

# Bellingen Shire Council Annual Report 2014-15



Bellingen Shire  
COUNCIL



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# Bellingen Shire COUNCIL



## Foreword to the 2014 – 2015 Annual Report



## Introduction

The major focus in 2014/2015 was the continuation of the Fit for the Future (FFF) program being undertaken by NSW councils in response to the Local Government reform process instigated by the State Government. The Fit for the Future process is about councils demonstrating that they are financially sound, operating efficiently and in a strong position to guide growth and deliver quality services into the future.

Bellingen Shire Council, along with other NSW councils, was asked to review its current situation, prepare a Fit for the Future submission by 30 June 2015 and make the transition to a new structure by September 2016 or implement an improvement plan.

Council developed an Improvement Plan based on the FFF Template 2 requiring benchmarks and performance ratios including forecast information up to and including 2019/2020 financial year. The Plan drives the expected improvement in performance over a five (5) year period. These criteria are primarily focused on sustainability, infrastructure and service management and efficiency.

To ensure our community was kept fully informed throughout the process, a series of media releases and advertisements were provided and a dedicated Information Page was set up on Council's website. To compliment this, a series of briefings and Q&A sessions were held with the three Chambers of Commerce and business and community leaders.

Ageing infrastructure continued to dominate Council resources with a key focus on management of our assets. Council's previous successful application to IPART for a Special Rate Variation of 11.8% allowed for increased investment in maintenance and renewal of transport infrastructure in Bellingen Shire by at least \$4.4 million over the next 10 years.

Major projects include:

- the reconstruction of the Newry Island Bridge which represented a \$1.2 million investment in local infrastructure. At the same time the sewer mains to Newry Island were replaced and the sewer pump station was upgraded.
- Construction of a new Sewerage Treatment Plant at Dorrigo continued with the project expected to be operational by the end of 2015. Including a NSW Government grant of \$2.274 million the project represents an overall investment of \$8.122 million.
- Major slip restoration works were undertaken at Mylestom Culvert, Coramba Road and Little North Arm Road. The 2014/15 works program saw bridge repair works undertaken. Road maintenance and resealing occurred on Sunny Corner Road, Kalang Road, Darkwood Road and North Bank Road.

The reporting period also saw a major environmental incident occur with the discovery of Bellinger River Snapping Turtles, either dead or dying, in the Bellinger River. A response team was established in an attempt to determine the



Cr Mark Troy  
Mayor



Liz Jeremy  
General Manager



cause with the investigation being supported by a diagnostic team spanning the Australian Registry of Wildlife Health at Taronga Conservation Society Australia, NSW Department of Primary Industry, CSIRO's Australian Animal Health Laboratory and drawing on expertise and diagnostic capacity at five universities. Turtles were collected for a captive breeding program and the investigations are ongoing. Our community are being kept informed via media and public meetings.

It is gratifying to be able to reflect on Council's many significant achievements throughout the 2014/15 reporting period. Highlights were:

- Finalist in the 2014 National Banksia Sustainability Awards – Local Government Sustainability Category
- Bellingen Shire named as number one Council in NSW for the highest kerbside waste diversion rates at approximately 84%
- Coastal Zone Management Plan and Estuary Inundation Mapping Study adopted
- Development of the Bellingen Main Street Master Plan
- Development of the Feasibility Study for the Urunga Tidal Swimming Facility
- Advocacy and assistance toward the rehabilitation of the former Urunga Antimony Processing Site
- Development of the Koala Plan of Management
- Adoption of the Bellingen Shire Public Art Plan
- Preparation of the Gleniffer Reserves Master Plan
- Preparation of the Dangar Falls Plan of Management
- Launching of the Bellingen Shire Discovery Apps
- New tourism branding for the 3 key towns in our Shire
- Workers compensation insurance premium costs were 28% less than 2013/14 costs as a result of a sustained focus on employee health and safety
- Council initiated and led the regional procurement of a shared Learning Management System for 6 of the 7 MIDROC Councils resulting in significant cost savings

The following Annual Report gives us a chance to reflect on what Council has achieved and the status of ongoing projects and services that are being delivering to our community each and every day. Once again we acknowledge the outstanding contribution that is made by our community groups and volunteers who share their time and talents to make these achievements possible.

Finally, we would like to thank the Councillors and staff of Bellingen Shire Council for their hard work and service during the 2014/15 period.

Kindest regards

Cr Mark Troy



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Mayor

Liz Jeremy



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General Manager



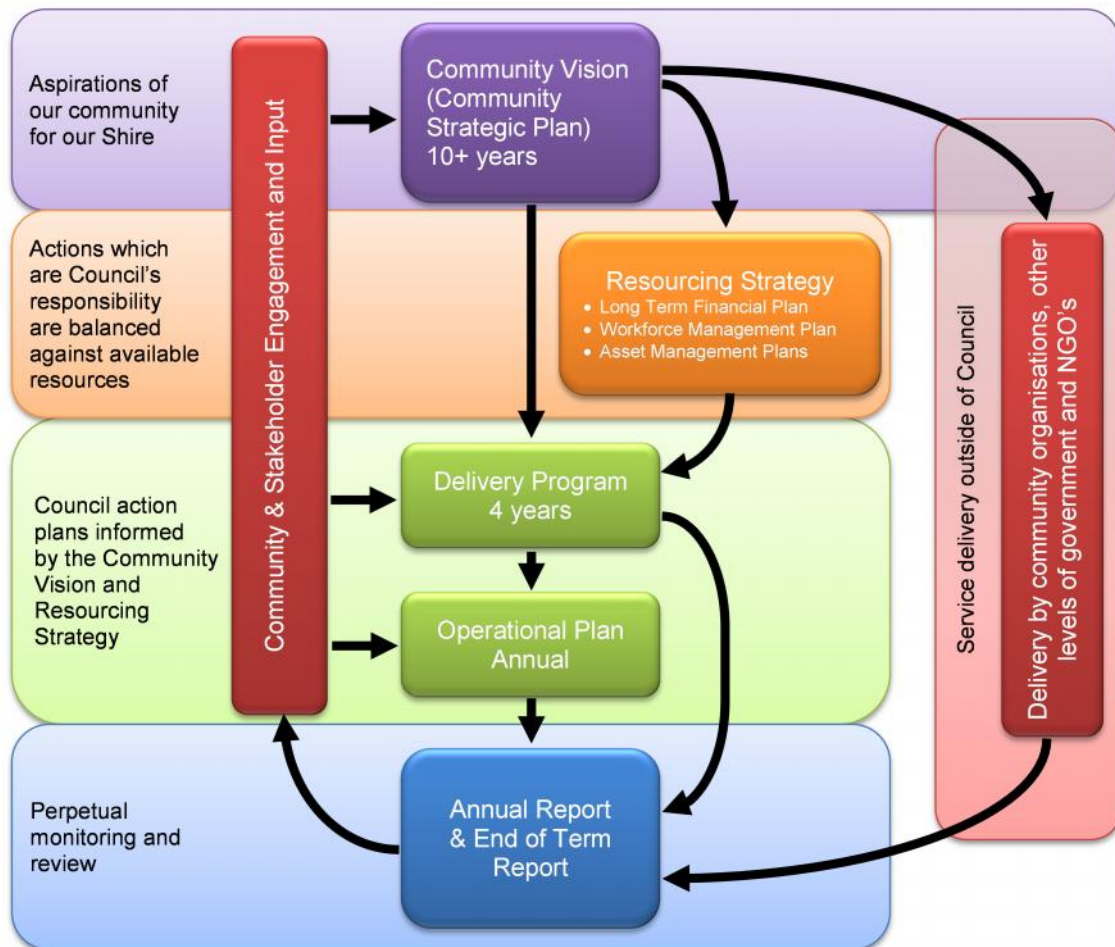


## How to Read This Report

The Annual Report is part of Council's Integrated Planning and Reporting (IP&R) framework, and it outlines Council's achievements in implementing its Delivery Program and Operational Plan which are guided and constrained by the Resourcing Strategy.

The IP&R framework was designed by the NSW Government and, since its introduction in 2009; all councils in NSW have transitioned to it.

The IP&R framework consists of a Community Strategic Plan, a Resourcing Strategy, a Delivery Program, an Operational Plan and Annual and End of Term reports. The relationship and purpose of each of these elements is represented by the following diagram:



The End of Term report will be prepared in the last year of the Council's term in office as an additional section for the Annual Report. It will report on Council's achievements in implementing the Community Vision during the Council's term of office.

This Annual Report is divided into three main sections.

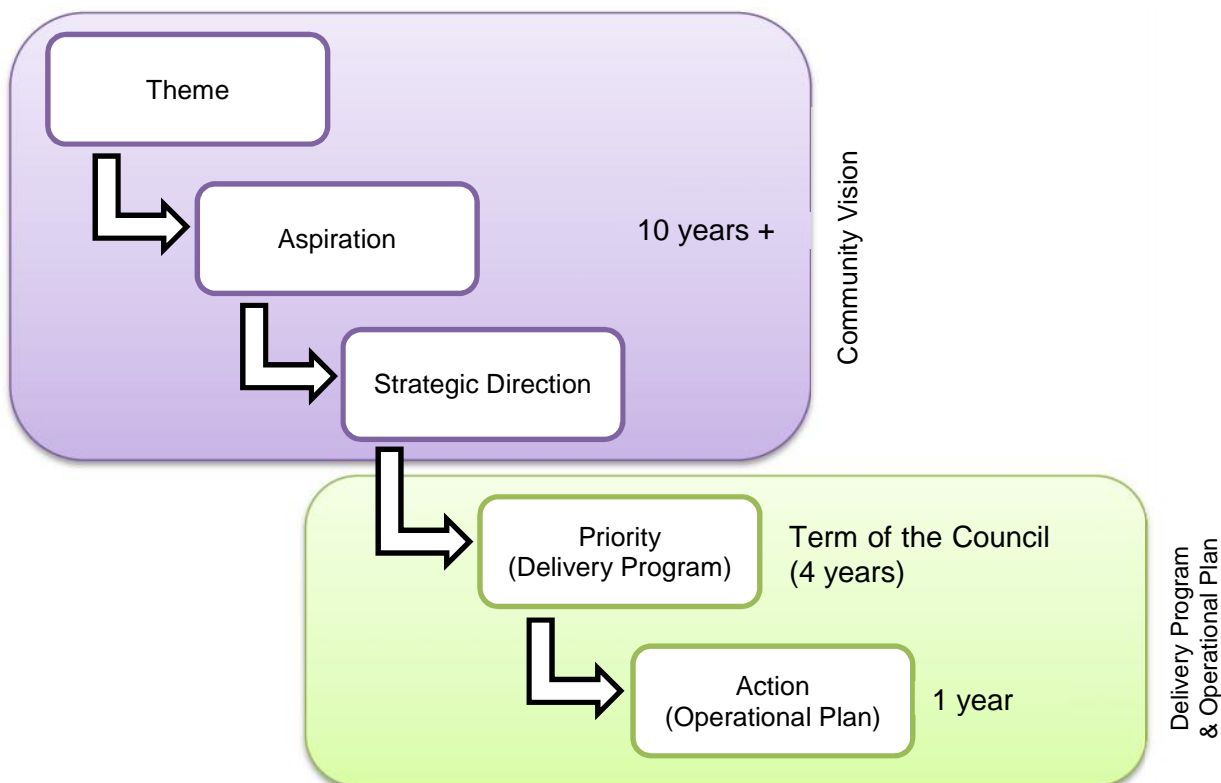
### Section 1

The purpose of Section 1 is to report on progress against the Delivery Program and Operational Plan.

The first part of Section 1 of this report provides a summary of Council's achievements for the year grouped by the different Business Units within Council.



The second part of Section 1 provides a detailed report on the achievement against each of the items in the Delivery Program and Operational Plan, structured according to the layout of the IP&R suite of documents as shown in the diagram below.



The Themes, Aspirations and Strategic Directions flow from the Community Vision and indicate what the community’s aspirations are for the future and some broad strategies on how they are to be achieved. The Delivery Program outlines what *Council* intends to deliver over the term of the current elected group of councillors, and the Operational Plan outlines what actions Council intends to take in the planning year to work towards the outcomes contained in the Delivery Program.

There are five themes contained in the Community Strategic Plan which relate to this Annual Report.

- Resilient Economy
- Community Wellbeing
- Places for People
- Living Environment
- Civic Leadership

Under these five themes there are twenty aspirations and sixty-seven strategic directions. Each priority in the Delivery Program relates to one of these strategic directions and each action in the Operational Plan relates to a priority in the Delivery Plan.

## **Section 2**

Section 2 contains a financial summary and various statutory information that Council is required to report.

## **Section 3**

Section 3 contains the full, audited financial statements of Council

The photographic images in this report were taken by Gethin Coles and Bruce Jacups





## Section 1 - Report on Progress Against the Delivery Program





# Significant Achievements for 2014 - 2015 Year by Business Unit

The following is a summary of achievements for each of the Business Units within Council.

## Works

The Works Unit is responsible for the maintenance and construction of Council's road and bridge infrastructure, including special rate variation projects. It also provides other services to the community such as the maintenance of stormwater drainage, parks, gardens and cemeteries.

The NSW Road and Maritime Services has contracted Council to undertake maintenance work on Waterfall Way. This contract work is also managed and coordinated by the Works Unit. The Works section currently has third party accreditation in respect of the provision of maintenance and construction services up to \$2,000,000. Council certification approval covers Environmental Management System (ISO 14001:2004), OH&S Management System (AZ/NZS 4801:2001) and a Quality Management System (ISO 9001:2008).

### Significant achievements during the 2014-15 year:

#### Special Rate Variation Program

- road widening and resealing on Darkwood Road
- heavy patching and resealing on Kalang Road
- resealing on Sunny Corner Road
- resealing on North Bank Road
- replacement of the bridge spans, deck and footpath on Newry Island Bridge.

#### Works Program (for Council)

- reconstruction of the pavement on, and, the widening of a 400m stretch of Coramba Road
- repair to a culvert in North Beach following flood damage
- reconstruction of pavement on a 500m stretch of Waterfall Way at Little North Arm Road
- completion of repairs to Duffys Bridge on Kalang Road, required as a consequence of flood damage
- \$2m worth of flood repairs to council roads and bridge network, including repairs to gravel pavements, shoulders, drainage culverts, table drains and bridges
- \$1.5m (non-flood) investment in Council's roads and bridge network, including signs, guideposts, slashing, tree removal, grading, drainage cleaning and pavement repairs
- \$1.3m investment in council parks and reserves, including gardening, toilet cleaning, mowing, litter control and tree maintenance
- construction of an additional section of elevated timber pathways on the Dangar Falls walkway.

#### Routine Works Program (on Waterfall Way)

- completion of a gabion rock retaining wall at Weeping Jenny
- construction of a dish drain at Dorrigo Mountain, including subsoil drains, shoulder works and kerb and gutter
- completion of the Heavy Patching Program
- reconstruction of a culvert at Newell Falls



## Asset Management and Design

The Asset Management and Design Unit is responsible for the planning and development of Council's infrastructure assets for public roads, open spaces and buildings. It also coordinates the maintenance and construction budgets to enable the Works Unit to deliver road, bridge, stormwater drainage, building, and parks and reserves maintenance and improvements.

This Unit also manages road network matters, including public transport, heavy vehicle routes, pedestrian and cycle ways, load limits, road safety and traffic management. It also provides engineering conditions for developments.

### Significant achievements during the 2014-15 year:

- completion of designs for major slip restoration works at Coramba Road and Little North Arm Road. Commencement of the construction contract with completion expected in the first quarter of 2015/16
- coordination of a structural assessment for four timber bridges, investigating options for bridge repair or replacement and considered current bridge design standards for load capacity. Bridges assessed were; Reids Creek Bridge - Kalang Road, Cooks Creek Bridge - Kalang Road, Browns Bridge – Valery Road and McFaydens Bridge – Gordonville Road
- Black Spot Road Safety Grant funding was obtained for the investigation and design of improvements to Short Cut Road, Raleigh
- grant funding was obtained for pedestrian safety improvement for Waterfall Way, Bellingen, which enabled the development of the Bellingen Main Street Plan
- coordination of the design for the bridge over Pipe Clay Creek as part of the Hungry Head Road cycle path
- establishment of an Asset Protection Zone for fire protection behind Sky Place, Bellingen
- review of all transport and stormwater asset data in preparation for valuation purposes
- liaison with NSW Roads and Maritime Services and Lend Lease for the Pacific Highway upgrade from Nambucca Heads to Urunga
- commencement of a revision to the Roads and Traffic Infrastructure Section 94 Plan with the final draft expected to be available for public exhibition later in 2015/16
- completion of asset revaluation for roads ,bridges, footpaths and drainage
- commencement of a revision to the Pedestrian Access and Mobility Plan (PAMP) and Cycle Plan: the final draft is expected to be available for public exhibition in the second quarter of 2015/16.

## Economic Development

The Economic Development Unit is focused on establishing a resilient economy, the promotion of balanced and sustainable tourism and development of the agricultural sector. This is achieved by attracting investment to the Shire, providing appropriate infrastructure to support growth and working with local business and regional partners.

The unit provides visitor information services, volunteer co-ordination, grant support, business development support and management of Council public swimming pools and tourist information centres.



## Significant achievements during the 2014-15 year:

### Tourism

- Council has representation on the Coffs Coast Tourism Management Committee and North Coast Destination Network. Initiatives include commissioning a Tourism Strategic Plan for the Coffs Coast Region, collaboration with Destination NSW to reshape the Regional Tourism Organisation structure and delivery of State tourism funding
- establishment of new tourism branding for the three main towns in the Shire
- implementation of three tourism Discovery Apps. This is a partnership which will support tourist information and council services
- development of the Gleniffer Master Plan to address environmental and social impacts from tourism
- volunteer familiarisation tours of accommodation properties improving product knowledge and visitor information services
- creation of a new Facebook page for tourism promotion called “Bellingen Dorrigo Urunga”
- development of the Events Hub to promote the events and festival sector. Ticket sales through the Waterfall Way Visitor Centre increased its annual turnover by one hundred per cent from the previous year
- support and promotion of the Bush ‘n Bay Adventure Race at Mylestom, including facilitating volunteer support and promoting the event to relevant target markets.

### Economic Development

- an exhibition at the Country NSW Expo in Sydney to promote the Bellingen Shire as a relocation prospective
- collaboration with Coffs Harbour Innovation Centre to offer a series of Innovation Workshops throughout the Shire
- co-sponsored the Mid North Coast Food Forum, attracting agribusinesses and offering industry development workshops and presentations
- provision of mentoring services to a range of new and existing businesses
- joined the Small Business Friendly Council program, identified strategies to improve services to small business, including the rollout of a development application tracking service to process all commercial and events based development applications
- Youth Mentoring Program developed with the Bellingen Shire Business and Education Alliance, promoting youth retention in the Shire as a key objective.

### Sale Yards

- review of the on-going fees and charges to promote sustainability of sale yard operations
- review of Work Health and Safety aspects of the facility
- new broadband infrastructure installed to improve internet connectivity and to improve facilities for clients.

### Grants

- NSW Roads and Maritime Services provided \$600,000 to assist in the reconstruction of Newry Island Bridge. The bridge infrastructure backlog across the Shire was also addressed
- NSW Environment Protection Authority (EPA) contributed \$106,300 to build a new community recycling centre





- EPA provided \$71,932 to purchase new recycling street bins and a weigh bridge at Raleigh Waste Management Centre
- Council and Bellingen Valley/Dorrigo Rugby League Club secured \$68,182 to repair the grandstand and upgrade storage and amenity buildings at Bellingen Park
- Department of Sport and Recreation contributed \$25,000 to upgrade lighting facilities at Connell Park
- NSW Cancer Institute committed \$25,000 for eight multipurpose marquees for public sun and weather protection at parks, sporting grounds, swimming pools, festivals, functions and events
- Southern Phone awarded \$25,000 to fund kitchen renovations at Bellingen and Dorrigo Girl Guide halls, purchase of recreational equipment for Bellingen Scouts and provision of a pool hoist at Bellingen Swim Centre
- The Community Building Partnership Program provided \$15,000 towards the restoration the Bellingen Memorial Hall roof
- NSW Office of Local Government awarded \$10,000 to establish a program that subsidises companion animal fees for low income earners
- North Coast Local Lands Services contributed \$5,000 to control new and emerging weeds
- The Department of Education and Communities provided \$1,230 to host a youth clinic in Dorrigo, a basketball clinic in Urunga and a youth music event at Bellingen Markets
- The Department of Family and Community Services awarded \$800 to host a seniors week function.

## Land Use Services

Council's Land Use Service Unit is responsible for the provision of services to the development industry and community, which comply with Council's statutory and regulatory responsibilities in the functions of town planning, development control, strategic land use planning, land information, public and environmental health, building regulation control, certification, compliance and enforcement, on-site sewage management and ranger services.

### Significant achievements during the 2014-15 year:

- review of Council's Ranger services culminating in the employment of two full time rangers rather than one full time and one casual, resulting in improved services for equivalent former costs.
- development of two new internal procedures to accompany Council's Compliance and Enforcement Policy. Barking Dogs and Abandoned Vehicle procedures were developed, reviewed and implemented
- 184 development applications were processed
- 33 Section 96 applications were determined; 25 Complying Development Certificates (CDC); 100 Construction Certificates; 109 Occupation Certificates and 15 Subdivision Certificates
- total construction value for this period was \$18,440,684 (Development Applications) and \$1,406,770 (Complying Development Certificates)
- no request for reviews of determinations under s82A of the NSW Environmental Planning and Assessment Act 1979, and no appeals to the Land and Environment Court



- a total of 326 Section 149 Certificates were processed; 91% of the total certificates were issued in less than five days, exceeding the target of 85%
- revised swimming pool inspection program, giving priority to public pools over private pools, with mandatory point of sale inspections being undertaken
- a total of 62 food premises' inspections. Of these; 39 were found to have no, or a small number of issues, 13 were found to have some moderate food safety issues and 10 were found to have multiple, moderate or major food safety and hygiene issues. Twenty three food re-inspections were undertaken to ensure compliance was achieved
- risk categories were assigned to each food business in accordance with the Australian New Zealand Food Authority priority classification system
- On-site Sewerage Management Scheme (OSMS) Program completed 545 inspections, the systems have been mapped and entered into Council's register
- arborist function – 100 tree assessments carried out on Council owned, or managed, land reducing risk to community and Council
- Council commenced and completed a planning proposal (Planning Proposal 8) to facilitate the construction of a senior's housing development and medical centre in Dorrigo.
- Geographic Information System (GIS) installed and conversion of Council's existing map data into the system commenced
- eHousing Code was launched which will benefit land use planning in the Shire
- Bellingen Shire Comprehensive Koala Plan of Management exhibited for public review and comment
- Local Environment Plan amendment, arising from Council's Employment Lands Strategy (Rezoning of part of William St to Zone B2 Local Centre), was completed
- development of a new Heritage Strategy
- management of the 2015 Heritage Week Activity. "Bring in Your Old Photos" events were held in Dorrigo, Bellingen and Urunga. 157 photos were submitted, scanned and returned; an additional 181 digital images were supplied
- continuation of Local Heritage Assistance Program with nine projects funded

## Community Wellbeing

The Community Wellbeing Unit covers a range of services and facilities across our community. It includes the management and implementation of Arts and Cultural policies and plans, beach patrols by professional lifeguards, planning of services and facilities for different population segments from Dorrigo Support Centre, emergencies services general liaison, provision of library services, Section 355 committee support and operation of Council's Youth Hub.

### Significant achievements during the 2014-15 year:

#### Bellingen Shire Libraries

- Family History Workshop held via Camp Creative at Bellingen Library, with potential to become a regular event
- book launches by local authors Bronwyn Parry and Karly Lane
- ANZAC Day display and presentation by Moira and Kevin Franklin at Bellingen Library with period costume, historic military artefacts and vehicles on display
- Australian Voices in Print Tour – authors Jenn McLeod, Karen Davis and Tricia Stringer included Bellingen Library in their Australian library tour



- participation of over 200 students in Children's Book Week activities with local schools Urunga Public School, St Marys Primary School and Mount St Johns Primary School taking part
- ABC Open held regular blogging, film making and photography workshops across the three branch libraries
- branch libraries hosted annual library events, such as Library Lovers Day, National Simultaneous Storytime and Summer Reading Club.

#### Relationships/Partnerships/Facilities

- continuation of positive relationship building with Section 355 Committees. A section 355 Committee Guidelines Manual was developed to support the operation of the committees.
- supported improvement and maintenance projects, including Connell Park lights and Bellingen Memorial Hall roof
- positive engagement with local Aboriginal leaders and community; successful NAIDOC Week Flag Raising ceremony and participation in schools NAIDOC Week events
- participation in Bellingen Shire Interagency, Aged Care Network, Child and Family Interagency.

#### Access/Inclusion/Diversity

- development of a Shire Mobility Map
- modification of features in Council buildings to improve accessibility
- construction of a ramp to enable better access to Bellingen Neighbourhood Centre
- awareness-raising morning tea held on International Day of People with a Disability
- installation of automatic opening doors at Urunga Library
- participation in Harmony Day celebrations at Bellingen Markets.

#### Planning

- participation in place based planning initiated by NSW Family and Community Services.

#### Health

- Mental Health Month program included engagement with outlying communities
- formation of a Community Drug Action Team and successful funding submission for associated projects
- First Aid courses held in small communities.

#### Seniors

- successful Seniors Week event
- extended care network support.

#### Information/Marketing/Awareness

- distribution of information to other services and organisations
- supported Banner Pole bookings for community group's marketing.

#### Youth Hub

- number of events per month continues to increase (40% per annum)
- number of users (youth and adult) continues to increase (60% youth)
- expanding range of services to youth and community
- number of different groups and organisations using the Hub continues to expand





- centres room usage increasing – now operating around functional 60%
- no graffiti, vandalism or theft in the past 18 months
- increased collaboration across all service sectors
- increased number of volunteers and supporters
- outstanding community satisfaction results from last survey
- centre's credibility expanding beyond Bellingen Shire
- centre is operating in accordance with its strategic plan
- operating now within all sectors: Health and Wellbeing, Education and Training, Arts and Music, Community Development.

#### Dorrigo Support Centre

- delivery of approximately 10,000 hours of social support, centre based activities, domestic assistance, local transport and supported accommodation to aged people or people living with a disability
- monthly program of varied activities based on client interests
- support group for carers with a mandala project as an activity
- program on finishing Unfinished Objects (UFO) as a support for carers activity
- fortnightly shopping trips
- monthly trips to a live show for seniors in Coffs Harbour
- trip to Floriade, national museums and attractions in Canberra
- collaboration with Hickory House, CWA, Multipurpose Service and Community Transport
- participation in service sector networks such as Neighbour Aid, Mid Coast Communities and National Disability Service
- Stage Two of a Sensory garden at Hickory House.

#### Arts and Cultural

- Public Art Plan developed and adopted in conjunction with the Arts and Cultural Advisory Committee
- pop-up art in shops, painted waste bins, historic photos on waste bins implemented consistent with the Public Art Plan
- supported the Sculpture in the Park Exhibition at Urunga and the Music Festival in Bellingen
- ongoing meeting of the Arts and Cultural Advisory Committee.

#### Emergency Services Support

- presentation by the Rural Fire Service on conditions that create a potential for a major fire event
- regular liaison meetings with local Rural Fire Service district staff
- liaison with State Emergency Service staff
- First Aid courses in conjunction with Medicare, in Kalang and Megan as a support for residents who may face emergency situations.



## Sustainable Environment and Waste

Council's Sustainable Environment and Waste business Unit (SE&W) develops, supports and implements innovative projects in partnership with our local community, including our indigenous community. The key focus areas include invasive plant management, biodiversity management, coastal and river ecosystem management, sustainable food production, climate change adaptation and mitigation and resource recovery (waste management).

### Significant achievements during the 2014-15 year:

- finalist in the 2014 National Banksia Sustainability Awards – Local Government Sustainability Category which recognises and promotes sustainable development and practice
- involvement in the Bellinger River Snapping Turtle Mortality event, including provision of an administration centre for the Incident Management Team (IMT), promotion through media and Council's website and communication with field workers and staff
- management of Council's kerbside waste collection contract (with Handybin) leading to the highest waste diversion rates in NSW (approximately 84%)
- Bowerhouse Reuse Centre has generated \$47,246.42 in revenue and received a \$70,000 EPA grant for further upgrades
- implementation of the Business Model Review to ensure Council's resource recovery facilities are compliant with EPA requirements and efficiently resourced
- waste facility fees and charges reviewed, Landfill Environment Management plans for Dorrigo and Raleigh waste facilities approved, six site-based waste attendant positions were converted from external contract positions; and a \$106,000 EPA grant received to construct a community recycling centre
- commencement of the Coffs Coast Resource Recovery and Waste Management Strategy from 2015 – 2027
- Final Coastal Zone Management Plan and Estuary Inundation Mapping Study approved, including monitoring beach profiles and coastal erosions; actioned through Bellinger Shire Coastal Zone Management Plan 2014 (CZMP).
- Implementation of the Environment Levy Community Fund (ELCF). Thirteen applications were received, 9 projects were supported, representing an investment of \$32,773
- the SE&W Team and the Works Unit constructed an additional 50 metres of wooden boardwalk on the existing pathway at Dangar Falls Reserve, ongoing bush regeneration continues
- \$70k was secured from NSW Office of Environment and Heritage (OEH) to implement the Bellinger River Floodplain and Estuary Water Quality Improvement project: work plan and draft funding agreements were developed; technical design advice and costings for two dairy farms received
- supported Bellinger Landcare to deliver 10 sustainable farm plans, valued at \$18,000, focused on farm planning, agricultural weeds, pasture and grazing management and soil health
- development of Bellinger Shire's Local Food Guide; 46 local businesses will be showcased
- twelve North Coast Weeds Action Plan objectives were delivered, exceeding committed annual weed control targets. Further weed control works delivered:
  - Final Pesticide Use Notification Plan adopted by Council meeting NSW EPA audit requirements



- class one Tropical Soda Apple plants removed under Thora Bridge and large scale inspections and eradication at Pine Creek State Forest
  - ongoing treatment of class one Kidney Leaf Mud Plantain at Raleigh Waste Management Centre
  - trial of Bioweed (organic herbicide) and subsequent report to Council
  - treatment of Seeded Bananas as classified as a new incursion in the Shire
  - ongoing treatment of White Blackberry, Salvinia and Fireweed.
- completed a total of 200 on ground Local Control Authority weed inspections covering approximately 5100 ha
  - implemented Stage One of service delivery review (SDR) for Weed Management Services, including an Invasive Plants Inspector (part-time 12 month contract), Weedmap Pro software and private weed spray contractors engaged to carry out weed control and bush regeneration
  - implemented the Jaliigirr Biodiversity Project - two sites (approximately 25ha) connecting key vegetation corridors and Dangar Falls Reserve were selected for weed control.

## Water and Wastewater

The Water and Wastewater Unit is responsible for the operation, maintenance and upgrade of Council's sewer treatment plants, pump stations and reticulation network and for ensuring that discharged effluent meets all EPA and health licence and guideline conditions.

The Water Unit is responsible for the operation, maintenance and upgrading of the water pumps, treatment plants, reservoirs and reticulation network and ensuring the water meets the Australian Drinking Water Guidelines.

### Significant achievements during the 2014-15 year:

#### Wastewater

- replacement of sewer mains to Newry Island and upgraded the sewer pump station
- commenced construction of the new \$8.122 million Dorrigo Sewerage Treatment Plant
- replaced aeration blowers at Bellingen Sewerage Treatment Plant
- ongoing maintenance works, including the replacement of sewer mains and manholes
- upgraded Urunga Sewerage Treatment Plant's ultraviolet disinfection system
- operation and maintenance of treatment plants, pump stations and reticulation network
- treated over 764 million litres of wastewater

#### Water

- installed backup generators at Bellingen Water Treatment Plant, the infiltration well and Dorrigo Water Treatment Plant
- upgraded sand filtration unit and valves at Dorrigo Water Treatment Plant
- replacement of ageing water meters
- operation and maintenance of treatment plants, pump stations and reticulation, including replacement of ageing mains and stop valves
- supplied over 1 billion litres of potable town water





## Financial Services

The Finance Team oversees financial planning and management activities, including budgeting and forecasting, investments, rating, water billing, reporting and financial compliance. Reporting and compliance is a major function within the unit and ensures the Council's financial statutory obligations are met in a timely manner.

### Significant achievements during the 2014-15 year:

- review and implementation of a range of policies including investment policy
- tendered for borrowings under the Local Infrastructure Renewal Scheme (LIRS)
- implemented a Special Rate Variation (SRV)
- prepared relevant data for Fit for the Future submission
- implemented new Long Term Financial Plan software

## Organisational Development and Strategy

The Organisational Development team provides support for organisational change along with creating a framework of human resource management principles, guidelines and practices that directly supports Council's goal to attract, develop and retain talented and engaged employees. Focus areas include recruitment and selection, diversity management, employee learning and development, talent management including management and leadership development, succession and career planning, performance planning and management systems, reward and recognition, employee engagement, employee relations and employee safety and wellbeing.

### Significant achievements during the 2014-15 year:

#### Attract

- continued in-house management of recruitment. The use of online recruitment enabled 24 positions to be filled, with a 20% reduction in the budget (the budget has been reduced by 43% since 2012)
- a regional procurement initiative for an online recruitment platform will result in efficiency savings and an across the board cost reduction in licencing fees
- maintained commitment to youth employment via trainee programs. The Disability and Aged Carer traineeship concluded with the trainee securing employment with Council. A new traineeship in bridge carpentry commenced
- five student work experience placements were provided for, participation in a careers day at Dorrigo High School, including primary and secondary students and relationships with school careers' advisors and external providers established

#### Develop

- initiated and led a shared Learning Management System for six of the seven Mid North Coast Regional Organisation of Councils (MIDROC) councils as opposed to each Council individually procuring this service. Bellingen Shire Council will save \$11,220 per annum and \$44,880 over the four year subscription



- staff “learning events” were completed (approximately 40% online); priorities included business writing skills, customer service, project management, traffic control, working near overhead power lines, fire awareness, safety planning, essential tickets and licences related to plant and equipment, compliance and corporate policies. The online learning system was extended to volunteers, contractors and committee members to enable access to compliance training
- continued to partner with other MIDROC councils to address regional training needs
- strong focus on leadership; an on-site Leadership Development Program for Works Supervisors and Council’s management team and a Strategic Leadership and Planning workshop for councillors were held
- three employees were supported in their formal studies in Frontline Management and other qualifications via the Educational Assistance programme
- participated in the LGMA mentoring program for high potential leaders, including providing an Executive Mentor to the program.

#### Retain

- undertook a Staff Satisfaction Survey and engagement of employees in improvement planning; 15 department-based action plans were developed focussing on agreed priority areas
- provided ongoing training and coaching on the use of electronic performance management system and performance feedback training for managers and supervisors
- concluded the Workers Compensation Improvement Plan and maintained focus on employee safety and wellbeing, resulting in a reduction in Council’s insurance premium costs
- continued participation in the industry benchmarking initiative: the Local Government Professionals/PwC Operational Effectiveness Survey
- service/departmental reviews were undertaken for Ranger Services, Finance Department and Water and Wastewater; implementation of recommendations completed by Ranger Services, Finance has commenced implementation and Water and Wastewater recommendations still under consideration
- developed a new, four year Equity and Diversity Plan 2014 – 2018 (EEO Management Plan).

## Governance and Engagement

The Governance and Engagement Business Unit provides a diverse range of services to both internal and external customers. The team provides frontline customer service at the counter, and on the telephone, provides administrative support for a wide range of business process and business units, oversees Council’s tenders and stores function, undertakes media liaison, manages Council’s Internal Audit function and supports Council’s Audit Committee. It is also responsible for corporate planning, Council’s leases and legal documents and the management of the varied elements of Council’s Governance, Risk and Compliance framework.

#### Significant achievements during the 2014-15 year:

- Audit Committee was established and inducted
- an Internal Audit Plan was prepared and endorsed by the Audit Committee and the first internal audit commenced
- an Enterprise Risk Management Framework was prepared and presented to the Audit Committee



- establishment of a formal lease register in Council's IT management system
- development and adoption of a lease policy
- Customer and Business Service team successfully achieved its target first contact resolution rate of 80%
- local government governance health check was completed and presented to executive management for review
- catalogue of services delivered by Council to the community was completed and used in the Fit for the Future submission
- initial investigation of Council's operational land was undertaken and a report provided to executive management
- IT changes were made to allow access to the operational land register and list of crown land trusts via Council's Intranet; improving staff access information
- process improvements were made to Council's service request management
- a Social Media Policy was adopted and the Community Engagement Strategy was updated to include social media tools
- conducted a review of the light fleet options to bring them up to date with the market
- staff participated in a project to identify underlying IT platforms for the website, making maintenance and updating more efficient in the future.

## **Information Technology and Records Management Services**

Information and Technology Services cover all things information and data related. This can be divided into records (information services) and the technology used for managing information (IT). Information services include the distribution, registration and tasking of incoming correspondence, management and retention of documents, overseeing of Council document management systems and advice to the rest of the organisation on information handling responsibilities and best practice.

IT services include desktop, laptop and mobile device hardware and software support, support of corporate applications, support of Council's server and networking equipment, communications, including telephony and network links, projects for improvement of services and use of emerging technologies.

- Managed Print Services Agreement renewed with estimated 65% cost saving over four years
- Mobile Phone and Landline Contract renewed with improved data plans for council
- Wi-Fi extensions completed at Urunga and Dorrigo Libraries
- Business Paper Generation software implemented ahead of first live use in August 2015
- Legacy Scanning Project continuing; property file scanning completed, other scanned content includes certificates and application forms
- shared services discussions continuing with neighbouring councils
- continued reporting for correspondence tasks and registrations: statistics published to Intranet
- PC replacement and server virtualisation programs continuing
- Council website data layer upgraded
- security cameras installed at Dorrigo Depot and upgraded at Administration Building



- telemetry used for water and sewer upgrade
- Mobile Device Policy introduced.





# Detailed Report on Delivery Program and Operational Plan for 2014 – 2015 Year by Theme, Aspiration and Strategic Direction



Bellingen Shire  
COUNCIL



# Annual Report on Delivery Program and Operational Plan 2014/2015

# Theme - Resilient Economy

We have meaningful work and vibrant businesses within our community

Our community has a diversity of businesses and new industries

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.1.1.1	Executive the priorities and meet the targets contained within the Strategic Land Use Planning Program	RE.1.1.1.2	Participate in the Regional Growth Plan development and advocate for inclusion of land excluded from partial endorsement of ELS	Strategic Planner	Completed	Council has provided regular and detailed advice to the Department of Planning as they have progressively developed the draft North Coast Regional Growth Plan. This advice has consistently advocated for recognition of land recommended for development in Council's Employment Lands Strategy.
RE.1.1.2	An overall improvement in business's perception and satisfaction of Council's outdoor dining policy from 2014 to 2016	RE.1.1.2.1	LEP amended and Footpath Activities Policy adopted	Strategic Planner	Progressing	The Bellingen Main Street project will be presented to Council in July 2015 and this will provide context for the finalisation of the Footpath Activities Policy. The 2015-16 Plan requires completion of the Footpath Activities Policy to allow for its commencement in conjunction with the 2016-17 Financial Year. Despite the new Policy not yet proceeding to adoption, a series of minor amendments were made to Council's 2015-16 Fees and Charges document to rectify fee anomalies and ensure a greater level of equity in fees for different users of the footpath area.
RE.1.1.3	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	RE.1.1.3.1	Review the objectives of the current Economic Development and Tourism Plan. Identify relevant objectives that can be integrated in to the new Economic and Development Plan for 2015-2020.	Manager Economic and Business Development	Completed	The new Economic Development and Tourism Plan 2015-2020 is near completion and will go to the next Economic Development Advisory Committee meeting for final endorsement. The draft plan will then go to Council for consideration.

## We have innovative and alternative local trading systems

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.1.2.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	RE.1.2.1.1	Create a series of Innovation Workshops for business across the Shire. Provide a mentoring service to assist business development and productivity. Undertake an audit of major industries to understand the barrier for prosperous sustainability	Manager Economic and Business Development	Completed	During the year council facilitated three social media workshops, conducted three tourism forums and offered a specific agri- business workshop around social media. Council also worked collaboratively with other local government organisations to deliver the Mid North Coast Food Forum. In June this year, Council also hosted a workshop for the Events and Festival Industry on managing risks. Council has worked with Coffs Harbour Innovation Centre in developing a format to deliver three innovation workshops for the business community in August 2015. Council also provides mentoring support for both youth in the Shire and the business community. For example, Council is assisting new accommodation operators on business and marketing planning.



## Businesses within our shire are ethical and sustainable

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.1.3.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	RE.1.3.1.1	Across all engagement with business, promote consideration of environmental, cultural and professional values	Manager Economic and Business Development	Completed	Council has a strong commitment to promoting environmental, cultural and professional values. For example, the development of the Gleniffer Master Plan will result in a valuable legacy for the community. The plan's aim is to address the negative impacts from increasing visitation on the local culture and environment. The plan will guide infrastructure development to reduce visitor impacts and outline the level of any future tourism marketing for the reserves. Council also conducted three separate familiarisation tours for visitor centre volunteers throughout the year. This professional development exercise enables volunteers to provide qualified referrals to tourists and to build first-hand knowledge of our tourism product portfolio.

## We have the public infrastructure to appropriately support business activity

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.1.4.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	RE.1.4.1.1	Consider and respond to requests from businesses regarding public infrastructure requirements	Manager Asset Management and Design	Completed	During the 2014/15 reporting year requests for public infrastructure were investigated within the available resources and managed within agreed timeframes
RE.1.4.2	As a major enabler of economic activity, review Road Asset Management Plan (including measures and targets) on an annual basis	RE.1.4.1.2	Review and progressively improve RAMP	Manager Asset Management and Design	Not Progressing	During the 2014/15 reporting year all transport asset registers were verified in preparation for the Road Asset Management Plan (RAMP) review. The RAMP review will follow the revision of the Road Asset Management Strategy
		RE.1.4.1.3	Council ensures that it adopts contemporary systems for development assessment and electronic supply of planning information through successful participation in the Electronic Housing Code Project and implementation within Bellingher Shire.	Strategic Planner	Completed	Council has continued to embrace the move towards electronic planning and is well positioned, with the acquisition of a new GIS system, to continue to improve its ability to participate in contemporary trends in planning.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		RE.1.4.1.4	Implement statutory planning and building components of NSW Governments Planning Reform Program wherever necessary.	Manager Land Use Services	Completed	<p>The NSW governments planning reform program stalled with the proposed new legislation unable to pass the NSW Parliament in late 2013. As such the NSW Government is attempting to reform the system "through existing laws" and it is understood a number of key reforms could be achieved under current legislation.</p> <p>One of the key reforms is a review of the Regional Growth Plans. Council considered a report on new regions for Growth Planning at its meeting of July 2014. Bellingen is proposed to form part of the North Coast region which includes Ballina, Byron, Clarence Valley, Coffs Harbour, Gloucester, Great Lakes, Greater Taree, Kempsey, Kyogle, Lismore, Nambucca, Port Macquarie–Hastings, Richmond Valley, and the Tweed.</p> <p>It is anticipated that the draft Strategy will be placed on exhibition mid-2015.</p>

## We are a disaster resilient community

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.1.5.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	RE.1.5.1.1	Consider and respond to requests for improving ability of community to manage disasters	Manager Asset Management and Design	Completed	<p>During the 2014/15 reporting year contributions were made to a range of planning documents including the Lower Kalang and Bellinger River Flood study and the Gleniffer Reserves Plan of Management. An assessment of the May 2015 flood event impacts was undertaken to consider planning for infrastructure protection.</p>

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.1.5.2	Review Business Continuity Plan annually for correctness and currency	RE.1.5.1.2	Business Continuity Plan	Governance and Corporate Planning Officer	Completed	The Business Continuity Plan was reviewed and updated as required.

## Our families are able to support themselves locally

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.1.6.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	RE.1.6.1.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	Manager Economic and Business Development	Completed	Council has worked actively with the Gleniffer community in finalising the Gleniffer Master Plan. The final draft of the plan will come before council in the October council meeting. This work is aligned to the Community Vision in developing sustainable tourism. Council has also been proactive in working with all three chambers of commerce and assisting in developing projects in each village. This has included: applying for funding for the Urunga Tidal Pool Development; working to make the development application process more efficient for small business; progressing the development of the Events Hub to support local festivals and events, and working with the education sector in developing a mentor service for shire youth.

## We have balanced sustainable tourism

Our Shire has a wide range of experiences for visitors



DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.2.1.1	Implement the 5 year Economic Tourism Development Plan	RE.2.1.1.1	Assess actions from current Economic and Tourism Development Plan and integrate relevant and achievable actions into the new Economic and Tourism Development Plan 2015-2020	Manager Economic and Business Development	Completed	The new Economic Development and Tourism Plan is in its final stages of development. The final draft will be submitted to the Economic Development Advisory Committee in August. Once the plan is endorsed by the committee, it will go to Council's Executive for input and sign off prior to it going to a Council meeting for approval.

### Our regional tourism assets are enhanced

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.2.2.1	Develop and strengthen effective local and regional partnerships	RE.2.2.1.1	Initiate a new MOU with Coffs Coast Marketing to reflect the ideals of Bellingen Shire Tourism operators and Council. Work with Economic and Development Managers in other LGAs to identify and attract opportunities for Bellingen Shire. Identify relevant regional, state and national industry groups to maximize opportunities for local business and industry.	Manager Economic and Business Development	Completed	Council facilitated Bellingen Shire representation for the merger of Tourism Coffs Coast Board into a new tourism management committee under Coffs Harbour City Council. Council worked with all chambers and industry to source local tourism representation. The new tourism management committee will develop a strategic tourism plan for the Coffs Coast Region. This new plan will enable a new MOU between Bellingen Shire and Coffs Coast Marketing.

## Our tourism providers strive for sustainable operations

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.2.3.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	RE.2.3.1.1	Promote a focus on management as opposed to marketing. Conduct Innovation workshops for Industry. Provide mentoring services. Reflect a management focus in the new Economic and Tourism Development Plan	Manager Economic and Business Development	Completed	Council has strongly advocated the need for a tourism management focus for the new strategic tourism plan being developed for the Coffs Coast Region. This work has included re shaping the brief to consultants and promoting a management focus to the new committee in developing a vision for the future. Council is also working with the North Coast Destination Network and Destination NSW to remodel the regional tourism organisational structure. A key objective in these negotiations is to place more emphasis on tourism management and opportunities to fund management initiatives.

## We have a sustainable local farming sector that provides us with healthy, fresh food

Local food growing, sharing and education initiatives are supported and developed

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.3.1.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	RE.3.1.1.1	Consider and respond to formal stakeholder proposals regarding local food growing initiatives	Manager Sustainable Environment and Waste	Completed	All formal requests have been responded to within 3 weeks. Council's Manager SEW and Manager Economic Development and Tourism have agreed to fund a \$3,300 project to develop a local food guide. Council's Sustainability Officer is the project manager and has confirmed that 46 local businesses will be included in the local food guide. Staff have also sought design layout and graphic design for the local food guide.

## Alternative farming systems are employed with examples including cooperative farming and land share

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.3.2.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	RE.3.2.1.1	Consider and respond to formal stakeholder proposals regarding alternative farming systems	Manager Sustainable Environment and Waste	Completed	All formal requests have been responded to within 3 weeks.

## Farming practices are financially and environmentally sustainable

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.3.3.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	RE.3.3.1.1	New project - Partner with Bellinger Landcare to develop Sustainable Farm Plans	Manager Sustainable Environment and Waste	Completed	This project was completed in Q4. A total of ten (10) sustainable farm plans were developed. The plans focused on farm planning, agricultural weeds, pasture and grazing management and soil health.

## Agriculture is a valued part of our economy

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.3.4.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	RE.3.4.1.1	Consider and respond to formal stakeholder proposals regarding agricultural initiatives	Manager Sustainable Environment and Waste	Completed	All formal requests have been responded to within 3 weeks.

# Theme - Community Wellbeing

## Our children, youth and seniors are valued, involved and supported

Youth and seniors programs and activities are in place and actively supported

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.1.1.1	Develop and implement a Community Support Policy and Procedures which enables Council to improve governance around donations and support	CW.1.1.1.1	Continue offering library programs such as Baby Bounce, Summer Reading Club, Children's Book Week, Library and Information Week, National Simultaneous Story time, author visits, school holiday activities and Library Lovers Day.	Librarian	Completed	Baby Bounce continues to be popular across all three branch libraries with an average of 15 children and adults at each session. Once again the libraries received the support of local schools, Urunga Public School, Mount Saint Johns Primary and Saint Mary's Primary through attendance of Children's Book Week Activities. Summer Reading Club held through the summer school holidays, proved successful again with over 100 children registering and over 600 books read across the shire. Authors Bronwyn Parry, Karly Lane, Tricia Stringer, Jenn J McLeod, and Karen M Davis visiting during the year. Other activities the libraries were involved in included Library Lover's Day, Library and Information Week, and National Simultaneous Story time (held in Bellingen Branch and library staff from Urunga and Dorrigo visited local preschools).



DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CW.1.1.1.2	Establish aged services inter agency to foster co-ordinated programs and partnerships	Community Wellbeing Planning Officer	Completed	The Bellingen Shire Aged Care Network has been established in the last 12 months and continues to grow with an average 20 members attending each meeting. The Network is an opportunity to hear from guest speakers, share information and collaborate on projects including the development of an Aged Care Wallet Card and better coordination of disaster planning.
CW.1.1.2	Continue the provision of the Dorrigo Support Centre and develop and implement a Vision for the Support Centre	CW.1.1.2.1	Dorrigo Support Centre to undertake quality assessment process by a third party verifier	Co-ordinator Dorrigo Support	Completed	All policies in relation to the disability standards have been updated. Client notes and living plans are completed. Third party verification through Bellingen Shire Interagency (BSI) achieved 10 May 2015.
CW.1.1.3	Implement the Vision for the Youth Centre	CW.1.1.3.1	Foster collaborative relationships with the S355 Committee and assist in the implementation of the Vision where appropriate.	Manager Community Wellbeing	Completed	Contact with members of the s355 committees for the Youth Hub and Hickory house Dorrigo Seniors Centre has been ongoing as required to collaborate on areas of mutual interest to support youth and seniors programs respectively.

