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**15.4.2. Local Government Annual Conference**

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**15.4.4. Rannock RFS Onsite Storage Water Connection Application**

**15.4.5. Post-Election Council Meeting Date**

**15.4.6. Office Closure & End of Year Staff Function**

**16. CLOSE OF BUSINESS**

**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**

Council's auditor representatives under appointment by the Auditor General, Nirupama Mani and Dannielle MacKenzie, will be in attendance at the meeting to present the Audit Report in relation to the 2020/21 Financial Statements.

It is recommended;

That the presentation of financial statements occur directly after the Chairpersons minute item.

That Council consider the Financial Statements 2020/21 directly following the presentation.

## **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 24 August 2021 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**

At the time of preparation of the business paper no relevant correspondence had been received for inclusion.

### **MATTERS OF URGENCY**

In accordance with clause 9.3 of Councils Code of Meeting Practice, 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 to be considered is ruled by the chairperson to be of great urgency on the grounds that it requires a decision by the council before the next scheduled ordinary meeting of the council.

**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.

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**FINANCIAL STATEMENTS 2020/21**

**Report prepared by Corporate Services Manager**

**COUNCIL OFFICER RECOMMENDATION**

That the Board receives and notes the 2020/21 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 2020/21 Financial Statements. The Goldenfields Water County Council Audit, Risk and Improvement Committee have reviewed the draft Financial Statements. Council's auditor representatives under appointment by the Auditor General, Nirupama Mani and Dannielle MacKenzie, will be in attendance at the meeting to present the Audit Report.

**FINANCIAL IMPACT STATEMENT**

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

**ATTACHMENTS:** 2020/21 Financial Statements.

**TABLED ITEMS:** Nil.

# Goldenfields Water County Council

ANNUAL FINANCIAL STATEMENTS  
for the year ended 30 June 2021

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*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 2021

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*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 2021

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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 B1-2.

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

## Goldenfields Water County Council

### General Purpose Financial Statements

for the year ended 30 June 2021

### Statement by Councillors and Management

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

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

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

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

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

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

**Signed in accordance with a resolution of Council made on 24 August 2021.**



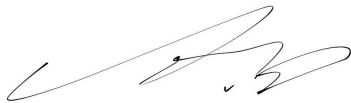
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Clr Dennis Palmer  
**Chairperson**  
24 August 2021



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Clr David McCann  
**Deputy Chairperson**  
24 August 2021



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Aaron Drenovski  
**General Manager**  
24 August 2021



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Michele Curran  
**Responsible Accounting Officer**  
24 August 2021

## Goldenfields Water County Council

### Income Statement

for the year ended 30 June 2021

Original unaudited budget 2021	\$ '000	Notes	Actual 2021	Actual 2020
<b>Income from continuing operations</b>				
5,165	Rates and annual charges	B2-1	<b>5,473</b>	5,447
16,010	User charges and fees	B2-2	<b>13,935</b>	17,464
100	Other revenue	B2-3	<b>228</b>	80
1,500	Grants and contributions provided for capital purposes	B2-4	<b>2,388</b>	1,559
830	Interest and investment income	B2-5	<b>1,045</b>	1,371
85	Other income	B2-6	<b>152</b>	168
–	Net gains from the disposal of assets	B4-1	<b>51</b>	–
<b>23,690</b>	<b>Total income from continuing operations</b>		<b>23,272</b>	26,089
<b>Expenses from continuing operations</b>				
6,517	Employee benefits and on-costs	B3-1	<b>7,143</b>	7,441
4,188	Materials and services	B3-2	<b>7,382</b>	8,370
7,521	Depreciation, amortisation and impairment for non-financial assets	B3-3	<b>8,361</b>	8,114
5,217	Other expenses	B3-4	<b>240</b>	220
–	Net losses from the disposal of assets	B4-1	<b>–</b>	415
<b>23,443</b>	<b>Total expenses from continuing operations</b>		<b>23,126</b>	24,560
<b>247</b>	<b>Operating result from continuing operations</b>		<b>146</b>	1,529
<b>247</b>	<b>Net operating result for the year attributable to Council</b>		<b>146</b>	1,529
<b>(1,253)</b>	<b>Net operating result for the year before grants and contributions provided for capital purposes</b>		<b>(2,242)</b>	(30)

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

**Goldenfields Water County Council**  
**Statement of Comprehensive Income**  
 for the year ended 30 June 2021

<b>\$ '000</b>	Notes	<b>2021</b>	2020
<b>Net operating result for the year – from Income Statement</b>		<b>146</b>	<b>1,529</b>
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	<b>9,971</b>	(259)
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>9,971</b>	(259)
<b>Total other comprehensive income for the year</b>		<b>9,971</b>	(259)
<b>Total comprehensive income for the year attributable to Council</b>		<b>10,117</b>	1,270

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

## Goldenfields Water County Council

### Statement of Financial Position

as at 30 June 2021

\$ '000	Notes	2021	2020
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	C1-1	4,338	5,672
Investments	C1-2	34,021	39,000
Receivables	C1-4	5,820	5,958
Inventories	C1-5	768	595
<b>Total current assets</b>		<b>44,947</b>	<b>51,225</b>
<b>Non-current assets</b>			
Investments	C1-2	12,000	10,000
Infrastructure, property, plant and equipment	C1-6	277,546	262,817
<b>Total non-current assets</b>		<b>289,546</b>	<b>272,817</b>
<b>Total assets</b>		<b>334,493</b>	<b>324,042</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	C3-1	1,447	1,262
Employee benefit provisions	C3-3	2,573	2,437
<b>Total current liabilities</b>		<b>4,020</b>	<b>3,699</b>
<b>Non-current liabilities</b>			
Payables	C3-1	8	8
Employee benefit provisions	C3-3	131	118
<b>Total non-current liabilities</b>		<b>139</b>	<b>126</b>
<b>Total liabilities</b>		<b>4,159</b>	<b>3,825</b>
<b>Net assets</b>		<b>330,334</b>	<b>320,217</b>
<b>EQUITY</b>			
Accumulated surplus	C4-1	95,176	95,030
IPPE revaluation reserve	C4-1	235,158	225,187
<b>Council equity interest</b>		<b>330,334</b>	<b>320,217</b>
<b>Total equity</b>		<b>330,334</b>	<b>320,217</b>

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

## Goldenfields Water County Council

## Statement of Changes in Equity

for the year ended 30 June 2021

\$ '000	Notes	as at 30/06/21			as at 30/06/20		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Total equity
Opening balance at 1 July		95,030	225,187	320,217	93,501	225,446	318,947
Net operating result for the year		146	-	146	1,529	-	1,529
<b>Net operating result for the period</b>		<b>146</b>	<b>-</b>	<b>146</b>	<b>1,529</b>	<b>-</b>	<b>1,529</b>
<b>Other comprehensive income</b>							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	-	9,971	9,971	-	(259)	(259)
<b>Other comprehensive income</b>		<b>-</b>	<b>9,971</b>	<b>9,971</b>	<b>-</b>	<b>(259)</b>	<b>(259)</b>
<b>Total comprehensive income</b>		<b>146</b>	<b>9,971</b>	<b>10,117</b>	<b>1,529</b>	<b>(259)</b>	<b>1,270</b>
<b>Closing balance at 30 June</b>		<b>95,176</b>	<b>235,158</b>	<b>330,334</b>	<b>95,030</b>	<b>225,187</b>	<b>320,217</b>

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

## Goldenfields Water County Council

### Statement of Cash Flows

for the year ended 30 June 2021

Original unaudited budget 2021	\$ '000	Notes	Actual 2021	Actual 2020
<b>Cash flows from operating activities</b>				
<i>Receipts:</i>				
5,211	Annual charges		5,592	5,835
16,276	User charges and fees		14,576	17,820
915	Investment and interest revenue received		1,295	1,513
1,544	Grants and contributions		2,389	1,558
138	Other		1,556	1,764
<i>Payments:</i>				
(6,685)	Employee benefits and on-costs		(7,071)	(6,847)
(4,045)	Materials and services		(9,729)	(5,098)
–	Bonds, deposits and retention amounts refunded		–	(28)
(5,218)	Other		147	(5,806)
8,136	<b>Net cash flows from operating activities</b>	F1-1	<b>8,755</b>	10,711
<b>Cash flows from investing activities</b>				
<i>Receipts:</i>				
6,027	Redemption of term deposits		2,979	–
–	Sale of infrastructure, property, plant and equipment		968	669
<i>Payments:</i>				
(14,663)	Purchase of infrastructure, property, plant and equipment		(14,036)	(7,596)
(8,636)	<b>Net cash flows from investing activities</b>		<b>(10,089)</b>	(6,927)
(500)	<b>Net change in cash and cash equivalents</b>		<b>(1,334)</b>	3,784
5,672	Cash and cash equivalents at beginning of year		5,672	1,888
5,172	<b>Cash and cash equivalents at end of year</b>	C1-1	<b>4,338</b>	5,672
43,376	plus: Investments on hand at end of year	C1-2	46,021	49,000
48,548	<b>Total cash, cash equivalents and investments</b>		<b>50,359</b>	54,672

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

## Goldenfields Water County Council

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## A About Council and these financial statements

### A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 30 September 2021. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these 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 (Act)* and *Local Government (General) Regulation 2005 (Regulation)*, 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.

#### Historical cost convention

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

#### 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 C1-6
- (ii) employee benefit provisions – refer Note C3-3.

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

- (i) Impairment of receivables – refer Note C1-4
- (ii) Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income for Not-for-Profit Entities* - refer to Notes B2-2 - B2-3.

#### COVID-19 Impacts

During the 2021 financial year, COVID-19 (COVID) has continued to cause a disruption to Council's business practices with a number of staff working remotely from home when required. Whilst this has caused some inconveniences it has not resulted in significant additional costs.

Overall, the financial impact has not been significant and is not anticipated to increase in future years.

Council is of the view that physical non-current assets will not experience substantial declines in value due to COVID. Fair value of the majority of Council's non-current assets is determined by replacement costs where there is no anticipated material change in value due to COVID. For assets where fair value is determined by market value Council has no evidence of material changes to these values.

## A1-1 Basis of preparation (continued)

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### Monies and other assets received by Council

#### The Consolidated Fund

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

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

General Purpose Operations (Water Services)

#### Goods and Services Tax (GST)

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

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

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

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

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

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

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

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

##### 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 2020.

**B Financial Performance****B1 Functions or activities****B1-1 Functions or activities – income, expenses and assets**

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

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Functions or activities</b>										
Water supplies	23,272	26,089	23,126	24,560	146	1,529	2,388	1,559	334,493	324,042
<b>Total functions and activities</b>	<b>23,272</b>	<b>26,089</b>	<b>23,126</b>	<b>24,560</b>	<b>146</b>	<b>1,529</b>	<b>2,388</b>	<b>1,559</b>	<b>334,493</b>	<b>324,042</b>

## B1-2 Components of functions or activities

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

### **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.

## B2 Sources of income

### B2-1 Rates and annual charges

\$ '000	2021	2020
<b>Annual charges</b>		
<small>(pursuant to s.496, s.496A, s.496B, s.501 &amp; s.611)</small>		
– Residential	1,637	1,618
– Non-residential	989	965
– Rural	1,482	1,460
– Bulk supplies to councils	1,437	1,477
Less: pensioner rebates (mandatory)	(156)	(158)
<b>Annual charges levied</b>	<b>5,389</b>	<b>5,362</b>
Pensioner subsidies received:		
– Water	84	85
<b>Total annual charges</b>	<b>5,473</b>	<b>5,447</b>
<b>Total rates and annual charges</b>	<b>5,473</b>	<b>5,447</b>

#### Accounting policy

Annual charges are recognised as revenue at 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 recognised within the underlying revenue item based on their substance.

**B2-2 User charges and fees**

\$ '000	Timing	2021	2020
<b>Specific user charges</b>			
(per s.502 - specific 'actual use' charges)			
Residential	2	4,175	5,155
Non residential	2	2,680	3,333
Rural	2	2,816	3,631
Bulk supplies to councils	2	3,988	5,104
<b>Total specific user charges</b>		<b>13,659</b>	<b>17,223</b>
<b>Other user charges and fees</b>			
<b>(i) Fees and charges – statutory and regulatory functions (per s.608)</b>			
Inspection services	2	3	1
Private works	2	2	4
Section 603 certificates	2	65	45
Tapping fees	2	137	132
Connection application fees	2	44	41
Special meter reading fee	2	7	3
Other	2	18	15
<b>Total fees and charges – statutory/regulatory</b>		<b>276</b>	<b>241</b>
<b>Total user charges and fees</b>		<b>13,935</b>	<b>17,464</b>
<b>Timing of revenue recognition for user charges and fees</b>			
User charges and fees recognised at a point in time (2)		13,935	17,464
<b>Total user charges and fees</b>		<b>13,935</b>	<b>17,464</b>

**Accounting policy**

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

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

**B2-3 Other revenue**

<b>\$ '000</b>	Timing	<b>2021</b>	<b>2020</b>
Diesel rebate	2	<b>12</b>	9
Employment / training incentives	2	<b>43</b>	3
Data network access charges	2	<b>34</b>	18
Insurance rebates	2	<b>6</b>	8
Workers compensation rebate	2	<b>37</b>	23
Procurement rebate	2	<b>1</b>	–
Other	2	<b>6</b>	19
Water filling station commissions	2	<b>89</b>	–
<b>Total other revenue</b>		<b>228</b>	<b>80</b>

**Timing of revenue recognition for other revenue**

Other revenue recognised at a point in time (2)		<b>228</b>	80
<b>Total other revenue</b>		<b>228</b>	<b>80</b>

**Accounting policy for other revenue**

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

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

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



## B2-4 Grants and contributions

\$ '000	Timing	Operating 2021	Operating 2020	Capital 2021	Capital 2020
<b>Special purpose grants and non-developer contributions - cash</b>					
Water supplies	2	-	-	10	-
<b>Total special purpose grants and non-developer contributions – cash</b>		<b>-</b>	<b>-</b>	<b>10</b>	<b>-</b>
<b>Comprising:</b>					
– Other funding		-	-	10	-
		<b>-</b>	<b>-</b>	<b>10</b>	<b>-</b>

### Developer contributions

#### Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):

##### Cash contributions

S 64 – water supply contributions	2	-	-	2,378	1,559
<b>Total developer contributions</b>		<b>-</b>	<b>-</b>	<b>2,378</b>	<b>1,559</b>
<b>Total grants and contributions</b>		<b>-</b>	<b>-</b>	<b>2,388</b>	<b>1,559</b>

#### Timing of revenue recognition for grants and contributions

Grants and contributions recognised at a point in time (2)

		-	-	2,388	1,559
<b>Total grants and contributions</b>		<b>-</b>	<b>-</b>	<b>2,388</b>	<b>1,559</b>

### Accounting policy

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

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

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

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

#### Capital grants and contributions

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

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

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

## B2-4 Grants and contributions (continued)

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### **Other grants and contributions**

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

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

**B2-5 Interest and investment income**

\$ '000	2021	2020
<b>Interest on financial assets measured at amortised cost</b>		
– Overdue rates and annual charges (incl. special purpose rates)	21	44
– Cash and investments	1,024	1,327
<b>Total interest and investment income (losses)</b>	<b>1,045</b>	<b>1,371</b>
<b>Interest and investment income is attributable to:</b>		
<b>Unrestricted investments/financial assets:</b>		
Overdue rates and annual charges (general fund)	21	44
General Council cash and investments	1,024	1,327
<b>Total interest and investment income</b>	<b>1,045</b>	<b>1,371</b>

**Accounting policy**

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

**B2-6 Other income**

\$ '000	Notes	2021	2020
<b>Rental income</b>			
<b>Rental properties</b>			
Lease income (excluding variable lease payments not dependent on an index or rate)		60	74
<b>Total Rental properties</b>		<b>60</b>	<b>74</b>
<b>Other lease income</b>			
Leaseback fees - council vehicles		92	94
<b>Total Other lease income</b>		<b>92</b>	<b>94</b>
<b>Total rental income</b>	C2-2	<b>152</b>	<b>168</b>
<b>Total other income</b>		<b>152</b>	<b>168</b>

## B3 Costs of providing services

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

\$ '000	2021	2020
Salaries and wages	5,313	5,829
Employee termination costs (where material – other than vested leave paid)	24	61
Travel expenses	–	23
Employee leave entitlements (ELE)	1,153	822
Superannuation	885	811
Workers' compensation insurance	139	116
Fringe benefit tax (FBT)	138	182
Payroll tax	284	345
Training costs (other than salaries and wages)	161	131
Protective clothing	59	80
Recruitment costs	17	25
Other	8	129
<b>Total employee costs</b>	<b>8,181</b>	<b>8,554</b>
Less: capitalised costs	(1,038)	(1,113)
<b>Total employee costs expensed</b>	<b>7,143</b>	<b>7,441</b>

#### Accounting policy

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

#### *Retirement benefit obligations*

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

#### *Superannuation plans*

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

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note D3-1 for more information.

**B3-2 Materials and services**

<b>\$ '000</b>	Notes	<b>2021</b>	2020
Raw materials and consumables		<b>6,022</b>	5,894
Contractor and consultancy costs		<b>10,414</b>	4,076
Audit Fees	E2-1	<b>70</b>	77
<b>Previously other expenses:</b>			
Councillor and Mayoral fees and associated expenses	E1-2	<b>104</b>	107
Advertising		<b>35</b>	14
Bank charges		<b>19</b>	42
Cleaning		<b>1</b>	3
Computer software charges		<b>237</b>	358
Electricity and heating		<b>2,294</b>	2,971
Insurance		<b>208</b>	216
Printing, postage and stationery		<b>92</b>	85
Subscriptions and publications		<b>278</b>	141
Telephone and communications		<b>311</b>	329
Collection agencies		<b>69</b>	31
Other expenses		<b>10</b>	10
Council land rates		<b>80</b>	79
Early payment discount		<b>-</b>	51
Legal expenses		<b>133</b>	89
Expenses from short-term leases		<b>-</b>	5
Expenses from leases of low value assets	C2-1	<b>54</b>	3
Purchase of water		<b>92</b>	99
<b>Total materials and services</b>		<b>20,523</b>	14,680
Less: capitalised costs		<b>(13,141)</b>	(6,310)
<b>Total materials and services</b>		<b>7,382</b>	8,370

**Accounting policy**

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

**B3-3 Depreciation, amortisation and impairment of non-financial assets**

\$ '000	2021	2020
<b>Depreciation and amortisation</b>		
Plant and equipment	1,027	935
Office equipment	347	330
Furniture and fittings	12	11
<b>Infrastructure:</b>		
– Buildings – non-specialised	192	201
– Water mains	4,350	4,109
– Reservoirs	1,136	1,141
– Pumping stations and bores	677	693
– Treatment plants	620	694
<b>Total gross depreciation and amortisation costs</b>	<b>8,361</b>	<b>8,114</b>
<b>Total depreciation and amortisation costs</b>	<b>8,361</b>	<b>8,114</b>
<b>Total depreciation, amortisation and impairment for non-financial assets</b>	<b>8,361</b>	<b>8,114</b>

**Accounting policy****Depreciation and amortisation**

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives.

**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 not tested for impairment since 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 non-financial 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).

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

**B3-4 Other expenses**

\$ '000	2021	2020
<b>Other</b>		
Donations, contributions and assistance to other organisations (Section 356)	240	220
<b>Total other</b>	<b>240</b>	<b>220</b>
<b>Total other expenses</b>	<b>240</b>	<b>220</b>

**Accounting policy**

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

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

\$ '000	Notes	2021	2020
<b>Gain (or loss) on disposal of plant and equipment</b>	C1-6		
Proceeds from disposal – plant and equipment		<b>968</b>	634
Less: carrying amount of plant and equipment assets sold/written off		<b>(917)</b>	(733)
<b>Gain (or loss) on disposal</b>		<b>51</b>	<b>(99)</b>
<b>Office equipment</b>	C1-6		
Proceeds from disposal – Office equipment		–	35
Less: carrying amount of Office equipment assets sold/written off		–	(178)
<b>Gain (or loss) on disposal</b>		<b>–</b>	<b>(143)</b>
<b>Gain (or loss) on disposal of infrastructure</b>	C1-6		
Less: carrying amount of infrastructure assets sold/written off		–	(173)
<b>Gain (or loss) on disposal</b>		<b>–</b>	<b>(173)</b>
<b>Net gain (or loss) on disposal of assets</b>		<b>51</b>	<b>(415)</b>

**Accounting policy**

Gains and losses on disposals are determined by comparing proceeds with carrying amount. The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

## B5 Performance against budget

### B5-1 Material budget variations

Council's original budget was adopted by the Council on 24/06/2021 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2021 Budget	2021 Actual	2021 ----- Variance -----	
<b>REVENUES</b>				
<b>Rates and annual charges</b>	5,165	5,473	308	6% <b>F</b>
<b>User charges and fees</b>	16,010	13,935	(2,075)	(13)% <b>U</b>
Water usage was lower than original budget projections due to reduced demand following wet weather and low average temperatures.				
<b>Other revenues</b>	100	228	128	128% <b>F</b>
Higher than originally budgeted due to training incentives offered by the Federal Government when employing apprentices, as well as commissions from water filling stations.				
<b>Capital grants and contributions</b>	1,500	2,388	888	59% <b>F</b>
Higher number of developer applications than originally anticipated.				
<b>Interest and investment revenue</b>	830	1,045	215	26% <b>F</b>
Higher levels of cash on hand during most of the year than anticipated due to unexpended CAPEX expenditure, which has resulted in higher investment returns.				
<b>Net gains from disposal of assets</b>	-	51	51	∞ <b>F</b>
<b>Other income</b>	85	152	67	79% <b>F</b>
Variance due to difference in categorisation compared to budget.				



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

\$ '000	2021 Budget	2021 Actual	2021 ----- Variance -----	
<b>EXPENSES</b>				
<b>Employee benefits and on-costs</b>	6,517	7,143	(626)	(10)% <b>U</b>
Increased staffing levels during the year to meet operational needs.				
<b>Materials and services</b>	4,188	7,382	(3,194)	(76)% <b>U</b>
Variance to budget due to difference in categorisation following the NSW Office of Local Government change to the Code of Accounting requirements, where most expenses formerly classified as Other Expenses are reclassified to Materials and Services.				
<b>Depreciation, amortisation and impairment of non-financial assets</b>	7,521	8,361	(840)	(11)% <b>U</b>
Revaluation of infrastructure assets resulted in higher depreciation expenditure than budgeted.				
<b>Other expenses</b>	5,217	240	4,977	95% <b>F</b>
Variance following categorisation change introduced by the NSW Office of Local Government in the Code of Accounting, that recategorised expenses formerly included in Other Expenses to Materials and Services.				
<b>STATEMENT OF CASH FLOWS</b>				
<b>Cash flows from operating activities</b>	8,136	8,755	619	8% <b>F</b>
<b>Cash flows from investing activities</b>	(8,636)	(10,089)	(1,453)	17% <b>U</b>
Due to higher levels of cash and investments on hand during the year, less investments required redeeming than originally budgeted, which reduced sales of investments within the investing activity cash flows.				

## C Financial position

### C1 Assets we manage

#### C1-1 Cash and cash equivalents

\$ '000	2021	2020
<b>Cash and cash equivalents</b>		
Cash on hand and at bank	837	1,417
Cash-equivalent assets		
– Deposits at call	3,501	4,255
<b>Total cash and cash equivalents</b>	<b>4,338</b>	<b>5,672</b>

#### Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	4,338	5,672
<b>Balance as per the Statement of Cash Flows</b>	<b>4,338</b>	<b>5,672</b>

#### Accounting policy

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

#### C1-2 Financial investments

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>Debt securities at amortised cost</b>				
Long term deposits	34,021	12,000	39,000	10,000
<b>Total</b>	<b>34,021</b>	<b>12,000</b>	<b>39,000</b>	<b>10,000</b>
<b>Total financial investments</b>	<b>34,021</b>	<b>12,000</b>	<b>39,000</b>	<b>10,000</b>
<b>Total cash assets, cash equivalents and investments</b>	<b>38,359</b>	<b>12,000</b>	<b>44,672</b>	<b>10,000</b>

#### Accounting policy

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

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

#### Financial assets

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

#### Classification

On initial recognition, Council classifies its financial assets into the following categories – 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

continued on next page ...

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## C1-2 Financial investments (continued)

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

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.

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

\$ '000	2021	2021	2020	2020
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	<b>38,359</b>	<b>12,000</b>	44,672	10,000
<b>attributable to:</b>				
Internal restrictions	16,491	12,000	29,799	10,000
Unrestricted	21,868	–	14,873	–
	<b>38,359</b>	<b>12,000</b>	44,672	10,000

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

#### Internal restrictions

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

Plant and vehicle replacement	1,761	1,269
Infrastructure replacement	24,482	34,009
Employees leave entitlement	2,248	2,129
Sales fluctuation reserve	–	2,000
Property asset reserve	–	392
<b>Total internal restrictions</b>	<b>28,491</b>	<b>39,799</b>
<b>Total restrictions</b>	<b>28,491</b>	<b>39,799</b>

Internal restrictions over cash, cash equivalents and investments are those assets restricted only by a resolution of the elected Council.

## C1-4 Receivables

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>Purpose</b>				
Availability (access) charges	1,431	-	1,494	-
Interest and extra charges	75	-	93	-
User charges and fees	2,782	-	3,154	-
Accrued revenues				
– Interest on investments	283	-	515	-
Deferred developer contributions	689	-	488	-
Government grants and subsidies	84	-	85	-
Net GST receivable	468	-	80	-
Other debtors	8	-	49	-
<b>Total</b>	<b>5,820</b>	<b>-</b>	<b>5,958</b>	<b>-</b>
<b>Total net receivables</b>	<b>5,820</b>	<b>-</b>	<b>5,958</b>	<b>-</b>

\$ '000	2021	2020
<b>Movement in provision for impairment of receivables</b>		
Balance at the beginning of the year (calculated in accordance with AASB 139)	-	15
– amounts already provided for and written off this year	-	(15)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>

### Accounting policy

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

### Impairment

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

When estimating ECL, 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.

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

When considering the ECL for rates and annual charges 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.

Credit losses are measured at 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.

