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LEAVE OF ABSENCE/APOLOGIES

At the time of preparation of the business paper no apologies have been received.

ACKNOWLEDGEMENT OF COUNTRY

I would like to acknowledge the Wiradjuri people who are the Traditional Custodians of the Land. I would also like to pay respect to their people both past and present and extend that respect to other Aboriginal Australians who are present.

PRESENTATIONS

Councils Auditor Brad Bohun will attend the meeting virtually to present Councils audited Financial Statements for 2019/2020.

DECLARATION OF PECUNIARY INTERESTS

Declaration of Interest

Councillors and senior staff are reminded of their obligation to declare their pecuniary interest in any matters listed before them.

Councillors may declare an interest at the commencement of the meeting, or alternatively at any time during the meeting should any issue progress or arise that would warrant a declaration.

Councillors must state their reasons in declaring any type of interest.

DECLARATION OF NON PECUNIARY INTERESTS

Declaration of non Pecuniary Interest

Councillors and senior staff are reminded of their obligation to declare their interest in any matters listed before them.

In considering your interest you are reminded to include non-pecuniary and conflicts of interest as well as any other interest you perceive or may be perceived of you.

Councillors may declare an interest at the commencement of the meeting, or alternatively at any time during the meeting should any issue progress or arise that would warrant a declaration.

Councillors must state their reasons in declaring any type of interest.

CONFIRMATION OF MINUTES

It is recommended that the minutes of the meeting held 27 August 2020 having been circulated to members be confirmed as a true and accurate record.

BUSINESS ARISING FROM MINUTES

At the time of preparation of the business paper no business was arising from minutes.

CORRESPONDENCE

Correspondence is attached.



EXCELLENCE IN THE ENVIRONMENT AWARDS 2020

PRESENTED TO

Goldenfields Water County Council

WINNER DIVISION B AND OVERALL WINNER:

Sustainable Infrastructure Award

FOR:

Goldenfields Water App

Cr Linda Scott
President, LGNSW

PROUDLY SPONSORED BY



MATTERS OF URGENCY

In accordance with clause 241 (3) of the Local Government (General) Regulations 2005 business may be transacted at a meeting without due notice only if:

- a) A motion is passed to have the business transacted at the meeting, and
- b) The business is proposed to be brought forward is ruled by the chairperson to be of great urgency.

NOTICES OF MOTION/RESCISSION MOTIONS

At the time of preparation of the Business Paper no Notices of Motion or Rescission Motions have been received.

CHAIRPERSONS MINUTE

At the time of preparation of the Business Paper the Chairperson had not issued a report for publication.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

ELECTION OF CHAIRPERSON

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That nomination for the position of Chairperson is called and that if necessary, voting be by ordinary ballot.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

07 Efficient Operations

BACKGROUND

In accordance with section 391 of the Local Government Act (1993) the position of Chairperson becomes vacant at this meeting and an election is required to elect a person from within the members of the council to fill this position. The Chairperson holds office for one year.

REPORT

The Local Government (General) Regulations 2005 clause 395, Schedule 8 provides the following:

- The General Manager (or person appointed by the General Manager) is the Returning Officer
- A Member of a county council may be nominated without notice for election as Chairperson of the county council
- The nomination is to be made in writing by two or more Members of the county council (one of whom may be the nominee)
- The nomination is not valid unless the nominee has indicated consent to the nomination in writing
- The nomination is to be delivered or sent to the Returning Officer
- The Returning Officer is to announce the names of the nominees at the county council meeting at which the election is to be held
- If only one member of the county council is nominated, that Member is elected
- If more than one Member is nominated, the county council is to resolve whether the election is to proceed by preferential ballot, by ordinary or by open voting
- The election is to be held at the county council meeting at which the county council resolves on the method of voting.

Appropriate nomination forms have been circulated to all Councillors.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Nil

TABLED ITEMS: Nil

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

ELECTION OF DEPUTY CHAIRPERSON

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That nominations for the position of Deputy Chairperson is called and that if necessary, voting be by ordinary ballot. That the person with the most votes apart from the Chairperson and Deputy be called on when these are unavailable for engagements.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

07 Efficient Operations

BACKGROUND

In accordance with section 231 of the Local Government Act (1993) Councillors may elect a person from within their number to be the Deputy Chairperson.

REPORT

The position of Deputy Chairperson is an optional position. The Deputy Chairperson may exercise any function of the Chairperson at the request of the Chairperson or if the Chairperson is prevented by illness, absence or otherwise, from exercising the function or if there is a casual vacancy in the office of Chairperson.

Council has traditionally elected such a person and the election procedures are the same as for the Chairperson.

Appropriate nomination forms have been circulated to all Councillors with their Business Papers.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Nil.

TABLED ITEMS: Nil.

PUBLIC PARTICIPATION - CONFIDENTIAL SESSION

In accordance with the Local Government Act 1993 and the Local Government (General) Regulations 2005, in the opinion of the General Manager the following business is of a kind as referred to in section 10A(2) of the Act and should be dealt with in part of the meeting closed to the media and public.

It is recommended that Council move into CONFIDENTIAL SESSION.

**SERVICE PROVIDER – ELECTRICAL SWITCHBOARDS AND ELECTRICAL
INSTALLATION – TENDER 03/2020**

*This report is **CONFIDENTIAL** in accordance with Section 10A(2)(d)(i) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:*

- d) Commercial information of a confidential matter that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it,**

CRITICAL LARGE VALVES REPLACEMENT – CONTRACT 06/2020

*This report is **CONFIDENTIAL** in accordance with Section 10A(2)(d)(i) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:*

- d) Commercial information of a confidential matter that would, if disclosed:*
 - (i) Prejudice the commercial position of the person who supplied it, or*

EXITING CONFIDENTIAL

There being no further confidential items it is recommended that Council revert back to Open Session and that the resolutions made in Confidential Session be made public.

The General Manager is to read out any resolutions made in Confidential Session.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

FINANCIAL STATEMENTS 2019/20

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Board receives and notes the 2019/20 Audited Financial Statements.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

09 Financially Sustainable

BACKGROUND

Under section 419 of the Local Government Act 1993, Council is required to present its Audited Financial Statements, together with the Auditor's Report, at a meeting of the Council.

REPORT

The Audit Office of NSW have completed their audit of the 2019/20 Financial Statements. Council's auditor under appointment by the Auditor General, Brad Bohun, will be in attendance at the meeting via Zoom to present the Audit Report.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: 2019/20 Financial Statements.

TABLED ITEMS: Nil.

Goldenfields Water County Council

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2020

To be innovative leaders in the supply and distribution of water through regional efficiency, technical excellence and customer service.



Goldenfields Water County Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2020

To be innovative leaders in the supply and distribution of water through regional efficiency, technical excellence and customer service.



Goldenfields Water County Council

Financial Statements 2020

General Purpose Financial Statements

for the year ended 30 June 2020

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Overview

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

84 Parkes Street
Temora NSW 2666

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

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

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

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

Goldenfields Water County Council
General Purpose Financial Statements
for the year ended 30 June 2020

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 27 August 2020.



Clr Dennis Palmer
Chairperson
27 August 2020



Clr David McCann
Deputy Chairperson
27 August 2020



Aaron Drenovski
General Manager
27 August 2020



Michele Curran
Responsible Accounting Officer
27 August 2020

Goldenfields Water County Council

Financial Statements 2020

Income Statement

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Actual 2019
Income from continuing operations				
5,335	Rates and annual charges	3a	5,447	5,243
15,717	User charges and fees	3b	17,464	17,335
210	Other revenues	3c	80	169
219	Grants and contributions provided for operating purposes	3d,3e	–	30
800	Grants and contributions provided for capital purposes	3d,3e	1,559	940
1,248	Interest and investment income	4	1,371	1,447
–	Rental income	11b	168	–
<u>23,529</u>	Total income from continuing operations		<u>26,089</u>	<u>25,164</u>
Expenses from continuing operations				
7,627	Employee benefits and on-costs	5a	7,441	6,587
3,181	Materials and contracts	5b	3,933	3,403
6,914	Depreciation and amortisation	5c	8,114	7,065
4,285	Other expenses	5d	4,657	5,146
–	Net losses from the disposal of assets	6	415	819
<u>22,007</u>	Total expenses from continuing operations		<u>24,560</u>	<u>23,020</u>
<u>1,522</u>	Operating result from continuing operations		<u>1,529</u>	<u>2,144</u>
<u>1,522</u>	Net operating result for the year		<u>1,529</u>	<u>2,144</u>
–	Net operating result attributable to council		1,529	2,144
–	Net operating result for the year before grants and contributions provided for capital purposes		(30)	1,204

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

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

Goldenfields Water County Council

Financial Statements 2020

Statement of Comprehensive Income
for the year ended 30 June 2020

\$ '000	Notes	2020	2019
Net operating result for the year (as per Income Statement)		1,529	2,144
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	10	(259)	3,708
Total items which will not be reclassified subsequently to the operating result		(259)	3,708
Total other comprehensive income for the year		(259)	3,708
Total comprehensive income for the year		1,270	5,852
Total comprehensive income attributable to Council		1,270	5,852

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

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

Goldenfields Water County Council

Financial Statements 2020

Statement of Financial Position
as at 30 June 2020

\$ '000	Notes	2020	2019
ASSETS			
Current assets			
Cash and cash equivalents	7(a)	5,672	1,888
Investments	7(b)	39,000	22,000
Receivables	8	5,958	6,706
Inventories	9	595	548
Total current assets		<u>51,225</u>	<u>31,142</u>
Non-current assets			
Investments	7(b)	10,000	27,000
Infrastructure, property, plant and equipment	10	262,817	264,678
Total non-current assets		<u>272,817</u>	<u>291,678</u>
Total assets		<u>324,042</u>	<u>322,820</u>
LIABILITIES			
Current liabilities			
Payables	12	1,262	1,657
Income received in advance	12	–	332
Provisions	13	2,437	1,797
Total current liabilities		<u>3,699</u>	<u>3,786</u>
Non-current liabilities			
Payables	12	8	7
Provisions	13	118	80
Total non-current liabilities		<u>126</u>	<u>87</u>
Total liabilities		<u>3,825</u>	<u>3,873</u>
Net assets		<u>320,217</u>	<u>318,947</u>
EQUITY			
Accumulated surplus	14	95,030	93,501
Revaluation reserves	14	225,187	225,446
Council equity interest		<u>320,217</u>	<u>318,947</u>
Total equity		<u>320,217</u>	<u>318,947</u>

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

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

Goldenfields Water County Council

Financial Statements 2020

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

\$ '000	Notes	as at 30/06/20			as at 30/06/19		
		Accumulated surplus	IPP&E revaluation reserve	Total equity	Accumulated surplus	IPP&E revaluation reserve	Total equity
Opening balance		93,501	225,446	318,947	91,357	221,738	313,095
Net operating result for the year		1,529	–	1,529	2,144	–	2,144
Net operating result for the period		1,529	–	1,529	2,144	–	2,144
Other comprehensive income							
– Gain (loss) on revaluation of IPP&E	10	–	(259)	(259)	–	3,708	3,708
Other comprehensive income		–	(259)	(259)	–	3,708	3,708
Total comprehensive income		1,529	(259)	1,270	2,144	3,708	5,852
Equity – balance at end of the reporting period		95,030	225,187	320,217	93,501	225,446	318,947

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

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

Goldenfields Water County Council

Financial Statements 2020

Statement of Cash Flows

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Actual 2019
Cash flows from operating activities				
Receipts:				
5,335	Annual charges		5,835	5,126
15,717	User charges and fees		17,820	17,534
1,248	Investment and interest revenue received		1,513	1,421
1,219	Grants and contributions		1,558	985
210	Other		1,764	1,695
Payments:				
(7,627)	Employee benefits and on-costs		(6,847)	(6,579)
(3,181)	Materials and contracts		(5,098)	(4,162)
–	Bonds, deposits and retention amounts refunded		(28)	(1)
(4,285)	Other		(5,806)	(5,351)
<u>8,636</u>	Net cash provided (or used in) operating activities	15b	<u>10,711</u>	<u>10,668</u>
Cash flows from investing activities				
Receipts:				
–	Sale of investment securities		–	12,000
474	Sale of infrastructure, property, plant and equipment		669	839
Payments:				
–	Purchase of investment securities		–	(13,000)
(12,886)	Purchase of infrastructure, property, plant and equipment		(7,596)	(9,757)
<u>(12,412)</u>	Net cash provided (or used in) investing activities		<u>(6,927)</u>	<u>(9,918)</u>
<u>(3,776)</u>	Net increase/(decrease) in cash and cash equivalents		<u>3,784</u>	<u>750</u>
1,888	Plus: cash and cash equivalents – beginning of year	15a	1,888	1,138
<u>(1,888)</u>	Cash and cash equivalents – end of the year	15a	<u>5,672</u>	<u>1,888</u>
49,000	plus: Investments on hand – end of year	7(b)	49,000	49,000
<u>47,112</u>	Total cash, cash equivalents and investments		<u>54,672</u>	<u>50,888</u>

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

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

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Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 01 October 2020. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

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

Council is a not for-profit entity.

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

(a) Historical cost convention

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

(b) Significant accounting estimates and judgements

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

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note 10
- (ii) employee benefit provisions – refer Note 13.

Significant judgements in applying the council's accounting policies

- (i) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables – refer Note 8.

Monies and other assets received by Council

(a) The Consolidated Fund

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

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

General Purpose Operations (Water Services)

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements for the year ended 30 June 2020

Note 1. Basis of preparation (continued)

Goods and Services Tax (GST)

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

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

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

New accounting standards and interpretations issued not yet effective

New accounting standards and interpretations issued but not yet effective

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

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

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

New accounting standards adopted during the year

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from 1 July 2019.

Those newly adopted standards which had a material impact on Council's reported financial position, financial performance and/or associated financial statement disclosures are further discussed at Note 14.

Goldenfields Water County Council

Notes to the Financial Statements

for the year ended 30 June 2020

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

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note 2(b).										
\$ '000	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations		Carrying amount of assets	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Functions or activities										
Water supplies	26,089	25,164	24,560	23,020	1,529	2,144	–	30	324,059	322,820
Total functions and activities	26,089	25,164	24,560	23,020	1,529	2,144	–	30	324,042	322,820

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements for the year ended 30 June 2020

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:

Water supplies

Council is responsible for water supply functions within the Local Government areas of Bland, Coolamon, Junee, Temora and parts of Cootamundra-Gundagai and Narrandera.

Council also supplies bulk water to Hilltops and other parts of Cootamundra-Gundagai.

Council does not undertake any other functions.

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements
for the year ended 30 June 2020

Note 3. Revenue from continuing operations

\$ '000	AASB	2020	2019
(a) Rates and annual charges			
Annual charges			
<small>(pursuant to s.496, s.496A, s.496B, s.501 & s.611)</small>			
– Residential	1058 (1)	1,618	1,554
– Non-residential	1058 (1)	965	941
– Rural	1058 (1)	1,460	1,388
– Bulk supplies to councils	1058 (1)	1,477	1,444
Less: pensioner rebates (mandatory)		(158)	(168)
Annual charges levied		5,362	5,159
Pensioner subsidies received:			
– Water	1058 (1)	85	84
Total annual charges		5,447	5,243
TOTAL RATES AND ANNUAL CHARGES		5,447	5,243

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

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

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

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

Accounting policy for rates and charges

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

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

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

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

2019 accounting policy

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	AASB	2020	2019
(b) User charges and fees			
Specific user charges			
(per s.502 - specific 'actual use' charges)			
Residential	1058 (1)	5,155	5,248
Non residential	1058 (1)	3,333	3,406
Rural	1058 (1)	3,631	3,377
Bulk supplies to councils	1058 (1)	5,104	4,891
Total specific user charges		17,223	16,922
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Inspection services	1058 (1)	1	1
Private works	1058 (1)	4	91
Section 603 certificates	1058 (1)	45	43
Tapping fees	1058 (1)	132	104
Connection application fees	1058 (1)	41	56
Special meter reading fee	1058 (1)	3	5
Other	1058 (1)	15	13
Total fees and charges – statutory/regulatory		241	313
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Leaseback fees – Council vehicles - AASB16 applied in 2020 - refer Note 11b		–	100
Total fees and charges – other		–	100
TOTAL USER CHARGES AND FEES		17,464	17,335

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

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

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

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

Accounting policy for user charges and fees

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

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service. There is no material obligation for Council in relation to refunds or returns.

2019 accounting policy

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	AASB	2020	2019
(c) Other revenues			
Rental income – other council properties (2019 only)		–	64
Legal fees recovery – other		–	5
Diesel rebate	1058 (1)	9	9
Employment / training incentives	1058 (1)	3	12
Data network access charges	15 (1)	18	13
Insurance rebates	1058 (1)	8	30
Workers compensation rebate	1058 (1)	23	7
Procurement rebate	1058 (1)	–	7
Other	1058 (1)	19	22
<u>TOTAL OTHER REVENUE</u>		<u>80</u>	<u>169</u>

Accounting policy for other revenue

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

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

2019 accounting policy:

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

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

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

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

\$ '000	Operating 2020	Operating 2019	Capital 2020	Capital 2019
(d) Grants				
Specific purpose				
Smarter Communities	–	30	–	–
Total specific purpose	–	30	–	–
Total grants	–	30	–	–
Grant revenue is attributable to:				
– State funding	–	30	–	–
	–	30	–	–

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

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

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

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

Goldenfields Water County Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	AASB	Operating 2020	Operating 2019	Capital 2020	Capital 2019
(e) Contributions					
Other contributions:					
Cash contributions					
Water supplies – headworks contributions	1058 (1)	–	–	1,559	940
Total other contributions – cash		–	–	1,559	940
Total other contributions		–	–	1,559	940
Total contributions		–	–	1,559	940
TOTAL GRANTS AND CONTRIBUTIONS		–	30	1,559	940

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

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

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

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

Accounting policy for grants and contributions**Accounting policy from 1 July 2019****Grant income under AASB 15**

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue are recognised when control of each performance obligations is satisfied. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

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

Grant income

Assets arising from grants in the scope of AASB 1058 is recognised at the assets fair value when the asset is received. Councils considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

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

Capital grants and contributions

Capital grants and contributions received to enable Council to acquire or construct an item of infrastructure, property, plant and equipment to identified specifications which will be under Council’s control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

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

Accounting policy prior to 1 July 2019

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

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

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

Note 4. Interest and investment income

\$ '000	2020	2019
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	44	61
– Cash and investments	1,327	1,386
Total Interest and investment income	1,371	1,447
Interest revenue is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	44	61
General Council cash and investments	1,327	1,386
Total interest and investment revenue	1,371	1,447

Accounting policy for interest and investment revenue

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations

\$ '000	2020	2019
(a) Employee benefits and on-costs		
Salaries and wages	5,829	5,347
Employee termination costs (where material – other than vested leave paid)	61	141
Travel expenses	23	20
Employee leave entitlements (ELE)	822	454
Superannuation	811	807
Workers' compensation insurance	116	179
Fringe benefit tax (FBT)	182	100
Payroll tax	345	340
Training costs (other than salaries and wages)	131	127
Protective clothing	80	68
Recruitment costs	25	83
Other	129	89
Total employee costs	8,554	7,755
Less: capitalised costs	(1,113)	(1,168)
TOTAL EMPLOYEE COSTS EXPENSED	7,441	6,587

Accounting policy for employee benefits and on-costs

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

Retirement benefit obligations

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

Superannuation plans

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

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note 17 for more information.

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	2020	2019
(b) Materials and contracts		
Raw materials and consumables	5,893	6,359
Contractor and consultancy costs	4,076	5,326
Temporary staff costs	–	120
Auditors remuneration ¹	78	59
Legal expenses:		
– Legal expenses: other	89	11
Expenses from short-term leases (2020 only)	5	–
Expenses from leases of low value assets (2020 only)	3	–
Purchase of water	99	116
Total materials and contracts	10,243	11,991
Less: capitalised costs	(6,310)	(8,588)
TOTAL MATERIALS AND CONTRACTS	3,933	3,403

Accounting policy for materials and contracts

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

Operating leases (2019 only)

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

1. Auditor remuneration

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

Auditors of the Council - NSW Auditor-General:**(i) Audit and other assurance services**

Audit and review of financial statements	29	30
Remuneration for audit and other assurance services	29	30
Total Auditor-General remuneration	29	30

Non NSW Auditor-General audit firms**(i) Audit and other assurance services**

Internal Audit costs	38	22
Other audit and assurance services	11	7
Remuneration for audit and other assurance services	49	29
Total remuneration of non NSW Auditor-General audit firms	49	29
Total Auditor remuneration	78	59

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	Notes	2020	2019
(c) Depreciation, amortisation and impairment of non-financial assets			
Depreciation and amortisation			
Plant and equipment		935	696
Office equipment		330	334
Furniture and fittings		11	11
Infrastructure:			
– Buildings – non-specialised		201	122
– Water mains		4,109	3,338
– Reservoirs		1,141	1,399
– Pumping stations and bores		693	592
– Treatment plants		694	573
Total gross depreciation and amortisation costs		<u>8,114</u>	<u>7,065</u>
Total depreciation and amortisation costs		<u>8,114</u>	<u>7,065</u>
<u>TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT FOR NON-FINANCIAL ASSETS</u>		<u>8,114</u>	<u>7,065</u>

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

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note 10 for IPPE assets.

Impairment of non-financial assets

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

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

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

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	2020	2019
(d) Other expenses		
Advertising	14	27
Bank charges	42	29
Cleaning	3	14
Collection agencies	31	46
Computer software charges	358	322
Members expenses – chairperson’s fee	16	16
Members expenses – members fees	78	77
Members expenses (incl. chairperson) – other (excluding fees above)	13	12
Donations, contributions and assistance to other organisations (Section 356)	220	215
Electricity and heating	2,971	3,367
Insurance	216	371
Postage	45	42
Printing and stationery	40	43
Subscriptions and publications	141	120
Telephone and communications	329	325
Council land rates	79	67
Early payment discount	51	48
Other	10	5
Total other expenses	4,657	5,146
TOTAL OTHER EXPENSES	4,657	5,146

Accounting policy for other expenses

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 6. Gain or loss from disposal of assets

\$ '000	Notes	2020	2019
Plant and equipment	10		
Proceeds from disposal – plant and equipment		634	839
Less: carrying amount of plant and equipment assets sold/written off		(733)	(1,035)
Net gain/(loss) on disposal		<u>(99)</u>	<u>(196)</u>
Office equipment	10		
Proceeds from disposal – Office equipment		35	–
Less: carrying amount of Office equipment assets sold/written off		(178)	–
Net gain/(loss) on disposal		<u>(143)</u>	<u>–</u>
Infrastructure	10		
Less: carrying amount of infrastructure assets sold/written off		(173)	(623)
Net gain/(loss) on disposal		<u>(173)</u>	<u>(623)</u>
Investments	7(b)		
Proceeds from disposal/redemptions/maturities – investments		–	12,000
Less: carrying amount of investments sold/redeemed/matured		–	(12,000)
Net gain/(loss) on disposal		<u>–</u>	<u>–</u>
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		<u>(415)</u>	<u>(819)</u>

Accounting policy for disposal of assets

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

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

Goldenfields Water County Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(a). Cash and cash equivalents

\$ '000	2020	2019
Cash and cash equivalents		
Cash on hand and at bank	1,417	388
Cash-equivalent assets		
– Deposits at call	4,255	1,500
Total cash and cash equivalents	5,672	1,888

Accounting policy for cash and cash equivalents

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

Note 7(b). Investments

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Investments				
b. 'Financial assets at amortised cost'	39,000	10,000	22,000	27,000
Total Investments	39,000	10,000	22,000	27,000
TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS	44,672	10,000	23,888	27,000
Financial assets at amortised cost				
Long term deposits	39,000	10,000	22,000	27,000
Total	39,000	10,000	22,000	27,000

Accounting policy for investments

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

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

Financial assets

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

Classification

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

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

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

Assets measured at amortised cost are financial assets where:

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

Goldenfields Water County Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(b). Investments (continued)

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

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

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

Financial assets through profit or loss

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

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

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

\$ '000	2020		2019	
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	44,672	10,000	23,888	27,000
attributable to:				
Internal restrictions	29,799	10,000	14,259	27,000
Unrestricted	14,873	–	9,629	–
	44,672	10,000	23,888	27,000

\$ '000	2020	2019
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Details of restrictions

Internal restrictions

Plant and vehicle replacement	1,269	886
Infrastructure replacement	34,009	36,347
Employees leave entitlement	2,129	1,575
Deposits, retentions and bonds	–	28
Sales fluctuation reserve	2,000	2,000
Property asset reserve	392	423
Total internal restrictions	39,799	41,259
TOTAL RESTRICTIONS	39,799	41,259

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 8. Receivables

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Purpose				
Availability (access) charges	1,494	–	1,428	–
Interest and extra charges	93	–	92	–
User charges and fees	3,154	–	3,790	–
Accrued revenues				
– Interest on investments	515	–	658	–
Deferred developer contributions	488	–	508	–
Government grants and subsidies	85	–	84	–
Net GST receivable	80	–	161	–
Other debtors	49	–	–	–
Total	5,958	–	6,721	–
Less: provision of impairment				
User charges and fees	–	–	(15)	–
Total provision for impairment – receivables	–	–	(15)	–
TOTAL NET RECEIVABLES	5,958	–	6,706	–

\$ '000	2020	2019
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 139)	15	16
– amounts already provided for and written off this year	(15)	(1)
Balance at the end of the year	–	15

Accounting policy for receivables

Recognition and measurement

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

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

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

Impairment

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

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

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

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

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

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Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements for the year ended 30 June 2020

Note 8. Receivables (continued)

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

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

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

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

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Rates and annual charges outstanding are secured against the property.

