Management Team, as well as the Mayor, are actively involved in the CRJO
<b><i>CL4 - Actively investigate and communicate funding sources and collaboration opportunities that can strengthen the region</i></b>		
Monitor and distribute information from government		Council's communication and media team monitor and distribution appropriate information in a timely manner

Performance Indicator	Status	Progress Comment
<b><i>CL4 - Actively investigate and communicate funding sources and collaboration opportunities that can strengthen the region</i></b>		
Facilitate networking in the region to share ideas		Staff network with Southern Tablelands Joint Organisation, Tourism, and Councils on a regular basis



**Attachment B**

# Audited Financial Statements

# Yass Valley Council

## ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021

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*"A diverse rural region that provides lifestyle,  
business and recreation choices, while sustaining  
our environment, history and community"*



# Yass Valley Council

## GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2021

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*"A diverse rural region that provides lifestyle,  
business and recreation choices, while sustaining  
our environment, history and community"*



# Yass Valley Council

## General Purpose Financial Statements

for the year ended 30 June 2021

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### Overview

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

209 Comur Street  
YASS NSW 2582

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 B1-2.

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.yassvalley.nsw.gov.au](http://www.yassvalley.nsw.gov.au).

# Yass Valley Council

## General Purpose Financial Statements

for the year ended 30 June 2021

### Understanding Council's Financial Statements

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#### Introduction

Each year NSW local governments are required to present 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 2021.

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.

# Yass Valley Council

## General Purpose Financial Statements

for the year ended 30 June 2021

### Statement by Councillors and Management

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

The attached general purpose financial statements have been prepared in accordance with:

- the *Local Government Act 1993* 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 25 August 2021.



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Rowena Abbey

**Mayor**

20 September 2021

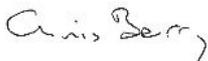


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Nathan Furry

**Councillor**

20 September 2021



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Chris Berry

**General Manager**

20 September 2021



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Tracy Sligar

**Responsible Accounting Officer**

20 September 2021



## Yass Valley Council

### Statement of Comprehensive Income

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
<b>Net operating result for the year – from Income Statement</b>		<b>15,622</b>	<b>15,555</b>
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	<u>18,151</u>	<u>23,918</u>
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>18,151</b>	<b>23,918</b>
Amounts which will be reclassified subsequently to the operating result when specific conditions are met			
Other movements		<u>(8)</u>	<u>(471)</u>
<b>Total items which will be reclassified subsequently to the operating result when specific conditions are met</b>		<b>(8)</b>	<b>(471)</b>
<b>Total other comprehensive income for the year</b>		<b>18,143</b>	<b>23,447</b>
<b>Total comprehensive income for the year attributable to Council</b>		<b>33,765</b>	<b>39,002</b>

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

# Yass Valley Council

## Statement of Financial Position

as at 30 June 2021

\$ '000	Notes	2021	Restated 2020	Restated 1 July 2019
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	C1-1	9,554	20,748	20,975
Investments	C1-2	24,200	9,272	6,165
Receivables	C1-4	4,525	3,497	5,763
Inventories	C1-5	167	112	329
Contract assets and contract cost assets	C1-6	1,856	–	–
Other	C1-9	271	174	10
<b>Total current assets</b>		<b>40,573</b>	<b>33,803</b>	<b>33,242</b>
<b>Non-current assets</b>				
Infrastructure, property, plant and equipment	C1-7	429,736	400,321	364,210
Investment property	C1-8	4,350	4,350	3,900
Right of use assets	C2-1	391	617	–
Other	C1-9	–	–	222
<b>Total non-current assets</b>		<b>434,477</b>	<b>405,288</b>	<b>368,332</b>
<b>Total assets</b>		<b>475,050</b>	<b>439,091</b>	<b>401,574</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	C3-1	5,239	4,320	4,189
Contract liabilities	C3-2	3,024	550	–
Lease liabilities	C2-1	214	224	–
Borrowings	C3-3	871	1,322	2,091
Employee benefit provisions	C3-4	2,852	2,805	2,865
Provisions	C3-5	578	572	572
<b>Total current liabilities</b>		<b>12,778</b>	<b>9,793</b>	<b>9,717</b>
<b>Non-current liabilities</b>				
Payables	C3-1	134	–	–
Lease liabilities	C2-1	187	401	–
Borrowings	C3-3	14,592	15,460	16,785
Employee benefit provisions	C3-4	119	123	124
Provisions	C3-5	896	735	726
<b>Total non-current liabilities</b>		<b>15,928</b>	<b>16,719</b>	<b>17,635</b>
<b>Total liabilities</b>		<b>28,706</b>	<b>26,512</b>	<b>27,352</b>
<b>Net assets</b>		<b>446,344</b>	<b>412,579</b>	<b>374,222</b>
<b>EQUITY</b>				
Accumulated surplus	C4-1	261,329	241,483	226,854
IPPE revaluation reserve	C4-1	185,015	171,096	147,368
<b>Council equity interest</b>		<b>446,344</b>	<b>412,579</b>	<b>374,222</b>
<b>Total equity</b>		<b>446,344</b>	<b>412,579</b>	<b>374,222</b>

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

## Yass Valley Council

### Statement of Changes in Equity

for the year ended 30 June 2021

\$ '000	Notes	as at 30/06/21			as at 30/06/20		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Total equity
Opening balance at 1 July		241,483	166,872	408,355	222,630	147,368	369,998
Correction of prior period errors - June 2021	G3-1	4,224	–	4,224	4,224	–	4,224
Changes due to AASB 1058 and AASB 15 adoption		–	–	–	(645)	–	(645)
<b>Restated opening balance</b>		<b>245,707</b>	<b>166,872</b>	<b>412,579</b>	<b>226,209</b>	<b>147,368</b>	<b>373,577</b>
Net operating result for the year		15,622	–	15,622	15,555	–	15,555
<b>Net operating result for the period</b>		<b>15,622</b>	<b>–</b>	<b>15,622</b>	<b>15,555</b>	<b>–</b>	<b>15,555</b>
<b>Other comprehensive income</b>							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	–	18,151	18,151	–	23,918	23,918
Other reserves movements		–	–	–	(281)	(190)	(471)
– Other reserves movements (rounding)		–	(8)	(8)	–	–	–
<b>Other comprehensive income</b>		<b>–</b>	<b>18,143</b>	<b>18,143</b>	<b>(281)</b>	<b>23,728</b>	<b>23,447</b>
<b>Total comprehensive income</b>		<b>15,622</b>	<b>18,143</b>	<b>33,765</b>	<b>15,274</b>	<b>23,728</b>	<b>39,002</b>
<b>Closing balance at 30 June</b>		<b>261,329</b>	<b>185,015</b>	<b>446,344</b>	<b>241,483</b>	<b>171,096</b>	<b>412,579</b>

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

## Yass Valley Council

### Statement of Cash Flows

for the year ended 30 June 2021

Original unaudited budget 2021	\$ '000	Notes	Actual 2021	Actual 2020
<b>Cash flows from operating activities</b>				
<i>Receipts:</i>				
17,943	Rates and annual charges		18,027	17,862
6,621	User charges and fees		5,899	6,263
540	Investment and interest revenue received		231	640
16,526	Grants and contributions		24,668	19,164
–	Bonds, deposits and retention amounts received		25	25
1,297	Other		3,335	3,194
<i>Payments:</i>				
(11,701)	Employee benefits and on-costs		(11,855)	(11,013)
(11,693)	Materials and services		(12,335)	(12,093)
(1,229)	Borrowing costs		(1,058)	(1,024)
(956)	Other		(737)	(134)
17,348	<b>Net cash flows from operating activities</b>	G1-1	<b>26,200</b>	22,884
<b>Cash flows from investing activities</b>				
<i>Receipts:</i>				
–	Sale of infrastructure, property, plant and equipment		620	892
<i>Payments:</i>				
–	Purchase of investment securities		(14,928)	(3,107)
(17,460)	Purchase of infrastructure, property, plant and equipment		(21,543)	(18,582)
(17,460)	<b>Net cash flows from investing activities</b>		<b>(35,851)</b>	(20,797)
<b>Cash flows from financing activities</b>				
<i>Payments:</i>				
(1,309)	Repayment of borrowings		(1,319)	(2,094)
–	Principal component of lease payments		(224)	(220)
(1,309)	<b>Net cash flows from financing activities</b>		<b>(1,543)</b>	(2,314)
(1,421)	<b>Net change in cash and cash equivalents</b>		<b>(11,194)</b>	(227)
–	Cash and cash equivalents at beginning of year		20,748	20,975
(1,421)	<b>Cash and cash equivalents at end of year</b>	C1-1	<b>9,554</b>	20,748
20,357	plus: Investments on hand at end of year	C1-2	24,200	9,272
18,936	<b>Total cash, cash equivalents and investments</b>		<b>33,754</b>	30,020

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

# Yass Valley Council

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# Yass Valley Council

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## A About Council and these financial statements

### A1-1 Basis of preparation

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These financial statements were authorised for issue by Council on 25 August 2021. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

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

Council is a not for-profit entity.

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

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 B5-1 - Material budget variations

and are clearly marked.

Adjustments have been made to the prior year comparatives, due to a format change for the presentation of Council's Annual Financial Statements, in line with changes in the Local Government Code of Accounting Practice and Financial Reporting.

These changes have seen a reclassification of costs previously classed as "Other Expenses", reallocated to the expenditure class "Materials and Services". This has impacted the Income Statement and Statement of Cash Flows.

In 2020-21 FY, the income item "Other Income" incorporates Fair value increment on investment properties. This impacts the Income Statement and on the Statement of Financial Position, 'Provisions' have been split to show 'Employee benefit provisions' separately from other provisions.

While the total values remain the same, the classification of income, expenses and provisions between these items has been changed. For this reason, comparative figures have also been reclassified.

#### Historical cost convention

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

#### 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.

Recent natural disasters and the impacts of COVID-19, have increased the likelihood that some items of property, plant and equipment (PPE) may have material movements in fair value as at 30 Jun 2021. The impact on PPE fair values will depend on the valuation approach used for an asset, i.e the market approach, income approach or cost approach.

- The cost approach is particularly suited to assets such as specialised buildings, specialised plant and infrastructure held for their service potential, and specialised or unique heritage assets where there are no observable market selling prices. The cost approach assumes fair value reflects the amount that would be required to replace the service capacity of the asset. No significant changes to the fair value are expected under the cost approach except where assets have been destroyed or damaged. Councils specialised buildings, plant and infrastructure assets are valued under the Cost approach.
- The market approach is mainly used for land and non-specialised buildings. Comparable transactions and market evidence from the outbreak to the relevant date of valuation are extremely limited. Our valuation was based on the

## A1-1 Basis of preparation (continued)

information available to us as at the time of valuation. Whilst all reasonable steps were taken to estimate the effect on the properties, due to significant uncertainty in the property and capital markets and the rapid unfolding of these events, it is difficult to quantify and assess the impact that the outbreak had on market values. Councils non specialised buildings and operational land are valued under the market approach.

- Assets valued under the income approach are those predominantly to generate cash flows from the provision of goods and services. The recessionary environment created by COVID-19 may have significant impacts on demand for goods and services. Valuation inputs that may be subject to significant changes and uncertainty include projected cash flows, risk free interest rates and risk margins. Council does not have any assets valued under the income approach.

### Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

- (i) estimated fair values of investment properties – refer Note C1-8
- (ii) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-7
- (iii) estimated tip remediation provisions – refer Note C3-5
- (iv) employee benefit provisions – refer Note C3-4

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

- i. Impairment of receivables – refer Note C1-4.
- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 - B2-4.
- iii. Determination of the lease term, discount rate (when not implicit in the lease) and whether an arrangement contains a lease - refer to Note C2-1.

## Monies and other assets received by Council

### The Consolidated Fund

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

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

- General purpose operations
- Water service
- Sewerage service

### The Trust Fund

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

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

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

Yass Valley Council holds funds in trust for the Yass and District Education Foundation. These funds are not considered to be under the control of Yass Valley Council and therefore are excluded from these financial statements.

## A1-1 Basis of preparation (continued)

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### **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**

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

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2021 reporting period.

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

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

## B Financial Performance

### B1 Functions or activities

#### B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020 Restated
<b>\$ '000</b>										
<b>Functions or activities</b>										
Our Civic Leadership	13,451	13,851	4,063	3,780	9,388	10,071	1,812	1,821	37,788	32,787
Our Community	406	606	1,562	1,702	(1,156)	(1,096)	131	192	-	-
Our Economy	972	1,152	1,671	1,315	(699)	(163)	2	-	40	19
Our Environment	1,498	690	1,633	1,494	(135)	(804)	1,207	399	-	-
Our Infrastructure	33,264	26,545	25,040	18,998	8,224	7,547	20,898	14,206	437,222	406,286
<b>Total functions and activities</b>	<b>49,591</b>	<b>42,844</b>	<b>33,969</b>	<b>27,289</b>	<b>15,622</b>	<b>15,555</b>	<b>24,050</b>	<b>16,618</b>	<b>475,050</b>	<b>439,092</b>

## B1-2 Components of functions or activities

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Details relating to the Council's functions or activities as reported in B1-1 are as follows:

### **Our Civic Leadership (Systems of Government of Management)**

Our leaders operate ethically and implement good governance.

We empower our residents with the tools to participate actively in the development of our communities.

Civic leadership includes:

- Continuous Improvements
- Accountability and Compliance
- Participation and Communication
- Resourcing and Support

### **Our Infrastructure (Facilities, Transport and Systems serving the area)**

Our community is well serviced and connected to built, social and communications infrastructure.

Providing infrastructure includes:

- Quality built environment and places
- Efficient Transport and access
- Effective essential services

### **Our Community (Life and Welfare in the community)**

We are a network of vibrant, inclusive and diverse communities that value our cooperative spirit, self sufficiency, and rural lifestyle.

Working for our community includes:

- Community health and wellbeing
- Creative culture and recreation
- Good community relations
- Community resilience

### **Our Environment (Conditions and influences in the area and sustainability)**

We appreciate our range of rural landscapes and habitats, and act as custodians of the natural environment for future generations.

Working for our environment includes:

- Protecting the land
- Maintaining healthy waterways
- Protecting Biodiversity

### **Our Economy (Generation, Distribution, Use of Income and Business development)**

We have a strong regional economy experiencing sustainable growth, which provides for a diverse range of employment opportunities.

Providing for our economy includes:

- Efficient and careful resource use
- Healthy economic activity
- Meaningful work and employment

## B2 Sources of income

### B2-1 Rates and annual charges

\$ '000	2021	2020
<b>Ordinary rates</b>		
Residential	6,085	5,927
Farmland	4,293	4,222
Business	842	854
Less: pensioner rebates (mandatory)	(135)	(134)
<b>Rates levied to ratepayers</b>	<b>11,085</b>	<b>10,869</b>
Pensioner rate subsidies received	74	71
<b>Total ordinary rates</b>	<b>11,159</b>	<b>10,940</b>
<b>Annual charges</b>		
<small>(pursuant to s.496, s.496A, s.496B, s.501 &amp; s.611)</small>		
Domestic waste management services	1,742	1,681
Water supply services	1,836	1,739
Sewerage services	2,387	2,271
Drainage	58	58
Waste management services (non-domestic)	931	891
Less: pensioner rebates (mandatory)	(132)	(139)
<b>Annual charges levied</b>	<b>6,822</b>	<b>6,501</b>
Pensioner subsidies received:		
– Water	26	26
– Sewerage	21	21
– Domestic waste management	28	29
<b>Total annual charges</b>	<b>6,897</b>	<b>6,577</b>
<b>Total rates and annual charges</b>	<b>18,056</b>	<b>17,517</b>

Council has used 2019 year valuations provided by the NSW Valuer General in calculating its rates.

#### Accounting policy

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

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

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

## B2-2 User charges and fees

\$ '000	Timing	2021	2020
<b>Specific user charges</b>			
(per s.502 - specific 'actual use' charges)			
Water supply services	1	2,154	2,766
Sewerage services	1	101	99
Waste management services (non-domestic)	1	869	705
<b>Total specific user charges</b>		<b>3,124</b>	<b>3,570</b>
<b>Other user charges and fees</b>			
<b>(i) Fees and charges – statutory and regulatory functions (per s.608)</b>			
Private works – section 67	2	17	37
Section 10.7 certificates (EP&A Act)	2	117	95
Section 603 certificates	2	43	29
Town planning	2	756	577
<b>Total fees and charges – statutory/regulatory</b>		<b>933</b>	<b>738</b>
<b>(ii) Fees and charges – other (incl. general user charges (per s.608))</b>			
Aged care	2	–	61
Caravan park	2	412	379
Cemeteries	2	114	88
Companion animals	2	38	32
Emergency services reimbursements	2	233	216
Engineering Income	2	108	36
Health fees and charges	2	163	153
Library and art gallery	2	7	–
Quarry revenues	2	1	3
Transport for NSW works (state roads not controlled by Council)	2	670	809
Sporting grounds	2	18	13
Sundry fees and income	2	–	5
Sundry sales	2	–	1
Swimming centres	2	140	157
Visitors centre sales	2	114	52
Other	2	9	19
<b>Total fees and charges – other</b>		<b>2,027</b>	<b>2,024</b>
<b>Total user charges and fees</b>		<b>6,084</b>	<b>6,332</b>
<b>Timing of revenue recognition for user charges and fees</b>			
User charges and fees recognised over time (1)		3,124	3,570
User charges and fees recognised at a point in time (2)		2,960	2,762
<b>Total user charges and fees</b>		<b>6,084</b>	<b>6,332</b>

### Accounting policy

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

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

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

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

**B2-3 Other revenue**

<b>\$ '000</b>	Timing	<b>2021</b>	2020
Apprentice Support Claim	2	<b>29</b>	–
Fines	2	<b>5</b>	15
Legal fees recovery – other	2	<b>3</b>	30
Diesel rebate	2	<b>41</b>	40
Insurance claims recoveries	2	<b>10</b>	44
Energy Savings Certificate	1	<b>67</b>	–
Recycling income (non-domestic)	2	<b>315</b>	139
Sale of abandoned vehicles	1	<b>2</b>	–
Other	2	<b>320</b>	190
<b>Total other revenue</b>		<b>792</b>	<b>458</b>
<b>Timing of revenue recognition for other revenue</b>			
Other revenue recognised over time (1)		<b>69</b>	–
Other revenue recognised at a point in time (2)		<b>723</b>	458
<b>Total other revenue</b>		<b>792</b>	<b>458</b>

## B2-3 Other revenue (continued)

### Accounting policy for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

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

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

## B2-4 Grants and contributions

\$ '000	Timing	Operating 2021	Operating 2020	Capital 2021	Capital 2020
<b>General purpose grants and non-developer contributions (untied)</b>					
<b>General purpose (untied)</b>					
<b>Current year allocation</b>					
Financial assistance	1	1,541	1,545	–	–
<b>Payment in advance - future year allocation</b>					
Financial assistance	1	1,651	1,638	–	–
<b>Amount recognised as income during current year</b>		<b>3,192</b>	<b>3,183</b>	<b>–</b>	<b>–</b>
<b>Special purpose grants and non-developer contributions (tied)</b>					
<b>Cash contributions</b>					
Aged care	2	(210)	–	–	–
Heritage and cultural	2	12	16	–	–
Library – per capita	2	105	98	–	–
Noxious weeds	1	118	40	15	–
Emergency Services Levy	2	235	94	–	–
Recreation and culture	1	–	–	579	596
Road safety officer	2	40	39	–	–
Stormwater	1	–	207	39	–
Training incentives	2	37	60	–	–
Transport (other roads and bridges funding)	1	479	–	8,251	2,216
Transport (roads to recovery)	1	857	857	–	–
Water supplies	1	28	23	2,814	6,284
Other specific grants	1	53	1	–	–
<b>Previously contributions:</b>					
Transport for NSW contributions (regional roads, block grant)	1	1,282	1,253	405	(148)
<b>Total special purpose grants and non-developer contributions – cash</b>		<b>3,036</b>	<b>2,688</b>	<b>12,103</b>	<b>8,948</b>
<b>Non-cash contributions</b>					
Dedications – subdivisions (other than by s7.4 and s7.11 – EP&A Act, s64 of the LGA)		–	–	2,915	–
Water supplies (excl. section 64 contributions)		–	–	416	–
<b>Total other contributions – non-cash</b>		<b>–</b>	<b>–</b>	<b>3,331</b>	<b>–</b>
<b>Total special purpose grants and non-developer contributions (tied)</b>		<b>3,036</b>	<b>2,688</b>	<b>15,434</b>	<b>8,948</b>
<b>Total grants and non-developer contributions</b>		<b>6,228</b>	<b>5,871</b>	<b>15,434</b>	<b>8,948</b>
<b>Comprising:</b>					
– Commonwealth funding		2,982	60	4,935	3,990

continued on next page ...