Strong partnerships between schools and our community are in place to allow for intergenerational and cultural learning

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.1.2.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	CW.1.2.1.1	Provide demonstrations/presentations about the library's physical and online resources	Librarian	Completed	Library Staff member from Clarence Regional Library Head Quarters offered e-tea events across all branches during the 2014/15 year. These sessions allowed users with their own mobile devices to have one-on-one sessions with the staff member on how to access the library's e-resources, e.g. e-books, e-audio books, e-magazines and music streaming. These were intimate sessions with approximately 6 people in attendance at each session. Use of these resources continues to be popular with over 2000 downloads of e-magazines, 1177 downloads of e-audio books, and 3625 downloads of e-books. This year also saw the State Library of NSW move to allowing public library users to register with their home library cards to use the State Library's online e-resources through a simple registration process. This new initiative requires more marketing via user instruction sessions in our libraries. This will be something that is worked on in the 2015/16 year. Loans of physical items totalled 80,768 for the 2014/15 year, up from 75,950 in the previous year.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CW.1.2.1.2	Work with groups using Bellingden Seniors and Information Centre on shared use of space	Manager Community Wellbeing	Completed	Opportunities to partner with schools for intergenerational learning were taken where possible with Seniors Week being the key time for joint activities. Several meetings were held with various users of the Bellingden Seniors and Information Centre on shared use of space resulting in reports to Council and approval of the request by Bellingden neighbourhood Centre to allow it to apply for funding to extend the building to accommodate broader usage-more shared space.

Students have a variety of mechanisms such as a support centre and local scholarships

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
<b>CW.1.3.1</b>	Implement the Youth Centre Vision	CW.1.3.1.1	Foster collaborative relationships with the S355 Committee and assist in the implementation of the Vision where appropriate.	Manager Community Wellbeing	Completed	The Vision for the Youth Centre is being progressively implemented with a range of programs, services, activities and resources available to support youth. There is a collaborative relationship with the s355 committee. Students can access either the drop in support or the homework room at the Youth Hub in Bellingden. A key new program based at the hub introduced this year was a driver training program 2 way street. This program was in collaboration with the Bellingden Neighbourhood Centre.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.1.3.2	Development and implement a Community Support Policy and Procedures which enables Council to improve governance around donations and support	CW.1.3.2.1	Continue to promote Community Support Policy	Manager Economic and Business Development	Completed	Council provides support to non-profit organisations through its Community Support Funds. In the 2014/2015 financial year, Council offered two rounds in April and November with a total funding pool of \$50,000. From both rounds, Council received applications to the value of \$91,112 and was able to offer 35 organisations funding to the value of \$41, 983.
		CW.1.3.2.2	On-going implementation of Community Support Policy	Manager Economic and Business Development	Completed	Council provides support to non-profit organisations through its Community Support Funds. In the 2014/2015 financial year, Council offered two rounds in April and November with a total funding pool of \$50,000. From both rounds, Council received applications to the value of \$91,112 and was able to offer 35 organisations funding to the value of \$41, 983.

## Opportunities exist to share the experience and wisdom of seniors

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.1.4.1	Implement the Social Plan	CW.1.4.1.1	Implementation of Social plan priorities as funds permit.	Community Wellbeing Planning Officer	Completed	The Social Plan focus areas for the last 12 months have included the development and implementation of the Public Art Plan in consultation with the Arts and Cultural Committee, the development and implementation of the Access and Inclusion Plan in consultation with the Community Wellbeing Advisory Committee, Aboriginal engagement, youth engagement and maximising use of available Council space. Much has been achieved with a limited resource allocation due to collaborative partnerships with other groups and services.
CW.1.4.2	Continue the provision of the Dorrigo Support Centre and develop and implement a Vision for the Support Centre	CW.1.4.2.1	Dorrigo Support Centre to continue revision of services and to provide opportunities for intergenerational learning	Co-ordinator Dorrigo Support	Completed	The support centre will continue to find opportunities to promote cross generational activities

## We are a learning and creative community

The benefits and understanding of lifelong learning are promoted

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.2.1.1	Provide internet access to the community in selected public places	CW.2.1.1.0	Ongoing monitoring and maintenance of Wi-Fi in Bellingen Library park area	Manager Information and Technology Services	Completed	Wi-Fi in the Bellingen Council park area continues to be used by the public including residents and visitors. When analysed, Wi-Fi usage has been higher during periods of higher visitor numbers e.g. events.



DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CW.2.1.1.1	Wi-Fi expansion around outside of Dorrigo and Urunga libraries	Manager Information and Technology Services	Progressing	Dorrigo Library Wi-Fi expansion has been completed. Range is extended to park area opposite and towards youth space at rear of Dorrigo Hall. Urunga extension requires additional cabling before service can be activated. This was due to be completed in quarter but has been held over to next quarter to align with other electrical work at Urunga Library.

There are opportunities for lifelong learning including regaining and retaining traditional skills

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
<b>CW.2.2.1</b>	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	CW.2.2.1.1	Facilitate or promote opportunities for lifelong learning e.g. U3A, mentoring	Manager Community Wellbeing	Completed	Councils' website is consistently used to promote both community led and Council led events and community festivals which incorporate lifelong learning opportunities e.g. Camp Creative, Readers and Writers Festival, Transition Bellingen workshops. Council directly provides lifelong learning opportunities through its libraries, Dorrigo Support Centre and Youth hub on a wide range of topics and through Economic Development seminars on technology, business development and innovation.

## Our community is motivated to participate in lifelong learning activities

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.2.3.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	CW.2.3.1.1	Facilitate promotion of opportunities e.g. website, banner poles, partnering in service with community organisations	Manager Community Wellbeing	Completed	Promotion of opportunities through Council channels has continued to be a focus this year. Use of the banner poles has increased including use of the six banner poles in Urunga. Council's website has been promoted as a promotional tool available to community groups on a regular basis.

## A diversity of cultural and artistic activities are available across the Shire

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.2.4.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	CW.2.4.1.1	Facilitate promotion of opportunities e.g. website, banner poles, partnering in service with community organisations	Community Wellbeing Planning Officer	Completed	Promotion of opportunities through Council channels has continued to be a focus this year. Use of the banner poles has increased including use of the six banner poles in Urunga. Council's website has been promoted as a promotional tool available to community groups.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CW.2.4.1.2	Continue to support the Arts and Cultural Committee and finalise the Public Art Plan	Manager Community Wellbeing	Completed	The Arts and Cultural Committee provided advice on a range of community arts proposals and in the development and finalisation of the Public Art Plan for the Shire and associated art commissioning guidelines. Committee funds were used to support the Music Festival in 2014 in Bellingen, Sculpture in the Park event in Urunga and for a project aimed at sprucing up Dorrigo. Support was given to Waste Services for the street bin art done both by schools and through Council's new larger scale street bins incorporating historic photos of the towns (consistent with the adopted Public Art plan).

## We value, honour and actively acknowledge our Gumbaynggirr culture and heritage

We actively engage with and include the perspectives and knowledge of aboriginal people

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.3.1.1	Meet at least twice a year with local Gumbaynggirr elders to discuss Council activities and obtain their input as stakeholders	CW.3.1.1.1	Continue to meet with Gumbaynggirr elders to discuss activities and obtain input as stakeholders	Community Wellbeing Planning Officer	Completed	Relationships with members of the Aboriginal community including Gumbaynggirr elders have been strengthened this year. Consultation has been sought on a range of issues.

## Opportunities exist to learn about our aboriginal language, history and culture

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.3.2.1	Expand the catalogue of Aboriginal resources in all three libraries	CW.3.2.1.1	Promote the catalogue of Aboriginal Resources through Council newsletters, school newsletters and local newspapers	Librarian	Completed	<p>In 2012/13 identified \$10,000 to increase the number of Aboriginal relevant titles in the CRL collection. These were purchased through a number of sources. Since then an amount is annually identified (it was \$5000 this financial year) to continue to purchase aboriginal – relevant titles.</p> <p>Over 1000 titles are now available to the community through this targeted collection development project. Unfortunately, there is not a collection code specifying these materials. Relevant materials are given appropriate subject headings and spine labelling to alert library users that they contain Aboriginal content. However, there is no means of extracting statistics on the number of loans via our library management system.</p>

## We have regular aboriginal events, activities and storytelling in an appropriate cultural space

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.3.3.1	Meet at least twice a year with local Gumbaynggirr elders to facilitate and/or promote Aboriginal events, activities and story telling	CW.3.3.1.1	Continue to meet with Gumbaynggirr elders to discuss activities and obtain input as stakeholders	Community Wellbeing Planning Officer	Completed	<p>Positive engagement of the Aboriginal community including Gumbaynggirr elders has been a focus over the last 12 months with strong relationships in place for all areas of the Bellingen Shire. Consultation on a range of issues, including road renaming and the development of projects and events including Mental Health Month and the establishment of a Community Drug Action team has occurred.</p>

## Gumbaynggirr place and language is acknowledged through signage and other mechanisms

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.3.4.1	Develop a policy and/or guidelines in relation to the acknowledgement of Gumbaynggirr place and language	CW.3.4.1.1	Continue to meet with Gumbaynggirr elders re acknowledgement of place and signage	Manager Community Wellbeing	Completed	There has been ongoing liaison with Gumbaynggirr representatives as opportunities arise to acknowledge Gumbaynggirr place and language.

## We are connected, safe and healthy with a strong sense of community

### Community groups actively communicate and collaborate

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.4.1.1	Ready access to relevant stakeholders for community engagement purposes	CW.4.1.1.1	Libraries provide space for community groups to meet.	Librarian	Completed	Library visits for 2014/15 totalled 131, 723, up from 130,109 in 2014/15 year. The Bellingen Library meeting rooms continue to be popular with both library users, and community groups requiring meeting space. Bellingen Co-Working Group will be trialling using the Bellingen Library space one Monday per month in the 2015/16 year. This will not only allow the empty space to be utilised out of hours but allow the library to provide resources and skills to community members who are running their own businesses or completing individual projects.



DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CW.4.1.1.2	Offer community groups the opportunity to post details of their events on Council's website and include an article in Council's newsletter	Manager Community Wellbeing	Completed	A wide variety of community groups took the opportunity to promote their events on Council's Website including various awareness Days and Weeks, festivals, workshops, training opportunities and general activities of interest e.g. .Australia Day, Youth Week, Seniors Week, Anzac Day, Camp Creative, Readers and Writers Festival, Winter Festival, Music Festival, NAIDOC Week, Folk and Bluegrass Festival, Neighbourhood Centre Week, Demystifying Disability workshop, ABC Open workshops. Information on the opportunity to promote in Council's media is distributed through the community organisation interagency meetings.

### There is connection between and across our communities

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.4.2.1	Ready access to relevant stakeholders for community engagement purposes	CW.4.2.1.1	Promote interagency meetings	Community Wellbeing Planning Officer	Completed	Building connections between and across communities has continued to be a focus area this year. Established groups have grown in the number of attendees due to increased promotion of these groups. New groups have formed based on identified need, including the Dorrigo Community Action Team (CDAT). Many projects have developed from these collaborations including joint planning for Awareness Days, the Aged Care Wallet Card and coordinating the delivery of parenting courses in the Bellingen Shire.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CW.4.2.1.2	Offer community groups the opportunity to post details of their events on Council's website and include an article in Council's newsletter	Manager Community Wellbeing	Completed	A wide variety of community groups took the opportunity to promote their events on Council's Website including various awareness Days and Weeks, festivals, workshops, training opportunities and general activities of interest e.g. .Australia Day, Youth Week, Seniors Week, Anzac Day, Camp Creative, Readers and Writers Festival, Winter Festival, Music Festival, NAIDOC Week, Folk and Bluegrass Festival, Neighbourhood Centre Week, Demystifying Disability workshop, ABC Open workshops. Information on the opportunity to promote in Council's media is distributed through the community organisation interagency meetings.
		CW.4.2.1.3	Access and Inclusion Plan adopted and action taken on high priority items	Manager Community Wellbeing	Completed	The Access and inclusion Plan is being progressively implemented as funds permit with physical access improved to Bellingen Neighbourhood Centre, Urunga library and Dorrigo museum. Signage improved for accessible toilets and information on location of accessible toilets across the Shire included in the National Public Toilet map. Database. A data base of stakeholders for various community engagement purposes was developed to facilitate ready access to stakeholders and community connection. Advisory committees to council provide ongoing forum for across community connection and access to stakeholders.

## We have the programs, services and infrastructure to ensure a safe community

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.4.3.1	Where required resource emergency services (RFS, SES, etc.) to enable appropriate response	CW.4.3.1.1	Liaise with emergency service organisations and assess ability of Council to allocate available resources on a priority basis	Deputy General Manager Operations	Completed	Managers and Supervisors are informed of emergency requirements. No emergency declarations were made during 2014/15, however a storm event which occurred on 1/2 May 2015 was declared a Natural Disaster after the event.
CW.4.3.2	Conduct operational planning, liaison and execution with emergency services. Attend 80% of LEMC Meetings. Council representative at all activations of District Emergency Operations Centre where requested by District Emergency Management Officer	CW.4.3.2.1	Liaise with all relevant emergency services. Attend District Emergency Operation Centre when requested. Attend formal LEMC meetings	Deputy General Manager Operations	Completed	Four LEMC meetings were held during 2014/15 and Council staff attended all meetings.
		CW.4.3.2.2	Conduct planning, liaison, support and coordination with emergency services organisations	Manager Community Wellbeing	Completed	Planning liaison, support and co-ordination with emergency services organisations continued this year.
CW.4.3.3	Provide beach control activities at designated beaches	CW.4.3.3.1	Contract the successful tenderer for the lifeguard service and implement a monitoring program	Manager Community Wellbeing	Completed	The contracted Australian Lifeguard Service provides professional lifeguard services for the year at both Hungry head in Urunga and North Beach at Mylestom. A total of 18,073 people were recorded visiting the beaches with the highest number at Hungry head (10,049). There were 3,698 preventative actions taken by lifeguards, 4 rescues, 17 first aid treatments provided 39 law enforcement actions and 3,484 cases of providing information and advice to the public.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.4.3.4	Conduct enforcement activities as required by legislation and Council resolution	CW.4.3.4.1	Provide ranger service to enable Council to conduct enforcement activities as required by legislation and Council resolution	Team Leader Building and Regulation	Completed	Ranger service is being provided. 100% of complaints are being attended to.
		CW.4.3.4.2	Prepare Companion Animals Management Plan	Team Leader Building and Regulation	Progressing	Draft Companion Animals Management Plan has been drafted, and has been rolled into 2015/16 Operational Plan for delivery.
		CW.4.3.4.3	Implement local swimming pools register, inspection regime and community awareness program <ul style="list-style-type: none"> <li>• Undertake inspections of private swimming pools</li> <li>• Undertake mandatory point of sale inspections</li> </ul>	Team Leader Building and Regulation	Completed	Swimming Pool Inspection program adopted at Council Ordinary Meeting of 25 February giving priority to public pools over private pools. Swimming pool register is in place as required by Department of Local Government. Public awareness campaign has been undertaken with media releases issued and information supplied in hard copy and via Council's website. Mandatory point of sale inspections being undertaken as requested.
		CW.4.3.4.4	Regulate food risks to the public. Carry out inspections and regulatory compliance checks in compliance with Food Authority Standard. Respond to complaints relating to hygiene. Ensure food labelling requirements are met	Team Leader Building and Regulation	Completed	Food premises inspections have been undertaken for 2014/2015 Financial Year. During this period, 77.5% of premises requiring inspection were inspected. Risk categories have been assigned to each food business in accordance with ANZFA Priority Classification system.
		CW.4.3.4.5	GIS acquisition and implementation	Land Information Officer	Completed	System has been purchased, installed and Council existing map data has been converted into the new system.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CW.4.3.4.6	Review Bushfire Mapping	Land Information Officer	Progressing	Vegetation Classification almost completed for Rural Fire Service review.

## Our community is diverse, tolerant and understanding

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
<b>CW.4.4.1</b>	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	CW.4.4.1.1	Facilitate and promote Harmony Day and similar activities	Community Wellbeing Planning Officer	Completed	The celebration of Awareness Days has been a highlight over the last 12 months. Many people have participated in both the planning process and actual events that have taken place. Good media coverage and positive community feedback has reflected the success of these events.



# Theme - Places for People

**We have a diversity of beautiful spaces that foster community happiness and wellbeing**

We have a variety of passive recreation spaces including riversides, parks and reserves

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.1.1.1	Review and implement the Open Spaces Asset Management Plan (OSAMP) including measures and targets	PP.1.1.1.1	Consider and respond to requests for passive recreation needs and update OSAMP as appropriate	Manager Asset Management and Design	Completed	During the year there were no new community requests for increase passive recreation facilities. Input was provided to the following strategic documents - Dangar Falls Reserve Plan of Management, Gleniffer Reserves Master Plan and the Urunga Tidal Pool Feasibility Study.
		PP.1.1.1.2	Deliver the programs within the Section 94 Open Space Plan	Manager Asset Management and Design	Completed	The Urunga Tidal Swimming Pool Feasibility Study and Gleniffer Reserves Master Plan documents have been received and will be presented to Council in the first Quarter of 2015/2016

We have a variety of active recreation spaces including playgrounds, sporting fields and multipurpose centres

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.1.2.1	Review and implement the Open Spaces Asset Management Plan (OSAMP) including measures and targets	PP.1.2.1.1	Consider and respond to requests for active recreation needs and update OSAMP as appropriate	Manager Asset Management and Design	Progressing	During the 2014/2015 reporting year Council has responded to service requests and actively managed the maintenance of all active recreation facilities under Council control in line with the OSAMP. A review of the OSAMP will be carried out subject to the revision of the Strategic Asset Management Plan
		PP.1.2.1.2	Execute the maintenance function in relation to town parks and reserves to agreed service standards and within budget	Manager Asset Management and Design	Completed	During the reporting year 2014/15 all maintenance functions in relation to town parks and reserves were successfully completed in accordance with the agreed service standards and within the budget allocation.

We have a variety of shared community spaces including meeting spaces accommodating public art, cultural and environmental amenity

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.1.3.1	Review and implement Council's Building Asset management Plan (BAMP) including measures and targets.	PP.1.3.1.1	Consider and respond to requests for building asset management needs and update BAMP as appropriate	Manager Asset Management and Design	Completed	During the reporting year 2014/2015 the number of requests for building repairs exceeded budget allocations. Works were prioritised and scheduled within the resources available. It is expected that the maintenance backlog will be addressed in the next financial year.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		PP.1.3.1.2	Public art plan adopted and action taken to promote plan	Manager Community Wellbeing	Completed	The public Art plan was adopted by Council on 27 August 2014 and has been promoted both within Council (Operations, Sustainability Environment and Waste, Business and Economic Development and Community Wellbeing) and through Council's website and to community organisations such as Chambers of Commerce in each town and Arts Councils in Dorriggo and Bellinggen. Public art ideas have been incorporated into street bins, the Bellinggen Main Street plan and the Gleniffer Reserves Master Plan.

## We have a mixture of affordable sustainable housing options for all in our community

There are affordable housing options for all through a diversity of mechanisms including increased public and community housing

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.2.1.1	Execute the priorities and meet the targets contained within the Strategic Land Use Planning Program	PP.2.1.1.1	Undertake a Sewer Modelling project	Manager Water and Sewer	Progressing	Ongoing work. Manhole survey complete in Dorriggo, 95% complete in Urunga and 85% in Bellinggen. Data is being entered into the modelling software.
		PP.2.1.1.2	Review residential density provisions in Chapter 2 of Bellinggen DCP 2010 upon completion of sewer modelling.	Strategic Planner	Progressing	The scheduled completion of the sewer modelling by Q4 was not achieved. This has continued to frustrate attempts to review residential density controls and other affordable housing initiatives that Council might otherwise consider implementing.

## Sustainable building and retrofitting of existing housing stock is the standard approach

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.2.2.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	PP.2.2.1.1	Undertake review of opportunities for incorporation of sustainable building controls in new planning documents.	Strategic Planner	Progressing	An investigation of building controls within Bellingen Shire will be undertaken as part of the review of the Growth Management Strategy and Development Control Plan in 2015-16. This will allow for the holistic consideration of housing supply issues in the LGA and the development of the necessary planning response, rather than a stand-alone investigation of sustainable building controls.

## Eco-village and community living developments for mixed ages are encouraged

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.2.3.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	PP.2.3.1.1	Facilitate Planning Proposals where it is considered that they adhere to the strategic direction	Strategic Planner	Completed	Council has facilitated planning proposals where they adhere to the strategic direction, as required, through the 2014-15 reporting period. Only one proposal was considered to meet this objective (Planning Proposal 8) and this facilitated the construction of a senior's housing development in Dorrigo.

## Heritage buildings and sites are protected

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.2.4.1	Review, complete and update the Heritage Inventory to reflect those items listed in BLEP 2010	PP.2.4.1.1	Prepare Heritage Chapter for inclusion in Bellingen Development Control Plan 2010.	Strategic Planner	Progressing	In view of the scheduled review of the Development Control Plan in 2015-16, it was considered that the Heritage Chapter could be amended and exhibited as part of the consolidated review of the whole DCP rather than as a stand-alone project.
		PP.2.4.1.2	Oversee activities of Heritage Adviser; provide advice on development applications, and to property owners / developers. Administer the Local Heritage Fund and co-ordinate the activities of the Bellingen Shire Local Heritage Advisory Committee. Liaise with the NSW Office of Environment and Heritage to co-ordinate and administer the Bellingen heritage program joint funding agreement.	Strategic Planner	Completed	All Heritage Projects and Activities that were required as part of this action were undertaken and completed in accordance with the required procedures.



## We are connected and able to move around in a safe, accessible, affordable, healthy and environmentally friendly way

We have effective public and community transport linking townships in the Shire and linking to regional centres

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.3.1.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified.	PP.3.1.1.1	Consider and respond to requests for public transport needs	Manager Asset Management and Design	Completed	During the reporting year 2014/2015 there were no requests for public transport improvements. Council has continued to work with local bus operators to improve the safety of local bus routes particularly in the area of vegetation management to improve sight distance and road shoulder width.

## Our existing rail network is optimised for freight and local trains

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.3.2.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified.	PP.3.2.1.1	Consider and respond to requests for rail transport needs	Manager Asset Management and Design	Completed	During the reporting year 2014/2015 Council did not receive any requests in relation to rail transport needs.

## We have a network of cycle ways, footpaths and walking trails supported by maps and signage

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.3.3.1	Review, adopt and implement the Pedestrian Access Mobility Plan (including inter and intra village routes)	PP.3.3.1.1	Actively seek funding opportunities for pedestrian facilities and submit applications by due date	Manager Asset Management and Design	Completed	During the reporting year 2014/2015 Council applied for grant funding for four projects under the Transport NSW - Active Transport Walking and Cycling Program funding guidelines. Funding for the Bellingen Main Street Plan was successful. The remaining projects will be resubmitted in the next available funding round.
		PP.3.3.1.2	Undertake and complete Bike Plan. Provide report to Council for adoption	Manager Asset Management and Design	Progressing	The draft Pedestrian Access Mobility and Bike Plan is near completion with minor amendments to be made. The revised draft will be the subject of a report to Council in the first Quarter of the new reporting year.

## Our local infrastructure supports electric vehicles and non-motorised forms of transport

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.3.4.1	Review and implement Road Asset Management Plan including measures and targets	PP.3.4.1.1	Carry out a review of RAMP in light of likely future requirements for electric and non-motorised forms of transport	Manager Asset Management and Design	Not Progressing	The Action was deferred in light of the review of the Pedestrian Access Mobility Plan (PAMP) and the pending revision of the Asset Management Strategy. (RAMP). Both these document reviews when completed will assist to inform an update of the Road Asset Management Plan.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		PP.3.4.1.2	Implement the Road and Bridges Work Program as identified in Council's Special Rate Variation application	Deputy General Manager Operations	Progressing	The Shire Road Resurfacing Program and the Repair Program were both completed. The Bridge Program was reprioritised with Newry Island refurbishment being brought forward to be completed in 2014/15 and other bridge project delayed until 2015/16. The Road Improvement project of Timboon Road seal extension was delayed while design standards for the seal width were determined.
		PP.3.4.1.3	Liaise with Roads and Maritime Services in regard to issues relating to the Urunga to Nambucca Pacific Highway bypass	Manager Asset Management and Design	Completed	During the 2014/15 reporting year RMS and Council held regular meetings and exchanged information relevant to the progression Pacific Highway bypass construction. Key issues progressed included - Deterioration of Martells Road and South Arm Road condition from construction traffic; Asset handover process for new road sections, local roads used for construction traffic and the old Pacific Highway following the new highway opening; and the naming roads and bridges.

We have a system of safe, well maintained roads including car calming infrastructure

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.3.5.1	Review and implement the Road Asset Management Plan including measures and targets	PP.3.5.1.1	Review and progressively improve RAMP	Manager Asset Management and Design	Not Progressing	During the 2014/15 reporting year all transport asset registers were verified in preparation for the Road Asset Management Plan (RAMP) review. The RAMP review will follow the revision of the Road Asset Management Strategy

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		PP.3.5.1.2	Execute the annual works program on time and within budget	Manager Asset Management and Design	Completed	Maintenance works program has been completed within budget. The capital works program have been substantially completed, two of the 2014/15 projects have been delayed and are scheduled for completion in 2015/16. The Capital program was reviewed in the Transport Infrastructure Sustainability Program Board (TISPB) and reported quarterly to Special Rate Variation Implementation, Planning and Productivity Committee (SRVIPP).
		PP.3.5.1.3	Execute RMCC contract requirements utilising IMS framework	Manager, Works	Completed	Lump sum maintenance total \$1.2 million Work orders total value \$4.7 million Includes following projects: Heavy patching Resealing Drainage and kerb gutter Gabion wall Dorrigo mountain Weeping jenny slip repair Segment 1410 rehabilitation

## We have the facilities and services needed to be a healthy and active community

Health care options and facilities are enhanced across the Shire including birthing, palliative and aged care support

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.4.1.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	PP.4.1.1.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	Manager Community Wellbeing	Completed	Electronic x-ray interpretation introduced in Dorrigo hospital allowing x-rays to be done on site (minimising the need to travel to Coffs Harbour). Development Application approved for a medical centre integrated into proposed seniors housing in Dorrigo. A Health and Wellbeing GP clinic opened in Dorrigo township as the second GP clinic. Capital improvements to Bellingen Hospital were funded. A new aged care facility was opened at Raleigh.

There is a holistic approach to health

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.4.2.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	PP.4.2.1.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	Manager Community Wellbeing	Completed	New initiatives this year included a multi-agency small community focus on promoting services for mental health and the establishment of a community based Drug and Alcohol Action team. Health promotion activities such as the Dames of Dorrigo Women's health were also supported.

## There is active participation in a range of sporting and recreational pursuits

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.4.3.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	PP.4.3.1.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	Manager Community Wellbeing	Completed	Support provided to S355 committees managing Council sporting and recreational facilities to enable participation by the community. Financial support provided to various groups through the community support fund.

## Healthy lifestyles and practices are enhanced

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.4.4.1	Implement the Open Space Management Plan and the Buildings Asset Management Plan	PP.4.4.1.2	Review and progressively improve OSAMP and BAMP	Manager Asset Management and Design	Progressing	The action was deferred in light of the pending revision of the Asset Management Strategy. (AMS). Both the Open Space and the Building Asset Management Plans will be reviewed following the revised AMS



# Theme - Living Environment

We have clean water which is protected and used sustainably

Our waterways are valued, protected and enhanced

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.1.1.1	Implement the Bellinger and Kalang Rivers Estuary Action Plan (subject to Grant funding success)	LE.1.1.1.1	Implement Antimony Water Quality Testing	Manager Sustainable Environment and Waste	Completed	This project was complete in Q4. A total of six (6) sampling runs have now been completed across eight (8) sites along Wild Cattle Creek and the Bielsdown River. A report on this matter was adopted by Council in June 2015.
		LE.1.1.1.2	Implement Stage 1 of Bellinger River Floodplain and Estuary Water Quality Improvement project (subject to NSW government grant funding success)	Manager Sustainable Environment and Waste	Progressing	Project planning continued in Q4 with site visits conducted, the Office of Environment and Heritage approving Council's work plan, developing draft funding agreement and receiving legal advice, and receiving technical design advice and costing's for two (2) dairy farms. There has been a delay in completing the on ground dairy effluent management system upgrades as Council was notified by the Office of Environment and Heritage the grant application was successful in Q2.
		LE.1.1.1.3	Implement Stage 2 of the Rock Fillets for Fish Fillets Project to improve estuary ecosystem health	Manager Sustainable Environment and Waste	Completed	Maintenance contract is in place and 900m2 revegetation across 3 sites is being maintained for weed control.
		LE.1.1.1.4	Implementation and monitoring of Council's on-site sewerage management program	Team Leader Building and Regulation	Completed	Total number of inspections conducted for 2014/2015 financial year was 545

## We minimise our use of water

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.1.2.1	Overall reduction in Council's own water usage	LE.1.2.1.1	Conduct review of councils water usage to identify opportunities for water consumption reduction	Manager Water and Sewer	Progressing	There is an ongoing program of monitoring water usage. Daily water consumption is recorded from each reservoir and extraction from rivers and bores is also recorded. Daily flows in the various rivers and water levels in the bore fields are also recorded. A new regional water restriction table has been implemented across the region aimed at conserving water.

## We use our water and wastewater using best management practices

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.1.3.1	Review and implement the Sewer Asset Management Plan	LE.1.3.1.1	Review and execute SAMP to ensure that they are up-to-date, relevant, reflect best practice in local government asset management and are adopted by Council. Will include measures/KPI's and targets	Manager Water and Sewer	Progressing	Updating of the asset management plan is progressing. The introduction of asset management software will vastly improve the progress and quality of the plans and asset management in general. Demonstrations of software are taking place with the aim to purchase software this financial year.
LE.1.3.2	Review and implement the Water Asset Management Plan	LE.1.3.2.1	Review WAMP and execute to ensure that they are up-to-date, relevant, reflect best practice in local government asset management and are adopted by Council. Will include measures/KPI's and targets	Manager Water and Sewer	Progressing	Updating of the asset management plan is progressing. The introduction of asset management software will vastly improve the progress and quality of the plans and asset management in general. Demonstrations of software are taking place with the aim to purchase software this financial year.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		LE.1.3.2.2	Construct Bellingen Water Reservoir	Manager Water and Sewer	Progressing	Initial design complete. The design has been sent back for some changes to lower costs. Tender plan and documentation commenced. Will go out to tender late 2015.
LE.1.3.3	Meet all legislative requirements for Water and Sewer (measure licence reporting and NSW Office of Water benchmarking report).	LE.1.3.3.1	To have minimal health or environmental damage, through monitoring of faecal coliform counts in waterways	Manager Water and Sewer	Completed	Ongoing program. Faecal testing carried out every 2 weeks by NATA certified lab.
LE.1.3.4	Implement the Strategic Business Plans for Water and Wastewater including specific measure and expectations against those measures	LE.1.3.4.1	Execute Strategic Business Plan to achieve defined measures and targets within that plan	Manager Water and Sewer	Progressing	Ongoing program to implement the recommendations contained within the business plan.
		LE.1.3.4.2	Construction of a new sewerage treatment plant in Dorrigo	Manager Water and Sewer	Progressing	Project nearing completion. Civil construction 95% complete. Electrical installation 80% complete. Mechanical fit out commenced and 25% complete. Expect commissioning to take place late September.
LE.1.3.5	Implement new Asset Management Software	LE.1.3.5.1	Clearly define requirements for Asset Management Software and report to Council on options	Manager Water and Sewer	Progressing	Software demonstration held. Further demonstration by technical expert in August 2015. Software purchased and installed by 1st quarter 2016.

## Our surroundings are quiet and clean

### Noise pollution is managed

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.2.1.1	Conduct enforcement activities as required by legislation and Council resolution	LE.2.1.1.1	Provide ranger service to enable Council to conduct enforcement activities as required by legislation and Council resolution	Team Leader Building and Regulation	Completed	Ranger service is being provided. 100% of complaints have been attended to by Council Rangers.
		LE.2.1.1.2	Report on noise enforcement actions in conjunction with other scheduled enforcement reporting	Team Leader Building and Regulation	Completed	High level reporting is provided via the monthly Operations report to Council. Work has commenced on establishing a register to enable more detailed reporting. All general complaints are being funnelled through Councils Service Request system to allow for more accurate reporting.
LE.2.1.2	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	LE.2.1.2.1	Undertake awareness campaign dealing with barking dogs	Team Leader Building and Regulation	Completed	Awareness campaign commenced and procedure developed and implemented for handling Barking Dog complaints. Community awareness regarding responsibilities of owners and pathways for conflict resolution is enhanced by information on Council's website.

## Air pollution is minimised

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.2.2.1	Enforce Policy - Control of Burning	LE.2.2.1.1	Review no-burn Policy	Manager Land Use Services	Progressing	Council considered a report on the revised Control of Burning Policy at its Ordinary meeting of 25 March, 2015. Council resolved 'That this matter be deferred pending consultation with the Rural Fire Service and further discussion with Councillors'. Consultation with the RFS and a workshop with Councillors took place and Council considered a further report on the Draft Control of Burning Policy at its meeting of 24th June 2015 at which it was resolved to place the draft Policy on exhibition.
		LE.2.2.1.2	Integrate air pollution complaint system with other complaint reporting systems	Team Leader Building and Regulation	Completed	Given the potential for burning to release smoke, air borne particulates, chemicals and odours, it is appropriate that Council regulate burning activities so that those impacts can be managed and/or minimised throughout the Shire. In this regard, Council resolved at its meeting of 24 June 2015 to place a Draft Control of Burning Policy on exhibition from 9 July to 7 August 2015. It is expected that the Policy will be reported back to the September 2015 meeting of Council for adoption.

## We reduce, reuse and recycle

The consumption of resources is minimised

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.3.1.1	Reduce Council's own use of paper through printing and copying by 5% over 4 years	LE.3.1.1.1	Continue to capture numbers and types of paper documents produced from available information	Manager Information and Technology Services	Completed	Information has been sought from users on what types of documents and what quantities are being copied and printed. Data is available from print management software reports as well as user accounts on what documents they typically are generating.
		LE.3.1.1.2	Continue to capture numbers and types of paper documents produced from available information	Manager Information and Technology Services	Completed	Print statistics have been captured from invoices and management reporting software. Information has been sought from document authors on what types of document typically are generated as paper. Costs of printing are notably lower for 2015 than previous years due to better value print management contract.
		LE.3.1.1.3	Completion of Property File scanning and commencing next phase of paper documents to digitise	Manager Information and Technology Services	Completed	Property File scanning was completed in 2014. Legacy documents scanned in 2014-15 include all Pensioner Concession Application Forms and 149 certificates. This is being done by a return-to-work resource. Legacy scanning at Raleigh Depot has commenced with approximately 50 documents per week being digitised. This project is expected to run through the reporting year 2014-15 and beyond, based on estimated time for scanning the volume of documents. Options are being considered for offsite storage of hardcopy with electronic retrieval.

We reduce, reuse and recycle our waste



DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.3.2.1	Provide an annual education initiative highlighting ways the community can reduce, reuse and recycle our waste	LE.3.2.1.1	Support the community in Clean-Up Australia Day campaign	Manager Sustainable Environment and Waste	Completed	This project was completed in Quarter 3. A total of four (4) community groups participated in this event and Council staff collected and disposed of waste collected free of charge.

### Our community has access to convenient recycling facilities and services

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.3.3.1	Implement the Business Model Review of Council's Waste and Resource Recovery Facilities	LE.3.3.1.1	Continue to operate the Raleigh Reuse Shop	Manager Sustainable Environment and Waste	Completed	The Bowerhouse Reuse Centre continues to operate efficiently and effectively on Fridays, Saturday and Sundays. The facility has generated \$47,246.42 revenue until end Quarter 4 in FY2014/15. This facility cost \$50,743.53 to operate until end Quarter 4 in FY2014/15. Further, Council has been successful in a NSW EPA \$70,000 grant to further upgrade The Bowerhouse Reuse Centre.
		LE.3.3.1.2	Continue to provide high quality kerbside waste services and operate waste facilities at Raleigh, Dorrigo and Bellingen	Manager Sustainable Environment and Waste	Completed	All kerbside waste collection service issues were actioned and resolved by the contractor within 24 hours. As an additional project, details on installation of the Raleigh Waste Management Centre weighbridge location is still being scoped out due to previous DA approval on the public access

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		LE.3.3.1.3	Implement Stage 2 of the Business Model Review to ensure Council's resource recovery facilities are compliant with EPA requirements (budget dependant) and efficiently resourced	Manager Sustainable Environment and Waste	Completed	The agreed deliverables of the business model review were implemented throughout FY2014/15. Achievements include: waste facility fees and charges for the 2014/15 financial year have been extensively reviewed and adopted by Council, LEMPS for both Dorriggo and Raleigh waste facilities have been adopted by Council and six waste attendant PDs were drafted and advertised. All six site based waste attendant positions have now been recruited and a new Waste Supervisor has commenced. The SEW Team has continued to work with CHCC and NSC to develop the new waste collection tender and the development of the Coffs Coast Waste Strategy.

## We live sustainably and reduce our ecological footprint and contribution to climate change

Our community is informed and acts to reduce our ecological footprint

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.4.1.1	Implement the Bellingen Climate Change Risk Adaption Strategy	LE.4.1.1.1	Implement Recommendations from Coastal Zone Management Plan	Manager Sustainable Environment and Waste	Completed	This project was complete in Q4. The final Estuary Inundation Mapping Study was adopted by Council in April 2015. Further, as per a recommendation in the Coastal Zone Management Plan, Council staff have commenced surveying of the coastline to monitor erosion and tidal inundation events.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		LE.4.1.1.2	Review the actions from the Bellinghen Climate Change Risk Adaption Strategy to be categorised as high, medium and low actions	Manager Sustainable Environment and Waste	Completed	The final Coastal Zone Management Plan was adopted by Council in Quarter 2. Further actions completed include the final changes to the draft Estuary Inundation Mapping Study completed in Quarter 3. The final Estuary Inundation Mapping Study was adopted by Council in April 2015. Further, as per CZMP recommendations, SEW Team staff have been trained in the use of surveying equipment to monitor coastline profiles for erosion and inundation changes. SEW Team staff also applied for two (2) grants to protect and enhance the natural environment of the coastline to the value of \$50,000.

### Alternative forms of energy are embraced

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.4.2.1	Substantially decrease mains electricity usage and running costs by running the Admin Building Server Room (all hardware including servers, networking and phone system) on solar power, by the end of June 2017	LE.4.2.1.1	Report with costing's and options from solar suppliers	Manager Information and Technology Services	Completed	A report was submitted to the December Ordinary Council Meeting regarding the intention to move the server room electricity supply to solar. Following discussions with the Sustainability Environment and Waste team, this will be considered subject to external grant funding as part of a broader organisation-wide commitment to providing electricity from sustainable sources.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.4.2.2	Implement actions from the Bellinggen Emissions Reduction Program (BERP)	LE.4.2.2.1	Review the Bellinggen Emissions Reduction Program to determine effectiveness in achieving reduction in energy/greenhouse gas emissions	Manager Sustainable Environment and Waste	Completed	A detailed update on the Bellinggen Emissions Reduction Plan was provided to Council in April 2015. This noted all energy efficient measures implemented in the 2014/15 financial year and how Council is tracking in achieving Council's target of reducing greenhouse gas emissions by 40% by 2020 (on 1990 levels).

## We protect and enhance our biodiversity

Our community understands the value of biodiversity

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.1.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	LE.5.1.1.1	Build partnerships with the community through Quarterly meetings of the Environmental Sustainability Advisory Committee (ESAC) to engage community on biodiversity projects	Manager Sustainable Environment and Waste	Completed	The fourth ESAC meeting was held on 10 June 2015. A quorum of members was not in attendance; however a field trip to Council's river and biodiversity improvement projects was still run. Some key initiatives that ESAC assisted Council with in FY2014/15 include; allocation of the Environment Levy budget, assessing the Environment Levy Community Fund applications, technical input into the Coastal Zone Management Plan and Estuary inundation Mapping Study, distributing information the Bellinger River Snapping Turtle mortality event and completing the Coffs Coast Waste Services waste strategy survey.

## Biodiversity is managed and protected for future generations

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.2.1	Planning controls to improve our biodiversity and protect threatened species are developed and/or refined and adopted by Council as required	LE.5.2.1.1	Prepare Koala Plan of Management for the Shire	Strategic Planner	Progressing	In view of the need for re-exhibition of the plan over May-June 2015, it was not possible to report the Plan back to Council for adoption within Q4, as scheduled. The Plan was however reported to the next available Council Meeting on 22 July 2015, where it was formally adopted by Council. It is now necessary to refer the Plan to the Department of Planning for formal approval.
		LE.5.2.1.2	Review recommendations in the adopted Koala Plan of Management and ascertain those which can be implemented by Council	Strategic Planner	Completed	The adoption of the KPOM by Council in July 2015 provided confirmation of the management actions that Council will be required to implement, once the Plan is formally approved by the Department of Planning. Actions requiring immediate implementation include the undertaking of survey work to the west of the Never Never and a schedule for completion of this work has already been developed.
LE.5.2.2	Complete the Dangar Falls Plan of Management and implement on ground upgrades of the Reserve	LE.5.2.2.1	Implement Stage 2 of the Dangar Falls Reserve upgrade	Manager Sustainable Environment and Waste	Completed	This project was complete in Q4. Council's Works Team upgraded an additional 50 metres of wooden boardwalk and approximately 3ha of weed control was implemented.
LE.5.2.3	Implement the Bellingen Island Biodiversity Restoration Project	LE.5.2.3.1	Maintain Bellingen Island Restoration Project	Manager Sustainable Environment and Waste	Completed	Maintenance contract is in place and 0.5ha revegetation across 3 sites is being maintained for weed control.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.2.4	Implement the Jaliigirr Biodiversity Alliance Project	LE.5.2.4.1	Implement Stage 3 of the Jaliigirr Biodiversity Alliance Project (Bellinger River Tree way and Dorrigo National Park Protection)	Manager Sustainable Environment and Waste	Completed	This project was completed in Q4. Two (2) sites were selected following NCLLS approval; south of Urunga Lagoon (Bellinger Heads State Park) and a private property on Dome Road. Approximately 25ha of weed control enhancing local native vegetation was completed connecting key vegetation corridors in the Shire. Staff also negotiated to include an additional site with NCLLS, Dangar Falls Reserve, for weed control and enhancing both the environmental and aesthetic value of this important site.



## Threats to biodiversity are identified and mitigated

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.3.1	Implement the North Coast Weeds Advisory Committee (NCWAC) Weeds Action Program (WAP)	LE.5.3.1.1	Implement the 12 annual objectives of the North Coast Weeds Advisory Committee Weeds Action Program	Manager Sustainable Environment and Waste	Completed	<p>All twelve (12) NCWAP objectives were delivered in Quarter 4. The SEW Team has exceeded committed annual weed control targets delivering 542 hectares of weed control works on public and private land. Further weed control works delivered as follows;</p> <p>Final Pesticide Use Notification Plan being adopted by Council and satisfying NSW EPA audit requirements.</p> <p>Class 1 tropical soda apple plants were removed under Thora Bridge and coordinating large scale inspections and eradication at Pine Creek State Forest.</p> <p>Ongoing treatment of Class 1 kidney leaf mud plantain at Raleigh Waste Management Centre.</p> <p>The trial of Bioweed (organic herbicide) and subsequent report to Council - May 2015.</p> <p>The initial treatment of Seeded Bananas as classified as a new incursion in the Shire.</p> <p>The ongoing treatment of White Blackberry, Salvinia and Fireweed.</p>
LE.5.3.2	Implement Council's responsibilities as the Local Control Authority under the NSW Noxious Weeds Act 1993s	LE.5.3.2.1	Conduct up to 400 annual inspections as the Local Control Authority under the NSW Noxious Weeds Act 1993 (dependant on Council adopting SDR Review for Weed Management Services recommendation)	Manager Sustainable Environment and Waste	Progressing	<p>A total of 200 on ground Local Control Authority weed inspections were completed in the 2014/15 financial year covering approximately 5100 ha.</p>

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		LE.5.3.2.2	Implement Stage 1 of SDR Review for Weed Management Services (dependant on Council adopting recommendation)	Manager Sustainable Environment and Waste	Completed	This project was completed in Q3. An Invasive Plants Inspector (P/T - 12 month contract) was employed, Weedmap Pro software is functional and is now being used in the field and private weed spray contractors are now engaged to carry out weed control and bush regeneration services.

## We work together to protect and enhance our environment

The guidance of the custodial people is recognised

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.6.1.1	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	LE.6.1.1.1	Support an Aboriginal Green Team to implement on ground works for weed control and/or bush regeneration (subject to external grant funding success)	Manager Sustainable Environment and Waste	Completed	Council staff assisted the Coffs Harbour Aboriginal Land Council's (CHALC) Environment Trust grant application to the value of \$100,000 for on ground bush regeneration and weed control projects in Yellow Rock. Staff provided detailed project plans for CHALC to implement if successful as well. In Quarter 3, Council has been informed the CHALC grant has not been successful.

## Our community is informed and educated on environmental issues, threats and opportunities

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.6.2.1	Provide information to the community on environmental issues, threats and opportunities which are specific to our Shire through Quarterly meetings of the Environmental Sustainability Advisory Committee (ESAC)	LE.6.2.1.1	Provide financial support to community groups for environmental sustainability projects via the Environment Levy Community Fund (ELCF). Funding up to \$5,000 per project competitively assessed	Manager Sustainable Environment and Waste	Completed	Council received a total of thirteen (13) applications for the Environment Levy Community Fund in FY2014/15. The Committee selected a total of nine (9) projects to the value of \$32,773 to be adopted by Council at the Council meeting in November 2014. Council requested further information on two (2) of these applications and this was presented to the committee in Quarter 2 for discussion. These two (2) projects then went to Council for consideration and Council subsequently adopted one (1) project to support Wenonah Dune Care to re-roof their shed.
		LE.6.2.1.2	Build partnerships with the community through Quarterly meetings of the Environmental Sustainability Advisory Committee (ESAC)	Manager Sustainable Environment and Waste	Completed	The fourth ESAC meeting was held on 10 June 2015. A quorum of members was not in attendance; however a field trip to Council's river and biodiversity improvement projects was still run. Some key initiatives that ESAC assisted Council with in FY2014/15 include; allocation for the Environment Levy budget, assessing the Environment Levy Community Fund applications, technical input into the Coastal Zone Management Plan and Estuary Inundation Mapping Study, distributing information the Bellinger River Snapping Turtle mortality event and completing the Coffs Coast Waste Services waste strategy survey.

The contribution of our community groups are fostered, supported and celebrated

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.6.3.1	Continue recognition activities for community groups and individuals	LE.6.3.1.1	Conduct annual Volunteer's Day Celebrations and develop a professional development program for volunteers who support Council services	Manager Economic and Business Development	Completed	<p>BSC hosted a celebration as part of national Volunteer Week at Dangar Falls, Dorrigo on Tuesday 12 May. It was attended by Deputy Mayor Cr Desmae Harrison, approximately 40 volunteers and representatives from council. One volunteer was acknowledged at the celebration for over 25 years' service to the Dorrigo Tourist Association. Advertising prior to the event was conducted through print, radio and web media along with the opportunity for long serving volunteers in the community to be recognised.</p> <p>Feedback from volunteers following the 2014 celebration identified that they would prefer to celebrate or be recognised within their own volunteering program and so BSC managers of volunteers were also encouraged to recognise their volunteers in the most appropriate way within their own teams.</p>

# Theme - Civic Leadership

## Council is an organisation that embraces business excellence

Financial sustainability is maintained through effective short and long term financial management

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.1.1.1	Council meets all of its regulatory requirements in relation to financial management and reporting. MEASURE: meet the requirements of the OP Items against this DP item for each year	CL.1.1.1.01	Complete Long-term financial plan within statutory timeframe	Chief Financial Officer	Completed	Long Term Financial Plan completed within statutory timeframes and adopted by Council at the June 2015 Council meeting.
		CL.1.1.1.02	Complete and lodge Financial Report/Statements with OLG within statutory timeframe	Chief Financial Officer	Completed	2014/15 Financial Statements audited and lodged with the Office of Local Government by statutory due date.
		CL.1.1.1.03	Complete rates and instalment notices within statutory timeframes	Revenue Supervisor	Completed	All Rate and Instalment notices issued within the statutory time frames as legislated in the NSW Local Government Act 1993.
		CL.1.1.1.04	Complete payroll runs within timeframe	Chief Financial Officer	Completed	All payroll runs completed within timeframe up to 30/06/15.
		CL.1.1.1.05	Complete quarterly budget reviews within statutory timeframes	Chief Financial Officer	Completed	All three quarterly budget review statements (September 2014, December 2014 and March 2015) completed for the year.
		CL.1.1.1.06	BAS - Lodged with the ATO within statutory timeframe	Chief Financial Officer	Completed	All Business Activity Statements for 2014/15 lodged within statutory timeframe.
		CL.1.1.1.07	Complete revenue policy within statutory timeframes	Chief Financial Officer	Completed	Revenue Policy completed within statutory timeframes and adopted at the June 2015 Council meeting.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.1.1.08	Complete Fees and Charges Schedule within statutory timeframes	Chief Financial Officer	Completed	Fees and charges schedule adopted by Council at the June 2015 Council meeting.
		CL.1.1.1.09	Complete statement of compliance and lodge with OLG within statutory timeframe	Revenue Supervisor	Completed	Statement of Compliance completed, audited and lodged with OLG within statutory timeframe.
		CL.1.1.1.10	Complete and lodge pensioner concession subsidies with OLG within statutory timeframe	Chief Financial Officer	Completed	Subsidy Claim #128 audited and lodged with Office of Local Government within statutory timeframe.
		CL.1.1.1.11	FBT return lodged with ATO within statutory timeframe	Chief Financial Officer	Completed	Fringe Benefit Tax returns completed and lodged by due date 21 May 2015.
		CL.1.1.1.12	Develop improved timesheet process and systems	Chief Financial Officer	Progressing	Investigations commenced. Due to loss of key Finance Staff during 2014/15 this item will be completed in 2015/16.
		CL.1.1.1.13	Revise payroll in terms of pre-payments of some staff wages	Senior Accountant	Not Completed	To review during 2015/16 along with other Department priorities.
		CL.1.1.1.14	Finalise implementation of committed costing	Chief Financial Officer	Not Progressing	Due to loss of key Finance Staff during 2014/15 this item will be completed in 2015/16.
		CL.1.1.1.15	Review outstanding monies for sale of land	Revenue Supervisor	Progressing	Due to time competing priorities and time required in researching individual accounts, beneficiaries and solicitors this action is not yet finalised. It is anticipated all funds currently held by Council from the Sale of Land for unpaid rates be completed within 2015/2016 financial year.



DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.1.1.16	Review fees and charges	Revenue Supervisor	Completed	Full review of Fees and Charges undertaken during 2014-2015 including training and workshops for Managers and Responsible Officers. New format Fees and Charges also adopted to reflect Councils Vision/themes.
		CL.1.1.1.17	Implement IP&R into Civic View and Power Budget	Chief Financial Officer	Not Progressing	Due to loss of key Finance Staff during 2014/15 this item will be completed in 2015/16.
		CL.1.1.1.18	Undertake fair value for AASB113 new standard	Chief Financial Officer	Completed	AASB113 changes implemented as part of the 2014/15 financial statements and audited (Note 27).
		CL.1.1.1.19	Implement Blackadder changes into Civic View and Power Budget	Chief Financial Officer	Progressing	Some recommendations underway. Action plan and timetable developed by CFO.
		CL.1.1.1.20	Service delivery reviews - provide financial requirements	Chief Financial Officer	Completed	Being undertaken as required. Service review undertaken by Evolve. Further service reviews to come during next few financial years.
		CL.1.1.1.21	Review invoice distribution across organisation to improve current processes and streamline	Chief Financial Officer	Progressing	Further follow-up required regarding collection of invoices, and procedures still to be written. Thorough review to be undertaken on commencement of Senior Accountant during 2015/16.
		CL.1.1.2	Council meets the requirements contained in the Financial Planning Policy	CL.1.1.2.1	Complete quarterly as part of budget review process	Chief Financial Officer

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.1.1.3	Prepare and implement asset management plan for Plant according to standards of IIMM Asset Management Manual and IPWEA Plant Management Manual	CL.1.1.3.1	Manage assets - Plant Replacements conducted for FY according to Forecast produced in Civic View or variation as agreed with DGMO	Manager Governance and Engagement	Completed	<p>Council's high pressure drain cleaner, a pig trailer and the mini excavator and associated trailer were all replaced</p> <p>Council's road patching truck, bridge crew truck and skid steer loader were not replaced pending internal discussions about the technical solution which will provide the greatest efficiencies and lowest cost of service delivery.</p> <p>A decision was made to defer the replacement of Council's heavy wheel loader in order to delay capital expenditure.</p> <p>An alternate solution with respect to the water trucks was proposed whereby the bodies would be replaced and the chassis retained for a further 2-3 years. Specification of the bodies has commenced.</p> <p>The three town maintenance tippers were all specified, RFQ's conducted and orders placed. Due to long lead times for build, the items were not able to be supplied within the financial year.</p>
		CL.1.1.3.2	Commence preparation of asset management plan for plant	Manager Governance and Engagement	Completed	Asset Management plan commenced as per plan.
CL.1.1.4	Manage and review lease agreements for assets owned by Council which are leased to other entities in accordance with the lease agreements.	CL.1.1.4.1	Review lease agreements for assets owned by Council which are leased to other entities in accordance with the lease agreements	Governance and Corporate Planning Officer	Completed	Lease register now available to staff on Intranet. Asset optimisation review continuing.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.1.4.2	Manage lease agreements for assets owned by Council which are leased to other entities in accordance with the lease agreements	Governance and Corporate Planning Officer	Completed	Lease policy adopted and lease register implemented and made available to staff via Intranet. High level lease procedures identified. Leases assessed.

## We attract, develop and retain highly skilled staff

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.1.2.1	Implement the agreed priorities (identified in the OP) from the Workforce Management Plan	CL.1.2.1.01	Meet Council's hiring placement and on boarding needs	Organisational Development Advisor, Talent Acquisition and Development	Completed	During this year Council recruited to 24 positions, 3 of which necessitated re-advertising. 633 applications were received and processed. The "target" average time to hire is 8 weeks. The "actual" average time to hire was 5.5 weeks. This is a notable achievement considering Council's recruitment activities are primarily managed "in house". Further, due to process improvements and a higher level of automation, this activity has been achieved with a reduction in recruitment budget of 43% since 30 June 2012. This year's budget was reduced by 20% from the previous year and recruitment activities were managed within this, with a small under spend achieved.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.2.1.02	Identify and facilitate additional opportunities for "hosted" trainees and apprentices	Organisational Development Advisor, Talent Acquisition and Development	Completed	During the reporting period, existing traineeships in Library Services and Customer and Business Support continued. One traineeship in Disability and Aged Care was completed with the trainee successful in securing permanent employment with Council. A new traineeship in Bridge Carpentry commenced.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.2.1.03	Identify and address "group" learning and development needs	Organisational Development Advisor, Talent Acquisition and Development	Completed	<p>During 2014/15, Council was instrumental in driving a regional procurement initiative which lead to the implementation of a regional on line learning platform, improving access to learning for staff and generating significant cost savings across a number of MIDROC councils.</p> <p>Utilising a "blended" approach to training, including providing access to online courses, has enabled BSC to optimise the available training budget with our employees completing just over 500 learning events during the reporting period. Approximately 40% of the training completed during the reporting period were online courses in a range of subjects such as asbestos awareness, appropriate behaviours at work, communication, stress management, problem solving and project management. In addition, employees, contractors and committee members were able to access and review a range of important Council policies and procedures through the on line learning system.</p> <p>Employee induction was also undertaken via a blended approach, which included online learning and a face-to-face one-day workshop. 28 people attended induction over the year.</p> <p>Face to face training was also attended by 75 employees on subjects such as business writing skills, planning for safety, pricing for fees and charges, and customer service.</p> <p>Compliance/ licencing training in areas such as working near overhead power lines and traffic control continued.</p> <p>One employee was sponsored to attend the LGMA mentoring program for senior leaders and a number of employees have initiated mentorship relationships with others to facilitate personal and professional development, particularly in relation to the development of leadership skills. Council's</p>

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.2.1.04	Develop the leadership and management capability of our current and future leaders	Executive Manager Strategy and Organisational Development	Completed	There has been a strong focus on leadership development during the 2014/15 period with positive feedback and outcomes reported by participants. Two comprehensive leadership development programs were delivered in-house. One for Works Supervisors and the other for Council's management team. Follow up initiatives are scheduled for the coming reporting period. Managers also attended skills training in performance management and feedback. A strategic leadership and planning workshop was held for Councillors in August 2014 and a follow up workshop was held in March this year. Council also participated in the LGMA mentoring program for high potential leaders, including providing an Executive mentor to the program.
		CL.1.2.1.05	Continued implementation of improved performance management system	Organisational Development Advisor, Talent Acquisition and Development	Completed	Council introduced an electronic Employee Performance Management system from 1 July 2014. The new process makes performance reviews less cumbersome than the previous manual process and enables direct alignment of OP priorities to individual performance plans. Performance reviews for the period ending 30 June 2015 are in progress.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.2.1.06	Identify and develop response to priority issues arising from staff survey	Organisational Development Advisor, Talent Acquisition and Development	Completed	A staff survey was completed towards the end of 2014. More than 100 employees attended one of 15 presentations delivered on the results. Employees were subsequently engaged in improvement planning within their respective teams facilitated by their manager/supervisor. These improvement plans focused on one or more of the 6 priority issues identified from the results. A council-wide action plan, based on the survey results, is being finalised.
		CL.1.2.1.07	Coordinate Council's response to the issues arising from the LGMA Operational and Management Effectiveness Survey	Executive Manager Strategy and Organisational Development	Completed	Council has now participated in Round 1 and 2 of the LG Professionals/PwC Operational Effectiveness Survey. Round 3 will be undertaken early in the coming year. Continued provision of this industry benchmarking tool via LGP, post Round 3, is anticipated. Survey results have provided useful indicators in relation to ongoing organisational and financial sustainability efforts. These are currently under consideration.



DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.2.1.09	Maintain an effective and productive employee relations environment	Executive Manager Strategy and Organisational Development	Completed	Employee communication and consultation processes have been maintained through the Staff Consultative Committee, Health and Safety Committee and Council-wide management and Executive team meetings. Further employee engagement has been facilitated through presentations and improvement planning related to the outcomes of the recent Staff Survey and information updates to staff regarding Council's Fit for the Future submission. There have been no significant employee relations incidents and no union notified grievances.
		CL.1.2.1.10	Address employee implications from various organisational review processes	Executive Manager Strategy and Organisational Development	Completed	During the reporting period reviews were undertaken for ranger services, the finance department, and water and waste water. Consultation with key stakeholders has been undertaken and implications, including for employees, considered and addressed.
CL.1.2.3	Improve Council's WHS performance against agreed measures	CL.1.2.3.1	Complete annual update of WHS Corporate plan and implement priority actions	Organisational Development Advisor, Employee Wellbeing	Completed	Corporate safety plan priorities have progressed to GM's satisfaction. Corporate safety priorities and timeframes are currently under review and will be informed by upcoming annual safety audit.
		CL.1.2.3.2	Implement agreed employee health and wellbeing programs.	Organisational Development Advisor, Employee Wellbeing	Completed	During the reporting period Council's Health and Safety Committee elected to utilise the NSW Health Program "Get Healthy at Work" focusing on mental health and healthy eating. In addition, information and an early detection tool for skin cancer was provided to staff. Availability of the Employee Assistance Program continued to be promoted to employees and utilised as required.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.2.3.3	Implement an electronic monitoring system for incident reporting to enable improved oversight of corrective actions	Organisational Development Advisor, Employee Wellbeing	Completed	After research and cost/benefit analysis, Council's existing CivicView system will be utilised for reporting and capturing incidents and WorkCover claims. Continuation of the existing manual process for overseeing the implementation of corrective actions is considered to meet Council's needs in the short term.
		CL.1.2.3.4	Implement actions from the 2014-2018 Equity and Diversity Plan	Organisational Development Advisor, Employee Wellbeing	Completed	Recruitment, mentoring and promotion actions from the Equity and Diversity plan continued this year. 5 student work experience placements were provided. Council participated in a careers day held at Dorrigo High School which included both primary and secondary student participation. Relationships with local school careers advisors have been established along with external providers who support youth and indigenous employment. Efforts to increase female representation in non-traditional roles continues with 2 appointments to Council's "outdoor" workforce - one at Council's waste facility and one in invasive plant inspection.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.2.3.5	Oversee organisational response to workplace injuries including claims and case management	Organisational Development Advisor, Employee Wellbeing	Completed	19 personal injury incidents were recorded for the year. 78% of these were classified as soft tissue injuries such as sprains and strains. Three of these incidents resulted in lost time with two of the employees affected returned to work on pre-injury duties in a short period of time and one employee currently on a graded return to work plan. In addition, there are two matters ongoing from previous years where the employees are also being supported with suitable duties and graded return to work plans. Efforts to support employees to recover at work positively impact on the overall costs of these claims and hence Council's premium costs. Due to considerable focus on WHS throughout the year, Council's actual workers compensation premium costs were \$186,266 less than budget estimate.

## High quality community services and cost effective solutions are delivered

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.1.3.1	Achieve 80% first contact resolution for Phone and Counter based Customer Service with available human resources and budget allocation	CL.1.3.1.1	Implement the Customer Service Charter service standards in responding to customer enquiries through personal contact, correspondence and phone calls	Team Leader Customer and Business Services	Completed	Closer monitoring and review of service standards delivery has resulted in the achievement of consistent results throughout the year by the C&BS team. Monthly coaching of telephone calls and personal contacts continues to be undertaken. The service standards video posted on the intranet is now played and discussed at Staff Inductions.
		CL.1.3.1.2	Deliver high quality customer interactions by resolving customer enquiries/concerns on first contact	Team Leader Customer and Business Services	Completed	The C&BS team has achieved the set target of 80% first contact resolution in the 2014-2015 year, ensuring high quality customer interactions by resolving enquiries on first contact.
		CL.1.3.1.3	Satisfy customer service needs on every contact through the delivery of consistent service standards to all customers	Team Leader Customer and Business Services	Completed	The Mystery Customer program continues to provide effective feedback about the quality level of customer service provided, not only by the C&BS team but also other departments in Council. Customer needs continue to be satisfied through the delivery of consistent service standards.
		CL.1.3.1.4	Monitor, review and evaluate complaints and compliments on a monthly basis and report on customer service performance	Team Leader Customer and Business Services	Completed	The level of formal customer service surveys provided by the community has declined throughout the year however appreciation for the services and service levels provided by the C&BS team continue to be received by external and internal customers alike. Results are reported on the intranet with monthly reports submitted to the Executive Team for review and appropriate action.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.3.1.5	Provide administrative and business support by Customer and Business Services to various departments within Council in a professional, accurate and efficient manner to ensure a high level of service delivery to the community from the whole of Council	Team Leader Customer and Business Services	Completed	C&BS provide an extended range of administrative support functions to all areas of Council, in a professional, accurate and efficient manner. This ensures a high level of service delivery to the community from the whole of Council. Compliance targets with service level standards and statutory timeframes have mostly been met.

Best practice, sustainability principles, accountability and good governance are incorporated in all that we do

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.1.4.1	Identify and respond to changes in National, State, regional and local land use planning principles, statutes and guides	CL.1.4.1.1	Council's Strategic land use planning program is updated biannually or as necessary to reflect emerging trends, community aspirations and to respond to legislative requirements and/or Council resolution	Strategic Planner	Completed	The Strategic landuse planning program has been updated and is now reflected in the 2015-16 Operational Plan. Key tasks for the forthcoming year are the review of Councils Growth Management Strategy and the review of Council's Development Control Plan.
CL.1.4.2	Council's Planning and development assessment services provides advice and planning assistance and process Development Applications and other relevant applications	CL.1.4.2.1	Provide advice in relation to statutory planning and development assessment	Manager Land Use Services	Completed	All enquiries have been responded to. No complaints have been received.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.4.2.2	Assess and determine development applications against current statutory and policy requirements. Ensure assessments are in accordance with Section 79c of the Environmental Planning and Assessment (EP&A) Act 1979.	Manager Land Use Services	Completed	All applications have been assessed against Section 79c of the Environmental Planning and Assessment Act 1979. No legal challenges lodged.
		CL.1.4.2.3	Develop procedures to accompany Council's adopted compliance/enforcement policy	Manager Land Use Services	Completed	Two new internal procedures to accompanying the Policy have been developed. Barking Dogs and Abandoned Vehicle procedures have been developed, reviewed and implemented.
		CL.1.4.2.4	Regulatory compliance is undertaken in accordance with statutory legislation and the public interest.	Manager Land Use Services	Completed	Compliance is undertaken in accordance with Council's Compliance and Enforcement Policy and relevant statutory requirements. No advice received from Ombudsman requiring modifications to procedures.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.4.2.5	Processing of Construction, Building and Occupation Certificates. Ongoing administration and assessment.	Team Leader Building and Regulation	Completed	All Certificates currently being issued within a reasonable time frame.
		CL.1.4.2.6	Processing all standard Section 149 Applications within 5 working days	Manager Land Use Services	Completed	A total of 107, 149 Certificates were processed in Q4 of which 99 were issued <5 days (93%), exceeding the target of 85%.
		CL.1.4.2.7	Assessment and processing of complying development applications. Processing of all applications as submitted and continuous improvements identified.	Team Leader Building and Regulation	Completed	100% of applications determined within statutory timeframe.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.1.4.3	Ensure an unqualified audit report annually	CL.1.4.3.1	Finalise implementation of audit committee, prepare audit plan and conduct internal audits in accordance with plan	Manager Governance and Engagement	Completed	During the 2014-15 financial year, Council's Audit Committee was established, an internal audit function established, a risk management framework prepared and approved/adopted and an internal audit plan prepared and endorsed by the Audit Committee. The first internal audit is scheduled for July 2015.
		CL.1.4.3.2	Manage revaluation process with other relevant managers/staff	Chief Financial Officer	Progressing	Meetings held with CFO and Asset Manager. Revaluation process to be finalised in Q1 2015/16 as part of the 2014/15 Financial Statements preparation.
		CL.1.4.3.3	Manage external audit contract	Chief Financial Officer	Completed	Contract being managed as required.
		CL.1.4.3.4	Ensure external audit is conducted within statutory timeframes	Chief Financial Officer	Not Progressing	Qualified audit report received for 2013/14 financial year as a result of late lodgement due to Finance Department staffing shortages. Project plan developed by new CFO to ensure this does not reoccur for 2014/15.
CL.1.4.4	Achieve a governance health check rating of at least 3 in all items using LGMA/ICAC document ( <a href="http://www.icac.nsw.gov.au/documents/doc_download/1300-governance-health-check">www.icac.nsw.gov.au/documents/doc_download/1300-governance-health-check</a> )	CL.1.4.4.1	Finalise and commence implementation of action plan for addressing any elements with a rating of less than 3 by the end of 2014-2015	Manager Governance and Engagement	Completed	Governance Health checks completed and presented to the Executive Leadership Team.



DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.4.4.2	Commence development of an Information Management Strategy	Manager Information and Technology Services	Completed	Information Management Strategy has been commenced. A draft document was distributed to Council managers for input from themselves and their teams. Feedback has been received and incorporated into an updated draft document. Work will continue on the Information Management Strategy throughout 2015-16.
		CL.1.4.4.3	Implement an e-Business Paper System	Manager Information and Technology Services	Completed	InfoCouncil was identified as the most suitable software package to meet Council's requirements for generating business papers and recording minutes. The software package was purchased, and training and implementation took place in June. Training included executive assistants and report writers. During the training sessions report writers were able to write and save sample reports, while executive assistants successfully demonstrated how to generate agendas and record minutes. InfoCouncil will be used for the first time for the August Ordinary Council Meeting.
		CL.1.4.4.4	Develop a Service Catalogue	Manager Governance and Engagement	Completed	A list of services provided by Council was completed. Further work to review the list of services to be provided going forward will be undertaken as part of the preparation for the 2016-2020 IP&R cycle.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.4.4.5	Review Property and Land Management	Manager Governance and Engagement	Completed	Report for operational land review provided to Executive Leadership Team for presentation to next FSPB/SRVIPP meetings. Additional (beyond scope) activities include: Matrix clarifying responsibilities for various activities and assets created, populated and presented to Executive Leadership Team Operational Land register and list of Crown Land trusts now available on Council's intranet. Detailed information on management structure for crown lands identified in Council's land register. Process improvements to Council's Service Request management Budget proposal/Business plan for asset co-ordinator (including buildings and land) commenced.
CL.1.4.5	Complete Procurement Roadmap	CL.1.4.5.1	Conduct Procurement and Stores within Council according to centre-led model.	Manager Governance and Engagement	Completed	Completed, All tenders requiring Council approval had a procurement plan. \$14k savings from disposal of SES vehicles identified.
		CL.1.4.5.2	Implement Phase 2 of the Procurement Roadmap	Manager Governance and Engagement	Completed	All items from phase 2 of the procurement roadmap were completed.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.1.4.6	Benchmark Community's perception of Council's Communication in 2014 and achieve a score of 3.25 for this measure in a 2016 survey.	CL.1.4.6.1	Respond and report on progress of 2012 Community Satisfaction Survey	Communication and Community Engagement Officer	Completed	Completed. Responses collated, table updated and report sent to Executive Management Team for discussion.

## Our community is informed and engaged with a strong sense of civic leadership

The community is engaged in decision making and implementation

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.2.1.1	Review all S355 Committees for Council for compliance with guidelines and operational effectiveness	CL.2.1.1.1	Update Guidelines and templates for Committees and provide training in such.	Manager Community Wellbeing	Progressing	Positive relationships have been built in the last 12 months with volunteer Section 355 committees. The Guidelines have been reviewed with the input of all committees and were formally adopted by Council on 28 January together with a policy on volunteers. A range of templates have been developed with some still to be finalised to complete the Appendices to the guidelines manual. General s355 committee meetings and informal meetings have been attended on a regular basis. Information on details in the guidelines has been shared with committees on a regular basis by email, phone and face to face communication.
CL.2.1.2	Improve the overall score on the Community Satisfaction Survey from the results of the	CL.2.1.2.1	Implement governance arrangements in relation to the proposed special rate variation	General Manager	Progressing	

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
	2012 Survey	CL.2.1.2.2	Continue Service Delivery Reviews on priority services as identified in the 2012 Community Survey as resources permit.	General Manager	Progressing	

### Civic leadership is recognised, supported and rewarded

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.2.2.1	Recognise Civic Leadership within our community through annual awards and ceremonies	CL.2.2.1.1	Support the Australia Day S355 Committee in the recognition of appropriate civic leaders through Australia Day awards	Communication and Community Engagement Officer	Completed	Pre and post event media actioned, Certificates printed and framed.
		CL.2.2.1.2	Provide community engagement support for Volunteers Day	Communication and Community Engagement Officer	Completed	Event held 11-17 May - support provided by Community and Wellbeing Planning Officer. Morning tea held in May at Dorrigo. Liaison with Visitor Centre and Volunteer Coordinator. Events advertised in local papers, e-newsletter, Mayoral column and 2BBB.
		CL.2.2.1.3	Provide community engagement support for Harmony Day	Communication and Community Engagement Officer	Completed	Event held on 21 March - support provided by the Community and Wellbeing Planning Officer. Council provided support - main event was undertaken at the Bellingen Community Market by Neighbourhood Centre.

We are proactive in supporting, through representation and celebration, the needs and desires of the community

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.2.3.1	The Delivery Program supports the aspirations of the community as identified through the Community Vision	CL.2.3.1.1	Report to Council on at least a 6 monthly basis on progress against the operational plan.	Governance and Corporate Planning Officer	Completed	All reports completed quarterly.
CL.2.3.2	Represent the aspirations of the community as expressed in the Community Vision as opportunities are identified	CL.2.3.2.1	Attend a wide cross section of community meetings to understand various objectives and ideals. Review local newspapers to understand current issues in the community	Manager Economic and Business Development	Completed	Council attended monthly meetings of: Bellingen and Urunga and Mylestom Chamber of Commerce; Tourism Coffs Coast Board, North Coast Destination Board; Events Hub Management Committee, and Bellingen Shire Education and Business Alliance. Council regularly attended other stakeholder meetings including; Dorrigo Chamber of Commerce, Regional Economic Development Managers Meetings and Bellingen Shire Learning Alliance.
		CL.2.3.2.2	Conduct consultation workshops across the Shire to garner input on the future strategic direction of the tourism industry and wider economy	Manager Economic and Business Development	Completed	Three tourism industry forums were held throughout the Shire. Input from these forums gave Council insights into the challenges and priorities facing the local tourism industry. Key issues were raised including: Council's on-going marketing arrangements with Coffs Coast Tourism; the need to develop shire specific marketing initiatives; the level of Bellingen Shire representation on the Tourism Coffs Coast Board; and a range of tourism management issues. For example, the need to improve signage and develop key social media platforms.

## Council is proactive in representing the needs of our community

Strong partnerships exist with all levels of government, peak bodies and the community

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.3.1.1	Review all S355 Committees for Council for compliance with guidelines and operational effectiveness	CL.3.1.1.1	Conduct inductions for all Committee members based on reviewed guidelines	Community Wellbeing Planning Officer	Progressing	There has been a great deal of work undertaken with many of the 24 Section 355 Committees of Council this year including; positive relationship building, recruitment of new members reviewing and adoption of the Section 355 Committee Guidelines Manual, working with committees to increase their financial sustainability and optimise use, promoting methodology for the setting of fees and charges and rolling out an induction program, beginning with Code of Conduct training for all committee members.
		CL.3.1.1.2	Update Guidelines and templates for Committees and provide training in such.	Community Wellbeing Planning Officer	Progressing	Positive relationships have been built in the last 12 months with Section 355 committees. The Guidelines have been reviewed with the input of all committees and were formally adopted by Council on 28 January together with a policy on volunteers. General and informal meetings have been attended on a regular basis. Information on details and interpretation of the guidelines has been shared with committees on a regular basis by email, phone and face to face communication.
CL.3.1.2	Maintain membership and active involvement in MIDROC, GMAC and relevant subgroups	CL.3.1.2.1	Contribute to Regional strategic planning related to proposed government reform	General Manager		

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.3.1.3	Reconstitute all Advisory Committees as per Council's resolution of November 2012 and support these committees through Quarterly meetings	CL.3.1.3.1	COMPLETED - PREVIOUS YEAR	General Manager	Completed	

## We are consultative

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.3.2.1	Execute the Community Engagement Policy and Strategy	CL.3.2.1.1	Community Engagement Framework documents and Council Report Template documents made available to all staff.	Manager Governance and Engagement	Completed	Completed and available on Council's Intranet. Council report template updated to include Community Engagement.
		CL.3.2.1.2	Extend the reach of the adopted Community Engagement Methods: inform, consult, involve and collaborate by utilising agreed social media tools.	Communication and Community Engagement Officer	Completed	Social Media Policy adopted in January 2015. Waterfall Way VIC manages a Facebook account for tourism. Delegations updated. Policy in Policy Register. No social media corporate accounts planned at this stage.
		CL.3.2.1.3	Update Community Engagement Strategy to incorporate social media tools	Communication and Community Engagement Officer	Completed	Council adopted and updated Community Engagement Strategy at June meeting.

## The principles of social justice underpin our activities and decision making processes

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.3.3.1	Implement the Social Plan	CL.3.3.1.1	Implementation of Social plan priorities as funds permit.	Manager Community Wellbeing	Completed	<p>The Social Plan focus areas for the last 12 months have included the development and implementation of the Public Art Plan in consultation with the Arts and Cultural Committee, the development and implementation of the Access and Inclusion Plan in consultation with the Community Wellbeing Advisory Committee, engagement with Aboriginal people, ongoing programs and opportunities for youth at the Bellingen Youth hub and health options through the Dorrigo and the Bellingen Youth Clinics and maximising use of available Council space. Organising awareness and support activities across the Shire in collaboration with other agencies for mental health month. Much has been achieved with a limited resource allocation due to collaborative partnerships with other groups and services such as improved physical access to the Bellingen Neighbourhood Centre and to the Urunga library. Within the Shire other organisations have expanded both aged care and health opportunities with the establishment of an aged care facility at Raleigh, a new GP clinic at Dorrigo and an upgrade to facilities at Bellingen hospital. Services such as Men's sheds have been on going at Dorrigo and Urunga and the re-establishment at a new location of the Bellingen Men's Shed at the Bellingen High School.</p>



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# Bellingen Shire COUNCIL



## Section 2 - Financial Summary and Other Information



## Introduction

Section 2 of this report contains a Financial Summary covering some key points from the full audited financial statements as well as any information that Council is required to report in its Annual Report by an Act or Regulation of the NSW Government or by Council policy.

## Financial Summary

### Financial Statements 2014/15

The 2014/15 Financial Statements and Auditor's Report are contained in Section 3 of this report.

#### *Financial Summary*

- Total Income ↑ 19% to \$32.5M
- Total Opp. Expenses ↓ 2% to \$31.6M
- Total Assets ↓ 16.7% to \$465.6M
- Net Assets ↓ 18% to \$449.3M
- Asset per head of population \$35,051
- Liabilities ↑ 46.6% to \$16.4M
- Liabilities per head of population \$1,276
- Infrastructure, Property, Plant and Equipment ↓ 18.82% to \$423.8M

#### *Income Statement*

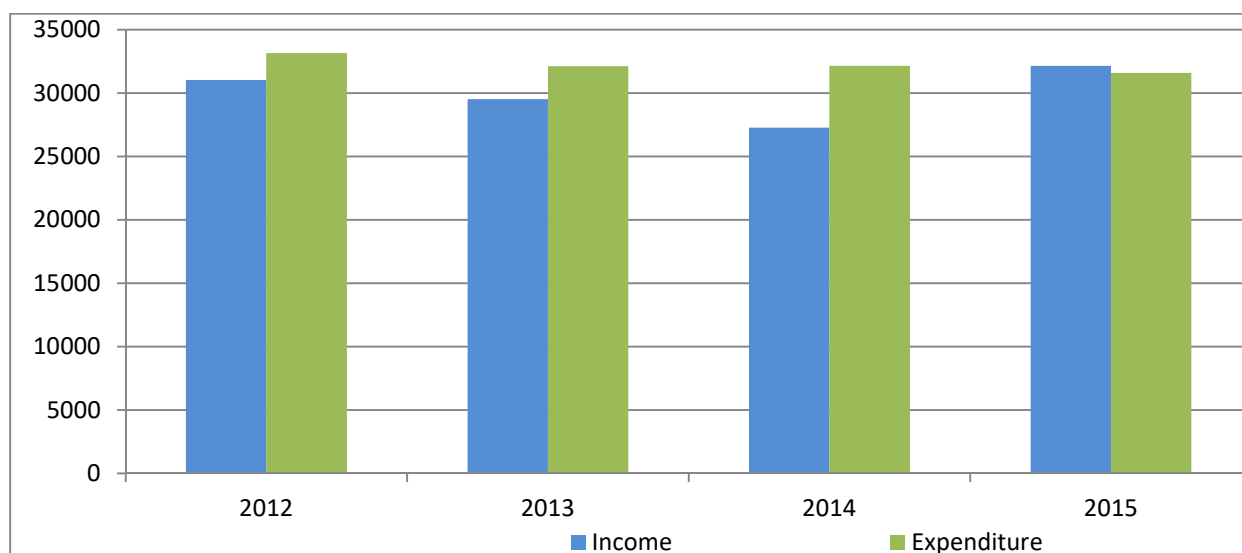
The income statement shows how Council has performed for the 12 month period from 1 July 2014 to 30 June 2015.

Income Statement Summary	2015 \$'000,s	2014 \$'000,s
Total Revenue	32,486	27,276
Less Operating Expenses	31,604	32,152
Net Operating Result	882	(4,876)
Less Capital Income	6,320	4,087
Net Operating Result after Capital Income Profit/(Loss)	(5,438)	(8,963)



Summary of income and expenditure:

Income/Expense Summary	2012	2013	2014	2015
Income	31,033	29,518	27,276	32,486
Expenditure	33,147	32,126	32,152	31,604



**Balance Sheet**

The Balance Sheet below shows the value of the community's assets as at 30 June 2015. This is calculated by Total Assets – Total Liabilities = Net Community Assets.

Simplified Balance Sheet Summary	2015 \$M	2014 \$M
Cash and Investments	34.4	29.2
Infrastructure, Property, Plant and Equipment	423.8	524.3
Receivables and Other Assets	7.4	5.7
<b>Total Assets</b>	<b>465.6</b>	<b>559.2</b>
Payables	6.7	6.2
Borrowings	9.6	5.0
<b>Total Liabilities</b>	<b>16.3</b>	<b>11.2</b>
<b>Total Equity</b>	<b>449.3</b>	<b>548.0</b>

**Financial Ratios**

Ratios are a useful tool for getting a snap shot of the financial status and trends of an organisation. Ratios can also be useful in comparing Bellingen Shire Council to other councils to get a sense of relative financial strength.



A list of key financial ratios from Councils financial statements is included below:

### Operating Performance

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

Industry Benchmark: Minimum breakeven result

Minimum benchmark Achieved? ✘

	2012	2013	2014	2015
Operating Performance %	20.89	-17.59	-39.07	-21.38

### Unrestricted Current Ratio

Purpose of this ratio is to assess the adequacy of cash funds and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Industry Benchmark: Minimum greater or equal to 1.5

Minimum benchmark Achieved? ✔

	2012	2013	2014	2015
Unrestricted Current Ratio	2.13	2.48	2.76	1.92

### Debt Service Cover Ratio

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

Industry Benchmark: Minimum greater or equal to 2.0

Minimum benchmark Achieved? ✔

	2012	2013	2014	2015
Debt Service Cover Ratio	5.84	8.03	0.77	6.05

### Rates and Annual Charges Outstanding

Purpose of this ratio is to assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Industry Benchmark: Maximum of 10%

Minimum benchmark Achieved? ✔

	2012	2013	2014	2015
Rates and Annual Charges %	9.39	9.13	8.14	7.37





## Community Engagement Activities

Council engages with the community on diverse issues that affect them and uses meaningful tools to ensure that the community is informed, has opportunities to contribute to the policy making process and is educated about matters that may impact their lives.

In line with Council's Community Engagement Framework the following methods were utilised and activities undertaken to share information and seek feedback as well as promote the services and projects of Council.

- Weekly paid advertising in local newspapers
- 142 Media Releases sent with over 95% printed in local media or online.
- 19 Community Bridge Updates
- 6 Environmental Updates (Bellingen River Snapping Turtles)
- 21 Mayoral columns for Bellinger Courier Sun
- Fortnightly Mayoral 2BBB Radio Shows
- 14 e-newsletters
- 4 Quarterly Community Newsletters
- 6 Community Surveys via Survey Monkey:
  - Customer Service Survey – ongoing
  - Service Review – Water and Waste Water
  - Bello Youth Hub Roles and Resources
  - Kerbside Bin Collection Surveys
  - How does our Library Collection Stack Up
  - Waste and Recycling Strategy Survey
- Public meetings/Community Forums and Workshops:
  - Newry Island Bridge Information Sessions x 4
  - 2014 Library Book Community Selection Event
  - Public Pool (and Spa) Seminar
  - Community Support and Community Event Sponsorship Fund Information Session
  - Draft Koala Plan of Management Community Information Forums – x 2
  - Draft Volunteer Policy Information Sessions x 3
  - Bellingen Shire Tourism Industry Forums x 3
  - Library e-tea with assistance for mobile device users x 3
  - Information Stand at Bellingen River Festival
  - Inundation Mapping Study Community Forum, Mylestom
  - World Wetlands Day Forum, Coffs Harbour – Presentation of video on reef balls
  - Library Tour and morning tea at three Branch Libraries for Seniors Week



- Fit for the Future Briefing and Q and A Sessions with Chambers of Commerce as well as 2 community forums
- Bellinger River Snapping Turtle Deaths Community Information Meeting
- Heritage Week Public Session x 3 – Scan and prepare photos for CD and booklet
- Bellingen Main Street Master Plan – Public Meeting, Retailers Breakfast and Ideas Tent x 4
- Community Information Session – Re-advertised Draft Koala POM
- Coffs Coast Waste and Recycling Strategy community forum
- Community Celebration Dates:
  - Australia Day Awards and Celebrations
  - Harmony Day Celebrations
  - NAIDOC Week Celebrations in Maam Gaduying Park
  - Mental Health Week Family Expo – Megan Hall
  - Carers Week Information Expo at Urunga
  - International Day of People with a Disability – Morning tea and Information expo in Maam Gaduying Park
  - Newry Island Bridge Opening Celebration BBQ
  - Harmony Day – 21 March 15 – spread in newspaper including interviews
  - Seniors Week – 14-21 March (celebration BBQ, workshops, food music and entertainment)
  - Clean Up Australia Day
  - Volunteers Morning Tea – Dangar Falls
  - 100 Year Anzac Day Display and Demonstration at Bellingen Library and Maam Gaduying Park

- Website

The range and depth of information available on our website continues to grow due to Council's statutory reporting requirements and the increasing trend of residents to 'help themselves' to information at their convenience.

During the period there were a total of 250,019 page views. Popular destinations of website visitors were Contact Information, Application Forms, Road and Flood Information, Water and Sewer, Agendas and Minutes, Vacancies and Learning Centre, Councillors and Senior Staff details, Festivals and Events, reports, policies and plans, DA Tracker as well as the calendar of events.

New Features - MyRoad Info Apps and the Electronic Housing Code have been a popular addition to the website and the re introduction of the Bellingen Shire Community Profile statistical information has also been welcomed.

- Policy

- Social Media Policy was adopted by Council in January 2015.
- Social Media Implementation Plan put in place for 3 month trial of Facebook at the Waterfall Way Visitor Information Centre.



## Special Variations in General Income

Local Government Act 1993 - Section 508(2) and 508A  
1 July 2014 to 30 June 2015.

### Road Levy 1996-1997

The ordinary rates include a 5.00% Road Levy which was approved by the Minister in 1996/97. The Levy applies to all rateable land within the Shire.

<b>Road Levy</b>	
<b>Routine road Maintenance</b>	\$200,000
<b>Repair of Old Coast road Dorrigo</b>	\$103,590
<b>Total</b>	<b>\$303,590</b>

### Your Environmental Levy at Work 2004-2005

#### *Introduction*

Bellingen Shire Council applied to the Minister for Local Government in May 2005 for a special variation to General Income for environmental projects. On the 30th June 2005 Council received notice that an increase of 4% was approved on an on-going basis.

In 2014-15 this equates to a fund of \$241,262 for environmental projects. Council applies for external grants on an ongoing basis to match, and therefore leverage the funds, and these have been outlined in this report.

As identified in the Shire of Bellingen 2030 Community Vision, the environment levy supports the implementation of projects to achieve the strategic directions, outcomes and aspirations for the future from our local community.

The key focus areas are as follows;

- Invasive plant management;
- Biodiversity management;
- Coastal and river ecosystem management;
- Sustainable food production; and
- Climate change adaptation and mitigation.

The projects presented in this report delivered actions identified in the North Coast Weeds Action Program, NSW Invasive Species Plan; draft Dangar Falls Plan of Management, Estuary Management Plan, Kalang River Health Plan and the Bellingen River Health Plan, Bellingen Emission Reduction Plan (BERP), the Bellingen Climate Change Risk Adaption Strategy and Dairy Effluent Infrastructure and Management Assessment and Planning Project.



## **Projects 2014-2015**

**Pedestrian Access Mobility Plan (PAMP)** – Key Focus Area: Climate Change Adaption and Mitigation.

In 27 March 2013, Council resolved to undertake Stage 2 of the Hungry Head Road cycleway. Stage 2 of the Hungry Head Road cycleway project will extend the Hungry Head Cycleway south of Pipe Clay Creek Bridge by approximately 400 metres in the 2014/15 financial year.

The total project cost for this extension is \$167,500 of which 50% is to be funded from Council's Pedestrian Access Mobility Plan (PAMP) and Financial Assistance Grant (FAG). This program includes a \$30,000 contribution from the environment levy.

A total of \$30,000 was allocated to this program for the 2014/15 financial year.

## **Community Fund** – Key Focus Area: All

The BSC Environment Levy (BSC EL) community fund is available through a competitive process for community groups working on public land and sustainability projects, to gain additional funds to complete projects. This fund has supported over 22 community groups over recent years, including seven representing an investment of \$35,000 in 2013/14.

In the 2011/12 financial year the BSC EL community fund application and grant process underwent significant review in consultation with the former Environmental Advisory Committee (EAC). Projects are now capped at \$5,000. The funds to be allocated to this program are \$20,000 for the 2014/15 financial year. However, there is \$35,000 remaining in environment levy reserve fund and therefore the total is now \$55,000.

Council opened the community fund once in the 2014/15 year, with seven projects funded to a total value of \$27,195.25.

## **Weeds Action Program** – Key Focus Area: Invasive Plant Management

Council, in alliance with the NSW North Coast Weeds Advisory Committee, has applied under the Weeds Action Program (WAP) for funds to implement the NSW Invasive Species Plan. In order for Council to implement invasive plant removal projects and achieve the 12 weed action program objectives, an allocation to the weeds operational budget will be required.

The total project value is \$144,000 per year with the Department of Primary Industries (WAP) providing \$48,000, Council general funds providing \$48,000, and a contribution from the BSC EL of \$48,000 was made. A total of 200 private property noxious weed inspections across 5000 hectares were carried out; along with weed control implemented over an area of 542 hectares.

Council also allocated an additional \$10,000 for on ground weed control and maintenance work of the riparian zones around creek ways in the Bellingen Township. This funding will come from Council's general funds and will assist in maintenance of Market Park, Connell Park and the lowland floodplain rainforest on Bellingen Island (an Endangered Ecological Community). These sites will be managed in partnership with the Bellingen Urban Landcare Group.

A total of \$48,000 was allocated to this program for the 2014/15 financial year.



**Dangar Falls Biodiversity Improvement** – Key Focus Area: Invasive Plant Management and Biodiversity Management

This project continues the excellent works already undertaken at Dangar Falls Reserve. The investment has resulted in an excellent response from the Antarctic Beech and Port Jackson Pine Groves forest (an Endangered Ecological Community).

The project has continued the focus on weed removal and revegetation throughout the Dangar Falls recreation area.

A total of \$7,000 was allocated to this program for the 2014/15 financial year.

**The Jaliigirr Biodiversity Alliance Project Maintenance** – Key Focus Area: Invasive Plant Management, Biodiversity Management and Coastal and River Ecosystem Management

In the 2011/12 financial year Council was successful in applying for a \$300,000 grant over six years. The Jaliigirr Biodiversity Alliance Project (Bellinger River Treeway and Dorrigo National Park Protection) has commenced.

This project aims to improve the biodiversity (including koala habitat) of the Shire through ongoing weed control and planting of native seedlings across both public and private land.

The quantifiable outcomes of the project achieved to date are listed as follows;

- Dorrigo National Park Protection (3 sites) – implemented 7.59ha of weed removal to protect and enhance the surrounds of the Dorrigo National Park; and create a corridor connection to the World Heritage Area.
- Bellinger River Treeway (12 sites) – planted 1.43ha of native seedlings, implemented 22.24ha of weed removal and the project has enhanced 25.85ha of native vegetation in the Shire.

As part of this grant funded project, Council is required to maintain the project sites where Council is the land owner for a five year period. A total of \$10,000 was allocated to this program for the 2014/15 financial year.

**Rock Fillets for Fish Fillets** - Key Focus Area: Biodiversity Management and Coastal and River Ecosystem Management

Working in partnership with the NSW Soil Conservation Service, the Rock Fillets for Fish Fillets project resulted in the installation of 500m of rock fillet (groynes) and artificial reef structures in the Bellinger River estuary adjacent to Mylestom Drive. A rock fillet is a low wall which protects the base of the bank from wave action and provides habitat for mangrove regeneration. The project will utilise artificial “reef balls”. These are large balls of concrete with holes formed into their structure. When placed under water they provide instant fish habitat. This project improved river bank stability and habitat for mangroves, fish and other marine organisms in the lower Bellinger estuary.

This project commenced in the 2013/14 financial year and Council's role is to project manage the revegetation on Council land along adjacent river banks to the rock fillets improving the Shire's biodiversity and to assist in riverbank stabilisation. This includes maintenance of these important environmental assets. Council was also successful in applying for a \$40,000 NSW Recreational Fishing Trust Habitat Action grant and which has also been committed to funding this project.



The project was completed in the 2014/15 year with Council contractors implementing weed control and revegetation on two hundred metres (200m) of public land adjacent to the rock filllets. 262 local native trees and 228 Lomandras were planted. The areas planted for this project connect with tree planting areas from three years ago to achieve a total of one kilometre of riparian vegetation improved and managed by Council.

The total project value is \$290,000 (\$260,000 from external grants and \$30,000 from environment levy contributions) and the funds allocated to this program were \$6,000 for the 2014/15 financial year (for weed control and revegetation maintenance work).

**Floodplain and Estuarine Water Quality Improvement Project** - Key Focus Area: Sustainable Agriculture, Biodiversity Management and Coastal and River Ecosystem Management

The project, due to be completed in June 2016, aims to improve dairy effluent management practices to reduce potential impacts of the dairy industry on estuarine water quality, an important public asset. This is a key priority identified in Council's Estuary Management Plan, Kalang River Health Plan and the Bellinger River Health Plan. The objective of the project is to provide funding for farmers managing farms on the Bellinger River floodplain to implement priority actions identified in the Dairy Effluent Infrastructure and Management Assessment and Planning Project 2011 (funded by Bellinger Shire Council and NORCO and coordinated by Bellinger Landcare in association with NSW DPI), and to fund biodiversity improvement projects on public land.

Key activities are likely to include: underground poly pipes for effluent irrigation field expansion to best management practice targets; concrete aprons and laneways to improve effluent collection and/or distribution on farm; riparian fencing to exclude stock from waterways and wetlands; riparian revegetation and a field day to showcase project outcomes and foster industry/community education and networking.

Council was successful in securing \$76,000 from the NSW Office of Environment and Heritage (OEH) to implement the Friesians for Fish project Bellinger River Floodplain and Estuary Water Quality Improvement project. This project commenced and OEH approved Council's work plan, draft funding agreements were developed and technical design advice and costings for two dairy farms was received.

A total of \$76,000 was allocated to this program from the Environmental Levy for the 2014/15 financial year. Therefore, the total project value will be \$152,000.

**River and Biodiversity Project Officer General Community Consultation** – Key Focus Area: Biodiversity Management and Coastal and River Ecosystem Management

The River and Biodiversity Project Officer role will incorporate river restoration and biodiversity education and engagement workshops as well as providing a service for customer enquiries. The project value is \$10,000 per year for two years allowing for up to four hours per week of Project Officer time.

A total of \$10,000 was allocated to this program for the 2014/15 financial year.

**Sustainable Agriculture Farm Planning Project** - Key Focus Area: Sustainable Agriculture

Council engaged Bellinger Landcare to develop sustainable farm plans to educate, provide guidance to landholders and encourage the community to implement more sustainable



agricultural practices. This is a key priority identified in Council's Estuary Management Plan, Kalang River Health Plan and the Bellinger River Health Plan.

Leveraging of Bellinger Landcare's extensive local networks and expertise in farm planning, the project will developed ten detailed farm plans that provide recommendations in the following areas: soil health, soil conservation and rehabilitation, erosion, sustainable grazing, cultivation, horticulture, weed control, native vegetation identification and protection. The plans include maps and identify targeted management zones with the objective to reduce the environmental impacts on the river and estuary, important public assets.

The project outcomes include ten sustainable farm plans developed and five field days implemented. The project will also provide on-going support to assist landholders in applying for grant funding to implement the priority actions identified. This project has been identified as particularly important as new landholders regularly move to the Shire and can at times lack the necessary skills and experience to manage their land in a sustainable manner.

This funding allocation also assisted in supporting the Bellinger Landcare community group operate and deliver important sustainable agriculture projects in the 2014/15 financial year.

A total of \$18,000 was allocated to this program for the 2014/15 financial year.

#### **Sustainability Projects – Key Focus Area: Climate Change Adaption and Mitigation**

Council has adopted the Bellingen Emission Reduction Plan (BERP) and the Bellingen Climate Change Risk Adaption Strategy. There is a requirement to fund actions from the plan to achieve Council's greenhouse gas (GHG) emission reduction target of 40% by 2020.

This funding has provided focus on energy efficiency actions and awareness campaigns, engaging Planet Footprint to measure and report our GHG emissions and preparing Council and the community for climate change mitigation, which includes delivering community environmental workshops. Council's intention is, where appropriate, to utilise this funding allocation and apply for external grants on an ongoing basis to match, and therefore maximise the funds, that may become available throughout the 2014/15 financial year.

A total of \$13,262 was allocated to this program for the 2014/15 financial year.

#### **Administration Expenses**

The BSC EL administration expenses budget was be used to pay for the required media and advertisements to promote and inform the community on projects outlined in this report.

A total of \$3,000 was allocated to this program for the 2014/15 financial year.

#### ***Environment Levy Summary 2014/15***

<b>Project Funding</b>	
Pedestrian Access Mobility Plan	\$30,000
Environmental Levy Community Fund	\$20,000
Weeds Action Program	\$48,000
Dangar Falls Biodiversity Improvement	\$7,000
The Jaliigirr Biodiversity Alliance Project Maintenance	\$10,000
Rock Fillets for Fish Fillets Project	\$6,000





<b>Project Funding</b>	
Floodplain and Estuarine Water Quality Improvement Project	\$76,000
River and Biodiversity Project Officer General Community Consultation	\$10,000
Sustainable Agriculture Farm Planning Project	\$10,000
Sustainability Projects	\$13,262
Administration expenses	\$3,000
<b>TOTAL</b>	<b>\$241,262</b>

### **Special Rate Variation 2013-2014**

<b>Special Rate Variation 2014/15</b>	
Resealing projects across the Shire	\$536,090
Old Coast Road repairs	\$6,410
Newry Island Bridge	\$632,000
<b>Grand Total</b>	<b>\$1,288,410</b>

### **Overseas Visits**

**Local Government Act 1993 - Section 428 (4) (b)**  
**Local Government (General) Regulation 2005 - Section 217 (1) (a1)**  
**1 July 2014 to 30 June 2015.**

There were no overseas visits undertaken by Councillors, Council Staff or other persons representing the Council during the period 1 July 2014 to 30 June 2015.

### **Elected Members' Expenses**

**Local Government Act 1993 - Section 428 (4) (b)**  
**Local Government (General) Regulation 2005 - Section 217 (1) (a1)**  
**1 July 2014 to 30 June 2015.**

### **Mayor and Councillor Fees**

The total fees paid to the Mayor and Councillors in 2014-15 was \$96,220 compared to \$96,230 in 2013-14.

### **Councillor Support and Expenses**

Expenses	2013-14 \$	2014-15 \$
Councillor support and provision of facilities	19,252	13,904
Attendance at conferences and seminars	17,638	9,866



Expenses	2013-14 \$	2014-15 \$
Training of councillors and provision of skill development	0	9,063
Interstate visits undertaken during the year by councillors while representing the council, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses	0	0
Overseas visits by councillors while representing the council, including the cost of transport, the cost of accommodation and other out of pocket travelling expenses	0	0
Expenses of any spouse, partner or other person who accompanied a councillor in the performance of his or her civic functions	0	0
Expenses involved in the provision of care for a child or an immediate family member of a councillor	0	0
Fees paid to Mayor and Councillors	<b>96,230</b>	<b>96,220</b>
Motor Vehicle Allowances	4,947	7,064
Mayoral vehicle operational costs and depreciation	11,758	18,405
Insurance costs for Councillors and Officers liability	33,009.63	30,009
<b>Total costs for the year</b>	<b>182,834.63</b>	<b>184,531</b>

## Major Contracts (Greater than \$150,000) Awarded

Local Government Act 1993 - Section 428 (4) (b)

Local Government (General) Regulation 2005 - Section 217 (1) (a2)

1 July 2014 to 30 June 2015.

Contract or Tender No.	Title	Estimated Annual Value \$ ,000	Total Contract Value \$ ,000	Suppliers
T11213MNC	Road Resurfacing (From 01/12/12 to 30/09/15)	1,260	2,520	Main category suppliers: Boral, Fulton Hogan and SRS Roads.
T051415MNC	Bulk Water Treatment Chemicals (From 01/07/14 to 30/06/16 + one year option)	76	228	Orica Chemicals, Omega Chemicals, Redox and Wilair
T41011MNC	Bitumen Emulsion (From 01/01/14 to 30/12/15 + one year option)	100	300	Downer EDI
T61011MNC	Truck and passenger tyres (From 01/01/14 to 31/12/15 + one year option)	68	204	Bridgestone Aust., Tyres 4U and Valley Tyres



Contract or Tender No.	Title	Estimated Annual Value \$ ,000	Total Contract Value \$ ,000	Suppliers
T152415MNC	Ready Mix Concrete (From 01/01/15 to 31/12/15 + one year option)	60	180	Boral Concrete and Holcim Australia
T391415MNC	Supply and Installation of Road Safety Barrier Systems (From 01/04/15 to 31/03/17 + one year option)	50	150	A1 Highways, D and P Fencing, Irwin Fencing, Evolution Civil Maintenance and Ingal Civil Products
T121314MNC	Collection, Sorting and Removal of Ferrous and Non Ferrous Scrap (From 01/09/13 to 30/09/16 + one year option)	52	208	Matthews Metals
T401415MNC	Traffic Control Services (From 01/04/15 to 31/03/17 + one year option)	400	1,200	Men at Work, Dial Tone Traffic Services and Mid Coast Traffic
Reverse Auction	Electricity for large sites and street lighting: Large Sites (From 01/07/12 to 31/12/15) Street Lighting (From 01/01/13 to 31/12/15)	80 12	159 24	AGL AGL
Reverse Auction	Electricity for small sites (From 01/07/14 to 30/06/16)	160	320	ERM Power
1610/0106	Supply and Delivery of Bulk Fuels (From 01/07/14 to 31/10/16)	390	910	Caltex Australia
LGP808 - 2	Human Resources Temporary Placements and Labour Hire (From 30/11/13 to 30/11/15 + 1 year options)	700	2,100	Various suppliers as per panel
LGP407-2	Fixed Voice and Mobile Services (From 31/03/13 to 31/03/16)	120	240	Telstra
NPN04 - 13	Trucks, Vans and Omnibuses (From 01/10/13 to 30/09/18 + 5 one year options)	96	192	Various suppliers as per panel
LGP707-3	Heavy Plant and Equipment (From 30/04/15 to 30/04/17 + 1 + 1 year options)	150 (Where value exceeds threshold).	159	Various suppliers as per panel
Direct tender T - 14 - 02	Professional Lifeguard Services (From 23/07/14 to 07/10/16 + 3 one year options)	81	425	Australian Lifeguard Services



Contract or Tender No.	Title	Estimated Annual Value \$ ,000	Total Contract Value \$ ,000	Suppliers
Direct tender T - 14 - 01	Panel Supply of Quarry Materials ex Bin (From 01/09/14 to 31/08/16 + one year option)	700 (est.)	2,100 (est.)	EMS Quarries, High Quality Sands, Quarry Solutions, Thora Roadbase Quarry, SD and TM Timms, Sheridan's Head Rock Quarry and Nambucca Valley Gravel
Direct tender T - 14 - 04	Supply of Print Services (conducted by Procurement Australia) (From 22/10/14 to 01/11/18)	120	480	Colorworks - Coffs Harbour
Direct tender T - 12 - 05	Construction of Dorrigo Sewerage Treatment Plant (conducted by Public Works) Completion expected late 2015 or early 2016.	One -off contract	8,122	Leed Engineering and Construction P/L
Direct tender T - 14 - 11	Management of Bellingen and Dorrigo Swimming Pools (From 21/09/15 to 21/09/20 + 5 year extension).	274	1,235	YMCA

## Legal Proceedings

**Local Government Act 1993 - Section 428 (4) (b)**

**Local Government (General) Regulation 2005 - Section 217 (1) (a3)**

**1 July 2014 to 30 June 2015**

Matter	Issue	Status/Result	Expenses	Received
Bellingen Shire Council ats David Supple	Personal Injury Public Liability	Council joint defendant with RMS Pending	Nil	Nil

## Works Subsidised On Private Land

**Local Government Act 1993 - Section 428 (4) (b)**

**Local Government Act 1993 - Section 67 (3)**

**Local Government (General) Regulation 2005 - Section 217 (1) (a4)**

**1 July 2014 to 30 June 2015.**

\$23,000 The Jalligirr Biodiversity Fund Project (federal government grant) - 2.55 hectares of vegetation within a priority koala habitat corridor has been enhanced/rehabilitated by initial pest plant control at Hydes Creek property, Bellingen. 540 local native trees have been planted over 3,600m<sup>2</sup> including a large proportion of koala food trees.