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 9. Inventories and other assets

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Inventories				
(i) Inventories at cost				
Stores and materials	595	–	548	–
Total inventories at cost	595	–	548	–
<u>TOTAL INVENTORIES</u>	<u>595</u>	<u>–</u>	<u>548</u>	<u>–</u>

Accounting policy for inventories and other assets**Raw materials and stores, work in progress and finished goods**

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

Goldenfields Water County Council

Notes to the Financial Statements
for the year ended 30 June 2020

Note 10. Infrastructure, property, plant and equipment

\$ '000	as at 30/06/19			Asset movements during the reporting period						as at 30/06/20		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation (decrements) to equity (ARR)	Gross carrying amount	Accumulated depreciation	Net carrying amount
Capital work in progress	3,714	–	3,714	–	3,775	–	–	(1,452)	–	6,037	–	6,037
Plant and equipment	9,328	(3,421)	5,907	–	1,334	(733)	(935)	–	–	8,845	(3,272)	5,573
Office equipment	2,042	(583)	1,459	–	–	(178)	(330)	–	–	1,699	(748)	951
Furniture and fittings	140	(69)	71	–	–	–	(11)	–	–	110	(50)	60
Land:												
– Operational land	2,807	–	2,807	–	–	–	–	–	23	2,830	–	2,830
Infrastructure:												
– Buildings – non-specialised	7,074	(2,074)	5,000	–	43	–	(201)	–	(23)	7,094	(2,275)	4,819
– Water mains	295,011	(142,321)	152,690	41	1,010	(144)	(4,109)	1,278	15,507	323,070	(156,797)	166,273
– Reservoirs	85,552	(25,811)	59,741	45	–	–	(1,141)	9	(14,547)	83,599	(39,492)	44,107
– Pumping stations and bores	25,767	(8,993)	16,774	412	888	(30)	(693)	99	(3,159)	28,539	(14,248)	14,291
– Treatment plants	23,274	(6,759)	16,515	71	–	–	(694)	44	1,940	33,205	(15,329)	17,876
Total Infrastructure, property, plant and equipment	454,709	(190,031)	264,678	569	7,050	(1,085)	(8,114)	(22)	(259)	495,028	(232,211)	262,817

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

Goldenfields Water County Council

Notes to the Financial Statements
for the year ended 30 June 2020

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

	as at 30/06/18			Asset movements during the reporting period						as at 30/06/19		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation	Net carrying amount
\$ '000												
Capital work in progress	4,893	–	4,893	380	1,210	–	–	(2,769)	–	3,714	–	3,714
Plant and equipment	8,884	(2,980)	5,904	–	1,734	(1,035)	(696)	–	–	9,328	(3,421)	5,907
Office equipment	710	(249)	461	–	292	–	(334)	1,040	–	2,042	(583)	1,459
Furniture and fittings	140	(58)	82	–	–	–	(11)	–	–	140	(69)	71
Land:												
– Operational land	2,737	–	2,737	–	70	–	–	–	–	2,807	–	2,807
Infrastructure:												
– Buildings – non-specialised	6,574	(1,952)	4,622	19	481	–	(122)	–	–	7,074	(2,074)	5,000
– Water supply network	286,837	(137,218)	149,619	845	1,750	(84)	(3,338)	1,550	2,348	295,011	(142,321)	152,690
– Reservoirs	82,862	(24,235)	58,627	1,252	509	(243)	(1,399)	74	920	85,552	(25,811)	59,741
– Pumping stations and bores	24,744	(8,326)	16,418	403	559	(296)	(592)	105	177	25,767	(8,993)	16,774
– Treatment plants	22,666	(6,093)	16,573	50	203	–	(573)	–	263	23,274	(6,759)	16,515
Total Infrastructure, property, plant and equipment	441,047	(181,111)	259,936	2,949	6,808	(1,658)	(7,065)	–	3,708	454,709	(190,031)	264,678

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements for the year ended 30 June 2020

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

Accounting policy for infrastructure, property, plant and equipment

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

Water network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Industry (Dol) – Water.

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

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

When infrastructure, property, plant and equipment are acquired by Council for nil or nominal consideration, the assets are initially recognised at their fair value at acquisition date.

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

Plant and equipment	Years	Buildings	Years
Office equipment	5 to 10	Buildings: masonry	50 to 60
Office furniture	10 to 20	Buildings: other	25 to 40
Computer equipment	5		
Vehicles	5 to 8		
Heavy plant	10 to 20		
Other plant and equipment	5 to 15		
Water assets			
Reservoirs	40 to 100		
Bores	30 to 80		
Reticulation pipes: PVC	50 to 80		
Reticulation pipes: other	50 to 90		
Pumps and telemetry	10 to 40		

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 11. Leases

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

(i) Council as a lessee

\$ '000	2020
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(a) Income Statement

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

Expenses relating to short-term leases	5
Expenses relating to low-value leases	3
	8

Accounting policy

Accounting policies under AASB 16 – applicable from 1 July 2019

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

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

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

Exceptions to lease accounting

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

Council as a lessor

(b) Operating leases

Council leases out a number of residential properties to staff as well as access to Council owned sites to other utilities and leaseback vehicles to staff; these leases have been classified as operating leases for financial reporting purposes and the assets are included as IPP&E in the Statement of Financial Position.

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

\$ '000	2020
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(i) Operating lease income

Properties

Lease income (excluding variable lease payments not dependent on an index or rate)	74
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Other lease income

Leaseback fees - council vehicles	94
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Total income relating to operating leases	168
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(ii) Repairs and maintenance: property

Other	19
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Total repairs and maintenance: property	19
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Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements for the year ended 30 June 2020

Note 11. Leases (continued)

Accounting policy

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

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

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 12. Payables and borrowings

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Payables				
Goods and services – operating expenditure	184	–	909	–
Prepaid rates and charges	454	–	–	–
Accrued expenses:				
- Salaries and wages	161	–	245	–
- Employee expense on-costs	159	8	149	7
- Other expenditure accruals	304	–	260	–
Security bonds, deposits and retentions	–	–	28	–
Other	–	–	66	–
Total payables	1,262	8	1,657	7
Income received in advance (2019 only)				
Payments received in advance	–	–	332	–
Total income received in advance	–	–	332	–
<u>TOTAL PAYABLES AND BORROWINGS</u>	<u>1,262</u>	<u>8</u>	<u>1,989</u>	<u>7</u>

\$ '000	2020	2019
Financing arrangements		
(i) Unrestricted access was available at balance date to the following lines of credit:		
Bank overdraft facilities ¹	500	500
Credit cards/purchase cards	100	65
Total financing arrangements	600	565
Undrawn facilities as at balance date:		
– Bank overdraft facilities	500	500
– Credit cards/purchase cards	90	39
Total undrawn financing arrangements	590	539

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

Accounting policy for payables and borrowings

Council measures all financial liabilities initially at fair value less transaction costs.

The financial liabilities of the Council comprise trade payables.

Payables

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 13. Provisions

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Provisions				
Employee benefits				
Annual leave	791	–	660	–
Long service leave	1,567	118	1,069	80
Accrued leave	79	–	68	–
Sub-total – aggregate employee benefits	<u>2,437</u>	<u>118</u>	<u>1,797</u>	<u>80</u>
TOTAL PROVISIONS	<u>2,437</u>	<u>118</u>	<u>1,797</u>	<u>80</u>

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

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

Provisions – employees benefits	2,117	1,367
	<u>2,117</u>	<u>1,367</u>

Accounting policy for provisions

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

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

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

Employee benefits**Short-term obligations**

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements for the year ended 30 June 2020

Note 13. Provisions (continued)

On-costs

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

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

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Note 14. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

(a) Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

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

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

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

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

Goldenfields Water County Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Statement of cash flow information

\$ '000	Notes	2020	2019
(a) Reconciliation of cash and cash equivalents			
Total cash and cash equivalents per Statement of Financial Position	7(a)	5,672	1,888
Balance as per the Statement of Cash Flows		5,672	1,888
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		1,529	2,144
Adjust for non-cash items:			
Depreciation and amortisation		8,114	7,065
Net losses/(gains) on disposal of assets		415	819
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		763	(167)
Increase/(decrease) in provision for impairment of receivables		(15)	(1)
Decrease/(increase) in inventories		(47)	(8)
Decrease/(increase) in other current assets		-	40
Increase/(decrease) in payables		(725)	211
Increase/(decrease) in other accrued expenses payable		(40)	243
Increase/(decrease) in other liabilities		39	269
Increase/(decrease) in provision for employee benefits		678	53
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		10,711	10,668

Goldenfields Water County Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 16. Commitments

\$ '000	2020	2019
Capital commitments (exclusive of GST)		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Water infrastructure	799	–
Design & Construct Reservoirs	–	378
Backflow Devices	–	245
Total commitments	799	623
These expenditures are payable as follows:		
Within the next year	799	623
Total payable	799	623
Sources for funding of capital commitments:		
Unrestricted general funds	799	623
Total sources of funding	799	623
Details of capital commitments		
Oura HV Design \$215k		
Mandamah Design \$5k		
Jugiong Plan \$82k		
Thanowring Rd Design \$217k		
Matong Bore 1 Replacement \$250k		
Wyalong Depot \$30k		

Goldenfields Water County Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

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

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

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

Description of the funding arrangements.

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

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

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

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

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

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

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

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

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Contingencies (continued)

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

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2020 was \$27,988. The last formal valuation of the Scheme was performed by the Fund Actuary, Richard Boyfield FIAA as at 30 June 2019.

Council's expected contribution to the plan for the next annual reporting period is \$103,676.

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

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

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

The share of this deficit that is broadly attributed to Council is estimated to be in the order of \$76,200 as at 30 June 2020.

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

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

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

* Plus promotional increases

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

(ii) Statewide Limited

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

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

The future realisation and finalisation of claims incurred but not reported to 30 June 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.

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Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements for the year ended 30 June 2020

Note 17. Contingencies (continued)

(iv) Other guarantees

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

2. Other liabilities

(i) Third party claims

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

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

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 18. Financial risk management

Risk management

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

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

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

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

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

\$ '000	Carrying value 2020	Carrying value 2019	Fair value 2020	Fair value 2019
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	5,672	1,888	5,672	1,888
Receivables	5,958	6,706	5,958	6,706
Investments				
– 'Financial assets at amortised cost'	49,000	49,000	49,000	49,000
Total financial assets	60,630	57,594	60,630	57,594
Financial liabilities				
Payables	1,270	1,664	1,270	1,664
Total financial liabilities	1,270	1,664	1,270	1,664

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value
- **Held-to-maturity investments** – are based upon estimated future cash flows discounted by the current mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.

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

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

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and its staff and an investment report is tabled at each Council meeting setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 18. Financial risk management (continued)

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

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

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

\$ '000	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2020				
Possible impact of a 1% movement in interest rates	532	532	(532)	(532)
2019				
Possible impact of a 1% movement in interest rates	502	502	(502)	(502)

(b) Credit risk

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

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

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

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

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

Credit risk profile

Receivables – rates and annual charges

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

\$ '000	Not yet overdue	< 1 year overdue	1 - 2 years overdue	2 - 5 years overdue	> 5 years overdue	Total
2020						
Gross carrying amount	1,059	435	–	–	–	1,494
2019						
Gross carrying amount	739	689	–	–	–	1,428

Receivables - non-rates and annual charges

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

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

Goldenfields Water County Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 18. Financial risk management (continued)

\$ '000	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	61 - 90 days overdue	> 91 days overdue	Total
2020						
Gross carrying amount	3,090	460	115	40	759	4,464
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–
2019						
Gross carrying amount	4,638	655	–	–	–	5,293
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–

(c) Liquidity risk

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

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

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

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

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2020							
Trade/other payables	0.00%	–	1,270	–	–	1,270	1,270
Total financial liabilities		–	1,270	–	–	1,270	1,270
2019							
Trade/other payables	0.00%	28	1,636	–	–	1,664	1,664
Total financial liabilities		28	1,636	–	–	1,664	1,664

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 19. Material budget variations

Council's original financial budget for 19/20 was adopted by the Council on 27/06/2019 and is unaudited.

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

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

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

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

\$ '000	2020 Budget	2020 Actual	2020 ----- Variance -----		
REVENUES					
Rates and annual charges	5,335	5,447	112	2%	F
User charges and fees	15,717	17,464	1,747	11%	F
Water usage charges higher than original budget due to extreme weater conditions during summer.					
Other revenues	210	80	(130)	(62)%	U
Income budget items categorised differently to actual. Budget includes \$75k rental income and \$45k S603 certificates, which are disclosed as rental income and user charges and fees in these statements.					
Operating grants and contributions	219	–	(219)	100%	U
Income budget items categorised differently to actual. Budget includes \$99k leaseback fees and \$105k pensioner rebate.					
Capital grants and contributions	800	1,559	759	95%	F
Developer contributions greater than budget due to higher than anticipated development.					
Interest and investment revenue	1,248	1,371	123	10%	F
Interest and investment revenue greater than originally budgeted due to higher levels of cash on hand from increased water sales and unspent capital works expenditure.					
Rental income	–	168	168	∞	F
Rental income budgeted as Other Revenues.					

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 19. Material budget variations

\$ '000	2020 Budget	2020 Actual	2020 ----- Variance -----		
EXPENSES					
Employee benefits and on-costs	7,627	7,441	186	2%	F
Materials and contracts	3,181	3,933	(752)	(24)%	U
Higher proportion of actual expenditure classified as operating expenditure rather than capitalised as originally budgeted.					
Depreciation and amortisation	6,914	8,114	(1,200)	(17)%	U
Revaluation of infrastructure assets resulted in higher depreciation expenditure than budgeted.					
Other expenses	4,285	4,657	(372)	(9)%	U
Net losses from disposal of assets	-	415	(415)	∞	U
STATEMENT OF CASH FLOWS					
Cash flows from operating activities	8,636	10,711	2,075	24%	F
Additional water sales has resulted in higher cash flows from operating activities.					
Cash flows from investing activities	(12,412)	(6,927)	5,485	(44)%	F
Cash outflows from capital works expenditure was lower than budgeted, resulting in lower outflows from investing activities.					

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements
for the year ended 30 June 2020

Note 20. Fair Value Measurement

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

– Infrastructure, property, plant and equipment

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

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

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

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

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

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

2020	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements					
Infrastructure, property, plant and equipment					
Plant and Equipment	30/06/20	–	–	5,573	5,573
Office Equipment	30/06/20	–	–	951	951
Furniture and Fittings	30/06/20	–	–	60	60
Operational Land	30/06/18	–	2,830	–	2,830
Buildings – Non Specialised	30/06/18	–	4,819	–	4,819
Water Mains	30/06/20	–	–	166,273	166,273
Reservoirs	30/06/20	–	–	44,107	44,107
Pumping Stations and Bores	30/06/20	–	–	14,291	14,291
Treatment Plants	30/06/20	–	–	17,876	17,876
Total infrastructure, property, plant and equipment		–	7,649	249,131	256,780

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 20. Fair Value Measurement (continued)

2019	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements					
Infrastructure, property, plant and equipment					
Plant and Equipment	30/06/19	–	–	5,907	5,907
Office Equipment	30/06/19	–	–	1,459	1,459
Furniture and Fittings	30/06/19	–	–	71	71
Operational Land	30/06/18	–	2,807	–	2,807
Buildings – Non Specialised	30/06/18	–	5,000	–	5,000
Water Mains	30/06/17	–	–	152,690	152,690
Reservoirs	30/06/17	–	–	59,741	59,741
Pumping Stations and Bores	30/06/17	–	–	16,774	16,774
Treatment Plants	30/06/17	–	–	16,515	16,515
Total infrastructure, property, plant and equipment		–	7,807	253,157	260,964

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

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

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

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

Infrastructure, property, plant and equipment (IPP&E)**Plant and Equipment, Office Equipment and Furniture and Fittings**

Plant and Equipment, Office Equipment and Furniture and Fittings are valued at depreciated historical cost.

The carrying amount of these assets approximates fair value due to the nature of the items. Council values Plant and Equipment, Office Equipment and Furniture and Fittings using unobservable level 3 inputs including gross historical cost, estimated useful life of the asset and residual value.

Land - Operational

This asset class comprises of all of Council's land classified as Operational Land under the NSW Local Government Act 1993. Land was revalued as at 30 June 2018 by Asset Val Pty Ltd.

Fair value is based on sales of land in the locality and principles of the direct comparison method for individual parcels. Where there is a lack of comparable sales, closest comparable sales of properties with similar characteristics is used.

Direct comparison method is considered a level 2 input, involves the analysis of sales evidence and comparisons of the subject land, taking into account matters such as area, location and other general site characteristics. The valuation techniques used maximise the use of observable data where it is available.

Buildings - Non Specialised

Buildings were valued at 30 June 2018 by Asset Val Pty Ltd.

Fair value is determined using a sales based market value approach. A market approach is based on available sales evidence using either the direct comparison, summation or income approaches. Where a market value approach is not suitable, an alternative replacement cost approach is used. The cost approach may not be suitable for assets of a specialised nature where there is a lack of market evidence.

Market approach valuation is deemed to be a level 2 input. The valuation techniques used maximise the use of observable data where it is available.

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 20. Fair Value Measurement (continued)

Water Infrastructure

This comprises of water mains, reservoirs, bores, pumping stations and treatment plants.

These asset classes were revalued as at 30 June 2020 by engineering staff at council utilising the cost approach. This method is based on determining the replacement cost of the modern equivalent and then adjusting for the level of consumed future economic benefit and impairment to arrive at the current replacement cost.

Replacement costs are based on the use of relevant unit rates based on component design, specification and material used, further adjusted for any location, geographical or other adjustments. All assets are split into the components used for asset management planning purposes.

Physical inspections were undertaken on above ground infrastructure to confirm condition. Some assets such as underground pipes are not able to be inspected due to their nature. For these assets, reliance is placed on asset management and GIS system data based from day-to-day operations to manage these assets.

This approach is deemed to be a level 3 input due to the use of data that is unobservable in the market.

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

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

\$ '000	IPP&E
2019	
Opening balance	247,684
Purchases (GBV)	10,366
Disposals (WDV)	(1,658)
Depreciation and impairment	(6,943)
FV gains – other comprehensive income	3,708
Closing balance	253,157
2020	
Opening balance	253,157
Purchases (GBV)	5,231
Disposals (WDV)	(1,085)
Depreciation and impairment	(7,913)
FV gains – other comprehensive income	(259)
Closing balance	249,131

(4) Highest and best use

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

Goldenfields Water County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 21. Related party disclosures

(a) Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly. The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2020	2019
Compensation:		
Short-term benefits	881	666
Post-employment benefits	101	76
Other long-term benefits	22	12
Termination benefits	–	141
Total	1,004	895

(b) Other transactions with KMP and their related parties

Nature of the transaction	Ref	Value of transactions during year	Outstanding balance (incl. loans and commitments)	Terms and conditions	Provisions for impairment of receivables outstanding	Expense recognised for impairment of receivables
\$ '000						
2020						
Supply and Service of Council vehicles	1	395	–		–	–
Rental of Council Owned Properties	2	21	–		–	–
2019						
Supply and Service of Council vehicles	1	662	–		–	–
Rental of Council Owned Properties	2	–	–		–	–

- 1 Council purchased vehicles during the year from a company which has a member of Council's KMP as a director. The contract of supply of Council vehicles was awarded through a competitive tender process. Amounts were due payable under normal payment terms following procurement processes.
- 2 Council owned properties rented to KMP.

Goldenfields Water County Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 22(a). Statement of performance measures – consolidated results

\$ '000	Amounts 2020	Indicator 2020	Prior periods		Benchmark
			2019	2018	
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	385	1.57%	8.35%	8.64%	>0.00%
<u>Total continuing operating revenue excluding capital grants and contributions ¹</u>	<u>24,530</u>				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	24,530	94.02%	96.15%	91.07%	>60.00%
<u>Total continuing operating revenue ¹</u>	<u>26,089</u>				
3. Unrestricted current ratio					
Current assets less all external restrictions	51,242	32.03x	13.10x	11.09x	>1.50x
<u>Current liabilities less specific purpose liabilities</u>	<u>1,600</u>				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	8,499	∞	∞	∞	>2.00x
<u>Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)</u>	<u>-</u>				
5. Rates, annual charges, interest and extra charges outstanding percentage					
Rates, annual and extra charges outstanding	1,587	22.64%	22.71%	21.43%	<10.00%
<u>Rates, annual and extra charges collectible</u>	<u>7,011</u>				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	54,672	36.90	37.95	39.20	>3.00
<u>Monthly payments from cash flow of operating and financing activities</u>	<u>1,482</u>	<u>mths</u>	<u>mths</u>	<u>mths</u>	<u>mths</u>

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

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



INDEPENDENT AUDITOR'S REPORT
Report on the general purpose financial statements
Goldenfields Water County Council

To the Councillors of Goldenfields Water County Council

Opinion

I have audited the accompanying financial statements of Goldenfields Water County Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2020, the Statement of Financial Position as at 30 June 2020, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

The Council's annual report for the year ended 30 June 2020 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note 19 Material budget variations
- on the Special Schedules
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Nathan Carter
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

1 October 2020
SYDNEY



Cr Dennis Palmer
Chairperson
Goldenfields Water County Council
PO Box 220
TEMORA NSW 2666

Contact: Nathan Carter
Phone no: 02 9275 7341
Our ref: D2019618

1 October 2020

Dear Cr Palmer

**Report on the Conduct of the Audit
for the year ended 30 June 2020
Goldenfields Water County Council**






I have audited the general purpose financial statements (GPFS) of the Goldenfields Water County Council (the Council) for the year ended 30 June 2020 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2020 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2020	2019*	Variance
	\$'000	\$'000	%
Rates and annual charges revenue	5,447	5,243	 3.9
User charges and fees	17,464	17,335	 0.74
Grants and contributions revenue	1,559	970	 60.7
Operating result from continuing operations	1,529	2,144	 28.7
Net operating result before capital grants and contributions	(30)	1,204	 102.5

Rates and annual charges revenue increased by \$0.2 million (3.9 per cent) to \$5.45 million. This is mainly due to an average rate increase in 2019-20 of 3 per cent.

User charges and fees increased by \$0.1 million (0.74 per cent) to \$17.46 million. This is attributable to higher water sales (specific actual use charges) and bulk water sales to councils compared to the previous year.