## B2-4 Grants and contributions (continued)

\$ '000	Timing	Operating 2021	Operating 2020	Capital 2021	Capital 2020
– Other funding		–	–	2,320	–
– State funding		3,246	5,811	8,179	4,958
		<b>6,228</b>	<b>5,871</b>	<b>15,434</b>	<b>8,948</b>

### Developer contributions

\$ '000	Notes	Timing	Operating 2021	Operating 2020	Capital 2021	Capital 2020
<b>Developer contributions: (s7.4 &amp; s7.11 - EP&amp;A Act, s64 of the LGA):</b>	G4					
<b>Cash contributions</b>						
S 7.4 – contributions using planning agreements		2	–	–	809	265
S 7.12 – fixed development consent levies		2	–	–	113	74
S 64 – water supply contributions		2	–	–	609	637
S 64 – sewerage service contributions		2	–	–	282	294
<b>Total developer contributions – cash</b>			<b>–</b>	<b>–</b>	<b>1,813</b>	<b>1,270</b>
<b>Non-cash contributions</b>						
S 64 – sewerage service contributions		2	–	–	575	529
<b>Total developer contributions non-cash</b>			<b>–</b>	<b>–</b>	<b>575</b>	<b>529</b>
<b>Total developer contributions</b>			<b>–</b>	<b>–</b>	<b>2,388</b>	<b>1,799</b>
<b>Total contributions</b>			<b>–</b>	<b>–</b>	<b>2,388</b>	<b>1,799</b>
<b>Total grants and contributions</b>			<b>6,228</b>	<b>5,871</b>	<b>17,822</b>	<b>10,747</b>
<b>Timing of revenue recognition for grants and contributions</b>						
Grants and contributions recognised over time (1)			6,009	5,564	15,502	8,948
Grants and contributions recognised at a point in time (2)			219	307	2,320	1,799
<b>Total grants and contributions</b>			<b>6,228</b>	<b>5,871</b>	<b>17,822</b>	<b>10,747</b>

## B2-4 Grants and contributions (continued)

### Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

\$ '000	Operating 2021	Operating 2020	Capital 2021	Capital 2020
<b>Unspent grants and contributions</b>				
Unspent funds at 1 July	396	396	728	–
<b>Add:</b> Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	165	–	4,278	–
Add: Funds received and not recognised as revenue in the current year	–	–	5,321	850
<b>Less:</b> Funds recognised as revenue in previous years that have been spent during the reporting year	(350)	–	(5,341)	(122)
<b>Unspent funds at 30 June</b>	<b>211</b>	<b>396</b>	<b>4,986</b>	<b>728</b>
<b>Contributions</b>				
Unspent funds at 1 July	–	–	10,201	8,830
<b>Add:</b> contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	–	–	1,813	1,371
<b>Less:</b> contributions recognised as revenue in previous years that have been spent during the reporting year	–	–	(1,824)	–
<b>Unspent contributions at 30 June</b>	<b>–</b>	<b>–</b>	<b>10,190</b>	<b>10,201</b>

### Accounting policy

#### Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

The performance obligations vary according to the agreement but include the successful completion of milestone progress for the projects being funded. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g. completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community health services through the year).

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

#### Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

#### Developer contributions

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* (EP&A Act).

## B2-4 Grants and contributions (continued)

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

Developer contributions may only be expended for the purposes for which the contributions were required, but Council may apply contributions according to the priorities established in work schedules for the contribution plan.

### Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

## B2-5 Interest and investment income

\$ '000	2021	2020
<b>Interest on financial assets measured at amortised cost</b>		
– Overdue rates and annual charges (incl. special purpose rates)	36	97
– Cash and investments	205	435
– Other	(2)	(3)
Finance income on the net investment in the lease	–	–
<b>Total interest and investment income (losses)</b>	<b>239</b>	<b>529</b>
<b>Interest and investment income is attributable to:</b>		
<b>Unrestricted investments/financial assets:</b>		
Overdue rates and annual charges (general fund)	36	97
General Council cash and investments	64	33
<b>Restricted investments/funds – external:</b>		
Development contributions		
– Section 7.11	41	105
– Section 64	23	49
Water fund operations	31	80
Sewerage fund operations	32	30
Domestic waste management operations	12	14
<b>Restricted investments/funds – internal:</b>		
Internally restricted assets	–	121
<b>Total interest and investment income</b>	<b>239</b>	<b>529</b>

### Accounting policy

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

Dividends are recognised as income in profit or loss when the shareholder's right to receive payment is established unless the dividend clearly represents a recovery of part of the cost of the investment.

## B2-6 Other income

\$ '000	Notes	2021	2020
<b>Fair value increment on investment properties</b>			
Fair value increment on investment properties		–	450
<b>Total fair value increment on investment properties</b>	C1-8	<b>–</b>	<b>450</b>

### Rental income

#### Investment properties

**B2-6 Other income (continued)**

<b>\$ '000</b>	Notes	<b>2021</b>	2020
Lease income (excluding variable lease payments not dependent on an index or rate)		<b>71</b>	60
<b>Total Investment properties</b>		<b>71</b>	60
<b>Other lease income</b>			
Leaseback fees - council vehicles		<b>148</b>	140
Other		<b>151</b>	131
<b>Total Other lease income</b>		<b>299</b>	271
<b>Total rental income</b>	C2-2	<b>370</b>	331
<b>Total other income</b>		<b>370</b>	781

## B3 Costs of providing services

### B3-1 Employee benefits and on-costs

\$ '000	2021	2020
Salaries and wages	9,152	8,415
Employee leave entitlements (ELE)	1,537	1,183
Superannuation	1,027	1,000
Workers' compensation insurance	288	195
Fringe benefit tax (FBT)	33	33
Payroll tax	8	–
<b>Total employee costs</b>	<b>12,045</b>	<b>10,826</b>
Less: capitalised costs	(174)	(78)
<b>Total employee costs expensed</b>	<b>11,871</b>	<b>10,748</b>
Number of 'full-time equivalent' employees (FTE) at year end	130	115

#### Accounting policy

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 E3-1 for more information.

## B3-2 Materials and services

\$ '000	Notes	2021	2020
Raw materials and consumables		5,097	4,036
Contractor and consultancy costs			
Contractor and consultancy costs		773	425
– Caravan park contractor		245	166
– Information technology		18	139
– Planning		56	127
– Other contractor and consultancy costs		18	83
Audit Fees	F2-1	69	56
<b>Previously other expenses:</b>			
Councillor and Mayoral fees and associated expenses	F1-2	148	171
Advertising		79	94
Bank charges		89	79
Cleaning		91	2
Electricity and heating		578	530
Fire control expenses		288	302
Insurance		260	302
Street lighting		121	179
Subscriptions and publications		123	114
Telephone and communications		90	113
Valuation fees		61	58
Travel expenses		1	10
Chemicals		196	138
Computer related charges		425	398
Heritage expenses		35	30
Home living support services		–	40
Licencing		42	50
Postage, printing and stationery		103	110
Promotions and celebrations		13	14
Training costs (other than salaries and wages)		129	102
StandPipe Admin Fee		–	–
Uniform		43	47
Vehicle expenses		831	876
<b>Legal expenses:</b>			
– Legal expenses: planning and development		17	71
– Legal expenses: debt recovery		–	30
– Legal expenses: other		11	16
Expenses from leases of low value assets		63	66
<b>Total materials and services</b>		<b>10,113</b>	<b>8,974</b>
<b>Total materials and services</b>		<b>10,113</b>	<b>8,974</b>

### Accounting policy

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

## B3-3 Borrowing costs

\$ '000	Notes	2021	2020
<b>(i) Interest bearing liability costs</b>			
Interest on leases		12	19
Interest on loans		884	976
<b>Total interest bearing liability costs</b>		<b>896</b>	<b>995</b>
<b>Total interest bearing liability costs expensed</b>		<b>896</b>	<b>995</b>

### (ii) Other borrowing costs

Discount adjustments relating to movements in provisions (other than ELE)

**B3-3 Borrowing costs (continued)**

<b>\$ '000</b>	Notes	<b>2021</b>	2020
– Remediation liabilities	C3-5	<b>146</b>	9
<b>Total other borrowing costs</b>		<b>146</b>	9
<b>Total borrowing costs expensed</b>		<b>1,042</b>	1,004

**Accounting policy**

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 as incurred.

## B3-4 Depreciation, amortisation and impairment of non-financial assets

\$ '000	Notes	2021	2020
<b>Depreciation and amortisation</b>			
Plant and equipment		777	589
<b>Infrastructure:</b>	C1-7		
– Buildings – non-specialised		154	186
– Buildings – specialised		740	421
– Other structures		71	59
– Roads		3,590	2,176
– Bridges		520	321
– Footpaths		100	62
– Stormwater drainage		188	194
– Water supply network		833	793
– Sewerage network		647	621
– Swimming pools		42	61
– Other open space/recreational assets		167	109
Right of use assets	C2-1,11(a)	226	228
<b>Other assets:</b>			
– Waste		37	32
<b>Reinstatement, rehabilitation and restoration assets:</b>			
– Tip assets	C3-5,C1-7	19	14
– Quarry assets	C3-5,C1-7	2	2
<b>Total gross depreciation and amortisation costs</b>		<b>8,113</b>	<b>5,868</b>
<b>Total depreciation and amortisation costs</b>		<b>8,113</b>	<b>5,868</b>
<b>Total depreciation, amortisation and impairment for non-financial assets</b>		<b>8,113</b>	<b>5,868</b>

### Accounting policy

#### 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 C1-7 for IPPE assets and Note C2-1 for right of use assets.

Depreciation is capitalised where in-house assets have contributed to new assets.

#### Impairment of non-financial assets

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

Other assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

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

## B3-5 Other expenses <sup>1</sup>

\$ '000	2021	2020
<b>Other</b>		
Contributions/levies to other levels of government	846	607
Donations, contributions and assistance to other organisations (Section 356)	212	88

**B3-5 Other expenses <sup>1</sup> (continued)**

<b>Total other</b>	<b>1,058</b>	<b>695</b>
<b>Total other expenses</b>	<b>1,058</b>	<b>695</b>

**Accounting policy**

Other expenses are recorded on an accruals basis when Council has an obligation for the expenses.

Impairment expenses are recognised when identified.

(1) The Local Government Code of Accounting Practice and Financial Reporting 2020-21 has required a change to the classification of some expenses from "Other Expenses" to "Materials and Services". See note B3-2 above.

**B4 Gains or losses****B4-1 Gain or loss from the disposal, replacement and de-recognition of assets**

<b>\$ '000</b>	Notes	<b>2021</b>	<b>2020</b>
<b>Gain (or loss) on disposal of property (excl. investment property)</b>			
Proceeds from disposal – property		–	782
Less: carrying amount of property assets sold/written off		<b>(17)</b>	(217)
<b>Gain (or loss) on disposal</b>		<b>(17)</b>	<b>565</b>
<b>Gain (or loss) on disposal of plant and equipment</b>	C1-7		
Proceeds from disposal – plant and equipment		<b>440</b>	325
Less: carrying amount of plant and equipment assets sold/written off		<b>(309)</b>	(164)
<b>Gain (or loss) on disposal</b>		<b>131</b>	<b>161</b>
<b>Gain (or loss) on disposal of infrastructure</b>	C1-7		
Proceeds from disposal – infrastructure		<b>180</b>	–
Less: carrying amount of infrastructure assets sold/written off		<b>(2,066)</b>	(117)
<b>Gain (or loss) on disposal</b>		<b>(1,886)</b>	<b>(117)</b>
<b>Net gain (or loss) on disposal of assets</b>		<b>(1,772)</b>	<b>609</b>

**Accounting policy**

Gains and losses on disposals are determined by comparing proceeds with carrying amount. 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.

## B5 Performance against budget

### B5-1 Material budget variations

Council's original budget was adopted by the Council on 23/06/2020 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

**Material variations of more than 10%** between original budget and actual results or where the variance is considered material by nature are explained below.

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

\$ '000	2021 Budget	2021 Actual	2021 ----- Variance -----	
<b>REVENUES</b>				
<b>Rates and annual charges</b>	17,943	18,056	113	1% <b>F</b>
<b>User charges and fees</b>	6,621	6,084	(537)	(8)% <b>U</b>
<b>Other revenues</b>	897	792	(105)	(12)% <b>U</b>
During the 20/21 financial year, the Waste transfer stations were able to accumulate and recycle metal waste, The income earned from this was much larger than expected.				
<b>Operating grants and contributions</b>	4,733	6,228	1,495	32% <b>F</b>
<b>Capital grants and contributions</b>	10,933	17,822	6,889	63% <b>F</b>
With a large subdivision coming online in the current financial year, this resulted in approximately \$6.2m of dedicated assets being contributed to Council that was not originally budgeted for. Throughout the year, Council was successful in securing significantly large value grants, Including \$3.9m from Fixing Local Roads Grant.				
<b>Interest and investment revenue</b>	540	239	(301)	(56)% <b>U</b>
Due to unprecedented low interest rates on offer for Investments, Councils interest income received from the investment of surplus funds was much lower than originally anticipated.				
<b>Net gains from disposal of assets</b>	400	-	(400)	(100)% <b>U</b>
The disposal of a significant amount of infrastructure assets during the renewal process has resulted in an anticipated net gain from disposal of assets, actually becoming a net loss on disposal of assets.				
<b>Other income</b>	400	370	(30)	(8)% <b>U</b>

**B5-1 Material budget variations (continued)**

\$ '000	2021 Budget	2021 Actual	2021 ----- Variance -----	
<b>EXPENSES</b>				
<b>Employee benefits and on-costs</b>	11,701	11,871	(170)	(1)% <b>U</b>
<b>Materials and services</b>	11,693	10,113	1,580	14% <b>F</b>
Materials and Services came in underbudget due primarily to the impact of COVID restrictions on the ability to secure contractors and consultants to undertake planned work. Costs associated with the Local Government elections formed part of the original budget. Due to the postponement of the elections, this cost was not incurred in 2020/21.				
<b>Borrowing costs</b>	1,229	1,042	187	15% <b>F</b>
This expense was slightly under budget due to Tip and Quarry remediation expenses coming in slightly lower than expected.				
<b>Depreciation, amortisation and impairment of non-financial assets</b>	6,278	8,113	(1,835)	(29)% <b>U</b>
Depreciation was significantly impacted in this financial year due to a significant revaluation of Transport assets in the 2019/20 Financial year.				
<b>Other expenses</b>	956	1,058	(102)	(11)% <b>U</b>
This expense is overbudget due to the fact the ESL contribution was significantly larger than what was originally budgeted for. Additionally, Council had been holding funds in an investment for the advancement of Youth activities in the LGA. It was decided that these funds would be put to a more effective use with the Country Education Fund.				
<b>STATEMENT OF CASH FLOWS</b>				
<b>Cash flows from operating activities</b>	17,348	26,200	8,852	51% <b>F</b>
This variance is a result of additional grant funding received throughout the year, not originally budgeted for.				
<b>Cash flows from investing activities</b>	(17,460)	(35,851)	(18,391)	105% <b>U</b>
The variance in investing activities is primarily due to the purchase of investment securities that are not included in the original budget, and additional capital works undertaken due to additional grants received.				
<b>Cash flows from financing activities</b>	(1,309)	(1,543)	(234)	18% <b>U</b>

## C Financial position

### C1 Assets we manage

#### C1-1 Cash and cash equivalents

\$ '000	2021	2020
<b>Cash and cash equivalents</b>		
Cash on hand and at bank	3,685	11,476
Cash-equivalent assets		
– Short-term deposits	5,869	9,272
<b>Total cash and cash equivalents</b>	<b>9,554</b>	<b>20,748</b>

#### Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	9,554	20,748
<b>Balance as per the Statement of Cash Flows</b>	<b>9,554</b>	<b>20,748</b>

#### Accounting policy

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.

#### C1-2 Financial investments

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>Financial assets at fair value through the profit and loss</b>				
Managed funds	24,200	–	9,272	–
<b>Total</b>	<b>24,200</b>	<b>–</b>	<b>9,272</b>	<b>–</b>
<b>Total financial investments</b>	<b>24,200</b>	<b>–</b>	<b>9,272</b>	<b>–</b>
<b>Total cash assets, cash equivalents and investments</b>	<b>33,754</b>	<b>–</b>	<b>30,020</b>	<b>–</b>

#### Accounting policy

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

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

#### Financial assets

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

#### Classification

On initial recognition, Council classifies its financial assets into the following categories in line with AASB 9 – those measured at:

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

Financial assets are not reclassified subsequent to their initial recognition.

## C1-2 Financial investments (continued)

### Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

Council's financial assets measured at fair value through profit or loss comprise investments of \$24,200,000 in the Statement of Financial Position.

### 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.

#### (a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are held at fair value with changes in value taken through profit or loss at each reporting period.

#### (b) Held to maturity investments

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

#### (c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

Loans and receivables are included in other receivables and receivables (Note C1-4) in the Statement of Financial Position. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

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

#### (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 taken to other comprehensive income.

### Recognition and de-recognition

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

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

### Impairment of financial assets

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

### Impairment of available for sale investments

In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

### C1-3 Restricted cash, cash equivalents and investments

\$ '000	2021		2020	
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	<b>33,754</b>	<b>–</b>	30,020	–
<b>attributable to:</b>				
External restrictions	26,112	–	27,055	–
Internal restrictions	7,585	–	2,907	–
Unrestricted	57	–	58	–
	<b>33,754</b>	<b>–</b>	30,020	–

\$ '000	2021	2020
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#### Details of restrictions

##### External restrictions – included in liabilities

Specific purpose unexpended grants – general fund	4,563	5,206
Specific purpose unexpended grants – water fund	634	1,239
<b>External restrictions – included in liabilities</b>	<b>5,197</b>	<b>6,445</b>

##### External restrictions – other

External restrictions included in cash, cash equivalents and investments above comprise:

Developer contributions – general	6,106	6,062
Developer contributions – water fund	3,002	2,378
Developer contributions – sewer fund	1,082	1,015
Water fund	3,726	4,495
Sewer fund	4,057	4,701
Stormwater management	231	236
Domestic waste management	2,711	1,723
<b>External restrictions – other</b>	<b>20,915</b>	<b>20,610</b>

##### Total external restrictions

<b>26,112</b>	<b>27,055</b>
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##### Internal restrictions

Council has internally restricted cash, cash equivalents and investments as follows:

Plant and vehicle replacement	2,043	833
Employees leave entitlement	820	820
Carry over works	1,777	343
Binalong pool	21	–
Comur street rehabilitation	20	–
Land and assets	1,453	676
Local Govt elections	135	109
Murrumbateman s355	123	–
Quarry rehabilitation	106	–
Roads	369	–
Victoria park	621	–
Youth Advancement	–	126
Electricity Savings Reserve	97	–
<b>Total internal restrictions</b>	<b>7,585</b>	<b>2,907</b>

##### Total restrictions

<b>33,697</b>	<b>29,962</b>
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Internal restrictions over cash, cash equivalents and investments are those assets restricted only by a resolution of the elected Council.

## C1-4 Receivables

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>Purpose</b>				
Rates and annual charges	1,237	-	1,126	-
Interest and extra charges	(4)	-	(4)	-
User charges and fees	2,404	-	1,766	-
Accrued revenues				
– Interest on investments	33	-	25	-
– Other income accruals	386	-	505	-
Net investment in finance lease	-	-	-	-
Net GST receivable	504	-	113	-
<b>Total</b>	<b>4,560</b>	<b>-</b>	<b>3,531</b>	<b>-</b>
<b>Less: provision of impairment</b>				
Rates and annual charges	(35)	-	(34)	-
<b>Total provision for impairment – receivables</b>	<b>(35)</b>	<b>-</b>	<b>(34)</b>	<b>-</b>
<b>Total net receivables</b>	<b>4,525</b>	<b>-</b>	<b>3,497</b>	<b>-</b>
<b>Externally restricted receivables</b>				
<b>Water supply</b>				
– Other	774	-	892	-
<b>Sewerage services</b>				
– Other	3	-	-	-
<b>Total external restrictions</b>	<b>777</b>	<b>-</b>	<b>892</b>	<b>-</b>
<b>Unrestricted receivables</b>	<b>3,748</b>	<b>-</b>	<b>2,605</b>	<b>-</b>
<b>Total net receivables</b>	<b>4,525</b>	<b>-</b>	<b>3,497</b>	<b>-</b>

\$ '000	2021	2020
<b>Movement in provision for impairment of receivables</b>		
Balance at the beginning of the year	35	34
<b>Balance at the end of the year</b>	<b>35</b>	<b>34</b>

### Accounting policy

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.