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

**C1-5 Inventories**

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>(i) Inventories at cost</b>				
Stores and materials	768	-	595	-
<b>Total inventories at cost</b>	<b>768</b>	<b>-</b>	<b>595</b>	<b>-</b>
<b>Total inventories</b>	<b>768</b>	<b>-</b>	<b>595</b>	<b>-</b>

**Accounting policy****Raw materials and stores, work in progress and finished goods**

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

## C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2020			Asset movements during the reporting period						At 30 June 2021		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation increments / (decrements) to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
<b>\$ '000</b>												
Capital work in progress	6,037	–	6,037	–	9,809	–	–	(1,196)	–	14,650	–	14,650
Plant and equipment	8,845	(3,272)	5,573	–	1,621	(917)	(1,027)	–	–	9,172	(3,922)	5,250
Office equipment	1,699	(748)	951	–	66	–	(347)	–	–	1,765	(1,095)	670
Furniture and fittings	110	(50)	60	–	–	–	(12)	–	–	110	(62)	48
<b>Land:</b>												
– Operational land	2,830	–	2,830	–	470	–	–	38	–	3,338	–	3,338
<b>Infrastructure:</b>												
– Buildings – non-specialised	7,094	(2,275)	4,819	133	–	–	(192)	14	–	7,241	(2,467)	4,774
– Water mains	323,070	(156,797)	166,273	167	145	–	(4,350)	52	4,933	333,870	(166,650)	167,220
– Reservoirs	83,599	(39,492)	44,107	285	–	–	(1,136)	50	4,551	83,966	(36,109)	47,857
– Pumping stations and bores	28,539	(14,248)	14,291	1,090	–	–	(677)	177	1,599	28,785	(12,305)	16,480
– Treatment plants	33,205	(15,329)	17,876	–	250	–	(620)	865	(1,112)	33,567	(16,308)	17,259
<b>Total infrastructure, property, plant and equipment</b>	<b>495,028</b>	<b>(232,211)</b>	<b>262,817</b>	<b>1,675</b>	<b>12,361</b>	<b>(917)</b>	<b>(8,361)</b>	<b>–</b>	<b>9,971</b>	<b>516,464</b>	<b>(238,918)</b>	<b>277,546</b>

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

## C1-6 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2019			Asset movements during the reporting period						At 30 June 2020		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation increments / (decrements) to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
<b>\$ '000</b>												
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
<b>Land:</b>												
– Operational land	2,807	–	2,807	–	–	–	–	–	23	2,830	–	2,830
<b>Infrastructure:</b>												
– Buildings – non-specialised	7,074	(2,074)	5,000	–	43	–	(201)	–	(23)	7,094	(2,275)	4,819
– Water supply network	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
<b>Total infrastructure, property, plant and equipment</b>	<b>454,709</b>	<b>(190,031)</b>	<b>264,678</b>	<b>569</b>	<b>7,050</b>	<b>(1,085)</b>	<b>(8,114)</b>	<b>(22)</b>	<b>(259)</b>	<b>495,028</b>	<b>(232,211)</b>	<b>262,817</b>

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

## C1-6 Infrastructure, property, plant and equipment (continued)

### Accounting policy

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 Planning, Industry and Environment – 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:

<b>Plant and equipment</b>	<b>Years</b>	<b>Buildings</b>	<b>Years</b>
Office equipment	5 to 10	Buildings: masonry	50 to 60
Office furniture	10 to 20	Buildings: other	25 to 40
Computer equipment	5		
Vehicles	6.25		
Heavy plant	8 to 20		
Other plant and equipment	5 to 15		
<b>Water assets</b>			
Reservoirs	40 to 90		
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.



## C2 Leasing activities

### C2-1 Council as a lessee

#### Income Statement

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

\$ '000	2021	2020
Expenses relating to short-term leases	-	5
Expenses relating to low-value leases	54	3
	<b>54</b>	<b>8</b>

#### Accounting policy

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

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

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

#### 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.

### C2-2 Council as a lessor

#### 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	2021	2020
<b>(i) Assets held as rental property</b>		
Lease income (excluding variable lease payments not dependent on an index or rate)	60	74
<b>Total income relating to operating leases for rental property assets</b>	<b>60</b>	<b>74</b>
<b>(ii) Repairs and maintenance: property</b>		
Other	18	19
<b>Total repairs and maintenance: property</b>	<b>18</b>	<b>19</b>
<b>(ii) Assets held as property, plant and equipment</b>		
Lease income (excluding variable lease payments not dependent on an index or rate)	92	94
<b>Total income relating to operating leases for Council assets</b>	<b>92</b>	<b>94</b>

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

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### **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.

## C3 Liabilities of Council

### C3-1 Payables

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
<b>Payables</b>				
Goods and services – operating expenditure	3	–	184	–
Prepaid rates and charges	510	–	454	–
Accrued expenses:				
- Salaries and wages	84	–	161	–
- Employee expense on-costs	163	8	159	8
- Other expenditure accruals	684	–	304	–
Other	3	–	–	–
<b>Total payables</b>	<b>1,447</b>	<b>8</b>	<b>1,262</b>	<b>8</b>
<b>Total payables</b>	<b>1,447</b>	<b>8</b>	<b>1,262</b>	<b>8</b>

#### Accounting policy

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

The financial liabilities of the Council comprise trade payables.

#### Payables

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

### C3-2 Borrowings

#### Financing arrangements

\$ '000	2021	2020
<b>Total facilities</b>		
Bank overdraft facilities <sup>1</sup>	500	500
Credit cards/purchase cards	65	100
<b>Total financing arrangements</b>	<b>565</b>	<b>600</b>
<b>Undrawn facilities</b>		
– Bank overdraft facilities	500	500
– Credit cards/purchase cards	48	90
<b>Total undrawn financing arrangements</b>	<b>548</b>	<b>590</b>

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

### C3-3 Employee benefit provisions

\$ '000	2021	2021	2020	2020
	Current	Non-current	Current	Non-current
Annual leave	787	–	791	–
Long service leave	1,741	131	1,567	118
Accrued leave	45	–	79	–
<b>Total employee benefit provisions</b>	<b>2,573</b>	<b>131</b>	<b>2,437</b>	<b>118</b>

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

\$ '000	2021	2020
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	2,122	2,117
	<b>2,122</b>	<b>2,117</b>

#### Accounting policy

##### Short-term obligations

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

##### Other long-term employee benefit obligations

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

##### On-costs

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

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

## C4 Reserves

### C4-1 Nature and purpose of reserves

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

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

## D Risks and accounting uncertainties

### D1-1 Risks relating to financial instruments held

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

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

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

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

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

\$ '000	Carrying value 2021	Carrying value 2020	Fair value 2021	Fair value 2020
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Cash and cash equivalents	4,338	5,672	4,338	5,672
Receivables	5,820	5,958	5,820	5,958
Investments				
– Debt securities at amortised cost	46,021	49,000	46,021	49,000
<b>Total financial assets</b>	<b>56,179</b>	<b>60,630</b>	<b>56,179</b>	<b>60,630</b>
<b>Financial liabilities</b>				
Payables	1,455	1,270	1,455	1,270
<b>Total financial liabilities</b>	<b>1,455</b>	<b>1,270</b>	<b>1,455</b>	<b>1,270</b>

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 market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.

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

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

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and 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.

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

**D1-1 Risks relating to financial instruments held (continued)****(a) Market risk – interest rate and price risk**

\$ '000	2021	2020
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The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.

Impact of a 1% movement in interest rates

– Equity / Income Statement	482	532
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**(b) Credit risk**

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

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures.

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

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

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

**Credit risk profile****Receivables – rates and annual charges**

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

\$ '000	Not yet overdue	< 1 year overdue	1 - 2 years overdue	2 - 5 years overdue	> 5 years overdue	Total
<b>2021</b>						
Gross carrying amount	1,090	193	62	70	16	1,431
<b>2020</b>						
Gross carrying amount	1,059	435	–	–	–	1,494

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

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

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

\$ '000	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	61 - 90 days overdue	> 91 days overdue	Total
<b>2021</b>						
Gross carrying amount	3,531	1	217	71	569	4,389
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–
<b>2020</b>						
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	–	–	–	–	–	–

continued on next page ...

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**D1-1 Risks relating to financial instruments held (continued)****(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:		Total cash outflows	Actual carrying values
				1 - 5 Years	> 5 Years		
<b>2021</b>							
Trade/other payables	0.00%	–	253	–	–	253	945
<b>Total financial liabilities</b>		–	253	–	–	253	945
<b>2020</b>							
Trade/other payables	0.00%	–	1,270	–	–	1,270	1,270
<b>Total financial liabilities</b>		–	1,270	–	–	1,270	1,270

## D2 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).

\$ '000	Notes	Fair value measurement hierarchy							
		Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2021	2020	2021	2020	2021	2020	2021	2020
<b>Recurring fair value measurements</b>									
<b>Infrastructure, property, plant and equipment</b> C1-6									
		30/06/21	30/06/20	–	–	5,250	5,573	5,250	5,573
		30/06/21	30/06/20	–	–	670	951	670	951
		30/06/21	30/06/20	–	–	48	60	48	60
		30/06/18	30/06/18	3,338	2,830	–	–	3,338	2,830
		30/06/18	30/06/18	4,774	4,819	–	–	4,774	4,819
		30/06/21	30/06/20	–	–	167,220	166,273	167,220	166,273
		30/06/21	30/06/20	–	–	47,857	44,107	47,857	44,107
		30/06/21	30/06/20	–	–	16,480	14,291	16,480	14,291
		30/06/21	30/06/20	–	–	17,259	17,876	17,259	17,876
<b>Total infrastructure, property, plant and equipment</b>				<b>8,112</b>	<b>7,649</b>	<b>254,784</b>	<b>249,131</b>	<b>262,896</b>	<b>256,780</b>

### Valuation techniques

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

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

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

##### 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.



## D2 Fair value measurement (continued)

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.

### Water Infrastructure

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

These asset classes were indexed as at 30 June 2021 by the NSW Water Supply & Sewerage Construction Cost Index from the NSW Reference Rates Manual. A hierarchy review was undertaken at 1 July 2020 which resulted in this asset class being revalued. 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 during 2019/20 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.

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

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

\$ '000	IPP&E	
	2021	2020
<b>Opening balance</b>	<b>249,131</b>	253,157
<b>Total gains or losses for the period</b>		
Recognised in other comprehensive income – revaluation surplus	<b>9,971</b>	(259)
<b>Other movements</b>		
Purchases (GBV)	<b>4,768</b>	5,231
Disposals (WDV)	<b>(917)</b>	(1,085)
Depreciation and impairment	<b>(8,169)</b>	(7,913)
<b>Closing balance</b>	<b>254,784</b>	249,131

## Highest and best use

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

## D3-1 Contingencies

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

### LIABILITIES NOT RECOGNISED

#### 1. Guarantees

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

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

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

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

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

Pooled Employers are required to pay 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 for the year ending 30 June 2021 (increasing to 7.5% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$40.0 million for 1 July 2020 to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2020. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

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

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

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

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

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

## D3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2021 was \$31,816. The last valuation of the Scheme was performed by Fund Actuary, Richard Boyfield FIAA and covers the period ended 30 June 2020.

Council's expected contribution to the plan for the next annual reporting period is \$105,073.

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

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

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

The share of this deficit that is broadly attributed to Council is estimated to be in the order of \$75,300 as at 30 June 2021.

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.

### (iv) Other guarantees

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

## D3-1 Contingencies (continued)

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### 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.

**E People and relationships****E1 Related party disclosures****E1 Key management personnel (KMP)**

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

\$ '000	2021	2020
<b>Compensation:</b>		
Short-term benefits	970	881
Post-employment benefits	112	101
Other long-term benefits	23	22
<b>Total</b>	<b>1,105</b>	<b>1,004</b>

**Other transactions with KMP and their related parties**

Nature of the transaction	Ref	Transactions during the year	Outstanding balances including commitments	Terms and conditions	Impairment provision on outstanding balances	Impairment expense
<b>2021</b>						
Supply and Service of Council vehicles	1	726	-		-	-
Rental of Council Owned Properties	2	17	-		-	-
Supply of Legal Services	3	5	-		-	-
<b>2020</b>						
Supply and Service of Council vehicles	1	395	-		-	-
Rental of Council Owned Properties	2	21	-		-	-

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.

3 Council engaged legal services provided by a related party of a KMP.

**E1-2 Councillor and Mayoral fees and associated expenses**

\$ '000	2021	2020
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Members expenses – chairperson’s fee	16	16
Members expenses – members fees	79	78
Members expenses (incl. chairperson) – other (excluding fees above)	9	13
<b>Total</b>	<b>104</b>	<b>107</b>

**E2 Other relationships****E2-1 Audit fees**

\$ '000	2021	2020
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
<b>Auditors of the Council - NSW Auditor-General:</b>		
<b>(i) Audit and other assurance services</b>		
Audit and review of financial statements	30	29
<b>Remuneration for audit and other assurance services</b>	<b>30</b>	<b>29</b>
<b>Total Auditor-General remuneration</b>	<b>30</b>	<b>29</b>
<b>Non NSW Auditor-General audit firms</b>		
<b>(i) Audit and other assurance services</b>		
Internal Audit costs	40	48
<b>Remuneration for audit and other assurance services</b>	<b>40</b>	<b>48</b>
<b>Total remuneration of non NSW Auditor-General audit firms</b>	<b>40</b>	<b>48</b>
<b>Total audit fees</b>	<b>70</b>	<b>77</b>

## F Other matters

### F1-1 Statement of Cash Flows information

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

\$ '000	2021	2020
<b>Net operating result from Income Statement</b>	<b>146</b>	1,529
<b>Adjust for non-cash items:</b>		
Depreciation and amortisation	<b>8,361</b>	8,114
Net losses/(gains) on disposal of assets	<b>(51)</b>	415
<b>+/- Movement in operating assets and liabilities and other cash items:</b>		
Decrease/(increase) in receivables	<b>138</b>	763
Increase/(decrease) in provision for impairment of receivables	<b>-</b>	(15)
Decrease/(increase) in inventories	<b>(173)</b>	(47)
Increase/(decrease) in payables	<b>(181)</b>	(725)
Increase/(decrease) in other accrued expenses payable	<b>303</b>	(40)
Increase/(decrease) in other liabilities	<b>63</b>	39
Increase/(decrease) in provision for employee benefits	<b>149</b>	678
<b>Net cash provided from/(used in) operating activities from the Statement of Cash Flows</b>	<b>8,755</b>	10,711

## F2-1 Commitments

### Capital commitments (exclusive of GST)

\$ '000	2021	2020
---------	------	------

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

#### Property, plant and equipment

Water infrastructure	5,180	799
<b>Total commitments</b>	<b>5,180</b>	<b>799</b>

#### These expenditures are payable as follows:

Within the next year	5,180	799
<b>Total payable</b>	<b>5,180</b>	<b>799</b>

#### Sources for funding of capital commitments:

Unrestricted general funds	5,180	799
<b>Total sources of funding</b>	<b>5,180</b>	<b>799</b>

#### Details of capital commitments

Oura HV Design \$9k  
 Jugiong Plan \$22k  
 Thanowring Rd Design \$6k  
 Oura HV Construction \$1.907m  
 Old Jugiong WTP Demolition \$63k  
 Rosehill to Harden Pipeline \$1.669m  
 Oura HV Equipment Supply \$1.228m  
 Service - Electrical Switchboards \$170k  
 Rosehill to Young Plan \$106k

## F3-1 Events occurring after the reporting date

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.



## F4 Statement of performance measures

### F4-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2021	Indicator 2021	Indicators 2020	Indicators 2019	Benchmark
<b>1. Operating performance ratio</b>					
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	<b>(2,293)</b>	<b>(11.01)%</b>	1.57%	8.35%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	<b>20,833</b>				
<b>2. Own source operating revenue ratio</b>					
Total continuing operating revenue excluding all grants and contributions <sup>1</sup>	<b>20,833</b>	<b>89.72%</b>	94.02%	96.15%	> 60.00%
Total continuing operating revenue <sup>1</sup>	<b>23,221</b>				
<b>3. Unrestricted current ratio</b>					
Current assets less all external restrictions	<b>44,947</b>	<b>23.68x</b>	32.03x	13.10x	> 1.50x
Current liabilities less specific purpose liabilities	<b>1,898</b>				
<b>4. Debt service cover ratio</b>					
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	<b>6,068</b>	∞	∞	∞	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	<b>–</b>				
<b>5. Rates and annual charges outstanding percentage</b>					
Rates and annual charges outstanding	<b>1,506</b>	<b>21.27%</b>	22.64%	22.71%	< 10.00%
Rates and annual charges collectable	<b>7,081</b>				
<b>6. Cash expense cover ratio</b>					
Current year's cash and cash equivalents plus all term deposits	<b>50,359</b>	<b>36.29</b>	36.90	37.95	> 3.00
Monthly payments from cash flow of operating and financing activities	<b>1,388</b>	<b>mths</b>	mths	mths	mths

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

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



## INDEPENDENT AUDITOR'S REPORT

### Report on the general purpose financial statements

#### Goldenfields Water County Council

To the Councillors of the 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 2021, the Statement of Financial Position as at 30 June 2021, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

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

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

### Basis for Opinion

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

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

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

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

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

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

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

### **Other Information**

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

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

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

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

I have nothing to report in this regard.

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

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

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

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

My objectives are to:

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

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

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

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

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 Material budget variations
- on the Special Schedules
- 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.



Nirupama Mani  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

30 September 2021  
SYDNEY



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

Contact: Nirupama Mani  
Phone no: 02 9275 7111  
Our ref: D2118107/1819

30 September 2021

Dear Cr Palmer

**Report on the Conduct of the Audit  
for the year ended 30 June 2021  
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 2021 as required by section 415 of the *Local Government Act 1993* (the Act).

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

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

## INCOME STATEMENT

### Operating result

	2021	2020	Variance
	\$m	\$m	%
Rates and annual charges revenue	5.473	5.447	0.5
User charges and fees	13.935	17.464	20.2
Grants and contributions revenue	2.388	1.559	53.2
Operating result from continuing operations	0.146	1.529	90
Net operating result before capital grants and contributions	(2.242)	(0.030)	7373

Rates and annual charges revenue increased by \$0.26 million (0.5 per cent) to \$5.47 million. Council's customers increased by 0.7 per cent which is consistent with the movement in rates and annual charges revenue.

User charges and fees decreased by \$3.53 million (20 per cent) to \$13.93 million. The decrease can be attributed to the wet weather which resulted in lower water sales (specific actual use charges) and bulk water sales to Councils compared to the previous year.

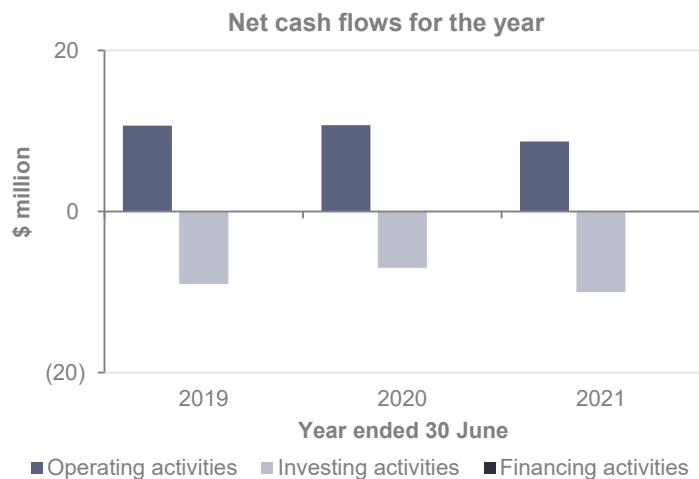
Grants and contributions revenue (\$2.38 million) increased by \$0.83 million (53.2 per cent) in 2020-21 due to additional water supply contributions received for headworks.

The Council's operating result from continuing operations (\$0.15 million including depreciation and amortisation expense of \$8.36 million) was \$1.38 million lower than the 2019-20 result. The decrease of 90 per cent is consistent with the decrease in user charges and fees.

The net operating result before capital grants and contributions (-\$2.24 million) was \$2.21 million lower than the 2020-2019 result. The decrease of 7373 per cent is mainly due to the decrease in user charges and fees.

## STATEMENT OF CASH FLOWS

- Council recorded a net decrease in cash and cash equivalents of \$1.33 million at 30 June 2021 (net increase of \$3.78 million at 30 June 2020).
- Net cash provided by operating activities amounted to \$8.75 million. Council recorded cash receipts from user fees and charges of \$14.58 million, annual charges of \$5.59 million, grants and contributions of \$2.39 million and investment and interest revenue of \$1.29 million. Council recorded cash payments for employee benefits and on-costs of \$7.07 million and materials and contributions of \$9.73 million.
- Net cash used in investing activities amounted to \$10.09 million. This is largely due to the net cash outflow of \$14.04 million for the purchase of infrastructure, property, plant and equipment during the year.



## FINANCIAL POSITION

### Cash and investments

Cash and investments	2021	2020	Commentary
	\$m	\$m	
<b>Total cash, cash equivalents and investments</b>	<b>50.359</b>	<b>54.672</b>	<ul style="list-style-type: none"> <li>• 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 predominately due to a decrease in infrastructure replacement restrictions and a decrease of the Sales Fluctuation Reserve due to the reduction in water sales following wet weather conditions during the year.</li> <li>• Unrestricted cash has increased due to the decrease in internal restrictions from the prior year explained above.</li> </ul>
Restricted cash and investments:			
• External restrictions	-	-	
• Internal restrictions	28.491	39.799	
• Unrestricted	21.686	14.873	

### Debt

Council's approved overdraft facility for Commonwealth Bank Australia (CBA) is \$0.50 million. This remains unused at the end of the financial year.

## PERFORMANCE

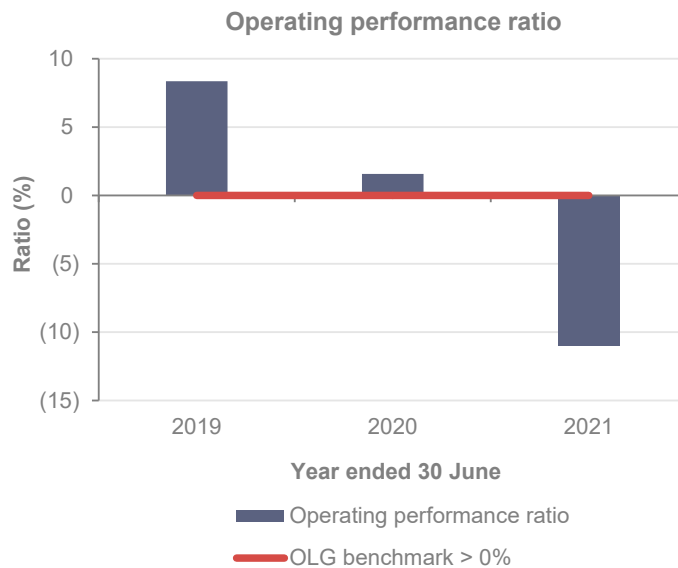
### Performance measures

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

#### Operating performance ratio

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

The Council did not meet the OLG benchmark for the current reporting period. This is largely due to the reduction of operating revenue of \$2.8 million (impacted by the decline in water sales following wet weather conditions during the year).



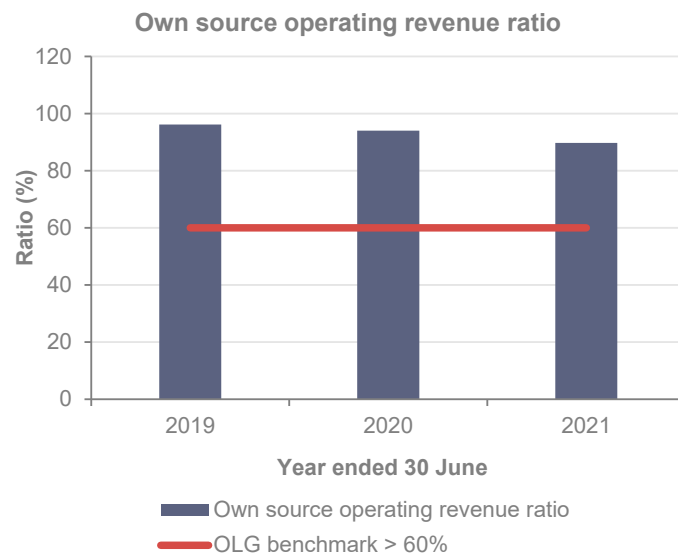
#### Own source operating revenue ratio

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.

The Council's own source operating revenue ratio of 89.72% is above the industry benchmark of 60%. Council has met this benchmark as its main source of income is from water sales, rather than reliance on operating grants and contributions.

The Council's own source operating revenue ratio has decreased by 4.3% due to the decline in water sales.





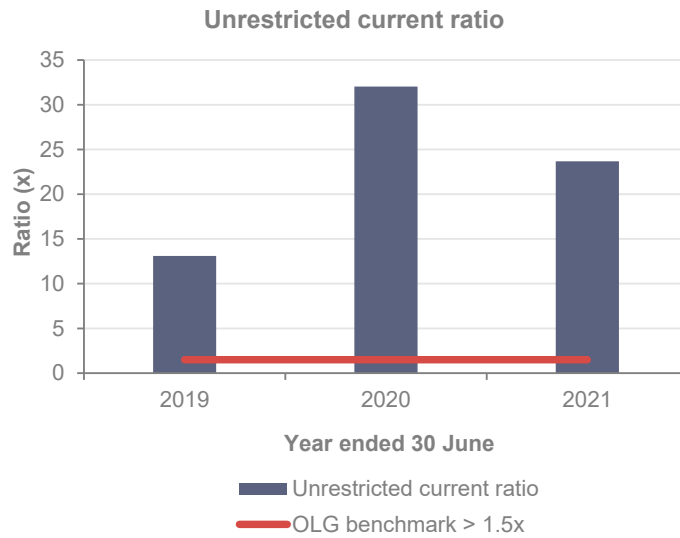
**Unrestricted current ratio**

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 of 23.7 times is greater than the industry benchmark minimum of greater than 1.5 times. This indicates that the Council has sufficient liquidity to meet its current liabilities as and when they fall due.

The Council’s unrestricted current ratio has decreased due to the reduction in current assets and an increase in current liabilities.



**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.

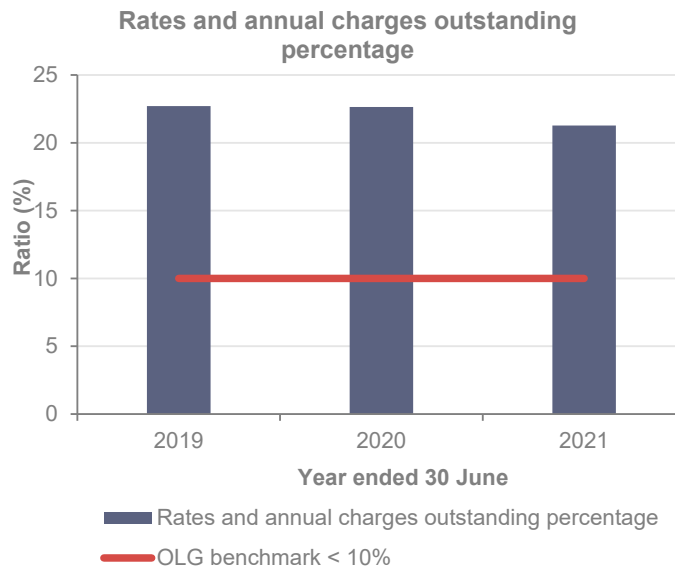
The Council exceeded the OLG benchmark for the current reporting period.

The Council’s rates and annual charges outstanding percentage of 21.27 per cent is outside the industry benchmark of less than 10 per cent for rural councils.