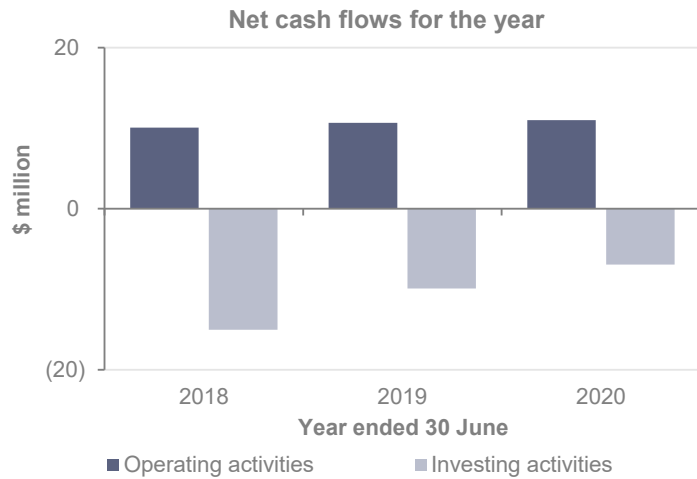
Grants and contributions revenue (\$1.6 million) increased by \$0.6 million (60.7 per cent) in 2019–20 due to additional water supply contributions received for headworks.

The Council's operating result from continuing operations of \$1.53 million (including depreciation and amortisation expense of \$8.11 million) was \$0.6 million lower than the 2018–19 result. The decrease of 28.7 per cent is consistent with an increase in total expenses from continuing operations. The increase in expenses being mainly attributed to an increase in depreciation and amortisation expense and employee benefits and on-costs.

The net operating result before capital grants and contributions was \$1.23 million lower than the 2018–19 result. The decrease of 102.5 per cent is mainly attributed to an increase in depreciation and amortisation expense and employee benefits and on-costs.

STATEMENT OF CASH FLOWS

- Council recorded a net increase in cash and cash equivalents of \$3.78 million for the year ended 30 June 2020, compared to a net increase in cash and cash equivalent of \$0.75 million for the year ended 30 June 2019
- The increase is mainly attributable to lower cash outflows associated with the purchases of infrastructure property, plant and equipment during 2019-20, which was \$7.60 million, compared to \$9.76 million in 2018-19.



FINANCIAL POSITION

Cash and investments

Cash and investments	2020	2019	Commentary
	\$'000	\$'000	
External restrictions	-	-	<ul style="list-style-type: none"> • Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect identified programs of works and any forward plans identified by Council. The movement in the internally restricted cash balance is predominantly due to a decrease in infrastructure replacement restrictions. • Unrestricted cash has increased due to the decrease in internal restrictions from the prior year explained above.
Internal restrictions	39,799	41,259	
Unrestricted	14,873	9,629	
Cash and investments	54,672	50,888	

Debt

Council maintains a bank overdraft facility of \$0.5 million. As at 30 June 2020, Council has not drawn down on the facility.

Council has no external borrowings.

PERFORMANCE

Performance measures

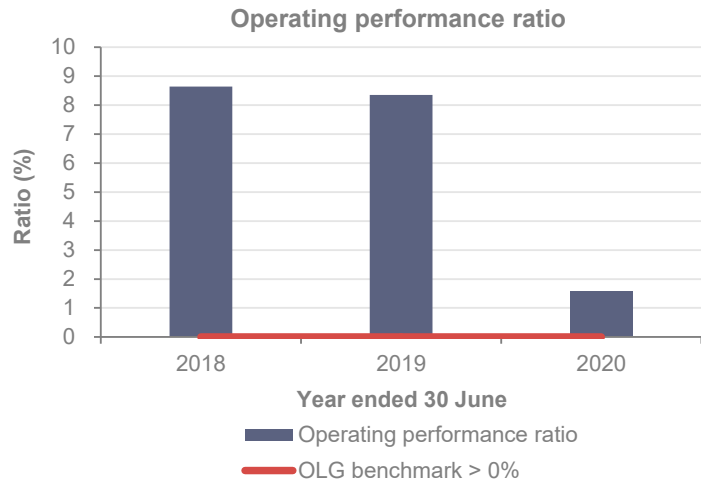
The following section provides an overview of the Council’s performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Industry and Environment.

Operating performance ratio

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

The Council exceeded the OLG benchmark for the current reporting period.

The decrease in the ratio compared to 2018-19 is explained by commentary under ‘Income Statement’.

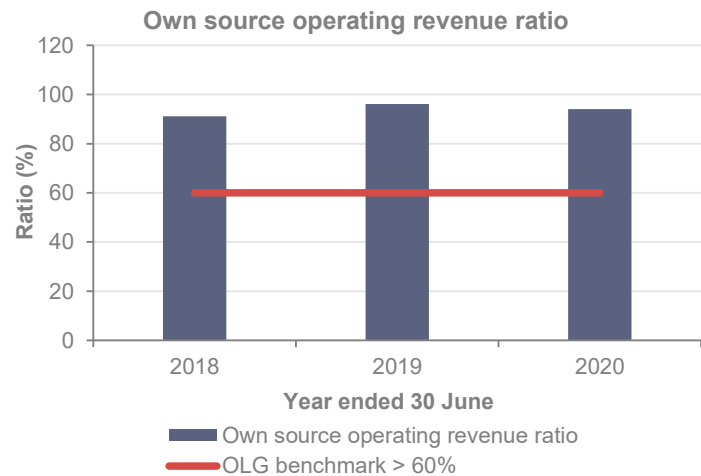


Own source operating revenue ratio

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

The Council exceeded the OLG benchmark for the current reporting period.

Council’s main source of income is from water sales, rather than reliance on grants and contributions.

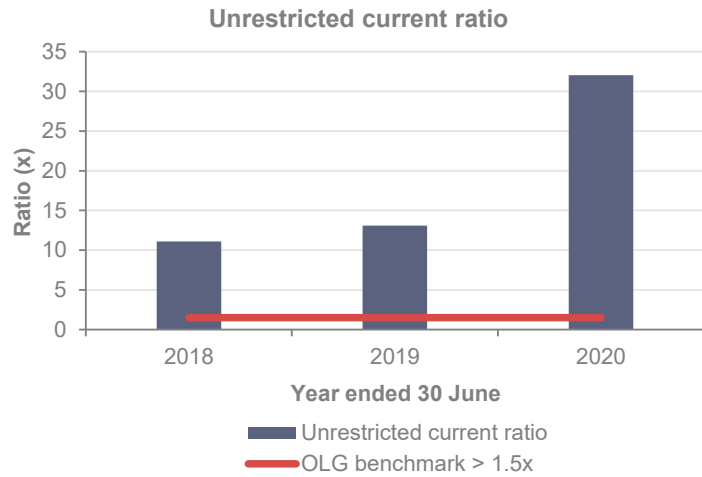


Unrestricted current ratio

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

The Council exceeded the OLG benchmark for the current reporting period.

The Council's unrestricted current ratio has increased due to a movement in investments from non-current to current and a reduction in external restrictions.

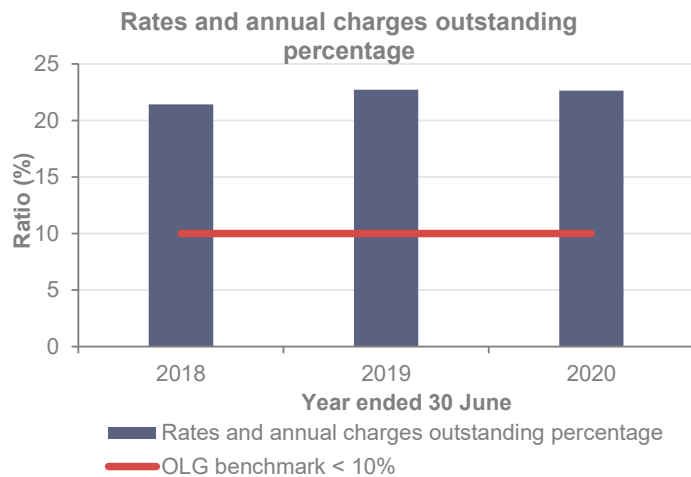


Rates and annual charges outstanding percentage

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

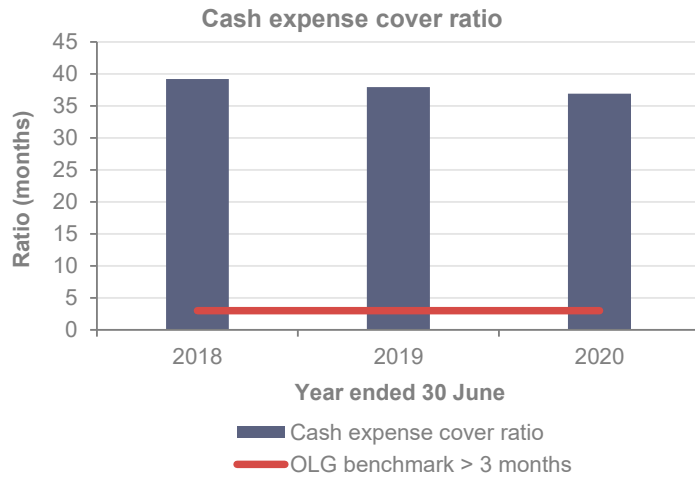
The Council did not meet the OLG benchmark for the current reporting period.

The Council's quarterly billing arrangements impact on this ratio.



Cash expense cover ratio

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



Infrastructure, property, plant and equipment renewals

The Council has renewed \$0.57 million of assets in the 2019-20 financial year, compared to \$2.95 million of assets in the 2018-19 financial year. The decrease is primarily due to lower renewals on reservoir infrastructure and water supply network assets during 2019-20.

OTHER MATTERS

Impact of new accounting standards

AASB 15 'Revenue from Contracts with Customers' and AASB 1058 'Income for Not-for-Profit Entities'

The Council adopted the new accounting standards AASB 15 'Revenue from Contracts with Customers' and AASB 1058 'Income of Not-for-Profit Entities' (collectively referred to as 'the Revenue Standards') for the first time in their 2019–20 financial statements.

AASB 15 introduces a new approach to recognising revenue based on the principle that revenue is recognised when control of a good or service transfers to a customer. AASB 15 can impact the timing and amount of revenue recorded in a councils' financial statements, particularly for grant revenue. AASB 15 also increases the amount of disclosures required.

AASB 1058 prescribes how not-for-profit entities account for transactions conducted on non-commercial terms and the receipt of volunteer services. AASB 1058 can impact the timing and amount of income recorded in a councils' financial statements, particularly for grant income and rates which are paid before the commencement of the rating period.

The Council did not recognise an adjustment to opening accumulated surplus at 1 July 2019 on adoption of the Revenue Standards.

The Council disclosed the impact of adopting the Revenue Standards in Note 14.

AASB 16 'Leases'

The Council adopted the new accounting standard AASB 16 'Leases' for the first time in their 2019–20 financial statements.

AASB 16 changes the way lessees treat operating leases for financial reporting. With a few exceptions, operating leases will now be recorded in the Statement of Financial Position as a right-of-use asset, with a corresponding lease liability.

AASB 16 results in lessees recording more assets and liabilities in the Statement of Financial Position and changes the timing and pattern of expenses recorded in the Income Statement.

The Council did not have any right-of-use assets or lease liabilities at 1 July 2019 on adoption of AASB 16.

The Council disclosed the impact of adopting AASB 16 in Note 14.

Legislative compliance

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

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



Nathan Carter
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

cc: Mr Aaron Drenovski, General Manager
Mr Peter McLean, Chair of the Audit, Risk and Improvement Committee
Jim Betts, Secretary of the Department of Planning, Industry and Environment

Goldenfields Water County Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2020

To be innovative leaders in the supply and distribution of water through regional efficiency, technical excellence and customer service.



Goldenfields Water County Council

Special Purpose Financial Statements 2020

Special Purpose Financial Statements for the year ended 30 June 2020

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Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Goldenfields Water County Council

Special Purpose Financial Statements 2020

Special Purpose Financial Statements

for the year ended 30 June 2020

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 27 August 2020.



Clr Dennis Palmer
Chairperson
27 August 2020



Clr David McCann
Deputy Chairperson
27 August 2020



Aaron Drenovski
General Manager
27 August 2020



Michele Curran
Responsible Accounting Officer
27 August 2020

Goldenfields Water County Council

Special Purpose Financial Statements 2020

Income Statement – Water Supply Business Activity
for the year ended 30 June 2020

\$ '000	2020	2019
Income from continuing operations		
Access charges	5,447	5,243
User charges	17,223	16,922
Fees	338	413
Interest	1,371	1,447
Grants and contributions provided for non-capital purposes	–	30
Other income	150	169
Total income from continuing operations	24,529	24,224
Expenses from continuing operations		
Employee benefits and on-costs	7,441	6,587
Materials and contracts	3,833	3,287
Depreciation, amortisation and impairment	8,114	7,065
Water purchase charges	99	116
Loss on sale of assets	415	819
Calculated taxation equivalents	34	35
Other expenses	4,657	5,146
Total expenses from continuing operations	24,593	23,055
Surplus (deficit) from continuing operations before capital amounts	(64)	1,169
Grants and contributions provided for capital purposes	1,559	940
Surplus (deficit) from continuing operations after capital amounts	1,495	2,109
Surplus (deficit) from all operations before tax	1,495	2,109
Less: corporate taxation equivalent (27.5%) [based on result before capital]	–	(321)
SURPLUS (DEFICIT) AFTER TAX	1,495	1,788
Plus accumulated surplus	93,501	91,357
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	34	35
– Corporate taxation equivalent	–	321
Closing accumulated surplus	95,030	93,501
Return on capital %	0.0%	0.4%
Subsidy from Council	2,377	–
Calculation of dividend payable:		
Surplus (deficit) after tax	1,495	1,788
Less: capital grants and contributions (excluding developer contributions)	(1,559)	(940)
Surplus for dividend calculation purposes	–	848
Potential dividend calculated from surplus	–	424

Goldenfields Water County Council

Special Purpose Financial Statements 2020

Statement of Financial Position – Water Supply Business Activity
as at 30 June 2020

\$ '000	2020	2019
ASSETS		
Current assets		
Cash and cash equivalents	5,672	1,888
Investments	39,000	22,000
Receivables	5,958	6,706
Inventories	595	548
Total current assets	51,225	31,142
Non-current assets		
Investments	10,000	27,000
Infrastructure, property, plant and equipment	262,817	264,678
Total non-current assets	272,817	291,678
TOTAL ASSETS	324,042	322,820
LIABILITIES		
Current liabilities		
Payables	1,262	1,657
Income received in advance	–	332
Provisions	2,437	1,797
Total current liabilities	3,699	3,786
Non-current liabilities		
Payables	8	7
Provisions	118	80
Total non-current liabilities	126	87
TOTAL LIABILITIES	3,825	3,873
NET ASSETS	320,217	318,947
EQUITY		
Accumulated surplus	95,030	93,501
Revaluation reserves	225,187	225,446
TOTAL EQUITY	320,217	318,947

Goldenfields Water County Council

Special Purpose Financial Statements 2020

Notes to the Special Purpose Financial Statements for the year ended 30 June 2020

Note 1. Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the Local Government Act 2093 (NSW), the *Local Government (General) Regulation 2005*, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The *Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

Declared business activities

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

Category 1

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

Goldenfields Water County Council (whole of Council operation)

Water supply within the Local Government areas of Bland, Coolamon, Junee, Temora and parts of Cootamundra-Gundagai, Hilltops and Narrandera. Bulk water is supplied to Hilltops and Cootamundra-Gundagai Councils.

Monetary amounts

Amounts shown in the financial statements are in Australian dollars and rounded to the nearest one thousand dollars.

Goldenfields Water County Council

Special Purpose Financial Statements 2020

Notes to the Special Purpose Financial Statements for the year ended 30 June 2020

Note 1. Significant Accounting Policies (continued)

(i) Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 27.5%

Land tax – the first \$734,000 of combined land values attracts **0%**. For the combined land values in excess of \$734,001 up to \$4,488,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$4,488,000 a premium marginal rate of **2.0%** applies.

Income tax

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

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

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

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

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

Local government rates and charges

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

Loan and debt guarantee fees

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

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

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by Council in any given financial year.

continued on next page ...

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Goldenfields Water County Council

Special Purpose Financial Statements 2020

Notes to the Special Purpose Financial Statements for the year ended 30 June 2020

Note 1. Significant Accounting Policies (continued)

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(iii) Return on investments (rate of return)

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

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

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

The rate of return is calculated as follows:

Operating result before capital income + interest expense

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

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 0.88% at 30/6/20.

(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 businesses are permitted to pay an annual dividend from its water supply surplus.

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

- 50% of this surplus in any one year, or
- the number of water supply assessments at 30/06/2020 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the Best Practice Management of Water Supply and Sewer Guidelines, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the Department of Industry - Water.



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statements

Goldenfields Water County Council

To the Councillors of Goldenfields Water County Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Goldenfields Water County Council's (the Council) Declared Business Activity, Water Supply Business Activity, which comprise the Statement by Councillors and Management, the Income Statement of the Declared Business Activity for the year ended 30 June 2020, the Statement of Financial Position of the Declared Business Activity as at 30 June 2020 and Note 1 Significant accounting policies for the Business Activity declared by Council.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activity as at 30 June 2020, and its financial performance for the year then ended, in accordance with the Australian Accounting Standards described in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting – update number 28 (LG Code).

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2020 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in Note 1 to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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



Nathan Carter
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

1 October 2020
SYDNEY

Goldenfields Water County Council

SPECIAL SCHEDULES
for the year ended 30 June 2020

To be innovative leaders in the supply and distribution of water through regional efficiency, technical excellence and customer service.



Goldenfields Water County Council

Special Schedules 2020

Special Schedules for the year ended 30 June 2020

Contents	Page
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Report on Infrastructure Assets - Values	3

Goldenfields Water County Council

Report on Infrastructure Assets

as at 30 June 2020

Asset Class	Asset Category	Estimated cost		2019/20 Required maintenance ^a	2019/20 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost					
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5	
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000						
(a) Report on Infrastructure Assets - Values													
Buildings	Council Office	–	–	18	26	1,434	1,837	95.0%	0.0%	5.0%	0.0%	0.0%	
	Council Works Depots	–	–	19	20	1,921	2,529	91.0%	3.0%	3.0%	3.0%	0.0%	
	Council Houses	–	–	9	12	1,464	2,728	37.0%	28.0%	35.0%	0.0%	0.0%	
	Sub-total	–	–	46	58	4,819	7,094	71.3%	11.8%	15.8%	1.1%	0.0%	
Water supply network	Mains	36,417	44,362	1,519	1,409	166,273	323,070	22.3%	29.3%	3.3%	29.7%	15.4%	
	Reservoirs	1,686	919	169	156	44,107	83,599	8.9%	37.9%	43.5%	9.6%	0.1%	
	Pumping Stations & Bores	1,145	824	879	815	14,291	28,539	13.3%	22.6%	47.6%	14.5%	2.0%	
	Treatment	1,116	1,210	228	212	17,876	33,205	0.0%	33.2%	53.9%	9.0%	3.9%	
	Sub-total	40,364	47,315	2,795	2,592	242,547	468,413	17.8%	30.7%	16.8%	23.7%	11.0%	
TOTAL - ALL ASSETS		40,364	47,315	2,841	2,650	247,366	475,507	18.6%	30.4%	16.7%	23.4%	10.9%	

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Goldenfields Water County Council

Special Schedules 2020

Report on Infrastructure Assets (continued)
as at 30 June 2020

\$ '000	Amounts 2020	Indicator 2020	Prior periods		Benchmark
			2019	2018	
Infrastructure asset performance indicators (consolidated) *					
Buildings and infrastructure renewals ratio ¹					
Asset renewals ²	569	8.32%	85.23%	74.25%	>=100.00%
Depreciation, amortisation and impairment	6,838				
Infrastructure backlog ratio ¹					
Estimated cost to bring assets to a satisfactory standard	40,364	16.32%	11.55%	11.27%	<2.00%
Net carrying amount of infrastructure assets	247,366				
Asset maintenance ratio					
Actual asset maintenance	2,650	93.28%	78.97%	147.01%	>100.00%
Required asset maintenance	2,841				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	47,315	9.95%	6.93%	6.96%	
Gross replacement cost	475,507				

(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Excludes Work In Progress (WIP)

(2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

COUNCIL INVESTMENTS

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the report detailing Council Investments as at 30th September 2020 be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

09 Financially Sustainable

BACKGROUND

A report on Council's Investments is required to be presented for Council's consideration in accordance with Clause 212 of the Local Government (General) Regulation 2005.

REPORT

Council's investment portfolio increased by \$500,000 from \$54,250,000 as at 31st July 2020 to \$54,750,000 as at 30th September 2020.

Investment Portfolio

Type	Rating	SP Rating	Issuer	Frequency	Purchase	Maturity	Days	Rate	Benchmark*	Principal
TD	A-	A1	Macquarie Bank	At Maturity	7/04/2020	21/10/2020	197	1.70	0.50	\$2,000,000
TD	BBB+	A2	BOQ	Annual	7/11/2017	9/11/2020	1098	3.00	0.50	\$3,000,000
TD	BBB+	A2	Rural Bank	Annual	6/12/2017	7/12/2020	1097	2.95	0.50	\$3,000,000
TD	A-	A1	Macquarie Bank	At Maturity	17/03/2020	16/12/2020	274	1.60	0.50	\$4,000,000
TD	BBB+	A2	Rural Bank	Annual	9/01/2018	11/01/2021	1098	3.10	0.50	\$3,000,000
TD	AA-	A1+	National Australia Bank	At Maturity	14/02/2020	16/02/2021	368	1.50	0.50	\$3,000,000
TD	NR	NR	Police Credit Union SA	Annual	21/03/2018	22/03/2021	1097	3.15	0.50	\$2,000,000
TD	BBB	A2	AMP Bank	At Maturity	19/03/2020	25/03/2021	371	1.80	0.50	\$2,000,000
TD	NR	NR	Australian Military Bank	Annual	29/03/2018	29/03/2021	1096	3.20	0.50	\$1,000,000
TD	AA-	A1+	Westpac	Quarterly	24/04/2018	27/04/2021	1099	3.13	0.50	\$3,000,000
TD	AA-	A1+	National Australia Bank	At Maturity	9/06/2020	9/06/2021	365	0.98	0.50	\$2,000,000
TD	BBB	A2	P&N Bank	Annual	27/06/2018	28/06/2021	1097	3.15	0.50	\$3,000,000
TD	BBB+	A2	BOQ	Annual	12/07/2017	12/07/2021	1461	3.45	0.50	\$2,000,000
TD	BBB+	A2	BOQ	Annual	29/10/2018	29/10/2021	1096	3.00	0.50	\$3,000,000
TD	BBB	A2	AMP Bank	Annual	15/05/2020	17/11/2021	551	1.55	0.50	\$3,000,000
TD	BBB+	A2	BOQ	Annual	12/07/2018	12/07/2022	1461	3.50	0.50	\$1,000,000
TD	AA-	A1+	Westpac	Quarterly	13/07/2020	13/07/2022	730	0.96	0.50	\$3,000,000
TD	BBB+	A2	BOQ	Annual	23/06/2020	20/07/2022	757	1.23	0.50	\$1,000,000
TD	AA-	A1+	Westpac	Quarterly	5/08/2020	7/09/2022	763	0.90	0.50	\$3,000,000
TD	AA-	A1+	NT Treasury	Annual	10/09/2020	15/12/2023	1191	1.00	0.50	\$2,000,000
TD	AA-	A1+	NT Treasury	Annual	28/09/2020	15/12/2024	1539	1.10	0.50	\$1,000,000
CASH	BBB	A2	ME	Monthly				0.65	0.25	\$2,000,000
CASH	AA-	A1+	CBA	Monthly				0.20	0.25	\$2,750,000
TOTAL:										\$54,750,000

*Benchmarks

On Call - RBA Cash

Floating Rate Deposit - 3m BBSW

Term Deposit - BBSW

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

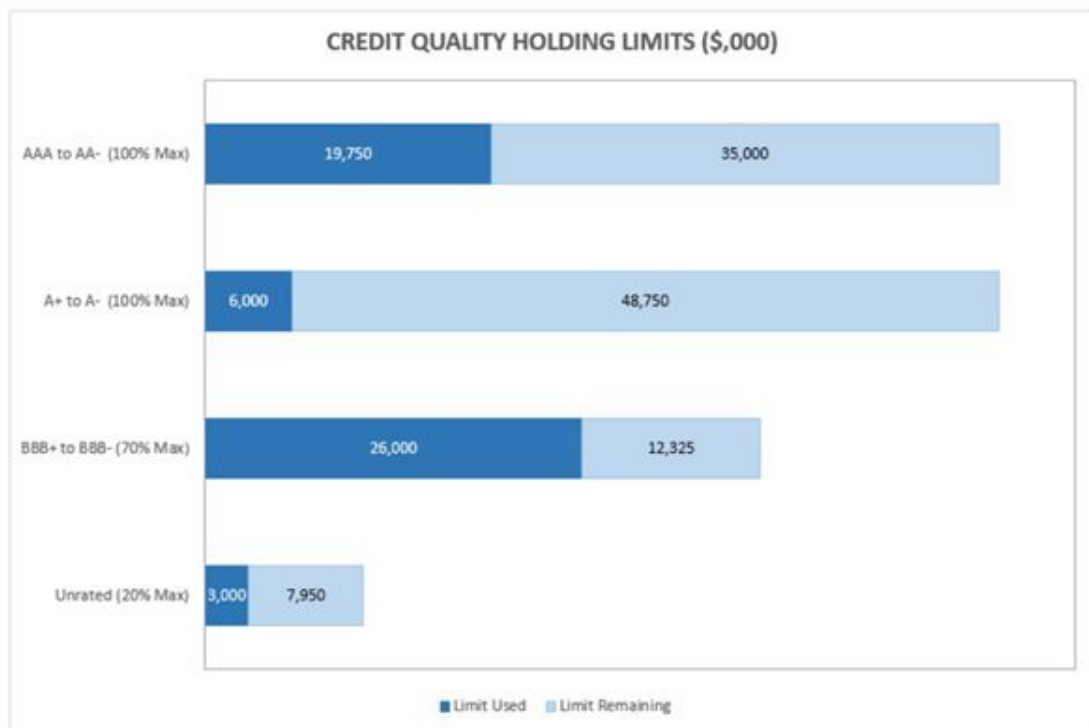
Performance

Goldenfields Water County Council’s investment portfolio outperformed the relevant BBSW Index benchmark by 325%. The average weighted yield for July was 2.03%, over an average weighted term of 300 days, with a benchmark of 0.48%.