## C1-5 Inventories

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>(i) Inventories at cost</b>				
Stores and materials	127	–	93	–
Trading stock	40	–	19	–
<b>Total inventories at cost</b>	<b>167</b>	<b>–</b>	<b>112</b>	<b>–</b>
<b>Total inventories</b>	<b>167</b>	<b>–</b>	<b>112</b>	<b>–</b>

### Accounting policy

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

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

## C1-6 Contract assets and Contract cost assets

\$ '000	2021	2020
Contract assets	1,856	–
<b>Total contract assets and contract cost assets</b>	<b>1,856</b>	<b>–</b>

### Accounting policy

#### Contract assets

Contract assets represent Councils right to payment in exchange for goods or services the Council has transferred to a customer when that right is conditional on something other than the passage of time.

Contract assets arise when the amounts billed to customers are based on the achievement of various milestones established in the contract and therefore the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer. Once an invoice or payment claim is raised or the relevant milestone is reached, Council recognises a receivable.

Impairment of contract assets is assessed using the simplified expected credit loss model where lifetime credit losses are recognised on initial recognition.

#### Contract cost asset – costs to fulfil a contract

Where costs are incurred to fulfil a contract and these costs are outside the scope of another accounting standard, they are capitalised as contract cost assets if the following criteria are met:

- the costs relate directly to a contract
- the costs generate or enhance resources of Council that will be used to satisfy performance obligations in the future and
- the costs are expected to be recovered.

The capitalised costs are recognised in the Income statement on a systematic basis consistent with the timing of revenue recognition.

Refer to B3-4 for the accounting policy for impairment of contract cost assets.

## C1-7 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2020			Asset movements during the reporting period							At 30 June 2021		
	Gross carrying amount Restated	Accumulated depreciation and impairment	Net carrying amount Restated	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 and impairment	Net carrying amount
<b>\$ '000</b>													
Capital work in progress	11,820	–	11,820	–	8,291	–	–	(10,692)	–	–	9,419	–	9,419
Plant and equipment	5,110	(1,082)	4,028	678	149	(309)	(777)	–	62	–	5,643	(1,812)	3,831
<b>Land:</b>													
– Operational land	11,498	–	11,498	–	–	–	–	223	3,386	–	15,107	–	15,107
– Community land	9,963	–	9,963	–	–	–	–	–	(3,386)	12,192	18,769	–	18,769
– Land under roads (pre 1/7/08)	4,333	–	4,333	–	–	–	–	–	–	–	4,333	–	4,333
– Land under roads (post 30/6/08)	2,906	–	2,906	–	9	–	–	–	–	–	2,915	–	2,915
<b>Infrastructure:</b>													
– Buildings – non-specialised	5,700	(2,503)	3,197	15	–	–	(154)	–	–	–	5,715	(2,657)	3,058
– Buildings – specialised	32,540	(20,423)	12,117	12	23	–	(740)	–	–	–	32,573	(21,161)	11,412
– Other structures	2,804	(2,049)	755	–	–	(170)	(71)	–	(178)	–	1,118	(782)	336
– Roads	208,851	(57,428)	151,423	4,367	939	(1,386)	(3,590)	–	–	–	211,782	(60,029)	151,753
– Bridges	38,597	(20,888)	17,709	1,106	–	(153)	(520)	96	–	–	39,375	(21,137)	18,238
– Footpaths	5,927	(1,282)	4,645	75	281	(18)	(100)	–	–	–	6,257	(1,374)	4,883
– Bulk earthworks (non-depreciable)	77,998	–	77,998	88	203	–	–	–	–	–	78,289	–	78,289
– Stormwater drainage	17,690	(4,647)	13,043	69	1,424	(15)	(188)	–	–	–	19,158	(4,825)	14,333
– Water supply network	71,595	(28,114)	43,481	2,650	157	(8)	(833)	10,373	–	392	85,411	(29,199)	56,212
– Sewerage network	47,565	(21,733)	25,832	245	575	–	(647)	–	–	232	48,706	(22,469)	26,237
– Swimming pools	3,081	(2,456)	625	–	–	–	(42)	–	(60)	1,346	3,207	(1,338)	1,869
– Other open space/recreational assets	8,633	(4,369)	4,264	139	–	(17)	(167)	–	177	2,799	9,660	(2,465)	7,195
<b>Other assets:</b>													
– Waste	1,631	(1,028)	603	27	–	(316)	(37)	–	–	1,167	2,012	(568)	1,444
<b>Reinstatement, rehabilitation and restoration assets (refer Note 12):</b>													
– Tip assets	812	(739)	73	–	–	–	(19)	–	19	23	1,236	(1,140)	96
– Quarry assets	72	(64)	8	–	–	–	(2)	–	1	–	102	(95)	7
<b>Total infrastructure, property, plant and equipment</b>	<b>569,126</b>	<b>(168,805)</b>	<b>400,321</b>	<b>9,471</b>	<b>12,051</b>	<b>(2,392)</b>	<b>(7,887)</b>	<b>–</b>	<b>21</b>	<b>18,151</b>	<b>600,787</b>	<b>(171,051)</b>	<b>429,736</b>

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

## C1-7 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2019			Asset movements during the reporting period								At 30 June 2020		
	Gross carrying amount Restated	Accumulated depreciation and impairment	Net carrying amount Restated	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount Restated	Accumulated depreciation and impairment	Net carrying amount Restated
<b>\$ '000</b>														
Capital work in progress	6,319	–	6,319	–	8,878	–	–	(3,376)	–	–	–	11,820	–	11,820
Plant and equipment	4,540	(580)	3,960	–	970	(400)	(589)	–	236	(149)	–	5,110	(1,082)	4,028
<b>Land:</b>														
– Operational land	11,384	–	11,384	–	113	–	–	–	–	–	–	11,498	–	11,498
– Community land	9,963	–	9,963	–	–	–	–	–	–	–	–	9,963	–	9,963
– Land under roads (pre 1/7/08)	4,333	–	4,333	–	–	–	–	–	190	(190)	–	4,333	–	4,333
– Land under roads (post 30/6/08)	2,906	–	2,906	–	–	–	–	–	–	–	–	2,906	–	2,906
<b>Infrastructure:</b>														
– Buildings – non-specialised	5,700	(2,420)	3,280	–	–	–	(186)	–	103	–	–	5,700	(2,503)	3,197
– Buildings – specialised	32,161	(20,207)	11,954	200	109	(410)	(421)	480	287	(82)	–	32,540	(20,423)	12,117
– Other structures	2,811	(1,975)	836	–	–	–	(59)	–	–	(22)	–	2,804	(2,049)	755
– Roads	173,235	(51,250)	121,985	2,121	100	–	(2,176)	89	(317)	(5)	29,626	208,851	(57,428)	151,423
– Bridges	32,665	(15,884)	16,781	2,362	1,111	–	(321)	2,582	–	(4,806)	–	38,597	(20,888)	17,709
– Footpaths	4,247	(1,392)	2,855	–	–	–	(62)	–	–	–	1,852	5,927	(1,282)	4,645
– Bulk earthworks (non-depreciable)	76,857	–	76,857	109	–	–	–	–	–	–	1,032	77,998	–	77,998
– Stormwater drainage	22,026	(5,431)	16,595	–	–	–	(194)	–	–	(3,358)	–	17,690	(4,647)	13,043
– Water supply network	71,142	(27,337)	43,805	380	103	(30)	(793)	–	14	–	4	71,595	(28,114)	43,481
– Sewerage network	47,132	(21,478)	25,654	460	408	(449)	(621)	14	350	–	16	47,565	(21,733)	25,832
– Swimming pools	2,848	(2,181)	667	–	–	–	(61)	–	19	–	–	3,081	(2,456)	625
– Other open space/recreational assets	7,416	(4,069)	3,347	–	814	(109)	(109)	211	110	–	–	8,633	(4,369)	4,264
<b>Other assets:</b>														
– Waste	1,619	(987)	632	–	–	–	(32)	–	3	–	–	1,631	(1,028)	603
<b>Reinstatement, rehabilitation and restoration assets (refer Note 12):</b>														
– Tip assets	813	(724)	89	–	–	–	(14)	–	(2)	–	–	812	(739)	73
– Quarry assets	71	(63)	8	–	–	–	(2)	–	2	–	–	72	(64)	8
<b>Total infrastructure, property, plant and equipment</b>	<b>520,188</b>	<b>(155,978)</b>	<b>364,210</b>	<b>5,632</b>	<b>12,606</b>	<b>(1,398)</b>	<b>(5,640)</b>	<b>–</b>	<b>995</b>	<b>(8,612)</b>	<b>32,530</b>	<b>569,126</b>	<b>(168,805)</b>	<b>400,321</b>

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

## C1-7 Infrastructure, property, plant and equipment (continued)

### Accounting policy

#### Initial recognition of infrastructure, property, plant and equipment (IPPE)

IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

When infrastructure, property, plant and equipment is acquired by Council at significantly below fair value, the assets are initially recognised at their fair value at acquisition date.

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.

#### Useful lives of IPPE

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

<b>Plant and equipment</b>	<b>Years</b>	<b>Other equipment</b>	<b>Years</b>
Office equipment	5 to 10	Playground equipment	5 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 35
Computer equipment	4		
Vehicles	5 to 8	<b>Buildings</b>	<b>Years</b>
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 40
<b>Water and sewer assets</b>	<b>Years</b>	<b>Stormwater assets</b>	<b>Years</b>
Dams and reservoirs	80 to 100	Drains	80 to 100
Bores	20 to 40	Culverts	50 to 80
Reticulation pipes: PVC	70 to 80	Flood control structures	80 to 100
Reticulation pipes: other	25 to 75		
Pumps and telemetry	15 to 20		
<b>Transportation assets</b>	<b>Years</b>	<b>Other infrastructure assets</b>	<b>Years</b>
Sealed roads: surface	20	Bulk earthworks	20
Sealed roads: structure	50	Swimming pools	50
Unsealed roads	20	Other open space/recreational assets	35
Bridge: concrete	100	Other infrastructure	20
Bridge: other	50		
Road pavements	60		
Kerb, gutter and footpaths	40		

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

#### Revaluation model

Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every 5 years, however the carrying amount of assets is assessed by Council 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 Department of Planning, Industry and Environment – Water.

Increases in the carrying amounts arising on revaluation are credited to the IPPE 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 IPPE revaluation reserve to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

## C1-7 Infrastructure, property, plant and equipment (continued)

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### **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 to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

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

### **Crown reserves**

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

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

### **Rural Fire Service assets**

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

Until such time as discussions on this matter have concluded and the legislation changed, Council will recognise rural fire assets including land and buildings and exclude plant and vehicles.

## Externally restricted infrastructure, property, plant and equipment

\$ '000	as at 30/06/21			as at 30/06/20		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount Restated	Accumulated depn. and impairment	Net carrying amount Restated
<b>Water supply</b>						
WIP	1,881	–	1,881	11,727	–	11,727
Land						
– Operational land	918	–	918	889	–	889
Infrastructure	85,413	29,199	56,214	71,595	28,114	43,481
<b>Total water supply</b>	<b>88,212</b>	<b>29,199</b>	<b>59,013</b>	<b>84,211</b>	<b>28,114</b>	<b>56,097</b>
<b>Sewerage services</b>						
WIP	1,929	–	1,929	232	–	232
Land						
– Operational land	1,863	–	1,863	1,863	–	1,863
Infrastructure	48,706	22,469	26,237	47,565	21,733	25,832
<b>Total sewerage services</b>	<b>52,498</b>	<b>22,469</b>	<b>30,029</b>	<b>49,660</b>	<b>21,733</b>	<b>27,927</b>
<b>Domestic waste management</b>						
Land						
– Operational land	206	–	206	206	–	206
– Community land	100	–	100	100	–	100
Buildings	–	–	–	272	138	134
Other assets	2,942	1,708	1,234	1,040	811	229
<b>Total domestic waste management</b>	<b>3,248</b>	<b>1,708</b>	<b>1,540</b>	<b>1,618</b>	<b>949</b>	<b>669</b>
<b>Total restricted infrastructure, property, plant and equipment</b>	<b>143,958</b>	<b>53,376</b>	<b>90,582</b>	<b>135,489</b>	<b>50,796</b>	<b>84,693</b>

## Infrastructure, property, plant and equipment – current year impairments

Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

## C1-8 Investment properties

\$ '000	2021	2020
<b>Owned investment property</b>		
Investment property on hand at fair value	4,350	4,350
<b>Total owned investment property</b>	<b>4,350</b>	<b>4,350</b>

### Owned investment property

#### At fair value

Opening balance at 1 July	4,350	3,900
Net gain/(loss) from fair value adjustments	-	450
<b>Closing balance at 30 June</b>	<b>4,350</b>	<b>4,350</b>

#### Accounting policy

Investment property, principally comprising of a property in Murrumbateman, is held for long-term rental yields and is not occupied by the Council. Changes in fair values are recorded in the Income Statement as part of other income.

The Investment property was revalued in FY2020 and was based on independent assessments made by:  
Opteon (ACT) Pty Ltd

Kellie A Mossop AAPI CPV  
Certified Practising Valuer  
API No: 67259

James Brennan AAPI CPV  
Director  
API No: 67175

## C1-9 Other

### Other assets

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Prepayments	271	-	174	-
Shares in unlisted companies – Southern Phone	-	-	-	-
<b>Total other assets</b>	<b>271</b>	<b>-</b>	<b>174</b>	<b>-</b>

### Externally restricted assets

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>Water</b>				
Prepayments	95	-	95	-
<b>Total water</b>	<b>95</b>	<b>-</b>	<b>95</b>	<b>-</b>
<b>Sewerage</b>				
Prepayments	11	-	11	-
<b>Total sewerage</b>	<b>11</b>	<b>-</b>	<b>11</b>	<b>-</b>

### Current other 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;

**C1-9 Other (continued)**

<b>\$ '000</b>	<b>2021 Current</b>	<b>2021 Non-current</b>	2020 Current	2020 Non-current
Total externally restricted assets	106	-	106	-
Total internally restricted assets	-	-	-	-
Total unrestricted assets	165	-	68	-
<b>Total other assets</b>	<b>271</b>	<b>-</b>	<b>174</b>	<b>-</b>

## C2 Leasing activities

### C2-1 Council as a lessee

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

1. Two Water Carts were leased under operating lease agreement for a lease period of 84 months with the monthly lease rental of \$4,671 (excluding GST).
2. Two Dennis Waste trucks were leased under operating agreement for a lease period of 16 months with the quarterly lease rental of \$41,127 (excluding GST).

#### Vehicles

Council leases vehicles and equipment with lease terms varying from 3 to 8 years; the lease payments are fixed during the lease term and there is generally no renewal option.

#### Office and IT equipment

Leases for office and IT equipment are generally for low value assets, except for significant items such as photocopiers. The leases are for between 2 and 3 years with no renewal option, the payments are fixed.

#### (a) Right of use assets

\$ '000	Plant & Equipment	Ready to use	Total
<b>2021</b>			
Opening balance at 1 July	617	–	617
Depreciation charge	(226)	–	(226)
<b>Balance at 30 June</b>	<b>391</b>	<b>–</b>	<b>391</b>
<b>2020</b>			
Adoption of AASB 16 at 1 July 2019 – first time lease recognition	845	–	845
Depreciation charge	(228)	–	(228)
<b>Balance at 30 June</b>	<b>617</b>	<b>–</b>	<b>617</b>

#### (b) Lease liabilities

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Adoption of AASB 16 at 1 July 2019 - first time recognition of lease liability	–	–	236	609
Lease liabilities movement	214	187	(12)	(208)
<b>Total lease liabilities</b>	<b>214</b>	<b>187</b>	<b>224</b>	<b>401</b>

#### (c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
<b>2021</b>					
Cash flows	214	187	–	401	401
<b>2020</b>					
Cash flows	224	401	–	625	625

## C2-1 Council as a lessee (continued)

### (ii) Lease liabilities relating to restricted assets

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>Externally restricted assets</b>				
Waste	160	123	173	282
<b>Lease liabilities relating to externally restricted assets</b>	<b>160</b>	<b>123</b>	173	282
<b>Total lease liabilities relating to restricted assets</b>	<b>160</b>	<b>123</b>	173	282
<b>Total lease liabilities relating to unrestricted assets</b>	<b>54</b>	<b>64</b>	51	119
<b>Total lease liabilities</b>	<b>214</b>	<b>187</b>	224	401

### (d) Income Statement

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

\$ '000	2021	2020
Interest on lease liabilities	12	19
Depreciation of right of use assets	226	228
Expenses relating to low-value leases	63	66
	<b>301</b>	<b>313</b>

### (e) Statement of Cash Flows

Total cash outflow for leases	224	223
	<b>224</b>	<b>223</b>

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

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

- Visitor Information Centre
- Community halls

The leases are generally between 1 and 5 years and require payments of a maximum amount of \$1,000 per year. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

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

#### Accounting policy

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

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

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

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-

## C2-1 Council as a lessee (continued)

of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

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

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

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

### Exceptions to lease accounting

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

### Leases at significantly below market value / Concessionary leases

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

## C2-2 Council as a lessor

### Operating leases

Council leases out a number of properties and /or plant and equipment to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included in the Statement of Financial Position as:

- investment property – where the asset is held predominantly for rental or capital growth purposes (refer note C1-9)
- property, plant and equipment – where the rental is incidental, or the asset is held to meet Councils service delivery objective (refer note C1-8).

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

\$ '000	2021	2020
<b>(i) Assets held as investment property</b>		
The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below		
Lease income (excluding variable lease payments not dependent on an index or rate)	71	60
<b>Total income relating to operating leases for investment property assets</b>	<b>71</b>	<b>60</b>
<b>Operating lease expenses</b>		
Direct operating expenses that generated rental income	13	7
<b>Total expenses relating to operating leases</b>	<b>13</b>	<b>7</b>
<b>(ii) Assets held as property, plant and equipment</b>		
Lease income (excluding variable lease payments not dependent on an index or rate)	299	271
<b>Total income relating to operating leases for Council assets</b>	<b>299</b>	<b>271</b>
<b>Other leased assets expenses</b>		
Other	27	30
<b>Total expenses relating to other leases assets</b>	<b>27</b>	<b>30</b>

**C2-2 Council as a lessor (continued)**

<b>\$ '000</b>	<b>2021</b>	<b>2020</b>
<b>(iii) Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:</b>		
Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:		
< 1 year	<b>84</b>	153
1–2 years	<b>27</b>	111
2–3 years	<b>27</b>	89
3–4 years	<b>17</b>	89
4–5 years	<b>17</b>	79
> 5 years	<b>22</b>	74
<b>Total undiscounted lease payments to be received</b>	<b>194</b>	<b>595</b>

**Accounting policy**

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

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

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

The lease income is recognised on a straight-line basis over the lease term for an operating lease and as finance income using amortised cost basis for finance leases.

## C3 Liabilities of Council

### C3-1 Payables

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>Payables</b>				
Goods and services – operating expenditure	2,434	–	1,858	–
Accrued expenses:				
– Borrowings	241	–	257	–
– Salaries and wages	(3)	–	(5)	–
– Other expenditure accruals	854	–	561	–
Advances	–	134	–	–
Security bonds, deposits and retentions	1,346	–	1,321	–
ATO – net GST payable	–	–	42	–
Prepaid rates	367	–	286	–
<b>Total payables</b>	<b>5,239</b>	<b>134</b>	<b>4,320</b>	<b>–</b>
<b>Total payables</b>	<b>5,239</b>	<b>134</b>	<b>4,320</b>	<b>–</b>

#### Payables relating to restricted assets

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>Externally restricted assets</b>				
Water	335	–	238	–
Sewer	40	–	43	–
Payables relating to externally restricted assets	375	–	281	–
<b>Total payables relating to restricted assets</b>	<b>375</b>	<b>–</b>	<b>281</b>	<b>–</b>
<b>Total payables relating to unrestricted assets</b>	<b>4,864</b>	<b>134</b>	<b>4,039</b>	<b>–</b>
<b>Total payables</b>	<b>5,239</b>	<b>134</b>	<b>4,320</b>	<b>–</b>

#### Current payables not anticipated to be settled within the next twelve months

\$ '000	2021	2020
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	1,346	1,321
<b>Total payables</b>	<b>1,346</b>	<b>1,321</b>

#### Accounting policy

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.