\$7,375 The Jaliigirr Biodiversity Fund Project (federal government grant) – 2.25 hectares of vegetation bordering Dorrigo National Park has been enhanced/rehabilitated by primary weed control (protection of the World Heritage Gondwana rainforest ) at Dome Road Dorrigo property, Dorrigo. This includes 65 metres of fencing installed for protection of bush regeneration works and subsequent protection of the Dorrigo National Park.

\$5,000 (Council's Environmental Levy Community Fund) - on the composting toilet at Northbank Community Garden, Bellingen.

## Donations and Contributions

Local Government Act 1993 - Section 428 (4) (b)

Local Government (General) Regulation 2005 - Section 217 (1) (a5)

Local Government Act 1993 – Section 356

1 July 2014 to 30 June 2015.

## Community Support and Community Event Sponsorship Funds

Council's commitments with respect to Donations and Contributions are detailed as follows:

### *Community Event Sponsorship Fund – Round 1*

Organisation	Event	Contribution
Local M.A.D.E	Electric Jungle/Rise Up talent quest youth events	\$2,000
Arts Council of Dorrigo	Dorrigo Folk and Bluegrass Festival	\$2,000
Bellingen River Festival Inc.	Bellingen River Festival	\$2,500
Bellingen Jazz Festival	Bellingen Jazz Festival	\$2,000
Camp Creative Inc.	Bellingen Music Festival	\$1,000
The Grub Club	The Sgt. Matthew Locke Charity Match	\$2,000
<b>TOTAL</b>		<b>\$11,500</b>

### *Community Support Fund – Round 1*

Organisation	Activity	Contribution
Bellingen High School	Awards night	\$50
Dorrigo High School	Awards night	\$50
Coffs Coast Dragon Boat Club	Medals and awards	\$1,000
Bellingen River RSL Sub Branch	Street banners	\$1,200
Arts Council of Dorrigo	Creative Mountain Arts Exhibition	\$1,000
Dorrigo Visual Arts Group	Dorrigo Agricultural Show – Fine Arts Display	\$850



Organisation	Activity	Contribution
Mylestom Combined Pensioners and Superannuants Association	Annual hall hire costs	\$650
Dorrigo District Guides Association	Rates remission and kitchen upgrade	\$2,000
Life Education	Van towing	\$500
Arts Mid North Coast	To support arts activities across the region as per our contractual agreement	\$4,636
Southern Cross University	Bellingen Scholarship	\$900
<b>TOTAL</b>		<b>\$12,836</b>

#### *Community Event Sponsorship Fund – Round 2*

Organisation	Event	Contribution
Dorrigo Plateau Community Inc.	Christmas in the Clouds	\$1,000
Titivators Urunga Dragon Boat Club Inc.	Annual Regatta	\$3,000
Bellingen Readers and Writers Festival	Politics and Society Now schools program	\$2,500
Bellingen Agricultural Society Ltd	E J Mantova Memorial Art Prize	\$1,500
<b>TOTAL</b>		<b>\$8,000</b>

#### *Community Support Fund – Round 2*

Organisation	Activity	Contribution
Urunga Public School	Annual presentation evening	\$50
Bellingen CWA	Rates Remission	\$1,200
Dorrigo RSL Sub Branch	Valuing Our Veterans shop front display	\$500
Miindala (auspiced by NALAG Inc.)	Volunteer training and client biography project	\$800
Dorrigo and Guy Fawkes Agricultural Society	Portable 3-tiered seating at Dorriggo Showground	\$3,000
Raleigh Public School P&C	Art workshops and exhibition	\$250
Bellingen Big Band	Big Band and Training Band practice activities	\$500
Dorrigo Silver Spurs Camp draft Cutting Association Inc.	Replace ramp at Dorriggo Showgrounds	\$300
Camp Creative	Summer Camp Scholarships	\$630
Dorrigo CWA	Rates Remission	\$1,000
Gleniffer Community Assoc. Inc.	Rates Remission	\$797
Dorrigo and Guy Fawkes Historical Society	Photographic slideshow display	\$520
Repton Public School	Annual Presentation evening	\$50



Organisation	Activity	Contribution
Orama Public School	Annual Presentation evening	\$50
<b>TOTAL</b>		<b>\$9,647</b>

The total actual amount contributed or otherwise granted by Council under Section 356 of the Act was \$41,983

## Functions Delegated by Council

**Local Government Act 1993 - Section 428 (4) (b)**  
**Local Government (General) Regulation 2005 - Section 217 (1) (a6)**  
**1 July 2014 to 30 June 2015.**

External bodies that exercised functions delegated by Council during the period were:

Body	Function
<b>EXTERNAL BODIES</b>	
Clarence Regional Library Committee	Library Service
NSW Rural Fire Service	Rural Fire Services
<b>COMMUNITY COMMITTEES (SECTION 355 NSW LGA 1993)</b>	
Australia Day Committee	Australia Day Activities
Bellingen Citizens Centre Management Committee	Care, Control and Management of the Centre
Bellingen Island Reserve Management Committee	Care, Control and Management of the Reserve
Bellingen Memorial Hall Committee	Care, Control and Management of the Hall
Bellingen Shire Visitor Information Centre	Care, Control and Management of the Centre
Bellingen Youth Development Centre	Care, Control and Management of the Bellingen Shire Youth Hub
Bellingen/Connell Park Management Committee	Care, Control and Management of the Parks
Bellinger Valley Historical Society Committee	Care, Control and Management of the Bellingen and Urunga Museums
Brierfield Hall Management Committee	Care, Control and Management of the Hall
Burdett Park Management Committee	Care, Control and Management of the Park
Deervale Hall and Recreation Reserve Management Committee	Care, Control and Management of the Hall and Reserve
Dorrigo Public Hall Management Committee	Care, Control and Management of the Centre
Dorrigo Recreation Grounds Management Committee	Care, Control and Management of the Reserve
Dorrigo Saleyards Management Committee	Care, Control and Management of the Saleyards
Hickory House and Neighbourhood Bus Committee	Care, Control and Management of the Centre
Megan Hall and Recreation Reserve Management Committee	Care, Control and Management of the Hall and Reserve



Body	Function
Mylestom Hall Management Committee	Care, Control and Management of the Hall
North Bellingen Children's Centre Committee	Care, Control and Management of the Centre
North Dorrigo Recreation Reserve Management Committee	Care, Control and Management of the Reserve
Raleigh Hall and Recreation Reserve Management Committee	Care, Control and Management of the Hall and Reserve
Thora Community Hall Management Committee	Care, Control and Management of the Hall
Urunga Literary Institute and Senior Citizens Centre Management Committee	Care, Control and Management of the Centre and the Literary Institute Hall
Urunga Recreation Reserve Management Committee	Care, Control and Management of the Reserve

## **Corporations, Partnerships, Joint Ventures or Other Bodies in which Council(s) Held a Controlling Interest**

**Local Government Act 1993 - Section 428 (4) (b)**

**Local Government (General) Regulation 2005 - Section 217 (1) (a7)**

**1 July 2014 to 30 June 2015.**

Council did not participate in any corporations, partnerships, joint ventures or other bodies in which it held a controlling interest.

## **Corporations, Partnerships, Joint Ventures or Other Bodies in Which the Council Participated**

**Local Government Act 1993 - Section 428 (4) (b)**

**Local Government (General) Regulation 2005 - Section 217 (1) (a8)**

**1 July 2014 to 30 June 2015.**

### **Southern Phone Company Limited**

Council is a shareholder in the company, a local government-owned telecommunications provider. There are 41 councils that hold two shares each in the unlisted Public Company, purchased for \$1 each. The company is a national full-service telecommunications provider offering fixed line, mobile and internet services to customers in all states of Australia.

In November 2002 Council resolved to make application to the Southern Phone Company for two shares at \$1 each, being one A Class share and one share in the B to ZZ class. Council's liability is limited to the value of its shares. Should the venture fail there can be no call on shareholders for funds.



## **Arts Mid North Coast**

Arts Mid North Coast is a regional non-profit, incorporated organisation and is the peak body for Arts and Cultural Development across the Mid North Coast region. Arts Mid North Coast works within the following seven Local Government Areas: Great Lakes, Greater Taree, Port Macquarie-Hastings, Kempsey, Nambucca, Bellingen and Coffs Harbour.

The organisation has been in existence for over ten years and is part of a state network of 13 Regional Arts Boards that provide the framework for Arts and Cultural Development across regional and rural NSW. Each Council contributes financially to the running of the organisation, and has a representative member on the Board.

The Executive Officer works across all seven Local Government Areas, and aims to engage with all relevant sectors of the regional community to promote, facilitate and advocate for excellence in arts and cultural development across the Mid North Coast region, by assisting with grant applications, project plans, implementation and support to Cultural Development in the areas through strengthening local cultural groups.

## **Mid North Weight of Loads Group**

Council is a member of the group of Councils which enforces vehicle weight limits to reduce damage to council classified roads and thereby decreasing road maintenance costs.

## **Regional Procurement Initiative**

Council is a participating member with other Councils in the Regional Procurement Initiative. Regional Procurement Initiative, a division of Hunter Councils Inc. was established in response to a need for a collaborative approach to regional tendering and contracting. It is the purpose of the Regional Procurement Initiative to reduce the administrative impost on member councils caused by their respective annual or bi-annual tender processes. It is estimated the Regional Procurement Initiative members contribute upwards of \$200 million to the economy through their tenders and contracts.

## **Statewide Mutual Limited**

Statewide Mutual is a NSW Local Government mutual which commenced operation on 31 December 1993 with a membership of 96 Councils. It provides cover to Member Councils on:

1. Assets under a Property Mutual,
2. Liability under a Mutual Liability Scheme, and
3. Fidelity Guarantee.

The Scheme is not insurance. Rather it is a “self-insurance mutual” which is backed by reinsurance placed through the local and London markets.

As at 2015, membership consists of 137 General purpose Councils, County Councils and associated entities.

## **StateCover**

StateCover Mutual Limited has been operating since 2001 as a Specialised Workers Compensation insurer of NSW Local Government organisations. As at June 2013





StateCover insured 90% of eligible Councils with a combined workforce of approximately 30,000.

StateCover is a not for profit organisation providing Workers Compensation and Work Health and Safety services to its insured members.

### **Coffs Coast Regional Waste Services**

In July 2004 Council resolved to participate in the Coffs Coast Regional Resource Recovery Scheme with Coffs Harbour City Council and Nambucca Shire Council.

The project involves the full recovery and treatment of waste from the three Council areas including collection, recycling and disposal. Putrescible waste from the region is collected and processed at a waste processing facility at Englands Road, Coffs Harbour. The strategy, although maintaining each Council as a separate entity, enables a consistent, sustainable and economical approach to waste management in the area.

In accordance with the signed agreement Coffs Harbour City Council administers the contract on behalf of the Councils.

### **Mid North Coast Regional Organisation of Councils (MIDROC)**

Council is a member of the Mid North Coast Regional Organisation of Councils and has continued to actively participate in the strategic alliance with Great Lakes, Taree, Gloucester, Kempsey, Nambucca, Bellingen and Coffs Harbour Councils, which was formed with the objective of achieving cost savings and/or improved service delivery of identified functions, within the participating organisations. There are a number of groups actively working together to achieve both direct and indirect benefits. These benefits range from the sharing of information, networking, shared tenders and benchmarking.

## **Information Relating to Workforce Management Plan**

### **Workforce Management Plan**

#### *Overview*

Council's Workforce Management Plan 2012 – 2016 has continued to provide the basis for employee-related activities over the reporting period. The Workforce Management Plan contains strategies designed to attract, develop and retain a workforce that is capable of meeting the aspirations and goals of our community and keep pace with changing expectations. The priorities for Council's human resources and organisational development activities are driven by this plan. Key achievements for the 2014/15 financial year are noted earlier in the Annual Report.

In addition, ongoing review and assessment of Council's needs and options relating to resource levels and alignment of functions has also continued. These reviews are undertaken to ensure that outcomes, service levels, and regulatory obligations are fulfilled. They form part of Council's commitment to maintain and/or improve our productivity and efficiency levels. In relation to this, during the reporting period independent external service/departmental reviews were completed on three Council functions: Ranger Services, the Finance Department and Water and Wastewater. Implementation of recommendations



has been completed for Ranger Services. Finance has commenced implementation with Water and Wastewater recommendations still under consideration.

### Staff Employment Statistics as at end June 2015

#### Headcount

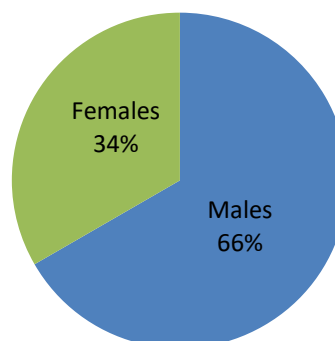
The following outlines the number of people working in the organisation in the pay week of 30 June 2015:

Gender	Full Time	Part Time	Casual*	Day Labour**	Total
Female	21	24	5	2	52
Male	92	7	1	7	107
<b>Total</b>	<b>113</b>	<b>31</b>	<b>6</b>	<b>9</b>	<b>159</b>
Full time equivalent (FTE) for the above headcount: 135 ( including casuals but excluding labour hire)					
Staff on fixed term contracts included in above numbers: 4					
* Casuals utilised by Council in the pay week of 30 June 2015					
** Day labour (engaged through 3 <sup>rd</sup> party providers) utilised by Council on 30 June 2014					

Council has 149 approved positions in the organisational structure as at 30 June, 2015.

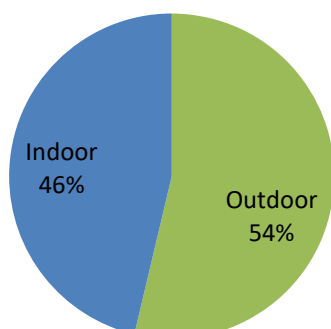
#### Gender balance

As at the reporting date, Council employed 50 females and 100 males. These figures include casuals but exclude day labour.

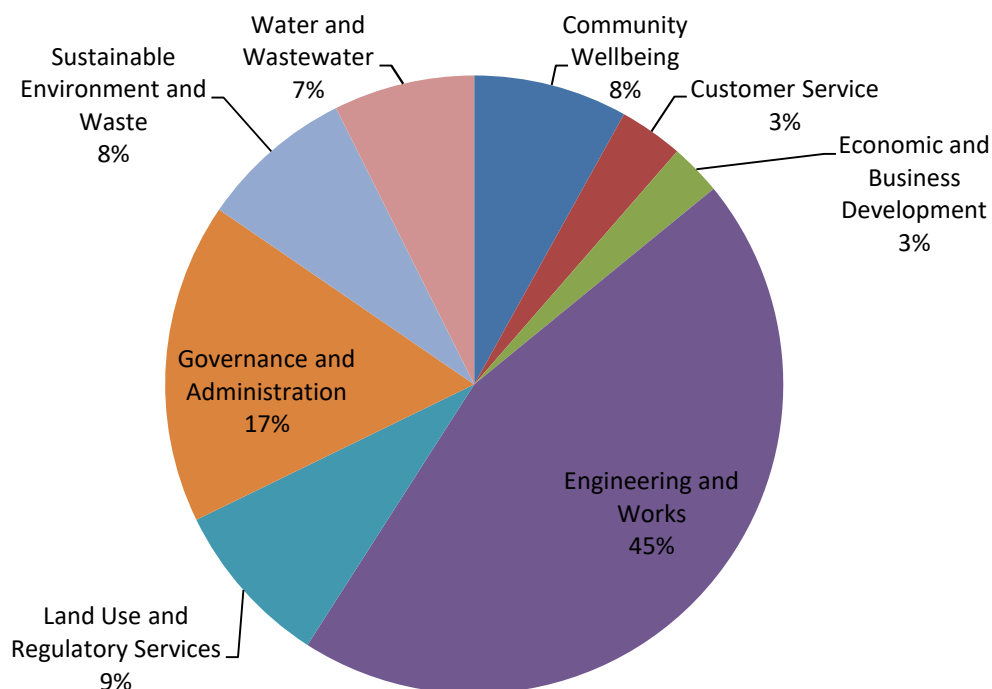


#### Analysis of indoor and outdoor positions

As at the reporting date, there were 80 (54%) outdoor and 69 (46%) indoor positions. These figures exclude casuals and day labour. Indoor staff are employed on a 35 hour week and outdoor staff are employed on a 38 hour week under the Local Government (State) Award, 2014.



## Functional distribution of positions



83% of positions are directly involved in providing services or support to our community including:

- Water and sewer services
- Building and maintenance of roads, bridges and culverts
- Town and open space maintenance
- Aged and disability support
- Library staff
- Youth Centre management
- Visitor Information Services
- Engineers and Planners
- Health and Building Surveyors
- Waste Management
- Front office customer service staff

Governance and Administration functions (17%) are primarily related to fulfilling Council's regulatory and legislative requirements and all elements associated with corporate governance, financial and fiscal affairs. This includes the management and reporting of Council's finances, payment of creditors, collection of rates, information technology, records

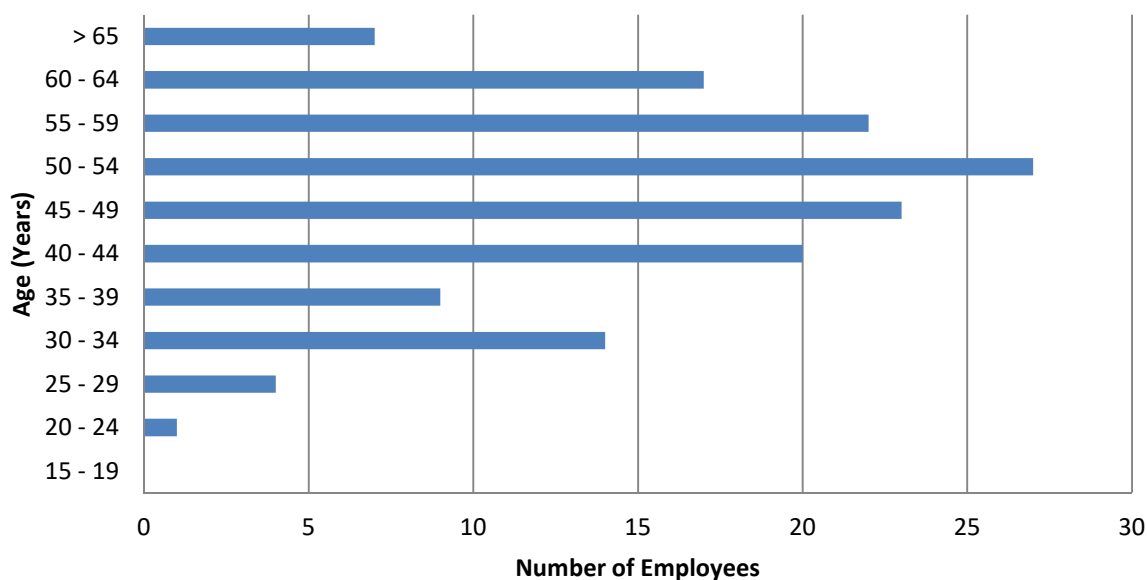




management services, corporate governance, procurement, human resource management and workplace health and safety.

### Age Distribution\*

## Bellingen Shire Council Age Distribution 2015



\* Excludes casuals and labour hire

Across the board, Local Government has a high number of mature age workers compared to the national average for industries. The demographic profile of the Mid North Coast Region provides challenges for Council with regard to labour supply and maintaining employee health and wellbeing particularly for those involved in physical labour.

A number of initiatives assist the organisation deal with the challenges of an ageing workforce. These include extending the variety of flexible working arrangements available to staff, developing retirement transition plans, reviewing work/task design to minimise injury/strain risks and maintaining employee health management and education programs.

In addition, Council's Equity and Diversity Plan for 2014-18, which has been developed with reference to current and forecast demographics as well as the business needs of Council, includes strategies to increase the employment of youth. These strategies include the expansion of our trainee and student work experience programs and strengthening our partnership with local high schools and other education centres to promote careers in Local Government.

### Recruitment and Selection

During the year, 27 positions were advertised with 24 filled, or in the final stages of recruitment, as at 30 June, 2015. A total of 633 applications were processed during the reporting period, more than double the number of applications received in the previous financial year.

The top 3 sources of applicants for vacant positions are:



1. SEEK
2. Bellingen Shire Council Careers site and job alerts
3. Word of Mouth

Continued in-house management of Council's recruitment efforts and the use of online recruitment processes enabled hiring to 24 positions to be achieved with a 20% reduction in budget from the previous financial year and while maintaining an average "time to hire" (i.e. from application closing date to job offer) of 5.5 weeks. Council's recruitment budget has been reduced by 43% since 30 June 2012.

### Budget vs time to hire



Time to hire excludes recruitment to vacancies that were subject to extraordinary circumstances or requirements outside of our control.

### Staff Turnover

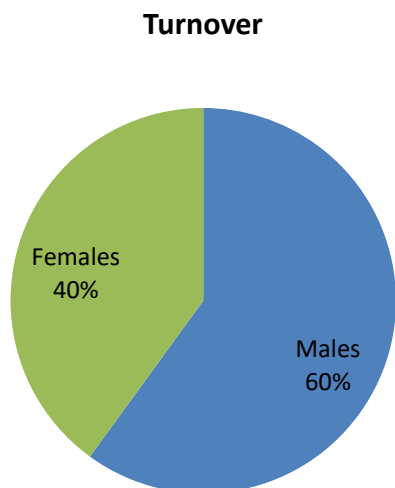
Council reports voluntary turnover rate in line with the definitions contained within the Local Government NSW Annual Human Resources Metrics Benchmarking Survey.

Financial Year	2011/12		2012/13		2013/14		2014/15		Notes
	Number of voluntary separations	11	8.3% of headcount	10	10% of headcount	4	3% of headcount	10	
Number of retirements	2	1.5% of headcount	3	2% of headcount	1	0.7% of headcount	1	0.7% of headcount	Retirements exclude all types of phased retirement (flexible work and leave arrangements)



Headcount in the above analysis is defined as permanent employees (both full time and part time) and those staff on fixed term contracts.

## Turnover by Gender



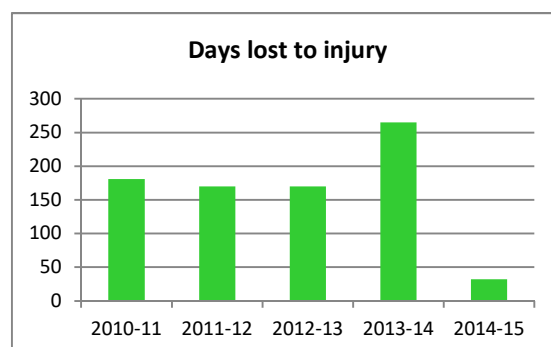
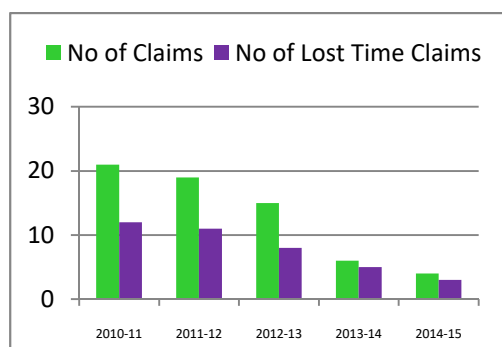
The main drivers for staff exits, unrelated to retirements or ill-health, continue to be:

- Career opportunity
- Uncompetitive salary
- Personal reasons

## Workplace Health and Safety

Our safety performance measures continue to trend positively. Our efforts in recent years, in partnership with our insurer, and ongoing focus throughout this financial year have resulted in the number of injuries and days lost from those injuries continuing to fall. In particular, the number of muscular skeletal disorder injuries (sprains and strains) arising from manual handling related activities have reduced. The number of workers compensation claims for the year and time lost to injury is outlined below along with comparative data for the previous four years.

	2010-11	2011-12	2012-13	2013-14	2014-15
Number of Workers Compensation Claims	21	19	15	6	4
Number of claims resulting in "days lost"	12	11	8	5	3
Days lost to injury	181	170	170	265	32



Council's continued focus on employee safety and wellbeing and the commitment of staff to improving our performance in this area has resulted in Council's insurance premium costs for the 2014/15 year being 28% less than 2013/14 costs.

As part of our commitment to health and wellbeing Council offers access to an Employee Assistance Program (EAP) to employees. The program offers confidential and professional advice, support and counselling on a wide range of issues. The program also provides critical incident counselling. Employees accessed 20 hours of EAP services this reporting year.

## **Implementation of Equal Employment Opportunity Management Plan**

**Local Government Act 1993 – Section 428 (4) (b), Section 345  
Local Government Act (General) Regulation 2005 – Section 217 (1) (a9)  
01 July 2014 to 30 June 2015**

### **Workplace Equity and Diversity Plan**

Under Section 345 of the Local Government Act 1993 Council must have a plan:

- (a) to eliminate and ensure the absence of discrimination in employment on the grounds of race, sex, marital or domestic status and disability in councils, and*
- (b) to promote equal employment opportunity for women, members of racial minorities and persons with disabilities in councils.*

To meet this requirement Council has in place a Workplace Equity and Diversity Plan that covers a 4 year time period from 2014 to 2018 based on a review of the Shire demographics and Council's business needs. This has identified the following target groups for increased representation in Council's workforce:

- Women, in particular being employed in non-traditional roles
- Aboriginal people
- Under twenty four year olds

Activities undertaken this year in support of the plan include:

- Maintained Council's commitment to youth employment via our hosted trainee program. Our traineeship in Disability and Aged Care concluded with the trainee securing employment with Council. A new traineeship in bridge carpentry commenced.
- Five student work experience placements were provided for local youth.
- Council participated in a careers day held at Dorrigo High School which included both primary and secondary student participation.
- Relationships have been established with local school careers advisors as well as external providers who support youth and indigenous employment.
- Maintained relationships with various employment support services who specialise in recruitment and training strategies for indigenous people and those with varying abilities.



- Sponsored the participation of a female employee in the LGMA mentoring program for high potential leaders. Council also provided a female Executive mentor to this program.
- Continued to outsource Council's document disposal to New Horizons Enterprises Limited, a business staffed by people with disabilities.
- Continued the inclusion of Council's Equal Employment Policy, Responding to Workplace Bullying and Harassment Guidelines and Grievance Handling Procedures in Council's employee induction program.
- Ensuring selection panels include trained interviewers and EEO principles are monitored and maintained.
- Selected staff attended training and forums focussed on inclusion and the provision of non-discriminatory services to the LGBTI community.
- Accommodated a variety of requests for flexible work arrangements, including transition to retirement, based on individual employee circumstances.

## **General Manager and Senior Staff Remuneration**

**Local Government Act 1993 - Section 428 (4) (b)**

**Local Government (General) Regulation 2005 - Section 217 (1) (b) and (c)**

**1 July 2014 to 30 June 2015.**

### **Senior Staff Salaries**

There are three positions within Council designated as Senior Staff as at 30 June 2015. These include the General Manager, Deputy General Manager, Operations and Deputy General Manager, Corporate and Community. The total remuneration package of \$230,019 payable to the General Manager included salary, FBT costs associated with the provision of a Council owned motor vehicle and superannuation costs. The combined total remuneration package cost of \$353,124 payable to the two Deputy General Managers included salary, additional leave, FBT costs associated with the provision of a Council owned motor vehicle under leaseback arrangement and superannuation.

## **Stormwater Management Services**

**Local Government Act 1993 - Section 428 (4) (b)**

**Local Government (General) Regulation 2005 - Section 217 (1) (e)**

**1 July 2014 to 30 June 2015.**

Council did not levy a stormwater management levy during the reporting year.

## **Coastal Protection Services**

**Local Government Act 1993 - Section 428 (4) (b)**

**Local Government (General) Regulation 2005 - Section 217 (1) (e1)**

**1 July 2014 to 30 June 2015.**

Council did not levy an annual coastal protection charge during the reporting year.



## Companion Animals Act - Compliance

Local Government Act 1993 - Section 428 (4) (b)

Companion Animals Act 1998

Local Government (General) Regulation 2005 Clause 217 (1) (f)

Sixty Nine (69) Companion Animals were transferred to Council's animal shelter during 2014/15 comprising 63 dogs and 6 cats compared to 113 and 19, respectively, the previous year.

Within the Shire there are 5,789 Companion Animals identified (microchipped) on the Companion Animals registry, comprising of 4,791 dogs and 998 cats. Only 3,596 are lifetime registered leaving 1,403 unregistered animals, this figure is down from 1,930 the previous year.

Companion Animal Management Funding	\$
Registration commissions	6,419.00
Impounding fees, charges and fines	3,380.00
<b>Total Income</b>	<b>19,799.00</b>

## Particulars of Any Environmental Upgrade Agreement Entered Into

Local Government Act 1993 - Section 406

Local Government Act 1993 - Section 54P (1)

1 July 2014 to 30 June 2015.

Council has not entered into any arrangements during the period 1 July 2014 to 30 June 2015.

## Report on Capital Works Projects

Local Government Act 1993 – Section 23A

Division of Local Government Capital Expenditure Guidelines 2010

Councils capital projects for infrastructure facilities, including renovations and extensions have not exceeded 10% of Councils annual rate revenue during the period 1 July 2014 to 30 June 2015.

## Rates and Charges Written Off

Local Government Act 1993 - Section 428 (4) (b)

Local Government (General) Regulation 2005 - Clause 132

1 July 2014 to 30 June 2015.

The total value of rates and charges written off for the year 2014 /2015 was \$529,043.70 as follows:





Rates and Charges Written Off		2013/2014	2014/2015
		\$	\$
<b>PENSION REBATES</b>			
General Rates-Residential	A100	218,147.70	225,163.34
General Rates-Farmland	A101	12,807.47	10,126.55
General Rates-Business	A102	750.00	1,352.99
Water Annual Charges	A110	73,292.58	94,920.03
Water Usage Charges	A115	23,427.03	-
Sewer Annual Charges	A120	74,025.57	75,126.59
DWM Charges	A130	117,850.20	112,186.15
		<b>520,300.60</b>	<b>518,875.65</b>
<b>RATES-Residential</b>			
RATES-Residential	A100	17,250.17	1,186.57
RATES-Business	A102	-	-
DWM	A130	-	-
Non DWM	A135	2,519.90	787.10
WATER-ANNUAL CHARGES	A110	258.00	-
WATER-USAGE CHARGES	A115	4,927.95	6,201.51
SEWER-ANNUAL CHARGES	A120	1,402.00	-
SEWER-USAGE CHARGES	A123		-
LIQUID TRADE WASTE ANNUAL CHARGES	A145	191.65	-
LIQUID TRADE WASTE USAGE CHARGES	A146	3,346.32	-
INTEREST-RATES	A150	450.03	983.60
INTEREST-WATER	A156	218.82	57.67
LEGAL FEES/COSTS	A155	260.50	951.60
		<b>30,825.34</b>	<b>10,168.05</b>
		<b>551,126.00</b>	<b>529,043.70</b>

## Planning Agreements

**Environmental Planning and Assessment Act 1979 - Section 93G (5)**  
**1 July 2014 to 30 June 2015.**

Council did not enter into any planning agreements during 2014/15.

## Public's Right to Access Government Information

**Government Information (Public Access) Act 2009 – Section 125**  
**1 July 2014 to 30 June 2015.**

The Government Information (Public Access) Act 2009 (GIPA Act) came into effect on 1 July 2010 and replaced the Freedom of Information Act (FOI) and Section 12 of the NSW Local Government Act 1993.





The aim of the GIPA Act is to provide an open, accountable, fair and effective government. This means that all government agencies in NSW are required to make more information freely available and more processes and documents of Government will be available following an application process.

In 2014/15 three (3) informal applications for access to information were received and one (1) formal but invalid application.

### **Review of Proactive Release Program - Clause 7(a)**

Under section 7 of the GIPA Act, agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available. This review must be undertaken at least once every 12 months.

Council's program for the proactive release of information involves updating Council's Agency Information Guide and Privacy Management Procedures and Plan to ensure that staff are provided with clear guidance as to what information should and should not be proactively released.

During the reporting period, we reviewed this program by analysis of the types of requests made to Council and what proportion could be answered through open access means.

As a result of this review, we released the following information proactively:

#### ***Fit For The Future***

Bellingen Shire Council, while undertaking the process of responding to the NSW Government's **Fit for the Future** program, undertook to engage with its community to keep it informed of the local government reform process. Council did this in the following ways:

- Engaged with local Chambers of Commerce
- Meet with key community representatives through focus group forums
- Established a dedicated 'Fit for the Future' webpage on Council's website that included presentations and fact summary information sheets
- Issued media releases
- Provided information and updates in community newsletters and rate notices

#### ***Grants***

Bellingen Shire Council provides regular updates to the community regarding grant and other funding opportunities through an email distribution list. Council also provides assistance to the community with preparation and feedback on grant applications. Council, from time to time, also holds community workshops and information sessions.

#### ***Other***

Council also released:

- Bellingen Shire Coastal Area Koala Habitat Study
- Internal Audit Guidelines 2010
- A Pesticide Use Notification Plan
- BSC Utilities Energy Audit Report Sept 2012



- S355 Committee Manual V8 January 2015
- Bellingen Shire Estuary Inundation Mapping Final Report
- A Bellingen Shire Climate Change Action Plan BERP
- Special Rate Variation (SRV) Information Centre. One-stop shop where residents can view Background, Council Reports, Media Release and Community Updates, Workshops etc. on the proposed SRV.
- Newry Island Bridge Information Centre – One-stop shop as above for restoration of Newry Island Bridge. Funding was as a result of the SRV.
- Guesses Bridge Information Centre – as above for Guesses Bridge, Darkwood Road Thora.
- Bellingen Shire Weekly Works Schedule uploaded to website. This lists all the works being undertaken, i.e. bank slashing, road and bridge works, tree felling etc.

### Number of Access Applications Received - Clause 7(b)

During the reporting period, our agency received no formal and valid access applications (including withdrawn applications but not invalid applications).

### Number of Refused applications for Schedule 1 Information - Clause 7(c)

During the reporting period, Council refused one application.

Statistical information about access applications - Clause 7(d) and Schedule 2

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

Table A: Number of applications by type of applicant and outcome*								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	1	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

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

**Table B: Number of 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*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	1	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

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

**Table C: Invalid applications**

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	1
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

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

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



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

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)	0
Decided after 35 days (by agreement with	0
Not decided within time (deemed refusal)	0
<b>Total</b>	<b>0</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)**

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

## Complaint and Compliment Reporting

### Bellingen Shire Council Complaints Handling Policy and Procedures 1 July 2014 to 30 June 2015

Period	Complaints	Compliments
Q1	13	Not recorded
Q2	11	Not recorded
Q3	13	10
Q4	14	10
<b>Total</b>	<b>51</b>	<b>&gt;= 20</b>

## Code of Conduct Reporting

### Local Government Act 1993 – Section 440 Local Government (General) Regulation 2005 Clause 193 Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW 1 July 2014 to 30 June 2015

#### Number of Complaints and Associated Costs Model Code Procedures Reference: 12.1

1 a) The total number of code of conduct complaints made about councillors and the general manager under the code of conduct	1
b) The number of code of conduct complaints referred to a conduct reviewer	1
c) The number of code of conduct complaints investigated by a conduct reviewer	1
d) The number of code of conduct complaints investigated by a conduct review committee	0
e) The total cost of dealing with code of conduct complaints made about councillors and the general manager including staff costs	<b>\$59,272.93</b>

#### Preliminary Assessment Statistics Model Code Procedures Reference: 6.10

2 a) The number of code of conduct complaints finalised by a conduct reviewer at the preliminary assessment stage	0
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**Preliminary Assessment Statistics****Model Code Procedures Reference: 6.10**

b)	The number of those complaints finalised by any of the following recommendations:	n/a
	To take no action	n/a
	To resolve the complaint by alternative and appropriate strategies	n/a
	To refer the matter back to the general manager or the Mayor, for resolution by alternative and appropriate strategies"	n/a
	To refer the matter to another agency or body such as, but not limited to, the ICAC, the NSW Ombudsman, the Division or the Police	n/a
	To investigate the matter	n/a
	To recommend that the complaints coordinator convene a conduct review committee to investigate the matter	n/a

**Final Investigation Statistics****Model Code Procedures Reference: 8.35**

3 a)	The number of code of conduct complaints investigated by a conduct reviewer or conduct review committee	0
b)	The number of these complaints finalised by any of the following recommendations:	0
	That the council revise any of its policies or procedures	0
	That the subject person undertake any training or other education relevant to the conduct giving rise to the breach	0
	That the subject person be counselled for their conduct	0
	That the subject person apologise to any person or organisation affected by the breach	0
	That findings of inappropriate conduct be made public	0
	In the case of a breach by the general manager, that action be taken under the general manager's contract for the breach	0
	In the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Act	0
	In the case of a breach by a councillor, that the matter be referred to the Division for further action	0

**Complaints Reviewed by the Division****Model Code Procedures Reference: Part 9**

4	Number of matters reviewed by the Division	0
a)	Outcome: Decision sustained	n/a
g)	Outcome: Decision overturned	n/a

**Public Interest Disclosures Reporting****Public Interest Disclosures Act 1994 – Section 31****Public Interest Disclosures Regulation 2011 Clause 4****Council Policy – Public Interest Disclosures - Internal Reporting Policy**

Organisations are required under the Public Interest Disclosures Act 1994 (PID Act) to collect and report on information about public interest disclosures (PIDs).





The Public Interest Disclosures Regulation 2011 outlines what information public authorities are to record and include in both the six month report to the NSW Ombudsman and the public authority's annual report:

<b>Statistical information on PIDs</b>	<b>1 Jan 2013 – 31 Dec 2013</b>	<b>1 Jan 2014 – 30 June 2014</b>	<b>1 July 2013 – 30 June 2014</b>
Number of public officials who made PIDs	0	0	0
Number of PIDs received	0	0	0
Of PIDs received, number primarily about:	0	0	0
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
Number of PIDs finalised	0	0	0

Note: The number of PIDs finalised only refers to PIDs that have been received since the commencement of the relevant period.

### **Commentary on PID Obligations**

Council has established an internal reporting policy. The policy was adopted by Council on 28 September 2011 and is available on Council's IT network.

Council's General Manager has taken action to make staff aware of their obligations through provision of relevant information on Council's Intranet, both as a reminder on the "News" section and as a static page containing:

- a policy extract,
- a link to Council's internal reporting policy,
- a link to Council's Public Interest Disclosures Guidelines and Procedures, and
- a link to the NSW Ombudsman's PID e-News

Posters encouraging internal reporting and hardcopies of Council's Public Interest Disclosures Guidelines and Procedures have also been placed at all of Council's principal work locations.





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# Bellingen Shire COUNCIL



## Section 3 – Financial Statements



# Bellingen Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2015

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**Bellingen Shire - Naturally Magic**



# Bellingen Shire Council

## General Purpose Financial Statements

for the financial year ended 30 June 2015

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### Overview

(i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Bellingen Shire Council.

(ii) Bellingen Shire Council is a body politic of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.

Council's Statutory Charter is detailed in Paragraph 8 of the LGA and includes giving Council;

- the ability to provide goods, services & facilities, and to carry out activities appropriate to the current & future needs of the local community and of the wider public,
- the responsibility for administering regulatory requirements under the LGA and
- a role in the management, improvement and development of the resources in the area.

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

(iii) All figures presented in these financial statements are presented in Australian Currency.

(iv) These financial statements were authorised for issue by the Council on 22 October 2015. Council has the power to amend and reissue these financial statements.

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## Bellingen Shire Council

### General Purpose Financial Statements for the financial year ended 30 June 2015

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

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

- The Local Government Act 1993 (as amended) and the Regulations made thereunder,
- The Australian Accounting Standards and professional pronouncements, and
- The Local Government Code of Accounting Practice and Financial Reporting.

**To the best of our knowledge and belief, these Financial Statements:**

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

**We are not aware of any matter that would render the Reports false or misleading in any way.**

**Signed in accordance with a resolution of Council made on 23 September 2015.**



Mark Troy  
MAYOR



Desmae Harrison  
COUNCILLOR



Liz Jeremy  
GENERAL MANAGER



Chris Hodge  
RESPONSIBLE ACCOUNTING OFFICER

# Bellingen Shire Council

## Income Statement

for the financial year ended 30 June 2015

Budget <sup>1</sup> 2015	\$ '000	Notes	Actual 2015	Actual 2014
<b>Income from Continuing Operations</b>				
<b>Revenue:</b>				
12,528	Rates & Annual Charges	3a	12,244	11,299
4,286	User Charges & Fees	3b	6,696	6,559
956	Interest & Investment Revenue	3c	1,209	1,201
674	Other Revenues	3d	511	450
4,490	Grants & Contributions provided for Operating Purposes	3e,f	5,377	3,619 <sup>2</sup>
1,984	Grants & Contributions provided for Capital Purposes	3e,f	6,320	4,087
<b>Other Income:</b>				
-	Net gains from the disposal of assets	5	129	61
-	Net Share of interests in Joint Ventures & Associates using the equity method	19	-	-
<b>24,918</b>	<b>Total Income from Continuing Operations</b>		<b>32,486</b>	<b>27,276</b>
<b>Expenses from Continuing Operations</b>				
10,533	Employee Benefits & On-Costs	4a	9,774	9,762
425	Borrowing Costs	4b	486	468
5,947	Materials & Contracts	4c	9,471	9,961
9,589	Depreciation & Amortisation	4d	9,065	9,032
-	Impairment	4d	-	-
3,629	Other Expenses	4e	2,808	2,929
<b>30,123</b>	<b>Total Expenses from Continuing Operations</b>		<b>31,604</b>	<b>32,152</b>
<b>(5,205)</b>	<b>Operating Result from Continuing Operations</b>		<b>882</b>	<b>(4,876)</b>
<b>Discontinued Operations</b>				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
<b>(5,205)</b>	<b>Net Operating Result for the Year</b>		<b>882</b>	<b>(4,876)</b>
(5,205)	Net Operating Result attributable to Council		882	(4,876)
-	Net Operating Result attributable to Non-controlling Interests		-	-
<b>(7,189)</b>	<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>		<b>(5,438)</b>	<b>(8,963)</b>

<sup>1</sup> Original Budget as approved by Council - refer Note 16

<sup>2</sup> Financial Assistance Grants for 13/14 were lower reflecting a one off timing difference due to changes in how the grant was paid in prior years - refer Note 3 (e)

## Bellingen Shire Council

### Statement of Comprehensive Income for the financial year ended 30 June 2015

\$ '000	Notes	Actual 2015	Actual 2014
<b>Net Operating Result for the year</b> (as per Income statement)		<b>882</b>	<b>(4,876)</b>
<b>Other Comprehensive Income:</b>			
Amounts which will not be reclassified subsequently to the Operating Result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	(99,554)	2,078
Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	149
<b>Total Items which will not be reclassified subsequently to the Operating Result</b>		<b>(99,554)</b>	<b>2,227</b>
Amounts which will be reclassified subsequently to the Operating Result when specific conditions are met			
Nil			
<b>Total Other Comprehensive Income for the year</b>		<b>(99,554)</b>	<b>2,227</b>
<b>Total Comprehensive Income for the Year</b>		<b>(98,672)</b>	<b>(2,649)</b>
<b>Total Comprehensive Income attributable to Council</b>		<b>(98,672)</b>	<b>(2,649)</b>
<b>Total Comprehensive Income attributable to Non-controlling Interests</b>		<b>-</b>	<b>-</b>



# Bellingen Shire Council

## Statement of Financial Position

as at 30 June 2015

\$ '000	Notes	Actual 2015	Actual 2014
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	6a	3,149	6,065
Investments	6b	31,300	23,100
Receivables	7	5,156	5,709
Inventories	8	236	265
Other	8	-	12
Non-current assets classified as "held for sale"	22	-	-
<b>Total Current Assets</b>		<b>39,841</b>	<b>35,151</b>
<b>Non-Current Assets</b>			
Investments	6b	-	-
Receivables	7	67	12
Inventories	8	-	-
Infrastructure, Property, Plant & Equipment	9	423,814	522,068
Investments accounted for using the equity method	19	-	-
Investment Property	14	1,924	1,924
Intangible Assets	25	-	-
<b>Total Non-Current Assets</b>		<b>425,805</b>	<b>524,004</b>
<b>TOTAL ASSETS</b>		<b>465,646</b>	<b>559,155</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	10	3,047	2,770
Borrowings	10	595	174
Provisions	10	2,943	2,784
<b>Total Current Liabilities</b>		<b>6,585</b>	<b>5,728</b>
<b>Non-Current Liabilities</b>			
Payables	10	8	-
Borrowings	10	9,032	4,776
Provisions	10	731	689
<b>Total Non-Current Liabilities</b>		<b>9,771</b>	<b>5,465</b>
<b>TOTAL LIABILITIES</b>		<b>16,356</b>	<b>11,193</b>
<b>Net Assets</b>		<b>449,290</b>	<b>547,962</b>
<b>EQUITY</b>			
Retained Earnings	20	263,581	262,699
Revaluation Reserves	20	185,709	285,263
Council Equity Interest		449,290	547,962
Non-controlling Equity Interests		-	-
<b>Total Equity</b>		<b>449,290</b>	<b>547,962</b>

This Statement should be read in conjunction with the accompanying Notes.

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## Bellingen Shire Council

Statement of Changes in Equity  
for the financial year ended 30 June 2015

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non-controlling Interest	Total Equity
<b>2015</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		262,699	285,263	547,962	-	547,962
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance (as at 1/7/14)</b>		<b>262,699</b>	<b>285,263</b>	<b>547,962</b>	<b>-</b>	<b>547,962</b>
<b>c. Net Operating Result for the Year</b>		<b>882</b>	<b>-</b>	<b>882</b>	<b>-</b>	<b>882</b>
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	(99,554)	(99,554)	-	(99,554)
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
<b>Other Comprehensive Income</b>		<b>-</b>	<b>(99,554)</b>	<b>(99,554)</b>	<b>-</b>	<b>(99,554)</b>
<b>Total Comprehensive Income (c&amp;d)</b>		<b>882</b>	<b>(99,554)</b>	<b>(98,672)</b>	<b>-</b>	<b>(98,672)</b>
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>263,581</b>	<b>185,709</b>	<b>449,290</b>	<b>-</b>	<b>449,290</b>

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non-controlling Interest	Total Equity
<b>2014</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		267,795	284,220	552,015	-	552,015
a. Correction of Prior Period Errors	20 (c)	(220)	(1,184)	(1,404)	-	(1,404)
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance (as at 1/7/13)</b>		<b>267,575</b>	<b>283,036</b>	<b>550,611</b>	<b>-</b>	<b>550,611</b>
<b>c. Net Operating Result for the Year</b>		<b>(4,876)</b>	<b>-</b>	<b>(4,876)</b>	<b>-</b>	<b>(4,876)</b>
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	2,078	2,078	-	2,078
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	149	149	-	149
<b>Other Comprehensive Income</b>		<b>-</b>	<b>2,227</b>	<b>2,227</b>	<b>-</b>	<b>2,227</b>
<b>Total Comprehensive Income (c&amp;d)</b>		<b>(4,876)</b>	<b>2,227</b>	<b>(2,649)</b>	<b>-</b>	<b>(2,649)</b>
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>262,699</b>	<b>285,263</b>	<b>547,962</b>	<b>-</b>	<b>547,962</b>

## Bellingen Shire Council

## Statement of Cash Flows

for the financial year ended 30 June 2015

Budget 2015	\$ '000	Notes	Actual 2015	Actual 2014
<b>Cash Flows from Operating Activities</b>				
<b>Receipts:</b>				
11,905	Rates & Annual Charges		12,275	11,345
4,276	User Charges & Fees		7,113	6,536
925	Investment & Interest Revenue Received		1,050	1,182
5,647	Grants & Contributions		12,001	6,732
675	Other		2,196	2,466
<b>Payments:</b>				
(10,411)	Employee Benefits & On-Costs		(9,568)	(9,502)
(5,016)	Materials & Contracts		(10,649)	(9,219)
(428)	Borrowing Costs		(430)	(442)
-	Bonds, Deposits & Retention amounts refunded		(29)	(28)
(3,230)	Other		(3,480)	(5,207)
<b>4,343</b>	<b>Net Cash provided (or used in) Operating Activities</b>	11b	<b>10,479</b>	<b>3,863</b>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts:</b>				
2,000	Sale of Investment Securities		-	13,750
-	Sale of Infrastructure, Property, Plant & Equipment		244	330
-	Deferred Debtors Receipts		8	9
<b>Payments:</b>				
-	Purchase of Investment Securities		(8,200)	(23,100)
(4,006)	Purchase of Infrastructure, Property, Plant & Equipment		(10,124)	(3,794)
<b>(2,006)</b>	<b>Net Cash provided (or used in) Investing Activities</b>		<b>(18,072)</b>	<b>(12,805)</b>
<b>Cash Flows from Financing Activities</b>				
<b>Receipts:</b>				
4,850	Proceeds from Borrowings & Advances		4,850	-
<b>Payments:</b>				
(174)	Repayment of Borrowings & Advances		(173)	(136)
<b>4,676</b>	<b>Net Cash Flow provided (used in) Financing Activities</b>		<b>4,677</b>	<b>(136)</b>
<b>7,013</b>	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>(2,916)</b>	<b>(9,078)</b>
11,630	plus: <b>Cash &amp; Cash Equivalents - beginning of year</b>	11a	6,065	15,143
<b>18,643</b>	<b>Cash &amp; Cash Equivalents - end of the year</b>	11a	<b>3,149</b>	<b>6,065</b>
Additional Information:				
	plus: <b>Investments on hand - end of year</b>	6b	31,300	23,100
	<b>Total Cash, Cash Equivalents &amp; Investments</b>		<b>34,449</b>	<b>29,165</b>

Please refer to Note 11 for additional cash flow information

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

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n/a - not applicable

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards (AASBs), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

##### (a) Basis of preparation

###### (i) Background

These financial statements are general purpose financial statements which have been prepared in accordance with;

- Australian Accounting Standards and Australian Accounting Interpretations issued by the Australian Accounting Standards Board,
- the Local Government Act (1993) & Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

For the purpose of preparing these financial statements, Council has been deemed to be a not-for-profit entity.