Total Cost 54,750,000	Total Accrued Interest 557,084	Weighted Average Term 300 Days
Total Value 54,750,000	Monthly Interest Received 67,147	Weighted Average Yield 2.03%

Credit Quality Compliance

Council’s investment portfolio was compliant with policy in terms of S&P long term rating credit quality limits, as displayed below.

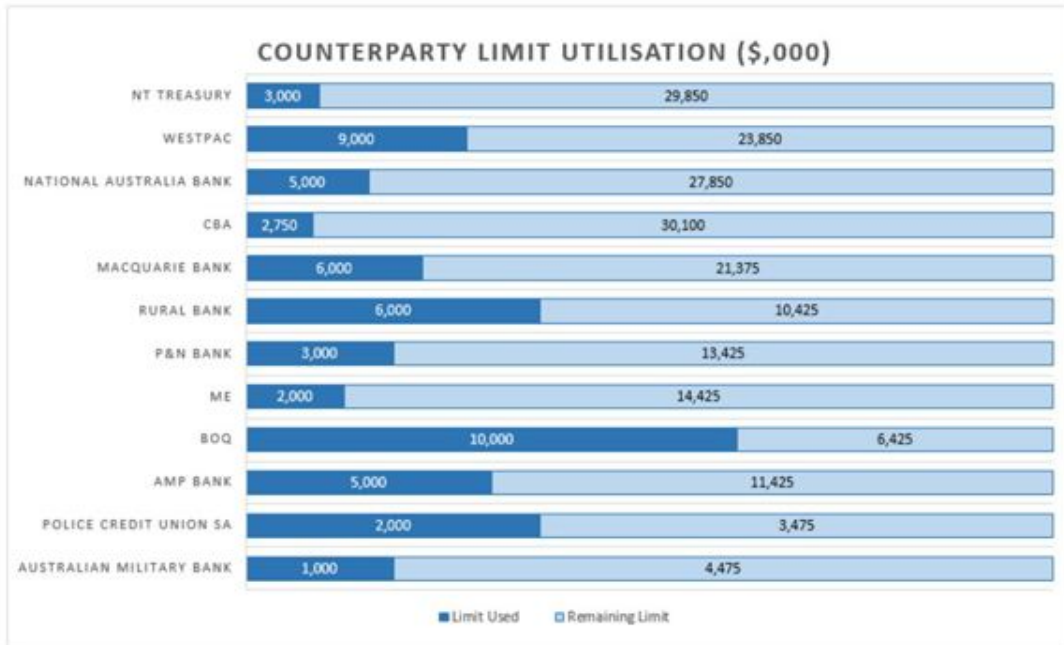


GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

Counter Party Compliance

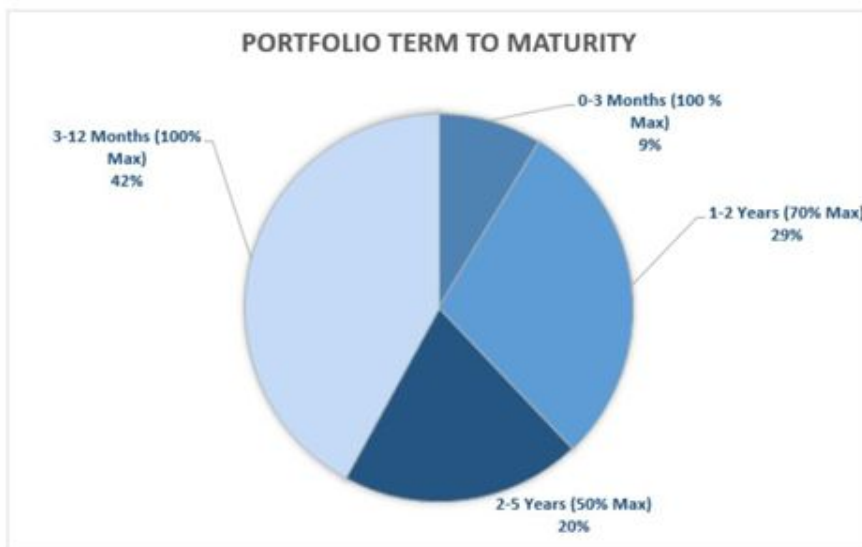
As at the end of September, Council was compliant with policy in terms of individual financial institution capacity limits. It is worth noting that capacity limits are affected by changes in the on call account balance compared to the total portfolio balance.

Overall, the portfolio is diversified across a variety of credit ratings, including some exposure to unrated ADIs.



Term to Maturity

Council’s investment portfolio maturities shown graphically below were also compliant with policy requirements.



GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

APPLICATION OF INVESTMENT FUNDS

The table below details the allocation of cash balances in terms of restricted funds, noting restrictions are all internal rather than external.

Restricted Funds:	
Plant & Vehicle Replacement	1,269,216
Infrastructure Replacement	34,009,119
Employee Leave Entitlement	2,128,849
Sales Fluctuation Reserve	2,000,000
Property Reserve	391,890
Unrestricted Funds:	14,950,926
TOTAL	54,750,000

FINANCIAL IMPACT STATEMENT

Council's investment portfolio increased by \$500,000 from \$54,250,000 as at 31st July 2020 to \$54,750,000 as at 30th September 2020.

DECLARATION

I hereby certify that investments listed in the report have been made in accordance with Section 625 of the Local Government Act 1993, Clause 212 of the Local Government (General) Regulation 2005 and Council's Investment Policy PP004.

Signed



Michele Curran
Responsible Accounting Officer

ATTACHMENTS: Nil.**TABLED ITEMS:** Nil.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

PROGRESS REPORT – CAPITAL WORKS EXPENDITURE

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the report detailing Council's Capital Works Program as at 30 September 2020 be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

09 Financially Sustainable

BACKGROUND

Capital Works represents a significant part of Councils activities and expenditure. This report details progress year to date on programmed and emergent capital works.

REPORT

This report is presented for information on the Capital Works Program year to date progress as at 30 September 2020.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Capital Works Progress Report as at 30 September 2020

TABLED ITEMS: Nil.

PUBLIC - Goldenfields Water County Council Agenda - October 2020 - MATTERS TO BE SUBMITTED TO OPEN COUNCIL

Goldenfields Water County Council CAPITAL WORKS PROGRESS									
AS AT 30 SEPTEMBER 2020	ORIGINAL BUDGET 2020/21	2019/20 CARRYOVERS & REVOTES	PROPOSED QBR SEP 2020/21	REVISED BUDGET 2020/21	ACTUAL YTD	COMMITTED YTD	TOTAL ACTUAL & COMMITTED YTD	VARIANCE YTD	% ACTUAL TO BUDGET
CAPITAL INCOME:	\$	\$	\$	\$	\$	\$	\$	\$	%
Asset Sales	(741,000)	-	-	(741,000)	(81,810)	-	(81,810)		
Capital Contributions	(1,500,000)	-	-	(1,500,000)	(418,366)	-	(418,366)		
TOTAL CAPITAL INCOME:	(2,241,000)	-	-	(2,241,000)	(500,175)	-	(500,175)	(1,740,825)	22%
CAPITAL EXPENDITURE									
NEW SYSTEM ASSETS:	\$	\$	\$	\$	\$	\$	\$	\$	%
Land & Buildings	600,000	-	26,000	626,000	291,604	47,972	339,575	286,425	54%
Mains - Developer Paid	40,000	-	80,000	120,000	42,861	3,260	46,121	73,879	38%
Mains - Trunk	180,000	50,776	-	230,776	16,598	58,525	75,123	155,653	33%
Mains - Reticulation	150,000	-	-	150,000	1,681	3,896	5,578	144,422	4%
Mains - Rural	1,800,000	-	-	1,800,000	291,026	152,517	443,543	1,356,457	25%
Scada	80,000	214,760	-	294,760	18,088	909	18,997	275,763	6%
TOTAL NEW SYSTEM ASSETS:	2,850,000	265,536	106,000	3,221,536	661,858	267,079	928,937	2,218,720	29%
RENEWALS:	\$	\$	\$	\$	\$	\$	\$	\$	%
Plant & Equipment	1,350,000	184,570	15,000	1,549,570	296,750	356,557	653,307	896,263	42%
Information Technology	78,156	-	-	78,156	-	-	-	78,156	0%
Furniture and Office Equipment	5,000	-	-	5,000	-	-	-	5,000	0%
Land & Buildings	30,000	90,000	-	120,000	49	51,793	51,842	68,158	43%
Mains - Trunk	3,575,000	70,000	-	3,645,000	253,673	162,543	416,216	3,228,784	11%
Mains - Reticulation	45,000	-	250,000	295,000	71,342	10,714	82,056	212,944	28%
Pump Stations	1,480,000	-	225,000	1,705,000	93,991	87,324	181,315	1,523,685	11%
Bores	200,000	277,000	-	477,000	46,744	432,647	479,390	(2,390)	101%
Reservoir Sites	370,000	23,710	-	393,710	71,996	127,563	199,559	194,151	51%
Treatment Plant	4,480,000	95,500	-	4,575,500	187,729	261,055	448,784	4,126,716	10%
Emergency Works	200,000	-	-	200,000	-	-	-	200,000	0%
TOTAL RENEWALS ASSETS:	11,813,156	740,780	490,000	13,043,936	1,022,273	1,490,196	2,512,469	10,531,467	19%
TOTAL CAPITAL EXPENDITURE:	14,663,156	1,006,316	596,000	16,265,472	1,684,131	1,757,275	3,441,406	12,824,066	21%

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

QUARTERLY BUDGET REVIEW 30 SEPTEMBER 2020

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Board receives and adopts the Quarterly Budget Review for the period ended 30 September 2020.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

09 Financially Sustainable

BACKGROUND

The Quarterly Budget Review Statement is presented to Council in accordance with Clause 203(2) of the Local Government (General) Regulations 2005, for the purpose of periodically reviewing and revising estimates of income and expenditure.

REPORT

The Quarterly Review of Council's Budget for the period ended 30 September 2020 is submitted for examination by Council.

The anticipated Operating Result for 2020/21 is a deficit of \$726,000. The anticipated Operating Result as originally adopted was a surplus of \$247,000. Proposed adjustments are detailed below.

The Capital Works expenditure is not included in the Operating Result and is an additional outlay. Further detail about capital works can be found in the Capital Works Progress Report item of the business paper.

Proposed September 2020 quarterly review adjustments:

Operational Expenditure

- \$761,000 increase in depreciation
- \$150,000 increase for Innovyze Pilot Trial

Capital Expenditure

- \$26,000 Demolition of 2 houses on Crowley St
- \$30,000 Ardlethan Dead End Removal
- \$50,000 Developer Paid Mains
- \$15,000 Safety Trailer
- \$150,000 Wyalong Pressure Improvement
- \$100,000 Arian Park Pump Station Investigation and Design
- \$75,000 North Weethalle Pump Station Upgrade
- \$50,000 Weethalle Pump Station Upgrade
- \$100,000 Joffre St Temora Mains Renewal

FINANCIAL IMPACT STATEMENT

The recommendation reduces Council's Operating Result by \$911,000 and increases Capital Works Expenditure by \$596,000.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

ATTACHMENTS: Quarterly Budget Review 30-09-20.

TABLED ITEMS: Nil.

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/20 to 30/09/20

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Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/20 to 30/09/20

Report by Responsible Accounting Officer

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2005:

It is my opinion that the Quarterly Budget Review Statement for Goldenfields Water County Council for the quarter ended 30/09/20 indicates that Council's projected financial position at 30/6/21 will be Satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.



Signed: _____

Date: 6/10/2020

Michele Curran
Corporate Services Manager

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/20 to 30/09/20

Income & Expenses Budget Review Statement

Budget review for the quarter ended 30 September 2020

Income & Expenses

(\$000's)	Original Budget	Approved Carry	Revised Budget	Variations for this	Notes	Projected Year End	Actual YTD
	2020/21	Forwards	2020/21	Sep Qtr		Result	figures
Income							
Rates and Annual Charges	5,165	-	5,165	-		5,165	248
User Charges and Fees	16,010	-	16,010	-		16,010	791
Interest and Investment Revenues	830	-	830	-		830	286
Other Revenues	100	-	100	-		100	36
Grants & Contributions - Operating	85	-	85	-		85	-
Grants & Contributions - Capital	1,500	-	1,500	-		1,500	414
Total Income from Continuing Operations	23,690	-	23,690	-		23,690	1,775
Expenses							
Employee Costs	6,517	-	6,517	-		6,517	1,839
Materials & Contracts	4,188	62	4,250	-		4,250	1,388
Depreciation	7,521	-	7,521	761	2.1	8,282	2,071
Other Expenses	5,217	-	5,217	150	2.2	5,367	884
Total Expenses from Continuing Operations	23,443	62	23,505	911		24,416	6,182
Net Operating Result from Continuing Operations	247	(62)	185	(911)		(726)	(4,407)
Net Operating Result from All Operations	247	(62)	185	(911)		(726)	(4,407)
Net Operating Result before Capital Items	(1,253)	(62)	(1,315)	(911)		(2,226)	(4,821)

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/20 to 30/09/20

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Details	\$000
2.1	Additional depreciation due to revaluation of infrastructure assets in 2019/20 financial statements	\$761
2.2	Innovyze Software Pilot Trial	\$150

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/20 to 30/09/20

Capital Budget Review Statement

Budget review for the quarter ended 30 September 2020

Capital Budget

(\$000's)	Original Budget	Approved Carry	Revised Budget	Variations for this		Notes	Projected Year End	Actual YTD
	2020/21	Forwards	2020/21	Sep	Qtr		Result	figures
Capital Expenditure								
New Assets								
- Land & Buildings	600	-	600	26		3.1	626	292
- Water Supply Infrastructure	2,250	265	2,515	80		3.2	2,595	370
Renewal Assets (Replacement)								
- IT Equipment	78	-	78	-			78	-
- Office Equipment	5	-	5	-			5	-
- Plant & Equipment	1,350	185	1,535	15		3.3	1,550	297
- Land & Buildings	30	90	120	-			120	-
- Water Supply Infrastructure	10,350	466	10,816	475		3.4	11,291	725
Total Capital Expenditure	14,663	1,006	15,669	596			16,265	1,684
Capital Funding								
Fees, Charges & Other Untied Funding	-	-	-	596			596	-
Capital Grants & Contributions	1,500	-	1,500	-			1,500	418
Proceeds from Sale - IPP&E	741	-	741	-			741	82
Internal Restrictions/Reserves	12,422	1,006	13,428	-			13,428	1,184
Total Capital Funding	14,663	1,006	15,669	596			16,265	1,684
Net Capital Funding - Surplus/(Deficit)	-	-	-	-			-	-

Goldenfields Water County Council

Quarterly Budget Review Statement

for the period 01/07/20 to 30/09/20

**Capital Budget Review Statement
Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

Notes	Details	\$000
	Refer to Capital Works Progress report for more detail on Capital Projects	
3.1	Demolition of 2 houses on Crowley Street	\$26
3.2	Ardlethan Dead End Removal	\$30
	Developer Paid Mains	\$50
3.3	Safety Trailer	\$15
3.4	Wyalong Pressure Improvement	\$150
	Ariah Park Pump Station Investigation & Design	\$100
	North Weethalle Pump Station Upgrade	\$75
	Weethalle Pump Station Upgrade	\$50
	Joffre St Temora Mains Renewal	\$100

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/20 to 30/09/20

Cash & Investments Budget Review Statement

Budget review for the quarter ended 30 September 2020

Cash & Investments

(\$000's)	Original Budget	Approved Changes		Variations for this	Notes	Projected Year End	Actual YTD
	2020/21	Sep QBR	Dec QBR	Sep Qtr		Result	figures
Internally Restricted ⁽²⁾							
Plant & Vehicle Replacement	1,269	-	-	-		1,269	1,054
Infrastructure Replacement	34,009	-	-	-		34,009	32,825
Employees Leave Entitlement	2,129	-	-	-		2,129	2,129
Sales Fluctuation Reserve	2,000	-	-	-		2,000	2,000
Property Reserve	392	-	-	-		392	392
Total Internally Restricted	39,799	-	-	-		39,799	38,400
(2) Funds that Council has earmarked for a specific purpose							
Unrestricted (ie. available after the above Restrictions)	8,719	-	-	(746)	4a	7,973	16,819
Total Cash & Investments	48,518	-	-	(746)		47,772	55,219

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/20 to 30/09/20

Cash & Investments Budget Review Statement

Investments

Investments have been invested in accordance with Council's Investment Policy.

Cash

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.
The date of completion of this bank reconciliation is 30/09/20

The YTD Cash & Investment figure reconciles to the actual balances held as follows:	\$ 000's
Cash at Bank (as per bank statements)	424
Investments on Hand	54,750
less: Unpresented Cheques (Timing Difference)	(14)
add: Undeposited Funds (Timing Difference)	144
Less: receipts not yet updated (Timing Difference)	(85)
Reconciled Cash at Bank & Investments	<u>55,219</u>
Balance as per Review Statement:	<u>55,219</u>
Difference:	-

Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Details	\$000
4a	QBR budget adjustments	-\$746

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/20 to 30/09/20

Key Performance Indicators Budget Review Statement - Industry KPI's (OLG)

Budget review for the quarter ended 30 September 2020

(\$000's)	Current Projection		Original Budget 20/21	Actuals Prior Periods	
	Amounts	Indicator		19/20	18/19
	20/21	20/21			

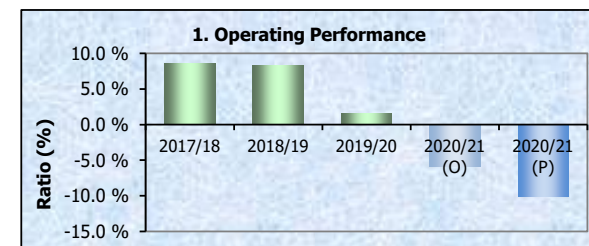
NSW Local Government Industry Key Performance Indicators (OLG):

1. Operating Performance

<u>Operating Revenue (excl Capital) - Operating Expenses</u>	-2,226	-10.0 %	-5.9 %	1.6 %	8.4 %
<u>Operating Revenue (excl Capital Grants & Contributions)</u>	22,190				

This ratio measures Council's achievement of containing operating expenditure within operating revenue. A positive result indicates a surplus. Operating deficits cannot be sustained in the long term.

Benchmark >0%

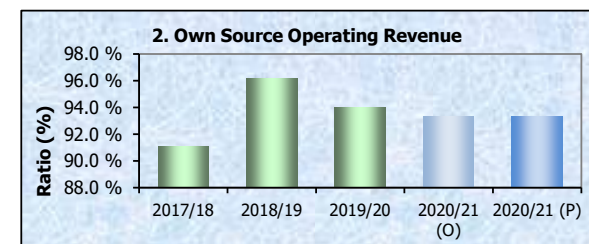


2. Own Source Operating Revenue

<u>Operating Revenue (excl all Grants & Contributions)</u>	22,105	93.3 %	93.3 %	94.0 %	96.2 %
<u>Total Continuing Operating Revenue</u>	23,690				

This ratio measures Council's dependence on external funding sources such as operating grants & contributions.

Benchmark >60%

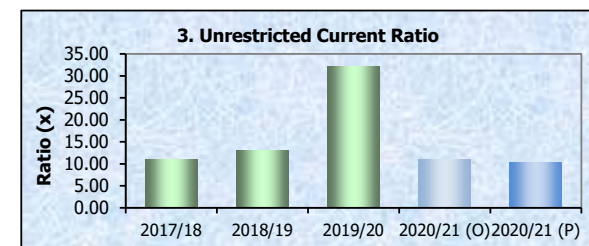


3. Unrestricted Current Ratio

<u>Current Assets less all External Restrictions</u>	41,235	10.39	10.93	32.03	13.10
<u>Current Liabilities less Specific Purpose Liabilities</u>	3,968				

This measures Council's ability to pay existing liabilities in the next 12 months from unrestricted activities of Council.

Benchmark >1.5x



Goldenfields Water County Council

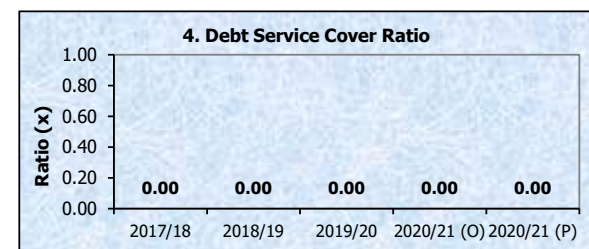
Quarterly Budget Review Statement
for the period 01/07/20 to 30/09/20

Key Performance Indicators Budget Review Statement - Industry KPI's (OLG)

Budget review for the quarter ended 30 September 2020

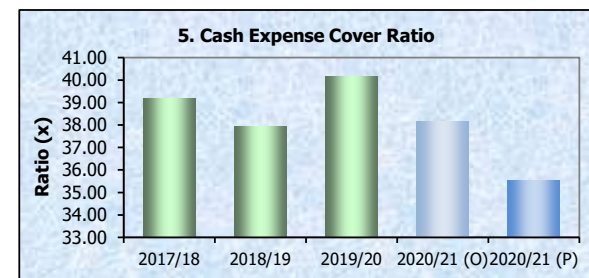
(\$000's)	Current Projection		Original Budget 20/21	Actuals Prior Periods	
	Amounts	Indicator		19/20	18/19
	20/21	20/21			
4. Debt Service Cover Ratio					
Operating Result before Capital (excl Interest & Depn)	5,226	0.00	0.00	0.00	0.00
Principal Repayments + Borrowing Interest Costs	0				

This ratio measures Council's ability to service debt, including interest and principal payments.
Benchmark >2x



5. Cash Expense Cover Ratio					
Current Year's Cash & Cash Equivalentents (incl. Term Deposits)	47,772				
Monthly payments from cash flow of operating and financing activities	1,344	35.54	38.15	40.18	37.95
		mths	mths	mths	mths

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.
Benchmark >3mths



Goldenfields Water County Council

Quarterly Budget Review Statement

for the period 01/07/20 to 30/09/20

Contracts Budget Review Statement

Budget review for the quarter ended 30 September 2020

Part A - Contracts Listing - contracts entered into during the quarter

Contractor	Contract detail & purpose	Contract Value	Start Date	Duration of Contract	Budgeted (Y/N)	Notes
Temora Ex-Services Memorial Club	Purchase of 121-123 Crowley St	\$275,412	03/07/20	N/A	Y	
Innovyze Inc	Software Subscription to optimise performance	\$150,000	21/09/20	1 year	N	

Notes:

1. Minimum reporting level is 1% of estimated income from continuing operations of Council or \$50,000 - whatever is the lesser.
2. Contracts listed are those entered into during the quarter being reported and exclude contractors on Council's Preferred Supplier list.
3. Contracts for employment are not required to be included.