#### Payables

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

## C3-2 Contract Liabilities

\$ '000	Notes	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>Grants and contributions received in advance:</b>					
Unexpended capital grants (to construct Council controlled assets)	(i)	2,877	–	189	–
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	124	–	361	–
Unexpended operating contributions (received prior to performance obligation being satisfied)	(ii)	23	–	–	–
<b>Total grants received in advance</b>		<b>3,024</b>	<b>–</b>	<b>550</b>	<b>–</b>
<b>Total contract liabilities</b>		<b>3,024</b>	<b>–</b>	<b>550</b>	<b>–</b>

### Notes

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

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

(iii) User fees and charges received in advance do not meet the definition of a performance obligation and therefore the funds received are recorded as a contract liability on receipt and recognised as revenue over the expected average membership life.

### Revenue recognised that was included in the contract liability balance at the beginning of the period

\$ '000	2021	2020
<b>Grants and contributions received in advance:</b>		
Capital grants (to construct Council controlled assets)	160	33
Operating grants (received prior to performance obligation being satisfied)	240	89
<b>Total revenue recognised that was included in the contract liability balance at the beginning of the period</b>	<b>400</b>	<b>122</b>

### Accounting policy

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

## C3-3 Borrowings

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Loans – secured <sup>1</sup>	871	14,592	1,322	15,460
<b>Total borrowings</b>	<b>871</b>	<b>14,592</b>	<b>1,322</b>	<b>15,460</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 E1-1. Loan funds were used to undertake Water and Sewer upgrade works.

### C3-3 Borrowings (continued)

#### Borrowings relating to restricted assets

\$ '000	2021		2020	
	Current	Non-current	Current	Non-current
<b>Externally restricted assets</b>				
Water	649	10,709	599	11,352
Sewer	222	3,883	213	4,108
Borrowings relating to externally restricted assets	871	14,592	812	15,460
<b>Total borrowings relating to restricted assets</b>	<b>871</b>	<b>14,592</b>	<b>812</b>	<b>15,460</b>
<b>Total borrowings relating to unrestricted assets</b>	<b>–</b>	<b>–</b>	<b>510</b>	<b>–</b>
<b>Total borrowings</b>	<b>871</b>	<b>14,592</b>	<b>1,322</b>	<b>15,460</b>

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

\$ '000	2020		Non-cash movements				2021
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	16,782	(1,319)	–	–	–	–	15,463
Lease liability (Note C2-1b)	625	(224)	–	–	–	–	401
<b>Total liabilities from financing activities</b>	<b>17,407</b>	<b>(1,543)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>15,864</b>

\$ '000	2019		Non-cash movements				2020
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	18,876	(2,094)	–	–	–	–	16,782
Lease liability (Note C2-1b)	–	–	–	–	625	–	625
<b>Total liabilities from financing activities</b>	<b>18,876</b>	<b>(2,094)</b>	<b>–</b>	<b>–</b>	<b>625</b>	<b>–</b>	<b>17,407</b>

#### (b) Financing arrangements

\$ '000	2021	2020
<b>Total facilities</b>		
Credit cards/purchase cards	55	55
<b>Total financing arrangements</b>	<b>55</b>	<b>55</b>
<b>Undrawn facilities</b>		
– Credit cards/purchase cards	37	39
<b>Total undrawn financing arrangements</b>	<b>37</b>	<b>39</b>

#### Additional financing arrangements information

##### Breaches and defaults

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

### C3-3 Borrowings (continued)

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**Security over loans**

Loans are secured over future cash flows and leased liabilities are secured by the underlying leased assets.

**Accounting policy**

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.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

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 borrowing costs.

### C3-4 Employee benefit provisions

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Annual leave	1,167	–	1,203	–
Long service leave	1,577	119	1,505	123
Other leave	108	–	97	–
<b>Total employee benefit provisions</b>	<b>2,852</b>	<b>119</b>	<b>2,805</b>	<b>123</b>

#### Employee benefit provisions relating to restricted assets

##### Externally restricted assets

Water	186	–	207	–
Sewer	160	–	145	–
Employee benefit provisions relating to externally restricted assets	346	–	352	–
<b>Total employee benefit provisions relating to restricted assets</b>	<b>346</b>	<b>–</b>	<b>352</b>	<b>–</b>
<b>Total employee benefit provisions relating to unrestricted assets</b>	<b>2,506</b>	<b>119</b>	<b>2,453</b>	<b>123</b>
<b>Total employee benefit provisions</b>	<b>2,852</b>	<b>119</b>	<b>2,805</b>	<b>123</b>

#### Current employee benefit provisions not anticipated to be settled within the next twelve months

\$ '000	2021	2020
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	2,735	2,708
	<b>2,735</b>	<b>2,708</b>

## C3-4 Employee benefit provisions (continued)

### Description of and movements in provisions

\$ '000	Employee Leave Entitlements provisions			Total
	Annual leave	Long service leave	Other employee benefits	
<b>2021</b>				
At beginning of year	1,203	1,628	97	2,928
Additional provisions	640	422	–	1,062
Amounts used (payments)	(676)	(354)	–	(1,030)
Other	–	–	11	11
Total ELE provisions at end of year	1,167	1,696	108	2,971
<b>2020</b>				
At beginning of year	826	2,091	72	2,989
Additional provisions	1,260	(630)	–	630
Amounts used (payments)	(803)	87	(51)	(767)
Other	(80)	80	76	76
Total ELE provisions at end of year	1,203	1,628	97	2,928

### Accounting policy

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if 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 and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

### 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.

## C3-5 Provisions

\$ '000	2021 Current	2021 Non-Current	2020 Current	2020 Non-Current
<b>Asset remediation/restoration:</b>				
Asset remediation/restoration (future works)	578	896	572	735
<b>Sub-total – asset remediation/restoration</b>	<b>578</b>	<b>896</b>	<b>572</b>	<b>735</b>
<b>Total provisions <sup>1</sup></b>	<b>578</b>	<b>896</b>	<b>572</b>	<b>735</b>

(1) The Local Government Code of Accounting Practice and Financial Reporting 2020-21 has amended the format of the Provisions note to separate out Employee Benefits Provisions into a separate note C3-4.

## C3-5 Provisions (continued)

\$ '000	2021 Current	2021 Non-Current	2020 Current	2020 Non-Current
<b>Provisions relating to restricted assets</b>				
<b>Total provisions relating to restricted assets</b>	—	—	—	—
<b>Total provisions relating to unrestricted assets</b>	578	896	572	735
<b>Total provisions</b>	578	896	572	735

### 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.

### Description of and movements in provisions

\$ '000	Other provisions	
	Asset remediation	Net carrying amount
<b>2021</b>		
At beginning of year	1,307	1,307
Remeasurement effects	167	167
Total other provisions at end of year	1,474	1,474
<b>2020</b>		
At beginning of year	1,298	1,298
Unwinding of discount	9	9
Total other provisions at end of year	1,307	1,307

### Nature and purpose of provisions

#### Asset remediation

The asset remediation provision represents the present value estimate of future costs Council will incur to restore, rehabilitate and reinstate the council tips and quarries as a result of past operations. The discount rate used is the RBA Indicative Mid Rates of Selected Commonwealth Government Securities.

#### Accounting policy

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

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

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

#### Asset remediation – tips and quarries

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually

### C3-5 Provisions (continued)

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during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

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

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

## C4 Reserves

### C4-1 Nature and purpose of reserves

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

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

#### **Fair value through other comprehensive income reserve (FVOCI)**

Changes in the fair value of financial assets are taken through the fair value through other comprehensive income revaluation reserve. The accumulated changes in fair value are transferred to profit or loss when the financial asset is derecognised or impaired.

## D Council structure

### D1 Results by fund

General fund refers to all Council activities other than water and sewer. All amounts disclosed in this note are gross i.e. inclusive of 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.

#### D1-1 Income Statement by fund

\$ '000	General 2021	Water 2021	Sewer 2021
<b>Income from continuing operations</b>			
Rates and annual charges	13,871	1,815	2,370
User charges and fees	3,821	2,155	108
Interest and investment revenue	153	47	39
Other revenues	760	17	15
Grants and contributions provided for operating purposes	6,200	28	–
Grants and contributions provided for capital purposes	12,969	3,996	857
Other income	370	–	–
<b>Total income from continuing operations</b>	<b>38,144</b>	<b>8,058</b>	<b>3,389</b>
<b>Expenses from continuing operations</b>			
Employee benefits and on-costs	10,787	721	363
Materials and services	7,819	1,373	921
Borrowing costs	170	678	194
Depreciation, amortisation and impairment of non-financial assets	6,633	833	647
Other expenses	1,058	–	–
Net losses from the disposal of assets	1,765	7	–
<b>Total expenses from continuing operations</b>	<b>28,232</b>	<b>3,612</b>	<b>2,125</b>
<b>Operating result from continuing operations</b>	<b>9,912</b>	<b>4,446</b>	<b>1,264</b>
<b>Net operating result for the year</b>	<b>9,912</b>	<b>4,446</b>	<b>1,264</b>
<b>Net operating result attributable to each council fund</b>	<b>9,912</b>	<b>4,446</b>	<b>1,264</b>
<b>Net operating result for the year before grants and contributions provided for capital purposes</b>	<b>(3,057)</b>	<b>450</b>	<b>407</b>

## D1-2 Statement of Financial Position by fund

\$ '000	General 2021	Water 2021	Sewer 2021
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	1,137	4,360	4,057
Investments	20,116	3,002	1,082
Receivables	3,748	774	3
Inventories	167	–	–
Contract assets and contract cost assets	1,440	416	–
Other	165	95	11
<b>Total current assets</b>	<b>26,773</b>	<b>8,647</b>	<b>5,153</b>
<b>Non-current assets</b>			
Infrastructure, property, plant and equipment	340,693	59,014	30,029
Investment property	4,350	–	–
Right of use assets	391	–	–
<b>Total non-current assets</b>	<b>345,434</b>	<b>59,014</b>	<b>30,029</b>
<b>TOTAL ASSETS</b>	<b>372,207</b>	<b>67,661</b>	<b>35,182</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	4,864	335	40
Contract liabilities	3,024	–	–
Lease liabilities	214	–	–
Borrowings	–	649	222
Employee benefit provision	2,506	186	160
Provisions	578	–	–
<b>Total current liabilities</b>	<b>11,186</b>	<b>1,170</b>	<b>422</b>
<b>Non-current liabilities</b>			
Payables	134	–	–
Lease liabilities	187	–	–
Borrowings	(1)	10,709	3,884
Employee benefit provision	119	–	–
Provisions	896	–	–
<b>Total non-current liabilities</b>	<b>1,335</b>	<b>10,709</b>	<b>3,884</b>
<b>TOTAL LIABILITIES</b>	<b>12,521</b>	<b>11,879</b>	<b>4,306</b>
<b>Net assets</b>	<b>359,686</b>	<b>55,782</b>	<b>30,876</b>
<b>EQUITY</b>			
Accumulated surplus	198,889	40,809	21,631
Revaluation reserves	160,797	14,973	9,245
<b>Council equity interest</b>	<b>359,686</b>	<b>55,782</b>	<b>30,876</b>
<b>Total equity</b>	<b>359,686</b>	<b>55,782</b>	<b>30,876</b>

## E Risks and accounting uncertainties

### E1-1 Risks relating to financial instruments held

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 2021	Carrying value 2020	Fair value 2021	Fair value 2020
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Cash and cash equivalents	9,554	20,748	9,554	20,748
Receivables	4,525	3,497	4,525	3,497
<b>Fair value through profit and loss</b>				
Investments				
– Held for trading	24,200	9,272	24,200	9,272
<b>Total financial assets</b>	<b>38,279</b>	<b>33,517</b>	<b>38,279</b>	<b>33,517</b>
<b>Financial liabilities</b>				
Payables	5,373	4,320	5,006	4,034
Loans/advances	15,463	16,782	15,463	16,782
<b>Total financial liabilities</b>	<b>20,836</b>	<b>21,102</b>	<b>20,469</b>	<b>20,816</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 and measure at amortised cost investments** – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) **at fair value through profit and loss** or (ii) **at fair value through other comprehensive income** – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

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 its 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 these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.

## E1-1 Risks relating to financial instruments held (continued)

- **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 – interest rate and price risk

\$ '000	2021	2020
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.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	338	300
Impact of a 10% movement in price of investments		
– Equity / Income Statement	3,375	3,002

## E1-1 Risks relating to financial instruments held (continued)

### (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. Council also encourages ratepayers to pay their rates by the due date through incentives.

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 and carries out credit checks on most non-rate debtors.

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

### Credit risk profile

#### Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land; 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 payment.

\$ '000	Not yet overdue	< 1 year overdue	1 - 2 years overdue	2 - 5 years overdue	> 5 years overdue	Total
<b>2021</b>						
Gross carrying amount	–	767	357	64	49	1,237
2020						
Gross carrying amount	–	840	221	42	23	1,126

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

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

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

\$ '000	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	61 - 90 days overdue	> 91 days overdue	Total
<b>2021</b>						
Gross carrying amount	1,053	1,059	749	22	440	3,323
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ECL provision</b>	–	–	–	–	–	–
2020						
Gross carrying amount	2	1,461	198	42	702	2,405
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ECL provision</b>	–	–	–	–	–	–

## E1-1 Risks relating to financial instruments held (continued)

### (c) Liquidity risk

Payables, lease liabilities and borrowings are both subject to liquidity risk; that is, 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 by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs. 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 for non-lease liabilities (refer to Note C2-1(b) for lease liabilities) 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>2021</b>							
Trade/other payables	0.00%	1,346	3,660	–	–	5,006	5,006
Borrowings	5.52%	–	871	6,503	8,089	15,463	15,463
<b>Total financial liabilities</b>		<b>1,346</b>	<b>4,531</b>	<b>6,503</b>	<b>8,089</b>	<b>20,469</b>	<b>20,469</b>
<b>2020</b>							
Trade/other payables	0.00%	1,321	2,713	–	–	4,034	4,034
Borrowings	5.63%	–	1,322	14,916	544	16,782	16,782
<b>Total financial liabilities</b>		<b>1,321</b>	<b>4,035</b>	<b>14,916</b>	<b>544</b>	<b>20,816</b>	<b>20,816</b>

## E2-1 Fair value measurement

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

- Infrastructure, property, plant and equipment;
- Investment property;
- Financial assets and liabilities.

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

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

**Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## E2-1 Fair value measurement (continued)

\$ '000	Notes	Fair value measurement hierarchy									
		Date of latest valuation		Level 1 Quoted prices in active mkts		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2021	2020 Restated	2021	2020 Restated	2021	2020 Restated	2021	2020 Restated	2021	2020 Restated
<b>Recurring fair value measurements</b>											
<b>Financial assets</b>											
Financial investments	C1-2										
– ‘Held to maturity’	C1-2a	30/06/21	30/06/20	24,200	9,272	–	–	–	–	24,200	9,272
Cash and short term deposits	C1-1	30/06/21	30/06/20	9,554	20,748	–	–	–	–	9,554	20,748
Receivables	C1-4	30/06/21	30/06/20	–	–	4,525	3,497	–	–	4,525	3,497
<b>Total financial assets</b>				<b>33,754</b>	<b>30,020</b>	<b>4,525</b>	<b>3,497</b>	<b>–</b>	<b>–</b>	<b>38,279</b>	<b>33,517</b>
<b>Financial liabilities</b>											
Loans/advances	C3-3	30/06/21	30/06/20	–	–	15,463	16,782	–	–	15,463	16,782
Payables	C3-1	30/06/21	30/06/20	–	–	5,006	4,034	–	–	5,006	4,034
<b>Total financial liabilities</b>				<b>–</b>	<b>–</b>	<b>20,469</b>	<b>20,816</b>	<b>–</b>	<b>–</b>	<b>20,469</b>	<b>20,816</b>
<b>Investment property</b>											
Investment property	C1-8	03/03/20	03/03/20	4,350	4,350	–	–	–	–	4,350	4,350
<b>Total investment property</b>				<b>4,350</b>	<b>4,350</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4,350</b>	<b>4,350</b>

## E2-1 Fair value measurement (continued)

\$ '000	Notes	Fair value measurement hierarchy									
		Date of latest valuation		Level 1 Quoted prices in active mkts		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
		Restated	Restated	Restated	Restated	Restated	Restated	Restated	Restated	Restated	
<b>Infrastructure, property, plant and equipment</b>	C1-7										
Plant and equipment		30/06/21	30/06/20	-	-	-	-	3,831	4,028	3,831	4,028
Operational land		30/06/18	30/06/18	-	-	-	-	15,107	11,498	15,107	11,498
Community land		30/06/21	30/06/18	-	-	-	-	18,769	9,963	18,769	9,963
Land under roads		30/06/19	30/06/19	-	-	-	-	7,248	7,239	7,248	7,239
Buildings – specialised		30/06/18	30/06/18	-	-	-	-	11,412	12,117	11,412	12,117
Buildings – non-specialised		30/06/18	30/06/18	-	-	-	-	3,058	3,197	3,058	3,197
Other structures		30/06/13	30/06/13	-	-	-	-	336	755	336	755
Roads		30/06/20	30/06/20	-	-	-	-	151,753	151,423	151,753	151,423
Bridges		30/06/20	30/06/20	-	-	-	-	18,238	17,709	18,238	17,709
Footpaths		30/06/20	30/06/20	-	-	-	-	4,883	4,645	4,883	4,645
Bulk earthworks		30/06/15	30/06/15	-	-	-	-	78,289	77,998	78,289	77,998
Stormwater drainage		30/06/20	30/06/20	-	-	-	-	14,333	13,043	14,333	13,043
Water supply network		30/06/18	30/06/18	-	-	-	-	56,212	43,481	56,212	43,481
Sewerage network		30/06/18	30/06/18	-	-	-	-	26,237	25,832	26,237	25,832
Swimming pools		30/06/21	30/06/13	-	-	-	-	1,869	625	1,869	625
Other open space/recreational assets		30/06/21	30/06/13	-	-	-	-	7,195	4,264	7,195	4,264
Tip remediation assets		30/06/21	30/06/17	-	-	-	-	96	73	96	73
Quarry assets		30/06/21	30/06/17	-	-	-	-	7	8	7	8
Waste management infrastructure		30/06/21	30/06/13	-	-	-	-	1,444	603	1,444	603
<b>Total infrastructure, property, plant and equipment</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>420,317</b>	<b>388,501</b>	<b>420,317</b>	<b>388,501</b>

## E2-1 Fair value measurement (continued)

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### Valuation techniques

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

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

#### **Financial assets**

Receivables are subject to bad and doubtful debts

#### **Financial liabilities**

Some loans may be subject to interest rate risk and some payables may incur interest.

#### **Infrastructure, property, plant and equipment (IPPE)**

Most infrastructure is subject to external valuation or externally validated methodology applied by Council. This is subject to variability based on changing unit rates.

## E2-1 Fair value measurement (continued)

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

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

\$ '000	Total	
	2021	2020
<b>Opening balance</b>	<b>387,731</b>	352,858
<b>Total gains or losses for the period</b>		
<b>Other movements</b>		
Purchases (GBV)	<b>24,714</b>	6,066
Disposals (WDV)	<b>(2,392)</b>	(1,397)
Depreciation and impairment	<b>(7,887)</b>	(87)
Revaluations through equity	<b>18,151</b>	31,061
<b>Closing balance</b>	<b>420,317</b>	<b>388,501</b>

### Highest and best use

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

## E3-1 Contingencies

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

### LIABILITIES NOT RECOGNISED

#### 1. Guarantees

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

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

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

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

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

Pooled employers are required to pay standard employer contributions and additional lump sum contributions to the fund.

The future 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 member contributions for non-180 point members and nil for 180 point members
Division C	2.5% salaries
Division D	1.64 times employee contributions

\*For 180 Point Members, Employers are required to contribute 7% of salaries for the year ending 30 June 2021 (increasing to 7.5% in line with the increase in the Superannuation Guarantee) to these members accumulation accounts, which are paid in addition to members' defined benefits.

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

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

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

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

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

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

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2021 was \$101,282.24. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2020.

## E3-1 Contingencies (continued)

Council's expected contribution to the plan for the next annual reporting period is \$117,050.16.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2021 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,620.5	
Past Service Liabilities	2,445.6	107.2%
Vested Benefits	2,468.7	106.2%

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

The share of any funding surplus or deficit that can be attributed to Council is 0.26%.

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

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

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

\* Plus promotional increases

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

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review, which will be a triennial actuarial investigation will be completed by December 2021.

### (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 a \$10k bank guarantee in place, currently held with the National Australia Bank.

## 2. Other liabilities

## E3-1 Contingencies (continued)

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### (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.

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

Council has not classified any privately owned land parcels as local open space or bushland.

As a result there are no potential land acquisitions due to planning restrictions imposed by Council.