The rates and annual charges outstanding percentage has remained steady across the financial years presented.

Council continues to exceed this benchmark due to the rolling quarterly billing arrangements.

The billing cycle of water county councils need to be considered when assessing this performance against other general councils.

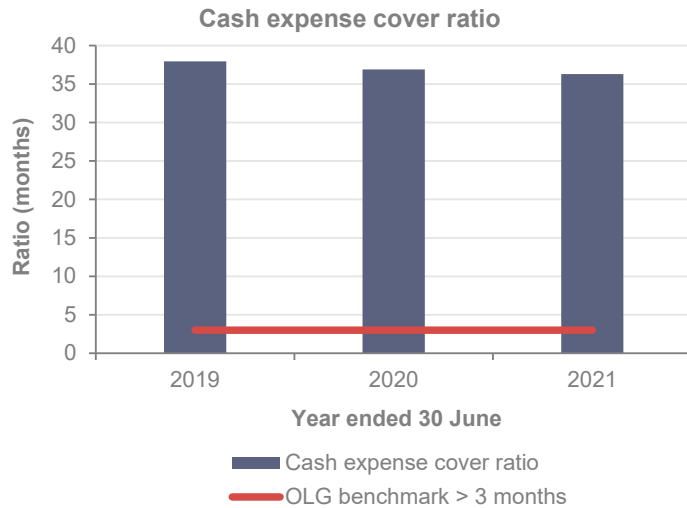


### Cash expense cover ratio

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.

The Council's cash expense cover ratio was 36.29 months, which is above the industry benchmark of greater than 3 months. This indicates that Council has the capacity to cover 36.29 months of cash expenditure without additional cash inflows at 30 June 2021.



### Infrastructure, property, plant and equipment renewals

The Council has renewed \$1.67 million of assets in the 2020-21 financial year, compared to \$0.57 million of assets in the 2019-20 financial year. The decrease is primarily due to the transfer of work in progress renewals on completion of project works.

## OTHER MATTERS

### Legislative compliance

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

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

The Council's:

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

Nirupama Mani  
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 2021

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*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

for the year ended 30 June 2021

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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

for the year ended 30 June 2021

### Statement by Councillors and Management

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

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

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

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

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

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

**Signed in accordance with a resolution of Council made on 24 August 2021.**



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Clr Dennis Palmer

**Chairperson**

24 August 2021

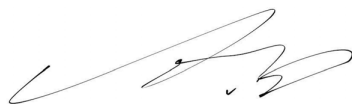


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Clr David McCann

**Deputy Chairperson**

24 August 2021



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Aaron Drenovski

**General Manager**

24 August 2021



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Michele Curran

**Responsible Accounting Officer**

24 August 2021

## Goldenfields Water County Council

### Income Statement of water supply business activity for the year ended 30 June 2021

\$ '000	2021	2020
<b>Income from continuing operations</b>		
Access charges	5,473	5,447
User charges	13,935	17,223
Fees	228	338
Interest	1,045	1,371
Profit from the sale of assets	51	–
Other income	152	150
<b>Total income from continuing operations</b>	<b>20,884</b>	<b>24,529</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	7,143	7,441
Materials and services	7,290	8,270
Depreciation, amortisation and impairment	8,361	8,114
Water purchase charges	92	99
Loss on sale of assets	–	415
Calculated taxation equivalents	41	34
Other expenses	240	220
<b>Total expenses from continuing operations</b>	<b>23,167</b>	<b>24,593</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(2,283)</b>	<b>(64)</b>
Grants and contributions provided for capital purposes	2,388	1,559
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>105</b>	<b>1,495</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>105</b>	<b>1,495</b>
<b>Surplus (deficit) after tax</b>	<b>105</b>	<b>1,495</b>
<b>Plus accumulated surplus</b>	<b>95,030</b>	<b>93,501</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Taxation equivalent payments	41	34
<b>Closing accumulated surplus</b>	<b>95,176</b>	<b>95,030</b>
<b>Return on capital %</b>	<b>(0.8)%</b>	<b>0.0%</b>
<b>Subsidy from Council</b>	<b>6,418</b>	<b>2,377</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	105	1,495
Less: capital grants and contributions (excluding developer contributions)	(2,388)	(1,559)
<b>Surplus for dividend calculation purposes</b>	<b>–</b>	<b>–</b>
<b>Potential dividend calculated from surplus</b>	<b>–</b>	<b>–</b>

Goldenfields Water County Council | Statement of Financial Position of water supply business activity | For the year ended 30 June 2021

## Goldenfields Water County Council

### Statement of Financial Position of water supply business activity as at 30 June 2021

\$ '000	2021	2020
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	4,338	5,672
Investments	34,021	39,000
Receivables	5,820	5,958
Inventories	768	595
<b>Total current assets</b>	<b>44,947</b>	<b>51,225</b>
<b>Non-current assets</b>		
Investments	12,000	10,000
Infrastructure, property, plant and equipment	277,546	262,817
<b>Total non-current assets</b>	<b>289,546</b>	<b>272,817</b>
<b>Total assets</b>	<b>334,493</b>	<b>324,042</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	1,447	1,262
Employee benefit provisions	2,573	2,437
<b>Total current liabilities</b>	<b>4,020</b>	<b>3,699</b>
<b>Non-current liabilities</b>		
Payables	8	8
Employee benefit provisions	131	118
<b>Total non-current liabilities</b>	<b>139</b>	<b>126</b>
<b>Total liabilities</b>	<b>4,159</b>	<b>3,825</b>
<b>Net assets</b>	<b>330,334</b>	<b>320,217</b>
<b>EQUITY</b>		
Accumulated surplus	95,176	95,030
Revaluation reserves	235,158	225,187
<b>Total equity</b>	<b>330,334</b>	<b>320,217</b>

## Note – Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the special purpose financial statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

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

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993* (Act), the *Local Government (General) Regulation 2005* (Regulation) and the Local Government Code of Accounting Practice and Financial Reporting.

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

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

### National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

### Declared business activities

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

#### Category 1

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

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.

### 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 – **26%** (19/20 27.5%)

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

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



## Note – Significant Accounting Policies (continued)

### 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 26% (19/20 27.5%).

Income tax is only applied where a gain from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional – that is, it is payable to the ‘Council’ as the owner of business operations – it represents an internal payment and has no effect on the operations of the Council.

Accordingly, there is no need for disclosure of internal charges in the SPFS.

### Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned, or exclusively used by the business activity.

### Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face ‘true’ commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council’s borrowing rate for its business activities.

#### (i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statements of business activities.

#### (ii) Return on investments (rate of return)

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

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

The rate of return is calculated as follows:

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

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

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 1.49% at 30/6/21.

#### (iii) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local government water supply 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 30/06/2021 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

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



## INDEPENDENT AUDITOR'S REPORT

### Report on the special purpose financial statements

#### Goldenfields Water County Council

To the Councillors of the 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 2021, the Statement of Financial Position of the Declared Business Activity as at 30 June 2021 and the Significant accounting policies note.

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 2021, and its financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2020–21 (LG Code).

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

### Basis for Opinion

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

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

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

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

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

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

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

### Emphasis of Matter - Basis of Accounting

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

## Other Information

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

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

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

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

I have nothing to report in this regard.

## The Councillors' Responsibilities for the Financial Statements

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

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

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

My objectives are to:


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

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

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

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

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

A handwritten signature in black ink that reads "Nirupama Mani". The signature is written in a cursive style with a small arrow pointing downwards from the end of the name.

Nirupama Mani  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

30 September 2021  
SYDNEY

# Goldenfields Water County Council

SPECIAL SCHEDULES  
for the year ended 30 June 2021

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*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

for the year ended 30 June 2021

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Contents	Page
<b>Special Schedules:</b>	
Report on infrastructure assets as at 30 June 2021	3

## Goldenfields Water County Council

## Report on infrastructure assets as at 30 June 2021

Asset Class	Asset Category	Estimated cost to bring to the agreed level of service set by Council		2020/21 Required maintenance <sup>a</sup>	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost					
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5	
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000						
<b>Buildings</b>	Council Office	–	–	29	9	1,399	1,857	95.0%	0.0%	5.0%	0.0%	0.0%	
	Council Works Depots	–	–	32	51	1,976	2,655	91.0%	3.0%	3.0%	3.0%	0.0%	
	Council Houses	–	–	11	18	1,399	2,729	37.0%	28.0%	35.0%	0.0%	0.0%	
	<b>Sub-total</b>	<b>–</b>	<b>–</b>	<b>72</b>	<b>78</b>	<b>4,774</b>	<b>7,241</b>	<b>71.7%</b>	<b>11.7%</b>	<b>15.6%</b>	<b>1.1%</b>	<b>0.0%</b>	
<b>Water supply network</b>	Mains	12,205	32,498	1,718	2,154	167,220	333,870	52.0%	1.9%	24.0%	19.8%	2.4%	
	Reservoirs	1,605	2,187	230	670	47,857	83,966	45.9%	43.7%	6.1%	1.8%	2.5%	
	Pumping Stations & Bores	391	879	1,044	606	16,480	28,785	42.6%	43.6%	6.8%	6.0%	1.1%	
	Treatment	1,552	2,615	1,120	763	17,259	33,567	33.2%	36.6%	7.4%	18.9%	3.9%	
	<b>Sub-total</b>	<b>15,753</b>	<b>38,179</b>	<b>4,112</b>	<b>4,193</b>	<b>248,816</b>	<b>480,188</b>	<b>49.1%</b>	<b>14.1%</b>	<b>18.7%</b>	<b>15.7%</b>	<b>2.4%</b>	
<b>Total – all assets</b>		<b>15,753</b>	<b>38,179</b>	<b>4,184</b>	<b>4,271</b>	<b>253,590</b>	<b>487,429</b>	<b>49.4%</b>	<b>14.1%</b>	<b>18.6%</b>	<b>15.5%</b>	<b>2.4%</b>	

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

## Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

## Goldenfields Water County Council

### Report on infrastructure assets as at 30 June 2021

#### Infrastructure asset performance indicators (consolidated) \*

\$ '000	Amounts	Indicator	Indicators		Benchmark
	2021	2021	2020	2019	
<b>Buildings and infrastructure renewals ratio</b>					
Asset renewals <sup>1</sup>	<u>287</u>	6.32%	8.32%	85.23%	>= 100.00%
Depreciation, amortisation and impairment	<u>4,542</u>				
<b>Infrastructure backlog ratio</b>					
Estimated cost to bring assets to a satisfactory standard	<u>15,753</u>	8.44%	16.32%	11.55%	< 2.00%
Net carrying amount of infrastructure assets	<u>186,644</u>				
<b>Asset maintenance ratio</b>					
Actual asset maintenance	<u>4,271</u>	102.08%	93.28%	78.97%	> 100.00%
Required asset maintenance	<u>4,184</u>				
<b>Cost to bring assets to agreed service level</b>					
Estimated cost to bring assets to an agreed service level set by Council	<u>38,179</u>	7.83%	9.95%	6.93%	
Gross replacement cost	<u>487,429</u>				

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

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



**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.*

### **SUPPLY OF LIQUID ALUM**

*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,*

**TENDER 03/2021 – OURA HIGH VOLTAGE PROJECT – ELECTRICAL INSTALLATION**

*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,*

**JUGIONG HIGH VOLTAGE UPGRADE – TENDER 04/2021 – DESIGN AND CONSTRUCTION FOR CIVIL WORKS**

*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*

**JUGIONG PLC UPGRADE – RFQ 03/2021 ELECTRICAL SUPPLY & INSTALLATION -  
REQUEST FOR EXEMPTION OF TENDERING**

*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,**

## **MASS MARKET ENERGY CONTRACT**

*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 2021

### COUNCIL CASH AND INVESTMENTS

Report prepared by Corporate Services Manager

### COUNCIL OFFICER RECOMMENDATION

That the report detailing Council Cash and Investments as at 30<sup>th</sup> September 2021 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 cash and investment portfolio decreased by \$4,465,569 from \$50,681,010 as at 31<sup>st</sup> July 2021 to \$46,215,441 as at 30<sup>th</sup> September 2021.

### Cash and Investment Portfolio

Type	Rating	SP Rating	Issuer	Frequency	Purchase	Maturity	Days	Rate	Benchmark*	Principal
TD	BBB+	A2	BOQ	Annual	29/10/2018	29/10/2021	1096	3.00	0.20	\$3,000,000
TD	BBB+	A2	AMP Bank	Annual	15/05/2020	17/11/2021	551	1.55	0.20	\$3,000,000
TD	AA-	A1+	National Australia Bank	Annual	26/11/2020	9/12/2021	378	0.48	0.20	\$2,000,000
TD	AA-	A1+	Westpac	Quarterly	16/12/2020	11/01/2022	391	0.49	0.20	\$3,000,000
TD	BBB-	A3	Judo Bank	Annual	30/03/2021	28/04/2022	394	0.87	0.20	\$4,000,000
TD	BBB	A2	ME Bank	At Maturity	27/05/2021	27/05/2022	365	0.48	0.20	\$4,000,000
TD	NR	NR	Illawarra Credit U	At Maturity	9/06/2021	9/06/2022	365	0.55	0.20	\$1,000,000
TD	BBB+	A2	BOQ	Annual	12/07/2018	12/07/2022	1461	3.50	0.20	\$1,000,000
TD	AA-	A1+	Westpac	Quarterly	13/07/2020	13/07/2022	730	0.96	0.20	\$3,000,000
TD	BBB+	A2	BOQ	Annual	23/06/2020	20/07/2022	757	1.23	0.20	\$1,000,000
TD	AA-	A1+	Westpac	Quarterly	5/08/2020	7/09/2022	763	0.90	0.20	\$3,000,000
TD	BBB	A2	ME Bank	At Maturity	9/06/2021	12/10/2022	490	0.48	0.20	\$1,000,000
TD	BBB+	A2	AMP Bank	At Maturity	29/07/2021	1/11/2022	460	0.55	0.20	\$1,000,000
TD	BBB+	A2	AMP Bank	At Maturity	12/01/2021	11/12/2022	698	1.00	0.20	\$2,000,000
TD	BBB+	A2	AMP Bank	At Maturity	12/01/2021	11/01/2023	729	1.00	0.20	\$2,000,000
TD	BBB+	A2	AMP Bank	At Maturity	16/02/2021	7/02/2023	721	1.00	0.20	\$2,000,000
TD	AA-	A1+	NT Treasury	Annual	10/09/2020	15/12/2023	1191	1.00	0.20	\$2,000,000
TD	AA-	A1+	NT Treasury	Annual	28/09/2020	15/12/2024	1539	1.10	0.20	\$1,000,000
CASH	A-	A1	Macquarie Bank	Monthly				0.35	0.10	\$4,753,597.00
CASH	AA-	A1+	CBA	Monthly				0.10	0.10	\$2,250,000
CASH	AA-	A1+	CBA	N/A				0.00	0.10	\$211,844
<b>TOTAL:</b>										<b>\$46,215,441.00</b>

\*Benchmarks

On Call - RBA Cash

Floating Rate Deposit - 3m BBSW

Term Deposit - BBSW



**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

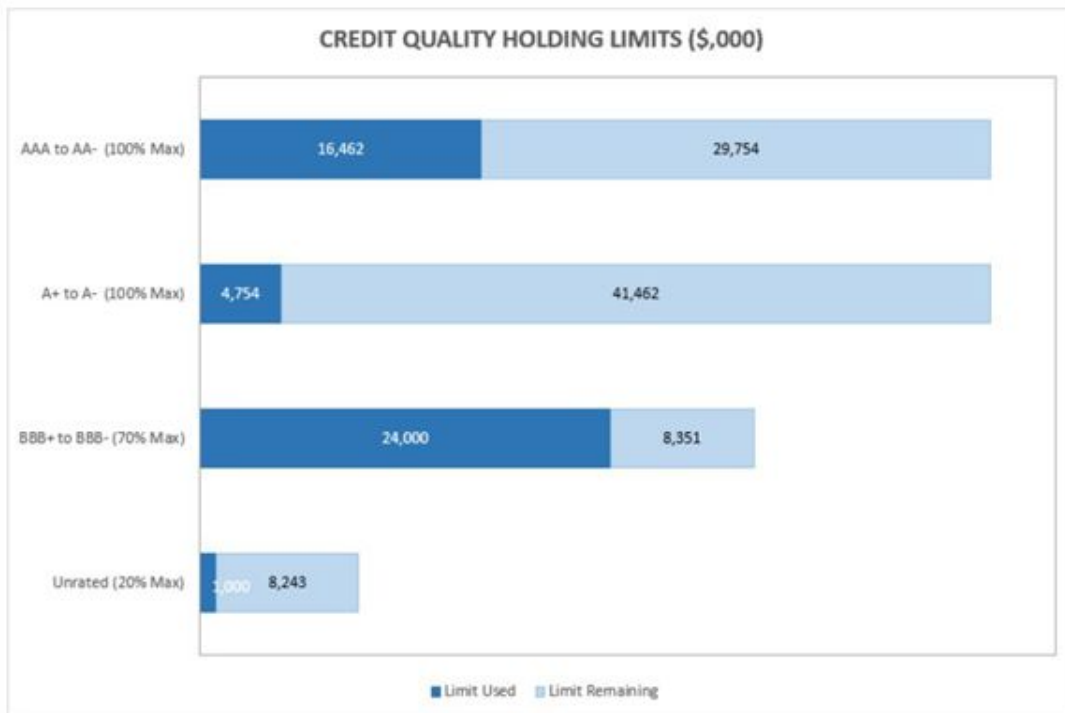
**Performance**

Goldenfields Water County Council’s investment portfolio outperformed the relevant BBSW Index benchmark by 417%. The average weighted yield for September was 0.96%, over an average weighted term of 180 days, with a benchmark of 0.19%.

<b>Total Cost</b> <b>46,215,441</b>	<b>Yearly Interest Received</b> <b>148,456</b>	<b>Weighted Average Term</b> <b>180 Days</b>
<b>Total Value</b> <b>46,215,441</b>	<b>Monthly Interest Received</b> <b>23,735</b>	<b>Weighted Average Yield</b> <b>0.96%</b>

**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.

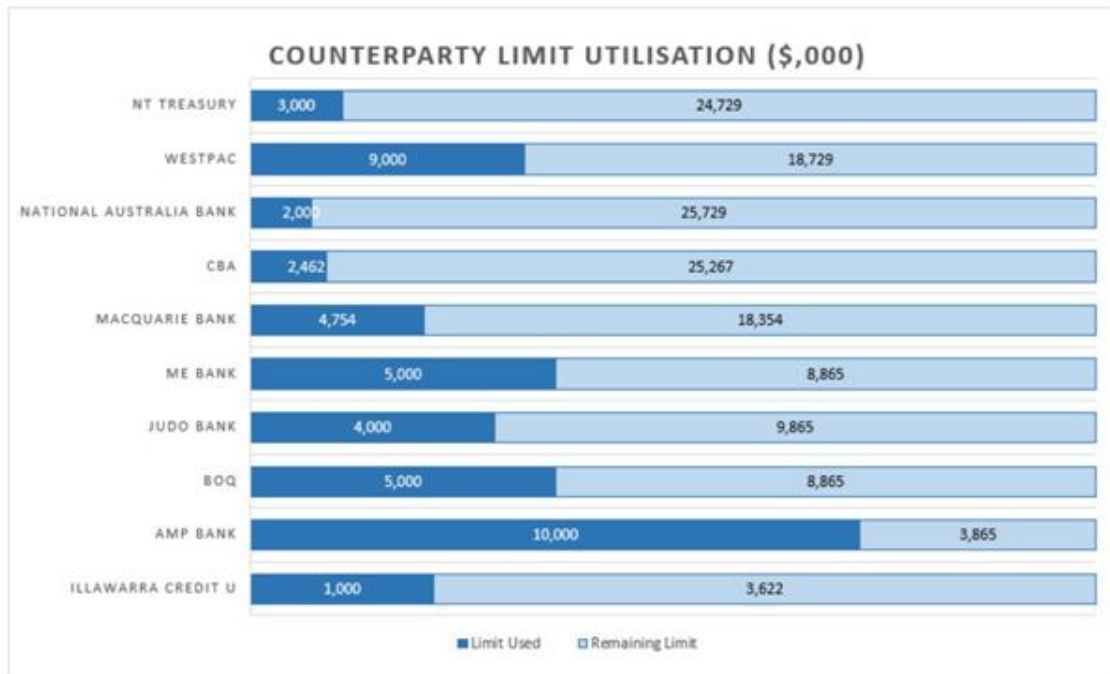


**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

**Counter Party Compliance**

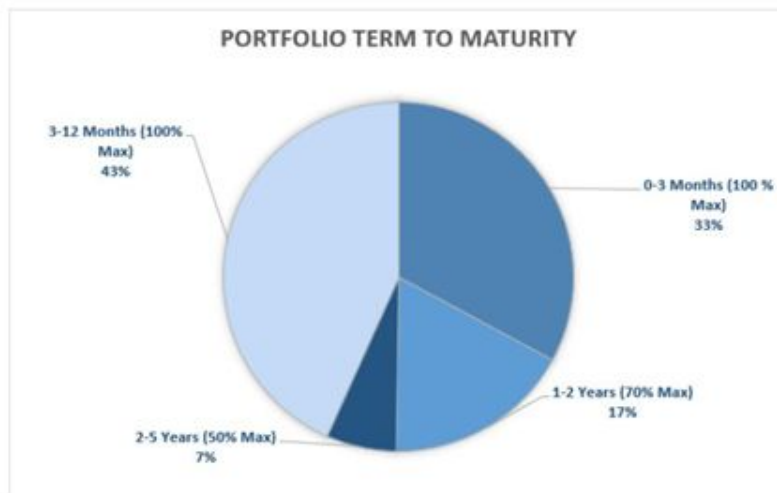
As at the end of September, Council was compliant with policy in terms of individual financial institution capacity limits. It is worth noting that capacity limits are affected by changes in the on-call account balance compared to the total portfolio balance.

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.



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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**


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**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.

<b>Restricted Funds:</b>	
Plant & Vehicle Replacement	1,927,168
Infrastructure Replacement	19,617,168
Employee Leave Entitlement	2,248,385
Sales Fluctuation Reserve	0
Property Reserve	0
<b>Unrestricted Funds:</b>	22,422,720
<b>TOTAL</b>	<b>46,215,441</b>

**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

**FINANCIAL IMPACT STATEMENT**

Council's cash and investment portfolio decreased by \$4,465,569 from \$50,681,010 as at 31<sup>st</sup> July 2021 to \$46,215,441 as at 30<sup>th</sup> September 2021.

**ATTACHMENTS:** Nil.

**TABLED ITEMS:** Nil.

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**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 2021 be received and noted.

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

09 Financially Sustainable

**BACKGROUND**

Capital Works represents a significant part of Council's 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 2021.

**FINANCIAL IMPACT STATEMENT**

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

**ATTACHMENTS:** Capital Works Progress Report as at 30 September 2021

**TABLED ITEMS:** Nil.

PUBLIC - Goldenfields Water County Council Agenda - October 2021 - MATTERS TO BE SUBMITTED TO OPEN COUNCIL

Goldenfields Water County Council CAPITAL WORKS PROGRESS									
AS AT 30 September 2021	ORIGINAL BUDGET 2021/22	2020/21 CARRYOVERS & REVOTES	QBR SEP 2021	REVISED BUDGET 2021/22	ACTUAL YTD	COMMITTED YTD	TOTAL ACTUAL & COMMITTED YTD	VARIANCE YTD	% ACTUAL & COMMITTED TO BUDGET
<b>CAPITAL INCOME:</b>	\$	\$	\$	\$	\$	\$	\$	\$	%
Asset Sales	(567,500)	-	-	(567,500)	(234,785)	-	(234,785)		
Capital Contributions	(1,050,000)	-	-	(1,050,000)	(160,626)	-	(160,626)		
<b>TOTAL CAPITAL INCOME:</b>	<b>(1,617,500)</b>	<b>-</b>	<b>-</b>	<b>(1,617,500)</b>	<b>(395,411)</b>	<b>-</b>	<b>(395,411)</b>	<b>(1,222,089)</b>	<b>24%</b>
<b>CAPITAL EXPENDITURE</b>									
<b>NEW SYSTEM ASSETS:</b>	\$	\$	\$	\$	\$	\$	\$	\$	%
Land & Buildings	100,000	-	-	100,000	2,170	3,980	6,150	93,850	6%
Mains - Developer Paid	40,000	111,000	-	151,000	11,299	4,364	15,663	135,337	10%
Mains - Trunk	-	-	-	-	98,430	65,540	163,970	(163,970)	0%
Mains - Reticulation	125,000	-	-	125,000	37,747	13,700	51,447	73,553	41%
Mains - Rural	1,800,000	-	(1,000,000)	800,000	163,267	22,144	185,411	614,589	23%
Scada	800,000	230,000	-	1,030,000	309,469	672,300	981,769	48,231	95%
<b>TOTAL NEW SYSTEM ASSETS:</b>	<b>2,865,000</b>	<b>341,000</b>	<b>(1,000,000)</b>	<b>2,206,000</b>	<b>622,383</b>	<b>782,027</b>	<b>1,404,410</b>	<b>666,253</b>	<b>64%</b>
<b>RENEWALS:</b>	\$	\$	\$	\$	\$	\$	\$	\$	%
Plant & Equipment	1,445,000	30,000	-	1,475,000	318,241	342,135	660,376	814,624	45%
Information Technology	70,000	-	-	70,000	2,969	-	2,969	67,031	4%
Furniture and Office Equipment	5,000	-	-	5,000	4,050	-	4,050	950	81%
Land & Buildings	170,000	-	-	170,000	38,817	-	38,817	131,183	23%
Mains - Trunk	3,880,000	20,000	300,000	4,200,000	1,360,981	928,829	2,289,811	1,910,189	55%
Mains - Reticulation	1,000,000	510,000	-	1,510,000	174,856	199,306	374,162	1,135,838	25%
Mains - Rural	817,200	-	-	817,200	-	24,771	24,771	792,429	3%
Pump Stations and Bores	1,830,000	480,000	(880,000)	1,430,000	526,430	757,860	1,284,290	145,710	90%
Reservoir Sites	1,780,000	50,000	(170,000)	1,660,000	24,986	465,155	490,141	1,169,859	30%
Treatment Plant	6,700,000	30,000	1,750,000	8,480,000	2,937,358	2,315,449	5,252,807	3,227,193	62%
Emergency Works	200,000	-	-	200,000	-	-	-	200,000	0%
<b>TOTAL RENEWALS ASSETS:</b>	<b>17,897,200</b>	<b>1,120,000</b>	<b>1,000,000</b>	<b>20,017,200</b>	<b>5,388,689</b>	<b>5,033,504</b>	<b>10,422,194</b>	<b>9,595,006</b>	<b>52%</b>
<b>TOTAL CAPITAL EXPENDITURE:</b>	<b>20,762,200</b>	<b>1,461,000</b>	<b>-</b>	<b>22,223,200</b>	<b>6,011,072</b>	<b>5,815,531</b>	<b>11,826,603</b>	<b>10,396,597</b>	<b>53%</b>

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**QUARTERLY BUDGET REVIEW 30 SEPTEMBER 2021**

**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 2021.

**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 2021 is submitted for examination by Council.

The anticipated Operating Result for 2021/22 is a surplus of \$392,000, as originally adopted. There are no proposed adjustments to operating income or expenditure.