Goldenfields Water County Council

Quarterly Budget Review Statement
for the period 01/07/20 to 30/09/20

Consultancy & Legal Expenses Budget Review Statement

Consultancy & Legal Expenses Overview

Expense	YTD Expenditure (Actual Dollars)	Budgeted (Y/N)
Consultancies	70,913	Y
Legal Expenses	22,012	Y

Definition of a consultant:

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

Comments

Expenditure included in the above YTD figure but not budgeted includes:

Details

N/A

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

AUDIT RISK AND IMPROVEMENT COMMITTEE

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Board receives and notes the minutes of the Audit, Risk and Improvement Committee meeting held on 30 September 2020.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

09 Financially Sustainable

BACKGROUND

Goldenfields Water County Council Audit, Risk and Improvement Committee is an advisory committee in accordance with section 355 of the Local Government Act 1993, and the Local Government Regulations 2012. The Committee was established by Council Res 17/008 on 23 February 2017. In accordance with the Audit, Risk and Improvement Committee Charter, the Committee will report regularly to Council.

REPORT

The Goldenfields Water County Council Audit, Risk and Improvement Committee met on 30 September 2020. Minutes of the meeting are attached for the information of the Board.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Minutes of ARIC Meeting 30-9-20.

TABLED ITEMS: Nil.



ARIC Meeting Minutes

Meeting Ref. ARIC		Minute taker: Michele Curran
Date: 30 September 2020	Time: 10am	Location: Zoom Online Meeting OR 84 Parkes Street, Temora (Board Room)
Attendees: Peter McLean (Chairperson) (Zoom), Geoff Twomey (Zoom), Clr David McCann, Michele Curran, Zac Mahon (Accountant), Brad Bohun (Crowe) (Zoom), Nathan Carter (NSW Audit Office) (Zoom)		
Apologies: Phil Swaffield (National Audits Group), Aaron Drenovski		

1. Welcome and Apologies

The meeting was opened at 10:10am. Apologies have been received from Phil Swaffield, Aaron Drenovski.

2. Declarations of Pecuniary and Non-Pecuniary Interests

No pecuniary or non-pecuniary interests were declared.

3. Confirmation of Previous Minutes

RECOMMENDATION on the motion of Geoff Twomey and David McCann that the minutes of the meeting held 6 August 2020 having been circulated to members be confirmed as a true and accurate record.

4. Chairperson Report

The Committee received and noted the Chairperson's verbal report.

- Natural Disaster Royal Commission report to be released late October 2020
- NSW Government Bushfires Inquiry Report released
- NSW Audit Office reports released:
 - Support for regional town water infrastructure
 - Credit card management in local government
 - Governance and internal controls over local infrastructure contributions

5. General Manager Report

The Committee received and noted the General Manager's verbal report.

- Tenders accepted at the August 2020 Council meeting:
 - Oura HV Equipment Supply
 - Rosehill to Harden Pipeline



- Innovyze Software Pilot Trial

6. Draft Financial Statements

RECOMMENDATION on the motion of Geoff Twomey and David McCann that the Committee:

- Review the 2019/20 Financial Statements
- Recommend to Council that the Committee is unaware of any matter that would prevent Council from adopting the 2019/20 Financial Statements
- Recommend that Council adopt the 2019/20 Financial Statements based on items i and ii at the October 2020 Council meeting
- Acknowledge staff for their work in preparing the Financial Statements

NEXT MEETING: 10am Thursday 26 November 2020

There being no further matters requiring the attention of the Committee the meeting was declared closed at 11am.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

MANDAMAH STAGE 2 CONSTRUCTION PROGRESS REPORT

Report prepared by the Operations Manager

COUNCIL OFFICER RECOMMENDATION

That the Mandamah Stage 2 Construction Report be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

02 Maximising Regional Water Supply

BACKGROUND

The Mandamah Rural Water Supply Scheme will expand Goldenfields Water County Council supply network by approximately 180 kilometres and provide essential water services to farmers and residents across more than 90,000 hectares in the Mandamah region west of Barmedman.

Stage 1 was officially opened on the 4th of July 2019, consisting of 66kms of mains, 2 reservoirs and a pump station, supplying 23 connections with the remaining 3 stages and 50 connections to be completed by June 2022.

REPORT

Construction of stage 2 has been completed (58,224 metres) and is currently in the process of pressure testing, disinfection and commissioning. 15 of the 19 consumers have been connected and it is envisaged that the remainder of the commissioning and consumer connections will be completed by mid-November. Construction rates are still tracking at approx: \$33 per metre compared to a conservative NSW Reference Rate of approx: \$127 per metre.

Stage 3 consists of approx 45,000 metres and is currently under construction with only minor delays due to weather and mechanical breakdowns.

Mandamah construction is still progressing ahead of schedule and under budget

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Nil

TABLED ITEMS: Nil

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

VALVE MAINTENANCE PROGRAM

Report prepared by Operations Manager

COUNCIL OFFICER RECOMMENDATION

That the ongoing valve maintenance program report be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

01 Excellence in Service Provision 07 Efficient Operations

BACKGROUND

In October 2019 two fixed term labourers were appointed to undertake the Valve Maintenance Program.

REPORT

A total of 8997 valves have been identified within the supply area. These valves consist of:

- Scour valves - 89
- Air valves - 1071
- Stop valves - 3852
- Hydrants – 3985

To date a total of 5139 valves have been serviced and a number of which have required maintenance, refurbishment and/or replacement.

The southern operational area has now been completed and work has commenced in the northern area starting at Ariah Park through to Barellan and Binya areas.

This program is on-going and due for completion October 2021.

These fixed term labourers have also been utilised to assist Operations on a number of occasions for emergent works within the southern and northern operational areas.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Nil

TABLED ITEMS: Nil

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

WATER PRODUCTION REPORT

Report prepared by Production and Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Water Production Report be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

03 Strategic Water Management

BACKGROUND

Goldenfields Water provides the essential water requirements of about 40,000 people spread over an area in excess of 20,000 square kilometres between the Lachlan & Murrumbidgee Rivers in the South West of NSW.

Goldenfields Waters' supply system consists of five separate water schemes, Jugiong, Oura, Mt Arthur, Mt Daylight and Hylands Bridge. Goldenfields Water carries out water supply functions within the Local Government areas of Bland, Coolamon, Cootamundra, Hilltops, Junee, Temora, and parts of Narrandera and Wagga Wagga.

Hilltops Shire Council, Cootamundra Gundagai Shire Council and Riverina Water County Council are retailers, who purchase bulk water from Goldenfields and supply the water to retail customers in their respective local government areas.

REPORT

Jugiong drinking Water Scheme

The Jugiong drinking water scheme sources water from the Murrumbidgee River and has an extraction licence entitlement of 5590ML per annum. Water from the Murrumbidgee River is treated through a 40ML/day, conventional Water Treatment Plant that consists of: Coagulation, Flocculation, Clarification, Filtration, Disinfection and Fluoridation.

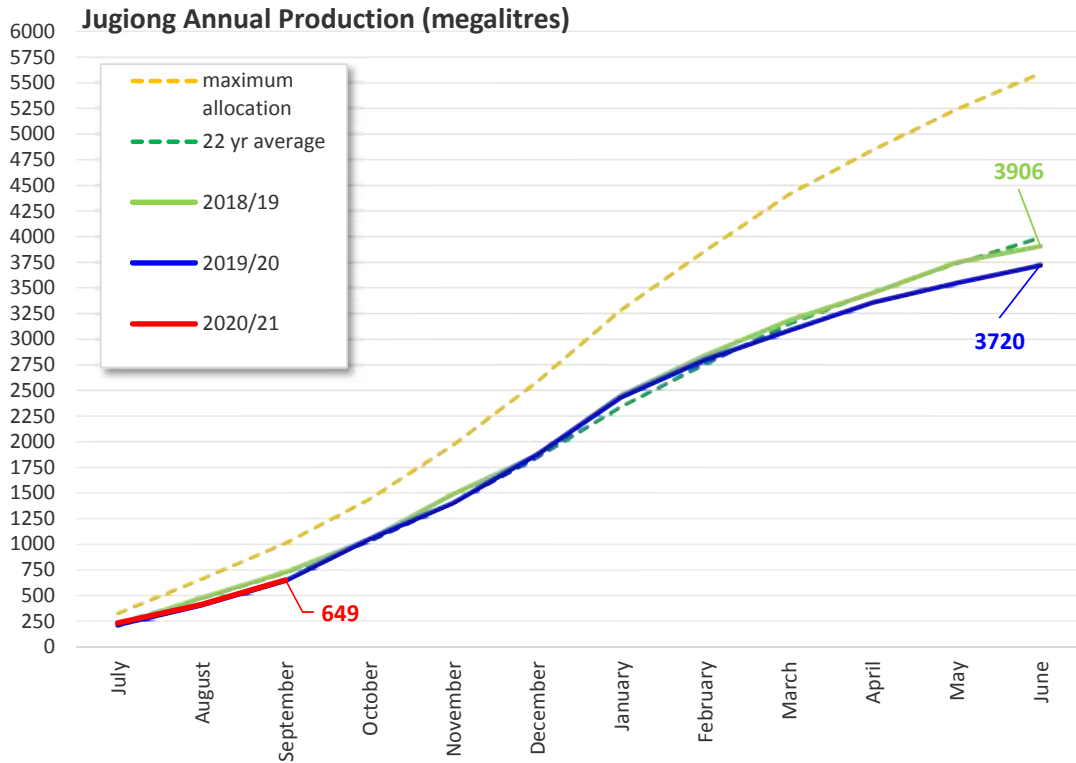
The Jugiong Scheme has 14 sets of reservoirs and 8 pumping stations. The Jugiong Scheme supplies bulk water to the Hilltops and Cootamundra-Gundagai Regional Councils for supply to the townships of Cootamundra, Harden and Young with a population of approximately 6800, 2200 and 8000 respectively.

Goldenfields Water also provides additional retail supply to approximately 600 customers in the villages of Stockinbingal, Wallendbeen and Springdale.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

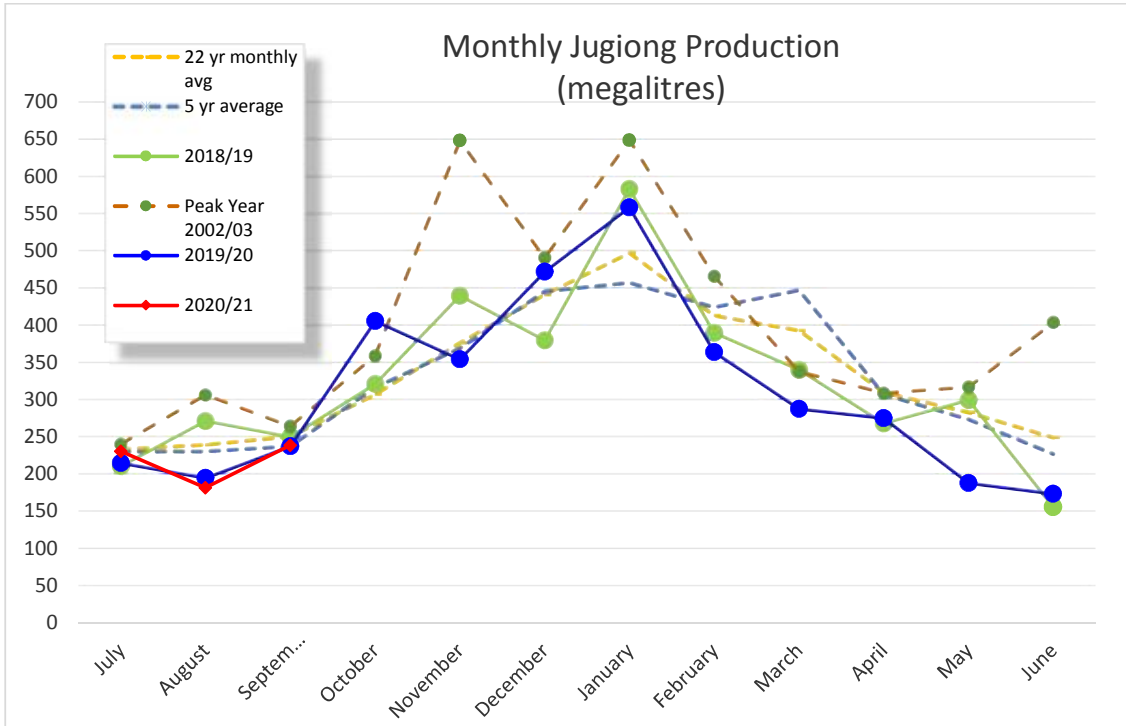
Jugiong annual water production is trending in a similar fashion to previous years.

For the first quarter of the 2020/21 financial year, 649ML of water has been extracted from the Murrumbidgee River and processed at the Jugiong Water Treatment plant. Totals for each month are as follows: July 230.19ML, August 180.95 ML and September 238.32 ML. This is very similar to the first quarter for 2019/20 where 645.67ML was produced as illustrated in the below graph.



GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

As mentioned above, Jugiong monthly water production is tracking very similar to the previous 2019/20 period.



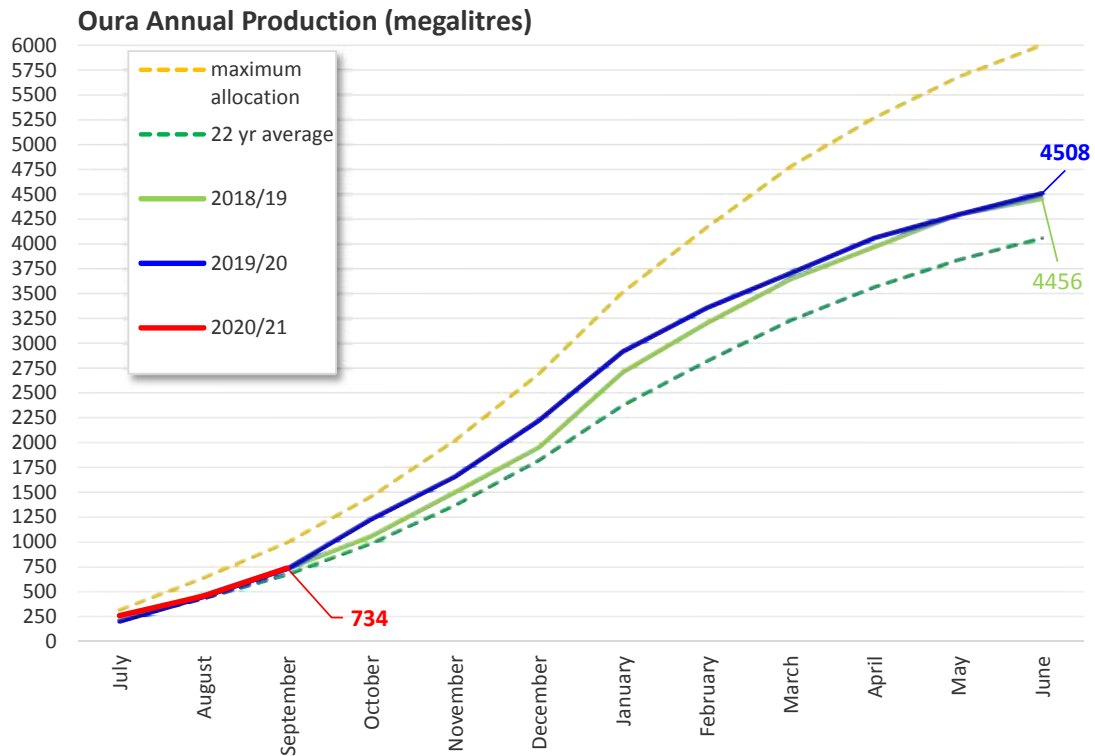
GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

Oura Drinking Water Scheme

The water source at Oura is the Murrumbidgee inland alluvial aquifer, this water is extracted from 4 bores namely: Bores 2, 3, 4 and 6. The raw water then goes through a treatment process at the Oura Water Treatment Plant that includes Aeration, Disinfection and Fluoridation.

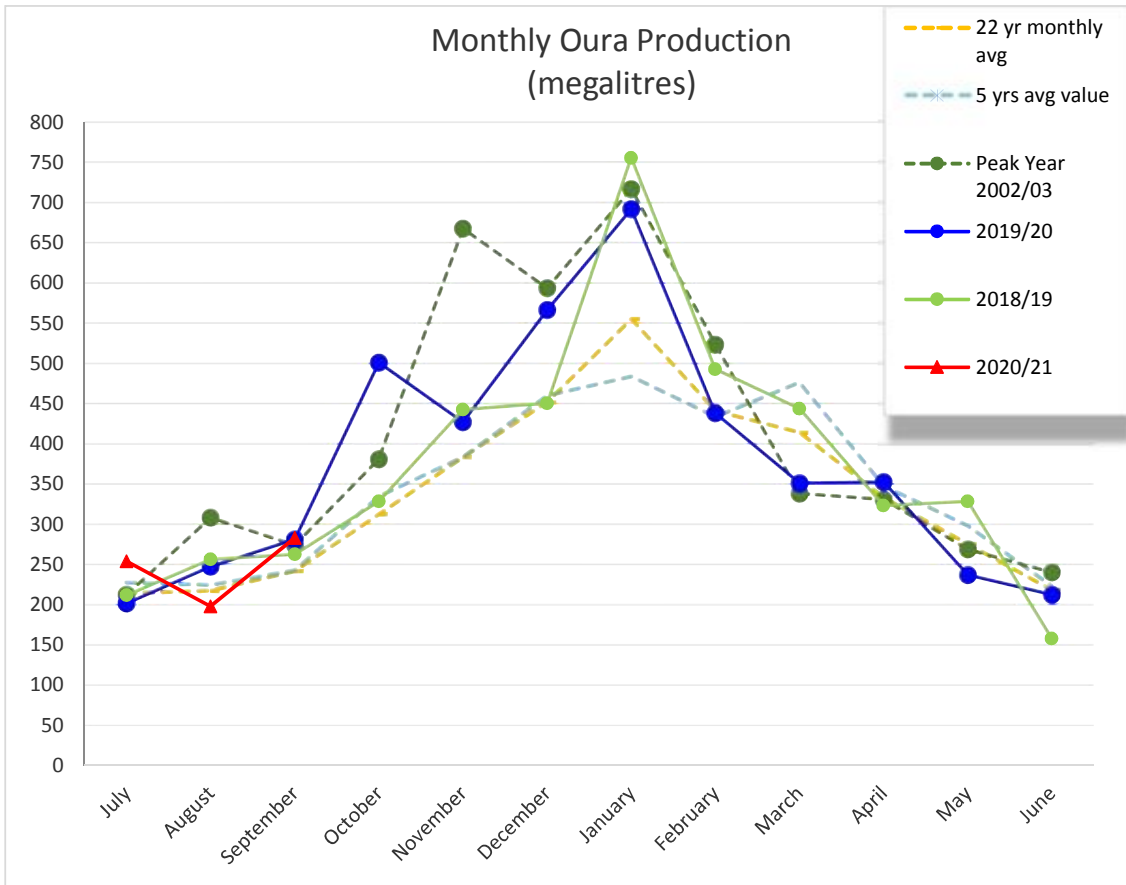
The Oura scheme has 33 sets of reservoirs and 19 pumping stations, produces drinking water for approximately 14,600 people in the Bland, Coolamon, Junee, Narrandera and Temora Shires. The Oura scheme can also supply water to the Northern side of the rural area of Wagga Wagga City when required.

For the first quarter of the 2020/21 financial year, 734ML of water has been extracted from the Oura Borefield and processed at the Oura Water Treatment Plant. Totals for each month are as follows: July 253.87 ML, August 197.58 ML and September 282.91 ML. This is very similar to the first quarter for 2019/20 where 730.44ML was produced which is depicted in the graph below trending in a similar fashion to historical years.



GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

As mentioned above, Oura monthly water production is tracking very similar to the previous 2019/20 period. However the month of August was low compared to previous years due to higher than average rainfall and colder weather.



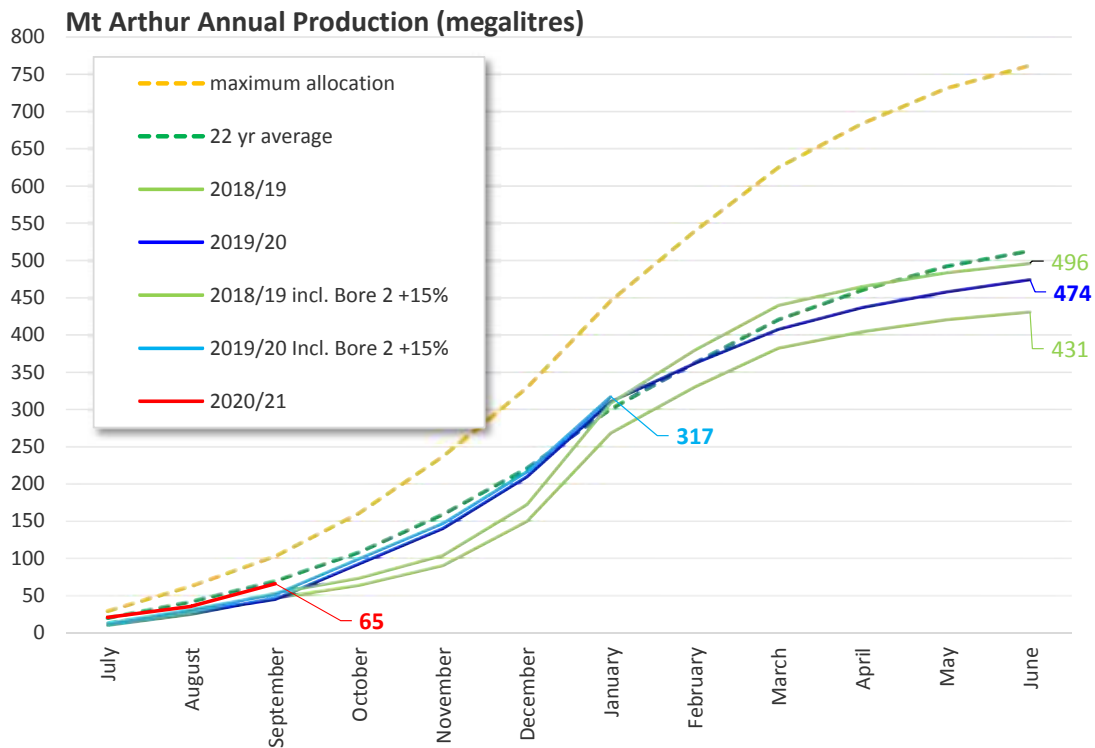
GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

Mount Arthur Drinking Water Scheme

The Mount Arthur Water Source is from the Lachlan Fold belt Aquifer System. The water is extracted via two bores, bores 1 and 2 located in the Wagga Wagga City Council area South of Matong. The water is disinfected before distribution through 9 sets of reservoirs supplying approximately 2400 people with water in the Coolamon shire.

It should be noted that a new Bore 1 is currently being developed to replace the existing Bore site and associated assets. Upon completion, testing and commissioning of the new Bore 1, the old bore will be decommissioned and removed. Water quality and hydraulic capacity requirements appear to be positive at this stage; however actual confirmation of this cannot be known until full commissioning of the bore occurs.