## ASSETS NOT RECOGNISED

### (i) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

## F People and relationships

### F1 Related party disclosures

#### F1-1 Key management personnel (KMP)

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	2021	2020
<b>Compensation:</b>		
Short-term benefits	2,446	2,205
Termination benefits	212	166
Councillor Remuneration	141	140
<b>Total</b>	<b>2,799</b>	<b>2,511</b>

## F1-1 Key management personnel (KMP) (continued)

### 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	Ref	Transactions during the year
\$ '000		
<b>2021</b>		
Provision of Landscape Supplies/Haulage Services	1	37
Fees and Charges	2	68
<b>2020</b>		
Provision of Landscape Supplies/Haulage Services	1	16
Fees and Charges	2	93

1 Council has purchased supplies during the year from Robertsons Landscaping & Haulage a company where a relationship has been declared by a KMP of Council. Amounts were billed based on normal rates for such supplies and were due and payable under normal payment terms following Council procurement processes.

2 Fees and Charges as per Council's advertised Fees and Charges were received for various services from one company which is associated with a KMP of Council

## F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2021	2020
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	27	27
Councillors' fees	109	109
Other Councillors' expenses (including Mayor)	12	35
<b>Total</b>	<b>148</b>	<b>171</b>

## F2 Other relationships

### F2-1 Audit fees

\$ '000	2021	2020
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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	56
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<b>Remuneration for audit and other assurance services</b>	<b>69</b>	<b>56</b>
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<b>Total Auditor-General remuneration</b>	<b>69</b>	<b>56</b>
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Total audit fees	<b>69</b>	<b>56</b>
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## G Other matters

### G1-1 Statement of Cash Flows information

#### Reconciliation of net operating result to cash provided from operating activities

\$ '000	2021	2020
<b>Net operating result from Income Statement</b>	<b>15,622</b>	15,555
<b>Adjust for non-cash items:</b>		
Depreciation and amortisation	8,113	5,868
Net losses/(gains) on disposal of assets	1,772	(609)
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investment property	–	(450)
Unwinding of discount rates on reinstatement provisions	–	9
<b>+/- Movement in operating assets and liabilities and other cash items:</b>		
Decrease/(increase) in receivables	(1,037)	2,194
Increase/(decrease) in provision for impairment of receivables	1	–
Decrease/(increase) in inventories	(55)	217
Decrease/(increase) in other current assets	(97)	58
Decrease/(increase) in contract assets	(1,856)	–
Increase/(decrease) in payables	576	(1,047)
Increase/(decrease) in accrued interest payable	(16)	(20)
Increase/(decrease) in other accrued expenses payable	295	267
Increase/(decrease) in other liabilities	198	353
Increase/(decrease) in contract liabilities	2,474	550
Increase/(decrease) in provision for employee benefits	43	(61)
Increase/(decrease) in other provisions	167	–
<b>Net cash provided from/(used in) operating activities from the Statement of Cash Flows</b>	<b>26,200</b>	<b>22,884</b>

## G2-1 Commitments

### Capital commitments (exclusive of GST)

\$ '000	2021	2020
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
<b>Property, plant and equipment</b>		
Buildings	842	119
Plant and equipment	475	–
Roads	6,325	5,021
Water	1,031	1,265
Sewer	928	300
Waste	499	379
Parks and Gardens	1,877	684
Other	–	509
Stormwater	42	–
<b>Total commitments</b>	<b>12,019</b>	<b>8,277</b>
<b>These expenditures are payable as follows:</b>		
Within the next year	12,019	8,277
<b>Total payable</b>	<b>12,019</b>	<b>8,277</b>
<b>Sources for funding of capital commitments:</b>		
Unrestricted general funds	1,505	343
Section 7.11 and 64 funds/reserves	100	837
Unexpended grants	5,025	5,919
Externally restricted reserves	4,044	764
Internally restricted reserves	1,345	414
<b>Total sources of funding</b>	<b>12,019</b>	<b>8,277</b>

#### Details of capital commitments

Purchase of heavy plant & equipment, projects for roads, water, sewer, waste and stormwater infrastructure, building & lighting upgrades and recreation ground upgrades.

## G3 Changes from prior year statements

### G3-1 Correction of errors

#### Nature of prior-period error

A parcel of land had been held in WIP as it formed part of a larger project. Once the project was finalised and capitalised in 2020/21, it was identified that this should have been brought to account in an earlier period, when the purchase was originally made. An adjustment of \$770k has been made from WIP to Operational Land by correcting the balances at the beginning of the earliest period presented (1 July 2019). As this was a transfer between asset classes, there is NIL affect on the total balance of IPP&E.

A number of parcels of land road reserve has been identified, affecting the balances forming part of Council's assets and equity.

Through the revaluation process, a number of assets were identified, that had not formed part of the balances of Council's assets and equity.

This error has been corrected by restating the balances at the beginning of the earliest period presented (1 July 2019) and taking the adjustment through to the appropriate Revaluation Reserves at that date. Comparatives have been changed to reflect the correction of the errors.

The following asset classes have had assets identified through the revaluation process:

Land reserves	\$2.7m
Community Land	\$15k
Swimming pool assets	\$188k

### G3-1 Correction of errors (continued)

Other open sapce assets	\$1.3m
Waste	\$13k

The impact on each line item at 1 July 2019 is shown in the table below.

#### Statement of Financial Position

\$ '000	Original Balance 1 July, 2019	Impact Increase/ (decrease)	Restated Balance 1 July, 2019
Infrastructure, property, plant & equipment	359,986	4,224	364,210
<b>Total assets</b>	<b>397,350</b>	<b>4,224</b>	<b>401,574</b>
<b>Total liabilities</b>	<b>27,352</b>	<b>–</b>	<b>27,352</b>
<b>Net Assets</b>	369,998	4,224	374,222
Accumulated Surplus	222,630	4,224	226,854
Revaluation Reserve	147,368	–	147,368
<b>Total equity</b>	<b>369,998</b>	<b>4,224</b>	<b>374,222</b>

\$ '000	Original Balance 30 June, 2020	Impact Increase/ (decrease)	Restated Balance 30 June, 2020
Infrastructure, property, Plant and equipment	396,097	4,224	400,321
<b>Total assets</b>	<b>434,867</b>	<b>4,224</b>	<b>439,091</b>
<b>Total liabilities</b>	<b>26,512</b>	<b>–</b>	<b>26,512</b>
<b>Net Assets</b>	408,355	4,224	412,579
Accumulated Surplus	237,259	4,224	241,483
Revaluation Reserve	171,096	–	171,096
<b>Total equity</b>	<b>408,355</b>	<b>4,224</b>	<b>412,579</b>

## G4 Statement of developer contributions as at 30 June 2021

### G4-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2020	Contributions received during the year		Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2021	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash					
Yass Valley Council Area	4,801	809	–	33	(921)	–	4,722	–
Heavy Haulage	1,262	113	–	9	–	–	1,384	–
<b>S7.11 contributions – under a plan</b>	<b>6,063</b>	<b>922</b>	<b>–</b>	<b>42</b>	<b>(921)</b>	<b>–</b>	<b>6,106</b>	<b>–</b>
<b>Total S7.11 and S7.12 revenue under plans</b>	<b>6,063</b>	<b>922</b>	<b>–</b>	<b>42</b>	<b>(921)</b>	<b>–</b>	<b>6,106</b>	<b>–</b>
S64 contributions	3,392	892	–	23	(223)	–	4,084	–
<b>Total contributions</b>	<b>9,455</b>	<b>1,814</b>	<b>–</b>	<b>65</b>	<b>(1,144)</b>	<b>–</b>	<b>10,190</b>	<b>–</b>

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.

## G5 Statement of performance measures

### G5-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2021	Indicator 2021	Indicators 2020      2019		Benchmark
<b>1. Operating performance ratio</b>					
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	<b>(428)</b>	<b>(1.35)%</b>	12.08%	5.59%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	<b>31,769</b>				
<b>2. Own source operating revenue ratio</b>					
Total continuing operating revenue excluding all grants and contributions <sup>1</sup>	<b>25,541</b>	<b>51.50%</b>	60.23%	64.27%	> 60.00%
Total continuing operating revenue <sup>1</sup>	<b>49,591</b>				
<b>3. Unrestricted current ratio</b>					
Current assets less all external restrictions	<b>13,162</b>	<b>3.36x</b>	1.39x	3.94x	> 1.50x
Current liabilities less specific purpose liabilities	<b>3,921</b>				
<b>4. Debt service cover ratio</b>					
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	<b>8,727</b>	<b>3.38x</b>	3.20x	3.57x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	<b>2,585</b>				
<b>5. Rates and annual charges outstanding percentage</b>					
Rates and annual charges outstanding	<b>1,198</b>	<b>6.25%</b>	5.78%	7.18%	< 10.00%
Rates and annual charges collectable	<b>19,180</b>				
<b>6. Cash expense cover ratio</b>					
Current year's cash and cash equivalents plus all term deposits	<b>9,554</b>	<b>4.16</b>	9.37	9.12	> 3.00
Monthly payments from cash flow of operating and financing activities	<b>2,294</b>	<b>mths</b>	mths	mths	mths

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

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

## G5-2 Statement of performance measures by fund

\$ '000	General Indicators <sup>3</sup>		Water Indicators		Sewer Indicators		Benchmark
	2021	2020	2021	2020	2021	2020	
<b>1. Operating performance ratio</b>							
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	<b>(5.10)%</b>	9.73%	<b>11.08%</b>	25.33%	<b>16.07%</b>	9.94%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>							
<b>2. Own source operating revenue ratio</b>							
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	<b>49.75%</b>	67.21%	<b>50.06%</b>	39.95%	<b>74.71%</b>	74.52%	> 60.00%
Total continuing operating revenue <sup>1</sup>							
<b>3. Unrestricted current ratio</b>							
Current assets less all external restrictions	<b>3.36x</b>	3.90x	<b>7.39x</b>	3.22x	<b>12.21x</b>	2.56x	> 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>	<b>3.22x</b>	7.27x	<b>2.89x</b>	1.37x	<b>6.43x</b>	2.60x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
<b>5. Rates and annual charges outstanding percentage</b>							
Rates and annual charges outstanding	<b>7.99%</b>	7.32%	<b>0.00%</b>	0.00%	<b>0.00%</b>	0.00%	< 10.00%
Rates and annual charges collectable							
<b>6. Cash expense cover ratio</b>							
Current year's cash and cash equivalents plus all term deposits	<b>0.50</b>	4.66	∞	∞	∞	∞	> 3.00
Monthly payments from cash flow of operating and financing activities	<b>mths</b>	mths					mths

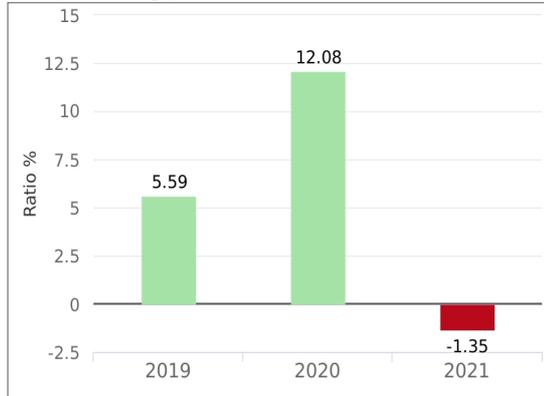
(1) - (2) Refer to Notes at Note 23a above.

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

## H Additional Council disclosures (unaudited)

### H1-1 Statement of performance measures – consolidated results (graphs)

#### 1. Operating performance ratio



#### Purpose of operating performance ratio

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

#### Commentary on 2020/21 result

2020/21 ratio (1.35)%

Council's Operating Performance Ratio was negatively impacted by:

- Large amounts of Capital grants received in the 20/21 financial year.
- A large subdivision coming online with a large amount of contributed assets being gifted to Council
- Considerable increase in depreciation costs due to a large increase in the value of Council's transport assets due to the revaluation as at 30 June 2020.

Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

#### 2. Own source operating revenue ratio



#### Purpose of own source operating revenue ratio

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

#### Commentary on 2020/21 result

2020/21 ratio 51.50%

This ratio has fallen under the benchmark due to considerably large capital grants and contributions in the 20/21 financial year.

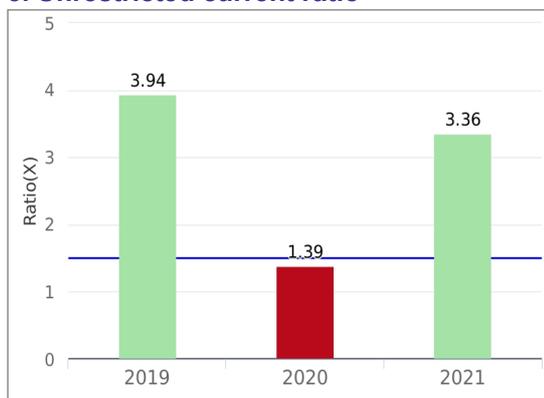
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

#### 3. Unrestricted current ratio



#### Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

#### Commentary on 2020/21 result

2020/21 ratio 3.36x

The result for 2020/21 has bounced back to above benchmark and sitting around the result from previous years.

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

## H1-1 Statement of performance measures – consolidated results (graphs) (continued)

### 4. Debt service cover ratio



**Purpose of debt service cover ratio**

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

**Commentary on 2020/21 result**

**2020/21 ratio 3.38x**

The Debt Service Cover ratio of 3.38x is holding steady above the benchmark.

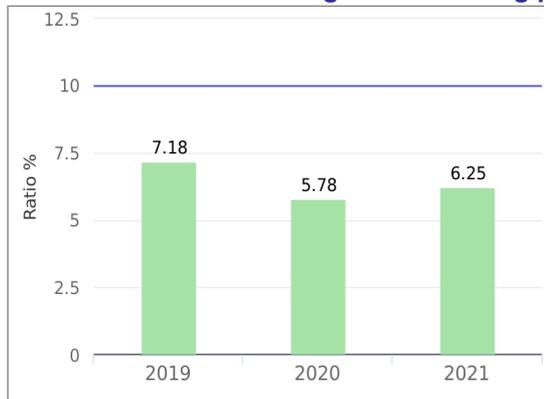
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

### 5. Rates and annual charges outstanding percentage



**Purpose of rates and annual charges outstanding percentage**

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

**Commentary on 2020/21 result**

**2020/21 ratio 6.25%**

The outstanding rates and charges ratio of 6.25% is below the benchmark of 10%.

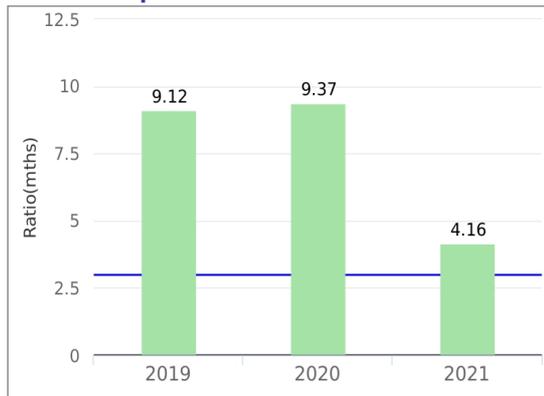
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

### 6. Cash expense cover ratio



**Purpose of cash expense cover ratio**

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

**Commentary on 2020/21 result**

**2020/21 ratio 4.16 mths**

The cash balance as at 30 June 2021 would support the operations of Council for a period of 4.16 months should no other cash be received. This is within industry benchmarks and reflects Council's cashflow management strategy of holding less cash and investing Council's surplus funds.

Benchmark: — > 3.00mths

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

## H1-2 Council information and contact details

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**Principal place of business:**

209 Comur Street  
YASS NSW 2582

**Contact details**

**Mailing Address:**

PO Box 6  
209 Comur Street  
YASS NSW 2582

**Opening hours:**

Office hours: 9:00am to 4:30pm (Monday to Friday)  
Cashier hours: 9:00am to 4:30pm (Monday to Friday)

**Telephone:** 02 6226 1477 or 1300 553 652

**Facsimile:** 02 6226 2598

**Website:** [www.yassvalley.nsw.gov.au](http://www.yassvalley.nsw.gov.au)

**Email:** [council@yass.nsw.gov.au](mailto:council@yass.nsw.gov.au)

**Officers**

**GENERAL MANAGER**

Chris Berry

**RESPONSIBLE ACCOUNTING OFFICER**

Tracy Sligar

**Elected members**

**Mayor**

Rowena Abbey

**Councillors**

Nathan Furry  
Michael McManus  
Kim Turner  
Mike Reid  
Jasmin Jones  
Geoff Frost  
Allison Harker  
Cec Burgess

**Other information**

**ABN:** 50 119 744 650



**INDEPENDENT AUDITOR'S REPORT**  
**Report on the general purpose financial statements**  
**Yass Valley Council**

To the Councillors of the Yass Valley Council

## Opinion

I have audited the accompanying financial statements of Yass Valley Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2021, the Statement of Financial Position as at 30 June 2021, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
  - have been prepared, in all material respects, in accordance with the requirements of this Division
  - are consistent with the Council's accounting records
  - present fairly, in all material respects, the financial position of the Council as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

## Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Other Information**

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

### **The Councillors' Responsibilities for the Financial Statements**

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Lisa Berwick  
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

29 November 2021  
SYDNEY



Mr Chris Berry  
General Manager  
Yass Valley Council  
209 Comur Street  
Yass NSW 2582

Contact: Lisa Berwick  
Phone no: 02 9275 7165  
Our ref: D2125689/1813

29 November 2021

Dear Mr Berry

**Report on the Conduct of the Audit  
for the year ended 30 June 2021  
Yass Valley Council**

I have audited the general-purpose financial statements (GPFS) of the Yass Valley Council (the Council) for the year ended 30 June 2021 as required by section 415 of the *Local Government Act 1993* (the Act). I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2021 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

## **SIGNIFICANT AUDIT ISSUES AND OBSERVATIONS**

I identified the following significant audit issues and observations during my audit of the Council's financial statements. These issues and observations were addressed as part of my audit.

### **Rural fire-fighting equipment not recognised in the financial statements**

Council did not record rural fire-fighting equipment in the financial statements.

Rural fire-fighting equipment, specifically the red fleet vehicles, is controlled by the Council and should be recognised in their financial statements. This is supported by the requirements of the Rural Fires Act 1997 and service agreements between councils and the RFS.

The Department of Planning, Industry and Environment (inclusive of the Office of Local Government) confirmed in the 'Report on Local Government 2020' (tabled in Parliament on 27 May 2021) their view that rural firefighting equipment is not controlled by the NSW Rural Fire Service.

## INCOME STATEMENT

### Operating result

	2021	2020*	Variance
	\$m	\$m	%
Rates and annual charges revenue	18.1	17.5	 3.4
Grants and contributions revenue	24.1	16.6	 45.2
Operating result from continuing operations	15.6	15.6	 0.0
Net operating result before capital grants and contributions	-2.2	4.8	 145.8

Rates and annual charges revenue of \$18.1 million increased by \$0.6 million (3.4 per cent) in 2020–21 due to the:

- annual rate increase of 2.6 per cent
- increase in rateable properties by 2.4 per cent (7,630 rateable properties in 2020-21 compared to 7,449 properties last year).

Grants and contributions revenue of \$24.1 million increased by \$7.5 million (45.2 per cent) in 2020–21 mainly due to:

- \$6.8 million increase in special purpose grants and non-developer contributions
- \$0.6 million of developer contributions received during the year.

Council's operating result from continuing operations (\$15.6 million including depreciation and amortisation expense of \$8.1 million) was consistent with the 2019–20 result as the increase in income from continuing operations of \$6.7 million was offset by a similar increase in total expenses.

Income from continuing operations increased by \$6.7 million due to:

- \$0.6 million increase in rates and annual charges
- \$7.4 increase in grants and contributions revenue
- \$0.6 million decrease in net gains from disposal of assets
- \$0.3 million decrease in interest and investment income
- \$0.2 million decrease in user charges and fees
- \$0.1 million decrease in other revenues and income.

Total expenses increased by \$6.7 million mainly due to:

- \$1.1 million increase in employee benefit and on-costs
- \$1.1 million increase in materials and services
- \$2.2 million increase in depreciation and amortisation
- \$1.8 million increase in loss from the disposal of assets
- \$0.4 million increase in other expenses.

The net operating result before capital grants and contributions (\$2.2 million) was \$7.0 million lower than the 2019–20 result.

## STATEMENT OF CASH FLOWS

The Statement of Cash Flows illustrates the flow of cash and cash equivalents moving in and out of Council during the year

The Council's net cash decreased by \$11.2 million.