###### (ii) Compliance with International Financial Reporting Standards (IFRSs)

Because AASBs are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the Not-For-Profit sector (including Local Government) which are not in compliance with IFRS's, or
- (b) specifically exclude application by Not for Profit entities.

Accordingly in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the Local Government Act (LGA), Regulations and Local Government Code of Accounting Practice & Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with AASBs.

###### (iii) New and amended standards adopted by Council

There were no accounting standards that became mandatory this year which materially impacted on Council's financial statements.

###### (iv) Early adoption of Accounting Standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2014.

Refer further to paragraph (ab) relating to a summary of the effects of Standards with future operative dates.

###### (v) Basis of Accounting

These financial statements have been prepared under the **historical cost convention** except for:

- (i) certain financial assets and liabilities at fair value through profit or loss and available-for-sale financial assets which are all valued at fair value,
- (ii) the write down of any Asset on the basis of Impairment (if warranted) and
- (iii) certain classes of non current assets (eg. Infrastructure, Property, Plant & Equipment and Investment Property) that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

###### (vi) Changes in Accounting Policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

There have also been no changes in accounting policies when compared with previous financial statements unless otherwise stated [refer Note 20(d)].

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

##### **(vii) Critical Accounting Estimates**

The preparation of financial statements requires the use of certain critical accounting estimates (in conformity with AASBs).

Accordingly this 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 Council and that are believed to be reasonable under the circumstances.

##### **Critical accounting estimates and assumptions**

Council makes estimates and assumptions concerning the future.

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

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

- (i) Estimated fair values of investment properties
- (ii) Estimated fair values of infrastructure, property, plant and equipment.
- (iii) Estimated remediation provisions.

##### **Critical judgements in applying Council's accounting policies**

- (i) Impairment of Receivables - Council has made a significant judgement about the impairment of a number of its receivables in Note 7.
- (ii) Projected Section 94 Commitments - Council has used significant judgement in determining future Section 94 income and expenditure in Note 17.

##### **(b) Revenue recognition**

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to it and specific

criteria have been met for each of the Council's activities as described below.

Council bases any estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

##### **Rates, Annual Charges, Grants and Contributions**

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

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

Revenue from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, **(i)** it is probable that the economic benefits comprising the contribution will flow to the Council and **(ii)** the amount of the contribution can be measured reliably.

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

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of S94 of the EPA Act 1979.

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

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

A detailed Note relating to developer contributions can be found at Note 17.

#### User Charges, Fees and Other Income

User charges, fees and other income (including parking 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 first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided as at balance date.

#### Sale of Infrastructure, Property, Plant and Equipment

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

#### Interest and Rents

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

Interest Income from Cash & Investments is accounted for using the effective interest rate at the date that interest is earned.

#### Dividend Income

Revenue is recognised when the Council's right to receive the payment is established, which is generally when shareholders approve the dividend.

#### Other Income

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

#### (c) Principles of Consolidation

These financial statements incorporate (i) the assets and liabilities of Council and any entities (or operations) that it **controls** (as at 30 June 2015) and (ii) all the related operating results (for the financial year ended the 30th June 2015).

In the process of reporting on Council's activities as a single unit, all inter-entity year end balances and reporting period transactions have been eliminated in full between Council and its controlled entities.

#### (i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the LGA 1993, 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.

The Consolidated Fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the Consolidated Fund:

- *General Purpose Operations*
- *Water Supply*
- *Sewerage Service*

Due to their immaterial value and nature, the Section 355 Committees have been excluded from consolidation.



## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

##### (ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (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 statements.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these statements.

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

##### (iii) Joint Arrangements

Council is a member Council of the Clarence Regional Library as disclosed in Note 19.

##### (iv) Associates

Where Council has the power to participate in the financial and operating decisions of another entity, (ie. where Council is deemed to have "significant influence" over another entities operations but neither controls nor jointly controls the entity), then Council accounts for such interests using the equity method of accounting – in a similar fashion to Joint Ventures.

Such entities are usually termed Associates.

##### (v) County Councils

Council is not a member of any County Councils.

##### (vi) Unconsolidated Structured Entities

Council has no interest in any Unconsolidated Structured Entities.

##### (d) Leases

All Leases entered into by Council are reviewed and classified on inception date as either a Finance Lease or an Operating Lease.

##### Finance Leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of each leased asset's useful life and the lease term.

##### Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

##### (e) Cash and Cash Equivalents

For Statement of Cash Flows (and Statement of Financial Position) presentation purposes, cash and cash equivalents includes;

- cash **on hand**,
- deposits held **at call** with financial institutions,
- other short-term, highly liquid investments **with original maturities of three months or less** that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and
- bank overdrafts.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are incorporated into Cash & Cash Equivalents for presentation of the Cash Flow Statement.

##### (f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss,**
- **loans and receivables,**
- **held-to-maturity investments,** and
- **available-for-sale financial assets.**

Each classification depends on the purpose/intention for which the investment was acquired & at the time it was acquired.

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

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

Financial assets at fair value through profit or loss include financial assets that are “held for trading”.

A financial asset is classified in the “held for trading” category if it is acquired principally for the purpose of selling in the short term.

Assets in this category are primarily classified as current assets as they are primarily held for trading &/or are expected to be realised within 12 months of the balance sheet date.

##### (ii) 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 arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

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

##### (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council’s management has the positive intention and ability to hold to maturity.

In contrast to the “Loans & Receivables” classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

##### (iv) 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 must be 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.

Accordingly, this classification principally comprises marketable equity securities, but can include all types of financial assets that could otherwise be classified in one of the other investment categories.

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

##### Financial Assets – Reclassification

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

single event that is unusual and highly unlikely to recur in the near term.

Council may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made.

Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

#### General Accounting & Measurement of Financial Instruments:

##### (i) Initial Recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at "fair value through profit or loss", directly attributable transactions costs

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

##### (ii) Subsequent Measurement

**Available-for-sale financial assets** and **financial assets at fair value through profit and loss** are subsequently carried at fair value.

**Loans and receivables** and **held-to-maturity** investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as "**fair value through profit or loss**" category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as "**available-for-sale**" are recognised in equity in the available-for-sale investments revaluation reserve.

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

#### Impairment

Council assesses at each balance date 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.

##### (iii) Types of Investments

Council has an approved Investment Policy in order to undertake its investment of money in accordance with (and to comply with) Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Council maintains its investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments that Council holds are no longer prescribed (eg. managed funds, CDOs, and equity

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

linked notes), however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

##### (g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

##### (h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in accordance with Council's policy.

A provision for impairment (ie. an allowance account) relating to receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

##### (i) Inventories

###### Raw Materials and Stores, Work in Progress and Finished Goods

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

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs are assigned to individual items of inventory on the basis of weighted average costs.

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.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

##### Land Held for Resale/Capitalisation of Borrowing Costs

Land held for resale is stated at the lower of cost and net realisable value.

Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made.

Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

##### (j) Infrastructure, Property, Plant and Equipment (I,PP&E)

###### Acquisition of assets

Council's non current assets are continually revalued (over a 5 year period) in accordance with the fair valuation policy as mandated by the Office of Local Government.

At balance date, the following classes of I,PP&E were stated at their Fair Value;

- **Investment Properties** – refer Note 1(p),
- **Water and Sewerage Networks**  
(Internal Valuation)
- **Operational Land** (External Valuation)
- **Buildings – Specialised/Non Specialised**  
(External Valuation)
- **Plant and Equipment**  
(as approximated by depreciated historical cost)
- **Roads Assets incl. roads, bridges & footpaths**  
(Internal Valuation)

- **Drainage Assets** (Internal Valuation)
- **Bulk Earthworks** (Internal Valuation)
- **Community Land** (External Valuation)
- **Land Improvements**  
(as approximated by depreciated historical cost)
- **Other Structures**  
(as approximated by depreciated historical cost)
- **Other Assets**  
(as approximated by depreciated historical cost)

###### Initial Recognition

On initial recognition, an assets cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (ie. date of exchange) of the asset to arrive at fair value.

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date - being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

###### Subsequent costs

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.



## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

##### Asset Revaluations (including Indexation)

In accounting for Asset Revaluations relating to Infrastructure, Property, Plant & Equipment:

- Increases in the combined carrying amounts of asset classes arising on revaluation are credited to the asset revaluation reserve.
- To the extent that a net asset class increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss.
- Net decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water - Rates Reference Manual.

For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for all assets on a 5 year cycle.

##### Capitalisation Thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

###### Land

- council land	100% Capitalised
- open space	100% Capitalised
- land under roads (purchases after 30/6/08)	100% Capitalised

###### Plant & Equipment

Office Furniture	> \$3,000
Office Equipment	> \$3,000
Other Plant & Equipment	> \$3,000

##### Buildings & Land Improvements

Park Furniture & Equipment	> \$2,000
Building	
- construction/extensions	100% Capitalised
- renovations	> \$10,000
Other Structures	> \$2,000

##### Water & Sewer Assets

Reticulation extensions	> \$5,000
Other	> \$5,000

##### Stormwater Assets

Drains & Culverts	> \$5,000
Other	> \$5,000

##### Transport Assets

Road construction & reconstruction	> \$10,000
Reseal/Re-sheet & major repairs:	> \$10,000
Bridge construction & reconstruction	> \$10,000

##### Other Infrastructure Assets

Swimming Pools	> \$10,000
Other Open Space/Recreational Assets	> \$10,000
Other Infrastructure	> \$10,000

##### Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight line method in order to allocate an assets cost (net of residual values) over its estimated useful life.

Land is not depreciated.

Estimated useful lives for Council's I,PP&E include:

###### Plant & Equipment

- Office Equipment	5 to 10 years
- Office furniture	5 to 20 years
- Computer Equipment	4 years
- Vehicles	3 to 8 years
- Other plant and equipment	5 to 20 years

###### Buildings

- Buildings : Non Specialised	10 to 60 years
- Buildings : Other	5 to 60 years

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

<b>Stormwater Drainage</b>	
- Drains	106 years
<b>Transportation Assets</b>	
- Sealed Roads : Surface	16 to 25 years
- Sealed Roads : Structure	60 to 175 years
- Unsealed roads	25 years
- Bridge : Concrete	75 to 106 years
- Bridge : Other	60 to 75 years
- Road Pavements - Sealed	53 years
- Road Pavements – Unsealed	20 to 25 years
- Kerb, Gutter & Paths	30 to 100 years
<b>Water &amp; Sewer Assets</b>	
- Sewer Network	30 to 100 years
- Water Network	30 to 100 years
<b>Other Infrastructure Assets</b>	
- Bulk earthworks	Infinite

All asset residual values and useful lives are reviewed and adjusted (if appropriate), at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount – refer Note 1(s) on Asset Impairment.

#### Disposal and De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

#### (k) Land

Land (other than Land under Roads) is in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) classified as either Operational or Community.

This classification of Land is disclosed in Note 9(a).

#### (l) Land under roads

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

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

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

#### (m) Intangible Assets

Council has not classified any assets as Intangible.

#### (n) 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 the reserves are recognised within Council's Income Statement.

Representations are currently being sought across State and Local Government to develop a consistent accounting treatment for Crown Reserves across both tiers of government.

#### (o) Rural Fire Service assets

Under section 119 of the Rural Fires Act 1997, "all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed".

At present, the accounting for such fire fighting equipment is not treated in a consistent manner across all Councils.



## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to incorporate the assets, their values and depreciation charges within these financial statements

##### **(p) Investment property**

Investment property comprises land &/or buildings that are principally held for long-term rental yields, capital gains or both that is not occupied by Council.

Investment property is carried at fair value, representing an open-market value determined annually by external valuers.

Annual changes in the fair value of Investment Properties are recorded in the Income Statement as part of "Other Income".

Full revaluations are carried out every three years with an appropriate index utilised each year in between the full revaluations.

The last full revaluation for Council's Investment Properties was dated 30/06/2013.

##### **(q) Provisions for close down, restoration and for environmental clean up costs – including Tips and Quarries**

Close down, Restoration and Remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the 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.

Costs are estimated on the basis of a closure plan.

The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and

revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, Restoration and Remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period.

This amortisation of the discount is disclosed as a borrowing cost in Note 4(b).

Other movements in the provisions for Close down, Restoration and Remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment.

These costs are then depreciated over the lives of the assets to which they relate.

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

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the balance sheet date. These costs are charged to the income statement.

Movements in the environmental clean up provisions are presented as an operating cost, except for the unwind of the discount which is shown as a borrowing cost.

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

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Specific Information relating to Council's provisions relating to Close down, Restoration and Remediation costs can be found at Note 26.

#### **(r) Non-Current Assets (or Disposal Groups) "Held for Sale" & Discontinued Operations**

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and motor vehicles are retained in Non Current Assets under the classification of Infrastructure, Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets "held for sale", an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets "held for sale" are not depreciated or amortised while they are classified as "held for sale".

Non-current assets classified as "held for sale" are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of Council that has been disposed of or is classified as "held for sale" and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

#### **(s) Impairment of assets**

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed 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.

Where an asset is not held principally for cash generating purposes (for example Infrastructure Assets) and would be replaced if the Council was deprived of it then depreciated replacement cost is used as value in use, otherwise value in use is estimated by using a discounted cash flow model.

Non-financial assets (other than goodwill) that suffered a prior period impairment are reviewed for possible reversal of the impairment at each reporting date.

Goodwill & other Intangible Assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

#### **(t) Payables**

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

##### **(u) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

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

##### **(v) Borrowing costs**

Borrowing costs are expensed.

##### **(w) Provisions**

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

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.

##### **(x) Employee benefits**

###### **(i) Short Term Obligations**

Short term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave expected to be wholly settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

All other short-term employee benefit obligations are presented as payables.

Liabilities for non vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages & salaries, annual leave and vesting sick leave are all classified as Current Liabilities.

###### **(ii) Other Long Term Obligations**

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be wholly settled within the 12 months after the reporting period) are recognised in the provision for employee benefits.

## Bellingen Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

These liabilities are measured at the present value of the expected future payments to be made 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 then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 4 or more years of service has been classified as Current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

#### (iii) 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.

#### Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the "Local Government Superannuation Scheme – Pool B". This Scheme has been deemed to be a "multi employer fund" for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

The last valuation of the Scheme was performed by Mr Martin Stevenson (BSc, FIA, FIAA) on 20/02/2013. However the position is monitored annually and the Actuary has estimated that as at 30 June 2015 the prior period deficit still exists.

Effective from 1 July 2009, employers are required to contribute additional contributions to assist in extinguishing this deficit.

The amount of employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense and disclosed as part of Superannuation Expenses at Note 4(a) for the year ending 30 June 2015 was \$ 221,068.

The amount of additional contributions included in the total employer contribution advised above is \$123,522.

The share of this deficit that can be broadly attributed to Council is estimated to be in the order of \$ 370,566 as at 30 June 2015. 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 these financial statements.

Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

##### Defined Contribution Plans

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

##### (iv) Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30/06/15.

##### (y) Self insurance

Council does not self-insure.

##### (z) Allocation between current and non-current assets & liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

##### Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if not expected to be settled within the next 12 months.

In the case of inventories that are "held for trading", these are also classified as current even if not expected to be realised in the next 12 months.

##### (aa) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

##### Goods & Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Cash Flow Statement are on a gross basis, ie. they are inclusive of GST where applicable.

Investing and Financing cash flows are treated on a net basis (where recoverable from the ATO), ie. they are exclusive of GST. Instead, the GST component of investing and financing activity cash flows which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable to) the ATO.

##### (ab) New accounting standards and interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2015.

**Council has not adopted any of these standards early.**

Council's assessment of the impact of these new standards and interpretations is set out below.

Apart from the AASB disclosures below, there are no other standards that are "not yet effective" which are



## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies

expected to have a material impact on Council in the current or future reporting periods and on foreseeable future transactions.

##### Applicable to Local Government:

##### **AASB 9 - Financial Instruments** (and associated amending standards)

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement and has an effective date for reporting periods beginning on or after 1 January 2018 (and must be applied retrospectively).

The overriding impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets.

Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories:

- fair value and
- amortised cost (where financial assets will only be able to be measured at amortised cost where very specific conditions are met).

##### **AASB 15 - Revenue from contracts with customers and associated amending standards**

AASB 15 will introduce a five step process for revenue recognition with the core principle of the new Standard being that entities recognise revenue so as to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

The changes in revenue recognition requirements in AASB 15 may cause changes to accounting policies relating to the timing and amount of revenue recorded in the financial statements as well as additional disclosures.

The full impact of AASB 15 has not yet been ascertained or quantified.

AASB 15 will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2017.

##### **AASB 124 - Related Party Disclosures**

From 1 July 2016, AASB 124 Related Party Disclosures will apply to Council.

This means that Council will be required to disclose information about related parties and Council transactions with those related parties.

Related parties will more than likely include the Mayor, Councillors and certain Council staff. In addition, the close family members of those people and any organisations that they control or are associated with will be classified as related parties (and fall under the related party reporting requirements).

##### **Not applicable to Local Government per se;**

None.

##### **(ac) Rounding of amounts**

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

##### **(ad) Comparative Figures**

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

##### **(ae) Disclaimer**

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

## Bellinghen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 2(a). Council Functions / Activities - Financial Information

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Actual	Actual	Actual	Actual
	2015	2015	2014	2015	2015	2014	2015	2015	2014	2015	2014	2015	2014
Governance	-	-	-	274	218	228	(274)	(218)	(228)	-	61	-	-
Administration	676	1,106	349	3,343	3,579	4,729	(2,667)	(2,473)	(4,380)	13	19	32,299	30,142
Public Order & Safety	383	877	843	1,465	1,398	1,407	(1,082)	(521)	(564)	775	737	7,939	7,409
Health	17	27	26	43	14	8	(26)	13	18	-	52	369	344
Environment	3,724	3,896	3,635	4,817	4,467	4,736	(1,093)	(571)	(1,101)	388	189	211	211
Community Services & Education	285	279	278	769	633	639	(484)	(354)	(361)	256	263	5,013	4,678
Housing & Community Amenities	250	300	297	1,276	1,088	1,171	(1,026)	(788)	(874)	3	151	19,295	18,006
Water Supplies	2,706	2,689	3,237	2,784	2,451	2,263	(78)	238	974	48	53	59,433	59,200
Sewerage Services	3,073	4,763	3,172	3,286	3,078	2,947	(213)	1,685	225	1,432	41	48,157	46,077
Recreation & Culture	177	176	137	2,296	2,176	2,072	(2,119)	(2,000)	(1,935)	112	67	34,926	32,593
Mining, Manufacturing & Construction	2	5	3	434	287	315	(432)	(282)	(312)	-	-	385	359
Transport & Communication	3,793	8,570	7,238	8,782	11,662	11,253	(4,989)	(3,092)	(4,015)	4,525	2,687	252,942	355,771
Economic Affairs	186	228	165	554	553	384	(368)	(325)	(219)	-	-	4,677	4,365
<b>Total Functions &amp; Activities</b>	<b>15,272</b>	<b>22,916</b>	<b>19,380</b>	<b>30,123</b>	<b>31,604</b>	<b>32,152</b>	<b>(14,851)</b>	<b>(8,688)</b>	<b>(12,772)</b>	<b>7,552</b>	<b>4,320</b>	<b>465,646</b>	<b>559,155</b>
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	-	-	-	-	-	-	-	-	-	-	-
General Purpose Income <sup>1</sup>	9,646	9,570	7,896	-	-	-	9,646	9,570	7,896	3,492	1,770	-	-
<b>Operating Result from Continuing Operations</b>	<b>24,918</b>	<b>32,486</b>	<b>27,276</b>	<b>30,123</b>	<b>31,604</b>	<b>32,152</b>	<b>(5,205)</b>	<b>882</b>	<b>(4,876)</b>	<b>11,044</b>	<b>6,090</b>	<b>465,646</b>	<b>559,155</b>

1. Includes: Rates &amp; Annual Charges (incl. Ex-Gratia), Untied General Purpose Grants &amp; Unrestricted Interest &amp; Investment Income.



## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 2(b). Council Functions / Activities - Component Descriptions

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

##### **GOVERNANCE**

Costs relating to the Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance.

##### **ADMINISTRATION**

Corporate Support and Other Support Services (not otherwise attributed to the listed functions / activities).

##### **PUBLIC ORDER & SAFETY**

Fire protection, animal control, beach control, enforcement of local government regulations, emergency services, other.

##### **HEALTH**

Inspection, immunisations, food control, health centres, other, administration.

##### **ENVIRONMENT**

Noxious plants and insect/vermin control, other environmental protection, solid waste management, street cleaning, drainage, stormwater management.

##### **COMMUNITY SERVICES & EDUCATION**

Administration, family day care, child care, youth services, other family and children, aged and disabled, migrant services, Aboriginal services, other community services, education.

##### **HOUSING & COMMUNITY AMENITIES**

Housing, town planning, street lighting, other sanitation and garbage, public cemeteries, public conveniences,

##### **WATER SUPPLIES**

##### **SEWERAGE SERVICES**

##### **RECREATION & CULTURE**

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens (lakes), other sport and recreation.

##### **MINING, MANUFACTURING & CONSTRUCTION**

Building control, abattoirs, quarries & pits, other.

##### **TRANSPORT & COMMUNICATION**

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RMS works, other.

##### **ECONOMIC AFFAIRS**

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, saleyards and markets, real estate development, commercial nurseries, other business undertakings.

## Bellingen Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2015

#### Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2015	Actual 2014
<b>(a) Rates &amp; Annual Charges</b>			
<b>Ordinary Rates</b>			
Residential		4,574	4,284
Farmland		816	995
Business		347	378
<b>Total Ordinary Rates</b>		<b>5,737</b>	<b>5,657</b>
<b>Special Rates</b>			
Infrastructure		559	-
<b>Total Special Rates</b>		<b>559</b>	<b>-</b>
<b>Annual Charges</b> (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		2,256	2,178
Water Supply Services		421	532
Sewerage Services		2,774	2,392
Waste Management Services (non-domestic)		497	540
<b>Total Annual Charges</b>		<b>5,948</b>	<b>5,642</b>
<b>TOTAL RATES &amp; ANNUAL CHARGES</b>		<b>12,244</b>	<b>11,299</b>

Council has used 2014 year valuations provided by the NSW Valuer General in calculating its rates.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2015	Actual 2014
<b>(b) User Charges &amp; Fees</b>			
<b>Specific User Charges</b> (per s.502 - Specific "actual use" charges)			
Water Supply Services		1,527	1,740
Sewerage Services		113	121
Waste Management Services (non-domestic)		528	204
Liquid Trade Waste		42	29
<b>Total User Charges</b>		<b>2,210</b>	<b>2,094</b>
<b>Other User Charges &amp; Fees</b>			
<b>(i) Fees &amp; Charges - Statutory &amp; Regulatory Functions</b> (per s.608)			
Private Works - Section 67		36	18
Regulatory/ Statutory Fees		267	244
Town Planning		206	237
<b>Total Fees &amp; Charges - Statutory/Regulatory</b>		<b>509</b>	<b>499</b>
<b>(ii) Fees &amp; Charges - Other (incl. General User Charges)</b> (per s.608)			
Caravan Park		17	12
Cemeteries		46	31
Community Centres		-	13
Lease Rentals		5	11
Leaseback Fees - Council Vehicles		43	30
RMS (formerly RTA) Charges (State Roads not controlled by Council)		3,777	3,825
Workers Comp Rebate / OH&S Incentive Payments		70	31
Other		19	13
<b>Total Fees &amp; Charges - Other</b>		<b>3,977</b>	<b>3,966</b>
<b>TOTAL USER CHARGES &amp; FEES</b>		<b>6,696</b>	<b>6,559</b>

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2015	Actual 2014
<b>(c) Interest &amp; Investment Revenue (incl. losses)</b>			
<b>Interest &amp; Dividends</b>			
- Interest on Overdue Rates & Annual Charges (incl. Special Purpose Rates)		70	74
- Interest earned on Investments (interest & coupon payment income)		1,060	1,063
- Interest & Dividend Income (Other)		76	57
<b>Amortisation of Premiums &amp; Discounts</b>			
- Interest Free (& Interest Reduced) Loans provided		3	7
<b>TOTAL INTEREST &amp; INVESTMENT REVENUE</b>		<u>1,209</u>	<u>1,201</u>
<b>Interest Revenue is attributable to:</b>			
<b>Unrestricted Investments/Financial Assets:</b>			
Overdue Rates & Annual Charges (General Fund)		65	74
General Council Cash & Investments		276	395
<b>Restricted Investments/Funds - External:</b>			
Development Contributions			
- Section 94		88	89
- Section 64		177	168
Water Fund Operations		399	293
Sewerage Fund Operations		178	141
Domestic Waste Management operations		26	41
<b>Total Interest &amp; Investment Revenue Recognised</b>		<u>1,209</u>	<u>1,201</u>
<b>(d) Other Revenues</b>			
Fair Value Adjustments - Investment Properties	14	-	9
Rental Income - Investment Properties	14	108	104
Rental Income - Other Council Properties		35	14
Legal Fees Recovery - Rates & Charges (Extra Charges)		37	29
Bellingen Youth Centre		-	1
Commissions & Agency Fees		1	1
Dorrigo Waste Centre Gate Fees		-	52
Insurance Claim Recoveries		37	21
Long Service Leave Transfers from Other Councils		63	14
Saleyards Reimbursement		16	13
Scrap Metal Sales		44	58
State Emergency Service Costs Reimbursed		-	10
Statewide Property Rebate		30	15
Tourism Reimbursement		-	8
Tourist Centre Income		28	19
Workers Comp Income		40	73
Other		72	9
<b>TOTAL OTHER REVENUE</b>		<u>511</u>	<u>450</u>

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 3. Income from Continuing Operations (continued)

\$ '000	2015 Operating	2014 Operating	2015 Capital	2014 Capital
<b>(e) Grants</b>				
<b>General Purpose (Untied)</b>				
Financial Assistance - General Component	1 2,505	1,226	-	-
Financial Assistance - Local Roads Component	1 856	417	-	-
Pensioners' Rates Subsidies - General Component	131	127	-	-
<b>Total General Purpose</b>	<b>3,492</b>	<b>1,770</b>	<b>-</b>	<b>-</b>

<sup>1</sup> The Financial Assistance Grant for the comparative 13/14 year reflects a one off timing difference (reduction). This grant ceased being paid in advance in the 13/14 year by up to 50% as had occurred in previous years.

#### Specific Purpose

##### Pensioners' Rates Subsidies:

- Water	48	53	-	-
- Sewerage	41	41	-	-
- Domestic Waste Management	62	64	-	-
Sewerage Services	-	-	1,391	-
Bushfire & Emergency Services	405	432	360	305
Community Care	256	263	-	-
Diesel Fuel Rebate	51	68	-	-
Employment & Training Programs	12	19	-	-
Environmental Protection	94	120	-	-
Flood Restoration	-	322	3,054	2,069
Heritage & Cultural	3	6	-	-
Library	49	48	-	-
Noxious Weeds	65	52	-	-
Public Halls	-	-	-	5
Public Health	10	-	-	-
Recreation & Culture	23	-	40	61
Street Lighting	14	9	-	-
Transport (Roads to Recovery)	380	-	-	293
Transport (Other Roads & Bridges Funding)	50	3	976	-
Waste	72	87	96	-
<b>Total Specific Purpose</b>	<b>1,635</b>	<b>1,587</b>	<b>5,917</b>	<b>2,733</b>
<b>Total Grants</b>	<b>5,127</b>	<b>3,357</b>	<b>5,917</b>	<b>2,733</b>

##### Grant Revenue is attributable to:

- Commonwealth Funding	3,800	1,782	-	293
- State Funding	1,327	1,575	5,917	2,440
	<b>5,127</b>	<b>3,357</b>	<b>5,917</b>	<b>2,733</b>

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 3. Income from Continuing Operations (continued)

\$ '000	2015 Operating	2014 Operating	2015 Capital	2014 Capital
<b>(f) Contributions</b>				
<b>Developer Contributions:</b>				
<b>(s93 &amp; s94 - EP&amp;A Act, s64 of the LGA):</b>				
S 94 - Contributions towards amenities/services	-	-	166	171
S 64 - Water Supply Contributions	-	-	94	506
S 64 - Sewerage Service Contributions	-	-	61	161
<b>Total Developer Contributions</b>	<b>17</b>	<b>-</b>	<b>321</b>	<b>838</b>
<b>Other Contributions:</b>				
Other Councils - Joint Works/Services	11	25	-	-
RMS Contributions (Regional Roads, Block Grant)	228	237	54	246
Sewerage (excl. Section 64 contributions)	-	-	28	270
Other	11	-	-	-
<b>Total Other Contributions</b>	<b>250</b>	<b>262</b>	<b>82</b>	<b>516</b>
<b>Total Contributions</b>	<b>250</b>	<b>262</b>	<b>403</b>	<b>1,354</b>
<b>TOTAL GRANTS &amp; CONTRIBUTIONS</b>	<b>5,377</b>	<b>3,619</b>	<b>6,320</b>	<b>4,087</b>

\$ '000	Actual 2015	Actual 2014
<b>(g) Restrictions relating to Grants and Contributions</b>		
<b>Certain grants &amp; contributions are obtained by Council on condition that they be spent in a specified manner:</b>		
Unexpended at the Close of the Previous Reporting Period	10,887	11,912
<b>add:</b> Grants & contributions recognised in the current period but not yet spent:	755	510
<b>less:</b> Grants & contributions recognised in a previous reporting period now spent:	(1,719)	(1,535)
<b>Net Increase (Decrease) in Restricted Assets during the Period</b>	<b>(964)</b>	<b>(1,025)</b>
<b>Unexpended and held as Restricted Assets</b>	<b>9,923</b>	<b>10,887</b>
<b>Comprising:</b>		
- Specific Purpose Unexpended Grants	773	613
- Developer Contributions	9,150	10,274
	<b>9,923</b>	<b>10,887</b>

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2015	Actual 2014
<b>(a) Employee Benefits &amp; On-Costs</b>			
Salaries and Wages		7,421	7,277
Employee Leave Entitlements (ELE)		1,320	1,174
Superannuation - Defined Contribution Plans		727	677
Superannuation - Defined Benefit Plans		233	208
Workers' Compensation Insurance		466	649
Fringe Benefit Tax (FBT)		21	13
Training Costs (other than Salaries & Wages)		106	102
Other		12	33
<b>Total Employee Costs</b>		<b>10,306</b>	<b>10,133</b>
less: Capitalised Costs		(532)	(371)
<b>TOTAL EMPLOYEE COSTS EXPENSED</b>		<b>9,774</b>	<b>9,762</b>
Number of "Equivalent Full Time" Employees at year end		135	124
<b>(b) Borrowing Costs</b>			
<b>(i) Interest Bearing Liability Costs</b>			
Interest on Loans		457	441
<b>Total Interest Bearing Liability Costs Expensed</b>		<b>457</b>	<b>441</b>
<b>(ii) Other Borrowing Costs</b>			
Discount adjustments relating to movements in Provisions (other than ELE)			
- Remediation Liabilities	26	29	27
<b>Total Other Borrowing Costs</b>		<b>29</b>	<b>27</b>
<b>TOTAL BORROWING COSTS EXPENSED</b>		<b>486</b>	<b>468</b>



## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2015	Actual 2014
<b>(c) Materials &amp; Contracts</b>			
Raw Materials & Consumables		2,220	3,182
- Externally Hired Plant		657	717
- Labour Hire		935	1,007
- Transport (Roads, Bridges, Footpaths Maintenance)		1,797	1,086
- Swimming Pool		325	147
- Traffic Control Services		-	346
- Waste Contracts		1,864	1,943
- Other Contractors		1,377	1,312
- Engineering		-	6
- Environmental		-	58
- OH & S		-	32
- Other Consultancies		82	8
- Other Consultancy Costs		-	9
Contractor & Consultancy Costs			
- Water		32	-
- Waste		12	-
- Recreation		26	-
Auditors Remuneration <sup>(1)</sup>		47	34
Legal Expenses:			
- Legal Expenses: Planning & Development		5	33
- Legal Expenses: Debt Recovery		37	-
- Legal Expenses: Other		55	41
<b><u>TOTAL MATERIALS &amp; CONTRACTS</u></b>		<b><u>9,471</u></b>	<b><u>9,961</u></b>
<b>Auditor Remuneration</b>			
During the year, the following fees were incurred for services provided by the Council's Auditor (& the Auditors of other Consolidated Entities):			
<b>Audit and Other Assurance Services</b>			
- Audit & review of financial statements: Council's Auditor		45	34
- Audit of regulatory returns		2	-
<b>Remuneration for audit and other assurance services</b>		<b><u>47</u></b>	<b><u>34</u></b>
<b>Total Auditor Remuneration</b>		<b><u>47</u></b>	<b><u>34</u></b>

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2015	Actual 2014	Actual 2015	Actual 2014
Plant and Equipment		-	-	1,179	1,294
Office Equipment		-	-	71	59
Furniture & Fittings		-	-	19	26
Land Improvements (depreciable)		-	-	92	90
Buildings - Non Specialised		-	-	740	746
Infrastructure:					
- Roads		-	-	4,096	4,118
- Bridges		-	-	605	525
- Footpaths		-	-	41	38
- Stormwater Drainage		-	-	379	249
- Water Supply Network		-	-	695	750
- Sewerage Network		-	-	882	865
- Swimming Pools		-	-	47	54
- Other Open Space/Recreational Assets		-	-	169	138
- Other Infrastructure		-	-	24	49
Other Assets					
- Other		-	-	10	11
Asset Reinstatement Costs	9 & 26	-	-	16	20
<b><u>TOTAL DEPRECIATION &amp; IMPAIRMENT COSTS EXPENSED</u></b>		<b>-</b>	<b>-</b>	<b>9,065</b>	<b>9,032</b>

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2015	Actual 2014
<b>(e) Other Expenses</b>			
Other Expenses for the year include the following:			
Advertising		66	48
Bad & Doubtful Debts		-	30
Bank Charges		70	63
Conferences / Seminars		51	65
Contributions/Levies to Other Levels of Government			
- Bushfire Fighting Fund		229	319
- Emergency Services Levy (includes FRNSW, SES, and RFS Levies)		19	23
- Libraries Contribution		164	194
- NSW Fire Brigade Levy		45	45
- Waste Levy		251	123
Councillor Expenses - Mayoral Fee		23	23
Councillor Expenses - Councillors' Fees		73	73
Donations, Contributions & Assistance to other organisations (Section 356)			
- Donations, Contributions & Assistance to Local & Regional Bodies		168	144
Electricity & Heating		497	564
Insurance		396	414
Licence Fees		130	144
Postage		42	36
Printing & Stationery		122	178
Street Lighting		95	91
Subscriptions & Publications		164	157
Telephone & Communications		119	125
Valuation Fees		41	40
Other		43	30
<b><u>TOTAL OTHER EXPENSES</u></b>		<b><u>2,808</u></b>	<b><u>2,929</u></b>

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 5. Gains or Losses from the Disposal of Assets

\$ '000	Notes	Actual 2015	Actual 2014
<b>Property</b> (excl. Investment Property)			
Proceeds from Disposal - Property		-	50
less: Carrying Amount of Property Assets Sold / Written Off		-	(95)
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>(45)</b>
<b>Plant &amp; Equipment</b>			
Proceeds from Disposal - Plant & Equipment		244	280
less: Carrying Amount of P&E Assets Sold / Written Off		(115)	(164)
<b>Net Gain/(Loss) on Disposal</b>		<b>129</b>	<b>116</b>
<b>Infrastructure</b>			
Proceeds from Disposal - Infrastructure		-	-
less: Carrying Amount of Infrastructure Assets Sold / Written Off		-	(10)
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>(10)</b>
<b>Financial Assets*</b>			
Proceeds from Disposal / Redemptions / Maturities - Financial Assets		-	13,750
less: Carrying Amount of Financial Assets Sold / Redeemed / Matured		-	(13,750)
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>-</b>
<b><u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u></b>		<b><u>129</u></b>	<b><u>61</u></b>

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 6a. - Cash Assets and Note 6b. - Investments

\$ '000	Notes	2015	2015	2014	2014
		Actual Current	Actual Non Current	Actual Current	Actual Non Current
<b>Cash &amp; Cash Equivalents (Note 6a)</b>					
Cash on Hand and at Bank		1,235	-	2	-
Cash-Equivalent Assets <sup>1</sup>					
- Deposits at Call		1,414	-	380	-
- Short Term Deposits		500	-	5,683	-
<b>Total Cash &amp; Cash Equivalents</b>		<b>3,149</b>	<b>-</b>	<b>6,065</b>	<b>-</b>
<b>Investments (Note 6b)</b>					
- Long Term Deposits		31,300	-	23,100	-
<b>Total Investments</b>		<b>31,300</b>	<b>-</b>	<b>23,100</b>	<b>-</b>
<b>TOTAL CASH ASSETS, CASH EQUIVALENTS &amp; INVESTMENTS</b>		<b>34,449</b>	<b>-</b>	<b>29,165</b>	<b>-</b>

<sup>1</sup> Those Investments where time to maturity (from date of purchase) is < 3 mths.

**Cash, Cash Equivalents & Investments were classified at year end in accordance with AASB 139 as follows:**

**Cash & Cash Equivalents**

a. "At Fair Value through the Profit &amp; Loss"

	<b>3,149</b>	<b>-</b>	<b>6,065</b>	<b>-</b>
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**Investments**

b. "Held to Maturity"

Investments

6(b-ii)	31,300	-	23,100	-
	<b>31,300</b>	<b>-</b>	<b>23,100</b>	<b>-</b>

**Note 6(b-i)****Reconciliation of Investments classified as "Held to Maturity"**

Balance at the Beginning of the Year	23,100	-	13,750	-
Additions	8,200	-	23,100	-
Disposals (sales & redemptions)	-	-	(13,750)	-
<b>Balance at End of Year</b>	<b>31,300</b>	<b>-</b>	<b>23,100</b>	<b>-</b>

**Comprising:**

- Long Term Deposits	31,300	-	23,100	-
<b>Total</b>	<b>31,300</b>	<b>-</b>	<b>23,100</b>	<b>-</b>

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of investments held.

## Bellinghen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 6c. Restricted Cash, Cash Equivalents &amp; Investments - Details

\$ '000	2015	2015	2014	2014
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
<b>Total Cash, Cash Equivalents and Investments</b>	<b>34,449</b>	<b>-</b>	<b>29,165</b>	<b>-</b>
<b>attributable to:</b>				
External Restrictions (refer below)	29,900	-	26,439	-
Internal Restrictions (refer below)	4,548	-	2,721	-
Unrestricted	1	-	5	-
	<b>34,449</b>	<b>-</b>	<b>29,165</b>	<b>-</b>

2015 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
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## Details of Restrictions

## External Restrictions - Included in Liabilities

Deposits, Bonds, Etc	118	-	(1)	117
<b>External Restrictions - Included in Liabilities</b>	<b>118</b>	<b>-</b>	<b>(1)</b>	<b>117</b>

## External Restrictions - Other

Developer Contributions - General (A)	3,494	381	(333)	3,542
Developer Contributions - Water Fund (A)	4,232	205	-	4,437
Developer Contributions - Sewer Fund (A)	2,548	-	(1,377)	1,171
Specific Purpose Unexpended Grants (B)	613	160	-	773
Water Supplies (C)	10,252	25	-	10,277
Sewerage Services (C)	4,013	-	(789)	3,224
Domestic Waste Management (C)	696	-	-	696
Environmental Levy	397	-	(112)	285
Crown Reserves	76	-	-	76
Special Rate Variation	-	452	-	452
Loan Funds - Infrastructure	-	4,850	-	4,850
<b>External Restrictions - Other</b>	<b>26,321</b>	<b>6,073</b>	<b>(2,611)</b>	<b>29,783</b>
<b>Total External Restrictions</b>	<b>26,439</b>	<b>6,073</b>	<b>(2,612)</b>	<b>29,900</b>

**A** Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

**B** Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)

**C** Water, Sewerage, Domestic Waste Management (DWM) & other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 6c. Restricted Cash, Cash Equivalents & Investments - Details (continued)

2015 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
<b>Internal Restrictions</b>				
Plant & Vehicle Replacement	828	1,205	-	2,033
Infrastructure Renewals	-	310	-	310
Employees Leave Entitlement	840	64	-	904
Carry Over Works	480	3	(480)	3
Business Plan	25	-	-	25
Emergency Services	37	-	-	37
IT Reserve	86	53	-	139
Economic Development	-	28	-	28
Revolving Energy	-	118	-	118
Training & Development	64	-	(39)	25
Waste Management	271	-	-	271
Workers Comp Contingency	90	-	-	90
Financial Sustainability Programs Board	-	19	-	19
Transport Reserve	-	414	-	414
Housing and Community Amenities Reserve	-	132	-	132
<b>Total Internal Restrictions</b>	<b>2,721</b>	<b>2,346</b>	<b>(519)</b>	<b>4,548</b>
<b>TOTAL RESTRICTIONS</b>	<b>29,160</b>	<b>8,419</b>	<b>(3,131)</b>	<b>34,448</b>



## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 7. Receivables

\$ '000	Notes	2015		2014	
		Current	Non Current	Current	Non Current
<b>Purpose</b>					
Rates & Annual Charges		756	48	835	-
Interest & Extra Charges		197	13	209	-
User Charges & Fees		528	-	666	-
Private Works		5	-	-	-
Accrued Revenues					
- Interest on Investments		395	-	240	-
- Other Income Accruals		-	-	57	-
Deferred Debtors		6	6	5	12
Net GST Receivable		112	-	244	-
Other Levels of Government		3,083	-	3,482	-
Other Debtors		108	-	6	-
<b>Total</b>		<b>5,190</b>	<b>67</b>	<b>5,744</b>	<b>12</b>
<b>less: Provision for Impairment</b>					
Rates & Annual Charges		(29)	-	(29)	-
User Charges & Fees		(5)	-	(6)	-
<b>Total Provision for Impairment - Receivables</b>		<b>(34)</b>	<b>-</b>	<b>(35)</b>	<b>-</b>
<b><u>TOTAL NET RECEIVABLES</u></b>		<b><u>5,156</u></b>	<b><u>67</u></b>	<b><u>5,709</u></b>	<b><u>12</u></b>
<b>Externally Restricted Receivables</b>					
<b>Water Supply</b>					
- Rates & Annual Charges		431	-	(422)	-
- Other		250	-	1,063	-
<b>Sewerage Services</b>					
- Rates & Annual Charges		220	-	236	-
- Other		213	-	84	-
<b>Domestic Waste Management</b>		<b>101</b>	<b>-</b>	<b>174</b>	<b>-</b>
<b>Total External Restrictions</b>		<b>1,215</b>	<b>-</b>	<b>1,135</b>	<b>-</b>
<b>Internally Restricted Receivables</b>					
Nil					
<b>Unrestricted Receivables</b>		<b>3,941</b>	<b>67</b>	<b>4,574</b>	<b>12</b>
<b><u>TOTAL NET RECEIVABLES</u></b>		<b><u>5,156</u></b>	<b><u>67</u></b>	<b><u>5,709</u></b>	<b><u>12</u></b>

**Notes on Debtors above:**

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.  
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates & charges at 8.50% (2014 9.00%).  
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 8. Inventories & Other Assets

\$ '000	Notes	2015		2014	
		Current	Non Current	Current	Non Current
<b>Inventories</b>					
Stores & Materials		191	-	219	-
Trading Stock		45	-	46	-
<b>Total Inventories</b>		<b>236</b>	<b>-</b>	<b>265</b>	<b>-</b>
<b>Other Assets</b>					
Prepayments		-	-	12	-
<b>Total Other Assets</b>		<b>-</b>	<b>-</b>	<b>12</b>	<b>-</b>
<b>TOTAL INVENTORIES / OTHER ASSETS</b>		<b>236</b>	<b>-</b>	<b>277</b>	<b>-</b>
<b>Externally Restricted Assets</b>					
<b>Water</b>					
Stores & Materials		14	-	13	-
<b>Total Water</b>		<b>14</b>	<b>-</b>	<b>13</b>	<b>-</b>
<b>Sewerage</b>					
Nil					
<b>Domestic Waste Management</b>					
Nil					
<b>Other</b>					
Nil					
<b>Total Externally Restricted Assets</b>		<b>14</b>	<b>-</b>	<b>13</b>	<b>-</b>
<b>Total Internally Restricted Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Unrestricted Assets</b>		<b>222</b>	<b>-</b>	<b>264</b>	<b>-</b>
<b>TOTAL INVENTORIES &amp; OTHER ASSETS</b>		<b>236</b>	<b>-</b>	<b>277</b>	<b>-</b>

#### Other Disclosures

##### Inventory Write Downs

There were no amounts recognised as an expense relating to the write down of Inventory balances held during the year.

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 9a. Infrastructure, Property, Plant &amp; Equipment

\$ '000	as at 30/6/2014					Asset Movements during the Reporting Period						as at 30/6/2015					
	At Cost	At Fair Value	Accumulated		Carrying Value	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Adjustments & Transfers	Revaluation Decrements to Equity (ARR)	Revaluation Increments to Equity (ARR)	At Cost	At Fair Value	Accumulated		Carrying Value	
			Dep'n	Impairment										Dep'n	Impairment		
Capital Work in Progress	1,038	-	-	-	1,038	-	-	-	(1,038)	-	-	-	-	-	-	-	-
Plant & Equipment	-	15,587	9,864	-	5,723	894	(115)	(1,179)	(2)	-	-	-	15,977	10,656	-	-	5,321
Office Equipment	-	1,526	1,036	-	490	76	-	(71)	(4)	-	-	-	1,602	1,111	-	-	491
Furniture & Fittings	-	439	338	-	101	35	-	(19)	(1)	-	-	-	473	357	-	-	116
<b>Land:</b>																	
- Operational Land	-	19,067	-	-	19,067	-	-	-	-	-	-	-	19,067	-	-	-	19,067
- Community Land	-	11,787	-	-	11,787	-	-	-	-	-	-	-	11,787	-	-	-	11,787
Land Improvements - depreciable	-	2,595	957	-	1,638	62	-	(92)	(2)	-	-	-	2,657	1,051	-	-	1,606
Buildings	-	38,995	5,473	-	33,522	4,387	-	(740)	502	-	-	-	43,925	6,254	-	-	37,671
<b>Infrastructure:</b>																	
- Roads	-	193,809	74,822	-	118,987	1,444	-	(4,096)	3	(47,682)	-	-	109,676	41,020	-	-	68,656
- Bridges	-	31,735	11,521	-	20,214	2,133	-	(605)	94	(135)	-	-	33,691	11,990	-	-	21,701
- Footpaths	-	3,760	1,031	-	2,729	1	-	(41)	319	(1,417)	-	-	2,166	575	-	-	1,591
- Bulk Earthworks (non-depreciable)	-	211,322	-	-	211,322	386	-	-	(1)	(50,909)	-	-	160,798	-	-	-	160,798
- Stormwater Drainage	-	25,432	10,682	-	14,750	51	-	(379)	1	(105)	-	-	22,525	8,207	-	-	14,318
- Water Supply Network	-	54,256	12,716	-	41,540	495	-	(695)	26	-	191	-	55,599	14,042	-	-	41,557
- Sewerage Network	-	49,431	15,921	-	33,510	397	-	(882)	7	-	503	-	50,578	17,043	-	-	33,535
- Swimming Pools	-	1,886	751	-	1,135	-	-	(47)	-	-	-	-	1,886	798	-	-	1,088
- Other Open Space/Recreational Assets	-	5,562	2,470	-	3,092	69	-	(169)	63	-	-	-	5,639	2,584	-	-	3,055
- Other Infrastructure	-	1,621	598	-	1,023	-	-	(24)	-	-	-	-	1,621	622	-	-	999
<b>Other Assets:</b>																	
- Library Books	-	5	5	-	-	-	-	-	-	-	-	-	5	5	-	-	-
- Other	-	147	11	-	136	50	-	(10)	33	-	-	-	381	172	-	-	209
<b>Reinstatement, Rehabilitation &amp; Restoration Assets</b> (refer Note 26):																	
- Tip Assets	-	363	99	-	264	-	-	(16)	-	-	-	-	363	115	-	-	248
- Quarry Assets	-	34	34	-	-	-	-	-	-	-	-	-	34	34	-	-	-
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIP.</b>	<b>1,038</b>	<b>669,359</b>	<b>148,329</b>	<b>-</b>	<b>522,068</b>	<b>10,480</b>	<b>(115)</b>	<b>(9,065)</b>	<b>-</b>	<b>(100,248)</b>	<b>694</b>	<b>-</b>	<b>540,450</b>	<b>116,636</b>	<b>-</b>	<b>-</b>	<b>423,814</b>

Additions to Buildings & Infrastructure Assets are made up of Asset Renewals (\$5,183K) and New Assets (\$4,180K).

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

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of other Infrastructure, Property, Plant & Equipment.