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 Capital Works expenditure adjustments do not change the overall Capital Works Program.

Proposed September 2021 quarterly review adjustments:

**Capital Expenditure**

- \$(1,000,000) Mandamah Stage 2 - 4
- \$1,200,000 Oura High Voltage Project
- \$550,000 Jugiong PLC Upgrade
- \$300,000 Rosehill Pipeline
- (\$880,000) Pump Station Renewals
- (\$170,000) Reservoir Renewals

**FINANCIAL IMPACT STATEMENT**

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

**ATTACHMENTS:** Quarterly Budget Review 30-9-21.

**TABLED ITEMS:** Nil.

Goldenfields Water County Council

**Quarterly Budget Review Statement**  
for the period 01/07/21 to 30/09/21

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Goldenfields Water County Council

**Quarterly Budget Review Statement**  
for the period 01/07/21 to 30/09/21

**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 30/09/21 indicates that Council's projected financial position at 30/6/22 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:** 7/10/2021

Michele Curran  
Corporate Services Manager



## Goldenfields Water County Council

**Quarterly Budget Review Statement**  
 for the period 01/07/21 to 30/09/21
**Income & Expenses Budget Review Statement**

Budget review for the quarter ended 30 September 2021

**Income & Expenses**

(\$000's)	Original Budget	Revised Budget	Variations for this		Notes	Projected Year End	Actual YTD
	2021/22	2021/22	Sep	Qtr		Result	figures
<b>Income</b>							
Rates and Annual Charges	5,585	5,585	-			5,585	342
User Charges and Fees	16,750	16,750	-			16,750	845
Interest and Investment Revenues	540	540	-			540	105
Other Revenues	127	127	-			127	61
Grants & Contributions - Operating	85	85	-			85	41
Grants & Contributions - Capital	1,050	1,050	-			1,050	161
<b>Total Income from Continuing Operations</b>	<b>24,137</b>	<b>24,137</b>				<b>24,137</b>	<b>1,555</b>
<b>Expenses</b>							
Employee Costs	6,997	6,997	-			6,997	1,855
Materials & Contracts	8,148	8,148	-			8,148	1,264
Depreciation	8,300	8,300	-			8,300	2,075
Other Expenses	300	300	-			300	12
<b>Total Expenses from Continuing Operations</b>	<b>23,745</b>	<b>23,745</b>				<b>23,745</b>	<b>5,206</b>
<b>Net Operating Result from Continuing Operations</b>	<b>392</b>	<b>392</b>				<b>392</b>	<b>(3,651)</b>
<b>Net Operating Result from All Operations</b>	<b>392</b>	<b>392</b>				<b>392</b>	<b>(3,651)</b>
<b>Net Operating Result before Capital Items</b>	<b>(658)</b>	<b>(658)</b>				<b>(658)</b>	<b>(3,812)</b>

## Goldenfields Water County Council

**Quarterly Budget Review Statement**  
 for the period 01/07/21 to 30/09/21

**Capital Budget Review Statement**

Budget review for the quarter ended 30 September 2021

**Capital Budget**

(\$000's)	Original Budget	Approved Changes	Revised Budget	Variations for this	Notes	Projected Year End	Actual YTD
	2021/22	Carry Forwards	2021/22	Sep Qtr		Result	figures
<b>Capital Expenditure</b>							
<b>New Assets</b>							
- Land & Buildings	100	-	100	-		100	2
- Water Supply Infrastructure	2,765	341	3,106	(1,000)	3.1	2,106	620
<b>Renewal Assets (Replacement)</b>							
- IT Equipment	70	-	70	-		70	3
- Office Equipment	5	-	5	-		5	4
- Plant & Equipment	1,445	30	1,475	-		1,475	318
- Land & Buildings	170	90	260	-		260	38
- Water Supply Infrastructure	16,207	1,000	17,207	1,000	3.2	18,207	5,025
<b>Total Capital Expenditure</b>	<b>20,762</b>	<b>1,461</b>	<b>22,223</b>	<b>-</b>		<b>22,223</b>	<b>6,010</b>
<b>Capital Funding</b>							
Fees, Charges & Other Untied Funding	2,937	-	2,937	-		2,937	591
Capital Grants & Contributions	1,050	-	1,050	-		1,050	161
Proceeds from Sale - IPP&E	568	-	568	-		568	234
Internal Restrictions/Reserves	16,207	1,461	17,668	-		17,668	5,024
<b>Total Capital Funding</b>	<b>20,762</b>	<b>1,461</b>	<b>22,223</b>	<b>-</b>		<b>22,223</b>	<b>6,010</b>
<b>Net Capital Funding - Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>

Goldenfields Water County Council

**Quarterly Budget Review Statement**

for the period 01/07/21 to 30/09/21

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

Budget Variations being recommended include the following material items:

<b>Notes</b>	<b>Details</b>	<b>\$000</b>
	Refer to Capital Works Progress report for more detail on Capital Projects	
3.1	Mandamah Stage 2-4	(1,000)
3.2	Oura High Voltage Project	1,200
	Jugiong PLC Upgrade	550
	Rosehill Pipeline	300
	Pump Station Renewals	(880)
	Reservoir Renewals	(170)

Goldenfields Water County Council

**Quarterly Budget Review Statement**  
for the period 01/07/21 to 30/09/21

**Cash & Investments Budget Review Statement**

Budget review for the quarter ended 30 September 2021

**Cash & Investments**

(\$000's)	Original Budget	Variations for this	Notes	Projected Year End	Actual YTD
	2021/22	Sep Qtr		Result	figures
<b>Internally Restricted</b> <sup>(2)</sup>					
Plant & Vehicle Replacement	1,761	-		1,761	1,927
Infrastructure Replacement	24,482	-		24,482	19,618
Employees Leave Entitlement	2,248	-		2,248	2,248
Sales Fluctuation Reserve	-	-		-	-
Property Reserve	-	-		-	-
<b>Total Internally Restricted</b>	<b>28,491</b>	<b>-</b>		<b>28,491</b>	<b>23,793</b>
(2) Funds that Council has earmarked for a specific purpose					
<b>Unrestricted</b> (ie. available after the above Restrictions)	10,365	-		10,365	22,422
<b>Total Cash &amp; Investments</b>	<b>38,856</b>	<b>-</b>		<b>38,856</b>	<b>46,215</b>

Goldenfields Water County Council

**Quarterly Budget Review Statement**  
for the period 01/07/21 to 30/09/21

**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 30/09/21

The YTD Cash & Investment figure reconciles to the actual balances held as follows: **\$ 000's**

Cash at Bank (as per bank statements)		211
Investments on Hand		46,004
less: Unpresented Cheques	(Timing Difference)	(15)
add: Undeposited Funds	(Timing Difference)	147
Less: receipts not yet updated	(Timing Difference)	-

<b>Reconciled Cash at Bank &amp; Investments</b>		46,347
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<b>Balance as per Review Statement:</b>		46,347
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Difference:		-
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**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

<b>Notes</b>	<b>Details</b>	<b>\$000</b>
	N/A	

Goldenfields Water County Council

**Quarterly Budget Review Statement**  
for the period 01/07/21 to 30/09/21

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

Budget review for the quarter ended 30 September 2021

(\$000's)	Current Projection		Original Budget 21/22	Actuals Prior Periods	
	Amounts	Indicator		20/21	19/20
	21/22	21/22			

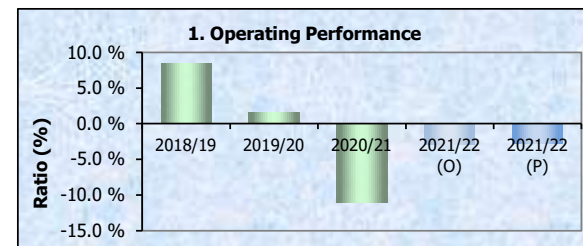
NSW Local Government Industry Key Performance Indicators (OLG):

**1. Operating Performance**

Operating Revenue (excl Capital) - Operating Expenses	-658	-2.9 %	-2.9 %	-11.0 %	1.6 %
Operating Revenue (excl Capital Grants & Contributions)	23,087				

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%

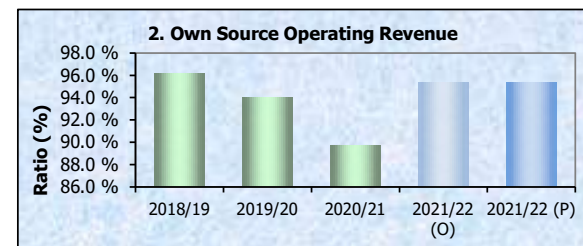


**2. Own Source Operating Revenue**

Operating Revenue (excl all Grants & Contributions)	23,002	95.3 %	95.3 %	89.7 %	94.0 %
Total Continuing Operating Revenue	24,137				

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

Benchmark >60%

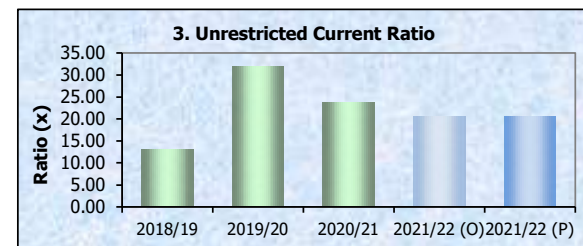


**3. Unrestricted Current Ratio**

Current Assets less all External Restrictions	38,856	20.47	20.47	23.68	32.03
Current Liabilities less Specific Purpose Liabilities	1,898				

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

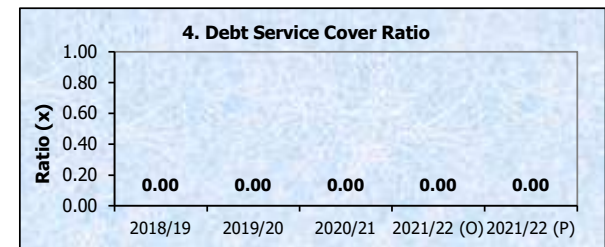
**Quarterly Budget Review Statement**  
for the period 01/07/21 to 30/09/21

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

Budget review for the quarter ended 30 September 2021

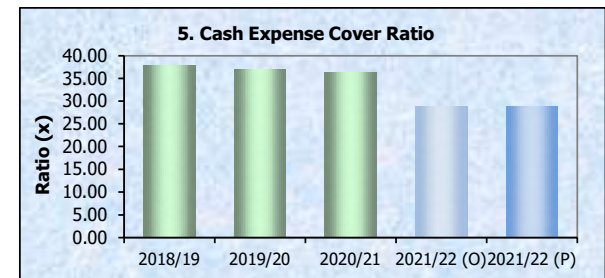
(\$000's)	Current Projection		Original Budget 21/22	Actuals Prior Periods	
	Amounts	Indicator		20/21	19/20
	21/22	21/22			
<b>4. Debt Service Cover Ratio</b>					
Operating Result before Capital (excl Interest & Depn)	7,642	0.00	0.00	0.00	0.00
Principal Repayments + Borrowing Interest Costs	0				

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



<b>5. Cash Expense Cover Ratio</b>					
Current Year's Cash & Cash Equivalents (incl. Term Deposits)	38,856				
Monthly payments from cash flow of operating and financing activities	1,344	28.91	28.91	36.29	36.90
		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 01/07/21 to 30/09/21

**Contracts Budget Review Statement**

Budget review for the quarter ended 30 September 2021

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

<b>Contractor</b>	<b>Contract detail &amp; purpose</b>	<b>Contract Value</b>	<b>Start Date</b>	<b>Duration of Contract</b>	<b>Budgeted (Y/N)</b>	<b>Notes</b>
Clover Pipelines Pty Ltd	Thanowring Rd Materials Supply	\$1,906,641	01/01/22	2 years	Y	

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 01/07/21 to 30/09/21

**Consultancy & Legal Expenses Budget Review Statement**

Consultancy & Legal Expenses Overview

<b>Expense</b>	<b>YTD Expenditure (Actual Dollars)</b>	<b>Budgeted (Y/N)</b>
Consultancies	55,395	
Legal Expenses	21,775	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**

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N/A

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**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 2021.

**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 2021. 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 30-9-21.

**TABLED ITEMS:** Nil.

# ARIC Meeting Minutes

Meeting Ref. ARIC		Minute taker: Michele Curran
Date: 30 September 2021	Time: 10am	Location: Zoom Online Meeting OR 84 Parkes Street, Temora (Board Room)
Attendees: Peter McLean (Chairperson), Geoff Twomey, Cr David McCann, Geoff Veneris (Acting General Manager), Michele Curran, Zac Mahon, Phil Swaffield (National Audits Group), Dannielle MacKenzie (Crowe), Nirupama Mani (NSW Audit Office)		
Apologies: Aaron Drenovski		

## 1. Welcome and Apologies

The meeting was opened at 10am.

## 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 Peter McLean and Geoff Twomey that the minutes of the meeting held 22 July 2021 having been circulated to members be confirmed as a true and accurate record.

## 4. Chairperson Report

**RECOMMENDATION** on the motion of Geoff Twomey and Cr David McCann that the Committee received and noted the Chairperson's verbal report.

- **Draft Guidelines for Risk Management and Internal Audit for Local Council in NSW:** currently open for consultation. Submissions close 26 November 2021.
  - Non-voting Councillor member has been added as an option for committee membership
  - Council's lack of control around ARIC appointment
  - ARIC required to report to Council quarterly
  - Clarification of ARIC members being included as designated persons for interest returns
  - ARIC members require professional indemnity insurance
  - Internal review process
  - Fees no longer prescribed

## 5. General Manager Report

**RECOMMENDATION** on the motion of Geoff Twomey and Peter McLean that the Committee received and noted the General Manager's verbal report.



- **COVID:** noticing effect on access to contractors, cost inflation and materials. This stems from transport and lead time, supply chain issues with overseas supplies. Plans were put in place last year, with contracts being updated for COVID conditions. But supply is still an issue.
- **Water Sales:** expecting another wet year.
- **Integrated Planning and IWCM:** long term strategic planning process is starting in October.

## 6. Draft Financial Statements

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

- Review the 2020/21 Financial Statements
- Recommend to Council that the Committee is unaware of any matter that would prevent Council from adopting the 2020/21 Financial Statements
- Recommend that Council adopt the 2020/21 Financial Statements based on items i and ii at the October 2021 Council meeting
- Commend management on a smooth and successful audit, which has nil new management items

Dannielle MacKenzie and Nirupama Mani left the meeting at 11:04am.

## 7. ARIC Meeting Dates

**RECOMMENDATION** on the motion of Geoff Twomey and Cr David McCann that the Committee endorse the proposed ARIC Committee meeting dates for the next 12 months.

- 10am Thursday 25 November 2021
- 10am Thursday 10 February 2022
- 10am Thursday 26 May 2022
- 10am Thursday 28 July 2022
- 10am Thursday 29 September 2022 – 2021/22 Financial Statements

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**NEXT MEETING:** 10am Thursday 25 November 2021

There being no further matters requiring the attention of the Committee the meeting was declared closed at 11:06am.

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**POLICY REVIEW**

**Report prepared by Corporate Services Manager**

**COUNCIL OFFICER RECOMMENDATION**

1. That the Board rescinds CP008 Off-Peak Season Supply Policy;
2. That the Board rescinds CP004 Disconnection and Reconnection Policy;
3. That the Board rescinds CP010 Temporary Connections Policy;
4. That the Board adopts PP007 Water Service Connection Policy.

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

07 Efficient Operations

**BACKGROUND**

A full review of Council policies is currently underway to determine currency and relevance. The policies included in this report have been reviewed by management and suggested actions included for the consideration of the board.

**REPORT**

- **CP008 Off-Peak Season Supply Policy:** this policy was last adopted in 2009 and was due for review in 2012. The policy was adopted under Council's old numbering system and has not been revised since. It has been determined that this policy is no longer relevant. Content of the policy is now covered by PP008 Developer Charges Policy.
- **CP004 Disconnection and Reconnection Policy:** this policy was last adopted in 2008 and was due for review in 2012. The policy was adopted under Council's old numbering system and has not been revised since. It has been determined that this policy is no longer relevant. Content of the policy is now covered by PP007 Water Service Connection Policy.
- **CP010 Temporary Connections Policy:** this policy was last adopted in 2009 and was due for review in 2012. The policy was adopted under Council's old numbering system and has not been revised since. It has been determined that this policy is no longer relevant. Content of the policy is now covered by PP007 Water Service Connection Policy.
- **PP007 Water Service Connection Policy:** this policy has been reviewed in conjunction with CP004 Disconnection and Reconnection Policy and CP010 Temporary Connections Policy. Clause 6.3 Disconnection has been added as a result of rescinding CP004 Disconnection and Reconnection Policy and Clause 6.4 Temporary Connections has been added as a result of rescinding CP010 Temporary Connections Policy.

**FINANCIAL IMPACT STATEMENT**

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

**ATTACHMENTS:** PP007 Water Service Connection Policy.

**TABLED ITEMS:** CP008 Off-Peak Season Supply Policy; CP004 Disconnection and Reconnection Policy; CP010 Temporary Connections Policy.



Policy No. PP007

# Water Service Connection Policy

## Water Service Connection Policy

### 1 INFORMATION ABOUT THIS POLICY

#### POLICY INFORMATION

<b>Date Adopted by Board</b> 25 August 2016	<b>Resolution No.</b> 16/084
<b>Policy Responsibility</b> General Manager	
<b>Review Timeframe</b> 4 yearly	
<b>Last Review</b> XX/10/2021	<b>Next Scheduled Review</b> October 2025

#### DOCUMENT HISTORY

DOCUMENT NO.	DATE AMENDED	SUMMARY OF CHANGES
	21/12/2018	6.2.4 Service Connections to be served directly from GWCC water mains 6.2.5 Service Connection to Multiple Residential Units
	13/12/2019	6.2.1 Non Residential Rural Connection addition of approval for private infrastructure in Road Reserves and Rail Corridors. Reformatting of existing clauses.
	February 2020	6.2.1 Removal of 2km limit for connections. Added clause requiring applicant to enter into legally binding agreement.
	October 2021	Added clauses 6.3 Disconnection conditions and 6.4 Temporary Connections

#### FURTHER DOCUMENT INFORMATION AND RELATIONSHIPS

<b>Related Legislation</b>	Local Government Act 1993 NSW Local Government (General) Regulation 2005
<b>Related Policies</b>	Backflow Prevention Policy Developer Charges Policy Debt Recovery and Hardship Policy Drinking Water Management System
<b>Related Procedures, Protocols, Statements and Documents</b>	



## Water Service Connection Policy

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### 3 PURPOSE

To ensure all connections to the Goldenfields Water County Council (Goldenfields Water) water supply network conform to requirements and that property owner's responsibilities are clearly defined.

### 4 SCOPE

This policy applies to all new water service connections. This policy also applies to all water service connections where disconnection may occur.

### 5 DEFINITIONS

**Service Connection** – The point of connection between the customer's internal plumbing and the Goldenfields Water water supply network separated by a water meter.

**Equivalent Tenement – (ET)** The demand or loading a development will have on infrastructure in terms of the water consumption for an average residential dwelling or house.

**Residential Service Connection** – A connection made to Goldenfields Water's urban infrastructure which is serviced by a reservoir via a distribution network and the main use is for residential accommodation (but not a hotel, motel, guest house, boarding house, lodging house, or nursing home). The connection is based on an equivalent tenement of 250 kl pa.

**Non-Residential Rural Service Connection** – A connection made to Goldenfields Water's rural infrastructure which is located outside the urbanised areas and is serviced directly from the water main and the water is used for stock and domestic requirements. The connection is based on an equivalent tenement of 250 kl pa.

**Non Residential Other Service Connection** – A connection made to Goldenfields Water's urban or rural infrastructure for the purpose of supplying water to commercial/industrial business, community holdings, and other remote and direct connections to mains outside of urbanised areas where there is no commercial rural activity.

**Non-Residential High Volume Monthly Service Connection** - A connection made to Goldenfields Water's urban or rural infrastructure for the purpose of supplying water to commercial / industrial business, community holdings, and institutions with usage of 50,000kl pa and above.

**Fire Service Connection** – A connection made to Goldenfields Water's urban or rural infrastructure that is connected solely to firefighting apparatus i.e. fire hydrants, fire hose reels, water storage tanks dedicated to fighting fires, and fire sprinkler systems.

**Backflow** – The unplanned reverse flow of water or mixtures of water and contaminants into the reticulated water supply system.

**Backflow Prevention Containment Device** – A device fitted at the property boundary to prevent the reverse flow of potentially polluted water into the drinking water system.

## Water Service Connection Policy

**Permanent Disconnection** – Where the water service connection is either completely removed, or permanently terminated or permanently isolated from the water supply.

**Temporary Disconnection** – Where the water service connection is isolated, by the physical locking off from the water supply.

**Temporary Service Connection** – A connection made to Goldenfields Waters' urban or rural infrastructure for the purpose of supplying water for the purpose of construction, emergency, or such other non-permanent uses.

## 6 POLICY

A connection will be supplied subject to the following conditions. The following conditions also applies to all water service connections where disconnection may occur.

### 6.1 General Conditions

1. An application is made and all application fees paid.
2. Investigations show there is infrastructure in the area and it is adequate to support the connection\*.
3. Infrastructure charges have been paid in accordance with the Current Goldenfields Water Operational Plan.
4. Suitable backflow prevention containment device is fitted.

\* Goldenfields Water may allow developers or property owners (at their own cost) to extend or upgrade infrastructure to allow connection(s).

### 6.2 Special Conditions

#### 6.2.1 Non Residential Rural Connection

1. Applications for non-residential rural will be assessed on a case by case basis and charged in accordance with Goldenfields Water fees and charges policy.
2. The applicant will be required to enter into a legally binding agreement which sets out the general conditions for the connection.
3. The applicant will be required to store a minimum 3 day average water requirements or 20,000 litres whichever is greater.
4. Backflow prevention containment device must be fitted at the meter, in accordance with Goldenfields Water's Backflow Prevention Policy.
5. Non-residential rural properties cannot be connected to urban infrastructure.
6. The connection will be supplied directly above a suitable Goldenfields Water water main.
7. It will remain the applicant's responsibility to augment from the connection.
8. If applicant's water infrastructure is intended to pass through any Road Reserve or Rail Corridor, the applicant is required to arrange their own approval(s) which must be provided.
9. If applicant's water infrastructure is intended to pass through neighbouring properties, the applicant must obtain a signed consent from the neighbouring property owner(s) and provide a copy to Goldenfields Water.\*

## Water Service Connection Policy

\*Note: Goldenfields Water recommends the applicant seek an easement to prevent future issues if the neighbouring property is sold. GWCC will take no responsibility for and have no involvement in matters relating to landowner consent.

### 6.2.2 Non Residential Other / Non Residential High Volume Monthly

1. Infrastructure charges will be calculated based on anticipated number of equivalent tenements.
2. A backflow rating will be given based on intended activities carried out within the property boundary

### 6.2.3 Fire Service Connection

1. Storage tanks meeting the requirements of AS 2304-2011 must be installed
2. Connections will be fitted with a double detector check valve and bypass meter
3. If Goldenfields Water suspects the fire service is being used for any other purposes the appropriate usage charge will be forwarded to the client.

### 6.2.4 Service Connections to be served directly from Goldenfields Water's Water Main

1. All new water service connections are to be served directly from a Goldenfields Water 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 Goldenfields Water supply area.

### 6.2.5 Service Connection for Multiple Residential Units

1. Where it is impracticable, to lay multiple Service Connections to individual residential dwellings within Strata, Neighbourhood, Community or like development, Goldenfields Water at its sole discretion, may permit larger metered service connection(s) to be installed at the property boundary to supply more than one dwelling.
2. The applicant is to propose the property boundary service size for Goldenfields Water's approval.
3. In all cases, the owner / body corporate will remain responsible for all internal property plumbing required beyond the property boundary water meter(s).
4. The applicant is to accommodate (at their own expense) provision for a standard 20mm Goldenfields Water meter to each individual dwelling.
5. Goldenfields Water will be responsible for all water meters.
6. Internal firefighting requirements are to be addressed separately.
7. Backflow requirements will be assessed on an individual development basis. As a minimum each property boundary meter requires a separate dual check valve.

## Water Service Connection Policy

### 6.3 Disconnection

Notwithstanding Goldenfields Water's ability to disconnect water services to a property for non-payment of a water account, Goldenfields Water from time to time receives requests for either the temporary or permanent disconnection of a property's existing water service connections from Goldenfields Water's supply. Disconnection will be under the following conditions:

#### 6.3.1 Disconnection Options

Consumers seeking disconnection of their service are to be given the option of:

1. Permanent Disconnection – Once disconnection occurs, properties will no longer be levied Access Charges, however properties in Goldenfields Water's Urban areas, created by way of sub-division after 01/07/2011 will be levied a Vacant Land Charge.
2. Temporary Disconnection - in which case Access charges will continue to be payable for the whole period of disconnection.

#### 6.3.2 Application and Approved Fee

Voluntary disconnection will proceed following an application being made on Goldenfields Water's Approved Disconnection Form, and the payment of the Disconnection Attendance Fee.

#### 6.3.3 Debt Recovery Disconnection

Goldenfields Water reserves the right to disconnect the water supply at any stage of the debt recovery process, at the discretion of Council (refer to PP016 Debt Recovery & Hardship Policy).

#### 6.3.4 Electrical Earthing to Internal Water Supply Pipe

The property owner is responsible for ensuring that the correct earthing (refer AS3000 and AS3008) of any electrical installation or appliance connected to the internal water supply piping is operating correctly. The removal of either water service connection or water meter as part of any disconnection, will sever any physical link between the property's water supply and Goldenfields Water's water supply system. A licenced Electrician may need to inspect the earthing and verify that the installation will continue to comply with all relevant codes after disconnection.

#### 6.3.5 Reconnection of Previously Disconnected Property

1. There is no guarantee implied or otherwise provided that a Permanently Disconnected property at some future time will be offered a water service connection.
2. If such future offer is made, then any future reconnection of a Permanently Disconnected property will result in the relevant new Connection Charge and Developer Infrastructure Charge.
3. Goldenfields Water will reconnect a Temporary Disconnected property, following a request by the property owner for reconnection and payment of the relevant Reconnection Fee.
4. Any reconnection of a property subject to Debt Recovery requires compliance with Goldenfields Water's PP016 Debt Recovery & Hardship Policy.

## Water Service Connection Policy

### 6.4 Temporary Connections

Goldenfields Water may be willing (dependent on the circumstances) to provide Temporary Service Connections for the purposes of construction, emergency or such other non-permanent uses as may be approved.