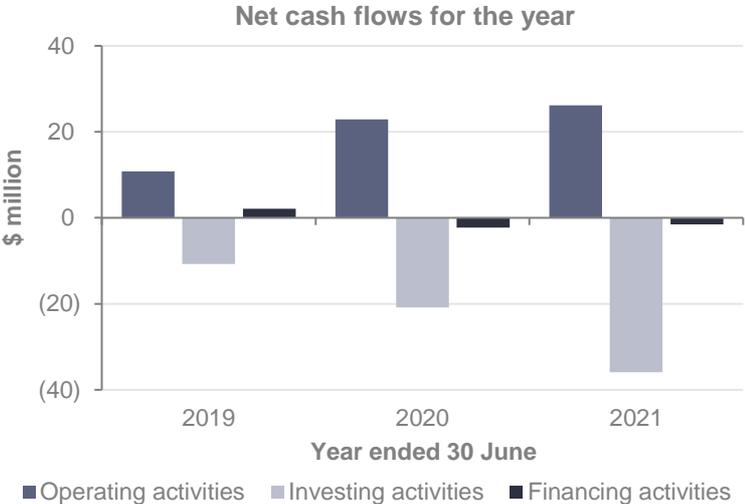
Cash inflows from operating activities increased by \$3.3 million from \$22.9 million in 2019-20 to \$26.2 million in 2020-21. This is due to an increase in cash inflows from receipts of \$4.9 million offset by increase in cash outflow relating to payments by \$1.6 million.

The cash outflows from investing activities increased by \$15.1 million, from \$20.8 million to \$35.9 million in 2019-20 and 2020-21 respectively.

This was due to:

- an increase in purchases of investment securities by \$11.8 million;
- decrease in proceeds from sale of IPPE by \$0.3 million and;
- an increase in purchase of IPPE by \$3.0 million compared to prior year.

The cash outflows from financing activities decreased by \$0.8 million from \$2.3 million to \$1.5 million in 2019-20 and 2020-21 respectively. This is driven by an increase in the net proceeds from borrowings of \$0.8 million from the prior year.



## FINANCIAL POSITION

### Cash and investments

Cash and investments	2021	2020	Commentary
	\$m	\$m	
Restricted cash and investments:			
External restrictions	26.1	27.0	<ul style="list-style-type: none"> <li>External restrictions include unspent specific purpose grants, developer contributions, domestic waste management charges, levies and planning agreements. The externally restricted cash and investment balance has decreased by approximately \$0.9 million.</li> </ul>
Internal restrictions	7.6	2.9	
Unrestricted	0.1	0.1	
<b>Total cash, cash equivalents and investments</b>	<b>33.8</b>	<b>30.0</b>	<ul style="list-style-type: none"> <li>Balances are internally restricted due to Council policy or decisions for forward plans including works program. Internal restrictions have increased by \$4.7 million.</li> <li>Unrestricted balances provide liquidity for day-to-day operations. The unrestricted balance for 2020-21 has remained consistent with 2019-20.</li> </ul>

## PERFORMANCE

### Performance measures

The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Industry and Environment.

#### Operating performance ratio

The 'operating performance ratio' measures how well Council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.

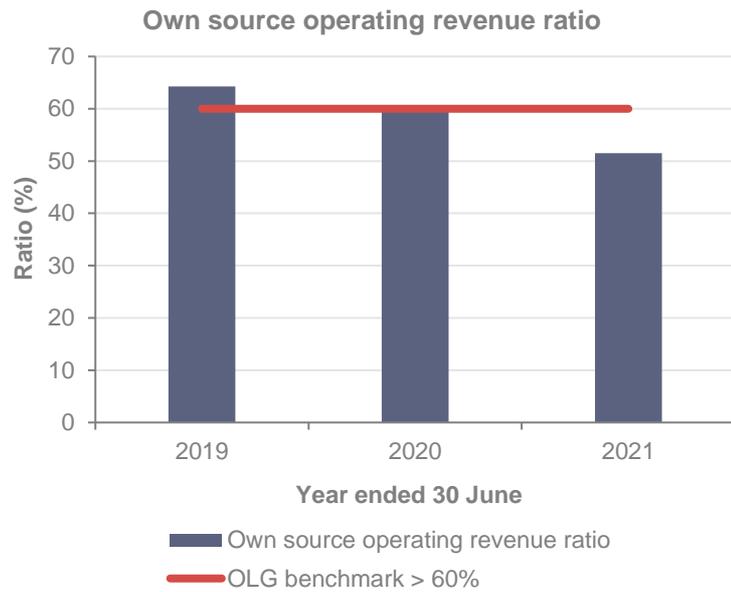
The Council did not meet the OLG benchmark for the current reporting period with a ratio of (1.35) per cent.



### Own source operating revenue ratio

The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.

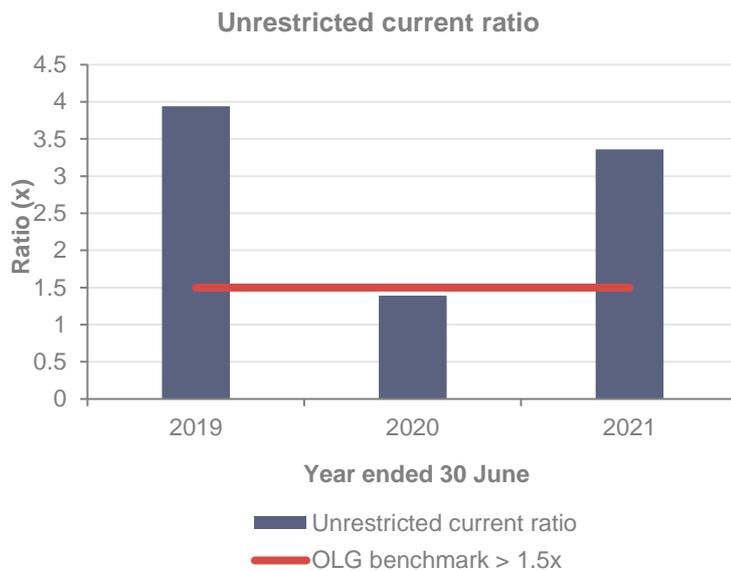
The Council did not meet the OLG benchmark for the current reporting period as the ratio was only 51.5 per cent.



### Unrestricted current ratio

The 'unrestricted current ratio' is specific to local government and represents Council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

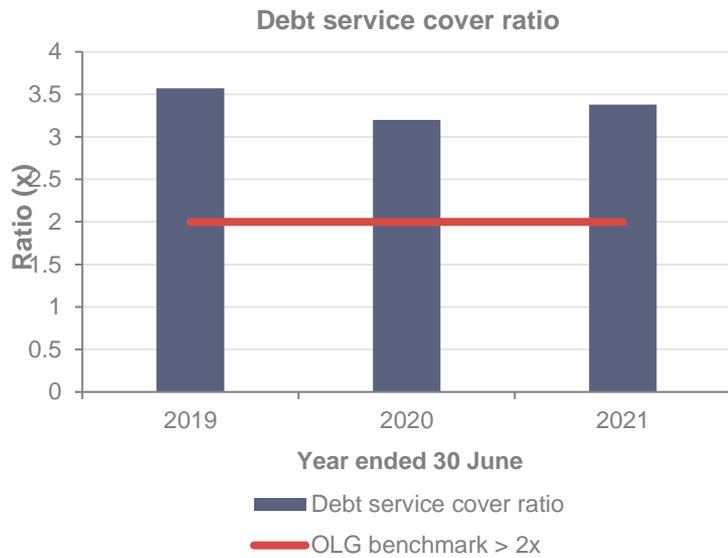
The Council exceeded the OLG benchmark for the current reporting period with a ratio of 3.36 times.



### Debt service cover ratio

The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.

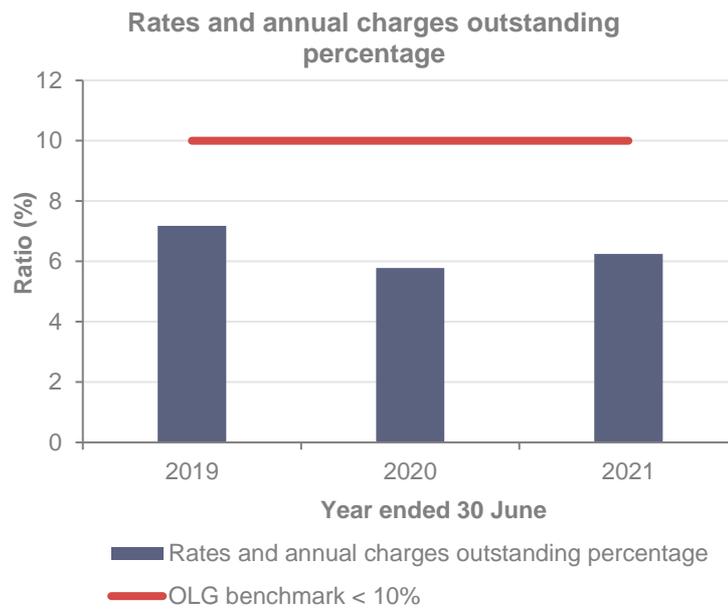
The Council exceeded the OLG benchmark for the current reporting period with a ratio of 3.38 times.



### Rates and annual charges outstanding percentage

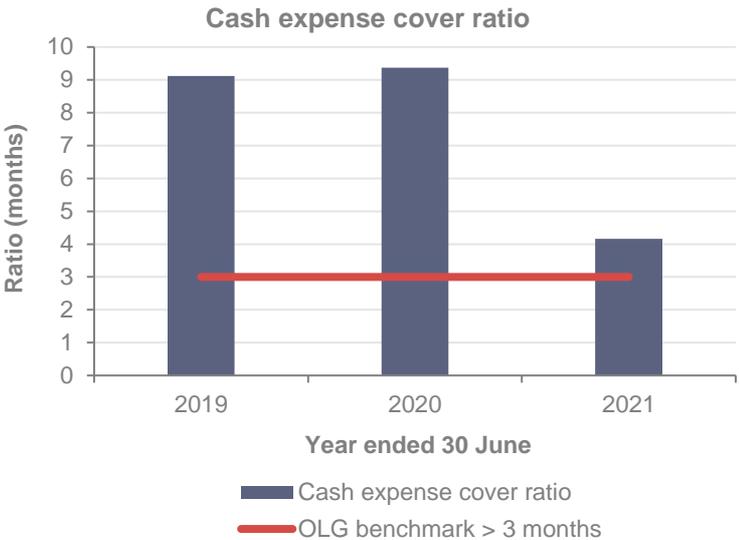
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.

The Council met the OLG benchmark for the current reporting period with a ratio of 6.25 per cent.



**Cash expense cover ratio**

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months. The Council exceeded the OLG benchmark for the current reporting period with a ratio of 4.16 months.



**Infrastructure, property, plant and equipment renewals**

Infrastructure, property, plant and equipment renewals for 2020-21 amounted to \$9.5 million in 2020-21 compared to \$5.6 million in 2019-20. The increase of \$3.9 million mainly relates to additional resealing and rehabilitation works on local roads undertaken during 2020-21 due to additional grant funding as well as expenditure incurred on improving the Yass to Murrumbateman pipeline.

## OTHER MATTERS

### Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.

The Council's:

- accounting records were maintained in a manner and form that facilitated the preparation and the effective audit of the GPFS
- staff provided all accounting records and information relevant to the audit.



Lisa Berwick  
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

cc: Ms Rowena Abbey, Mayor  
Mr Andrew Hannan, Chair of Audit Risk and Improvement Committee

# Yass Valley Council

## SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2021

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*"A diverse rural region that provides lifestyle,  
business and recreation choices, while sustaining  
our environment, history and community"*



## Special Purpose Financial Statements

for the year ended 30 June 2021

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(1) The Local Government Code of Accounting Practice and Financial Reporting 2020-21 has required a change to the classification of some expenses from "Other Expenses" to "Materials and Services". See note B3-2 above.

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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).

## Yass Valley Council

### Special Purpose Financial Statements

for the year ended 30 June 2021

### Statement by Councillors and Management

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#### Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government *Code of Accounting Practice and Financial Reporting*,
- the NSW Office of *Water Best-Practice Management of Water and Sewerage Guidelines*.

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

Signed in accordance with a resolution of Council made on 25 August 2021.



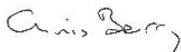
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Rowena Abbey  
**Mayor**  
20 September 2021



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Nathan Furry  
**Councillor**  
20 September 2021



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Chris Berry  
**General Manager**  
20 September 2021



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Tracy Sligar  
**Responsible Accounting Officer**  
20 September 2021

## Yass Valley Council

### Income Statement of water supply business activity

for the year ended 30 June 2021

\$ '000	2021	2020
<b>Income from continuing operations</b>		
Access charges	1,815	1,717
User charges	2,154	2,766
Fees	1	3
Interest	47	123
Grants and contributions provided for non-capital purposes	28	23
Other income	17	11
<b>Total income from continuing operations</b>	<b>4,062</b>	<b>4,643</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	721	667
Borrowing costs	678	718
Materials and services	1,373	1,276
Depreciation, amortisation and impairment	833	793
Loss on sale of assets	7	13
<b>Total expenses from continuing operations</b>	<b>3,612</b>	<b>3,467</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>450</b>	<b>1,176</b>
Grants and contributions provided for capital purposes	3,996	6,921
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>4,446</b>	<b>8,097</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>4,446</b>	<b>8,097</b>
Less: corporate taxation equivalent [based on result before capital]	(117)	(323)
<b>Surplus (deficit) after tax</b>	<b>4,329</b>	<b>7,774</b>
<b>Plus accumulated surplus</b>	<b>33,816</b>	<b>25,719</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Corporate taxation equivalent	117	323
<b>Closing accumulated surplus</b>	<b>38,262</b>	<b>33,816</b>
<b>Return on capital %</b>	<b>1.9%</b>	<b>3.4%</b>
<b>Subsidy from Council</b>	<b>–</b>	<b>–</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	4,329	7,774
Less: capital grants and contributions (excluding developer contributions)	(3,387)	(6,284)
<b>Surplus for dividend calculation purposes</b>	<b>942</b>	<b>1,490</b>
<b>Potential dividend calculated from surplus</b>	<b>471</b>	<b>745</b>

## Yass Valley Council

### Income Statement of sewerage business activity

for the year ended 30 June 2021

\$ '000	2021	2020
<b>Income from continuing operations</b>		
Access charges	2,370	2,254
User charges	101	99
Fees	7	15
Interest	39	36
Other income	15	–
<b>Total income from continuing operations</b>	<b>2,532</b>	<b>2,404</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	363	354
Borrowing costs	194	207
Materials and services	921	901
Depreciation, amortisation and impairment	647	621
Loss on sale of assets	–	82
<b>Total expenses from continuing operations</b>	<b>2,125</b>	<b>2,165</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>407</b>	<b>239</b>
Grants and contributions provided for capital purposes	857	822
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>1,264</b>	<b>1,061</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>1,264</b>	<b>1,061</b>
Less: corporate taxation equivalent [based on result before capital]	(106)	(66)
<b>Surplus (deficit) after tax</b>	<b>1,158</b>	<b>995</b>
<b>Plus accumulated surplus</b>	<b>18,096</b>	<b>17,035</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Corporate taxation equivalent	106	66
<b>Closing accumulated surplus</b>	<b>19,360</b>	<b>18,096</b>
<b>Return on capital %</b>	<b>2.0%</b>	<b>1.6%</b>
<b>Subsidy from Council</b>	<b>–</b>	<b>–</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	1,158	995
Less: capital grants and contributions (excluding developer contributions)	(575)	(528)
<b>Surplus for dividend calculation purposes</b>	<b>583</b>	<b>467</b>
<b>Potential dividend calculated from surplus</b>	<b>292</b>	<b>234</b>

## Yass Valley Council

### Income Statement of Waste services

for the year ended 30 June 2021

\$ '000	2021 Category 1	2020 Category 1
<b>Income from continuing operations</b>		
Access charges	2,626	2,518
User charges	867	703
Fees	1	6
Interest	12	14
Grants and contributions provided for non-capital purposes	28	29
Other income	315	139
<b>Total income from continuing operations</b>	<b>3,849</b>	<b>3,409</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	1,032	974
Borrowing costs	148	8
Materials and services	1,333	1,551
Depreciation, amortisation and impairment	56	32
Loss on sale of assets	326	–
<b>Total expenses from continuing operations</b>	<b>2,895</b>	<b>2,565</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>954</b>	<b>844</b>
Grants and contributions provided for capital purposes	13	–
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>967</b>	<b>844</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>967</b>	<b>844</b>
Less: corporate taxation equivalent [based on result before capital]	(248)	(232)
<b>Surplus (deficit) after tax</b>	<b>719</b>	<b>612</b>
<b>Plus accumulated surplus</b>	<b>3,461</b>	<b>2,617</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Corporate taxation equivalent	248	232
<b>Closing accumulated surplus</b>	<b>4,428</b>	<b>3,461</b>
<b>Return on capital %</b>	<b>71.6%</b>	<b>128.5%</b>

## Yass Valley Council

### Income Statement of Caravan park

for the year ended 30 June 2021

\$ '000	2021 Category 2	2020 Category 2
<b>Income from continuing operations</b>		
Fees	412	379
<b>Total income from continuing operations</b>	<b>412</b>	<b>379</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	1	4
Materials and services	337	325
Depreciation, amortisation and impairment	186	37
<b>Total expenses from continuing operations</b>	<b>524</b>	<b>366</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(112)</b>	<b>13</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>(112)</b>	<b>13</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>(112)</b>	<b>13</b>
Less: corporate taxation equivalent [based on result before capital]	-	(4)
<b>Surplus (deficit) after tax</b>	<b>(112)</b>	<b>9</b>
<b>Plus accumulated surplus</b>	<b>2,391</b>	<b>2,378</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Corporate taxation equivalent	-	4
<b>Closing accumulated surplus</b>	<b>2,279</b>	<b>2,391</b>
<b>Return on capital %</b>	<b>(11.7)%</b>	<b>1.1%</b>
<b>Subsidy from Council</b>	<b>126</b>	<b>-</b>

## Yass Valley Council

### Statement of Financial Position of water supply business activity

as at 30 June 2021

\$ '000	2021	2020
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	4,360	5,734
Investments	3,002	2,378
Receivables	774	892
Contract assets and contract cost assets	416	–
Other	95	95
<b>Total current assets</b>	<b>8,647</b>	<b>9,099</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	59,014	56,098
<b>Total non-current assets</b>	<b>59,014</b>	<b>56,098</b>
<b>Total assets</b>	<b>67,661</b>	<b>65,197</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	335	238
Borrowings	649	599
Employee benefit provisions	186	207
<b>Total current liabilities</b>	<b>1,170</b>	<b>1,044</b>
<b>Non-current liabilities</b>		
Borrowings	10,709	11,355
<b>Total non-current liabilities</b>	<b>10,709</b>	<b>11,355</b>
<b>Total liabilities</b>	<b>11,879</b>	<b>12,399</b>
<b>Net assets</b>	<b>55,782</b>	<b>52,798</b>
<b>EQUITY</b>		
Accumulated surplus	40,809	38,218
Revaluation reserves	14,973	14,580
<b>Total equity</b>	<b>55,782</b>	<b>52,798</b>

## Yass Valley Council

### Statement of Financial Position of sewerage business activity

as at 30 June 2021

\$ '000	2021	2020
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	4,057	4,701
Investments	1,082	1,015
Receivables	3	–
Other	11	11
<b>Total current assets</b>	<b>5,153</b>	<b>5,727</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	30,029	27,928
<b>Total non-current assets</b>	<b>30,029</b>	<b>27,928</b>
<b>Total assets</b>	<b>35,182</b>	<b>33,655</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	40	43
Borrowings	222	213
Employee benefit provisions	160	145
<b>Total current liabilities</b>	<b>422</b>	<b>401</b>
<b>Non-current liabilities</b>		
Payables	–	2
Borrowings	3,884	4,106
<b>Total non-current liabilities</b>	<b>3,884</b>	<b>4,108</b>
<b>Total liabilities</b>	<b>4,306</b>	<b>4,509</b>
<b>Net assets</b>	<b>30,876</b>	<b>29,146</b>
<b>EQUITY</b>		
Accumulated surplus	21,631	20,133
Revaluation reserves	9,245	9,013
<b>Total equity</b>	<b>30,876</b>	<b>29,146</b>

## Note – 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* (Act), the *Local Government (General) Regulation 2005* (Regulation) and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, fair value 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, and returns on investments (rate of return and dividends paid).

### Declared business activities

In accordance with Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality, Council has declared that the following are to be considered as business activities:

#### Category 1

(where gross operating turnover is over \$2 million)

##### a. Yass Valley Council Waste Service

Comprising the operations, and net assets of Council's Domestic Waste, and Other Waste activities, servicing the local government area.

##### b. Yass Valley Council Water Supplies

Comprising the operations, and net assets of Council's water supply activities, servicing the towns of Yass, Bowning, Binalong and Murrumbateman.