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 9b. Externally Restricted Infrastructure, Property, Plant &amp; Equipment

\$ '000	Actual				Actual			
	2015				2014			
Class of Asset	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
<b>Water Supply</b>								
WIP	-	-	-	-	-	34	-	34
Plant & Equipment	-	610	467	143	-	609	459	150
Office Equipment	-	117	44	73	-	117	39	78
Furniture & Fittings	-	29	26	3	-	29	26	3
Land								
- Operational Land	-	1,850	-	1,850	-	1,850	-	1,850
- Improvements - depreciable	-	106	37	69	-	106	34	72
Buildings	-	362	55	307	-	362	48	314
Other Structures	-	29	8	21	-	30	7	23
Infrastructure	-	55,599	14,042	41,557	-	54,256	12,716	41,540
<b>Total Water Supply</b>	-	<b>58,702</b>	<b>14,679</b>	<b>44,023</b>	-	<b>57,393</b>	<b>13,329</b>	<b>44,064</b>
<b>Sewerage Services</b>								
WIP	-	-	-	-	-	548	-	548
Plant & Equipment	-	543	309	234	-	671	325	346
Office Equipment	-	201	76	125	-	194	66	128
Furniture & Fittings	-	4	4	-	-	4	4	-
Land								
- Operational Land	-	3,991	-	3,991	-	3,991	-	3,991
Buildings	-	5,458	77	5,381	-	655	54	601
Other Structures	-	135	73	62	-	136	69	67
Infrastructure	-	50,578	17,043	33,535	-	49,431	15,921	33,510
Other Assets	-	38	38	-	-	38	33	5
<b>Total Sewerage Services</b>	-	<b>60,948</b>	<b>17,620</b>	<b>43,328</b>	-	<b>55,668</b>	<b>16,472</b>	<b>39,196</b>
<b>Domestic Waste Management</b>								
Plant & Equipment	-	69	28	41	-	69	23	46
Land								
- Operational Land	-	1,259	-	1,259	-	1,259	-	1,259
- Community Land	-	126	-	126	-	126	-	126
- Improvements - depreciable	-	392	107	285	-	392	99	293
Buildings	-	717	95	622	-	669	72	597
Other Structures	-	184	61	123	-	184	47	137
Future Reinstatement Costs	-	363	99	264	-	363	99	264
<b>Total DWM</b>	-	<b>3,110</b>	<b>390</b>	<b>2,720</b>	-	<b>3,062</b>	<b>340</b>	<b>2,722</b>
<b>TOTAL RESTRICTED I,PP&amp;E</b>	-	<b>122,760</b>	<b>32,689</b>	<b>90,071</b>	-	<b>116,123</b>	<b>30,141</b>	<b>85,982</b>

## Note 9c. Infrastructure, Property, Plant &amp; Equipment - Current Year Impairments

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

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 10a. Payables, Borrowings &amp; Provisions

\$ '000	Notes	2015		2014	
		Current	Non Current	Current	Non Current
<b>Payables</b>					
Goods & Services - operating expenditure		2,182	-	1,689	-
Payments Received In Advance		189	-	214	-
Accrued Expenses:					
- Borrowings		118	-	91	-
- Salaries & Wages		150	8	210	-
- Other Expenditure Accruals		229	-	358	-
Security Bonds, Deposits & Retentions		179	-	208	-
<b>Total Payables</b>		<b>3,047</b>	<b>8</b>	<b>2,770</b>	<b>-</b>
<b>Borrowings</b>					
Loans - Secured <sup>1</sup>		595	9,032	174	4,776
<b>Total Borrowings</b>		<b>595</b>	<b>9,032</b>	<b>174</b>	<b>4,776</b>
<b>Provisions</b>					
<b>Employee Benefits:</b>					
Annual Leave		799	-	734	-
Sick Leave		537	-	503	-
Long Service Leave		1,473	151	1,403	138
Other Leave - RDO and TIL		134	-	-	-
ELE On-Costs		-	-	16	-
Sub Total - Aggregate Employee Benefits		2,943	151	2,656	138
Asset Remediation/Restoration (Future Works) <sup>26</sup>		-	580	-	551
Other		-	-	128	-
<b>Total Provisions</b>		<b>2,943</b>	<b>731</b>	<b>2,784</b>	<b>689</b>
<b>Total Payables, Borrowings &amp; Provisions</b>		<b>6,585</b>	<b>9,771</b>	<b>5,728</b>	<b>5,465</b>
<b>(i) Liabilities relating to Restricted Assets</b>					
		2015		2014	
		Current	Non Current	Current	Non Current
<b>Externally Restricted Assets</b>					
Water		7	-	205	-
Sewer		17	-	125	-
Other		117	-	118	-
Liabilities relating to externally restricted assets		141	-	448	-
<b>Internally Restricted Assets</b>					
Nil					
<b>Total Liabilities relating to restricted assets</b>		141	-	448	-
<b>Total Liabilities relating to Unrestricted Assets</b>		6,444	9,771	5,280	5,465
<b>TOTAL PAYABLES, BORROWINGS &amp; PROVISIONS</b>		<b>6,585</b>	<b>9,771</b>	<b>5,728</b>	<b>5,465</b>

<sup>1</sup>: Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 15.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 10a. Payables, Borrowings & Provisions (continued)

\$ '000	Actual 2015	Actual 2014
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#### (ii) Current Liabilities not anticipated to be settled within the next 12 months

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

Provisions - Employees Benefits	1,910	2,542
	<u>1,910</u>	<u>2,542</u>

#### Note 10b. Description of and movements in Provisions

Class of Provision	2014		2015			Closing Balance as at 30/6/15
	Opening Balance as at 1/7/14	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	
Annual Leave	734	703	(638)	-	-	799
Sick Leave	503	34	-	-	-	537
Long Service Leave	1,541	351	(268)	-	-	1,624
Other Leave (enter deta	-	134	-	-	-	134
ELE On-Costs	16	(16)	-	-	-	-
Asset Remediation	551	-	-	29	-	580
Other	128	(128)	-	-	-	-
<b>TOTAL</b>	<b>3,473</b>	<b>1,078</b>	<b>(906)</b>	<b>29</b>	<b>-</b>	<b>3,674</b>

- a. Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- b. Asset Remediation, Reinstatement & Restoration Provisions represent the Present Value estimate of future costs Council will incur in order to remove, restore & remediate assets &/or activities as a result of past operations.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2015	Actual 2014
<b>(a) Reconciliation of Cash Assets</b>			
Total Cash & Cash Equivalent Assets	6a	3,149	6,065
Less Bank Overdraft	10	-	-
<b>BALANCE as per the STATEMENT of CASH FLOWS</b>		<b>3,149</b>	<b>6,065</b>
<b>(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities</b>			
<b>Net Operating Result from Income Statement</b>		<b>882</b>	<b>(4,876)</b>
<b>Adjust for non cash items:</b>			
Depreciation & Amortisation		9,065	9,032
Net Losses/(Gains) on Disposal of Assets		(129)	(61)
Non Cash Capital Grants and Contributions		(356)	(974)
<b>Losses/(Gains) recognised on Fair Value Re-measurements through the P&amp;L:</b>			
- Investment Properties		-	(9)
- Prior Year Error - Interest on Investments		-	(220)
<b>Amortisation of Premiums, Discounts &amp; Prior Period Fair Valuations</b>			
- Interest on all fair value adjusted Interest Free Advances made by Council		(3)	(7)
Unwinding of Discount Rates on Reinstatement Provisions		29	27
<b>+/- Movement in Operating Assets and Liabilities &amp; Other Cash Items:</b>			
Decrease/(Increase) in Receivables		494	693
Increase/(Decrease) in Provision for Doubtful Debts		(1)	2
Decrease/(Increase) in Inventories		29	41
Decrease/(Increase) in Other Assets		12	53
Increase/(Decrease) in Payables		493	701
Increase/(Decrease) in accrued Interest Payable		27	(1)
Increase/(Decrease) in other accrued Expenses Payable		(181)	(674)
Increase/(Decrease) in Other Liabilities		(54)	10
Increase/(Decrease) in Employee Leave Entitlements		300	197
Increase/(Decrease) in Other Provisions		(128)	(71)
<b>NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS</b>		<b>10,479</b>	<b>3,863</b>
<b>(c) Non-Cash Investing &amp; Financing Activities</b>			
Bushfire Grants		356	389
S64 Contributions "in kind"		-	585
<b>Total Non-Cash Investing &amp; Financing Activities</b>		<b>356</b>	<b>974</b>



## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 11. Statement of Cash Flows - Additional Information (continued)

\$ '000	Notes	Actual 2015	Actual 2014
<b>(d) Financing Arrangements</b>			
<b>(i) Unrestricted access was available at balance date to the following lines of credit:</b>			
Credit Cards / Purchase Cards		20	20
<b>Total Financing Arrangements</b>		<b>20</b>	<b>20</b>
<b>Amounts utilised as at Balance Date:</b>			
- Credit Cards / Purchase Cards		10	6
<b>Total Financing Arrangements Utilised</b>		<b>10</b>	<b>6</b>

#### **(ii) Secured Loan Liabilities**

Loans are secured by a mortgage over future years Rate Revenue only.

#### Note 12. Commitments for Expenditure

##### **(a) Capital Commitments (exclusive of GST)**

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

##### **Property, Plant & Equipment**

Roads	-	31
Sewerage Treatment Works	2,684	-
<b>Total Commitments</b>	<b>2,684</b>	<b>31</b>
<b>These expenditures are payable as follows:</b>		
Within the next year	2,684	31
<b>Total Payable</b>	<b>2,684</b>	<b>31</b>
<b>Sources for Funding of Capital Commitments:</b>		
Unrestricted General Funds	-	31
Sect 64 & 94 Funds/Reserves	2,684	-
<b>Total Sources of Funding</b>	<b>2,684</b>	<b>31</b>

##### **(b) Finance Lease Commitments**

Nil

##### **(c) Operating Lease Commitments (Non Cancellable)**

Nil

##### **(d) Investment Property Commitments**

Nil

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 13a(i). Statement of Performance Measurement - Indicators (Consolidated)

\$ '000	Amounts 2015	Indicator 2015	Prior Periods 2014    2013	
<b>Local Government Industry Indicators - Consolidated</b>				
<b>1. Operating Performance Ratio</b>				
Total continuing operating revenue <sup>(1)</sup>				
<u>(excl. Capital Grants &amp; Contributions) - Operating Expenses</u>	<u>(5,567)</u>	<b>-21.38%</b>	-39.07%	-17.59%
Total continuing operating revenue <sup>(1)</sup> (excl. Capital Grants & Contributions)	<b>26,037</b>			
<b>2. Own Source Operating Revenue Ratio</b>				
Total continuing operating revenue <sup>(1)</sup>				
<u>(excl. ALL Grants &amp; Contributions)</u>	<u>20,660</u>	<b>63.85%</b>	71.68%	60.73%
Total continuing operating revenue <sup>(1)</sup>	<b>32,357</b>			
<b>3. Unrestricted Current Ratio</b>				
Current Assets less all External Restrictions <sup>(2)</sup>	<u>8,712</u>	<b>1.92x</b>	2.76	2.48
Current Liabilities less Specific Purpose Liabilities <sup>(3, 4)</sup>	<u>4,534</u>			
<b>4. Debt Service Cover Ratio</b>				
Operating Result <sup>(1)</sup> before capital excluding interest and depreciation / impairment / amortisation	<u>3,984</u>	<b>6.05x</b>	0.77	8.03
Principal Repayments (from the Statement of Cash Flows) + Borrowing Costs (from the Income Statement)	<u>659</u>			
<b>5. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>				
Rates, Annual and Extra Charges Outstanding	<u>985</u>	<b>7.37%</b>	8.14%	9.13%
Rates, Annual and Extra Charges Collectible	<u>13,366</u>			
<b>6. Cash Expense Cover Ratio</b>				
Current Year's Cash and Cash Equivalents + All Term Deposits	<u>34,449</u>	<b>16.99</b>	14.27	15.57
Payments from cash flow of operating and financing activities	<u>2,027</u>	<b>mths</b>		

#### Notes

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

(2) Refer Notes 6-8 inclusive.

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

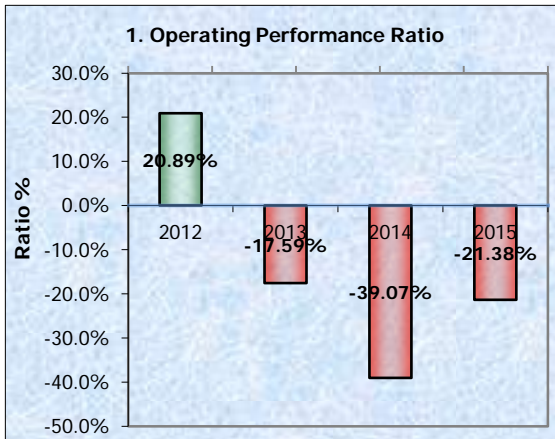
(3) Refer to Note 10(a).

(4) Refer to Note 10(a)(ii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).

# Bellingen Shire Council

## Notes to the Financial Statements for the financial year ended 30 June 2015

### Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)



#### Purpose of Operating Performance Ratio

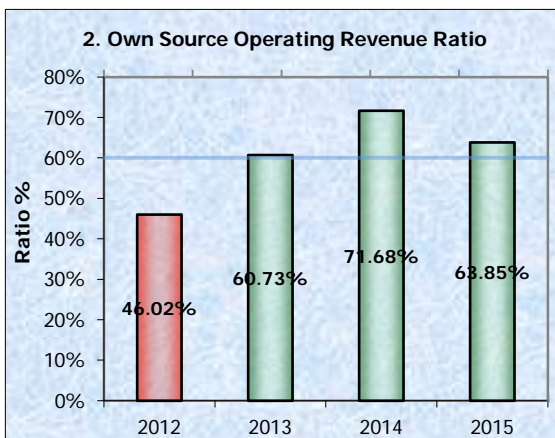
This ratio measures Council's achievement of containing operating expenditure within operating revenue.

**2014/15 Ratio -21.38%**

Benchmark: — Minimum  $\geq 0.00\%$

Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

■ Ratio is within Benchmark  
■ Ratio is outside Benchmark



#### Purpose of Own Source Operating Revenue Ratio

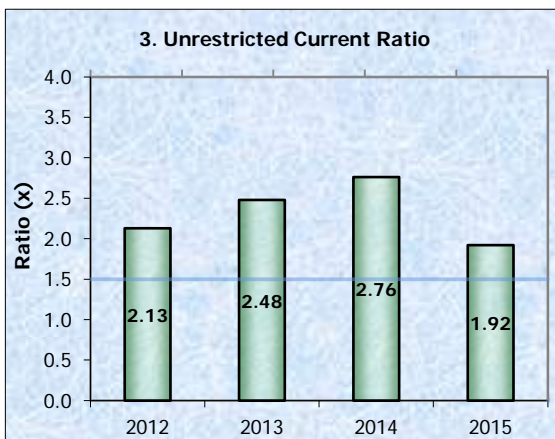
This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants & contributions.

**2014/15 Ratio 63.85%**

Benchmark: — Minimum  $\geq 60.00\%$

Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

■ Ratio is within Benchmark  
■ Ratio is outside Benchmark



#### 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.

**2014/15 Ratio 1.92x**

Benchmark: — Minimum  $\geq 1.50$

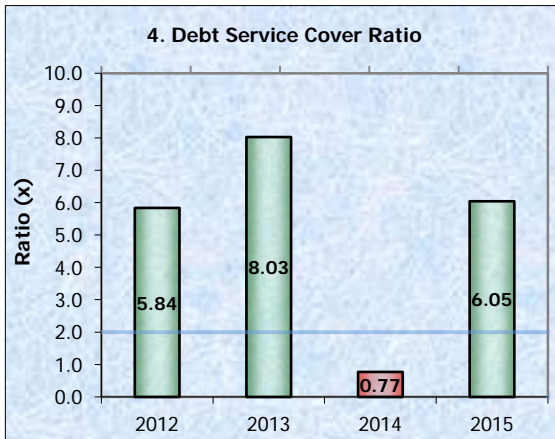
Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

■ Ratio is within Benchmark  
■ Ratio is outside Benchmark

# Bellingen Shire Council

## Notes to the Financial Statements for the financial year ended 30 June 2015

### Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)



#### Purpose of Debt Service Cover Ratio

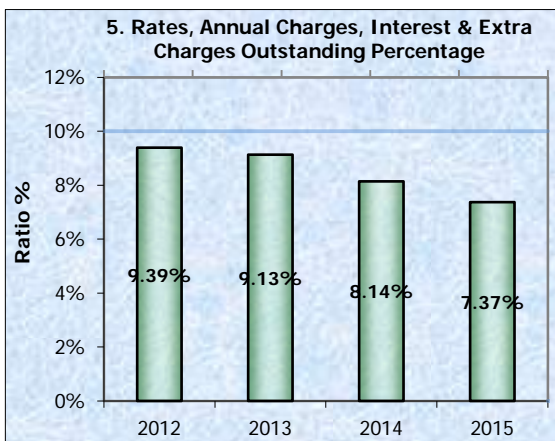
This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

**2014/15 Ratio 6.05x**

Benchmark: ——— Minimum  $\geq 2.00$

Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

■ Ratio is within Benchmark  
■ Ratio is outside Benchmark



#### Purpose of Rates & Annual Charges Outstanding Ratio

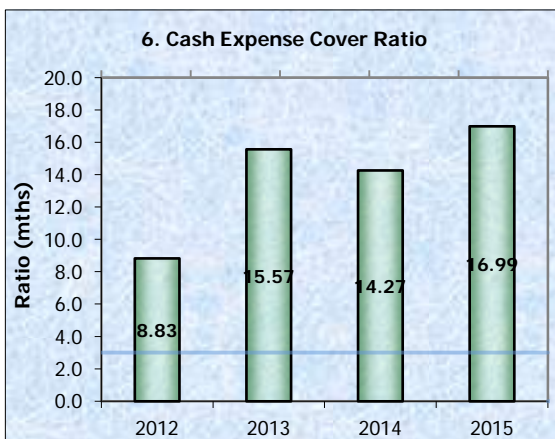
To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

**2014/15 Ratio 7.37%**

Benchmark: ——— Maximum  $< 10.00\%$

Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

■ Ratio is within Benchmark  
■ Ratio is outside Benchmark



#### 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.

**2014/15 Ratio 16.99 mths**

Benchmark: ——— Minimum  $\geq 3.00$

Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

■ Ratio is within Benchmark  
■ Ratio is outside Benchmark

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 13b. Statement of Performance Measurement - Indicators (by Fund)

\$ '000	Water 2015	Sewer 2015	General <sup>5</sup> 2015
<b>Local Government Industry Indicators - by Fund</b>			
<b>1. Operating Performance Ratio</b>			
Total continuing operating revenue <sup>(1)</sup>			
<u>(excl. Capital Grants &amp; Contributions) - Operating Expenses</u>	<b>5.55%</b>	<b>7.04%</b>	<b>-29.53%</b>
Total continuing operating revenue <sup>(1)</sup>			
(excl. Capital Grants & Contributions)	prior period: 15.37%	1.60%	-54.93%
<b>2. Own Source Operating Revenue Ratio</b>			
Total continuing operating revenue <sup>(1)</sup>			
<u>(excl. ALL Grants &amp; Contributions)</u>	<b>94.72%</b>	<b>68.07%</b>	<b>59.71%</b>
Total continuing operating revenue <sup>(1)</sup>			
	prior period: 82.85%	85.36%	67.79%
<b>3. Unrestricted Current Ratio</b>			
<u>Current Assets less all External Restrictions<sup>(2)</sup></u>	<b>1567.43x</b>	<b>215.12x</b>	<b>1.92x</b>
Current Liabilities less Specific Purpose Liabilities <sup>(3, 4)</sup>			
	prior period: 50.01	32.10	2.76
<b>4. Debt Service Cover Ratio</b>			
<u>Operating Result<sup>(1)</sup> before capital excluding interest and depreciation / impairment / amortisation</u>	<b>0.00</b>	<b>0.00</b>	<b>2.88x</b>
Principal Repayments (from the Statement of Cash Flows) + Borrowing Costs (from the Income Statement)			
	prior period: 0.00	0.00	-2.88
<b>5. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>			
<u>Rates, Annual and Extra Charges Outstanding</u>	<b>21.14%</b>	<b>7.46%</b>	<b>3.30%</b>
Rates, Annual and Extra Charges Collectible			
	prior period: 19.69%	9.21%	7.13%
<b>6. Cash Expense Cover Ratio</b>			
Current Year's Cash and Cash Equivalents <u>+ All Term Deposits</u>	<b>101.65</b>	<b>24.94</b>	<b>8.99</b>
Payments from cash flow of operating and financing activities	mths	mths	mths
	prior period: 34.71	20.73	12.11

## Notes

(1) - (4) Refer to Notes at Note 13a(i) above.

(5) General Fund refers to all of Council's activities except for its Water &amp; Sewer activities which are listed separately.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 14. Investment Properties

\$ '000	Notes	Actual 2015	Actual 2014
<b>(a) Investment Properties at Fair value</b>			
<u>Investment Properties on Hand</u>		<u>1,924</u>	<u>1,924</u>
<b>Reconciliation of Annual Movement:</b>			
Opening Balance		1,924	1,915
- Net Gain/(Loss) from Fair Value Adjustments		-	9
<b>CLOSING BALANCE - INVESTMENT PROPERTIES</b>		<b><u>1,924</u></b>	<b><u>1,924</u></b>

#### (b) Valuation Basis

The basis of valuation of Investment Properties is Fair Value, being the amounts for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

The 2015 revaluations are not based on an Independent Assessment and Valuation.

Councils investment property value was reviewed during 2014/15 financial year. It was determined that there was no material variation from the desktop valuation provided by APV Valuers in the previous financial year.

#### (c) Contractual Obligations at Reporting Date

Refer to Note 12 for disclosures relating to any Capital and Service obligations that have been contracted.

#### (d) Investment Property Income & Expenditure - summary

<b>Rental Income from Investment Properties:</b>			
- Minimum Lease Payments		108	104
<b>Direct Operating Expenses on Investment Properties:</b>			
- that generated rental income		(23)	(23)
<b>Net Revenue Contribution from Investment Properties</b>		<b><u>85</u></b>	<b><u>81</u></b>
plus:			
<b>Fair Value Movement for year</b>		<b><u>-</u></b>	<b><u>9</u></b>
<b>Total Income attributable to Investment Properties</b>		<b><u>85</u></b>	<b><u>90</u></b>

Refer to Note 27- Fair Value Measurement for information regarding the fair value of investment properties held.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 15. Financial Risk Management

\$ '000

##### Risk Management

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

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

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

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2015	2014	2015	2014
<b>Financial Assets</b>				
Cash and Cash Equivalents	3,149	6,065	3,149	6,065
Investments				
- "Held to Maturity"	31,300	23,100	31,300	23,100
Receivables	5,223	5,721	5,223	5,721
<b>Total Financial Assets</b>	<b>39,672</b>	<b>34,886</b>	<b>39,672</b>	<b>34,886</b>
<b>Financial Liabilities</b>				
Payables	2,866	2,556	2,866	2,556
Loans / Advances	9,627	4,950	9,627	4,950
<b>Total Financial Liabilities</b>	<b>12,493</b>	<b>7,506</b>	<b>12,493</b>	<b>7,506</b>

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates mkt value.
- **Borrowings & Held to Maturity Investments** - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) **"at fair value through profit & loss"** or (ii) **Available for Sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of financial assets & liabilities



## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 15. Financial Risk Management (continued)

\$ '000

##### (a) Cash & Cash Equivalents, Financial assets 'at fair value through the profit & Loss' "Available-for-sale" financial assets & "Held-to-maturity" Investments

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

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and it's staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

- **Price Risk** - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest Rate Risk** - the risk that movements in interest rates could affect returns and income.
- **Credit Risk** - the risk that the investment counterparty) will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

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

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

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

	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
<b>2015</b>				
Possible impact of a 1% movement in Interest Rates	318	318	(318)	(318)
<b>2014</b>				
Possible impact of a 1% movement in Interest Rates	292	292	292	292

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 15. Financial Risk Management (continued)

\$ '000

##### (b) Receivables

Council's major receivables comprise **(i) Rates & Annual charges** and **(ii) User Charges & Fees**.

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

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

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

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

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

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

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

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

	2015	2015	2014	2014
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
<b>(i) Ageing of Receivables - %</b>				
Current (not yet overdue)	94%	98%	52%	99%
Overdue	6%	2%	48%	1%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

		2015	2015	2014	2014
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables	Other Receivables
<b>(ii) Ageing of Receivables - value</b>					
Rates & Annual Charges					
Current		756	440	4,881	
< 1 year overdue	0 - 30 days overdue	48	395	-	-
1 - 2 years overdue	30 - 60 days overdue	-	-	-	-
2 - 5 years overdue	60 - 90 days overdue	-	-	-	-
> 5 years overdue	> 90 days overdue	-	-	-	40
		<b>804</b>	<b>835</b>	<b>4,921</b>	

##### (iii) Movement in Provision for Impairment of Receivables

	2015	2014
Balance at the beginning of the year	35	33
+ new provisions recognised during the year	-	2
- amounts already provided for & written off this year	(1)	-
<b>Balance at the end of the year</b>	<b>34</b>	<b>35</b>

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 15. Financial Risk Management (continued)

\$ '000

##### (c) Payables & Borrowings

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

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

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

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

\$ '000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
<b>2015</b>									
Trade/Other Payables	179	2,687	-	-	-	-	-	2,866	<b>2,866</b>
Loans & Advances	-	595	628	663	701	738	6,302	9,627	<b>9,627</b>
<b>Total Financial Liabilities</b>	<b>179</b>	<b>3,282</b>	<b>628</b>	<b>663</b>	<b>701</b>	<b>738</b>	<b>6,302</b>	<b>12,493</b>	<b>12,493</b>
<b>2014</b>									
Trade/Other Payables	208	2,348	-	-	-	-	-	2,556	<b>2,556</b>
Loans & Advances	-	174	188	204	224	245	3,915	4,950	<b>4,950</b>
<b>Total Financial Liabilities</b>	<b>208</b>	<b>2,522</b>	<b>188</b>	<b>204</b>	<b>224</b>	<b>245</b>	<b>3,915</b>	<b>7,506</b>	<b>7,506</b>

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

The following interest rates were applicable to Council's Borrowings at balance date:

	2015		2014	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	2,866	0.0%	2,556	0.0%
Loans & Advances - Fixed Interest Rate	9,627	6.4%	4,950	7.4%
	<u>12,493</u>		<u>7,506</u>	

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 14/15 was adopted by the Council on 25 June 2014.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

**Note that for Variations\* of Budget to Actual :**

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

**F** = Favourable Budget Variation, **U** = Unfavourable Budget Variation

\$ '000	2015 Budget	2015 Actual	2015 ----- Variance* -----	
<b>REVENUES</b>				
<b>Rates &amp; Annual Charges</b>	12,528	12,244	(284)	(2%) <b>U</b>
<b>User Charges &amp; Fees</b>	4,286	6,696	2,410	56% <b>F</b>
User charges were above budget as the RMS contracted council for more works on MR76 than anticipated, also building and town planning activity increased compared to the previous year.				
<b>Interest &amp; Investment Revenue</b>	956	1,209	253	26% <b>F</b>
Council took a conservative approach to budgeting for investment revenues due to the declining interest rate market. Councils overall cash and investments on hand during the year were much higher than anticipated in Councils Long Term Financial Plan resulting in higher investment revenues.				
<b>Other Revenues</b>	674	511	(163)	(24%) <b>U</b>
Original budgets inadvertently coded as other revenues (should have been coded as user charges and fees).				
<b>Operating Grants &amp; Contributions</b>	4,490	5,377	887	20% <b>F</b>
Council received a number of grants throughout the year that were not included in the original budget. The largest of these being from the RMS for Newry Island Bridge rehab for \$600,000. A number of other environment related grants were also received during the year (Bellinger Kalang Estuary action plan, Cancer Council, DECCW estuary program etc.).				
<b>Capital Grants &amp; Contributions</b>	1,984	6,320	4,336	219% <b>F</b>
Capital grants received were much higher than budgeted due to the receiving of Flood Grant for the May 2015 floods. The grant income provided for the Dorrigo Sewerage Treatment plant was also not budgeted for in the original 2014/15 budget.				
<b>Net Gains from Disposal of Assets</b>	-	129	129	0% <b>F</b>
Council does not budget for gains or losses on sale of assets				

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 16. Material Budget Variations (continued)

\$ '000	2015 Budget	2015 Actual	2015 ----- Variance* -----		
<b>EXPENSES</b>					
<b>Employee Benefits &amp; On-Costs</b>	<b>10,533</b>	<b>9,774</b>	<b>759</b>	7%	<b>F</b>
<b>Borrowing Costs</b>	<b>425</b>	<b>486</b>	<b>(61)</b>	(14%)	<b>U</b>
Unbudgeted amortisation of Tips and quarries					
<b>Materials &amp; Contracts</b>	<b>5,947</b>	<b>9,471</b>	<b>(3,524)</b>	(59%)	<b>U</b>
Material costs were above budget as the RMS contracted council for more works on MR76 than anticipated.					
<b>Depreciation &amp; Amortisation</b>	<b>9,589</b>	<b>9,065</b>	<b>524</b>	5%	<b>F</b>
<b>Impairment Expenses</b>	-	-	-	0%	<b>F</b>
No Budget Variation Details Are Required					
<b>Other Expenses</b>	<b>3,629</b>	<b>2,808</b>	<b>821</b>	23%	<b>F</b>
Other expenses are lower than expected due to vehicle running expenses being shown in materials and contracts rather than in Other Expenses as in the budget.					
<b>Budget Variations relating to Council's Cash Flow Statement include:</b>					
<b>Cash Flows from Operating Activities</b>	<b>4,343</b>	<b>10,479</b>	<b>6,136</b>	141.3%	<b>F</b>
Cash flows from operating activities were higher than expected to due increased funding from RMS for works on MR76 and flood damage.					
<b>Cash Flows from Investing Activities</b>	<b>(2,006)</b>	<b>(18,072)</b>	<b>(16,066)</b>	800.9%	<b>U</b>
Cash flows from investing activities were higher than expected due to the Dorrigo Sewerage Treatment works being omitted from the Long Term Financial Plan cash flow estimates.					
<b>Cash Flows from Financing Activities</b>	<b>4,676</b>	<b>4,677</b>	<b>1</b>	0.0%	<b>F</b>

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 17. Statement of Developer Contributions

\$ '000

Council recovers contributions, raises levies & enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions & levies and the value of all remaining funds which are "restricted" in their future use.

## SUMMARY OF CONTRIBUTIONS &amp; LEVIES

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	10	-	-	-	-	-	10	-	-	10	-
Roads	2,378	127	-	62	(24)	-	2,543	-	-	2,543	-
Parking	27	-	-	1	-	-	28	-	-	28	-
Community Facilities	862	39	-	21	(63)	-	859	-	-	859	-
<b>S94 Contributions - under a Plan</b>	<b>3,277</b>	<b>166</b>	<b>-</b>	<b>84</b>	<b>(87)</b>	<b>-</b>	<b>3,440</b>	<b>-</b>	<b>-</b>	<b>3,440</b>	<b>-</b>
<b>Total S94 Revenue Under Plans</b>	<b>3,277</b>	<b>166</b>	<b>-</b>	<b>84</b>	<b>(87)</b>	<b>-</b>	<b>3,440</b>				<b>-</b>
S94 not under Plans	218	-	-	3	(119)	-	102	-	-	102	-
S64 Contributions	6,779	155	-	178	(1,504)	-	5,608				
<b>Total Contributions</b>	<b>10,274</b>	<b>321</b>	<b>-</b>	<b>265</b>	<b>(1,710)</b>	<b>-</b>	<b>9,150</b>	<b>-</b>	<b>-</b>	<b>3,542</b>	<b>-</b>

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 17. Statement of Developer Contributions (continued)

\$ '000

**S94 CONTRIBUTIONS - UNDER A PLAN**

## CONTRIBUTION PLAN - Community Services &amp; Amenities

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Community Facilities	750	36	-	18	(63)	-	741			741	
<b>Total</b>	<b>750</b>	<b>36</b>	<b>-</b>	<b>18</b>	<b>(63)</b>	<b>-</b>	<b>741</b>	<b>-</b>	<b>-</b>	<b>741</b>	<b>-</b>

## CONTRIBUTION PLAN - South Urunga Development Area

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	13	-	-	-	-	-	13			13	
<b>Total</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>-</b>

## CONTRIBUTION PLAN - Bellingen Council Roads

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	2,349	123	-	62	(24)	-	2,510			2,510	
<b>Total</b>	<b>2,349</b>	<b>123</b>	<b>-</b>	<b>62</b>	<b>(24)</b>	<b>-</b>	<b>2,510</b>	<b>-</b>	<b>-</b>	<b>2,510</b>	<b>-</b>

## CONTRIBUTION PLAN - Bridge Replacement

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	16	4	-	-	-	-	20			20	
<b>Total</b>	<b>16</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>-</b>



## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 17. Statement of Developer Contributions (continued)

\$ '000

**S94 CONTRIBUTIONS - UNDER A PLAN**

## CONTRIBUTION PLAN - Bushfire Services Plan

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Community Facilities	112	3	-	3	-	-	118			118	
<b>Total</b>	<b>112</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>118</b>	<b>-</b>	<b>-</b>	<b>118</b>	<b>-</b>

## CONTRIBUTION PLAN - Bellingen Drainage

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	10	-	-	-	-	-	10			10	
<b>Total</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>-</b>

## CONTRIBUTION PLAN - Bellingen Parking

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Parking	27	-	-	1	-	-	28			28	
<b>Total</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>28</b>	<b>-</b>

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 17. Statement of Developer Contributions (continued)

\$ '000

## S94 CONTRIBUTIONS - NOT UNDER A PLAN

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	10	-	-	-	-	-	10			10	
Roads	119	-	-	-	(119)	-	-			-	
Other	89	-	-	3	-	-	92			92	
<b>Total</b>	<b>218</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>(119)</b>	<b>-</b>	<b>102</b>	<b>-</b>	<b>-</b>	<b>102</b>	<b>-</b>

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

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

#### LIABILITIES NOT RECOGNISED:

##### 1. Guarantees

###### (i) Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

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

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category with member Councils required to make significantly higher contributions in future years.

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

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

###### (ii) Statewide Limited

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

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

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

###### (iii) StateCover Limited

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

StateCover is a company providing workers compensation insurance cover to the NSW Local Government Industry and specifically Council.

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

These future equity contributions would be required to maintain the company's minimum level of Net Assets in accordance with its Licence Requirements.

###### (iv) Other Guarantees

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

## Bellingen Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2015

#### Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

\$ '000

##### LIABILITIES NOT RECOGNISED (continued):

##### 2. Other Liabilities

##### (i) Third Party Claims

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

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

##### (ii) S94 Plans

Council levies Section 94/94A Contributions upon various development across the Council area through the required Contributions Plans.

As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Councils intention to spend funds in the manner and timing set out in those Plans.

##### ASSETS NOT RECOGNISED:

##### (i) Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

##### (ii) Infringement Notices/Fines

Fines & Penalty Income, the result of Council issuing Infringement Notices is followed up and collected by the Infringement Processing Bureau.

Councils 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.

#### Note 19. Interests in Other Entities

Council has no interest in any Controlled Entities, Joint Arrangements or Associates.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2015	Actual 2014
<b>(a) Retained Earnings</b>			
<b>Movements in Retained Earnings were as follows:</b>			
Balance at beginning of Year (from previous years audited accounts)		262,699	267,795
a. Correction of Prior Period Errors	20 (c)	-	(220)
b. Net Operating Result for the Year		882	(4,876)
<b>Balance at End of the Reporting Period</b>		<b>263,581</b>	<b>262,699</b>

#### (b) Reserves

##### (i) Reserves are represented by:

- Infrastructure, Property, Plant & Equipment Revaluation Reserve	185,709	285,263
<b>Total</b>	<b>185,709</b>	<b>285,263</b>

##### (ii) Reconciliation of movements in Reserves:

###### Infrastructure, Property, Plant & Equipment Revaluation Reserve

- Opening Balance	285,263	284,220
- Revaluations for the year	9(a)	(99,554)
- (Impairment of revalued assets) / Impairment reversals	9(a),(c)	-
- Correction of Prior Period Errors	20(c)	-
- <b>Balance at End of Year</b>	<b>185,709</b>	<b>285,263</b>

###### TOTAL VALUE OF RESERVES

<b>185,709</b>	<b>285,263</b>
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##### (iii) Nature & Purpose of Reserves

###### Infrastructure, Property, Plant & Equipment Revaluation Reserve

- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000	Notes	Actual 2015	Actual 2014
<b>(c) Correction of Error/s relating to a Previous Reporting Period</b>			
Council made no correction of errors during the current reporting period.			
<b>Correction of errors as disclosed in last year's financial statements:</b>			
Sewer gravity mains were overstated as at 30 June 2013 due to an incorrect calculation in the evaluation and measurement process. Council has now corrected the error by adjusting the asset value for sewer mains.			
			(1,184)
This adjustment resulted in a net decrease to Council's Revaluation Reserves as at 30/6/13			
Council did not have sufficient and reliable information that would allow the restatement of information prior to 30/6/13 (the closing date for the comparative figures in last year's report).			
Council's Interest on Investments for the 2012/13 financial year were overstated due to an incorrect accrual calculation. Council has corrected the error by adjusting the accumulated surplus at 30/6/13.			
			(220)
This adjustment resulted in a net decrease in Council's Accumulated Surplus as at 30/6/13.			
<b>In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above Prior Period Errors have been recognised retrospectively.</b>			
<b>These amounted to the following Equity Adjustments:</b>			
- Adjustments to Opening Equity - 1/7/13 (relating to adjustments for the 30/6/13 reporting year end and prior periods)		-	(1,404)
- Adjustments to Closing Equity - 30/6/14 (relating to adjustments for the 30/6/14 year end)		-	-
<b>Total Prior Period Adjustments - Prior Period Errors</b>		<b>-</b>	<b>(1,404)</b>

#### (d) Voluntary Changes in Accounting Policies

Council made no voluntary changes in any accounting policies during the year.

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 21. Financial Result & Financial Position by Fund

Income Statement by Fund \$ '000	Actual 2015	Actual 2015	Actual 2015
<b>Continuing Operations</b>	<b>Water</b>	<b>Sewer</b>	<b>General<sup>1</sup></b>
<b>Income from Continuing Operations</b>			
Rates & Annual Charges	435	2,812	8,997
User Charges & Fees	1,599	182	4,915
Interest & Investment Revenue	510	246	453
Other Revenues	3	2	506
Grants & Contributions provided for Operating Purposes	48	41	5,288
Grants & Contributions provided for Capital Purposes	94	1,480	4,746
<b>Other Income</b>			
Net Gains from Disposal of Assets	-	-	143
<b>Total Income from Continuing Operations</b>	<b>2,689</b>	<b>4,763</b>	<b>25,048</b>
<b>Expenses from Continuing Operations</b>			
Employee Benefits & on-costs	1,034	1,172	7,568
Borrowing Costs	-	-	486
Materials & Contracts	325	642	8,504
Depreciation & Amortisation	727	983	7,355
Impairment	-	-	-
Other Expenses	365	267	2,176
Net Losses from the Disposal of Assets	-	14	-
<b>Total Expenses from Continuing Operations</b>	<b>2,451</b>	<b>3,078</b>	<b>26,089</b>
<b>Operating Result from Continuing Operations</b>	<b>238</b>	<b>1,685</b>	<b>(1,041)</b>
<b>Discontinued Operations</b>			
Net Profit/(Loss) from Discontinued Operations	-	-	-
<b>Net Operating Result for the Year</b>	<b>238</b>	<b>1,685</b>	<b>(1,041)</b>
<b>Net Operating Result attributable to each Council Fund</b>	<b>238</b>	<b>1,685</b>	<b>(1,041)</b>
<b>Net Operating Result attributable to Non-controlling Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>144</b>	<b>205</b>	<b>(5,787)</b>

<sup>1</sup> General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal charges & recoveries made between the Funds.



## Bellingen Shire Council

## Notes to the Financial Statements

as at 30 June 2015

## Note 21. Financial Result &amp; Financial Position by Fund (continued)

Statement of Financial Position by Fund \$ '000	Actual 2015	Actual 2015	Actual 2015
<b>ASSETS</b>	<b>Water</b>	<b>Sewer</b>	<b>General<sup>1</sup></b>
<b>Current Assets</b>			
Cash & Cash Equivalents	1,714	395	1,040
Investments	13,000	4,000	14,300
Receivables	681	434	4,041
Inventories	14	-	222
Other	-	-	-
Non-current assets classified as 'held for sale'	-	-	-
<b>Total Current Assets</b>	<b>15,409</b>	<b>4,829</b>	<b>19,603</b>
<b>Non-Current Assets</b>			
Investments	-	-	-
Receivables	-	-	67
Inventories	-	-	-
Infrastructure, Property, Plant & Equipment	44,024	43,328	336,462
Investment Property	-	-	1,924
Intangible Assets	-	-	-
<b>Total Non-Current Assets</b>	<b>44,024</b>	<b>43,328</b>	<b>338,453</b>
<b>TOTAL ASSETS</b>	<b>59,433</b>	<b>48,157</b>	<b>358,056</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	7	17	3,023
Borrowings	-	-	595
Provisions	-	-	2,943
<b>Total Current Liabilities</b>	<b>7</b>	<b>17</b>	<b>6,561</b>
<b>Non-Current Liabilities</b>			
Payables	-	-	8
Borrowings	-	-	9,032
Provisions	-	-	731
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>9,771</b>
<b>TOTAL LIABILITIES</b>	<b>7</b>	<b>17</b>	<b>16,332</b>
<b>Net Assets</b>	<b>59,426</b>	<b>48,140</b>	<b>341,724</b>
<b>EQUITY</b>			
Retained Earnings	18,795	10,179	234,607
Revaluation Reserves	40,631	37,961	107,117
Council Equity Interest	59,426	48,140	341,724
Non-controlling Interests	-	-	-
<b>Total Equity</b>	<b>59,426</b>	<b>48,140</b>	<b>341,724</b>

<sup>1</sup> General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal receivables & payables between the Funds.

## Bellingen Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2015

#### Note 22. "Held for Sale" Non Current Assets & Disposal Groups

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\$ '000

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Council did not classify any Non Current Assets or Disposal Groups as "Held for Sale".

#### Note 23. Events occurring after the Reporting Date

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Events that occur between the end of the reporting period (ending 30 June 2015) and the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 22/10/15.

Events that occur after the Reporting Period represent one of two types:

##### **(i) Events that provide evidence of conditions that existed at the Reporting Period**

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2015.

##### **(ii) Events that provide evidence of conditions that arose after the Reporting Period**

These financial statements (& figures therein) do not incorporate any "non-adjusting events" that have occurred after 30 June 2015 and which are only indicative of conditions that arose after 30 June 2015.

**Council is unaware of any material or significant "non-adjusting events" that should be disclosed.**

#### Note 24. Discontinued Operations

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Council has not classified any of its Operations as "Discontinued".

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 25. Intangible Assets

\$ '000

Intangible Assets represent identifiable non-monetary asset without physical substance.

Council is unaware of any control over Intangible Assets that warrant recognition in the Financial Statements, including either internally generated and developed assets or purchased assets.

#### Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

Asset/Operation	Estimated year of restoration	NPV of Provision	
		2015	2014
Tip Remediation	2030	510	486
Quarry Remediation	2015	70	65
<b>Balance at End of the Reporting Period</b>		<b>580</b>	<b>551</b>

10(a)

Under AASB 116 - Property, Plant & Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 - Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

#### Reconciliation of movement in Provision for year:

Balance at beginning of year	551	524
Amortisation of discount (expensed to borrowing costs)	29	27
<b>Total - Reinstatement, rehabilitation and restoration provision</b>	<b>580</b>	<b>551</b>

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 27. Fair Value Measurement

\$ '000

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

- Infrastructure, Property, Plant and Equipment
- Investment Property
- Financial Assets & Liabilities

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

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

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

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

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

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

2015	Date of latest Valuation	Fair Value Measurement Hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
<b>Recurring Fair Value Measurements</b>					
<b>Investment Properties</b>					
Investment Properties	30/06/14	-	-	1,924	1,924
<b>Total Investment Properties</b>		<b>-</b>	<b>-</b>	<b>1,924</b>	<b>1,924</b>
<b>Infrastructure, Property, Plant &amp; Equipment</b>					
Plant & Equipment	30/06/13	-	-	5,321	5,321
Office Equipment	30/06/13	-	-	491	491
Furniture & Fittings	30/06/13	-	-	116	116
Land – Operational	30/06/13	-	-	19,067	19,067
Land – Community	30/06/13	-	-	11,787	11,787
Land Improvements – depreciated	30/06/13	-	-	1,606	1,606
Buildings – Non Specialised	30/06/13	-	-	37,671	37,671
Roads	30/06/15	-	-	68,656	68,656
Bridges	30/06/15	-	-	21,701	21,701

(continued on the next page...)

## Bellingen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 27. Fair Value Measurement (continued)

\$ '000

## (1) All assets and liabilities that have been measured &amp; recognised at fair values (continued)

2015	Date of latest Valuation	Fair Value Measurement Hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
<b>Recurring Fair Value Measurements</b>					
<b>Infrastructure, Property, Plant &amp; Equipment</b> cont'd					
Footpaths	30/06/15	-	-	1,591	1,591
Bulk Earthworks	30/06/15	-	-	160,798	160,798
Stormwater Drainage	30/06/15	-	-	14,318	14,318
Water Supply Network	30/06/12	-	-	41,557	41,557
Sewerage Network	30/06/12	-	-	33,535	33,535
Swimming Pools	30/06/11	-	-	1,088	1,088
Open Space & Recreation	30/06/11	-	-	3,055	3,055
Other Infrastructure	30/06/11	-	-	999	999
Other Assets	30/06/13	-	-	209	209
Tip Assets	30/06/10	-	-	248	248
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>		<b>-</b>	<b>-</b>	<b>423,814</b>	<b>423,814</b>
<b>2014</b>					
<b>Investment Properties</b>					
Shops & Offices	30/06/14	-	-	1,924	1,924
<b>Total Investment Properties</b>		<b>-</b>	<b>-</b>	<b>1,924</b>	<b>1,924</b>
<b>Infrastructure, Property, Plant &amp; Equipment</b>					
Plant & Equipment	30/06/13	-	-	5,723	5,723
Office Equipment	30/06/13	-	-	490	490
Furniture & Fittings	30/06/13	-	-	101	101
Land – Operational	30/06/13	-	-	19,067	19,067
Land – Community	30/06/13	-	-	11,787	11,787
Land Improvements – depreciated	30/06/13	-	-	1,638	1,638
Buildings – Non Specialised	30/06/13	-	-	33,522	33,522
Roads	30/06/10	-	-	118,987	118,987
Bridges	30/06/10	-	-	20,214	20,214
Footpaths	30/06/10	-	-	2,729	2,729
Bulk Earthworks	30/06/10	-	-	211,322	211,322
Stormwater Drainage	30/06/10	-	-	14,750	14,750
Water Supply Network	30/06/12	-	-	41,540	41,540
Sewerage Network	30/06/12	-	-	33,510	33,510
Swimming Pools	30/06/11	-	-	1,135	1,135
Open Space & Recreation	30/06/11	-	-	3,092	3,092
Other Infrastructure	30/06/11	-	-	1,023	1,023
Other Assets	30/06/13	-	-	136	136
Tip Assets	30/06/10	-	-	264	264
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>		<b>-</b>	<b>-</b>	<b>521,030</b>	<b>521,030</b>

## (2) Transfers between Level 1 &amp; Level 2 Fair Value Hierarchies

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

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 27. Fair Value Measurement (continued)

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##### **(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values**

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

The Fair Valuation techniques Council has employed while utilising Level 3 inputs are as follows:

##### **Investment Properties**

The investment property is included in Level 3 of the hierarchy and the valuation is based upon the best sales evidence in an active market for similar assets. The key unobservable input to the valuation is price per square metre.

The fair value of the investment property is determined by a qualified and experienced valuer. Council's last valuation of its investment property occurred in June 2014 by APV Valuers & Asset Management - Damon Griggs AAPI, Certified Practising Valuer, Registered Valuer No: VAL017601. There has been no change to the valuation process during the reporting period.

##### **Infrastructure, Property, Plant & Equipment**

###### **Community Land**

Community Land is based on either the Land Value provided by the Valuer-General or an average unit rate based on the Land Value for similar properties where the Valuer-General did not provide a Land Value having regard to the highest and best use for the land. As these rates were not considered to be observable market evidence they have been classified a Level 3. There has been no change to the valuation process during the reporting period.

###### **Operational Land**

The valuation of Operational Land has been based upon relevant sales in the area. In certain locations there was a lack of appropriate comparable sales evidence and in these instances the closest comparable sales and factors relating the land parcels geographic, land use and zoning were also taken into consideration. The last valuation was undertaken at 30 June 2013 by APV Valuers & Asset Management - Damon Griggs AAPI, Certified Practising Valuer, Registered Valuer No: VAL017601.

###### **Land Under Roads**

Land under roads has not been recognised in Council's accounts.

###### **Other Structures**

This asset class comprises of various park assets such as water tanks, fencing, small sheds & shelters, lighting & retaining walls. The valuation process involved the market value approach and depreciated replacement cost approach. The market value approach was utilised on a number of assets where there was sufficient market

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 27. Fair Value Measurement (continued)

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evidence. For some assets the valuation was based upon the depreciated replacement cost approach and unobservable inputs such as estimated patterns of consumption, residual value, asset condition and useful life require extensive professional judgement and rely on the experience of the valuer. The unobservable inputs place this class of asset at Level 3. The last valuation was undertaken in June 2011 by Liquid Pacific – Martin Burns, Chartered Valuer. There has been no change to the valuation process during the reporting period.

##### **Plant & Equipment, Office Equipment, Furniture & Fittings**

Office Equipment are valued at cost but disclosed at fair value in the Notes of the financial statements. It is assumed that the carrying amount of these asset classes is approximate fair value. Assets include graders, motor vehicles, mowers, chainsaws, computers, tables and chairs. The key unobservable inputs are residual life, patterns of consumption and useful life. There has been no change to the valuation process during the reporting period.

##### **Buildings**

Buildings are classified as either Specialised or Non Specialised as required by the NSW Code of Accounting Practice. Where possible the valuation was based upon the Market Value Approach where comparable market transactions have been obtained and used in the valuation. For the remaining assets the Depreciated Replacement Cost Approach was used in the valuation process. The unobservable inputs such as asset condition, patterns of consumption, replacement cost value and useful life relies on the experience and judgement of the valuer and therefore these assets are recorded at Level 3.

The last valuation was undertaken at 30 June 2013 by APV Valuers & Asset Management - Damon Griggs AAPI, Certified Practicing Valuer, Registered Valuer No: VAL017601. There has been no change to the valuation process during the reporting period.

##### **Swimming Pools**

This is a new class of asset and the fair value amount has been derived from assets originally classed in Other Structures. Swimming Pools were valued as part of Other Structures in June 2011 by Liquid Pacific – Martin Burns, Chartered Valuer. The valuation was based upon the depreciated replacement cost approach and unobservable inputs such as estimated patterns of consumption, residual value, asset condition and useful life require extensive professional judgement and rely on the experience of the valuer. The unobservable inputs place this class of asset at Level 3. There has been no change to the valuation process during the reporting period.