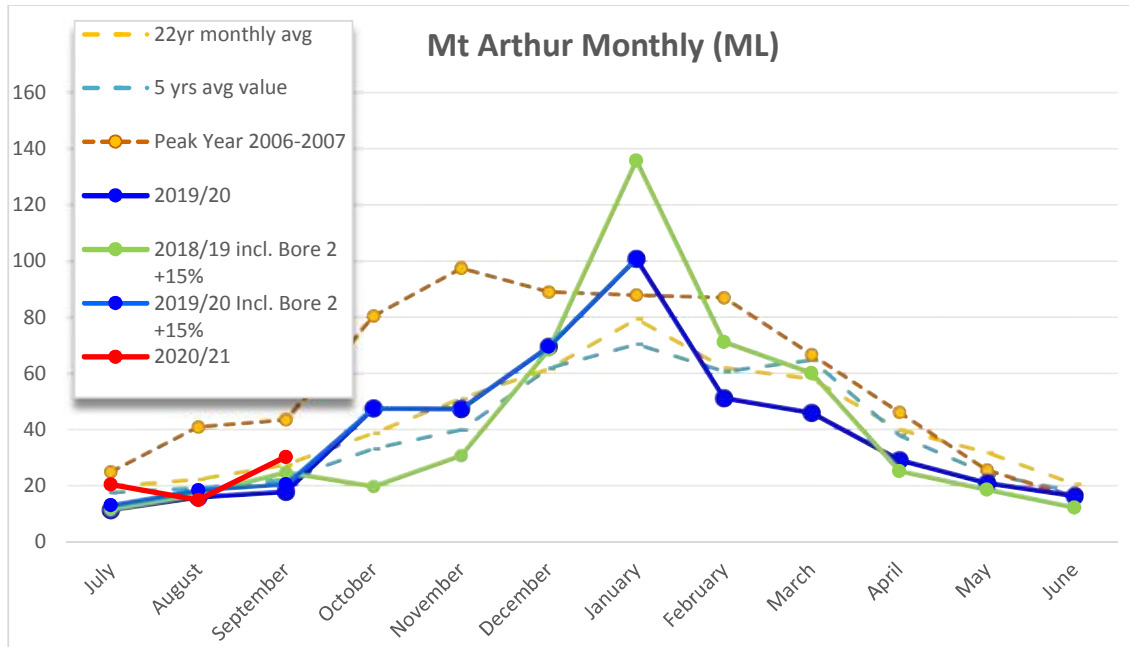
For the first quarter of the 2020/21 financial year, 65ML of water has been extracted from the Mt Arthur Borefield. Totals for each month are as follows: July 20.44 ML, August 14.87 ML and September 30.18 ML. This is a higher volume compared to the first quarter for 2019/20 where 45.24ML was produced. As can be seen in the graph below trending in a similar fashion to historical years. It is not yet understood why such an increase has occurred since the previous financial year period.



GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

As the new Mag Flow meter has been operational at Mt Arthur since November 2019, the necessity to report with a 15% variation is no longer required. 2019/20 data is now being reported as indicated. However, as you can see from the above graph the varying volumes are still being depicted as reference only.

As mentioned above, Mt Arthur monthly water production is tracking very similar to the previous 2019/20 period. However the month of August was low compared to previous years due to higher than average rainfall and colder weather. Both July and September monthly periods appear to be a significant increase when compared to the previous year's monthly volumes.

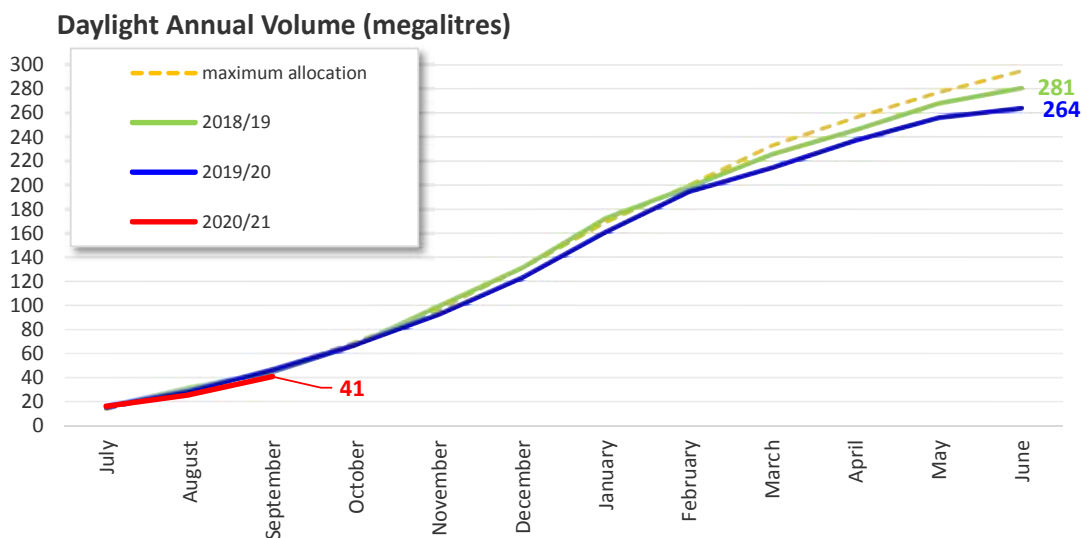


GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

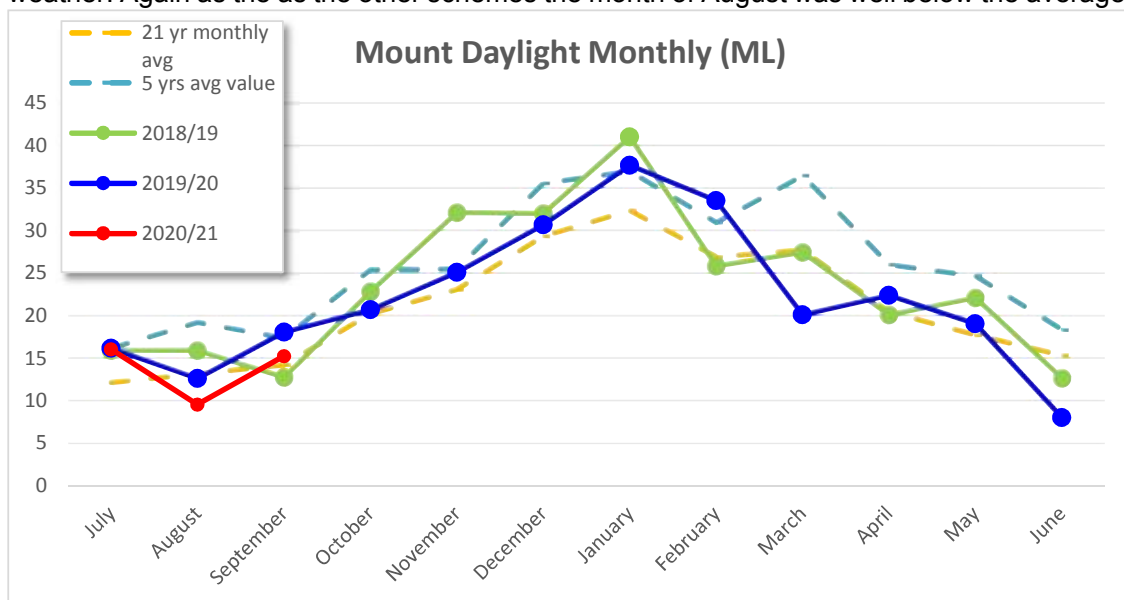
Mount Daylight Drinking Water Scheme

The Mount Daylight water source is from the Lower Lachlan alluvium aquifer. The Mount Daylight bores are jointly operated with Carathool Shire Council. Carathool Shire Council is responsible for bore management. There are 7 sets of reservoirs in the Mt Daylight scheme. Mt Daylight supplies water to approximately 125 people in the villages of Naradhan, Weethalle and Tallimba which is located within the Bland Shire.

For the first quarter of the 2020/21 financial year, 41ML of water has been extracted from the Mt Daylight Borefield. Totals for each month are as follows: July 16.01 ML, August 9.52 ML and September 15.2 ML. This is a lower volume compared to the first quarter for 2019/20 where 46.81ML was produced. As can be seen in the graph below trending in a similar fashion to historical years.



As mentioned above, the Mt Daylight monthly water production is tracking lower than previous year’s first quarter period. This is simply due to higher than average rainfall and colder weather. Again as the as the other schemes the month of August was well below the average.

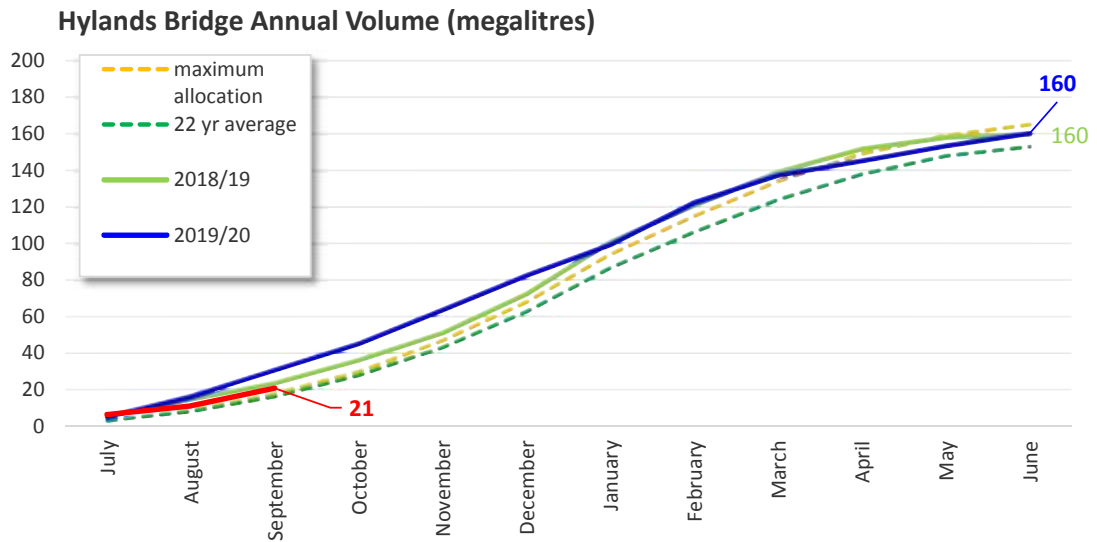


GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

Hylands Bridge - Non Potable

Hylands Bridge supplies Non Potable water to Barellan and Binya. The water is sourced through the Murrumbidgee Irrigation Area where Goldenfields Water holds 165ML shareholding for water entitlement.

For the first quarter of the 2020/21 financial year, 21ML of water has been extracted from the Hylands Bridge Raw Water scheme. Totals for each month are as follows: July 6.37ML, August 4.71ML and September 9.65ML. This is a similar volume compared to the first quarter for 2019/20 where 21.73ML was produced. As can be seen in the graph below trending in a similar fashion to historical years.



FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council’s financial position.

ATTACHMENTS: Nil

TABLED ITEMS: Nil

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

COOLAMON LARGE LOT RESIDENTIAL GROWTH AREA AND ACCESS TO GWCC WATER

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That the Board note the information provided within the Coolamon Large Lot Residential Growth Area report.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

05 Proactive Customer Relations

BACKGROUND

A number of recent meetings have been held with Coolamon Shire representatives regarding the opportunity for large lot residential growth in the south western part of Coolamon.

REPORT

Following our meetings with Coolamon Shire representatives we have received an application from a developer for a 6 large lot residential subdivision outside the urban infrastructure footprint. Staff will address the application in accordance with our Water Service Connection Policy with clause 6.2.4 requiring:

6.2.4 Service Connections to be served directly from GWCC Water Main

1. All new water service connections are to be served directly from a GWCC water main as set out in the current Plumbing Code.
2. The cost of any water main extension required to enable compliance to **6.2.4.1** is to be met by the applicant.
3. Reasonable and cost-effective opportunities are to be taken to eliminate outdated metering and service arrangements within GWCC supply area.

Water supply within the vicinity of the proposed development is at capacity and requires additional augmentation (new water main joining two reticulation zones) to enable supply. The augmentation works are not currently listed on our capital works program, however will be considered as part of the development of our Integrated Water Cycle Management Strategy (IWCM). The content of the IWCM will help develop our Development Servicing Plan (DSP) which lists infrastructure upgrades to be funded by developer infrastructure charges. It is anticipated that our DSP will be completed in 2022. The developer will be advised that should they wish to undertake the development now they need to fund the augmentation works necessary for their development. However, if they wait for a review and development of a new DSP, this area has been earmarked for future growth and may be included as a funded project through a new DSP.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Nil

TABLED ITEMS: Nil

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

2019/20 ANNUAL REPORT

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That Council's 2019/20 Annual Report be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

07 Efficient Operations

BACKGROUND

Section 428 of the Local Government Act 1993, requires Council to prepare an Annual Report. The report details Goldenfields' achievements in implementing the Delivery Program and the effectiveness of the principles undertaken in achieving the objectives at which those principal activities are directed.

REPORT

Goldenfields Waters' 2019/20 Annual Report is the third Annual report within the four year reporting period for the 2017 – 2021 Delivery Program.

The results and outcomes are a reflection of the efforts of all staff within the organisation, undertaking a variety of roles from the front office in Temora to the remote areas within our 22,500 square kilometre footprint.

The Annual Report has been prepared in accordance with the guidelines under section 406 of the Local Government Act – *Integrated Planning and Reporting Guidelines*.

A copy of Council's audited financial reports will be included as an Appendix in the final version of this document, however have been excluded from this attachment as they already appear in the October 2020 Council Meeting Agenda under **Financial Statements 2019/20**.

The complete annual report will be posted on Council's website and provided to the Minister for Local Government as per requirements.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS:

2019/20 Annual Report

TABLED ITEMS: Nil



ANNUAL REPORT

2019 - 2020

INTEGRITY

TRUST

RESPECT

TEAMWORK

CONTINUOUS IMPROVEMENT



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Mission

Mission Statement

To provide regional economic opportunity and lifestyle choices through provision of a quality water supply by innovative leadership showing environmental responsibility in cooperation with the community, constituent councils and governments

Values

Integrity

All staff act in the best interest of the communities that we serve, demonstrating and promoting moral and ethical principles in all that we do.

Trust

Built on from the value of Integrity, mutual trust is established between teams and staff at all levels. Open communication lines and transparency in our operations reflects and further builds on this trust.

Respect

All staff treat others with courtesy, politeness and kindness. Differences in viewpoints and beliefs are recognised and considered, with all people being treated fairly and equally.

Teamwork

All staff work together collaboratively and support one another in achieving the operational objectives of GWCC. Our staff understand the importance of working with each other to achieve our objectives.

Continuous Improvement

Staff feel confident and comfortable to offer ideas and suggestions to ensure that GWCC is continually working to deliver better services to our community and finding more efficient ways of undertaking business.



Chairperson's Message

It has been my pleasure to represent Goldenfields Water in the role of Chairperson during the 2019/20 Financial Year. I extend my appreciation to Deputy Chairperson McCann and all my fellow Board members for your consistent support over the last 12 months.

As a community 2019/20 has been proven to be a challenging year, however Goldenfields has responded to these challenges and I am proud with the collaborative response of our organisation during this time.

Much of the 2019/20 financial year was marked by dry conditions which Goldenfields responded to by providing a 25% reduction on all rural and residential stand pipe usage for 6 months to assist. By April 2020, COVID-19 had become part of our everyday lives, and the Board resolved to hit pause on overdue interest and on increases to water rates to ensure our communities were not further impacted by the difficult financial climate.

Our General Manager Aaron Drenovski has led our skilled and dedicated staff through a challenging year to continue to deliver a quality water supply in line with the organisational goals, and always aligned with our Mission, Vision and Values.

Dennis Palmer

Chairperson



General Manager's message

It has been my pleasure to undertake the role of General Manager for the full 12 months of the 2019/20 financial year. I am proud of the accomplishments the organisation has achieved during this time and in particular the adaptability displayed throughout unprecedented events.

Importantly, I would like to acknowledge the efforts and dedication of our highly skilled and professional staff during 2019/20. This commitment and hard work ensures every community member that relies on Goldenfields Water receives high-quality, reliable drinking water each day.

I am keen to continue to foster an organisational culture that promotes an innovative and strategic environment in order for Goldenfields to continue to meet the community's expectations and to find solutions to the challenges that arise in the delivery of a continued secure water supply.

I am appreciative of the support of the Board, and grateful for the efforts of staff, both have been instrumental in achieving the results detailed within this report.

Aaron Drenovski

General Manager



Profile

Goldenfields Water is a single-purpose county council that has been responsible for providing water supply services to many communities in the South West Slopes and Riverina regions of NSW since 1997.

Goldenfields Water's supply system covers 22,500 square kilometres between the Lachlan and Murrumbidgee rivers. It services over 46,000 people and includes more than 2,400 kilometres of water mains (the longest in NSW).

Water is sourced from protected natural catchments at Jugiong, Oura, Mt Arthur, Mt Daylight and Hylands Bridge before undergoing a world-class purification process at either of its two water treatment plants.

As a county council Goldenfields Water is a unique organisation given it is made up of seven constituent councils that each depend on it to deliver essential drinking water for their communities.

Goldenfields Water's seven constituent councils are:

- Bland Shire Council
- Coolamon Shire Council
- Junee Shire Council
- Temora Shire Council
- Cootamundra-Gundagai Regional Council
- Narrandera Shire Council
- Hilltops Council

Currently, Goldenfields Water supplies all drinking water directly to the almost 11,000 rural, residential, commercial and other properties in the local government areas of Bland, Coolamon, Junee, Temora, and parts of Cootamundra-Gundagai and Narrandera.

Goldenfields Water supplies water in bulk to Cootamundra-Gundagai and Hilltops councils, which then distribute water directly to their residents (except those already supplied directly by Goldenfields Water in parts of Cootamundra-Gundagai).

It also provides non-potable water (untreated water for non-drinking purposes) directly to 250 properties as well as water in bulk to Riverina Water County Council.



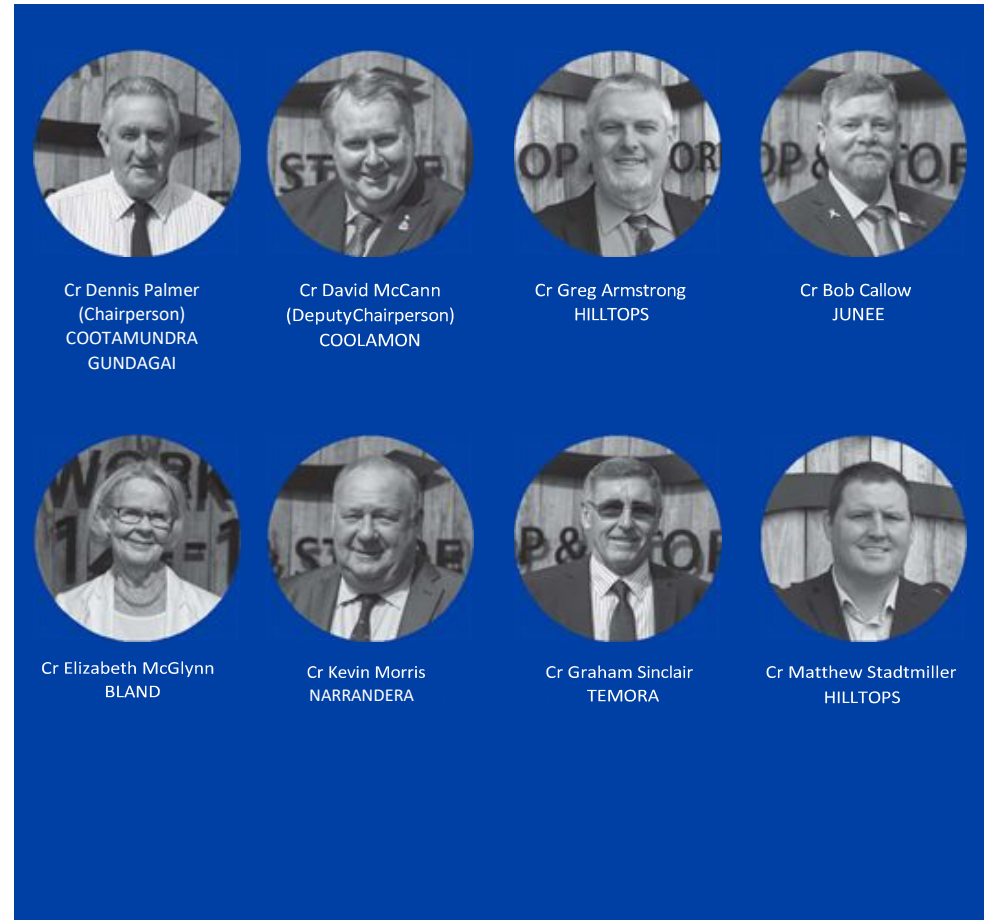
The Board

The Goldenfields Water Board is the governing body responsible for managing the affairs of Goldenfields Water County Council.

Goldenfields Water's constituent councils elect the Board members from among their councillors. The Board is currently comprised of eight members – one elected from six of the constituent councils and two elected from Hilltops Council.

Ordinary meetings of the Board are currently held six times a year (on the fourth Thursday of every second month). Meetings of a county council are subject to the requirements of the Local Government Act 1993 (NSW).

The Board elects a Chairperson from amongst its members. The Chairperson holds office for one year and is responsible for presiding at Board meetings as well as exercising other functions of the county council as the Board determines. The Board also elects a deputy Chairperson.





Annual Report Explained

As a NSW county council, Goldenfields Water is required as part of the Integrated Planning and Reporting framework for NSW local government to implement a suite of interrelated strategic planning documents.

The documents include a long-term Business Activity Strategic Plan, a four-year Delivery Program as well as an annual Operational Plan. These documents are supported by the Resourcing Strategy, which comprises a Long Term Financial Plan, Workforce Management Plan and an Asset Management Plan.

At the end of each financial year, an annual report must be produced that provides information to the community about Goldenfields Water's achievements in implementing its Delivery Program. It also needs to report on the effectiveness of the principal activities Goldenfields Water has undertaken to achieve the objectives in the Business Activity Strategic Plan. These details can be found in the Delivery Program Progress section of this Annual Report.

Goldenfields Water's Annual Report must also include financial, asset and other information that is prescribed by the Local Government (General) Regulation 2005 (NSW) and the Integrated Planning and

Reporting Guidelines. This information aims to help community members understand how Goldenfields Water has been performing both as a service provider and a community leader. It can be found in Section 3: Statutory Reporting of this Annual Report.

Goldenfields Water is also required to include a copy of its audited financial reports. These are reported in the Financial Statements section of this Annual Report.



Integrated Planning and Reporting framework

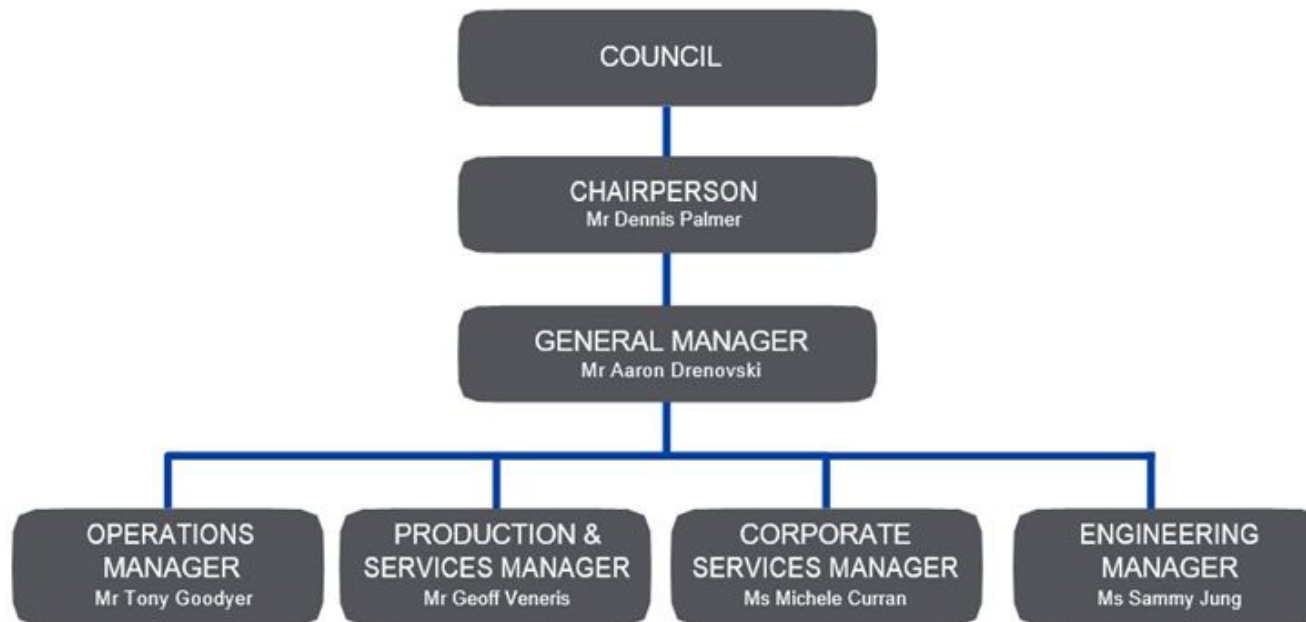




Organisational Structure

Goldenfields Water’s organisational structure operates under the direction of its Board. The Board must appoint a General Manager to lead Goldenfields Water’s day-to-day operations.