##### c. Yass Valley Council Sewerage Service

Comprising the operations, and net assets, of Council's sewerage reticulation and treatment activities servicing the town of Yass and most recently expanded to include the town of Murrumbateman.

#### Category 2

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

##### a. Yass Valley Council Caravan Park

Comprising the operations and net assets of Council's Caravan Park, servicing the town of Yass.

### 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.

## Note – Significant Accounting Policies (continued)

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 – **26%** (19/20 27.5%)

Land tax – the first \$755,000 of combined land values attracts **0%**. For the combined land values in excess of \$755,000 up to \$4,616,000 the rate is **\$100 + 1.6%**. For the remaining combined land value that exceeds \$4,616,000 a premium marginal rate of **2.0%** applies.

Payroll tax – **4.85%** on the value of taxable salaries and wages in excess of \$1,200,000.

In accordance with the Department of Planning, Industry & Environment – 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 Best Practice Management of Water Supply and Sewer Guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the Act.

Achievement of substantial compliance to the DoI – Water guidelines is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

### Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 27.5%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 27.5% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

### Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all 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.

#### (i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where 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. The overall effect of subsidies is contained within the Income Statements of business activities.

## Note – Significant Accounting Policies (continued)

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### (ii) 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'.

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council's business activities on the Income Statement.

The rate of return is calculated as follows:

**Operating result before capital income + interest expense**

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**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 1.49% at 30/6/21.

### (iii) 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 2021 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the Best Practice Management of Water Supply and Sewer 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.

## Yass Valley Council

### Special Purpose Financial Statements for the year ended 30 June 2021

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**INDEPENDENT AUDITOR'S REPORT**  
**Report on the special purpose financial statements**  
**Yass Valley Council**

To the Councillors of the Yass Valley Council

## **Opinion**

I have audited the accompanying special purpose financial statements (the financial statements) of Yass Valley Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2021, the Statement of Financial Position of each Declared Business Activity as at 30 June 2021 and the Significant accounting policies note.

The Declared Business Activities of the Council are:

- Water supply
- Sewerage
- Waste services
- Caravan park

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2021, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2020–21 (LG Code).

My opinion should be read in conjunction with the rest of this report.

## **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Emphasis of Matter - Basis of Accounting**

Without modifying my opinion, I draw attention to the Significant accounting policies note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

### **Other Information**

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 'Permissible income for general rates'.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

### **The Councillors' Responsibilities for the Financial Statements**

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Significant accounting policies note to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

A handwritten signature in black ink, appearing to read 'Lisa Berwick', with a horizontal line underneath.

Lisa Berwick  
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

29 November 2021  
SYDNEY

# Yass Valley Council

SPECIAL SCHEDULES  
for the year ended 30 June 2021

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*"A diverse rural region that provides lifestyle,  
business and recreation choices, while sustaining  
our environment, history and community"*



# Yass Valley Council

## Special Schedules

for the year ended 30 June 2021

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#### **Special Schedules:**

Permissible income for general rates

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Report on infrastructure assets as at 30 June 2021

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## Yass Valley Council

### Permissible income for general rates

\$ '000	Notes	Calculation 2020/21	Calculation 2021/22
<b>Notional general income calculation <sup>1</sup></b>			
Last year notional general income yield	a	10,933	11,285
Plus or minus adjustments <sup>2</sup>	b	86	125
<b>Notional general income</b>	c = a + b	<b>11,019</b>	<b>11,410</b>
<b>Permissible income calculation</b>			
Rate peg percentage			
Or rate peg percentage	e	2.60%	2.00%
Plus rate peg amount			
Or plus rate peg amount	i = e x (c + g)	286	228
<b>Sub-total</b>	k = (c + g + h + i + j)	<b>11,305</b>	<b>11,638</b>
Plus (or minus) last year's carry forward total	l	-	20
<b>Sub-total</b>	n = (l + m)	<b>-</b>	<b>20</b>
<b>Total permissible income</b>	o = k + n	<b>11,305</b>	<b>11,658</b>
Less notional general income yield	p	11,285	11,676
<b>Catch-up or (excess) result</b>	q = o - p	<b>20</b>	<b>(17)</b>
Plus income lost due to valuation objections claimed <sup>4</sup>	r	-	16
<b>Carry forward to next year <sup>6</sup></b>	t = q + r - s	<b>20</b>	<b>(1)</b>

#### Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the Valuation of Land Act 1916.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



**INDEPENDENT AUDITOR'S REPORT**  
**Special Schedule – Permissible income for general rates**  
**Yass Valley Council**

To the Councillors of Yass Valley Council

### **Opinion**

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Yass Valley Council (the Council) for the year ending 30 June 2022.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2020–21 (LG Code) and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

### **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Emphasis of Matter - Basis of Accounting**

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

## Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2021'.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the Local Government Act 1993, I have separately expressed an opinion on the general purpose financial statements and the special purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

## The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

## Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar8.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.

A handwritten signature in black ink, appearing to read 'Lisa Berwick', with a horizontal line underneath the name.

Lisa Berwick  
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

29 November 2021  
SYDNEY

## Yass Valley Council

## Report on infrastructure assets as at 30 June 2021

Asset Class	Asset Category	Estimated cost		2020/21 Required maintenance <sup>a</sup>	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost					
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5	
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000						
<b>Buildings</b>	Buildings – non-specialised	–	–	90	90	3,059	5,715	30.0%	0.0%	70.0%	0.0%	0.0%	
	Buildings – specialised	–	–	355	370	11,411	38,288	15.0%	10.0%	75.0%	0.0%	0.0%	
	<b>Sub-total</b>	<b>–</b>	<b>–</b>	<b>445</b>	<b>460</b>	<b>14,470</b>	<b>44,003</b>	<b>16.9%</b>	<b>8.7%</b>	<b>74.4%</b>	<b>0.0%</b>	<b>0.0%</b>	
<b>Other structures</b>	Other structures	–	–	–	–	336	1,118	0.0%	0.0%	0.0%	0.0%	100.0%	
	<b>Sub-total</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>336</b>	<b>1,118</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>100.0%</b>	
<b>Roads</b>	Roads	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%	
	Sealed roads	–	–	607	607	120,329	149,374	38.0%	53.0%	9.0%	0.0%	0.0%	
	Unsealed roads	4,314	–	1,659	1,659	11,484	30,817	25.0%	10.0%	51.0%	14.0%	0.0%	
	Bridges	–	–	2	2	18,238	39,735	29.0%	4.0%	67.0%	0.0%	0.0%	
	Footpaths	–	–	54	54	4,877	6,246	57.0%	33.0%	10.0%	0.0%	0.0%	
	Bulk earthworks	–	–	–	–	78,290	78,290	100.0%	0.0%	0.0%	0.0%	0.0%	
	Culverts	150	–	–	–	13,082	22,198	9.0%	38.0%	46.0%	7.0%	0.0%	
	Kerbs	66	–	–	–	4,082	6,141	26.0%	42.0%	24.0%	8.0%	0.0%	
	Roundabouts	–	–	–	–	1,998	1,998	70.0%	26.0%	4.0%	0.0%	0.0%	
	Traffic Islands	–	–	–	–	285	436	36.0%	30.0%	34.0%	0.0%	0.0%	
	Ancillary Assets	–	–	–	–	498	543	0.0%	100.0%	0.0%	0.0%	0.0%	
	Other road assets (incl. bulk earth works)	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%	
	<b>Sub-total</b>	<b>4,530</b>	<b>–</b>	<b>2,322</b>	<b>2,322</b>	<b>253,163</b>	<b>335,778</b>	<b>48.5%</b>	<b>29.2%</b>	<b>20.3%</b>	<b>1.9%</b>	<b>0.0%</b>	
<b>Water supply network</b>	Water supply network	–	–	358	358	56,212	85,411	80.0%	15.0%	5.0%	0.0%	0.0%	
	<b>Sub-total</b>	<b>–</b>	<b>–</b>	<b>358</b>	<b>358</b>	<b>56,212</b>	<b>85,411</b>	<b>80.0%</b>	<b>15.0%</b>	<b>5.0%</b>	<b>0.0%</b>	<b>0.0%</b>	
<b>Sewerage network</b>	Sewerage network	–	–	202	202	26,237	48,706	45.0%	44.0%	11.0%	0.0%	0.0%	
	<b>Sub-total</b>	<b>–</b>	<b>–</b>	<b>202</b>	<b>202</b>	<b>26,237</b>	<b>48,706</b>	<b>45.0%</b>	<b>44.0%</b>	<b>11.0%</b>	<b>0.0%</b>	<b>0.0%</b>	
<b>Stormwater drainage</b>	Stormwater drainage	170	–	102	102	14,333	19,159	28.0%	54.0%	17.0%	1.0%	0.0%	
	<b>Sub-total</b>	<b>170</b>	<b>–</b>	<b>102</b>	<b>102</b>	<b>14,333</b>	<b>19,159</b>	<b>28.0%</b>	<b>54.0%</b>	<b>17.0%</b>	<b>1.0%</b>	<b>0.0%</b>	

## Yass Valley Council

### Report on infrastructure assets as at 30 June 2021 (continued)

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard \$ '000	Estimated cost to bring to the agreed level of service set by Council \$ '000	2020/21 Required maintenance <sup>a</sup> \$ '000	2020/21 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Open space / recreational assets	Swimming pools	–	–	125	125	2,040	2,784	0.0%	0.0%	100.0%	0.0%	0.0%
	Parks and Gardens	–	–	955	955	7,024	9,599	14.0%	68.0%	18.0%	0.0%	0.0%
	<b>Sub-total</b>	<b>–</b>	<b>–</b>	<b>1,080</b>	<b>1,080</b>	<b>9,064</b>	<b>12,383</b>	<b>10.9%</b>	<b>52.7%</b>	<b>36.4%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Total – all assets</b>		<b>4,700</b>	<b>–</b>	<b>4,509</b>	<b>4,524</b>	<b>373,815</b>	<b>546,558</b>	<b>48.9%</b>	<b>28.0%</b>	<b>21.7%</b>	<b>1.2%</b>	<b>0.2%</b>

(a) Required maintenance is the amount identified in Council's asset management plans.

#### Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

## Yass Valley Council

### Report on infrastructure assets as at 30 June 2021

#### Infrastructure asset performance indicators (consolidated) \*

\$ '000	Amounts 2021	Indicator 2021	Indicators		Benchmark
			2020	2019	
<b>Buildings and infrastructure renewals ratio</b>					
Asset renewals <sup>1</sup>	<b>9,471</b>	<b>134.30%</b>	112.57%	60.14%	>= 100.00%
Depreciation, amortisation and impairment	<b>7,052</b>				
<b>Infrastructure backlog ratio</b>					
Estimated cost to bring assets to a satisfactory standard	<b>4,700</b>	<b>1.23%</b>	0.56%	1.12%	< 2.00%
Net carrying amount of infrastructure assets	<b>383,234</b>				
<b>Asset maintenance ratio</b>					
Actual asset maintenance	<b>4,524</b>	<b>100.33%</b>	100.00%	98.03%	> 100.00%
Required asset maintenance	<b>4,509</b>				
<b>Cost to bring assets to agreed service level</b>					
Estimated cost to bring assets to an agreed service level set by Council	<b>-</b>	<b>0.00%</b>	0.00%	0.00%	
Gross replacement cost	<b>546,558</b>				

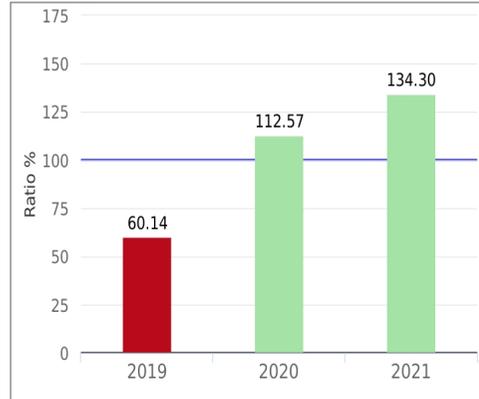
(\*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

# Yass Valley Council

## Report on infrastructure assets as at 30 June 2021

### Buildings and infrastructure renewals ratio



**Buildings and infrastructure renewals ratio**

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on result	
20/21 ratio	134.30%
Council's Building and Infrastructure renewal ratio has continued to increase due to increased grant funding to enable these works to be undertaken.	

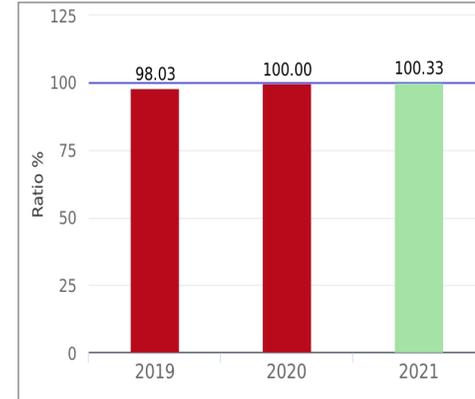
Benchmark: —  $\geq 100.00\%$

■ Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

■ Ratio is outside benchmark

### Asset maintenance ratio



**Asset maintenance ratio**

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on result	
20/21 ratio	100.33%
Council has been increasing its focus on asset maintenance and renewal. This can be seen in the upward trend of this ratio.	

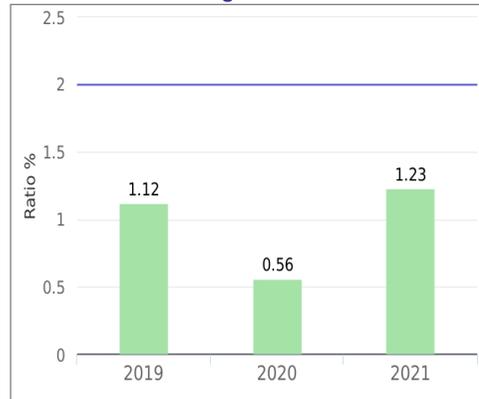
Benchmark: —  $> 100.00\%$

■ Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

■ Ratio is outside benchmark

### Infrastructure backlog ratio



**Infrastructure backlog ratio**

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on result	
20/21 ratio	1.23%
Council's Infrastructure backlog ratio remains below the benchmark. Continued focus on asset maintenance and renewal will result in this remaining below the benchmark.	

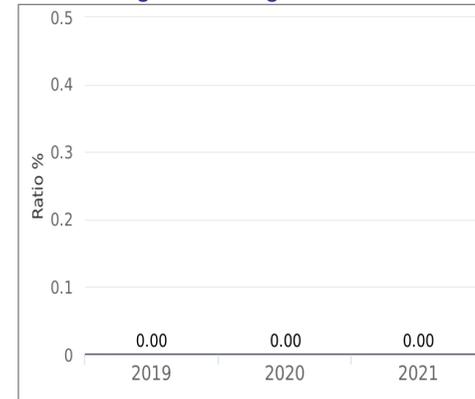
Benchmark: —  $< 2.00\%$

■ Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

■ Ratio is outside benchmark

### Cost to bring assets to agreed service level



**Cost to bring assets to agreed service level**

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Commentary on result	
20/21 ratio	0.00%

## Yass Valley Council

### Report on infrastructure assets as at 30 June 2021

#### Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2021	2020	2021	2020	2021	2020	
<b>Buildings and infrastructure renewals ratio</b>							
Asset renewals <sup>1</sup>							
Depreciation, amortisation and impairment	<b>169.97%</b>	156.92%	<b>0.00%</b>	0.00%	<b>0.00%</b>	0.00%	>= 100.00%
<b>Infrastructure backlog ratio</b>							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	<b>1.56%</b>	0.69%	<b>0.00%</b>	0.00%	<b>0.00%</b>	0.00%	< 2.00%
<b>Asset maintenance ratio</b>							
Actual asset maintenance							
Required asset maintenance	<b>100.38%</b>	100.00%	<b>100.00%</b>	100.00%	<b>100.00%</b>	∞	> 100.00%
<b>Cost to bring assets to agreed service level</b>							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	<b>0.00%</b>	0.00%	<b>0.00%</b>	0.00%	<b>0.00%</b>	0.00%	

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

**Attachment C**

# Report on Capital Works

Project description	New / Renewal	2020/21 Budget*	2020/21 YTD Actuals	Variance	Revoted	Funding Source	Progress comments
<b>Local Roads</b>							
Timber Bridge Replacement - Burrinjuck Bridge Seg 18	Renewal	408,137	409,929	- 1,792		Grant / Reserves	COMPLETED
Timber Bridge Replacement - Burrinjuck Bridge Seg 20	Renewal	318,135	291,850	26,285		Grant / Reserves	COMPLETED
Timber Bridge Replacement - Garryowen Road Bridge	Renewal	418,137	404,414	13,723		Grant / Reserves	COMPLETED
Shingle Hill Way Bridge Replacement	Renewal	355,000	281,622	73,378	Y	Grant	Contract awarded to Murray Constructions, currently preparing QA documentation and will commence onsite July 21.
Bango Bridge	Renewal	338,000	55,690	282,310	Y	Grant / Reserves	Council for joint procurement.
Local Roads Resealing (includes heavy patching)	Renewal	695,000	524,902	170,098	Y	Grant	COMPLETED
Local Roads Rehabilitation - Dog Trap Rd Seg 7B	Renewal	400,000	-	400,000	Y	Revenue	2021
Cork St Streetscape	Renewal	42,391	39,896	2,495		Revenue	COMPLETED
Comur Street Upgrade	Renewal	-	160	- 160		Revenue	
Winery Trail	New	1,269,736	378,042	891,695	Y	Reserves	Works commenced onsite both at the MB recreation grounds & Hercules Street, progressing well although held up with wet
Yass Valley Way Rehabilitation	Renewal	1,735,485	1,533,490	201,994		Revenue / Grant / Rese	COMPLETED
Nanima Rd Rehabilitation	Renewal	2,742,194	2,279,556	462,638	Y	Revenue / Grant / Rese	Stage 1 works close to completion, end of July weather permitting. Stage 2 works awarded to Hewatt Civil - to
Footpath works - Meehan Street	Renewal	45,000	35,182	9,818		Revenue	COMPLETED
Construction of Shared Paths	New	225,000	284,204	- 59,204		Grant	Sutton.
LED Upgrade of Council's Street Lighting	Renewal	472,341	385,419	86,922		Grant	COMPLETED
Roadside Weed Management Program	Renewal	79,886	73,184	6,702		Grant	
Illalong Road Seg 7	Renewal	440,000	64,417	375,583	Y	Grant / Reserves	in July
Yass River Road Seg 5B & 6	Renewal	580,000	54,306	525,694	Y	Grant / Reserves	Preliminaries completed, design underway, RFT to go out Mid 2021, construction by end 2021, early 2022.
Moreton Avenue	Renewal	445,000	28,010	416,990	Y	Grant / Reserves	awaiting updated program
Walls Junction Road Seg 3	Renewal	433,000	61,408	371,592	Y	Grant / Reserves	Preliminaries completed, design underway, RFT to go out Mid 2021, construction by end 2021, early 2022.
Cusack Place Seg 1	Renewal	395,000	61,885	333,115	Y	Grant / Reserves	in August/September 2021
Faulder Avenue Seg 2	Renewal	428,000	58,069	369,931	Y	Grant / Reserves	Preliminaries completed, design underway, RFT to go out Mid 2021, construction by end 2021, early 2022.
Good Hope Road Seg 9	Renewal	445,000	58,396	386,604	Y	Grant / Reserves	Preliminaries completed, design underway, RFT to go out Mid 2021, construction by end 2021, early 2022.
FLR Grant Resealing program	Renewal	1,545,000	1,358,215	186,785	Y	Grant / Reserves	COMPLETED
Dog Trap Seg 8	Renewal	429,000	451,946	- 22,946		Grant / Reserves	2021
Grand Junction Road Culvert	Renewal	70,000	69,332	668	Y	Reserves	COMPLETED
Traffic facilities - Yass Public School	New	30,000	7,267	22,733	Y	Reserves	Final report due for delivery by end of July 2021
Detailed Design for 21/22 Transport Asset - Local Roads	Renewal	50,000	18,548	31,453	Y	Reserves	REF report and detailed designs underway
Concept Designs for Bridge renewal Rd 5 - Greenwood Rd x3	Renewal	25,000	3,456	21,544	Y	Reserves	Concept designs underway, working on submission
Concept Designs for Fixing Country Roads Rd 2021	Renewal	50,000	5,577	44,423	Y	Reserves	Concept designs underway, working on submission
Detailed Design for 21/22 sealing an unsealed road	Renewal	50,000	16,380	33,620	Y	Reserves	REF report and detailed designs underway
Safer Roads Program	New	28,276	28,276	-		Grant	COMPLETED
Resheeting - Back Creek Road, Seg 4 & 8	Renewal	20,695	-	20,695	Y	Grant	
Resheeting - Bango Lane, Seg 1,3,4 & 5	Renewal	50,800	-	50,800	Y	Grant	
Resheeting - Casey Close, Seg 1	Renewal	20,720	726	19,994	Y	Grant	