##### **Open Space & Recreation**

This asset class comprises of lighting, benches, barbecues, seating and any other asset relating to open spaces and recreation that were in the Other Structures class of asset. These assets were valued as part of the Other Structures valuation. The market value approach was utilised on a number of assets where there was sufficient market evidence. For some assets the valuation was based upon the depreciated replacement cost approach and unobservable inputs such as estimated patterns of consumption, residual value, asset condition and useful life require extensive professional judgement and rely on the experience of the valuer. The unobservable inputs place this class of asset at Level 3. The last valuation was undertaken in June 2011 by Liquid Pacific – Martin Burns, Chartered Valuer. There has been no change to the valuation process during the reporting period.



## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 27. Fair Value Measurement (continued)

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##### **Water System Assets**

This class of assets includes water mains & reticulation, reservoirs, pumping stations and treatment works. The valuation is based on Modern Engineering Equivalent Replacement Asset (MEERA) and standard unit costs. The reference rates are obtained from the NSW Reference Rates Tables issued by NSW Office of Water. The last valuation was undertaken at 30 June 2012 by Council's engineers. The unobservable inputs are useful life, patterns of consumption, condition ratings, remaining life and residuals which rely on the skill and experience of the valuer. There has been no change to the valuation process during the reporting period.

##### **Sewer System Assets**

This class of assets includes sewer mains & reticulation, pumping stations, treatment works and ancillary. The valuation is based on Modern Engineering Equivalent Replacement Asset (MEERA) and standard unit costs. The reference rates are obtained from the NSW Reference Rates Tables issued by NSW Office of Water. The last valuation was undertaken at 30 June 2012 by Council's engineers. The unobservable inputs are useful life, patterns of consumption, condition ratings, remaining life and residuals which rely on the skill and experience of the valuer. There has been no change to the valuation process during the reporting period.

##### **Roads, Bridges, Bulk Earthworks and other Infrastructure Assets**

This class of asset includes roads, culverts, bridges, footpaths, kerb & gutter, bulk earthworks and causeways. The valuation of the infrastructure assets has been undertaken internally by Council's Engineering Department by experienced Engineers. This valuation relies on key unobservable inputs such as unit rates, gross replacement cost, condition ratings, pattern of consumption, useful life and residual value. The valuation process also relied on the skill and experience of the Engineers. The key unobservable inputs and no active market places this asset category at Level 3. The last valuation was undertaken internally by Council's Engineers at 30 June 2015. There has been no change to the valuation process during the reporting year.

##### **Stormwater Drainage**

This class of assets includes culverts, mains, open drains, trash screens, GPT. The valuation is based on Modern Engineering Equivalent Replacement Asset (MEERA) and standard unit costs. The reference rates are obtained from the NSW Reference Rates Tables issued by NSW Office of Water. The last valuation was undertaken at 30 June 2015 by Council's Engineers. The unobservable inputs are useful life, patterns of consumption, condition ratings, remaining life and residuals which rely on the skill and experience of the valuer. There has been no change to the valuation process during the reporting period.

##### **Remediation Assets**

This class of asset includes the Raleigh Waste Facility and Whites Quarry. Restoration, cell capping, leachate collection and site closures have been recognised as significant costs for the remediation of these assets. In particular the closing of a landfill site will include preparation, final cell capping, site re-vegetation and leachate management. The key unobservable inputs are discount rate, estimated costs, legislative requirements, the timing of remediation and indexation of labour costs. There has been no change to the valuation process during the reporting period.

## Bellinghen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 27. Fair Value Measurement (continued)

\$ '000

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

a. The following tables present the changes in Level 3 Fair Value Asset Classes.

	Plant and Equipment	Office Equipment	Furniture and Fittings	Land Operational	Land Community	Land Improve ments	Buildings Non Specialised	Roads	Total
Adoption of AASB 13	6,109	361	128	19,162	11,787	1,595	34,271	119,251	192,664
Purchases (GBV)	1,005	190	-	-	-	133	41	3,705	5,074
Disposals (WDV)	(97)	(2)	(1)	(95)	-	-	(64)	-	(259)
Depreciation & Impairment	(1,294)	(59)	(26)	-	-	(90)	(727)	(3,969)	(6,165)
<b>Closing Balance - 30/6/14</b>	<b>5,723</b>	<b>490</b>	<b>101</b>	<b>19,067</b>	<b>11,787</b>	<b>1,638</b>	<b>33,521</b>	<b>118,987</b>	<b>191,314</b>
Transfers from/(to) another asset class	(2)	(4)	(1)	-	-	(2)	(38)	1	(46)
Purchases (GBV)	894	76	35	-	-	62	4,928	1,446	7,441
Disposals (WDV)	(115)	-	-	-	-	-	-	-	(115)
Depreciation & Impairment	(1,179)	(71)	(19)	-	-	(92)	(740)	(4,096)	(6,197)
Revaluations	-	-	-	-	-	-	-	(47,682)	(47,682)
<b>Closing Balance - 30/6/15</b>	<b>5,321</b>	<b>491</b>	<b>116</b>	<b>19,067</b>	<b>11,787</b>	<b>1,606</b>	<b>37,671</b>	<b>68,656</b>	<b>144,715</b>

## Bellinghen Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2015

## Note 27. Fair Value Measurement (continued)

\$ '000

## (4). Fair value measurements using significant unobservable inputs (Level 3) continued

## a. The following tables present the changes in Level 3 Fair Value Asset Classes. (continued)

	Bridges	Footpaths	Bulk Earthworks	Stormwater Drainage	Water Supply	Sewerage Network	Swimming Pools	Open Space Rec	Total
Adoption of AASB 13	20,536	2,767	211,322	14,359	40,478	33,767	1,182	3,182	327,593
Purchases (GBV)	203	-	-	640	689	847	7	48	2,434
Disposals (WDV)	-	-	-	-	(10)	-	-	-	(10)
Depreciation & Impairment	(525)	(38)	-	(249)	(750)	(865)	(54)	(138)	(2,619)
<b>Closing Balance - 30/6/14</b>	<b>20,214</b>	<b>2,729</b>	<b>211,322</b>	<b>14,750</b>	<b>41,540</b>	<b>33,510</b>	<b>1,135</b>	<b>3,092</b>	<b>328,292</b>
Transfers from/(to) another asset class	(1)	-	(1)	1	(8)	(2)	-	54	43
Purchases (GBV)	2,228	320	386	51	529	406	-	78	3,998
Depreciation & Impairment	(605)	(41)	-	(379)	(695)	(882)	(47)	(169)	(2,818)
Revaluations	(135)	(1,417)	(50,909)	(105)	191	503	-	-	(51,872)
<b>Closing Balance - 30/6/15</b>	<b>21,701</b>	<b>1,591</b>	<b>160,798</b>	<b>14,318</b>	<b>41,557</b>	<b>33,535</b>	<b>1,088</b>	<b>3,055</b>	<b>277,643</b>

	Other Infra structure	Library Books	Other Assets	Tip Assets	Quarry Assets	Total
Adoption of AASB 13	1,023	-	147	281	3	1,454
Purchases (GBV)	49	-	-	-	-	49
Depreciation & Impairment	(49)	-	(11)	(17)	(3)	(80)
<b>Closing Balance - 30/6/14</b>	<b>1,023</b>	<b>-</b>	<b>136</b>	<b>264</b>	<b>-</b>	<b>1,423</b>
Transfers from/(to) another asset class	-	-	3	-	-	3
Purchases (GBV)	-	-	80	-	-	80
Depreciation & Impairment	(24)	-	(10)	(16)	-	(50)
<b>Closing Balance - 30/6/15</b>	<b>999</b>	<b>-</b>	<b>209</b>	<b>248</b>	<b>-</b>	<b>1,456</b>

## Bellingen Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2015

#### Note 27. Fair Value Measurement (continued)

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\$ '000

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##### (4). Fair value measurements using significant unobservable inputs (Level 3) continued

###### b. The Valuation Process for Level 3 Fair Value Measurements

The valuation processes used for fair value on Level 3 assets is the depreciated replacement cost approach and the market value approach. Assets that have been valued using the market value approach have been included in the Level Fair Value as the unobservable inputs rely on the skill and experience of the valuer.

The depreciated replacement cost approach involves using comparative sales evidence, asset conditions and relies on the skill and experience of the valuer.

The land improvements, operational land, community land, other structures, swimming pools, buildings and open space and recreation assets have had valuations completed by external valuers. The external valuers are independent and are qualified and experienced in their field. The valuations have been prepared in accordance with AASB5, AASB13, ASSB116, AASB136 and AASB140.

In the case of stormwater, sewer and water assets, the valuations have been based on the modern engineering equivalent replacement asset (MEERA).

Before engaging a valuer to undertake valuations, Council requires at least three (3) quotations from suitably qualified valuers.

Valuation of the road infrastructure assets has been undertaken internally by Council's Engineering Department. This valuation process involved using unit rates to obtain a replacement cost value and condition assessments of the asset obtained a remaining life. The valuation process also relied on the skill and experience of the Engineers.

The analysis of the Level 3 fair value movements after valuations will be undertaken by the GIS Asset Accounting Officer and confirmed by the Finance Manager.

##### (5). Highest and best use

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

## Bellingen Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2015

#### Note 28. Council Information & Contact Details

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**Principal Place of Business:**

Hyde Street  
BELLINGEN NSW 2454

**Contact Details**

**Mailing Address:**

PO Box 117  
BELLINGEN NSW 2454

**Opening Hours:**

8.30am to 4.30pm  
Monday to Friday

**Telephone:** 02 6655 7300

**Facsimile:** 02 6655 2310

**Internet:** [www.bellingen.nsw.gov.au](http://www.bellingen.nsw.gov.au)

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

**INDEPENDENT AUDIT REPORT**  
**Report on the general purpose financial statements**

**To Bellingen Shire Council**

**SCOPE**

The financial statements comprise the Income statement, statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, accompanying notes to the financial statements, and the Statement by Councillors and Management in the approved form as required by Section 413(2)(C) of the *Local Government Act 1993* for Bellingen Shire Council (the Council), for the year ended 30<sup>th</sup> June 2015.

***Councils' responsibility for the financial statements***

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1993* and regulations and the Local Government Code of Accounting Practice and Financial Reporting. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

***Auditor's responsibility***

Our responsibility is to express an opinion on the financial statements to the Council based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Audit Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements is free from material misstatement. Our audit responsibility does not extend to the Original Budget figures included in the Income Statement and Statement of Cash Flows and the Original Budget disclosures in Notes 2 and 16 and accordingly, we express no opinion on them.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

**Knowledge with integrity**

Liability limited by a scheme approved under the Professional Standards Legislation

***Armidale***

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**email** armidale@forsyths.com.au

Forsyths Business Services Pty Ltd  
ABN 66 182 781 401

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## INDEPENDENCE

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

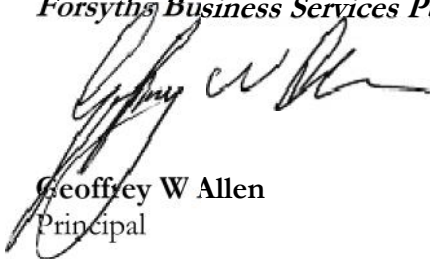
## AUDIT OPINION

In our opinion:

- (a) the accounting records of the Council have been kept in accordance with the requirements of Division 2 of Part 3 of the *Local Government Act 1993*;
- (b) the general purpose financial statements:
  - (i) have been prepared in accordance with the requirements of Division 2 of Part 3 of the *Local Government Act 1993*;
  - (ii) are consistent with the Council's accounting records; and
  - (iii) presents fairly, in all material respects, the Council's financial position as at 30<sup>th</sup> June 2015 and the results of its operations for the year then ended;
- (c) we have been able to obtain all information relevant to the conduct of our audit; and
- (d) no material deficiencies in the records or the financial statements were detected in the course of the audit.

*Forsyths*

**Forsyths Business Services Pty Ltd**



**Geoffrey W Allen**  
Principal

22<sup>nd</sup> October 2015  
92 Rusden Street, Armidale



22 October 2015

The Mayor  
Bellingen Shire Council  
PO Box 117  
Bellingen 2454

**Armidale**

111 Faulkner Street  
PO Box 114  
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*e* [armidale@forsyths.com.au](mailto:armidale@forsyths.com.au)

Dear Mr Mayor

Forsyths Business Services Pty Ltd  
ABN 66 182 781 401

**AUDIT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

We are pleased to report that we have completed the audit of Council's financial statements and records for the year ended 30 June 2015 and have issued our audit opinion on the general purpose financial statements and special purpose financial statements as required by the provisions of Section 417(2) of the *Local Government Act 1993*.

Under Section 417(3) of the *Local Government Act 1993* we are also required to report on the conduct of the audit.

***Council's responsibilities***

The Council is responsible for preparing the financial statements that give a true and fair view of the financial position and performance of the Council, and that complies with Accounting Standards in Australia, in accordance with the *Local Government Act 1993*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements.

***Audit Objectives***

We have conducted an independent audit of the financial statements in order to express an opinion on them to the Council. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our audit responsibility does not extend to the Original Budget figures included in the Income Statement and Statement of Cash Flows the Original Budget disclosures in Notes 2 and 16 to the financial statements and accordingly, we express no opinion on them.

The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial statements presents fairly, in accordance with the *Local Government Act 1993*, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of

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the Council's financial position, and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial statements, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Council.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial statements. These and other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the Council.

We have issued our audit opinion on the basis of the foregoing comments.

#### **Matters Relating to the Electronic Presentation of the Audited Financial Statements**

This auditor's report relates to the financial statements of Bellinghen Shire Council for the year ended 30 June 2015 included on Bellinghen Shire Council's web site. The Council is responsible for the integrity of its web site. We have not been engaged to report on the integrity of the Council's web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

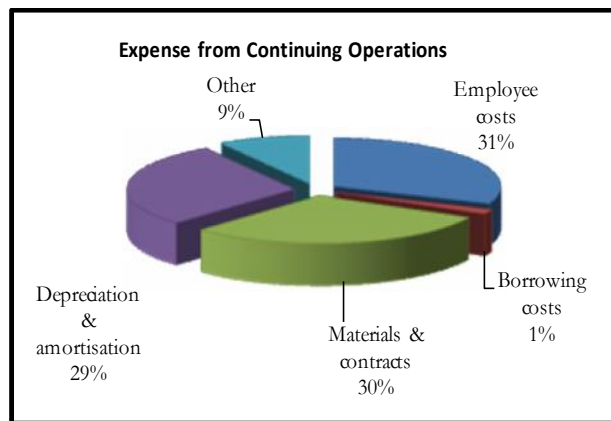
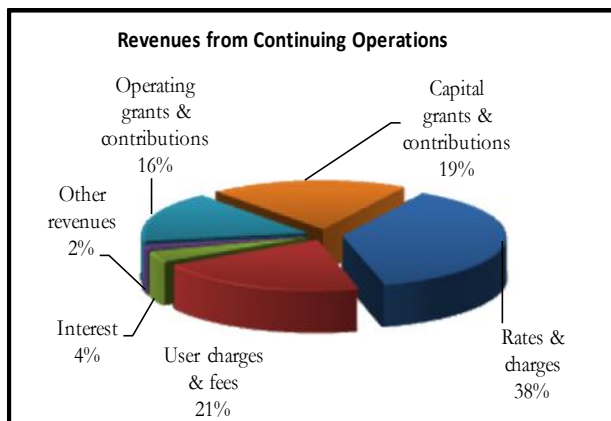


**Additional Reporting Requirements**

In accordance with Section 417(3) of the *Local Government Act 1993* we make the following comments in relation to the results and financial trends.

The Income Statement for the year ended 30 June 2015 discloses the following result:

INCOME STATEMENT	Budget	Actual	Actual	Variance	
	2015	2015	2014	Actual	Budget
	\$'000	\$'000	\$'000		%
<b>INCOME</b>					
Rates & annual charges	12,528	12,244	11,299	8.4%	-2.3%
User charges & fees	4,286	6,696	6,559	2.1%	56.2%
Interest	956	1,209	1,201	0.7%	26.5%
Other revenues from ordinary activities	674	511	450	13.6%	-24.2%
Grants & contributions - Operating	4,490	5,377	3,619	48.6%	19.8%
Grants & contributions - Capital	1,984	6,320	4,087	54.6%	218.5%
Gain from sale of assets	0	129	61	111.5%	0.0%
<b>Total Revenue from Ordinary Activities</b>	<b>24,918</b>	<b>32,486</b>	<b>27,276</b>	<b>19.1%</b>	<b>30.4%</b>
<b>EXPENSES</b>					
Employee costs	10,533	9,774	9,762	0.1%	7.2%
Borrowing costs	425	486	468	3.8%	-14.4%
Materials and contracts	5,947	9,471	9,961	-4.9%	-59.3%
Depreciation & amortisation	9,589	9,065	9,032	0.4%	5.5%
Other expenses from ordinary activities	3,629	2,808	2,929	-4.1%	22.6%
<b>Total Expenses from Ordinary Activities</b>	<b>30,123</b>	<b>31,604</b>	<b>32,152</b>	<b>-1.7%</b>	<b>-4.9%</b>
<b>NET OPERATING RESULT FOR THE YEAR</b>	<b>(5,205)</b>	<b>882</b>	<b>(4,876)</b>	<b>-118.1%</b>	<b>-116.9%</b>
<b>Net operating result before capital grants</b>	<b>(7,189)</b>	<b>(5,438)</b>	<b>(8,963)</b>	<b>-39.3%</b>	<b>-24.4%</b>



The financial statements report an operating surplus of \$0.9m for the year compared with a deficit of \$4.9m in the previous year. This result includes grants for capital purposes of \$6.3m. The expenditure of these grants is not recorded in this statement but in the statement of financial position and when excluded changes the surplus to a deficit of \$5.4m (2014: deficit \$9.0m).

Income increased compared to the prior year by 19.1%. The increase was mainly a result of increases in rates & charges, user charges & fees, operating grants & contributions and capital grants & contributions.

- The increase in rates & annual charges is mainly due to the special rate variation increase and increases in domestic waste and sewerage annual charges.



- The increase in user charges & fees was mainly due to increased waste management fees in relation to the waste disposal requirements of the development of the Pacific Highway project.
- The increase in operational grants & contributions is mainly a result of the Government ceasing to prepay financial assistance grant instalments in the prior year.
- The increase in capital grants and contributions is mainly due to the receipt of a grant for the Dorrigo sewerage treatment works, flood damage funding and bridge funding received during the year.

Expenditure decreased by 1.7% on the previous year, largely as a result of a decrease in materials and contracts expenditure of 4.9 % which was mainly due to more costs capitalised on projects rather than infrastructure maintenance, and a decrease in other expenses as a result of lower electricity and street lighting costs during the year.

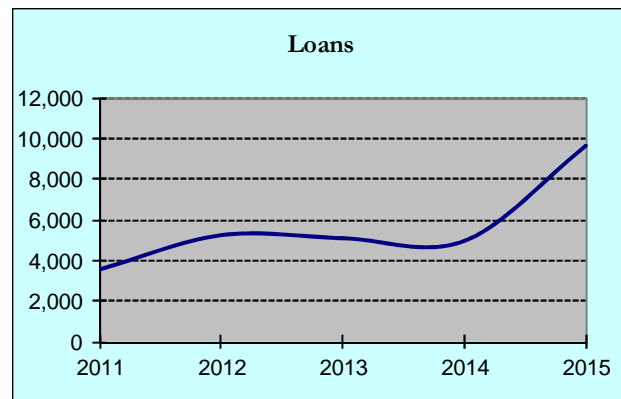
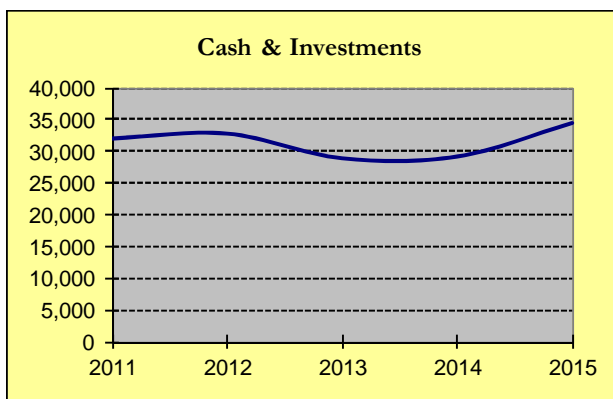
The actual operating surplus (including capital income) for the year of \$0.9m compares with the original budget deficit of \$5.2m. The variation between the actual results and the original budget is primarily due to the following:

Budget Variations > than 10% and > \$0.5m		Comment
User charges & fees	\$2,410,000	User charges & fees were favourable to budget mainly due to higher than expected State road works funding during the year and higher building and town planning activities during the year.
Operating Grants	\$887,000	Operating grants were favourable to budget mainly due to the receipt of unbudgeted RMS operational funding in relation to the Newry Island Bridge.
Capital Grants	\$4,336,000	Capital grants were favourable to budget mainly due to the funding for the Bowraville Road flood repairs and contributions for the Newry Island sewer connections and higher than expected developer contributions.
Employee Costs	\$759,000	Favourable to budget mainly due to an increased capitalisation of employees costs into capital projects during the year and lower than expected workers compensation premiums.
Materials & Contracts	(\$3,524,000)	Materials & contracts were unfavourable to budget mainly due to higher than expected costs of RMS State Roads works and flood restoration works not being included in the original budget.
Other expenses from ordinary activities	\$821,000	Favourable to budget mainly due to vehicle running expenses now being shown in materials and contracts.



The following schedule of assets and liabilities has been extracted from the statement of financial position as at 30 June 2015. This schedule discloses the consolidated assets and liabilities of all functions.

SCHEDULE OF ASSETS & LIABILITIES	2015 \$'000	2014 \$'000	Variance
<b>CURRENT ASSETS</b>			
Cash Assets	3,149	6,065	-48.1%
Investment securities	31,300	23,100	35.5%
Receivables	5,156	5,709	-9.7%
Inventories	236	265	-10.9%
Other	-	12	0.0%
<b>TOTAL CURRENT ASSETS</b>	<b>39,841</b>	<b>35,151</b>	<b>13.3%</b>
<b>CURRENT LIABILITIES</b>			
Payables	3,047	2,770	10.0%
Interest Bearing Liabilities	595	174	242.0%
Provisions	2,943	2,784	5.7%
<b>TOTAL CURRENT LIABILITIES</b>	<b>6,585</b>	<b>5,728</b>	<b>15.0%</b>
<b>NET CURRENT ASSETS</b>	<b>33,256</b>	<b>29,423</b>	<b>13.0%</b>
<b>NON-CURRENT ASSETS</b>			
Receivables	67	12	458.3%
Investment Property	1,924	1,924	0.0%
Property Plant & Equipment	423,814	522,068	-18.8%
<b>TOTAL NON-CURRENT ASSETS</b>	<b>425,805</b>	<b>524,004</b>	<b>-18.7%</b>
<b>NON-CURRENT LIABILITIES</b>			
Payables	8	-	0.0%
Provisions	731	689	6.1%
Interest Bearing Liabilities	9,032	4,776	89.1%
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>9,771</b>	<b>5,465</b>	<b>78.8%</b>
<b>NET ASSETS</b>	<b>449,290</b>	<b>547,962</b>	<b>-18.0%</b>



Cash and Investments as at 30<sup>th</sup> June 2015 total \$34.4m compared to \$29.2m in 2014 due to the increased operational cash flow and infrastructure borrowings of \$4.9m during the year.

Receivables have decreased by \$0.5m mainly due to a reduction in grants receivable at the end of the year in relation to flood damage works.

Infrastructure, property, plant and equipment decreased by \$98.3m due to the revaluation of roads and related infrastructure which are down by \$100.3m due to changes in the estimation of unit rates



and useful lives of infrastructure, depreciation of \$9.1m, asset disposals of \$0.1m which were partially offset by asset additions of \$10.5m and the indexing of water and sewer assets of \$0.7m.

Borrowings have increased by \$4.7m due to LIRS borrowings for the upgrade of the Dorrigo sewerage works offset by scheduled repayments.

Provisions increased from \$3.5m in the prior year to \$3.7m due to an increase in the number of staff now eligible for long service leave.

**NET CURRENT ASSETS**

The Net Current Asset position at year end is an important financial indicator as it discloses the working capital available to Council to fund day to day operations and finance infrastructure and new community projects. However, included in Current Assets are assets which are “Restricted” by regulation or other externally imposed requirements and therefore are not available for other than their restricted purpose. The following table isolates these restrictions:

	Water \$'000	Sewerage \$'000	Dom Waste \$'000	General \$'000	Total \$'000
Current Assets	15,409	4,829	797	18,806	39,841
Current Liabilities	7	17	-	6,561	6,585
<b>Net Current Assets</b>	<b>15,402</b>	<b>4,812</b>	<b>797</b>	<b>12,245</b>	<b>33,256</b>
<b>Add back Employee Entitlements &gt; 12 months</b>	-	-	-	2,542	2,542
<b>LESS: Current Restricted Cash &amp; Investments</b> (Included in Revenue)					
Deposits, Bonds, etc	-	-	-	117	117
Developer Contributions	4,437	1,171	-	3,542	9,150
Unexpended Grants	-	-	-	773	773
Environmental Levy	-	-	-	285	285
Crown Reserves incl Anchors Wharf	-	-	-	76	76
Loan Funds - Infrastructure	-	-	-	4,850	4,850
Special Rate Variation	-	-	-	452	452
	4,437	1,171	-	10,095	15,703
<b>FUNDS AVAILABLE After external restrictions</b>	<b>10,965</b>	<b>3,641</b>	<b>797</b>	<b>4,692</b>	<b>20,095</b>
<b>LESS: INTERNAL RESTRICTIONS</b>	-	-	271	4,277	4,548
<b>NET FUNDS After Internal Restrictions</b>	<b>10,965</b>	<b>3,641</b>	<b>526</b>	<b>415</b>	<b>15,547</b>

INTERNAL RESTRICTIONS	Opening	Transfers		Closing
	1-Jul \$'000	to \$'000	from \$'000	30-Jun \$'000
Employee Entitlements	840	64	-	904
Infrastructure Renewals	-	310	-	310
Plant Replacement	828	1,205	-	2,033
Carry-over works	480	3	480	3
Business Plans	25	-	-	25
Economic Development	-	28	-	28
Waste Management	271	-	-	271
Revolving Energy	-	118	-	118
IT Reserve	86	53	-	139
Emergency Services	37	-	-	37
Training & Development	64	-	39	25
Financial Sustainability Programs Board	-	19	-	19
Transport Reserve	-	414	-	414
Housing and Community Amenities Reserve	-	132	-	132
Workers Comp Contingency	90	-	-	90
	2,721	2,346	519	4,548



The above table demonstrates that the General fund has available funds of \$4.7m before setting aside funds in reserves (internal restrictions). After funding \$4.5m (2014: \$2.7m) in internal restrictions, Council has a surplus of \$0.4m (2014: \$2.3m) to fund day to day working capital requirements.

Council has internally restricted \$904,000 to fund employee leave entitlements. This restriction represents 29% of current leave entitlements. This funding is considered adequate given that the annual leave component is traditionally provided for in Council’s current year budget.

**PERFORMANCE INDICATORS**

The Code of Accounting Practice requires the mandatory disclosure of certain performance indicators. These financial indicators are useful in assessing performance, financial position and the likely financial burden to be placed on ratepayers.

The key financial indicators disclosed in the Financial Statements are:

RATIO	PURPOSE	2015	2014	2013	Benchmarks
OPERATING PERFORMANCE RATIO	To assess councils ability to meet operating expenditure within operating reveune.	-21.4%	-39.1%	-17.6%	Tcorp >-4% Grp 11 Ave -8.4% State Ave -8.76%
OWN SOURCE OPERATING REVENUE	To assess the degree of reliance on external funding sources.	63.9%	71.7%	60.7%	TCorp >60% Grp 11 Ave 68% State Ave 70%
UNRESTRICTED CURRENT RATIO	To assess the adequacy of working capital after excluding all restricted assets and liabilities.	1.92	2.76	2.48	Tcorp >1.5 Grp 11 Ave 3.91 State Ave 3.61
DEBT SERVICE COVER RATIO	To assess the availability of operating cash to service debt including interest, principal and lease payments.	6.05	0.77	8.03	Tcorp >2.0 Grp 11 Ave 9.1 State Ave 4.29
OUTSTANDING RATES	To assess the impact of uncollected rates and charges on liquidity and the adequacy of recovery efforts.	7.4%	8.1%	9.1%	Tcorp <10% Grp 11 Ave 6.6% State Ave 6.3%
CASH EXPENSE COVER RATIO	To assess the number of months council can pay its expenses without additional cash inflow.	16.99	14.27	15.57	Tcorp >3 Grp 11 Ave 13.1 State Ave 9.8

*Operating performance*

An operating performance deficit of 21.4% means that Councils operating revenue, excluding capital grants and contributions are insufficient to cover operating expenditure. This compares to the Group 11 Councils average deficit of 8.4% and a State average deficit of 8.76% for 2014. The TCorps benchmark for this ratio is to have a deficit of less than 4.0% each year. The “fit for the future” benchmark is that councils should have a breakeven or better operating performance ratio over a three year period. The improvement in the ratio was mainly due to the Government ceasing to prepay Financial Assistance grant instalments in the prior year.

*Own source operating revenue*

A ratio of 63.9% for the 2015 year highlights Council’s dependence on grants and contributions and





compares to a Group 11 average of 68% and a State average of 70% for 2014. The TCorp benchmark for sustainability is to have a ratio of greater than 60%. The “fit for the future” benchmark is that councils should have an own source operating revenue of greater than 60% over a three year period which council has achieved.

#### *Unrestricted ratio*

The unrestricted ratio excludes all current assets and liabilities that are restricted to specific purposes such as water, sewer, domestic waste management functions and specific purpose unexpended grants & contributions. This ratio is before setting aside cash to fund internal restrictions relative to the general function. An unrestricted current ratio of 1.92 indicates that the general purpose function of Council has \$1.92 in current assets available to meet every dollar of current liability. Councils ratio of 1.92 compares to the average of 3.91 for the Group 11 Councils and is lower than the State average of 3.61 for 2014 and is higher than the TCorp benchmark of greater than 1.5.

#### *Debt service cover ratio*

The debt service cover ratio of 6.05 times indicates that council has \$6.05 before interest and depreciation to pay interest and principal on current borrowings. Councils ratio of 6.05 compares to the Group 11 average of 9.10 and the State average of 4.29 for 2014. The TCorp benchmark for sustainability is to have a ratio of greater than 2.0. Again the improvement in the ratio was mainly due to the Government ceasing to prepay Financial Assistance grant instalments in the prior year.

#### *Outstanding rates ratio*

The outstanding rates ratio stands at 7.4% and compares to the Group 11 Council average of 6.6% and the State average of 6.3% for 2014. This ratio is an indicator of Councils activity to collect outstanding rate revenues.

#### *Cash expense ratio*

The cash expense ratio indicates that Council can pay 17 months of its expenses without additional cash inflows and compares to the Group 11 Council average of 13.1 and the State average of 9.79 for 2014. The TCorp benchmark is to have reserves to meet at least 3 months of operating expenditure.

The key financial indicators by fund disclosed in the Financial Statements are:



RATIO	PURPOSE	Water	Sewer	General	
OPERATING PERFORMANCE RATIO	To assess councils ability to meet operating expenditure within operating reveune.	5.6% 15.4%	7.0% 1.6%	-29.5% -54.9%	■ 2015 ■ 2014
OWN SOURCE OPERATING REVENUE	To assess the degree of reliance on external funding sources.	94.7% 82.9%	68.1% 85.4%	59.7% 67.8%	■ 2015 ■ 2014
UNRESTRICTED CURRENT RATIO	To assess the adequacy of working capital after excluding all restricted assets and liabilities.	1,567.43 50.01	215.12 32.10	1.92 2.76	■ 2015 ■ 2014
DEBT SERVICE COVER RATIO	To assess the availability of operating cash to service debt including interest, principal and lease payments.	0.0% 0.0%	0.0% 0.0%	2.9% -2.9%	■ 2015 ■ 2014
OUTSTANDING RATES	To assess the impact of uncollected rates and charges on liquidity and the adequacy of recovery efforts.	21.2% 19.7%	7.5% 9.2%	3.3% 7.1%	■ 2015 ■ 2014
CASH EXPENSE COVER RATIO	To assess the number of months council can pay its expenses without additional cash inflow.	101.65 34.71	24.94 20.73	7.07 12.11	■ 2015 ■ 2014

*Operating performance*

An operating performance ratio by fund shows that general fund has insufficient operating revenue, excluding capital grants and contributions to cover operating expenditure. As a result insufficient profit is being generated to fund the depreciation on assets in the general fund. Whereas the water and sewer funds meet the benchmarks

*Owned source operating revenue*

The ratios show the Councils reliance on grant and contribution funding, with all funds meeting the 60% benchmark.

*Unrestricted Ratio*

The unrestricted ratios show that all funds have sufficient working capital.

*Debt service cover ratio*

The debt service cover ratio by fund shows that the water and sewer funds currently have no borrowings and the general fund has limited current potential to increase borrowings to fund infrastructure backlogs.

*Outstanding rate ratio*

The outstanding rate ratio by fund shows that the percentage of outstanding rates and charges by fund. The water fund ratios are impacted by the timing of water billings during the year.

*Cash expense ratio*

This ratio shows that the each fund has sufficient cash reserves at the end of the year.



**Infrastructure Asset Performance Indicators**

With the emphasis on “Fit for the Future” we have included comments on unaudited infrastructure asset performance measures disclosed in the Special Schedule 7 are as follows:

RATIO	PURPOSE	2015	2014	2013	Benchmarks
BUILDING AND INFRASTRUCTURE RENEWALS RATIO	To assess the proportion spent on infrastructure renewals vs infrastructure deterioration.	68%	27%	51%	Tcorp >100% Grp 11 Ave 88% State Ave 87%
INFRASTRUCTURE BACKLOG RATIO	To assess the infrastructure backlog against the total value of councils infrastructure.	7.6%	8.0%	17.0%	Tcorp <20% Grp 11 Ave 10.5% State Ave 8.7%
ASSET MAINTENANCE RATIO	To assess the actual vs required annual maintenance expenditure.	75%	64%	111%	Tcorp >100% Grp 11 Ave 94% State Ave 91%
CAPITAL EXPENDITURE RATIO	To assess the extent to which council is forecasting to expand its asset base with capital expenditure.	1.14	0.51	0.84	Tcorp >1.1

*Building & Infrastructure renewal ratio*

The asset renewals ratio outlines Council’s performance with renewing its infrastructure assets against the level of estimated infrastructure asset deterioration (as represented by depreciation expense). For 2015 Council spent \$0.68 for every \$1 in estimated asset deterioration. The Group 11 average for the asset renewal ratio was \$0.88 and the State average was \$0.87 for 2014. The “fit for the future” benchmark is that councils should have a building and infrastructure renewals ratio of greater than one over a three year period.

The current trend in the ratio highlights that Council expended less on asset renewals compared to the estimated reduction in asset condition over the past three years and therefore, based on this ratio, Council’s overall infrastructure has deteriorated over that period.

*Infrastructure backlog ratio*

An infrastructure backlog ratio of 7.6% indicates that the infrastructure backlog represents 7.6% of the value of Councils depreciable infrastructure and compares to a Group 11 average of 10.5% and State average of 8.7% for 2014. The TCorp benchmark is a ratio less than 20% and the fit for the future benchmark is less than 2%.

*Asset maintenance ratio*

The Asset Maintenance ratio of 0.75 indicated that Council has undertaken insufficient maintenance to keep pace with required maintenance requirements as determined by council’s engineers and maintenance staff and compares to a Group 11 average of 0.94 and State average of 0.91 for 2014. A ratio of greater than 1.0 is considered acceptable by TCorp.

*Capital expenditure ratio*

The capital expenditure ratio of 1.14 indicates that Council has expended \$1.14 on capital expenditure for every dollar of depreciation. The TCorp benchmark is for a Council to have a capital expenditure ratio of greater than 1.1.

The increase in current cash and investments is evident in the following table extracted from the Statement of Cash Flows.



<b>CASH &amp; INVESTMENT MOVEMENTS</b>	<b>Actual 2015</b>	<b>Actual 2014</b>	<b>Variance</b>
	\$'000	\$'000	%
<b>CASH &amp; INVESTMENT INFLOWS</b>			
Operating Receipts	34,635	28,261	22.6%
Proceeds from Assets Sales	244	330	-26.1%
Repayment from Deferred Debtors	8	9	-11%
Proceeds from sale of investment securities	0	13,750	0.0%
Proceeds from Borrowings	4,850	0	0.0%
<b>TOTAL RECEIPTS</b>	<b>39,737</b>	<b>42,350</b>	<b>-6.2%</b>
<b>CASH &amp; INVESTMENT OUTFLOWS</b>			
Operating Payments	24,156	24,398	-1.0%
Purchase of Assets	10,124	3,794	166.8%
Purchase of investment securities	8,200	23,100	-64.5%
Repayment of Loans	173	136	27.2%
Purchase of investment property	0	0	0.0%
<b>TOTAL PAYMENTS</b>	<b>42,653</b>	<b>51,428</b>	<b>-17.1%</b>
<b>CASH &amp; INVESTMENT MOVEMENT</b>	<b>(2,916)</b>	<b>(9,078)</b>	<b>-67.9%</b>
Cash Assets	3,149	6,065	-48.1%
Investment securities	31,300	23,100	35.5%
<b>Total Cash &amp; Investments on Hand</b>	<b>34,449</b>	<b>29,165</b>	<b>18.1%</b>

Total cash and investment balance increased from \$29.2m in 2014 to \$34.4m due to increased operating cash flows.

Cash Outflows for "Purchase of Assets" of \$10.1m included road and bridge construction totalling \$4.1m. This compares with the \$4.7m annual rate of depreciation of these assets. In assessing the replacement rate of depreciating assets it is also important to note that Special Schedule No 7, which is an unaudited statement prepared in conjunction with the financial report, discloses that the estimated cost to bring roads and bridges to a satisfactory standard is \$6.1m.

Other assets purchased during the year included items of plant worth \$0.9m, buildings of \$4.9m, stormwater drainage \$0.1m, water supply network \$0.6m and sewer network \$0.4m.

## SPECIAL PURPOSE FINANCIAL STATEMENTS

Council is required to report the financial results of identified Business Units in accordance with National Competition Policy guidelines. The reports are known as Special Purpose Financial Statements and are subject to audit. Council has identified Water and Sewerage functions as Category 1 Business Units.

### WATER SUPPLY FUNCTION

The Special Purpose Financial Statements disclose that the Water Supply function recorded an operating surplus (before capital funding) of \$144,000 after allowing for depreciation of \$727,000. The Net Current Asset position records a positive balance of \$15,402,000 compared to \$14,933,000 for the previous year. The net current asset position is considered good, especially given the fund has no debt and the condition of water infrastructure assets in Special Schedule 7 (unaudited) is "satisfactory".

### SEWERAGE SERVICES

The Special Purpose Financial Statements disclose that the Sewerage function recorded an operating surplus (before capital funding) of \$205,000 after allowing for depreciation of \$983,000. The current level of Net Current Assets of \$4,812,000 is sound given the size of the function and considering the fund has minimal debt and the condition of sewerage infrastructure assets in Special Schedule 7



(unaudited) is “satisfactory”.

## GENERAL

### *Reporting obligations under the Local Government Act*

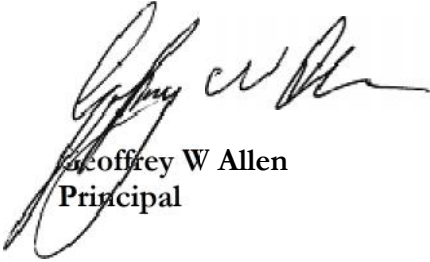
It is pleasing to report that Council’s systems and records have been well maintained during the year and the audited financial statements will be submitted within the prescribed time provided for in Division 2 of the *Local Government Act 1993*.

We take this opportunity of thanking the General Manager and her staff for their co-operation and assistance during the course of the audit.

Under section 419 of the *Local Government Act 1993*, Council is required to give public notice of a Council meeting for the purpose of presenting the audited financial statements and the auditor's report. A Principal of this firm is available to attend this meeting to address any questions in respect of the audit report or the conduct of the audit.

Yours faithfully

**FORSYTHS BUSINESS SERVICES PTY LTD**



Geoffrey W Allen  
Principal

# Bellingen Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2015

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**Bellingen Shire - Naturally Magic**



## Bellingen Shire Council

### Special Purpose Financial Statements

for the financial year ended 30 June 2015

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Income Statement - Other Business Activities	n/a
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#### Background

(i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division 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 & 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 over \$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 & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).

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## Bellingen Shire Council

### Special Purpose Financial Statements

for the financial year ended 30 June 2015

### 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:**

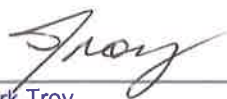
- The NSW Government Policy Statement "Application of National Competition Policy to Local Government".
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality".
- The Local Government Code of Accounting Practice and Financial Reporting.
- The NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

**To the best of our knowledge and belief, these Financial Statements:**

- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records.

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

**Signed in accordance with a resolution of Council made on 23 September 2015.**




Mark Troy  
MAYOR



Desmae Harrison  
COUNCILLOR



Liz Jeremy  
GENERAL MANAGER



Chris Hodge  
RESPONSIBLE ACCOUNTING OFFICER

## Bellingen Shire Council

### Income Statement of Council's Water Supply Business Activity

for the financial year ended 30 June 2015

\$ '000	Actual 2015	Actual 2014
<b>Income from continuing operations</b>		
Access charges	435	532
User charges	1,599	1,740
Fees	-	-
Interest	510	397
Grants and contributions provided for non capital purposes	48	53
Profit from the sale of assets	-	-
Other income	3	31
<b>Total income from continuing operations</b>	<b>2,595</b>	<b>2,753</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	1,034	1,032
Borrowing costs	-	-
Materials and contracts	325	118
Depreciation and impairment	727	780
Water purchase charges	-	-
Loss on sale of assets	-	11
Calculated taxation equivalents	-	56
Debt guarantee fee (if applicable)	-	-
Other expenses	365	333
<b>Total expenses from continuing operations</b>	<b>2,451</b>	<b>2,330</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>144</b>	<b>423</b>
Grants and contributions provided for capital purposes	94	506
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>238</b>	<b>929</b>
Surplus (deficit) from discontinued operations	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>238</b>	<b>929</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(43)	(127)
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>195</b>	<b>802</b>
plus Opening Retained Profits	18,557	17,572
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	-	56
- Debt guarantee fees	-	-
- Corporate taxation equivalent	43	127
less:		
- Tax Equivalent Dividend paid	-	-
- Surplus dividend paid	-	-
<b>Closing Retained Profits</b>	<b>18,795</b>	<b>18,557</b>
<b>Return on Capital %</b>	<b>0.3%</b>	<b>1.0%</b>
<b>Subsidy from Council</b>	<b>1,186</b>	<b>1,146</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	195	802
less: Capital grants and contributions (excluding developer contributions)	-	-
<b>Surplus for dividend calculation purposes</b>	<b>195</b>	<b>802</b>
<b>Potential Dividend calculated from surplus</b>	<b>97</b>	<b>401</b>

## Bellingen Shire Council

### Income Statement of Council's Sewerage Business Activity

for the financial year ended 30 June 2015

\$ '000	Actual 2015	Actual 2014
<b>Income from continuing operations</b>		
Access charges	2,812	2,392
User charges	138	121
Liquid Trade Waste charges	44	29
Fees	-	-
Interest	246	205
Grants and contributions provided for non capital purposes	41	41
Profit from the sale of assets	-	-
Other income	2	4
<b>Total income from continuing operations</b>	<b>3,283</b>	<b>2,792</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	1,172	1,199
Borrowing costs	-	-
Materials and contracts	642	596
Depreciation and impairment	983	952
Loss on sale of assets	14	1
Calculated taxation equivalents	-	65
Debt guarantee fee (if applicable)	-	-
Other expenses	267	200
<b>Total expenses from continuing operations</b>	<b>3,078</b>	<b>3,013</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>205</b>	<b>(221)</b>
Grants and contributions provided for capital purposes	1,480	431
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>1,685</b>	<b>210</b>
Surplus (deficit) from discontinued operations	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>1,685</b>	<b>210</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(62)	-
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>1,624</b>	<b>210</b>
plus Opening Retained Profits	8,494	8,219
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	-	65
- Debt guarantee fees	-	-
- Corporate taxation equivalent	62	-
less:		
- Tax Equivalent Dividend paid	-	-
- Surplus dividend paid	-	-
<b>Closing Retained Profits</b>	<b>10,179</b>	<b>8,494</b>
<b>Return on Capital %</b>	<b>0.5%</b>	<b>-0.6%</b>
<b>Subsidy from Council</b>	<b>1,104</b>	<b>1,616</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	1,624	210
less: Capital grants and contributions (excluding developer contributions)	(1,419)	-
<b>Surplus for dividend calculation purposes</b>	<b>205</b>	<b>210</b>
<b>Potential Dividend calculated from surplus</b>	<b>102</b>	<b>105</b>

## Bellingen Shire Council

Statement of Financial Position - Council's Water Supply Business Activity  
as at 30 June 2015

\$ '000	Actual 2015	Actual 2014
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	14,714	14,484
Investments	-	-
Receivables	681	641
Inventories	14	13
Other	-	-
Non-current assets classified as held for sale	-	-
<b>Total Current Assets</b>	<b>15,409</b>	<b>15,138</b>
<b>Non-Current Assets</b>		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	44,024	44,064
Investments accounted for using equity method	-	-
Investment property	-	-
Intangible Assets	-	-
Other	-	-
<b>Total non-Current Assets</b>	<b>44,024</b>	<b>44,064</b>
<b>TOTAL ASSETS</b>	<b>59,433</b>	<b>59,202</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank Overdraft	-	-
Payables	7	205
Interest bearing liabilities	-	-
Provisions	-	-
<b>Total Current Liabilities</b>	<b>7</b>	<b>205</b>
<b>Non-Current Liabilities</b>		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>7</b>	<b>205</b>
<b>NET ASSETS</b>	<b>59,426</b>	<b>58,997</b>
<b>EQUITY</b>		
Retained earnings	18,795	18,557
Revaluation reserves	40,631	40,440
Council equity interest	59,426	58,997
Non-controlling equity interest	-	-
<b>TOTAL EQUITY</b>	<b>59,426</b>	<b>58,997</b>

## Bellingen Shire Council

## Statement of Financial Position - Council's Sewerage Business Activity

as at 30 June 2015

\$ '000	Actual 2015	Actual 2014
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	4,395	6,561
Investments	-	-
Receivables	434	320
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
<b>Total Current Assets</b>	<b>4,829</b>	<b>6,881</b>
<b>Non-Current Assets</b>		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	43,328	39,196
Investments accounted for using equity method	-	-
Investment property	-	-
Intangible Assets	-	-
Other	-	-
<b>Total non-Current Assets</b>	<b>43,328</b>	<b>39,196</b>
<b>TOTAL ASSETS</b>	<b>48,157</b>	<b>46,077</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank Overdraft	-	-
Payables	17	125
Interest bearing liabilities	-	-
Provisions	-	-
<b>Total Current Liabilities</b>	<b>17</b>	<b>125</b>
<b>Non-Current Liabilities</b>		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>17</b>	<b>125</b>
<b>NET ASSETS</b>	<b>48,140</b>	<b>45,952</b>
<b>EQUITY</b>		
Retained earnings	10,179	8,494
Revaluation reserves	37,961	37,458
Council equity interest	48,140	45,952
Non-controlling equity interest	-	-
<b>TOTAL EQUITY</b>	<b>48,140</b>	<b>45,952</b>

## Bellingen Shire Council

### Special Purpose Financial Statements

for the financial year ended 30 June 2015

#### Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	8
2	Water Supply Business Best Practice Management disclosure requirements	11
3	Sewerage Business Best Practice Management disclosure requirements	13

## Bellingen Shire Council

### Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Office of Local Government.

For the purposes of these statements, the Council is not a reporting not-for-profit entity.

The figures presented in these special purpose financial statements, unless otherwise stated, 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) &
- Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with:

- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

#### National Competition Policy

Council has adopted the principle of 'competitive neutrality' to 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 Government Policy statement on the "Application of National Competition Policy to Local Government".

The "Pricing & 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 & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

#### Declared Business Activities

In accordance with *Pricing & 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. Bellingen Shire Council Water Supply

Comprising the whole of the operations and assets of the water supply systems servicing the towns of Bellingen, Urunga, Repton, Mylestom and Dorrigo.

##### b. Bellingen Shire Council Sewerage Service

Comprising the whole of the operations and assets of the sewerage reticulation and treatment system servicing the towns of Bellingen, Urunga and Dorrigo.

##### Category 2

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

Nil

#### Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars, with the exception of some figures disclosed in Note 2 (Water Supply Best Practice Management Disclosures) and Note 3 (Sewerage Best Practice Management Disclosures).

As required by the NSW Office of Water (Department of Primary Industries) the amounts shown in Notes 2 and Note 3 are disclosed in whole dollars.

#### (i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these



## Bellinghen Shire Council

### Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Significant Accounting Policies

statements as a cost of operations just like all other costs.

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all council nominated business activities (this does not include council's non-business activities):

##### Notional Rate Applied %

Corporate Income Tax Rate – **30%**

Land Tax – The first **\$432,000** of combined land values attracts **0%**. From \$432,001 to \$2,641,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$2,641,000, a premium marginal rate of **2.0%** applies.

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

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, 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 in the Best Practice Management of Water Supply and Sewerage Guides to as a "Dividend for Taxation equivalent", may be applied for any purpose allowed under the Local Government Act, 1993.

Achievement of substantial compliance against the guidelines for Best Practice Management of Water Supply and Sewerage 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 each reported Business Activity.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of 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 30%.

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

Since this taxation equivalent is notional - that is, it is payable to the "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 Council's General Purpose Financial Statements.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

##### Local Government Rates & Charges

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

##### Loan & 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 the council's borrowing rate for its business activities.

##### (ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

## Bellingen Shire Council

### Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2015

#### Note 1. Significant Accounting Policies

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.

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported Business Activity.

#### (iii) Return on Investments (Rate of Return)

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

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

The Rate of Return on Capital is calculated as follows:

**Operating Result before Capital Income + Interest Expense**

**Written Down Value of I,PP&E as at 30 June**

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.02% at 30/6/15.

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

#### (iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local Government Water Supply and Sewerage Businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

The dividend, calculated and approved in accordance with the Best Practice Management Guidelines, must not exceed either:

- (i) 50% of this surplus in any one year, or
- (ii) the number of water supply or sewerage assessments at 30 June 2015 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the NSW Office of Water prior to making the dividend and only after it has approved the payment.