The organisational structure consists of five business units – the General Manager’s Office, Operations, Production & Services, Engineering, and Corporate Services





DELIVERY PROGRAM PROGRESS

2017-2021

REPORTING ON PROGRESS

Under the Integrated Planning and Reporting framework the main focus of the Annual Report is Goldenfields Water's progress in implementing its four year Delivery Program and annual Operational Plan.

This section contains the report on Goldenfields Water's Delivery Program progress for 2019/20.

It is categorised in-line with the nine strategic priorities established by its long-term Business Activity Strategic Plan and the strategic objectives, strategies and actions outlined in its 2017/21 Delivery Program and 2019/20 Operational Plan to achieve those priorities.



Green – Completed



Blue – Progressing



Red – Not yet started



1: Excellence in service provision

1.1: Monitor and report compliance with regulatory, service and other organisational requirements



1.1.2: Increased drinking water assurance

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.1.2.1	Develop and implement an annual drinking water performance scorecard.	Develop and submit Council's Annual Drinking Water Management Report.	Production & Services Manager		100%	Goldenfields has developed and implemented a Drinking Water Management System. This system is reviewed around October every year and the performance of the management system is provided within an annual report to the October or December Council meeting. The review and annual performance report was provided to the Board at the December 2019 Council Meeting.



1.2: Provide a reliable and quality drinking water supply

1.2.2: Assets are managed strategically, across whole of life to improve delivery of services and financial management

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.2.1	Annually review asset performance data. Implementation of an app to capture burst data. Undertake 1 pump station audit each quarter	Implementation of an app to capture burst data. Undertake 1 pump station audit each quarter.	Engineering Manager		100%	Burst data online platform is in operation and has been highly successful. Condition rating and Piping and Instrumentation Diagrams (P&IDs) have been developed for all pump stations during this financial year.
1.2.2.3	Construct and deliver Mandamah Pipeline Stage 2 as per program. Deliver the Capital Works as per program.	Achieve greater than 85% of program	Operations Manager		95%	Mandamah stage 2 – Completion of 2.2 kilometres of 200mm OPVC pipe, 3.6 kilometres of 150mm OPVC pipe, 12.6 kilometres of 100mm OPVC pipe and 32.9 kilometres of 63mm PE pipe.



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.2.4	<p>Hydrant and valve maintenance/replacement program has been established and resources allocated.</p> <p>Reservoir cleaning/maintenance & inspections is on-going with reports actioned to Engineering department.</p>	Achieve greater than 85% of program	Operations Manager		100%	<p>Hydrant/valve maintenance/replacement program is on target with approximately 3257 completed. A total of 5744 are outstanding and due for completion in 20/21 (2 year program).</p> <p>Reservoir cleaning/maintenance program is ongoing and working in conjunction with Engineering re unplanned and emergent works</p>
1.2.2.6	Maintain asset data in a register and complete revaluation every 3-5 years. A revaluation is not due in the 19/20 FY.	Maintain asset data register and complete revaluation every 3-5 years. Not due in 2019/2020.	Engineering Manager		100%	<p>Conditions ratings and Piping and Instrumentation Diagrams have been completed for all above ground assets. Improved data collation for asset register. Revaluation undertaken due to changes in condition rating. Class Asset Management Plans are currently in development</p>



1.2.3: Contamination resulting from backflow is minimised

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.3.1	Continue with backflow prevention installation program	Achieve greater than 85% of program	Engineering Manager		20%	This has not progressed due to issues identified with low pressure in some areas. Investigations underway to maintaining pressure in these areas prior to backflow prevention devices being installed.
1.2.3.2	Monitor success of new filling stations	Monitor usage of the automated filling stations in comparison to existing standpipes.	Engineering Manager		100%	Bulk filling station use is monitored through an online platform

1.2.4: Water mains are systematically renewed and extended, based on asset performance data

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.4.1	Develop and implement a water main renewal program. For the extended Coursing Park area and Daylight scheme develop a renewal program for the next 5 years.	Renewal programs are developed to inform future capital works.	Engineering Manager		100%	Reviewed asset useful lives as part of improving our asset management. Improved capturing of burst data and identification of pipe conditions. This information will be used to further develop our mains renewals program.
1.2.4.2	Continue with Mandamah water main extension program	Complete 30km of the Mandamah project.	Engineering Manager		100%	Mandamah construction is significantly ahead of schedule.



1.2.5: Water Pumping Stations are systematically renewed based on asset performance data

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.5.1	Develop and implement a water pumping station renewal program	Program to be developed and continually updated in accordance with Councils Asset Management Risk Management Framework, Condition Manual and Investment Prioritisation Model.	Production & Services Manager		100%	A renewal program has been developed for the 2019/20 financial year via a registered log of run hours and condition assessments of Councils pump assets. For the reporting period, Oura pump 3, Pump 2 at Jugiong Number 2, Talbingo Lane Pump 2, Temora Transfer pump 3, Junee Reefs, Ganmain Pump 2 and Aria Park 1 & 3 have been completed.

1.2.6: Trunk mains are systematically renewed based on asset performance data

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.6.1	Develop and implement a trunk main renewal program	Complete a minimum of 5km of trunk main renewal.	Engineering Manager		100%	Reviewed asset useful lives as part of improving our asset management. Improved capturing of burst data and identification of pipe conditions. This information will be used to further develop our trunk renewals program.



1.2.8: Telemetry system is systematically renewed and extended, based on asset performance data

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.8.1	Develop and implement a telemetry renewal program	Telemetry and SCADA equipment to be renewed as failures occur.	Production & Services Manager		100%	Goldenfields Water has installed all new communication towers and associated equipment for the Mt Daylight Scheme. In addition to the communication systems, all new electrical switchboards have been installed at Hannan, Daylight and Naradhan pump stations. The integration of control for the Ballyrogan Bores between Carrathool Shire and Goldenfields has also been completed.

1.2.9: Flow meters are systematically renewed and extended, based on asset performance data

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.9.1	Develop and implement a flow meter renewal program. Validate the calibration of all production flow meters	Validate the calibration of all production flow meters.	Engineering Manager		30%	Mt Arthur production meters calibrated and one replaced. Calibration of other meters is still required.

1.2.10: System valves are systematically renewed and extended, based on asset performance data

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.10.1	Develop and implement an air valve, scour and reflux renewal program	Achieve greater than 85% of program	Engineering Manager		80%	Valves are now included in asset register. Asset management plans under development which will include a renewal program



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.10.2	Develop and implement a pressure reducing valve and surge tank renewal program	Achieve greater than 85% of the program	Engineering Manager		100%	Renewal program to be formalised as part of asset management class plans.
1.2.10.4	Develop and implement a control valve renewal program	Achieve greater than 85% of program	Engineering Manager		90%	Valves are now included in asset register. Asset management plans under development which will include a renewal program. A tender to renew some of our critical valves is under development for release in the following financial year.
1.2.10.6	Develop and implement a stop valve renewal program	Achieve greater than 85% of program	Engineering Manager		80%	Valves are now included in asset register. Asset management plans under development which will include a renewal program. A tender to renew some of our critical valves is under development for release in the following financial year.

1.2.11: Hydrants are systematically renewed based on asset performance data

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.11.1	Develop and implement a hydrant renewal program	Achieve greater than 85% of program	Engineering Manager		100%	Hydrant renewal program is being undertaken in conjunction with the valve maintenance program. Approximately 50% of hydrants have had maintenance work and 10% have been renewed. This is a 2 year program, due for completion in 2020/21.



1.2.12: Instrumentation installations are systematically renewed and extended, based on asset performance data

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.12.1	Develop and implement an instrumentation renewal program	Undertake renewal of water quality and SCADA instrumentation equipment as required.	Production & Services Manager		100%	Instrumentation is replaced when and where required. In addition to the general replacement program, new Burket chlorine analysers were purchased for Jugiong, Oura, Bradman St and Ganmain. Jugiong was the initial trial site for the new technology with successful results in terms of reliability and minimising maintenance. Oura and Bradman Street have also now been completed.
1.2.12.2	Develop and implement an instrumentation expansion program	Expansion of water quality and SCADA instrumentation to occur as required to ensure continuous improvement of water quality and demand data.	Production & Services Manager		80%	Staff continually seek opportunities for the expansion of instrumentation that provides greater data capture and control systems to Goldenfields Waters' operations. Staff are currently working with Hilltops Council for the potential to install additional analysers at the Prunevale pump station. In addition to this, 6 new turbidity meters were installed at the Jugiong Water Treatment Plant for capturing essential performance data on each individual filter process.



1.2.13: We inform and involve our community about projects, programs and other activities

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.13.1	Regularly update and publish information on Goldenfields website relating to major projects, water outages, meeting minutes, billing, recent announcements and staffing updates.	Provision of timely, accurate and relevant information	Community Engagement Officer		100%	Relevant information has been published and updated on Council's website to keep our community informed and involved about projects, programs and other activities.
1.2.13.2	Proactively provide project specific information to relevant stakeholders as required and respond to any stakeholder requests in a timely manner.	Provision of timely, accurate and relevant information	General Manager		100%	Goldenfields stakeholders have been provided relevant information through quarterly customer newsletters, website updates and social media engagement. Stakeholder requests are responded to in line with the customer service charter.
1.2.13.3	Report financial information internally.	Report financial information internally at least monthly.	Corporate Services Manager		100%	A new costing system will be adopted as of 1 July 2020, enabling improved reporting and budgeting in future years.
1.2.13.4	Report financial performance to regulators as per compliance and to the community through bi-monthly Council meeting agendas and the Annual Report.	All external financial reporting is compliant with the Act and Regulations	Corporate Services Manager		100%	Statutory financial reporting obligations to Council meetings and regulators are being met within required timeframes.



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.13.5	Report compliance information to regulators.	<p>1) Report any non-conformance with the Drinking Water Management System to NSW Health.</p> <p>2) Report any non-conformance with the Jugiong Water Treatment Plant's Environmental Protection License.</p> <p>3) Develop and submit an Annual Drinking Water Quality Report to NSW Health</p> <p>4) Development and submit the Environmental Protection License Annual Return to NSW EPA for the Jugiong Water Treatment Plant.</p>	Production & Services Manager	●	100%	Staff report to a number of regulators throughout the financial year. These include NSW Public Health, EPA & DoPIE. For the reporting year staff have completed and submitted the Annual Benchmark Reporting to DoPIE, Environmental Protection License for Jugiong WTP to EPA and the Annual DWMS Review to NSW Public Health with good results.



2: Maximising regional water supply

2.1: Plan for the regions future water supply

2.1.1: Future water supply options are proactively identified and evaluated

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.1.1.1	Review, and monitor any opportunities for expansion of raw water sources and associated licenses.	Review, maintain and monitor raw water sources and associated licenses.	Production & Services Manager		100%	Staff are continually looking for opportunities to expand Goldenfields Waters' access to Raw Water provisions. Staff are currently sourcing any opportunities for the Oura (Gumly Gumly) groundwater source. In addition to this, Staff have met with DoPIE and advised the need to for additional entitlement to the Jugiong Water Treatment Plant if Boorowa was to be serviced form this scheme.



2.2: Plan for the region's future growth

2.2.1: Our water supply network is able to respond to community growth and development

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.2.1.1	Liaise closely with constituent councils regarding growth and development	Meet at least annually with Constituent Councils counterparts.	General Manager		100%	The General Manager has met with the Hilltops, Coolamon, and Cootamundra Gundagai General Managers, and staff have liaised with their counterparts at Constituent Councils.



2.2.2: Water supply system constraints are identified

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.2.2.1	Enhance the system-wide hydraulic model	Hydraulic model is enhanced as opportunities arise.	Engineering Manager		100%	Additional areas of the model have been enhanced. Staff have been provided with training to improve hydraulic model knowledge.
2.2.2.2	Calibrate the hydraulic model with water meter and SCADA data.	Progressively calibrate the new water model through the investigation and review of Councils water supply network	Production & Services Manager		0%	The Water Model is yet to be developed and therefore any integration with SCADA has been postponed until it has been finalised.



3: Strategic water management

3.1: Become an industry leader in the water sector

3.1.1: We are open to emerging technology and water cycle management methods

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
3.1.1.1	Monitor emerging technology and incorporate into future plans.	Investigate any opportunities for continuous improvement of services through emerging technologies.	Production & Services Manager		100%	Staff are continually seeking new technologies to help deliver greater efficiencies and services to our customers. During July and October 2019, Staff engaged No-Des, a mobile flushing technology company to trial its flushing system within the Mt Arthur water supply scheme. Around 35km of reticulation main was flushed through the trial at a cost of around \$90,000. The results were very positive and staff will look at a number of options to continue its improvement of the system in future years.



3.1.2: We have the capacity to influence water industry direction

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
3.1.2.1	Explore opportunities to influence water industry policy and direction through participation in industry groups and bodies.	<p>1) Represent Goldenfields Water as an elected Executive Committee Member for the NSW Water Directorate.</p> <p>2) Participate in any opportunities to make submissions or represent the Council when and where appropriate</p>	Production & Services Manager		100%	Council's Production and Services Manager is a current Executive Committee member of the NSW Water Directorate and the current subcommittee Chair for its Digital Utilities committee. A number of submissions have been made to the State with the most recent being in relation to the proposed Regional and State Water Strategies.

4: Best practice pricing

4.1: Ensure water metering is accurate

4.1.1: There is a high level of confidence in accuracy of water metering internally and amongst stakeholders

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
4.1.1.1	Develop and implement a water meter replacement program.	Achieve greater than 85% of program	Operations Manager		30%	Water meter replacement program is progressing slowly on an as needs basis and come 2022 it is envisaged that the program should be fully underway and coincide with the original 10 year replacement program



4.2: Levy and collect water charges

4.2.1: Water meters are read accurately and water account notices issued correctly



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
4.2.1.1	Read 97% of water meters by using the AMR network	97% of meters are read using the automated meter reading network.	Corporate Services Manager	●	100%	Consistently achieving 98% of meters being read using the automated meter reading network.
4.2.1.2	Water account notices issued within agreed timeframes	Water account notices are issued within agreed time frames.	Corporate Services Manager	●	100%	Accounts are consistently being issued within agreed timeframes.



5: Proactive customer relations

5.1: Improve customer and community engagement

5.1.1: Feedback from customers is regularly captured and used in decision-making

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
5.1.1.1	Undertake customer survey in line with Community Engagement Strategy	The method of delivery and content is considered to undertake the survey in 2021 as per Community Engagement Strategy.	Community Engagement Officer		100%	To proactively engage with our customers, a customer survey has been scheduled to commence in August 2020. An external provider has been engaged to identify the current expectations of our customers and the community overall, and over time, track our progress toward meeting those expectations.
5.1.1.2	As outlined in the Community Engagement Strategy, Goldenfields will conduct a customer survey on the commencement of each four year term of Council. Recommendations from the last customer survey will be reviewed in 19/20 to determine the content and method for the next Customer Survey in 2021.	Survey results are incorporated into future Operational Plans	Community Engagement Officer		0%	



5.1.2: Our community understands what we do and has regular opportunities to be involved with us

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
5.1.2.1	Continue to achieve key actions listed in the four year Community Engagement Strategy and seek opportunities within our communities to further increase our level of community engagement.	Key actions within the Customer Engagement Strategy have been met.	Community Engagement Officer		75%	Key actions continue to be met where possible however COVID-19 has impacted the engagement with schools and attending community events. Of note is the final delivery of drinking water stations to our constituent councils, totaling 38 stations during the Community Engagement Strategy.

5.1.3: Our customer service goals are contained within a published Customer Service Charter, and we are accountable to them

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
5.1.3.1	Consultation with the community regarding deliverable service levels will be held in conjunction with the customer survey due in 2021 to ensure financial synergy.	Method of delivery and content is considered in preparation for the 2021 customer survey.	Corporate Services Manager		50%	Next Customer Survey to be undertaken in 2020/21 as per Community Engagement Strategy. Survey scheduled to be undertaken in August 2020. Survey in process of being developed in conjunction with IRIS Research.



5.1.4: We participate in improving understanding of water management and sustainable water practices in our community

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
5.1.4.1	Engage with the community and stakeholders through traditional media methods, social media, website, community presentations, educational programs, media launches, branding at community events and face to face meetings.	Variety of channels utilised when communicating to the community	Community Engagement Officer		100%	Goldenfields has engaged with our communities through social media, newsletters and App notifications to improve the understanding of water management and sustainable water practices.
5.1.4.2	Schools within our supply scheme will be offered to attend Goldenfields Waters 'Depth Day' program at the Jugiong Water Treatment Plant, to learn more about the water treatment process. During National Water Week, Goldenfields will work with local schools and preschools to encourage and educate youths about sustainable water practices.	Educational resources are developed.	Community Engagement Officer		60%	While extensive preparations were made for the Depth Day Program, COVID-19 forced the cancellation of the event. However, preparations are underway for National Water Week in October 2020.



5.2: Develop and maintain strong links with stakeholders

5.2.1: We have close relationships with the Riverina Eastern Regional Organisation of Councils (REROC)

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
5.2.1.1	Participate in opportunities for resource, expertise and knowledge sharing with REROC	Goldenfields actively attends REROC meetings	General Manager	●	100%	Goldenfields has maintained links with Stakeholders by participating in REROC and RIVJO meetings regularly attended enabling opportunities for resource, expertise and knowledge sharing to be identified.
5.2.1.2	Work closely with REROC to improve service efficiency and effectiveness and promote matters of common interest	Goldenfields participates in projects with a joint interest.	General Manager	●	100%	Goldenfields is actively involved in attending REROC meetings and contributing to discussions in matters of common interest such as the COVID-19 stimulus funding and the REROC workforce development group.

5.2.2: We have close relationships with our constituent councils

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
5.2.2.1	Meet at least annually with Constituent Council counterparts.	Meet with Constituent Council counterparts at least annually.	General Manager	●	100%	The General Manager has met with the Hilltops, Coolamon, and Cootamundra Gundagai General Managers, and staff regularly engage with their counterparts at Constituent Councils. In addition REROC meetings and correspondence provide the opportunity to engage with constituent councils.
5.2.2.2	Assist Constituent Councils where possible to attract growth and new business to the region	Joint projects undertaken where viable	General Manager	●	100%	Goldenfields continues to assist Cootamundra Gundagai Council Nangus supply growth project.



5.2.3: We have a positive corporate reputation within our community and wider industry



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
5.2.3.1	Customers, stakeholders and Constituent Councils will be updated with Goldenfields Waters' current works, upcoming major works, educational programs and general updates through the distribution of the Customer Newsletter every October and April. Customers and stakeholders will regularly be updated with announcements via Goldenfields Waters' social media platforms and traditional media. The development of a video series highlighting the service provided by Goldenfields Water will be rolled out in 19/20.	Variety of communication channels utilised to ensure stakeholders are informed	Community Engagement Officer		100%	The customer newsletter has been circulated quarterly and Goldenfields regularly engages through various mediums. A suite of 'meet our staff' videos have been created and released.



6: Environmental protection and sustainability

6.2: Ensure natural resources are used efficiently

6.2.1: We regularly review energy use to proactively identify and implement usage reduction activities to lower costs and reduce carbon foot print

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
6.2.1.1	Investigate opportunities for energy cost reductions.	1) Investigate and manage energy contracts 2) identify any opportunities where energy consumption can be reduced	Production & Services Manager		100%	Staff continually seek ways to optimise or include efficiencies for energy usage and associated costs. During the 2019/20 financial year staff investigated opportunities with an external contractor to provide Power Purchase Agreements/solar installations across 12 operational sites. From these 12 sites, only 2 sites were deemed appropriate for a solar installation. Staff will therefore seek alternative opportunities in reducing its energy costs.
6.2.1.2	Educate operators responsible for sites with highest energy consumption.	Update and educate staff where operational control measures will be modified to investigate potential savings in energy consumption.	Production & Services Manager		100%	All Water Treatment Plant operators and relevant staff are trained and educated in optimising plant operations.



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
6.2.1.3	As per item 6.2.1.2 operators will be encouraged to identify and implement savings. Consider suitable areas for onsite renewable energy.	Suitable areas for onsite renewable energy are identified.	Production & Services Manager		100%	Twelve sites were investigated by an external party for the potential to install solar energy systems to help alleviate some of the costs associated with water operations. Of these twelve sites only two were deemed appropriate for a viable solar installation project. Staff will seek alternative options for reducing its ongoing energy costs.
6.2.1.4	As per item 6.2.1.3 efficiencies are encouraged to reduce usage and renewable options will be considered.	Efficiencies are identified to reduce energy.	Production & Services Manager		100%	Energy use is proactively monitored throughout the year. Goldenfields Water maintain a cloud based software system that monitors all electrical usage and costs associated with its operations. Carbon footprint activity is also monitored and reported in the Annual NSW Benchmark Report. Council was able to modify Control changes for the West Wyalong Pump Station during the 2019/20 financial year which has seen an annual saving of around \$15k per annum based on projected time of use requirements.

6.2.2: Water use efficiency is increased across the network

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
6.2.2.1	Develop and maintain an Integrated Water Cycle Management strategy.	Develop and Implement a new Drought and Demand management plan.	Production & Services Manager		50%	Council's IWCM project and associated Project Reference Group Workshop was to be held in March 2020. This had to be cancelled due to Covid-19 restrictions and has therefore been deferred to mid-August 2020 for commencement.



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
6.2.2.2	Customers have access to data portal and the MyH2O app to monitor their usage.	The MyH2O app is fully functioning and customers are encouraged to access and monitor their usage.	Corporate Services Manager		100%	MyH2O application and web portal fully functional and being used by customers to monitor their water use and ultimately improve the efficient use of water.

6.3: Manage the water supply's sustainability and security

6.3.1: Risks to the water supply's sustainability and security are identified and monitored

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
6.3.1.2	Launch the MyH2O app and continue to encourage customers to sign up to MyH2O website to effectively monitor their water usage. Provide and educate customers about water efficient practices.	The percentage of customers using MyH2O has increased.	Community Engagement Officer		100%	Goldenfields has continued to promote the use of the Goldenfields App which encourages customers to monitor water use and ultimately assist in managing the sustainability and security of the water supply.



6.3.2: We have a multilayered approach to water quality control

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
6.3.2.1	Develop, Implement and Maintain an approved Drinking Water Management System.	Maintain and update Councils Drinking Water Management System when and where required.	Production & Services Manager		100%	Goldenfields developed and adopted its DWMS in Feb 2018. Since its initial adoption two reviews and an internal audit have been completed, confirming its effectiveness. The most recent review (DWMS Annual Report) was completed and submitted to NSW Public Health in December 2019.

7: Efficient operations

7.1: Improve business efficiency

7.1.2: Information management is integrated across the organisation

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
7.1.2.2	Continually update and improve the Geographic Information System	GIS enhancements are implemented	Engineering Manager		50%	Improved link between GIS and Asset Management. Additional GIS modules have been created to improve staff usability.



7.1.3: Corporate systems are implemented to support improvements in business efficiency

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
7.1.3.2	Develop an asset register structure and integrate with Civica and GIS.	Develop an asset register structure and integrate with CIVICA and GIS.	Engineering Manager		80%	Asset register structure has been developed. Improved asset data including condition rating and development of Piping and Instrumentation Diagrams for above ground infrastructure has been completed. Upload to Civica will take place following the asset revaluation.

7.1.4: Corporate systems are integrated where practical to improve data

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
7.1.4.1	Integrate SCADA with hydraulic modelling software.	SCADA is integrated with hydraulic modelling software.	Production & Services Manager		0%	The Water Model is yet to be developed and therefore any integration with SCADA has been postponed until it has been finalised.