1. Temporary Service Connections will not generally be made available on a continuing basis to serve occupied residential, industrial, commercial, or other premises involving fixed permanent structures, plant, or machinery.
2. The provision of a Temporary Service Connection does not, in any way imply Goldenfields Water's capacity to provide a Permanent Connection, of any type, size whatsoever to any premises.
3. Without any implied acceptance of liability, Goldenfields Water may provide advice on likely maximum flows available through various connection sizes at a particular location. However, Goldenfields Water will only provide a standard 20mm water service connection, unless a larger service is required for the quantity of water or required by a statutory requirement.
4. Goldenfields Water will endeavour to ensure that the water supply available is maintained at agreed quantities and pressures during any agreed periods of time (days, weeks, months) but the maintenance of the water supply may not be continuous.
5. At its sole discretion, Goldenfields Water may interrupt or restrict supply either indefinitely or as such period as required without incurring any liability for compensation or damages resulting for any interruption or restriction. Interruption or restriction will generally only be made when it is necessary to ensure adequate level of supply to Permanent Water Service Connections are maintained but may be made for any other purpose considered appropriate by Goldenfields Water.
6. Developer Infrastructure Charges will not be charged in respect to any Temporary Service Connection.
7. The following are to be fully paid prior to any connection being made:
  - Any Developer Augmentation Charge for any new or upgraded infrastructure required to enable any Temporary Service Connection
  - The appropriate Tapping Service and Meter Charge
  - Backflow Device Fee (if required)
  - Future Disconnection Fee
  - Deposit (equal to two months anticipated consumption)
8. All water recorded through the water meter will be levied monthly at Goldenfields Water's Temporary Charge per kilolitre as set out in its Fees and Charges and is subject to annual review.
9. Any Temporary Water Service Connection may be terminated by either party on provision of a minimum of fourteen day's written notice to the other party. A final account will be prepared, less the previously paid Deposit, with any residual payable by the applicant.
10. All infrastructure, service connection or other asset required for any Temporary Water Service Connection may be utilised in any manner without any liability to compensate the original applicant.
11. Temporary Water Service connections may be transferred to a Permanent Connection status at any time, provided that the agreed connection supply requirements are being met by Goldenfields Water's infrastructure, ensuring such Permanent Connection will not adversely affect level of supply to existing Permanent Water Service Connections. The appropriate



## Water Service Connection Policy

Developer Infrastructure Charge is also required to be paid. Such Permanent Connection would then be transferred to the applicable Fees and Charges applying to the connection's Classification.

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**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**

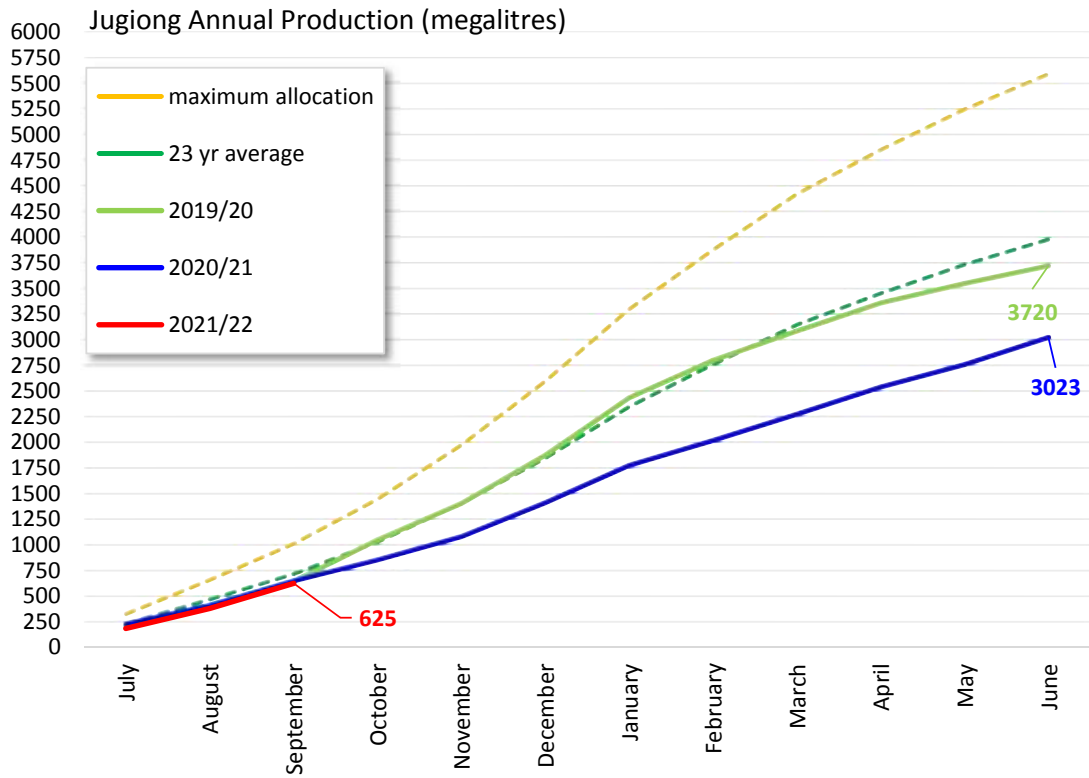
The Jugiong drinking water scheme sources water from the Murrumbidgee River and has an extraction licence entitlement of 5590ML per annum. Water from the Murrumbidgee River is treated through a 40ML/day, conventional Water Treatment Plant that consists of: Coagulation, Flocculation, Clarification, Filtration, 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 2021**

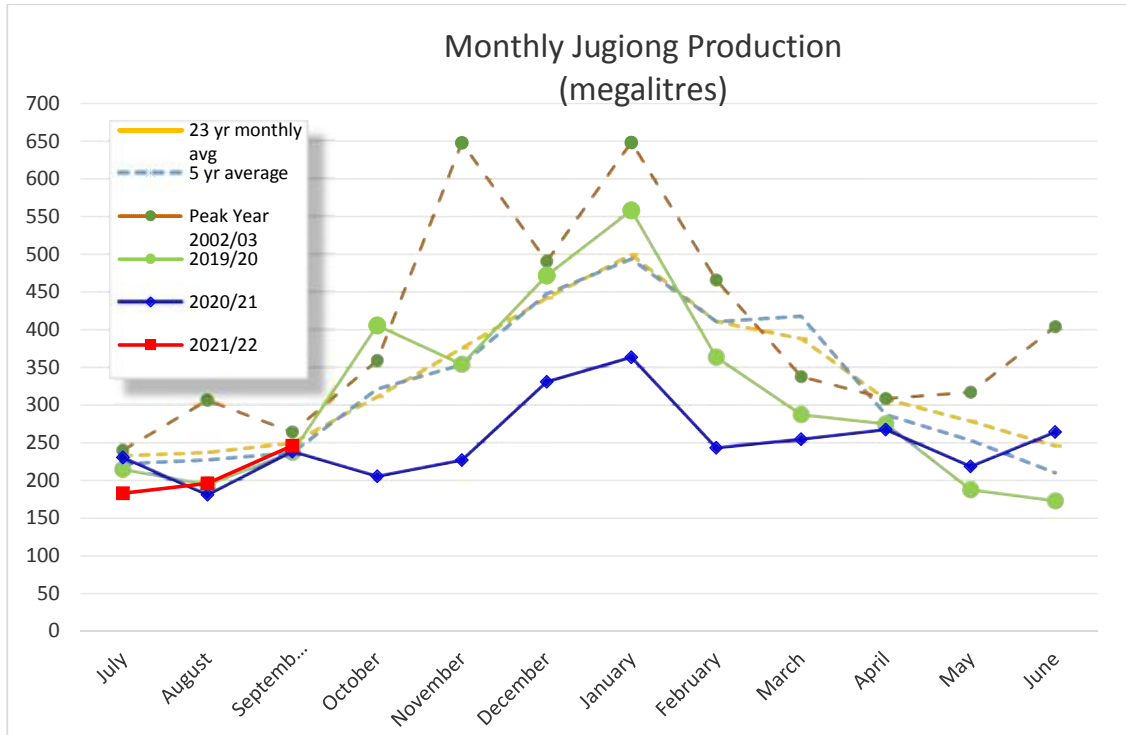
For the first 3 months of the 2021/22 financial year, 625ML of water had been extracted from the Murrumbidgee River and processed at the Jugiong Water Treatment plant. This is slightly lower than for the same period last FY where 649ML was extracted. This is illustrated in the graph below.





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Jugiong monthly production started slowly in July with only 183ML extracted from the Murrumbidgee River for the month. Production has slowly increased in the past 2 months with 196ML extracted in August and 246ML extracted in September. This trend is expected to continue as the months become warmer and dryer.



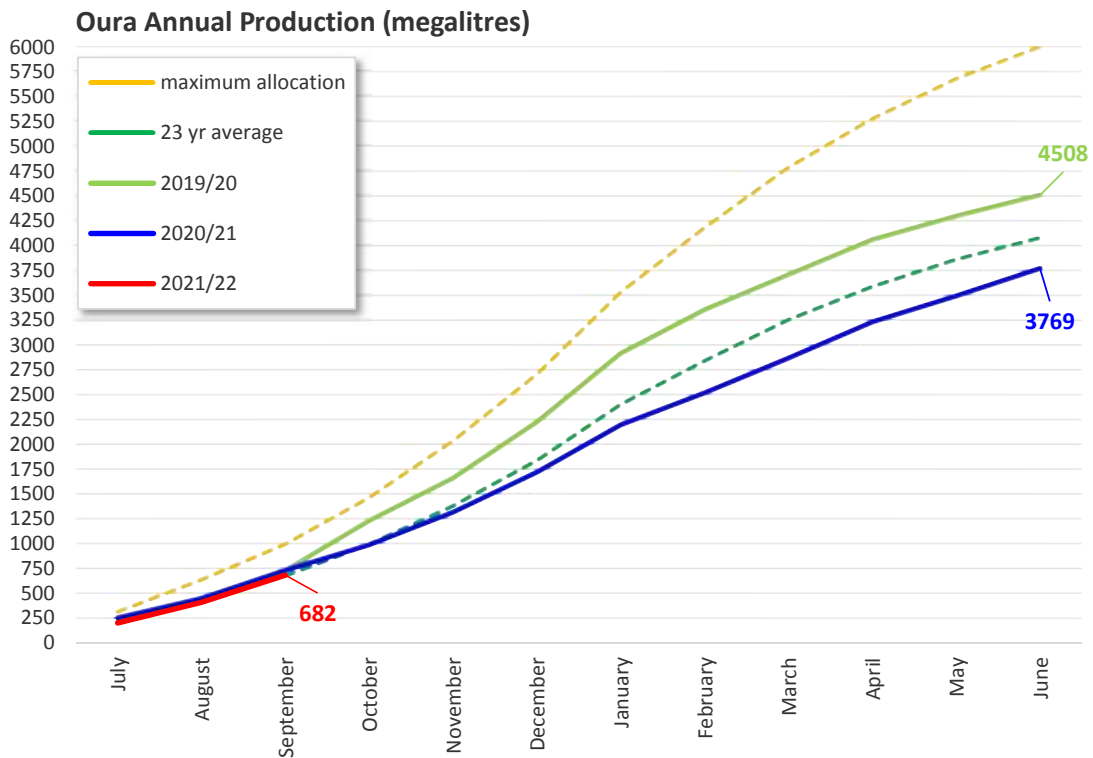
**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

**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.

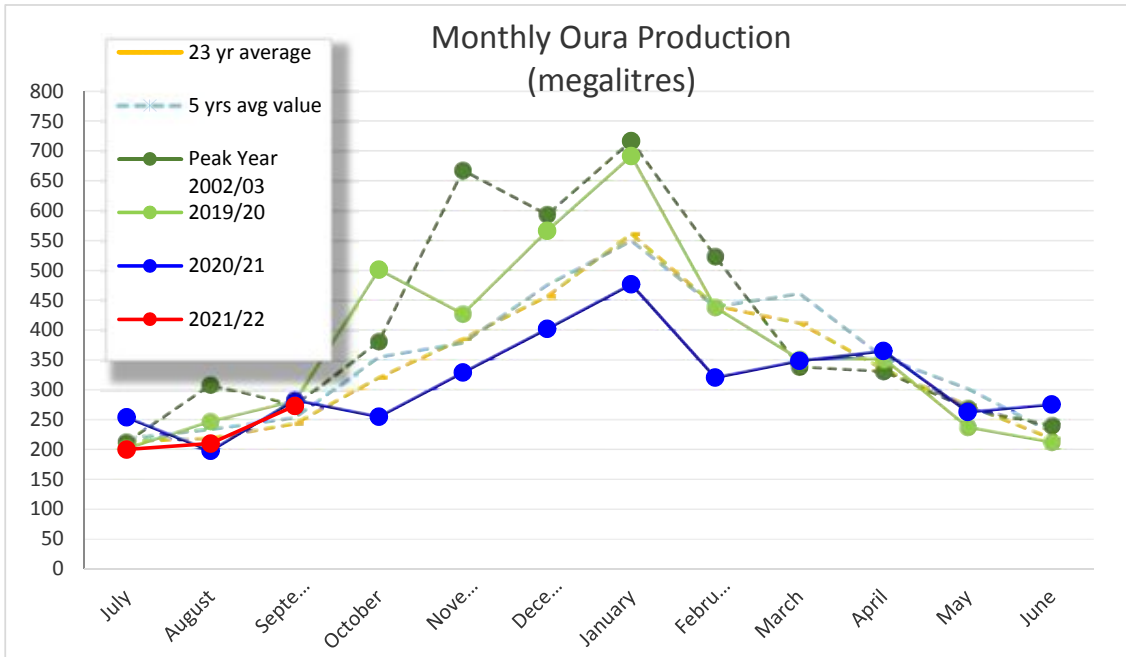
The Oura scheme has 33 sets of reservoirs and 19 pumping stations, produces drinking water for approximately 14,600 people in the Bland, Coolamon, Junee, Narrandera and Temora Shires. The Oura scheme can also supply water to the Northern side of the rural area of Wagga Wagga City when required.

For the first 3 months of the 2021/22 financial year, 682ML of water has been extracted from the Oura Borefield and processed at the Oura Water Treatment Plant. This is a lower production than for the same period last FY where 734ML was extracted. This is depicted in the graph below.



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Oura monthly water production has started slowly due to the wet cold weather. For July 200ML was extracted from the Oura bores. Production trend is slowly increasing as the months get warmer and dryer. August seen a slight increase with 210ML produced and September produced 273ML. This increase is expected to continue with the onset of warmer weather.



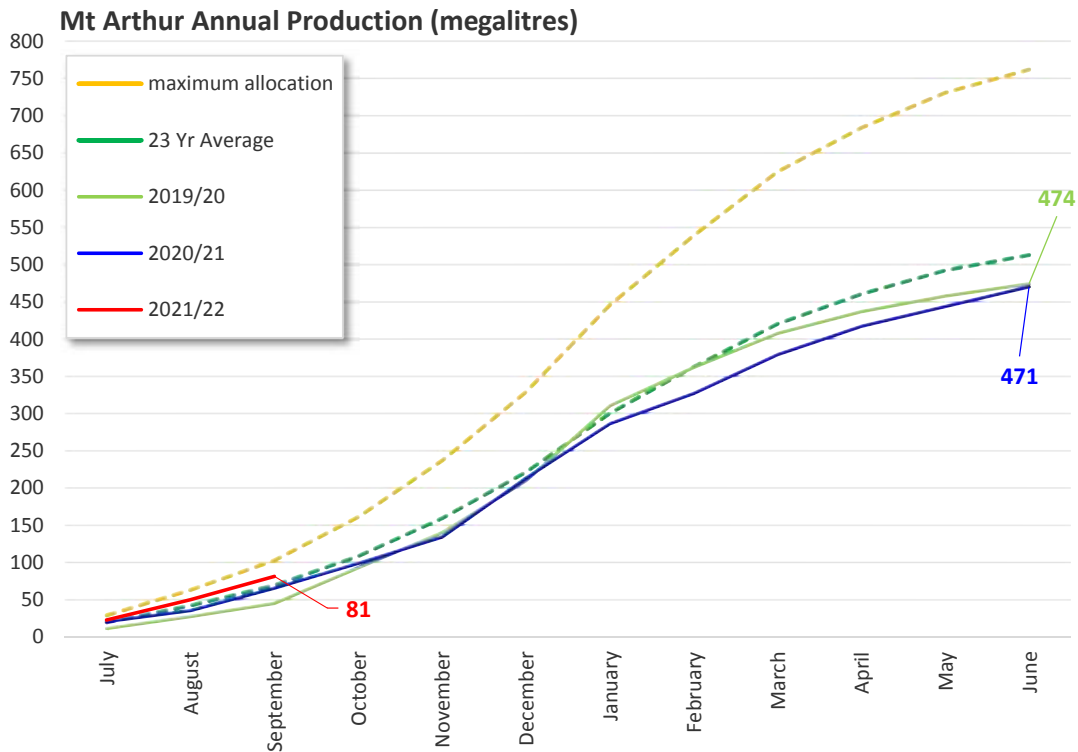
**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

**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.

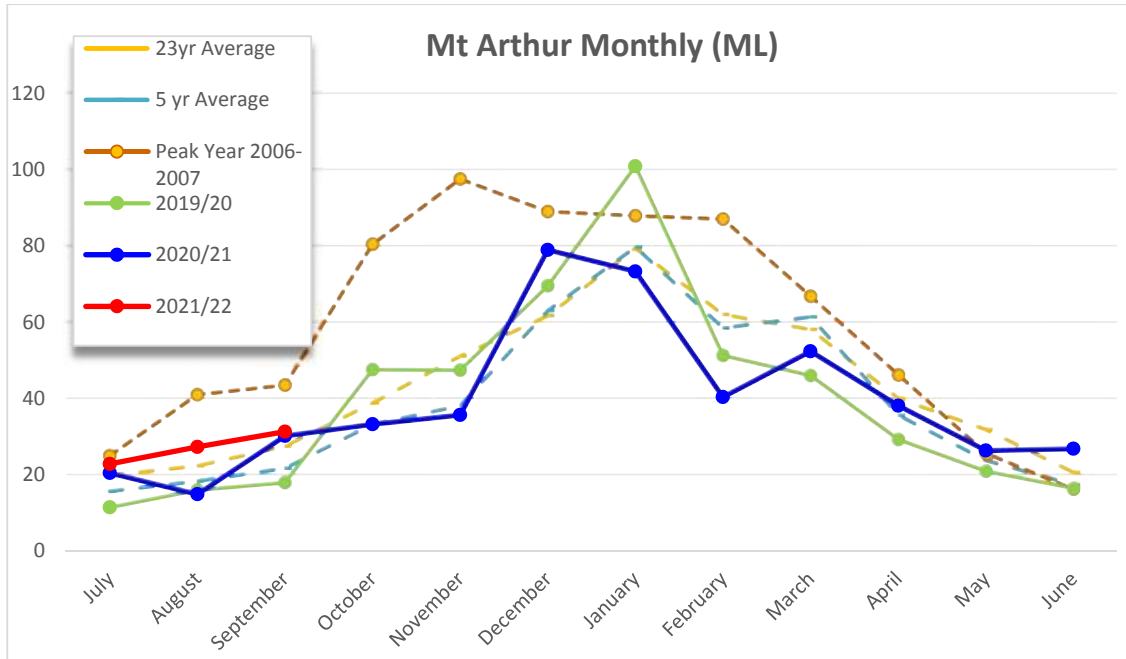
It should be noted that a new Bore 1 is currently being developed to replace the existing Bore site and associated assets. Upon completion, testing and commissioning of the new Bore 1, the old bore will be decommissioned and removed. Water quality and hydraulic capacity requirements appear to be positive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

For the first 3 months of the 2021/22 financial year, 81ML of water has been extracted from the Mt Arthur Borefield. This is an increase compared to the same period last year where 65ML was extracted from the Mt Arthur bores. As can be seen in the graph below trending in a similar fashion to historical years.



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Mt Arthur monthly water production for the 2021/22 financial year has been consistent with a gradual increase from month to month for the first 3 months as the weather warms up. For July 23ML has been extracted, August seen a slight increase to 27ML and September also seen a slight increase with 31ML being extracted from the Mt Arthur bores.



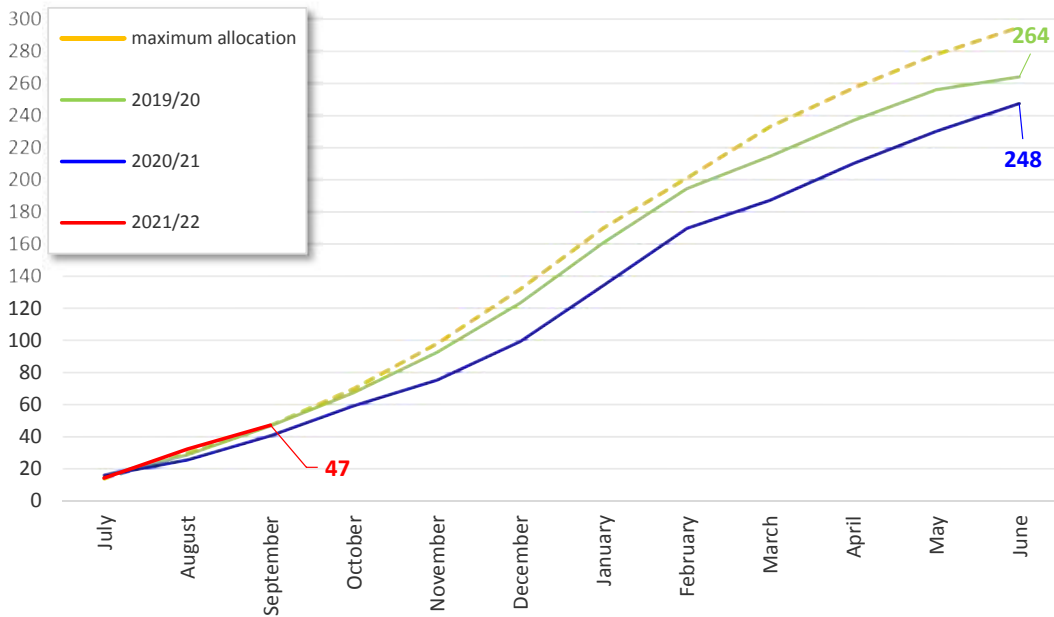
**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

**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.

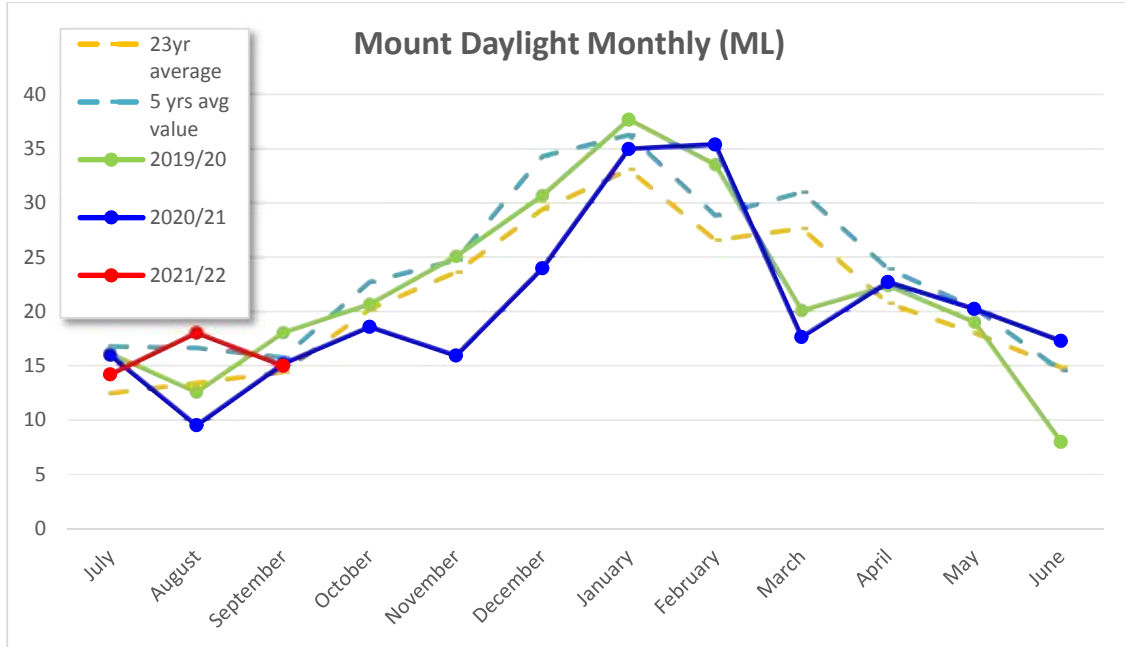
For the first 3 months of the 2021/22 financial year, 47ML of water has been extracted from the Mt Daylight Borefield. This is an increase in volume of 6ML compared to the same period for 2020/21 where 41ML was produced. As can be seen in the graph below trending in a similar fashion to historical years.

**Daylight Annual Volume (megalitres)**



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The monthly extraction totals for the Mt Daylight bores are not consistent to previous years, this can be seen from the graph below, July was a slow month with only 14ML extracted from the Mt Daylight Bores before a slight increase in August where 18ML was extracted before again reducing production for September to 15ML. An increase in production is predicted as we move into the warmer months. The increased usage during August correlates with some Bore yield studies being undertaken by Carrathool Shire which may have been the cause for this increased usage compared to previous years.