## Bellinghen Shire Council

### Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2015

#### Note 2. Water Supply Business Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2015

##### 1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	-
(ii)	No of assessments multiplied by \$3/assessment	13,062
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	-
(iv)	Amounts actually paid for Tax Equivalents	-

##### 2. Dividend from Surplus

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	97,400
(ii)	No. of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	130,620
(iii)	Cumulative surplus before Dividends for the 3 years to 30 June 2015, less the cumulative dividends paid for the 2 years to 30 June 2014 & 30 June 2013	1,216,000

2015 Surplus	194,800	2014 Surplus	802,100	2013 Surplus	219,100
		2014 Dividend	-	2013 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	97,400
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-

##### 3. Required outcomes for 6 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i)	Completion of Strategic Business Plan (including Financial Plan)	YES
(ii)	Full Cost Recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
	- Complying charges [Item 2(b) in Table 1]	YES
	- DSP with Commercial Developer Charges [Item 2(e) in Table 1]	YES
	- If Dual Water Supplies, Complying Charges [Item 2(g) in Table 1]	YES
(iii)	Sound Water Conservation and Demand Management implemented	YES
(iv)	Sound Drought Management implemented	YES
(v)	Complete Performance Reporting Form (by 15 September each year)	YES
(vi)	a. Integrated Water Cycle Management Evaluation	YES
	b. Complete and implement Integrated Water Cycle Management Strategy	YES

## Bellingen Shire Council

### Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2015

#### Note 2. Water Supply Business Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2015

##### National Water Initiative (NWI) Financial Performance Indicators

<b>NWI F1</b>	Total Revenue (Water) Total Income (w13) - Grants for the Acquisition of Assets (w11a) - Interest Income (w9) - Aboriginal Communities W&S Program Income (w10a)	\$'000	2,198
<b>NWI F4</b>	Revenue from Residential Usage Charges (Water) Income from Residential Usage Charges (w6b) x 100 divided by the sum of [Income from Residential Usage Charges (w6a) + Income from Residential Access Charges (w6b)]	%	76.99%
<b>NWI F9</b>	Written Down Replacement Cost of Fixed Assets (Water) Written down current cost of system assets (w47)	\$'000	43,806
<b>NWI F11</b>	Operating Cost (OMA) (Water) Management Expenses (w1) + Operational & Maintenance Expenses (w2)	\$'000	1,600
<b>NWI F14</b>	Capital Expenditure (Water) Acquisition of fixed assets (w16)	\$'000	530
<b>NWI F17</b>	Economic Real Rate of Return (Water) [Total Income (w13) - Interest Income (w9) - Grants for acquisition of assets (w11a) - Operating Costs (NWI F11) - Current Cost Depreciation (w3)] x 100 divided by [Written Down Current Cost of System Assets (w47) + Plant & Equipment (w33b)]	%	-0.29%
<b>NWI F26</b>	Capital Works Grants (Water) Grants for the Acquisition of Assets (w11a)	\$'000	-

- Notes:
1. References to w (eg. w12) refer to item numbers within Special Schedules No. 3 & 4 of Council's Annual Financial Statements.
  2. The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

## Bellingen Shire Council

### Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2015

#### Note 3. Sewerage Business Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2015

##### 1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	-
(ii)	No of assessments multiplied by \$3/assessment	9,675
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	-
(iv)	Amounts actually paid for Tax Equivalents	-

##### 2. Dividend from Surplus

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	102,250
(ii)	No. of assessments x (\$30 less tax equivalent charges per assessment)	96,750
(iii)	Cumulative surplus before dividends for the 3 years to 30 June 2015, less the cumulative dividends paid for the 2 years to 30 June 2014 & 30 June 2013	263,500

2015 Surplus	204,500	2014 Surplus	210,000	2013 Surplus	(151,000)
		2014 Dividend	-	2013 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	96,750
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-

##### 3. Required outcomes for 4 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i)	Completion of Strategic Business Plan (including Financial Plan)	YES
(ii)	Pricing with full cost-recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
	Complying charges	
	(a) Residential [Item 2(c) in Table 1]	YES
	(b) Non Residential [Item 2(c) in Table 1]	YES
	(c) Trade Waste [Item 2(d) in Table 1]	YES
	DSP with Commercial Developer Charges [Item 2(e) in Table 1]	YES
	Liquid Trade Waste Approvals & Policy [Item 2(f) in Table 1]	YES
(iii)	Complete Performance Reporting Form (by 15 September each year)	YES
(iv)	a. Integrated Water Cycle Management Evaluation	YES
	b. Complete and implement Integrated Water Cycle Management Strategy	YES

## Bellingen Shire Council

### Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2015

#### Note 3. Sewerage Business Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2015

##### National Water Initiative (NWI) Financial Performance Indicators

<b>NWI F2</b>	Total Revenue (Sewerage) Total Income (s14) - Grants for Acquisition of Assets (s12a) - Interest Income (s10) - Aboriginal Communities W&S Program Income (w10a)	\$'000	3,146
<b>NWI F10</b>	Written Down Replacement Cost of Fixed Assets (Sewerage) Written down current cost of system assets (s48)	\$'000	42,970
<b>NWI F12</b>	Operating Cost (Sewerage) Management Expenses (s1) + Operational & Maintenance Expenses (s2)	\$'000	2,020
<b>NWI F15</b>	Capital Expenditure (Sewerage) Acquisition of Fixed Assets (s17)	\$'000	5,211
<b>NWI F18</b>	Economic Real Rate of Return (Sewerage) [Total Income (s14) - Interest Income (s10) - Grants for acquisition of Assets (s12a) - Operating cost (NWI F12) - Current cost depreciation (s3)] x 100 divided by [Written down current cost (ie. WDCC) of System Assets (s48) + Plant & Equipment (s34b)]	%	0.33%
<b>NWI F27</b>	Capital Works Grants (Sewerage) Grants for the Acquisition of Assets (12a)	\$'000	1,391

##### National Water Initiative (NWI) Financial Performance Indicators Water & Sewer (combined)

<b>NWI F3</b>	Total Income (Water & Sewerage) Total Income (w13 + s14) + Gain/Loss on disposal of assets (w14 + s15) minus Grants for acquisition of assets (w11a + s12a) - Interest Income (w9 + s10)	\$'000	5,344
<b>NWI F8</b>	Revenue from Community Service Obligations (Water & Sewerage) Community Service Obligations (NWI F25) x 100 divided by Total Income (NWI F3)	%	1.67%
<b>NWI F16</b>	Capital Expenditure (Water & Sewerage) Acquisition of Fixed Assets (w16 + s17)	\$'000	5,741
<b>NWI F19</b>	Economic Real Rate of Return (Water & Sewerage) [Total Income (w13 + s14) - Interest Income (w9 + s10) - Grants for acquisition of assets (w11a + s12a) - Operating Cost (NWI F11 + NWI F12) - Current cost depreciation (w3 + s3)] x 100 divided by [Written down replacement cost of fixed assets (NWI F9 + NWI F10) + Plant & equipment (w33b + s34b)]	%	0.02%
<b>NWI F20</b>	Dividend (Water & Sewerage) Dividend paid from surplus (2(v) of Note 2 + 2(v) of Note 3)	\$'000	-
<b>NWI F21</b>	Dividend Payout Ratio (Water & Sewerage) Dividend (NWI F20) x 100 divided by Net Profit after tax (NWI F24)	%	0.00%

## Bellingen Shire Council

### Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2015

#### Note 3. Sewerage Business Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2015

#### National Water Initiative (NWI) Financial Performance Indicators Water & Sewer (combined)

<b>NWI F22</b>	Net Debt to Equity (Water & Sewerage) Overdraft (w36 + s37) + Borrowings (w38 + s39) - Cash & Investments (w30 + s31) x 100 divided by [Total Assets (w35 + s36) - Total Liabilities (w40 + s41)]	%	-17.76%
<b>NWI F23</b>	Interest Cover (Water & Sewerage) Earnings before Interest & Tax (EBIT) divided by Net Interest  Earnings before Interest & Tax (EBIT): <span style="border: 1px solid black; padding: 2px;">14</span> Operating Result (w15a + s16a) + Interest expense (w4a + s4a) - Interest Income (w9 + s10) - Gain/Loss on disposal of assets (w14 + s15) + Miscellaneous Expenses (w4b + w4c + s4b + s4c)  Net Interest: <span style="border: 1px solid black; padding: 2px;">- 750</span> Interest Expense (w4a + s4a) - Interest Income (w9 + s10)		> 100
<b>NWI F24</b>	Net Profit After Tax (Water & Sewerage) Surplus before dividends (w15a + s16a) - Tax equivalents paid (Note 2-1(iv) + Note 3-1(iv))	\$'000	532
<b>NWI F25</b>	Community Service Obligations (Water & Sewerage) Grants for Pensioner Rebates (w11b + s12b)	\$'000	89

- Notes:
1. References to w (eg. s12) refer to item numbers within Special Schedules No. 5 & 6 of Council's Annual Financial Statements.
  2. The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.



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ABN 66 182 781 401

**INDEPENDENT AUDIT REPORT**  
**Report on the special purpose financial statements**

**To Bellingen Shire Council**

**SCOPE**

We have audited the special purpose financial statements of Bellingen Shire Council for the year ended 30<sup>th</sup> June 2015 comprising the Statement by Councillors and Management, Income Statement of Business Activities, Balance Sheet by Business Activities, and Note 1 to the Financial Statements. The financial statements include the financial results of the business activities of the Council and the entities it controlled at the year's end or from time to time during the year.

***Councils' responsibility for the financial statements***

The Council is responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements, are appropriate to meet the requirements of the Division of Local Government and Council. The Councils' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

***Auditor's responsibility***

Our responsibility is to express an opinion on the financial statements based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the Council or the Division of Local Government. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

**Knowledge with integrity**

Liability limited by a scheme approved under the Professional Standards Legislation



The special purpose financial statements have been prepared for distribution to the Council and the Division of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Council or the Division of Local Government or for any purpose other than for which the report was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **INDEPENDENCE**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

## **AUDIT OPINION**

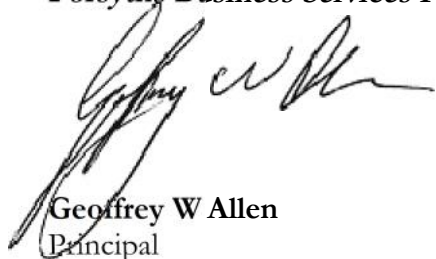
In our opinion, the Special Purpose Financial Statements of Bellingen Shire Council for the year ended 30<sup>th</sup> June 2015 are presented fairly, in all material respects, in accordance with the requirements of those applicable Accounting Standards detailed in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting.

## **BASIS OF ACCOUNTING**

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describe the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the financial reporting requirements of the Division of Local Government. As a result, the financial statements may not be suitable for another purpose.

*Forsyths*

***Forsyths Business Services Pty Ltd***



**Geoffrey W Allen**  
Principal

22<sup>nd</sup> October 2015  
92 Rusden Street Armidale

# Bellingen Shire Council

SPECIAL SCHEDULES  
for the year ended 30 June 2015

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**Bellingen Shire - Naturally Magic**



# Bellingen Shire Council

## Special Schedules

for the financial year ended 30 June 2015

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- Special Schedule No. 2(b)	Statement of Internal Loans (Sect. 410(3) LGA 1993)	n/a
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- Special Schedule No. 8	Financial Projections	n/a
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<sup>1</sup> Special Schedules are not audited (with the exception of Special Schedule 9).

#### Background

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

## Bellingen Shire Council

Special Schedule No. 1 - Net Cost of Services  
for the financial year ended 30 June 2015

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
<b>Governance</b>	<b>218</b>	-	-	<b>(218)</b>
<b>Administration</b>	<b>3,579</b>	<b>960</b>	<b>146</b>	<b>(2,473)</b>
<b>Public Order and Safety</b>				
Fire Service Levy, Fire Protection, Emergency Services	1,061	408	374	<b>(279)</b>
Beach Control	154	-	-	<b>(154)</b>
Enforcement of Local Govt. Regulations	-	-	-	-
Animal Control	183	95	-	<b>(88)</b>
Other	-	-	-	-
<b>Total Public Order &amp; Safety</b>	<b>1,398</b>	<b>503</b>	<b>374</b>	<b>(521)</b>
<b>Health</b>	<b>14</b>	<b>27</b>	-	<b>13</b>
<b>Environment</b>				
Noxious Plants and Insect/Vermin Control	162	66	-	<b>(96)</b>
Other Environmental Protection	549	171	-	<b>(378)</b>
Solid Waste Management	3,361	3,658	-	<b>297</b>
Street Cleaning	-	-	-	-
Drainage	-	-	-	-
Stormwater Management	395	1	-	<b>(394)</b>
<b>Total Environment</b>	<b>4,467</b>	<b>3,896</b>	-	<b>(571)</b>
<b>Community Services and Education</b>				
Administration & Education	239	24	-	<b>(215)</b>
Social Protection (Welfare)	-	-	-	-
Aged Persons and Disabled	277	254	-	<b>(23)</b>
Children's Services	117	1	-	<b>(116)</b>
<b>Total Community Services &amp; Education</b>	<b>633</b>	<b>279</b>	-	<b>(354)</b>
<b>Housing and Community Amenities</b>				
Public Cemeteries	46	46	-	-
Public Conveniences	376	-	-	<b>(376)</b>
Street Lighting	-	-	-	-
Town Planning	666	254	-	<b>(412)</b>
Other Community Amenities	-	-	-	-
<b>Total Housing and Community Amenities</b>	<b>1,088</b>	<b>300</b>	-	<b>(788)</b>
<b>Water Supplies</b>	<b>2,451</b>	<b>2,595</b>	<b>94</b>	<b>238</b>
<b>Sewerage Services</b>	<b>3,078</b>	<b>3,283</b>	<b>1,480</b>	<b>1,685</b>

## Bellingen Shire Council

Special Schedule No. 1 - Net Cost of Services (continued)  
for the financial year ended 30 June 2015

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
<b>Recreation and Culture</b>				
Public Libraries	549	66	-	(483)
Museums	28	-	-	(28)
Art Galleries	-	-	-	-
Community Centres and Halls	221	-	15	(206)
Performing Arts Venues	-	-	-	-
Other Performing Arts	-	-	-	-
Other Cultural Services	-	-	-	-
Sporting Grounds and Venues	-	-	-	-
Swimming Pools	463	-	-	(463)
Parks & Gardens (Lakes)	915	26	69	(820)
Other Sport and Recreation	-	-	-	-
<b>Total Recreation and Culture</b>	<b>2,176</b>	<b>92</b>	<b>84</b>	<b>(2,000)</b>
<b>Fuel &amp; Energy</b>	-	-	-	-
<b>Agriculture</b>	-	-	-	-
<b>Mining, Manufacturing and Construction</b>				
Building Control	266	5	-	(261)
Other Mining, Manufacturing & Construction	21	-	-	(21)
<b>Total Mining, Manufacturing and Const.</b>	<b>287</b>	<b>5</b>	-	<b>(282)</b>
<b>Transport and Communication</b>				
Urban Roads (UR) - Local	1,898	-	620	(1,278)
Urban Roads - Regional	-	-	-	-
Sealed Rural Roads (SRR) - Local	4,845	67	-	(4,778)
Sealed Rural Roads (SRR) - Regional	297	593	320	616
Unsealed Rural Roads (URR) - Local	1,475	-	3,054	1,579
Unsealed Rural Roads (URR) - Regional	-	-	-	-
Bridges on UR - Local	-	-	-	-
Bridges on SRR - Local	-	-	-	-
Bridges on URR - Local	-	-	-	-
Bridges on Regional Roads	-	-	-	-
Parking Areas	-	15	-	15
Footpaths	-	-	-	-
Aerodromes	-	-	-	-
Other Transport & Communication	3,147	3,778	123	754
<b>Total Transport and Communication</b>	<b>11,662</b>	<b>4,453</b>	<b>4,117</b>	<b>(3,092)</b>
<b>Economic Affairs</b>				
Camping Areas & Caravan Parks	70	27	-	(43)
Other Economic Affairs	483	176	25	(282)
<b>Total Economic Affairs</b>	<b>553</b>	<b>203</b>	<b>25</b>	<b>(325)</b>
<b>Totals – Functions</b>	<b>31,604</b>	<b>16,596</b>	<b>6,320</b>	<b>(8,688)</b>
<b>General Purpose Revenues</b> <sup>(2)</sup>		<b>9,570</b>		<b>9,570</b>
<b>Share of interests - joint ventures &amp; associates using the equity method</b>	-	-		-
<b>NET OPERATING RESULT</b> <sup>(1)</sup>	<b>31,604</b>	<b>26,166</b>	<b>6,320</b>	<b>882</b>

(1) As reported in the Income Statement

(2) Includes: Rates &amp; Annual Charges (incl. Ex Gratia, excl. Water &amp; Sewer), Non Capital General Purpose Grants, Interest on Investments (excl. Ext. Restricted Assets) &amp; Interest on overdue Rates &amp; Annual Charges

## Bellingen Shire Council

## Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)

for the financial year ended 30 June 2015

\$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
<b>Loans (by Source)</b>											
Commonwealth Government	-	-	-							-	-
Treasury Corporation	-	-	-							-	-
Other State Government	-	-	-							-	-
Public Subscription	-	-	-							-	-
Financial Institutions	174	4,776	<b>4,950</b>	4,850	173	-	-	457	595	9,032	<b>9,627</b>
Other	-	-	-							-	-
<b>Total Loans</b>	<b>174</b>	<b>4,776</b>	<b>4,950</b>	<b>4,850</b>	<b>173</b>	<b>-</b>	<b>-</b>	<b>457</b>	<b>595</b>	<b>9,032</b>	<b>9,627</b>
<b>Other Long Term Debt</b>											
Ratepayers Advances	-	-	-							-	-
Government Advances	-	-	-							-	-
Finance Leases	-	-	-							-	-
Deferred Payments	-	-	-							-	-
<b>Total Long Term Debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Debt</b>	<b>174</b>	<b>4,776</b>	<b>4,950</b>	<b>4,850</b>	<b>173</b>	<b>-</b>	<b>-</b>	<b>457</b>	<b>595</b>	<b>9,032</b>	<b>9,627</b>

Notes: Excludes (i) Internal Loans &amp; (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

This Schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

## Bellingen Shire Council

### Special Schedule No. 3 - Water Supply Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2015

\$'000	Actuals 2015	Actuals 2014
<b>A Expenses and Income</b>		
<b>Expenses</b>		
<b>1. Management expenses</b>		
a. Administration	795	616
b. Engineering and Supervision	229	143
<b>2. Operation and Maintenance expenses</b>		
<b>- Dams &amp; Weirs</b>		
a. Operation expenses	-	-
b. Maintenance expenses	-	-
<b>- Mains</b>		
c. Operation expenses	44	54
d. Maintenance expenses	93	37
<b>- Reservoirs</b>		
e. Operation expenses	13	6
f. Maintenance expenses	3	5
<b>- Pumping Stations</b>		
g. Operation expenses (excluding energy costs)	-	-
h. Energy costs	163	205
i. Maintenance expenses	29	8
<b>- Treatment</b>		
j. Operation expenses (excluding chemical costs)	134	137
k. Chemical costs	31	39
l. Maintenance expenses	36	26
<b>- Other</b>		
m. Operation expenses	4	122
n. Maintenance expenses	26	85
o. Purchase of water	-	-
<b>3. Depreciation expenses</b>		
a. System assets	727	768
b. Plant and equipment	-	12
<b>4. Miscellaneous expenses</b>		
a. Interest expenses	-	-
b. Revaluation Decrements	-	-
c. Other expenses	137	-
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalent Dividends (actually paid)	-	-
<b>5. Total expenses</b>	<b>2,464</b>	<b>2,263</b>

## Bellingen Shire Council

## Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2015

\$'000	Actuals 2015	Actuals 2014
<b>Income</b>		
<b>6. Residential charges</b>		
a. Access (including rates)	444	532
b. Usage charges	1,486	1,736
<b>7. Non-residential charges</b>		
a. Access (including rates)	-	-
b. Usage charges	-	5
<b>8. Extra charges</b>	5	8
<b>9. Interest income</b>	504	389
<b>10. Other income</b>	121	30
<b>10a. Aboriginal Communities Water and Sewerage Program</b>	-	-
<b>11. Grants</b>		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	48	53
c. Other grants	-	-
<b>12. Contributions</b>		
a. Developer charges	94	41
b. Developer provided assets	-	465
c. Other contributions	-	-
<b>13. Total income</b>	<b>2,702</b>	<b>3,259</b>
<b>14. Gain (or loss) on disposal of assets</b>	-	(11)
<b>15. Operating Result</b>	<b>238</b>	<b>985</b>
<b>15a. Operating Result (less grants for acquisition of assets)</b>	238	985



## Bellingen Shire Council

### Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2015

\$'000	Actuals 2015	Actuals 2014
<b>B Capital transactions</b>		
<b>Non-operating expenditures</b>		
<b>16. Acquisition of Fixed Assets</b>		
a. New Assets for Improved Standards	-	121
b. New Assets for Growth	72	30
c. Renewals	458	65
d. Plant and equipment	-	71
<b>17. Repayment of debt</b>		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
<b>18. Transfer to sinking fund</b>	-	-
<b>19. Totals</b>	<b>530</b>	<b>287</b>
<b>Non-operating funds employed</b>		
<b>20. Proceeds from disposal of assets</b>	-	-
<b>21. Borrowing utilised</b>		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
<b>22. Transfer from sinking fund</b>	-	-
<b>23. Totals</b>	<b>-</b>	<b>-</b>
<b>C Rates and charges</b>		
<b>24. Number of assessments</b>		
a. Residential (occupied)	3,839	3,764
b. Residential (unoccupied, ie. vacant lot)	115	101
c. Non-residential (occupied)	378	350
d. Non-residential (unoccupied, ie. vacant lot)	22	10
<b>25. Number of ETs for which developer charges were received</b>	10 ET	6 ET
<b>26. Total amount of pensioner rebates (actual dollars)</b>	\$ 94,920	\$ 96,534

## Bellingen Shire Council

Special Schedule No. 3 - Water Supply Cross Subsidies  
for the financial year ended 30 June 2015

\$'000	Yes	No	Amount
<b>D Best practice annual charges and developer charges*</b>			
<b>27. Annual charges</b>			
a. Does Council have best-practice water supply annual charges and usage charges*?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
If Yes, go to 28a.			
If No, please report if council has removed <b>land value</b> from access charges (ie rates)?	<input type="checkbox"/>	<input type="checkbox"/>	
<b>NB.</b> Such charges for both residential customers and non-residential customers comply with section 3.2 of Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy <b>from</b> residential customers using less than allowance (page 25 of Guidelines)			<input type="text"/>
c. Cross-subsidy <b>to</b> non-residential customers (page 24 of Guidelines)			<input type="text"/>
d. Cross-subsidy <b>to</b> large connections in unmetered supplies (page 26 of Guidelines)			<input type="text"/>
<b>28. Developer charges</b>			
a. Has council completed a water supply Development Servicing** Plan?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
b. Total cross-subsidy in water supply developer charges for 2014/15 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
<b>29. Disclosure of cross-subsidies</b>			
<b>Total of cross-subsidies (27b +27c + 27d + 28b)</b>			<input type="text" value="-"/>
* Councils which have not yet implemented best practice water supply pricing should disclose cross-subsidies in items 27b, 27c and 27d above.			
However, disclosure of cross-subsidies is <b>not</b> required where a Council has implemented best practice pricing and is phasing in such pricing over a period of 3 years.			

## Bellingen Shire Council

## Special Schedule No. 4 - Water Supply Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
as at 30 June 2015

\$'000	Actuals Current	Actuals Non Current	Actuals Total
<b>ASSETS</b>			
<b>30. Cash and investments</b>			
a. Developer charges	4,437	-	4,437
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	10,277	-	10,277
<b>31. Receivables</b>			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	431	-	431
c. User Charges	-	-	-
d. Other	250	-	250
<b>32. Inventories</b>	14	-	14
<b>33. Property, plant and equipment</b>			
a. System assets	-	43,806	43,806
b. Plant and equipment	-	218	218
<b>34. Other assets</b>	-	-	-
<b>35. Total assets</b>	<u>15,409</u>	<u>44,024</u>	<u>59,433</u>
<b>LIABILITIES</b>			
<b>36. Bank overdraft</b>	-	-	-
<b>37. Creditors</b>	7	-	7
<b>38. Borrowings</b>			
a. Loans	-	-	-
b. Advances	-	-	-
c. Finance leases	-	-	-
<b>39. Provisions</b>			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
<b>40. Total liabilities</b>	<u>7</u>	<u>-</u>	<u>7</u>
<b>41. NET ASSETS COMMITTED</b>	<u>15,402</u>	<u>44,024</u>	<u>59,426</u>
<b>EQUITY</b>			
<b>42. Accumulated surplus</b>			18,795
<b>43. Asset revaluation reserve</b>			40,631
<b>44. TOTAL EQUITY</b>			<u>59,426</u>
<b>Note to system assets:</b>			
<b>45. Current replacement cost</b> of system assets			57,947
<b>46. Accumulated current cost</b> depreciation of system assets			(14,141)
<b>47. Written down current cost</b> of system assets			<u>43,806</u>

## Bellingen Shire Council

### Special Schedule No. 5 - Sewerage Service Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2015

\$'000	Actuals 2015	Actuals 2014
<b>A Expenses and Income</b>		
<b>Expenses</b>		
<b>1. Management expenses</b>		
a. Administration	645	498
b. Engineering and Supervision	102	89
<b>2. Operation and Maintenance expenses</b>		
<b>- Mains</b>		
a. Operation expenses	53	67
b. Maintenance expenses	98	105
<b>- Pumping Stations</b>		
c. Operation expenses (excluding energy costs)	89	76
d. Energy costs	72	56
e. Maintenance expenses	128	94
<b>- Treatment</b>		
f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	267	246
g. Chemical costs	46	75
h. Energy costs	109	116
i. Effluent Management	5	30
j. Biosolids Management	147	221
k. Maintenance expenses	243	239
<b>- Other</b>		
l. Operation expenses	12	2
m. Maintenance expenses	4	17
<b>3. Depreciation expenses</b>		
a. System assets	983	952
b. Plant and equipment	-	-
<b>4. Miscellaneous expenses</b>		
a. Interest expenses	-	-
b. Revaluation Decrements	-	-
c. Other expenses	95	64
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalent Dividends (actually paid)	-	-
<b>5. Total expenses</b>	<b>3,098</b>	<b>2,947</b>

## Bellingen Shire Council

### Special Schedule No. 5 - Sewerage Service Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2015

\$'000	Actuals 2015	Actuals 2014
<b>Income</b>		
<b>6. Residential charges</b> (including rates)	2,813	2,373
<b>7. Non-residential charges</b>		
a. Access (including rates)	-	-
b. Usage charges	130	102
<b>8. Trade Waste Charges</b>		
a. Annual Fees	21	19
b. Usage charges	43	48
c. Excess mass charges	-	-
d. Re-inspection fees	-	-
<b>9. Extra charges</b>	-	-
<b>10. Interest income</b>	246	205
<b>11. Other income</b>	9	4
<b>11a. Aboriginal Communities Water &amp; Sewerage Program</b>	-	-
<b>12. Grants</b>		
a. Grants for acquisition of assets	1,391	-
b. Grants for pensioner rebates	41	41
c. Other grants	-	-
<b>13. Contributions</b>		
a. Developer charges	61	41
b. Developer provided assets	-	120
c. Other contributions	28	270
<b>14. Total income</b>	<u>4,783</u>	<u>3,223</u>
<b>15. Gain (or loss) on disposal of assets</b>	-	(1)
<b>16. Operating Result</b>	<u>1,685</u>	<u>275</u>
<b>16a. Operating Result (less grants for acquisition of assets)</b>	294	275

## Bellingen Shire Council

### Special Schedule No. 5 - Sewerage Service Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2015

\$'000	Actuals 2015	Actuals 2014
<b>B Capital transactions</b>		
<b>Non-operating expenditures</b>		
<b>17. Acquisition of Fixed Assets</b>		
a. New Assets for Improved Standards	110	427
b. New Assets for Growth	4,880	-
c. Renewals	221	300
d. Plant and equipment	-	42
<b>18. Repayment of debt</b>		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
<b>19. Transfer to sinking fund</b>	-	-
<b>20. Totals</b>	<b>5,211</b>	<b>769</b>
<b>Non-operating funds employed</b>		
<b>21. Proceeds from disposal of assets</b>	-	-
<b>22. Borrowing utilised</b>		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
<b>23. Transfer from sinking fund</b>	-	-
<b>24. Totals</b>	<b>-</b>	<b>-</b>
<b>C Rates and charges</b>		
<b>25. Number of assessments</b>		
a. Residential (occupied)	2,845	2,824
b. Residential (unoccupied, ie. vacant lot)	101	93
c. Non-residential (occupied)	267	257
d. Non-residential (unoccupied, ie. vacant lot)	12	9
<b>26. Number of ETs for which developer charges were received</b>	9 ET	6 ET
<b>27. Total amount of pensioner rebates (actual dollars)</b>	\$ 75,127	\$ 74,216

## Bellingen Shire Council

Special Schedule No. 5 - Sewerage Service Cross Subsidies  
for the financial year ended 30 June 2015

\$'000	Yes	No	Amount
<b>D Best practice annual charges and developer charges*</b>			
<b>28. Annual charges</b>			
<b>a.</b> Does Council have best-practice sewerage annual charges, usage charges and trade waste fees & charges*?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
If Yes, go to 29a.			
If No, please report if council has removed <b>land value</b> from access charges (ie rates)?	<input type="checkbox"/>	<input type="checkbox"/>	
<b>NB.</b> Such charges for both residential customers and non-residential customers comply with section 4.2 & 4.3 of the Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
<b>b.</b> Cross-subsidy <b>to</b> non-residential customers (page 45 of Guidelines)			<input type="text"/>
<b>c.</b> Cross-subsidy <b>to</b> trade waste discharges (page 46 of Guidelines)			<input type="text"/>
<b>29. Developer charges</b>			
<b>a.</b> Has council completed a sewerage Development Servicing** Plan?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
<b>b.</b> Total cross-subsidy in sewerage developer charges for 2014/15 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
<b>30. Disclosure of cross-subsidies</b>			
<b>Total of cross-subsidies (28b + 28c + 29b)</b>			<input type="text" value="-"/>

\* Councils which have not yet implemented best practice sewer pricing & liquid waste pricing should disclose cross-subsidies in items 28b and 28c above.

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice sewerage and liquid waste pricing and is phasing in such pricing over a period of 3 years.

## Bellingen Shire Council

## Special Schedule No. 6 - Sewerage Service Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
as at 30 June 2015

\$'000	Actuals Current	Actuals Non Current	Actuals Total
<b>ASSETS</b>			
<b>31. Cash and investments</b>			
a. Developer charges	1,171	-	1,171
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	3,224	-	3,224
<b>32. Receivables</b>			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	220	-	220
c. User Charges	-	-	-
d. Other	213	-	213
<b>33. Inventories</b>	-	-	-
<b>34. Property, plant and equipment</b>			
a. System assets	-	42,970	42,970
b. Plant and equipment	-	359	359
<b>35. Other assets</b>	-	-	-
<b>36. Total Assets</b>	<b>4,828</b>	<b>43,329</b>	<b>48,157</b>
<b>LIABILITIES</b>			
<b>37. Bank overdraft</b>	-	-	-
<b>38. Creditors</b>	17	-	17
<b>39. Borrowings</b>			
a. Loans	-	-	-
b. Advances	-	-	-
c. Finance leases	-	-	-
<b>40. Provisions</b>			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
<b>41. Total Liabilities</b>	<b>17</b>	<b>-</b>	<b>17</b>
<b>42. NET ASSETS COMMITTED</b>	<b>4,811</b>	<b>43,329</b>	<b>48,140</b>
<b>EQUITY</b>			
<b>42. Accumulated surplus</b>			10,179
<b>44. Asset revaluation reserve</b>			37,961
<b>45. TOTAL EQUITY</b>			<b>48,140</b>
<b>Note to system assets:</b>			
<b>46. Current replacement cost</b> of system assets			60,202
<b>47. Accumulated current cost</b> depreciation of system assets			(17,232)
<b>48. Written down current cost</b> of system assets			<b>42,970</b>



## Bellingen Shire Council

### Notes to Special Schedule No.'s 3 & 5 for the financial year ended 30 June 2015

#### Administration <sup>(1)</sup>

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

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

#### Engineering and supervision <sup>(1)</sup>

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

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

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

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

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

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

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

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

**Residential charges** <sup>(2)</sup> (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a Access Charges (including rates if applicable) and 6b Usage Charges.

**Non-residential charges** <sup>(2)</sup> (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a Access Charges (including rates if applicable) and 7b Usage Charges.

**Trade waste charges** (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a Annual Fees, 8b Usage Charges and 8c Excess Mass Charges and 8d Re-inspection Fees.

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

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

#### Notes:

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

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

## Bellingen Shire Council

## Special Schedule No. 7 - Report on Infrastructure Assets

as at 30 June 2015

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard refer (1)	Required Annual Maintenance refer (2)	Actual Maintenance 2014/15 refer (3)	Written Down Value (WDV) refer (4)	Assets in Condition as a % of WDV				
						1	2	3	4	5
						refer (4) & (5)				
<b>Buildings</b>										
	Council Offices / Administration Centres	-	26	25	3,434	95%	5%	0%	0%	0%
	Council Works Depot	-	30	30	4,533	96%	4%	0%	0%	0%
	Council Public Halls	-	25	21	6,367	94%	6%	0%	0%	0%
	Public Order & Safety	-	7	7	4,502	96%	4%	0%	0%	0%
	Childcare	-	-	-	3,972	95%	5%	0%	0%	0%
	Libraries	-	7	7	1,597	95%	5%	0%	0%	0%
	Cultural Facilities	-	2	2	724	96%	4%	0%	0%	0%
	Amenities	-	55	55	2,162	90%	10%	0%	0%	0%
	Recreation	40	120	120	2,917	70%	25%	4%	1%	0%
	Other Buildings	-	31	31	684	90%	10%	0%	0%	0%
	Water, Sewer and Waste	-	-	-	6,779	80%	20%	0%	0%	0%
	<b>sub total</b>	<b>40</b>	<b>303</b>	<b>298</b>	<b>37,671</b>	<b>90.1%</b>	<b>9.5%</b>	<b>0.3%</b>	<b>0.1%</b>	<b>0.0%</b>
<b>Roads</b>										
	Sealed Roads	2,212	1,500	1,000	53,315	6%	35%	50%	8%	0%
	Unsealed Roads	283	1,800	1,111	8,737	3%	32%	61%	4%	0%
	Bridges	3,588	1,000	872	21,702	19%	35%	27%	15%	4%
	Footpaths	1	12	12	1,591	18%	70%	12%	0%	0%
	Kerb and Gutter	-	2	-	6,357	2%	97%	0%	0%	0%
	Carparks	50	5	4	246	0%	0%	100%	0%	0%
	<b>sub total</b>	<b>6,134</b>	<b>4,319</b>	<b>2,999</b>	<b>91,948</b>	<b>9.1%</b>	<b>39.4%</b>	<b>41.6%</b>	<b>8.8%</b>	<b>1.2%</b>

## Bellingen Shire Council

## Special Schedule No. 7 - Report on Infrastructure Assets (continued)

as at 30 June 2015

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard refer (1)	Required Annual Maintenance refer (2)	Actual Maintenance 2014/15 refer (3)	Written Down Value (WDV) refer (4)	Assets in Condition as a % of WDV				
						1	2	3	4	5
						refer (4) & (5)				
<b>Water Supply Network</b>	Mains	200	93	93	32,324	10%	70%	18%	2%	0%
	Pumping Station/s	-	19	19	994	0%	100%	0%	0%	0%
	Treatment	-	29	29	5,445	0%	100%	0%	0%	0%
	Headworks	-	-	-	2,794	0%	100%	0%	0%	0%
	<b>sub total</b>	<b>200</b>	<b>141</b>	<b>141</b>	<b>41,557</b>	<b>7.8%</b>	<b>76.7%</b>	<b>14.0%</b>	<b>1.6%</b>	<b>0.0%</b>
<b>Sewerage Network</b>	Mains	100	98	98	21,307	54%	42%	2%	1%	1%
	Pumping Station/s	600	120	120	4,329	5%	80%	10%	5%	0%
	Treatment	8,000	243	243	7,899	0%	67%	0%	0%	33%
	<b>sub total</b>	<b>8,700</b>	<b>461</b>	<b>461</b>	<b>33,535</b>	<b>35.0%</b>	<b>52.8%</b>	<b>2.6%</b>	<b>1.3%</b>	<b>8.4%</b>
<b>Stormwater Drainage</b>	All Drainage	1,714	46	46	14,318	4%	14%	77%	5%	0%
	<b>sub total</b>	<b>1,714</b>	<b>46</b>	<b>46</b>	<b>14,318</b>	<b>3.9%</b>	<b>14.0%</b>	<b>77.0%</b>	<b>5.2%</b>	<b>0.0%</b>
<b>Open Space/ Recreational Assets</b>	Swimming Pools	300	-	-	4,143	66%	0%	5%	29%	0%
	<b>sub total</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>4,143</b>	<b>66.0%</b>	<b>0.0%</b>	<b>5.0%</b>	<b>29.0%</b>	<b>0.0%</b>
<b>Other Infrastructure Assets</b>	Other	-	20	20	999	80%	20%	0%	0%	0%
	<b>sub total</b>	<b>-</b>	<b>20</b>	<b>20</b>	<b>999</b>	<b>80.0%</b>	<b>20.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

## Bellingen Shire Council

## Special Schedule No. 7 - Report on Infrastructure Assets (continued)

as at 30 June 2015

\$'000										
Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard refer (1)	Required Annual Maintenance refer (2)	Actual Maintenance 2014/15 refer (3)	Written Down Value (WDV) refer (4)	Assets in Condition as a % of WDV				
						1	2	3	4	5
						refer (4) & (5)				
	<b>TOTAL - ALL ASSETS</b>	<b>17,088</b>	<b>5,290</b>	<b>3,965</b>	<b>224,171</b>	<b>27.3%</b>	<b>40.8%</b>	<b>25.1%</b>	<b>5.0%</b>	<b>1.7%</b>

**Notes:**

- (1). Satisfactory is defined as "satisfying expectations or needs, leaving no room for complaint, causing satisfaction, adequate".  
The estimated cost to bring assets to a satisfactory standard is the amount of money that is required to be spent on an asset to ensure that it is in a satisfactory standard.  
This estimated cost should not include any planned enhancements (ie.to heighten, intensify or improve the facilities).
- (2). Required Annual Maintenance is "what should be spent to maintain assets in a satisfactory standard.
- (3). Actual Maintenance is what has been spent in the current year to maintain the assets.  
Actual Maintenance may be higher or lower than the required annual maintenance due to the timing of when the maintenance actually occurs.
- (4). Written Down Value is in accordance with Note 9 of Council's General Purpose Financial Statements
- (5). **Infrastructure Asset Condition Assessment "Key"**

<b>1</b>	<b>Excellent</b>	No work required (normal maintenance)
<b>2</b>	<b>Good</b>	Only minor maintenance work required
<b>3</b>	<b>Average</b>	Maintenance work required
<b>4</b>	<b>Poor</b>	Renewal required
<b>5</b>	<b>Very Poor</b>	Urgent renewal/upgrading required

## Bellinghen Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)  
for the financial year ended 30 June 2015

\$ '000	Amounts	Indicator	Prior Periods	
	2015	2015	2014	2013
<b>Infrastructure Asset Performance Indicators Consolidated</b>				
<b>1. Building, Infrastructure &amp; Other Structures Renewals Ratio</b>				
Asset Renewals				
(Building, Infrastructure & Other Structures) <sup>(1)</sup>	<b>5,183</b>	<b>67.50%</b>	26.94%	51.00%
Depreciation, Amortisation & Impairment	<b>7,678</b>			
<b>2. Infrastructure Backlog Ratio</b>				
Estimated Cost to bring Assets to a Satisfactory Condition	<b>17,088</b>	<b>7.57%</b>	7.86%	17.00%
Total value <sup>(2)</sup> of Infrastructure, Building, Other Structures & depreciable Land Improvement Assets	<b>225,777</b>			
<b>3. Asset Maintenance Ratio</b>				
Actual Asset Maintenance	<b>3,965</b>	<b>0.75</b>	0.64	1.11
Required Asset Maintenance	<b>5,290</b>			
<b>4. Capital Expenditure Ratio</b>				
Annual Capital Expenditure	<b>10,365</b>	<b>1.14</b>	0.51	0.84
Annual Depreciation	<b>9,065</b>			

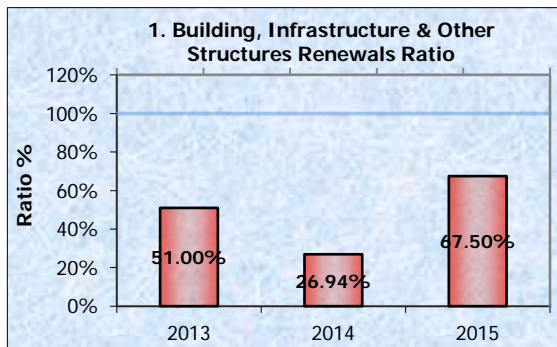
## Notes

<sup>(1)</sup> Asset Renewals represent the replacement &/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. Asset Renewals include building, infrastructure & Other Structure assets only.

<sup>(2)</sup> Written Down Value

# Bellingen Shire Council

## Special Schedule No. 7 - Report on Infrastructure Assets (continued) for the financial year ended 30 June 2015



**Purpose of Asset Renewals Ratio**

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

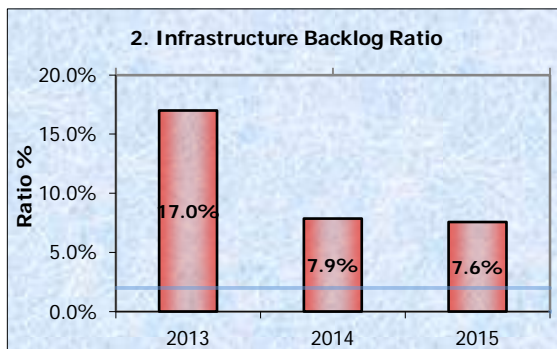
**Commentary on 2014/15 Result**

**2014/15 Ratio 67.50%**

A result of 67.50% is a significant improvement on previous years, assisted by additional renewal works funded through disaster relief grants. Council will need to spend more on asset maintenance in future years to meet this benchmark.

Benchmark: —— Minimum  $\geq 100.00\%$   
Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

■ Ratio is within Benchmark  
■ Ratio is outside Benchmark



**Purpose of Infrastructure Backlog Ratio**

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

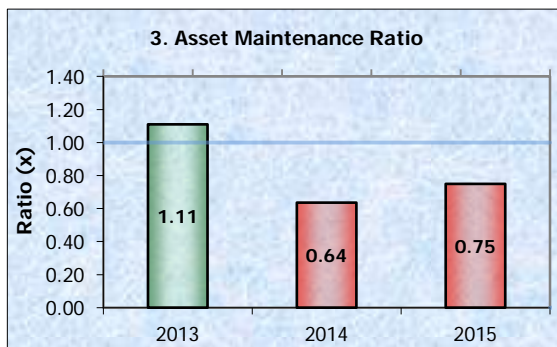
**Commentary on 2014/15 Result**

**2014/15 Ratio 7.57%**

Significant portion of the Backlog is due to Council's large timber bridge network. As Council invests more funds into renewing infrastructure the backlog will continue to fall.

Benchmark: —— Maximum  $< 0.02$   
Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

■ Ratio is within Benchmark  
■ Ratio is outside Benchmark



**Purpose of 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.

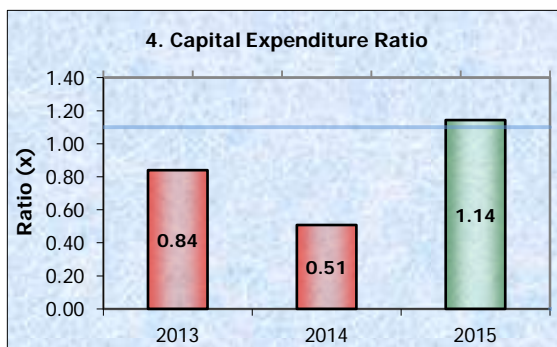
**Commentary on 2014/15 Result**

**2014/15 Ratio 0.75 x**

Result of 0.75 is an improvement on previous years, assisted by additional renewal works funded through disaster relief grants. Council will need to spend more on asset maintenance in future years to meet this benchmark.

Benchmark: —— Minimum  $> 1.00$   
Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

■ Ratio is within Benchmark  
■ Ratio is outside Benchmark



**Purpose of Capital Expenditure Ratio**

To assess the extent to which a Council is expanding its asset base thru capital expenditure on both new assets and the replacement and renewal of existing assets.

**Commentary on 2014/15 Result**

**2014/15 Ratio 1.14 x**

Large increase is due to the construction of the new Dorriggo Sewerage Treatment Works.

Benchmark: —— Minimum  $> 1.10$   
Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

■ Ratio is within Benchmark  
■ Ratio is outside Benchmark

## Bellingen Shire Council

### Special Schedule No. 7 - Report on Infrastructure Assets (continued) for the financial year ended 30 June 2015

\$ '000	Water 2015	Sewer 2015	General <sup>(1)</sup> 2015
<b>Infrastructure Asset Performance Indicators By Fund</b>			
<b>1. Building, Infrastructure &amp; Other Structures</b>			
<b>Renewals Ratio</b>			
Asset Renewals			
<u>(Building, Infrastructure &amp; Other Structures)<sup>(2)</sup></u>	<b>76.12%</b>	<b>46.03%</b>	<b>69.63%</b>
Depreciation, Amortisation & Impairment			
	prior period: 8.67%	34.68%	28.12%
<b>2. Infrastructure Backlog Ratio</b>			
Estimated Cost to bring Assets to a Satisfactory Condition			
<u>Total value<sup>(3)</sup> of Infrastructure, Building, Other Structures &amp; Depreciable Land Improvement Assets</u>	<b>0.48%</b>	<b>25.94%</b>	<b>5.43%</b>
	prior period: 0.48%	26.11%	6.31%
<b>3. Asset Maintenance Ratio</b>			
Actual Asset Maintenance			
<u>Required Asset Maintenance</u>	<b>1.00</b>	<b>1.00</b>	<b>0.72</b>
	prior period: 1.00	1.00	0.57
<b>4. Capital Expenditure Ratio</b>			
Annual Capital Expenditure			
<u>Annual Depreciation</u>	<b>0.73</b>	<b>5.30</b>	<b>0.63</b>
	prior period: 0.37	0.81	0.48

#### Notes

(1) General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

(2) Asset Renewals represent the replacement &/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. Asset Renewals include building, infrastructure & Other Structure assets only.

(3) Written Down Value

## Bellingen Shire Council

## Special Schedule No. 9 - Permissible Income Calculation

for the financial year ended 30 June 2016

\$'000		Calculation 2014/15	Calculation 2015/16
<b>Notional General Income Calculation <sup>(1)</sup></b>			
Last Year Notional General Income Yield	a	5,890	6,586
Plus or minus Adjustments <sup>(2)</sup>	b	(1)	14
<b>Notional General Income</b>	c = (a + b)	<u>5,889</u>	<u>6,600</u>
<b>Permissible Income Calculation</b>			
Special variation percentage <sup>(3)</sup>	d	11.80%	0.00%
or Rate peg percentage	e	2.30%	2.40%
or Crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%
less expiring Special variation amount	g	-	-
plus Special variation amount	h = d x (c-g)	695	-
or plus Rate peg amount	i = c x e	-	158
or plus Crown land adjustment and rate peg amount	j = c x f	-	-
<b>sub-total</b>	k = (c+g+h+i+j)	<u>6,584</u>	<u>6,758</u>
plus (or minus) last year's Carry Forward Total	l	7	6
less Valuation Objections claimed in the previous year	m	-	(1)
<b>sub-total</b>	n = (l + m)	<u>7</u>	<u>5</u>
<b>Total Permissible income</b>	o = k + n	<u>6,591</u>	<u>6,763</u>
less Notional General Income Yield	p	6,586	6,763
<b>Catch-up or (excess) result</b>	q = o - p	<u>5</u>	<u>0</u>
plus Income lost due to valuation objections claimed <sup>(4)</sup>	r	1	5
less Unused catch-up <sup>(5)</sup>	s	-	-
<b>Carry forward to next year</b>	t = q + r - s	<u>6</u>	<u>5</u>

**Notes**

- 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.
- 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.
- The Special Variation Percentage is inclusive of the Rate Peg percentage and where applicable crown land adjustment.
- 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.
- Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- 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 councils' Special Schedule 9 in the Financial Data Return (FDR) to administer this process.



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ABN 66 182 781 401

## **BELLINGEN SHIRE COUNCIL INDEPENDENT AUDITORS' REPORT - SPECIAL SCHEDULE No. 9**

We have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 9) of Bellingen Shire Council for the year ending 30 June 2016.

### **Responsibility of Council for Special Schedule No. 9**

The Council is responsible for preparation and fair presentation of Special No. 9 in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update No. 23. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant preparation and fair presentation of Special Schedule No. 9 that is free from material mistreatment, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibilities**

Our responsibility is to express an opinion on Special Schedule No. 9 based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Audit Standard require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether Special Schedule No. 9 and is free from material misstatement.

An audit involves performing procedures to obtain audit evidences about the amounts and disclosures in Special Schedule No. 9. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement on Special Schedule No. 9, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of Special Schedule No. 9.

**Knowledge with integrity**

Liability limited by a scheme approved under the Professional Standards Legislation

**ARMIDALE | COONABARABRAN | GUNNEDAH | TAMWORTH**

**Bellingen Shire Council**

**INDEPENDENT AUDITORS' REPORT - SPECIAL SCHEDULE No. 9**

Because of the inherent limitation of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

In making our risk assessments, we consider internal controls relevant to the entity's preparation of Special Schedule No. 9 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of the expressing an opinion on the effectiveness of the entity's internal control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**Audit Opinion**

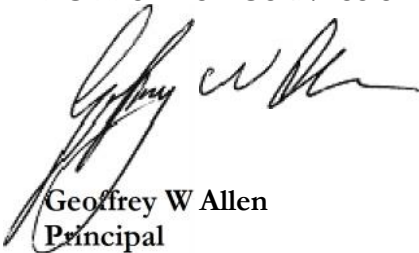
In our opinion Special Schedule No. 9 of Bellingen Shire Council for the year ending 30 June 2016 is properly drawn up in all material respects, in accordance with the requirements of the Office of Local Government and in accordance with the books and records of the Council.

**Basis of Accounting**

Without modifying our opinion, we advise that the Special Schedule No. 9 has been prepared for distribution to the Office of Local Government for the purposes of confirming the Council's reconciliation of Council's total permissible general income is presented fairly. As a result, the Special Schedule No. 9 may not be suitable for another purpose

*Forsyths*

**FORYSTHS BUSINESS SERVICES PTY LTD**



Geoffrey W Allen  
Principal

Dated at Armidale this 22<sup>nd</sup> October 2015