7.1.5: Fleet management is optimised

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
7.1.5.1	Review fleet requirements annually.	Fleet procurement decisions are based on whole of life costing	Corporate Services Manager		100%	Fleet replacement program developed and monitored throughout the year, in order to improve business efficiency.



7.3: Reduce exposure to business risks

7.3.1: We take an integrated approach to risk management

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
7.3.1.1	Develop and implement a risk management framework and corporate risk register.	Risk management framework and corporate risk register developed and implemented.	Corporate Services Manager		100%	Risk Management Framework has been adopted and the risk register created to reduce exposure to business risks.

7.3.2: Environmental management practices are in place to reduce exposure to environmental risk

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
7.3.2.2	Review and maintain Councils compliance with environmental risks.	Council will maintain compliance with their Environmental Protection License and will develop and maintain a Pollution Incident Response Management Plan (PIRMP).	Production & Services Manager		100%	Goldenfields has one environmental protection license associated with the Jugiong Water Treatment Plant operations. This license is regulated through the EPA. This license is reviewed annually and submitted to the EPA in around April of every year. Thus far Council has not had any breaches of its license for the Jugiong Water Treatment Plant.



7.4: Improve the efficiency of operations in the field

7.4.1: We have an efficient, mobile workforce

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
7.4.1.1	Mobile platform for GIS developed and implemented.	Mobile GIS platform is developed and implemented.	Engineering Manager		100%	GIS is available on mobile platforms, to improve the efficiency of field operations.

8: Highly skilled and energetic workforce

8.1: Improve the management of human resources

8.1.1: Our workforce is motivated, skilled and flexible

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
8.1.1.2	Provide staff with professional development opportunities that meet future needs	Annual staff development plans completed, training undertaken for identified gaps	HR Coordinator		100%	To encourage a highly skilled and motivated workforce, staff are provided development opportunities through training programs, conference attendance and education assistance.
8.1.1.3	Undertake an annual employee survey	Annual Survey undertaken and results reviewed and actioned	HR Coordinator		100%	Survey completed in September 2019, with results provided to the Board.



9: Financially sustainable

9.1: Deliver responsible financial management

9.1.1: Our organisation is financially sustainable

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
9.1.1.1	Develop a long-term financial management plan	Long term financial plan updated annually	Corporate Services Manager		100%	Goldenfields Long term financial plan was created as part of 2020/21 budget and operational plan development, assisting in planning the financial sustainability of the organisation.
9.1.1.3	Review schedule of fees and charges in-line with the annual operational plan	Revised scheduled of fees and charges adopted by Council as part of operational plan	Corporate Services Manager		100%	Fees and Charges reviewed and adopted in June 2019 in accordance with the four year price path adopted in 2015/16. 2020/21 Fees and Charges adopted in June 2020, with 0% increase to assist our communities manage the effect of COVID-19.
9.1.1.4	Develop capital works programs in-line with the planned price path.	Capital works program adopted by Council and reflected in LTFP	Corporate Services Manager		100%	The 2020/21 Capital Works program has been developed in conjunction with the development of the Long Term Financial Plan.



STATUTORY REPORTING

Financial, asset and other reporting requirements

Under the Local Government Act 1993 (NSW), Goldenfields Water's Annual Report must contain:

- A copy of its audited financial report prepared in accordance with the Local Government Code of Accounting Practice and Financial Reporting published by the NSW Government's Office of Local Government.
- Such other information or material as the Local Government (General) Regulation 2005 (NSW) or the Integrated Planning and Reporting Guidelines may require.

This section contains information about those items that Goldenfields Water as a single purpose county council is statutorily obligated to report on.



Overseas visits by Goldenfields Water representatives

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

During the 2019/20 year, no overseas visits were undertaken by Goldenfields Water representatives.

Councillor remuneration, expenses and provision of facilities

Clause 217(1) (a1) Local Government (General) Regulation 2005

Chairpersons fees	\$16,246
Members fees	\$79,130
Total	\$95,376
Provision of dedicated office equipment	Nil
Telephone call allowance	\$780
Attendance of councillors at conferences and seminars	\$3,845
Induction training and professional development programs	Nil
Other training and skill development	Nil
Attendance of councillors spouse at conferences	Nil
Travel expenses	\$6,684
Provision of care for child or immediate family member	Nil
Total	\$11,309

Contracts awarded with a value of \$150,000.00 or more

Clause 217 (1) (a2) Local Government (General) Regulation 2005

Contractor Name	Name of goods/ services provided	Total amount payable under the contract
Origin Energy	Electricity	\$1,370,486
ERM Pty Ltd	Electricity	\$1,632,630
Caltex Australia Petroleum	Fuel	\$276,840
SAFEgroup Automation Pty Ltd	SCADA Hardware Radios and RTUs, Consultancy (Integrator)Service	\$1,184,886
Palmer Ford	Vehicles	\$394,745
SMEC Australia Pty Ltd	Design high voltage upgrade – Oura water treatment plant	\$455,660
Kellogg Brown & Root Pty Ltd	Design Thanowring Rd pipeline renewal	\$229,283
Water Resources Drilling Pty Ltd	Construct Matong Bore	\$280,240
Total		\$5,824,770

Legal Proceedings: Expenses & Progress

Clause 217(1) (a3) Local Government (General) Regulation 2005

During the 2019/20 year Goldenfields Water incurred \$89,175 in legal fees for general legal issues and debt recovery. Legal fees were not in



relation to legal proceedings in court, they were only in relation to legal advice or debt recovery action.

Section 67 Works on private land

Clause 217(1) (a4) Local Government (General) Regulation 2005

During the 2019/20 year Goldenfields did not carry out any works on private land.

Section 356 contributions

Clause 217(1) (a5) Local Government (General) Regulation 2005

Section 356 of the Local Government Act 1993 enables a council to contribute money to persons for the purpose of exercising its functions. Goldenfields Water grants concessions and donations to Schools, Community Groups and Service Organisations located within its distribution area.

The following groups and service organisations are eligible to be granted the following concessions:

- Constituent General Purpose Councils - a donation equal to the value of access charges levied on the first connection to "community" land, together with any connections within road reserves (where such connection is used for public beautification) and crown reserves (where such reserves are not leased or otherwise subject to restrictions on public access);
- All Schools (State and Church), colleges and pre-schools within Council's service area - on application, a donation of \$200 per

annum each, to be applied towards the cost of prizes and/or awards to students or any other approved purpose;

- Premises owned by recognised Churches - a donation equal to the value of access charges for any connection which serves, in whole or part, a place of public worship, residence occupied by a minister of religion and/or member of a recognised religious order, and/or welfare facility operated by that church (not including commercial operations);
- Premises owned (or held in trust) and used by the following community organisations, together with others which may be accepted from time to time - a donation equal to the value of access charges for any connection which serves premises primarily utilised to further the objectives of such organisation:
 - Scouting & Guiding movement
 - Rescue and disaster response groups
 - Masonic Lodge meeting places
 - Community halls / recreation facilities
 - Country Women's Association
 - Red Cross
 - Local history societies / museums
 - Local senior citizens' groups
 - Agricultural showgrounds
 - Unlicensed RSL halls or similar premises

During 2019/20, Goldenfields Water provided the following donations:

- Access Charge Donation - \$159,519



- Donation of Drinking Water re-fill stations - \$46,486
- Schools - \$14,200

Total rates and charges written off

Clause 132 Local Government (General) Regulation 2005

During the 2019/20 year, Goldenfields Water County Council wrote off a total of \$7,762.

Goldenfields Water functions delegated to external bodies

Clause 217(1) (a6) Local Government (General) Regulation 2005.

During the 2019/20 year, Goldenfields Water has delegated building inspections related to onsite water functions to retail councils: Bland, Coolamon, Junee and Temora.

Goldenfields Water’s controlling interest in corporations, partnerships, trusts, joint ventures, syndicates or other bodies

Clause 217(1) (a7) Local Government (General) Regulation.

During the 2019/20 year, Goldenfields Water held no controlling interests under this section.

Participation in partnerships, trusts, joint ventures, syndicates or other bodies.

Clause 217(1) (a8) Local Government (General) Regulation

Goldenfields Water was a party to the following partnerships, co-operatives or joint ventures during the 2019/20 financial year:

- Statewide Mutual - a self-insurance mutual providing public liability and professional indemnity cover for Council.
- Statewide Property Mutual - a self-insurance mutual providing property insurance for Council.
- StateCover - a self-insurance mutual providing workers compensation insurance for Council.
- Riverina Eastern Regional Organisation of Councils (REROC) - a collective of 7 General Purpose Councils and 2 Water County Councils whose objectives are as follows:
 - To participate in activities which promote effective regional development.
 - To enhance the collective status of Local Government within the eastern Riverina.
- MOU with Riverina Water – Goldenfields Water developed MOU to encourage resource and technical advice sharing.

Equal Employment Opportunity Statement of Activities

Clause 217(1) (a9) Local Government (General) Regulation 2005

It is Council’s policy to provide equal employment opportunity for all persons in accordance with relevant legislation. An Equal Employment Opportunity policy and accompanying Management Plan has been established which provides a comprehensive overview of EEO while outlining the actions Goldenfields Water will undertake to ensure compliance.

Through staff training and awareness, policy development and implementation, key messaging has been provided to reinforce Council’s position against discrimination and harassment in any form.



Total remuneration for general managers and senior staff

Clause 217(1) (b) & (c) Local Government (General) Regulation 2005

During the 2019/20 financial year the General Manager was the only position on a senior staff contract. During the year there was a resignation, an acting role and appointment of new General Manager. The remuneration total includes salaries paid, employer superannuation contributions, fringe benefits tax and termination payments for exiting general managers.

General Manager \$237,251

Compliance with the Australian Drinking Water Guidelines (ADWG)

Goldenfields Water has developed and maintained a new Drinking Water Management System (DWMS) since 2018. The DWMS demonstrates Goldenfields Waters' compliance with the requirement of s25 Public Health Act 2010 which requires a water utility to develop a Quality Assurance Program in line with the Framework for Drinking Water Quality Management in the Australian Drinking Water Guidelines 2011 v3.4 (NHMRC 2017). This DWMS and its associated documents, act as a roadmap of the activities that Council undertakes to ensure the provision of safe drinking water to its customers.

As part of maintaining a DWMS, Goldenfields Water staff undertake an extensive water analysis of all of its water supply systems via the collection and testing of water for both operational and verification monitoring. These samples are tested at the GWCC laboratory, or an external NATA accredited laboratory for operational monitoring or NSW Health's FASS lab for verification and compliance purposes.

Throughout the 2019/20 reporting period Goldenfields Staff have conducted a total of 1296 microbial water samples, 168 comprehensive chemical samples, 10 pesticide samples, and 4139 in-situ testing samples undertaken and reported on.

All microbial samples were compliant throughout the reporting period, with 14 chemical results indicating levels of exceedance with the Australian Drinking Water Guidelines. These exceedances were based on aesthetic criteria with 4 exceedances registered within the Oura distribution network due to high pH levels at the extremities of the supply system, 6 exceedances in Mt Arthur water supply scheme were identified due to high levels of Iron & Manganese and 4 exceedances in the Jugiong supply scheme due to Iron & Manganese and low fluoride. One (1) exceedance was identified within the comprehensive testing for high levels of lead within the Mt Arthur scheme. Retesting did not identify an additional exceedance and no further action was required. The DWMS is a public document and can be accessed through the following link.

<http://www.gwcc.nsw.gov.au/Plans-policies/Plans-and-reports>

Environmental Upgrade Agreements entered into by Council

Section 54P (1) Local Government Act 1993

Council has not entered into any agreements for environmental upgrades.



Government Information (Public Access) Act 2009

Section 125 of the Government Information (Public Access) Act 2009 & clause 8, Schedule 2 of the Government Information (Public Access) Regulation 2018.

Review of proactive release program – Clause 8 (a)

Under section 7 of the GIPA Act, Council must review its program for the release of government information to identify the kinds of information that can be made public. This must be undertaken every year. Council's program for the release of information is on a case by case basis as little information is discretionally unavailable.

Number of access applications received - Clause 8 (b)

During the reporting period, Council received 1 formal access application.

Number of refused applications for Schedule 1 information – Clause 8 (c)

During the reporting period, Council did not refuse any formal access applications.

Statistical information about access applications – Clause 8(d) and Schedule 2

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

	Access granted in full	Access granted in part	Access re-fused 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	2	2	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	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)	2	2	0	0	0	0	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). The total number of decisions in Table B should be the same as Table A.*

Table C: Invalid applications	
Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0



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

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under Electricity Network Assets (Authorised Transactions) Act 2015	0
Information about authorised transactions under Land and Property Information NSW (Authorised Transaction) Act 2016	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 the 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)	4
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	4



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 NCAT	0	0	0
Total	0	0	0

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

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

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

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

	Number of applications for review
Agency initiated transfers	0
Applicant initiated transfer	0



Public interest disclosures

Section 31 of the Public Interest Disclosures Act 1994 (PID Act) & clause 4 of the Public Interest Disclosures Regulation 2011.

Goldenfields Water is required to report annually on statistical information in accordance with the Public Interest Disclosures Act 1994 (PID Act).

Goldenfields Water maintains a Complaints Management Policy as well as an Internal Reporting Policy to manage public interest disclosures. These are published on council's website as well as distributed to staff.

Statistical information for 2019/20 can be found in the following table:

1 July 2019 - 30 June 2020	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
Number of public officials who made PIDs directly	0	0	0
Number of PIDs received	0	0	0
Of PIDs received, number primarily about: Corrupt conduct	N/A	N/A	N/A
Maladministration	N/A	N/A	N/A
Serious and substantial waste	N/A	N/A	N/A
Government information contravention	N/A	N/A	N/A
Local government pecuniary interest contravention	N/A	N/A	N/A
Number of PIDs finalised	0		



Financial Statements

Goldenfields' audited financial reports for the year 2019/20 will be included here in the finalised document.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

APPOINTMENT OF ACTING GENERAL MANAGER

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That Council appoints Geoff Veneris, Production and Services Manager, as acting General Manager during the period 30 November 2020 to 11 December 2020, inclusive.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

07 Efficient Operations

BACKGROUND

Section 351 of the Local Government Act, provides for council to appoint a person temporarily to the role of General Manager when the holder of such a position is absent.

REPORT

The General Manager will be on leave from 30 November 2020 to 11 December 2020.

The appointment of an Acting General Manager is recommended to ensure efficient operations and the functions of the General Manager are maintained during this period.

FINANCIAL IMPACT STATEMENT

The annual operating budget includes funding for acting allowances, therefore there is no impact on Councils Financial Position.

ATTACHMENTS: Nil

TABLED ITEMS: Nil

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

2020 STAFF SURVEY RESULTS

Report prepared by Human Resources Coordinator

COUNCIL OFFICER RECOMMENDATION

That the report detailing 2020 Staff Survey Results be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

08 Highly Skilled and Energetic Workforce

BACKGROUND

The Staff Survey is an anonymous questionnaire that captures staff feedback on issues critical to the organisations success.

The survey provides staff with an opportunity to have their say independently and anonymously on key employee concerns that exist within the organisation.

REPORT

The 2020 Staff Survey commenced on 7 September and concluded on 18 September 2020 with 78% of staff completing the survey.

The 2020 results show a significant improvement in perception across the outcomes and drivers of organisational performance.

In addition to the 2019 survey high performance areas, 2020 saw the following additional outcomes and drivers move into the “High Performance” category:

- Values
- Resources
- Supervision

The following outcomes and drivers moved from “Low Performance” to the Medium Performance” category:

- Processes
- Recruitment & selection
- Involvement
- Leadership

The results in comparison to previous years have been summarised in the table below:

Outcome / Driver	2016 Survey	2017 Survey	2018 Survey	2019 Survey	2020 Survey*
High Performance	5	12	2	4	6
Medium Performance	24	21	20	22	16
Low Performance	5	1	12	8	3

**The total number of drivers reported on for the 2020 Survey decreased to ensure that results were presented in a more succinct manner.*

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

Whilst the outcomes have resulted in an overall improvement since the previous year, the Leadership Team will move forward focusing on key areas with the intention of further improving the results in 2021. The key areas are in relation to information sharing, treating each other with respect and providing staff with career opportunities.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Nil.

TABLED ITEMS: Nil.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

2020 CUSTOMER SATISFACTION SURVEY

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That the report detailing the 2020 customer satisfaction survey be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

05 Proactive Customer Relations

BACKGROUND

As part of the Goldenfields Water Delivery Program for 2017-2021, Goldenfields Water committed to develop and implement its first Community Engagement Strategy. As part of this strategy Goldenfields have undertaken the 2020 customer survey to help inform its medium and long term decision making.

Goldenfields Water collaborated with expert social media market researcher 'Iris Research' to roll out their Customer Satisfaction Survey during the month of August. The survey was conducted via telephone and as an online questionnaire, designed to provide important insights into the local community's priorities and satisfaction levels including Goldenfields brand recognition and reputation, customer service experience, product quality and service delivery.

REPORT

Iris Research presented summarised findings to the Board prior to today's meeting. The executive summary is attached providing an overview of the survey outcomes. The results of the survey will be considered in Goldenfields long term strategic decision making and future integrated planning and reporting.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: 2020 Customer Satisfaction Survey Executive Summary

TABLED ITEMS: Nil.

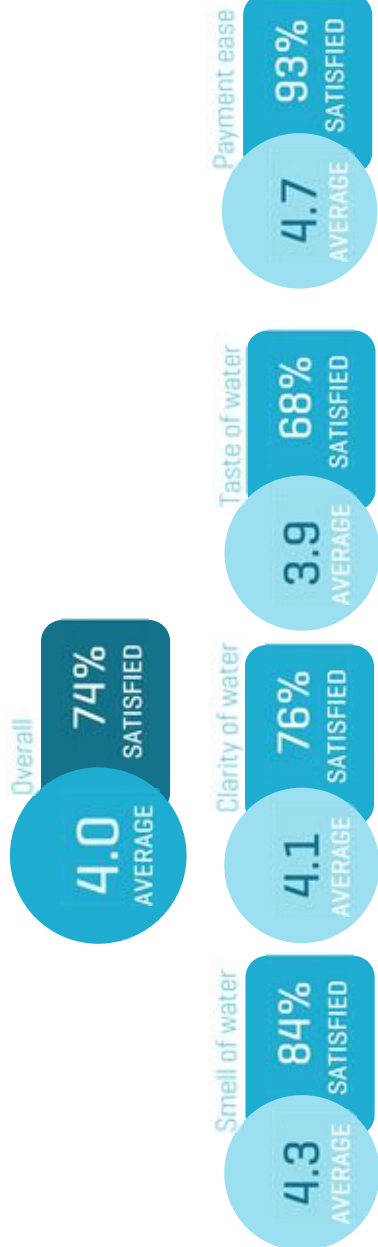
GOLDENFIELDS WATER PERFORMANCE SNAPSHOT



Service Delivery



Water Quality



Customer Experience



Propensity to Pay



EXECUTIVE SUMMARY



Satisfied customers contribute to strong brand perceptions

The customers of Goldenfields Water are highly satisfied with the overall quality of the water supplied and the service delivery of the organisation. With 'word of mouth' a prevalent source of receiving information from Goldenfields Water (second most common overall), these satisfied customers have helped contribute to strong brand perceptions. Respondents agree Goldenfields Water encourages sustainable use of water and provides enough information about personal water use and the wider water supply to improve their understanding of both areas.

Effective customer services and complaint management – meeting and exceeding expectations

About four in ten (41%) respondents have had personal contact with Goldenfields Water in the past, mostly by telephone. These customers generally made contact to make enquiries, complaints and payments. Four out of five complaints were solved, with the majority solved on the same day. Over half (53%) of the customers whose complaints were solved stated this met their expectations, while for 39 percent it exceeded expectations. Regardless of the reason for contact, customers are highly satisfied with their experience with Goldenfields Water customer services, in particular the friendliness and approachability of staff.

Improvement opportunities – a strong foundation with room to grow

While satisfaction is high overall, a smaller number of respondents reported issues with aspects of water services such as clarity and water pressure. Open-ended responses expanded on the impact of these issues on everyday water use such as drinking and washing clothes. As such, there is further room to improve water services. Goldenfields Water has a number of planned service upgrades and respondents were asked several questions to understand their propensity to pay for these upgrades. The pricing sensitivity analysis conducted indicates the optimal price range for service upgrades is \$46 to \$65 per annum per household, with the optimal per annum upgrade charge at \$50. Once there is a go-to-market plan for the service upgrades, it is important to validate through prioritisation research which service upgrades customers believe are more important.

With high satisfaction results and affordability an issue for some respondents, it is imperative for Goldenfields Water to effectively communicate all aspects of the service upgrades including costs, timelines for delivery and benefits for the community to make a compelling case and justification for increased costs to the customer. It is important to track momentum when there are planned changes to measure the performance year on year. IRIS Research suggests to complete this survey on an annual basis.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

COUNCIL MEETING DATES 2020/21

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That Council set the meeting schedule as described for the ensuing twelve months.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

07 Efficient Operations

BACKGROUND

Goldenfields Water County Council meetings are held on the fourth Thursday of every second month at the Temora Office, commencing at 10.00am.

REPORT

By reviewing the meeting schedule for the ensuing twelve months at the October meeting each year, a new Council and / or a new Chairperson can revise the meeting schedule after the annual Chair elections have been held.

Goldenfields Water Council meetings are generally held on the fourth Thursday of every second month, commencing at 10.00am.

In order to allow advance public notification of Council meeting dates for the next twelve months, the following program is put forward for consideration:

Friday 18 December 2020, commencing at 10am
Thursday 25 February 2021, commencing at 10am
Thursday 22 April 2021, commencing at 10am
Thursday 24 June 2021, commencing at 10am
Thursday 26 August 2021, commencing at 10am
Thursday 28 October 2021, commencing at 10am

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Nil.

TABLED ITEMS: Nil.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

COUNCIL END OF YEAR CORPORATE FUNCTION

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That:

1. Goldenfields Water hosts an end of year corporate function at the conclusion of the December Council meeting.
2. The Temora office be closed from 12.00pm Friday 18 December 2020 for the remainder of the day to facilitate the function.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

08 Highly Skilled and Energetic Workforce

BACKGROUND

Goldenfields Water traditionally hosts a for the Board, staff, and their families to acknowledge the efforts of employees over the preceding year.

REPORT

Goldenfields Water December Council meeting is normally held with an end of year corporate function immediately following its conclusion.

The function will be held on Friday 18 December 2020 commencing 12.30pm at the Temora Golf Club. Councillors, staff, and families will be invited to attend.

Transportation will be arranged as required for employees whose roles are based outside Temora.

To facilitate the hosting of the function the office will be closed from 12.00pm Friday 18 December 2020 for the remainder of the day.

The function will be dependent on the COVID-19 parameters at the time.

FINANCIAL IMPACT STATEMENT

The cost of hosting an end of year corporate function has been allocated within the budget.

ATTACHMENTS: Nil.

TABLED ITEMS: Nil.

GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2020

OFFICE CLOSURE

Report prepared by General Manager

COUNCIL OFFICER RECOMMENDATION

That Council endorse the office to be closed commencing Monday 21 December 2020, reopening Monday 4 January 2021.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

08 Highly Skilled and Energetic Workforce

BACKGROUND

Council has previously closed its office for a period of two weeks during the Christmas and New Year Period, with minimal disruption to Council's normal operations.

REPORT

The office closure is proposed to be from Monday 21 December 2020, reopening Monday 4 January 2021.

Benefits are:

- The first week of the New Year is a quiet week for customer interaction,
- Many businesses that Council deals with are closed that week,
- Many staff take advantage of extending their Christmas/New Year break, and
- The additional closure assists annual leave liability management.

Rostered staff will be on call to attend to operational issues (water breaks, breakdowns etc) and for major emergencies key staff will be recalled.

Customers can pay accounts through Australia Post and Bpay facilities.

Notification of the office closure period would be advertised during December.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Nil

TABLED ITEMS: Nil

NEXT MEETING

The next ordinary meeting of Council is scheduled to be held on Friday 18 December 2020 at 10.00am

CLOSE OF BUSINESS

There being no further business requiring the attention of Council the meeting may be declared closed.