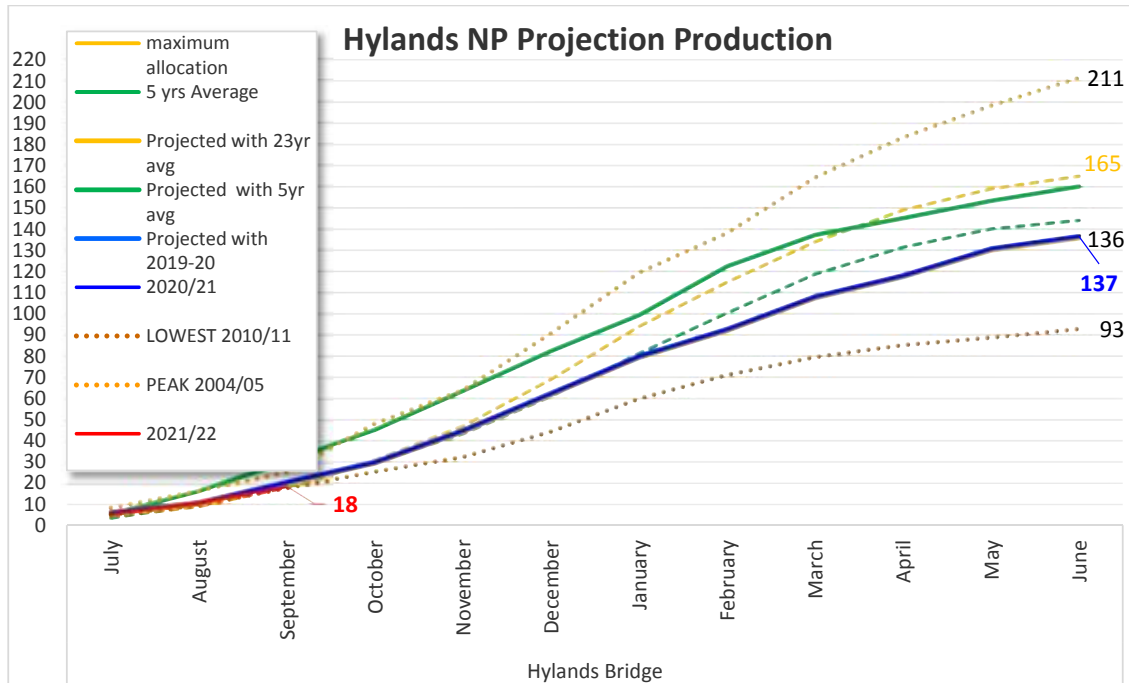


**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

**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 3 months of the 2021/22 financial year, 18ML of water has been extracted from the Hylands Bridge Raw Water scheme. 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



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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**ANNUAL DRINKING WATER MANAGEMENT SYSTEM REVIEW**

**Report prepared by Production & Services Manager**

**COUNCIL OFFICER RECOMMENDATION**

That the Board review and accept the Drinking Water Management System Annual Review

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

01 Excellence in Service Provision

**BACKGROUND**

Goldenfields Water developed and adopted a Drinking Water Management System (DWMS) and associated Policy in February 2018. The purpose of the DWMS Annual Report is to inform and update New South Wales Department of Health (NSW Health) and The Department of Planning, Industry and Environment (DPIE) of Goldenfields Water County Councils (GWCC) implementation and ongoing assessment of its Drinking Water Management System. It also demonstrates that GWCC is compliant with requirement s25 Public Health Act 2010 to develop a Quality Assurance Program (QAP) in line with the framework for Drinking Water Quality Management in the Australian Drinking Water Guidelines.

**REPORT**

The 2020/2021 DWMS Annual Report is the fourth annual review completed under the current adopted DWMS that has been undertaken by Goldenfields Water staff. This Annual Report has utilised the entire 2020/21 data for the Jugiong, Oura, Mt Arthur and Mt Daylight potable water supply systems. A majority of this data was made available from the implementation of WaterOutlook and ClearSCADA. Data is also utilised from NSW Health's Drinking Water Database and ASAM reservoir asset condition database where required.

After its initial implementation, Goldenfields Water (GWCC) staff engaged its internal Auditor (National Audits Group) in 2019 to review the DWMS and provide recommendations for improvement.

A key finding was that more transparency of data reported and adopted by the Board should occur. A full list of audit findings can be found in Appendix D of the report attached.

Throughout the reporting period GWCC have undertaken numerous water samples for both operational and verification monitoring. These samples are tested at the GWCC laboratory and/or an external NATA accredited laboratory for operational monitoring or NSW Health's FASS lab for verification or compliance purposes. GWCC also conducted a number of onsite tests for operational purposes which are presented below.

Water samples are tested for Physical, Chemical and Microbial properties in the water.

Throughout the reporting period GWCC have conducted a total of 1296 microbial water samples to be either tested by NSW Health and/or tested 'in-house' by GWCC Water Quality staff.

The drinking water is also tested throughout the period for chemicals which may be present in the water, a total of 186 water samples were carried out during the reporting period, and all were tested by NSW Health's FASS laboratory.

## GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021

GWCC also undertake pesticide sampling of the drinking water across the entire scheme. These samples are tested by a NATA accredited laboratory for the 2020/21 financial year. A total of 14 samples were tested for the presence of pesticides. All sample results were compliant with parameters set in the Australian Drinking Water Guidelines (ADWG).

It is also a requirement for GWCC to test for Radiological characteristics in the ground water supplies every 2 years, for the 2020/21 reporting year, 5 Radiological samples were taken and tested by Australian Nuclear Science and Technology Organisation (ANSTO). Results were compliant with no concerns identified.

Another initiative undertaken by GWCC is the monitoring of chlorine residuals within the distribution and reticulation systems. These tests are conducted routinely to ensure that each water supply system's integrity has not been breached, or if a low residual is identified then, staff can be proactive in managing such an event.

A total of 2099 chlorine test were conducted onsite throughout the year with hardcopy and softcopy results kept on file. These tests include both Total and Free chlorine. Historically, A running spreadsheet of results was constantly updated by office staff once data is received from outdoor staff requiring double handling of data.

With the implementation of WaterOutlook, the outdoor staff now directly upload the results of the chlorine tests via mobile platforms in order to eliminate double handling of data and direct registration within our water quality database. Since this implementation of WaterOutlook to staff, there has been 4210 chlorine test results uploaded into the database.

The main obligations of Goldenfields Water managing their DWMS is to ensure that no breaches of Critical Control Points (CCP's) occur or if they do occur, that they are reported, reviewed and corrected as part of a continual improvement process.

The following tables provide the total number of CCP exceedances registered throughout the 2020/21 financial year with the corresponding CCP number. The below table provides the CCP Number that correlates with the specific definition and critical limits that staff seek to manage.

CCP Number	Monitoring Parameter	Target Criterion	Adjustment Limit	Critical Limit
<b>1 - Jugiong</b>	Turbidity (Continuous online) Raw Water	Dependant on raw Water Quality		20% variation above or below set point for > 20minutes
<b>2 - Jugiong</b>	Turbidity (Continuous online) Filter Outlet	≤ 0.2 NTU	≥ 0.5 NTU	≥ 1.0 NTU
<b>3 - Jugiong</b>	Free Chlorine residual (Continuous online & alarmed) Finished Water	1.8mg/L	≤ 1.2mg/L or ≥ 2.0mg/L	<b>Summer:</b> ≤ 0.8mg/L for > 30min or ≥ 5.0mg/L <b>Winter:</b> ≤ 0.5mg/L for > 30min or ≥ 5.0mg/L
<b>4 - Jugiong</b>	Fluoride (Daily) Finished Water	1.0mg/L	< 0.95mg/L or > 1.05mg/L	< 0.9mg/L for > 72hrs or > 1.5mg/L

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<b>5 - Jugiong</b>	System (monthly) inspection	Integrity Reservoir	Secure, evidence of break in vermin	no of or	Visual identification of breach or vermin access to reservoir	Visual identification of vermin or containment in reservoir
<b>6 - Jugiong</b>	Free chlorine residual (continuous online & alarmed) Prunevale and Cootamundra		0.8mg/L		≤ 0.5mg/L or ≥ 2.0mg/L	or ≤ 0.2mg/L or ≥ 5.0mg/L
<b>1 - Oura</b>	Free Chlorine residual (Daily) Treated Water		0.5mg/L		≤ 0.3mg/L or ≥ 1.0mg/L	or ≤ 0.2mg/L or ≥ 5.0mg/L
<b>2 - Oura</b>	Fluoride (Daily) Treated Water		1.0mg/L		< 0.9mg/L or > 1.2mg/L	or < 0.9mg/L for > 72hrs or ≥ 1.5mg/L
<b>3 - Oura</b>	System (monthly) inspection	Integrity Reservoir	Secure, evidence of break in vermin	no of or	Visual identification of breach or vermin access to reservoir	Visual identification of vermin or containment in reservoir
<b>4 - Oura</b>	Chlorine (weekly) Wyalong and Thanowring Rd	Residual	0.5mg/L		≤ 0.35mg/L	≤ 0.25mg/L
<b>1 - Mt Arthur</b>	Free Chlorine residual (3 x weekly) Tank 4 Outlet		0.8mg/L		≤ 0.5mg/L or ≥ 2.0mg/L	or ≤ 0.3mg/L or ≥ 5.0mg/L
<b>2 - Mt Arthur</b>	System (monthly) inspection	Integrity Reservoir	Secure, evidence of break in vermin	no of or	Visual identification of breach or vermin access to reservoir	Visual identification of vermin or containment in reservoir
<b>1 - Mt Daylight</b>	Free Chlorine Residual (continuous Online) Naradhan Reservoir		0.8mg/L		≤ 0.5mg/L or ≥ 2.0mg/L	or ≤ 0.3mg/L or ≥ 5.0mg/L
<b>2 - Mt Daylight</b>	System (monthly) Inspection	Integrity Reservoir	Secure, evidence of break in vermin	no of or	Visual identification of breach or vermin access to reservoir	Visual identification of vermin or containment in reservoir

A breakdown of what each CCP represents can be seen in Table above. Note that OCP1 relates to pH which is an operational control point with associated critical limits (<7 and >8) and is not a critical control point.

**Jugiong**

Date	CCP 1	CCP 2	CCP 3	CCP 4	CCP 5	CCP 6	OCP 1	Water Quality Issue	Reason	Immediate Correction	Preventive Action
24/07/20				0.75					Low reading due to running hopper for cleaning		
24/12/20				0.74					Reading low due to fluoride electrical fault	Rectify/reset fault	
8/4/21				0.51					Fluoride feeder blocked	Unblock feeder	

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24/4/21			0.51						Analyser reading incorrectly. Grab sample validated conforming result of 1.43mg/l of CL2 residual	Clean analyser	
8/5/21				0.75					PRV Issue causing dosing pumps to fault	Rectify issue	PRV Preventative maintenance on PRV
9/5/21				0.85					PRV Issue causing dosing pumps to fault	Rectify issue	PRV

**Oura**

Date	CCP1	CCP2	CCP3	CCP4	Water Quality Issue	Reason	Immediate Correction	Preventative Action
27/7/20		0.26				Fluoride electrical fault		
14/11/20	0.04					Issues with Bore 6 water quality after clean and replacement. It appears chlorine was being stripped via either iron and manganese or gases at the time. Total CL2 was 0.52mg/l	Changed bores, manual dosing of clear water storage and downstream Junee reservoirs. No non-conforming water was distributed to the reticulated system.	ClearSCADA upgrade of controls with pre-and post dosing system to occur under future upgrade project.
8/12/20		0.28				Low solution fault	Swapped dosing pumps	Continual Pump maintenance
14/12/20		0.28				Low solution fault	Swapped dosing pumps	Continual Pump maintenance
19/12/20	0.19					Chlorine dosing pump fail	Reset dosing pump. Testing of clear water storage and Junee balance tanks to ensure compliance of water before entering reticulated system.	ClearSCADA upgrade of controls with pre-and post dosing system to occur under future upgrade project.
27/12/20		0.26				Low solution tank fault	Reset fault	
1/1/21		0.25				Low solution tank Fault	Reset electrical fault	
2/1/21		0.24				Low solution tank Fault	Reset electrical fault	
3/1/21		0.26				Low solution tank Fault	Reset electrical fault	
20/3/21		0.23				Low solution tank Fault	Reset electrical fault	
30/3/21		0.29				Low solution tank Fault	Reset electrical fault	

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**


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**Mt Arthur**

Date	CCP1	CCP2	Water Quality Issue	Reason	Immediate Correction	Preventative Action

There were no critical Limit Exceedances for the Mt Daylight scheme during the 2020/21 reporting period.

**Mt Daylight**

Date	CCP1	CCP2	Water Quality Issue	Reason	Immediate Correction	Preventative Action

There were no critical Limit Exceedances for the Mt Daylight scheme during the 2020/21 reporting period.

**FINANCIAL IMPACT STATEMENT**

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

**ATTACHMENTS:** Nil.

**TABLED ITEMS:** 2020/21 Drinking Water Management System Review - Final.

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**JUGIONG WATER TREATMENT PLANT FILTER MEDIA INVESTIGATION PROJECT**

**Report prepared by Production & Services Manager**

**COUNCIL OFFICER RECOMMENDATION**

That the Board

1. Note the information provided within the report
2. Approve an additional budget of \$310,000 into the 2021/22 financial year for the filter media investigation project.
3. Approve the General Manager or their delegate to enter into an agreement with City Water Technology Pty Ltd for support of staff throughout the life of the project noting their previous experience for similar projects
4. Approve staff to seek additional funding opportunities to minimise the project budget requirements from industry and government.
5. Approve staff to either hire or sell the pilot plant upon completion of the project to provide a return on investment

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

03 Strategic Water Management

**BACKGROUND**

The Jugiong Water Treatment plant (WTP) was built and commissioned around 1991 and employs a typical conventional water treatment process that utilises six monomedia filters.

In 2018, staff raised concerns about the condition of the concrete structures around the plant, with significant etching seen on many structures below the water line. Goldenfields Water staff have therefore undertaken to assess the condition and performance assessment of the plant and more specifically the filters in order to develop a scope and specification for future filter refurbishment and improvements.

City Water Technology were engaged in 2018 to facilitate the initial assessment of structures and assets for the WTP. The results from this initial report provided that, whilst the existing structures appear in relatively good condition and should be re-assessed within another 5 to 10 years, that the following be considered:

*“However, the filter media and nozzles have had almost 30 years’ service life and thus their ultimate replacement should be programmed and planned for in the future.*

*The existing filter media configuration (as per the original design) was only 1,180mm deep and the original media surface level came to within 433mm of the top of the backwash weir wall – This design itself may have been too constricted as significant media loss has occurred since the start of operation, although the excessive rate in the combined air-water wash is also implicated in this media loss. Due to the height of the weir wall, the available headspace in the filters and the allowance of enough free-board to prevent media loss is a significant design constraint limiting the media configurations which can be applied within the existing filter beds, particularly in terms of dual media designs”.*

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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This basically means that the original design of the filter bed structures may have been designed too shallow in order to consider a dual media process to improve filtration performance. Or more basically, the height in which the media (or filter sands) can be contained within the filter before it gets blown out is very shallow and restrictive to consider some additional media types which would have otherwise helped us gain greater treatment quality in times of more turbid water or high demand periods.

Media products are limited and can vary depending on the type of raw water quality needed to be treated which can also be very costly for a replacement project, with an estimated cost of around \$1.2m for the Jugiong WTP. This would include around \$600,000 for the purchase of media material itself.

If Goldenfields Water were required to improve its filtration process in order to meet Health Base Targets (HBT's), it may be required to adjust the filter block and associated weir wall at considerable cost before it replaces its media.

Noting the WTP design restriction details above for the Jugiong WTP (relating to a media replacement project), staff are proposing to trial a new overseas media product (Filtralite) that appears to be providing greater levels of hydraulic performance. This could mean that with a better performing media available for use, we could reduce the volume of media required for installation within the filter blocks, thus eliminating the restriction impeding our ability to improve our filtration process and save considerable costs in augmenting the filter block structures.

Filtralite is used in both waste water and water treatment processes overseas with a number of case studies available. However, it has only just undertaken some trials for waste water treatment plants within Australia and no specific WTP's that staff are aware of.

Media plays a critical role within a water treatment plant process and costs associated with such processes, which include back wash, electricity usage, sludge disposal and compressed air usage, costs significant amounts every year. Therefore, ensuring the most efficient selection of media could save significant costs over the long term operation of a plant.

The NSW Department of Planning, Industry and Environment (DPIE) is the Section 60 (Local Government Act) regulator for WTP's. For a product to be approved for use within an approved design and treatment process, section 60 approval would be required to be sought. Staff are recommending that Goldenfields Water take the lead of a pilot trial for the investigation of a new media product for WTP's. If the trial is successful, Goldenfields staff would then seek concurrence approval for LWU's across the state to have the ability to utilise this new product for future projects.

**REPORT**

Goldenfields have previously participated in the University of Sydney's, Major Industrial Project Placement Scheme Scholarship (MIPPS) program. This is where Goldenfields selects a major project for a chemical engineering student to undertake their thesis on for delivery over a six-month period between January and June.

Previous projects that have been completed under this program were the Jugiong chlorine decay modelling (2017) and Mt Arthur discoloured water investigation project (2020). The engineering student is expected to commence in January once the Pilot Plant has been constructed and operational.

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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Staff have also been in discussions with the company who has previously undertaken the condition and process assessments of the Jugiong WTP. City Water Technology (CWT) are a consulting company who specialise in auditing, design and treatment process optimisation. Staff have requested a quotation from CWT in accordance with LGP1208-3 contract to provide staff, expert assistance in the design, procurement, installation and commissioning of a filter column pilot plant required for the project. They will also provide assistance throughout the project to staff and the MIPPS student.

The project has been established to align with the University of Sydney's MIPPS schedule which will see a January start and June completion date.

Staff will also have the opportunity to assess alternative products and additional dosing trials in future, which will assist in optimising plant performance. In addition to this, the benefit of developing a containerised pilot plant, will allow Goldenfields the ability to either undertake additional trials at different locations and/or hire out the unit for other utilities to undertake similar projects. The option of a containerised system provides GWCC the ability to make an additional return on investment via the sale or rental of such a specialised system.

The project is estimated to cost a total of \$310k. The project consists of the following budgetary components:

- \$60k for supporting consultant
- \$40k for MIPPS workplace agreement
- \$10k for media material
- \$20k for GWCC staff
- \$150k for pilot plant development
- \$30k for pilot plant connection to Jugiong WTP and commissioning

Staff are intending to reach out to government agencies and industry seeking any funding or subsidies that may be available as part of the project. This may provide some financial assistance in reducing the project costs.

Some of the project risks are relating to time. In order for the project to commence in line with the MIPPS placement, GWCC will need to have built and commissioned the new pilot plant by Christmas 2021. In addition to this, GWCC will need to integrate the existing NTU Filter Analysers into its ClearSCADA system which is currently being undertaken as part of the Jugiong PLC project. It is possible that these projects could be delayed due to reliance on materials that have recently seen extensive delays up to 18 weeks.

If such a delay occurs, then staff will continue to develop and install the pilot plant; however, the investigation study and MIPPS placement will be deferred until the following year.

**FINANCIAL IMPACT STATEMENT**

The recommendation incurs an additional \$310k within the 2021/22 financial year budget. Noting that the pilot plant will be deemed as an asset we will look to incur approximately 50% of these costs through capital investment.

**ATTACHMENTS:** Nil

**TABLED ITEMS:** Nil



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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**SUBMISSION ADVOCATING FOR INCLUSION OF COUNTY COUNCILS IN THE DEVELOPMENT ASSESSMENT PROCESS**

**Report prepared by Production & Services Manager**

**COUNCIL OFFICER RECOMMENDATION**

That the Board approve the General Manager and/or his delegate to make a submission to the relevant Ministers and State Government Officers seeking regulatory reform for inclusion of County Councils into the Development Application process.

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

01 Excellence in Service Provision

**BACKGROUND**

County Council's were recently made aware of the new requirements for all Council's to utilise the NSW online Planning Portal. This was to be implemented and effective as of 1<sup>st</sup> July 2021.

County Councils were not involved in any pre-implementation, stakeholder consultations and are still not included within the new Planning Portal system.

**REPORT**

Goldenfields Staff recently held a workshop with the Department of planning, Industry and Environment (DPIE) for a review of the new Planning Portal, and how the system will now be utilised by each of our constituent councils for development application processes.

Goldenfields Staff facilitated this workshop and invited fellow County Council staff members from Riverina Water, Rous Water and Central Tablelands Water. The workshop and discussions highlighted some significant concerns regarding the risk of County Councils not having the ability to manage their responsibilities as a Water Authority for concurrence approval of development activities. The issues of referral or lack thereof, were raised and supported by all County Councils involved within the workshop.

The result of the workshop enabled Goldenfields Water Staff to undertake a review of the current planning mechanisms and identify risks that are posed upon County Councils under the existing regulations.

There is currently no mechanism in the development assessment process that mandates the referral of development applications to NSW county councils for consultation and concurrence where a proposed development may impact on the functions of a county council.

The effect of this is, that development applications are referred to county councils on a discretionary basis, which is resulting in sub-optimal outcomes and undermining the ability of the county councils to carry out their functions efficiently and effectively.

This has resulted in past subdivision developments being approved and then individual lot owners not able to proceed, as access to water was not possible or financially viable at the time. This poses significant reputational risk to our organisations and places some customers in a position of loss due to inappropriate planning mechanisms being conditioned to control risk.

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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Goldenfields Staff has sought legal advice (tabled) as part of the review of the current planning regulations and to seek any opportunities that may exist for outdated regulations to be reformed.

Three options were available for Council to consider; however, Option 1 – to seek a new State Environmental Planning Policy (SEPP) for County Councils is recommended.

GWCC and its counterparts may consider advocating for a new SEPP that requires development applications to be referred to county councils for consultation and/or concurrence, in accordance with the consultation and concurrence provisions of the EPA Act and EPA Regulation.

Therefore, staff are seeking approval from the Board to commence this request for reform in updating the planning provisions to incorporate county councils which appear to have been left behind.

Staff have provided all details of the draft advice and proposed submission to each fellow county council seeking their support. It is envisaged that either a single letter of submission signed by all county councils is issued, or that each individual council resolve to at least support our endeavour or to submit their own letter of advocacy.

The draft submission details are tabled to this report for reference.

**FINANCIAL IMPACT STATEMENT**

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

**ATTACHMENTS:** Nil

**TABLED ITEMS:** Draft Letter of Advocacy and Draft Advice for NSW Planning Regulations

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**


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**WEST WYALONG WATER SECURITY PROJECT**

**Report prepared by Interim Engineering Manager**

**COUNCIL OFFICER RECOMMENDATION**

That the board endorse the contribution of \$2,250,000 by Goldenfields Water towards the West Wyalong Water Security project.

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

02 Maximising Regional Water Supply

**BACKGROUND**

It has been previously identified that parts of West Wyalong have low pressure, GWCC engaged Cardno to undertake a study with recommendations to rectify these issues. Following this study GHD has been engaged to undertake the final design and specification development for the project. It should be noted that in the Cardno report the existing 300mm diameter trunk main was already identified as requiring renewal in the next 5 years at an estimated cost of \$4.5million.

**REPORT**

Bland Shire Council in conjunction with GWCC have submitted grant applications towards the West Wyalong pressure improvements under two (2) grant funding streams. These are resources for the Regions (NSW State) and the National Water Grid Fund construction program. The funding requested is as below:

National Water Grid Fund	\$4.5m
Resources for Regions	\$2.25m
GWCC	\$2.25m

To date the National water grid funding has been confirmed and the Resources for regions funding is due to be announced shortly.

Under the Federal funding the project is required to be completed by December 2023. It is anticipated that the majority of construction works will be undertaken in the 2022/23 financial year. With tenders to be let early 2022 and construction to begin in May / June 2022.

**FINANCIAL IMPACT STATEMENT**

The recommendation does not impact on Council's financial position this financial year,, however this may need to be reviewed when the contracts are let and construction timeframes are known. Allocations will be required in the 2022/23 and 23/24 financial years to cover GWCC contribution to the project.

**ATTACHMENTS:** Nil

**TABLED ITEMS:** Nil

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**PRELIMINARY BUSINESS CASE CROWLEY STREET DEPOT**

**Report prepared by Interim Engineering Manager**

**COUNCIL OFFICER RECOMMENDATION**

That the Board;

1. Adopt the preliminary business case for the Crowley St depot and commence the design process for the depot.
2. Endorse Council to commence the development of the Capital Expenditure Review for the Crowley Street depot

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

07 Efficient Operations

**BACKGROUND**

In October 2016 following the construction of the new depot building in Crowley Street the GWCC board commenced the process of acquiring further space to allow for expanded storage.

The current storage arrangements in the existing Crowley Street depot are not adequate to facilitate the storage of large materials ie pipes, valves or pumps. This space also has the potential for conflicting interaction between the workshop operations as well as materials delivery.

In 2020, GWCC secured the purchase of the land in Crowley Street adjacent to the current administration building to facilitate the progress of this project.

**REPORT**

Before any design process has been commenced, a business case was developed, to analyse various options to facilitate the objectives. This business case looked at three (3) options, being new shed with office space, new shed without office space and the do nothing option.

The Business case has been attached to this report, with the preferred option being for the new shed with the office space included.

The next steps for the project are to commence the detailed design process, this will be done through the engagement of an architect. As the design process progresses, consultation will be required with key internal stakeholders, ie staff involved in working out of the new depot, as well as GWCC management.

The final design will be delivered to enable a construction tender to be put together as well as submission of the Development Application and associated construction certificates.

Prior to final approvals to commence, Council will also need to undertake a Capital Expenditure review, in accordance with the Capital Expenditure Guidelines issued under Section 23A of the Local Government Act 1993.

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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These guidelines apply to capital projects for infrastructure facilities that are expected to cost in excess of 10% of Council's annual ordinary rate revenue or \$1 million (GST Exclusive), whichever is greater. Before Council undertakes the Capital expenditure review process, a preliminary business case needs to be developed. Once Council is satisfied that sufficient information has been provided in the preliminary business case and has resolved to continue with the project, a Capital Expenditure Review should be prepared.

**FINANCIAL IMPACT STATEMENT**

The recommendation does not impact on Council's financial position, there is an allocation in the 2021/22 Delivery Program for the design process for the Crowley St Depot. This design process will then inform the Board on the total projected costs based on the finalised design.

**ATTACHMENTS:** Preliminary Business Case

**TABLED ITEMS:** Nil



## **Business Case**

**for**

**GWCC Depot 119 – 123 Crowley Street,  
Temora**

**Author:**  
**R Graham**

**Business Case – New GWCC Depot Crowley St**

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**Version Control**

**Project Reference Number:**

Version	Date updated	Document	By Who
1.0			RSG

**Business Case Sign-off**

Position: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Business Case – New GWCC Depot Crowley St**

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**Business Case –New GWCC Depot Crowley St**

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## **1 Executive Summary**

In 2016 the GWCC board in a closed session considered the expansion of the new depot facility in Crowley St, Temora. The reasoning behind this expansion was the insufficient space for the storage of bulky items commonly used by GWCC such as pipes and fittings.

In June 2020 GWCC purchased two (2) lots of land adjacent to the current administration building in Crowley St. Demolition of the existing buildings occurred on this site later that year. The intention of this was to facilitate the centralisation and future expansion of the Temora facilities in line with the 2016 report.

To progress this, investigations have been undertaken into the potential options available with the development of this business case where potential options have been investigated and a recommended path forward has been developed.

## **2 Business Problem**

### **2.1 Environmental Analysis**

The proposal for the new depot aligns with GWCC Business Activity Strategic Plan Strategy 1.1.2 Provide a reliable and quality drinking water supply, in particular as identified in the Operation plan 2017 to 2021 1.2.4 undertake Capital Works Program and 1.2.5 Undertake Maintenance Program.

By having access to reliable materials supply enables the adopted Levels of Service relating to unplanned interruptions of 2 x per year for up to 12 hours and 5 x per year of up to 5 hours to be met.

The proposal also aligns with the Boards decision in October 2016 to acquire adjoining property to enlarge the available storage space.

Also enables assurance that Capital works delivery can be met especially with recent supply chain issues whereby some critical materials are being held up by up to 4 months due to materials shortages and supply chain issues.