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Resheeting - Connell's Lane, Seg 1 & 2	Renewal	53,900	4,990	48,910	Y	Grant	
Resheeting - Coolalie Road, Seg 7,8 & 9	Renewal	96,600	-	96,600	Y	Grant	
Resheeting - Dicks Creek Road, Seg 3 & 4	Renewal	51,450	-	51,450	Y	Grant	
Resheeting - Dog Trap Road, Seg 14-19	Renewal	222,600	79,777	142,823	Y	Grant	
Resheeting - Gum's Lane, Seg 4-8	Renewal	140,000	32,992	107,008	Y	Grant	
Resheeting - Longrail Cully Road, Seg 7	Renewal	17,500	-	17,500	Y	Grant	
Resheeting - Lucernvale Road, Seg 1	Renewal	35,000	-	35,000	Y	Grant	
Resheeting - Old Gap Road - Seg 2	Renewal	38,500	-	38,500	Y	Grant	
Resheeting - Springrange Road, Seg 7-8	Renewal	80,500	-	80,500	Y	Grant	
Resheeting - Tallagandra Lane, Seg 2,3 & 5	Renewal	64,680	-	64,680	Y	Grant	
Resheeting - Yass River Road, Seg 35	Renewal	42,398	-	42,398	Y	Grant	
Resheeting - Black Range, Seg 7-9	Renewal	85,305	85,305	-		Grant	COMPLETED
<b>Regional Roads</b>							
Annual Resealing - Regional Roads Network	Renewal	200,000	512,344	312,344		Grant	COMPLETED
Wee Jasper Rd Rehabilitation Seg 68	Renewal	896,000	830,498	65,502	Y	Grant	2021
Detailed Design for 21/22 Transport Asset - Wee Jasper Rd Seg 70 & 71	Renewal	50,000	18,731	31,269	Y	Reserves	REF report and detailed designs underway
Yass Valley Way Fatality Safety Improvements	New	70,000	70,415	415		Grant	COMPLETED
<b>State Roads</b>							
Safety Barriers - Burley Griffin Way, Binalong	New	45,000	5,870	39,130		Reserves	Report to June 2021 Council meeting
<b>Recreational Assets</b>							
Murrumbateman sand arena stabilisation	Renewal	50,000	-	50,000	Y	Revenue	groups
Murrumbateman Rec Grounds dog park	Renewal	20,000	-	20,000	Y	Revenue	Dec Council meeting resolution to have forum early 2021 to resolve all Murrumbateman strategic issues
Bowning Rec Ground new septic system	New	35,000	21,630	13,370	Y	Revenue	Preliminary works - design to be finalised JUNE 2021
O'Connor Park - seal roadway	Renewal	80,000	65,765	14,235		Revenue	COMPLETED
Murrumbateman Rec Ground Amenities	New	660,000	80	659,920	Y	Revenue	Request for design February 2021
Gundaroo Amenities Building	New	576,000	210,195	365,805	Y	Grant / Reserves	Construction underway to be completed 30 June
Upgrade of BBQ Equipment Coronation & Riverbank Parks	Renewal	20,000	19,211	789		Grant	completed JUNE 2021
Playground Equipment Replacement - Binalong	Renewal	60,000	54,021	5,979		Grant	2021
<b>Swimming Pools</b>							
Yass Pool hand rail replacement	New	10,000	9,123	877		Reserves	Handrails remediated where practical by maintenance staff. Will need to be revisited in new pool design
Shade Sail & New Vacuum	New	13,210	13,210	-		Reserves	COMPLETED
Software/Hardware for pool turnstile upgrade	New	10,086	10,086	0		Reserves	COMPLETED
<b>Cemeteries</b>							
New Toilet at Lawn Cemetery	New	50,000	-	50,000	Y	Reserves	To be completed by JUNE 30th
<b>Parks Gardens &amp; Recreations</b>							
Coronation Park Playground Replacement	Renewal	-	300	300		Revenue	COMPLETED
Village Ovals Bore Water Investigations	New	37,828	-	37,828	Y	Revenue	Report to be finalised by consultant
Murrumbateman Equestrian Ground/Oval Upgrade	Renewal	24,919	820	24,099	Y	Reserves	Dec Council meeting resolution to have forum early 2021 to resolve all Murrumbateman strategic issues

Murrumbateman Rec Grounds Club House	Renewal	60,000	-	60,000	Y	Reserves	Dec Council meeting resolution to have forum early 2021 to resolve all Murrumbateman strategic issues
Sutton Rec Grounds Stage 1	Renewal	24,460	1,889	22,571	Y	Revenue / Reserves	To be completed by JUNE 30th
Walker park Sporting complex Improvements	Renewal	591,458	615,668	24,210	Y	Reserves	Contract has been awarded to Monarch Constructions. For Grandstand construction. Preliminary works commenced
Murrumbateman Rec Ground Storage & Horse Yards Upgrade	Renewal	125,160	-	125,160	Y	Grant	
Yass Learn to Ride Centre	New	114,000	-	114,000	Y	Grant	
<b>Stormwater</b>							
Yass Flood Risk Management Plan	New	97,910	55,477	42,433		Grant	adoption
Murrumbateman/Binalong/Bowning/Bookham Flood Study	New	173,682	41,590	132,092		Grant	adoption
Sutton Detention - feasibility and design	New	48,733	-	48,733		Grant	COMPLETED
<b>Caravan Park</b>							
Amenities Upgrade	Renewal	232,210	1,726	230,484	Y	Reserve	Currently RQF underway
<b>Property Management</b>							
Murrumbateman Rec Ground Community Hall - Detail Design	New	99,481	-	99,481		Revenue	Currently on Hold pending outcome with NSW Education Dept about joint share facility located on School grounds. Funds to
Council Offices Improvements	Renewal	20,000	15,414	4,586		Revenue	COMPLETED
Library and Admin Building Lighting Upgrade	Renewal	2,665	2,662	3		Revenue	COMPLETED
<b>Plant &amp; Equipment</b>							
	Renewal	1,147,000	678,189	468,811	Y	Reserve	Currently 98.1% of annual budget committed to replacements, Replacement Grader ordered however delivery scheduled for late July. \$447,231.36 from Fy 20/21 to be carried over for Grader. New vehicles ordered for Depot - Roads Delivery,
<b>Water Supply Network</b>							
Integrated Water Cycle Management Plan	Renewal	140,000	40,819	99,181	Y	Reserve	Issues paper under preparation. Sewer flow monitoring and gauging stations set-up for detailed sewer modeling for Yass Sewerage System. Sewer flow model is complete and report is under review by Council. Advise was provided to Yarra development on the available capacity in the trunk sewer main on Stage 1 (150ET). Stage 2 (727 ET) advise is yet to be provided. Issue Paper (advanced draft) was presented and
Village Water Main Extension	New	20,000	1,194	18,806		Reserve	Only to be carried-out whenever there is a valid request for extension within water supply area. Budget allocated each year
Water Pump / Motor Replacement (Capital)	Renewal	100,000	2,199	97,801	Y	Reserve	The works will now be part of the WTP Upgrade work as per Council Resolution in December 2020. Refer PC5027027 below. Remaining budget TO BE CARRIED-OVER and included in
WTP Improvement	New	18,867	47,109	28,241		Reserve	On-going project to upgrade/replace equipment in the existing WTP when required. Replacement of faulty control panel/PLC at Powdered Activated Carbon dosing unit completed. Static
Yass to Murrumbateman WS Easements	New	485,000	489,286	4,286		Grant / Reserve	Acquisition of additional land for the construction of Morton Pump Station and future reservoir was completed. Registration
Yass to Murrumbateman WS Construction	New	1,700,000	2,058,607	358,607		Grant / Reserve	Reports to funding agencies provided for Grant Acuittal and all remaining grants from RNSW (\$373,500) and Federal

Developer Servicing Plan	New	27,503	-	27,503	Y	Grant	On hold pending the progress in IWCM Plan. Work to recommence in late FY21-22. TO BE CARRIED-OVER to FY21-22.
Telemetry System Upgrade Strategy - Water & Sewer	Renewal	80,000	45,069	34,931	Y	Reserve	Works order issued for the installation of radio link between Yass WTP and Yass STP. Work order for replacement of three old telemetry stations were also issued. IT was requested to obtain quotations for the server computers and peripherals at WTP and STP for the future SCADA system. One server and
Water Quality Improvements Yass	Renewal	1,009,694	416,080	593,613	Y	Grant	HAF(Housing Acceleration Fund) Funded Project. Concept Design is on-hold pending the outcome of a Peer Review. Geotechnical investigation was completed. Design Basis Report ( Draft) and Process & Instrumentation (Draft) were prepared. In December 2020, Council in consultation with DPIE Water agreed to stage the project and include the raw water pump station upgrade and bubble plume aeration of Yass Dam as Stage 1 works. Peer Review will inform how to proceed with the major upgrade and City Water Technology was engaged to conduct the Peer Review. Peer Review: Assesment Report 1 on water quality envelopes and Stage 1 works completed; Assessment Report 2 on Stage 2 works was shared with DPIE, NSW Health and HunterH2O on 14
Water Reservoir Upgrade program	Renewal	70,000	5,521	64,479	Y	Reserve	Binalong Reservoir chlorine dosing upgrade:- Work order was issued to upgrade chlorine dosing system.
Water Reticulation Upgrade program	Renewal	200,000	100,227	99,773		Reserve	Completed for FY2021. Therry Street: Pipelaying (150mm diameter) and relocation of services to new main completed.
Water Main Extension Murrumbateman North	New	100,000	-	100,000	Y	Reserve	Proposal from PWA including surveys, design, tender documentation and cost estimate is underway. Work order to
Flood Event - Water Assets, August 2020	Renewal	9,000	13,941	4,941		Reserve	Eroded segments of the 300 diameter pipe on the left bank of Yass River was restored. Restoring the eroded hole in the right bank area downstream of dam completed in February. Eroded
<b>Sewer Network</b>							
Sewer Main Upgrade program	Renewal	345,000	215,703	129,297		Reserve	Contract award Nov 2020; Works commenced in Dec 2020; lining completed except for a single line due to manhole inside the garage of a property; 7 junctions out of 56 to be sealed. Work commenced in May. One of the section where a garage
Ford Street SPS Generator Design	New	365,721	149,713	216,009	Y	Reserve	Contract award 12 Jan 2021; Site works commenced mid May 21. New platform erected and switch board and generator were delivered on-site. Scheduled for completion by early August
Wellington Road Sewerage Pump Station	New	1,900,000	1,376,094	523,906	Y	Reserve	Contract award 7 Dec 2020; Construction from Feb 2021, completed underbore and installation of twin rising mains; Gravity main underbore complete in mid Mar 2021; Emergency Storage Tank, Pump Wet Well and retaining wall construction were completed. Testing of rising main was completed. Gravity mains and manholes to be done. CHAZOP was completed. Contractors claim due to rock is in dispute. Wet weather

Integrated Water Cycle Management Plan - Sewer (capital)	Renewal	145,923	149,235	3,312		Grant / Reserve	Issues paper under preparation. Sewer flow monitoring and gauging stations set-up for detailed sewer modeling for Yass Sewerage System. Sewer flow model is complete and report is under review by Council. Advise was provided to Yarra development on the available capacity in the trunk sewer main on Stage 1 (150ET). Stage 2 (777 ET) advice is yet to be
Wastewater Treatment Plant Upgrade program	Renewal	30,000	12,656	17,344	Y	Reserve	Septic Receiving Facility Upgrade; survey work completed. Preliminary concept for upgrade drafted; Power supply investigation carried out on Mar and also on 10 June 2021.
20-21 Wastewater Pump Station Upgrade Program (Capital)	Renewal	100,000	37,432	62,568	Y	Reserve	Riverbank SPS:- Dry Well Pump No 1 at River Bank WWPS refurbishment/installation completed Dec 2020; Dry Well PUmp No.2 refurbishment/installation was completed in June 2021. Primary School SPS: Condition assessment completed; Draft
<b>General Waste Management</b>							
Waste Pit Compactor Refurbishment	Renewal	26,900	26,900	-		Reserve	COMPLETED.
Community Recycling Facility	New	120,000	-	120,000		Reserve	returned to Waste Reserve at end of FY.
Murrumbateman Stage 2 Landfill Rehabilitation	Renewal	254,380	-	254,380	Y	Reserve	tender required to award work as over min for tender amount. Tender doc being prepared in consultation with EPA (Carrover
Landfill Closure Plans	Renewal	25,000	-	25,000	Y	Reserve	nextFY)
Closure Murrumbateman Landfill	Renewal	200,000	-	200,000	Y	Reserve	"As Above" tender documents being prepared in consultation with EPA (Carry over funds to next FY)
Purchase New and Refurbishment of Waste Trailer Bins	Renewal	208,100	142,644	65,456		Reserve	Completed
Gundaroo Transfer Station Trailer Pad	New	50,000	30,694	19,306	Y	Reserve	expected completion end July 2021 depending on contractor and weather (carryover funds to next FY)
<b>Finance &amp; Corporate Services</b>							
Crago Mill Precinct	New	922,000	360,930	561,070	Y	Reserve	DA Submission due in August 2022, further project management and design will be needed to continue the project to the approval stage in Jan 2022. Tracking expected
<b>Public Health</b>							
Spray Tank (inc signage)	New	8,960	6,945	2,015		Grant	
Weeds Inspection Tablet	New	5,840	-	5,840	Y	Grant	
<b>*Includes revotes where applicable</b>		<b>30,321,054</b>	<b>18,510,727</b>	<b>11,810,326</b>			

**Attachment D**

# State of the Environment Report

## State of the Environment Report

Section 428A of the *Local Government Act 1993* requires that the annual report of a council in the year in which an ordinary election of Councillors is to be held must include a state of the environment (SOE) report.

The State of the Environment Report is to:

- (a) Establish relevant environmental indicators for each environmental objective, and
- (b) Report on, and update trends in, each such environmental indicator, and
- (c) Identify all major environmental impacts (being events and activities that have a major impact on environmental objectives).

The Tablelands Regional Community Strategic Plan (2016-2036) covers the Yass Valley, Goulburn Mulwaree and Upper Lachlan.

One of the Strategic Pillars in the Plan is 'Our Environment': *We appreciate our range of rural landscapes and habitats, and act as custodians of the natural environment for future generations.*

The five strategies for this pillar are listed, followed by a summary of progress and achievements made against each of these within the period 2016-2021 in *italics*:

### **Strategy EN1 Protect and enhance the existing natural environment, including flora and fauna native to the region.**

- To consider environmental protection when making planning and funding decisions, and investigate offset programs
- To actively conserve and rehabilitate areas of natural beauty in the local government areas, encouraging the use of native flora where possible and appropriate.
- To implement effective integrated pest & weed management and animal control.

*Every Development Application received by Council's was assessed for impacts on the natural environment and regulated in accordance with legislation.*

*Flora and Fauna Studies have been undertaken for new water infrastructure, such as the Murrumbateman Pipeline, the Wellington St Sewer Pump Station and the Yass Water Treatment Plant extension.*

*Council maintains a staff member who is an accredited assessor under the Biodiversity Conservation Act 2016.*

*Biodiversity surveys have been undertaken on Council owned property 'Hawthorn' to inform an application for Bio certification.*

*Areas of Council owned land, or Council managed Crown Land, have been identified as priority sites for assessment for possible Biodiversity Stewardship sites, which would receive ongoing funding for management of biodiversity values.*

*Transfer of Weed Management Functions returned to Yass Valley Council once Southern Slopes Noxious Plant Authority was dissolved. Strategic Weeds Plan completed and adopted by Council. Roadside weed spraying has commenced. Community education on weed identification and management has increased significantly, with an overall improvement in biosecurity compliance.*

### **Strategy EN2 Adopt environmental sustainability practices.**

- To internally consider and apply appropriate practices in each of the local government organisations and offices, such as water conservation, energy efficiency, recycling
- To encourage the use of environmentally sustainable practices in suppliers' and Council services, for example water sensitive urban design (WSUD) in local designs, considering sustainability in tender assessments, and investigate improvements in Council operational practices such as pesticides used, fuel and energy consumption etc.
- To actively promote environmental sustainability education and awareness programs
- To investigate potential incentives or rewards for commercial and industrial operators who adopt environmental sustainability practices.

*Council employs a Senior Biosecurity Weeds Officer to undertake inspections and implement the Local Strategic Weeds Plan.*

*Council continues to engage with Enviromentors who deliver programs to interested local primary schools. The Canberra Region Joint Organisation (CRJO) funded workshops which focused on waste reduction were delivered by the Eaton Gorge Theatre Company. Council requested workshops focused on High School and Preschool aged students as that is a demographic we have missed engaging before. There were a series of drama workshops at Yass High School and also presentations at two local preschools featuring the 'King and Queen of Green'.*

*Clean Up Australia Day activities coordinated including organising rubbish pickup at approved sites, advertising and assisting volunteer groups.*

*Sustainability information shared weekly on Council's Social Media #SustainabilitySunday.*

*Council obtained funding for a series of hands-on workshops focused on encouraging people to think differently about resources, and reducing waste sent to landfill. This was called the Hands On for Less Waste Project, and was funded by the NSW Environmental Trust. The Project ran from 2018 to 2020. The project provided 8 adult workshops (attended by 113 people) and 35 primary school workshops (attended by 802 children). The workshops covered topics such as How to Halve Your Household Waste, Garden Art from Junk, Zero and Low Waste Gardening, Lunches Unwrapped, and In The Bin.*

*In 2021 Council launched the Yass Valley Eco Champs Project. This is a promotional project designed to use local and social media to showcase local businesses who are making an effort to increase the sustainability of their operations. The project is free to participate in and is open to all businesses in the Yass Valley.*

*In 2021 Council began carrying out a Climate Change and Natural Disaster Risk Assessment. This document is designed to assess the risks that a changing climate presents to Council assets and operations. The first draft has been written and the document will be finalised in mid to late 2021.*

### **Strategy EN3 Protect and rehabilitate waterways and catchments.**

- To initiate water protection and rehabilitation programs.
- To support and encourage water protection and rehabilitation programs initiated by residents and community groups.
- To ensure planning polices and LEPs support the protection of waterways and catchments.

*Council continues to carry out the actions in the Yass Gorge Plan of Management together with Friends of Yass Gorge.*

*We are contributing monthly data for two monitoring points to ACT and region Waterwatch. This data, combined with the Water Bug Surveys, which are conducted every year in Spring, contributes to the Catchment Health Indicator Report (CHIP Report). The CHIP report gives an outline of the water quality and river health for each subcatchment in the Upper Murrumbidgee, including the Yass River.*

*We are working toward broader catchment health goals through our membership on the Upper Murrumbidgee Catchment Network (UMCN), the ACT and Region Catchment Management Coordination Group, and the ACT and Region Stormwater Education Group.*

*Council supported Yass Landcare on an Environmental Trust Restoration and Rehabilitation grant to restore a section of the Yass River and Manton Creek. This grant application has been successful and works will commence in Spring 2021.*

**Strategy EN4 Maintain a balance between growth, development and environmental protection through sensible planning.**

- To ensure local planning policies and strategies protect and enhance the natural environment.
- To make high-impact planning decisions consistent with the planning scheme, to consider social and environmental impacts and community sentiment.
- Investigate incentives for business to establish in the region, but at the same time support approval conditions that encourage positive social and environmental contributions from developers.

*A number of Planning Proposals have been approved, including three at Sutton, two at Gundaroo, one in Murrumbateman as well as the creation of the Parkwood LEP. These have all involved significant assessment of biodiversity, bushfire, flooding and Aboriginal cultural issues.*

*Strategic context for planning decisions was provided through the adoption of the Sutton Masterplan, Gundaroo Masterplan and Settlement Strategy. The Yass Valley Local Strategic Planning Statement was also adopted during this time.*

**Strategy EN5 To investigate and implement approaches to reduce our carbon footprint**

- To develop initiatives that aim to reduce Council's carbon footprint through internal procurement processes.
- To support residents, businesses and industry in reducing their carbon footprints in their homes, businesses, and lifestyle choices.
- Develop or maintain walking and cycling paths and facilities to encourage active transport.
- Support the development of renewable energy facilities where appropriate in the region.

*Council continues to separate eligible containers for recycling at transfer stations. Non-ferrous metal is separated in respective types to be sold.*

**Attachment E**

# **Committees – Annual Reports**

## **Nil to Report**