### **2.2 Problem Analysis**

The creation of GWCC out of the previous entities SWTWS and NRCC created a change in scale for the operation of the network. Combined with recent changes due to supply chain issues with COVID and a focus on asset renewals has identified a need for adequate storage of critical spares as well as pre-ordering of materials.

The construction of the new workshop / store in Crowley Street in 2016, combined with the closure and subsequent sale of the Cootamundra Depot reduced the effective secure undercover storage available.

In October 2016 the GWCC Board identified that further storage space was required and prompted the purchase of additional adjoining property to facilitate the construction of appropriate storage space.

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### Business Case – New GWCC Depot Crowley St

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The current depot in Crowley Street, Temora is utilised both as a delivery point for materials as well as a manufacturing workshop. This creates a WHS issue with deliveries occurring while large scale manufacturing is being undertaken within the same space.

With COVID restrictions and supply chain issues, some critical parts can take upwards of 4 months to be delivered. In the case of reactive maintenance caused by component failure this is not acceptable requiring a larger stock of critical materials including valves, pumps and pipe to be stored.

The Temora Depot site is a very centralized location with the majority of the network being within 100km. Also centralised in relation to the workshop and administration areas. Other depot sites within the GWCC network include Oura, Cootamundra, Temora West, Jugiong WTP, Junee, Ganmain and West Wyalong. These sites have issues relating to available storage, conflicting use (ie Jugiong and Oura) and distance from the rest of the network.

Currently the majority of staff utilize on street parking when at work, the new location will facilitate this reduction through the provision of at least 14 more off street parking spaces.

With the changing legislative environment and need for a professional workforce GWCC is finding that there is a need for more mandatory training. This is to comply with the following:

- Provision of safe drinking water
- WHS – mandatory training – Confined spaces, working from heights, working under powerlines, chlorine, Hazchem etc
- Environmental requirements

Also with COVID restrictions, maximum attendance numbers are being enforced requiring more rooms to accommodate staff for video conferencing and online. Currently Temora Office has 2 rooms requiring use of external facilities e.g. TAFE

#### **Summary of Problem**

In 2016 it was identified that the existing depot facilities were inadequate , including:

- Inadequate storage for large common items ie pipes, pumps and fittings
- Unsafe interaction between delivery and workshop operations due to storage being included in current workshop
- Inadequate office space for supervisory staff
- Inadequate training spaces available internally requiring use of external facilities
- Current vacant land identified for expansion purposes requiring rehabilitation after demolition.

#### **Opportunity/idea**

A potential rectification for these issues has been considered being:

- Construction of a new storage facility including office spaces
- Inclusion of off street parking
- Dedicated off street delivery where delivery location is remote from workshop operations.

**Business Case – New GWCC Depot Crowley St**

**3 Available Options**

**3.1 Option 1 – New Building in Crowley St, Temora**

**3.1.1 Description**

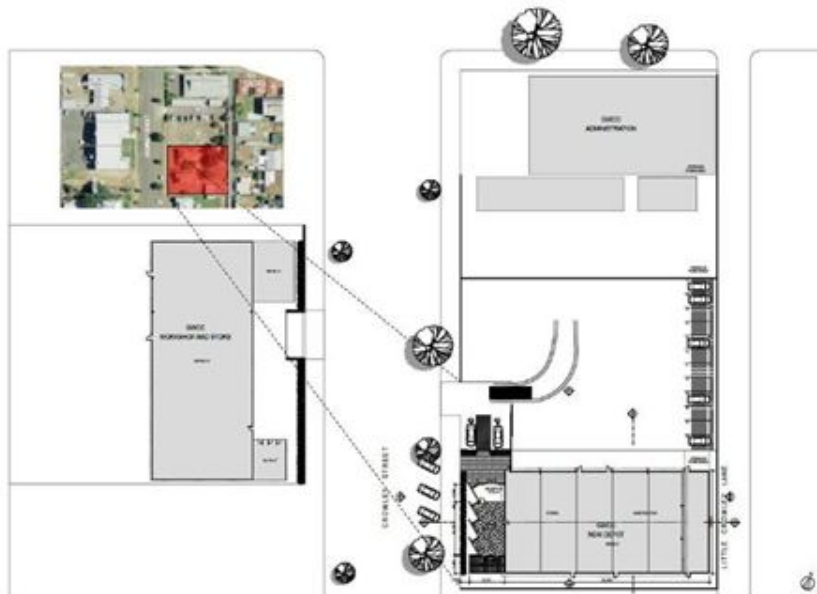
This project is for the construction of a new shed and office on land owned by GWCC in Crowley St, Temora, NSW. The site is contiguous with GWCC current administration offices and is directly across the road from the current workshop and supervisors offices.

The project will consist of the construction of a building which will include a storage footprint to accommodate bulky items including pipes, valves, pumps and other materials and include office space (including amenities). There will be provision for onsite staff and visitor carparking spaces including disabled spaces. Adequate vehicle movement entry and exit to the site will need to be considered for road safety, pedestrian safety and staff safety

The preliminary estimated costs of the project is \$3.02 million, inclusive of design, project management, construction and fitout. The costs will be refined as the design is finalized after consultation with stakeholders

As part of this option, the existing supervisors office in the existing depot will be converted into a meeting / training facility. The current offices are not adequate for the current staff and further office space is required and will be incorporated into the new build

Council in the 21/22 budget has made an allowance of \$100,000 to commence the design process for the depot. To date a very preliminary layout has been sketched, however the design process will need to further develop the required needs including adequate office space, appropriate storage requirements including delivery and shed space. The diagram below is included for information purposes only and does not represent the final layout.



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**Business Case – New GWCC Depot Crowley St**


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### Concept Plan

#### 3.1.2 Benefits

The tangible and intangible benefits to the Council upon construction and fitout of the new depot are as follows:

Category	Benefit	Value
Operational	Improved operational efficiency  Enhanced quality of product / service	<ul style="list-style-type: none"> <li>• Critical spares</li> <li>• Secure storage</li> <li>• Undercover storage – out of weather</li> <li>• Improved response to outages</li> </ul>
Market	Promotes GWCC positively	Improved response to outages / breaks due to better access to critical spares
Customer	Improved customer satisfaction	Improved response to outages
Staff	Increased staff satisfaction Improved organisational culture Longer staff retention	<ul style="list-style-type: none"> <li>• Off street parking</li> <li>• Less conflict between workshop and deliveries</li> <li>• Improved training delivery</li> <li>• Better meeting spaces for staff meetings</li> </ul>

#### 3.1.3 Costs

Based on very preliminary sketches a basic costing has been developed. This will need to be further explored based on the finalised design requirements.

All prices exclude GST.

Usage	Quantity	Rate / m <sup>2</sup>	Subtotal	Total
Stores and Construction	800m <sup>2</sup>	\$1,800	\$1,440,000	
Office and Amenities	100m <sup>2</sup>	\$2,500	\$250,000	\$1,690,000
Carport	12 spaces	\$10,000	\$120,000	\$120,000
Site & Fencing	2,000m <sup>2</sup>	\$250	\$500,000	\$500,000
<b>Construction &amp; Fitout costs</b>			<b>Sub Total</b>	<b>\$2,310,000</b>
Contingency		15%	\$346,500	
Consultancy		10%	\$265,650	
TSC Charges	Est		\$100,000	
			<b>Sub Total</b>	<b>\$712,150</b>
			<b>Total</b>	<b>\$3,022,150</b>

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**Business Case – New GWCC Depot Crowley St**


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Category	Cost	Value
Project Costs	Construction including <ul style="list-style-type: none"> <li>• Design</li> <li>• Construction</li> <li>• Project Management</li> <li>• Fitout</li> </ul>	\$3.02M
Organisational	Operational down-time Short-term loss in productivity - relocating Cultural change	\$ 0 \$ 5,000
Whole of life costs	Operational, maintenance and capital costs <ul style="list-style-type: none"> <li>• Power</li> <li>• Maintenance</li> <li>• cleaning</li> <li>• Depreciation</li> </ul>	\$10,000p.a \$15,000p.a \$12,000 \$75,000p.a Total - \$112,000p.a

**3.1.4 Risks**

Description	Rating	Mitigating Actions
Design Suitability	High	Design outsourced to a qualified architect with suitable experience Review to be undertaken through a Project Control Group consisting of involved staff
BCA Compliance	Low	Architect to develop plans and submission details for TSC BCA Approval
Budget	Medium	Budget developed utilising previous industry benchmarks including contingency Maintain strict cost management processes during the project

**3.1.5 Issues**

Description	Priority	Resolution Actions
Required capital expenditure funds have not been budgeted	High	Request funding approval as part of this proposal
Building and development approvals need to be finalised prior to construction	Low	Initiate the Regulatory approval process early so that it does not delay the final roll-out process.

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**Business Case – New GWCC Depot Crowley St**


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**3.1.6 Assumptions**

The major assumptions associated with the adoption of this option include:

- There will be no legislative, business strategy or policy changes during this project
- Prices of raw materials will not increase during the course of this project
- There are no impediments on the site ie contamination, archeological, geological

**3.2 Option 2 – Storage Shed and Sealed site Only****3.2.1 Description**

Construct a large storage shed only on the site with a sealed hardstand area

**3.2.2 Benefits**

Reduction in capital costs for construction as well as ongoing operational costs. Utilisation of vacant land already owned by GWCC and currently used as an informal storage location.

**3.2.3 Costs**

Category	Cost	Value
Formalisation of existing storage site in Crowley St including large storage shed only	<ul style="list-style-type: none"> <li>• Security fencing along laneway</li> <li>• Sealing of site (dust and sediment reduction)</li> <li>• Large Storage Shed</li> </ul>	\$10,000 \$500,000 \$500,000
Whole of life costs	Operational, maintenance and capital costs <ul style="list-style-type: none"> <li>• Resealing (10 years)</li> <li>• Depreciation on shed</li> <li>• Power / maintenance</li> </ul>	\$5,000 \$25,000 \$5,000 Total \$ 35,000 p.a

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**Business Case – New GWCC Depot Crowley St**


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**3.2.4 Risks**

Description	Rating	Mitigating Actions
Design suitability	High	Design to be done in house utilising shed supply and installer. Review undertaken through PCG to confirm suitability
Restricted office space	Med	Utilise existing satellite depots for office space
Complaints around use Informal Storage location	Med	Seal the site to reduce dust, also improve fencing for security along laneway frontage
Budget	Medium	Budget developed utilising previous industry benchmarks including contingency Maintain strict cost management processes during the project

**3.2.5 Issues**

Description	Priority	Resolution Actions
Required capital expenditure funds have not been budgeted	High	Request funding approval as part of this proposal
Building and development approvals need to be finalised prior to construction	Low	Initiate the Regulatory approval process early so that it does not delay the final roll-out process.

**3.3 Option 3 – Status Quo****3.3.1 Description**

Retain existing arrangements where materials delivery is still undertaken within existing workshop. Storage for critical spares is assigned to individual depots.

**3.3.2 Benefits**

Reduction in capital costs for construction as well as ongoing operational costs. Utilisation of vacant land already owned by GWCC and currently used as an informal storage location.

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**Business Case – New GWCC Depot Crowley St**


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**3.3.3 Costs**

Category	Cost	Value
Formalisation of existing storage site in Crowley St	<ul style="list-style-type: none"> <li>Sealing of site (dust and sediment reduction)</li> </ul>	\$150,000
Whole of life costs	Operational, maintenance and capital costs <ul style="list-style-type: none"> <li>Resealing (10 years)</li> </ul>	\$5,000 p.a

Transport and time costs, meaning potential double up in materials required due to excessive transport times to some locations.

Less storage availability – reliance on suppliers turnaround for critical spares / parts

**3.3.4 Risks**

Description	Rating	Mitigating Actions
Materials storage Reduced material storage space for large components such as large valves, pipes and pumps Some materials stored in inappropriate locations / exposure to elements reducing effective life	High	Utilising smaller locations with materials spread over several depots across GWCC area.
Materials not accounted for due to multiple locations being used	High	Creation of centralised stock keeping
Complaints around use Informal Storage location	Med	Seal the site to reduce dust, also improve fencing for security along laneway frontage
Budget	Medium	Budget developed utilising previous industry benchmarks including contingency Maintain strict cost management processes during the project



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**Business Case – New GWCC Depot Crowley St**


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**3.3.5 Issues**

Description	Priority	Resolution Actions
Delays in sourcing critical components for maintenance	High	Look to pre-purchase materials for critical locations and store on site
Storage for larger components compromised by exposure to elements	High	Utilise existing buildings
Interaction between goods delivery and workshop operations	High	Workshop operations to cease during goods delivery times. Where possible schedule deliveries, however this is not always possible due to external contractors

**4 Recommended Option**

In analysing the three options considered in this business case, the intention of the project to provide improved storage and a centralised facility to support GWCC into the future was considered.

While option 3 is the least cost option, it fails to address the core intentions of improved storage. It also leaves the vacant land in Crowley street as an undeveloped block with no real plan. Some works would be required for maintenance and housekeeping to reduce dust and silt runoff into the drainage systems.

Option 2 while being able to provide the required storage, still doesn't address the requirement for improved office arrangements for the supervisory staff or meeting / training room space for ongoing skills improvement and maintenance. This option is still relatively expensive by virtue of the shed and hardstand construction.

Option 1 being the preferred option as it addresses the key intent of improving storage space, provision of adequate office and meeting / training space as well as effective use of the vacant land in Crowley St.

**5 Implementation Approach****5.1 Project Initiation**

To progress the project, a Project Control Group will be set up, consisting of the following structure

Project Sponsor – General manager

Project Manager – Engineering Manager

Project Control Group – General Manager, Engineering Manager, Mechanical Co-ordinator, Electrical Co-ordinator, Operations Manager (Or Delegate/s) TBC

**5.2 Project Planning**

Project Phases

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**Business Case – New GWCC Depot Crowley St**

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- Design
  - Resources – Architect, Civil Design , PCG
  - Communication - Monthly
- Approvals DA Submission
  - Resources – Architect, PM
- Tendering
  - Resources Architect, PM
- Construction – Shed
  - Resources – Building Contractor Architect (project compliance) , PM, PCG
  - Communication - Monthly
- Construction Parking Area
  - Resources – Civil Contractor, PM
  - Communication (Start and Finish)
- Fitout
  - Resources – Building Contractor, Architect, PM, PCG
  - Communication weekly

### **5.3 Project Management**

A project plan outlining the project execution and project control will be developed. This plan will outline the following

- Project Team
- Stakeholders
- Project Program
- Risk Management
- Communications

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**ROSEHILL PIPELINE CONSTRUCTION UPDATE**

**Report prepared by Interim Engineering Manager**

**COUNCIL OFFICER RECOMMENDATION**

That the board receive and note the Rosehill Construction report

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

02 Maximising Regional Water Supply

**BACKGROUND**

Sections of the Rosehill to Young trunk main have been identified for replacement due to criticality and poor condition due to age as well as to cater for future growth of Harden, Young and other villages supplied. Two sections totalling 11km of 375 mild steel were identified for replacement. Of these sections 7.3km is being replaced with 500mm and 3.7km of 450mm ductile iron cement lined pipe.

**REPORT**

The tender for the project was awarded to TCM Civil Pty Ltd in December 2020, with construction beginning in early 2021.

As of end of September the status of the project is:

- 95% completion of the original 4.4km 500mm diameter section
  - Outstanding final commissioning
- 90% completion of the 3.7km 450 diameter section
  - Outstanding
    - Construction of Demondrille Creek crossing
    - Fencing of Harden offtake
    - commissioning
- 80% completion of the provisional item of 2.7km through Collingwood
  - Outstanding
    - 100m of pipe construction
    - Restoration of excavated areas
    - Pressure testing
    - Commissioning

A small section of the 450 diameter main crossing Demondrille Creek has not been constructed (approximately 60m) on the Harden Balance Tank section due to the high water flow through Demondrille Creek, the NSW Fisheries permit conditions do not allow for construction to be performed in high flow situations and required the construction of this section to be postponed until flows subside.

Goldenfields and TCM have agreed tentatively to recommence construction in February 2021 depending on the creek water level and will complete the cut - ins and commissioning of the DN450 - Harden Balance Tank section after the creek crossing is completed.

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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The current timeline for works is as follows

- 29/9/21 – 15/10/21 Finish pipe construction of the provisional item through “Collingwood”
- 15/10/21 - 29/10/21 Pressure testing, flushing, disinfection and microbes testing of the Jugiong Rd section
- 1/11/21 – 5/11/21 Cut ins Jugiong Rd DN500 section including the provisional item of DN500
- 5/11/21 – 12/11/21 Final clean up and demobilisation
- 31/1/22 – 4/2/22 Mobilise back to Demondrille Creek crossing
- 4/2/22 – 18/2/22 Construction of Demondrille Creek crossing
- 18/2/22 - 4/3/22 Pressure testing, flushing, disinfection and microbes testing of the Harden Balance Tank section
- 7/3/22 - 11/3/22 Cut ins Harden Balance Tank section
- 11/3/22 – 18/3/22 Final clean up and demobilisation

**FINANCIAL IMPACT STATEMENT**

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

**ATTACHMENTS:** Nil

**TABLED ITEMS:** Nil

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**2020/2021 ANNUAL REPORT**

**Report prepared by General Manager**

**COUNCIL OFFICER RECOMMENDATION**

That Council's 2020/2021 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' 2020/21 Annual Report is the fourth Annual report within the five year reporting period for the 2017 – 2022 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 stipulated under section 217 of the Local Government Regulations

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 2021 Council Meeting Agenda under **Financial Statements 2020/21**.

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:** 2020/21 Annual Report

**TABLED ITEMS:** Nil



# ANNUAL REPORT

2020 - 2021

**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 2020/21 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.

2020/21 has proven to be a challenging year, however Goldenfields has responded to these challenges and as a Board we are pleased with the collaborative response of our organisation during this time.

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 2020/21 financial year. I am proud of the accomplishments the organisation has achieved during this time and in particular the adaptability of our staff that has been displayed throughout a challenging year.

Importantly, I would like to acknowledge the efforts and dedication of our highly skilled and professional staff during 2020/21. Their 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.



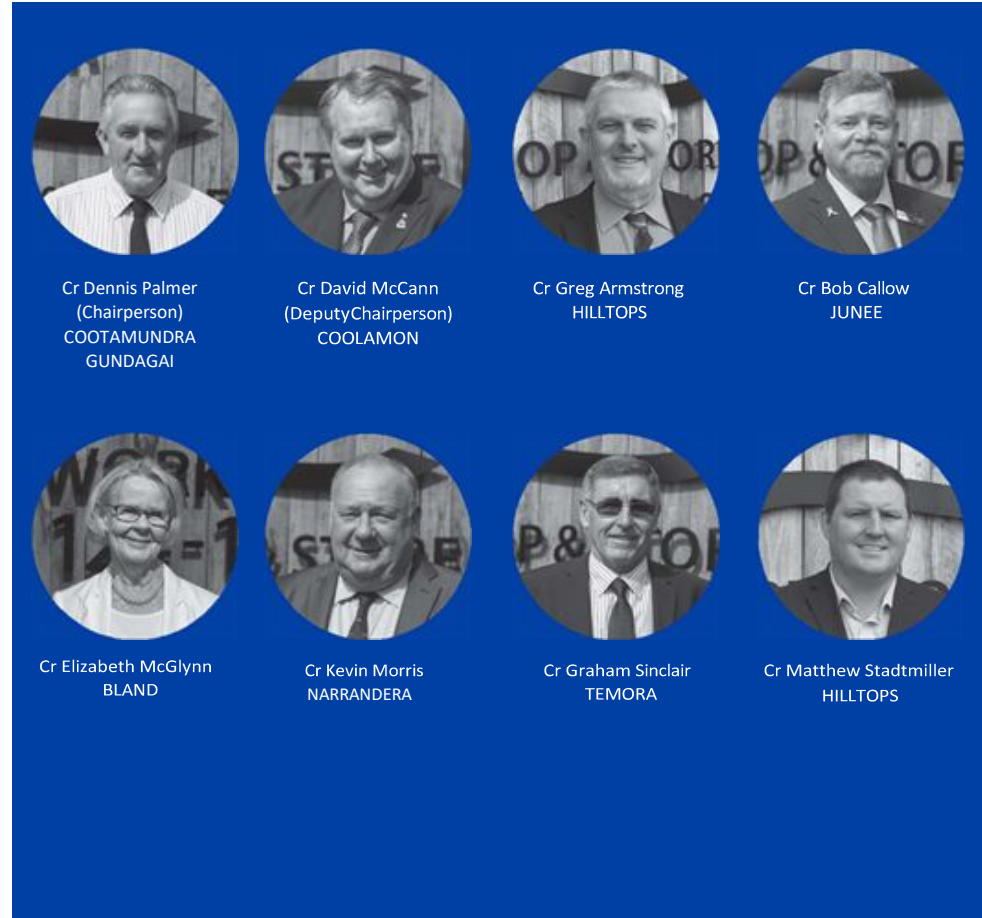
## The Board

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 the Statutory Reporting section 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

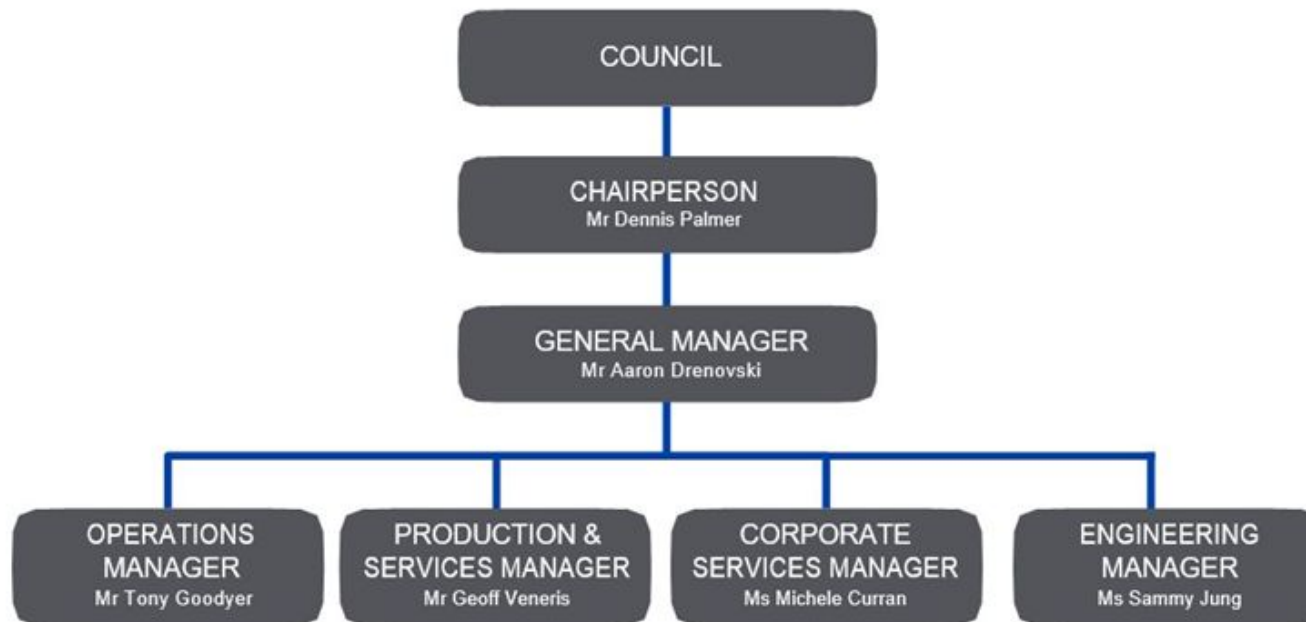




# Organisational Structure

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

## 2017-2022

### 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 2020/21.

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 2017/22 Delivery Program and 2020/21 Operational Plan to achieve those priorities.



Green – Completed



Blue – Progressing



Red – Not yet started






## 1: Excellence in service provision

### 1.2: Provide a reliable and quality drinking water supply

#### 1.2.1: Water quality meets or exceeds the Australian Drinking Water Guidelines

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.1.1	Maintain and Review the Drinking Water Management System	Complete DWMS Annual Report	Production & Services Manager		100%	The DWMS and associated documentation has been reviewed and reported to Council at the December 2020 Council meeting. The review of the DWMS commences in August and is completed around October before submission and acknowledgment by the Board and NSW Health in December of each year.



### 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	Capture asset burst data. Undertake 1 pump station audit each quarter.	Burst data is captured and reported on. One pump station audit has been undertaken each quarter.	Engineering Manager		100%	Burst data utilised as part of the future Capital replacement programs
1.2.2.3	Construct and deliver Mandamah Pipeline Stage 2 as per program - approximately 30km. Deliver the Capital Works as per schedule.	Achieve greater than 85% of program	Operations Manager		100%	Stage 2 is fully completed and commissioned. Stage 3 is 90% completed and stage 4 is due to commence in September 2021
1.2.2.4	Continue with the Valve maintenance/replacement program utilising established resources. Reservoir cleaning/maintenance and inspections are ongoing, both planned and re-active. Reports/findings are actioned to the Engineering department.	Achieve greater than 85% of program	Operations Manager		100%	These programs are fully completed



### 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	Undertake audit of existing backflows. Continue Backflow installation program.	Audit completed by end of financial year and reported on. Backflow installed in Barellan.	Engineering Manager	●	100%	Backflow installation completed on Rosehill Pipeline within Hilltops LGA

### 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	Utilise issues register and burst data to determine renewals program.	Achieve 90% of mains renewals budget	Engineering Manager	●	100%	Rosehill Pipeline approximately 75%. Lord St Roundabout Junee replacement completed. Joffre St, Temora Mains replacement completed. Crowley St, Temora Mains replacement completed. Main St, Cox St Junee Mains replacement completed. Junee 50mm Gal replacement completed.
1.2.4.2	Continue with Mandamah water main extension program	Achieve greater than 85% of 30km of mains installation.	Engineering Manager	●	100%	Works continuing on the project with 36.4km of mains constructed this year



### 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	One pump station audit undertaken each quarter.	One pump station audit undertaken each quarter.	Production & Services Manager		100%	All pump stations are inspected on a routine basis with all condition criteria provided into GWCC's asset management procedures where investment and criticality determinations are made for each asset as part of Councils Asset Management Framework.

### 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	Utilise issues register and burst data to determine renewals program	Achieve 90% of mains renewals budget	Engineering Manager		100%	Rosehill construction underway. Thanowring road detailed design completed, land acquisition underway. Tender for materials underway.



### 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	Progressively replace all SCADA across to ClearSCADA	Switch Board Replacements for Oura Bore 6, 3 and 4. Matong Bore 2.	Production & Services Manager		100%	This project is staged over multiple financial years. A progressive replacement program has been undertaken with the completion of all Mt Daylight Scheme sites.
1.2.8.2	Where identified, expand the SCADA system to cover new localities and instrumentation	Bulk Customer offtakes to be included with water quality analysers, flow meters and connected to SCADA. New installations are planned for Galong, Harden and Young Terminal	Production & Services Manager		70%	GWCC staff continually investigate opportunities to expand the SCADA control system across our water supply schemes to increase operational efficiencies and risk management. Additional water quality monitoring sites at Galong, Harden and Young Terminal Storage were identified for installation with the purchase of required hardware being completed. Installation of the new assets will be undertaken in 2021/22 financial year.

### 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 bulk meter audit and renewal program.	Develop a 5 year program. Validate or renew a minimum of 2 bulk meters.	Production & Services Manager		100%	Staff have undertaken a review of all bulk meters within the Jugiong scheme. Additional Taggle metering has been investigated for installation to commence the retrieval of interval data. It has been identified that the Harden, Wallendbeen and Wombat meters required replacement and were completed.



#### 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	Undertake renewals as per program.	Achieve 85% of program	Operations Manager		90%	Approximately 90% of renewals have been completed as of 30 June
1.2.10.2	Undertake renewals as per program	Achieve 85% of the program	Engineering Manager		50%	As of 30 June in excess of 85% renewals have been completed and commissioned.
1.2.10.4	Undertake renewals as per program.	Achieve 85% of program	Engineering Manager		100%	Five critical valves replaced at Oura and Jugiong to improve operation of network
1.2.10.6	Undertake renewals as per program	Achieve 85% of program	Operations Manager		85%	Program is 85% completed

#### 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	Undertake renewals as per program	Achieve 85% of program	Operations Manager		75%	Program is progressing and should exceed its 85% completion rating once the new construction crew has commenced



### 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	Replace aged water quality instrumentation where required.	Prunevale analyser has been replaced.	Production & Services Manager		100%	GWCC staff progressively renew water quality instrumentation when and where required. The replacement of the Prunevale Pump station online monitoring system has been replaced this year.
1.2.12.2	Expand the installation of water quality instrumentation across the schemes in key locations.	Bulk Customer offtakes to be included with water quality analysers, flow meters and connected to SCADA. New installations are planned for Galong, Harden and Young Terminal.	Production & Services Manager		70%	This indicator is aligned with item 1.2.8.2, the expansion of SCADA. Three sites have been identified within this financial year for expansion, those being, Galong offtake, Harden offtake and Terminal Storage.

### 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.	Our website is regularly updated with relevant and timely information.	Community Engagement Officer		100%	Relevant information has been updated and published on Councils website in a timely manner to ensure our community is always informed.



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.13.2	Proactively provide project specific information to relevant stakeholders as required and respond to any stakeholder requests in a timely manner.	Accurate and relevant information is provided to stakeholders in a timely manner.	General Manager	●	100%	Goldenfields stakeholders are provided relevant information through quarterly customer newsletters, website updates, media and social media engagement. Stakeholder requests are responded to in line with the customer service charter.
1.2.13.3	Distribute monthly management reports to responsible officers.	Distribute monthly reports within 5 days of month end	Corporate Services Manager	●	100%	Reports issued on a monthly basis within 5 days of month end.
1.2.13.4	Prepare statutory financial reports within required timeframes - including Quarterly Budget Reviews, Annual Financial Statements.	Quarterly Budget Reviews presented at the Council meeting following quarter end. Annual Financial Statements submitted to Office of Local Government by statutory due date.	Corporate Services Manager	●	100%	2019/2020 financial statements submitted to Office of Local Government prior to due date. Quarterly Budget Reviews presented to Council within required timeframe.
1.2.13.5	Notify any non-conformance as required. Complete annual reporting to NSW Public Health, DPIE, and EPA.	Complete DWMS Annual Report, EPA Annual Return and the Annual Benchmark Report. Notify any non-conformances to the relevant Authority as required.	Production & Services Manager	●	100%	All annual reporting has been completed for the current financial year and submitted to DPIE, EPA and NSW Health. Any non-conformances that are identified throughout the year are reported in accordance with GWCC's Drinking Water Management System.





## 2: Maximising regional water supply

### 2.1: Plan for the region's 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
2.1.1.2	Complete Integrated Water Cycle Management Strategy	Complete the IWCM	Production & Services Manager		50%	The finalisation of GWCC's IWCM Issues Paper has been completed. The development of a scope of works from the Issues Paper has been completed and submitted to DPIE for approval to proceed to the development of the "Strategy Phase". Public Works have been engaged to complete a new IWCM Strategy which is expected to be completed in July/August 2022.

### 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	Engage with Constituent Councils regularly	General Manager		100%	Goldenfields and Bland Shire Council have worked closely together to apply for funding to support the West Wyalong Water Security Project.



### 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	Engineering staff are to undertake hydraulic modelling training.	Engineering staff have undertaken hydraulic modelling training.	Engineering Manager		100%	Relevant staff qualifications are up to date.

## 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	Continue to source and research new technologies that may assist Council in gaining efficiencies of operations, storage and access to data or automated control of operations.	Continue to develop Wateroutlook. Source and review new technologies when and where appropriate.	Production & Services Manager		100%	Staff continually investigate any opportunities for new technologies that may provide greater control, redundancy or efficiency in council operations. The commencement of a new Software system for Artificial Intelligence (AI) has commenced for the Jugiong scheme. This AI product will seek to optimize Councils water treatment plant and pump station assets to meet its required demands as an advisory system.



### 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	Council to maintain a committee member role on the NSW Water Directorate. Undertake submissions to State and Federal Governments when and where required.	Production & Services Manager to maintain position as an executive committee member on the NSW Water Directorate	Production & Services Manager		100%	Production & Services Manager is currently an executive committee member for the NSW Water Directorate and the Chair of the Digital Utilities Sub-Committee.

## 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 a water meter replacement program.	A program for future meter replacements has been developed.	Operations Manager		10%	Re-convene with engineering in 21/22 to discuss and implement this program going forward



## 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 at least 97% of meters by automated meter reading network.	Minimum of 97% meters read through AMR network.	Corporate Services Manager	●	100%	Meeting performance measure of 97% of meters being ready through AMR network.
4.2.1.2	Water Accounts issued within 3 weeks of quarter end	Water accounts issued within 3 weeks of quarter end.	Corporate Services Manager	●	100%	Water accounts issued within agreed timeframe of 3 weeks following quarter end.

## 4.3: Deliver a consistent price path

### 4.3.1: We have a published price path to ensure financial sustainability



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
4.3.1.1	Determine scheduled fees and charges consistent with the long term financial plan.	Review LTFP to determine fees and charges schedule for inclusion in operational plan - maintaining financial sustainability (surplus operating results and cash reserves throughout 10 year plan).	Corporate Services Manager	●	100%	Fees and charges established within 2020/2021 operational plan as part of the LTFP review.



## 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	Goldenfields 4 yearly customer survey will be conducted in the 2020/21 Financial Year as outlined in the 2017 - 2021 Community Engagement Strategy.	Customer survey is undertaken	Community Engagement Officer		100%	A customer survey was conducted in August 2020 as per the requirement of the 2017 - 2021 Community Engagement Strategy.
5.1.1.2	Goldenfields 4 yearly customer survey will be conducted in the 2020/21 Financial Year as outlined in the 2017 - 2021 Community Engagement Strategy. Insights from this survey will be utilised to improve our engagement with customers and the community.	Insights from the survey are considered when formulating the 2021-25 Community Engagement Strategy.	Community Engagement Officer		100%	A customer survey was conducted in August 2020 to better understand the needs and experiences of residents, farmers, business owners and others. The results from the survey will assist the newly elected board formulate the 2022-26 Community Engagement Strategy to ensure we are fostering relationships with the communities that depend on us.



### 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	Goldenfields 4 year community engagement strategy is developed utilising information gathered from the community including the customer survey.	Goldenfields Water 2021-25 Community Engagement Strategy is developed.	Community Engagement Officer		0%	Due to the unprecedented circumstances surrounding Covid-19, the current Community Engagement Strategy has been extended for 12 months. The next Community Engagement Strategy will be developed for 2022-26.

### 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
5.1.3.2	Levels of service identified within the IWCM are communicated to our customers.	Our customers are made aware of the levels of service identified within the Integrated Water Cycle Management Plan.	Community Engagement Officer		50%	The IWCM is still being developed however we currently provide commentary on our levels of service within the Drinking Water Management System and Policy which is available for customers to view on our website.



#### 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	Information regarding water management and sustainable water practices is delivered to our community through a variety of advertising mediums.	Our community is provided information on water management and sustainable water practices.	Community Engagement Officer		100%	Goldenfields Water continues to promote sustainability and water wise messaging to customers through a variety of methods including water-related educational resources for primary school students, the delivery of our water refill station to constituent councils and the promotion of tap water, social media messaging and encouraging customers to utilise the Goldenfields Water App.
5.1.4.2	Goldenfields Water will host 'Depth Days' at the Jugiong Water Treatment Plant for schools within our supply area. During Water Week, Goldenfields will work with local schools and pre-schools to provide interactive sustainable water themed resources.	Goldenfields hosts 'Depth Days' and engages with local schools and preschools during Water Week to provide sustainable water themed resources.	Community Engagement Officer		100%	Goldenfields Water engaged with over 20 local schools in their National Water Week program, held annually in October. Depth Days took place in April and May 2021.



## 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%	REROC and RIVJO meetings are regularly attended. Goldenfields is participating in the 'Start Your Career Here' Program through the Riverina Joint Organisation.
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 has engaged with REROC to promoted common interest, including joining the Code of Conduct assessment panel.

### 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	Engage with our Constituent Councils regularly, including annual meetings or as necessary.	We have regularly engaged with our Constituent Councils	General Manager		100%	Having presented the Asset Strategy Update to Temora, Junee, Bland and Coolamon Shire councils in late 2020, the General Manager presented to Cootamundra-Gundagai, Narrandera and Hilltops Councils in early 2021.
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 and Bland Shire Council have worked closely together to apply for funding to support the West Wyalong Water Security 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	Information regarding Goldenfields' current works, major upcoming works, educational programs and general updates are provided through our bi-annual Customer Newsletter. Goldenfields stakeholders will be consistently be updated with information through a variety of traditional and modern media platforms.	Goldenfields Customer Newsletter is circulated in April and October and information is regularly provided through various media platforms.	Community Engagement Officer		100%	GWCC issue a quarterly customer newsletter, media releases, radio advertisement, television commercials, social media and an updated website to keep customers and stakeholders informed with the latest news and announcements.



## 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
6.2.1.2	Provide access to information to operators of large energy usage sites.	Review control operations of all large energy usage sites and educate operators in managing time of use recommendations.	Production & Services Manager		100%	GWCC utilises a cloud based energy Software system called Azility, that monitors energy usage information for every asset and also provides an automated billing review system for identification of anomalies. Access to this system and associated information has been made available to all necessary staff whom manage energy requirements for council.
6.2.1.3	Investigate and review any renewable projects where viable.	Review Solar options for small sites and investigate alternative renewable energy projects for reducing Councils long term costs of energy.	Production & Services Manager		100%	GWCC staff has undertaken an audit of all energy usage sites and has determined that no viable options are currently available to commence. This is mainly due to the significant volume of land required to be purchased to facilitate renewable energy projects. The purchase and costs of land make the projects unviable. Staff are continuing investigations into better management of existing systems through projects such as the Jugiong Artificial Intelligence system Emagine.



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
6.2.1.4	Maintain an energy usage and cost data base.	Maintain the population of Azility cloud base systems to actively monitor our energy usage and costs.	Production & Services Manager	●	100%	GWCC has developed and utilises a software system called Azility to monitor and track all energy usage sites.

#### 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
6.2.2.2	Customers are encouraged to sign up to the Goldenfields Water App. The Goldenfields Water App is utilised to provide customers with updates.	Customer registration to the Goldenfields App has increased	Community Engagement Officer	●	100%	Customers are encouraged to utilise this free service through regular advertising - both traditional and modern.



### 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
6.3.1.1	Actively monitor our raw water source via both hydrological and water quality parameters	Undertake monthly sampling and testing of raw water quality samples. Monitor councils access entitlements to source water and ensure restrictions are utilised when and where required.	Production & Services Manager		100%	GWCC staff undertake routine monitoring, sampling and testing of all raw water sources. Additional SCADA monitoring systems have been installed on some groundwater bores to trend levels. Staff are also currently developing visual monitoring system of groundwater levels for the Oura borefield through the WaterOutlook software system.
6.3.1.2	Council staff are informed and educated of the risks to water supply sustainability, and policies and practices are reviewed in line with this information.	Goldenfields policies and practices are aligned with water supply sustainability.	General Manager		100%	Goldenfields' SCADA systems are continually invested in to monitor our groundwater sources to ensure security of yield for the long term.



## 7: Efficient operations

### 7.1: Improve business efficiency

#### 7.1.1: We have an efficient corporate structure

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
7.1.1.1	Goldenfields Corporate structure is reviewed within 12 months of the ordinary election of council to best meet the organisations requirements.	Goldenfields Corporate structure is efficiently aligned to meet organisational requirements, having been reviewed within 12 months of the ordinary election of council.	General Manager		0%	This item will align with the local government election cycle and has been included in the 2021/22 Operation Plan activities.

#### 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		100%	GIS Data integrated with Asset data, Burst locations recorded. Continual improvement ongoing



### 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
7.1.3.4	Contract management module added to authority suite	Contract management module added to authority suite	Engineering Manager		100%	Contract management Framework developed and implemented

### 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	Prepare annual fleet replacement budget and review quarterly.	Prepare annual fleet budget for inclusion in Capital Works Program. Review progress quarterly during Quarterly Budget Reviews.	Corporate Services Manager		100%	Fleet replacement budget adopted in operational plan and is reviewed during Quarterly Budget Review process.
7.1.5.2	To be considered when the corporate structure is reviewed.	Considered as part of the corporate structure review.	General Manager		0%	Consideration of a fleet management system will occur in conjunction with the review of the corporate structure post local government elections.



### 7.3: 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
7.3.2.1	Consideration is to be given to the development of an environmental management system during 2020/21.	Consideration has been given to the development of an environmental management system.	Production & Services Manager		0%	No resources have been made available to undertake this work within the current financial year.

#### 7.3.3: Integrated risk management is part of asset management processes

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
7.3.3.1	Asset renewals are prioritised based on investment prioritisation model.	Prioritisation reported to MANEX	Engineering Manager		100%	Asset data updated and used to inform future Capital works programs



## 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
7.4.1.2	The current Customer Service Calls application is to be further utilised to streamline operations in the field.	The utilisation of the Customer Service Call application has been expanded to streamline operations in the field.	Corporate Services Manager		100%	Customer Service Call application is being utilised by field staff to issue and track service calls.

## 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
8.1.1.1	Goldenfields Workforce Management Plan is developed to meet the organisational requirements identified within the four year Delivery Program for 2021/25.	Goldenfields Workforce Management Plan has been developed and adopted by the Board.	HR Coordinator		0%	Not Due to start





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 organisational future needs	Annual staff development plans completed, training undertaken for identified gaps	HR Coordinator		100%	Staff were provided with training and education in accordance with Goldenfields Water's Training Plan 2019-2021.
8.1.1.3	An annual staff survey is undertaken to identify areas that are going well, areas that could be improved and how staff are best supported to effectively perform their roles.	Annual staff survey is undertaken and results considered to enhance organisational functions.	HR Coordinator		100%	Staff survey was conducted in September 2020. Results reported back to staff and to Board. Results considered to enhance organisational functions through staff training and promotion of cross unit cooperation.

## 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 and undertake annual review of long term financial plan.	Review long term financial plan annually in conjunction with operational plan preparation.	Corporate Services Manager		100%	LTFP reviewed and adopted for 2020/2021. Reviewed in conjunction with 2021/2022 budget preparation process.



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
9.1.1.4	Capital works program is developed in accordance with Council's asset management and investment frameworks and is achievable within Council's long term financial plan.	Capital works program is developed in accordance with Council's asset management and investment frameworks and is achievable within Council's long term financial plan.	Engineering Manager		100%	30 Year Capital Works program has been developed with Next financial years Capital program adopted as part of the Delivery Program



## 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 2020/21 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
<b>Total</b>	<b>\$95,376</b>
Provision of dedicated office equipment	Nil
Telephone call allowance	\$780
Attendance of councillors at conferences and seminars	\$1,666
Induction training and professional development programs	Nil
Other training and skill development	Nil
Attendance of councillors spouse at conferences	Nil
Travel expenses	\$6,412
Provision of care for child or immediate family member	Nil
<b>Total</b>	<b>\$8,858</b>

### 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 Ltd	Electricity	\$2,127,479
AGL Energy Ltd	Electricity	\$132,639
Ampol Ltd	Fuel	\$248,602
Cardno NSW/ACT Pty Ltd	Rosehill to Young Strategic Plan	\$206,663
Schneider Electric Australia Pty Ltd	Oura HV Equipment	\$1,880,026
TCM Civil Pty Ltd	Rosehill to Harden Pipeline Replacement	\$3,401,743
Gongues Constructions Pty Ltd	Critical Large Valves Replacement	\$656,255
AGH Demolitions and Asbestos Removal Pty Ltd	Old Jugiong Treatment Plant Demolition	\$587,410
Gongues Constructions Pty Ltd	Oura HV Civil Construction	\$3,028,000
<b>Total</b>		<b>\$12,268,817</b>



**Legal Proceedings: Expenses & Progress**

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

During the 2020/21 year Goldenfields Water incurred \$132,887 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 2020/21 year Goldenfields did not carry out any works on private land.

**Section 356 contributions**

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

Section 365 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 2020/21, Goldenfields Water provided the following donations:



- Access Charge Donation - \$157,440
- Donation of Drinking Water re-fill stations - \$47,946
- Schools - \$13,200

**Total rates and charges written off**

*Clause 132 Local Government (General) Regulation 2005*

During the 2020/21 year, Goldenfields Water County Council wrote off a total of \$0.

**Goldenfields Water functions delegated to external bodies**

*Clause 217(1) (a6) Local Government (General) Regulation 2005.*

During the 2020/21 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 2020/21 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 2020/21 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 2020/21 financial year the general manager was the only position on a senior staff contract. The remuneration total includes salaries paid, employer superannuation contributions, and fringe benefits tax.

General Manager      \$241,128

**Compliance with the Australian Drinking Water Guidelines (ADWG)**

Goldenfields Water has developed and maintained a 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 2020/21 reporting period, Goldenfields Staff have conducted a total of 1296 microbial water samples, 186 comprehensive chemical samples, 14 pesticide samples, 5 Radiological samples were taken and then tested by Australian Nuclear Science and Technology

Organisation (ANSTO), and 2099 in-situ testing samples undertaken and reported on.

All microbial samples were compliant throughout the reporting period, with 17 Critical Control Point (CCP) non-conformances triggered during this reporting year. These exceedances were based on fluoride or chlorine plant failures, where the treatment plant either failed to dose fluoride or the chlorine analyser required calibration. 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>



**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 nil formal access applications.

**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	0	0	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)	0	0	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

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

*\*The Information Commissioner does not have the authority to vary decisions, but can make 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 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

**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



**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 2020/21 can be found in the following table

<b>1 July 2020 - 30 June 2021</b>	<b>Made by public officials performing their day to day functions</b>	<b>Under a statutory or other legal obligation</b>	<b>All other PIDs</b>
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 2020/21 are included below.

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**LOCAL GOVERNMENT NSW ANNUAL CONFERENCE**

**Report prepared by General Manager**

**COUNCIL OFFICER RECOMMENDATION**

That the Board endorse the Chairperson as Goldenfields Water's voting delegate for the LGNSW Annual Conference.

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

03 Strategic Water Management

**BACKGROUND**

The Local Government NSW Annual Conference is the annual policy making event for NSW Councils and where councillors come together to share ideas and debate issues that shape the way their councils are governed.

**REPORT**

This year due to the postponement of Local Government Elections the decision was made to split the event into two components:

A one-hour Annual Conference to present the annual report and financial reports, which will be conducted online from 9.30am on Monday 29 November 2021; and

A Special Conference – including the debate and resolution of motions setting our advocacy agenda for 2022 - to be held in-person at the Hyatt Regency Sydney from Monday 28 February to Wednesday 2 March 2022.

Delegates to attend the Special Conference will be resolved upon in early 2022.

Council is required to resolve upon the voting delegation being assigned to one of its members for the one hour Annual Conference being held on 29 November 2021.

**FINANCIAL IMPACT STATEMENT**

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

**ATTACHMENTS:** Nil

**TABLED ITEMS:** Nil

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**OURA TRUNK MAIN CUSTOMER HANDOVER**

**Report prepared by General Manager**

**COUNCIL OFFICER RECOMMENDATION**

That the Board endorse:

1. The handover from Riverina Water of 20 customers on the Oura Trunk main.
2. The General Manager develop draft fees and charges transitional arrangement for consideration with the development of the 2022/2023 Operational Plan for the handover customers.

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

01 Excellence in Service Provision

02 Maximising Regional Water Supply

**BACKGROUND**

Riverina Water has 37 customers within their supply area that are serviced from the Goldenfields Oura Scheme. This report focuses on the transfer of 20 customers that are directly connected to the Oura trunk main, to Goldenfields in January 2022.

**REPORT**

Both Riverina and Goldenfields management have endorsed the transfer of the 20 Riverina customers on the Oura trunk main to Goldenfields Water. At the August Riverina Water Board meeting the Riverina Water Board resolved that they endorse the community engagement plan - Handover of Goldenfields Water Customers (as tabled).

The transfer of the 20 customers to Goldenfields water will improve communication between the customer and Goldenfields Water particularly around water quality issues and when maintenance issues arise. Riverina Water's Fees and Charges are less than Goldenfields and it is suggested that the new customers have a five-year transition to Goldenfields fees and charges.

**FINANCIAL IMPACT STATEMENT**

There will be an initial combined cost of approximately \$46,000 to install the taggle devices, new meters and backflow devices to the 20 service connections.

**ATTACHMENTS:** Nil

**TABLED ITEMS:** Riverina Water Community Engagement Plan – Goldenfields Water Customer Handover

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**RANNOCK RFS ONSITE STORAGE WATER CONNECTION APPLICATION**

**Report prepared by General Manager**

**COUNCIL OFFICER RECOMMENDATION**

That the Board:

1. Approve the water service connection for the Rannock Rural Fire Service onsite storage tank with conditions as specified in the tabled letter of offer.
2. Contribute \$2,159.00 for the payment of the application fee and tapping service and meter charge.
3. Authorises to take up to 50 kilolitres per annum without charge for extinguishing fires.

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

01 Excellence in Service Provision

02 Maximising Regional Water Supply

**BACKGROUND**

Rannock RFS have requested a water connection for an onsite water storage tank provided for the purpose of extinguishing fires.

**REPORT**

The Rannock RFS have been provided with an onsite water storage tank to assist with rapid response to refilling fire tankers when attending to fires. The Rannock Water Supply Scheme is closed to new connections due to the scheme being deemed at capacity. The local RFS via Coolamon Shire Council (Trustee of the land) have respectively requested a water connection for the sole purpose of filling and maintaining water supply to the storage tank. Officers are comfortable that provided the initial filling of the storage tank is undertaken outside the peak supply period and the future supply is limited to 10 litres per minute that a connection can be approved.

We have been advised that NSW RFS will neither fund the connection or the water consumed for fire fighting purposes. It is suggested that as a community donation Goldenfields donate both the connection fee and the usage fee applicable to fire fighting usage.

The Local Government regulations c142(5) states: *Persons authorised to do so by the council may take water without charge for the purpose of extinguishing fires.* It is further suggested that for ease of administration that Goldenfields authorises of up to 50 kilolitres per annum before excess charges apply at which time Coolamon Shire will need to validate usage before the levied charges are written off.

The Local government Act 1993 s356 allows Goldenfields by resolution to provide financial assistance. The Connection meets the provisions of PP037 Community Service and Support Policy and will receive a donation equal to the value of the Access Charge.

**FINANCIAL IMPACT STATEMENT**

Application fee, Tapping Service and Meter Charge totalling \$2,159 as a s356 Contribution.



**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**ATTACHMENTS:** Nil

**TABLED ITEMS:** Proposed letter of offer to Coolamon Shire

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**POST ELECTION COUNCIL MEETING DATE**

**Report prepared by General Manager**

**COUNCIL OFFICER RECOMMENDATION**

That the Board consider a suitable date to hold an extraordinary meeting of Council in January 2022 to induct the newly elected Board.

**ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN**

07 Efficient Operations

**BACKGROUND**

Goldenfields Water County Council meetings are generally held on the fourth Thursday of every second month at the Temora Office, commencing at 10.00am.

The Board usually determines the schedule of meetings at the October meeting for the ensuing 12 months.

**REPORT**

Local Government Elections are due to be held on 4 December 2021. Under the Act, all current councillors cease to hold their civic offices on that day.

Therefore, the October Council meeting will be the final meeting of the current Goldenfields Water Board.

The Office of Local Government advises election results likely to be declared between 21 and 23 December 2021. General Purpose Councils will then hold their first meeting, generally within 3 weeks of finalised election results, this first meeting will also establish the representative of each Council to the Goldenfields Water Board.

Communications with Constituent Councils has indicated that these initial meetings will all take place within the first two weeks of January 2022. Goldenfields first ordinary Council meeting for 2022, would not usually be held until 25 February 2022.

It is prudent for the current Board to set the first Council meeting date for 2022, in order for the newly elected Board to meet for the first time and undertake the activities required. Importantly the first meeting after an election requires Councillors to take an oath or affirmation of office, to hold Chairperson elections, and to set the schedule of meetings for the ensuing 12 months.

It is suggested that the first meeting of the newly elected Goldenfields Board take place on Thursday 27 January 2022. It should be noted that there is a public holiday the day prior.

**FINANCIAL IMPACT STATEMENT**

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

**ATTACHMENTS:** Nil

**TABLED ITEMS:** Nil

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**GOLDENFIELDS WATER COUNTY COUNCIL – OCTOBER 2021**

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**OFFICE CLOSURE & END OF YEAR STAFF FUNCTION**

**Report prepared by General Manager**

**COUNCIL OFFICER RECOMMENDATION**

That Council endorse the office to be closed commencing 12.00pm Thursday 23 December 2021, reopening Monday 10 January 2022.

**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.

Goldenfields traditionally hosts an end of year staff function to acknowledge the efforts of employees over the preceding year.

**REPORT**

The office closure is proposed to be from 12.00pm Thursday 23 December 2021, reopening Monday 10 January 2022.

Benefits are:

- The first week of the New Year is a quiet week for customer interaction,
- 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, Direct Deposit and Debit Debit, and Bpay facilities.

Notice will be provided to the public of the office closure period through advertising during December.

The end of year staff function will be held on Thursday 23 December 2021, commencing at 12.30pm. To facilitate the hosting of the function the office will be closed from 12.00pm Thursday 23 December 2021 for the remainder of the day.

Transportation will be arranged as required for employees whose roles are based outside Temora.

**FINANCIAL IMPACT STATEMENT**

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

**ATTACHMENTS:** Nil

**TABLED ITEMS:** Nil

**CLOSE OF BUSINESS**

There being no further business requiring the attention of Council the meeting may be declared closed.